



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

(A joint stock company incorporated in the People's Republic of China with limited liability)  
Stock Code : 6806.HK 000166.SZ

## 2024 Annual Report





Dear shareholders,

2024 marks the 75th anniversary of the founding of the People's Republic of China and is a critical year for achieving the goals and tasks of the "14th Five-Year" Plan. In this year of deepening financial reform, Shenwan Hongyuan seized market opportunities, strengthened strategic execution, accelerated transformation and development, and delivered more solid deliverables with stronger beliefs and more pragmatic actions. **Operating performance achieved solid growth.** We achieved total revenue and other income of RMB34,778 million during the year, representing a year-on-year increase of 8.97%; and profit for the year of RMB6,251 million, representing a year-on-year increase of 14.16%. Our subsidiary, Shenwan Hongyuan Securities, achieved profit for the year attributable to owners of the parent company of RMB6,176 million, representing a year-on-year increase of 11.81%. As at the end of the year, the total assets and total equity of the Group amounted to RMB697,597 million and RMB133,349 million, respectively, representing a year-on-year increase of 9.78% and 3.54%, respectively. **Quality and efficiency achieved significant improvement.** The ROE for the year was 5.08%, representing a year-on-year increase of 0.36 percentage points; and the operating expense ratio for the year was 56.80%, decreased by 4.17 percentage points year-on-year. In 2024, we implemented the first interim dividends distribution. Based on the annual results, the Board proposed to distribute a cash dividend of RMB0.46 for every 10 shares in 2024, with a total payout ratio of 30.27% for the two times. Our tasks in various aspects have achieved new gains and stepped into a new phase.



*Secretary of the Party Committee,  
Chairman*

**Mr. Liu Jian**



**Responding to the situation to identify the new direction of development with determination and positioning.**

2024 is a year to comprehensively deepen the reform of financial system and mechanism, and systematically reshape the basic system of the capital market and the underlying logic of supervision. Facing the profound changes in the financial work situation and tasks, we deeply understand that we can accurately grasp the pulse of industry development, truly prevent risks and seize opportunities only by integrating securities services into the overall national strategic development based on our own functional positioning, becoming a good “gatekeeper” of the capital market, a “service provider” of direct financing and a “manager” of social wealth. We spared no effort in serving the science and technology innovation, digitalization and green of the real economy, assisting in cultivation of new quality productive forces and improving service levels for the modern industrial system. We continued to promote the coverage of customers, regions and services, and helped more small, medium and micro-sized enterprises combine with the capital market. We participated in the construction of multi-level capital market, became one of the first-movers of promoting swap facilities, actively stabilized the market, and served residents' wealth management and institutional customers' medium and long-term asset allocation with actual results. The asset quality was improved steadily, and the foundation for high-quality development was continuously consolidated, which strongly indicated the performance, strengths and image of Shenwan Hongyuan.

**Tapping deep potential to open up new space for development with professionalism and practice.** In the distinctive melody of “strengthening supervision and preventing risks” and “promoting development” in the past year, the securities industry has shown strong resilience and vitality in forging ahead. The strong got stronger and took solid steps towards high-quality development. Facing the double-edged sword of profitability model conversion and competitive landscape reshaping in the industry, we insisted on customer-oriented and professionalism in priority, strengthened product design, asset allocation, risk pricing, industry research, financial technology and other core professional capabilities, made up for shortcomings, strengthened the weakness and tapped potential of original businesses. **We** have launched the “Shencai Youdao (申財有道)” APP, a digital intelligent wealth management platform, continuously optimized personal customer service experience, strengthened investment in financial technology and improved investment consulting services. **We** vigorously developed the cross trade business, became one of the first batch of promoting the cross-border wealth management, promoted the construction of cross-border commodity swap trading links, launched the “Yiwan Qiyuan (易萬啟源)”, a self-developed integrated platform of institutional customer service, and continuously built a great institutional ecosystem of “research + sales + trading”. **We** released the “Listed Company Value Management Evaluation System” for the first time, strived to improve the “research + investment + investment banking” service model for enterprise customers, built a strong customer service system, and accompanied customers throughout their lifecycle. In 2024, the quality of investment banking business won the highest level of Class A again. SWS Research has become the only securities firm that has been listed in the two heavyweight awards of New Fortune, i.e. the “Most Influential Research Institution” and the “Local Gold Medal Research Team” for 22 consecutive times. Over the past year, we have resolutely transformed from scale expansion to quality and efficiency improvement, with financial products and service system getting more diversified, customers and assets accumulating significantly, and the Company's core competitiveness and value foundation becoming more solid.





**Overcoming difficulties to accumulate new driving forces for development through reform and innovation.** Over the past year, we focused on the deep-seated problems in the Company's own development, adjusted the structure, reduced costs and improved efficiency, and moved towards a market-oriented and professional system and mechanism. **We** accelerated the construction of an intensive and agile organization, promoted the reform of the large departmental system in the middle and back office, and optimized the organizational structure of business lines such as wealth management and investment. **We** deepened digital transformation and promoted the integration and mutual promotion of technology applications and business innovation, winning 17 provincial-level financial technology awards during the year and the Second Prize of "2023 Financial Technology Development Award" by the People's Bank of China. **We** made every effort to tap into the potential of business collaboration, consolidated the decision-making support of the management special committee for collaborative development, strengthened talent exchange and appointment, and improved the integrated business synergy system. **We** strengthened the support and empowerment of our headquarters for branches and subsidiaries, made every effort to enhance their profit contribution, and actively promoted centralized and unified management as well as intensive development of overseas subsidiaries. **We** further refined capital management and expense management, made every effort to reduce costs, increase efficiency and improve quality, and effectively enhanced internal development momentum. **We** continued to improve the system and mechanism with organic integration of the Party's leadership and corporate governance, implemented the reform of the independent Director system, supported and ensured the role of the Board in "formulating strategies, making decisions and preventing risks", strengthened the implementation of strategy decomposition, tracking and supervision and dynamic optimization, and improved the closed loop of strategic management, so as to actively build a governance synergy for improving the quality of listed companies.

**Cultivating strong culture to develop a new atmosphere of development through practical work and perseverance.**

Over the past year, **we** regarded corporate culture as the driving force and source of high-quality development, took the tenth anniversary of the merger as an opportunity to initiate the renewal of corporate culture, vigorously carried out the "Gathering Strength to Move Forward" cultural year activity, promoted the construction of the honor system, and actively cultivated and practiced the financial culture with Chinese characteristics. We built enterprise consensus with ideas, created an industry benchmark with brand, inspired cultural glory with examples and promoted widespread recognition with dissemination. We have been selected in the Annual Report on the Cultural Construction of the Securities Industry for four consecutive years. **We** adhered to the principle of "taking proactive and practical actions" to deeply promote the construction of execution power, vigorously promoted the spirit of craftsmanship and model worker, and continuously strengthened the construction of professional and market-oriented talent team. The sense of identity, honor and belonging of our employees has been constantly enhanced. **We** always inherit the long-termism of "refraining from rashness or radicalness", effectively strengthened the risk compliance awareness of all employees, enhanced the management of employees' practicing behavior, integrated stable operation into the Company's development strategy and the ideological foundation of employees, and avoided drastic fluctuations in performance. We enhanced the level of refined management such as risk appetite and risk limits, focused on strengthening the foresight, professionalism and effectiveness of risk management, and strictly adhered to the bottom line of avoiding major risks.



2025 marks the 40th anniversary of the founding of Shenwan Hongyuan and the 10th anniversary of the merger. Looking back, **we** came from the tide of reform and opening up, and witnessed and participated in major milestones such as the establishment and start of the capital market in China, reform of the financial regulatory system, comprehensive governance of securities companies, equity division reform and reform of the stock issuance system. We are honored to be the pioneer of China's capital market and the explorer of the securities industry. From learning to growing rapidly, **we** overcame ten years of trials and challenges of integration, and insisted on developing while integrating, ensuring a smooth transition for customers, employees and business. **We** adhered to the sincere enthusiasm of serving the country with finance, fully supported major national strategies and economic and social development, and determined the comprehensive financial development direction characterized by "investment + investment banking". **We** seized the development opportunities of becoming better, stronger and bigger. Through three major capital operations, namely merger and reorganization, refinancing and listing in Hong Kong, our total assets and net assets attributable to owners of the parent company increased by 2.5 times and 2.3 times, respectively, since the merger, the customer base reached tens of millions, and the collectivize and international business layout continued to expand. Every small step forward of Shenwan Hongyuan is inseparable from the cooperation of our clients, the trust and support of investors, and the continuous struggle of Shenwan Hongyuan personnel. On behalf of the Party committee, the Board of Directors and all employees of the Company, I would like to express our sincerest gratitude to all customers, shareholders and people from all walks of life who care and support our growth.

A big tree grows from a small sprout; a high tower starts with piling up soil. Looking back, through 40 years of integration and progress, we have consolidated our strength to strive for the best. As the trend of long-term stable development of China's economy becomes more and more solid, a joint force for building a high-quality capital market is being formed, and long-term capital and patient capital are being accumulated. At the age of "no doubts forty", Shenwan Hongyuan has capacity, confidence and strength to continue to respond to the needs of the country, meet the expectations of the people and do its utmost to fulfill the financial capabilities, strengthen its strengths to achieve higher results, and seize the times to go further and create a new chapter for the future.

**Taking responsibility and gathering strengths to create new priorities in serving the country through finance.**

We will strengthen our functional positioning, and serve the real economy and the people's wealth management needs with a larger pattern; allocate more resources to major strategies, key areas and weak links in economic and social development; optimize comprehensive financial services in the entire process and life cycle; enhance the adaptability of finance in serving new productive forces; make investments in small enterprises, starting enterprises and hard technologies enterprises; make ourselves better and stronger so as to better benefit the general public; and continue to serve as the vanguard in serving the real economy, the forerunner in financial service innovation and the practitioner of institutional and mechanism reform.

**Rooting in the main business and achieving breakthroughs in transformation to create new priorities in professional services.**

We will seize the new strategic opportunity, take the new round of strategy formulation as an opportunity to optimize and improve the top-level design, aim at the goal of "providing professional services, creating value, and becoming a first-class investment bank and investment institution worthy of long-term trust", pursue efficient, quality and sustainable development, enhance the Company's core competitiveness, fully reshape brand business, and constantly create new business growth poles. We will make efforts in financial technology and research and consulting, promote the transformation of traditional brokerage business to buy-side wealth management business, and actively expand the growth space of customers, assets and business; continue to resolutely push ahead the transformation of investment trading to cross-border business, develop capital intermediary business, provide more liquidity support and risk mitigation tools for the market, and continue to improve stable investment returns; give full play to the strengths of SWS Research, enhance the synergy of political research, industry research and investment research, accelerate the cultivation of core competencies of the investment bank such as sponsorship and pricing, and increase the allocation of investment business to high-quality assets; and strengthen the closed-loop control and management of strategies to further optimize the effectiveness of the implementation of strategies.





### **Strengthening roots and deepening reforms and innovations to create new priorities in deepening reform.**

We will proactively adapt to the process of financial system reform, aim at the target of cost reduction and quality and efficiency enhancement, and explore in-depth the market-oriented system and mechanism reform. We will accelerate the construction of an agile organization to improve the operation decision-making efficiency and lift up the middle and back office management, and deeply explore the market-oriented incentive and constraint mechanism; deepen the business collaboration at a larger and deeper level within and beyond the system, actively integrate into various consultation mechanisms of China Investment Corporation's system, and continue to expand our "circle of friends"; deepen the empowerment of financial technology, accelerate digital transformation, use AI technology to significantly improve business and operational efficiency, improve the construction of standardized and digital systems, maintain the bottom line of quality, and build quality competitiveness.

### **Educating people with culture and building a solid bottom line to create new priorities in stable operations.**

We will continue to strengthen the three cornerstones of "talent, culture and governance". We will firmly establish an organizational atmosphere of practice in courage and skilled work, effectively implement the construction of execution force, adhere to the standards of political reliability, excellent skills and excellent integrity, build the financial talent support with purity, professionalism and combat capacity, and stimulate the enthusiasm, initiative and creativity of all cadres of the Company; strengthen the cultural foundation, actively cultivate the financial culture with Chinese characteristics, and deepen the construction of corporate culture and branding; promote the reform of corporate governance mechanism, further optimize the modern governance of state-owned financial enterprises, improve the quality of investor-centered information disclosure, improve the market value management toolbox, and improve the listed company's quality and investment value; adhere to the concept of stable operation, enhance comprehensive risk management, and improve the long-term internal control system to prevent risks, ensure stability and promote development; bear social responsibility, strengthen the concept of sustainable development, continuously improve ESG management, and create value with professional services, so as to draw the biggest concentric circles of shareholders, customers and employees, and polish the golden name card of Shenwan Hongyuan.

Practice enriches knowledge, while knowledge perfects practice. In the new year, Shenwan Hongyuan will be guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, and fully implement the spirit of the 20th CPC National Congress, the Central Financial Work Conference and the Central Economic Work Conference; and will actively respond to and take the initiative to seek for changes and plan for the future, and be determined to implement the "Five Priorities" on finance with confidence. We are committed to promoting the high-quality development, and actively contributing Shenwan Hongyuan's strength to comprehensively promote the construction of a strong country and the great cause of national rejuvenation with Chinese-style modernization!

*Secretary of the Party Committee, Chairman of Shenwan Hongyuan*

**Mr. Liu Jian**





## Important Notice

1. The Board of Directors, the Board of Supervisors and the directors, supervisors and senior management of the Company warrant the truthfulness, accuracy and completeness of the content contained in this annual report, and that there are no misstatements, misleading representations or material omission in the contents contained herein, and severally and jointly bear full legal responsibilities thereof.
  2. This annual report was considered and approved at the sixth meeting of the sixth session of the Board of the Company. 11 directors shall participate in the poll of the meeting and the actual number of directors participated was 11. No directors, supervisors or senior management of the Company declares the inability to warrant or disagreement with the truthfulness, accuracy and completeness of the content herein.
  3. Mr. Huang Hao, the legal representative and general manager of the Company, Ms. Ren Quansheng, the chief financial officer of the Company, and Mr. Liu Zhixiang, the general manager of the planning and finance department of the Company, have declared that they warrant the truthfulness, accuracy and completeness of the financial report in this annual report.
  4. The financial report for 2024 prepared by the Company in accordance with the International Financial Reporting Standards has been audited by KPMG, the auditor of the Company, which has issued a standard unqualified audit report.
  5. The forward-looking statements in this annual report, including future plans and development strategies do not constitute substantive commitments of the Company to investors. Investors should be aware of the investment risks.
  6. The Company has described details of the possibly existing risks including market risk, credit risk, liquidity risk, operational risk, policy risk, legal and compliance risk and risk of innovative products/businesses, etc. in this report. Investors are advised to read the "Report of the Board" as set out in section III of this annual report carefully and pay special attention to the above-mentioned risk factors.
  7. As considered and approved at the sixth meeting of the sixth session of the Board, the profit distribution proposal of the Company for 2024 is as follows:
    1. Based on the total share capital of 25,039,944,560 A Shares and H Shares as of December 31, 2024, a cash dividend of RMB0.46 (tax inclusive) for every 10 shares was distributed to all A shareholders and H shareholders whose names appear on the register of members of the Company on the record date, with a total amount of cash dividend of RMB1,151,837,449.76. The Company made an interim profit distribution in 2024, with a cash dividend of RMB425,679,057.52. During the year, the Company distributed an aggregate cash dividend of RMB0.63 (tax inclusive) for every 10 shares, with a total amount of cash dividend of RMB1,577,516,507.28, accounting for 30.27% of the profit for the year attributable to shareholders of the parent company for the year. The remaining profits available for distribution to investors in 2024 will be carried forward to the next year.
    2. Cash dividend is denominated and declared in RMB and paid to A shareholders in RMB and to H shareholders in HKD. The actual distribution amount in HKD was calculated at the rate of average benchmark exchange rate of RMB against HKD published by the People's Bank of China five business days prior to the 2024 annual general meeting of the Company.
- If there is any change in the total share capital of the Company during the period from the date of disclosure of the profit distribution proposal to the record date for the implementation of the equity distribution, the Company intends to maintain the total distribution amount unchanged and adjust the distribution ratio per share accordingly.
- (This proposal is subject to the consideration at the general meeting)
8. The audit committee of the Board of the Company has reviewed the annual results of the Company for 2024.
  9. This annual report of the Company is prepared in both Chinese and English. In the event of any discrepancy, the Chinese version shall prevail.
  10. The Company did not have any preferred shares during the Reporting Period.



Section I	Important Notice and Definitions	1
Section II	Company Profile and Key Financial Indicators	8
Section III	Report of the Board	14
Section IV	Corporate Governance	28
Section V	Environmental and Social Responsibility	105
Section VI	Significant Events	202
Section VII	Changes in Shares and Shareholders	206
Section VIII	Profile of Bonds	307
Section IX	Financial Statements	317
		333





## Section I Important Notice and Definitions

### DOCUMENTS AVAILABLE FOR INSPECTION

1. Financial statements affixed with the signatures and stamps of the person in charge of the Company, the person in charge of the accounting work, the person in charge of the accounting organization (accounting supervisor).
2. Original of the audit report affixed with the stamp of the accounting firm and the signatures and stamps of certified public accountants.
3. Originals of all the Company's documents and announcements publicly disclosed during the Reporting Period.
4. Annual reports published in other securities markets.





## DEFINITIONS

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

Term	Definition
“Company” or “Shenwan Hongyuan Group”	Shenwan Hongyuan Group Co., Ltd. (申萬宏源集團股份有限公司)
“Group”	the Company and its subsidiaries
“Shenwan Hongyuan Securities”	Shenwan Hongyuan Securities Co., Ltd. (申萬宏源證券有限公司)
“Shenwan Hongyuan Industrial Investment”	Shenwan Hongyuan Industrial Investment Management Company Limited (申萬宏源產業投資管理有限責任公司)
“Shenwan Hongyuan Investment”	Shenwan Hongyuan Investment Co., Ltd. (申萬宏源投資有限公司)
“Hongyuan Huifu”	Hongyuan Huifu Capital Co., Ltd. (宏源匯富創業投資有限公司)
“Hongyuan Huizhi”	Hongyuan Huizhi Investment Co., Ltd. (宏源匯智投資有限公司)
“Hongyuan Futures”	Hongyuan Futures Co., Ltd. (宏源期貨有限公司)
“Shenwan Hongyuan Financing Services”	Shenwan Hongyuan Financing Services Co., Ltd. (申萬宏源證券承銷保薦有限責任公司)
“Shenwan Hongyuan Securities (Western)”	Shenwan Hongyuan Securities (Western) Co., Ltd. (申萬宏源西部證券有限公司)
“Shenyin & Wanguo Alternative Investment”	Shenyin & Wanguo Alternative Investment Co., Ltd. (申銀萬國創新證券投資有限公司)
“Shenwan Futures”	Shenwan Futures Co., Ltd. (申銀萬國期貨有限公司)
“Shenyin & Wanguo Investment”	Shenyin & Wanguo Investment Co., Ltd. (申銀萬國投資有限公司)
“Shenwan Hongyuan Asset Management”	Shenwan Hongyuan Securities Asset Management Co., Ltd. (申萬宏源證券資產管理有限公司)
“SWS Research”	SWS Research Co., Ltd. (上海申銀萬國證券研究所有限公司)





## Section I Important Notice and Definitions (continued)

Term	Definition
“SWS MU”	SWS MU Fund Management Co., Ltd. (申萬菱信基金管理有限公司)
“Shenwan Hongyuan (H.K.)”	Shenwan Hongyuan (H.K.) Limited
“Fullgoal Fund”	Fullgoal Fund Co., Ltd. (富國基金有限責任公司)
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Shenzhen Stock Exchange”	Shenzhen Stock Exchange
“Shanghai Stock Exchange”	Shanghai Stock Exchange
“Beijing Stock Exchange”	Beijing Stock Exchange
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Company Law”	the Company Law of the People’s Republic of China (中華人民共和國公司法)
“Securities Law”	the Securities Law of the People’s Republic of China (中華人民共和國證券法)
“Securities and Futures Ordinance”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“CG Code”	the Corporate Governance Code as set out in Appendix C1 to the Hong Kong Listing Rules
“Model Code”	Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Hong Kong Listing Rules
“Articles of Association”	the articles of association of the Company (as amended from time to time)
“general meeting”	the general meeting of the Company
“Board” or “Board of Directors”	the board of directors of the Company
“Board of Supervisors”	the board of supervisors of the Company





Term	Definition
“controlling shareholder” or “JIC”	China Jianyin Investment Ltd. (中國建銀投資有限責任公司)
“actual controller” or “Central Huijin”	Central Huijin Investment Ltd. (中央匯金投資有限責任公司)
“SSE Composite Index”	the Shanghai Stock Exchange composite index
“SZSE Component Index”	the Shenzhen Stock Exchange component index
“A Share(s)”	domestic ordinary shares of the Company, with a nominal value of RMB1.00 each, which are listed on the Shenzhen Stock Exchange and traded in RMB
“H Share(s)”	overseas listed foreign ordinary shares in the share capital of the Company with nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange and traded in HK dollars
“ETF(s)”	exchange-traded fund(s)
“FICC”	fixed income, currencies and commodities
“margin financing and securities lending”	provision of collateral by investors to securities firms who are qualified for conducting margin financing and securities lending business to borrow funds for securities purchases (margin financing) or to borrow and sell securities (securities lending)
“NEEQ”	National Equities Exchange and Quotations (全國中小企業股份轉讓系統)
“Net Capital”	equals net assets minus risk-adjusted financial assets minus other risk-adjusted assets and risk-adjusted contingent liability plus or minus capital from other adjustments recognized or approved by the CSRC
“STAR Market”	the Sci-Tech Innovation Board launched by the Shanghai Stock Exchange
“ChiNext Board on the Shenzhen Stock Exchange”	the growth enterprise board launched by the Shenzhen Stock Exchange
“stock-backed lending”	a transaction in which a securities firm provides financing to qualified clients who pledge their stocks as collateral
“structured notes”	marketable securities issued by securities firms with the payment of principal and return linked to specific underlying assets





## Section I Important Notice and Definitions (continued)

Term	Definition
“National Nine Guidelines”	the Certain Opinions on Promoting High-quality Development of the Capital Market by Strengthening Supervision and Preventing Risks
“STAR Sixteen Measures”	the Sixteen Measures for Serving the High-level Development of Technology Enterprises in the Capital Market
“STAR Eight Measures”	the Eight Measures for Deepening the STAR Reform, Serving Technological Innovation and the New Quality Productive Forces
“VaR”	value at risk
“ISAE 3402”	International Standard on Assurance Engagements (鑒證業務國際準則) No. 3402
“PB System”	prime brokerage system
“EBITDA”	earnings before interest, taxes, depreciation and amortization
“PE”	private equity investment
“VC”	venture capital
“ABS”	asset-backed securities
“REITs”	real estate investment trust
“CMBS”	Commercial Real Estate Mortgage-Backed Securities
“CDX contract(s)”	portfolio credit protection contract(s)
“WIND”	Wind Information Co., Ltd. (萬得資訊技術股份有限公司), a service provider of financial data, information and software in Mainland China
“FOF”, “Parent Fund”	a fund which specially invests in other securities investment funds
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“FRB”	the Board of Governors of the Federal Reserve System
“IPO”	initial public offering
“ESG”	environmental, social and corporate governance





Term	Definition
“CFETS”	the China Foreign Exchange Trade System and National Interbank Funding Center (中國外匯交易中心暨全國銀行間同業拆借中心)
“AI”	artificial intelligence
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“HK\$” or “HK dollars”	Hong Kong dollars and cents, respectively, the lawful currency of Hong Kong
“Reporting Period”	from January 1, 2024 to December 31, 2024
“US dollar” or “USD”	United States dollars, the lawful currency of the United States
“%”	percent

In the 2024 annual report, any discrepancies between the total shown and the sum of the amounts listed are due to rounding.





## Section II Company Profile and Key Financial Indicators

### I. COMPANY PROFILE

<b>Stock name</b>	申萬宏源 (Shenzhen Stock Exchange); SWHY (Hong Kong Stock Exchange)	<b>Stock code</b> 000166 (Shenzhen Stock Exchange); 6806 (Hong Kong Stock Exchange)
<b>Stock exchanges on which the shares are listed</b>	Shenzhen Stock Exchange, Hong Kong Stock Exchange	
<b>Chinese name of the Company</b>	申萬宏源集團股份有限公司	
<b>Abbreviation of Chinese name of the Company</b>	申萬宏源	
<b>English name of the Company</b>	Shenwan Hongyuan Group Co., Ltd.	
<b>Abbreviation of English name of the Company</b>	Shenwan Hongyuan	
<b>Legal representative of the Company</b>	Mr. Huang Hao	
<b>General manager of the Company</b>	Mr. Huang Hao	
<b>Authorized representatives</b>	Mr. Liu Jian, Mr. Xu Liang	
<b>Joint company secretaries</b>	Mr. Xu Liang, Mr. Wong Wai Chiu	
<b>Registered office of the Company</b>	Room 2001, 20/F, Dacheng International Building, 358 South Beijing Road, Urumqi High-tech Zone, Xinjiang, the PRC	
<b>Postal code of the registered office of the Company</b>	830011	
<b>Historical changes in the registered address of the Company</b>	The registered address has not changed since the listing of the Company in January 2015	
<b>Office address of the Company</b>	20/F, Dacheng International Building, 358 South Beijing Road, Urumqi High-tech Zone, Xinjiang, the PRC; No. 19, Taipingqiao Street, Xicheng District, Beijing, the PRC	
<b>Postal code of the office address of the Company</b>	830011; 100033	



<b>Principal place of business in Hong Kong</b>	40/F, Dah Sing Financial Centre, 248 Queen's Road East, Wanchai, Hong Kong
<b>Company website</b>	www.swhygh.com
<b>Email address of the Company</b>	swhy@swhysc.com
<b>Registered capital of the Company</b>	RMB25,039,944,560
<b>Net Capital of the Company</b>	The Net Capital of the parent company of Shenwan Hongyuan Securities is RMB90,414,819,574.41

## II. CONTACT PERSONS AND CONTACT METHODS

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

## III. INFORMATION DISCLOSURE AND LOCATION FOR INSPECTION OF DOCUMENTS

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





### IV. REGISTRATION INFORMATION OF THE COMPANY

- (I) The date of the initial registration: September 16, 1996, Shenyin & Wanguo Securities Co., Ltd. obtained the business license of the legal entity (Registration No: 150437600), which was approved and issued by Shanghai Administration for Industry and Commerce, the registered capital was RMB1.32 billion.

Related query index of initial registration: The Report of Shenyin & Wanguo Securities Co., Ltd. and Hongyuan Securities Co., Ltd. Merged through Share Conversion and Absorption.

- (II) The date of the most recent registration change: January 14, 2021

Registered Capital: RMB25,039,944,560

Type of Company: other joint stock limited company (listed)

Legal representative: Huang Hao

- (III) Unified social credit code: 91650000132278661Y

- (IV) Changes in the Principal Business since the Listing of the Company

The business scope of Shenwan Hongyuan Group is: investment management, industrial investment, equity investment, investment consulting and property leasing. (For projects subject to approval according to laws, business activities may not be carried out until they are approved by relevant authorities)

Shenwan Hongyuan Group conducts the securities business through its four securities firms, namely Shenwan Hongyuan Securities, Shenwan Hongyuan Securities (Western), Shenwan Hongyuan Financing Services and Shenwan Hongyuan Asset Management.

The Company's principal business has not changed since its listing.

### V. QUALIFICATIONS FOR EACH INDIVIDUAL BUSINESS

The business scope of securities subsidiaries under Shenwan Hongyuan Group mainly includes:

Licensed projects: securities business; securities investment consulting; securities investment fund sales agency; custodian business for securities investment funds. (For projects subject to approval according to laws, business activities may not be carried out until they are approved by relevant authorities. The specific projects shall be subject to the approval or license documents from relevant authorities)

General projects: the securities companies provide intermediary services for futures companies. (Other than the projects subject to approval according to laws, operations shall be carried out independently with business licenses)

In addition, securities subsidiaries under the Company possess the following key memberships and business qualifications:



No.	Membership and Business Qualification
1	Membership of Securities Association of China
2	Membership of Insurance Asset Management Industry of China
3	Membership of National Debt Association of China
4	Membership of China Futures Association
5	Membership of National Association of Financial Market Institutional Investors
6	Membership of the Asset Management Association of China
7	Membership of China Securities Investor Protection Fund
8	Membership of China Bill Trading System
9	Membership of class B clearing in China Central Depository & Clearing Co., Ltd.
10	Membership of the National Internet Finance Association of China
11	Clearing membership of the Interbank Market Clearing House
12	Membership of Shanghai Securities Association
13	Membership of Shanghai Stock Exchange
14	Membership of Shenzhen Stock Exchange
15	Membership of Beijing Stock Exchange
16	Special membership of the Shanghai Gold Exchange
17	Pilot Qualification for OTC financial derivatives
18	Qualification of secondary dealers for OTC options business
19	Qualification of primary dealers for OTC options
20	Qualification for agency business of securities accounts
21	Qualification of underwriting business for debt financing instruments of non-financial enterprises
22	Qualification for personal pension marketing agent
23	Qualification for stock option brokerage and proprietary business trading
24	Qualification for securities option trading permission
25	Qualification for settlement of securities funds of stock-option business pilot program
26	Pilot Qualification for OTC market
27	Qualification of precious metals spot contracts proprietary business
28	Qualification of treasury bonds futures proprietary business
29	Qualification of domestic institutional investor (QDII)
30	Pilot Qualification for Internet-based securities business
31	Stock pledged repurchase transaction business entitlement on the Shanghai and Shenzhen Stock Exchange
32	Agreed repurchase securities trading entitlement on the Shanghai and Shenzhen Stock Exchange
33	Qualification of bond pledged-type quoted repurchase business on the Shanghai and Shenzhen Stock Exchange
34	Qualification of gold spot contracts proprietary business
35	Qualification of market maker of institutional private placement product quotation and service system
36	Approval in amount for foreign exchange for overseas investment
37	Qualification for consultancy services relating to the secrecy-involved business of the military industry
38	Qualification for market making lending business on the STAR Market
39	Qualification for interest rate swap business
40	Qualification for lending in the national inter-bank lending market





## Section II Company Profile and Key Financial Indicators (continued)

No.	Membership and Business Qualification
41	Qualification for admission to the national inter-bank bond market
42	Qualification for lead brokerage business (recommendation, brokerage and market-making) on the National Equities Exchange and Quotations
43	Qualification of market maker business of listed securities
44	Permission to conduct Southbound trading under Hong Kong stock connect
45	Qualification for pilot fund investment advisory business
46	Qualification for pilot cross-border business related matters
47	Qualification for pilot participation in the cross-border wealth management business
48	Qualification for exchange facilitation business
49	Qualification for entrusted management of insurance capital
50	Qualification of cash management products quick withdrawal business
51	Qualification for credit derivatives business
52	Qualification for trial market maker business on the inter-bank bond market
53	Qualification of market maker of spot bond on the inter-bank bond market
54	Qualification for bond connect business
55	Qualification for securities brokerage system
56	Qualification for foreign exchange operation in the securities business
57	Qualification of pledging agent for securities pledge registration business
58	Qualification of market maker business of treasury bonds futures on the China Financial Futures Exchange
59	Qualification of main market maker business of the Shanghai and Shenzhen 300 index options on the China Financial Futures Exchange
60	Qualification of main market maker business of the SSE 50 stock index options on the China Financial Futures Exchange
61	Qualification of main market maker business of the CSI 1000 stock index options on the China Financial Futures Exchange
62	Qualification for foreign currency borrowing and lending business of China Foreign Exchange Trading System
63	Qualification of the core dealer for credit risk mitigation tools of National Association of Financial Market Institutional Investors
64	Qualification for the creator for credit risk mitigation certificates of National Association of Financial Market Institutional Investors
65	Qualification for institution providing credit bond bill of National Association of Financial Market Institutional Investors
66	Qualification of class A clearing participant of China Securities Depository and Clearing Company Limited
67	Qualification for options clearing business of China Securities Depository and Clearing Company Limited
68	Qualification for proprietary participation in carbon emissions trading business of China Securities Regulatory Commission
69	Qualification for margin refinancing
70	Qualification of branch account accounting business in Shanghai Pilot Free Trade Zone



No.	Membership and Business Qualification
71	Qualification of participating in the net settlement of bond trade in Shanghai Clearing House
72	Qualification of core dealer of CDX contracts on the Shanghai Stock Exchange
73	Permission to conduct Southbound trading under the Shanghai-Hong Kong stock connect
74	Qualification of (level one) dealer for fixed income securities on the Shanghai Stock Exchange Integrated Electronic Platform
75	Qualification for participating for treasury bonds buyback on the Shanghai Stock Exchange
76	Qualification of market maker business of fund on the Shanghai Stock Exchange
77	Qualification for bond market maker on the Shanghai Stock Exchange
78	Qualification of main market maker business of Shanghai and Shenzhen 300ETF options on the Shanghai Stock Exchange
79	Qualification of main market maker business of STAR 50ETF options on the Shanghai Stock Exchange
80	Qualification of main market maker business of STAR Market 50ETF options on the Shanghai Stock Exchange
81	Qualification of main market maker business of listed funds on the Shanghai Stock Exchange
82	Qualification for general market maker business of SSE 50ETF options contract type on the Shanghai Stock Exchange
83	Qualification of main market maker business of SSE 50ETF options on the Shanghai Stock Exchange
84	Qualification of main market maker business of CSI 500ETF options on the Shanghai Stock Exchange
85	Qualification of core dealer business of credit protection contracts on the Shanghai Stock Exchange
86	Qualification for core dealer business of CDX contracts on the Shenzhen Stock Exchange
87	Qualification of main market maker business of ChiNext Board ETF options on the Shenzhen Stock Exchange
88	Qualification of pilot equity incentive exercising financing business on the Shenzhen Stock Exchange
89	Qualification of main market maker business of the Shanghai and Shenzhen 300ETF options on the Shenzhen Stock Exchange
90	Qualification of market maker business of fund link on the Shenzhen Stock Exchange
91	Qualification of main market maker business of SZSE 100ETF options on the Shenzhen Stock Exchange
92	Qualification for core dealer of credit protection contract on the Shenzhen Stock Exchange
93	Qualification for market making business of bonds on the Shenzhen Stock Exchange
94	Pledged-type quoted repurchase transaction entitlement on the Shenzhen Stock Exchange
95	Qualification of main market maker business of CSI 500ETF options on the Shenzhen Stock Exchange
96	Qualification for recommended listing, directional capital increase business on the Dalian equity exchange center
97	Qualification of market maker business of styrene options on the Dalian Commodity Exchange
98	Qualification of market maker business of soybean meal options on the Dalian Commodity Exchange
99	Qualification of market maker business of soyabean oil futures on the Dalian Commodity Exchange
100	Qualification of market maker business of polyvinyl chloride options on the Dalian Commodity Exchange
101	Qualification of market maker business of liquefied petroleum gas options on the Dalian Commodity Exchange





No.	Membership and Business Qualification
102	Qualification of main market maker business of corn starch options on the Dalian Commodity Exchange
103	Qualification of main market maker business of hog options on the Dalian Commodity Exchange
104	Qualification of main market maker business of egg options on the Dalian Commodity Exchange
105	Qualification of main market maker business of log options on the Dalian Commodity Exchange
106	Qualification of market maker business of industrial silicon options on the Guangzhou Futures Exchange
107	Qualification of market maker business of lithium carbonate options on the Guangzhou Futures Exchange
108	Qualification of market maker business of polycrystalline silicon options on the Guangzhou Futures Exchange
109	Qualification for inter-bank gold price asking transactions on the Shanghai Gold Exchange
110	Qualification of market maker business of gold options on the Shanghai Futures Exchange
111	Qualification of market maker business of silver options on the Shanghai Futures Exchange
112	Qualification of market maker business of zinc options on the Shanghai Futures Exchange
113	Qualification of market maker business of aluminum options on the Shanghai Futures Exchange
114	Qualification of market maker business of fuel oil futures on the Shanghai Futures Exchange
115	Qualification of self-operated clearing house for commodity exchange on the Shanghai Futures Exchange
116	Qualification for special unit customers to participate in physical delivery on the Shanghai Futures Exchange
117	Qualification of market maker of natural rubber and petroleum asphalt futures on the Shanghai Futures Exchange
118	Qualification of market maker business of copper options on the Shanghai Futures Exchange
119	Qualification of market maker business of aluminum oxide futures on the Shanghai Futures Exchange
120	Qualification of market maker business of nickel options on the Shanghai Futures Exchange
121	Qualification of market maker business of tin options on the Shanghai Futures Exchange
122	Qualification of market maker business of the maritime index (Euro) futures on the Shanghai International Energy Exchange
123	Qualification for special unit customers to participate in physical delivery on the Shanghai International Energy Exchange
124	Qualification of market maker business of crude oil options on the Shanghai International Energy Exchange
125	Qualification of main market maker business of sugar options on the Zhengzhou Commodity Exchange
126	Qualification of market maker business of rapeseed meal futures on the Zhengzhou Commodity Exchange
127	Qualification of main market maker business of rapeseed meal options on the Zhengzhou Commodity Exchange
128	Qualification of main market maker business of vegetable oil options on the Zhengzhou Commodity Exchange
129	Qualification of main market maker business of parylene options on the Zhengzhou Commodity Exchange



No.	Membership and Business Qualification
130	Qualification of main market maker business of manganese silicon and ferro silicon options on the Zhengzhou Commodity Exchange
131	Qualification of main market maker business of peanut options on the Zhengzhou Commodity Exchange
132	Qualification of main market maker business of cotton options on the Zhengzhou Commodity Exchange
133	Qualification of market maker business of commodity futures on the Zhengzhou Commodity Exchange
134	Qualification of market maker business of PTA and methanol options on the Zhengzhou Commodity Exchange
135	Qualification of main market maker business of sodium hydroxide options on the Zhengzhou Commodity Exchange
136	Qualification of main market maker business of pure alkali options on the Zhengzhou Commodity Exchange
137	Qualification of main market maker business of glass options on the Zhengzhou Commodity Exchange
138	Qualification for recommended listing, directional capital increase business on the Zhejiang Equity Exchange Center

## VI. HISTORY OF THE COMPANY

Shenyin & Wanguo Securities was established through the merger of former Shanghai Shenyin Securities Co., Ltd. and former Shanghai Wanguo Securities Co., Ltd. on September 16, 1996 with the approval of the People's Bank of China under Document Yin Fu [1996] No. 200. The registered capital of Shenyin & Wanguo Securities at the time of its establishment was RMB1,320,000,000.

According to the "Reply on Approving the Plan of Increase in Capital and Shares by Shenyin & Wanguo Securities Co., Ltd." issued by CSRC on October 18, 2001 (Zheng Jian Ji Gou Zi [2001] No. 218), Shenyin & Wanguo Securities completed all the work within the prescribed time limit, with the registered capital changed from RMB1,320,000,000 to RMB4,215,760,000, and the Articles of Association was amended accordingly. According to the "Reply on Approving the Plan of Increase in Capital and Shares by Shenyin & Wanguo Securities Co., Ltd." issued by CSRC on March 4, 2002 (Zheng Jian Ji Gou Zi [2002] No. 61), Shenyin & Wanguo Securities completed the industrial and commercial alteration registration of registered capital in May 2002, and obtained a new "Permit for Conducting Securities Business" from the CSRC.

In September 2005, Central Huijin injected capital into Shenyin & Wanguo Securities by purchasing 2.5 billion new shares with RMB2.5 billion in cash. Upon the approval of the general meeting of shareholders and the CSRC, and the completion of the change of registration with the administrative department for industry and commerce, and other relevant legal procedures, the capital increase and share expansion of Shenyin & Wanguo was officially completed on September 30, 2005, and the registered capital was changed to RMB6,715,760,000.





## Section II Company Profile and Key Financial Indicators (continued)

By the approval of “Reply on Approving the Alteration of Shenyin & Wanguo Securities Co., Ltd.’s Shareholders Who Holding More Than 5%” (Hu Zheng Jian Ji Gou Zi [2012] No. 42) by CSRC Shanghai branch on February 24, 2012, Central Huijin acquired 1,218,967,798 shares of Shenyin & Wanguo Securities held by four companies, namely Shanghai International Group Co., Ltd., Shanghai State-owned Assets Management Co., Ltd., Shanghai International Trust Co., Ltd., and Shanghai International Group Assets Management Co., Ltd. Upon completion of the shareholding change, the number of shares held by Central Huijin increased to 3,718,967,798 shares, representing a shareholding of 55.38%.

On July 25, 2014, Shenyin & Wanguo Securities held the 18th meeting of the third session of the board of directors, and Hong Yuan Securities held the 21st meeting of the seventh session of the board of directors, deliberating and passing the proposal of Shenyin & Wanguo Securities exchanging shares to absorb and merge Hong Yuan Securities. On August 11, 2014, the second extraordinary general meeting of shareholders of Shenyin & Wanguo Securities in 2014 and the first extraordinary general meeting of shareholders of Hong Yuan Securities in 2014 reviewed and approved the above-mentioned issues of share exchange absorption and merger.

Hong Yuan Securities Co., Ltd., formerly Xinjiang Hongyuan Trust and Investment Co., Ltd., was established in 1993 by public subscription. Approved by the CSRC on January 3, 1994, Hong Yuan Securities issued 50 million ordinary shares of RMB to the public initially and was listed on the Shenzhen Stock Exchange on February 2, 1994. In September 2000, with the approval of the Zheng Jian Ji Gou Zi [2000] No. 210 issued by the CSRC, the company was reorganized into Hong Yuan Securities Co., Ltd.

On November 28, 2014, CSRC issued the “Reply on Approving Shenyin & Wanguo securities Co., Ltd. to Issue Shares to Absorb and Merge Hong Yuan Securities Co., Ltd.” (Zheng Jian Xu Ke [2014] No.1279), and approved Shenyin & Wanguo Securities to issue 8,140,984,977 shares to absorb and merge Hong Yuan Securities.

On December 14, 2014, Shenyin & Wanguo Securities held the 23rd meeting of the third session of the board of directors, reviewed and agreed that according to the reorganization scheme, Shenyin & Wanguo Securities set up a wholly-owned subsidiary of securities in Shanghai with all the securities assets and liabilities after the merge with Hong Yuan Securities, and Shenyin & Wanguo Securities renamed into Shenwan Hongyuan Group Co., Ltd. and relocated to Xinjiang.

On January 8, 2015, the Ministry of Finance issued the “Reply on Approving the Asset Appraisal Project of Shenyin & Wanguo Securities Absorbing and Merging Hong Yuan Securities” (Cai Jin [2015] No. 1), and approved the asset appraisal report of Shenyin & Wanguo securities investing and establishing securities subsidiaries with all securities assets and liabilities after absorbing and merging Hong Yuan Securities; on January 16, 2015, CSRC issued the “Reply on Approving the Establishment of Shenwan Hong Yuan Securities Co., Ltd. and Its Two Subsidiaries” (Zheng Jian Xu Ke [2015] No. 95), approving that Shenyin & Wanguo Securities would establish Hong Yuan Securities as a wholly-owned securities subsidiary with all securities assets and liabilities after the merger with Hong Yuan Securities. On the same day, Shenwan Hong Yuan Securities was established.

On January 16, 2015, Shenyin & Wanguo Securities was renamed as “Shenwan Hongyuan Group Co., Ltd.” and changed its business scope to “investment management, industrial investment, equity investment and investment consultation”, and obtained the renewed business license issued by Shanghai Administration for Industry and Commerce (registration number: 310000000046991).



On January 20, 2015, Shenwan Hongyuan Group moved to Urumqi, Xinjiang and obtained the business license renewed by the Administration for Industry and Commerce of Xinjiang Uygur Autonomous Region.

On January 23, 2015, after the close of trading on the record date of implementing the transfer of shares, Hong Yuan Securities implemented the transfer of shares and converted into A Shares of Shenwan Hongyuan Group.

On January 26, 2015, with the approval of “Notice on the Listing of RMB Ordinary Shares of Shenwan Hongyuan Group Co., Ltd.” (Shen Zheng Shang [2015] No. 14) by the Shenzhen Stock Exchange, Shenwan Hongyuan Group’s RMB ordinary shares are listed on the Shenzhen Stock Exchange.

In March 2015, in accordance with the authorization and specific implementation of the general meeting, the Company completed the filing procedures for the Articles of Association, change of registered capital, change of enterprise type and other industrial and commercial changes procedures, and obtained the business license issued by the Administration for Industry and Commerce of Xinjiang Uygur Autonomous region, with the registered capital of RMB14,856,744,977.

On July 6, 2016, the Company implemented and completed the 2015 annual profit distribution plan, and the total share capital of the Company increased from 14,856,744,977 shares to 20,056,605,718 shares. In November 2016, as authorized by the general meeting, the Company amended the relevant articles of the Articles of Association, went through the procedures of changing the industrial and commercial registration and filing procedure, and obtained a new business license. The registered capital was changed to RMB20,056,605,718, and the business scope is changed to: investment management, industrial investment, equity investment, investment consultation, and property leasing. (For projects subject to approval according to law, business activities can be carried out only after the approval of relevant departments)

Upon the approval of the “Reply for Approval of Non-public Issuance of Shares by Shenwan Hongyuan Group Co., Ltd.” (Zheng Jian Xu Ke [2017] No. 2282) by CSRC, in January 2018, Shenwan Hongyuan Group conducted non-public issuance of 2,479,338,842 ordinary shares to four investors, and listed on the Shenzhen Stock Exchange on January 30, 2018. The Company’s total share capital increased from 20,056,605,718 shares to 22,535,944,560 shares. On February 2, 2018, as authorized by the general meeting, the Company went through the procedures for the alteration of industrial and commercial registration and filing of the registered capital and the relevant provisions of the Articles of Association and obtained a new business license, with the registered capital changed to RMB22,535,944,560.

The Company issued 2,504,000,000 overseas listed foreign shares (H Shares) and such H Shares were listed and traded on the Main Board of the Hong Kong Stock Exchange on April 26, 2019, as approved by the “Reply Regarding Approval for Issuance of Overseas Listed Foreign Shares by Shenwan Hongyuan Group Co., Ltd.” (Zheng Jian Xu Ke [2019] No. 393) issued by CSRC and by the Hong Kong Stock Exchange. The total share capital of the Company increased from 22,535,944,560 shares to 25,039,944,560 shares. On June 20, 2019, the Company went through the procedures for the alteration of the industrial and commercial registration and filing of the registered capital and related articles of the Articles of Association as authorized by the general meeting, and obtained a new business license. The registered capital of the Company was changed from RMB22,535,944,560 to RMB25,039,944,560.





## VII. OTHER RELEVANT INFORMATION

### (I) Auditors engaged by the Company

<b>Domestic auditor</b>	KPMG Huazhen LLP
<b>Office address of domestic auditor</b>	8/F, East Tower 2, East Square, No. 1 East Chang'an Avenue, Beijing
<b>Name of signing accountants</b>	Huang Xiaoyi, Cai Xiaoxiao
<b>International auditor</b>	KPMG
<b>Office address of international auditor</b>	8/F, Prince's Building, 10 Chater Road Central, Hong Kong
<b>Name of signing accountant</b>	Pang, Shing Chor, Eric.

### (II) Legal advisors

<b>Domestic legal advisor</b>	Alliance J&S Law Firm Room 1910, Tower 2, Guanghai Chang'an Building, No. 7 Jianguomen Inner Street, Dongcheng District, Beijing, China
<b>Hong Kong legal advisor</b>	Clifford Chance 27/F, Jardine House, One Connaught Place, Central, Hong Kong

### (III) The sponsor engaged by the Company to perform the continuous supervision obligation during the Reporting Period

N/A

### (IV) The financial advisor engaged by the Company to perform the continuous supervision obligation during the Reporting Period

N/A

### (V) Share registrar

<b>A Share registrar</b>	China Securities Depository and Clearing Company Limited, Shenzhen Branch 22-28/F, Shenzhen Stock Exchange Building, 2012 Shennan Blvd., Futian District, Shenzhen, Guangdong, China
<b>H Share registrar</b>	Computershare Hong Kong Investor Services Limited Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong





## VIII. KEY ACCOUNTING DATA AND FINANCIAL INDICATORS (CONSOLIDATED STATEMENTS)

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

### Key accounting data and financial indicators

Items	2024	2023	Unit: Thousand Yuan Increase/decrease as compared with the corresponding period of last year (%)	2022
			Currency: RMB	
Total revenue and other income	34,778,321	31,916,148	8.97	31,575,693
Profit before income tax	7,336,724	6,092,082	20.43	3,049,963
Profit for the year attributable to shareholders of the Company	5,210,662	4,606,340	13.12	2,789,068
Net cash generated from operating activities	245,373	72,727,166	-99.66	31,464,684
Basic earnings per share (in RMB per share)	0.21	0.18	16.67	0.11
Weighted average return on equity (%)	5.08	4.72	Increased by 0.36 percentage points	2.93

Items	December 31, 2024	December 31, 2023	Increase/decrease as compared with the end of last year (%)	December 31, 2022
Total assets	697,596,593	635,437,418	9.78	613,117,025
Total liabilities	564,247,667	506,643,284	11.37	496,437,332
Total equity attributable to shareholders of the Company	104,784,097	100,145,041	4.63	95,044,944
Share capital	25,039,945	25,039,945	–	25,039,945
Equity per share attributable to shareholders of the Company (in RMB per share)	4.18	4.00	4.50	3.80
Gearing ratio (%) <sup>Note</sup>	76.81	76.09	Increased by 0.72 percentage points	77.25

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





#### IX. DIFFERENCES IN ACCOUNTING DATA UNDER DOMESTIC AND INTERNATIONAL ACCOUNTING STANDARDS

In terms of net profits for the year and net profits for the year attributable to the shareholders of the Company for 2024 and 2023, and total equity and total equity attributable to shareholders of the Company as of December 31, 2024 and December 31, 2023, there is no difference between the data set out in the financial statements disclosed by the Company prepared in accordance with International Financial Reporting Standards and that prepared in accordance with China Accounting Standards for Business Enterprises.

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

Unit: Thousand Yuan Currency: RMB

Items	End of 2024	End of 2023	Increase/decrease as compared with the end of last year
Core net capital	66,054,820	61,478,184	7.44%
Supplementary net capital	24,360,000	30,020,000	-18.85%
Net capital	90,414,820	91,498,184	-1.18%
Net assets	123,761,120	119,545,005	3.53%
Total risk capital reserves	29,020,517	30,420,937	-4.60%
Total on-balance sheet & off-balance sheet assets	555,245,241	558,552,456	-0.59%
Risk coverage ratio	311.55%	300.77%	Increased by 10.78 percentage points
Capital leverage ratio	12.17%	11.28%	Increased by 0.89 percentage points
Liquidity coverage ratio	188.74%	169.61%	Increased by 19.13 percentage points
Net stable funding ratio	143.88%	130.47%	Increased by 13.41 percentage points
Net capital/Net assets	73.06%	76.54%	Decreased by 3.48 percentage points
Net capital/liabilities	24.32%	26.44%	Decreased by 2.12 percentage points
Net assets/liabilities	33.30%	34.55%	Decreased by 1.25 percentage points
Equity securities and derivatives held/Net capital	29.20%	32.60%	Decreased by 3.40 percentage points
Non-equity securities and derivatives held/Net capital	347.70%	321.59%	Increased by 26.11 percentage points





## XI. KEY ACCOUNTING DATA AND FINANCIAL INDICATORS IN LAST FIVE YEARS

### 1. Profiting status

Items	Unit: Thousand Yuan    Currency: RMB				
	2024	2023	2022	2021	2020
Total revenue and other income	34,778,321	31,916,148	31,575,693	46,171,470	39,156,373
Total expenses	28,030,694	26,401,662	29,271,173	35,873,346	30,099,411
Profit before income tax	7,336,724	6,092,082	3,049,963	11,079,122	9,348,467
Profit for the year attributable to shareholders of the Company	5,210,662	4,606,340	2,789,068	9,398,369	7,766,175

### 2. Assets status

Items	Unit: Thousand Yuan    Currency: RMB				
	December 31, 2024	December 31, 2023	December 31, 2022	December 31, 2021	December 31, 2020
Total assets	697,596,593	635,437,418	613,117,025	601,011,467	491,124,277
Total liabilities	564,247,667	506,643,284	496,437,332	493,956,873	401,033,687
Total equity attributable to shareholders of the Company	104,784,097	100,145,041	95,044,944	95,222,008	88,464,617
Share capital	25,039,945	25,039,945	25,039,945	25,039,945	25,039,945

### 3. Key financial indicators

Items	2024	2023	2022	2021	2020
Basic earnings per share (in RMB per share)	0.21	0.18	0.11	0.38	0.31
Diluted earnings per share (in RMB per share)	0.21	0.18	0.11	0.38	0.31
Weighted average return on equity (%)	5.08	4.72	2.93	10.26	9.05
Gearing ratio (%) <sup>Note</sup>	76.81	76.09	77.25	78.43	77.08
Equity per share attributable to shareholders of the Company (in RMB per share)	4.18	4.00	3.80	3.80	3.53

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



### I. INDUSTRY OF THE COMPANY DURING THE REPORTING PERIOD

#### (I) Basic Information of the Industry of the Company

2024 is a critical year for completing the goals and tasks of the “14th Five-Year” Plan. Faced with a complicated and severe international environment, under the strong leadership of the Party Central Committee with Comrade Xi Jinping at its core, the domestic economic operation was generally stable, high-quality development has been solidly advanced, and the expected economic growth target for the year has been successfully achieved. The Party Central Committee and the State Council have always attached great importance to the development of the capital market. With the implementation of the new “National Nine Guidelines (國九條)” and the “1+N” policy system in the capital market, a package of targeted incremental policies continued to take in force, and the confidence and activity of investors in the capital market notably recovered. During the year, the major indexes of the securities market fluctuated upward, with the CSI 300 Index, the SSE Composite Index and the ChiNext Price Index increasing by 14.68%, 12.67% and 13.23%, respectively, and market trading activity increasing significantly. In a context of an improving capital market environment, the performance of the securities industry has picked up in 2024, the investment banking business was still under pressure, the brokerage and investment business has become an important performance growth point, and the securities industry was showing a positive trend as a whole.

During the Reporting Period, the securities industry in the PRC showed three major development characteristics:

#### 1. The basic system of the capital market continued to improve, laying the foundation for the high-quality development of the industry

In 2024, the systematic reform of the capital market continued to advance comprehensively, so as to strive to improve the intrinsic stability of the capital market. The Third Plenary Session of the 20th Central Committee of the Communist Party clarified the overall goal of the Chinese-style modernization, directed the development direction of the capital market, proposed to “improve the capital market functions that coordinate investment and financing”, and made arrangements for the development of the capital market in various aspects such as improving the quality of listed companies, supporting the investment of long-term funds into the market, establishing a long-term mechanism for the intrinsic stability of the market, and improving investors protection, so as to systematically build a long-term stability mechanism for the capital market. The new “National Nine Guidelines (國九條)” clarify that the capital market is and will take strong supervision as the basis, risk prevention as the bottom line, and improvement of serving the high-quality development of economy as the goal, which have laid a foundation for building a benign ecology for the development of the capital market. The CSRC, in conjunction with relevant authorities, formulated and revised a number of supporting documents, systems and rules, forming a “1+N” policy system, systematically reshaping the basic system of the capital market, and enhancing the comprehensive service capabilities of the multi-level capital market system. With the continuous improvement of the basic system construction of the capital market and the continuous optimization of the market ecology, the securities industry has ushered in a new stage of high-quality development.





## 2. Adhered to the functional positioning and fully served the real economy

Securities companies put functionality in priority, continuously enhanced their ability to serve national strategies and the real economy, and accelerated the construction of a financial power. Under the guidance of “guiding institutions in the industry to establish correct operation philosophy, dealing with the relationship between functionality and profitability”, the securities industry adhered to the functionality positioning and integrated financial service resources throughout the whole industry chain, to effectively play the role of serving the real economy. As a direct financing “service provider”, the securities industry focused on serving new quality productive forces, conformed to the trend and logic of industry resource integration, quality and efficiency improvement, and industrial upgrading, and fulfilled its duties of serving the real economy. As the “gatekeeper” of the capital market, the securities industry strictly controlled market entrance, helped improve the quality of listed companies through professional intermediary services, and continued to smooth relief channel to safeguard the legitimate interests of investors. As the “manager” of social wealth, the securities industry strived to provide high-quality financial products and services, accelerated the transformation of wealth management, and actively built a multi-level buyer investment consulting service system to help better meet the increasing needs of the public. The securities industry fully integrated business development with national strategic needs, actively developed Five Priorities, i.e. science and technology finance, green finance, inclusive finance, pension finance and digital finance, and continued to advocate financial culture with Chinese characteristics.

## 3. Promoted a new round of industry mergers, acquisitions and restructurings and accelerated the construction of first-class investment banks

Benefiting from policy encouragement and guidance, the pace of mergers and acquisitions in the securities industry has accelerated. The new “National Nine Guidelines (國九條)” clearly propose to support top institutions to enhance their core competitiveness through mergers, acquisitions, restructurings and organizational innovation, etc., and encourage small and medium-sized institutions for differentiated development and featured operation. Regulatory authorities have repeatedly and explicitly supported the expansion and strengthening of securities companies through mergers, acquisitions and restructurings. Under the new development trend, large securities companies have further filled their shortcomings and consolidated their advantages through mergers, acquisitions and restructurings, and accelerated the building of first-class investment banks, and small and medium-sized securities companies have achieved resource integration and business synergy through mergers and acquisitions, forming differentiated competitive advantages. The concentration of the securities industry was accelerating, and it is expected to form a coexistence pattern of grouping of leading securities companies and top-quality small and medium-sized securities companies in the future.



**(II) Industry Position of the Company**

As a comprehensive financial service provider based on the capital market, the Company has witnessed the development of the securities industry of the PRC, experienced multiple market cycles and established a long-standing, comprehensive and high-quality leading position in the securities industry of China. The Company fully exerts the dual structure advantages of “investment holding group + securities subsidiaries”, upholds steady operation and strict risk control, and with the focus on the needs of customers of corporate finance, personal finance, institutional services and trading as well as investment management, etc., the Company constantly enriches the investment business fields, optimizes the asset allocation structure, accelerates the business coordination and continues to improve the sustainable investment model, to strive to create a closed loop of comprehensive financial services. During the Reporting Period, the Company implemented in-depth the decisions and arrangements of the CPC Central Committee and the State Council, firmly grasped the primary task of high-quality development, insisted on sound operation, seeking progress while maintaining stability, tightly grasped the importance opportunities from capital market reform, accelerated the transformation to customer-centered business model, continuously improved the core competitiveness of business, and enhanced the quality and effectiveness of its services to the national strategy, realizing the sound growth of operating results and stable improvement of position in the industry.

**(III) Major Impact of Newly Promulgated Laws, Administrative Regulations, Departmental Rules and Industry Policies on the Industry**

In 2024, focusing on the main trend of strengthening supervision, preventing risks and promoting high-quality development, the regulatory authorities adhered to strengthening foundation and strict supervision, the construction of the “1+N” policy system of the capital market with the new “National Nine Guidelines (國九條)” as the core was accelerating, and the basic system of the capital market has been continuously improved. In terms of basic system construction, the issuance and listing, continuous supervision of listed companies, delisting, institutional supervision, programmatic transaction supervision, information disclosure, mergers and acquisitions and other systems have been continuously improved. The fee rate reform of mutual funds has been steadily advanced, and the comprehensive fee rate in the industry has steadily declined. The design of systems and mechanisms is more investor-oriented, giving priority to protecting the legitimate interests of investors, especially small- and medium-sized investors, so that investors can achieve returns and a sense of gain, which comprehensively strengthens supervision in accordance with the laws. In terms of market system construction, the listing rules of the STAR Market and the Beijing Stock Exchange have been further clarified, and the entrance has been strictly controlled by strengthening information disclosure requirements, increasing random inspections, and strengthening the “gatekeeper” responsibilities of securities companies and other methods. In terms of product innovation, innovation in technology finance, green finance, inclusive finance, pension finance, digital finance and other related products have been proactively and steadily promoted, and the innovation of index products including



broad-based ETFs have been vigorously promoted. In terms of guiding medium and long-term funds into the market, on the basis of issuing the “Guiding Opinions on Promoting Medium and Long-term Funds into the Market”, supporting policies stipulate that the pilot program of personal pension would be extended nationwide. In terms of serving the real economy, the “STAR Sixteen Measures” and the “STAR Eight Measures” have been released successively, further enhancing the inclusiveness and adaptability of the capital market system, comprehensively enhancing the capital market’s support function for technological innovation, and supporting the concentration of high-quality resources in fields of new quality productivity forces. In respect of dual opening up, the ETFs scope of the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect has been constantly expanded, the cross-border wealth management connect has been optimized and upgraded in many aspects such as investor access conditions, scope of participating institutions, scope of qualified investment products and quota of individual investors, and supporting policies have accelerated cross-border interconnection and supported A-share listed companies to introduce overseas strategic investors. The improvement of the basic policy system and market ecology of the capital market has created major development opportunities for the securities industry. On the one hand, the securities industry should put functionality in priority, return to the origin of the relationship between finance and real economy, and continue to improve its ability to serve the real economy; on the other hand, it is necessary to speed up the improvement of professional service capabilities, provide more asset allocation and comprehensive product service solutions for medium and long-term funds, provide more low-risk, low-volatility products support for the transformation of residents’ savings into investment, and provide comprehensive financial services for enterprises to “go abroad”. While reshaping the development ecology of the industry, the strict regulatory policies also create more and better development space for large securities companies operating in compliance.



## II. PRINCIPAL BUSINESS ENGAGED BY THE COMPANY DURING THE REPORTING PERIOD

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

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

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





### 1. Enterprise finance

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

### 2. Personal finance

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

### 3. Institutional services and trading

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

### 4. Investment management

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

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



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

### Shenwan Hongyuan Group

- └ **Shenzhen Stock Exchange**
  - Excellent Fixed-income Product Issuer
- └ **China Association for Public Companies**
  - 2024 Best Practice Case for Investor Relations Management of Listed Companies
  - 2024 Outstanding Practice Case for Cultural Construction of Listed Companies
  - 2024 Best Practice Case of Sustainable Development of Listed Companies
  - 2024 Best Practice Case of Rural Revitalization of Listed Companies
  - 2024 4A-level of Performance Evaluation of Secretary to the Board
  - 2024 Best Practice Case of the Board of Directors of Listed Companies
  - 2024 Best Practice Case of the Board Office of Listed Companies
- └ **Directors & Boards magazine**
  - The 19th “Gold Round Table Award” for Board of Directors of China Listed Companies – Outstanding Board of Directors and Most Innovative Board Secretary
- └ **New Fortune**
  - Gold Secretary to the Board of 20th New Fortune
  - Best IR H-share Company of 7th New Fortune
- └ **China Securities Journal**
  - 2024 ESG Golden Bull Award
- └ **RoadShow China**
  - The 7th China Excellent IR – Best Innovative Practice Award, Best Capital Market Communication Award and Best Leader Award
- └ **Beijing Finance Avenue Comprehensive Service Center (北京金融街街道綜合服務中心)**
  - Advanced Unit of Financial Street Territorial Affairs and Comprehensive Security Work

### Shenwan Hongyuan Securities

- └ **National Financial Regulatory Administration, The People’s Bank of China, China Securities Regulatory Commission**
  - 2024 Popular Financial Education Work
- └ **Financial Committee Office of the Shanghai Municipal Committee of the CPC, Shanghai Financial Working Committee of the CPC, Shanghai Municipal Financial Regulatory Bureau, Shanghai Office of Promoting the Development of International Financial Centre**
  - Outstanding Propaganda Works for Preventing and Combating Illegal Financial Activities in Shanghai in 2024
- └ **Shanghai Trade Union Federation**
  - Shanghai Worker Pioneer
- └ **Shanghai Financial Union**
  - 2023 “Shanghai Women’s Achievements Model”
- └ **Shanghai Financial Union, Shanghai Securities Association**
  - First Prize of Serving the National Strategy in the “2024 Shanghai Financial System Staff Merit Competition”
- └ **China Association of Social Workers**
  - Rural Development Practice Innovation Case of Rural Society China (2024)
- └ **China Social Welfare Foundation**
  - Most Social Responsibility Award
- └ **China Women’s Development Fund**
  - Contribution Unit on Women’s Public Welfare in 2023
- └ **CSRC**
  - Rated “Excellent” in the 2023-2024 National Securities and Futures Investors Educational Base Appraisal Results
- └ **The People’s Bank of China**
  - Second Prize of the Financial Technology Development Award of 2023
- └ **Shenzhen Stock Exchange**
  - 2023 Best Organization Award for “Striving for a New Journey and Starting Again with Investor Education Service (踔厲奮發新徵程、投教服務再出發)” Investor Education Activity
  - 2023 Outstanding Case Award for Promoting the Inclusion of Investor Education in National Education
  - 2023 Outstanding Bond Investment Trading Agency (Brokers Proprietary)
  - 2023 Outstanding Bond Market Maker





- 2023 Outstanding Interest Rate Bond Underwriter – Securities Company
- 2023 Outstanding ETF Liquidity Service Provider
- 2023 Outstanding ETF Marketing Institution
- 2023 Outstanding Intermediary for Fixed Income Innovative Products

#### Shanghai Stock Exchange

- 2023 Specialized Award of “I am a Shareholder” Activity
- 2023 Outstanding Fund Market Maker (Mutual REITs)
- 2023 Outstanding Bond Market Maker
- 2023 Pioneer Stock Market Maker of STAR Market
- 2023 Copper Award of Bond Market Comprehensive Service, Outstanding Corporate Bond Underwriter and Outstanding Underwriter in Serving National Strategy
- 2023 Equity Options Market Development Contribution Award (Outstanding Option Market Maker)
- 2023 Equity Options Market Development Contribution Award (Contribution Award of New Option Type)

#### Beijing Stock Exchange

- Excellent Investor Service E-station of the Beijing Stock Exchange

#### China Foreign Exchange Trade System/National Interbank Funding Center

- 2023 Market Impact Institution – Active Dealer
- 2023 Market Business Institution – Bond Underwriting and Distribution (Underwriter)

#### National Interbank Funding Center

- Market Impact Institution of the Year
- Market Innovation Institution

#### China Securities Investor Services Center

- 2023 Outstanding Investor Contact Point
- “With Time (以時間為伴)” was granted the silver award in “Safeguarding Investors, Being a Friend of Time” Insurance Video Competition of “Shareholders Are Here” (2024)
- “Investment Trial of Mock Interview (模擬面試之投資的試煉)” was granted the copper award in “Safeguarding Investors, Being a Friend of Time” Insurance Video Competition of “Shareholders Are Here” (2024)

#### China Financial Futures Exchange

- 2023 Outstanding Trading Team Award of Treasury Bonds Futures (Proprietary)
- 2023 Silver Award for Outstanding Stock Index and Options Market Maker

- 2023 Bronze Award for Outstanding Market Maker of Treasury Bonds Futures
- 2023 Outstanding Contribution Award of Treasury Bonds Futures Market Maker for New Futures Listing

#### Shanghai Clearing House

- Outstanding Credit Default Swap Business Participating Institution (Quotation Business)

#### Shanghai Gold Exchange

- 2023 Special Outstanding Member

#### Beijing Financial Assets Exchange

- 2023 Riding the Waves Institution, Building Dreams Institution

#### Guangzhou Futures Exchange

- 2023 Platinum Award for Market Maker of 1st Session of Industrial Silicon Options
- 2023 Silver Award for Market Maker of 1st Session of Lithium Carbonate Options

#### Dalian Commodity Exchange

- Advanced Market Maker Award

#### Shanghai Futures Exchange

- Gold Award for Market Making Business

#### Zhengzhou Commodity Exchange

- Outstanding Market Maker Award

#### ChinaBond Financial Pricing Center Limited Company

- Innovation Leading Pioneer Award

#### Shenzhen Stock Exchange, Cartoon Weekly (comic supplement to the People's Daily), Securities Times

- The Draw of Capital Reform and Innovation into A Panorama of Rivers and Mountains (《把資本改革創新畫進千里江山圖》) was granted the excellent prize in 4th National Investor Education Animation & Comics Contest
- The Long Run (《長跑》) was granted the excellent prize in 4th National Investor Education Animation & Comics Contest
- The Turning Sand into Road (《聚沙成路》) was granted the excellent prize in 4th National Investor Education Animation & Comics Contest
- The Scarecrow in Time (《時光里的稻草人》) was granted the excellent prize in 4th National Investor Education Animation & Comics Contest

#### WIND

- Best Bond Underwriter of 2024 Best Investment Banking Selection
- Best Credit Bond Underwriter of 2024 – Outstanding Securities Firm
- 2024 Best Financial Bond



- 2024 Best Corporate Bond
- 2024 Best Enterprise Bond
- 2024 Best Industrial Bond Underwriter

#### RoyalFlush

- 2024 Best Bond Underwriter in Financial Institutions Selection

#### New Fortune

- 17th New Fortune Best Investment Bank -Best Local Investment Bank
- 17th New Fortune Best Investment Bank -Best Practicing ESG Investment Bank
- 17th New Fortune Best Investment Bank -Best Debt Underwriting Investment Bank
- 17th New Fortune Best Investment Bank -Best Corporate Bond Investment Bank
- 17th New Fortune Best Investment Bank -Best Investment Bank in Serving Overseas Markets
- 17th New Fortune Best Bank -Best Investment Bank for Technology and Intelligent Manufacturing Industry
- 17th New Fortune Best Investment Advisor -Best Investment Advisory Team

#### www.cls.cn

- Best Investor Education Award of the 1st “Wealth Management Huazun Award”
- Innovative Entity Investor Education Base Award of 2024 1st “CLS Star Cup” Financial Education Annual Selection

#### China Securities Journal

- 2024 Top 10 Golden Bull Securities Companies Award
- 2024 ESG Golden Bull Award in the Securities Industry
- 2024 Fin-tech Global Bull Award of Securities Companies
- 2024 Outstanding Liquidity Service Institution of ETF Golden Bull Ecosystem

#### Shanghai Securities News

- Outstanding Liquidity Service Institution of ETF Golden Bull Ecosystem

#### Securities Times

- Junding Award of 2024 Institutional Brokers of the China Securities Industry
- Junding Award for 2024 Digital Practice Case of Wealth Brokerage of China Securities Industry
- “Consolidate the Foundation of Financial Business, Help Rational Investment (築牢財商基石·助力理性投資)” displayed in the “Spark Plan” excellent investor education works series was granted the second prize in the capital market investor education

#### Xinhua Net

- Selected Cases of Green Finance Practice
- Excellent Case of National Rural Revitalization in 2023
- 2024 ESG Excellent Case

#### National Business Daily

- 2024 Best Bond Underwriter of Jinding Prize of the Securities Industry

#### Financial Times

- 2023 Excellent Case of Finance Supporting Rural Revitalization

#### National Biomedical Enterprise Platform

- 2024 TOP30 Most Active Financial Service Institution in China’s Biomedical Industry

#### World Bank, Food and Agriculture Organization of the United Nations, International Fund for Agricultural Development, UN World Food Programme, Asian Development Bank, International Poverty Reduction Center in China, China Internet Information Center

- World’s Best Poverty Reduction Case of the 5th “Global Call for Poverty Reduction Cases”

#### Cloud Application Branch of China Computer Users Association

- 2024 “Highest Achievement Project” of the Yunying Project

## Shenwan Hongyuan Financing Services

#### The People’s Bank of China

- Third Prize of Fintech Development Award of 2024 – Investment Banking Intelligent Integration Platform

#### Shanghai Stock Exchange

- 2023 Outstanding Unit of Comprehensive Service Consulting and Support for Central Enterprises (Securities Company)

#### New Fortune (17th)

- Best Local Investment Bank (7th) (Consolidated with securities companies)
- Best Practicing ESG Investment Bank (4th) (Consolidated with securities companies)
- Best Equity Underwriting Investment Bank (10th)
- Best IPO Investment Bank (9th)
- Best Investment Bank in Serving Overseas Markets (5th) (Consolidated with securities companies)
- Best Investment Bank for Technology and Intelligent Manufacturing Industry (9th) (Consolidated with securities companies)





#### WIND

- 2023 WIND Best Investment Bank – Best A Share IPO Underwriter
- 2023 WIND Best Investment Bank – Best Beijing Stock Exchange Equity Underwriter
- 2023 WIND Best Investment Bank – Best NEEQ Chief Securities Firm
- 2023 WIND Best Investment Bank – Best China M&A and Restructuring Financial Advisor

#### China Securities Journal

- Golden Bull Investment Banking Team

#### Securities Times

- 2024 Comprehensive Investment Bank Junding Award of China Securities Industry (Consolidated with securities companies)

### Hongyuan Futures

#### Zhengzhou Commodity Exchange

- 2023 Outstanding Member, Investor Education Award
- 2023 “Insurance + Futures” Best Compensation Award, Outstanding Project Award and Best Publicity Award
- “Futures Influence – ‘Investor Education Pioneer’” Selection of 2024 – “Investor Education Pioneer” Typical Team Title

#### China Financial Futures Exchange

- Outstanding Member Gold Award, Marketing Publicity Award

#### Office of the Capital Spiritual Civilization Construction Committee

- Title of “Capital Civilized Unit” for 2021-2023

#### Shanghai Futures Exchange

- Third Prize of 2023 Natural Rubber “Insurance + Futures” Project, Second Prize in “Improving the Operation Quality of Option Market” Activity
- Outstanding Member
- Energy and Chemical Industry Service Award
- Non-ferrous Metals Analyst Award
- New-comer Analyst Award
- Diamond Award for Market Making Business (Hongyuan Hengli), Outstanding Market-making Dealer (Hongyuan Hengli)
- Outstanding Organization Award, “First Prize”, “Third Prize” (Fujian Branch) of “World-class Exchange” Essay Contest

#### Dalian Commodity Exchange

- Premier Member

#### Yunnan Mengla County Science, Technology and Industrial Information Bureau

- 2023 Outstanding Contribution Award for Rural Revitalization

#### China Futures Association

- Shortlisted in the “Excellent Case Library” of the 2023 CFA Futures Investor Education

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

- Hongyuan Futures Implements “Insurance + Futures” Project to Help Characteristic Industries Improve Quality and Efficiency” was selected into the series of reports on typical cases of finance strengthening agriculture in 2024

#### Bulk Commodity Circulation Exchange Association Of China Federation of Logistics & Purchasing

- “Excellent Cases of China’s Bulk Commodity Futures and Spots in 2024” (Baosheng Precision Conductor – Hongyuan Futures – Bulk Commodity Risk Management of Hongyuan Hengli)

#### Futures Daily, Securities Times

- 17th “China’s Best Futures Operating Institution and Best Futures Research Team Selection” – “Best Futures Research Team of the Metal Industry” and “Best Industrial Products Futures Analyst”

#### Futures Daily

- 18th National Futures (Options) Firm Trading Competition in 2024 – Outstanding Investor Education Award

### Hongyuan Huifu

#### Project Investment Promotion Committee of Fucheng District, Mianyang City, Sichuan Province

- “Excellent Team” of Mianyang “Fuchenghui” Investment Promotion Alliance

### Shenyin & Wanguo Alternative Investment

#### Shanghai United Assets and Equity Exchange

- 2024 Property Title Trade Innovation Award

### Shenwan Futures

#### Shanghai Futures Exchange

- Second Prize in the “Strengthening the Source and Helping Enterprises (強源助企)” (Functional Category) – “Improving the Operation Quality of the Options Market” Activity of Shanghai Futures Exchange in 2023
- Special Prize of Natural Rubber “Insurance + Futures” Project in 2023
- Excellent Award of Natural Rubber “Option Stabilizing Production Action” Project in 2023
- Outstanding Member Gold Award
- Nonferrous Industry Service Award
- Energy and Chemical Industry Service Award



- Option Market Service Award
- Shipping Industry Service Award
- Shanghai Futures Exchange “Strengthening the Source and Helping Enterprises (強源助企)” Contribution Award
- Technology Escort Pioneer Award

### China Financial Futures Exchange

- Outstanding Member Platinum Award
- Risk Management Service Award (Stock Index Futures)
- Treasury Bond Futures Market Maker Outstanding Service Member Award
- Stock Index Options Market Maker Outstanding Service Member Award

### Zhengzhou Commodity Exchange

- Outstanding Member
- Institutional Service Outstanding Member
- Option Market Service Award
- Customer Management Award
- Textile Industry Service Award
- Energy and Chemical Industry Service Award
- 2023 “Insurance + Futures” Outstanding Project
- 2023 “Insurance + Futures” Best Promotion Award
- 2023 “Insurance + Futures” Outstanding Project
- 2023 “Insurance + Futures” Best Compensation Award

### Guangzhou Futures Exchange

- Outstanding Member Award

### Dalian Commodity Exchange

- Premium Member
- Institutional Service Outstanding Member

### Shanghai International Energy Exchange

- Outstanding Member Award

### Insurance Asset Management Association of China

- Most Potential Futures Company

### Stock Star

- Rural Revitalization Pioneer Award

### Shanghai Financial Association, the 18th Session of Shanghai Financial Servicing Real Economy Fair in 2024

- Outstanding Achievement Award for Shanghai Financial Industry Empowering New Quality Productive Forces

### Futures Daily, Securities Times

- China Best Futures Company
- Best Commodity Futures Industry Service Award
- Best Financial Futures Service Award

- Best Rural Revitalization Service and Social Responsibility Public Welfare Award
- Best Risk Management and Corporate Brand Building Award
- Best Asset Management Pilot Award of the Year
- Best Capital Operator Award
- New-comer Award for Internationalization of the Year
- Best Comprehensive Derivatives Service Innovator Award in China
- Most Popular Futures Operator We-Media of The Year
- Best Contribution Award for Futures Talent Cultivation Institution
- Gold Medal Management Team of Futures Broker in China
- Gold Futures Research Institute in China
- Best Macro Financial Futures Research Team
- Best Ferrous Industry Futures Research Team
- Best Metal Industry Futures Research Team
- Best Energy and Chemical Industry Futures Research Team
- Best Agricultural Products and Industry Futures Research Team
- Best Digital Transformation Futures Operator

### Securities Times

- 2024 Junding Award of China Excellent Rural Revitalization Futures Company
- 2024 Junding Award of China Innovation Pioneer Futures Company

### Futures Daily, the 18th National Futures (Options) Real Trading Competition

- Outstanding Industrial Service Award

### The Economic Observer

- 8th “Top 100 Outstanding Brand Enterprises”

## SWS Research

### Securities Market Weekly

- 18th Crystal Ball Awards for Sell-side Analysts – the 4th of Best Research Institute
- 18th Crystal Ball Awards for Sell-side Analysts – the 5th of Local Gold Research Team
- 18th Crystal Ball Awards for Sell-side Analysts- the 5th of Most Influential Institution
- 18th Crystal Ball Awards for Sell-side Analysts – the 1st of Basic Chemical Research
- 18th Crystal Ball Awards for Sell-side Analysts – the 2nd of Transportation and Beijing Stock Exchange Research
- 18th Crystal Ball Awards for Sell-side Analysts – the 3rd of Light Industrial Papermaking, Petrochemical, Textile and Apparel, Beijing Regional Sales





- 18th Crystal Ball Awards for Sell-side Analysts – the 4th of Strategy, Financial Project, Real Estate and Military Research
- 18th Crystal Ball Awards for Sell-side Analysts – the 5th of Communication and Culture Research

#### Shanghai Services Federation, Shanghai Financial Association

- “Golden Wing Award” – “Excellent Service Brand” of 2024 5th Fintech Application and Service Conference

#### Securities Times, New Fortune magazine

- Best Analyst of Securities Times and New Fortune Magazine – The Third of Most Influential Research Institution
- Best Analyst of Securities Times and New Fortune Magazine – Golden Local Research Team
- Best Analyst of Securities Times and New Fortune Magazine – The First of the Best ESG Practice Reach Institution
- Best Analyst of Securities Times and New Fortune Magazine – The Second of Best Research Team of the Beijing Stock Exchange
- Best Analyst of Securities Times and New Fortune Magazine – The Third of Most Influential Research Institution
- Best Analyst of Securities Times and New Fortune Magazine – The Fourth of Best Local Research Institution
- Best Analyst of Securities Times and New Fortune Magazine – The Fourth of the Energy and Materials Industry Research team
- Best Analyst of Securities Times and New Fortune Magazine – The Fifth of the Financial Industry Research team
- Best Analyst of Securities Times and New Fortune Magazine – The Seventh of the Technology Industry Research Team
- Best Analyst of Securities Times and New Fortune Magazine – The Seventh of the Best Sales and Service team
- Best Analyst of Securities Times and New Fortune Magazine – The Eighth of the Consumer Industry Research Team
- Best Analyst of Securities Times and New Fortune Magazine – The First of Light Industry Paper-making
- Best Analyst of Securities Times and New Fortune Magazine – The First of Light Industry and Textile Apparel Research Team

- Best Analyst of Securities Times and New Fortune Magazine – The Second of Transportation, Warehousing and Chemical Research Team
- Best Analyst of Securities Times and New Fortune Magazine – The Third of Real Estate, Communication and Culture, and Financial Engineering Research Team
- Best Analyst of Securities Times and New Fortune Magazine – The Fourth of Computer, Strategy Research, Defense and Military Research Team

#### Southern Finance Omnimedia Corp., 21st Century Business Herald

- 2024 4th Session of 21th Century Gold Analyst – Annual Influence Securities Research Institute Award
- 2024 4th Session of 21th Century Gold Analyst – 2024 Best Institution Award for Serving New Quality Productive Forces and High-quality Development
- 2024 4th Session of 21th Century Gold Analyst – 2024 Best Research Institute Award for Overseas Investment
- 2024 4th Session of 21th Century Gold Analyst – The 1st Best Analyst of Light Industry, Textile and Apparel, Basic Chemicals, E-Commerce Team
- 2024 4th Session of 21th Century Gold Analyst – The 2nd Best Analyst of Computer Team
- 2024 4th Session of 21th Century Gold Analyst – The 3rd Best Analyst of Strategic Research, Transportation and Logistics, and Real Estate Team
- 2024 4th Session of 21th Century Gold Analyst – The 4th Best Analyst of Food and Beverage, Petrochemical, Military Industry, Environmental Protection and Beijing Stock Exchange
- 2024 4th Session of 21th Century Gold Analyst – The 5th Best Analyst of Financial Engineering and Media Team

#### Shanghai Securities News, www.cnstock.com

- 2024 Best Analyst Selection – The 7th of Most Influential Securities Research Institute Award
- 2024 Best Analyst Selection – The 2nd of Chemical, Transportation and Storage Team
- 2024 Best Analyst Selection – The 3rd of Light Industry, Textile and Apparel, and Real Estate Team
- 2024 Best Analyst Selection – The 4th of Publicity and Culture Team
- 2024 Best Analyst Selection – The 5th of Financial Engineering Team

#### Sina Finance

- 6th Sina Finance Golden Kirin Best Analyst – The ninth of Best Research Institution
- 6th Sina Finance Golden Kirin Best Analyst – The ninth of Most Honorable Research Institution



- 6th Sina Finance Golden Kirin Best Analyst – The 2nd Best Analyst in Light Industry, Textiles and Apparel, Petroleum and Chemicals, Transportation and Logistics, and Real Estate
- 6th Sina Finance Golden Kirin Best Analyst – The 5th Best Analyst in Military Industry, Strategic Research and Media
- 6th Sina Finance Golden Kirin Best Analyst – The 1st Elite Analyst in High-end Manufacturing
- 6th Sina Finance Golden Kirin Best Analyst – The 2nd Elite Analyst in Computer
- 6th Sina Finance Golden Kirin Best Analyst – The 3rd Elite Analyst in Banking Industry
- 6th Sina Finance Golden Kirin Best Analyst – The 4th Elite Analyst in Innovation
- 6th Sina Finance Golden Kirin Best Analyst – The 5th Elite Analyst in Non-banking Finance
- 6th Sina Finance Golden Kirin Best Analyst – The 7th Elite Analyst in Construction and Building Materials

#### China Securities Journal

- 2024 Securities Analyst Golden Bull Award – Best Golden Bull Research Institution
- 2024 Securities Analyst Golden Bull Award – Best Golden Bull Analyst of Strategy Team
- 2024 Securities Analyst Golden Bull Award – Best Golden Bull Analyst of Light Industry Manufacturing Team
- 2024 Securities Analyst Golden Bull Award – Best Golden Bull Analyst of Transportation Team
- 2024 Securities Analyst Golden Bull Award – Best Golden Bull Analyst of Real Estate Team
- 2024 Securities Analyst Golden Bull Award – Best Golden Bull Analyst of Media Team

### SWS MU

- Shanghai Financial Labor Union Working Committee, Shanghai Financial Working Committee of Chinese Communist Youth League
- The Third Prize of Fintech Special Group

#### www.cls.cn

- 2024 Best Fund Investment Advisory Award – Wealth Management•Huazun Award

#### Sina Finance

- Best Fund Investment Advisory Institution

### Shenyin & Wanguo Investment

#### Chinese Venture

- 2023 Best Private Equity Subsidiary of Brokers in China by Chinese Venture
- 2023 Top 100 Private Equity Investment Institutions in China by Chinese Venture
- 2023-2024 Excellent Investment Institution in the New Materials Field in China

#### 36Kr

- TOP50 Private Equity Investment Institutions of China's Equity Investment Industry

### International Group

#### WST Pro/SereSbond

- The 7th (2023) Annual Selection of Outstanding Institutions and Best Transactions of Chinese-funded Offshore Bonds: Best Underwriter of Dim Sum Bonds

#### Macao Central Securities Depository and Clearing Limited (MCSD)

- 2023 Outstanding Underwriter (Non-local)
- Pilot “9+2” 5th Development Forum of the Guangdong-Hong Kong-Macao Greater Bay Area
- Best Cross-border Wealth Management Award of the Guangdong-Hong Kong-Macao Greater Bay Area

### Shenwan Hongyuan Securities (Western)

#### Securities and Futures Association of Xinjiang Uygur Autonomous Region

- 2024 Excellent Membership Unit
- Outstanding Contribution Award for Helping Rural Revitalization
- Best Investor and Education Pioneer

#### Xinjiang Finance Society

- The Third Prize in 2023 Research Programme of Xinjiang Finance Society





## Shenwan Hongyuan Asset Management

### — The First Conference on High Quality Development of Asset Securitization for Finance Leasing, the First Session of Innovative Financing Award of the Year of the China Financing Leasing Industry (Golden Spring Award)

- 2023 Best Asset Management Institution Award in the Financing Leasing Industry

### — Bankers

- 2023 Most Comprehensive Strength Award in the Outstanding List of Chinese Asset Management Institutions

### — The 8th China Real Estate Securitization and REITs Summit Forum

- Best CMBS Product of the Year – Jinmao Shenwan – Shanghai Jinmao Building Phase 3 Green Asset-backed Special Project (Carbon Neutrality)
- Annual Outstanding Contribution Institution

### — www.cls.cn

- Golden Hazel Award of Excellent Fixed Income Team of Asset Management of Securities Companies

### — Asset Management Association of Shanghai

- 2024 Excellent Practice Presentation on Rational Investment, Value Investment and Long-term Investment

### — China Securities Journal – 2024 High-quality Development Conference of the Securities Industry – 2024 Golden Bull Award Ceremony of the Securities Industry

- Five-year Collective Asset Manager of Golden Bull Securities Companies (2024)
- One-year Stock Multi-position Golden Bull Asset Management Plan: the SES Employees of Shenwan Hongyuan Participated in the No.1 Collective Asset Management Plan Strategically Placed on the STAR Market

### — “2024 Annual Summit of Chinese Financial Institutions” (Securities Times)

- 2024 Junding Award for Asset Management Quantitative Team of China Securities Industry – the Quantitative and Derivatives Investment Department of Shenwan Hongyuan Asset Management
- 2024 Junding Award for Asset Management Equity Team of China Securities Industry – the Equity and Diversified Investment Department of Shenwan Hongyuan Asset Management
- 2024 Junding Award for Asset Management Fixed-income Team of China Securities Industry – the Fixed-income Department of Shenwan Hongyuan Asset Management
- 2024 Junding Award for ABS Team of China Securities Industry – the Structural Finance Department of Shenwan Hongyuan Asset Management

### — “2024 Annual Summit of 9th CNABS Asset Securitization and Annual Selection of 9th CNABS “Golden Laurel Award”

- Best Green Financial Products Award – Jinmao Shenwan – Shanghai Jinmao Building Phase 3 Green Asset-backed Special Project (Carbon Neutrality)
- Most Influential Product Award in the Industry – CCCC Wuhan-Shenzhen Jiayu North Expressway Infrastructure Asset-backed Special Project



### III. CORE COMPETITIVENESS ANALYSIS

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

#### (I) Leading Comprehensive Strength

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

#### (II) Comprehensive Business Layout

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

#### (III) Favorable Regional Advantage

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

#### (IV) Effective Risk Management

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

#### (V) Well-established Talent Mechanism

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





## IV. PRINCIPAL BUSINESS ANALYSIS

In 2024, the Company insisted on the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, and thoroughly studied the spirits of the 20th National Congress, the Second and Third Plenary Sessions of the 20th Central Committee of the Communist Party of China, the Central Economic Work Conference and the Central Financial Work Conference. Based on the development orientation of state-owned financial enterprises, the Group adhered to returning to its roots and focused on being a good “service provider” of direct financing, a “gatekeeper” of the capital market and a “manager” of social wealth. The Group solidly completed the “Five Priorities” on finance, actively built a comprehensive financial service system matching the development of new quality productive forces, took practical actions to help improve the capital market functions that coordinate investment and financing, and firmly followed the path of financial development with Chinese characteristics. With the development goal of “building a first-class investment bank and investment institution” in mind, the Company adhered to stable operation, seek progress while maintaining stability, accelerate the transformation to a customer-centric business model, and continue to improve the core competitiveness of businesses. Focusing on the theme of high-quality development, the Company continued to deepen institutional and mechanism reforms, built a high-quality financial talent team, firmly guarded the bottom line of financial risks, and carried out all operation and management work in an orderly manner, achieving overall stable operating performance.

### (I) Overview

In 2024, the Group achieved total revenue and other income of RMB34,778 million and share of profit of associates and joint ventures of RMB589 million, resulting in total revenue of RMB35,367 million, representing a year-on-year increase of 8.84%; profit before income tax of RMB7,337 million, representing a year-on-year increase of 20.43%; profit for the year attributable to shareholders of the Company of RMB5,211 million, representing a year-on-year increase of 13.12%; basic earnings per share of RMB0.21, representing a year-on-year increase of 16.67%; and weighted average return on equity of 5.08%, representing a year-on-year increase of 0.36 percentage points. As at December 31, 2024, total assets of the Group amounted to RMB697,597 million, representing an increase of 9.78% from the beginning of the year; total equity attributable to shareholders of the Company amounted to RMB104,784 million, representing an increase of 4.63% from the beginning of the year.



(II) Principal Businesses

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

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

				Unit: Thousand Yuan    Currency: RMB		
Segment	Total revenue	Total expenses	Profit before income tax margin <sup>Note</sup> (%)	Change in total revenue as compared to the corresponding period of last year (%)	Change in total expenses as compared to the corresponding period of last year (%)	Change in profit before income tax margin as compared to the corresponding period of last year (percentage point)
Enterprise finance	3,579,488	3,298,004	7.86	-20.57	7.83	-24.27
Including: Investment banking	1,478,974	1,388,925	6.09	-27.34	-6.25	-21.12
Principal investment	2,100,514	1,909,079	9.11	-14.99	21.06	-27.07
Personal finance	11,331,669	9,028,672	20.32	5.14	7.45	-1.72
Institutional services and trading	19,224,344	14,692,789	23.57	22.01	8.25	9.71
Investment management	1,231,917	1,011,229	17.91	-15.24	-26.09	12.05
<b>Total:</b>	<b>35,367,418</b>	<b>28,030,694</b>	<b>20.74</b>	<b>8.84</b>	<b>6.17</b>	<b>1.99</b>

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

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





## 1. Enterprise Finance Business

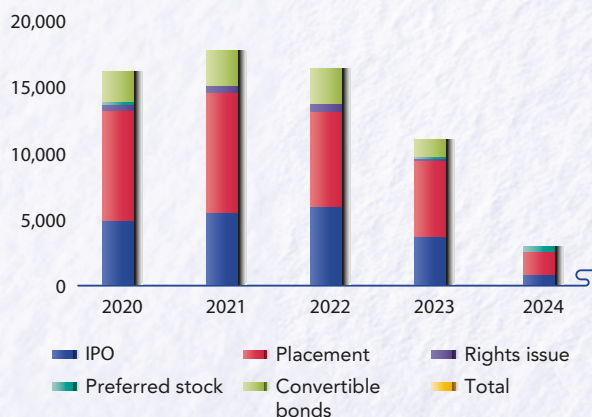
Targeting enterprise clients, our enterprise finance business consists of investment banking business and principal investment business. The investment banking business includes equity financing, debt financing and financial advisory, while the principal investment business includes equity investment, debt investment and other investment. During the Reporting Period, the enterprise finance business segment of the Company recorded total revenue of RMB3,579 million, representing a year-on-year decrease of 20.57%, including RMB1,479 million from the investment banking business segment, and RMB2,101 million from the principal investment business segment.

### (1) Investment banking business

#### Market environment:

#### Domestic Equity Financing Size (2020-2024)

Unit: '00 million Currency: RMB

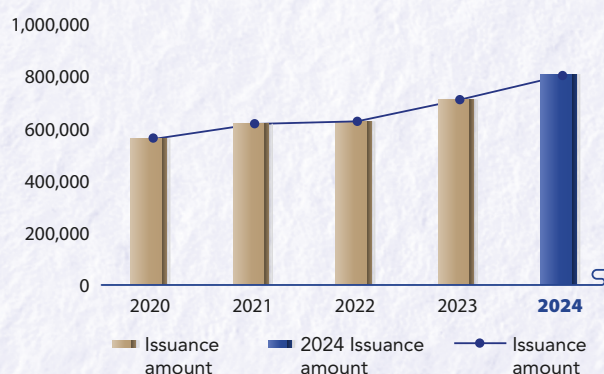


Notes:

- Source: WIND;
- Based on the data on the listing date

#### Domestic Debt Issuance Size (2020-2024)

Unit: '00 million Currency: RMB



Notes:

- Source: WIND;
- Based on the data on the issuance date

#### a. Equity financing

In terms of the domestic market, in 2024, in order to further promote the high-quality development of the capital market, the State Council issued the new "National Nine Guidelines (國九條)", the capital market guiding document, provided comprehensive arrangements from multiple aspects including issuance and listing, continuous supervision, delisting supervision, supervision of securities and fund institutions, transaction supervision and promoting the entry of medium and long-term funds, which jointly formed a "1+N" policy system with the regulatory authorities. Under the new regulatory circumstances, the pace of IPOs and refinancing issuance has further slowed down, the equity business in the entire market has shrunk significantly, and the number and scale of financing enterprises have declined significantly. During the Reporting Period, the entire market completed a total of 297 equity financing projects, the number of enterprises decreased by 62.41% year-on-year, and the equity financing scale was RMB290.472 billion, representing a year-on-year decrease of 73.62%; and completed 100 IPO projects, the number of enterprises decreased by 68.05% year-on-year, and the financing scale was RMB67.353 billion, representing a year-on-year decrease of 81.11%; and completed 197 refinancing projects, the number of enterprises decreased by 58.70% year-on-year, and the financing scale was RMB223.120 billion, representing a year-on-year decrease of 70.03%. (WIND, based on the data on the listing date, excluding exchangeable bonds, 2024)



As for the overseas market, affected by the market environment, in 2024, the amount of equity financing in the Hong Kong market was HKD190.320 billion, representing a year-on-year increase of 22.0%. In particular, the total amount of IPO financing was HKD87.478 billion, representing a year-on-year increase of 88.9%. (Hong Kong Stock Exchange, 2024)

b. Debt financing

In terms of domestic market, in 2024, the primary market generally operated smoothly with steady progress. The scale of credit bond issuance reached RMB20.41 trillion, representing a year-on-year increase of 7.50%, and the financing scale and quantity of industrial entities have become new growth points. Driven by the central bank's supportive monetary policy, the bond yield has declined, the yield of 10-year treasury bonds has dropped to a historical low, the cost of bond financing has decreased, and the success rate of issuance has increased. Meanwhile, investors' demand for the allocation of medium and long-term credit bonds has increased significantly, and bond issuance has shown a long-term trend, further optimizing the bond market structure.

In the overseas market, there was a sharp adjustment in the Chinese-funded offshore bonds market due to the Fed's record rate hike cycle. The issuance number of Chinese-funded offshore bonds in 2024 was 1,128, with a total issue size of USD133.433 billion, representing a year-on-year increase of approximately 8.4%. (Bloomberg, 2024)

c. Financial advisory

In 2024, affected by the complex domestic and overseas economic situation, the overall activity of M&A transactions by domestic enterprises did not increase significantly. The review of M&A transactions subject to review continued to slow down. In 2024, there were 14 M&A projects reviewed and approved by the exchange, representing a year-on-year decrease of 44.00%. In the second half of 2024, new policies such as the new "National Nine Guidelines (國九條)" and "Six M&A Measures" reactivated the M&A and restructuring market, and the recovery of M&A and restructuring began to pick up in the fourth quarter.

**Operating measures and results:**

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





## Serving national strategies

## Specific measures

Serving science and  
technology finance**Implemented national technological self-reliance and self-improvement strategy to support in the construction of science and technology innovation and modernization industry system**

**Equity financing:** during the Reporting Period, Shenwan Hongyuan Financing Services actively participated in the construction of financial-backed innovation system, fully exerted the advantages of comprehensive financial services of “investment banking + investment + research”, and strengthened the financial support for enterprises with key core technologies, enterprises featured by “specialization, refinement, specialization and novelty”, strategic emerging industries and future industries. In 2024, the company assisted Guoguang Electric (002045.SZ), a new high-tech enterprise, in completion of re-financing.

Shenwan Hongyuan (H.K.) took advantage of overseas capital market services to support science and technology innovation and serve new quality productive forces. As a sponsor, it assisted Qiniu Limited (2567.HK), a leading platform for audiovisual cloud service in China, in listing; as an underwriter, it assisted Mobvoi (2438.HK), DOBOT (2432.HK), Minieye (2431.HK) and many other technology industry companies in listing.

**Debt financing:** during the Reporting Period, the Company issued 78 technology innovation bonds, with an actual underwriting scale of RMB22.7 billion.



## Serving green finance

**Implemented the national carbon peak and carbon neutrality strategy to support green finance**

**Debt financing:** during the Reporting Period, the Company successfully issued a total of 22 green bonds and carbon neutral bonds, with actual underwriting size of RMB8.132 billion. It has successively promoted Baowu Group, Shenergy Company Limited and Huadian New Energy Group to issue the first science and technology innovation and low-carbon transformation “Belt and Road Initiative” bonds in China, the first carbon neutrality and green financial science and technology innovation rural revitalization bonds in China, and the bonds obtaining climate bond certification from the Climate Bonds Initiative.

Shenwan Hongyuan (H.K.) proactively served the green development strategy, and assisted related overseas bond projects in financing of approximately RMB33.452 billion, with actual underwriting amount of RMB2.074 billion. In particular, it assisted Maoming Port Group Co., Ltd. in successful issuance of the first “blue + green” overseas bonds in China to support the port construction, give full play to the advantages of the blue engine and incubate surging new quality productive forces; as the exclusive green structure consultant and lead global coordinator for the first time, it assisted in building a green framework and obtaining green bond subsidies from the Hong Kong Monetary Authority in the three-year US\$200 million overseas bond issuance projects in Southern New Town, Chongqing City, and continued to enhance the market influence and demonstration effect of projects.



### Serving national strategies

### Specific measures



#### Serving the inclusive finance policy

#### Implemented the national development requirements for common prosperity, to support inclusive finance

**Equity financing:** Shenwan Hongyuan Financing Services took the NEEQ business and the Beijing Stock Exchange as the starting point for serving SMEs, and continuously assisted innovative SMEs to seek for new growth points. Since the opening of the Beijing Stock Exchange, the number of listed companies on the Beijing Stock Exchange sponsored by the company ranked the second in the market. During the Reporting Period, Shenwan Hongyuan Financing Services completed a total of 36 listings and private placements on the NEEQ, ranking the second in the market, including assisting 6 national enterprises featured by “specialization, refinement, specialization and novelty” in listing on the NEEQ, and assisting 7 national enterprises featured by “specialization, refinement, specialization and novelty” in conducting private placement business on the NEEQ. It continued to conduct fee reduction. During the Reporting Period, it reduced and exempted the continuous supervision fees for 89 NEEQ enterprises with operating difficulties with a total waiver of RMB4.974 million.

**Debt financing:** during the Reporting Period, the Company underwrote 19 small, medium and micro-sized bonds as a lead underwriter, with an actual underwriting size of RMB5.735 billion, making positive contributions to promoting the development of small and micro-sized enterprises and enhancing social harmony and fairness.



#### Serving construction of digital China

**Debt financing:** during the Reporting Period, the Company underwrote a total of 7 bonds to assist the digital economy, with an actual underwriting amount of RMB1.917 billion, continuing to provide strong support for the construction of Digital China.



#### Serving high-level opening-up

#### Implemented the national “Belt and Road Initiative” work deployment to support cross-border finance

**Debt financing:** during the Reporting Period, the Company underwrote 249 bonds as a lead underwriter in Chongqing, Macao Special Administrative Region, Fujian Province, Hebei Province, Jilin Province, Xinjiang Uygur Autonomous Region and others, with an actual underwriting amount of RMB101.492 billion, providing support for serving high-level opening-up. Meanwhile, in the special statistics on the bond underwriting business of securities companies in the first three quarters of 2024 released by the Securities Association of China, the “Belt and Road Initiative” bonds underwritten by the Company as a lead underwriter ranked the second in terms of amount.

Shenwan Hongyuan (H.K.) actively implemented the national “Belt and Road Initiative” work arrangements, served domestic and international dual cycles, assisted related companies in overseas bond financing of RMB61.026 billion, with an actual underwriting amount of RMB4.059 billion, of which it assisted Chongqing Fuling Industrial Development Group in issuance of Dim Sum Bonds in an amount of RMB1.26 billion, which was the largest in scale of credit directly issued Dim Sum Bonds in Chongqing.





## Serving national strategies

## Specific measures

Supporting major regional  
development**Implemented the regional development strategy of China to promote regional coordinated development**

**Equity financing:** Shenwan Hongyuan Financing Services closely focused on serving hard-technology enterprises and helping the development of new quality productive forces. With the help of the “research + investment + investment banking” platform, it fully exerted the network advantages of branches across the country to actively provide key enterprises in key regional industries with comprehensive financial services for conducting on-site visits.

**Debt financing:** during the Reporting Period, the Company completed a total of 678 bonds to assist regional financial construction, with a total underwriting amount of RMB281.189 billion. In addition, Shenwan Hongyuan (H.K.) assisted Sichuan Jianzhou Airport Agricultural Investment and Development Group Co., Ltd. (四川簡州空港農業投資發展集團有限公司) in successful issuance of the first YPY bonds enhanced by credit enhancement institutions in China.

## a. Equity financing


In terms of domestic equity financing, the equity business of the market shrank obviously, the number and amount of financing both significantly decreased. During the Reporting Period, the Company actively responded to the impact of the tightening of the pace of IPO and refinancing issuance in the industry, however, due to the cyclical nature of investment banking project reserves, intertemporal issuance resulted in the ranking not meeting expectations. During the Reporting Period, the total equity underwriting scale of the Company was RMB1.104 billion for 4 enterprises. The IPO underwriting scale was RMB189 million for 1 enterprise. The refinancing underwriting scale was RMB916 million for 3 enterprises. In 2024, the Company ranked the second in the market in terms of the number of IPO projects approved by the CSRC. (WIND, based on the data on listing date, excluding exchangeable bonds, 2024)

In addition, the Company proactively developed inclusive finance business, and fully promoted the development of small and medium-sized enterprises. During the Reporting Period, the Company completed a total of 36 NEEQ directed offerings and listings, raising RMB1.035 billion, both ranking second in the industry.


As of the end of the Reporting Period, the Company provided continuous supervision for 567 NEEQ-listed enterprises, ranking the second in the industry, including 216 enterprises on the innovative layer, ranking the second in the industry; the Company accumulatively recommended 861 enterprises for listing, ranking the first in the industry; the Company provided 942 private placements for listed enterprises, ranking the first in the industry; and the Company conducted equity financing in an amount of RMB38.455 billion for listed enterprises, ranking the second in the industry (CHOICE, based on the data on the listing date). Since the opening of the Beijing Stock Exchange (including select tier), the Company accumulatively served 22 enterprises listed on the Beijing



Stock Exchange, raising a total of RMB4.189 billion, both ranking the second in the industry. (WIND, based on the data on the listing date, 2024)

 NEEQ	Continuous supervision for 567 NEEQ-listed enterprises	Continuous supervision for 216 enterprises on the innovative layer	Ranking the second in the market
	Number of enterprises accumulatively recommended for listing	Times of provision of private placements for listed enterprises	Ranking the first in the industry
	861	942	

 Beijing Stock Exchange	Ranking	Cumulative underwriting of 22 companies	Accumulatively raised proceeds of RMB4.189 billion
		The second	The second

In terms of overseas equity financing business, the Company proactively exerted domestic and overseas linkage advantages, and steadily promoted its cross-border business and overseas presence. The sponsored and underwritten project reserve has been gradually increased and the project turnover was gradually sped up. During the Reporting Period, the Company participated in 15 IPO projects as an underwriter, and the number of underwriting ranked the sixth among the Chinese securities firms according to the statistics of Dealogic. Of which, in 2024, the Company sponsored Qiniu Limited (2567.HK), the unicorn in the Chinese cloud service industry, participated in underwriting of IPO projects such as DOBOT (2432.HK), ranking the second in the global collaborative robot industry, Mobvoi (2438.HK), an artificial intelligence unicorn, Dmall (2586.HK), an Asian leading retail digital solutions provider, and Voicecomm Technology (2495.HK), an interactive AI enterprise featured by “specialization, refinement, specialization and novelty”.

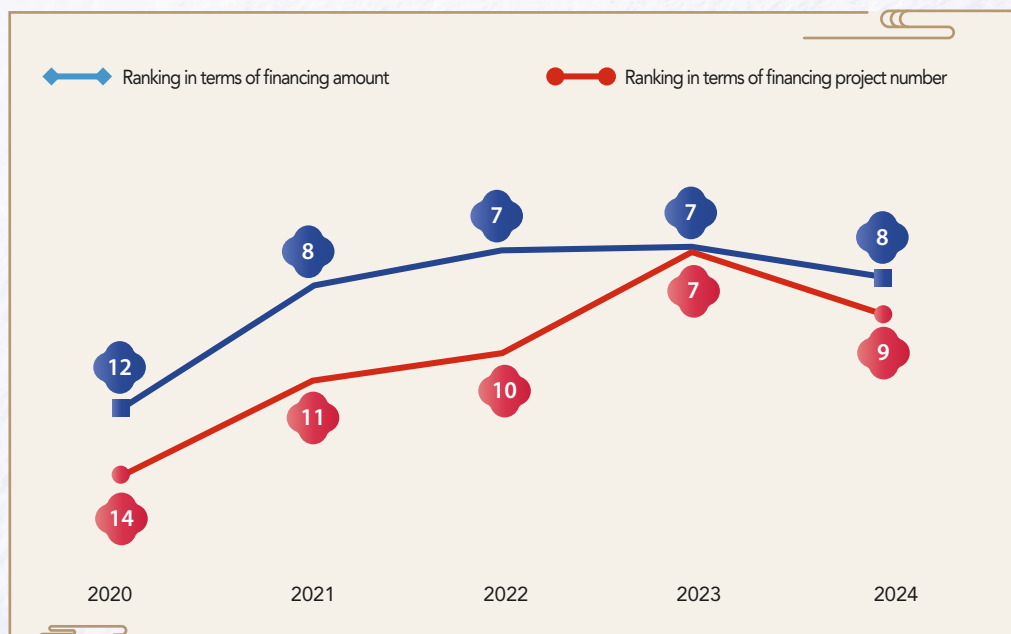
b. Debt financing

In respect of domestic debt financing business, the Company’s debt financing business maintained a stable development trend, with significant growth in the amount and number of lead underwriting for various types of bonds, and the industry ranking and market influence maintained at a considerable level. During the Reporting Period, the number of lead underwriting for the whole range of corporate bonds (corporate bonds + financial bonds + enterprise bonds + non-financial enterprise debt financing instruments) was 678, representing a year-on-year increase of 18%; and the lead underwriting scale was RMB281.189 billion, representing a year-on-year increase of 7%, ranking eighth in the industry in terms of the scale of lead underwriting. (WIND, 2024)





Ranking of the Company's debt financing from 2020 to 2024 (WIND, the listing date)



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

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

In terms of overseas debt financing business, the Company continued to intensify the efforts in project development and cross-border business synergies, and used finance as a leverage to accurately empower real economy and enrich RMB-denominated offshore bond products, as well as offshore bond products of high-quality enterprises, such as green bonds and blue bonds. During the Reporting Period, the Company completed 312 overseas bond projects, ranking No. 5 in Chinese brokerage firms in terms of the number of Chinese offshore bonds underwritten. (Bloomberg, 2024)



c. Financial advisory

In terms of domestic financial advisory, during the Reporting Period, the number of financial advisory projects of the Company (based on the data of first disclosure) was 13, ranking the fourth in the industry; and the Company completed one independent financial advisory project. (WIND, 2024)

In terms of overseas financial advisory, during the Reporting Period, the Company actively participated in financial advisory projects related to mergers and acquisitions, and completed a number of financial advisory projects, including Xingda International (1899.HK), Yufengchang Holdings (8631.HK), Midea Real Estate (3990.HK) and New Sparkle Roll (0970.HK).

**Outlook for 2025:**

In 2025, competition in the investment banking business will become more intense. In the short term, the pace of IPO and refinancing will be periodically tightened, and the income from investment banking business will be under pressure. In the long term, whether from the direction of economic recovery or capital market reform policies, the capital market is expected to experience positive changes, the M&A and restructuring market activity is expected to continue to improve, and the investment banking business will be developed with high quality in the long term under the full registration system. The Company will accelerate the transformation from traditional project-focused investment banking business model to client-centered one, actively respond to national policies, serve the national strategy, help the development of the real economy, give full play to the role of state-owned financial enterprises, and effectively play the role of intermediary as the “gatekeeper” and “service provider” of the capital market. Based on its rich capital market experience, the Company will continue to build up its resource integration capabilities, and enhance the effectiveness of the collaborative model of “industry research + production research + investment banking” to comprehensively consolidate comprehensive capabilities in terms of capital, pricing, sales, collaboration, risk control and technology; and the Company will serve the life cycle comprehensive financial service needs of customers, promote internationalization and domestic and international integration strategies, and continue to seize the opportunities brought by the interconnection of domestic and foreign markets, so as to build a large investment banking ecosystem of the entire industry chain.





(2) *Principal investment business*

**Market environment:**

In 2024, the equity investment market moved towards a new stage of high-quality development in the midst of gear-shifting adjustments. The State Council's New "National Nine Guidelines (國九條)" and the "1+N" policy system of the capital market have further standardized the access to issuance and listing, and strengthened the supervision of delisting, creating a stable development environment for equity investment. During the Reporting Period, the equity investment market showed a situation of both adjustment and change. While the adjustment of the regulatory pace of A-share IPOs put the capital market under pressure to raise capital, the reform policies of the CSRC, such as the "STAR Eight Measures" and the "Six Guidelines on Mergers and Acquisitions (併購六條)", enhanced market activity and innovation, strengthened the inclusiveness of innovative enterprises, increased the support for industrial integration, and broadened the scope of the strategic layout of equity investment.

Against this background, the strategic position of the capital investment business of securities companies has been highlighted, and the role of securities companies in supporting the real economy and promoting high-quality development has been strengthened. With the deepening of capital market reform, securities firms and equity investment institutions will play a key role in diversified financing, industry integration, innovation support and other aspects, helping to optimize and upgrade the economic structure.

**Operating measures and results:**

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

In 2024, the Company's principal investment business actively served the national strategy and fully supported the high-quality transformation and development of the real economy, giving full play to its comprehensive financial advantages and strategic synergies. Shenyin & Wanguo Alternative Investment continued to deepen its investment and research drive and comprehensive financial empowerment, and focused on strategic emerging industries with science and innovation attributes on the investment side, covering semiconductors, new materials, high-end manufacturing, new energy, aerospace and other fields. On the post-investment side, in the face of changes in the market environment, Shenyin & Wanguo Alternative Investment has facilitated the speeding up of project turnaround through various channels, completed the exit of six projects, and fully utilized our comprehensive financial strength to promote the listing of three invested projects on the NEEQ, the Beijing Stock Exchange and HKEX, among other markets. During the Reporting Period, the Company successfully implemented the first public listing and exit project of equity investment in the primary market of a subsidiary invested by a financial central enterprise on the Shanghai Stock Exchange, and was awarded the "2024 Property Trading Innovation Award". Hongyuan Huizhi actively served the real economy, focused on doing a good job in the "Five Priorities" on finance, continuously optimized the allocation of underlying assets, strengthened investment and research capacity building, further optimized the business model, deepened the business synergies, and steadily advanced the high quality development. During the Reporting Period,



the Company actively participated in REITs projects such as Hua'an Waigaoqiao Warehousing and Logistics, Huaxia TBEA New Energy, and Zhongjin LianDong Science and Technology Innovation Industrial Park, and the investment scale of REITs achieved higher year-on-year increase.

**Outlook for 2025:**

In 2025, the Company will closely align with national strategic needs, focus on emerging industries and key technology fields, and promote the independent security of the industrial chain and supply chain and the sustainable development of scientific and technological innovation. The Company will continue to deepen its comprehensive financial service system featuring “research + investment + investment banking”, enhance the precision and foresight of investment decisions, strengthen post-investment management and empowerment, focus on the exploration of post-investment value enhancement and diversified exit paths, and continuously improve the sustainability and stability of investment returns.

**2. Personal Finance Business**

The personal finance business of the Company mainly covers securities brokerage, futures brokerage, margin financing and securities lending, stock-backed lending, agreed repurchase securities trading and sales of financial products. During the Reporting Period, the personal finance business segment of the Company recorded total revenue of RMB11,332 million, representing a year-on-year increase of 5.14%.

*(1) Securities brokerage business*

**Market environment:**

The year 2024 was a key year for deepening reform of China's capital market, with the intensive introduction of various policies under the tone of strict regulation. On this basis, the A-share market experienced many rounds of ups and downs and showed a rapid rise after September 24, with the SSE Composite Index, CSI 300 Index and ChiNext Price Index rose by 12.67%, 14.68% and 13.23% respectively during the year. Since September, the overall market sentiment has been high and the turnover has seen a sustained and significant rise, with the annual turnover of the Shanghai and Shenzhen markets reaching RMB254.79 trillion, representing a year-on-year growth of over 20%. During the Reporting Period, securities companies practiced serving the real economy, actively promoted the concept of hierarchical and stratified services for customers, continued to promote digital service transformation, enhanced the experience of investment advisor services, and continued to improve the accuracy and effectiveness of customer services.

**Operating measures and results:**

During the Reporting Period, the securities brokerage business of the Company continued to focus on its main responsibilities and primary business, fully implemented the concept of client-centered, and continuously enhanced its core competitiveness. The Company increased its investment in the construction of “channel strength, service strength, product strength, digital strength and refined management capabilities”; improved the matrix customer service, constructed the investment and consulting service model, continuously enriched the means of



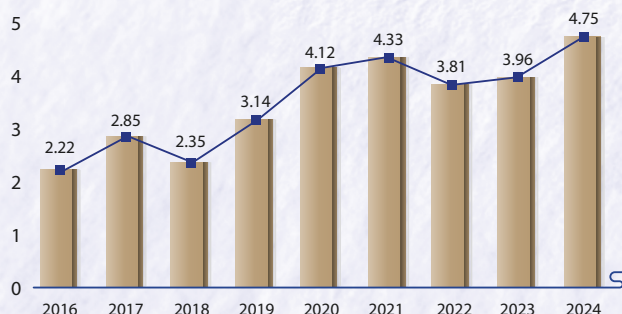


comprehensive financial services, enhanced the market response capability, consolidated and enhanced the basic business, basic customers and basic services; accelerated the building of the Company's wealth management brand; and realized the high-quality development of the brokerage business. During the Reporting Period, net income from agency trading business amounted to RMB3.532 billion, with 763,600 new clients; and as at the end of the Reporting Period, the market value of assets under custody of customers' securities amounted to RMB4.75 trillion, representing an increase of 21.88% as compared with the end of the previous year; and the number of clients and asset size were further enhanced.

During the Reporting Period, as one of the first batch of "cross-border wealth management" pilot brokerage firms, the Company responded proactively and made rapid deployment, fully utilized its professional advantages in the areas of investment research, wealth management and cross-border investment and financing services, and successfully implemented the first southbound and northbound transactions of its "cross-border wealth management" business, enabling ordinary clients to directly open and operate investment accounts across borders for the first time, providing investors with richer and more diversified investment products and services, and actively serving investors' cross-border asset allocation needs.

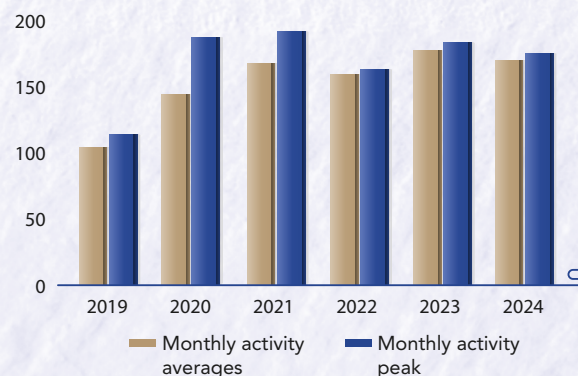
### Market value of client's securities under the custody

Unit: trillion Currency: RMB



### Average monthly activity of customers on mobile trading client side

Unit: '0,000



Meanwhile, the securities brokerage business of the Company has deepened the application of financial technology and launched its self-developed one-stop digital wealth management platform "Shencai Youdao APP". The platform integrates the Company's comprehensive financial service resources, provides insight into customer needs through digital means, and enhances customer experience by providing intelligent services. The platform covers asset coverage, asset display, investment diagnosis, news service and other functions, and provides full-cycle intelligent services such as intelligent information, stock diagnosis, financial recommendation, trading and six-dimensional investment capability analysis by relying on cloud service, artificial intelligence and big data technology. In addition, the platform effectively enhances the experience of various customer segments through differentiated services,



providing wider, better, more convenient and more efficient digital and intelligent financial services for small and medium-sized investor segments.

**Outlook for 2025:**

In 2025, the Company will deepen the client-centered wealth management concept, and use technology as a means to create value through professional wealth management concepts. The Company will build asset allocation capability with “future vision + professional wisdom”, and construct a characteristic product matrix covering multiple types of products such as agency sales of mutual funds, ETF ecosystem and private equity customization. In the dimension of science and technology, the Company will accelerate the construction of the middle office, and promote the deep development of intelligent trading to enlarge the asset scale. By building an all-round service system of “intelligent terminal + three-dimensional service + professional investment advisor + ecosystem”, the Company will create the brand image as an “expert in asset allocation in the whole market” and build a distinctive brand of wealth management of Shenwan Hongyuan.

(2) *Futures brokerage business*

**Market environment:**

In 2024, driven by policy support and market innovation, China's futures industry moved towards high-quality development. In terms of policy, the General Office of the State Council forwarded the Opinions on Strengthening Supervision, Preventing Risks and Promoting High-Quality Development of Futures Market (《關於加強監管防範風險促進期貨市場高質量發展的意見》) issued by CSRC and other departments, the new adjustment plan for the categorization and evaluation of the futures industry has been solicited for the industry opinions, and the revised draft of the rules for the supervision and management of futures companies are expected to be officially released in the near future to promote the formation of a three-pronged governance system of “policy guidance – classified supervision – institutional standardization”. The cumulative turnover of the futures market for the whole year was approximately 7.729 billion lots, representing a year-on-year decrease of 9.08%; the cumulative turnover amounted to RMB619.26 trillion, representing a year-on-year increase of 8.93%, with a decrease in trading activity and an increase in the overall scale of the market. At present, the number of listed futures options in China has reached 146, covering a wide range of national markets such as agriculture, metals, energy, chemicals and others, with an increasingly rich product ecology and intensified competition among leading futures companies. (China Futures Association, 2024)





### Operating measures and results:

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

In 2024, Shenwan Futures focused on its main responsibilities and business to accelerate reform and transformation, practically enhanced its development momentum and risk resistance, continuously strengthened the core capacity of “one main business and two wings” with the brokerage business as the foundation and the risk management business and wealth management business as the two wings; established four major echelons of “client development”, “product support”, “business empowerment” and “operation management”, consolidated the fundamentals of agency business, and created a diversified derivatives service system; and accelerated the improvement of various key indicators and the implementation of key tasks, resulting in continuous growth in operating revenue and net profit. During the Reporting Period, Shenwan Futures received more than 100 awards from government departments, exchanges, associations and media. During the Reporting Period, Shenwan Futures flexibly utilized financial derivative tools such as futures and options to serve the national food and energy security strategy and SMEs through OTC options and basis trading, with basis trading of agricultural products reaching RMB2.092 billion (of which: SMEs accounted for more than 89%), and notional principal amount of OTC options services exceeding RMB300 million; it also assisted enterprises to rationally utilize OTC derivative tools to reduce costs and increase efficiency. The total amount of OTC derivatives business with industrial and financial institution clients was RMB8.331 billion.

Hongyuan Futures actively responded to the environmental changes and further strengthened its ability to serve the real economy, continuously consolidated and strengthened the foundation of its brokerage business, promoted the steady development of its risk management business, insisted on the creation of a distinctive capital management business, continuously strengthened its ability to synergize with the various business lines of the Company’s system, and solidly pushed forward its high-quality development. During the Reporting Period, Hongyuan Futures realized an average daily customer equity of RMB13.112 billion, with the average daily customer equity maintaining the trend of steady growth month by month, and the cumulative service to industrial customers increased by 13.8% year-on-year, with the equity of industrial customers increasing by 32% year-on-year, and 21 “insurance + futures” projects were launched, with a notional principal amount of RMB543 million.

### Outlook for 2025:

In 2025, the Company will focus on its main responsibilities and businesses, continue to serve the national strategy and the real economy, continue to consolidate its basic fundamentals, steadily develop its risk management business, accelerate the implementation of its strategies, build a diversified derivatives service system, enhance its core competitiveness and brand influence with our characteristics, and strive to build a first-class futures and derivatives service provider.

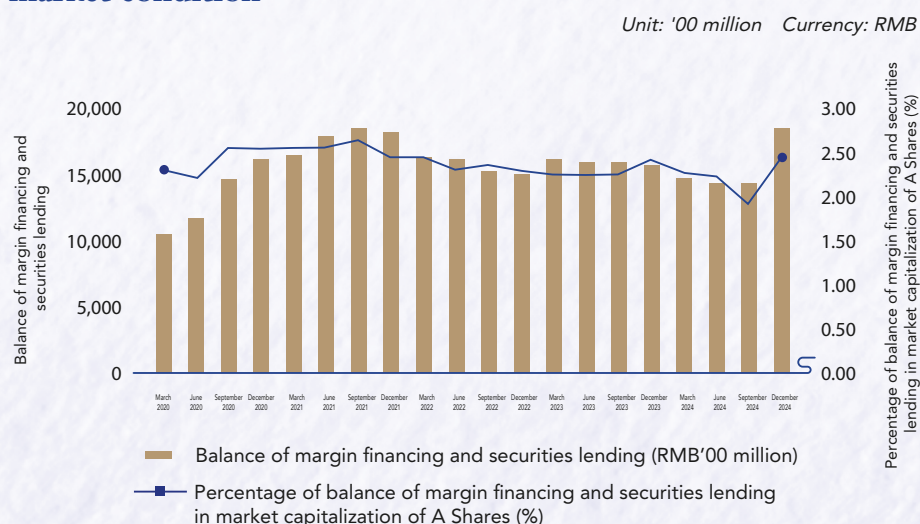


(3) Margin financing and securities lending business

**Market environment:**

In 2024, the overall trend of the A-share market surged following a drop, and rebounded rapidly in September with positive policy changes. The balance of margin financing and securities lending in the entire market also showed a trend of “firstly shocking decline, then bottoming out”. By the end of 2024, the balance of margin financing and securities lending in the entire market was RMB1,864.583 billion, representing an increase of 12.94% from the end of the previous year (WIND, 2024).

**Margin financing and securities lending market condition**



**Operating measures and results:**

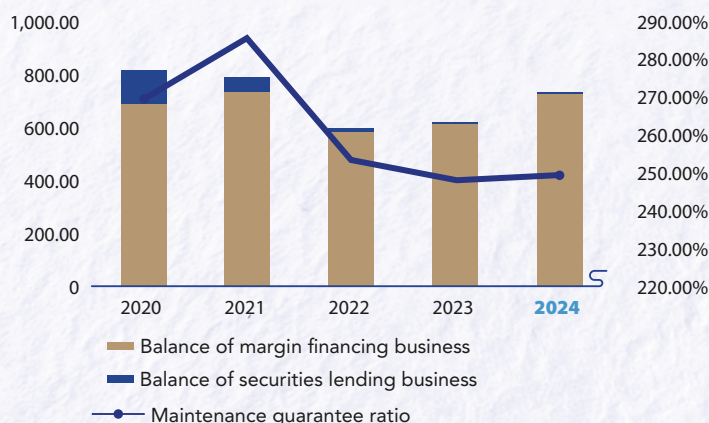
In 2024, the Company focused on customer needs and continued to promote institutional and digital transformation. By building a “professional” service brand, the Company has continuously optimized its customer structure, deepened its financial technology empowerment, improved its pricing mechanism, and provided more comprehensive and efficient service experience for various investors; the Company fully implemented regulatory requirements, continuously strengthened its compliance risk control model, and laid a solid foundation for high-quality development. As of the end of the Reporting Period, the balance of the Company’s margin financing and securities lending business was RMB72.170 billion, representing an increase of RMB10.546 billion from the end of the previous year, the year-on-year increment was higher than the market average level. Among which the balance of margin financing business was RMB71.961 billion, representing an increase of RMB10.896 billion from the end of the previous year, and the balance of securities lending business was RMB208 million, representing a decrease of RMB351 million from the end of previous year (based on the data of securities company’ regulatory reporting). The average maintenance guarantee ratio of the Company’s margin financing and securities lending business was 249.81%.





## Implementation of margin financing and securities lending of the Company

Unit: '00 million Currency: RMB



### Outlook for 2025:

In 2025, the Company will pay close attention to market and policy changes, adhere to the core of stable operation, consolidate the business fundamentals, continue to promote institutional transformation and digital iteration, enrich business strategies, enhance service quality and efficiency, and further improve the comprehensive customer service capability. The Company will empower services with information, digital and intelligent platforms, focus on the quality of customer services, enhance customer experience and strengthen its customer base. The Company continue to improve its risk prevention and control system, strengthen risk monitoring and dynamic management throughout the business cycle, and contribute to the high-quality development of credit business.

#### (4) Stock-backed lending business

##### Market environment:

In the first three quarters of 2024, the volatility of the A-share market intensified, and the number of shares pledged and the number of shares pledged by major shareholders continued to decrease in the entire market; since the fourth quarter, with the reversal of market conditions, the market value of shares pledged in the entire market has rebounded. Overall, the overall market scale of the stock-backed business showed a shrinking trend, and the risks of the stock-backed business continued to be restrained.

##### Operating measures and results:

During the Reporting Period, the Company's stock-backed lending business followed the business philosophy of steady and high-quality development, continued to improve the stock-backed lending business system, optimized the pre-loan due diligence process, further strengthened business risk control, and promoted the commencement of the new stock-backed business in a high-quality manner. Meanwhile, the Company further prevented



financial risks, and gradually withdrew from related existing stock-backed projects. As at the end of the Reporting Period, the balance of the Company's stock-backed lending business financed by its own funds amounted to RMB1,403 million, representing a decrease of 7.49% as compared with the beginning of the year.

**Outlook for 2025:**

The Company's stock-backed business will closely follow the policy guidance, take high-quality development as its direction, continuously optimize risk control measures, select financing parties and target securities, actively serve customers' financing needs, effectively serve the real economy, and promote high-quality development of the business.

(5) *Agreed repurchase securities trading business*

**Market environment:**

As one of the credit businesses serving small and medium-sized shareholders of listed companies, the agreed repurchase securities trading business showed a steady development driven by market demand during the Reporting Period.

**Operating measures and results:**

In 2024, the Company made every effort to promote the steady development of the agreed repurchase business and continued to enrich the range of credit business products by clarifying the business positioning, optimizing business processes as well as strengthening business training and promotion.

**Outlook for 2025:**

In 2025, the Company will adhere to the policy-oriented approach and further improve the business system on the premise of strictly preventing financial risks. Adhering to the business positioning of "small amount, high efficiency and convenience", the Company will meet the financing needs of small and medium-sized shareholders of listed companies and promote the development of the agreed repurchase business with high quality.

(6) *Sales of financial products business*

**Market environment:**

In 2024, the overall recovery of the domestic economy, proactive fiscal policy and prudent monetary policy provided the market with stable and positive expectations. The regulatory authorities continued to be stringent with more emphasis on "investor-oriented", providing a strong guarantee for the healthy development of the wealth management market. Large brokerage firms provided comprehensive, one-stop financial services based on their strong capital, extensive business footprint and strong brand influence. The wealth management industry continued to expand, with competition and cooperation becoming closer. As one of the means of asset allocation services for investors, the ability to sell financial products has gradually become one of the important criteria for measuring the quality of the wealth management business of brokerage firms.





### Operating measures and results:

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

In 2024, the Company focused on the “Five Priorities” on finance, took satisfying customers’ diversified allocation needs as the core, and created a comprehensive package of financial services required for “large wealth management”. Relying on the “product strength, service strength, digital strength and channel strength (產品力、服務力、數字力和渠道力)”, the Company focused on strengthening the productization of its advantageous business resources, continuously promoted the construction and quality improvement of the product system, increased the layout of fixed investment, index products and fixed income products, established a differentiated customer service system, and provided customized services and products based on the different needs and risk tolerance of customers. Meanwhile, the Company resolutely implemented the financial regulatory deployment and prevented financial risks.

During the Reporting Period, in line with the launch and operation of the “Fund E Account (基金E賬戶)” APP, the Company actively launched the fund transfer and custody business, continued to expand its service scene, strived to improve the quality of its services, and relied on financial technology to create a professional, one-stop integrated fund service solution to help customers with fund planning and asset allocation. The Company actively promoted the conversion of part of residents’ medium- and long-term savings into medium- and long-term capital in the capital market, which has satisfied customers’ demand for wealth preservation and appreciation at a high level and continued to enhance investors’ sense of gain. Meanwhile, the Company grasped the market dynamics and practiced inclusive finance, and launched special marketing activities such as Enjoy Golden Week and Index Carnival relying on two types of brokerage products, namely, structured notes and exchange-pledged quotation repurchases, to enlarge the reservoir of the Company’s wealth management business and help the Company’s wealth management to develop in a high quality manner.

During the Reporting Period, the financial products sold by the Company amounted to RMB591.227 billion in total, representing a year-on-year increase of 25.08%, of which, self-developed financial products amounted to RMB546.651 billion, and agent sales of financial products developed by third parties amounted to RMB44.576 billion.

### Outlook for 2025:

In 2025, the Company will continue to promote the transformation of “client-centered” wealth management, accelerate the construction of platformized, configured and differentiated product systems around the needs of clients in different lifecycles, continue to improve the financial toolbox, and strive to provide clients with one-stop services while creating star products; the Company will continue to strengthen investment research capabilities and the construction of product risk assessment systems; increase efforts in exploring and screening potential





management and high-quality products, and strictly control the introduction of assessment, so as to continuously innovate in the market rotation and evolution; the Company will focus on expanding our product portfolio and deploying index products to help build an investment ecosystem of “long-term money and long-term investment”; strengthen the construction of our asset allocation capabilities and expand the scope of index products and high-end customized business, and provide customers with more comprehensive wealth management solutions; and the Company will take individual pension and fund fixed investment business as the key to satisfy the medium- and long-term investment needs of investors and facilitate the high-quality development of our product sales business.

### 3. Institutional Services and Trading Business

The institutional services and trading business include prime brokerage services, research and consultation, FICC sales and trading, equity sales and trading business as well as derivatives business. During the Reporting Period, the Company’s institutional services and trading business segment recorded total revenue of RMB19,224 million, representing a year-on-year increase of 22.01%.

#### (1) Prime brokerage business

##### **Market environment:**

The implementation of the full registration system and the implementation of policies such as the new “National Nine Guidelines (國九條)” have promoted the improvement of the basic functions of the capital market and the increasing marketization of issuance and trading mechanisms. With the full implementation of the new regulations on capital management and the enrichment of on- and off-exchange derivatives, the trading strategies and risk hedging means of professional institutional investors have become more diversified, and the trend of institutionalization and productization has been significantly enhanced, resulting in a significant growth in institutional transactional capital intermediation business driven by brokerage clients’ needs. The reform of mutual fund fee rates and changes in the market environment have prompted brokerage firms to accelerate their transformation into buy-side wealth management intermediaries and to enhance the quality of their investment advisory services and asset allocation capabilities in order to satisfy the long-term value-added needs of investors.





### Operating measures and results:

The Company's prime brokerage business include trading units leasing, PB System, listed company services and fund administration services.

In 2024, regarding the institutional business, the Company actively responded to the challenges brought by the adjustment to trading commissions for mutual funds, coordinated and integrated internal and external resources of the Company, and focused on mutual funds, insurance, private equity funds, banks and large institutional customers, to provide them with a one-stop comprehensive financial services including research, products and transactions. Besides, the Company actively explored business transformation and has achieved initial results. In addition, relying on the strong research strength and brand influence of SWS Research, a controlled subsidiary of the Company, the institutional business of the Company continuously accumulated institutional customer resources to boost the development of institutional business.

During the Reporting Period, the Company recorded revenue of RMB416 million from trading units leasing, among which the trading proportion of split commission of funds was 3.15% and that of assurance was 3.59%.

As for the PB System, the Company continued to strengthen personalized services for key institutional customers such as bank wealth management subsidiaries. As of the end of the Reporting Period, there were 1,401 customers with asset scale of approximately RMB899.102 billion, representing an increase of 159.43% as compared with the end of the previous year. The "SWHYMatrix" high-speed trading platform continued to improve its functions and optimize its performance, and can provide institutional customers with rich functions and algorithms of trading terminal system. As of the end of the Reporting Period, the product scale of the "SWHYMatrix" high-speed trading platform of the Company reached RMB19.35 billion.

As for the listed company services, during the Reporting Period, the Company built a comprehensive financial service matrix for listed companies featuring the characteristics of Shenwan Hongyuan, with focus on three dimensions of share management, wealth management and market value management; and established a service system covering the entire business chain, including share repurchase, equity incentive, shareholding increase or decrease and market value management. In particular, the Company provided share repurchase services to a total of over a hundred listed companies, and provided employee equity incentive service for a total of over 60 listed companies with over 16,000 participants.





In terms of fund administration services, the Company focused on three aspects including marketing service, financial technology and operational support, and provided full-cycle product custody and operation services to manager. By gathering the strength of “One Shenwan Hongyuan”, we have formed a synergy of internal coordination, independent marketing and operational optimization. The Company deeply explored potential business opportunities and made breakthroughs in the operation of offshore products, realized a larger growth in private equity fund operation services, further expanded and enriched its diversified product lines. During the Reporting Period, the Company added 65 new private equity funds to its custody and operation services, and the total size of the new custody and operation services amounted to 7.57 billion funds. The Company’s fund operation services have passed the ISAE 3402 international certification for seven consecutive years, and its fund custody business has passed the ISAE 3402 international certification for four consecutive years. With the expansion in the number and scale of service products and the further enrichment of service products and client types, the Company’s custody business has gained a competitive position in terms of load-bearing capacity and comprehensive service capability, and its market recognition has been steadily increasing.

During the Reporting Period, in order to actively respond to the era of digital technology reshaping the financial landscape and leading industry changes, the Company focused on the comprehensive needs of institutional clients, integrated the institutional business chain, constructed an institutional business ecosystem, and launched Shenwan Hongyuan’s integrated institutional customer service platform “Yi Wan Qi Yuan (易萬啟源)”. Relying on its professional services and financial technology, the Company extended its services from investment research to outreach, provided all kinds of institutional investors with all-round, one-stop services covering products, trading and custody, and provided institutional clients with richer, more efficient, more convenient and more innovative financial services.



**Outlook for 2025:**

In 2025, the Company will seize the policy opportunities brought by the accelerated entry of medium- and long-term funds into the market, utilize the advantages of full licenses, focus on playing the role of platform driving, deeply explore customer needs, and deepen the upgrade of its products, business, research and services; create a more specialized and systematic synergistic service system, enhance the level of specialized and intelligent services for its institutional business, push forward the efficient and high-quality development of its institutional business, and strive to build a more competitive institutional ecosystem.

(2) *Research and consultant business*

**Operating measures and results:**

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

In 2024, SWS Research adhered to the general principle of “seeking progress while maintaining stability and high-quality development”, actively served the overall development of the country, and practiced the mission and responsibility of a state-owned financial enterprise of “faith and commitment”. It focused on in-depth research and gave full play to brand advantages, further improved the depth of research and service level, and continued to consolidate its market influence. Firstly, the Company served national strategies with financial strength. In the field of science and technology finance, the Company focused on electronic information, automobile manufacturing and other directions, promoted the implementation of multiple projects, and won the “Golden Wings Award” and the “Excellent Service Brand” awards at the 2024 Fifth Financial Technology Application and Service Conference. The Company published the White Paper on ESG Evaluation System of Central Enterprises (《央企ESG評價體系白皮書》), 2024 Shenwan Hongyuan White Paper on Specializations, Refinements, Specialties and Innovations (《2024申萬宏源專精特新白皮書》) and White Paper on New Materials (《新材料白皮書》), which provide references for ESG management, new industrialization, improvement of industrial system and development of forward-looking strategic emerging industries of the listed company. For five consecutive years, the Company and CCTV have jointly prepared and published STAR Market White Paper (《科創板白皮書》), and fulfilled the mission of serving the strategy of developing the country through science and innovation and leading the comprehensive registration reform of share issuance. The Company actively responded to the call for “carbon peak and carbon neutrality” and convened a seminar on new and old energy and coal chemical industry in Xinjiang, which contributed to the green development of Xinjiang. Secondly, the Company gave full play to the research characteristics and consolidated existing brand advantages. The Company maintained excellent performance in authoritative evaluations, and was the only brokerage firm in the industry to be listed in New Fortune’s “Most Influential Research Institution” and “Local Gold Medal Research Team” heavyweight group awards for 22 consecutive times. The Company continued to deepen ESG research, and has been awarded the first place in the New Fortune Best ESG Practice Research Institute for three consecutive years. The Company launched a series of books on local economic development decision-making, and provided ideas and references for local governments to attract investment and seize new opportunities in capital market reform; actively interpreted and promoted policies, and earnestly assumed the responsibilities and missions assigned to the securities industry in the new era.





**Outlook for 2025:**

In 2025, the Company will further strengthen the research system of “investment research + political research + industry research”, build core competitiveness with professional capabilities and differentiated services, actively support the development of business lines of the Company internally, maintain its decision-making influence and industry influence externally, and actively serve the national strategy and industry development.

(3) *Proprietary trading*

① FICC sales and trading business

**Market environment:**

In 2024, bond yields declined significantly against the backdrop of wave-running economic fundamentals and supportive monetary policies. On the one hand, the domestic economy was in a period of transition between old and new momentums, and with the intensive introduction of policies to stabilize growth and asset prices since the end of September, policy expectations have changed and fundamentals have stabilized. On the other hand, the momentum of social credit expansion was weak. Coupled with the further unblocking of interest rate transmission channels, the further standardization of manual deposit interest payment and capital flow inefficiency, the scale of broad asset management represented by wealth management has grown rapidly, has led to the continued situation of the “asset shortage”, pushed bond yields downward significantly and credit spreads compressed obviously. During the year, the central bank repeatedly issued warnings on the risk of long-term bond interest rates and created a number of new monetary policy tools, which made the regulatory control of liquidity and bond yield curve more precise and effective.





### Operating measures and results:

The Company's FICC business aimed at "non-directional, low volatility, absolute return", adhered to the dual-wheel drive of "principal investment + cross trade", and continued to build up the core competitiveness of the business, and promoted the integrated development of various businesses by promoting light-asset business with the heavy. During the Reporting Period, the Company implemented the general working principle of seeking progress amidst stability and promoting stability through progress, and launched the combination of "consolidating traditional leading businesses + cultivating distinctive new businesses", and achieved positive results in various businesses.

During the Reporting Period, in the face of the overall decline in bond yields and the tightening of interest rate spreads, the Company responded proactively by insisting on in-depth investment research and realizing stable investment returns by grasping the main investment lines and closely tracking market changes. The Company continued to enrich its bond investment strategy, optimized its "fixed income +" broad asset allocation, steadily promoted the transformation of bond proprietary investment into multi-asset investment in bonds, commodities and foreign exchange, and continued to expand its asset classes and profitability so as to continuously enhance the diversity and risk-resistant capability of its investment portfolio. Meanwhile, the Company actively promoted the development of characteristic light-capital businesses oriented to customer needs, innovated professional financial products, served the diversified financial needs of entity customers, and the comprehensive strength of cross trade business ranked among the top in the market. The Company's investment advisory business insisted on being customer-oriented, leveraging the advantages and empowerment of its investment research business, relying on a solid and complete investment research system and the concept of dynamic portfolio management to create differentiated business competitiveness relative to the market. Its refined portfolio management has highlighted its advantages among similar products.

During the Reporting Period, the Company completed innovative practices such as the market's first OTC options trading linked to the 10-year treasury futures yield index, the first batch of range-based cumulative interest rate options trading linked to treasury yields in the interbank market, and OTC options trading linked to the ESG bond index. The Company introduced the first bond reverse income swap of the Company, and launched the transaction link construction of northbound cross-border commodity income swap. The Company introduced the first swap transaction linked to the "CFETS Carbon Emission Reduction Instruments-Supported Field Selected Credit Bond Index" and the first binary structured notes linked to green financial bonds, and enhanced the activity and diversification of the carbon financial derivatives market.

In addition, the Company insisted on taking financial services for the real economy as the fundamental purpose of work, based on in-depth investment research on bonds, focused on the "Five Priorities" on finance, studied and clarified the list of relevant physical customers in key industries, important industries and key links, proactively



participated in bond investments in technology finance, green finance, inclusive finance, digital finance and pension finance, and steadily increased the scale of related investments. Meanwhile, the Company actively collaborated internally to help enterprises in the industry chain effectively manage commodity price risks through financial derivatives such as OTC options, effectively enhancing its risk management capabilities, and has been publicized and reported by mainstream media for many of its business practices.

In terms of bond sales and trading, the Company fully utilized its customer resources and professional advantages in bond sales, and maintained a leading position in the interbank sales of non-financial corporate debt financing instruments in terms of business scale. During the Reporting Period, the Company sold over RMB100 billion of bonds related to national strategies, which provided a stable source of capital for the real economy and continued to contribute to the stable operation of the capital market; and the Company sold RMB10 billion of green bonds, which contributed to the realization of the dual-carbon target and the green development strategy.

#### **Outlook for 2025:**

In 2025, the Company's FICC business will continue to implement the strategic idea of "three profit curves": Firstly, the Company will consolidate the first profit curve based on multi-strategy bonds, consolidate the investment research in fixed income, and continue to improve the profitability of fixed-income proprietary business in general. Secondly, the Company will accelerate the layout of the second profit curve including cross trade and investment consulting businesses, actively grasped business opportunities, strengthened business cooperation with branches, jointly developed various customers' wealth management needs through superior investment consulting products, and continued to expand comprehensive financial services. Thirdly, the Company will persist in exploring the third profit curve of multi-assets and multi-strategies, improve the allocation of multi-assets portfolios, and strive to achieve excellent investment and operation performance.

#### ② Equity sales and trading business

##### **Market environment:**

In 2024, the A-share market showed a significant fluctuation. At the beginning of the year, the A-share market showed a downward trend and market sentiment was relatively depressed; then rebounded sharply in anticipation of the introduction of patience capital by the Politburo and the stabilization of the capital market, with the SSE Composite Index rising to 3,174 points; and then continued to fall in an environment of "strong expectations and weak realities". Until September 18, the SSE Composite Index again returned to 2,689.70 points, close to its previous low. On September 24, the People's Bank of China introduced monetary policy tools such as swap facilities. The market was stimulated by the policy expectations and began to enter a regional fluctuation after a quick and sharp rebound within a week. In terms of the performance of major indexes, throughout the year, the SSE Composite Index rose 12.67%, the SZSE Component Index rose 9.34% and the ChiNext Price Index rose 13.23%.



**Operating measures and results:**

In 2024, the Company's equity sales and trading business was guided by the business principle of "controllable risks, scientific allocation, clear expectations and stable returns", and promoted the transformation and upgrading from an allocation structure based on a trading strategy to a value investment one, created a stable business income cash flow, effectively prevented and controlled risks, and effectively improved the stability of portfolio performance.

During the Reporting Period, the Company adhered to the concept of value investment and acted as the "patient" capital. As one of the first batch of financial institutions to obtain the qualification for swap facilitation business, the Company's overall participation progress was among the best in the industry; and leveraged its professional advantages as a market maker to provide professional liquidity support to micro, small and medium-sized enterprises. The Company set a market precedent in the market-making business in the Beijing Stock Exchange by being the first to start the market-making business in the Beijing Stock Exchange through the swap facilitation account, which conveyed a positive signal to the market.

**Outlook for 2025:**

In 2025, the equity sales and trading business of the Company will continue to focus on the business theme of "controllable risks, scientific allocation, clear expectations and stable returns", dynamically adjust the portfolio asset structure and allocation efficiency, continue to enhance the level of effective investment risk control, and build a three-dimensional securities investment and trading system.

**③ Derivatives business****Market environment:**

In 2024, the global economic and financial environment was complex, the uncertainty of the international geopolitical situation intensified, the domestic macroeconomic policies continued to intensify, and the equity market experienced relatively large fluctuations. During the Reporting Period, the State Council issued the New "National Nine Guidelines (國九條)". The regulatory authorities issued a number of complementary rules and regulations, forming a "1+N" policy system. The continuous improvement of the institutional construction of the capital market will continue to enhance the intrinsic stability of the market. Under a stable and healthy capital market environment, the derivatives market will enjoy long-term healthy development.



**Operating measures and results:**

In 2024, the derivatives business of the Company maintained its competitive advantages, responded to market changes, proactively adjusted its strategies, overcame multiple challenges, and achieved steady business development, with its business ranking at the forefront of the industry. In terms of the OTC options business, through investment research and financial technology, the Company strengthened its market research, optimized its hedging strategy, enhanced its hedging efficiency, responded smoothly to the drastic market fluctuations, and launched its self-developed one-stop service platform for derivatives, which has improved the efficiency of its customer services and maintained its business competitive advantages; in terms of the cross-border business, the Company actively implemented the national plan to promote the opening up of the capital markets at a high level, effectively met the needs of clients for cross-border transactions and continuously enhanced the Company's internationalisation. In terms of on-the-exchange market making businesses, the Company additionally obtained a number of commodity options market making licenses, and the number of licenses for options market making has steadily ranked in the first echelon of the industry, with market influence ranked among the top, and revenues have continued to grow steadily. In terms of strategic index, the Company continued to strengthen the iteration of broad asset allocation indexes, and formed a strategic index product line that covers a wide range of different assets, adapts to a wide range of different customer needs, and matches the different structures of its strategic index products.

Based on its professional advantages in derivatives pricing and trading, the Company has been actively fulfilling its role in serving national strategies and realising high-quality development of its business. Focusing on scientific and technological innovation and the reform and development of centralised state-owned enterprises, the Company continued to develop equity thematic strategic index that serve national strategies, including the special valuation system of Chinese characteristics and new quality productive forces, to guide long-term capital to pay attention to and invest in the development of related industrial chains. The Company has developed industrial silicon and lithium carbonate option market-making business to provide protection for risk hedging in the green industry; the Company has used OTC derivatives tools to assist listed companies in buybacks, reduced the risks and costs in the buyback process, enhanced the convenience of buyback transactions, and effectively reduced the risk of sharp fluctuations in the share price through hedging transactions. The Company promoted the effective connection between the creation of financial products and rural revitalization, and issued "rural revitalization public welfare endowment-type" income certificate products; the Company utilized OTC derivative tools to provide farmers price protection for 2,600 acres of apples and 11,000 hogs in Bijie through the mode of "insurance + futures".





Type	Exchange	Market-making product	Time
Commodity	Zhengzhou Commodity Exchange	Alkali options	Obtained qualification of main market maker in April 2024
		Glass options	Obtained qualification of main market maker in June 2024
		Corn starch options	Obtained qualification of main market maker in August 2024
	Dalian Commodity Exchange	Hog options	Obtained qualification of main market maker in August 2024
		Egg options	Obtained qualification of main market maker in August 2024
		Log options	Obtained qualification of main market maker in November 2024
	Shanghai Futures Exchange	Nickel options	Obtained qualification of market maker in September 2024
		Tin options	Obtained qualification of market maker in September 2024
	Guangzhou Futures Exchange	Polysilicon options	Obtained qualification of market maker in December 2024

**Outlook for 2025:**

In 2025, the Company will continue to give full play to the function of risk management of derivatives, continuously enhance its services to the real economy and national strategies, and maintain the high quality development of its derivatives business, so as to contribute to the development of the economy and the construction of the capital market. The Company will fully integrate its judgement on the international and domestic market situation. In terms of product issuance, the Company will further explore the needs of clients, enrich the supply of different types of products and extend the product system; in terms of hedging transactions, the Company will refine its parameter management and continue to iterate its model to further enhance its hedging efficiency; and in terms of the cross-border business, the Company will satisfy the diversified needs of clients for cross-border transactions, and further contribute to the opening up of the capital market to a high standard. In terms of the on-the-exchange market-making business, the Company will actively fulfill its function of activating capital market liquidity and strive to obtain more market-making qualifications to further enhance its influence. In terms of strategic index business, the Company will continue to enrich the broad asset strategic index system to create branding effect.





#### 4. Investment Management Business

The investment management business of the Company consists of asset management, mutual fund management and private equity fund management. During the Reporting Period, the Company's investment management business segment recorded total revenue of RMB1,232 million, representing a year-on-year decrease of 15.24%.

##### (1) Asset management business

###### **Market environment:**

Since 2024, the development of the asset management industry has faced many challenges due to factors such as a complex external environment and volatility in the equity market. Although the national economy continued to rebound, volatility in the capital market increased. The stock index retreated sharply in the first half of the year, the equity market rebounded after the release of policy dividends, and the market entered a volatile trend in the fourth quarter. The yield on 10-year government bond hit a new record low, increasing the risk of a market correction. The CSRC issued the Opinions on Strengthening the Supervision of Securities Firms and Public Funds and Accelerating the Promotion of the Construction of First-Class Investment Banks and Investment Institutions (Trial) (《關於加強證券公司和公募基金監管加快推進建設一流投資銀行和投資機構的意見(試行)》), which emphasized the social wealth management function of asset management institutions. The New "National Nine Guidelines (國九條)" further clarified the requirements for strengthening supervision and preventing risks, and promoted the standardized development of the industry. The asset management industry is showing the development trend of public offering, active development and standardization. The asset management business of securities firms has formed a differentiated development path, deepened internal and external collaboration, and reshaped the industry landscape.





### Operating measures and results:

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

In the asset management business, with the establishment of subsidiary, and based on the core tasks of “transformation of active management ability” and “professional reform”, the Company adhered to customer benefits in priority, took the initiative to promotion of the transformation, restructuring, strengthening of business advantages of margin, FOF and “fixed income + derivatives” products, keenly deployed the construction of three systems, i.e. the system construction, research and reform, and investment and research interaction, and strengthened the support for talent team system. As of the end of the Reporting Period, the Company’s asset management scale was RMB182.945 billion, of which the active management asset scale was RMB171.961 billion (including special asset management business), the active management scale accounted for 94.00%, and the proportion of the active management scale has steadily increased. The scale of the collective asset management plan in 2024 increased by 11.37% compared with that at the end of 2023. The Company has strengthened the synergy and fully grasped the market opportunity to promote the scale of inclusive financial products such as large-scale collective products for public institutions. As of the end of the Reporting Period, the scale of margin products increased by 67.41% as compared with the end of the previous year. The Company deeply developed the channel expansion to improve the product penetration rate, and achieved full coverage of major state-owned joint-stock banks, wealth management subsidiaries and core internet channels, and the number and scale of outsourced customers achieved greater growth. Guided by actively practicing and serving the national strategy, the ABS business gave full play to its professional advantages in asset securitization, and innovatively launched various types of green finance and digital finance businesses, and helped micro, small and medium-sized enterprises to efficiently raise funds.





**Typical ABS cases**

**Green Finance (1)**

**Shenwan Hongyuan Asset Management assisted in the successful issuance of the final tranche of the largest carbon-neutral shelf CMBS in China.** On March 1, 2024, the closing product of the largest carbon-neutral shelf CMBS in China – “Jinmao Shenwan – Shanghai Jinmao Building Tranche 3 Green Asset-backed Special Project (Carbon Neutrality) (金茂申萬 – 上海金茂大廈第3期綠色資產支持專項計劃(碳中和))” was successfully established on the Shanghai Stock Exchange, for which Shenwan Hongyuan Asset Management acted as the project manager and lead sales agency. The shelf issue size of this product is RMB10 billion, and the total issue size of the single tranche is RMB3.499 billion.

- (2) Shenwan Hongyuan Asset Management assisted CCCC in successfully issuing the market’s first “Smart Transportation” themed ABS.** On July 26, 2024, “Shenwan Hongyuan – CCCC Wuhan-Shenzhen Jiayu North Expressway Infrastructure Asset-backed Special Project” was successfully established, for which Shenwan Hongyuan Asset Management acted as the project manager and direct sales agency. This is the first highway ABS product in the market focusing on “user pay” and featuring “smart toll collection”, with a total size of RMB4.188 billion. The project closely follows the national “dual-carbon” strategy and the requirements of green energy transformation, and makes use of building roofs, available open space, parking spaces and other resources to carry out the pilot work of “integration of transportation and energy”, realizing the organic combination of “smart transportation” and “green energy”.



**Inclusive Finance (1)****The first tranche of CCCC Supply Chain Finance No. 2 Asset-backed Special Project was successfully issued.**

On June 28, 2024, the “CCCC Supply Chain Finance No. 2 Phase I Asset-backed Special Project” was successfully set up on the Shanghai Stock Exchange, for which Shenwan Hongyuan Asset Management acted as the project manager and sales agency. The shelf size of the project is RMB5 billion, and this tranche of products is the first tranche under the shelf. The first issuance scale is RMB230 million, with a term of 1 year. The original equity holders of the special project are 103 micro, small and medium-sized enterprises. The special project successfully supported upstream small and medium-sized suppliers of core enterprises to revitalise the accounts receivable assets, broaden the financing channels, reduce financing costs and shorten the accounts receivable period.

**(2)****Haier Leasing’s 13th Asset-backed Special Project was successfully issued.**

On November 20, 2024, Haier Leasing’s 13th Asset-Backed Special Project was successfully established, for which Shenwan Hongyuan Asset Management acted as the project manager. The project is the first issuance under the RMB8 billion shelf project between the Company and Haier Financial Services Co., Ltd., with a project size of RMB1.011 billion. The underlying asset pool of the project includes 62 tenant clients engaged in real industries, with the distribution of industries mainly focusing on advanced manufacturing, culture and education, and health and medical industries.





**Digital Finance**

**CCCC Supply Chain Finance No. 2 Tranche 2 Asset Securitization Project was successfully established.**

On December 10, 2024, the “CCCC Supply Chain Finance No. 2 Tranche 2 Asset-backed Special Project”, for which Shenwan Hongyuan Asset Management acted as the manager and sales agency, was successfully established in the Shanghai Stock Exchange. The shelf size of the project is RMB5 billion, and this tranche of issuance is the second under the shelf project. The issue size of this tranche is RMB484 million. The underlying assets of the project are CCCC E-credit Assets, which are corporate credits flowing on the CCCC digital financial service platform, and electronic credit certificates issued by CCCC Group companies to suppliers to realize the debt relationship between the underlying contracts of both parties, which provide a brand new way of settlement and a convenient and low-cost financing channel for the upstream and downstream enterprises in the supply chain of CCCC Group, and are characterized by high creditworthiness, detachable, transferable and financeable, and aiming at solving the problem of difficult and expensive financing for micro, small and medium-sized enterprises in the upstream and downstream of the industrial chain.

**Outlook for 2025:**

In 2025, the Company’s asset management business will continue to focus on its main responsibilities and strive to improve the core competitiveness of the asset management business. We will consolidate and improve our investment research system and enhance our active management capability; strengthen product planning and continuously enrich the product system; strengthen internal collaboration, optimize and expand the sales system; strengthen technological empowerment and comprehensively deepen the construction of financial technology; strictly control the risk bottom line, lay a solid foundation for transformation and development, and promote the high-quality development of the asset management business.





(2) *Mutual fund management business*

**Market environment:**

In recent years, along with the rapid growth of social net wealth, the domestic mutual fund industry has been developing rapidly, and has become a very important institutional investor in the capital market, playing an active role in increasing the proportion of direct financing, promoting the reform and development of the capital market, serving residents' demand for wealth management, and servicing the real economy and the country's major strategies. As at the end of the Reporting Period, there were 12,367 mutual fund products under the management of all 163 mutual fund management organizations, with a total net value of RMB32.83 trillion (Asset Management Association of China, 2024). The mutual funds have become an important medium for medium- and long-term capital to enter the market and an indispensable part of residents' asset allocation. During the Reporting Period, the overall trend of mutual fund business remained stable and upward, with the total product scale repeatedly reaching new highs, prominent increment of passive equity, vigorous development of innovative products, steady progress in rate reform, and continuous consolidation of the foundation and conditions for high-quality development. Meanwhile, how the industry can meet the needs of preserving and increasing the value of residents' wealth in rapid development, act as a bridge between investors and listed companies, serve the real economy and national strategies has become a more critical issue in the context of high-quality development.

**Operating measures and results:**

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

During the Reporting Period, the Company implemented the concept of finance for the people for wealth management business, actively developed buy-side advisory business, continued to expand the coverage of services by focusing on asset allocation and value-added, investment advisory services and financial technology, and build the core competitiveness of high-quality customer service. The scale of investment advisory business of mutual funds has been growing steadily. In 2024, the Company vigorously deployed a combination strategy of cash management and fixed income fund investment advisory, realized the launch of commercial bank fund investment advisory business, and helped residents maintain and increase their wealth. As of the end of the Reporting Period, the mutual fund investment advisory business of the Company has a total of over 70,000 contracted clients, the accumulative reinvestment rate was over 98%, and the average time for customers to use investment advisory services exceeded 1,300 days.





In the face of significant changes in the industry operation situation, SWS MU insisted on the “investment and research based on ESG, and people-oriented” principle, firmly implemented the strategy of “deepening reform, balanced focus and continuous digitization”, and strived to achieve “competing for the first place, improving quality and efficiency”. As of the end of the Reporting Period, the mutual fund management scale of SWS MU was RMB84.8 billion, representing an increase of nearly RMB5.9 billion compared with the end of 2023, and the scale of non-monetary mutual fund management was RMB72.6 billion, representing an increase of nearly RMB1.5 billion compared with the end of 2023.

Fullgoal Fund continued to promote the “Five Priorities” on finance, adhered to diversified business layout, and continuously promoted the high-quality development of the company’s businesses. By continuously improving the product segmentation layout, the company comprehensively enhanced the product supply capacity and customer service capacity of inclusive finance. The company is deeply engaged in various pension finance business, and its management scale has continued to grow. As of the end of the Reporting Period, the total assets under management of Fullgoal Fund exceeded RMB1.6 trillion, including RMB1 trillion of mutual fund management.

#### **Outlook for 2025:**

In 2025, the Company will continue to focus on the original and main businesses of securities company, further implement the concept of buyer-side investment advisory, build a buyer-side advisory service system, and enrich the portfolio strategy line, so as to achieve more refined investment advisory and the ability to respond to market demand in a prompt manner, and make more investors experience a more comprehensive, intelligent, diversified wealth management service. SWS MU will continue to improve the quality and efficiency of serving national strategies and the real economy, strengthen the construction of core competitiveness, deepen reforms, adhere to balanced focus, make efforts on talent increment, product increment and customer base increment, and effectively improve quality and efficiency. Fullgoal Fund will further strengthen the investment and research capabilities, optimize product structure, enhance compliance and risk control, establish a diversified and three-dimensional investor service system, improve investor returns, and serve the entry of medium- and long-term capital into the market, so as to better play the role of a “stabilizer” in the capital market.





(3) *Private equity fund management business*

**Market environment:**

In recent years, due to the rapid development of emerging industries which promoted the rise of private equity industry, coupled with continued support of policies for steady development of the private equity industry, the formation of benign circle ecology of “fundraising, investment, management and withdrawal” was accelerated. During the Reporting Period, the fundraising, investment and withdrawal were all affected by the complex international situation and the market fluctuations.

**Operating measures and results:**

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

In 2024, Hongyuan Huifu fulfilled the mission and commitment as a state-owned investment institution, laid out high-quality assets based on the “Five Priorities” on finance and serving the development of new quality productive forces, continuously enhanced the in-depth investment and research capabilities in the industry. Against the backdrop of the periodical tightening of IPOs, the withdrawal of existing projects has been promoted through multiple channels and core competitiveness has been further enhanced. During the Reporting Period, the scale of private equity fund management was further enhanced, with initiation and establishment of 6 new private equity funds and fund management scale increased by RMB3.4 billion. As of the end of the Reporting Period, there were 34 funds under the management of Hongyuan Huifu with the subscription scale of RMB18.4 billion.

By fully exerting the role of the private fund management platform of the Company, Shenyin & Wanguo Investment has stepped up its efforts in certain strategic emerging industries such as biomanufacturing, commercial aerospace and low-altitude economy, and established a full range of equity investment funds including PE investment funds, industrial investment funds, FOFs, local government funds, M&A funds, private placement funds and mezzanine funds. Through “PE +” business models such as PE + industrial group and PE + government investment platform, it empowered the industrial group and government investment platform to expand the scale, build ecology and layout emerging industries, and improved integration capability of the industry to obtain better financial returns for customers. As of the end of the Reporting Period, the total cumulative management scale of Shenyin & Wanguo Investment exceeded RMB17.5 billion, more than 70 enterprises were invested, and the average annualized yield of projects withdrawn was approximately 13.46%.



**Outlook for 2025:**

In 2025, the Company will continue to actively respond to the national strategies, focus on key areas and high-quality assets in line with the national development strategies, effectively enhance the ability to serve national strategies, moderately increase the allocation of mid- and early-stage projects based on “early-stage investment in small-scale and science and tech enterprises”, continuously improve business strategies, deepen the synergy of “investment + investment banking”, strengthen post-investment management and post-investment empowerment, and make efforts on compliance risk management, so as to comprehensively promote the service for national strategies and high-quality development of the Company.

**(III) Business Innovation**

The Company constantly increased its efforts on product and business innovation in four major business sectors, including enterprise finance, personal finance, institutional services and trading, investment management and other businesses. For details of business innovation, please refer to the “Principal Business Analysis” in this section.

**V. ANALYSIS OF FINANCIAL STATEMENTS**

**(I) Analysis of Consolidated Statements of Profit or Loss**

**1. Composition of revenue**

Item	2024	2023	Unit: Thousand Yuan    Currency: RMB	
			Change in amount	Change in percentage (%)
Fee and commission income	<b>8,528,533</b>	8,332,792	195,741	2.35
Interest income	<b>9,275,946</b>	10,026,911	-750,965	-7.49
Net investment gains	<b>10,565,311</b>	8,973,874	1,591,437	17.73
Other income and gains	<b>6,408,531</b>	4,582,571	1,825,960	39.85
<b>Total revenue and total other income</b>	<b>34,778,321</b>	<b>31,916,148</b>	<b>2,862,173</b>	<b>8.97</b>
Share of profits of associates and joint ventures	<b>589,097</b>	577,596	11,501	1.99

In 2024, the Group achieved total revenue and other income of RMB34,778 million, representing a year-on-year increase of RMB2,862 million or 8.97%, which included:





- (1) Fee and commission income of RMB8,529 million, representing a year-on-year increase of RMB196 million or 2.35%, mainly due to the year-on-year increase in income from the securities brokerage business and futures brokerage business, as well as the year-on-year decrease in income from underwriting and sponsorship business;
- (2) Interest income of RMB9,276 million, representing a year-on-year decrease of RMB751 million, or 7.49%, mainly due to the year-on-year decrease in interest income from financial instruments at fair value through other comprehensive income, margin financing and securities lending, and securities-backed lending;
- (3) Net investment gains of RMB10,565 million, representing a year-on-year increase of RMB1,591 million or 17.73%, mainly due to the year-on-year increase in net realized gain from disposal of derivative financial instruments, unrealized fair value changes of financial instruments at fair value through profit or loss, and dividend income from financial instruments at fair value through other comprehensive income, and the year-on-year decrease in unrealized fair value changes of derivative financial instruments;
- (4) Other income and gains of RMB6,409 million, representing a year-on-year increase of RMB1,826 million or 39.85%, mainly due to income from commodity trading business.



## 2. Composition of expenses

Item	2024	2023	Unit: Thousand Yuan	Currency: RMB
			Change in amount	Change in percentage (%)
Fee and commission expenses	1,852,267	1,326,051	526,216	39.68
Interest expenses	8,748,192	9,695,409	-947,217	-9.77
Staff costs	7,718,168	7,725,057	-6,889	-0.09
Depreciation and amortization expenses	927,171	869,538	57,633	6.63
Tax and surcharges	126,103	135,357	-9,254	-6.84
Other operating expenses	8,168,811	6,219,305	1,949,506	31.35
Credit impairment losses	473,600	341,099	132,501	38.85
Impairment losses on other assets	16,382	89,846	-73,464	-81.77
<b>Total expenses</b>	<b>28,030,694</b>	<b>26,401,662</b>	<b>1,629,032</b>	<b>6.17</b>

In 2024, the Group's total expenses amounted to RMB28,031 million, representing a year-on-year increase of RMB1,629 million or 6.17%, which was mainly due to the increase in other operating expenses and fee and commission expenses, as well as the decrease in interest expenses, which included:

- (1) Other operating expenses of RMB8,169 million, representing a year-on-year increase of RMB1,950 million or 31.35%, mainly due to the year-on-year increase in the cost of commodity trading business;
- (2) Fees and commissions expenses of RMB1,852 million, representing a year-on-year increase of RMB526 million or 39.68%, mainly due to the year-on-year increase in the futures brokerage business;
- (3) Interest expense of RMB8,748 million, representing a year-on-year decrease of RMB947 million or 9.77%, mainly due to the year-on-year decrease in interest expense on long-term bonds and financial assets sold under repurchase agreements, as well as the year-on-year increase in interest expense on short-term debt instruments issued;
- (4) Expenses other than these mainly included staff costs, depreciation and amortization expenses, taxes and surcharges, credit impairment losses, and impairment losses on other assets.



**(II) Analysis of Consolidated Statements of Cash Flows**

As at December 31, 2024, the Group's cash and cash equivalents amounted to RMB51,377 million, representing an increase of 9.82% as compared to RMB46,783 million as at December 31, 2023. The change in cash and cash equivalents in 2024 amounted to a net cash inflow of RMB4,614 million, representing an increase of RMB16,124 million as compared to a net cash outflow of RMB11,510 million in 2023. Of which: net cash inflow from operating activities amounted to RMB245 million in 2024, representing a decrease in cash inflow of RMB72,482 million as compared with the net cash inflow of RMB72,727 million in 2023, which was mainly attributable to a year-on-year increase in cash paid for financial instruments at fair value through profit or loss and a year-on-year increase in cash received from financial assets sold under repurchase agreements. Net cash inflow from investing activities in 2024 amounted to RMB15,655 million, representing an increase in cash inflow of RMB91,072 million as compared with net cash outflow used in investing activities of RMB75,417 million in 2023, the change was mainly attributable to the year-on-year increase in cash received from the disposal of financial assets at fair value through other comprehensive income. Net cash outflow for financing activities in 2024 amounted to RMB11,286 million, representing an increase in cash outflow of RMB2,466 million over the net cash outflow of RMB8,820 million in 2023, the change was mainly attributable to a year-on-year increase in the cash paid of repayment of short-term debt instruments, a year-on-year decrease in cash received from the proceeds of the issuance of long-term bonds and a year-on-year increase in cash received from the proceeds of the issuance of the short-term debt instruments.

**(III) Analysis of Consolidated Statements of Financial Position**

Unit: Thousand Yuan Currency: RMB

Item	December 31, 2024		December 31, 2023		Increase/Decrease	
	Amount	Percentage (%)	Amount	Percentage (%)	Amount	Percentage (%)
<b>Non-current assets</b>						
Property and equipment	1,313,340	0.19	1,429,979	0.23	-116,639	-8.16
Right-of-use assets	859,306	0.12	994,630	0.16	-135,324	-13.61
Investment properties	39,009	0.01	43,494	0.01	-4,485	-10.31
Other intangible assets	407,274	0.06	311,593	0.05	95,681	30.71
Interest in associates and joint ventures	4,170,776	0.60	4,076,755	0.64	94,021	2.31
Financial assets measured at amortized cost	1,034,064	0.15	1,370,362	0.22	-336,298	-24.54
Financial assets at fair value through other comprehensive income	73,294,415	10.51	73,173,338	11.52	121,077	0.17
Financial assets held under resale agreements	315,507	0.05	513,511	0.08	-198,004	-38.56
Financial assets at fair value through profit or loss	6,279,125	0.90	13,080,312	2.06	-6,801,187	-52.00
Refundable deposits	21,795,817	3.12	22,812,202	3.59	-1,016,385	-4.46
Deferred tax assets	1,621,025	0.23	2,739,571	0.43	-1,118,546	-40.83
Other non-current assets	416,926	0.05	433,524	0.05	-16,598	-3.83
<b>Total non-current assets</b>	<b>111,546,584</b>	<b>15.99</b>	<b>120,979,271</b>	<b>19.04</b>	<b>-9,432,687</b>	<b>-7.80</b>



Item	December 31, 2024		December 31, 2023		Increase/Decrease	
	Amount	Percentage (%)	Amount	Percentage (%)	Amount	Percentage (%)
<b>Current assets</b>						
Accounts receivable	6,005,511	0.86	6,167,987	0.97	-162,476	-2.63
Other current assets	1,384,690	0.19	1,779,777	0.28	-395,087	-22.20
Margin accounts receivable	74,844,217	10.73	64,428,205	10.14	10,416,012	16.17
Financial assets measured at amortized cost	1,478,743	0.21	2,146,897	0.34	-668,154	-31.12
Financial assets at fair value through other comprehensive income	61,733,391	8.85	70,819,304	11.14	-9,085,913	-12.83
Financial assets held under resale agreements	12,074,249	1.73	4,101,053	0.65	7,973,196	194.42
Financial assets at fair value through profit or loss	263,244,475	37.74	223,407,852	35.16	39,836,623	17.83
Derivative financial assets	8,895,889	1.28	10,207,378	1.61	-1,311,489	-12.85
Clearing settlement funds	10,829,210	1.55	12,335,678	1.94	-1,506,468	-12.21
Cash held on behalf of brokerage clients	111,689,377	16.01	85,610,760	13.47	26,078,617	30.46
Cash and bank balances	33,870,257	4.86	33,453,256	5.26	417,001	1.25
<b>Total current assets</b>	<b>586,050,009</b>	<b>84.01</b>	<b>514,458,147</b>	<b>80.96</b>	<b>71,591,862</b>	<b>13.92</b>
<b>TOTAL ASSETS</b>	<b>697,596,593</b>	<b>100.00</b>	<b>635,437,418</b>	<b>100.00</b>	<b>62,159,175</b>	<b>9.78</b>
<b>Current liabilities</b>						
Loans and borrowings	672,001	0.12	835,592	0.16	-163,591	-19.58
Short-term debt instruments issued	49,057,674	8.69	28,055,961	5.54	21,001,713	74.86
Placements from other financial institutions	3,318,823	0.59	2,440,854	0.48	877,969	35.97
Accounts payable to brokerage clients	122,496,183	21.71	96,870,504	19.12	25,625,679	26.45
Employee compensation payable	1,874,693	0.33	2,110,487	0.42	-235,794	-11.17
Other payables and accruals	60,276,965	10.67	58,461,588	11.55	1,815,377	3.11
Contract liabilities	45,247	0.01	48,115	0.01	-2,868	-5.96
Current tax liabilities	87,598	0.02	71,891	0.01	15,707	21.85
Financial assets sold under repurchase agreements	186,005,634	32.97	163,215,333	32.22	22,790,301	13.96
Lease liabilities	329,477	0.06	369,687	0.07	-40,210	-10.88
Derivative financial liabilities	7,546,247	1.34	6,185,560	1.22	1,360,687	22.00
Financial liabilities at fair value through profit or loss	14,453,521	2.56	5,694,306	1.12	8,759,215	153.82
Long-term bonds due within one year	35,896,278	6.36	34,371,888	6.78	1,524,390	4.43
<b>Total current liabilities</b>	<b>482,060,341</b>	<b>85.43</b>	<b>398,731,766</b>	<b>78.70</b>	<b>83,328,575</b>	<b>20.90</b>





Item	December 31, 2024		December 31, 2023		Increase/Decrease	
	Amount	Percentage (%)	Amount	Percentage (%)	Amount	Percentage (%)
<b>Non-current liabilities</b>						
Long-term bonds	77,252,222	13.69	102,857,017	20.30	-25,604,795	-24.89
Non-current employee benefits payable	4,018,362	0.71	3,648,945	0.72	369,417	10.12
Deferred tax liabilities	48,140	0.01	30,527	0.01	17,613	57.70
Lease liabilities	546,832	0.10	645,826	0.13	-98,994	-15.33
Other non-current liabilities	321,770	0.06	729,203	0.14	-407,433	-55.87
<b>Total non-current liabilities</b>	<b>82,187,326</b>	<b>14.57</b>	<b>107,911,518</b>	<b>21.30</b>	<b>-25,724,192</b>	<b>-23.84</b>
<b>Total liabilities</b>	<b>564,247,667</b>	<b>100.00</b>	<b>506,643,284</b>	<b>100.00</b>	<b>57,604,383</b>	<b>11.37</b>
Share capital	25,039,945	18.78	25,039,945	19.44	—	—
Reserves	46,003,489	34.50	42,899,731	33.31	3,103,758	7.23
Retained profits	33,740,663	25.30	32,205,365	25.01	1,535,298	4.77
<b>Total equity attributable to shareholders of the Company</b>	<b>104,784,097</b>	<b>78.58</b>	<b>100,145,041</b>	<b>77.76</b>	<b>4,639,056</b>	<b>4.63</b>
<b>Non-controlling interests</b>	<b>28,564,829</b>	<b>21.42</b>	<b>28,649,093</b>	<b>22.24</b>	<b>-84,264</b>	<b>-0.29</b>
<b>Total equity</b>	<b>133,348,926</b>	<b>100.00</b>	<b>128,794,134</b>	<b>100.00</b>	<b>4,554,792</b>	<b>3.54</b>

- As at December 31, 2024, the Group's total non-current assets amounted to RMB111,547 million, representing a decrease of RMB9,433 million as compared with the beginning of the year, with the major changes being a decrease of RMB6,801 million in financial assets at fair value through profit or loss, a decrease of RMB1,119 million in deferred tax assets, and a decrease of RMB1,016 million in refundable deposits as compared with the beginning of the year. As at December 31, 2024, the Group's total non-current liabilities amounted to RMB82,187 million, representing a decrease of RMB25,724 million as compared with the beginning of the year, which was mainly due to the decrease in long-term bonds RMB25,605 million as compared with that of the beginning of the year.
- As at December 31, 2024, the Group's total current assets amounted to RMB586,050 million, representing an increase of RMB71,592 million as compared with that of the beginning of the year, which was mainly attributable to an increase in financial assets at fair value through profit or loss of RMB39,837 million as compared with that of the beginning of the year, an increase in cash held on behalf of brokerage clients of RMB26,079 million as compared with that of the beginning of the year, and an increase in margin receivable of RMB10,416 million as compared with the beginning of the year. As at December 31, 2024, the Group's total current liabilities amounted to RMB482,060 million, representing an increase of RMB83,329 million as compared with the beginning of the year, mainly due to an increase of RMB25,626 million in accounts payable to brokerage clients as compared with the beginning of the year, an increase of RMB22,790 million in financial assets sold under repurchase agreements as compared with the beginning of the year, and an increase of RMB21,002 million in short-term debt instruments issued as compared with the beginning of the year.



**(IV) Status of Key Assets Overseas**

Unit: Thousand Yuan Currency: HKD

Details of the assets	Formed reason	Asset scale	Location	Operating model	Control measures to ensure asset security	Total revenue and other income	Net assets overseas/net assets of the Company	Whether there is significant impairment risk
Shenwan Hongyuan (International) Holdings Limited	Investment	20,867,897	Hong Kong	Wholly-owned subsidiary	The safety of assets is ensured through the Implementation Rules for the Management of Overseas Subsidiaries, etc.	596,962	3.51%	No

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

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

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

During the Reporting Period, there were no changes in the Group's accounting policies and accounting estimates. For details, please refer to Note "3. Significant accounting policies" to the condensed consolidated financial statements. There were no significant accounting errors requiring rectification occurred in the Group.

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

- For assets with restricted ownership or right-of-use as of the end of the Reporting Period, please refer to Notes 19, 25, 27 and 38 to the financial statements in Section IX.
- As at the end of the Reporting Period, the Group did not have pledge of material assets.

**VI. ANALYSIS OF FINANCING INSTRUMENTS AND STRUCTURE OF LONG- AND SHORT-TERM LIABILITIES**

**(I) Financing Channels**

The Group's major financing channels include interbank lending, bond repurchase, structured notes, short-term commercial papers, long- and short-term corporate bonds, subordinated bonds, perpetual subordinated bonds, long- and short-term borrowings, margin and securities refinancing and equity financing, etc. In accordance with relevant laws and regulations, the Group may utilize financing of different terms based on its own funding needs to support its business development.

**(II) Analysis of the Structure of Long- and Short-term Liabilities**

Unit: Thousand Yuan Currency: RMB

Item	December 31, 2024	December 31, 2023
Loans and borrowings	672,001	835,592
Short-term debt instruments issued	49,057,674	28,055,961
Placements from other financial institutions	3,318,823	2,440,854
Long-term bonds (including long-term bonds due within one year)	113,148,500	137,228,905
Total:	166,196,998	168,561,312



In the above liabilities, RMB77,252 million had a financing period of more than one year while RMB88,945 million less than one year, accounting for 46.48% and 53.52% of the aforesaid total debt, respectively. In addition to borrowings and debt financing instruments, the Group also raised funds through on-the-exchange and OTC repurchases. At the end of the Reporting Period, the balance of financial assets sold under repurchase agreements was RMB186,006 million, and the financing terms were all less than one year. As of the end of the Reporting Period, the Group had no outstanding debts overdue, and it had sound overall solvency and its liquidity risks were controllable.

### (III) Liquidity Management Policies and Measures

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

### (IV) Analysis of Financing Capabilities

The Group operates in a compliant manner with a good reputation and credit record, and it also maintains good cooperative relations with commercial banks and has sufficient bank credit limits and smooth debt financing channels, and has robust short-term and long-term financing capabilities.

## VII. INVESTMENTS

### (I) Interests in Associates and Joint Ventures

Unit: Thousand Yuan    Currency: RMB

Investment during the Reporting Period	Investment in the same period of the previous year	Change (%)
4,170,776	4,076,755	2.31

### (II) Material Equity investment Acquired during the Reporting Period

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

### (III) Ongoing Material Non-equity Investment during the Reporting Period

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



#### (IV) Investments in Financial Assets

##### 1. Investments in securities

Unit: Thousand Yuan Currency: RMB

Security type	Security code	Security abbreviation	Initial investment cost	Accounting measurement model	Opening book value	Gains or loss arising from changes in fair value for the period	Accumulated fair value changes included in equity	Purchase amount for the period	Sales amount for the period	Profit and loss during the Reporting Period	Closing book value	Accounting item	Sources of funds
Bond	2228009.IB	22 China Everbright Bank Small and Micro Bonds	5,780,548	Fair value	-	-183	5,149	5,835,743	-	85,163	5,925,873	Financial assets at fair value through profit or loss/Financial assets at fair value through other comprehensive income	Self-owned funds
Bond	2228037.IB	22 Bank of Communications Small and Micro Bonds 01	3,000,000	Fair value	-	-	5,893	3,529,024	496,827	19,710	3,061,427	Financial assets at fair value through other comprehensive income	Self-owned funds
Bond	240014.IB	24 Interest-bearing Government Bonds 14	2,890,088	Fair value	-	14,948	-	6,009,505	3,099,666	17,916	2,930,301	Financial assets at fair value through profit or loss	Self-owned funds
Bond	2228043.IB	22 Bank of China Small and Micro Bonds 01	2,440,000	Fair value	-	-	4,546	2,901,390	434,511	14,939	2,489,326	Financial assets at fair value through other comprehensive income	Self-owned funds
Bond	240008.IB	24 Interest-bearing Government Bonds 08	2,086,750	Fair value	-	20,209	-	6,584,749	4,480,123	34,272	2,137,010	Financial assets at fair value through profit or loss	Self-owned funds
Bond	240006.IB	24 Interest-bearing Government Bonds 06	1,944,003	Fair value	-	24,991	-	6,432,526	4,461,616	31,950	2,002,287	Financial assets at fair value through profit or loss	Self-owned funds
Bond	2120107.IB	21 Zheshang Bank Perpetual Bonds	1,875,057	Fair value	1,872,088	380	33,682	62,809	103,958	69,295	1,864,860	Financial assets at fair value through profit or loss/Financial assets at fair value through other comprehensive income	Self-owned funds
Bond	2028003.IB	20 Ping An Bank Perpetual Bonds 01	1,784,595	Fair value	1,795,622	470	-14,193	71,127	71,597	66,690	1,781,428	Financial assets at fair value through other comprehensive income	Self-owned funds
Bond	2128021.IB	21 Industrial and Commercial Bank of China Perpetual Bonds 01	1,636,666	Fair value	1,659,833	51	7,976	42,739	42,790	63,883	1,667,809	Financial assets at fair value through other comprehensive income	Self-owned funds
Bond	2220024.IB	22 Bank of Jiangsu Small and Micro Bonds	1,441,164	Fair value	-	-277	1,613	1,457,772	-	19,388	1,478,496	Financial assets at fair value through profit or loss/Financial assets at fair value through other comprehensive income	Self-owned funds
Other securities investments held at the end of the period			379,997,260		378,670,522	1,701,336	1,999,933	3,271,337,232	3,271,455,594	13,070,104	381,725,395	-	
Total			404,876,131		383,998,065	1,761,925	2,044,599	3,304,264,616	3,284,646,682	13,493,310	407,064,212	-	

Notes: 1. This table is sorted by the ratio of the book value at the end of the period to the total securities investment of the Company at the end of the period and only contains the top ten securities held by the Company at the end of the period.

2. Other securities investments refer to investments in other securities other than the top ten securities.

##### 2. Investments in derivatives

N/A





## (V) Use of Proceeds

### 1. General information

During the Reporting Period, the Company had no securities issuance for fund raising.

For details of the utilization of corporate bonds raised by the Company during and prior to the Reporting Period being extended to the Reporting Period, please refer to “Section VIII. Profile of Bonds” in this report.

### 2. Commitment for proceeds

N/A

### 3. Changes of proceeds

N/A

## VIII. MATERIAL DISPOSAL OF ASSETS AND EQUITY INTERESTS

During the Reporting Period, the Group had no material disposal of any assets and equity interests. The Company has no plan for material investments or acquisition of capital assets in the future.

## IX. ANALYSIS OF MAJOR SUBSIDIARIES AND INVESTEEES

### (I) Major Subsidiaries

Company name	Company type	Principal businesses	Unit: Thousand Yuan		Currency: RMB	
			Registered capital	Total assets	Total equity	Profit for the year
Shenwan Hongyuan Securities Co., Ltd.	Wholly-owned subsidiary	Securities business: securities investment consulting; securities investment fund sales agency, custodian business for securities investment funds. (For projects subject to approval according to laws, business activities may not be carried out until they are approved by relevant authorities. The specific projects shall be subject to the approval or license documents from relevant authorities)	53,500,000	658,557,411	131,755,294	6,171,324
Hongyuan Huizhi Investment Co., Ltd.	Wholly-owned subsidiary	Investment, assets management, investment management, corporate management consulting and investment consulting	2,000,000	6,065,248	2,151,137	-5,488
Hongyuan Futures Co., Ltd.	Wholly-owned subsidiary	Commodity futures brokerage, financial futures brokerage and futures investment consulting	1,000,000	17,222,251	1,408,668	61,979
Hongyuan Huifu Capital Co., Ltd.	Wholly-owned subsidiary	Entrepreneurship investment, entrepreneurship investment consulting service, provision of entrepreneurial management service for startup enterprises and participation in setting up entrepreneurial investment enterprises and entrepreneurial investment management advisory institutions	500,000	647,311	572,756	38,093



### Section III Report of the Board (continued)

Company name	Company type	Principal businesses	Registered capital	Total assets	Total equity	Profit for the year
Shenwan Hongyuan Industrial Investment Management Company Limited	Wholly-owned subsidiary	Investment, assets management and investment consulting service. (For the special projects subject to approval according to law, they can be carried out only after approval from relevant departments)	200,000	223,115	223,115	-26,250
Shenwan Hongyuan Securities (Western) Co., Ltd.	Wholly-owned subsidiary	Securities brokerage, securities investment consulting, margin financing and securities lending, agency sales of financial products, agency sales of securities investment funds, provision of intermediate introduction business for futures companies (the above businesses are limited to Xinjiang, Gansu, Shaanxi, Ningxia, Qinghai and Tibet), securities proprietary business (for securities brokerage clients in Xinjiang, Gansu, Shaanxi, Ningxia, Qinghai and Tibet only). (For the projects subject to approval according to law, they can be carried out only after approval from relevant departments)	5,700,000	20,000,534	8,880,779	539,184
Shenwan Hongyuan Financing Services Co., Ltd.	Wholly-owned subsidiary	Securities underwriting (excluding bond types other than convertible bonds) and sponsoring, financial advisory in relation to securities transactions and securities investment activities	1,000,000	1,327,841	1,054,531	-480,051
Shenwan Futures Co., Ltd.	Controlling subsidiary	Commodity futures brokerage, financial futures brokerage, futures investment consulting service, assets management and fund sales	1,441,588	37,513,858	4,418,080	272,596
SWS MU Fund Management Co., Ltd.	Controlling subsidiary	Fund management business, initiation and establishment of funds and other businesses approved by the CSRC (including sales of funds initiated and established by itself)	150,000	1,694,466	1,405,150	77,154
Shenyin & Wanguo Alternative Investment Co., Ltd.	Wholly-owned subsidiary	Conducting investment activities with self-owned funds. (Other than the projects subject to approval according to laws, operations shall be carried out independently with business licenses)	2,500,000	2,867,501	2,819,501	9,933
Shenyin & Wanguo Investment Co., Ltd.	Wholly-owned subsidiary	Private equity fund	1,000,000	1,106,385	1,028,852	-26,588
SWS Research Co., Ltd.	Controlling subsidiary	Securities investment consulting business	20,000	326,543	81,502	132
Shenwan Hongyuan (International) Holdings Limited	Wholly-owned subsidiary	Investment holdings	HKD4,070,920 thousand	HKD20,867,897 thousand	HKD5,060,672 thousand	HKD5,857 thousand
Shenyuan Hongyuan Securities Asset Management Co., Ltd.	Wholly-owned subsidiary	Securities asset management	2,500,000	2,877,156	2,678,105	120,034



**(II) Investee**

Company name	Company type	Principal businesses	Unit: Thousand Yuan		Currency: RMB	
			Registered capital	Total assets	Total equity	Profit for the year
Fullgoal Fund Management Co., Ltd.	Investee	Management of publicly-offered securities investment funds, fund sales, specific customer asset management	520,000	15,750,334	9,190,794	1,751,211

**X. THE STRUCTURED ENTITIES UNDER CONTROL OF THE GROUP**

The Group manages or invests in a number of structured entities, mainly including funds, wealth management products of banks, asset management schemes and trust schemes. In order to assess whether the Group has control over the structured entities, it mainly considers the extent of decision making and participation in establishing relevant structured entities, the overall economic interest (including the gain from holding a direct investment and expected management income) set out in the contractual arrangement, as well as the scope of decision making over the structured entities. If the Group determined that it has power over, has exposure to variable returns from its involvement with, and has ability to use its power to affect the amount of its returns from the structured entities, it will include the structured entities in the consolidated financial statement as the Group has control over the structured entities. Please refer to Note 53 to the condensed consolidated financial statements for details.

**XI. FUTURE DEVELOPMENT PROSPECTS****(I) Industry Landscape and Trends**

2025 is the last year of the “14th Five-Year” plan and a crucial year for deepening comprehensive reform. Against the backdrop of complex and volatile global economy, China’s capital market construction still adheres to the principle of stability and continuously enhances the resilience of the capital market. It is expected that the development environment of the capital market will continue to improve in 2025. The securities industry will continue to help the capital market to serve the high-quality development of the economy, and play a more important role in serving new quality productive forces, modern industrial system, the preservation and appreciation of residents’ wealth, and preventing and resolving major risks. It is expected that the securities industry will present six major development trends in the future. Firstly, the M&A and restructuring market remains active, which will open up new growth points for the investment banking business. Since the introduction of the “Six Measures for Mergers and Acquisitions”, the M&A and restructuring market has become more active, and securities companies focusing on new quality productive forces, supplementing and strengthening of the industrial chain and other directions will have broader development space. Secondly, in the process of the reform of the investment side of the capital market, the wealth management business of the securities industry will become the focus of development. The securities industry will play a role in the entry of long-term funds such as pension funds and bank wealth management into the market, promote the conversion of savings into investment, and seize the opportunity of fund investment advisory expansion to promote the transformation of wealth management business. Thirdly, as more securities companies achieve the layout of “one holding, one controlling and one licensing (一参一控一牌)”, the industry will promote the active, mutual, equity and differentiated development of asset management business through strengthening active management and improving product design. Fourthly, focusing on the “Five Priorities”, securities companies will actively serve green finance, technology finance, inclusive finance, pension finance and digital finance, develop corresponding products and service models, and comprehensively enhance the ability to serve the real economy. Fifthly, the securities industry



will give full play to its professional advantages to provide comprehensive services to listed companies, assist them in improving their modern corporate governance system, serve their needs for mergers and acquisitions, restructuring, spin-offs and value management, and comprehensively help them continue to enhance their long-term returns. Sixthly, as the capital market continues to deepen the domestic and foreign interconnection mechanism, and further optimizes the cross-border trading mechanism, the securities industry will seize the business opportunities such as cross-border wealth management and continue to push ahead the high-quality development of cross-border business.

### **(II) Development Strategy of the Company**

According to the national “14th Five-Year” plan and based on the Company’s actual condition, the Company studied and formulated the 2021-2025 Strategic Planning Outline of Shenwan Hongyuan, clarified the overall development strategies of integration, collective, professionalism, internationalization and digitization, and the overall development goal of “becoming the first-class comprehensive financial service provider with securities business as the core, with high quality development as the theme, with seeking progress while maintaining stability as main keynote, with investment + investment banking as characteristics, and financial technology empowerment” in the future.

### **(III) Operation Plan**

The year 2025 marks the 40th anniversary of the Company’s entrepreneurship and the 10th anniversary of its merger and reorganization. Standing at a new starting point, the Company will adhere to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics in the New Era, fully implement the spirit of the 20th National Congress, the Second and Third Plenary Sessions of the 20th Central Committee of the Communist Party of China, the Central Economic Work Conference, the Central Financial Work Conference and the fourth plenary session of the 20th Communist Party of China Central Commission for Discipline Inspection, insist on and strengthen the Party’s overall leadership over financial work, firmly implement the decisions and deployments of the Party Central Committee, and deepen the comprehensive and strict governance of the Party, so as to lead and ensure high-quality development through high-quality Party building. The Company will insist on the general keytone of seeking progress while maintaining stability, focus on making up for shortcomings and weaknesses as well as consolidating advantages, highlight its main responsibilities and businesses to enhance the core competitiveness, deepen reform and innovation to solve difficult problems and new problems, grasp the implementation and strengthen the foundation with the spirit of perseverance, strictly adhered to the bottom line of avoiding major risks, unswervingly follow the path of financial development with Chinese characteristics, and make great strides towards the goal of “building a first-class investment bank and investment institution”.





#### (IV) Potential Risks and Countermeasures

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

##### 1. Market risk

The market risk exposure is mainly concentrated in the proprietary investment business and other businesses. During the Reporting Period, all investment businesses achieved relatively stable returns generally. At the end of the period, the VaR (95% for one day) of the proprietary investment business of Shenwan Hongyuan Securities (including subsidiaries) was RMB367 million.

The current external environment is complex, geopolitical risks are constant and the global economic growth momentum is insufficient. China's economic development still faces the challenges of insufficient effective demand and weakening expectations, uncertainty factors increases and market risk management faces great challenges.

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



## 2. Credit risk

Credit risk exposure mainly existed in the areas of financing business (margin financing and securities lending and stock pledged repurchase business), fixed-income proprietary business, OTC derivatives trading business and non-standard investment. During the Reporting Period, the Company updated and optimized the internal rating model, improved the functions of the overseas entity rating model, strengthened the analysis and monitoring of regional risks in urban investment, and enhanced the risk monitoring of the margin financing and securities lending business. The Company did not experience significant credit risk events, and all business operations were generally stable.

The current domestic credit market is characterized by low interest rates as a whole, with credit bond yields significantly declining and credit spreads compressing to extremely low levels. The government has launched a series of debt elimination policies and property stabilization policies, which have significantly reduced the pressure on local debt and improved the credit market environment. However, real estate, urban investment and small and medium-sized financial institutions are still the main sources of risk in the credit market, and the situation of credit risk prevention and control remains severe.

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





### 3. Liquidity risk

During the Reporting Period, the central bank implemented a prudent monetary policy, promoted economic recovery through macroeconomic regulation, and created monetary policy tools such as swap facilities to support stable development of the stock market; there are differences in the magnitude, frequency and policy stance of interest rate cuts among major overseas economies, but the overall trend is towards easing. For the liquidity risk, on the one hand, the Company continuously improved its liquidity reserve management system, strengthened the total amount and structure management of high-quality liquidity assets and had relatively sufficient liquidity reserve; on the other hand, taking into consideration the macro market environment, the Company reasonably adjusted the proportion of assets with various maturity periods, balanced the distribution of debt maturities, increased the diversity of financing channels, optimized the structure of liability maturities, dynamic monitored cash flow gaps and carried out the liquidity risk emergency plan drills, thus effectively preventing the occurrence of liquidity risk. During the Reporting Period, two liquidity regulatory indicators of Shenwan Hongyuan Securities, namely the liquidity coverage ratio (LCR) and net stable funding ratio (NSFR), met the regulatory standards.

The Central Economic Work Conference in December 2024 set the tone for double-loose monetary and fiscal policy in 2025, and the domestic liquidity environment will remain moderately loose, but the phenomenon of liquidity stratification may continue to exist. Meanwhile, the volatility of the capital market increased, the volatility of the use of funds in business lines also increased, and the liquidity risk management of the Company was faced with greater challenges.

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



#### 4. Operational risk

Operational risk exists in the Company's various business processes and operation management, mainly due to factors such as operational errors of personnel, system defects, imperfect procedures and external events. During the Reporting Period, the Company actively took countermeasures against risk events and endeavored to defuse the risk, well ensuring the normal business operation of the Company. Besides, the Company adopted the measures including optimization of review mechanism, standardization of business processes, improvement of system defects and carrying out business training, to effectively avoid the occurrence of significant operational risk incidents.

With the constant enrichment of business types, the continuous expansion of business scale, the widespread use of information systems, etc., the operational risks faced by the Company have also increased, which has brought greater challenges to the operational risk management.

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

#### 5. Policy risk

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

The countermeasures taken by the Company include but are not limited to: (1) insisting on serving the overall national strategy, focusing on the main responsibilities and main business, positively serving technological self-reliance and self-improvement, green and low-carbon development, inclusive finance, regional coordinated development and "Belt and Road Initiative" construction, implementing the spirit of the Central Financial Work Conference, performing the hub function of the capital market and enhancing the quality and efficiency of serving national strategies; (2) strengthening the research and analysis of the macroeconomic situation and industry dynamics, adjusting risk control policies and business strategies in due course, improving the perspectiveness and initiative of risk management, and effectively preventing business risks that may arise during the implementation of policies; (3) paying close attention to dynamics and trends of regulatory policies, strengthening communication





and contact with regulatory authorities, analyzing and interpreting regulatory policies related to main businesses, and conducting special training to improve the policy acumen of employees; and (4) strictly implementing the relevant regulations of the regulatory authorities, improving the institutional and system construction of relevant businesses, and strengthening risk management and control, to ensure the healthy development of businesses.

## 6. Legal compliance risk

During the Reporting Period, the State Council issued the New “National Nine Guidelines (國九條)” for the capital market, and the CSRC issued four policy documents, including the Opinions on Strictly Controlling the Admission Criteria for Issuance and Listing to Improve the Quality of Listed Companies at Source (Trial), and formulated and amended several supporting documents and institutional rules for investment banking business, brokerage business, private fund business and procedural trading, forming a “1+N” policy system, which systematically reshaped the basic system of the capital market and the underlying logic of regulation, and further strengthened the primary responsibility of securities companies for operation and management. The regulatory authorities adhered to strict supervision in accordance with the law, focus on improving the effectiveness of regulatory enforcement and the level of investor protection, and further improved the regulatory enforcement system and mechanism. The legal compliance management of securities companies faces significant challenges.

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

## 7. Risk of innovative businesses

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

The countermeasures taken by the Company include but are not limited to: (1) continuing to improve the working rules related to innovative business review, and strengthening the audit of the innovative businesses of the Company and its subsidiaries; (2) amending and improving corresponding rules of innovative businesses, and strengthening the reserve of innovative business talents, to ensure steady development of innovative businesses on the basis of systems, talents and other supporting measures





in place; (3) the new businesses, new models and new products of subsidiaries were included in the Company's hierarchical review and decision-making system, and based on the primary evaluation by subsidiaries, the Company's risk management department would conduct a secondary evaluation and review; (4) incorporating the risk monitoring and pre-warning of innovative businesses to the daily risk management work, and dynamically adjusting the control threshold based on business operation situation; (5) strengthening the construction of innovative business information technology system, and continuously improving various system functions such as business management and risk monitoring, to give full play to the support and guarantee role of the system for businesses; and (6) regularly conducting tracking management of innovative businesses, conducting tracking retrospective evaluation on the risk return as well as effectiveness of risk management and control measures of innovative businesses, then incorporating the retrospective evaluation results into the annual risk management performance assessment, continuously improving the risk management and control measures of innovative businesses and promoting the steady development of innovative businesses.

### 8. Reputation risk

During the Reporting Period, the Company established a reputation risk management framework with clear responsibilities, and through the adoption of measures such as strengthening top-level design, organizing monitoring and prevention networks, and developing emergency response mechanisms, the Company did not experience any significant reputational risk events.

Currently, the securities industry is more concerned by public opinion, and the extensive use of new media and We-Media has brought more challenges to reputation risk management and control. The importance of reputation risk management has becoming increasingly prominent.

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



## 9. Exchange rate risk

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

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

## XII. ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT AND FULFILLMENT OF SOCIAL RESPONSIBILITIES

For the fulfillment of social responsibilities by the Company, please refer to Section V "Environmental and Social Responsibility" of this report. In terms of environmental policies and performance, the Company has complied with the "comply or explain" provisions set out in the Environmental, Social and Governance Reporting Guide as set out in Appendix C2 to the Hong Kong Listing Rules in this year. For details, please refer to the "2024 Sustainability and Environmental, Social and Governance Report of Shenwan Hongyuan Group Co., Ltd." published by the Company.

For corporate governance, please refer to Section IV "Corporate Governance" of this report. The Company has fully complied with all code provisions of the CG Code.

## XIII. PERMITTED INDEMNITY PROVISION

Appropriate insurance policy arrangements have been made by the Company in respect of the responsibilities of the Directors and members of the senior management to cover possible legal liabilities owed to third parties arising from corporate activities that may be faced by the Directors and members of the senior management.

## XIV. INTEREST OF DIRECTORS AND SUPERVISORS IN MATERIAL CONTRACTS

Except for the service contracts, neither the Company nor its subsidiaries has entered into any significant transactions, arrangements or contracts in which the Directors or Supervisors of the Company or their connected entities had or continue to have, directly or indirectly, a material interest during the Reporting Period.

## XV. INTEREST OF DIRECTORS IN BUSINESSES IN COMPETITION WITH THE COMPANY

None of the Directors has any interest in any business that competes or may compete with the Company's business, directly or indirectly.



## **XVI. MANAGEMENT CONTRACTS**

In 2024, the Company did not enter into or have any contracts in relation to the management or administration of the whole or any substantial part of the businesses of the Company.

## **XVII. MAJOR CUSTOMERS AND SUPPLIERS**

The Group has built a business system including enterprise finance, personal finance, institutional services and trading and investment management business, to provide comprehensive financial services to corporate customers, professional institutional customers, individuals and non-professional institutional customers. In 2024, the income attributable to the Group's five largest customers accounted for 7.66% of the revenue, and the five largest customers are non-related parties, and are all customers who conduct commodity sales transaction business for our future risk subsidiaries.

Due to the nature of business, the Company has no major suppliers.

## **XVIII. DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT OF THE COMPANY**

For details of the composition of the Directors, Supervisors and senior management of the Company, its changes and biographies during the Reporting Period and as at the date of this report, please refer to Section IV "Corporate Governance" in this report.

According to the resolution of the annual general meeting of the Company for the year of 2015, the Company purchased liability insurance in relation to directors, supervisors and senior management for its directors, supervisors, senior management and other relevant responsible personnels. During the Reporting Period, the Company has completed the renewal of the liability insurance in relation to directors, supervisors and senior management.

## **XIX. COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS**

As a public company listed in the Mainland China and Hong Kong, the Company has formulated and continuously improved various rules and regulations to standardize operations in strict compliance with the Company Law, the Securities Law, the Code of Corporate Governance of Listed Companies, the CG Code and other laws, regulations, and requirements of regulatory documents of the domestic and overseas places of listing and the Articles of Association, and is committed to continuously maintaining and improving the Company's good market image. During the Reporting Period, the Company was not subject to penalty or public condemnation. For relevant information of the Company's subsidiaries, please refer to "XXIII. Significant Matters of the Subsidiaries of the Company" in "Section VI Significant Events" of this report.

## **XX. RELATIONSHIP WITH EMPLOYEES, CLIENTS, SUPPLIERS AND PERSONS WHO ARE MATERIALLY RELATED**

For details of employee compensation and training program of the Company, please refer to "XIII. Employees of the Company", "Remuneration Policy for Employees" and "Training Program" in "Section IV Corporate Governance" of this report. For the relationship between the Company and securities brokers, please refer to "XIV. Information about Customer Solicitation and Customer Service of Commission Brokers of Shenwan Hongyuan Securities, a Subsidiary of the Company" in "Section IV Corporate Governance" of this report. For the relationship between the Company and major customers and suppliers, please refer to the "Major Customers and Suppliers" under this section.





## XXI. DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

The Company or any of its subsidiaries did not make any arrangement during the Reporting Period that would enable any director or supervisor of the Company (including their spouses and children under the age of 18) to acquire benefits by means of acquisition of shares or debentures of the Company or any other associated corporations.

## XXII. DONATIONS

The Company proactively fulfills its social responsibilities. In 2024, the amount of investment in charitable advertising, disaster relief donations, education grants, charitable donations and other public welfare aspects was RMB46,047,000.

## XXIII. ISSUANCE OF SHARES AND BONDS

For the issuance of shares during the Reporting Period, please refer to "II. Issuance and Listing of Securities" under "Section VII Changes in Shares and Shareholders" of this report.

For the issuance of corporate bonds, subordinated bonds, short-term corporate bonds and short-term financing bills by the Company and its subsidiaries, please refer to "Section VIII Profile of Bonds" and "XXIII. Significant Matters of the Subsidiaries of the Company" in "Section VI Significant Events" of this report.

## XXIV. PROFIT DISTRIBUTION AND PROPOSED DIVIDEND

The formulation and implementation details of the Company's cash dividends policy and the profit distribution proposal for 2024 are set out in "XV. Profit Distribution of Ordinary Shares and Conversion of Capital Reserves into Share Capital of the Company" in "Section IV Corporate Governance" of this report.

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

In order to firmly establish the investor-oriented awareness, further regulate the market value management behavior of the Company and promote the enhancement of the investment value of the Company, the Company has formulated the Market Value Management Measures of Shenwan Hongyuan Group Co., Ltd., which was considered and approved at the sixth meeting of the sixth session of the Board of the Company, in accordance with the Certain Opinions of the State Council on Strengthening Supervision and Preventing Risks and Promoting High-quality Development of Capital Market and the Regulatory Guidelines for Listed Companies No. 10 – Market Value Management of the CSRC, as well as other relevant laws, administrative regulations, regulatory documents, and the Articles of Association.

### Whether the Company has disclosed a valuation enhancement plan

☐ Yes ☒ No



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

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

### (I) **Adhered to investor-oriented and strengthening investor returns**

The Company firmly established the awareness of returning to shareholders. Since the listing in 2015, the Company has insisted on the implementation of cash dividends for ten consecutive years, with the total amount of cash dividends exceeding RMB17.2 billion, enhancing the sense of gain of investors through sustained and stable cash dividends. During the Reporting Period, the Company developed and implemented the 2024 interim profit distribution plan to share the Company’s operation and development results at an earlier stage. The Company effectively increased its efforts in providing investor services, constructed and perfected a multi-level investor service system, and conducted proactive, interactive, professional and efficient investor communication and established effective interaction with the capital market through regular implementation of performance presentation, elaboration of performance snapshot and chairman’s statement, timely disclosure of investor relations activity records and active response to investor inquiries, etc. The Company attached great importance to investor protection. Shenwan Hongyuan Securities, a subsidiary of the Company, has been rated as A grade for investor education by the Securities Association of China for three consecutive years, and the investment education base has been rated “excellent” by the CSRC for two consecutive years. Taking the 10th anniversary of the merger and reorganization as an opportunity, the Company orderly promoted the revitalization of culture in an orderly manner, created a cultural system that adapts to new development requirements, and cultivated and practiced the financial culture with Chinese characteristics. The Company has been selected as one of the outstanding cases in the annual report of the Securities Association of China on the annual cultural construction of the securities industry for four consecutive years.





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

As a large state-owned securities company and investment institution, the Company actively practices the political and people-oriented nature of financial work, promotes more solid planning and service to the national strategy in fulfilling the main responsibilities and businesses, and strengthens our own functional positioning by accomplishing the “Five Priorities” on finance with greater historical responsibility. The Company strengthened the positioning as a “service provider” of direct financing, actively promoted the sinking of customers, regions and services, and guided more social medium – and long-term capital flows to key areas such as technology innovation, green development and digital transformation. The Company strengthened the positioning as a “gatekeeper” of the capital market. The Company comprehensively improved the full cycle risk management level of investment banking projects under the new situation, vigorously supported M&A and restructuring of listed companies and integration of industry chain leaders. The Company was awarded the highest rating of class A in the investment banking business quality evaluation by the Securities Association of China in 2024. The Company strengthened the positioning as a “manager” of social wealth, optimized the supply of financial products and services, adhered to customer benefits in priority, accelerated the active and mutual transformation of asset management business, and obtain the first batch of qualifications for swap facility and cross-border wealth management business, so as to ensure the smooth operation of the capital market.

## (III) Adhered to strategic leadership and improved core competitiveness

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



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

The Company continued to deeply practice the “two-consistency” by organically integrating the adherence to and strengthening of the Party’s leadership with the improvement of corporate governance, so as to effectively transform political advantages into governance performance. The general meeting, the Board of Directors and the Board of Supervisors as well as the senior management perform their respective responsibilities, effectively check and balance and coordinate operation. During the Reporting Period, the Company organized 3 general meetings, 13 Board meetings, 18 meetings of special committees of the Board and 2 specialised meetings of independent directors. The Company conscientiously implemented the regulations of the listing regulatory authorities, strictly fulfilled information disclosure obligations, and disclosed 4 regular reports and more than 400 temporary reports throughout the year. The Company continuously improved the comprehensive risk management system and actively responded to market changes, and the main risk indicators met regulatory requirements. The Company finalised the Shenwan Hongyuan Sustainable Development and ESG Management Enhancement Action Plan, fulfilled ESG responsibilities at multiple levels, and improved ESG performance in various aspects, achieving continuous improvement in ESG ratings. During the Reporting Period, the Company was awarded a number of awards by the China Association of Public Companies, including “Outstanding Practice Case of the Board of Directors of Listed Companies”, “Best Practice Case of the Office of the Board of Directors of Listed Companies”, “Best Practice Case of Investor Relations Management of Listed Companies”, “Best Practice Case of Sustainable Development of Listed Companies”, “Outstanding Practice Case of Cultural Construction of Listed Companies”, as well as market honors such as New Fortune Gold Medal Secretary and Best IR Hong Kong Stock Company. The Company has contributed to the development of a safe, regulated, transparent, open, dynamic and resilient capital market.

By order of the Board of Directors

**Liu Jian**  
*Chairman*

March 28, 2025





## I. BASIC SITUATION OF CORPORATE GOVERNANCE

- (I) The Company's operation is in strict compliance with laws, regulations and regulatory documents applicable in places where the shares of the Company are listed. It has established and developed corporate governance structure and improved the corporate governance mechanism and institutional system in accordance with the law, to continuously improve corporate governance. In accordance with the requirements of laws, regulations and regulatory documents such as the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, and the Rules for Corporate Governance of Listed Companies, the Company has established a sound and complete corporate governance structure consisting of the general meeting, the Board of Directors, the Board of Supervisors and the Executive Committee of the Company, and formed a corporate governance system with clear powers and responsibilities, standardized operations, mutual coordination, and checks and balances among governing bodies, decision-making bodies, supervisory bodies and the management of the Company, ensuring the sustainable and standardized development of the Company's operation and management.

The Company fully followed all code provisions in the CG Code and met requirements for the most of recommended best conventional clauses listed in the CG Code.

- (II) During the Reporting Period, the Company held 3 general meetings, 13 meetings of the Board of Directors, 6 meetings of the Board of Supervisors, 2 meetings of the Strategy and ESG Committee of the Board of Directors, 3 meetings of the Remuneration and Nomination Committee of the Board of Directors, 11 meetings of the Audit Committee of the Board of Directors, and 2 meetings of the Risk Control Committee of the Board of Directors. The convening, proposal, holding, voting and resolutions of the previous general meetings, meetings of the Board of Directors, meetings of the Board of Supervisors and meetings of the special committees under the Board of Directors were all in compliance with laws and regulations, normative documents, as well as the Articles of Association, the Rules of Procedure of the General Meeting, the Rules of Procedure of the Board of Directors, and the Rules of Procedure of the Board of Supervisors. Each of the Directors and Supervisors has performed its duties and obligations with diligence in accordance with laws and regulations as well as the Articles of Association, and each of the independent Directors has considered the proposals and provided independent opinion with due care in accordance with the Independent Directors System, assuring the shareholders to exercise their rights under relevant laws, taking into sufficient account the interests of minority shareholders and making no detriment to the interests of minority shareholders.
- (III) There is no significant difference between the actual situation of corporate governance and laws, administrative regulations and the regulations of the CSRC on the governance of listed companies.





- (IV) The Company actively responded to the call of the CSRC and the Securities Association of China, actively cultivated and practiced financial culture with Chinese characteristics of “integrity, faith, prudence, innovation and compliance”, formed a new round of corporate culture concept system with the vision of “becoming a first-class investment bank and investment institution worthy of long-term trustworthy with professional services and value creation”, the core value of “faith and responsibility, pursuing innovation on the basis of what has worked in the past, and pursuit of excellence”, and eight corporate consensus of Shenwan Hongyuan, and issued the Corporate Culture Outline of Shenwan Hongyuan (2024 Edition)”. Through corporate culture construction, employees of the Group at all levels may achieve growth and fully release their potential by acting in a lawful, ethical and responsible manner, so that the Company can provide sustainable long-term performance and operate in a way that benefits society and the environment. The Company’s core values and development concept provide guidance for the conduct and behavior of employees, ensuring that they are integrated into business operations, workplace policies and practices and stakeholder relationships of the Company. Considering that corporate culture is reflected in various environments, such as labor force participation, employee retention and training, legal and regulatory compliance, employee safety, welfare and support, the Group’s culture, mission, value and strategies remain consistent.

## II. INDEPENDENCE OF THE COMPANY FROM THE CONTROLLING SHAREHOLDER AND ACTUAL CONTROLLER IN TERMS OF BUSINESS, PERSONNEL, ASSETS, ORGANISATION, FINANCE, ETC.

The Company is completely separated from the controlling shareholder and actual controller in terms of business, personnel, assets, organization and finance, maintaining the integrity of the organization and independence of business. The Company has independent and complete business and independent operation capabilities, including independent operation, independent accounting, independent competition in the market, and independent assumption of responsibility and risk.

- (I) Business independence: The Company’s business is independent from the controlling shareholder, actual controller and other enterprises controlled by it, and there is no obviously unfair related party transaction with the controlling shareholder, actual controller and other enterprises controlled by it.
- (II) Personnel independence: Senior management of the Company, including general manager, members of the Executive Committee, chief financial officer, and secretary of the Board of Directors, does not hold any position in the controlling shareholder, actual controller and other enterprises controlled by it, and does not receive any remuneration from the controlling shareholder, actual controller and other enterprises controlled by it; also the financial personnel of the Company does not hold any concurrent positions in the controlling shareholder, actual controller and other enterprises controlled by it.
- (III) Asset independence: The Company independently and completely owns the business system and relevant assets related to the operation, and is independent from the controlling shareholder, actual controller and other enterprises controlled by it.





(IV) Organization independence: The Company has established and improved its internal operation and management organizations, which independently exercise operation and management functions, and there is no confusion of organization with the controlling shareholder, actual controller and other enterprises controlled by it.

(V) Financial independence: The Company has established an independent financial accounting system which can make financial decisions independently. It has a standardized financial accounting system and a financial management system for branches and subsidiaries; the Company does not share bank accounts with the controlling shareholder, actual controller and other enterprises controlled by it.

### III. HORIZONTAL COMPETITION

N/A

### IV. ANNUAL GENERAL MEETING AND EXTRAORDINARY GENERAL MEETINGS HELD DURING THE REPORTING PERIOD

#### (I) Shareholders and general meetings

The general meeting shall be the authority of power of the Company, through which the shareholders shall exercise their functions according to law. The Articles of Association and the Rules of Procedure of the General Meetings have provided for the rights and obligations of shareholders, the authority of the general meetings, the convening, voting and resolutions of the general meetings, which ensure the standard operation of the general meetings and protect the interests of shareholders, especially those of the minority shareholders.

According to Article 80 of the Articles of Association, shareholder(s) severally or jointly holding 10% or above shares of the Company shall be entitled to request the Board to convene an extraordinary general meeting, and shall put forward such request to the Board in writing. The Board shall, pursuant to laws, administrative regulations and the Articles of Association, give a written reply on whether to convene the extraordinary general meeting or not within 10 days after receipt of the proposal. If the Board agrees to convene the extraordinary general meeting, it shall serve a notice of such meeting within five days after the resolution is made by the Board. In the event of any change to the original proposal set forth in the notice, the consent of relevant shareholder(s) shall be obtained. If the Board does not agree to hold the extraordinary general meeting or fails to give a reply within 10 days after receipt of the proposal, shareholder(s) severally or jointly holding 10% or above shares of the Company shall be entitled to propose to the Board of Supervisors to convene an extraordinary general meeting, and shall put forward such request to the Board of Supervisors in writing. If the Board of Supervisors agrees to convene the extraordinary general meeting, it shall serve a notice of such meeting within five days after receipt of the said request. In the event of any change to the original proposal set forth in the notice, the consent of relevant shareholder(s) shall be obtained. In the case of failure to issue the notice for the general meeting within the term stipulated, the Board of Supervisors shall be deemed as failing to convene and preside over the general meeting. In that event, the shareholder(s) severally or jointly holding 10% or above shares of the Company for 90 consecutive days or above may convene and preside over such meeting by itself/themselves.





According to Article 85 of the Articles of Association, where the Company convenes a general meeting, the Board, the Board of Supervisors, and shareholder(s) severally or jointly holding more than 3% of the shares of the Company may make proposals to the Company. Shareholder(s) severally or jointly holding more than 3% of the shares of the Company may submit written provisional proposals to the convener 10 days before the convening of a general meeting. The convener shall serve a supplementary notice of the general meeting within two days after receipt of a provisional proposal, and announce the contents of the proposal. Otherwise, the convener shall not change the proposal set out in the notice of the general meeting or add any new proposal after the said notice announcement is served.

**(II) General meetings held during the Reporting Period**

Session of meeting	Type of meeting	Investor	Convening date	Titles of resolutions of the meeting	Status of resolutions	Disclosure date and disclosure index
		Participation ratio				
2023 annual general meeting	Annual general meeting	61.57%	2024-06-28	<ol style="list-style-type: none"> <li>1. The Resolution regarding Consideration of the 2023 Work Report of the Board of Directors of the Company</li> <li>2. The Resolution regarding Consideration of the 2023 Work Report of the Board of Supervisors of the Company</li> <li>3. The Resolution regarding Consideration of the 2023 Annual Financial Report of the Company</li> <li>4. The Resolution regarding the 2023 Profit Distribution Plan of the Company</li> <li>5. The Resolution regarding Consideration of the 2023 Annual Report of the Company</li> <li>6. The Resolution regarding the Granting of General Mandate to the Board of Directors to Issue Additional Shares of the Company</li> <li>7. The Resolution regarding the Estimated Ordinary Related Party Transactions for 2024 (voted item by item)</li> <li>8. The Resolution regarding the Arrangement of Interim Profit Distribution for 2024</li> <li>9. The Resolution regarding the Public Issuance of Corporate Bonds by Shenwan Hongyuan Group Co., Ltd. (voted item by item)</li> <li>10. The Resolution regarding the Amendments to the Articles of Association of Shenwan Hongyuan Group Co., Ltd.</li> <li>11. The Resolution regarding the Amendments to the Rules of Procedure of the General Meeting of Shenwan Hongyuan Group Co., Ltd.</li> <li>12. The Resolution regarding the Amendments to the Rules of Procedure of the Board of Directors of Shenwan Hongyuan Group Co., Ltd.</li> <li>13. The Resolution regarding the Amendments to the Independent Non-executive Director System of Shenwan Hongyuan Group Co., Ltd.</li> </ol>	Approved	For details of the resolutions considered at the meeting, please refer to the relevant announcements disclosed by the Company in China Securities Journal, Securities Times and Shanghai Securities News, as well as the website of Cninfo at <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> on June 29, 2024 and the website of HKExnews at <a href="http://www.hkexnews.hk">www.hkexnews.hk</a> on June 28, 2024





Session of meeting	Type of meeting	Investor Participation ratio	Convening date	Titles of resolutions of the meeting	Status of resolutions	Disclosure date and disclosure index
2024 first extraordinary general meeting	Extraordinary general meeting	62.86%	2024-10-22	<ol style="list-style-type: none"><li>1. The Resolution regarding the 2024 Interim Profit Distribution Plan of the Company</li><li>2. The Resolution regarding the Appointment of Auditors of the Company for 2024</li><li>3. The Resolution regarding the Election of Non-independent Directors of the Sixth Session of the Board of Directors of the Company (Mr. Liu Jian, Mr. Huang Hao, Mr. Zhu Zhilong, Ms. Zhang Ying, Mr. Shao Yalou and Mr. Xu Yixin)</li><li>4. The Resolution regarding the Election of Independent Non-executive Directors of the Sixth Session of the Board of Directors of the Company (Ms. Yeung Siunan Shirley, Mr. Wu Changqi, Mr. Chen Hanwen and Mr. Zhao Lei)</li><li>5. The Resolution regarding the Election of Non-employee Representative Supervisors of the Sixth Session of the Board of Supervisors of the Company (Mr. Fang Rongyi, Ms. Chen Yan and Mr. Zou Zhijun)</li></ol>	Approved	For details of the resolutions considered at the meeting, please refer to the relevant announcements disclosed by the Company in China Securities Journal, Securities Times and Shanghai Securities News, as well as the website of Cninfo at <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> on October 23, 2024 and the website of HKExnews at <a href="http://www.hkexnews.hk">www.hkexnews.hk</a> on October 22, 2024
2024 second extraordinary general meeting	Extraordinary general meeting	63.09%	2024-12-19	<ol style="list-style-type: none"><li>1. The Resolution regarding the Renewal of the Securities Approved and Financial Products, Transactions and Services Framework Agreement with China Jianyin Investment Ltd.</li><li>2. the Resolution regarding the Provision of Guarantee for Hongyuan Hengli (Shanghai) Industrial Co., Ltd.</li><li>3. The Resolution regarding the Election of a Director of the Company</li></ol>		For details of the resolutions considered at the meeting, please refer to the relevant announcements disclosed by the Company in China Securities Journal, Securities Times and Shanghai Securities News, as well as the website of Cninfo at <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> on December 20, 2024 and the website of HKExnews at <a href="http://www.hkexnews.hk">www.hkexnews.hk</a> on December 19, 2024





As an A + H listed company, in order to ensure that the shareholders have the full right to know and to ensure that information disclosure is open, fair, and equity, the Company has created conditions to further expand channels for communication with investors and continuously improved the quality of communication with investors. The Company has appointed the secretary of the Board of Directors and the company secretary to be responsible for information disclosure. The securities representative and the office of the Board of Directors assist in information disclosure and maintenance of investor relations. The Company interacts and communicates with investors in a variety of forms, mainly including phone calls, emails, investor relations channels on the Company's website, the interaction platform of the Shenzhen Stock Exchange, site visits and attending investor presentations. Shareholders may make queries and express their views to the Board of Directors through the Company secretary and the office of the Board of Directors. Where appropriate, shareholders' inquiries and comments will be forwarded to the Board of Directors and/or the relevant special committees of the Board of Directors to address shareholders' questions, to ensure that shareholders, especially minority shareholders, can fully exercise their rights. (For contact information of the Company, please refer to "II. Contact Persons and Contact Methods" in "Section II Company Profile and Key Financial Indicators" in this report)

**(III) Preferred shareholders whose voting rights were resumed requested to convene extraordinary general meetings**

N/A





## V. PARTICULARS OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

### (I) Basic Information

#### 1. Basic information of directors, supervisors and senior management

Name	Position	Gender	Age	Tenure	Number of shares held (share)	Total remuneration before tax received from the Company during the Reporting Period (Unit: RMB'0,000)	Whether receiving remuneration from related parties of the Company
Liu Jian	Executive director, Chairman Chairman of Executive Committee	Male	51	August 26, 2022 to present December 23, 2022 to present	0	147.98	No
Huang Hao	Executive director Vice Chairman General manager Vice chairman of Executive Committee	Male	51	May 28, 2021 to present February 29, 2024 to present December 18, 2020 to present December 23, 2022 to present	0	147.98	No
Zhu Zhilong	Non-executive director	Male	54	May 28, 2021 to present	0	-	Yes
Zhang Ying	Non-executive director	Female	53	October 22, 2021 to present	0	-	Yes
Shao Yalou	Non-executive director	Male	48	December 29, 2022 to present	0	-	Yes
Xu Yixin	Non-executive director	Male	58	October 22, 2024 to present	0	-	Yes
Yan Jinguo	Non-executive director	Male	40	December 19, 2024 to present	0	-	Yes
Yeung Siuman Shirley	Independent non-executive director	Female	61	November 5, 2020 to present	0	24	Yes
Wu Changqi	Independent non-executive director	Male	69	May 28, 2021 to present	0	27	Yes
Chen Hanwen	Independent non-executive director	Male	56	May 28, 2021 to present	0	27	Yes
Zhao Lei	Independent non-executive director	Male	50	May 28, 2021 to present	0	24	Yes
Fang Rongyi	Supervisor, Chairman of the Board of Supervisors	Male	58	October 22, 2021 to present	0	147.98	No
Chen Yan	Supervisor	Female	49	May 28, 2021 to present	0	-	Yes
Zou Zhijun	Supervisor	Male	45	October 22, 2024 to present	0	-	Yes
Li Yan	Employee representative supervisor	Female	53	May 28, 2021 to present	0	86.74	No
Yao Hui	Employee representative supervisor	Female	49	October 22, 2024 to present	0	12.35	No
Ren Quansheng	Member of Executive Committee	Female	56	May 28, 2021 to present	0	111.89	No
Liu Yue	Chief financial officer Member of Executive Committee	Male	56	December 18, 2020 to present May 28, 2021 to present	0	111.89	No
Xu Liang	Secretary to the Board	Male	49	March 15, 2021 to present	0	107.09	No
<b>Resigned directors, supervisors and senior management during the Reporting Period</b>							
Ren Xiaotao	Non-executive director	Male	53	March 21, 2019 to September 27, 2024	0	-	Yes
Zhang Yigang	Non-executive director	Male	61	June 23, 2020 to October 22, 2024	0	-	Yes
Jiang Yang	Supervisor	Male	46	May 28, 2021 to October 22, 2024	0	-	Yes
Zhou Jie	Employee representative supervisor	Female	51	May 28, 2021 to October 22, 2024	0	71.44	No
Total					0	1,047.36	





Note 1: The Company has not implemented an equity incentive plan; therefore, none of the Company's directors, supervisors and senior management held any shares of the Company during the Reporting Period.

Note 2: The total pre-tax compensation received by the directors, supervisors and senior management from the Company during their term of office is the basic salary, annual salary for performance, allowances, subsidies and benefits for the year paid in 2024.

**2. Resignation of directors or supervisors or dismissal of senior management during their term of office during the Reporting Period**

*(1) Resignation of directors during their term of office during the Reporting Period*

On September 27, 2024, due to work arrangement, Mr. Ren Xiaotao, a non-executive director of the Company, tendered the written resignation as a director of the fifth session of the Board of Directors, the chairman of the Risk Control Committee of the Board of Directors and a member of the Strategy and ESG Committee of the Board of Directors of the Company. After his resignation, Mr. Ren Xiaotao no longer held any position in the Company. His resignation took effect from the resignation report were delivered to the Board on September 27, 2024. For details of the above, please refer to the relevant announcements disclosed by the Company in China Securities Journal, Securities Times and Shanghai Securities News, as well as on the website of Cninfo at [www.cninfo.com.cn](http://www.cninfo.com.cn) on September 28, 2024 and October 23, 2024 and on the website of HKExnews of the Hong Kong Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) on September 27, 2024 and October 22, 2024.

(2) During the Reporting Period, there was no resignation of supervisors during their term of office.

(3) During the Reporting Period, there was no resignation of senior management during their term of office.





### 3. Changes in directors, supervisors and senior management of the Company

#### (1) Changes in Directors during the Reporting Period

Name	Position	Category	Date	Reason
Ren Xiaotao	Non-executive director	Resigned	September 27, 2024	Work arrangements
Zhang Yigang	Non-executive director	Resigned at expiration	October 22, 2024	Expire of term of office
Xu Yixin	Non-executive director	Election at the general meeting	October 22, 2024	Election at the general meeting
Yan Jinguo	Non-executive director	Election at the general meeting	December 19, 2024	Election at the general meeting

On September 27, 2024, the Company held the 30th meeting of the fifth session of the Board of Directors, at which the Resolution regarding the Nomination of Candidates for Non-independent Directors of the Sixth Session of the Board of Directors of the Company was considered and approved to nominate Mr. Liu Jian and Mr. Huang Hao as candidates for executive directors, and Mr. Zhu Zhilong, Ms. Zhang Ying, Mr. Shao Yalou and Mr. Xu Yixin as candidates for non-executive directors; and the Resolution regarding the Nomination of Candidates for Independent Non-executive Directors of the Sixth Session of the Board of Directors of the Company was considered and approved to nominate Ms. Yeung Siuman Shirley, Mr. Wu Changqi, Mr. Chen Hanwen and Mr. Zhao Lei as candidates for independent non-executive directors.

On October 22, 2024, the Company held the 2024 first extraordinary general meeting, at which the Resolution regarding the Election of Non-independent Directors of the Sixth Session of the Board of Directors of the Company and the Resolution regarding the Election of Independent Non-executive Directors of the Sixth Session of the Board of Directors of the Company were considered and approved to elect Mr. Liu Jian and Mr. Huang Hao as executive directors of the sixth session of the Board of Directors of the Company, Mr. Zhu Zhilong, Ms. Zhang Ying, Mr. Shao Yalou and Mr. Xu Yixin as non-executive directors of the sixth session of the Board of Directors, and Ms. Yeung Siuman Shirley, Mr. Wu Changqi, Mr. Chen Hanwen and Mr. Zhao Lei as independent non-executive directors of the sixth session of the Board of Directors.





On October 22, 2024, the Company held the first meeting of the sixth session of the Board of Directors, at which the Resolution regarding the Election of Chairman and Vice Chairman of the Sixth Session of the Board of Directors was considered and approved to elect Mr. Liu Jian as the chairman of the sixth session of the Board of Directors of the Company; and Mr. Huang Hao as the vice chairman of the sixth session of the Board of Directors of the Company, with their terms of office from October 22, 2024 to the expiry of the term of office of the sixth session of the Board of Directors; and the Resolution regarding the Election of Members of Special Committees of the Sixth Session of the Board of Directors was considered and approved to approve the composition of the special committees of the sixth session of the Board of Directors, the details are as follows:

*Strategy and ESG Committee of the Board*

Chairman: Liu Jian

Members: Huang Hao, Wu Changqi, Zhang Ying, Shao Yalou

*Remuneration and Nomination Committee of the Board*

Chairman: Wu Changqi

Members: Liu Jian, Chen Hanwen, Zhao Lei, Zhang Ying

*Audit Committee of the Board*

Chairman: Chen Hanwen

Members: Zhu Zhilong, Yeung Siuman Shirley, Zhao Lei, Shao Yalou

*Risk Control Committee of the Board*

Chairlady: Zhang Ying

Members: Huang Hao, Yeung Siuman Shirley, Zhao Lei, Shao Yalou



On November 26, 2024, the third meeting of the sixth session of the Board of the Company approved the Resolution regarding the Nomination of a Candidate of Director to nominate Mr. Yan Jinguo as the candidate of the sixth session of the Board of the Company (non-executive director). On December 19, 2024, the 2024 second extraordinary general meeting of the Company considered and approved the Resolution regarding the Election of a Director of the Company to elect Mr. Yan Jinguo as a director of the sixth session of the Board of the Company (non-executive director). On the same day, the Company convened the fourth meeting of the sixth session of the Board, and considered and approved the Resolution regarding the Adjustment to the Composition of the Members of the Special Committees of the Board to approve the adjustment to the members of the Strategy and ESG Committee of the Board and the Audit Committee of the Board. The adjustment to the members of the relevant special committees is as follows:

*Strategy and ESG Committee of the Board*

Chairman: Liu Jian

Members: Huang Hao, Wu Changqi, Shao Yalou and Yan Jinguo

*Audit Committee of the Board*

Chairman: Chen Hanwen

Members: Zhu Zhilong, Yeung Siuman Shirley, Zhao Lei and Yan Jinguo

For details of the above, please refer to the relevant announcements disclosed by the Company in China Securities Journal, Securities Times and Shanghai Securities News, as well as on the website of Cninfo at [www.cninfo.com.cn](http://www.cninfo.com.cn) on September 28, 2024, October 23, 2024, November 27, 2024 and December 20, 2024 and on the website of HKExnews of the Hong Kong Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) on September 27, 2024, October 22, 2024, November 26, 2024 and December 19, 2024.



(2) *Changes in supervisors during the Reporting Period*

Name	Position	Category	Date	Reason
Zou Zhijun	Supervisor	Election at the general meeting	October 22, 2024	Election of the new session
Yao Hui	Employee representative supervisor	Election at the employees' general meeting	October 22, 2024	Election of the new session at the employees' general meeting
Jiang Yang	Supervisor	Resigned at expiration	October 22, 2024	Expiration of term of office
Zhou Jie	Employee representative supervisor	Resigned at expiration	October 22, 2024	Expiration of term of office

On September 27, 2024, the Company held the 17th meeting of the fifth session of the Board of Supervisors, at which the Resolution regarding the Nomination of Non-employee Representative Supervisors of the Sixth Session of the Board of Supervisors of the Company was considered and approved to nominate Mr. Fang Rongyi, Ms. Chen Yan and Mr. Zou Zhijun as candidates for non-employee representative supervisors of the sixth session of the Board of Supervisors of the Company, and to submit for election at the 2024 first extraordinary general meeting of the Company.

On October 15, 2024, the Company held the fourth meeting of the fifth session of the employees' general meeting, at which Ms. Li Yan and Ms. Yao Hui have been elected as employee representative supervisors of the sixth session of the Board of Supervisors.

On October 22, 2024, the Company held the 2024 first extraordinary general meeting, at which the Resolution regarding the Election of Non-employee Representative Supervisors of the Sixth Session of the Board of Supervisors of the Company was considered and approved to elect Mr. Fang Rongyi, Ms. Chen Yan and Mr. Zou Zhijun as non-employee representative supervisors of the sixth session of the Board of Supervisors of the Company, who jointly form the sixth session of the Board of Supervisors of the Company together with Ms. Li Yan and Ms. Yao Hui, two employee representative supervisors elected at the fourth meeting of the fifth session of the employees' general meeting. Mr. Jiang Yang ceased to serve as a supervisor of the Company, and Ms. Zhou Jie ceased to serve as an employee representative supervisor of the Company.



On October 22, 2024, the Company held the first meeting of the sixth session of the Board of Supervisors, at which the Resolution regarding the Election of Chairman of the Sixth Session of the Board of Supervisors was considered and approved to elect Fang Rongyi, being a supervisor, as the chairman of the sixth session of the Board of Supervisors, with a term of office from October 22, 2024 to the expiry of the term of office of the sixth session of the Board of Supervisors; and the Resolution regarding the Election of Members of Special Committees of the Sixth Session of the Board of Supervisors was considered and approved to approve the composition of the special committees of the sixth session of the Board of Supervisors, the details are as follows:

*Financial Supervision and Inspection Committee of the Board of Supervisors*

Chairman: Zou Zhijun

Members: Chen Yan, Li Yan

*Performance Supervision and Inspection Committee of the Board of Supervisors*

Chairlady: Li Yan

Members: Chen Yan, Yao Hui

For details of the above, please refer to the relevant announcements disclosed by the Company in China Securities Journal, Securities Times and Shanghai Securities News, as well as on the website of Cninfo at [www.cninfo.com.cn](http://www.cninfo.com.cn) on September 28, 2024, October 16, 2024 and October 23, 2024 and on the website of HKExnews of the Hong Kong Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) on September 27, 2024, October 15, 2024 and October 22, 2024.

(3) *Changes in senior management during the Reporting Period*

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



**(II) Positions Held by Directors, Supervisors and Senior Management of the Company**

**1. Professional background, main work experience and main responsibilities in the Company**

*(1) Directors*

*Executive Directors*

Mr. Liu Jian (劉健) currently serves as an executive director, the chairman of the Board of Directors and the chairman of the Executive Committee of Shenwan Hongyuan Group Co., Ltd. His main work experience includes: Mr. Liu worked at the Non-Banking Financial Institutions Administration Division of the People's Bank of China from August 1997 to June 1998; he successively served as the chief section member, deputy director and director of China Securities Regulatory Commission from June 1998 to April 2007; he served as the director of the General Department of Central Huijin Investment Ltd. from April 2007 to September 2007; the deputy director, director and secretary to the board of directors and secretary of the Party Committee of China Investment Corporation from September 2007 to September 2013; and the inspector and section chief of the Ministry of Finance from September 2013 to January 2020; he served as the secretary of the Party Committee of Bank of China Investment Limited from January 2020 to July 2022; the executive president and executive director of Bank of China Group Investment Limited from April 2020 to May 2021, the chairman and executive president of Bank of China Group Investment Limited from May 2021 to July 2022; the chairman of the board of supervisors of Beijing-Shanghai High-speed Railway Co., Ltd. (a company listed on the Shanghai Stock Exchange, stock code: 601816) from July 2021 to August 2022; he has served as the secretary of the Party Committee of Shenwan Hongyuan Group Co., Ltd. and Shenwan Hongyuan Securities Co., Ltd. since July 2022; the executive director and chairman of Shenwan Hongyuan Group Co., Ltd. since August 2022; the executive director and chairman of Shenwan Hongyuan Securities Co., Ltd. since September 2022; the chairman of the Executive Committee of Shenwan Hongyuan Group Co., Ltd. and Shenwan Hongyuan Securities Co., Ltd. since December 2022, and the general manager (acting) of Shenwan Hongyuan Securities Co., Ltd. from August 2023 to February 2024. Mr. Liu obtained a bachelor's degree in economics from Jilin University in July 1994 majoring in international economics, a master's degree in economics from the Graduate School of the People's Bank of China in July 1997 majoring in international finance, and a doctorate degree in economics from the Graduate School of the People's Bank of China in June 2004 majoring in monetary banking. Mr. Liu Jian is a certified public accountant.



Mr. Huang Hao (黃昊) currently serves as an executive director, Vice Chairman, the general manager and the vice chairman of the Executive Committee of Shenwan Hongyuan Group Co., Ltd. His main work experience includes: Mr. Huang Hao successively served as a director staff member, an assistant researcher and concurrently served as the Youth League secretary of the policy research division in the State Administration of Foreign Exchange from July 1999 to February 2005; successively served as the deputy director of the capital market department, the deputy director and division director of the equity management division of the China Development Bank of the general department, the managing director and deputy director of securities institution management department and the deputy director of the securities institution management department/insurance institution management department, the deputy director of the leading group office of the directly managed enterprise/equity management department II and the director of the general management department of Central Huijin Investment Ltd. from February 2005 to November 2020; served as a director of Guotai Junan Securities Co., Ltd. (601211.SH, 02611.HK) from September 2005 to January 2013; served as a director of China Development Bank and a director of China Development Bank Capital Co., Ltd. from April 2012 to October 2017; and served as a non-executive director of China International Capital Corporation Limited (601995.SH, 03908.HK) from February 2020 to December 2020. He has served as the general manager of Shenwan Hongyuan Group Co., Ltd. since December 2020. He served as the chairman of the Executive Committee of Shenwan Hongyuan Group Co., Ltd. from May 2021 to December 2022. He has served as an executive director of Shenwan Hongyuan Group Co., Ltd. since May 2021; the vice chairman of the Executive Committee of Shenwan Hongyuan Group Co., Ltd. since December 2022; and the Vice Chairman of Shenwan Hongyuan Group Co., Ltd. since February 2024. Mr. Huang Hao graduated from Zhejiang University with a bachelor's degree in economics in July 1996; he graduated from Tsinghua University with a master's degree in management in May 1999; and he obtained a doctor's degree in economics from the Finance Research Institute of the People's Bank of China in July 2011.





Non-executive directors

Mr. Zhu Zhilong (朱志龍) currently serves as a non-executive director of Shenwan Hongyuan Group Co., Ltd. His main work experience includes: Mr. Zhu Zhilong served as the financial supervisor of the Shanghai Geological and Mineral Engineering Investigation Institute (上海地礦工程勘察院) from July 1992 to July 1995; the deputy chief officer and accounting supervisor (section chief level) of the comprehensive economic management division and deputy head of the planning and finance division of the Shanghai Bureau of Geology and Mineral Resources (上海市地質礦產局) from July 1995 to August 2000; and deputy head of the funding division (audit division), head of the audit division, director (head) of the supervision office (audit division) and deputy secretary of the commission for discipline inspection of the Shanghai Municipal Housing and Land Resources Administration (上海市房屋土地資源管理局) from August 2000 to March 2009; from March 2009 to December 2015, he served as the director of the discipline inspection and supervision office, head of the audit division, director (head) of the discipline inspection office (audit division), deputy leader of the discipline inspection group, head of the planning and finance division, and head of the planning and finance division (audit division) of Shanghai Housing Security and Housing Administration Bureau; and from December 2015 to September 2020, he served as the head and first-level investigator of the comprehensive planning division of the Shanghai Municipal Housing and Urban-Rural Construction Management Commission (上海市住房城鄉建設管理委員會); he has been the chief financial officer of Shanghai Jiushi (Group) Co., Ltd. since September 2020, a director of Shanghai Eastern Hub Investment and Construction Development Group Co., Ltd. since February 2023 and a non-executive director of Shenwan Hongyuan Group Co., Ltd. since May 2021. Mr. Zhu Zhilong obtained a bachelor's degree in economics from Hebei Geo University majoring in accounting in July 1992, a master's degree in public management from East China Normal University majoring in public management in January 2005 and a master's degree in law from Shanghai Jiaotong University majoring in law in June 2010.



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





Mr. Shao Yalou (邵亞樓) currently serves as a non-executive director of Shenwan Hongyuan Group Co., Ltd. His main work experience includes: he worked in Shitong Company of Henan Provincial Grain Bureau (河南省糧食局世通公司) from September 1999 to September 2002; served as a cadre and chief section member in the Comprehensive Division of the General Office of Shanghai Municipal Government (上海市政府辦公廳綜合處) from August 2008 to July 2011; served as a chief section member, deputy researcher and staff member (deputy director general level) in the Secretariat of the General Office of Shanghai Municipal Government (上海市政府辦公廳秘書處) from July 2011 to October 2016 (during which, he was seconded to work in China Investment Corporation from July 2016 to October 2016); served as a senior deputy manager of the Office/Board Office/Party Committee Office, senior deputy manager and senior manager of the Research Department in China Investment Corporation from October 2016 to October 2022; serves as a managing director and designated director of the Office of the Directly Managed Enterprises Leading Group/Equity Management Department II of Central Huijin Investment Ltd. since October 2022; serves as a director of Shenwan Hongyuan Securities Co., Ltd. since December 2022; serves as a non-executive director of Shenwan Hongyuan Group Co., Ltd. since December 2022; and serves as a director of Shenwan Futures Co., Ltd. since September 2023. Mr. Shao Yalou graduated from Electronic Engineering Department of Zhengzhou University in July 1999, majoring in automatic control, graduated from East China Normal University in July 2005, majoring in scientific socialism and international communist movement, and obtained a master's degree in law, and graduated from the Institute of World Economics of the Shanghai Academy of Social Sciences in July 2008, majoring in world economics, and obtained a doctorate degree in economics.



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





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

Independent non-executive directors

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





Mr. Wu Changqi (武常岐) currently serves as an independent non-executive director of Shenwan Hongyuan Group Co., Ltd. His main work experience includes: Mr. Wu Changqi served a researcher at the China Studies Center of the University of Leuven in Belgium from February 1990 to July 1991; and an assistant professor in economics of the Business School in Hong Kong University of Science and Technology from August 1991 to June 2001; he was a visiting scholar at Northwestern's Kellogg School of Management in the U.S. from August 1997 to January 1998; a visiting professor at the Department of Applied Economics of Katholieke Universiteit Leuven in Belgium from September 1998 to December 1998; the deputy director of the Shui On Center for China Business and Management of the Business School and an adjunct associate professor of the Department of Economics of the Hong Kong University of Science and Technology since from July 2001 to June 2004; he served as the head of the Department of Strategic Management of the Guanghua School of Management of Peking University from September 2001 to January 2011; the director of the EMBA Centre of the Guanghua School of Management of Peking University from August 2002 to December 2010; and the associate dean of the Guanghua School of Management of Peking University from February 2003 to December 2010; he served as an adjunct professor in the Department of Economics of the Business School of Hong Kong University of Science and Technology from 2005 to 2011; the dean of the National High-tech Industrial Development Zone Development Strategy Research Institute of Peking University from May 2007 to December 2020; the director of Guanghua Cisco Leadership Institute of Peking University from March 2011 to December 2020; and a visiting professor at the School of Economics and Finance of the University of Hong Kong from 2012 to 2018; he has been a professor of strategic management at the Guanghua School of Management of Peking University since September 2001; the dean and chair professor of the School of Management of Shandong University since October 2019; the executive deputy head of the International Operation and Management Institute of Peking University since September 2006; and the executive deputy head of the National High-tech Industrial Development Zone Development Strategy Institute of Peking University since January 2021. He has concurrently served as the fifth executive vice chairman of the Chinese Institute of Business Administration since September 2014; an expert in the 14th Five-Year National Intellectual Property Planning Guidance Expert Group of the China National Intellectual Property Administration since August 2019; an expert member of the Expert Committee of the China Council for the Promotion of International Trade since February 2015; the chairman of the Strategic Management Professional Committee of the China Management Science Society since September 2016; and vice president of the China International Economic Cooperation Society since November 2019. He served as an independent director of Beijing Electronics Zone Investment and Development Co., Ltd. (600658.SH) from December 2012 to June 2019; and an external director of Haier Smart Home Co., Ltd. (600690.SH, 690D, 6690.HK) from April 2013 to June 2022. He was an external supervisor of Hua Xia Bank Co., Limited (600015.SH) from May 2015 to November 2021; an independent director of Yijiahe Technology Co., Ltd. (603666.SH) from August 2016 to September 2022; and an independent director of Aixin Life Insurance Co., Ltd. since August 2017. He served an independent non-executive director of Beijing Media Corporation Limited (1000.HK) from June 2016 to November 2021. He has been an independent director of Tianneng Co., Ltd. (688819.SH) since February 2019; and an independent non-executive





director of Shenwan Hongyuan Group Co., Ltd. since May 2021; and an independent director of Wanhua Chemical Group Co., Ltd. (600309.SH) since April 2022. Mr. Wu Changqi obtained a bachelor's degree in economics from Shandong University in July 1982; a master's degree in business administration (MBA) from the University of Leuven in Belgium in February 1986; and a doctorate in applied economics from the University of Leuven in Belgium in October 1990.

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



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





(2) *Supervisors*

Mr. Fang Rongyi (方榮義) currently serves as a supervisor and the chairman of the Board of Supervisors of Shenwan Hongyuan Group Co., Ltd. His main work experience includes: Mr. Fang Rongyi served as the deputy director of the information center of the research institute of Beijing Yonyou Financial Technology Co., Ltd. from November 1990 to August 1992; he studied in the Accounting Department of Xiamen University for a doctorate degree from September 1992 to September 1995 and was an associate professor at the Business Administration Education Center of Xiamen University from November 1995 to March 1997. From March 1997 to January 2003, he successively served as an employee, assistant investigator (deputy director general level), and deputy director general of the accounting department of the Shenzhen Central Sub-branch of the People's Bank of China; he served as the director general of the Non-Bank Financial Institution Supervision Division of the Shenzhen Central Sub-branch of the People's Bank of China from January 2003 to October 2003; the director general of the Financial Accounting Division of the Shenzhen Supervision Bureau of the China Banking Regulatory Commission from October 2003 to October 2006; and the director general of the State-owned Bank Supervision Division of the Shenzhen Supervision Bureau of the China Banking Regulatory Commission from October 2006 to September 2007; he was the proposed chief financial officer of Shenyin & Wanguo Securities Co., Ltd. from September 2007 to March 2008; the chief financial officer of Shenyin & Wanguo Securities Co., Ltd. from March 2008 to December 2014 (during which he concurrently served as the general manager of planning and accounting management headquarters from June 2011 to November 2011); from December 2014 to July 2015, he served as the deputy general manager and chief financial officer of Shenwan Hongyuan Securities Co., Ltd.; he has concurrently served as the vice chairman of Fullgoal Fund Management Co., Ltd. since December 2014, and a supervisor of E-Capital Transfer Co., Ltd. since December 2014; he served as the deputy general manager, chief financial officer, and secretary to the board of directors of Shenwan Hongyuan Securities Co., Ltd. from July 2015 to December 2017; from December 2017 to January 2021, he served as the deputy general manager, chief financial officer, secretary to the board of directors, and chief risk officer of Shenwan Hongyuan Securities Co., Ltd.; he has concurrently served as the deputy director of the Financial Accounting Professional Committee of the Securities Association of China since May 2018, and a part-time/visiting professor of East China University of Political Science and Law since May 2018; he served as the deputy general manager, a member of the executive committee, chief financial officer, and secretary to the board of directors of Shenwan Hongyuan Securities Co., Ltd. from January 2021 to September 2021; he has been a supervisor and the chairman of the board of supervisors of Shenwan Hongyuan Securities Co., Ltd. since September 2021; a supervisor and the chairman of the Board of Supervisors of Shenwan Hongyuan Group Co., Ltd. since October 2021; he concurrently served as the deputy director of the professional committee of the board of supervisors of China Association for Public Companies from November 2021 to May 2023; the director of the professional committee of the board of supervisors of China Association for Public Companies since May 2023; the chairman of Shanghai Shenwan Hongyuan Public Welfare Foundation (in preparation) from December 2021 to July 2022; the chairman of Shanghai Shenwan Hongyuan Public Welfare Foundation from July 2022 to August 2024; and the chairman of the labour union of Shenwan Hongyuan Securities Co.,





Ltd. since April 2023. Mr. Fang Rongyi obtained a bachelor's degree in economics from Xiamen University in July 1987; a master's degree in economics from Xiamen University in July 1990; and a doctorate degree in economics from Xiamen University in September 1995.

Ms. Chen Yan (陳燕) currently serves as a supervisor of Shenwan Hongyuan Group Co., Ltd. Her main work experience includes: Ms. Chen served as an employee of the Beijing Branch of the People's Insurance Company of China from August 1997 to February 2000; successively served as the editorial assistant and editor of the Economic Daily News Group, and the deputy director of the Corporate News Editorial Office, the assistant to the director of the chief editor office, and the director (deputy senior editor) of the chief editor office of the Economic Daily from February 2000 to March 2012; the senior manager of the comprehensive management department/banking institutions department II of Central Huijin Investment Ltd. from March 2012 to July 2017 (during which she temporarily served in Beijing Branch of China Construction Bank Corporation); and successively served as the head of the equity management division of policy financial institutions of the comprehensive management department/banking institutions department II, the head of the policy research division of the comprehensive management department and managing director of Central Huijin Investment Ltd. since July 2017. Ms. Chen has been a supervisor of Shenwan Hongyuan Securities Co., Ltd. and Shenwan Hongyuan Group Co., Ltd. since May 2021; and concurrently a director of China Export & Credit Insurance Corporation since April 2023. Mr. Chen Yan obtained a bachelor's degree in economics from the Central University of Finance and Economics majoring in international finance in July 1997; and obtained a master's degree in economics from Peking University majoring in finance in July 2004.





Mr. Zou Zhijun (鄒治軍) currently serves as a supervisor of Shenwan Hongyuan Group Co., Ltd. His main work experience includes: Mr. Zou successively served as a professional administrative assistant, a section member, a deputy director and the director of Xinjiang Bureau of China Securities Regulatory Commission from July 2006 to September 2013; the general manager of the strategic development department of Xinjiang Tianshan Rural Commercial Bank Limited (新疆天山農村商業銀行股份有限公司) from October 2013 to April 2016; the secretary of the board of directors of Xinjiang Yazhong Logistics Business Network Co., Ltd. (新疆亞中物流商務網絡有限責任公司) from April 2016 to May 2017; a director and the assistant to the general manager of Xinjiang Jintou Asset Management Co., Ltd. (新疆金投資產管理股份有限公司) from August 2017 to June 2019; an executive director and the general manager of Xinjiang New Dynamic Private Equity Fund Management Co., Ltd. (新疆新動能私募基金管理有限公司) from January 2019 to August 2022; a director and deputy general manager of Xinjiang Jintou Asset Management Co., Ltd. (新疆金投資產管理股份有限公司) from June 2019 to November 2022; an assistant general manager of Xinjiang Financial Investment Co., Ltd. (新疆金融投資有限公司) from November 2021 to April 2023; a director of Xinjiang Weitai Development and Construction (Group) Co., Ltd. (新疆維泰開發建設(集團)股份有限公司) (831099.NQ) from November 2021 to January 2023; the chairman of the board of directors of Xinjiang New Dynamic Private Equity Fund Management Co., Ltd. (新疆新動能私募基金管理有限公司) from August 2022 to November 2022; the Party branch secretary and chairman of the board of directors of Xinjiang New Dynamic Private Equity Fund Management Co., Ltd. (新疆新動能私募基金管理有限公司) since November 2022; the assistant general manager of Xinjiang Financial Investment (Group) Co., Ltd. (新疆金融投資(集團)有限責任公司) from April 2023 to July 2024; a director of Xinjiang Lanshantunhe Science and Technology Co., Ltd. (新疆藍山屯河科技股份有限公司) since January 2024; the assistant general manager and the general manager of the investment and fund department of Xinjiang Financial Investment (Group) Co., Ltd. (新疆金融投資(集團)有限責任公司) since July 2024; an executive director and the general manager of Xinjiang Kaidi Venture Investment Co., Ltd. (新疆凱迪創業投資有限責任公司) since September 2024; and a supervisor of Shenwan Hongyuan Group Co., Ltd. since October 2024. Mr. Zou Zhijun obtained a bachelor's degree in science from Xinjiang University majoring in mathematics and applied mathematics in July 2002, and a full-time master's degree in law from Xiamen University in July 2006. Mr. Zou is an intermediate economist, a certified public accountant and obtained the qualifications of practising as a lawyer and a mining right valuer.



Ms. Li Yan (李豔) currently serves as an employee representative supervisor of Shenwan Hongyuan Group Co., Ltd. Her main work experience includes: Ms. Li Yan served as the senior manager of the investment bank headquarter of Northeast Securities Co., Ltd. from December 2004 to May 2007; the director of Beijing investment banking department of Industrial Securities Co., Ltd. from May 2007 to April 2009; and she successively served as the senior manager and the assistant to the general manager of the legal and compliance department of former Hong Yuan Securities Co., Ltd. from March 2010 to January 2015; the assistant to the general manager of the former legal and compliance department of Hong Yuan Securities Co., Ltd., the deputy director of the compliance and risk management center of Shenwan Hongyuan Securities Co., Ltd. from January 2015 to February 2017, during which period she concurrently served as the compliance officer of Shenwan Hongyuan Securities (Western) Co., Ltd. and the compliance officer of Shenwan Hongyuan Financing Services Co., Ltd. from December 2015 to February 2017. From February 2017 to March 2019, she served as the compliance officer and the chief risk officer of Shenwan Hongyuan Financing Services Co., Ltd., during which period she concurrently served as the chief financial officer of Shenwan Hongyuan Financing Services Co., Ltd. from April 2018 to September 2018. From March 2019 to October 2020, she successively held the positions including the deputy director and the deputy director (presiding work) of the Office of Board of Supervisors of Shenwan Hongyuan Group Co., Ltd. From March 2019 to March 2021, she concurrently served as the deputy director of the compliance risk control committee of the Securities and Futures Association in Xinjiang Uygur Autonomous Region; and she has concurrently served as the supervisor and the chairwoman of the office of board of supervisors of Shanghai Eastern Airlines Shenhong Equity Investment Fund Management Co., Ltd. since January 2020; the supervisor of Shenwan Hongyuan Industrial Investment Management Company Limited since September 2020. She served as the director of the Office of Board of Supervisors of Shenwan Hongyuan Group Co., Ltd. from October 2020 to December 2023; and she has served as the general manager of the legal risk control department of Shenwan Hongyuan Group Co., Ltd. since December 2023. She also served as the arbitrator of Beijing Arbitration Commission since September 2012; the people's juror of the Second Intermediate People's Court of Beijing from September 2015 to September 2020, and she has concurrently served as the securities dispute mediator of the Securities Association of China since December 2016. Ms. Li has been an employee representative supervisor of Shenwan Hongyuan Group Co., Ltd. since May 2021. Ms. Li Yan obtained a bachelor's degree in law from Liaoning Normal University in July 1993, and a master's degree and a doctorate degree in law from Renmin University of China in July 1999 and July 2009, respectively, and she completed the postdoctoral research fellowship at the Institute of Law, Chinese Academy of Social Sciences in April 2013.





Ms. Yao Hui (姚慧) currently serves as an employee representative supervisor of Shenwan Hongyuan Group Co., Ltd. Her main work experience includes: Ms. Yao served as a trainer of the training department of the training center of the Henan Branch of China Netcom (Group) Company Limited from December 1996 to June 2007; a senior training manager of the human resources headquarter of the former Hongyuan Securities Co., Ltd. from June 2007 to January 2015; a manager of the Party committee organization department of Shenwan Hongyuan Group Co., Ltd. and Shenwan Hongyuan Securities Co., Ltd./the training department of the human resources headquarter of Shenwan Hongyuan Securities Co., Ltd. from January 2015 to March 2022; the assistant to the general manager of the human resources department of Shenwan Hongyuan Group Co., Ltd. from March 2022 to July 2024. She has been a deputy general manager of the human resources department of Shenwan Hongyuan Group Co., Ltd. since July 2024; and concurrently the vice chairwoman of the labor union of Shenwan Hongyuan Group Co., Ltd. since August 2023. Ms. Yao has been an employee representative supervisor of Shenwan Hongyuan Group Co., Ltd. since October 2024. Ms. Yao Hui obtained a bachelor's degree in science from Henan Normal University in July 1996 majoring in computational mathematics and applied software, and a master of business administration degree from the School of Management of Xi'an Jiaotong University in July 2006 majoring in business administration.

(3) *Senior management*

Mr. Huang Hao (黃昊) currently serves as an executive director, the general manager and a member and the vice chairman of the Executive Committee of Shenwan Hongyuan Group Co., Ltd. His main work experience is detailed in the main work experience of directors.

Ms. Ren Quansheng (任全勝) currently serves a member of the Executive Committee and the chief financial officer of Shenwan Hongyuan Group Co., Ltd. Her main work experience includes: she served as a clerk and judge of the People's Court of Chaoyang District of Beijing from August 1992 to June 2000; served as a judge of Beijing Municipal High People's Court from June 2000 to September 2008; successively served as a deputy general manager and the general manager of the legal and compliance department of Hongyuan Securities Co., Ltd. from September 2008 to December 2012; served as the compliance officer of Hongyuan Securities Co., Ltd. from December 2012 to January 2015; served as a deputy general manager of Shenwan Hongyuan Group Co., Ltd. from January 2015 to July 2015; served as a deputy general manager of Shenwan Hongyuan Securities Co., Ltd. from August 2015 to May 2020, during which concurrently served as the compliance director of Shenwan Hongyuan Securities Co., Ltd. from August 2015 to April 2020 and the chief risk officer of Shenwan Hongyuan Securities Co., Ltd. from November 2016 to December 2017, successively took in charge of compliance, risk management, investigation and audit; a deputy general manager of Shenwan Hongyuan Group Co., Ltd. from May 2020 to May 2021; and performed the duties as the secretary to the Board of Directors of Shenwan Hongyuan Group Co., Ltd. from December 2020 to March 2021; she has been the chief financial officer of Shenwan Hongyuan Group Co., Ltd. since December 2020 and a member of the Executive Committee of Shenwan Hongyuan Group Co., Ltd. since May 2021; and has concurrently served as an arbitrator of Beijing Arbitration Commission/Beijing International Arbitration Center since May





2024. Ms. Ren Quansheng graduated from China University of Political Science and Law with a bachelor's degree in law in July 1998; and she graduated from Renmin University of China with a master's degree in law in July 2003.

Mr. Liu Yue (劉躍) currently serves as a member of the Executive Committee of Shenwan Hongyuan Group Co., Ltd. His main work experience includes: Mr. Liu had served as an engineer of Harbin Power Station Import Corporation\* (哈爾濱電站進口公司) from March 1992 to February 1994; deputy manager (presiding work) of the Securities Branch of Beijing Jinsong of Shenyin & Wanguo Securities Co., Ltd. from September 2000 to March 2003; manager of the Securities Branch of Beijing Jinsong Ninth District of Shenyin & Wanguo Securities Co., Ltd. from March 2003 to January 2007; manager of the Securities Business Branch of Beijing Anding Road of Shenyin & Wanguo Securities Co., Ltd. from January 2007 to June 2010; deputy general manager and general manager of Beijing headquarter of Shenyin & Wanguo Securities Co., Ltd. from April 2007 to December 2009 successively; general manager of Beijing Branch of Shenyin & Wanguo Securities Co., Ltd. from December 2009 to January 2015; chief market officer of Shenyin & Wanguo Securities Co., Ltd. from November 2011 to January 2015; general manager of Beijing Branch of Shenwan Hongyuan Securities Co., Ltd. from January 2015 to June 2016; assistant to general manager of Shenwan Hongyuan Securities Co., Ltd. from September 2015 to August 2016; and assistant to general manager of Shenwan Hongyuan Group Co., Ltd. from August 2016 to May 2021. He has served as an executive director of Shenwan Hongyuan Industrial Investment Management Company Limited since December 2016, and a member of the Executive Committee of Shenwan Hongyuan Group Co., Ltd. since May 2021. Mr. Liu Yue obtained the bachelor's degree in industry management engineering from Harbin Institute of Technology in July 1989, the master's degree in technology economics from Harbin Institute of Technology in March 1992, and the EMBA degree from Peking University in July 2012.





Mr. Xu Liang (徐亮) currently serves as the secretary to the Board of Directors, joint company secretary and authorized representative, securities affairs representative and general manager of the office of the Board of Directors/strategic management department of Shenwan Hongyuan Group Co., Ltd. His main work experience includes: Mr. Xu was a researcher at the post-doctoral workstation of the Shenzhen Stock Exchange from July 2005 to May 2007; and successively served as the deputy general manager of the risk management department and the deputy general manager of the legal compliance headquarter of Hongyuan Securities Co., Ltd. (presiding work) from May 2007 to August 2009; he served as the director of the supervision office of Hongyuan Securities Co., Ltd. from August 2009 to February 2011, and concurrently served as the director of the office of the board of supervisors of Hongyuan Securities Co., Ltd. from October 2009 to February 2011, the director of the office of the discipline inspection commission of Hongyuan Securities Co., Ltd. from May 2010 to February 2011, and the director of the internal examination committee of securities issuance and the director of internal examination committee of investment banking of Hongyuan Securities Co., Ltd. in succession from August 2009 to January 2015. Mr. Xu served as the director of the office of the board of directors of Hongyuan Securities Co., Ltd. from February 2011 to April 2015, and served as the securities affairs representative from March 2011 to January 2015. He has served as the securities affairs representative of Shenwan Hongyuan Group Co., Ltd. since January 2015; the director of the office of the board of directors of Shenwan Hongyuan Group Co., Ltd. from April 2015 to December 2023; the director of Shenwan Hongyuan Group Co., Ltd. from February 2017 to May 2021; the secretary to the board of directors, joint company secretary and authorized representative of Shenwan Hongyuan Group Co., Ltd. since March 2021; a director of Hongyuan Huizhi Investment Co., Ltd. from November 2013 to May 2024 (during which he concurrently served as the chairman from December 2020 to May 2024); the general manager of the legal risk control department of Shenwan Hongyuan Group Co., Ltd. from February 2017 to March 2020; the chairman of the board of supervisors of Xinjiang Financial Investment Asset Management Co., Ltd.\* (新疆金投資產管理股份公司) since August 2017; a director of Hongyuan Futures Co., Ltd. since November 2017; a director of Hongyuan Huifu Capital Co., Ltd. from December 2017 to May 2023; the person temporarily in charge of the strategic management department of Shenwan Hongyuan Group Co., Ltd. from September 2021 to December 2023; and the general manager of the office of the Board of Directors/strategic management department of Shenwan Hongyuan Group Co., Ltd. since December 2023. Mr. Xu Liang obtained a bachelor's degree in law from Wuhan University School of Law in June 1997 majoring in economic law, a master's degree in law from Wuhan University School of Law in June 2002 majoring in civil and commercial law, a doctorate degree in law from Wuhan University School of Law in June 2005 majoring in civil and commercial law, and a degree of Executive Master of Business Administration from Cheung Kong Graduate School of Business in September 2015.

There is no relationship (including financial, business, family or other material/related relationship) between the directors, supervisors and senior management of the Company.





## 2. Positions in shareholder entities

				Whether receiving remuneration and allowances from shareholder entities
Name	Name of shareholder entities	Position held in shareholder entities	Tenure	
Zhu Zhilong	Shanghai Jiushi (Group) Co., Ltd.	Chief financial officer	September 2020 to present	Yes
Zhang Ying	Central Huijin Investment Ltd.	Managing director of Office of the Directly Managed Enterprises Leading Group/ Equity Management Department II	August 2021 to present	Yes
		Designated director of Office of the Directly Managed Enterprises Leading Group/Equity Management Department II	September 2021 to present	
Shao Yalou	Central Huijin Investment Ltd.	Managing director of Office of the Directly Managed Enterprises Leading Group/ Equity Management Department II	October 2022 to present	Yes
		Designated director of Office of the Directly Managed Enterprises Leading Group/Equity Management Department I		
Yan Jinguo	Central Huijin Investment Ltd.	Head of Office of the Directly Managed Enterprises Leading Group/Division II of Equity Management Department II	July 2023 to present	Yes
Xu Yixin	Sichuan Development Holding Co., Ltd.	Secretary of the Party Committee, Chairman	June 2024 to present	Yes
Chen Yan	Central Huijin Investment Ltd.	Managing director of General Management Department	October 2022 to present	Yes
Zou Zhijun	Xinjiang Financial Investment (Group) Co., Ltd. (formerly known as Xinjiang Financial Investment Co., Ltd.)	General manager assistant General manager of Investment and Funds Department	November 2021 to present July 2024 to present	No



### 3. Positions in other entities

Name	Name of other entities	Position held in other entities	Tenure	Whether receiving remuneration and allowances from other entities
Liu Jian	Shenwan Hongyuan Securities Co., Ltd.	Executive director, Chairman	September 2022 to present	Yes
		Chairman of Executive Committee	December 2022 to present	
		General manager (acting)	August 2023 to February 2024	
Zhang Ying	Shenwan Hongyuan Securities Co., Ltd.	Director	September 2021 to present	No
	Hongyuan Futures Co., Ltd.	Director	September 2023 to present	No
Shao Yalou	Shenwan Hongyuan Securities Co., Ltd.	Director	December 2022 to present	No
	Shenwan Futures Co., Ltd.	Director	September 2023 to present	No
Yeung Siuman Shirley	Dragonrise Capital Advisors (HK) Limited	Chairwoman and founding managing partner	October 2004 to present	No
	Suzhou Longrui Venture Capital Management Co., Ltd.	Part-time chairwoman and founding managing partner	December 2009 to present	Yes
	Nanjing Longjun Investment Management Co., Ltd.	Part-time chairwoman and founding managing partner	April 2014 to present	No





Name	Name of other entities	Position held in other entities	Tenure	Whether receiving remuneration and allowances from other entities
Wu Changqi	Department of Strategic Management of the Guanghua School of Management of Peking University	Professor	September 2001 to present	Yes
	School of Management of Shandong University	Dean and chair professor	October 2019 to present	Yes
	International Operation and Management Institute of Peking University	Executive deputy head	September 2006 to present	No
	National High-tech Industrial Development Zone Development Strategy Institute of Peking University	Executive deputy head	January 2021 to present	Yes
	The fifth session of the Chinese Institute of Business Administration	Executive vice chairman (part-time)	September 2014 to present	No
	The 14th Five-Year National Intellectual Property Planning Guidance Expert Group of the China National Intellectual Property Administration	Expert (part-time)	August 2019 to present	No
	Expert Committee of the China Council for the Promotion of International Trade	Expert member (part-time)	February 2015 to present	No
	Strategic Management Professional Committee of the China Management Science Society	Chairman (part-time)	September 2016 to present	No
	China International Economic Cooperation Society	Executive member (part-time)	November 2019 to present	No
	Aixin Life Insurance Co., Ltd.	Independent director	August 2017 to present	Yes
	Tianneng Co., Ltd. (688819.SH)	Independent director	February 2019 to present	Yes
	Wanhua Chemical Co., Ltd. (600309.SH)	Independent director	April 2022 to present	Yes





Name	Name of other entities	Position held in other entities	Tenure	Whether receiving remuneration and allowances from other entities
Chen Hanwen	Nanjing Audit University	Professor	November 2021 to present	Yes
	University of International Business and Economics	Doctoral tutor	May 2015 to present	Yes
	Dalian Wanda Commercial Management Group Co., Ltd.	Independent director	May 2017 to July 2023	Yes
	Shanghai Fuiou Payment Service Co., Ltd.	Independent director	May 2017 to February 2023	Yes
	Beijing Tri-Prime Gene Pharmaceutical Co., Ltd. (837344.OC)	Independent director	November 2018 to January 2024	Yes
	Bank of Communications Co., Ltd. (601328.SH, 03328.HK)	External supervisor	June 2019 to present	Yes
	China Shenhua Energy Co., Ltd. (601088.SH, 01088.HK)	Independent director	May 2020 to present	Yes
	Bank of Suzhou Co, Ltd. (002966. SZ)	Independent director	February 2023 to present	Yes





Name	Name of other entities	Position held in other entities	Tenure	Whether receiving remuneration and allowances from other entities
Zhao Lei	China Law Journal Research Association	Executive member	August 2015 to present	No
	China Securities Law Research Association	Executive member	May 2016 to present	No
	Wuhan University Institute of International Law, a national high-end think tank	Part-time researcher	November 2016 to present	No
	Institute of Law of the Chinese Academy of Social Sciences	Associate researcher and researcher (professor)	December 2016 to present	Yes
	Southwest University of Political Science and Law	Doctoral tutor of students in Civil and Commercial Law	September 2019 to present	No
	China Commercial Law Research Association	Executive member	October 2019 to present	No
	Lanzhou University	External professor	October 2019 to present	Yes
	China Trial Theory Research Association	Expert member (part-time) of the Commercial Trial Professional Committee and an expert member (part-time) of the Financial Trial Professional Committee	October 2019 to present	No
	China Bank Law Research Association	Executive member	November 2020 to present	No
	Shanghai Haohai Biological Technology Co., Ltd. (688366.SH, 06826.HK)	Independent director	June 2020 to present	Yes
	Chengdu Sino Microelectronics Technology Co., Ltd. (688709.SH)	Independent director	September 2021 to present	Yes
	Triangle Tyle Co., Ltd. (601163.SH)	Independent director	June 2023 to present	Yes
	Fullgoal Fund Management Co., Ltd.	Vice chairman	December 2014 to present	No
	E-Capital Transfer Co., Ltd.	Supervisor	December 2014 to present	No
Fang Rongyi	Financial Accounting Professional Committee of the Securities Association of China	Vice chairman	May 2018 to present	No
	East China University of Political Science and Law	Part-time/visiting professor	May 2018 to present	No
	Shenwan Hongyuan Securities Co., Ltd.	Supervisor, Chairman of the board of supervisors	September 2021 to present	Yes
	Professional Committee of the Board of Supervisors of China Association for Public Companies	Chairman	April 2023 to present May 2023 to present	No
	Shanghai Shenwan Hongyuan Public Welfare Foundation	Chairman	July 2022 to August 2024	No





## Section IV Corporate Governance (continued)

Name	Name of other entities	Position held in other entities	Tenure	Whether receiving remuneration and allowances from other entities
Chen Yan	Shenwan Hongyuan Securities Co., Ltd.	Supervisor	May 2021 to present	No
	China Export & Credit Insurance Corporation	Director	April 2023 to present	No
Zou Zhijun	Xinjiang New Dynamic Private Equity Fund Management Co., Ltd.	Chairman	August 2022 to present	Yes
		Party branch secretary	November 2022 to present	
	Xinjiang Lanshantunhe Science and Technology Co., Ltd.	Director	January 2024 to present	No
	Xinjiang Kaidi Venture Investment Co., Ltd.	Executive director, General manager	September 2024 to present	No
Li Yan	Beijing Arbitration Commission	Arbitrator	September 2012 to present	Yes
	Securities Association of China	Securities dispute mediator	December 2016 to present	No
	Shanghai Eastern Airlines Shenhong Equity Investment Fund Management Co., Ltd.	Supervisor, Chairman of the board of supervisors	January 2020 to present	No
	Shenwan Hongyuan Industrial Investment Management Company Limited	Supervisor	September 2020 to present	No
Liu Yue	Shenwan Hongyuan Industrial Investment Management Company Limited	Executive director	December 2016 to present	No
Xu Liang	Xinjiang Financial Investment Asset Management Co., Ltd.	Chairman of the board of supervisors	August 2017 to present	No
	Hongyuan Futures Co., Ltd.	Director (part-time)	November 2017 to present	No
	Hongyuan Huizhi Investment Co., Ltd.	Director (part-time)	November 2013 to May 2024	No
		Chairman (part-time)	December 2020 to May 2024	





#### 4. **Penalty imposed by any securities regulatory authorities against the current and resigned directors, supervisors and senior management during the Reporting Period of the Company in the last three years**

On February 10, 2022, Mr. Wu Changqi, an independent non-executive director of the Company, was publicly criticised by the Hong Kong Stock Exchange for relevant matters in the period when he served as an independent non-executive director of Beijing Media Corporation Limited (a company listed on the Hong Kong Stock Exchange, stock code: 1000) ("Beijing Media") in relation to his breach of Rule 3.08(f) of the Hong Kong Listing Rules under his Declaration and Undertaking with regard to Directors given to the Hong Kong Stock Exchange in the form set out in former Appendix 5H to the Hong Kong Listing Rules, for failing to ensure Beijing Media had maintained adequate and effective internal control in place.

Mr. Wu Changqi has resigned as an independent non-executive director of Beijing Media on November 25, 2021, and has completed 24 hours of training on regulatory and legal topics (including compliance of the Listing Rules) as required by the Hong Kong Stock Exchange.

For details, please refer to the relevant announcement disclosed by the Company at website of Cninfo at [www.cninfo.com.cn](http://www.cninfo.com.cn) and the website of HKExnews at [www.hkexnews.hk](http://www.hkexnews.hk) on February 14, 2022, and the regulatory announcement published by the Hong Kong Stock Exchange on the website of the Hong Kong Stock Exchange on February 10, 2022.

Save as disclosed above, in the last three years, none of the current and resigned directors, supervisors and senior management during the Reporting Period of the Company was subject to penalty imposed by any securities regulatory authorities.

### (III) **Remuneration of Directors, Supervisors and Senior Management**

#### 1. **Basic system and decision-making procedures of remuneration management**

According to the Articles of Association, the general meeting of the Company determines matters on the remunerations of relevant directors and supervisors; the Board of Directors determines matters on the remunerations, rewards and penalties of senior management of the Company including general manager, deputy general manager, members of the Executive Committee, chief financial officer and secretary to the Board of Directors.

#### 2. **Remuneration policy for directors**

The remuneration of the executive directors of the Company is implemented in accordance with the Remuneration Management System of the Company and is linked to the contribution of their positions, the length of service and the results of their personal assessment. The non-executive directors do not receive remuneration from the Company. The remuneration standards for the independent non-executive directors of the Company are determined with reference to the remuneration, allowance and subsidy levels of other financial enterprises.





**3. Assessment mechanism for senior management during the Reporting Period, and establishment and implementation of incentive mechanism**

For the assessment and evaluation of the Company's senior management, the Party Committee of China Investment Corporation, the Party Committee of the Company and the Board of Directors shall implement comprehensive evaluation in accordance with the plan of the Company on comprehensive assessment and evaluation of leading group and leaders. The assessment results shall be an important basis for remuneration incentives for senior management. The Remuneration and Nomination Committee of the Board of Directors considers the assessment and remuneration management system for senior management and makes recommendations to the Board of Directors. The Board of Directors of the Company considers the matters including assessment of senior management, remuneration management system, and remuneration distribution. The remuneration distribution for senior management of the Company is comprehensively determined based on contributions on the job, the length of service, personal assessment results, etc. after giving consideration to the national compensation policies and market competition. The remuneration distribution plan for senior management shall be considered and determined by the Board of Directors.

**4. Distribution of total annual remuneration among directors, supervisors and senior management**

During the Reporting Period, the total amount of remuneration for the current year before tax received by the directors, supervisors and senior management of the Company amounted to RMB10.4736 million. In particular, the remuneration before tax of directors, supervisors and senior management of the Company accounts for 38%, 30.41% and 31.59% of the total amount of remuneration, respectively.

**5. Actual payment of remuneration to directors, supervisors and senior management**

For details, please refer to the "Basic information of Directors, Supervisors and Senior Management". The final compensation of the directors, supervisors and senior management who received compensation from the Company during the Reporting Period is still in the process of confirmation, and the remaining amount will be disclosed upon confirmation.

**VI. MEETINGS OF THE BOARD OF DIRECTORS CONVENED AND PERFORMANCE OF DUTIES BY DIRECTORS DURING THE REPORTING PERIOD**

**(I) In respect of Directors, Board of Directors and the Management**

The existing Articles of Association and the Rules of Procedure of the Board of Directors have provided for the qualifications, obligations and responsibilities of directors, the authority of the Board of Directors, the convening, voting and resolutions of the meeting of the Board of Directors, etc., which ensure the standard operation of the Board of Directors.





## 1. The composition of the Board of Directors

The Company appoints and replaces the directors strictly in accordance with the relevant regulations and the provisions of its Articles of Associations. The Board of Directors shall exercise its power and functions according to laws, ensuring that the convening, voting, resolutions of the meetings of the Board of Directors comply with the Company Law, the Articles of Association and other regulations. The Board of Directors of the Company currently comprises 11 directors, among which two are executive directors, five are non-executive directors and four are independent non-executive directors. The number of independent non-executive directors exceeds one-third of the total number of the Company's directors. Mr. Xu Yixin was appointed as a non-executive director on October 22, 2024. He has obtained the legal opinions mentioned in Rule 3.09D of the Hong Kong Listing Rules on September 26, 2024 and confirmed understanding of his responsibilities as a director of the Company. Mr. Yan Jinguo was appointed as a non-executive director on December 19, 2024. He has obtained the legal opinions mentioned in Rule 3.09D of the Hong Kong Listing Rules on December 9, 2024 and confirmed understanding of his responsibilities as a director of the Company.

The directors of the Company shall be elected or replaced at the general meeting and their term of office shall be three years. The term of office of a director shall be calculated from the date upon which the director assumes office to the expiry of the current Board of Directors. If the term of office of a director expires but re-election is not made responsively, the said director shall continue fulfilling the duties as director pursuant to laws, administrative regulations, departmental rules and Articles of Association until a new director is elected. A director may serve consecutive terms if re-elected upon the expiry of his/her term. The duties of independent non-executive directors and other relevant matters shall be carried out according to the requirements of laws, administrative regulations, departmental rules and the listing rules of the place(s) where the shares of the Company are listed. Independent non-executive directors shall have independence as required under Rule 3.13 of the Hong Kong Listing Rules. At present, the Company has received the written confirmation from each of the independent non-executive Directors on their independence. The Company will continue to confirm their independent status, based on the aforesaid confirmation and the relevant information available to the Board of Directors.

## 2. Duties of the Board of Directors

The Board of Directors is the decision-maker of the Company, responsible for the general meeting of shareholders, and shall discharge their duties in accordance with laws, regulations, the Articles of Association of the Company and the listing rules of the place(s) where the shares of the Company are listed. The Board of Directors is responsible for the formulation of the Company's strategies and corporate governance practices, implementation of risk management and internal control system as well as corporate financial decisions.

According to the Articles of Association of the Company, the Board shall primarily exercise the following functions and powers: to convene and report to general meetings; to execute resolutions of general meetings; to resolve on the Company's business plans and investment plans; to prepare the annual financial budgets and final accounting plans of the Company; to prepare the profit distribution plan and loss makeup plan of the Company; to formulate the adjustment plan on profit distribution policy; to prepare plans for the increase or reduction of the registered capital of the





Company, the issuance of bonds or other securities and the listing; to formulate plans for material acquisitions, purchase of shares of the Company, or merger, division, transformation and dissolution of the Company; to decide on matters such as external investment, acquisition and disposal of assets, asset mortgage, external guarantee, asset write-offs, disposal of non-performing assets, entrusted wealth management, connected transactions, etc. of the Company within the authority granted by general meetings; to resolve on the establishment of internal management organizations and branches of the Company; to appoint or dismiss the general manager, deputy general manager, member of the Executive Committee, chief financial officer, secretary to the Board and other senior management members of the Company and to determine their remunerations and rewards and penalties; to set up the basic management system of the Company; to formulate the proposals for any amendment to the Articles of Association; to formulate the share incentive scheme; to prepare proposals regarding the amount and distribution method of the emoluments of directors for approval at the general meeting; to manage the information disclosure of the Company; to propose to general meetings the appointment or change of the accounting firms acting as the auditors of the Company; to listen to the work report of the Executive Committee of the Company and examine the Executive Committee's work; to review major risk management policies such as risk appetite; to exercise other functions and powers as conferred by laws, administrative regulations, departmental rules, listing rules at the place(s) where the Company's shares are listed or the Articles of Association.

According to the resolution of the annual general meeting of the Company for the year 2015, the Company purchased liability insurance in relation to directors, supervisors and senior management for its directors, supervisors, senior management and other relevant responsible personnel to provide protection for possible compensation liability in the course of performing their duties and to promote their full performance of duties.

### **3. Major initiatives on corporate governance by the Board of Directors**

In terms of corporate governance, the Board of Directors or its subordinated specific committees shall perform the following responsibilities: to formulate and review the policy and practice of corporate governance, and make proposals to the Board; to review and monitor training and continued professional development of the directors and senior management personnel; to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements; and to review its compliance with the CG Code, and the disclosure in the Corporate Governance Report. During the Reporting Period, the major initiatives carried out by the Board of the Directors of the Company on corporate governance are as follows:

- (1) The Company further amended and consummated relevant systems pursuant to relevant regulatory provisions, laying a foundation for compliance operation.
- (2) The Company provides professional training to its directors, supervisors and senior management of the Company for their performance of duties, provides them with the semimonthly Newsletters for the Directors and Supervisors that are compiled by the Company, to improve their understanding of the securities industry and the Company's business and to facilitate its directors, supervisors and senior management of the Company for the performance of their duties.



Before the publication of this report, the Board of Directors has reviewed the Corporate Governance section herein (the corporate governance report), and the Board is of the view that this corporate governance report complies with the relevant requirements of the Hong Kong Listing Rules.

#### 4. Chairman and general manager

The chairman of the Board is Mr. Liu Jian, and the general manager of the Company is Mr. Huang Hao. The general manager is the legal representative of the Company. The Articles of Association, the Rules of Procedure of the Board of Directors, etc. clearly stipulate the duties of the chairman and general manager.

Functions and powers of the chairman: to preside over general meetings, convene and preside over the Board meetings; to monitor and check the implementation of the Board's resolutions; to sign securities issued by the Company as required by the securities regulatory authorities at the place(s) where the shares of the Company are listed and by the stock exchanges; to exercise other functions and powers conferred by the Board.

The general manager shall be accountable to the Board and exercise the following functions and powers: to manage the daily business operations of the Company, organize and implement the Board's resolutions, and report to the Board; to organize and implement the Company's annual business plans and investment plans; to organize the drafting of important rules and regulations related to the operation and management of the Company; to organize the formulation of general rules and regulations related to the operation and management of the Company; to recommend the appointment or dismissal of the deputy general manager, chief financial officer and other senior management members of the Company to the Board; to decide to appoint or dismiss executives other than those appointed or dismissed by the Board; to exercise other functions and powers conferred in the Articles of Association or by the Board.

#### 5. Performance of duties by the Board of Directors and directors

##### (1) *Composition of the Board of Directors*

In accordance with the Articles of Association, as of the end of the Reporting Period, the sixth session of the Board of Directors of the Company comprises 11 directors:

Executive directors: Mr. Liu Jian (Chairman), Mr. Huang Hao (Vice Chairman and general manager)

Non-executive directors: Mr. Zhu Zhilong, Ms. Zhang Ying, Mr. Shao Yalou, Mr. Xu Yixin, Mr. Yan Jinguo

Independent non-executive directors: Ms. Yeung Siuman Shirley, Mr. Wu Changqi, Mr. Chen Hanwen, Mr. Zhao Lei



(2) *The meetings of the Board of Directors*

Session No.	Date of meeting	Titles of resolutions of the meeting	Status of resolutions	Disclosure date and disclosure index
22nd meeting of the fifth session of the Board of Directors	2024-02-29	1. To consider the Strategic Management System of Shenwan Hongyuan Group Co., Ltd.	Approved	For details of the resolutions considered at the meeting, please refer to the relevant announcements disclosed by the Company in China Securities Journal, Securities Times and Shanghai Securities News, as well as the website of Cninfo at <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> on March 1, 2024 and the website of HKExnews at <a href="http://www.hkexnews.hk">www.hkexnews.hk</a> on February 29, 2024.
		2. To consider the Resolution regarding the Election of Vice Chairman of the Fifth Session of the Board of Directors	Approved	
23rd meeting of the fifth session of the Board of Directors	2024-03-28	1. To consider and hear the Work Report of the Board of Directors	Approved	For details of the resolutions considered at the meeting, please refer to the relevant announcements disclosed by the Company in China Securities Journal, Securities Times and Shanghai Securities News, as well as the website of Cninfo at <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> on March 29, 2024 and the website of HKExnews at <a href="http://www.hkexnews.hk">www.hkexnews.hk</a> on March 28, 2024.
		2. To consider and hear the Work Report of the General Manager	Approved	
		3. To consider the 2023 Annual Financial Report of the Company	Approved	
		4. To consider the 2023 Profit Distribution Proposal of the Company	Approved	
		5. To consider the 2023 Annual Report of the Company	Approved	
		6. To consider the 2023 Internal Control Evaluation Report of the Company	Approved	
		7. To consider the 2023 Sustainability and Environmental, Social and Governance Report of the Company	Approved	
		8. To consider the Resolution regarding the Estimated Ordinary Related Party Transactions for 2024	Approved	
		9. To consider the Resolution regarding the Granting of General Mandate to the Board of Directors to Issue Additional Shares of the Company	Approved	
		10. To consider the Resolution regarding the Re-appointment of Auditors of the Company for 2024	Approved	
		11. To consider the Resolution regarding the Public Issuance of Corporate Bonds by Shenwan Hongyuan Group Co., Ltd.	Approved	
		12. To consider the Resolution regarding the Amendments to the Articles of Association of Shenwan Hongyuan Group Co., Ltd.	Approved	
		13. To consider the Resolution regarding the Amendments to the Rules of Procedure of the General Meeting of Shenwan Hongyuan Group Co., Ltd.	Approved	
		14. To consider the Resolution regarding the Amendments to the Rules of Procedure of the Board of Directors of Shenwan Hongyuan Group Co., Ltd.	Approved	
		15. To consider the Resolution regarding the Amendments to the Work Rules of the Audit Committee of the Board of Directors of Shenwan Hongyuan Group Co., Ltd.	Approved	





Session No.	Date of meeting	Titles of resolutions of the meeting	Status of resolutions	Disclosure date and disclosure index
		16. To consider the Resolution regarding the Amendments to the Working Rules of the Remuneration and Nomination Committee of the Board of Directors of Shenwan Hongyuan Group Co., Ltd.	Approved	
		17. To consider the Resolution regarding the Amendments to the Independent Non-executive Director System of Shenwan Hongyuan Group Co., Ltd.	Approved	
		18. To consider the Resolution regarding the Amendment to the Annual Reporting System for Independent Non-executive Directors of Shenwan Hongyuan Group Co., Ltd.	Approved	
		19. To consider the Resolution regarding the Review of the Rules Governing the Specialized Meetings of the Independent Non-executive Directors of Shenwan Hongyuan Group Co., Ltd.	Approved	
		20. To consider the Resolution regarding the Authorization of Convening 2023 Annual General Meeting of the Company	Approved	
24th meeting of the fifth session of the Board of Directors	2024-04-19	To consider the Business Plan of the Company for 2024	Approved	For details of the resolutions considered at the meeting, please refer to the relevant announcements disclosed by the Company in China Securities Journal, Securities Times and Shanghai Securities News on April 20, 2024, as well as the website of Cninfo at <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> and the website of HKExnews at <a href="http://www.hkexnews.hk">www.hkexnews.hk</a> on April 19, 2024.
25th meeting of the fifth session of the Board of Directors	2024-04-29	To consider the 2024 First Quarterly Report of the Company	Approved	For details of the first quarterly report of the Company, please refer to the relevant announcements disclosed by the Company in China Securities Journal, Securities Times and Shanghai Securities News on April 30, 2024, as well as the website of Cninfo at <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> and the website of HKExnews at <a href="http://www.hkexnews.hk">www.hkexnews.hk</a> on April 29, 2024.
26th meeting of the fifth session of the Board of Directors	2024-05-27	To consider the Resolution regarding the Arrangement of Interim Profit Distribution for 2024	Approved	For details of the resolutions considered at the meeting, please refer to the relevant announcements disclosed by the Company in China Securities Journal, Securities Times and Shanghai Securities News on May 28, 2024, as well as the website of Cninfo at <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> and the website of HKExnews at <a href="http://www.hkexnews.hk">www.hkexnews.hk</a> on May 27, 2024.
27th meeting of the fifth session of the Board of Directors	2024-06-06	To consider the Resolution regarding the Convening 2023 Annual General Meeting of the Company	Approved	For details of the resolutions considered at the meeting, please refer to the relevant announcements disclosed by the Company in China Securities Journal, Securities Times and Shanghai Securities News on June 7, 2024, as well as the website of Cninfo at <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> and the website of HKExnews at <a href="http://www.hkexnews.hk">www.hkexnews.hk</a> on June 6, 2024.



Session No.	Date of meeting	Titles of resolutions of the meeting	Status of resolutions	Disclosure date and disclosure index
28th meeting of the fifth session of the Board of Directors	2024-07-31	To consider the Resolution regarding the Appointment of Auditors for Interim Review Service of the Company for 2024	Approved	For details of the resolutions considered at the meeting, please refer to the relevant announcements disclosed by the Company in China Securities Journal, Securities Times and Shanghai Securities News on August 1, 2024, as well as the website of Cninfo at <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> and the website of HKExnews at <a href="http://www.hkexnews.hk">www.hkexnews.hk</a> on July 31, 2024.
29th meeting of the fifth session of the Board of Directors	2024-08-30	<ol style="list-style-type: none"> <li>To consider the 2024 Interim Report of the Company</li> <li>To consider the Resolution regarding the 2024 Interim Profit Distribution Proposal of the Company</li> </ol>	Approved Approved	For details of the resolutions considered at the meeting, please refer to the relevant announcements disclosed by the Company in China Securities Journal, Securities Times and Shanghai Securities News on August 31, 2024, as well as the website of Cninfo at <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> and the website of HKExnews at <a href="http://www.hkexnews.hk">www.hkexnews.hk</a> on August 30, 2024.
30th meeting of the fifth session of the Board of Directors	2024-09-27	<ol style="list-style-type: none"> <li>To consider the Resolution regarding the Engagement of Accounting Firms for Annual Audit of the Company for 2024</li> <li>To consider the Resolution regarding the Nomination of Candidates for Non-independent Directors of the Sixth Session of the Board of Directors of the Company</li> <li>To consider the Resolution regarding the Nomination of Candidates for Independent Directors of the Sixth Session of the Board of Directors</li> <li>To consider the Resolution regarding the Authorization of Convening 2024 First Extraordinary General Meeting of the Company</li> </ol>	Approved Approved Approved Approved	For details of the resolutions considered at the meeting, please refer to the relevant announcements disclosed by the Company in China Securities Journal, Securities Times and Shanghai Securities News on September 28, 2024, as well as the website of Cninfo at <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> and the website of HKExnews at <a href="http://www.hkexnews.hk">www.hkexnews.hk</a> on September 27, 2024.
1st meeting of the sixth session of the Board of Directors	2024-10-22	<ol style="list-style-type: none"> <li>To consider the Resolution regarding the Election of the Chairman and Vice-Chairman of the Sixth Session of the Board of Directors</li> <li>To consider the Resolution regarding the Election of Members of Special Committees of the Sixth Session of the Board of Directors</li> </ol>	Approved Approved	For details of the resolutions considered at the meeting, please refer to the relevant announcements disclosed by the Company in China Securities Journal, Securities Times and Shanghai Securities News on October 23, 2024, as well as the website of Cninfo at <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> and the website of HKExnews at <a href="http://www.hkexnews.hk">www.hkexnews.hk</a> on October 22, 2024.





Session No.	Date of meeting	Titles of resolutions of the meeting	Status of resolutions	Disclosure date and disclosure index
2nd meeting of the sixth session of the Board of Directors	2024-10-30	To consider the 2024 Third Quarterly Report of the Company	Approved	For details of the 2024 third quarterly report of the Company, please refer to the relevant announcements disclosed by the Company in China Securities Journal, Securities Times and Shanghai Securities News on October 31, 2024, as well as the website of Cninfo at <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> and the website of HKExnews at <a href="http://www.hkexnews.hk">www.hkexnews.hk</a> on October 30, 2024.
3rd meeting of the sixth session of the Board of Directors	2024-11-26	<ol style="list-style-type: none"><li>To consider the Resolution on regarding the Renewal of the Securities and Financial Products, Transactions and Services Framework Agreement with China Jianyin Investment Ltd.</li><li>To consider the Resolution regarding the Provision of Guarantee for Hongyuan Hengli (Shanghai) Industrial Co., Ltd.</li><li>To consider the Resolution regarding the Nomination of Candidate for Director of the Company</li><li>The Resolution regarding the Authorisation to Conven the 2024 Second Extraordinary General Meeting of the Company</li></ol>	Approved	For details of the resolutions considered at the meeting, please refer to the relevant announcements disclosed by the Company in China Securities Journal, Securities Times and Shanghai Securities News on November 27, 2024, as well as the website of Cninfo at <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> and the website of HKExnews at <a href="http://www.hkexnews.hk">www.hkexnews.hk</a> on November 26, 2024.
4th meeting of the sixth session of the Board of Directors	2024-12-19	To consider the Resolution regarding the Adjustment of Members of Special Committees of the Board of Directors	Approved	For details of the resolutions considered at the meeting, please refer to the relevant announcements disclosed by the Company in China Securities Journal, Securities Times and Shanghai Securities News on December 20, 2024, as well as the website of Cninfo at <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> and the website of HKExnews at <a href="http://www.hkexnews.hk">www.hkexnews.hk</a> on December 19, 2024.



(3) *Directors' attendance of the meetings of the Board of Directors and general meetings*

Name of Director	Position	Number of meetings of the Board of Directors required attendance during the Reporting Period	Number of on-site meetings of the Board of Directors attended	Number of meetings of the Board of Directors attended by communication	Number of meetings of the Board of Directors attended by proxy	Whether or not attended the meetings of the Board of Directors not in person for two consecutive times			Number of general meetings attended
						Number of absence			
Liu Jian	Executive director, chairman	13	2	11	0	0	Nil		1
Huang Hao	Executive director, general manager	13	5	8	0	0	Nil		3
Ren Xiaotao	Non-executive director (former member)	9	3	6	0	0	Nil		1
Zhang Yigang	Non-executive director (former member)	9	0	9	0	0	Nil		0
Zhu Zhilong	Non-executive director	13	0	13	0	0	Nil		1
Zhang Ying	Non-executive director	13	7	6	0	0	Nil		2
Shao Yalou	Non-executive director	13	6	7	0	0	Nil		3
Xu Yixin	Non-executive director	4	0	4	0	0	Nil		0
Yan Jinguo	Non-executive director	1	0	1	0	0	Nil		0
Yeung Siunan Shirley	Independent non-executive director	13	0	13	0	0	Nil		2
Wu Changqi	Independent non-executive director	13	0	13	0	0	Nil		3
Chen Hanwen	Independent non-executive director	13	3	10	0	0	Nil		3
Zhao Lei	Independent non-executive director	13	0	13	0	0	Nil		2

(4) *Objections raised by directors on relevant matters of the Company*

During the Reporting Period, the directors did not raise any objections on relevant matters of the Company.

(5) *Other details about the performance of duties by the directors*

Were there any suggestions from the directors adopted by the Company?

☒ Yes ☐ No

During the Reporting Period, all directors of the Company were diligent and responsible, and strictly abided by the relevant national laws and regulations and the Articles of Association and other regulations. They continuously strengthened their own construction and continued to promote good and effective corporate governance, to help enhance the development quality and core competitiveness of the Company. All directors attended Board meetings and general meetings in accordance with regulations to discuss resolutions in depth, make suggestions based on the operation management of the Company, and put forward professional opinions on corporate governance, strategic planning, risk management, system revision, etc. They continuously supervised and promoted the implementation of resolutions of the Board of Directors to effectively safeguard the legitimate rights and interests of the Company and all shareholders.





(6) *Performance of duties by independent non-executive directors*

As of the end of the Reporting Period, the Board of Directors of the Company comprised four independent non-executive directors: Ms. Yeung Siuman Shirley, Mr. Wu Changqi, Mr. Chen Hanwen, Mr. Zhao Lei.

During the Reporting Period, the independent non-executive Directors abided by the relevant national laws, regulations and relevant provisions of the Articles of Association, and earnestly attended the Board meetings. They voted independently on all resolutions considered by the Board of Directors, and carefully discussed and raised independent opinions on relevant resolutions in accordance with regulatory requirements and the Independent Non-executive Director System of the Company. During the Reporting Period, the independent non-executive directors did not raise any objections on the resolutions of the meetings of the Board of Directors in the year and other resolutions of the Company.

Convening of specialized meeting by independent non-executive Directors during the Reporting Period

No.	Date	Name of Meeting	Content of meeting	Important views and suggestions made by Directors	Other performance of duties by Directors	Specific objection (if any)
1	March 14	2024 first specialized meeting of independent non-executive Directors	To consider the Resolution regarding the Estimated Ordinary Related Party Transactions for 2024	-	-	Nil
2	November 15	2024 second specialized meeting of independent non-executive Directors	To consider the the Resolution regarding the Renewal of the Securities and Financial Products, Transactions and Services Framework Agreement with China Jianyin Investment Ltd.	-	-	Nil



(7) *Training of directors*

The Company attaches great importance to continuous training of directors, to ensure understanding of the Company's business operations and development by directors, and their comprehensive understanding of the applicable laws, decrees and regulations of the place where the shares of the Company are listed. During the Reporting Period, in addition to attending training organized by the regulatory bodies periodically, the Company's directors were also proactively involved in seminars and symposiums of trade associations and other self-regulatory organizations, which enabled the exchange of experience within the same industry to promote the capacity of fulfilling their duties. The Company prepares the Newsletters for Directors and Supervisors on a semi-monthly basis, assists directors in getting comprehensive knowledge of the latest regulatory regulations, industry development trends, and operations of the Company, and creates conditions and provides guarantee for the performance of duties by directors.

The details of directors' training in 2024 are as follows:

Name	Position	Training method and content
Liu Jian	Executive director, chairman	<ol style="list-style-type: none"> <li>On October 30, 2024, attended the training on governance and regulatory compliance of listed companies under the new Company Law organized by Beijing Alliance J&amp;S Law Firm and Clifford Chance LLP.</li> <li>On November 19, 2024, attended the Special Training on M&amp;A and Restructuring of Enterprises organized by Xinjiang Securities Regulatory Bureau.</li> <li>On November 29, 2024, attended the "Specialized Training on Comprehensive Punishment and Prevention of Financial Fraud in Xinjiang Capital Markets" organized by Xinjiang Listed Companies Association.</li> </ol>
Huang Hao	Executive director, vice chairman	<ol style="list-style-type: none"> <li>On October 23, 2024, attended the ESG disclosure training organized by KPMG Huazhen LLP.</li> <li>On October 30, 2024, attended the training on governance and regulatory compliance of listed companies under the new Company Law organized by Beijing Alliance J&amp;S Law Firm and Clifford Chance LLP.</li> <li>On November 19, 2024, attended the Special Training on M&amp;A and Restructuring of Enterprises organized by Xinjiang Securities Regulatory Bureau.</li> <li>On November 29, 2024, attended the "Specialized Training on Comprehensive Punishment and Prevention of Financial Fraud in Xinjiang Capital Markets" organized by Xinjiang Listed Companies Association.</li> </ol>
Zhu Zhilong	Non-executive director	<ol style="list-style-type: none"> <li>On October 23, 2024, attended the ESG disclosure training organized by KPMG Huazhen LLP.</li> <li>On October 30, 2024, attended the training on governance and regulatory compliance of listed companies under the new Company Law organized by Beijing Alliance J&amp;S Law Firm and Clifford Chance LLP.</li> <li>On November 29, 2024, attended the "Specialized Training on Comprehensive Punishment and Prevention of Financial Fraud in Xinjiang Capital Markets" organized by Xinjiang Listed Companies Association.</li> </ol>





Name	Position	Training method and content
Zhang Ying	Non-executive director	<ol style="list-style-type: none"><li>1. From January 22 to January 24, 2024, attended special training course on learning and implementing the spirit of the Central Financial Work Conference held by the Party School of China Investment Corporation.</li><li>2. From May 8 to May 11, 2024, attended the 45th dispatch director training and new director training organized by Huijin Company.</li><li>3. From June 17 to June 21, 2024, attended the training course on learning and implementing the ideology of socialism with Chinese characteristics in the new era (Central Party School) of China Investment Corporation.</li><li>4. From August 26 to August 29, 2024, attended the second phase of centralized training on learning and implementing the spirit of the Third Plenary Session of the 20th CPC Central Committee of China Investment Corporation.</li><li>5. On October 23, 2024, attended the ESG disclosure training organized by KPMG Huazhen LLP.</li><li>6. On October 30, 2024, attended the training on governance and regulatory compliance of listed companies under the new Company Law organized by Beijing Alliance J&amp;S Law Firm and Clifford Chance LLP.</li><li>7. On November 29, 2024, attended the "Specialized Training on Comprehensive Punishment and Prevention of Financial Fraud in Xinjiang Capital Markets" organized by Xinjiang Listed Companies Association.</li><li>8. From December 7 to December 20, 2024, attended the 47th director training organized by Huijin Company.</li></ol>
Shao Yalou	Non-executive director	<ol style="list-style-type: none"><li>1. From January 22 to January 24, 2024, attended special training course on learning and implementing the spirit of the Central Financial Work Conference held by the Party School of China Investment Corporation.</li><li>2. From May 8 to May 11, 2024, attended the 45th dispatch director training and new director training organized by Huijin Company.</li><li>3. From June 17 to June 21, 2024, attended the training course on learning and implementing the ideology of socialism with Chinese characteristics in the new era (Central Party School) of China Investment Corporation.</li><li>4. From August 26 to August 29, 2024, attended the second phase of centralized training on learning and implementing the spirit of the Third Plenary Session of the 20th CPC Central Committee of China Investment Corporation.</li><li>5. On October 23, 2024, attended the ESG disclosure training organized by KPMG Huazhen LLP.</li><li>6. On October 30, 2024, attended the training on governance and regulatory compliance of listed companies under the new Company Law organized by Beijing Alliance J&amp;S Law Firm and Clifford Chance LLP.</li><li>7. On November 29, 2024, attended the "Specialized Training on Comprehensive Punishment and Prevention of Financial Fraud in Xinjiang Capital Markets" organized by Xinjiang Listed Companies Association.</li></ol>



Name	Position	Training method and content
Xu Yixin	Non-executive director	<ol style="list-style-type: none"> <li>On September 26, 2024, received training materials on the duties, responsibilities and liabilities of directors of companies listed on the Hong Kong Stock Exchange provided by Clifford Chance LLP.</li> <li>On November 29, 2024, attended the "Specialized Training on Comprehensive Punishment and Prevention of Financial Fraud in Xinjiang Capital Markets" organized by Xinjiang Listed Companies Association.</li> </ol>
Yan Jinguo	Non-executive director	On December 9, 2024, received training materials on the duties, responsibilities and liabilities of directors of companies listed on the Hong Kong Stock Exchange provided by Clifford Chance LLP.
Yeung Siuman Shirley	Independent non-executive director	<ol style="list-style-type: none"> <li>On October 23, 2024, attended the ESG disclosure training organized by KPMG Huazhen LLP.</li> <li>On November 29, 2024, attended the "Specialized Training on Comprehensive Punishment and Prevention of Financial Fraud in Xinjiang Capital Markets" organized by Xinjiang Listed Companies Association.</li> </ol>
Wu Changqi	Independent non-executive director	<ol style="list-style-type: none"> <li>On October 30, 2024, attended the training on governance and regulatory compliance of listed companies under the new Company Law organized by Beijing Alliance J&amp;S Law Firm and Clifford Chance LLP.</li> <li>On November 29, 2024, attended the "Specialized Training on Comprehensive Punishment and Prevention of Financial Fraud in Xinjiang Capital Markets" organized by Xinjiang Listed Companies Association.</li> <li>On December 31, 2024, attended the Shanghai Stock Exchange's Special Training on Key Points and Suggestions for Independent Directors of Listed Companies to Perform Anti-Fraud Duties</li> <li>On October 23, 2024, attended the new rules exchange and training of ESG disclosure organized by KPMG Huazhen LLP.</li> </ol>
Chen Hanwen	Independent non-executive director	<ol style="list-style-type: none"> <li>On October 30, 2024, attended the training on governance and regulatory compliance of listed companies under the new Company Law organized by Beijing Alliance J&amp;S Law Firm and Clifford Chance LLP.</li> <li>On November 29, 2024, attended the "Specialized Training on Comprehensive Punishment and Prevention of Financial Fraud in Xinjiang Capital Markets" organized by Xinjiang Listed Companies Association.</li> </ol>
Zhao Lei	Independent non-executive director	<ol style="list-style-type: none"> <li>On October 23, 2024, attended the ESG disclosure training organized by KPMG Huazhen LLP.</li> <li>On October 30, 2024, attended the training on governance and regulatory compliance of listed companies under the new Company Law organized by Beijing Alliance J&amp;S Law Firm and Clifford Chance LLP.</li> <li>On November 29, 2024, attended the "Specialized Training on Comprehensive Punishment and Prevention of Financial Fraud in Xinjiang Capital Markets" organized by Xinjiang Listed Companies Association.</li> </ol>





(8) *Mechanism for directors to obtain independent views and opinions*

At Board meetings, directors can express their opinions freely, and major decisions shall be made only after thorough discussions. Directors may also engage independent professional institutions at the Company's expense after going through due procedures, if they deem it necessary to solicit for independent professional opinions. If any director has interests in a proposal to be considered by the Board, he or she should abstain from discussion and voting on the relevant proposal, and will not be counted in the quorum of the relevant proposal. In addition, independent non-executive directors should also express objective and impartial independent opinions on the matters discussed by the Company. The independent non-executive directors of the Company do not hold any other position in the Company apart from the director, have no relationship with the Company and their substantial shareholders that may affect its independent and objective judgment, and have no business or financial interests in the Company and its subsidiaries. Therefore, the participation of independent non-executive directors can also ensure that the Board has strong and sufficient independent elements. The Board will review the implementation and effectiveness of the above-mentioned mechanism annually.

**6. Performance of duties by the special committees of the Board of Directors**

The Company has established four special committees of the Board of Directors, namely the Strategy and ESG Committee of the Board of Directors, the Remuneration and Nomination Committee of the Board of Directors, the Audit Committee of the Board of Directors and the Risk Control Committee of the Board of Directors in accordance with relevant PRC laws, regulations, the Articles of Association and corporate governance requirements in the Hong Kong Listing Rules. The special committees are accountable to the Board of Directors and carry out their work with the authorization of the Board of Directors. The clear division of power and responsibility of the special committees guarantees effective operation and makes the decision division of the Board of Directors more refined. The special committees of the Board of Directors provide opinions and suggestions on the decision-making of the Board of Directors and play a good role in the Company's major decision-making.

Composition of the special committees of the Board of Directors during the Reporting Period:

*Strategy and ESG Committee of the Board of Directors*

Chairman: Liu Jian; Members: Huang Hao, Wu Changqi, Ren Xiaotao (former member), Zhang Ying (former member), Shao Yalou, Yan Jinguo

*Remuneration and Nomination Committee of the Board of Directors*

Chairman: Wu Changqi; Members: Liu Jian, Chen Hanwen, Zhao Lei, Zhang Ying

*Audit Committee of the Board of Directors*

Chairman: Chen Hanwen; Members: Zhu Zhilong, Yeung Siuman Shirley, Zhao Lei, Zhang Ying (former member), Shao Yalou (former member), Yan Jinguo



*Risk Control Committee of the Board of Directors*

Chairman: Zhang Ying, Ren Xiaotao (former member); Members: Huang Hao, Yeung Siuman Shirley, Zhao Lei, Shao Yalou

- (1) The main responsibilities of the Strategy and ESG Committee of the Board of Directors are as follows: understanding, analyzing and mastering the current status regarding domestic and international industries and relevant national policies, understanding and mastering the overall situation of the Company's operation and management; studying the Company's short-term, medium-term and long-term development strategies, providing advice on major decisions such as major investment and financing, mergers and acquisitions, and discussing relevant matters on a regular or an irregular basis; reviewing the Company's development strategy plans, and proposing suggestions to the Board of Directors; reviewing the matters in relation to specific development plans as needed, and proposing suggestions to the Board of Directors; reviewing and evaluating the soundness of the governance structure of the Company, and reporting to the Board of Directors; study ESG-related planning, objectives, systems and major issues, review ESG-related reports and provide advisory recommendations to the Board of Directors; supervise and inspect the implementation of ESG work and provide timely guidance; other duties as provided in the Articles of Association.

Meetings of the Strategy and ESG Committee of the Board of Directors convened during the Reporting Period:

Name of Committee	Member	Number of meetings convened	Date of the meeting	Content of meeting	Important comments and suggestions made	Other performance of duties	Specific objection (if any)
Strategy and ESG Committee of the Board of Directors	Chairman: Liu Jian;	2024 first meeting of the Strategy and ESG Committee of the Board of Directors	2024-02-22	1. To consider the Strategic Management System of Shenwan Hongyuan Group Co., Ltd.	-	-	Nil
	Members: Huang Hao, Wu Changqi, Ren Xiaotao (former member), Zhang Ying (former member), Shao Yalou, Yan Jinguo			2. 2023 Report on Performance of Duties by the Strategy and ESG Committee of the Board of Directors			
		2024 second meeting of the Strategy and ESG Committee of the Board of Directors	2024-03-21	1. To consider the 2023 Sustainability and Environmental, Social and Governance Report of Shenwan Hongyuan Group Co., Ltd.	-	Review ESG related reports and supervise the implementation of ESG work.	Nil
				2. To hear the Report on the Work of Serving National Strategies in 2023 of Shenwan Hongyuan Group Co., Ltd.			



- (2) The main responsibilities of the Remuneration and Nomination Committee of the Board of Directors are as follows: to review the structure of the Board, number of directors and composition of the Board (including skills, knowledge and experience) at least once a year, and make recommendations on any proposed changes to the Board to complement the corporate strategy; to review and put forward opinions on the criteria and procedures for election of directors and senior management personnel; identify candidates with appropriate qualifications for directors and senior management personnel; review and make recommendations on the qualification and conditions of candidates for directors and senior management personnel; formulate and, where appropriate, review policies on the diversity of Board members, and disclose the relevant policies or its summary in the annual report every year; to review and put forward opinions on the assessment and remuneration management system for directors and senior management personnel, and make recommendations to the Board on the establishment of formal and transparent procedures to formulate such remuneration policies; to assess the independence of independent non-executive directors; to make recommendations to the Board on the appointment or reappointment of directors and succession plans for directors (especially the chairman and general manager); to review, assess and make suggestions on the duty performance of directors and senior management personnel of the Company; to review the remuneration proposals of the management according to the corporate policies and objectives set by the Board; to make recommendations to the Board on the personal remuneration packages of executive directors and senior management personnel, including benefits in kind, pension rights and compensation payment (including compensation payable for loss or termination of their office or appointment); to make recommendations to the Board on the remuneration of non-executive directors; to consider remuneration paid by comparable companies, time commitment and responsibilities and the employment conditions for other positions in the Group; to consider the compensation payable to executive directors and senior management for their loss or termination of office or appointment to ensure that such compensation is consistent with the terms of the contracts; if it fails to comply with the terms of the contract, the compensation shall also be fair and reasonable and not excessive; to consider the compensation arrangements involved in the dismissal or removal of directors due to their misconduct to ensure consistency with the terms of the contract; if it fails to comply with the terms of the contract, the relevant compensation shall also be reasonable and appropriate; to ensure that no director or any of his/her associates shall participate in determining his/her own remuneration; and other duties stipulated in the Articles of Association and other matters authorized by the Board.



Meetings of the Remuneration and Nomination Committee of the Board of Directors convened during the Reporting Period:

Name of Committee	Member	Number of meetings convened	Date of the meeting	Content of meeting	Important	Other	Specific
					comments and suggestions made	performance of duties	objection (if any)
Remuneration and Nomination Committee of the Board of Directors	Chairman: Wu Changqi; Members: Liu Jian, Chen Hanwen, Zhao Lei, Zhang Ying	2024 first meeting of the Remuneration and Nomination Committee of the Board of Directors	2024-03-14	1. To consider the 2023 Report on Performance of Duties by the Remuneration and Nomination Committee of the Board of Directors			
				2. To consider the Resolution regarding the Working Rules of the Remuneration and Nomination Committee of the Board of Directors of Shenwan Hongyuan Group Co., Ltd.	-	-	Nil
		2024 second meeting of the Remuneration and Nomination Committee of the Board of Directors	2024-09-11	1. To consider the Resolution regarding the Proposal for Consideration of the Qualifications of the Candidates for Non-independent Directors of the Sixth Session of the Board of Directors of the Company			
				2. To consider the Resolution regarding the Proposal for Consideration of the Qualifications of Candidates for Independent Directors of the Sixth Session of the Board of Directors of the Company	-	Evaluating the diversity of the Board of Directors and reviewing the qualifications of candidates for independent and non-independent directors.	Nil
		2024 third meeting of the Remuneration and Nomination Committee of the Board of Directors	2024-11-25	To consider the Resolution regarding the Proposal for Consideration of the Qualifications of the Candidates for Directors of the Company	-	Reviewing the qualifications of candidates for directors	Nil



- (3) The main responsibilities of the Audit Committee of the Board of Directors are as follows: proposing on the appointment or change of the external auditor, making recommendations on the remuneration and terms of engagement of the external auditor, and supervising the practice of the external auditor; reviewing the financial information and its disclosure of the Company; reviewing the Company's annual audit work. Coordinating the communication between internal audit and external audit, and making judgments on the authenticity, accuracy and completeness of the financial report information after the annual audit, and submitting it to the Board of Directors for deliberation; reviewing the completeness and effectiveness of the Company's accounting system, audit system, capital management system and financial control system, supervising the implementation of the Company's relevant systems; ensuring that the internal audit function is sufficiently resourced within the Company and has appropriate standing, and reviewing and monitoring its effectiveness; reviewing and monitoring the independence and objectivity of the external auditor and the effectiveness of the auditing procedures in accordance with applicable standards; before the commencement of any audit work, the Audit Committee shall discuss with the external auditor about the nature and scope of audit and the related reporting obligations; formulating and implementing policy on the provision of non-audit services by the external auditor. The Audit Committee shall report such actions or improvements as it deems necessary to the Board of Directors and make recommendations; monitoring the completeness of the Company's financial statements as well as annual reports and accounts, interim reports and quarterly reports, and reviewing significant financial reporting opinions contained therein. Reviewing the issuer's financial control and internal control systems; having the right to fully discuss the issues related to the Company's financial conditions and internal control content at the meeting of the Board of Directors, and having the right to request the Company's management to explain, respond to, and accept enquiries on relevant issues, and making recommendations to the Board of Directors on such basis to ensure that management has fulfilled its responsibility to establish and maintain an effective internal control system. The discussion shall include the Company's adequacy of resources, staff qualifications and experience, training programs received by employees and relevant budget in accounting and financial reporting functions; considering significant investigation findings and the respective management responses on internal control matters as delegated by the Board of Directors or on its own initiatives; reviewing the Group's financial and accounting policies and practices; reviewing the external auditor's management letter, any material queries raised by the external auditor to management in respect of accounting records, financial accounts and control systems and management's responses; ensuring that the Board of Directors will provide a timely response to the issues raised in the external auditor's management letter; other duties as provided in the Articles of Association and other matters authorized by the Board of Directors; reporting the abovementioned matters to the Board of Directors; studying other topics defined by the Board of Directors.



Meetings of the Audit Committee of the Board of Directors convened during the Reporting Period:

Name of Committee	Member	Number of meetings convened	Date of the meeting	Content of meeting	Important comments and suggestions made	Other performance of duties	Specific objection (if any)
Audit Committee of the Board of Directors	Chairman: Chen Hanwen; Members: Zhu Zhilong, Yeung Siuman Shirley, Zhao Lei, Zhang Ying (former member), Shao Yalou (former member), Yan Jinguo	2024 first meeting of the Audit Committee of the Board of Directors and the first meeting of the independent Directors with certified public accountants responsible for annual audit	2024-01-31	I. Audit Committee 1. To review the 2023 unaudited financial statements of the Company 2. To review the audit schedule for annual financial report 3. To communicate with the accountants responsible for annual audit II. Meeting between independent directors and certified public accountants responsible for annual audit 1. To hear the report of the management of the Company on the work of the Company in 2023 2. To hear the report on the financial position and operating results of the Company for the year 3. To hear the annual audit work of the accountant and communicate with the certified public accountants responsible for annual audit on the audit focuses.	In the context of the new regulations on independent directors and the implementation of the new Companies Act, relevant requirements are set out in respect of information disclosure, accounting treatment, market capitalization management and accounting firms.	Supervision of the implementation of the annual audit of the external auditors, and full discussion of the financial issues with the management of the Company.	Nil
		2024 second meeting of the Audit Committee of the Board of Directors	2024-03-01	To consider the 2023 Financial Statements of the Company	-	Supervision of the annual audit of the Company.	Nil





Name of Committee	Member	Number of meetings convened	Date of the meeting	Content of meeting	Important comments and suggestions made	Other performance of duties	Specific objection (if any)
		2024 third meeting of the Audit Committee of the Board of Directors and the meeting of the independent Directors with accountants responsible for annual audit	2024-03-14	<p>I. Audit Committee</p> <p>1. To consider the 2023 Annual Report of the Company</p> <p>2. To consider the 2023 Internal Control Evaluation Report of the Company</p> <p>3. To consider the Resolution regarding Non-assurance Engagement Framework of 2024 with Accountants Responsible for Annual Audit of the Company</p> <p>4. To consider the Resolution regarding the Re-appointment of Auditors of the Company for 2024</p> <p>5. To consider the Resolution regarding the Amendments to the Work Rules of the Audit Committee of the Board of Directors of Shenwan Hongyuan Group Co., Ltd.</p> <p>6. To consider the 2023 Report on Performance of Duties by the Audit Committee of the Board of Directors</p> <p>7. To consider the 2023 Internal Audit Work Report of the Company</p> <p>8. To consider the 2024 Internal Audit Work Plan of the Company</p> <p>II. Meeting between independent directors and certified public accountants responsible for annual audit</p> <p>1. To review the procedures for the meetings of the Board of Directors, the necessary documents and adequacy of information to enable a reasonable and accurate judgment to be made</p> <p>2. To communicate with the certified public accountants responsible for annual audit on the audit focuses.</p> <p>III. Attended the meeting of the Risk Control Committee of the Board of Directors</p>	<p>The Company is reminded of attaching great importance to the problems identified in the internal control evaluation and take the rectification of deficiencies seriously.</p>	<p>Supervision of the annual audit of the Company, monitoring of the integrity of the Company's annual report, and review of major opinions on financial reporting contained in the financial statements and report.</p>	<p>Nil</p>





## Section IV Corporate Governance (continued)

Name of Committee	Member	Number of meetings convened	Date of the meeting	Content of meeting	Important comments and suggestions made	Other performance of duties	Specific objection (if any)
		2024 fourth meeting of the Audit Committee of the Board of Directors	2024-04-23	To consider the 2024 First Quarterly Report of the Company	It is recommended that the Company continue to promote business structure adjustment and optimization, and reduce costs and increase efficiency to enhance the Company's overall profitability.	Supervision of the implementation of the agreed procedures by the external auditors for the first quarter, monitoring of the integrity of the Company's first quarterly report, and review of major opinions on financial reporting contained in the financial statements and report.	Nil
		2024 fifth meeting of the Audit Committee of the Board of Directors	2024-06-24	To consider the Resolution regarding the Matters Relating to the Selection and Appointment of Auditors for Interim Review Service of the Company for 2024	-	-	Nil
		2024 sixth meeting of the Audit Committee of the Board of Directors	2024-07-09	To consider the Resolution regarding the Appointment of Auditors for Interim Review Service of the Company for 2024	-	-	Nil
		2024 seventh meeting of the Audit Committee of the Board of Directors	2024-08-09	To consider the Resolution regarding the Matters Relating to the Selection and Appointment of Auditors of the Company for 2024	-	-	Nil
		2024 eighth meeting of the Audit Committee of the Board of Directors	2024-08-14	<ol style="list-style-type: none"> <li>To consider the 2024 Interim Report of the Company</li> <li>Attended the meeting of the Risk Control Committee of the Board of Directors, and to hear a report on the Company's risk management efforts in the first half of 2024.</li> </ol>	The Company is reminded to pay attention to changes in return on net capital and risk control indicators, further strengthen capital planning and rationalize its debt structure.	Supervision of the implementation of the interim audit by the external auditors, monitoring of the integrity of the Company's interim report, and review of major opinions on financial reporting contained in the financial statements and report.	Nil
		2024 ninth meeting of the Audit Committee of the Board of Directors	2024-09-13	To consider the Resolution regarding the Appointment of Auditors of the Company for 2024	The Company is reminded to focus on strengthening the communication and collaboration between the auditor and the participating auditing organizations.	-	Nil





Name of Committee	Member	Number of meetings convened	Date of the meeting	Content of meeting	Important comments and suggestions made	Other performance of duties	Specific objection (if any)
		2024 tenth meeting of the Audit Committee of the Board of Directors	2024-10-23	To consider the 2024 Third Quarterly Report of the Company	The Company is reminded to continue to adhere to the bottom line of internal control and compliance and do a good job in disclosing information in accordance with the regulations; and to reasonably arrange the communication and reporting mechanism of the accounting firm.	Supervision of the implementation of the agreed procedures by the external auditors for the third quarter, monitoring of the integrity of the Company's third quarterly report, and review of major opinions on financial reporting contained in the financial statements and report	Nil
		2024 eleventh meeting of the Audit Committee of the Board of Directors	2024-12-02	To consider the Resolution regarding the 2024 Internal Control Evaluation Plan of Shenwan Hongyuan Group Co., Ltd.	-	Review the completeness and effectiveness of the Company's internal control evaluation program.	Nil





- (4) The main responsibilities of the Risk Control Committee of the Board of Directors are as follows: to review and make suggestions on the overall goals and basic policies for risk management of the Company; to review and make suggestions on the organization setup and duties of risk management; to evaluate and make suggestions on the risks of important decisions and solutions to significant risks which require review by the Board; to formulate the significant risk limits centering on internal process controls, and to monitor, review and make suggestions to the Board on the internal control systems under the overall risk management; to be delegated by the Board to review the effectiveness of risk management and internal monitoring systems of the Company and its subsidiaries at least once a year, and to report to shareholders that it has completed the review in the Corporate Governance Report. The review shall cover all important monitoring aspects including the financial monitoring, operation monitoring and compliance monitoring, which shall specifically include the followings: (a) the changes in the nature and extent of significant risks, and the ability of the Company to respond to changes in its business and external environment since the review of last year; (b) the scope and quality of management's ongoing monitoring of risks and of internal control system, and where applicable, the work of its internal audit function and other assurance providers; (c) the extent and frequency of communication of monitoring results to the Board (or Board committees) which enables it to assess the monitoring of the Company and the effectiveness of risk management; (d) significant monitoring failings or weaknesses that have been identified during the period, and the extent to which they have resulted in unforeseen outcomes or contingencies that have had, could have had, or may in the future have, a material impact on the Company's financial performance or condition; (e) the effectiveness of the Company's procedures for financial reporting and compliance with the Hong Kong Listing Rules; to perform other duties as required by the Articles of Associations and other matters as authorized by the Board.





Meetings of the Risk Control Committee of the Board of Directors convened during the Reporting Period:

Name of Committee	Member	Number of meetings convened	Date of the meeting	Content of meeting	Important comments and suggestions made	Other performance of duties any)	Specific objection (if any)
Risk Control Committee of the Board of Directors	Chairman: Zhang Ying, Ren Xiaotao (former member); Members: Huang Hao, Yeung Siunan Shirley, Zhao Lei, Shao Yalou	2024 first meeting of the Risk Control Committee of the Board of Directors	2024-03-14	(I) Attended the meeting of the Audit Committee of the Board of Directors (II) Risk Control Committee 1. To consider the Resolution regarding the Risk Tolerance of Shenwan Hongyuan Group Co., Ltd. (Revised) 2. To consider the 2023 Report on Performance of Duties by the Risk Control Committee of the Board of Directors of the Company 3. To hear the Report on Risks of the Company for 2023	It is recommended that the management adjust its risk control strategies in light of the changes in the external regulatory environment and the capital market, strengthen the Company's penetrating risk management and lay a solid foundation for risk management.	Oversee and review the Company's risk management system.	Nil
		2024 second meeting of the Risk Control Committee of the Board of Directors	2024-08-14	1. Attended the meeting of the Audit Committee of the Board of Directors 2. To hear the Report on Risks of Shenwan Hongyuan Group Co., Ltd. for the First Half of 2024	-	-	Nil



**7. Attendance of the meetings of special committees of the Board of Directors by directors**

*(1) Strategy and ESG Committee of the Board of Directors*

<b>Name of member</b>	<b>Position</b>	<b>Attendance/number of meetings that should be present</b>
Liu Jian	Executive director, chairman of the Executive Committee, chairman of the Strategy Committee	2/2
Huang Hao	Executive director, general manager, vice chairman of the Executive Committee, member of the Strategy Committee	2/2
Wu Changqi	Independent non-executive director, member of the Strategy Committee	2/2
Ren Xiaotao	Non-executive director, member of the Strategy Committee (former member)	2/2
Shao Yalou	Non-executive director, member of the Strategy Committee	2/2
Zhang Ying	Non-executive director, member of the Strategy Committee (former member)	0/0
Yan Jinguo	Non-executive director, member of the Strategy Committee	0/0

*(2) Remuneration and Nomination Committee of the Board of Directors*

<b>Name of member</b>	<b>Position</b>	<b>Attendance/number of meetings that should be present</b>
Wu Changqi	Independent non-executive director, chairman of the Remuneration and Nomination Committee	3/3
Liu Jian	Executive director, chairman of the Executive Committee, member of the Remuneration and Nomination Committee	3/3
Chen Hanwen	Independent non-executive director, member of the Remuneration and Nomination Committee	3/3
Zhao Lei	Independent non-executive director, member of the Remuneration and Nomination Committee	3/3
Zhang Ying	Non-executive director, member of the Remuneration and Nomination Committee	3/3



(3) *Audit Committee of the Board of Directors*

Name of member	Position	Attendance/number of meetings that should be present
Chen Hanwen	Independent non-executive director, chairman of the Audit Committee	11/11
Zhu Zhilong	Non-executive director, member of the Audit Committee	11/11
Yeung Siuman Shirley	Independent non-executive director, member of the Audit Committee	11/11
Zhao Lei	Independent non-executive director, member of the Audit Committee	11/11
Zhang Ying (former member)	Non-executive director, member of the Audit Committee	9/9
Shao Yalou (former member)	Non-executive director, member of the Audit Committee	2/2
Yan Jinguo	Non-executive director, member of the Audit Committee	0/0

(4) *Risk Control Committee of the Board of Directors*

Name of member	Position	Attendance/number of meetings that should be present
Ren Xiaotao (former member)	Non-executive director, chairman of the Risk Control Committee	2/2
Zhang Ying	Non-executive director, chairman of the Risk Control Committee	0/0
Huang Hao	Executive director, general manager, vice chairman of the Executive Committee, member of the Risk Control Committee	2/2
Yeung Siuman Shirley	Independent non-executive director, member of the Risk Control Committee	2/2
Zhao Lei	Independent non-executive director, member of the Risk Control Committee	2/2
Shao Yalou	Non-executive director, member of the Risk Control Committee	2/2



**8. Attendance of the meetings of special committees of the Board of Directors by independent non-executive directors**

Name of member	Position	Attendance/number of meetings that should be present
Yeung Siuman Shirley	Independent non-executive director	2/2
Wu Changqi	Independent non-executive director	2/2
Chen Hanwen	Independent non-executive director	2/2
Zhao Lei	Independent non-executive director	2/2

## VII. BOARD DIVERSITY POLICY

To satisfy and implement the requirements regarding board diversity set out in the Hong Kong Listing Rules and to ensure a more scientific and reasonable composition of the Board of Directors, the Company has formulated the Board Diversity Policy of Shenwan Hongyuan Group Co., Ltd. covering purpose, scope of application, policies and principles, measurable objectives, management responsibilities, etc. which has been published on the website of the Company. The Company recognises the importance of diversity of the Board to corporate governance and the effectiveness of the Board of Directors. To realise a sustainable and balanced development, the Company believes that a diversified Board enables the Company to reach its strategic goals and promote sustainable development. When deciding the Board member composition, the Company takes several elements into consideration, including but not limited to gender, age, cultural and educational background, region, professional experience, skills, knowledge and service tenure. The Board of Directors sticks to the principle of meritocracy for all appointments and focuses on assessing what skills, experience and diverse opinions and perspectives a candidate can bring to the Board of Directors, and what contributions they can make to the Board of Directors, etc. The final decision will be made on the merits of the candidates and the contribution brought to the Board of Directors. The Company confirms that, as of the end of the Reporting Period, the Board of Directors includes professionals from different professional backgrounds in economics, finance, accounting, management, and others, with different gender and age stages, among which, female directors account for 18.18% of the total number of directors, and the composition of the Board of Directors satisfies the requirements regarding board diversity set out in the Hong Kong Listing Rules as well as the policy on board diversity formulated by the Company.

As there are currently two female directors in the Board of Directors, the composition of the Board is in compliance with the gender diversity requirements of the Hong Kong Listing Rules and is in line with the Company's Board Diversity Policy. The Company values the importance and benefits of gender diversity of the Board and the Company's Board Diversity Policy ensures that the Board will have potential candidates to continue the existing gender diversity of the Board.





## VIII. DIRECTORS NOMINATION POLICY AND NOMINATION PROCEDURES

According to Article 121 of the Articles of Association, election of directors and supervisors shall meet the following requirements:

- (I) the list of candidates for director and supervisor shall be proposed to the general meeting for voting.
- (II) the Board may nominate the candidates for directors to the general meeting for election at general meeting; the Board of Supervisors may nominate the candidates for supervisors to the general meeting for election at general meeting; shareholder(s) individually or in aggregate holding 3% or more of the total shares of the Company may nominate the candidates for directors and the candidates for supervisors to the general meeting for election at general meeting; employee representative directors and supervisors shall be elected by an employees' representative assembly, employee meeting or otherwise democratically.
- (III) the Board, the Board of Supervisors or shareholders individually or collectively holding more than 1% of the issued shares of the Company may nominate candidates for independent non-executive directors, who shall be elected and determined at the general meeting. An investors protection organization established according to law may publicly request shareholders to entrust it to exercise the rights of nominating independent non-executive directors on their behalf. The above nominators shall not nominate any person who has an interest or any other close associate that may affect the independent performance of their duties as candidates for independent non-executive directors.
- (IV) before a general meeting is held, the Board, the Board of Supervisors shall disclose the detailed information about the director and supervisor candidate(s) by announcement.
- (V) persons who intend to nominate an independent non-executive director shall obtain the consent of the intended nominee therefor prior to his/her nomination. The nominator shall have full knowledge of the nominee's general information such as profession, educational background, professional title, detailed working experience, all other posts he or she concurrently holds and whether there is a major breach of trust and other adverse records, and give opinion on the nominee's qualifications and the independence required as an independent non-executive director. The nominee as an independent non-executive director candidate shall make a public statement on his/her satisfaction with independence and other conditions for serving as an independent non-executive director. The Board of Directors of the Company shall make the abovementioned public contention regarding the candidate for independent non-executive director prior to the general meeting at which the independent non-executive director is elected.
- (VI) when voting on the election of directors and supervisors at a general meeting, cumulative voting system in accordance with requirements of these Articles of Association or resolutions of general meeting may be adopted. Cumulative voting system shall be adopted if a single shareholder and parties acting in concert with him/her hold equity interests exceeding 30% or more, and the general meeting votes on the election of more than two directors (not being employee representative) or supervisors (not being employee representative). To elect two or more independent non-executive directors, cumulative voting system shall be adopted at the general meeting. The cumulative voting means that every share shall, on the occasion of electing directors or supervisors at the general meeting, have the same voting rights with that of the candidate directors or supervisors and the voting rights possessed by the shareholders may be exercised uniformly.





- (VII) if the proposal with respect to election of directors or supervisors is approved at the general meeting, unless otherwise resolved by the general meeting, the term of office of a new director or supervisor shall commence on the date on which resolutions of the general meeting are approved (where the qualification for office of such new director or supervisor is not approved by the relevant securities regulatory authorities, his or her term of office shall commence no earlier than the time when he or she is qualified).

According to Article 15 of the Working Rules of the Remuneration and Nomination Committee of the Board of Directors, when the Remuneration and Nomination Committee studies the election of directors, general managers and other senior management personnel, the procedures are as follows:

- (I) the Remuneration and Nomination Committee actively communicates with relevant departments of the Company to study the Company's demand for new directors, general managers and other senior management personnel, and forms written materials thereof;
- (II) the Remuneration and Nomination Committee may extensively search for candidates for directors, general managers and other senior management personnel within the Company and through channels such as talent markets;
- (III) the Remuneration and Nomination Committee shall gather information about the occupation, academic qualifications, post titles, detailed working experience and all the concurrent posts of the initially elected candidate and present such information in writing;
- (IV) the Remuneration and Nomination Committee shall seek for the consent of the nominee for his/her nomination. Otherwise, the nominee may not be nominated as a candidate for director, general manager or other senior management personnel;
- (V) the Remuneration and Nomination Committee shall convene a meeting to review the qualification of the candidate at an initial screening based on the appointment criteria for directors, general managers or other senior management personnel;
- (VI) the Remuneration and Nomination Committee shall provide suggestions and relevant information to the Board on candidates for directors, new general managers and other senior management personnel within one (1) to two (2) months before the election of new directors and the appointment of new general managers and other senior management personnel;
- (VII) the Remuneration and Nomination Committee shall carry out other follow-up works according to the decision and opinions of the Board.



## IX. MEETINGS OF THE BOARD OF SUPERVISORS CONVENED DURING THE REPORTING PERIOD

### (I) In respect of supervisors and the Board of Supervisors

The Articles of Association and the Rules of Procedure of the Board of Supervisors have provided provisions regarding the composition, authority, the convening of the meeting, notice of meeting and minutes of the Board of Supervisors, etc., which ensure the standard operation of the Board of Supervisors.

### (II) Work of the Board of Supervisors

#### 1. As of the end of the Reporting Period, the sixth session of the Board of Supervisors of the Company consists of 5 supervisors:

Supervisors: Mr. Fang Rongyi (chairman of the Board of Supervisors), Ms. Chen Yan, Mr. Zou Zhijun

Employee representative supervisors: Ms. Li Yan, Ms. Yao Hui

#### 2. The meetings of the Board of Supervisors held during the Reporting Period

Session of the meeting	Date of the meeting	Supervisors attending the meeting	Title of resolutions of the meeting	Status of resolutions	Disclosure date and disclosure index
14th meeting of the fifth session of the Board of Supervisors	2024-03-28	Fang Rongyi, Chen Yan, Jiang Yang, Li Yan, Zhou Jie	1. To consider the Resolution regarding the 2023 Annual Financial Report of Shenwan Hongyuan Group Co., Ltd. 2. To consider the Resolution regarding the 2023 Profit Distribution Proposal of Shenwan Hongyuan Group Co., Ltd. 3. To consider the Resolution regarding the 2023 Internal Control Evaluation Report of Shenwan Hongyuan Group Co., Ltd. 4. To consider the Resolution regarding the 2023 Annual Report of Shenwan Hongyuan Group Co., Ltd. 5. To consider the Resolution regarding the 2023 Work Report of the Board of Supervisors of Shenwan Hongyuan Group Co., Ltd.	Approved	For details of the resolutions considered at the meeting, please refer to the relevant announcements disclosed by the Company in China Securities Journal, Securities Times and Shanghai Securities News, as well as the website of Cninfo at <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> on March 29, 2024 and the website of HKEXnews of The Stock Exchange of Hong Kong Limited at <a href="http://www.hkexnews.hk">www.hkexnews.hk</a> on March 28, 2024
15th meeting of the fifth session of the Board of Supervisors	2024-04-29	Fang Rongyi, Chen Yan, Jiang Yang, Li Yan, Zhou Jie	To consider the Resolution regarding the 2024 First Quarterly Report of Shenwan Hongyuan Group Co., Ltd.	Approved	Announcements of resolution of the meeting were exempt from disclosure



Session of the meeting	Date of the meeting	Supervisors attending the meeting	Title of resolutions of the meeting	Status of resolutions	Disclosure date and disclosure index
16th meeting of the fifth session of the Board of Supervisors	2024-08-30	Fang Rongyi, Chen Yan, Jiang Yang, Li Yan, Zhou Jie	1. To consider the Resolution regarding the 2024 Interim Report of Shenwan Hongyuan Group Co., Ltd. 2. To consider the Resolution regarding the 2024 Interim Profit Distribution Proposal of Shenwan Hongyuan Group Co., Ltd.	Approved	For details of the resolutions considered at the meeting, please refer to the relevant announcements disclosed by the Company in China Securities Journal, Securities Times and Shanghai Securities News, as well as the website of Cninfo at <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> on August 31, 2024 and the website of HKEXnews of The Stock Exchange of Hong Kong Limited at <a href="http://www.hkexnews.hk">www.hkexnews.hk</a> on August 30, 2024
17th meeting of the fifth session of the Board of Supervisors	2024-09-27	Fang Rongyi, Chen Yan, Jiang Yang, Li Yan, Zhou Jie	Resolution regarding the Nomination of Non-employee Representative Supervisors of the Sixth Session of the Board of Supervisors of the Company	Approved	For details of the resolutions considered at the meeting, please refer to the relevant announcements disclosed by the Company in China Securities Journal, Securities Times and Shanghai Securities News, as well as the website of Cninfo at <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> on September 28, 2024 and the website of HKEXnews of The Stock Exchange of Hong Kong Limited at <a href="http://www.hkexnews.hk">www.hkexnews.hk</a> on September 27, 2024
1st meeting of the sixth session of the Board of Supervisors	2024-10-22	Fang Rongyi, Chen Yan, Zou Zhijun, Li Yan, Yao Hui	1. Resolution regarding the Election of the Chairman of the Sixth Session of the Board of Supervisors of the Company 2. Resolution regarding the Election of Members of the Special Committees of the Sixth Session of the Board of Supervisors	Approved Approved	For details of the resolutions considered at the meeting, please refer to the relevant announcements disclosed by the Company in China Securities Journal, Securities Times and Shanghai Securities News, as well as the website of Cninfo at <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a> on October 23, 2024 and the website of HKEXnews of The Stock Exchange of Hong Kong Limited at <a href="http://www.hkexnews.hk">www.hkexnews.hk</a> on October 22, 2024
2nd meeting of the sixth session of the Board of Supervisors	2024-10-30	Fang Rongyi, Chen Yan, Zou Zhijun, Li Yan, Yao Hui	To consider the resolution Regarding the 2024 Third Quarterly Report of Shenwan Hongyuan Group Co., Ltd.	Approved	Announcements of resolution of the meeting were exempt from disclosure



### 3 Supervisors' attendance of the meetings of the Board of Supervisors

Name	Position	Number of meetings of the Board of Supervisors required attendance during the Reporting Period	Number of meetings of the Board of Supervisors attended in person	Number of meetings of the Board of Supervisors attended by proxy	Number of absence	Voting results
Fang Rongyi	Supervisor, chairman of the Board of Supervisors	6	6	0	0	Approved
Chen Yan	Supervisor	6	6	0	0	Approved
Zou Zhijun	Supervisor	2	2	0	0	Approved
Li Yan	Employee representative supervisor	6	6	0	0	Approved
Yao Hui	Employee representative supervisor	2	2	0	0	Approved
Jiang Yang	Supervisor (former member)	4	4	0	0	Approved
Zhou Jie	Employee representative supervisor (former member)	4	4	0	0	Approved

#### 4. Existing risks of the Company identified by the Board of Supervisors during the Reporting Period

The Board of Supervisors did not raise any objections to supervision matters during the Reporting Period.

## X. SERVICE CONTRACTS OF DIRECTORS AND SUPERVISORS

The Company has entered into Service Contracts for Directors and Service Contracts for Supervisors with each of the 11 Directors of the current sixth session of the Board of Directors and each of the 5 Supervisors of the current sixth session of the Board of Supervisors. The terms of office of the Directors and Supervisors were effective from the date of approval by the general meeting until the expiry date of the term of office for the sixth session of the Board of Directors and the fifth session of the Board of Supervisors. The Service Contracts for Directors and Service Contracts for Supervisors provide the agreed terms on the duties and responsibilities, terms of office and remuneration of the directors and supervisors during their terms of office. Save as disclosed above, the Company has not entered, and does not propose to enter into any service contract with any director or supervisor of the Company in their respective capacities as directors/supervisors (except for contracts expiring within one year or determinable by the relevant employer within one year without the payment of compensation (other than statutory compensation)).



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

Please refer to “V. Interests and Short Positions of Directors, Supervisors and Chief Executives in the Shares, Underlying Shares or Debentures of the Company and Associated Corporations” under Section VII “Changes in Shares and Shareholders” in this report.

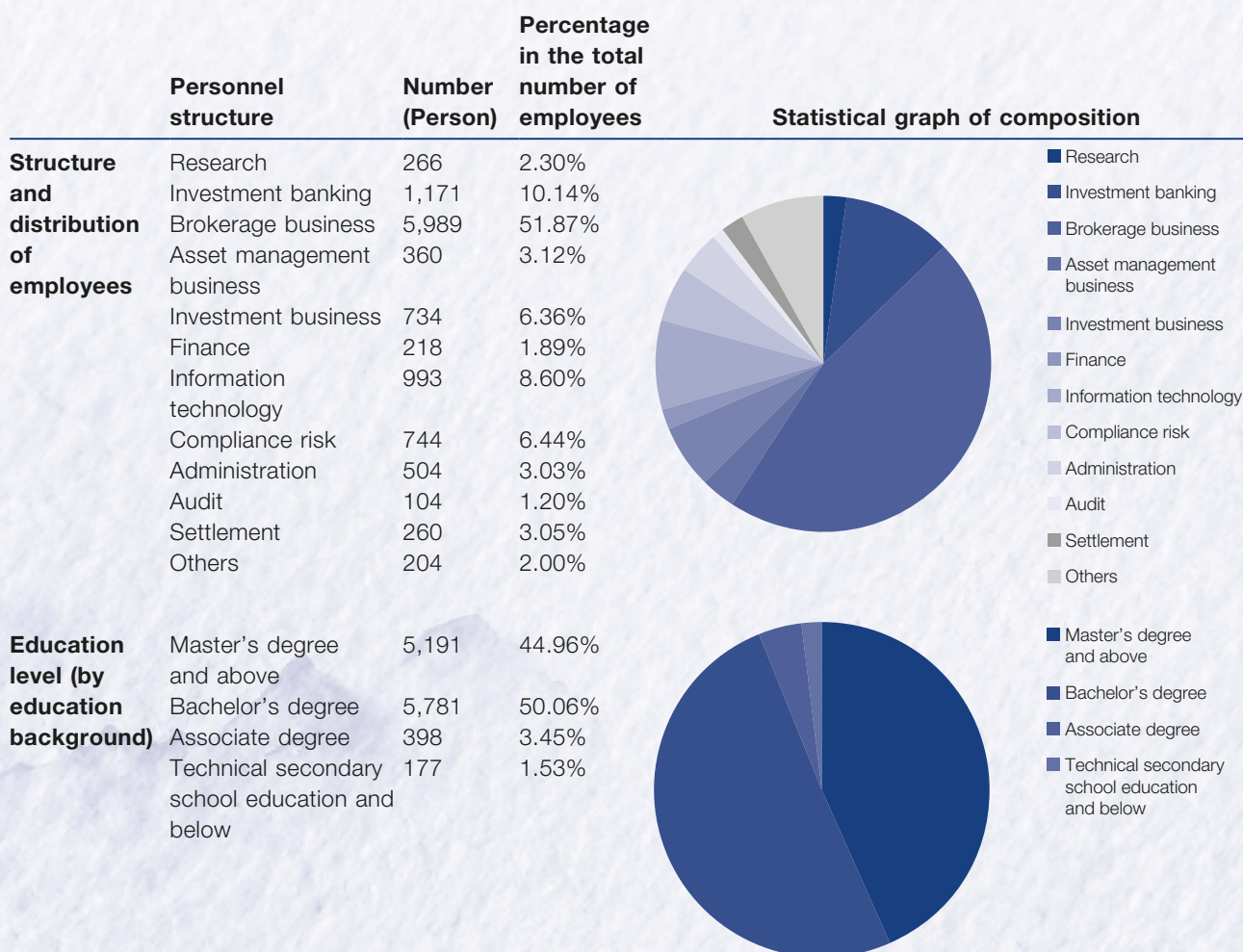
## XII. SHARE PURCHASE RIGHTS OF DIRECTORS AND SUPERVISORS

Save as disclosed above, none of the Company or any of its subsidiaries has participated at any time during the year in any arrangement through which the directors and supervisors of the Company may benefit by purchasing shares or bonds of the Company or any other entities.

## XIII. EMPLOYEES OF THE COMPANY

### (I) Number of Employees, Professional Structure and Education Level

As of December 31, 2024, the Group had a total of 11,547 employees (including 258 brokerage agents), of which Shenwan Hongyuan Group had 93 employees, Shenwan Hongyuan Securities and its subsidiaries had 10,865 employees (including 7,384 employees of Shenwan Hongyuan Securities and a total of 3,481 employees of the subsidiaries of Shenwan Hongyuan Securities), and other subsidiaries had a total of 589 employees.







## (II) Gender of Employees

As of December 31, 2024, the proportion of male employees and female employees (including senior management) in the Company's total employees was 53.1% and 46.9%, respectively. The Company fully respects the individual differences of talents, creates a professional, inclusive and diversified working environment in the workplace, and strives to provide equal opportunities for its employees. The Company believes that the current gender ratio of its employees (including senior management) is relatively balanced and expects to continue to maintain a reasonable level of gender diversity at the employee level (including senior management).

## (III) Remuneration Policy for Employees

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

## (IV) Training Program

The training program of the Company closely focused on the strategic requirements of high-quality development, adhered to the working principle of serving the overall interests and educating according to the needs, aimed to serve the Company's strategy, empower the talent team, and support business development, continuously perfected the training system for all staff in a hierarchical manner. The Company fully exerted the role of the Party school as the main front, strengthened the Party spirit and ideals and beliefs, and conducted training on the spirit of the Central Financial Work Conference and the Third Plenary Session of the 20th Central Committee, the capacity of grass-roots Party organizations to performance duties, and the ideals and beliefs of young employees. The Company strengthened top-level design and formulated the Cadre Education and Training Plan of the Company (2023-2027). The Company improved the training system and continuously improved the Company's training system of "Galaxy" and "Aviation". The Company adhered to talent empowerment and organized training for managers to enhance their ideals, beliefs and leadership, training courses for young and middle-aged cadres, excellent management empowerment camps and intensified training for new employees. The Company carried out nearly 40 centralized training courses. The Company served the overall interests of the Company, fulfilled the strategic mission of a state-owned financial institution to serve the country, and conducted training on topics such as national security and confidentiality. The Company initiated business empowerment brand, implemented training for wealth, investment and other business talents, organized thematic learning month series lectures on business opportunities and challenges under the "1+N" policy system, and conducted business line roundtable dialogues for the first time. The Company conducted a series of training sessions on "serving the real economy" covering 12 branches and subsidiaries in 3 major industrial regions, and refined 16 industrial customer marketing cases.





**(V) Number of the Retired Employees for Whom the Company Is Required to Pay Costs**

As of the end of the Reporting Period, there were 1,095 retired employees for whom the Company (including the parent company and wholly-owned subsidiaries) is required to pay costs.

**XIV. INFORMATION ABOUT CUSTOMER SOLICITATION AND CUSTOMER SERVICE OF COMMISSION BROKERS OF SHENWAN HONGYUAN SECURITIES, A SUBSIDIARY OF THE COMPANY**

As of December 31, 2024, Shenwan Hongyuan Securities had a total of 75 branches (statistics based on the distribution of securities brokers in service) that implement the securities brokerage system in the PRC, with 175 securities brokers in service (including 6 from the branches of Shenwan Hongyuan Securities (Western)), all of which had completed the registration of the qualifications for securities broker with the Securities Association of China. According to the requirements of “centralized and unified management of securities brokers and their practices” in the Interim Provisions on the Management of Securities Brokers issued by the CSRC, Shenwan Hongyuan Securities clearly stipulates the responsibilities in works and management requirements for the management of securities brokers at the headquarters and branches in the securities brokerage management system: the wealth management business division is responsible for the implementation of centralized and unified management of the company’s securities brokers, the human resources headquarters, the risk management headquarters and the planning and financial management headquarters will provide collaborative management, the information technology development headquarters and the IT support headquarters provide technical system development support and operation and maintenance support, to establish a sound securities brokerage management system, internal control mechanism and technical system. Branches are the departments that specifically manage and operate securities brokers. They have branch managers, compliance managers, and marketing managers who carefully implement the qualification review, contract signing process, training management, information query, entrusted contract and file management, daily management, assessment commission management, risk management, code of conduct, customer return visits, abnormal transaction monitoring, accountability and other specific tasks of the securities brokers to ensure that securities brokers engage in customer solicitation and customer service in strict accordance with the company’s authorisation to achieve the standardized implementation and stable development of the securities broker system of branches.

**XV. PROFIT DISTRIBUTION OF ORDINARY SHARES AND CONVERSION OF CAPITAL RESERVES INTO SHARE CAPITAL OF THE COMPANY**

**(I) Profit Distribution Policy of Ordinary Shares during the Reporting Period**

The Articles of Association classifies the Company’s profit distribution policy as follows:

“Article 230 For the distribution of profits, the Company shall pay attention to the reasonable return of investors and give consideration to the sustainable growth of the Company. On the basis of profitable operation by the Company and monitoring maintained on Net Capital required by business development of the Company, the profit distribution policy of the Company shall maintain a certain level of continuity and stability.

The Company may distribute dividends in cash, stock or by the combination of cash and stock. When the Company has no material investment plans or material cash expenditures, provided the funds requirements for normal operation of the Company has been satisfied, the dividend distribution policy of cash dividend payment shall be adopted by the Company in preference. In any three consecutive years, the aggregate profits distributed by the Company in cash shall not be less than 30% of the annual distributable profits for such three years. Subject to the satisfaction by the Company of the percentage of the above cash dividend distribution, the Company may distribute profits by issuing bonus shares.





At the annual general meeting of the Company to consider the annual profit distribution plan, the Company may consider and approve the conditions, upper limit on the percentage and maximum amount of interim cash dividend distribution for the next year. The maximum amount of the interim dividend distribution for the next year considered at the annual general meeting shall not exceed the net profit attributable to the shareholders of the listed company for the corresponding period. The Board of Directors shall formulate a specific interim dividend distribution plan in accordance with the resolution of the general meeting, subject to the conditions for profit distribution.

The Board of the Company shall take into comprehensive consideration of factors such as industry characteristics, the Company's phase of the development stage, its own business mode, profitability, solvency as well as any potential substantial capital expenditure arrangement and investors' returns and formulate specific cash dividend distribution policy applicable to the following situations:

- (I) Where the Company is in a maturity phase of the development stage with no substantial capital expenditure arrangements, the cash dividend distributed shall not be less than 80% of the total profits distributed when carrying out profits distribution;
- (II) Where the Company is in a maturity phase of the development stage with substantial capital expenditure arrangements, the cash dividend distributed shall not be less than 40% of the total profits distributed when carrying out profits distribution;
- (III) Where the Company is in a growth phase of the development stage with substantial capital expenditure arrangements, the cash dividend distributed shall not be less than 20% of the total profits distributed when carrying out profits distribution.

Where the phase of the development stage of the Company is difficult to define but Company has substantial capital expenditure arrangements, the profit distribution may be dealt with pursuant to the preceding provisions.

Article 231 Where the Company needs to adjust its existing profit distribution policy in light of business operations, investment plans and the requirement of long-term development of the Company, the adjusted profit distribution policy shall not violate relevant requirements of the CSRC and the Shenzhen Stock Exchanges. The proposal on the adjustment to the profit distribution policy shall be deliberated by the Board of Directors before it is submitted to the general meeting for consideration.

When the Company formulates its cash dividend distribution plan, the Board of Directors shall carefully study the matters concerning the Company's cash dividend distribution, including intervals, conditions, the minimum payout ratio, conditions for adjustment and the decision-making procedures. Independent non-executive directors are entitled to express their opinions once they consider that the specific cash dividend distribution plan may be harm to the interests of the listed company or minority interests. Before any specific cash dividend distribution plan is deliberated at a general meeting for consideration, the Company shall sufficiently listen to the comments from the minority shareholders.



Article 232 A profit distribution plan of the Company shall be in compliance with the relevant regulations, with a view to long-term and sustainable growth. Such factors as the comprehensive analysis of the operation and development of the Company, industrial development trends, the intention of the shareholders the costs of social funds and the external environment for financing shall also be taken into consideration.

The Board of the Directors of the Company shall explain its proposed applications for the retained undistributed profits in any profit distribution plan. The undistributed profits retained by the Company shall be mainly used for replenishing working capital of the Company so as to improve the Net Capital level of the Company. Where the Board of the Company develops no profit distribution plan, it shall make disclosure in periodic reports to explain the reasons and purposes of undistributed profits retained by the Company, together with independent opinions from the independent non-executive directors. Any proposal for profit distribution of the Company shall be submitted to a general meeting for approval after it has been considered and adopted by the Board of Directors, with the independent non-executive directors expressing independent opinions.

Article 233 Where the Company needs to adjust its profit distribution policy due to significant changes in the external operating environment and business operations of the Company, the adjusted profit distribution policy shall not violate any laws, regulations and regulatory rules in order to protect the rights and interests of the shareholders.

Any proposals concerning any adjustment to the profit distribution policy shall require discussion and negotiation in detail, and active communication with the shareholders (especially the minority shareholders) through various channels to collect opinions and requests from the minority shareholders. The proposal shall be submitted to a general meeting for approval after it has been considered and adopted by the Board of Directors, with the independent non-executive directors expressing independent opinions, and the proposal shall be adopted by the shareholders present at the general meeting representing more than two-thirds of the voting rights."

#### Specific Particulars of Cash Dividend Policy

1.	Whether the policy complied with the provisions of the Articles of Association or the requirements of the resolutions of the Shareholders' General Meeting:	Yes
2.	Whether the standard and proportion of dividend distribution were definite and clear:	Yes
3.	Whether the relevant decision-making procedure and mechanism were well established:	Yes
4.	Whether the independent non-executive directors performed their duties and responsibilities and played their roles properly:	Yes
5.	Whether minority shareholders had sufficient opportunity to express their opinions and requests, whether their legitimate interests were sufficiently protected:	Yes
6.	If the cash dividend policy underwent any adjustments or changes, whether the conditions and procedures were compliant and transparent:	Yes



**(II) Profit Distribution Plan or Plan for Conversion of Capital Reserve into Share Capital as Considered by the Board of Directors during the Reporting Period**

Number of bonus shares for every 10 shares (share)	0
Amount of dividend for every 10 shares (RMB) (tax inclusive)	0.46
Number of shares converted for every 10 shares (share)	0
Basis of the shares for the distribution proposal (share)	25,039,944,560
Total amount of cash dividends (RMB) (tax inclusive)	1,151,837,449.76
Amount of cash dividends in other ways (e.g. repurchase of shares) (RMB)	0
Total amount of cash dividends (including other ways) (RMB)	1,151,837,449.76
Distributable profit (RMB)	2,405,652,087.09
Percentage of total cash dividends (including other ways) in total amount of profit distribution	100%

**Cash Dividends**

- Based on the total share capital of 25,039,944,560 A Shares and H Shares as of December 31, 2024, a cash dividend of RMB0.46 (tax inclusive) for every 10 shares was distributed to all A shareholders and H shareholders whose names appear on the register of members of the Company on the record date, with a total amount of cash dividend of RMB1,151,837,449.76. The cash dividend will be paid to shareholders within two months after the convening of the 2024 annual general meeting of the Company, and it is expected to be paid no later than August 31, 2025. The Company made an interim profit distribution in 2024, with a cash dividend of RMB425,679,057.52. During the year, the Company distributed an aggregate cash dividend of RMB0.63 (tax inclusive) for every 10 shares, with a total amount of cash dividend of RMB1,577,516,507.28, accounting for 30.27% of the profit for the year attributable to shareholders of the parent company for the year. The remaining profits available for distribution to investors in 2024 will be carried forward to the next year.
- Cash dividend is denominated and declared in RMB and paid to A shareholders in RMB and to H shareholders in HKD. The actual distribution amount in HKD was calculated at the rate of average benchmark exchange rate of RMB against HKD published by the People's Bank of China five business days prior to the 2024 annual general meeting of the Company.

If there is any change in the total share capital of the Company during the period from the date of disclosure of the profit distribution proposal to the record date for the implementation of the equity distribution, the Company intends to maintain the total distribution amount unchanged and adjust the distribution ratio per share accordingly.



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

As audited and confirmed by KPMG Huazhen LLP, in 2024, the Group realized consolidated profit for the year attributable to the shareholders of the parent company of RMB5,210,661,908.61. The balance of the audited undistributed profit of the parent company of the Group at the beginning of 2024 was RMB2,786,799,567.41, plus profit for the year realised by the parent company of the Group of RMB1,607,520,525.07 in 2024; after deducting the cash dividend in the total amount of RMB1,827,915,952.88 in 2023 and the interim period of 2024; after deducting the statutory surplus reserve of RMB160,752,052.51 calculated at 10% of the profit for the year realized in 2024 according to the requirements of the Company Law and the Articles of Association. The balance of profit available for distribution of the parent company of the Group at the end of 2024 was RMB2,405,652,087.09.

1. Based on the total share capital of 25,039,944,560 A Shares and H Shares as of December 31, 2024, a cash dividend of RMB0.46 (tax inclusive) for every 10 shares was distributed to all A shareholders and H shareholders whose names appear on the register of members of the Company on the record date, with a total amount of cash dividend of RMB1,151,837,449.76. The cash dividend will be paid to shareholders within two months after the convening of the 2024 annual general meeting of the Company, and it is expected to be paid no later than August 31, 2025. The Company made an interim profit distribution in 2024, with a cash dividend of RMB425,679,057.52. During the year, the Company distributed an aggregate cash dividend of RMB0.63 (tax inclusive) for every 10 shares, with a total amount of cash dividend of RMB1,577,516,507.28, accounting for 30.27% of the profit for the year attributable to shareholders of the parent company for the year. The remaining profits available for distribution to investors in 2024 will be carried forward to the next year.
2. Cash dividend is denominated and declared in RMB and paid to A shareholders in RMB and to H shareholders in HKD. The actual distribution amount in HKD was calculated at the rate of average benchmark exchange rate of RMB against HKD published by the People's Bank of China five business days prior to the 2024 annual general meeting of the Company.

If there is any change in the total share capital of the Company during the period from the date of disclosure of the profit distribution proposal to the record date for the implementation of the equity distribution, the Company intends to maintain the total distribution amount unchanged and adjust the distribution ratio per share accordingly.

---



### (III) Tax Concession

#### 1. Shareholders of A Shares

In accordance with the Notice on Relevant Issues of Implementation of Individual Income Tax Policy of Dividends and Bonus Differentiation of Listed Companies (Cai Shui [2012] No. 85) (《關於實施上市公司股息紅利差別化個人所得稅政策有關問題的通知》(財稅[2012]85號)) and the Notice on Relevant Issues of Individual Income Tax Policy of Dividends and Bonus Differentiation of Listed Companies (Cai Shui [2015] No. 101) (《關於上市公司股息紅利差別化個人所得稅政策有關問題的通知》(財稅[2015]101號)) issued by the Ministry of Finance, the State Taxation Administration and the CSRC, for dividends and bonus of individual investors obtained from listed companies from the date when individual investors obtain shares of the Company to the equity registration date, if shareholding period is more than one year, personal income tax will be exempted; if shareholding period is not more than one year (including one year), the listed company will not withhold and remit personal income tax and the tax payable amount will be calculated by the shareholding period when individual investors transfer their shares. As for shareholders of resident enterprises, income tax of cash bonus will be paid by themselves. Listed companies will withhold and remit enterprise income tax at the tax rate of 10% for qualified foreign institutional investors (QFII) in accordance with provisions of the Notice of State Administration of Taxation on Relevant Issues Regarding the Withholding and Payment of Enterprise Income tax Relating to the Payment of Dividends, Bonus and Interest by PRC Resident Enterprises to QFII (Guo Shui Han [2009] No. 47) (《國家稅務總局關於中國居民企業向QFII支付股息、紅利、利息代扣代繳企業所得稅有關問題的通知》(國稅函[2009]47號)). If QFII shareholders are entitled to tax convention (arrangement) treatment regarding dividends and bonus obtained by them, they can put forward or entrust obligor of withholding and remitting tax to put forward application for enjoying tax convention treatment to the competent taxation authority of the listed company.





In accordance with provisions of the Notice of the Ministry of Finance, State Administration of Taxation and China Securities Regulatory Commission on Tax Policies about Inter-communication Pilot of Shenzhen-Hong Kong Stock Exchange Mechanism (Cai Shui [2016] No. 127) (《財政部國家稅務總局證監會關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)), as for dividends and bonus of Hong Kong market investors (including enterprise and individual) by investing A shares listed on Shenzhen Stock Exchange, differentiated taxation policy by shareholding period will not be implemented before Hong Kong Securities Clearing Company Limited complies with conditions to provide detailed data including identities of investors and shareholding time for China Securities Depository and Clearing Corporation Limited, and the listed company will withhold income tax at the tax rate of 10% and go through deduction declaration with the competent taxation authority. As for Hong Kong investors who are tax residents of other countries and whose dividends income tax rate specified in tax convention signed by their countries and China is lower than 10%, enterprises or individuals can put forward or entrust obligor of withholding and remitting tax to put forward application for enjoying tax convention treatment to the competent taxation authority of the listed company.

## **2. Shareholders of H Shares**

In accordance with provisions of the Notice of the State Administration of Taxation on Personal Income Tax Collection Issues after Abolishment of the Document with the Number of Guo Shui Fa [1993] No. 045 (Guo Shui Han [2011] No. 348) (《國家稅務總局關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》(國稅函[2011]348號)), withholding and remitting obligor will withhold and remit personal income tax as per item of “interest, dividends and bonus income” for dividends and bonus income of overseas resident individual shareholders from domestic non-foreign funded enterprise by issuing shares in Hong Kong. When domestic non-foreign-funded enterprise issues shares in Hong Kong, its overseas resident individual shareholders will enjoy relevant tax preference in accordance with tax convention signed by China and the country stated in the residential identity and tax arrangement of Mainland China and Hong Kong (Macau). In general, tax rate for dividend is 10% in accordance with relevant tax convention and provisions on tax arrangement. To simplify tax collection and management, when a domestic non-foreign-funded enterprise that has issued shares in Hong Kong distributes dividends and bonus, personal income tax will be generally withheld and remitted as per the tax rate of 10% and application is not necessary. Situations in which tax rate for dividends is not 10% will be handled in accordance with the following provisions: (1) as for residents of country under the convention whose tax rate is less than 10%, withholding and remitting obligor can handle application for enjoying relevant convention treatment and excessive tax will be refunded with approval of competent taxation authority; (2) as for residents of country under the convention whose tax rate is between 10% and 20%, withholding and remitting obligor shall withhold and remit personal income tax as per actual tax rate under the convention when distributing dividends and bonus and it need not handle application and approval issues; (3) as for residents of country without tax convention and other situations, withholding and remitting obligor shall withhold and remit personal income tax at the tax rate of 20% when distributing dividends and bonus.



In accordance with provisions of the Notice on Relevant Issues that PRC Resident Enterprises Distribute Dividends to Overseas Non-resident Enterprise Shareholders of H-shares and Withhold and Remit Enterprise Income Tax (Guo Shui Han [2008] No. 897) (《關於中國居民企業向境外H股非居民企業股東派發股息代扣代繳企業所得稅有關問題的通知》(國稅函[2008]897號)) issued by the State Administration of Taxation, when PRC resident enterprises distribute dividends of 2008 and future years to overseas non-resident enterprise shareholders of H-shares, they will withhold and remit enterprise income tax at the tax rate of 10%.

In accordance with provisions of the Notice of the Ministry of Finance, State Administration of Taxation and China Securities Regulatory Commission on Tax Policies about Inter-communication Pilot of Shenzhen-Hong Kong Stock Exchange Mechanism (Cai Shui [2016] No. 127) (《財政部國家稅務總局證監會關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)), H-share companies will withhold personal income tax at the tax rate of 20% for dividend and bonus of individual investors in the PRC who invest in H-shares listed on the Hong Kong Stock Exchange via Shenzhen-Hong Kong Stock Connect. Personal income tax will be collected in accordance with the above provisions for dividends and bonus income of the securities investment fund in the PRC which invests in listed shares of the Hong Kong Stock Exchange via the Shenzhen-Hong Kong Stock Connect. H-share companies will not withdraw dividend and bonus income tax for dividends and bonus of enterprise investors in the PRC who invest in listed shares of the Hong Kong Stock Exchange via the Shenzhen-Hong Kong Stock Connect and income tax will be paid by enterprises themselves. Dividends and bonus income obtained by resident enterprises in the PRC as they have continuously held H-shares for 12 months will be exempted from enterprise income tax according to laws.

In accordance with current convention of the Hong Kong Inland Revenue Department, taxes will not be paid for dividends paid by the Company in Hong Kong.

Shareholders of the Company will pay relevant taxes and/or enjoy tax concession in accordance with the above provisions.

## XVI. RESERVES AND RESERVES OF DISTRIBUTABLE PROFIT

As of December 31, 2024, the Company's distributable reserves under China Accounting Standards for Business Enterprises amounted to RMB2.406 billion. For the changes in reserves and reserves of distributable profit, please refer to the "Consolidated Statement of Changes in Equity" of financial statements and Note 50 to the consolidated financial statements in this report.

## XVII. IMPLEMENTATION OF THE COMPANY'S EQUITY INCENTIVE PLAN, EMPLOYEE SHARE PLAN OR OTHER EMPLOYEE INCENTIVE MEASURES

N/A





## **XVIII. CONSTRUCTION AND IMPLEMENTATION OF INTERNAL CONTROL SYSTEM DURING THE REPORTING PERIOD**

### **(I) Construction and Implementation of Internal Control**

The Company attaches great importance to the work related to internal control construction and earnestly implements the Basic Standards for Enterprise Internal Control and its supporting guidelines as well as relevant regulations on the implementation of internal control of listed companies. The Company has established an internal control system covering all departments, branches and subsidiaries of the Company. The Company has formulated the rules of procedure for the general meetings, Board of Directors and Board of Supervisors, the performance rules of the Board of Directors and the Board of Supervisors, the Internal Control System, the Internal Control Evaluation System and other systems and clarified the responsibilities and authorities of the Board of Directors, the Board of Supervisors, the management, and relevant internal unit in terms of construction, supervision, inspection and evaluation of internal control. The Company continued to strengthen the construction of the system, enhanced the implementation and supervision of the system, standardized the management and business development of the Company and ensured that the internal control covers the whole process of the Company's operation.

The Board of the Company is responsible for the effectiveness of the Company's internal control and its implementation; the Board of Supervisors independently exercises supervisory powers, and supervises and inquiries about the Company's finance and the performance of duties by directors and senior management of the Company to safeguard the legitimate rights and interests of the Company and shareholders; the management is responsible for the daily operation of the Company's internal control. At the same time, the Company has set up functional departments including the compliance risk control department and the audit department, which are responsible for the daily work of construction, supervision and inspection and follow-up evaluation of the company's internal control. The Company continued to improve the authorization management system composed of general meetings, the Board of Directors, and the management, and also regularly organised authorised execution and inspections. The Company's operation management and business development were advanced in an orderly way within the scope of authorisation.

During the Reporting Period, the internal control system of the Company ran well, which was in line with the governance structure, business scale and business nature of the Company.

### **(II) Details of the Significant Defects in Internal Control Detected during the Reporting Period**

During the Reporting Period, no major defects were identified in the internal control of the Company.

## **XIX. MANAGEMENT AND CONTROL OF SUBSIDIARIES BY THE COMPANY DURING THE REPORTING PERIOD**

In strict accordance with laws and regulations and relevant regulatory provisions, the Company strengthens the overall planning and overall management and control of the development of subsidiaries, and has established and improved the management system and mechanism of subsidiaries, optimized and perfected the management system of subsidiaries, and strengthened the financial management and risk management of subsidiaries. The rights and interests of investors are safeguarded through fulfillment of the responsibilities of investors in a legal and effective form, which ensures the effective control of subsidiaries, proactively enhances the overall interests of the Company, and promotes the improvement of comprehensive operating efficiency.

During the Reporting Period, the Company did not have any new subsidiaries arising from purchase.





## XX. ASSESSMENT REPORT ON INTERNAL CONTROL OR INTERNAL CONTROL AUDIT REPORT

### (I) Assessment Report on Internal Control

Date of disclosure of the full text of internal control evaluation report	March 29, 2025
Disclosure index of full text of internal control evaluation report	Cninfo (www.cninfo.com.cn)
The percentage of total assets of units included in the evaluation scope to the total assets in the Company's consolidated financial statements	100%
The percentage of total operating income of units included in the evaluation scope to the operating income in the Company's consolidated financial statements	100%



Defect identification criteria		
Category	Financial Report	Non-financial Report
Qualitative criteria	<p>Material defect:</p> <p>(1) Directors, supervisors and senior management have committed fraud related to financial report and have been investigated by the judicial authorities.</p> <p>(2) Misinformation may cause users to make significant wrong decisions or diametrically opposite decisions, causing significant losses.</p> <p>(3) Significant corrections to published financial reports.</p> <p>(4) Defects in internal control severely affect the authenticity, completeness and reliability of financial reports and safety of related assets.</p> <p>Major defect:</p> <p>One defect or a combination of defects in internal control of financial report that is with less severity than a material defect, but may still cause the Company to deviate from the objectives of internal control.</p> <p>General defect:</p> <p>Other defect other than a material defect or a major defect.</p>	<p>Material defect refers to one defect or a combination of control defects that may cause the Company to materially deviate from the objectives of internal control.</p> <p>Major defect refers to one defect or a combination of control defects that is with less severity and less severe economic consequences than a material defect, but may still cause the Company to deviate from the objectives of internal control.</p> <p>General defect refers to other defect other than a material defect or a major defect.</p>
Quantitative criteria	<p>Material defect: The potential misstated amount is more than 3% (inclusive) of the total net assets, or more than 5% (inclusive) of the total profit before tax.</p> <p>Major defect: The potential misstated amount is between 1.5% (inclusive) and 3% of the total net assets, or between 3% (inclusive) and 5% of the total profit before tax.</p> <p>General defect: The potential misstated amount is less than 1.5% of the total net assets, or less than 3% of the total profit before tax.</p>	<p>Material defect: The direct property losses amount to 5% (inclusive) or more of the Company's total profit before tax.</p> <p>Major defect: The direct property losses are between 3% (inclusive) and 5% of the Company's total profit before tax.</p> <p>General defect: The direct property losses are less than 3% of the Company's total profit before tax.</p>
The number of material defects in financial reports (piece)		0
The number of material defects in non-financial reports (piece)		0
The number of major defects in financial reports (piece)		0
The number of major defects in non-financial reports (piece)		0



**(II) Internal Control Audit Report**

Review of the internal control audit report	
As at December 31, 2024, Shenwan Hongyuan Group had maintained effective internal control over financial reports in accordance with the Basic Standards for Enterprise Internal Control and related requirements in all material respects.	
Disclosure of internal control audit report	Disclosed
Disclosure date of full text of internal control audit report	March 29, 2025
Disclosure index of full text of internal control audit report	Cninfo (www.cninfo.com.cn)
Type of opinion of the internal control audit report	Standard and unqualified opinion
Whether there is any material defect in the non-financial report	No

## XXI. ESTABLISHMENT OF DYNAMIC RISK CONTROL INDICATORS MONITORING AND REPLENISHMENT MECHANISM BY SHENWAN HONGYUAN SECURITIES, A SUBSIDIARY OF THE COMPANY

**(I) Dynamic Risk Control Indicators Monitoring Mechanism**

Shenwan Hongyuan Securities has always attached great importance to the construction of a dynamic risk control indicators monitoring mechanism. The risk management department has developed and established its own risk management system which is independent of other business departments based on the requirements of the Administrative Measures for Risk Control Indicators of Securities Companies. Such system is able to dynamically supervise risk control indicators with Net Capital and liquidity as key indicators, together with risks of businesses.

On the basis that each department, branch and subsidiary of Shenwan Hongyuan Securities identifies, assesses and monitors the indicators applicable to their respective business, the risk management department of the Company conducts an independent review through the risk management system, issues a warning against situations violating the alert level, and urges the relevant department to respond to the risk.

During the Reporting Period, the key risk control indicators with Net Capital and liquidity as the cores of Shenwan Hongyuan Securities were in compliance with regulatory requirements. During the period, the concentration risk control indicator of the “proportion of the holding size of a non-equity security to its total size”, exceeded regulatory standards once due to insufficient funds of counterparties. The Company reported to regulatory authorities in a timely manner and took measures to reduce the proportion of holding to within regulatory standards within the prescribed time.





**(II) Establishment of Capital Replenishment Mechanism**

Shenwan Hongyuan Securities has established a Net Capital replenishment mechanism. When risk control indicators of Shenwan Hongyuan Securities including Net Capital trigger the alert standards, the Company will replenish Net Capital by reducing the type and scale of proprietary investment products with high risks, adjusting business operation plans, issuing subordinated debts, raising funds, and similar measures. In recent years, the capital adequacy level of Shenwan Hongyuan Securities has been in line with business development, and the major risk control indicators centering on Net Capital and liquidity have continued to meet the requirements of regulatory authorities.

**(III) Stress Test of Risk Control Indicator**

Shenwan Hongyuan Securities has established a stress test mechanism for risk control indicators. According to the relevant requirements of the Guidelines on Securities Companies' Stress Tests, Shenwan Hongyuan Securities conducts annually a comprehensive stress test based on market environment changes and business development. When making cash dividend distributions and carrying out various major businesses, it also performs special stress tests, measures its general risk tolerance and formulates measures to ensure a healthy, sustainable and stable development.

**XXII. IMPLEMENTATION OF COMPREHENSIVE RISK MANAGEMENT BY SHENWAN HONGYUAN SECURITIES, A SUBSIDIARY OF THE COMPANY**

Upholding the concept of “thinking of potential problems in times of peace, and making steady and sustainable progress”, Shenwan Hongyuan Securities strengthens the risk awareness and bottom-line thinking of all employees. It has built a risk management organization structure with clear levels and organic synergy, and established a risk management organization structure that adapts to the Company’s strategy and are dynamically adjusted according to the external environment and situation. Management and control measures for early warning, effective identification, prevention, control and resolution of various risks have been improved for creation of an efficient one-stop comprehensive risk management platform with the characteristics of the Company. It continues to optimize the group-based, vertical and integrated risk management system, grasps the ideas of matrix, penetrating and interactive risk control, and adheres to the principles of consolidating the first line of defense, specializing in the second line of defense and strengthening the third line of defense. The risk control capabilities are continuously enhanced and various risks in business management are better controlled as a whole, providing a strong guarantee for the stable and sustainable development of the Company.

- (I) In terms of the risk management organization structure, Shenwan Hongyuan Securities has established a four-level risk management organization structure comprising the board of directors, the compliance management and risk control committee, the board of supervisors, the management and risk management committee, the risk management department and other functional management departments, as well as business departments, branches and subsidiaries, and formed three lines of defense including the business departments, risk management department and other functional departments, and audit department. The division of labor at all levels is clear with the responsibilities for risk management fully fulfilled.





- (II) In terms of risk management systems and policies, Shenwan Hongyuan Securities has established a risk management system with the Risk Management System as the basic system, with various professional management measures for risks in terms of market, credit, liquidity, operation, reputation, etc. and business-level operating procedures and specific risk management systems as supporting rules, which regulates various types of risk management. Meanwhile, Shenwan Hongyuan Securities has determined risk appetite and clarified the basic attitude toward risk and return and the total amount of risk it is willing to bear by taking into account internal and external factors such as the strategic development objectives, external market environment, risk tolerance ability and shareholders' return requirements. On this basis, Shenwan Hongyuan Securities has formulated the risk tolerance and its implementation plan based on the actual situation, and has established a key risk limit indicators system. Relevant systems and policies have been effectively implemented.
- (III) In terms of risk management and control measures, Shenwan Hongyuan Securities has established a comprehensive risk identification and analysis system, and has adopted qualitative and quantitative methods to analyze and evaluate the Company's risks; for internal and external major risk information that may affect the realization of business objectives, scientific and reasonable measurement models or evaluation methods are adopted for prudent assessment; it has established a clear risk control indicators system, which effectively covers various business types and professional risk types, and realized dynamic monitoring and early warning of various business risk indicators and regulatory indicators through a risk management system; it has established a risk response strategy that is commensurate with risk appetite and a complete internal and external response mechanism, to basically and effectively control various types of risks; it has enhanced the penetration management for subsidiaries and continuously promoted the risk management policies of the Company to subsidiaries, and subsidiaries are required to report to the Company for independent review or research and decision-making when carrying out major investment and financing projects, new businesses, new products and other major matters, forming a "visible, accessible and manageable" closed-loop risk management mechanism for subsidiaries; and it has established a smooth risk information communication mechanism to ensure transmission and feedback of relevant information in a timely, accurate and complete manner.

### XXIII. COMPLIANCE RISK CONTROL AND INVESTMENT IN INFORMATION TECHNOLOGY OF SHENWAN HONGYUAN SECURITIES, A SUBSIDIARY OF THE COMPANY

Shenwan Hongyuan Securities attaches great importance to compliance and risk control, and has established a comprehensive internal control mechanism covering all employees and the whole business process and a full coverage risk management system to ensure the legal compliance of its business operations. The investment in compliance risk control of Shenwan Hongyuan Securities mainly includes (based on the pilot statistical standards of investment in compliance risk control for securities companies' consolidated supervision, i.e. the standards for parent company): compensation for compliance risk control personnel, operating expenses of compliance risk control and investment in the construction of compliance risk control related system. In 2024, Shenwan Hongyuan Securities attaches great importance to investment in compliance and risk control with total investment in compliance and risk control throughout the year of RMB326.2834 million.





Shenwan Hongyuan Securities attaches great importance to information technology innovation, continuously optimizes the information system and provides secure, stable and personalized services to ensure and support business development. The investment in information technology mainly includes (according to the statistics based on the indicators of investment in construction of information system for securities companies): depreciation and amortization costs of IT investment in fixed assets and intangible assets, IT daily operating costs, computer room rental costs, IT circuit lease costs, IT independent research and development costs and investment in IT staff. In 2024, Shenwan Hongyuan Securities continued to increase investment in information technology and its total investment in information technology throughout the year amounted to RMB1,184.8296 million, representing an increase of 9.17% over the last year.

#### **XXIV. COMPLIANCE MANAGEMENT SYSTEM CONSTRUCTION AND INSPECTION AND AUDIT BY COMPLIANCE AND AUDITING DEPARTMENTS DURING THE REPORTING PERIOD**

The Company continuously improves the compliance management system and the compliance management organization structure in accordance with laws, regulations and regulatory requirements and based on the actual situation of the Company's operation and management, to continuously deepen the compliance management of the Company and ensure the continuous and standardized development of various businesses of the Company.

##### **(I) Compliance Management System**

The Company has established the compliance management systems comprising basic compliance management system (including but not limited to the Basic Compliance Management System, the Related Party Transaction Management System and the Integrity Management System) and supporting rules for compliance management (including but not limited to the Administrative Measures for Rules and Regulations, the Administrative Measures for Compliance Management and the Administrative Measures for Chinese Wall), and conducted dynamic revision and improvement according to the changes in laws and regulations and based on the actual situation of the Company. In particular, the Company also prepared and issued the Compliance Manual and the Compliance Case Manual as the basic norms and bottom line requirements for business development of the Company.

##### **(II) Compliance Management Organization System**

The Company has established a compliance management organization system composed of "leadership (the Board of Directors, Board of Supervisors, Executive Committee), compliance executives/compliance director, compliance department, departments, branches and subsidiaries" based on the actual situation of management. Compliance management organisations and personnel at all levels perform their duties effectively according to the division of responsibilities and duties.





The Board of Directors, Board of Supervisors, Executive Committee of the Company perform duties related to compliance management in accordance with the laws, regulations, standards, and the Articles of Association. The Board of the Company is responsible for determining compliance management objectives, and assumes final responsibility for the effectiveness of compliance management, the Executive Committee of the Company is mainly responsible for operation in line with laws and regulations, and the Board of Supervisors of the Company supervises the performance of compliance management duties by the Board of Directors and the Executive Committee of the Company. The compliance director/executives, as the person(s) in charge of compliance of the Company, performs compliance management duties in accordance with laws, regulations and standards, provides support and assistance to the Board of Directors and management in performing compliance management duties, and coordinates the effective operation of the compliance management system. The Company has established a compliance department to assist the compliance director/executives in carrying out work. The compliance department is accountable to the compliance director/executives and performs compliance management duties in accordance with the regulations of the Company and arrangements by the compliance director/executives. The persons in charge of departments, branches and subsidiaries are responsible for operation in line with laws and regulations of such departments, branches and subsidiaries, and supervise and manage the compliance of the practices of the staff of such departments, branches and subsidiaries. The departments and branches have set up compliance management positions. The personnel on such positions are responsible for coordination of compliance management of the departments and branches, and assisting the persons in charge of the departments and branches in establishment and improvement of compliance management system and operation procedures, implementing the Company's compliance management requirements, and performing relevant duties including compliance review, compliance culture promotion, compliance training, compliance consulting, etc.

### (III) Operation of Compliance Management

The Company advocates the compliance culture concepts of proactive compliance, compliance creates value, compliance starts from the management, everyone assumes responsibility for compliance, and compliance is the Company's survival basis, etc. Compliance management follows the principles of comprehensiveness, compliance independence, and proactive compliance by all employees.

Compliance management includes provision of compliance consulting for the Company's Directors, Supervisors, Executive Committee, business departments, branches and their staff; compliance review of the Company's internal management system, major decisions, new products and new business solutions, etc.; compliance monitoring of the practices of the Company's management and staff; regular and irregular inspections of the compliance management of all departments; tracking major changes in laws, regulations and standards; regular and irregular report of compliance management of the Company to the Board of Directors, the Board of Supervisors, the Executive Committee and the securities regulatory authorities or self-regulation organizations; incorporation of compliance assessment into the performance assessment of senior management, departments, branches, subsidiaries and their staff; organizing internal assessment of the effectiveness of compliance management, etc.





The Company seriously organized the training and promotion of the new Anti-Money Laundering, continued to implement “risk-oriented” work concept, established and improved the anti-money laundering work system, continuously optimised the anti-money laundering work mechanism, continued to strengthen the application of the results of the self-assessment of the risk of institutional money laundering and terrorist financing, enhanced anti-money laundering work of non-brokerage business, earnestly performed the anti-money laundering obligations and improved the functions of anti-money laundering related systems, so as to continuously improve the effectiveness of anti-money laundering work.

The Company has established and improved the information isolation wall work system, and formulated the administrative measures for information isolation wall, which clarifies departments’ responsibilities and work processes. The Company’s proprietary business, customer asset management business, investment banking business, brokerage business, and securities investment consulting service are separated from each other. The Company strictly implements management measures including approval of cross-wall (reverse-wall) approval, restricted list and watch list management, and continuously promotes and optimises the construction of the information isolation wall system.

#### **(IV) Compliance Inspection and Audit**

##### **1. Compliance inspection**

During the Reporting Period, the Company proactively organised and launched relevant compliance inspections or self-inspections according to the regulatory requirements and the actual situation of the Company, which mainly including special self-inspection and inspections of integrity and honesty practices; compliance inspections and self-inspections on key issues such as bond business and asset securitization business, investment advisory business of mutual fund raising funds, investor suitability and practising behavior of employees of the Company; and compliance inspection on key units such as private placement subsidiaries, alternative subsidiaries, asset management subsidiaries, Hong Kong subsidiaries, Financial Innovation Headquarters, Securities Investment Headquarters, FICC Business Division, Fixed Income Sales and Trading Headquarters, and certain branches.

##### **2. Audit**

During the Reporting Period, the internal audit department of the Company, in accordance with external regulatory requirements and the requirements of the Party Committee of the Company on audit work, earnestly implemented the annual audit plan, organized and carried out economic responsibility audits, as well as external inspections and other work, and completed a total of 185 audits projects. Among them, 23 regular audit projects were conducted on subsidiaries of the Company, 145 economic responsibility audit projects were conducted on the persons-in-charge at various levels of the Company’s business divisions, headquarters, branches and subsidiaries, and 17 special and tracking audit projects were conducted on the Company’s business and management. In addition, in conjunction with supervisory practice, Shenwan Hongyuan Securities carried out special audits on 233 branches and subsidiaries to supervise key concerns and fully perform its audit supervision function.





## XXV. STATEMENT OF THE BOARD OF DIRECTORS ON RESPONSIBILITY OF INTERNAL CONTROL

The Company's internal control is a process implemented by the Board of Directors, the Board of Supervisors, the management and all employees to achieve the control objectives. The Board of Directors is responsible for the establishment, improvement and effective implementation of internal control. The Board of Supervisors oversees the establishment and implementation of internal control by the Board of Directors. The management is responsible for organizing and leading the daily operation of the Company's internal control, and adjusting and improving the internal control of the Company within the scope of authorisation in due course according to the changes in the internal and external circumstances. All units of the Company perform their internal control duties within the scope of its own functions and powers, and are responsible for the effectiveness of their internal control.

The Company continues to improve its internal control environment and internal control structure in accordance with external regulatory requirements and the actual needs of the Company's operation management, so as to gradually improve the integrity, rationality and effectiveness of internal control, and to ensure the orderliness of the Company's operation management and business. The Company continues to improve business and management systems in strict accordance with relevant provisions including the Company Law, the Securities Law, the Basic Standards for Enterprise Internal Control and its supporting guidelines, and regulatory requirements of the securities industry, laying a solid foundation for improving the Company's internal control.

The Board of the Company continues to improve its internal control system, evaluate its effectiveness, and truthfully discloses the internal control evaluation report in strict accordance with the standards for enterprise internal control, the listing rules of the places where the shares of the Company are listed and relevant laws and regulations. Due to the inherent limitations of internal control, the Company can only provide reasonable guarantees to achieve the above goals, and conduct dynamic and continuous assessment of the Company's internal control system. If the internal control system established by the Company is found to be defective in evaluation, the Company will immediately carry out rectification and improvement.

The Board of the Company has evaluated internal control in accordance with the requirements of the Basic Standards for Enterprise Internal Control, the Hong Kong Listing Rules, the listing rules of the Shenzhen Stock Exchange and relevant laws and regulations. The Board of Directors believes that, as of the benchmark date of the internal control evaluation report (December 31, 2024), the internal control was in line with the Company's operating scale, scope of business, competition status and risk level, and the Company's internal control was effective. No material defects were identified in the internal control of the Company.





## XXVI. STATEMENT OF THE BOARD OF DIRECTORS ON RISK MANAGEMENT

### (I) Statement of the Board of Directors

The effective risk management and internal control are essential to the Company's legal operation, and it is the responsibility of the Board of Directors to establish, improve and effectively implement risk management and internal control. The objectives of the Company's risk management and internal control are: to reasonably guarantee the legal compliance of business management, asset safety, authenticity and integrity of financial reports and related information, improve operational efficiency and effectiveness, and promote the realization of development strategies. Due to the inherent limitations of risk management and internal control, the risk management and internal control are designed to manage rather than eliminate the risk of failure to achieve business objectives, and it can only provide reasonable guarantees for achievement of the above goals, and perform dynamic and continuous evaluation of the Company's risk control and internal control system. Any defect in the risk management and internal control system established by the Company as identified during the evaluation process will be rectified and improved immediately. The Board has received confirmation from the management of the Company regarding the effectiveness of the risk management and internal control system and reviewed the effectiveness of the risk management and internal control system of the Group (including the financial monitoring, operation monitoring and compliance), and there were no material concerns identified in the review. The Board considers that the risk management and internal control system in place during the Reporting Period were effective and adequate. During the Reporting Period, the Company did not implement any significant changes to the risk management and internal control system.

### (II) Risk Management

The Company has firmly established the risk management concept of "thinking of potential problems in times of peace and worrying about chaos in times of stability; managing risks and creating value", and strengthened the risk awareness and bottom-line thinking of all employees. It has built a risk management organization structure with clear levels and organic synergy and established a risk management organization structure that adapts to the Company's strategy and makes dynamic adjustments according to the external environment and situation. Management and control measures for early warning, effective identification, prevention, control and resolution of various risks have been improved for creation of an efficient one-stop comprehensive risk management platform with the characteristics of the Company. While strengthening the construction of professional and compound risk management talent team, it continuously optimized vertical and integrated risk management system at group level. As a result, the risk control capabilities are continuously enhanced and various risks in business management are better controlled as a whole, providing a strong guarantee for the stable and sustainable development of the Company.



1. The Company has established a risk management organization structure comprising the Board of Directors, the Risk Control Committee, the Board of Supervisors, the executive committee and risk management committee, the risk management department and other functional management departments, as well as business departments, branches and subsidiaries to guarantee the effective operation of the risk management system. The Board of Directors is the highest decision-maker in the Company's risk management, and ultimately responsible for the overall risk management of the Company. The Board of Directors governs the Risk Control Committee, which is accountable to and reports to the Board of Directors. By fully exerting the role of special committee, the Risk Control Committee, with the focus placed on internal process controls, supervises and reviews the overall risk management, and proactively promotes the construction and improvement of the internal control system of the Company. The Company reviews the effectiveness of risk management and internal control systems of the Company and its subsidiaries at least once a year, covering all important monitoring aspects including the financial monitoring, operation monitoring and compliance monitoring, and reports the completion of relevant reviews to shareholders in the Corporate Governance Report.
2. The Company has established a risk management mechanism composed of three lines of defense including the business departments, risk management department and other relevant functional departments, and audit department of the Company. In particular, business departments, branches and subsidiaries serve as the first line of defense and are responsible for identifying, assessing, responding to and reporting related risks in a timely manner; the risk management department and other relevant functional departments are the second line of defense and monitor and manage the key risks in relation to the Company's operation management and business development; the audit department and other departments act as the third line of defense to conduct independent review and evaluation. The "three lines of defense" mechanism strengthens the awareness of risk responsibility at the forefront, strengthens front-end risk control, and effectively promotes the formation of risk awareness among all employees, so as to put risk management responsibilities in place.





- 3 In terms of risk management systems and policies, the Company has established a risk management system with the Risk Management System as the basic system with various professional management measures for risks in terms of market, credit, liquidity, operation, reputation, etc., and business-level operating procedures and specific risk management systems as supporting rules to regulate risk management. At the same time, the Company has determined risk appetite and clarified the basic attitude to risk and return and the total amount of risk it is willing to accept after giving comprehensive consideration to internal and external factors including strategic objectives of development, external market environment, risk tolerance and shareholder return requirements. Based on this, the Company has formulated the risk tolerance and its implementation plan based on the actual situation, and established a key risk limit indicators system. Relevant systems and policies have been effectively implemented.
4. In terms of risk management and control measures, a comprehensive risk identification and analysis system has been established, and qualitative and quantitative methods have been used to analyze and evaluate the company's risks. For internal and external major risk information that may affect the realization of business objectives, scientific and reasonable measurement models or evaluation methods are adopted for prudent assessment; the Company has established a clear risk control indicators system, which effectively covers various business types and professional risk types, and realized dynamic monitoring and early warning of various business risk indicators and regulatory indicators through a risk management system; the Company has established a risk response strategy that is commensurate with risk appetite and a complete internal and external response mechanism, to basically and effectively control various types of risks; the Company strengthened the penetrating management of subsidiaries, and continued to extend its risk management policies to cover its subsidiaries. Subsidiaries are required to report to the Company for independent assessment or research and decision-making when they carry out major investment and financing projects, new businesses, new products and other significant matters, forming a closed-loop risk management mechanism for its subsidiaries that is "clearly visible, adequate and manageable". In addition, the Company has established a smooth risk information communication mechanism to ensure transmission and feedback of relevant information in a timely, accurate and complete manner.





## XXVII. BASIS FOR ESTABLISHING INTERNAL CONTROL FOR FINANCIAL REPORTS

The Company has established accounting related systems and standardized the work related to financial analysis and financial reporting in accordance with the requirements of laws and regulations including the Company Law, the Securities Law, the Accounting Law, the Basic Standards for Enterprise Internal Control and its supporting guidelines, and the Guidelines on Internal Control of Securities Firms. The Company has clarified the responsibilities and authorities of relevant positions in financial reporting, standardized the preparation and review process of financial reports, and established a relatively complete financial report management mechanism. The Company has also established an accounting information technology system that automatically generates accounting books and statements through technological means, fully leveraging the system's role in business accounting, income and expenditure management, and statement generation. Through the above means, the Company achieved the effectiveness of internal control over financial reporting.

## XXVIII. RECTIFICATION FOR THE PROBLEMS IDENTIFIED IN SELF-INSPECTION IN THE SPECIAL GOVERNANCE ACTION OF LISTED COMPANIES

Not applicable

## XXIX. IMPLEMENTATION OF THE MANAGEMENT SYSTEM FOR REGISTRATION OF INSIDERS OF THE COMPANY

The Company is committed to establishing and improving a long-term mechanism to prevent insider trading. Pursuant to the Management System for Registration of Insiders, the Board of the Company is the decision-making body for the Company's inside information management. The secretary of the Board of Directors is in charge of coordinating and organizing the management of the Company's inside information. The relevant departments of the Company are responsible for monitoring of the Company's inside information, information disclosure, and insider file registration. Before the inside information is publicly disclosed in accordance with the law, in accordance with the relevant regulatory requirements, the Company will carry out the management, registration and filing of insiders in a timely manner. The Company truthfully and completely records the list of insiders at each aspect before the disclosure, prepares a memorandum on the progress of major events based on actual conditions, and makes a memorandum for the time of each key point in the planning and decision-making process, the list of personnel involved in planning and decision-making, and the method of planning and decisionmaking and signs thereon for confirmation. Relevant files are properly kept for the Company's self-inspection and examination by relevant regulatory authorities.





### XXX. OTHER ISSUES ON CORPORATE GOVERNANCE

#### (I) Responsibility to Be Borne by Directors for the Financial Statements

The responsibility statement of the directors on financial statements below shall be read in conjunction with that of the certified public accountants contained in the audit report of this report, while both statements shall be comprehended separately.

The Company's directors shall compile genuine and fair consolidated financial statements according to the disclosure requirements under the China Accounting Standards, International Financial Reporting Standards issued by the International Accounting Standards Board and the Hong Kong Companies Ordinance. The Company's directors will also be responsible for the necessary internal monitoring of the consolidated financial statements so that there will not be any material misstatements as a result of fraud or errors. The Company is not subject to any event or circumstance of material uncertainty, as a result of which significant doubt may be cast upon the ability of the on-going operation of the Company.

#### (II) Appointment and Remuneration of the Auditors

As considered and approved at the 2024 first extraordinary general meeting, the Company engaged KPMG Huazhen LLP and KPMG as the principal auditors of the Company to provide relevant domestic and overseas audit, review and other services for the consolidated accounts of the Company and its certain subsidiaries in accordance with the China Accounting Standards for Business Enterprises and the International Financial Reporting Standards, respectively; engaged Pan-China Certified Public Accountants LLP as the assistant auditor of the Company to provide audit service for certain subsidiaries of the Company; and engaged KPMG Huazhen LLP as the internal control auditor of the Company for 2024. The total audit fee is RMB4.92 million (including the fee for internal control of RMB540,000).

For details of the employment and remuneration, please refer to "VIII. Appointment and Dismissal of Accounting Firms" in "Section VI. Significant Events" in this report.

#### (III) Securities Transactions by Directors, Supervisors and Relevant Employees

The Company has adopted the Model Code as its own code of conduct for directors and supervisors in conducting securities transactions. After specific enquiry of the directors and supervisors of the Company, all directors and supervisors have strictly complied with the standards in the Model Code during the Reporting Period.

#### (IV) Company Secretaries

Mr. Xu Liang and Mr. Wong Wai Chiu of SWCS Corporate Services Group (Hong Kong) Limited are joint company secretaries of the Company. Mr. Wong Wai Chiu's primary contact person in the Company is Mr. Xu Liang, who is the secretary of the Board of Directors of the Company.

During the Reporting Period, according to the requirements of the Hong Kong Listing Rules, Mr. Xu Liang and Mr. Wong Wai Chiu, the company secretaries, had participated in relevant professional training for no less than 15 hours in accordance with Rule 3.29 of the Hong Kong Listing Rules.



#### **(V) Amendments to the Working Rules of the Relevant Committees of the Board of Directors**

In order to further improve and standardize the meeting and decision-making procedures of the Audit Committee of the Board (the “Audit Committee”) and the Remuneration and Nomination Committee of the Board of the Company (the “Remuneration and Nomination Committee”), and to continuously improve the work efficiency and the level of scientific decision-making of the Audit Committee and the Remuneration and Nomination Committee, the Company amended the Working Rules of the Audit Committee of the Board and the Working Rules of the Remuneration and Nomination Committee of the Board of Directors during the Reporting Period. The amended Working Rules of the Audit Committee of the Board of Directors of Shenwan Hongyuan Group Co., Ltd. and the Working Rules of the Remuneration and Nomination Committee of the Board of Directors of Shenwan Hongyuan Group Co., Ltd. were considered and approved at the twenty-third meeting of the fifth session of the Board of the Company.

#### **(VI) Investor Relations**

The Company attaches great importance to investor relations management. It has formulated relatively complete rules and regulations including the Investor Relations Management System (the “Shareholder Communication Policy”), and established a number of communication channels including on-site meeting, telephone and internet. The Company proactively strengthens interactive exchange with the capital market through a number of communication methods including results presentation, acceptance of investors’ research and attendance of the meetings of brokers and through communication platforms including website of the Company, investor hotline, email and interaction website of stock exchange to enhance the Company’s transparency and ensure investors’ right to know and other legitimate rights and interests. If shareholders have any inquiries, they can send them to the Company’s office address by mail, hotline or direct mail, and the Company will handle relevant inquiries appropriately in a timely manner.



In 2024, in addition to the daily communication with public investors, the Company held and participated in 11 investor relations activities such as results presentation and research. The details are as follows:

Reception time	Reception location	Reception method	Type of reception object	Reception object	Main content discussed and information provided
January 9, 2024	–	Telephone communication	Institution	Non-banking analysts and investors of Founder Securities	Operation and development of the Company
April 1, 2024	–	Online communication	Individual, institution	Analysts and investors attending Shenwan Hongyuan's 2023 Annual Results Conference	Operation and development of the Company
May 9, 2024	Beijing	On-site communication	Institution	Analysts of Guotai Junan Securities, and institutional investors including New Thinking Investment and Guodu Securities	Operation and development of the Company
May 10, 2024	Beijing	On-site communication	Institution	Investors invited to Kaiyuan Securities' 2024 Mid-Term Strategy Meeting	Operation and development of the Company
May 14, 2024	–	Telephone communication	Institution	Analysts of CICC and investors of TPA (HK)	Operation and development of the Company
June 13, 2024		Telephone communication	Institution	Investors invited by Huaxi Securities to the 2024 interim meeting of exchange of listed companies	Operation and development of the Company
June 14, 2024	–	Online communication	Individual, institution	Investors who participated in the 2024 online collective reception day for investors of listed companies in Xinjiang	Operation and development of the Company
September 2, 2024		Online communication	Individual, institution	Analysts and investors attending Shenwan Hongyuan's 2024 Interim Results Conference	Operation and development of the Company
November 5, 2024	Beijing	On-site communication	Institution	Analysts of Huatai Securities	Operation and development of the Company
November 13, 2024	Beijing	On-site communication	Institution	Investors invited to CICC's 2024 Investment Strategy Meeting	Operation and development of the Company
November 22, 2024	Beijing	On-site communication	Institution	Analysts of Changjiang Securities and investors of CPCM	Operation and development of the Company

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

The Board reviews the shareholder communication policy at least once a year to ensure its effectiveness. After reviewing the different channels of communication with shareholders, the Board believes that the shareholder communication policy was properly implemented and effective during the year.



## **(VII) Amendments to the Articles of Association**

In order to standardize the operation of the Company, to implement the requirements of the State Council and the CSRC on the governance of listed companies and to further enhance the level of corporate governance, according to the provisions of laws, administrative regulations and departmental rules such as the Company Law, the Securities Law, the Guidelines for the Articles of Association of Listed Companies, the Rules for the General Meetings of Listed Companies and the Measures for the Administration of Independent Directors of Listed Companies, and taking into account the actual situation, the Company amended certain provisions of the Articles of Association to standardize the requirements and expressions relating to general meetings, and to clarify the requirements for the qualifications and appointment procedures of independent non-executive directors. The amendments to the Articles of Association were approved at the general meeting on June 28, 2024. Please refer to announcements dated March 28, 2024 and June 28, 2024 and the circular dated June 6, 2024 of the Company for more details.





## Section V Environmental and Social Responsibility

### I. INFORMATION ON PROTECTION OF ECOLOGY, POLLUTION CONTROL AND FULFILLMENT OF ENVIRONMENTAL RESPONSIBILITIES

As a financial enterprise, the Company's daily operations involve major energy sources such as natural gas, fuel consumption of official vehicles and purchased electricity, and the Company's major water consumption is domestic water used in the office operation process, and its major wastes are the food waste, toner cartridges and office paper generated from the office operation process. The Company strictly complies with the Environmental Protection Law of the People's Republic of China, the Energy Conservation Law of the People's Republic of China and other laws and regulations, and actively manages its energy and carbon emissions, and carries out energy saving and emission reduction measures such as regulating the management of electricity consumption, promoting paperless office, and publicizing low-carbon travel, and continues to do a good job in the management of the use of water resources and the management of wastes. For details, please refer to "Environmental Issues" in "Next Chapter: ESG Management and Performance" as set out in the 2024 Sustainability Report and Environmental, Social and Governance Report of Shenwan Hongyuan Group Co., Ltd. simultaneously disclosed by the Company.

### II. SOCIAL RESPONSIBILITY

The Company has separately prepared and disclosed the 2024 Sustainability Report and Environmental, Social and Governance Report of Shenwan Hongyuan Group Co., Ltd. (the "Sustainability Report", and disclosed simultaneously with this annual report) to fully reflect the Company's sustainability and ESG performance in 2024. The content of this chapter is only an overview. For details, please refer to relevant sections of the Sustainability Report.

#### (I) Purpose of the Corporate Social Responsibility

The Company always adheres to the original aspiration of "serving the country with finance, and finance for the people", upholds the mission and vision of "professional service, creating value and becoming a trustworthy first-class investment bank and investment institution in the long run", takes "faith and commitment, pursuit of innovation and excellence on the basis of what has worked in the past" as the core value of the Company, regards shareholders, customers and employees as the foundation of the Company's survival and development, adheres to perform social responsibility, and becomes a responsible enterprise worthy of long-term trust from shareholders, customers and employees with professional service ability, good service attitude and high-quality social benefit.

#### (II) Protection of Shareholders and Creditors' Rights and Interests

The Company actively protected the interests of Shareholders and the legitimate rights and interests of creditors. The Company has clearly stipulated the relevant rights to which Shareholders are entitled in the Articles of Association, safeguarded shareholders' full exercise of their legally entitled rights to distribution, information, suggestions and voting, adhered to the maximization of shareholders' interests, and reasonably formulated the annual profit distribution plan, in an effort to reward the shareholders and the society. In addition, the Company has strictly fulfilled its debts in accordance with the contracts and covenants signed with its creditors in a manner recognized by the creditors, thus protecting the legitimate rights and interests of the creditors. In 2024, the principal and interest of the matured bonds of the Company were fully paid, and the interest of other outstanding bonds was paid in full and on time.



### **(III) Protection of Employee Rights and Interests**

The Company strictly complied with the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China and other relevant laws and regulations, adhered to the people-oriented principle, ensured equal employment, adhered to the strategy of diversified talent introduction, formulated a sound system of employment, remuneration, attendance and others, and practically safeguarded the legitimate rights and interests of the employees; built a dual-channel job system with both management and professionalism, established a payroll and performance management system with internal fairness and external competitiveness, formed a multi-level talent training system, and emphasized and promoted the development of employees in a comprehensive manner; continued to pay attention to the aspirations of employees, deepened employee care, and devoted itself to building a warm workplace for employees, achieving a win-win situation for both employees and for the development of the enterprise.

### **(IV) Protection of Clients' and Consumers' Rights and Interests**

The Company always focuses on customers and attaches great importance to investor protection. The Company established the Investor Protection Committee, and set up a department dedicated to investor rights protection in accordance with the requirements, and further strengthened the leadership and arrangements for investor protection through the enhancement of mechanism construction. In practice, while providing customers with professional and personalized financial products, the Company implemented data security and customer privacy protection management, combined investor education with suitability management, customer service and complaint handling, practiced the concept of "big insurance", and protected the legitimate rights and interests of investors.

### **(V) Protection of the Rights and Interests of Suppliers and Partners**

The Company actively protected its intellectual property rights and practiced responsible purchasing to protect the rights and interests of its suppliers and partners. The Company strictly complied with the Trademark Law of the People's Republic of China and Patent Law of the People's Republic of China, formulated intellectual property rights related systems and regulations, and did a good job in protecting the intellectual property rights of itself, its customers and its third-party partner. In terms of responsible purchasing, the Company formed a standardized procurement management procedure, a clear and transparent purchasing process, and a procurement organization system with clear lines of authorities and responsibilities, and continued to improve the management of the procurement process.





**(VI) Active Development of Green Finance**

As a proactive response to the national call for green development, the Company, relying on its own business characteristics and advantages, promotes green and low-carbon development with professional finance. In 2024, the Company issued and underwrote 19 green bonds as a lead underwriter, with a total issuance amount of RMB62.7 billion and an underwriting amount of RMB29.8 billion. In terms of carbon finance business, the Company completed forward intertemporal portfolio transactions of Shanghai carbon emission rights quotas, and implemented the first swap transaction linked to the “CFETS Carbon Emission Reduction Tool-backed Field Selected Credit Bond Index”.

**(VII) Improvement of Environmental and Climate Risk Management System**

The Company actively promoted the effective integration of climate change management and “dual carbon” practices and business, integrated responsible investment concepts into the investment decision-making process, and improved the environmental and social benefits of investment behavior. Meanwhile, the Company focused on its own green and low-carbon operations and contributed to the response to climate change, formulated and published the Measures for Climate Risk Management, incorporated environmental and climate risk factors into risk management tools such as internal rating systems and negative lists under the existing frameworks, continued to conduct daily monitoring of the environmental and climate risk information of the relevant businesses, established and improved an environmental and climate risk management mechanism which is in line with its strategic planning and development practices, and effectively controlled environmental and climate risks.

**(VIII) Active ESG-related Research and Application**

The Company has always been practicing the concept of green development, focused on strengthening its research and service efforts in the fields of green manufacturing, energy, power and energy-saving, and continuously enhanced the ability of green securities to serve the real economy. As the vice-chairman of China Green Carbon Foundation, SWS Research has fully exerted its research strengths, tracked ESG hot events in-depth, published the White Paper on ESG Rating System for Central Enterprises and several research reports of carbon market series, independently rated nearly 200 central enterprises covering seven major industries including transportation, real estate, petrochemicals and etc., and actively exchanged ESG management experience with listed companies bilaterally. Furthermore, within the framework of fundamental investment research, the Company incorporated ESG scores into its valuation model and investment decision-making considerations, and imposed investment restrictions or quota management on entities with excessive lower ESG scores.





### III. CONSOLIDATING AND EXPANDING THE ACHIEVEMENTS IN POVERTY ALLEVIATION AND RURAL REVITALIZATION

In 2024, the Company actively served the national strategy of rural revitalization, promoted the smooth commencement of helping work in six counties, including Huining in Gansu and Jimunai in Xinjiang, etc. and implemented the “1+2+3+4+N” rural revitalization mode. The Company has received the following honors, including the “Women’s Public Welfare Contribution Unit” from the China Women’s Development Foundation, the “Most Socially Responsible Award” from the China Social Welfare Foundation, the “Excellent Case of Financial Support for Rural Revitalization” from the Financial Times, the first prize of the “Award for Serving the National Strategy” from the Shanghai Securities Association.

- (I) By seizing the main line of industrial revitalization, the Company has orderly promoted industrial assistance projects. Since 2024, the Company has made use of its professional strength to assist in the consolidation of state-owned assets in Huining County, and orderly promoted several projects in Huining County such as drought emergency water source project, construction of roads for rural industrialization, insurance and futures for agricultural products, renovation and upgrading of sheep deep processing center in Huining, the Science and Technology Yard of China Agricultural University, and construction of e-commerce in Huining County, which have strongly supported the development of the local industries.
- (II) Broadened the idea, innovated measures, and strived to achieve high quality assistance. The Company actively innovated the assistance measures and introduced a remote teaching station of Tsinghua University and a summer practice team of Central University of Finance and Economics in Huining. The first Shenwan Hongyuan staff training course on rural revitalization was held at the Cadre College in Huining to cultivate more talents. The Company carried out the “Big Hands Holding Small Hands (大手牵小手)”, “Shenwan Hongyuan Classes (申萬宏源班)” and other projects which benefited 285 students, and continued to organize 80 Huining students to Beijing for a study tour. The Company launched the “Art Changes the Countryside” project, proposing new concepts for the artistic transformation and brand marketing of agricultural and sideline products, which was reported by the People’s Daily, China Silk Road, Phoenix and other media. The Company organized the “1+N” Love Factory to provide employment opportunities for accompanying mothers and left-behind mothers. The Company innovatively set up the “Shenwan Hongyuan Charity Fund (申萬宏源愛心基金)”, under which the seniors fund and the youth fund were founded. The Company conducted two condolence and assistance activities to 302 persons in three rural townships.
- (III) Focused on the promotion of high-quality development momentum, and made great efforts to promote the culture of each individual’s participation in assistance. The Company called on employees to actively forward and promote products distribution, helped sell over RMB12.00 million of rural specialties, and centralized the procurement of over RMB13.00 million of rural specialties of poverty alleviation areas, benefiting hundreds of rural households. Employees initiated the “Winter Warming Program” to donate materials to students in difficulty and some women in distress in Huining County. The Company made donation to the construction of the “School Broadcasting Station”, which was a timely solution to the school’s problem of not being able to set up the station as planned due to lack of funds. In 2024, Shenwan Hongyuan invested RMB30.00 million in assistance funds in Huining County, and the Party organizations at all levels paired with and assisted 43 units in Huining, and have exceeded the targets for “introduction of compensated assistance funds” and “assistance through consumption”.



## I. IMPLEMENTATION OF COMMITMENTS

### (I) Commitments accomplished during the Reporting Period and not yet accomplished by the actual controller, shareholders, related parties, acquirers and the Company and other related parties as of the end of the Reporting Period

#### 1. Commitments not yet accomplished by the actual controller, shareholders, related parties, acquirers and the Company and other related parties as of the end of the Reporting Period

Cause of commitment	Name of undertaking party	Details of commitment	Commencement date of commitment	Expiry date of commitment	Performance
Refinancing	Directors, senior management	The Directors and senior management make the following commitments for effective implementation of the measures to make up for returns in accordance with the relevant requirements of the CSRC: I. they will not direct benefits to other entities or individuals without consideration or on unfair terms, nor will they compromise the interests of the Company in any other manner; II. they will act to restrain duty-related spending; III. they will not appropriate assets of the Company for investments and spending not related to the performance of their duties; IV. the remuneration system formulated by the Board of Directors or the Remuneration and Nomination Committee will be correlated to the implementation of the Company's measures to make up for returns; V. in the event of the implementation of any share option incentive scheme by the Company in future, the conditions for exercising options under such scheme will be correlated to the implementation of the Company's measures to make up for returns.	2017-05-19	During the tenure of the Director and senior management of the Company	Ongoing performance



Cause of commitment	Name of undertaking party	Details of commitment	Commencement date of commitment	Expiry date of commitment	Performance
Initial public offering	China Jiayin Investment Ltd.	Letter of Commitment on Avoiding Horizontal Competition On July 22, 2017, China Jiayin Investment undertakes that: The company, China Jiayin Investment Ltd., currently holds 60.02% of the shares of Hongyuan Securities Co., Ltd. ("Hongyuan Securities"), and may be deemed as the related party of the controlling shareholder or its actual controller of the surviving company (the "Surviving Company", including subsidiaries, branches and branches of subsidiaries) after the completion of the material asset restructuring (the "Restructuring") of Hongyuan Securities and Shenyin & Wanguo Securities Co. Ltd. ("Shenyin & Wanguo"), during which the company makes the following irrevocable commitments to the Surviving Company: (I) According to the spirit of the meeting of the State Council, as a platform for restructuring of securities companies, the company has undertaken the restructuring of a number of securities companies. Therefore, in addition to holding shares in Hongyuan Securities, it also holds shares in a number of securities companies. The company undertakes that no new strategic equity investment in securities companies will be made in the future, except for tasks assigned by the government or regulatory authorities. (II) After the completion of the Restructuring, the company will not use its holding position in the Surviving Company to damage the interests of the Surviving Company and other shareholders. The company understands that the Surviving Company may rely on the confirmations and commitments made in this commitment. The company undertakes that if the company becomes aware of any information that would cause people to doubt the authenticity, accuracy and completeness of the information provided in this confirmation letter, the company will immediately notify the Surviving Company in writing of such information.	2015-01-26	During the tenure of controlling shareholder	Ongoing performance



Cause of commitment	Name of undertaking party	Details of commitment	Commencement date of commitment	Expiry date of commitment	Performance
Initial public offering	China Jianyin Investment Ltd.	<p>Letter of Commitment on Reduction and Regulation of Related Party Transactions</p> <p>The company, China Jianyin Investment Ltd., currently holds 60.02% of the shares of Hongyuan Securities Co., Ltd. ("Hongyuan Securities"), and may be deemed as the related party of the controlling shareholder or its actual controller of the surviving company after the completion of the material asset restructuring of Hongyuan Securities and Shenyin &amp; Wanguo Securities Co. Ltd. ("Shenyin &amp; Wanguo" or the "Surviving Company"). The company makes the following irrevocable commitments to the Surviving Company: (I) The company will regulate and do its utmost to reduce related party transactions with the Surviving Company and the companies controlled by it. If an unavoidable related party transaction occurs with the Surviving Company and the companies controlled by it, it will enter into a standard agreement on related party transaction with the Surviving Company according to law, and perform the approval procedures in accordance with the relevant laws, regulations, rules, other normative documents and the articles of association; the price of the related party transaction shall be determined based on the price of the same or similar transactions with independent third parties without related party relationships, to ensure that the price of the related party transaction is fair; the company guarantees to discharge the information disclosure obligations of related party transaction in accordance with the relevant laws, regulations and the articles of association; the company guarantees that it will not use related party transaction to illegally transfer the funds and profits of the Surviving Company, or use related party transaction to damage the interests of the Surviving Company and non-related shareholders. (II) The company and other</p>	2015-01-26	During the tenure of controlling shareholder	Ongoing performance





Cause of commitment	Name of undertaking party	Details of commitment	Commencement date of commitment	Expiry date of commitment	Performance
		companies controlled by the company will not require the Surviving Company to grant more favorable terms than those granted to independent third parties in any market fair transaction. (III) The company guarantees that it will attend the shareholders' meetings, exercise corresponding rights equally, assume corresponding obligations, that it will not use the status of controlling shareholder to obtain improper benefits, and that it guarantees not to harm the legal interests of other shareholders (especially minority shareholders) of the company in accordance with the Surviving Company's articles of association. The company undertakes to perform its obligation to abstain from voting when voting on related party transactions involving the company and other companies controlled by the company at the shareholders' meeting of the Surviving Company. (IV) The company will faithfully fulfill the above commitments and bear corresponding legal liabilities. If the breach of the above commitments causes losses to the Surviving Company and other shareholders, all losses will be borne by the company. (V) The undertaking party guarantees the right to sign this letter of commitment, and once this letter of commitment is formally signed, it constitutes an effective, legal and binding responsibility to the undertaking party. The company understands that the Surviving Company may rely on the confirmations and commitments made in this commitment. The company undertakes that if the company becomes aware of any information that would cause people to doubt the authenticity, accuracy and completeness of the information provided in this confirmation letter, the company will immediately notify the Surviving Company in writing of such information.			

Company Profile and  
Key Financial Indicators

Report of the Board

Corporate  
Governance

Environmental and  
Social Responsibility

Significant Events

Changes in Shares  
and Shareholders

Profile of Bonds

Financial Statements





## Section VI Significant Events (continued)

Cause of commitment	Name of undertaking party	Details of commitment	Commencement date of commitment	Expiry date of commitment	Performance
Initial public offering	Central Huijin Investment Ltd.	<p>Letter of Commitment on Avoiding Horizontal Competition</p> <p>On July 22, 2014, Central Huijin undertakes that: 1. As long as the company is being treated as the actual controller of Shenyin &amp; Wanguo or an affiliate of the actual controller of Shenyin &amp; Wanguo in accordance with the laws or listing rules of China or the place where Shenyin &amp; Wanguo's shares are listed (if the shares of Shenyin &amp; Wanguo are listed for trading), the company undertakes that it will not engage in or participate in any competitive securities business within or outside China. If the company participates in or conducts competitive securities business or any business or activity that has evolved into a competitive securities business within or outside China, the company undertakes that it will immediately terminate the participation, management or operation of such competitive securities business. 2. If the company has obtained any government approval, authorization or license to directly operate securities business, or other opportunities to operate securities business, the company undertakes that it will immediately waive such approval, authorization or license and not engage in any securities business. 3. Notwithstanding the commitments under clauses 1 and 2 above, in view of the fact that the company is a state-owned investment company engaged in investment in the financial industry established by the Chinese government, the company may, through other subsidiaries, engage in or participate in any competitive securities business within or outside China in any form (including but not limited to sole proprietorship, joint venture or cooperative cooperation and directly or indirectly holding shares or other interests of other companies or enterprises). 4. As a state-owned investment company engaged in investment in the financial industry established by the Chinese government, the company will treat the securities companies it invests in fairly. The company will not grant or provide the approval, authorization, permit or business opportunity for operation of securities business obtained or likely to be obtained by it to any securities company, and it will not use the status of Shenyin &amp; Wanguo's actual controller or the information obtained from that status to make decisions or judgments that are not favorable to Shenyin &amp; Wanguo and other securities companies invested by the company, and will avoid such objective results. When the company exercises its rights as the actual controller of Shenyin &amp; Wanguo, the company will exercise its actual controller's rights in the most or best interests of Shenyin &amp; Wanguo as if the only securities company invested by it is Shenyin &amp; Wanguo. The company's investment in other securities companies will not affect its commercial judgments made as the actual controller of Shenyin &amp; Wanguo to seek the most or best interests for Shenyin &amp; Wanguo.</p>	2015-01-26	During the tenure of actual controller	Ongoing performance



Cause of commitment	Name of undertaking party	Details of commitment	Commencement date of commitment	Expiry date of commitment	Performance
Initial public offering	China Jiayin Investment Ltd.	<p>Letter of Commitment on Separation of Business, Asset, Personnel, Finance and Organization</p> <p>The company, China Jiayin Investment Ltd., may be deemed as the related party of the controlling shareholder or its actual controller of the surviving company after the completion of the material asset restructuring of Hongyuan Securities and Shenyin &amp; Wanguo Securities Co. Ltd. ("Shenyin &amp; Wanguo"). The company makes the following irrevocable commitments to Shenyin &amp; Wanguo:</p> <p>The company undertakes that after Shenyin &amp; Wanguo completes the material asset restructuring with Hongyuan Securities and after the listing, the surviving company will be independent from the company and other companies controlled by the company in terms of asset, personnel, finance, organization and business. Details are as follows:</p> <p>①The assets of the surviving company are independent. The surviving company independently and completely owns the business system and relevant assets related to the operation, and is independent from the company and other companies controlled by the company. ②The personnel of the surviving company are independent. The senior management of the surviving company including the general manager, deputy general manager, chief financial officer and secretary of the board of directors do not hold any positions other than directors and supervisors in or receive salaries from the company and other companies controlled by the company; the financial personnel of the surviving company do not concurrently take other positions in the company and other companies controlled by the company. ③The surviving company is financially independent. The surviving company has established an independent financial accounting system, which can make financial decisions independently, has a standardized financial accounting system and a financial management system for branches and subsidiaries; the surviving company does not share bank accounts with the company and other companies controlled by the company.</p>	2015-01-26	During the tenure of controlling shareholder	Ongoing performance





## Section VI Significant Events (continued)

Cause of commitment	Name of undertaking party	Details of commitment	Commencement date of commitment	Expiry date of commitment	Performance
		<p>④The organization of the surviving company is independent. The surviving company has established a sound internal operation and management organization, which independently exercises its operation and management functions, and there is no organization mixed up with the company and other companies controlled by the company.</p> <p>⑤The business of the surviving company is independent. The business of the surviving company is independent from the company and other companies controlled by the company, and there is no obviously unfair related party transaction with the company and other companies controlled by the company. The company understands that Shenyin &amp; Wanguo may rely on the confirmations and commitments made in this commitment. The company undertakes that if the company becomes aware of any information that would cause people to doubt the authenticity, accuracy and completeness of the information provided in this confirmation letter, the company will immediately notify Shenyin &amp; Wanguo in writing of such information.</p>			





Cause of commitment	Name of undertaking party	Details of commitment	Commencement date of commitment	Expiry date of commitment	Performance
Initial public offering	Central Huijin Investment Ltd.	Letter of Commitment on Separation of Business, Asset, Personnel, Finance and Organization The issuer has a complete business system and the ability to operate independently in the market. It is independent from the company and other companies controlled by the company in terms of asset, personnel, finance, organization, and business. The company undertakes that after completion of the material asset restructuring with Hongyuan Securities Co., Ltd. and after the listing, it will be independent from the company and other companies controlled by the company in terms of asset, personnel, finance, organization and business. Details are as follows: 1. The assets of the issuer are independent. The issuer independently and completely owns the business system and relevant assets related to the operation, and is independent from the company and other companies controlled by the company. 2. The personnel of the issuer are independent. The senior management of the issuer including the general manager, deputy general manager, chief financial officer and secretary of the board of directors do not hold any positions other than directors and supervisors in or receive salaries from the company and other companies controlled by the company; the financial personnel of the issuer do not concurrently take other positions in the company and other companies controlled by the company. 3. The issuer is financially independent. The issuer has established an independent financial accounting system, which can make regular business decisions independently, has a standardized financial accounting system and a financial management system for branches and subsidiaries; the issuer does not share bank accounts with the company and other companies controlled by the company. 4. The organization of the issuer is independent. The issuer has established a sound internal operation and management organization, which independently exercises its operation and management functions, and there is no organization mixed up with the company and other companies controlled by the company. 5. The business of the issuer is independent. The business of the issuer is independent from the company and other companies controlled by the company, and there is no obviously unfair related party transaction with the company and other companies controlled by the company.	2015-01-26	During the tenure of actual controller	Ongoing performance

## 2. Commitments accomplished by the actual controller, shareholders, related parties, acquirers and the Company and other related parties during the Reporting Period

N/A





- (II) **If there are profit forecasts for the assets or projects of the Company and the Reporting Period is within the period of the profit forecasts, particulars of the Company's assets or projects reaching the original profit forecasts and the reasons**

N/A

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

The controlling shareholder and its related parties did not have any appropriation of non-operating capital of the Company.

**III. ILLEGAL EXTERNAL GUARANTEES**

The Company did not provide any illegal external guarantees.

**IV. EXPLANATION OF THE BOARD OF DIRECTORS ON THE LATEST “NON-STANDARD AUDIT REPORT”**

N/A

**V. EXPLANATION OF THE BOARD OF DIRECTORS, THE BOARD OF SUPERVISORS AND INDEPENDENT DIRECTORS ON THE “NON-STANDARD AUDIT REPORT” ISSUED BY THE ACCOUNTING FIRM FOR THE REPORTING PERIOD**

N/A

**VI. EXPLANATION ON CHANGES IN ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES OR CORRECTION OF SIGNIFICANT ACCOUNTING ERRORS COMPARED TO THE FINANCIAL REPORT FOR THE LAST YEAR**

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

**VII. CHANGES IN THE SCOPE OF CONSOLIDATED STATEMENTS COMPARED TO THE FINANCIAL REPORT FOR THE LAST YEAR**

During the Reporting Period, there was no change in the scope of consolidation of the Company.





### VIII. APPOINTMENT AND DISMISSAL OF ACCOUNTING FIRMS

On September 27, 2024, the 30th meeting of the fifth session of the Board of the Company considered and approved the Resolution regarding Engagement of Accounting Firms for Annual Audit of the Company for 2024. The terms of office of the Company's former external auditors (PricewaterhouseCoopers Zhong Tian LLP and PricewaterhouseCoopers) expired at the conclusion of the 2023 annual general meeting of the Company. Taking into account market information, based on the principle of prudence and according to relevant requirements, the Company entrusted Guoxin Tendering Group Co., Ltd. to conduct the invited tender for the accounting firms responsible for annual audit for 2024. Based on the results of the evaluation of the tenders, it was approved to engage KPMG Huazhen LLP and KPMG (collectively referred to as "KPMG") as the principal auditors of the Company to provide relevant domestic and overseas audit, review and other services for the consolidated accounts of the Company and its certain subsidiaries in accordance with the China Accounting Standards for Business Enterprises and the International Financial Reporting Standards, respectively, to engage PanChina Certified Public Accountants ("PanChina") as the assistant auditor of the Company to audit certain subsidiaries of the Company; and to engage KPMG Huazhen LLP as the internal control auditor of the Company for 2024. The total audit fee is RMB4.92 million (including the fee for internal control of RMB540,000).

In accordance with relevant laws, regulations and system requirements of the Company, the audit committee of the Board of Directors of the Company has reviewed the work plan of selection and engagement of auditors of the Company for 2024, and guided the management of the Company on specific matters on selection and engagement, and certain members of the audit committee participated in the evaluation of the tenders as members of the tender evaluation committee. The audit committee of the Board of Directors of the Company is of the opinion that KPMG and PanChina have the qualifications and capabilities to engage in financial audit and internal control audit, meet the independence requirements of relevant independence policies and professional codes, possess good integrity, have the capability to protect investors and satisfy the audit requirements of the Company.

The audit committee of the Board of Directors convened the ninth meeting of 2024 on September 13, 2024 to consider and approve the Company to engage KPMG as the principal auditors of the Company for 2024 to provide relevant domestic and overseas audit, review and other services for the consolidated accounts of the Company and its certain subsidiaries in accordance with the China Accounting Standards for Business Enterprises and the International Financial Reporting Standards, respectively, to engage PanChina as the assistant auditor of the Company to certain subsidiaries of the Company; and to engage KPMG Huazhen LLP as the internal control auditor of the Company for 2024. The total audit fee is RMB4.92 million (including the fee for internal control of RMB540,000). The resolution was put forward to the Board of the Company for consideration.

On October 22, 2024, the 2024 first extraordinary general meeting of the Company considered and approved the above engagement of accounting firms for annual audit of the Company for 2024.

Before the change in accounting firms for 2024, PricewaterhouseCoopers Zhong Tian LLP conducted the agreed procedures on the Company's financial statements for the first quarter of 2024; KPMG Huazhen LLP and KPMG provided the Company with interim review services for 2024.

During the Reporting Period, the Company paid PricewaterhouseCoopers Zhong Tian LLP a total of RMB3.3792 million for the 2023 financial report (including internal control audit) and the agreed procedures for financial statements of the first quarter of 2024, and the Company paid KPMG Huazhen LLP the interim review service fee for 2024 of RMB1.12 million.

During the Reporting Period, KPMG Huazhen LLP provided audit services to the Company for the first year, and Mr. Huang Xiaoyi and Ms. Cai Xiaoxiao carried out the annual audit work for the Company as signing certified public accountants for the first time.

Save as disclosed above, the Company has not changed its accounting firms in any of the past three years.



## IX. BANKRUPTCY OR REORGANIZATION, MERGER OR SEPARATION

During the Reporting Period, the Company did not conduct any bankruptcy or reorganization, merger or separation, material disposal, acquisition, replacement or divestment of assets, or restructuring of other companies.

During the Reporting Period, there was no material acquisition and disposal of subsidiaries, associates or joint ventures.

Save as disclosed above, the Company had no other material investment, acquisition, disposal and future plan for material investments or acquisition of capital assets during the period.

## X. ACQUISITION AND DISPOSAL OF SUBSIDIARIES, BRANCH COMPANIES AND SECURITIES BRANCHES DURING THE REPORTING PERIOD

### (I) Acquisition and disposal of subsidiaries and branch companies during the Reporting Period

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

### (II) Establishment and cancellation of subsidiaries, branch companies and securities branches by Shenwan Hongyuan Securities, a subsidiary of the Company

#### 1. Establishment and disposal of subsidiaries by Shenwan Hongyuan Securities

During the Reporting Period, Shenwan Hongyuan (International) Holdings Limited completed the winding-up and cancellation of its subsidiary, Shanghai Shenyin (Hong Kong) Holdings Co., Ltd. and its sub-subsidiary, Shanghai Shenyin Securities (Hong Kong) Co., Ltd.; and Shenwan Hongyuan (H.K.) Limited completed the winding-up and cancellation of its subsidiary, namely First Million Holding Ltd.

#### 2. Establishment and cancellation of the securities branch companies and securities branches by Shenwan Hongyuan Securities

- (1) During the Reporting Period, Shenwan Hongyuan Securities established Shenwan Hongyuan Securities Co., Ltd. Longyan Branch.
- (2) During the Reporting Period, Shenwan Hongyuan Securities opened 1 new securities branch, namely Hongqi Road Securities Branch in Qinhuangdao of Shenwan Hongyuan Securities Co., Ltd., and approved the establishment of 6 new securities branches, including 1 in Chifeng, Inner Mongolia Autonomous Region, 1 in Cangzhou, Hebei Province, 1 in Dongcheng District, Beijing, 1 in Chaoyang District, Beijing, 1 in Fengtai District, Beijing and 1 in Longwan District, Wenzhou City, Zhejiang Province. At present, they all are in the process of preparation.
- (3) During the Reporting Period, Shenwan Hongyuan Securities completed the cancellation of 1 securities branch, namely Taiyuan South Street Securities Branch in Shenyang of Shenwan Hongyuan Securities Co., Ltd., and there were no newly approved securities branches to be cancelled.

(For details of branch companies and securities branches, please refer to “XXIV. Organisation of the Company” in “Section VI Significant Events” in this annual report)





## XI. MATERIAL LITIGATION AND ARBITRATION

### (I) Overview

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

### (II) Litigations of the Company and its subsidiaries during the Reporting Period

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

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

#### 1. The case of the dispute over the pledged securities repurchase raised by the company against Peng Peng and Wei Yueping

From August to September 2016, Shenwan Hongyuan Securities Co., Ltd. and Peng Peng entered into the Business Agreement on Pledged Securities Repurchase of the Shares and the Agreement on Pledged Securities Repurchase of the Shares, pursuant to which, Peng Peng raised funds from the company. Wei Yueping, as the spouse of Peng Peng, shall assume joint and several liability. During the performance of the agreements, Peng Peng failed to pay interest in accordance with the agreements, failed to take measures to restore the performance guarantee ratio to be above the agreed warning value when the performance ratio was lower than the warning line. In order to protect its legitimate rights and interests, the company filed a lawsuit with the Shanghai Financial Court, requiring Peng Peng to repay the principal of RMB91,460,000 and pay related interests and liquidated damages, and Wei Yueping to bear joint repayment responsibilities. In July 2019, the court made a first-instance judgment in favour of the company's claims. In August 2019, the company applied to the court for enforcement. In July 2020, as the company applied to the court to suspend the disposal of the pledged shares, the court ruled to terminate the enforcement procedure. In June 2022, the company applied to the court for the resumption of enforcement. In December 2022, the court ruled to resume the enforcement. On July 26, 2024, a notice of final execution was received from the court and the case was closed.



**2. The cases of the dispute over the pledged securities repurchase raised by the company against Ke Zonggui and Chen Seqin**

In July 2017, the company and Ke Zonggui entered into the Business Agreement on Pledged Securities Repurchase of the Shares and the Agreement on Pledged Securities Repurchase of the Shares, the company granted an amount of RMB90 million to Ke Zonggui. Chen Seqin, as the spouse of Ke Zonggui, shall bear joint and several liability, and Ma Meirong shall provide guarantee for the pledge. During the performance of the agreements, Ke Zonggui repaid part of the principal. Subsequently, Ke Zonggui failed to pay interest in accordance with the agreements, and has not completed the repurchase transaction, which constituted a breach of contract. In order to protect its legitimate rights and interests, the company filed a lawsuit with the People's Court of Xuhui District of Shanghai, requesting repayment of principal of RMB21.73 million and the corresponding interests, liquidated damages, etc. In August 2020, the People's Court of Xuhui District of Shanghai accepted the case. In August 2021, the People's Court of Xuhui District of Shanghai issued the first-instance judgment in favour of the company's claims, and Ke Zonggui appealed later. In June 2022, the Shanghai Financial Court made a second-instance judgment, dismissing the appeal and upholding the original judgment. Thereafter, Chen Seqin applied to the Shanghai High People's Court for a retrial. In April 2023, the company received a ruling from the Shanghai High People's Court, ordering the Shanghai Financial Court to have a retrial and suspend the execution of the original judgment during the retrial. In July 2023, the company received a ruling from the Shanghai Financial Court to revoke the original judgment of the first and second instance and return it to the People's Court of Xuhui District of Shanghai for retrial. In July 2024, the company received a first-instance judgment of the retrial from the People's Court of Xuhui District in favour of the company's main claims. In October 2024, the company made an application to the court of Xuhui District for compulsory enforcement.

Up to now, this case is still in the process of execution.

**3. The case of the dispute over the pledged securities repurchase raised by the company against Shen Peijin and Zhu Lijing**

In April 2017, Shenwan Hongyuan Securities Co., Ltd. and Shen Peijin entered into the Business Agreement on Pledged Securities Repurchase of the Shares and the Agreement on Pledged Securities Repurchase of the Shares, pursuant to which, Shen Peijin was financed by the company with an amount of RMB700 million, and Zhu Lijing, the spouse of Shen Peijin, shall assume joint and several liability. In October 2018, the performance guarantee ratio of Shen Peijin fell below the agreed minimum performance guarantee ratio. Shen Peijin failed to lift the performance guarantee ratio to above the threshold value or take other performance guarantee measures, which constituted a breach of contract. In order to protect its legitimate rights and interests, the company filed a lawsuit with the Shanghai Financial Court, requesting Shen Peijin and Zhu Lijing to repay the principal of RMB695 million and the corresponding interests, liquidated damages, etc. In January 2021, the Shanghai Financial Court made the first instance judgment which supported the company's claims. Thereafter, the company applied to the court for compulsory enforcement. In May 2022, both parties signed and executed the settlement agreement. As the executed party did not perform the settlement agreement, in March 2023, Shenwan Hongyuan Securities Co., Ltd. applied to the court for resumption of execution. On November 5, 2024, the company received the final judgement from the court, and the case was closed.





**4. The case of dispute over the asset management contract between Shandong Laizhou Rural Commercial Bank Co., Ltd. (山東萊州農村商業銀行股份有限公司) and the company**

Shandong Laizhou Rural Commercial Bank Co., Ltd. (山東萊州農村商業銀行股份有限公司) (the "Applicant") initiated an arbitration against Shenwan Hongyuan Securities Co., Ltd. in the Shanghai International Economic and Trade Arbitration Commission due to the dispute over the asset management contract. The applicant is the principal of the asset management plan managed by Shenwan Hongyuan Securities Co., Ltd. Due to the dispute over the operation of the asset management plan, the applicant requested the company to return the entrusted funds and to compensate for investment losses, management fees and custody fees, totaling more than RMB76 million. On March 15, 2022, the company received the arbitration notice. In April 2024, the company received an arbitration award rejecting all of the applicant's arbitration claims, and the case was closed.

**5. The case of dispute over the entrusted financial management contract raised by Hubei Xiangyang Rural Commercial Bank Co., Ltd. (湖北襄陽農村商業銀行股份有限公司) against the company**

Hubei Xiangyang Rural Commercial Bank Co., Ltd. (湖北襄陽農村商業銀行股份有限公司) (the "Applicant") initiated an arbitration against Shenwan Hongyuan Securities Co., Ltd. and the custodian of the asset management plan in the Wuhan Arbitration Commission due to the dispute over the entrusted wealth management contract. The Applicant is the principal of the asset management plan managed by the company. Due to the dispute over the operation of the asset management plan, the Applicant requested the company to compensate the principal, expected loss of interest and management fees, totaling more than RMB76 million, and requested the custodian to assume supplementary responsibilities. On March 4, 2022, the company received the arbitration notice from the Wuhan Arbitration Commission. In January 2024, the company received the ruling paper, and did not need to assume any legal liabilities, and the case was closed.



**6. The case of dispute over pledged securities repurchase agreement raised by the company against Kerui Tiancheng Investment Holdings Co., Ltd. (科瑞天誠投資控股有限公司) and Ningbo Kerui Jinding Investment Partnership (Limited Partnership) (寧波科瑞金鼎投資合夥企業(有限合夥))**

In March 2017, the company entered into the Business Agreement on Pledged Securities Repurchase of the Shares with Kerui Tiancheng Investment Holdings Co., Ltd. (科瑞天誠投資控股有限公司) (“Kerui Tiancheng”), and subsequently entered into seven copies of the Agreement on Pledged Securities Repurchase of the Shares, pursuant to which, Kerui Tiancheng injected funds into the company. Later, both parties extended the above-mentioned transaction contracts. Ningbo Kerui Jinding Investment Partnership (Limited Partnership) (寧波科瑞金鼎投資合夥企業(有限合夥)) (“Ningbo Jinding”) shall bear joint and several liabilities. In August 2020, the company entered into the Supplementary Agreement with Kerui Tiancheng, and both parties entered into the Tripartite Agreement on Pledge of Accounts Receivable with Ningbo Jinding and others. In January 2022, Kerui Tiancheng failed to increase the performance guarantee ratio or repurchase in advance as required by the company, which constituted a breach of contract. In order to protect its legitimate rights and interests, the company filed a lawsuit with the Shanghai Financial Court, requesting Kerui Tiancheng to pay the company the outstanding principal of RMB1.8 billion and related interests, liquidated damages and interest overdue fines. Ningbo Jinding shall be jointly and severally liable for the above debts. In March 2022, the Shanghai Financial Court accepted the case. In September 2022, the Shanghai Financial Court ruled that Kerui Tiancheng should pay the company the principal of RMB1.8 billion and related interests, liquidated damages and interest overdue fines within ten days from the date of the judgment coming into force. The company has the priority over the shares pledged by Kerui Tiancheng and its accounts receivable from Ningbo Jinding, but other claims were not supported by the court. The company applied to the court for compulsory enforcement. In July 2023, the pledged shares were judicial sold. In January 2024, as it was found that the party subject to enforcement had no other property available for enforcement, the court ruled to terminate the enforcement in accordance with the law, and the case was closed.





**7. The case of trust loan default raised by Shenyin & Wanguo Alternative Investment Co., Ltd. (申銀萬國創新證券投資有限公司) against Zhongke Construction and Development Corporation (中科建設開發總公司) and others**

In 2016, Shenyin & Wanguo Alternative Investment Co., Ltd. (申銀萬國創新證券投資有限公司) ("Shenyin & Wanguo Alternative Investment") entered into a trust contract with China Everbright Xinglong Trust Co., Ltd. ("Everbright Trust"), pursuant to which, Shenyin & Wanguo Alternative Investment agreed to deliver to Everbright Trust the trust capital in the aggregated amount of RMB300 million, Everbright Trust shall grant a trust loan to Zhongke Construction and Development Corporation ("Zhongke Construction"), and Zhongke Longxuan Engineering Project Management (Hai'an) Co., Ltd. (中科龍軒工程項目管理海安有限公司) shall provide guarantee for the pledge. Zhongke Construction later failed to pay the relevant interest after being notified repeatedly, constituting an event of default. Subsequently, Everbright Trust and Shenyin & Wanguo Alternative Investment agreed to terminate the trust contract, and Everbright Trust assigned to Shenyin & Wanguo Alternative Investment all of its rights under the creditor's right and guarantee right. In September 2018, Shenyin & Wanguo Alternative Investment filed a civil complaint with the Gansu High People's Court requesting the judgment that Zhongke Construction shall repay Shenyin & Wanguo Alternative Investment a loan principal of RMB300 million and the accrued interest, the penalty interest and the attorney fees, and Zhongke Longxuan shall be jointly liable for the aforesaid petition. In November 2020, Shenyin & Wanguo Alternative Investment received the first instance ruling of the case, and the court ruled to reject its prosecution. Later, Shenyin & Wanguo Alternative Investment appealed the ruling. In August 2021, Shenyin & Wanguo Alternative Investment received the ruling from the Supreme Court that the first instance ruling was revoked and the court of first instance shall perform retrial. In September 2023, the Gansu High People's Court made a first-instance judgment. Subsequently, Shenyin & Wanguo Alternative Investment appealed to the High People's Court against the first instance judgment. On April 24, 2024, the Supreme Court made a second-instance judgment which partially supported the appeal claims of Shenyin & Wanguo Alternative Investment.

Up to now, this case is still in the process of execution.



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

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

## **XII. PENALTIES AND RECTIFICATIONS**

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

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





### XIII. THE CREDITWORTHINESS OF THE COMPANY AND ITS CONTROLLING SHAREHOLDER AND ACTUAL CONTROLLER

During the Reporting Period, none of the Company, its controlling shareholder or its actual controller failed to perform any effective judgments of a court or repay outstanding debts with relatively material amounts.

### XIV. CONNECTED TRANSACTIONS DURING THE REPORTING PERIOD

The related/connected transactions of the Group are conducted pursuant to the Shenzhen Stock Exchange Listing Rules and the Hong Kong Listing Rules, the related/connected transactions of the Group observe the fair and reasonable principles, and the agreements on related/connected transactions are entered into under the principles of equality, willingness, pricing equality and compensation with market prices.

During the Reporting Period, the Company has the following continuing connected transactions that shall subject to the reporting, annual review and announcement requirements under Chapter 14A of the Hong Kong Listing Rules and the Company has complied with relevant requirements:

As of December 31, 2024, JIC directly held approximately 26.34% of the total issued share capital of the Company. Therefore, JIC is a substantial shareholder of the Company. Therefore, JIC and its associates constitute connected persons of the Company under Chapter 14A of the Hong Kong Listing Rules.

#### Securities and Financial Products, Transactions and Service Framework Agreement

Pursuant to the requirements on connected transactions under Chapter 14A of the Hong Kong Listing Rules, on December 6, 2021, the Resolution on Renewal of the Securities and Financial Products, Transactions and Services Framework Agreement with China Jianyin Investment Ltd. was considered and approved at the fifth meeting of the fifth session of the Board of Directors of the Company and was submitted to the general meeting of the Company for consideration. On December 30, 2021, the relevant resolution was considered and approved at the 2021 second extraordinary general meeting of the Company. On December 6, 2021, the Company and JIC renewed the Securities and Financial Products, Transactions and Services Framework Agreement (the "Framework Agreement") for a term from January 1, 2022 to December 31, 2024, and set the annual caps for securities and financial products and transactions and securities and financial services for 2022 to 2024. For details of the renewal of the Framework Agreement, please refer to the announcements published by the Company on China Securities Journal, Securities Times, Shanghai Securities News and the Cninfo website ([www.cninfo.com.cn](http://www.cninfo.com.cn)) on December 7 and December 31, 2021 and on the HKEXnews website of Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) on December 6 and December 30, 2021.

As the Framework Agreement expired on December 31, 2024, the Company and JIC entered into a new framework agreement on November 26, 2024, and determined the annual caps for 2025, 2026 and 2027. For details, please refer to the announcements published by the Company on China Securities Journal, Securities Times, Shanghai Securities News and the Cninfo website ([www.cninfo.com.cn](http://www.cninfo.com.cn)) on November 27, December 3 and December 20, 2024, and on the HKEXnews website of Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) on November 26, December 2 and December 19, 2024.

Pursuant to the Framework Agreement, the Group and JIC and/or their respective associates shall provide securities and financial products and transactions with one another, and the Group shall provide securities and financial services to JIC and/or its associates, in their respective ordinary course of business based on normal commercial terms and market practices at prevailing market prices or rates.



**A. Securities and Financial Products and Transactions**

According to the Framework Agreement, the securities and financial product and transactions (“Securities and Financial Products and Transactions”) between the Group and JIC and/or its associates include (but not limited to) the following:

- equity-related products or transactions, including equity, funds, trust, asset management schemes, exchangeable bonds, convertible bonds, structured products;
- fixed-income products, including but not limited to funds, trust, bonds, creditors’ right and structured products with fixed income characteristics;
- hybrid products, including but not limited to funds, trust, asset management schemes and structured products;
- financing transactions among financial institutions with or without guarantees; and
- other related securities and financial products and derivative products.

*Reasons for the transactions*

In the normal course of our business, the Group regularly engages in various kinds of securities and financial products transactions with various counterparties, including JIC and its associates. The Group purchases suitable securities and financial products from different providers (including JIC and its associates, which are our connected persons, and independent third parties) based on our internal evaluation system and procedures with reference to various factors including the cost, market condition and the Group’s risk exposure, business needs and development requirements. JIC and/or its associates may also purchase securities and financial products from the Group in their ordinary course of business from time to time, taking into account their business needs and the suitability of the products the Group offered.

*Pricing basis*

The market rates in respect of each of the Securities and Financial Products and Transactions are generally transparent and standardized across the market. The commission rates and fees charged for these products and transactions shall be determined based on the prevailing market price or based on arm’s length negotiation with reference to the prevailing market rates normally applicable to independent third parties for similar types of transactions at the time of the transactions. The Securities and Financial Products and Transactions are mainly conducted through the PRC inter-bank bond market and the PRC exchange bond market, exchanges (including stock exchanges, futures exchanges, Shanghai Gold Exchange, etc.) and the open-ended fund market. The commission rates and fees charged for the Securities and Financial Products and Transactions conducted through such particular trading venues depend on the particular trading venue on which the relevant transaction is carried out.



### Transactions for the year ended December 31, 2024

For the year ended December 31, 2024, the annual caps and actual transaction amounts of the Securities and Financial Products and Transactions are set out below:

Unit: RMB'000

Securities and Financial Products and Transactions	For the year ended December 31, 2024	
	Annual cap	Actual transaction amount
In <sup>(1)</sup>	36,650,100	3,850,985.43
Out <sup>(2)</sup>	39,580,100	753,057.17

Notes:

- (1) "In" means the total cash inflow to the Group arising from the Securities and Financial Products Transactions, including the sale and redemption of the relevant products, interests received from the relevant products.
- (2) "Out" means the total cash outflow from our Group arising from the Securities and Financial Products Transactions, including the purchase of the relevant products, interests paid for the relevant products and outflow arising from repurchase of relevant products from our counterparties.

### B. Securities and Financial Services

According to the Framework Agreement, JIC agreed to purchase and the Company agreed to provide securities and financial services to JIC and/or its associates in its ordinary course of business based on normal commercial terms and market practices at prevailing market prices. The securities and financial services (the "Securities and Financial Services") provided to JIC and/or its associates include (but not limited to) the following:

- financial products agency sale services. The Group receives service fees and/or other fees for such services;
- leasing of trading units services. The Group leases our trading units to institutional clients and receives trading commission and/or other fees for such services;
- brokerage services, including securities brokerage and related financial products brokerage services. The Group receives brokerage commissions for such services;
- investment banking services, including but not limited to underwriting and sponsorship services for stocks, equities, bonds and other products, and financial advisory services for other general corporate restructuring, mergers and acquisition. The Group receives underwriting commission, sponsor fee, financial advisory fees and/or other fees for such services;





- asset management services. The Group manages the assets of customers and receives service fees for such services; and
- other miscellaneous securities and financial advisory and consulting services. The Group receives advisory fees and/or other fees for such services.

*Reasons for the transactions*

In the ordinary course of business, the Group provides securities and financial services to the Group's clients, which include JIC and for its associates. Due to their business needs and the Group's expertise and professional capabilities, the Group had been engaged by JIC and its associates to provide Securities and Financial Services from time to time during the Reporting Period.

*Pricing basis*

- Financial products agency sale services — service fees shall be determined based on factors including market prices, industry practice and the total amount of financial products under the agency sale arrangements with reference to the service fee rate for the last half year charged by the Group for comparable agency sale service provided to independent third party and the service fee rate for the subsisting financial products agency sale services is generally in the range of 0% to 1.5%;
- Leasing of trading units services — the Group charges a percentage of the trading volume in respect of each trade conducted through the Group's trading units as the Group's commission where such percentage shall be determined based on the market rates for the last half year and industry practice. The commission rates charged on the leasing of trading units are generally transparent across the market. The commission rates charged by the Group for the subsisting leasing of trading units services are basically consistent with the commission rates in the market and generally in the range of 0.02% to 0.1%;
- Brokerage services – the commission rates for these services are generally transparent and standardized across the market. The commission rates charged by the Group are determined based on arm's length negotiation with reference to the prevailing market rates for the latest week for securities or futures similar to existing business and generally in the range of 0.013% to 0.3%;
- Investment banking services — the fees are determined with reference to factors including the market rates for projects of a similar type for the last half year and the amount of proceeds raised from the offering through competitive bidding, business negotiation or based on arm's length negotiation;





With respect to the underwriting fees for fixed-income products (including corporate bonds, company bonds, asset securitization products, etc.), the fees are mainly determined through negotiations with issuer and competitive bidding according to the issuer, type and term of bonds;

With respect to the pricing for investment banking business, the CSRC published the Guidance on Internal Control of Investment Banking Business of Securities Companies (《證券公司投資銀行業務內部控制指引》) in 2018, pursuant to which when carrying out investment banking business, securities companies shall determine the price reasonably based on comprehensive assessment of execution cost. The price of the investment banking business of the Company is subject to regulation by the CSRC;

- Asset management services — the fees charged for asset management services are determined based on arm's length negotiations with reference to factors including the market rates for the last half year, the size of the assets and the complexity of the particular service provided. The market rates for these services are generally transparent across the market. The rates charged by the Group for the subsisting asset management services are basically consistent with the market rates and generally in the range of 0.01% to 3%; and
- Other miscellaneous securities and financial advisory and consulting services — such services are determined based on arm's length negotiation with reference to the market rates for the last half year for transactions of similar type and size.

The terms (including pricing terms) in respect of the Securities and Financial Services provided by the Group to JIC and/or its associates shall be comparable to those provided by the Group to other independent institutional clients of similar profile and transaction amount. The Securities and Financial Services shall be subject to the same or stricter internal approval and monitoring procedures and pricing policies applicable to independent clients.

#### *Transactions for the year ended December 31, 2024*

For the year ended December 31, 2024, the annual caps and actual transaction amounts of the Securities and Financial Services are set out below:

	Unit: RMB'000	
	For the year ended December 31, 2024	
	Annual cap	Actual transaction amount
The Group's revenue generated from providing the Securities and Financial Services to JIC and/or its associates	273,310	25,838.59



**Confirmation of independent non-executive Directors**

The independent non-executive Directors of the Company have reviewed the above continuing connected transactions and confirmed that:

- (1) The above continuing connected transactions were entered into in the usual and ordinary course of business of the Group;
- (2) The above continuing connected transactions were entered into on normal commercial terms or better; and
- (3) The above continuing connected transactions were entered into in accordance with the Framework Agreement, the terms of which were fair and reasonable and in the interests of the shareholders of the Company as a whole.

**Confirmation of independent auditor**

The independent auditor of the Company has performed the review procedures and issued its letter of unqualified opinion regarding the abovementioned continuing connected transactions, and confirmed that:

- (1) Nothing has come to their attention that causes them to believe that the disclosed continuing connected transactions have not been approved by the Board of Directors;
- (2) For transactions involving the provision of products and services by the Company, nothing has come to their attention that causes them to believe that the disclosed continuing connected transactions were not, in all material respects, in accordance with the pricing policies of the Company;
- (3) Nothing has come to their attention that causes them to believe that such transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and
- (4) With respect to the aggregate amount of the continuing connected transactions, nothing has come to their attention that causes them to believe that the disclosed continuing connected transactions have exceeded the annual cap set out by the Company.

Save as disclosed above, there are no other related party transactions as set out in note 55 to the consolidated financial statements that are connected transactions or continuing connected transactions that are required to be disclosed under the Hong Kong Listing Rules. Save as disclosed in this report, during the Reporting Period, the Company was not required to disclose any connected transactions in accordance with the relevant requirements under Chapter 14A of the Hong Kong Listing Rules.



## XV. MATERIAL CONTRACTS AND PERFORMANCE THEREOF

### (I) Material holding in custody, contracting or leasing

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

### (II) Material guarantees of the Company during the Reporting Period

The Company had no unconsolidated guarantees during the Reporting Period. The cumulative and current guarantees of the Company are as follows:

(Currency: RMB)

External guarantees of the Company and its subsidiaries (excluding guarantees in favour of subsidiaries)										
Name of guaranteed party	Date of disclosure of announcement in relation to the amount of guarantee	Amount of guarantee	Date of actual occurrence	Actual guarantee amount	Type of guarantee	Collaterals (if any)	Counter-guarantee (if any)	Guarantee period	Fully performed or not	Related party guarantee or not
-	-	-	-	-	-	-	-	-	-	-
Total amount of external guarantees approved during the Reporting Period (A1)				0	Total actual amount of external guarantees during the Reporting Period (A2)					0
Total amount of external guarantees approved at the end of the Reporting Period (A3)				0	Total balance of actual external guarantees at the end of the Reporting Period (A4)					0

Guarantees of the Company in favour of subsidiaries										
Name of guaranteed party	Date of disclosure of announcement in relation to the amount of guarantee	Amount of guarantee	Date of actual occurrence	Actual guarantee amount	Type of guarantee	Collaterals (if any)	Counter-guarantee (if any)	Guarantee period	Fully performed or not	Related party guarantee or not
Hongyuan Hengli (Shanghai) Industrial Co., Ltd.	2024-12-20	RMB600,000,000	-	-	-	-	-	-	-	-
Total amount of guarantees in favour of subsidiaries approved during the Reporting Period (B1)			RMB600,000,000	Total amount of actual guarantees in favour of subsidiaries during the Reporting Period (B2)						0
Total amount of guarantees in favour of subsidiaries approved as at the end of the Reporting Period (B3)			RMB600,000,000	Total balance of actual guarantees in favour of subsidiaries as at the end of the Reporting Period (B4)						RMB380,000,000



Guarantees of subsidiaries in favour of subsidiaries										
Name of guaranteed party	Date of disclosure of announcement in relation to the amount of guarantee	Amount of guarantee (RMB0'000)	Date of actual occurrence	Actual guarantee amount (RMB0'000)	Type of guarantee	Collaterals (if any)	Counter-guarantee (if any)	Guarantee period	Fully performed or not	Related party guarantee or not
Total amount of guarantees in favour of subsidiaries approved during the Reporting Period (C1)		0		Total amount of actual guarantees in favour of subsidiaries during the Reporting Period (C2)						0
Total amount of guarantees in favour of subsidiaries approved as at the end of the Reporting Period (C3)		RMB6,244,024,000		Total balance of actual guarantees in favour of subsidiaries as at the end of the Reporting Period (C4)						RMB6,244,024,000
Total guarantees of the Company (being the sum of the above three guarantees)										
Total amount of guarantees approved during the Reporting Period (A1+B1+C1)		RMB600,000,000		Total amount of actual guarantees during the Reporting Period (A2+B2+C2)						0
Total amount of guarantees approved as at the end of the Reporting Period (A3+B3+C3)		RMB6,844,024,000		Total balance of actual guarantees as at the end of the Reporting Period (A4+B4+C4)						RMB6,624,024,000
Total amount of actual guarantees (i.e. A4+B4+C4) as a percentage of net assets of the Company										6.32%
Including:										0
Balance of guarantees in favour of shareholders, actual controllers and their related parties (D)										0
Balance of debt guarantees direct or indirectly in favour of guarantee parties with gearing ratio of over 70% (E)										RMB380,000,000
Amount of total guarantees in excess of 50% of net assets (F)										0
Total amount of the above three guarantees (D+E+F)										RMB380,000,000
For unexpired guarantee contracts, descriptions about the guarantee liabilities occurred or possible joint and several liabilities of repayment with evidence during the Reporting Period (if any)										Nil
External guarantees in breach of procedural requirements (if any)										Nil





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

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

- (1) For the needs of normal business, Shenwan Hongyuan (H.K.) Limited provided guarantees in favour of its wholly-owned subsidiaries for the entering into of several International Swaps and Derivatives Associations (ISDA) and Global Master Repurchase Agreement (GMRA), etc. As of the end of the Reporting Period, the total balance of derivative financial liabilities and repurchase liabilities amounted to HK\$8.621 million in equivalent.
- (2) Shenwan Hongyuan (H.K.) Limited provided a limit of US\$1 billion of structured bills in favour of its wholly-owned subsidiaries. As of the end of the Reporting Period, the total balance of liabilities amounted to HK\$2.054 billion in equivalent.
- (3) Shenwan Hongyuan (H.K.) Limited provided a guarantee for debt financing to its wholly-owned subsidiaries regarding its bank loans, and the guarantee limit totalled HK\$1.719 billion in equivalent. As of the end of the Reporting Period, the actual balance of guarantee withdrawn amounted to HK\$38.82 million in equivalent.

As of the end of the Reporting Period, the total guarantees of the Company amounted to RMB6,624,024,000, accounting for 6.32% of the Company's latest audited net assets. The accumulated amount of overdue guarantees was nil, the amount of guarantees involved in litigations was nil, and the amount of losses that should be borne due to the loss in lawsuits in relation to guarantees was nil.



**(III) Entrusting others to conduct cash asset management**

**1. Entrusted wealth management**

N/A

**2. Entrusted loans**

N/A

**(IV) Other material contracts**

Pursuant to the requirements on connected transactions under Chapter 14A of the Hong Kong Listing Rules, on March 29, 2019, the Company and JIC entered into the Securities and Financial Products, Transactions and Services Framework Agreement (the “Framework Agreement”) for a term from April 26, 2019 (i.e. the listing date of H Shares) to December 31, 2021. As approved by the fifth meeting of the fifth session of the Board of Directors and the 2021 second extraordinary general meeting of the Company convened on December 6, 2021 and December 30, 2021, respectively, the Company and China Jianyin Investment Ltd. renewed the Securities and Financial Products, Transactions and Services Framework Agreement for a term from January 1, 2022 to December 31, 2024. For details of the renewal of the Framework Agreement, please refer to the announcements published by the Company on China Securities Journal, Securities Times, Shanghai Securities News and the Cninfo website ([www.cninfo.com.cn](http://www.cninfo.com.cn)) on December 7 and December 31, 2021 and on the HKEXnews website of Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) on December 6 and December 30, 2021.

As the above Framework Agreement entered in 2021 expired on December 31, 2024, according to relevant regulatory requirements, the Company convened the third meeting of the sixth session of the Board of Directors and the 2024 second extraordinary general meeting on November 26, 2024 and December 19, 2024, respectively, and considered and approved the resolution regarding renewal of the Securities and Financial Products, Transactions and Services Framework Agreement with China Jianyin Investment Ltd. for a term from January 1, 2025 to December 31, 2027, and determined the annual caps of the Securities and Financial Products and Transactions as well as the Securities and Financial Services for each year from 2025 to 2027. For details of the renewal of the Framework Agreement, please refer to the announcements published by the Company on China Securities Journal, Securities Times, Shanghai Securities News and the Cninfo website ([www.cninfo.com.cn](http://www.cninfo.com.cn)) on November 27 and December 20, 2024 and on the HKEXnews website of Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) on November 26 and December 19, 2024.





## XVI. CHANGES IN THE QUALIFICATIONS FOR INDIVIDUAL BUSINESS OF THE COMPANY IN 2024

During the Reporting Period, Shenwan Hongyuan Securities, a subsidiary of the Company, obtained the following qualifications for individual business:

Institution	Business qualification
China Securities Regulatory Commission	Qualification for exchange facilitation business Qualification for cross-border wealth management business
Zhengzhou Commodity Exchange	Qualification of main market maker of sodium carbonate options Qualification of main market maker of glass options
Dalian Commodity Exchange	Qualification of main market maker of corn starch options Qualification of main market maker of hog options Qualification of main market maker of egg options Qualification of main market maker of log options
Shanghai Futures Exchange	Qualification of market maker of nickel options Qualification of market maker of tin options
Guangzhou Futures Exchange	Qualification of market maker of polycrystalline silicon options

Note: On November 1, 2024, the securities subsidiary of Shenwan Hongyuan Securities (H.K.) Limited received a confirmation letter from The Securities and Futures Commission of Hong Kong (the "SFC") that the SFC has no objection to the application of Shenwan Hongyuan Securities (H.K.) Limited to participate in the Cross-boundary Wealth Management Connect Pilot Scheme. Accordingly, Shenwan Hongyuan Securities (H.K.) Limited is now eligible to formally launch the cross-border wealth management business in Hong Kong.



## XVII. AGENCY SALES OF FINANCIAL PRODUCTS DURING THE REPORTING PERIOD

Unit: Yuan Currency: RMB

Financial products under agency sales	2024		2023	
	Total sales amount	Total sales income	Total sales amount	Total sales income
Funds	38,134,951,817.92	90,727,707.00	22,831,676,391.65	78,592,265.18
Wealth management products of banks	—	—	—	—
Other financial products	6,440,971,444.60	59,817,746.24	15,655,672,581.91	115,616,308.85
Total	44,575,923,262.52	150,545,453.24	38,487,348,973.56	194,208,574.03

Note: The scope of statistics includes Shenwan Hongyuan Securities and its securities subsidiaries.

## XVIII. CAPITAL ADEQUACY OF SHENWAN HONGYUAN SECURITIES, A SUBSIDIARY OF THE COMPANY

### (I) Satisfaction of capital adequacy standards

Shenwan Hongyuan Securities proactively expands various financing channels to enhance capital strength, guarantee capital needs for business development, and enable the Company's capital level to continue to meet regulatory requirements.

### (II) Internal capital adequacy assessment process

Shenwan Hongyuan Securities reasonably assesses internal capital adequacy and determines capital replenishment mechanisms based on a number of factors including macroeconomic operation conditions, the development of the securities market and changes in businesses, as well as capital level and regulatory requirements. In the internal capital assessment process, Shenwan Hongyuan Securities determines the periodical asset allocation scale of each business through the asset allocation and adjustment mechanism within the operating investment budget with the largest annual budget. Shenwan Hongyuan Securities determines the corresponding capital replenishment plan based on the asset allocation results and the existing capital level.

Shenwan Hongyuan Securities regularly conducts stress tests based on changes in market operations and regulatory requirements. By testing the pressure of internal capital level under different risk conditions, it determines its capital replenishment plan to enhance the risk tolerance of capital level and ensure its long-term healthy and stable development.





### (III) Main internal and external risk factors affecting capital adequacy

#### 1. Risk factors affecting Net Capital

The replenishment of the net capital of securities companies mainly consists of the following methods: (1) accumulation of own profits; (2) capital increase through shareholders; (3) financing in the public market including issuance of shares and subordinated bonds; (4) issuance of preferred shares, etc.

Currently, in addition to its own profit accumulation, the Company mainly relies on the issuance of perpetual bonds and subordinated bonds to replenish the supplementary Net Capital. In the future, the Company will also actively explore other capital replenishment methods and broaden capital replenishment channels to maintain sufficient capital level.

#### 2. Factors affecting risk capital reserves

##### (1) *Rapid increase in risk capital reserves arising from business expansion*

In recent years, Shenwan Hongyuan Securities' business has expanded at a rapid rate. The rapid development of financing business, securities proprietary business, and derivative financial products has brought promising development opportunity for the company but also increasement of risk capital reserves.

##### (2) *Policy uncertainty risk*

In the future, policy changes will bring certain uncertainty to the withdrawal of Shenwan Hongyuan Securities' risk capital reserves. Changes in the calculation standards for risk capital reserves may directly affect the value of risk capital reserves. For certain capital intermediary businesses and emerging businesses, regulators may increase the corresponding standards on provision for risk capital reserves for the sake of prudent regulation, thereby bringing certain risks.

At present, Shenwan Hongyuan Securities has established a capital replenishment mechanism. When the risk control indicators, such as Net Capital, reach the early warning standard, Shenwan Hongyuan Securities will use methods to replenish capital by compressing the type or scale of higher-risk self-operated investments, adjusting the business operation plan, and issuing subordinated bonds.

### (IV) Changes in paid-up capital or ordinary shares and other capital instruments

Upon the approval by the Shenzhen Stock Exchange and registration (Zheng Jian Xu Ke [2023] No. 239), the issuer was permitted to issue subordinated corporate bonds with an aggregate face value of no more than RMB15 billion to professional investors. Under the foregoing approval, on November 27, 2024, the Company issued the Subordinated Bonds (First Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024, with an issuance size of RMB2.5 billion and a maturity of 3 years (Type I) and 5 years (Type II), respectively.



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

No.	Date	Regulatory authority	Document name	Document No.
1	2024.01.12	CSRC	Approval for Registration of Corporate Bonds Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors	Zheng Jian Xu Ke [2024] No. 57
2	2024.03.13	Market Supervision and Administration Bureau of Xuhui District, Shanghai	Business license of Shenwan Hongyuan Securities Co., Ltd.	–
3	2024.04.19	CSRC	Securities and Futures Business License of Shenwan Hongyuan Securities Co., Ltd.	–
4	2024.09.04	CSRC	Approval for Registration of Corporate Bonds Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors	Zheng Jian Xu Ke [2024] No. 1245
5	2024.10.17	CSRC	Reply Letter for Participation in Exchange Facilitation Related Matter by Shenwan Hongyuan Securities Co., Ltd.	Institution Department Letter [2024] No. 1871

## XX. RISK CONTROL INDICATORS OF SHENWAN HONGYUAN SECURITIES, A SUBSIDIARY OF THE COMPANY

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





## XXI. OTHER SIGNIFICANT EVENTS

### (I) Implementation of the profit distribution plan for 2023

The profit distribution plan of the Company for 2023 is as follows: based on the total share capital of 25,039,944,560 A Shares and H Shares of the Company as of December 31, 2023, a cash dividend of RMB0.56 (tax inclusive) for every 10 shares was distributed to all A shareholders and H shareholders whose names appear on the register of members of the Company on the record date.

For A shareholders, the Company completed the implementation of the 2023 profit distribution plan on August 20, 2024 with August 19, 2024 as the equity registration date and August 20, 2024 as the ex-dividend date. (For details, please refer to the Announcement on Implementation of the 2023 Profit Distribution Plan for A Shares of the Company published by the Company on China Securities Journal, Securities Times, Shanghai Securities News and the Cninfo website ([www.cninfo.com.cn](http://www.cninfo.com.cn)) on August 13, 2024).

For H shareholders, the Company distributed cash dividend for 2023 of RMB0.56 (tax inclusive) per 10 Shares to the shareholders whose names appear on the register of members of the Company on July 18, 2024. The 2023 cash dividend was distributed on August 20, 2024. The 2023 cash dividend distributed was denominated and announced in RMB and H shareholders were paid in HK dollars. The actual amount of HK dollars distributed was calculated at the average benchmark exchange rate of RMB against HK dollars (i.e.  $\text{RMB0.912424} = \text{HK\$1.00}$ ) published by the People's Bank of China for the five working days before June 28, 2024 (being the date of the annual general meeting). Accordingly, the cash dividend per 10 H Shares was HK\$0.61375 (tax inclusive). (For details, please refer to the Poll Results of the 2023 Annual General Meeting and Payment of Cash Dividend disclosed by the Company on the website of HKExnews ([www.hkexnews.hk](http://www.hkexnews.hk)) on June 28, 2024)



**(II) Implementation of the interim profit distribution plan for 2024**

The interim profit distribution plan of the Company for 2024 is as follows: based on the total share capital of 25,039,944,560 A Shares and H Shares of the Company as of June 30, 2024, a cash dividend of RMB0.17 (tax inclusive) for every 10 shares was distributed to all A shareholders and H shareholders whose names appear on the register of members of the Company on the record date.

For A shareholders, the Company completed the implementation of the 2024 interim profit distribution plan on December 18, 2024 with December 17, 2024 as the equity registration date and December 18, 2024 as the ex-dividend date. (For details, please refer to the Announcement on Implementation of the 2024 Interim Profit Distribution Plan for A Shares of the Company published by the Company on China Securities Journal, Securities Times, Shanghai Securities News and the Cninfo website ([www.cninfo.com.cn](http://www.cninfo.com.cn)) on December 11, 2024).

For H shareholders, the Company distributed interim cash dividend for 2024 of RMB0.17 (tax inclusive) per 10 Shares to the shareholders whose names appear on the register of members of the Company on November 11, 2024. The 2024 interim cash dividend was distributed on December 18, 2024. The 2024 interim cash dividend distributed was denominated and announced in RMB and H shareholders were paid in HK dollars. The actual amount of HK dollars distributed was calculated at the average benchmark exchange rate of RMB against HK dollars (i.e. RMB0.915136 = HK\$1.00) published by the People's Bank of China for the five working days before October 22, 2024 (being the date of the annual general meeting). Accordingly, the cash dividend per 10 H Shares was HK\$0.185765 (tax inclusive). (For details, please refer to the Poll Results of the 2024 First Extraordinary General Meeting and Payment of Cash Dividend disclosed by the Company on the website of HKExnews ([www.hkexnews.hk](http://www.hkexnews.hk)) on October 22, 2024)





## XXII. INDEX OF IMPORTANT INFORMATION DISCLOSED DURING THE REPORTING PERIOD

In 2024, the Company fulfilled its information disclosure obligations in accordance with the regulations. The information regarding A Shares as disclosed by the Company in China Securities Journal, Securities Times, Shanghai Securities News and at the Cninfo website (www.cninfo.com.cn) (excluding announcements of H Shares) is as follows:

No.	Announcement	Date of publication
1	2023 Annual Results Forecast of Shenwan Hongyuan Group Co., Ltd.	2024-01-20
2	Announcement on the Approval of the CSRC for the Registration of Corporate Bonds Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors	2024-01-20
3	Announcement on Repayment of Principal and Payment of Interest and Delisting of Subordinated Bonds (First Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2021	2024-01-24
4	First Indicative Announcement of Shenwan Hongyuan Group Co., Ltd. on Adjustment of Coupon Rate and Measures for Implementation of Put-back by Investors for "21 ShenHong 01"	2024-01-30
5	Second Indicative Announcement of Shenwan Hongyuan Group Co., Ltd. on Adjustment of Coupon Rate and Measures for Implementation of Put-back by Investors for "21 ShenHong 01"	2024-01-31
6	Third Indicative Announcement of Shenwan Hongyuan Group Co., Ltd. on Adjustment of Coupon Rate and Measures for Implementation of Put-back by Investors for "21 ShenHong 01"	2024-02-01
7	Announcement on Repayment of Principal and Payment of Interest and Delisting of Corporate Bonds (First Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. in 2017	2024-02-21
8	Announcement of the "Double Enhancement of Quality and Returns" Action Plan of Shenwan Hongyuan Group Co., Ltd.	2024-02-29
9	Announcement on the Issuance Results of Corporate Bonds (First Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	2024-02-29
10	Announcement on the Appointment of General Manager of Shenwan Hongyuan Securities Co., Ltd.	2024-03-01
11	Announcement on Resolutions of the Twenty-second Meeting of the Fifth Session of the Board of Directors	2024-03-01
12	Announcement on the Listing of Corporate Bonds (First Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024 on the Shenzhen Stock Exchange	2024-03-05
13	Announcement on Payment of Interests for 2024 for the Corporate Bonds (First Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2021	2024-03-06
14	Announcement on Payment of Interests for 2024 for the Corporate Bonds (First Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2022	2024-03-06



No.	Announcement	Date of publication
15	Announcement on Payment of Interests for 2024 for the Corporate Bonds (First Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2021	2024-03-06
16	Announcement on Put-back Results and Delisting of “21 ShenHong 01” of Shenwan Hongyuan Group Co., Ltd.	2024-03-06
17	Announcement on Payment of Interests for 2024 for the Corporate Bonds (First Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2022	2024-03-06
18	Offering Memorandum of Corporate Bonds (First Tranche) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2024	2024-03-07
19	Offering Memorandum Summary of Corporate Bonds (First Tranche) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2024	2024-03-07
20	Credit Rating Report on the Corporate Bonds (First Tranche) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2024	2024-03-07
21	Announcement on Change of Name for the Issued Publicly Corporate Bonds of Shenwan Hongyuan Group Co., Ltd.	2024-03-07
22	Announcement on Corporate Bonds (First Tranche) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2024	2024-03-07
23	Announcement on the Coupon Rate of the Corporate Bonds (First Tranche) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2024	2024-03-11
24	Announcement on Extending the Book-keeping Time for the Corporate Bonds (First Tranche) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2024	2024-03-11
25	Announcement on the Issuance Results of Corporate Bonds (First Tranche) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2024	2024-03-13
26	Announcement on Repayment of Principal and Payment of Interest and Delisting of Subordinated Bonds (Second Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2021	2024-03-13
27	Announcement of China Lianhe Credit Rating Co., Ltd. on Termination of Credit Rating of “21 ShenHong 01”	2024-03-14
28	Announcement on the Listing of Corporate Bonds (First Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2024 on the Shenzhen Stock Exchange	2024-03-18
29	Announcement on Convening 2023 Annual Results Presentation	2024-03-26
30	Articles of Association of Shenwan Hongyuan Group Co., Ltd. (Revised)	2024-03-29
31	2023 Annual Audit Report	2024-03-29
32	Internal Control Audit Report	2024-03-29
33	Rules of Procedure of the General Meetings of Shenwan Hongyuan Group Co., Ltd. (Revised)	2024-03-29
34	2023 Auditors’ Performance Appraisal Report of Shenwan Hongyuan Group Co., Ltd.	2024-03-29
35	Work Rules of Special Meetings of Independent Non-executive Directors of Shenwan Hongyuan Group Co., Ltd.	2024-03-29
36	Annual Special Audit Report on the Appropriation of Funds by Related Parties	2024-03-29





No.	Announcement	Date of publication
37	2023 Work Report of Independent Director (Chen Hanwen)	2024-03-29
38	2023 Work Report of the Board of Directors of Shenwan Hongyuan Group Co., Ltd.	2024-03-29
39	2023 Work Report of Independent Director (Wu Changqi)	2024-03-29
40	Announcement on Resolutions of the Board of Supervisors	2024-03-29
41	Announcement on Estimated Daily Related Party Transactions for 2024	2024-03-29
42	Annual Work Report of Independent Directors	2024-03-29
43	Independent Non-executive Director System of Shenwan Hongyuan Group Co., Ltd. (Revised)	2024-03-29
44	Rules of Procedure of the Board of Directors of Shenwan Hongyuan Group Co., Ltd. (Revised)	2024-03-29
45	Comparison Table of Amendments to the Articles of Association of Shenwan Hongyuan Group Co., Ltd.	2024-03-29
46	2023 Annual Report	2024-03-29
47	Working Rules of the Remuneration and Nomination Committee of the Board of Directors of Shenwan Hongyuan Group Co., Ltd.	2024-03-29
48	Special Opinions of the Board on the Appraisal of Independence of Independent Directors	2024-03-29
49	Self-Assessment Report on Internal Control	2024-03-29
50	Announcement on Resolutions of the Board of Directors	2024-03-29
51	Announcement on Re-appointment of Accounting Firms	2024-03-29
52	Announcement of Shenwan Hongyuan Group Co., Ltd. on Provision of Asset Impairment	2024-03-29
53	Report of the Audit Committee of Shenwan Hongyuan Group Co., Ltd. on Auditors' Performance of Supervision Duties	2024-03-29
54	2023 Work Report of the Board of Supervisors of Shenwan Hongyuan Group Co., Ltd.	2024-03-29
55	2023 Social Responsibility Report	2024-03-29
56	2023 Work Report of Independent Director (Zhao Lei)	2024-03-29
57	Working Rules of the Audit Committee of the Board of Directors of Shenwan Hongyuan Group Co., Ltd.	2024-03-29
58	Summary of 2023 Annual Report	2024-03-29
59	Announcement on Resolutions of the Twenty-fourth Meeting of the Fifth Session of the Board of Directors	2024-04-20
60	Announcement on Payment of Interests for 2024 for the Corporate Bonds (Second Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2022	2024-04-24
61	Announcement on Payment of Interests for 2024 for the Corporate Bonds (Second Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2022	2024-04-24
62	2024 First Quarterly Report	2024-04-30
63	Announcement on Resolutions of the Twenty-sixth Meeting of the Fifth Session of the Board of Directors	2024-05-28
64	Ongoing Credit Rating Report of Shenwan Hongyuan Group Co., Ltd. in 2024	2024-05-29
65	2023 Annual General Meeting Materials	2024-06-07

Company Profile and  
Key Financial Indicators

Report of the Board

Corporate  
GovernanceEnvironmental and  
Social Responsibility

Significant Events

Changes in Shares  
and Shareholders

Profile of Bonds

Financial Statements



No.	Announcement	Date of publication
66	Announcement on Convening the 2023 Annual General Meeting	2024-06-07
67	Announcement on Resolutions of the Twenty-seventh Meeting of the Fifth Session of the Board of Directors	2024-06-07
68	Announcement on Participation in the Online Collective Reception Day for Investors of Listed Companies in Xinjiang in 2024	2024-06-11
69	Announcement on Payment of Interests for 2024 for the Corporate Bonds (First Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2023	2024-06-12
70	Entrusted Management Report on the Corporate Bonds of Shenwan Hongyuan Group Co., Ltd. (2023)	2024-06-26
71	Announcement on Repayment of Principal and Payment of Interest and Delisting of Short-term Corporate Bonds (First Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2023	2024-06-26
72	Announcement of Resolutions of 2023 Annual General Meeting	2024-06-29
73	Legal Opinion of Beijing Alliance J&S Law Firm on the 2023 Annual General Meeting of Shenwan Hongyuan Group Co., Ltd.	2024-06-29
74	Announcement on Payment of Interests for 2024 for the Corporate Bonds (Second Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2021	2024-07-11
75	Announcement on Repayment of Principal and Payment of Interest and Delisting of Corporate Bonds (Fourth Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2021	2024-07-24
76	Announcement on Payment of Interests for 2024 and Delisting of the Corporate Bonds (Third Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2021	2024-08-01
77	Announcement on Payment of Interests for 2024 for the Corporate Bonds (Third Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2021	2024-08-01
78	Announcement on Resolutions of the Twenty-eighth Meeting of the Fifth Session of the Board of Directors	2024-08-01
79	Announcement on Repayment of Principal and Payment of Interest and Delisting of the Corporate Bonds (Fifth Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2021	2024-08-01
80	Announcement on Implementation of the 2023 Profit Distribution Plan for A Shares	2024-08-13
81	Announcement on Convening 2024 Interim Results Presentation	2024-08-27
82	Announcement on Payment of Interests for 2024 for the Corporate Bonds (Third Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2022	2024-08-28
83	Announcement on Repayment of Principal and Payment of Interest and Delisting of the Corporate Bonds (Sixth Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2021	2024-08-28





No.	Announcement	Date of publication
84	Announcement of Resolutions of the Board of Directors on Interim Report	2024-08-31
85	The Interim Financial Report for 2024	2024-08-31
86	Summary of Non-Operating Funds and Other Related Funds Transactions for the Half-Year	2024-08-31
87	Summary of 2024 Interim Report	2024-08-31
88	Announcement of Resolutions of the Board of Supervisors on Interim Report	2024-08-31
89	Interim Report for 2024	2024-08-31
90	Announcement on Repayment of Principal and Payment of Interest for 2024 and Delisting of the Corporate Bonds (Second Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2023	2024-09-03
91	Announcement on Payment of Interests for 2024 for the Corporate Bonds (Second Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2023	2024-09-03
92	Announcement on the Issuance Results of Short-term Corporate Bonds (First Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	2024-09-10
93	Announcement on Repayment of Principal and Payment of Interest and Delisting of the Corporate Bonds (Seventh Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2021	2024-09-11
94	Announcement on the Approval of the CSRC for the Registration of Corporate Bonds Issued Publicly to Professional Investors	2024-09-11
95	Announcement on the Listing of Corporate Bonds (First Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024 on the Shenzhen Stock Exchange	2024-09-14
96	Announcement on Repayment of Principal and Payment of Interest and Delisting of the Corporate Bonds (Eighth Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2021	2024-09-25
97	Notice of the 2024 First Extraordinary General Meeting of Shenwan Hongyuan Group Co., Ltd.	2024-09-28
98	Announcement on Change of Accounting Firm by Shenwan Hongyuan Group Co., Ltd.	2024-09-28
99	Statement and Undertaking of Independent Director Candidate of Shenwan Hongyuan Group Co., Ltd. – Chen Hanwen	2024-09-28
100	Announcement on Resignation of Director by Shenwan Hongyuan Group Co., Ltd.	2024-09-28
101	Meeting Materials for the 2024 First Extraordinary General Meeting of Shenwan Hongyuan Group Co., Ltd.	2024-09-28
102	Announcement on Resolutions of the Thirtieth Meeting of the Fifth Session of the Board of Directors of Shenwan Hongyuan Group Co., Ltd.	2024-09-28
103	Statement and Undertaking of Independent Director Nominee of Shenwan Hongyuan Group Co., Ltd. – Chen Hanwen	2024-09-28
104	Statement and Undertaking of Independent Director Candidate of Shenwan Hongyuan Group Co., Ltd. – Zhao Lei	2024-09-28
105	Statement and Undertaking of Independent Director Candidate of Shenwan Hongyuan Group Co., Ltd. – Wu Changqi	2024-09-28

Company Profile and  
Key Financial Indicators

Report of the Board

Corporate  
GovernanceEnvironmental and  
Social Responsibility

Significant Events

Changes in Shares  
and Shareholders

Profile of Bonds

Financial Statements



No.	Announcement	Date of publication
106	Statement and Undertaking of Independent Director Candidate of Shenwan Hongyuan Group Co., Ltd. – Yeung Siuman Shirley	2024-09-28
107	Statement and Undertaking of Independent Director Nominee of Shenwan Hongyuan Group Co., Ltd – Wu Changqi	2024-09-28
108	Announcement on Resolutions of the Seventeenth Meeting of the Fifth Session of the Board of Supervisors of Shenwan Hongyuan Group Co., Ltd.	2024-09-28
109	Statement and Undertaking of Independent Director Nominee of Shenwan Hongyuan Group Co., Ltd. – Zhao Lei	2024-09-28
110	Statement and Undertaking of Independent Director Nominee of Shenwan Hongyuan Group Co., Ltd. – Yeung Siuman Shirley	2024-09-28
111	Announcement on Election of Employee Representative Supervisors for the Sixth Session of the Board of Supervisors of Shenwan Hongyuan Group Co., Ltd.	2024-10-16
112	Announcement on Repayment of Principal and Payment of Interest and Delisting of the Short-term Corporate Bonds (Second Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2023	2024-10-17
113	Announcement on Receiving the Reply Letter from the CSRC Regarding the Participation in the Swap Facility Business by Shenwan Hongyuan Securities Co., Ltd.	2024-10-19
114	Legal Opinion Letter on the 2024 First Extraordinary General Meeting of Shenwan Hongyuan Group Co., Ltd.	2024-10-23
115	Announcement on Resolutions of the 2024 First Extraordinary General Meeting of Shenwan Hongyuan Group Co., Ltd.	2024-10-23
116	Announcement on Resolutions of the First Meeting of the Sixth Session of the Board of Directors of Shenwan Hongyuan Group Co., Ltd.	2024-10-23
117	Announcement on Resolutions of the First Meeting of the Sixth Session of the Board of Supervisors of Shenwan Hongyuan Group Co., Ltd.	2024-10-23
118	Announcement on the Issuance Results of Short-term Corporate Bonds (Second Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	2024-10-25
119	Announcement on the Listing of Short-term Corporate Bonds (Second Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024 on the Shenzhen Stock Exchange	2024-10-29
120	Announcement on the Issuance Results of Corporate Bonds (Second Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	2024-10-29
121	2024 Third Quarterly Report	2024-10-31
122	Announcement on the Listing of Corporate Bonds (Second Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024 on the Shenzhen Stock Exchange	2024-11-05
123	Announcement on the Issuance Results of Short-term Corporate Bonds (Third Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	2024-11-16
124	Announcement on the Provision of Guarantees by Shenwan Hongyuan Securities Co., Ltd. to the Overseas Subsidiary for Issuance of Bonds	2024-11-20





No.	Announcement	Date of publication
125	Announcement on the Listing of Short-term Corporate Bonds (Third Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024 on the Shenzhen Stock Exchange	2024-11-22
126	Announcement on Repayment of Principal and Payment of Interest and Delisting of Short-term Corporate Bonds (First Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2023	2024-11-26
127	Offering Memorandum of Corporate Bonds (Second Tranche) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2024	2024-11-27
128	Credit Rating Report on the Corporate Bonds (Second Tranche) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2024	2024-11-27
129	Announcement on the Listing of Corporate Bonds (Second Tranche) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2024	2024-11-27
130	Announcement on Change of Name for the Publicly Issued Corporate Bonds of Shenwan Hongyuan Group Co., Ltd.	2024-11-27
131	Announcement on Resolutions of the Third Meeting of the Sixth Session of the Board of Directors	2024-11-27
132	Announcement on the Renewal of the Securities and Financial Products, Transactions and Services Framework Agreement with China Jianyin Investment Ltd.	2024-11-27
133	Announcement on the Provision of Guarantees for Wholly-owned Subsidiaries	2024-11-27
134	Announcement on the Coupon Rate of the Corporate Bonds (Second Tranche) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2024	2024-11-28
135	Announcement on Extending the Book-keeping Time for the Public Issuance of Corporate Bonds (Second Tranche) by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2024	2024-11-28
136	Announcement on the Issuance Results of Subordinated Bonds (First Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	2024-11-30
137	Announcement on the Issuance Results of Corporate Bonds (Second Tranche) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2024	2024-12-02
138	Materials for the 2024 Second Extraordinary General Meeting	2024-12-03
139	Notice of the 2024 Second Extraordinary General Meeting	2024-12-03
140	Announcement on the Listing of Corporate Bonds (Second Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Group Co., Ltd. to Professional Investors in 2024 on the Shenzhen Stock Exchange	2024-12-05
141	Announcement on the Listing of Subordinated Bonds (First Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024 on the Shenzhen Stock Exchange	2024-12-05
142	Announcement on the Issuance Results of Short-term Corporate Bonds (Fourth Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	2024-12-11
143	Announcement on Implementation of the 2024 Interim Profit Distribution Plan for A Shares of Shenwan Hongyuan Group Co., Ltd.	2024-12-11

Company Profile and  
Key Financial Indicators

Report of the Board

Corporate  
Governance

Environmental and  
Social Responsibility

Significant Events

Changes in Shares  
and Shareholders

Profile of Bonds

Financial Statements



No.	Announcement	Date of publication
144	Announcement on the Listing of Short-term Corporate Bonds (Fourth Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024 on the Shenzhen Stock Exchange	2024-12-17
145	Announcement on the Issuance Results of Short-term Corporate Bonds (Fifth Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	2024-12-18
146	Announcement on Resolutions of the 2024 Second Extraordinary General Meeting	2024-12-20
147	Announcement on Resolutions of the Fourth Meeting of the Sixth Session of the Board of Directors	2024-12-20
148	Legal Opinion of Beijing Alliance J&S Law Firm on the 2024 Second Extraordinary General Meeting of Shenwan Hongyuan Group Co., Ltd.	2024-12-20
149	Announcement on the Listing of Short-term Corporate Bonds (Fifth Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024 on the Shenzhen Stock Exchange	2024-12-24
150	Announcement on Repayment of Principal and Payment of Interest and Delisting of Subordinated Bonds (Third Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2021	2024-12-31





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

No.	Announcement	Date of publication
1	Monthly Return of Equity Issuer on Movements in Securities for the Month Ended December 31, 2023	2024-01-03
2	2023 Annual Results Forecast	2024-01-19
3	Monthly Return of Equity Issuer on Movements in Securities for the Month Ended January 31, 2024	2024-02-01
4	Notification Letter and Reply Slip to Non-registered Shareholders – Arrangement of Electronic Dissemination of Corporate Communications	2024-02-28
5	Notification Letter and Reply Slip to Registered Shareholders – Arrangement of Electronic Dissemination of Corporate Communications	2024-02-28
6	Monthly Return of Equity Issuer on Movements in Securities for the Month Ended February 29, 2024	2024-03-04
7	Date of Board Meeting	2024-03-18
8	Final Dividends for the Year Ended December 31, 2023	2024-03-28
9	Annual Results Announcement for the Year Ended December 31, 2023	2024-03-28
10	2023 Sustainability and Environmental, Social and Governance Report	2024-03-28
11	Proposed Amendments to the Articles of Association	2024-03-28
12	Working Rules of the Remuneration and Nomination Committee of the Board of Directors	2024-03-28
13	Working Rules of the Audit Committee of the Board of Directors	2024-03-28
14	Monthly Return of Equity Issuer on Movements in Securities for the Month Ended March 31, 2024	2024-04-03
15	Date of Board Meeting	2024-04-17
16	2023 Annual Report	2024-04-22
17	2024 First Quarterly Report	2024-04-29
18	Monthly Return of Equity Issuer on Movements in Securities for the Month Ended April 30, 2024	2024-05-07
19	Monthly Return of Equity Issuer on Movements in Securities for the Month Ended May 31, 2024	2024-06-03
20	Final Dividends for the Year Ended December 31, 2023 (Updated)	2024-06-06
21	Circular of the 2023 Annual General Meeting	2024-06-06
22	Form of Proxy of Holders of H Shares for Use at the Annual General Meeting Held on June 28, 2024	2024-06-06
23	Notice of the 2023 Annual General Meeting	2024-06-06
24	Articles of Association	2024-06-28
25	Final Dividends for the Year Ended December 31, 2023 (Updated)	2024-06-28
26	Poll Results of the 2023 Annual General Meeting and Payment of Cash Dividends	2024-06-28





## Section VI Significant Events (continued)

No.	Announcement	Date of publication
27	Monthly Return of Equity Issuer on Movements in Securities for the Month Ended June 30, 2023	2024-07-03
28	Monthly Return of Equity Issuer on Movements in Securities for the Month Ended July 31, 2024	2024-08-02
29	Date of Board Meeting	2024-08-20
30	Interim Dividend for the Six Months Ended June 30, 2024	2024-08-30
31	Interim Results Announcement for the Six Months Ended June 30, 2024	2024-08-30
32	Monthly Return of Equity Issuer on Movements in Securities for the Month Ended August 31, 2024	2024-09-03
33	2024 Interim Report	2024-09-13
34	Circular of the 2024 First Extraordinary General Meeting	
35	Form of Proxy of Holders of H Shares for Use at the 2024 First Extraordinary General Meeting or Any Adjournment Thereof to be Held on October 22, 2024	2024-09-27
36	Interim Dividend for the Six Months Ended June 30, 2024 (updated)	2024-09-27
37	Notice of the 2024 First Extraordinary General Meeting	2024-09-27
38	The Nomination of Candidates for the Directors of the Sixth Session of the Board of Directors of the Company and the Nomination of Candidates for the Non-employee Representative Supervisor of the Sixth Session of the Board of Supervisors of the Company	2024-09-27
39	Proposed Change of Auditors	2024-09-27
40	List of Directors and Their Role and Function	2024-09-27
41	Resignation of Non-executive Director	2024-09-27
42	Monthly Return of Equity Issuer on Movements in Securities for the Month Ended September 30, 2024	2024-09-30
43	Form of Proxy of Holders of H Shares for Use at the 2024 First Extraordinary General Meeting or Any Adjournment Thereof to be Held on October 22, 2024	2024-10-07
44	Election of Employee Representative Supervisor	2024-10-15
45	Date of Board Meeting	2024-10-18
46	List of Directors and Their Role and Function	2024-10-22
47	Interim Dividend for the Six Months Ended June 30, 2024 (updated)	2024-10-22
48	Poll Results of the 2024 First Extraordinary General Meeting Payment of Cash Dividend Appointment of Members of the Sixth Session of the Board of Directors Appointment of Members of the Sixth Session of the Board of Supervisors Roles of Members of the Sixth Session of the Board of Directors Roles of Members of the Sixth Session of the Board of Supervisors and Appointment of the Chairman, Vice Chairman of the Board of Directors and the Chairman of the Board of Supervisors	2024-10-22
49	2024 Third Quarterly Report	2024-10-30
50	Monthly Return of Equity Issuer on Movements in Securities for the Month Ended October 31, 2024	2024-11-04
51	Continuing Connected Transactions – Renewal of the Securities and Financial Products, Transactions and Services Framework Agreement	2024-11-26
52	Proposed Appointment of the Non-Executive Director	2024-11-26





No.	Announcement	Date of publication
53	Continuing Connected Transactions (Documents for Display)	2024-12-02
54	Monthly Return of Equity Issuer on Movements in Securities for the Month Ended November 30, 2024	2024-12-02
55	Circular of the 2024 Second Extraordinary General Meeting	2024-12-02
56	Form of Proxy of Holders of H Shares for Use at the 2024 Second Extraordinary General Meeting or Any Adjournment thereof to be Held on December 19, 2024	2024-12-02
57	Notice of the 2024 Second Extraordinary General Meeting	2024-12-02
58	List of Directors and Their Role and Function	2024-12-19
59	Poll Results of the 2024 Second Extraordinary General Meeting; Appointment of Non-executive Director and Adjustment to the Composition of the Special Committees of the Board	2024-12-19

Company Profile and  
Key Financial Indicators

Report of the Board

Corporate  
Governance

Environmental and  
Social Responsibility

Significant Events

Changes in Shares  
and Shareholders

Profile of Bonds

Financial Statements



### XXIII. SIGNIFICANT MATTERS OF SUBSIDIARIES OF THE COMPANY

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

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

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

Currency: RMB Unit: '0,000

Name of bond	Abbreviation of bond	Bond code	Issuance date	Value date	Maturity date	Outstanding amount	Interest rate	Method of repayment of principal and interest	Trading Exchange
Short-term Corporate Bonds (First Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	24 ShenZheng D1	148902	2024/9/6	2024/9/6	2025/6/17	180,000.00	1.98%		
Short-term Corporate Bonds (First Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	24 ShenZheng D2	148903	2024/9/6	2024/9/6	2025/7/16	380,000.00	1.99%		
Short-term Corporate Bonds (Second Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	24 ShenZheng D4	148956	2024/10/22	2024/10/22	2025/10/22	100,000.00	2.00%		
Short-term Corporate Bonds (Third Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	24 ShenZheng D5	524009	2024/11/14	2024/11/14	2025/8/14	300,000.00	1.91%		
Short-term Corporate Bonds (Third Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	24 ShenZheng D6	524010	2024/11/14	2024/11/14	2025/11/14	300,000.00	1.93%	The principal and interest will be repaid upon maturity	Shenzhen Stock Exchange
Short-term Corporate Bonds (Fourth Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	24 ShenZheng D7	524058	2024/12/9	2024/12/9	2025/6/9	300,000.00	1.74%		
Short-term Corporate Bonds (Fourth Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	24 ShenZheng D8	524059	2024/12/9	2024/12/9	2025/12/9	300,000.00	1.75%		
Short-term Corporate Bonds (Fifth Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	24 Shen D9	524071	2024/12/16	2024/12/16	2025/5/27	60,000.00	1.71%		
Short-term Corporate Bonds (Fifth Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	24 Shen D10	524072	2024/12/16	2024/12/16	2025/10/13	140,000.00	1.73%		





Name of bond	Abbreviation of bond	Bond code	Issuance date	Value date	Maturity date	Outstanding amount	Interest rate	Method of repayment of principal and interest	Trading Exchange
Corporate Bonds (First Tranche) (Type II) Issued Publicly to Professional Investors by Shenwan Hongyuan Securities Co., Ltd. in 2021	21 ShenZheng 02	149431	2021/4/29	2021/4/29	2031/4/29	200,000.00	4.05%	The interest of these bonds is calculated at simple interest on an annual basis instead of compound interest, and paid once a year. The principal will be repaid upon maturity. The interest of the last tranche will be paid together with the principal	
Corporate Bonds (Second Tranche) Issued Publicly to Professional Investors by Shenwan Hongyuan Securities Co., Ltd. in 2021	21 ShenZheng 03	149479	2021/5/24	2021/5/24	2026/5/24	260,000.00	3.63%		
Corporate Bonds (Third Tranche) (Type II) Issued Publicly to Professional Investors by Shenwan Hongyuan Securities Co., Ltd. in 2021	21 ShenZheng 05	149491	2021/5/28	2021/5/28	2031/5/28	250,000.00	4.00%		
Corporate Bonds (Fourth Tranche) (Type II) Issued Publicly to Professional Investors by Shenwan Hongyuan Securities Co., Ltd. in 2021	21 ShenZheng 07	149560	2021/7/21	2021/7/21	2031/7/21	300,000.00	3.77%		
Corporate Bonds (Fifth Tranche) (Type II) Issued Publicly to Professional Investors by Shenwan Hongyuan Securities Co., Ltd. in 2021	21 ShenZheng 09	149575	2021/7/28	2021/7/28	2026/7/28	420,000.00	3.38%		
Corporate Bonds (Sixth Tranche) (Type II) Issued Publicly to Professional Investors by Shenwan Hongyuan Securities Co., Ltd. in 2021	21 ShenZheng 11	149615	2021/8/26	2021/8/26	2031/8/26	300,000.00	3.75%		
Corporate Bonds (Seventh Tranche) (Type II) Issued Publicly to Professional Investors by Shenwan Hongyuan Securities Co., Ltd. in 2021	21 ShenZheng 13	149627	2021/9/9	2021/9/9	2026/9/9	100,000.00	3.40%		
Corporate Bonds (First Tranche) (Type II) Issued Publicly to Professional Investors by Shenwan Hongyuan Securities Co., Ltd. in 2022	22 ShenZheng 02	149790	2022/1/21	2022/1/21	2032/1/21	240,000.00	3.60%		
Corporate Bonds (Third Tranche) (Type II) Issued Publicly to Professional Investors by Shenwan Hongyuan Securities Co., Ltd. in 2022	22 ShenZheng 06	149853	2022/3/24	2022/3/24	2027/3/24	210,000.00	3.53%		



Name of bond	Abbreviation of bond	Bond code	Issuance date	Value date	Maturity date	Outstanding amount	Interest rate	Method of repayment of principal and interest	Trading Exchange
Corporate Bonds (Fourth Tranche) (Type I) Issued Publicly to Professional Investors by Shenwan Hongyuan Securities Co., Ltd. in 2022	22 ShenZheng 07	112904	2022/5/23	2022/5/23	2025/5/23	180,000.00	2.78%		
Corporate Bonds (Fourth Tranche) (Type II) Issued Publicly to Professional Investors by Shenwan Hongyuan Securities Co., Ltd. in 2022	22 ShenZheng 08	149252	2022/5/23	2022/5/23	2027/5/23	220,000.00	3.20%		
Corporate Bonds (First Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2023	23 ShenZheng 01	148247	2023/4/14	2023/4/14	2025/4/14	80,000.00	2.85%		
Corporate Bonds (First Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2023	23 ShenZheng 02	148248	2023/4/14	2023/4/14	2026/4/14	200,000.00	2.99%		
Corporate Bonds (Second Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2023	23 ShenZheng 03	148429	2023/8/17	2023/8/17	2025/8/17	220,000.00	2.50%		
Corporate Bonds (Second Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2023	23 ShenZheng 04	148430	2023/8/17	2023/8/17	2026/8/17	180,000.00	2.67%		
Corporate Bonds (Third Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2023	23 ShenZheng 05	148444	2023/8/30	2023/8/30	2025/8/30	50,000.00	2.56%		
Corporate Bonds (Third Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2023	23 ShenZheng 06	148445	2023/8/30	2023/8/30	2028/8/30	150,000.00	2.95%		
Corporate Bonds (Fourth Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2023	23 ShenZheng 07	148467	2023/9/21	2023/9/21	2025/9/21	280,000.00	2.80%		
Corporate Bonds (Fourth Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2023	23 ShenZheng 08	148468	2023/9/21	2023/9/21	2028/9/21	210,000.00	3.14%		
Corporate Bonds (First Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	24 ShenZheng 01	148606	2024/2/26	2024/2/26	2027/2/26	100,000.00	2.52%		
Corporate Bonds (First Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	24 ShenZheng 02	148607	2024/2/26	2024/2/26	2029/2/26	150,000.00	2.66%		





Name of bond	Abbreviation of bond	Bond code	Issuance date	Value date	Maturity date	Outstanding amount	Interest rate	Method of repayment of principal and interest	Trading Exchange
Corporate Bonds (Second Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	24 ShenZheng 03	148976	2024/10/28	2024/10/28	2026/10/28	270,000.00	2.20%		
Corporate Bonds (Second Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	24 ShenZheng 04	148977	2024/10/28	2024/10/28	2027/10/28	210,000.00	2.28%		
Corporate Bonds (First Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2025	25 ShenZheng 01	524165	2025/3/13	2025/3/13	2027/3/13	280,000.00	2.18%		
Corporate Bonds (Second Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2025	25 ShenZheng 03	524196	2025/03/27	2025/03/27	2027/03/27	240,000.00	1.99%		
Corporate Bonds (Second Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2025	25 ShenZheng 04	524197	2025/03/27	2025/03/27	2028/03/27	180,000.00	2.01%		
Subordinated Bonds (First Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2022	22 ShenZheng C1	149904	2022/4/27	2022/4/27	2025/4/27	300,000.00	3.19%		
Subordinated Bonds (First Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2023	23 ShenZheng C2	148199	2023/3/6	2023/3/6	2026/3/6	130,000.00	3.55%		
Subordinated Bonds (Second Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2023	23 ShenZheng C3	148223	2023/3/27	2023/3/27	2026/3/27	230,000.00	3.38%		
Subordinated Bonds (Third Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2023	23 ShenZheng C4	148540	2023/12/8	2023/12/8	2028/12/8	160,000.00	3.35%		
Subordinated Bonds (First Tranche) (Type I) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	24 ShenZheng C1	524039	2024/11/27	2024/11/27	2027/11/27	100,000.00	2.19%		
Subordinated Bonds (First Tranche) (Type II) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2024	24 ShenZheng C2	524040	2024/11/27	2024/11/27	2029/11/27	150,000.00	2.30%		





## Section VI Significant Events (continued)

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





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



Name of bond	Abbreviation of bond	Bond code	Issuance date	Value date	Maturity date	Outstanding amount	Interest rate	Method of repayment of principal and interest	Trading Exchange
Perpetual Subordinated Bonds (Third Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2023	23 ShenZheng Y3	148481	2023/10/23	2023/10/23	Every five interest-accruing years constitute a repricing period of the bond. At the end of each repricing period, the Company is entitled to extend such tranche of bonds by one repricing period (i.e. for another period of 5 years) or redeem such tranche of bonds in full	150,000.00	3.60%		
Perpetual Subordinated Bonds (Fourth Tranche) Issued Publicly by Shenwan Hongyuan Securities Co., Ltd. to Professional Investors in 2023	23 ShenZheng Y4	148500	2023/11/10	2023/11/10	Every five interest-accruing years constitute a repricing period of the bond. At the end of each repricing period, the Company is entitled to extend such tranche of bonds by one repricing period (i.e. for another period of 5 years) or redeem such tranche of bonds in full	180,000.00	3.50%		
Investor eligibility arrangement		21 ShenZheng 02, 21 ShenZheng 03, 21 ShenZheng 05, 21 ShenZheng 07, 21 ShenZheng 09, 21 ShenZheng 11, 21 ShenZheng 13, 22 ShenZheng 02, 22 ShenZheng 06 are open for trading by professional investors. 22 ShenZheng 07, 22 ShenZheng 08, 23 ShenZheng 01, 23 ShenZheng 02, 23 ShenZheng 03, 23 ShenZheng 04, 23 ShenZheng 05, 23 ShenZheng 06, 23 ShenZheng 07, 23 ShenZheng 08, 22 ShenZheng C1, 23 ShenZheng C2, 23 ShenZheng C3, 23 ShenZheng C4, 24 ShenZheng C1, 24 ShenZheng C2, 21 ShenZheng Y1, 21 ShenZheng Y2, 21 ShenZheng Y3, 22 ShenZheng Y1, 22 ShenZheng Y2, 23 ShenZheng Y1, 23 ShenZheng Y2, 23 ShenZheng Y3, 23 ShenZheng Y4, 24 ShenZheng 01, 24 ShenZheng 02, 24 ShenZheng 03, 24 ShenZheng 04, 25 ShenZheng 01, 25 ShenZheng 03, 25 ShenZheng 04, 24 ShenZheng D1, 24 ShenZheng D2, 24 ShenZheng D4, 24 ShenZheng D5, 24 ShenZheng D6, 24 ShenZheng D7, 24 ShenZheng D8, 24 Shen D9, and 24 Shen D10 are open for trading by professional institutional investors.							
Applicable trading mechanism		The bonds are traded through five types of transactions: traded by matching, one click-order, price-enquiry, bidding or upon negotiation.							
Whether there is risk of delisting (if any) and countermeasures therefor		N/A							

During the Reporting Period, Shenwan Hongyuan Securities had no outstanding overdue debts.





## 2. Issuer or investor option terms and triggering and implementation of investor protection Terms

Shenwan Hongyuan Securities issued 21 ShenZheng Y1, 21 ShenZheng Y2 and 21 ShenZheng Y3 with redemption option, issuer's redemption option upon fulfillment of certain conditions and deferred interest payment terms. The relevant options were not triggered during the Reporting Period, and the interest for the current period of 21 ShenZheng Y1, 21 ShenZheng Y2 and 21 ShenZheng Y3 was paid in full and on time.

Shenwan Hongyuan Securities issued 22 ShenZheng Y1, 22 ShenZheng Y2, 23 ShenZheng Y1, 23 ShenZheng Y2, 23 ShenZheng Y3, 23 ShenZheng Y4 with issuer's renewal option, issuer's redemption option upon fulfillment of certain conditions, and deferred interest payment terms. The relevant options were not triggered during the Reporting Period, the interest for the current period of 22 ShenZheng Y1, 22 ShenZheng Y2, 23 ShenZheng Y1, 23 ShenZheng Y2, 23 ShenZheng Y3 and 23 ShenZheng Y4 was paid in full and on time.

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



### 3. Information of intermediaries

Bond trustee				Credit rating agency(ies)			
Name of bond	Name	Office address	Contact person of		Name	Office address	Signing accountants
			intermediary	Telephone			
21 ShenZheng 02	Guotai Junan Securities Co., Ltd.	33/F, Bohua Plaza, No. 669 Xinzha Road, Jing'an District, Shanghai	Wu Yiqing, Liu Siyu, Pu Tianhao	021-38676666	China Lianhe Credit Rating Co., Ltd.	10/F, PICC Building, No.2 Jianguomenwai Avenue, Chaoyang District, Beijing	KPMG:Jin Naiwen, Yu Jingjing, Liu Yejun
21 ShenZheng 03							
21 ShenZheng 05							
21 ShenZheng 07							
21 ShenZheng 09							
21 ShenZheng 11							
21 ShenZheng 13							
22 ShenZheng 02							
22 ShenZheng 06							
22 ShenZheng 07							
22 ShenZheng 08							
22 ShenZheng C1							
22 ShenZheng Y1							
22 ShenZheng Y2							
23 ShenZheng 01	Guotai Junan Securities Co., Ltd.	33/F, Bohua Plaza, No. 669 Xinzha Road, Jing'an District, Shanghai	Wu Yiqing, Liu Siyu, Pu Tianhao	021-38676666	China Lianhe Credit Rating Co., Ltd.	10/F, PICC Building, No.2 Jianguomenwai Avenue, Chaoyang District, Beijing	KPMG:Jin Naiwen, Yu Jingjing PricewaterhouseCoopers: Yip Siu Foon, Linda, Shan Feng
23 ShenZheng 02							
23 ShenZheng C2							
23 ShenZheng C3							
23 ShenZheng 03							
23 ShenZheng 04							
23 ShenZheng 05							
23 ShenZheng 06							
23 ShenZheng 07							
23 ShenZheng 08							
23 ShenZheng C4							
23 ShenZheng Y1							
23 ShenZheng Y2							
23 ShenZheng Y3							
23 ShenZheng Y4							
24 ShenZheng 01	Guotai Junan Securities Co., Ltd.	33/F, Bohua Plaza, No. 669 Xinzha Road, Jing'an District, Shanghai	Wu Yiqing, Liu Siyu, Pu Tianhao	021-38676666	China Lianhe Credit Rating Co., Ltd.	10/F, PICC Building, No.2 Jianguomenwai Avenue, Chaoyang District, Beijing	KPMG:Jin Naiwen PricewaterhouseCoopers: Yip Siu Foon, Linda, Shan Feng
24 ShenZheng 02							
24 ShenZheng D1							
24 ShenZheng D2							
24 ShenZheng 03							
24 ShenZheng 04	Guotai Junan Securities Co., Ltd.	33/F, Bohua Plaza, No. 669 Xinzha Road, Jing'an District, Shanghai	Wu Yiqing, Liu Siyu, Pu Tianhao	021-38676666	China Lianhe Credit Rating Co., Ltd.	10/F, PICC Building, No.2 Jianguomenwai Avenue, Chaoyang District, Beijing	KPMG:Jin Naiwen PricewaterhouseCoopers: Yip Siu Foon, Linda, Shan Feng, Wei Jialiang
24 ShenZheng D4							





Name of bond	Name	Bond trustee			Credit rating agency(ies)		Signing accountants
		Office address	Contact person of intermediary	Telephone	Name	Office address	
24 ShenZheng D5							
24 ShenZheng D6							
24 ShenZheng D7							
24 ShenZheng D8							
24 Shen D9							PricewaterhouseCoopers: Yip Siu Foon, Linda, Wei Jialiang
24 Shen D10							
24 ShenZheng C1							
24 ShenZheng C2							
25 ShenZheng 01							
25 ShenZheng 03							
25 ShenZheng 04							
21 ShenZheng Y1		5/F, Block B, Haitong					
21 ShenZheng Y2		Bund Finance Plaza,					
	Haitong Securities	No. 888 South	Huang Shan	021-23187486			KPMG: Jin Naiwen, Yu Jingjing, Liu Yejun
21 ShenZheng Y3	Co., Ltd.	Zhongshan Road, Huangpu District, Shanghai					

There were no changes in the above organizations during the Reporting Period.



#### 4. Use of proceeds

Currency: RMB Unit: Yuan

Name of bond	Total proceeds	Amount used	Outstanding amount	Operation of special account for proceeds (if any)	Rectification of irregular use of proceeds (if any)	Whether the use of proceeds is consistent with the use of proceeds committed, the planned use and other agreements in the prospectus
21 ShenZheng 02	2,000,000,000	2,000,000,000	0.00	Standard operation	Nil	Yes
21 ShenZheng 03	2,600,000,000	2,600,000,000	0.00	Standard operation	Nil	Yes
21 ShenZheng 05	2,500,000,000	2,500,000,000	0.00	Standard operation	Nil	Yes
21 ShenZheng 07	3,000,000,000	3,000,000,000	0.00	Standard operation	Nil	Yes
21 ShenZheng 09	4,200,000,000	4,200,000,000	0.00	Standard operation	Nil	Yes
21 ShenZheng 11	3,000,000,000	3,000,000,000	0.00	Standard operation	Nil	Yes
21 ShenZheng 13	1,000,000,000	1,000,000,000	0.00	Standard operation	Nil	Yes
22 ShenZheng 02	2,400,000,000	2,400,000,000	0.00	Standard operation	Nil	Yes
22 ShenZheng 06	2,100,000,000	2,100,000,000	0.00	Standard operation	Nil	Yes
22 ShenZheng 07	1,800,000,000	1,800,000,000	0.00	Standard operation	Nil	Yes
22 ShenZheng 08	2,200,000,000	2,200,000,000	0.00	Standard operation	Nil	Yes
23 ShenZheng 01	800,000,000	800,000,000	0.00	Standard operation	Nil	Yes
23 ShenZheng 02	2,000,000,000	2,000,000,000	0.00	Standard operation	Nil	Yes
23 ShenZheng 03	2,200,000,000	2,200,000,000	0.00	Standard operation	Nil	Yes
23 ShenZheng 04	1,800,000,000	1,800,000,000	0.00	Standard operation	Nil	Yes
23 ShenZheng 05	500,000,000	500,000,000	0.00	Standard operation	Nil	Yes
23 ShenZheng 06	1,500,000,000	1,500,000,000	0.00	Standard operation	Nil	Yes
23 ShenZheng 07	2,800,000,000	2,800,000,000	0.00	Standard operation	Nil	Yes
23 ShenZheng 08	2,100,000,000	2,100,000,000	0.00	Standard operation	Nil	Yes
22 ShenZheng C1	3,000,000,000	3,000,000,000	0.00	Standard operation	Nil	Yes
23 ShenZheng C2	1,300,000,000	1,300,000,000	0.00	Standard operation	Nil	Yes
23 ShenZheng C3	2,300,000,000	2,300,000,000	0.00	Standard operation	Nil	Yes
23 ShenZheng C4	1,600,000,000	1,600,000,000	0.00	Standard operation	Nil	Yes
21 ShenZheng Y1	2,000,000,000	2,000,000,000	0.00	Standard operation	Nil	Yes
21 ShenZheng Y2	3,300,000,000	3,300,000,000	0.00	Standard operation	Nil	Yes
21 ShenZheng Y3	4,700,000,000	4,700,000,000	0.00	Standard operation	Nil	Yes
22 ShenZheng Y1	5,000,000,000	5,000,000,000	0.00	Standard operation	Nil	Yes
22 ShenZheng Y2	4,800,000,000	4,800,000,000	0.00	Standard operation	Nil	Yes
23 ShenZheng Y1	1,800,000,000	1,800,000,000	0.00	Standard operation	Nil	Yes
23 ShenZheng Y2	1,800,000,000	1,800,000,000	0.00	Standard operation	Nil	Yes
23 ShenZheng Y3	1,500,000,000	1,500,000,000	0.00	Standard operation	Nil	Yes
23 ShenZheng Y4	1,800,000,000	1,800,000,000	0.00	Standard operation	Nil	Yes
24 ShenZheng 01	1,000,000,000	1,000,000,000	0.00	Standard operation	Nil	Yes
24 ShenZheng 02	1,500,000,000	1,500,000,000	0.00	Standard operation	Nil	Yes





Name of bond	Total proceeds	Amount used	Outstanding amount	Operation of special account for proceeds (if any)	Rectification of irregular use of proceeds (if any)	Whether the use of proceeds is consistent with the use of proceeds committed, the planned use and other agreements in the prospectus
24 ShenZheng 03	2,700,000,000	2,700,000,000	0.00	Standard operation	Nil	Yes
24 ShenZheng 04	2,100,000,000	2,100,000,000	0.00	Standard operation	Nil	Yes
24 ShenZheng D1	1,800,000,000	1,800,000,000	0.00	Standard operation	Nil	Yes
24 ShenZheng D2	3,800,000,000	3,800,000,000	0.00	Standard operation	Nil	Yes
24 ShenZheng D4	1,000,000,000	1,000,000,000	0.00	Standard operation	Nil	Yes
24 ShenZheng D5	3,000,000,000	3,000,000,000	0.00	Standard operation	Nil	Yes
24 ShenZheng D6	3,000,000,000	3,000,000,000	0.00	Standard operation	Nil	Yes
24 ShenZheng D7	3,000,000,000	3,000,000,000	0.00	Standard operation	Nil	Yes
24 ShenZheng D8	3,000,000,000	3,000,000,000	0.00	Standard operation	Nil	Yes
24 Shen D9	600,000,000	600,000,000	0.00	Standard operation	Nil	Yes
24 Shen D10	1,400,000,000	1,400,000,000	0.00	Standard operation	Nil	Yes
24 ShenZheng C1	1,000,000,000	1,000,000,000	0.00	Standard operation	Nil	Yes
24 ShenZheng C2	1,500,000,000	1,500,000,000	0.00	Standard operation	Nil	Yes
25 ShenZheng 01	2,800,000,000	2,800,000,000	0.00	Standard operation	Nil	Yes
25 ShenZheng 03	2,400,000,000	2,400,000,000	0.00	Standard operation	Nil	Yes
25 ShenZheng 04	1,800,000,000	1,800,000,000	0.00	Standard operation	Nil	Yes

*Change of use of proceeds from the above bonds during the Reporting Period*

☐ Applicable ☒ Not applicable

**5. Adjustments to credit rating results during the Reporting Period**

☐ Applicable ☒ Not applicable

**6. Guarantee, credit enhancement mechanism, debt repayment plan and other debt repayment safeguard measures for corporate bonds**

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



#### **7. Other information**

During the Reporting Period, Shenwan Hongyuan Securities did not issue enterprise bonds, inter-bank non-financial enterprise bond financing instruments, or convertible corporate bonds; did not record loss within the scope of consolidated statements exceeding 10% of the net assets as at the end of last year; and did not have any overdue debts; no interest-bearing bonds other than bonds were overdue; there was no violation of laws and regulations, the Articles of Association, the provisions of the information disclosure management system, and the stipulations or commitments in the prospectus of bonds.

### **(II) Related Regulatory Measures for subsidiaries of the Company**

#### **1. In February 2024, Shenwan Hongyuan Securities Co., Ltd. was ordered to make rectifications by the CSRC**

In February 2024, the CSRC issued the “Decision on the Ordered Rectifications to Shenwan Hongyuan Securities Co., Ltd.” to Shenwan Hongyuan Securities, with the main contents as follows: firstly, the underwriting due diligence was not standardized, and in respect of some of the projects, insufficient attention and verification were made to matters that might affect the issuer’s solvency; secondly, the trustee management did not perform its duties and responsibilities properly, and individual projects did not follow up on matters affecting the issuer’s solvency during the duration of the project and analyze the impact in a timely manner. In March 2024, the Shanghai Stock Exchange issued the “Decision on the Issuance of the Written Warning to Shenwan Hongyuan Securities Co., Ltd.” to Shenwan Hongyuan Securities for the same matter.

In response to the above issues, Shenwan Hongyuan Securities and its relevant subsidiaries have seriously organized and launched rectification work to further improve the relevant systems and mechanisms for bond and asset securitization business, further strengthen the control of key aspects such as due diligence and duration management, and improve the quality of bond and asset securitization business practice.





## 2. In March 2024, Shenwan Hongyuan Securities Co., Ltd. and relevant personnel were issued a warning letter by the Shanghai CSRC

In March 2024, the Shanghai CSRC issued the “Decision on Issuing a Warning Letter to Shenwan Hongyuan Securities Co., Ltd.” to Shenwan Hongyuan Securities, and issued a warning letter to the relevant responsible persons. The main contents are as follows: firstly, it failed to effectively establish a tracking system for the implementation of decision-making matters covering overseas subsidiaries, and failed to specify the management system for related party transactions of overseas subsidiaries; secondly, it failed to supervise overseas subsidiaries to effectively deal with situations where risk indicators exceeded the limits; and thirdly, it failed to carry out resign audits or resign reviews for some directors, senior management and key personnel of overseas subsidiaries. The relevant responsible persons are responsible for the first violation mentioned above.

In response to the above issues, Shenwan Hongyuan Securities has seriously organized and carried out rectification, established a decision-tracking and implementation mechanism covering its overseas subsidiaries, revised and improved the relevant systems for risk management, strengthened the risk management and control over its overseas subsidiaries; and it urged subsidiaries to establish related-party transaction management mechanisms, carry out post-office audit reviews as required, and proactively implement the supervisory requirements and the company decisions.

## 3. In May 2024, Shenwan Hongyuan Securities Co., Ltd. was issued a warning letter by the Shanghai CSRC

In May 2024, the Shanghai CSRC issued the “Decision on Issuing a Warning Letter to Shenwan Hongyuan Securities Co., Ltd.” to Shenwan Hongyuan Securities, with the main contents as follows: Shenwan Hongyuan Securities had the following problems in the network security incident discovered by the Internet Information Technology Department’s monitoring in March 2024: firstly, it had not conducted a full assessment of the technological and business risks of the relevant functions of the information system, and it had not formulated effective risk prevention and control measures; secondly, there were deficiencies in the management mechanism for handling, security protection and audit supervision of investors’ personal information, which led to information security problems during the use of personal information; and thirdly, no timely rectification was made in respect of the identified security vulnerabilities of the information system.

In response to the above issues, Shenwan Hongyuan Securities has seriously organized and carried out rectification work, strengthened the information system management and network control, optimized the investor information protection mechanism, strengthened the information security governance, and carried out timely rectification of the identified information system security loopholes.



**4. In June 2024, Shenwan Hongyuan Financing Services Co., Ltd. and relevant personnel were issued a warning letter by the Xinjiang CSRC**

In June 2024, the Xinjiang CSRC issued the “Decision on the Regulatory Measures of Issuing a Warning Letter to Shenwan Hongyuan Financing Services Co., Ltd. and Relevant Personnel” to Shenwan Hongyuan Financing Services and relevant personnel, with the main contents as follows: Shenwan Hongyuan Financing Services and related personnel conducted insufficient due diligence such as visiting individual suppliers and customers of the issuer during the practicing course of sponsorship business of non-public offering of shares of Hubei Kaile Science and Technology Company Limited in 2016.

In response to the above issues, Shenwan Hongyuan Financing Services continued to improve the internal control system of investment banking business, strictly adhered to the three lines of defense, improved the internal control mechanism, continued to strengthen the professional training of business personnel, strengthened project due diligence management and continued to improve the quality of practice.

**5. In August 2024, Lanzhou Xijin West Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd. and relevant personnel were issued a warning letter by Gansu CSRC**

In August 2024, Gansu CSRC issued the “Decision on the Measures of Issuing a Warning Letter to Lanzhou Xijin West Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.” to Lanzhou Xijin West Road Securities Branch of Shenwan Hongyuan Securities (Western) and also issued a warning letter to the relevant personnel, with the main contents as follows: Lanzhou Xijin West Road Securities Branch of Shenwan Hongyuan Securities (Western) failed to include the mobile phone numbers of some employees in the compliance monitoring system; and some of its employees handled securities transactions for clients, provided clients with investment recommendations that lacked reasonable basis, and provided clients with answers to knowledge tests for the opening of margin financing and securities lending business and STAR Market business.

In response to the above issues, Shenwan Hongyuan Securities has instructed its sales department to actively organize and implement corrective actions, strengthened employee compliance promotion and training, strictly implemented the requirements of the company’s compliance monitoring work, strengthened the supervision and management of employees’ practice behaviors, urged employees to conduct business in compliance, and strictly implemented the company’s professional behavior management requirements.





**6. In August 2024, Shenwan Hongyuan Financing Services Co., Ltd. and relevant personnel were issued a warning letter by the CSRC**

In August 2024, the CSRC issued the “Decision on the Measures of Issuing a Warning Letter to Shenwan Hongyuan Financing Services Co., Ltd. and Relevant Personnel” to Shenwan Hongyuan Financing Services and relevant personnel, with the main contents as follows: During the process of sponsoring the initial public offering and listing of Tibet Guoce Environmental Protection Company Limited (“Tibet Guoce”), relevant personnel of Shenwan Hongyuan Financing Services engaged in activities that violated the sponsorship agreement signed between the company and Tibet Guoce without the company’s consent. Shenwan Hongyuan Financing Services failed to strictly regulate the practice of its employees and supervise them to perform their duties diligently.

In response to the above issues, Shenwan Hongyuan Financing Services continued to improve the internal control system of the investment banking business, continuously strengthened the professional training of its employees, supervised its employees to exercise due diligence, and standardized their practice behavior.

**7. In September 2024, Wenzhou Branch of Shenwan Hongyuan Securities Co., Ltd. and relevant personnel was ordered to make rectifications by Zhejiang CSRC**

In September 2024, Zhejiang CSRC issued the “Decision on the Ordered Rectifications to Wenzhou Branch of Shenwan Hongyuan Securities Co., Ltd.” to Wenzhou Branch of Shenwan Hongyuan Securities Co., Ltd., and it also required relevant responsible persons to make rectifications. The main contents are as follows: Wenzhou Branch had the following problems: firstly, in 2021, it assigned marketing tasks to non-marketing staff and issued marketing incentives; secondly, there were deficiencies in internal compliance management; and thirdly, there were inaccuracies and incompleteness in the materials submitted to the Zhejiang CSRC.

In response to the above issues, Shenwan Hongyuan Securities required the branch to actively organize and implement rectifications, strictly implement the regulatory requirements and relevant rules and regulations of the Company, carry out marketing work in a standardized manner, return the marketing incentives received in violation of the regulations, strengthen the internal compliance management, and report the relevant materials to the regulatory authorities in strict accordance with the requirements.



**8. In October 2024, Shenwan Hongyuan Securities Co., Ltd. and relevant personnel was administratively penalized by the Shanghai Branch of the People's Bank of China**

In October 2024, the Shanghai Branch of the People's Bank of China issued an "Administrative Penalty Decision" to Shenwan Hongyuan Securities Co., Ltd. and the relevant responsible persons, with the main contents as follows: the company failed to fulfill the obligation of client identification in accordance with regulations, failed to report large-value transactions and suspicious transactions, and conducted transactions with unidentified clients.

In response to the above issues, Shenwan Hongyuan Securities seriously organized and launched rectifications, revised and improved the anti-money laundering system, optimized the indicators for monitoring suspicious transactions, improved the relevant functions of the anti-money laundering system, strengthened customer identity identification, reported large-value transactions and suspicious transaction reports in strict accordance with the regulatory requirements, and resolutely put an end to transactions with unidentified customers, further consolidated the foundation of anti-money laundering work, enhanced the ability of money laundering risk prevention and control, and submitted a rectification report to the Shanghai Branch of the People's Bank of China in accordance with the requirements.

**9. In November 2024, Shenwan Hongyuan Financing Services Co., Ltd. and relevant personnel were issued a warning letter by Ningbo CSRC**

In November 2024, Ningbo CSRC issued the "Decision on the Measures of Issuing a Warning Letter to Shenwan Hongyuan Financing Services Co., Ltd. and relevant personnel" to Shenwan Hongyuan Financing Services and relevant personnel, with the main contents as follows: Shenwan Hongyuan Financing Services, as the lead underwriter of Ningbo Youlian Shengye Culture Development Co., Ltd., and its relevant personnel, as the continuous supervisors, failed to diligently perform their continuous supervision duties.

In response to the above issues, Shenwan Hongyuan Financing Services continued to improve the internal control system of investment banking business, strengthened the professional training of its employees, and urged its employees to be diligent and fulfill their continuous supervisory duties in a practical and effective manner.





**10. In December 2024, Shenwan Hongyuan Financing Services Co., Ltd. was issued a warning letter by Tibet CSRC**

In December 2024, the Tibet CSRC issued the “Decision on the Measures of Issuing a Warning Letter to Shenwan Hongyuan Financing Services Co., Ltd.” to Shenwan Hongyuan Financing Services, with the main contents as follows: during the continuous supervision period, as the lead underwriter of Chaoyi Century Network Technology Co., Ltd. (“Chaoyi Network”) in Lhasa Economic and Technological Development Zone, Shenwan Hongyuan Financing Services failed to fulfill the obligation of prudent verification, failed to discover Chaoyi Network’s fictitious increase and decrease of operating income, and failed to disclose the continuous supervision opinions on Chaoyi Network’s major asset restructuring on schedule.

In response to the above issues, Shenwan Hongyuan Financing Services continued to improve the internal control system of investment banking business, continued to strengthen the professional training of business personnel, urged employees to be diligent and conscientious, and practically and effectively fulfilled the duties of continuous supervision.

**11. In December 2024, Shenwan Hongyuan Securities Co., Ltd. was issued a warning letter by Xinjiang CSRC**

In December 2024, the Xinjiang CSRC issued the “Decision on Regulatory Measures of Issuing a Warning Letter to Shenwan Hongyuan Securities Co., Ltd.” to Shenwan Hongyuan Securities, with the main contents as follows: as the lead underwriter of the “23 Xinhua 01” corporate bonds of Xinjiang Zhongtai Chemical Co., Ltd., Shenwan Hongyuan Securities failed to conduct adequate verification of the issuer’s non-operating funds and other situations, and the due diligence work papers were not standardized.

In response to the above issues, Shenwan Hongyuan Securities has instructed the relevant departments to supplement the verification of the issuer’s relevant situation; comprehensively improved the relevant work papers; organized and carried out employee training, and urged its employee to strengthen the verification in the process of the subsequent work; practically enhanced the accuracy, completeness and standardization of the work papers.



**12. In December 2024, Shenwan Hongyuan Securities Co., Ltd. was issued a warning letter by the Shanghai CSRC**

In December 2024, the Shanghai CSRC issued the “Decision on Regulatory Measures of Issuing a Warning Letter to Shenwan Hongyuan Securities Co., Ltd.” to Shenwan Hongyuan Securities, with the main contents as follows: the company has the following issues: firstly, in respect of the management of OTC derivatives business, its management on counterparty appropriateness was not in place; the requirements of the negative customer management mechanism for OTC options business were not implemented; the requirements of the internal system were not strictly enforced in the areas of counterparty admission and quoting of prices; the monitoring of the trading behaviors of individual counterparties of OTC derivatives transactions was not in place; some compliance risk control reminders were not implemented; and there were deficiencies in the management of the risk limits; and secondly, in respect of the brokerage business management, the identities of investors whose accounts had large fund transfers under specific circumstances were not re-identified; relevant restrictive measures were not taken against investors whose true identities could not be verified; the management of real-name system for the use of accounts has not been put in place; and the problems raised by individual internal audit have not been rectified in a timely manner.

In response to the above issues, Shenwan Hongyuan Securities has instructed the relevant departments to carry out rectification: in respect of the OTC derivatives business, the company has strengthened the management of counterparty suitability, strictly implemented the requirements of the negative customer management mechanism for the OTC options business, strictly enforced the company’s internal control system in all aspects, diligently monitored the trading behavior of counterparties, effectively implemented compliance risk control reminders, and perfected the management of risk limits; in respect of the brokerage business, Shenwan Hongyuan Securities has established and improved a mechanism for re-identification of customers with abnormal large-scale fund transfers, strictly implemented the requirements for taking relevant restrictive measures against investors whose true identities cannot be verified, strengthened real-name management of account usage, and conscientiously carried out timely rectification of various issues raised by internal audits.





### 13. In December 2024, Hubei Branch of Hongyuan Futures was issued a warning letter by Hubei CSRC

During their practition, the employees of Hubei Branch of Hongyuan Futures provided risk assessment answers to clients and offered investment advice to investors without meeting the relevant practition requirement, which violated Article 14 (1) and (2) of the Regulations on the Administration of Futures Practitioners (CSRC Order No. 48), Article 3 (2) of the Futures Trading Advisory Business of Futures Companies (CSRC Order No. 202), and Article 15 (3) of the Regulations on the Administration of Futures Practitioners (CSRC Order No. 48). As a result of which, Hubei CSRC took regulatory measures on it by issuing a warning letter. Due to defects in its internal control, Hubei Branch of Hongyuan Futures violated Article 56 of the Regulations on the Supervision and Administration of Futures Companies (CSRC Order No. 155). As a result of which, Hubei CSRC took regulatory measures on it by issuing a warning letter.

In response to the above issues, Hongyuan Futures has instructed the relevant departments to carry out rectification: sort out the management system of employees' practice behaviors; send out monthly "Reminder Letter on Honest and Compliance Practice", and organize employees to sign the "Employee Commitment of Compliance, Integrity and Honest Practice" every year; organize and carry out practice behavior management, complaint and dispute handling, and case warning education and training; organize all employees of the branch to carry out training on honest and compliant practice and case studies, network marketing compliance training, and require employees to comply with the rules and regulations, strictly abide by the bottom line and red line, and provide services to customers with professional skills in a diligent, responsible, independent and objective attitude; organize and carry out special investigations, including but not limited to whether they are involved in futures trading, wealth management on behalf of customers, directing transactions, directing the completion of appropriateness questionnaires, directing the answering of callback questions, providing trading advice by employees who do not have investment consulting qualifications, and violating the regulations on internet marketing.



**14. In December 2024, Hongyuan Futures was issued a warning letter by the Beijing CSRC**

Hongyuan Futures failed to establish and continuously improve the compliance management, risk management and internal control system covering its subsidiaries and their businesses, and failed to effectively implement the relevant compliance, risk management and internal control requirements, which violated the Article 51 of the “Regulations on the Supervision and Administration of Futures Companies” (CSRC Order No. 155). As a result of which, Beijing CSRC took regulatory measures on it by issuing a warning letter.

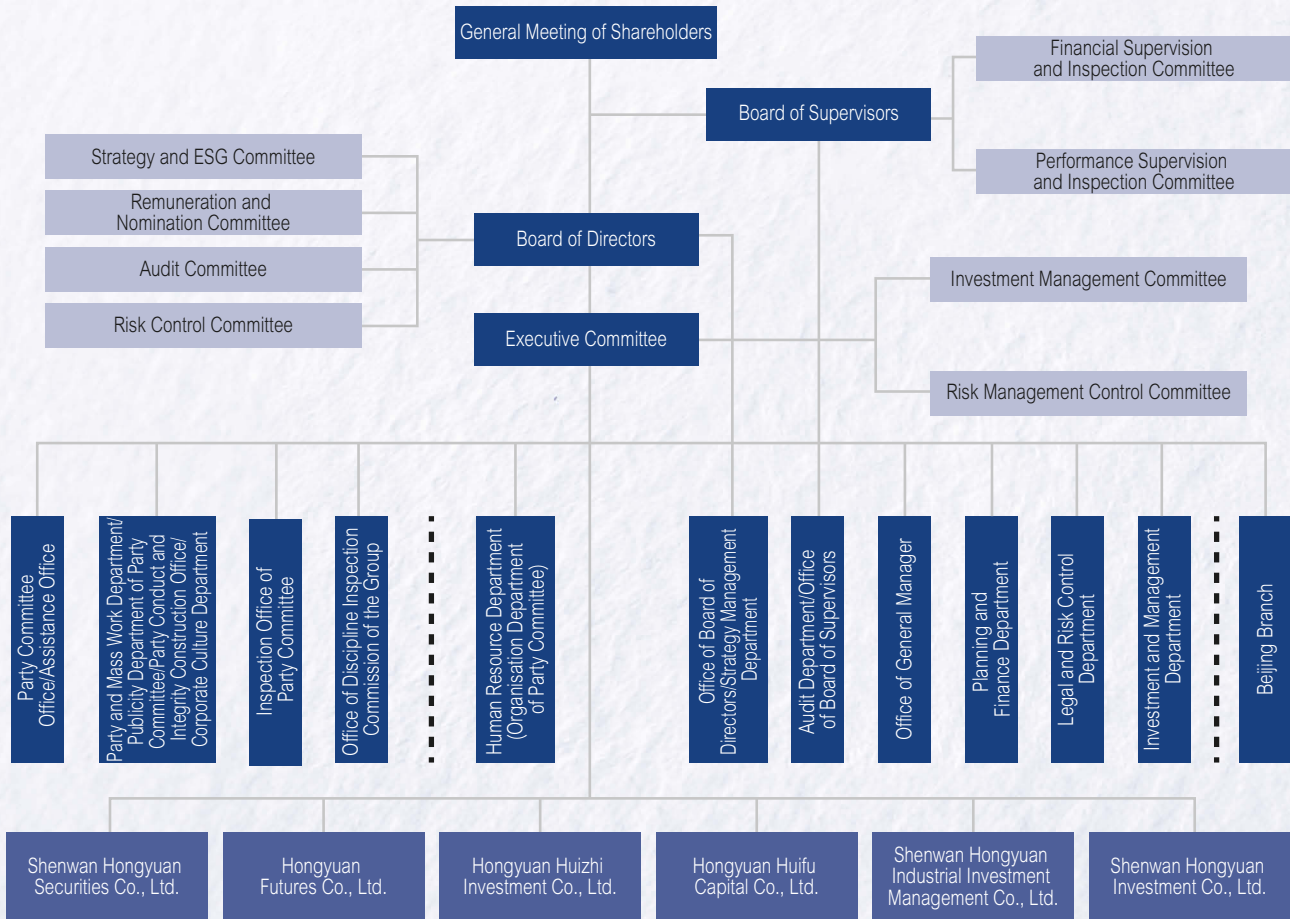
In response to the above issues, Hongyuan Futures has instructed the relevant departments to carry out corrective actions: further strengthen the authorization management and tighten the business quota; further improve risk limit indicators and strengthen concentration management; further improve risk limit indicators such as liquidity risk, credit risk, market risk, and reputation risk based on risk preferences; further improve the entry requirements and strengthen the management of counterparties; comprehensively review the system and processes of subsidiaries and strengthen risk management and control; continue to strengthen the investigation of hidden risks to ensure that the risks are measurable and controllable; continue to strengthen the education on integrity and compliance to enhance the awareness of case prevention; strengthen the application of systems to enhance the informationization level of business risk management.





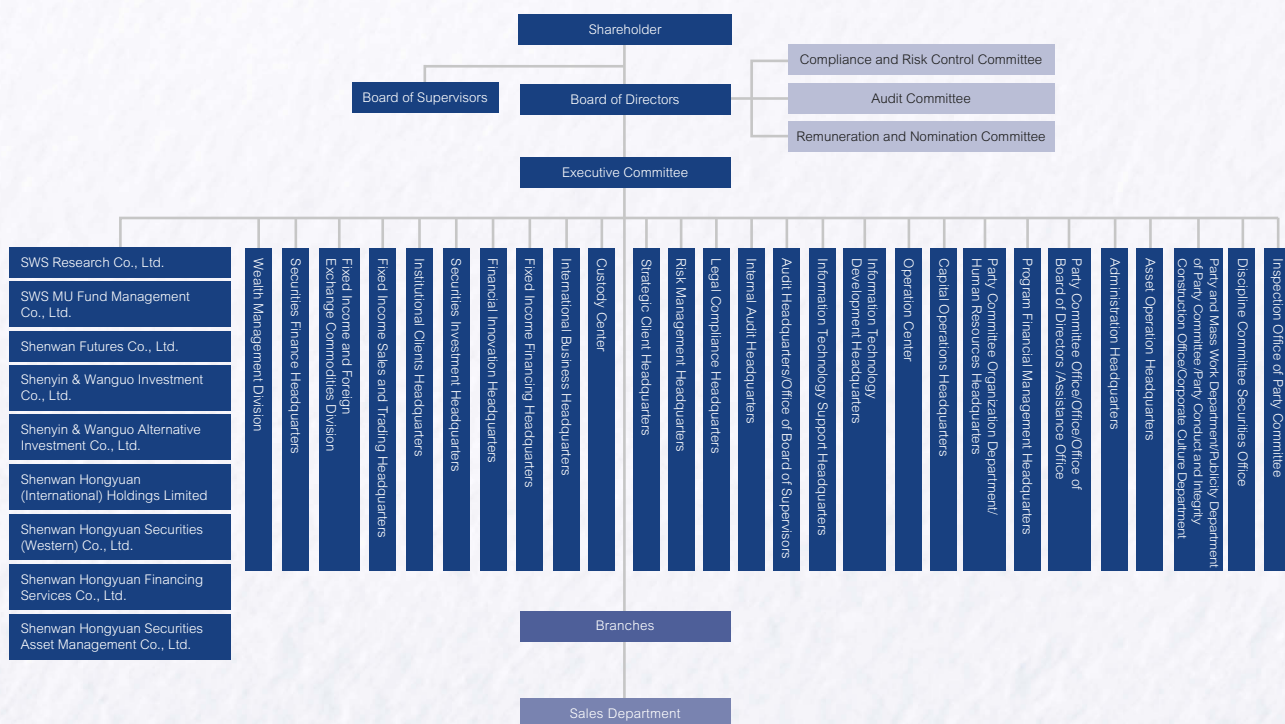
## XXIV. ORGANISATION OF THE COMPANY

### (I) Organisation Chart of Shenwan Hongyuan Group





(II) Organisation Chart of Shenwan Hongyuan Securities





### (III) Major Subsidiaries of the Company

No.	Name of subsidiary	Registered address	Time of establishment	Registered capital	Shareholding	Principal	Telephone
1	Shenwan Hongyuan Securities Co., Ltd.	45/F, No. 989 Changle Road, Xuhui District, Shanghai	January 16, 2015	RMB53.5 billion	100%	Zhang Jian	021-33389888
2	Shenwan Hongyuan Industrial Investment Management Company Limited	Room 2003, 20/F, Dacheng International Building, No. 358 Beijing South Road, Urumqi Hightech Industrial Development Zone (New Zone), Xinjiang	January 21, 2015	RMB200 million	100%	Liu Yue	010-88013518
3	Hongyuan Huifu Capital Co., Ltd.	Room 201, 2/F, No. 19 Taipingqiao Street, Xicheng District, Beijing	March 19, 2010	RMB500 million	100%	Wang Rong	010-88085335
4	Hongyuan Huizhi Investment Co., Ltd.	Room 3-4 (Room 104, Building 3), Balongqiao Yayuan, Qiaozhi Town, Huairou District, Beijing	March 27, 2012	RMB2 billion	100%	Lin Yanxu	010-88013980
5	Hongyuan Futures Co., Ltd.	Room 4B, 4/F, No. 19 Taipingqiao Street, Xicheng District, Beijing	May 2, 1995	RMB1 billion	100%	Xie Kun	010-82291988
6	Shenwan Hongyuan Investment Co., Ltd.	Room 2002, 20/F, Dacheng International Building, No. 358 Beijing South Road, Urumqi Hightech Industrial Development Zone (New Zone), Xinjiang	January 21, 2015	RMB1 billion	100%	Wang Rong	0991-2303802
7	Shenwan Hongyuan Securities (Western) Co., Ltd.	Room 2005, 20/F, Dacheng International Building, No. 358 Beijing South Road, Urumqi Hightech Industrial Development Zone (New Zone), Xinjiang	January 20, 2015	RMB5.7 billion	100%	Wang Xianjun	0991-2307533
8	Shenwan Hongyuan Financing Services Co., Ltd.	Room 2004, 20/F, Dacheng International Building, No. 358 Beijing South Road, Urumqi Hightech Industrial Development Zone (New Zone), Xinjiang	January 20, 2015	RMB1 billion	100%	Wang Mingxi	010-88085786
9	Shenwan Hongyuan Securities Asset Management Co., Ltd.	40/F, No. 989, Changle Road, Xuhui District, Shanghai	December 20, 2022	RMB2.5 billion	100%	Yuan Jin	021-33388328
10	Shenwan Futures Co., Ltd.	7/F, 8/F 10/F, 11/F & Room 3401, No. 800 Dongfang Road, China (Shanghai) Pilot Free Trade Zone	January 7, 1993	RMB1,442 million	97.8680%	Shang Heng	021-50588811
11	SWS MU Fund Management Co., Ltd.	11/F, No. 100 Zhongshan South Road, Huangpu District, Shanghai	January 15, 2004	RMB150 million	67%	Chen Xiaosheng	021-23261188
12	Shenyin & Wanguo Investment Co., Ltd.	Room 503-509, 5/F (6/F nominal floor), No. 989, Changle Road, Xuhui District, Shanghai	April 9, 2009	RMB1 billion	100%	Dai Jiaming	021-61820675
13	Shenyin & Wanguo Alternative Investment Co., Ltd.	Room 1901-08, No. 1325 Huaihai Middle Road, Xuhui District, Shanghai	May 29, 2013	RMB2.5 billion	100%	Xu Yewei	021-61606999
14	SWS Research Co., Ltd.	3/F, No. 99 Nanjing East Road, Huangpu District, Shanghai	October 16, 1992	RMB20 million	90%	Zhou Haichen	021-23297446
15	Shenwan Hongyuan (International) Holdings Limited	4/F Three Pacific Place, 1 Queen's Road East, Hong Kong	October 29, 1992	HK\$4.071 billion	100%	Wu Meng	852-25098333

Note: The information in the above table is the information as of December 31, 2024.



**(IV) Branch Company of the Company**

Name	Address	Time of establishment	Principal	Telephone
Beijing Branch of Shenwan Hongyuan Group Co., Ltd.	Room 601, 6/F, No. 19 Taipingqiao Street, Xicheng District, Beijing	July 10, 2015	Huang Qi	010-88085858

**(V) Number and Distribution of Branch Companies and Securities Branches of Shenwan Hongyuan Securities Co., Ltd., a Subsidiary of the Company**

**1. Number and distribution of branch companies and securities branches**

As of December 31, 2024, Shenwan Hongyuan Securities and its securities subsidiaries have established 59 branches (including non-independent branches) and 298 securities offices located in 106 cities in 21 provinces, 4 municipalities and 4 autonomous regions, of which 61 securities offices are located in Shanghai, and 237 are located in regions other than Shanghai.

Province/ municipality/ autonomous region	Number of branch companies	Percentage in		Distribution of securities branches
		Number of securities branches	total number of securities branches (%)	
Shanghai City	4	61	20.47	Shanghai (61)
Xinjiang Uygur Autonomous Region	/	42	14.09	Urumqi City (12), Kelamayi City (2), Tulufan City (2), Hami City (2), Changji Prefecture (6), Yili Prefecture (3), Tacheng Area (2), Altay Area (1), Bortala Prefecture (1), Bayingolin Prefecture (1), Aqsu Area (2), Kyzylsu Prefecture (1), Kashgar Area (2), Hotan Area (1), Shihezi City (2), Wujiaqu City ((1), Alar City (1)
Jiangsu Province	6	29	9.73	Nanjing (4), Yancheng (10), Nantong (3), Wuxi (3), Zhenjiang (2), Suzhou (2), Yangzhou (1), Taizhou (2), Huaian (1), Xuzhou (1)
Zhejiang Province	5	25	8.39	Hangzhou (7), Jinhua (2), Quzhou (2), Jiaxing (3), Huzhou (1), Taizhou (1), Shaoxing (1), Lishui (1), Wenzhou (4), Ningbo (3)
Guangdong Province	6	20	6.71	Guangzhou (7), Maoming (1), Zhongshan (1), Zhanjiang (1), Shenzhen (10)
Sichuan Province	2	15	5.03	Chengdu (9), Deyang (1), Meishan (2), Luzhou (2), Ya'an (1)
Hubei Province	2	15	5.03	Wuhan (9), Huangshi (1), Huanggang (1), Xiangyang (2), Yichang (2)
Liaoning Province	2	10	3.36	Shenyang (4), Benxi (1), Anshan (1), Dalian (4)
Guangxi Zhuang Autonomous Region	1	7	2.35	Nanning (2), Guilin (1), Liuzhou (1), Qinzhou (1), Guigang (1), Hezhou (1)
Jiangxi Province	2	9	3.02	Nanchang (4), Shangrao (2), Ganzhou (1), Jingdezhen (1), Yichun (1)
Fujian Province	4	7	2.35	Fuzhou (2), Putian (1), Quanzhou (2), Xiamen (2)
Chongqing City	1	7	2.35	Chongqing (7)
Hunan Province	1	7	2.35	Changsha (4), Xiangtan (1), Zhuzhou (1), Yiyang (1)
Beijing City	4	6	2.01	Beijing (6)
Shandong Province	3	7	2.35	Jinan (2), Linyi (1), Zibo (1), Weifang (1), Qingdao (2)
Tianjin City	1	4	1.34	Tianjin (4)



Province/ municipality/ autonomous region	Number of branch companies	Number of securities branches	Percentage in total number of securities branches (%)	Distribution of securities branches
Anhui Province	2	4	1.34	Hefei (2), Huangshan (1), Huainan (1)
Jilin Province	1	2	0.67	Changchun (1), Jilin (1)
Henan Province	2	3	1.01	Zhengzhou (2), Nanyang (1)
Hebei Province	1	4	1.34	Tangshan (1), Shijiazhuang (1), Baoding (1), Qinhuangdao (1)
Hainan Province	1	3	1.01	Haikou (2), Danzhou (1)
Heilongjiang Province	1	2	0.67	Harbin (2)
Guizhou Province	1	2	0.67	Guiyang (1), Zunyi (1)
Shanxi Province	1	1	0.34	Taiyuan (1)
Yunnan Province	1	2	0.67	Kunming (1), Qujing (1)
Shaanxi Province	1	2	0.67	Xi'an (2)
Gansu Province	1	1	0.34	Lanzhou (1)
Ningxia Hui Autonomous Region	1	1	0.34	Yinchuan (1)
Inner Mongolia Autonomous Region	1	0	/	/
Total	59	298	100.00	106

In addition, as of December 31, 2024, among the non-securities subsidiaries of the Company, SWS MU had 1 subsidiary in Shanghai, 1 branch company in Beijing and Guangzhou, respectively; Shenwan Futures had 1 subsidiary in Shanghai, 1 branch company in Beijing, Zhejiang, Shanghai, Jiangsu, Shenzhen, Sichuan and Henan, respectively and 21 securities branches in 18 cities.



## 2. Basic information of securities branches

Name	Registered address	Time of establishment	Principal	Contact number
Shanghai Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 2701-10, 502, 504, 506, 508, No. 99 Huangpu Road, Hongkou District, Shanghai	August 18, 2009	Yang Guibao	021-56558390 021-56558533
Shanghai No. 2 Branch of Shenwan Hongyuan Securities Co., Ltd.	Unit 11, 33/F, No. 989 Changle Road, Xuhui District, Shanghai	September 29, 2013	Zhao Mingwei	021-33388738
Shanghai Pilot Free Trade Zone Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 902, Building 3, Lane 9, Yunjuan North Road, Lingang New Area, China (Shanghai) Pilot Free Trade Zone	April 22, 2015	Zhou Qi	021-59282001 021-58282002
Jiangsu Branch of Shenwan Hongyuan Securities Co., Ltd.	5/F and 7/F, No. 27 and 29 Huaqiao Road, Gulou District, Nanjing City, Jiangsu Province	July 10, 2009	Shen Jianfeng	025-84763722
Suzhou Branch of Shenwan Hongyuan Securities Co., Ltd.	Units 2001/02/03/04, Block 4, Fenglong City Life Plaza, No. 788 Zhongyuan Road, Suzhou Industrial Park, Suzhou Area, China (Jiangsu) Pilot Free Trade Zone	November 18, 2020	Yu Yu	0512-65279517 0512-67889803 0512-67889805 0512-67889807 0512-67889809
Nantong Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 0101, 0102 and 0301, Haitian Building, No. 43 Qingnian Middle Road, Nantong City, Jiangsu Province	January 6, 2021	Dong Jun	0513-89011866 0513-89011868
Yangzhou Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 758 Yangtze River Middle Road, Yangzhou City, Jiangsu Province	August 1, 1997	Jin Xudong	0514-87862997 0514-87862998 0514-87862986
Changzhou Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 111, 112, 113 and 201, Longjin Building, Sanjing Street, Xinbei District, Changzhou City, Jiangsu Province	August 8, 2022	Zhou Jianfeng	0519-83869888
Wuxi Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 24 Qingyang Road, Wuxi City, Jiangsu Province	August 22, 1997	Shao Zheng	0510-82851299
Zhejiang Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 2301-1, Building 2, Ping An Financial Center, Shangcheng District, Hangzhou City, Zhejiang Province	June 29, 2009	Zhu Liyan	0571-85063951 0571-86050783
Wenzhou Branch of Shenwan Hongyuan Securities Co., Ltd.	South Area, 2/F, Blocks 1 & 2, Jinglong Building, No. 543 Chezhan Avenue, Lucheng District, Wenzhou City, Zhejiang Province	December 27, 2012	Xu Lu	0577-88269999
Ningbo Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 13-2, 16-1 and 16-2, No. 99 Qianlong Road, Baizhang Sub-district, Yinzhou District, Ningbo City, Zhejiang Province	May 29, 1997	Liu Weijia	0574-87315586 0574-87311010
Taizhou Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 1601, Building 1, Kaitou Financial Building, No. 877 Shifu Avenue, Baiyun Sub-district, Jiaojiang District, Taizhou City, Zhejiang Province	December 30, 2020	Cao Yonghu	0576-82599902 0576-88500193
Jiaxing Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 996 Hexing South Road, Nanhu District, Jiaxing City, Zhejiang Province	December 28, 1996	Shen Jia	0573-82056792 0573-82056781





Name	Registered address	Time of establishment	Principal	Contact number
Guangdong Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 5803B-5804, No. 15 Zhujiang West Road, Tianhe District, Guangzhou City, Guangdong Province	February 25, 2014	Che Zuobin	020-38998276
Shenzhen Branch of Shenwan Hongyuan Securities Co., Ltd.	Unit 01, 76/F, Ping An Finance Center, No. 5033 Yitian Road, Fu'an Community, Futian Sub-district, Futian District, Shenzhen City, Guangdong Province	July 2, 2009	Shi Yan	0755-88286860 0755-88287550
Zhuhai Branch of Shenwan Hongyuan Securities Co., Ltd.	Shop 101-2, No.2045 Yingbin South Road, Gongbei, Xiangzhou District, Zhuhai City, Guangdong Province	June 3, 2021	Wang Weiping	0756-8873748
Dongguan Branch of Shenwan Hongyuan Securities Co., Ltd.	01, Room 2601, Unit 2, Building 4, No. 200 Hongfu Road, Nancheng Sub-district, Dongguan City, Guangdong Province	May 13, 2014	Huang Yong	0769-22621022 0769-22697699
Foshan Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 1202-1203, Department 1201, Building 2, Block 10, Vanke Golden Land International Garden, No. 23 Guilin Middle Road, Guicheng Sub-district, Nanhai District, Foshan City, Guangdong Province	April 28, 2001	Gui Yang	0757-83036500 0757-83036506 0757-83036510
Sichuan Branch of Shenwan Hongyuan Securities Co., Ltd.	Units No. 1 and No. 3, 31/F, Building 1, No. 199 Tianfu 4th Street, Chengdu Hi-Tech Zone, Pilot Free Trade Zone (Sichuan), China	June 30, 2009	Qi Shiqun	028-83348958
Mianyang Branch of Shenwan Hongyuan Securities Co., Ltd.	2/F, Building D2-B, No. 488 Feiyun Avenue, Yongxing Town, Hi-Tech Zone, Mianyang City, Sichuan Province	August 25, 2023	Li Bo	0816-6981818 0816-6201238
Hubei Branch of Shenwan Hongyuan Securities Co., Ltd.	2/F, Building 7, Kaile Garden, No. 46, Lane 5, Wuluo Road, Wuchang District, Wuhan City, Hubei Province	June 29, 2009	Zhao Jiejun	027-88926036 027-87739170 027-87739112 027-87739127
Wuhan Guanggu Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 103, 1/F, Building No. 1, Area B, Wuhan Hi-Tech Medical Device Park, No. 818 Gaoxin Avenue, Donghu New Technology Development Zone, Wuhan City, Hubei Province	April 13, 2023	Li Yuanyuan	027-87739163
Liaoning Branch of Shenwan Hongyuan Securities Co., Ltd.	25/F, Block B, Shenyang Fortune Center, No. 53 North Station Road, Shenhe District, Shenyang City, Liaoning Province	June 29, 2009	Wang Peng	024-22512180
Dalian Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 1-2 and Loft 1-1-2, Xinxing International Center, No. 12-2 Yuguang Street and Rooms No. 04/05/06A, 8/F, Xinxing International Center, No. 20 Yide Street, Zhongshan District, Dalian City, Liaoning Province	January 25, 2013	Sheng Junming	0411-82802781



Name	Registered address	Time of establishment	Principal	Contact number
Guangxi Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 5505, 55/F, Guangxi Jiuzhou International, No. 9 Zhongxin Road, Qingxiu District, Nanning City, Guangxi Zhuang Autonomous Region	November 7, 2013	Zhang Yu	0771-5305920
Jiangxi Branch of Shenwan Hongyuan Securities Co., Ltd.	4/F, Building B, No. 12 Zhongshan West Road, Xihu District, Nanchang City, Jiangxi Province	February 10, 2014	Wu Minhui	0791-86211520
Jiujiang Branch of Shenwan Hongyuan Securities Co., Ltd.	Units 107-112, Buildings ABC, Jiahua Mingguan, Lianxi District, Jiujiang City, Jiangxi Province	April 27, 2022	Wang Weijing	0792-8135449 0792-8114034 0792-8135441 0792-8114051
Fujian Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 01 and 02-2, 8/F, Hengli Financial Center, No. 6 Guanfengting Street, Gudong Sub-district, Gulou District, Fuzhou City, Fujian Province	August 2, 2016	Li Ziquan	0591-83321230 0591-83320781
Xiamen Branch of Shenwan Hongyuan Securities Co., Ltd.	1 & 2/F, Block A, Jinbang Building, No. 842 Xiahe Road, Siming District, Xiamen City, Fujian Province	February 3, 1997	Chen Yuxiao	0592-5857988
Quanzhou Branch of Shenwan Hongyuan Securities Co., Ltd.	3A1, 3B1, 3B2 and 3B3, 3/F, Qianyi Building, No. 671 Tian'an South Road, Yingjin Community, Fengze Sub-district, Fengze District, Quanzhou City, Fujian Province	October 23, 2012	Shi Yanghao	0595-22251778 0595-22251098
Longyan Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 1106, No. 395 Longyan Avenue Middle, Xinluo District, Longyan City, Fujian Province	August 27, 2024	Lin Xiating	0597-5269866
Chongqing Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 9-1, 9-2, 9-3, 9-5 and 9-10, No. 2 Qingyun Road, Jiangbei District, Chongqing	June 30, 2009	Yin Yongjun	023-63512762 023-67691833
Hunan Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 2802-2806, 28/F, Block C, Kailin Business Center, No. 53 Binjiang Road, Yuelu District, Changsha City, Hunan Province	March 17, 2014	Ma Rijun	0731-82203681
Beijing Branch of Shenwan Hongyuan Securities Co., Ltd.	1-18-01 to 1-18-06, 5/F, Building 1, No. A43 Xizhimen North Street, Haidian District, Beijing	July 17, 2009	Zhan Lineng	010-82290986 010-82290830
Beijing Second Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 201-1, 2/F, No. 19 Taipingqiao Street, Xicheng District, Beijing	June 29, 2009	Wang Jing	010-63898827
Shandong Branch of Shenwan Hongyuan Securities Co., Ltd.	Area A, 29/F, North Building, China Life Tower, No. 11001, Jingshi Road, Lixia District, Jinan City, Shandong Province	July 18, 2016	Zhao Yang	0531-55639861
Qingdao Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms BCDEF, Mezzanine A, No. 2 Shandong Road, Shinan District, Qingdao City, Shandong Province	March 12, 1994	Li Zhaojia	0532-82964929 0532-82969934
Yantai Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 16A01/02/03/05/06/07/08, No. 11 Nanda Street, Zhifu District, Yantai City, Shandong Province	November 14, 2007	Zhang Jun	0535-3390679 0535-6861789
Tianjin Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 601, 605-611, Building 5, Yujia Building, No. 9 Qianjin Road, Hexi District, Tianjin City	February 28, 2014	Zhang Liang	022-87878820





Name	Registered address	Time of establishment	Principal	Contact number
Anhui Branch of Shenwan Hongyuan Securities Co., Ltd.	23/F and East Side of 1/F, Jinding Plaza, No. 287 Suixi Road, Luyang District, Hefei City, Anhui Province	October 28, 1997	Liao Jie	0551-62628361 0551-62645083
Wuhu Branch of Shenwan Hongyuan Securities Co., Ltd.	Building 3, Renmin Road Group, Jinghu District, Wuhu City, Anhui Province (4F and a portion of 1/F, No. 29 Wenhua Road)	March 21, 2011	Zhang Yixuan	0553-3800161 0553-3801167
Jilin Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 439, 441, 443, 445, 446, 447, 448, 449, 450, 451, 452, 453, 455 and 457 on the east side of the fourth floor of Building 3, Northeast Asia International Finance Center, No. 10606 Renmin Street, Nangan District, Changchun City, Jilin Province	June 7, 2006	Zhang Chunjie	0431-88590168 0431-88590177 0431-81330927
Henan Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 2101, 2102, 2103, 2104, 2111, 2112 and 2113, Future Building, No. 69 Future Road, Jinshui District, Zhengzhou City, Henan Province	September 21, 2009	Li Dong	0371-65621178 0371-65621167 0371-65621150 0371-86007666
Luoyang Branch of Shenwan Hongyuan Securities Co., Ltd.	Shop 101, Building 1, Tianyuan Center, No. 288, Kaiyuan Avenue, Luolong District, Luoyang City, Henan Province	March 8, 2023	Chen Wei	0379-63239750 0379-63239751 0379-63239752
Hebei Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 902, 903 and 907, No. 1 Office Building, Wufang Building, No. 88 Xida Street, Chang'an District, Shijiazhuang City, Hebei Province	September 29, 2009	Li Zhenzi	0311-89250996
Hainan Branch of Shenwan Hongyuan Securities Co., Ltd.	Business Hall B, First Floor, Section C, Huaxin Commercial Building, No. 1 Longkun South Road, Meilan District, Haikou City, Hainan Province	August 20, 1993	Mao Xiaohong	0898-66763964 0898-66763942
Heilongjiang Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 309, 3-Floor Building, Room 416, Poly Science and Technology Building, No. 93 Zhongshan Road, Xiangfang District, Harbin City, Heilongjiang Province	May 23, 1997	Li Dongri	0451-82261109 0451-82261102 0451-82261165
Guizhou Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 1, 2, 3, 4, 5, 20, 21, 22, 23, 24, 25, 26 and 27, 7/F, Buildings E-03 and F-01, Media-Lincheng Era, No. 8, Changling North Road, Guanshanhu District, Guiyang City, Guizhou Province	September 8, 2009	Tian Zhigang	0851-86830188 0851-86966128 0851-86966100
Shanxi Branch of Shenwan Hongyuan Securities Co., Ltd.	Units (01, 02, 03, 04), 39/F, Block A, Zhonghai International Center, No. 8, Section 1, Jinci Road, Wanbailin District, Taiyuan City, Shanxi Province	September 5, 2001	Zhao Bing	0351-4191667 0351-4198199 0351-4191662



Name	Registered address	Time of establishment	Principal	Contact number
Yunnan Branch of Shenwan Hongyuan Securities Co., Ltd.	Units OT1-1101, OT1-1102 and OT1-1110, Office Building of Kunming Henglong Plaza, No. 23 Dongfeng East Road, Panlong District, Kunming City, Yunnan Province	May 26, 2004	Tao Jianping	0871-63627709
Inner Mongolia Branch of Shenwan Hongyuan Securities Co., Ltd.	1/F, Rixin Huachen Building, No. 23 Ruyi West Street, Saihan District, Hohhot City, Inner Mongolia Autonomous Region	October 9, 2009	Gao Yanjuan	0471-5275883 0471-5275896 0471-5275881 0471-5275882
Shaanxi Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	Unit 04, 1/F and Units 04-06, 21/F, Tower B, Daxia International Center, No. 355 Huixin Road, Qujiang New District, Xi'an City, Shaanxi Province	June 7, 2016	Wang Wei	029-85219724
Gansu Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	15/F, Zhicheng Capital Office Building, No. 122 Gannan Road, Chengguan District, Lanzhou City, Gansu Province	February 25, 2014	Zhang Jiao	0931-8870422
Ningxia Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	Business Room 23, Comprehensive Building 25, Golf Garden, Minzu North Street, Xingqing District, Yinchuan City, Ningxia Hui Autonomous Region	March 2, 2011	Zhang Haiqun	0951-5121888 0951-5121889 0591-5121890 0591-5121840
Shanghai Branch of Shenwan Hongyuan Financing Services Co., Ltd.	11/F, No. 989 Changle Road, Xuhui District, Shanghai	March 13, 2015	Tao Xiansheng	021-33388788
Shenzhen Branch of Shenwan Hongyuan Financing Services Co., Ltd.	75/F (Whole Floor), Ping An Finance Center, No. 5033 Yitian Road, Fu'an Community, Futian Sub-district, Futian District, Shenzhen, Guangdong Province	March 20, 2015	Chen Zilin	0755-33066080
Beijing Branch of Shenwan Hongyuan Financing Services Co., Ltd.	Room 5B, 5/F, Block B, No. 19 Taipingqiao Street, Xicheng District, Beijing	June 23, 2009	Xi Rui	010-88085870
Beijing Branch of Shenwan Hongyuan Securities Asset Management Co., Ltd.	Room 201-2, 2/F, No. 19 Taipingqiao Street, Xicheng District, Beijing	December 22, 2023	Chen Xinmei	010-88085740





### 3. Basic information of securities branches

No.	Name	Address	Time of establishment	Principal	Contact number
1	Shanghai Baoshan District Tongtai Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 88 Tongtai Road, Baoshan District, Shanghai	November 13, 1992	Lin Fei	021-56678288 021-56672366 021-56840339
2	Shanghai Baoshan District Yixian Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 103A and 503 (actual floor, nominal floor 6F), Block 1, No. 1328 Yixian Road, Baoshan District, Shanghai	August 11, 1992	Zhao Zuojun	021-66181850
3	Shanghai Chongming District Chuanxin Street Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 1 Chuanxin Street, Chongming District, Shanghai	September 27, 1993	Wu Xuwei	021-59624211
4	Shanghai Fengxian District Renmin Middle Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 236 Renmin Middle Road, Nanqiang Town, Fengxian District, Shanghai	May 18, 1994	Wang Huanxian	021-57180300
5	Shanghai Hongkou District Dalian Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 301 and 304, No. 1, Lane 839, Dalian Road, Hongkou District, Shanghai	June 2, 1997	Wang Wei	021-65621708
6	Shanghai Hongkou District Fengzhen Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	1 & 2/F, No. 78 Fengzhen Road, Shanghai	August 6, 1997	Huang Wei	021-65927799 021-65933557 021-65923399
7	Shanghai Hongkou District Zhongshan North First Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room B301-1, No. 1230 Zhongshan North First Road, Hongkou District, Shanghai	December 26, 1994	Zhou Hua	021-65449501
8	Shanghai Huangpu District Fuzhou Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 309-310, No. 318 Fuzhou Road, Huangpu District, Shanghai	February 26, 1993	Zhang Lei	021-63614376
9	Shanghai Huangpu District Guangdong Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 729 Guangdong Road, Huangpu District, Shanghai	July 9, 1990	Wang Hua	021-63520448
10	Shanghai Huangpu District Lujiabang Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	2/F, Block 91, No. 1295 Lujiabang Road, Huangpu District, Shanghai	July 17, 1992	Han Bin	021-63459588 021-63457242
11	Shanghai Huangpu District Xinchang Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	3/F Podium, No. 170-180 Xinchang Road, Huangpu District, Shanghai	February 26, 1993	Zhang Shunjie	021-63274738
12	Shanghai Huangpu District Yandang Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 02, 3/F, No. 29 Yandang Road, Huangpu District, Shanghai	June 22, 1992	Shen Qijun	021-63860111-0
13	Shanghai Huangpu District Zhonghua Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Ground Floor, No. 1158 Zhonghua Road, Huangpu District, Shanghai	September 25, 1992	Zhu Yubin	021-63452225 021-63456146



No.	Name	Address	Time of establishment	Principal	Contact number
14	Shanghai Huangpu District Zhongshan South First Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 328, 329, 330, 331, 332, 337, 338, 339, 341 and 342, 3/F, Podium, No. 727 Zhongshan South First Road, Huangpu District, Shanghai	December 25, 1992	Gu Xianghui	021-63020852 021-63034217
15	Shanghai Jiading District Tacheng Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	2 & 3/F, No. 399 Tacheng Road, Jiading District, Shanghai	May 10, 1994	Zhou Liang	021-59520033-213
16	Shanghai Jinshan District Fengyang Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 213 Fengyang Road, Fengjing Town, Jinshan District, Shanghai	January 16, 2014	Ying Hongliang	021-67968179
17	Shanghai Jinshan District Lincang Street Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	4 & 5/F, No. 180 Lincang Street, (Kailaidi Gold Plaza), Zhujing Town, Jinshan District, Shanghai	December 30, 1992	Chen Jiangwen	021-57320525 021-57319775
18	Shanghai Jinshan District Mengshan Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 101 on 1/F, 2/F and 3/F, No. 279 Mengshan Road, Jinshan District, Shanghai	May 18, 1994	Chu Kaihong	021-57947506
19	Shanghai Jing'an District Beijing West Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 206-213, 2/F, No. 1465 Beijing West Road, Jing'an District, Shanghai	July 25, 1992	Li Yu	021-62766732 021-62766167 021-62662931
20	Shanghai Jing'an District Changhua Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	1/F and Room 201, 2/F, No. 33 Changhua Road, Jing'an District, Shanghai	September 22, 1993	Miao Yanfei	021-62580041
21	Shanghai Jing'an District Fenxi Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 457 Fenxi Road, Jing'an District, Shanghai	May 17, 2001	Wang Peiwen	021-56772188
22	Shanghai Jing'an District Haining Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 101, No. 719 and 26/F, No. 717 Haining Road, Jing'an District, Shanghai	December 30, 1992	Lv Bocheng	021-63561477 021-63569058 021-63060615 021-63566082
23	Shanghai Jing'an District Kangding Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Block A, 2/F, No. 1584 Kangding Road, Jing'an District, Shanghai	July 31, 1997	Chai Zhenyu	021-52560687 021-62309099 021-52560683
24	Shanghai Jing'an District Luochuan East Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	2 & 3/F, No. 303 Luochuan East Road, Jing'an District, Shanghai	August 18, 1993	Chen Wenbo	021-56389619
25	Shanghai Jing'an District Yanchang Middle Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 597 Yanchang Middle Road, Jing'an District, Shanghai	May 4, 1994	Shen Xumin	021-56650617
26	Shanghai Jing'an District Zhongxing Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Units 05 and 06, 8/F, No. 1539 Zhongxing Road, Jing'an District, Shanghai	December 2, 1996	Zhang Zheng	021-56557578 021-56558629
27	Shanghai Minhang District Bijiang Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	3/F, No. 349 Bijiang Road, Minhang District, Shanghai	February 25, 1993	Zhu Jiawei	021-64307999





No.	Name	Address	Time of establishment	Principal	Contact number
28	Shanghai Minhang District Dongchuan Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	1 & 2/F, No. 2380 and Room 101, 1/F, No. 2382 Dongchuan Road, Minhang District, Shanghai	June 14, 1994	Yang Zhengrong	021-34095845 021-34095846
29	Shanghai Minhang District Longming Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	3/F, No. 1847 Longming Road, Minhang District, Shanghai	August 17, 1998	Guo Hao	021-54789007
30	Shanghai Minhang District Qishen Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 401A, No. 3088 Qishen Road, Minhang District, Shanghai	June 6, 1994	Lou Jun	021-64785060
31	Shanghai Minhang District Shensong Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	1/F-1 and 2/F, No. 235 Shensong Road, Minhang District, Shanghai	December 4, 1992	Chen Jianming	021-64880218
32	Shanghai Pudong New District Chengshan Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	2/F, No. 436 Chengshan Road, Pudong New District, Shanghai	March 3, 1993	Lin Zheng	021-58745509
33	Shanghai Pudong New District Chuansha Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	1-2/F, Block 5, No. 4487 Chuansha Road, Pudong New District, Shanghai	December 11, 1996	Guan Xuting	021-58905851 021-58988361 021-58905852
34	Shanghai Pudong New District Dongfang Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 405-408, No. 1870 Dongfang Road, Pudong New District, Shanghai	October 12, 1993	Jin Tao	021-58812050 021-58815751
35	Shanghai Pudong New District Guanyue West Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 201-203, Rooms 205-207 and Room 210, No. 1-2 and 5, Lanes 100, 102, 112, 130 and 136 Guanyue West Road, Pudong New District, Shanghai	May 29, 1995	Chen Bin	021-68111608 021-58119280 021-68115115
36	Shanghai Pudong New District Hunan Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	1 & 2/F No.17, Lane 2419, Hunan Road, Pudong New District, Shanghai	June 3, 1997	Chen Zhaozhao	021-58759715
37	Shanghai Pudong New District Jinghai Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	2/F No. 500 & 502 Jinghai Road, Huinan Town, Pudong New District, Shanghai	May 18, 1994	Xu Jingfang	021-58022226 021-58014545 021-58020286 021-58024763
38	Shanghai Pudong New District Lujiazui Ring Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 01 and 3001-3004, Shopping Mall, No. 958 Lujiazui Ring Road, China (Shanghai) Pilot Free Trade Zone	June 5, 1997	Ge Wenyu	021-68864509
39	Shanghai Pudong New District Miaojing Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	3/F and Zone A, 2/F, No. 399 Miaojing Road, Pudong New District, Shanghai	December 28, 1994	Liu Weimin	021-58987061 021-58985785 021-58986559
40	Shanghai Pudong New District Sanlin Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 329 Sanlin Road, Pudong New District, Shanghai	May 5, 1993	Shen Rong	021-58491919 021-50846426



No.	Name	Address	Time of establishment	Principal	Contact number
41	Shanghai Pudong New District Shangcheng Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 355 Yuanshen Road and Unit 103-1, Unit 209 and Unit 210-3, No. 1418 Shangcheng Road, China (Shanghai) Pilot Free Trade Zone	December 6, 1991	Liu Yin	021-68758843
42	Shanghai Pudong New District Century Avenue Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Unit 01, 9/F (Nominal Floor, Actual Floor, 8/F), T1, No. 1788 & 1800, Century Avenue, China (Shanghai) Pilot Free Trade Zone	June 11, 2008	Zhang Guang	021-50817188 021-50817533
43	Shanghai Pudong New District Yunjuan North Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Unit 101-3, Block 3, Lane 9, Yunjuan North Road, Lingang New Area, China (Shanghai) Pilot Free Trade Zone	May 30, 2014	Zhao Yunfeng	021-58282621
44	Shanghai Pudong New District Zhangyang Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 538 Gushan Road and Room 301, Building 1, No. 2399 Zhangyang Road, China (Shanghai) Pilot Free Trade Zone	April 28, 2001	Chen Xiaoying	021-50110021
45	Shanghai Putuo District Jinshajiang Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Zone B, Room 501, No. 10, Lane 1628, Jinshajiang Road, Putuo District, Shanghai	April 28, 2001	Li Zheyang	021-60712578
46	Shanghai Putuo District Lanxi Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 135 Lanxi Road, Putuo District, Shanghai	August 21, 1992	Shen Yiming	021-62856848
47	Shanghai Putuo District Wuning Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 301, No. 507 Wuning Road, Putuo District, Shanghai	September 11, 1992	Yang Zuowei	021-62050238
48	Shanghai Qingpu District Gongyuan Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	1-2/F, No. 232, Gongyuan Road, Qingpu District, Shanghai	April 5, 1993	Wu Yubo	021-69718274
49	Shanghai Hongkou District Huangpu Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 203A, No. 99 Huangpu Road, Hongkou District, Shanghai	December 30, 1992	Bao Hongwei	021-65530848
50	Shanghai Songjiang District Renmin North Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	1 & 3/F, No. 1505 Renmin North Road, Songjiang District, Shanghai	November 19, 1997	Li Wei	021-57830333
51	Shanghai Xuhui District Kaixuan Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 301A, No. 3131 Kaixuan Road, Xuhui District, Shanghai	December 30, 1992	Yu Jiayong	021-64365605
52	Shanghai Xuhui District Longcao Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	3/F, No. 9-6, Lane 1, Longcao Road, Xuhui District, Shanghai	August 28, 1992	Deng Jin	021-64837751
53	Shanghai Xuhui District Shangzhong West Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 200 Shangzhong West Road, Xuhui District, Shanghai	April 12, 1995	Miao Qianfang	021-64775185





No.	Name	Address	Time of establishment	Principal	Contact number
54	Shanghai Xuhui District Tianyaoqiao Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Units 03 and 05, North 18A/F and Unit 201, South 2F, No. 333 Tianyaoqiao Road, Xuhui District, Shanghai	April 12, 1990	Mei Yijie	021-64383594 021-64388845 021-64386695 021-64383706 02164286377
55	Shanghai Xuhui District Yishan Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Units 104, 105 and 106, 1/F, No. 719 Yishan Road, Xuhui District, Shanghai	December 24, 1996	Yao Wei	021-64838486 021-64707623
56	Shanghai Xuhui District Yunjin Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	T1-306, 3/F, No. 701 Yunjin Road, Xuhui District, Shanghai	May 8, 2014	Zheng Wenzhuo	021-52211630 021-52211617
57	Shanghai Yangpu District Huangxing Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 101, 3/F, No. 1810 Huangxing Road, Yangpu District, Shanghai	March 16, 1992	Shen Jia	021-55057570 021-55058853
58	Shanghai Yangpu District Longchang Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	3/F, No. 600 Longchang Road, Yangpu District, Shanghai	November 25, 1992	Pang Bo	021-65800808 021-65804338
59	Shanghai Yangpu District Pingliang Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	2/F, No. 913, 915, 917, 919, 921, 923, 925, 927 & 929, Pingliang Road, Yangpu District, Shanghai	July 3, 1992	Ma Jun	021-65353279
60	Shanghai Changning District Tianshan Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	4F405, 4F406 and 4F407, No. 1111 Tianshan Road, Changning District, Shanghai	August 19, 1992	Hao Hongyan	021-33608648 021-33608696
61	Shanghai Changning District Songhong Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	2/F, No. 152 Songhong Road, Changning District, Shanghai	December 30, 1992	Chen Wei	021-62414652
62	Nanjing Huaqiao Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 101, 1/F and 6/F, No. 27 and 29 Huaqiao Road, Gulou District, Nanjing City, Jiangsu Province	November 20, 1997	Jiang Ping	025-84763795 025-84763788
63	Nanjing Huangshan Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 1501 and 1504, Elevator Floor 15 (Building Floor 13) and Room 1F06, Elevator Floor 1 (Building Floor 1), Block 3, Lvyi International Plaza, No. 2 Huangshan Road, Jianye District, Nanjing City, Jiangsu Province	November 20, 1997	Li Wei	025-83306729 025-83159116 025-83307557 025-83159113
64	Nanjing Pubin Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 103, 104, 1/F and Rooms 401-405, 4/F, Building A3, No. 91 Pubin Road, Jiangbei New District, Nanjing, Jiangsu Province	May 29, 2001	Xu Jun	025-58880402 025-58886820 025-58884790
65	Nanjing Shengli Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 76-3, Shengli Road, Moling Street, Jiangning District, Nanjing City, Jiangsu Province (Jiangning Development Zone)	January 21, 2008	Li Mengya	025-83288029 025-83357097 025-84717096





## Section VI Significant Events (continued)

No.	Name	Address	Time of establishment	Principal	Contact number
66	Yancheng Binhai Haibin Avenue Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 90 Haibin Avenue, Binhai County, Yancheng City, Jiangsu Province	December 18, 2013	Jiang Guanrong	0515-89129718 0515-89128718
67	Yancheng Dafeng Jiankang West Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 1-2~4 Jiankang West Road, Dafeng District, Yancheng City, Jiangsu Province	January 27, 2014	Xu Chuanwei	0515-83900562 0515-83365618
68	Yancheng Dongtai Wanghai East Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 32 Wanghai East Road (formerly Xindong East Road), Dongtai City, Jiangsu Province	December 17, 2013	Tang Xinhua	0515-85320562 0515-85321562 0515-85310818 0515-85326562
69	Yancheng Funing Shehe North Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Shops 8 & 9, Employee Residential Building, No. 4 Pharmaceutical Factory, Fucheng Shehe East Road, Funing County, Yancheng City, Jiangsu Province	January 28, 2014	Zou Yu	0515-87220562
70	Yancheng Jianhu Huzhong Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 148 Huzhong South Road, Jianhu County, Yancheng City, Jiangsu Province	December 20, 2013	Wang Yijun	0515-86232366 0515-86291366 95523
71	Yancheng Jiefang South Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 101 & 201, Building A, Shops in South Zone, Qianjiang Fangzhou Community, Yancheng City, Jiangsu Province	December 24, 1998	Jiang Hua	0515-88348159 0515-89080900
72	Yancheng Economic Development Zone Taishan Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Building 3, Software Park, Taishan Road, Yancheng Economic and Technological Development Zone, Jiangsu Province	March 14, 2014	Hu Haoyue	0515-88288069 0515-88288089 0515-88285868
73	Yancheng Sheyang Xingyang Plaza Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Shops 301-304, Zone C, Xingyang Plaza, Sheyang County, Yancheng City, Jiangsu Province	December 5, 2013	Gao Qi	0515-82323777 0515-82627666
74	Yancheng Century Avenue Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 101, Building 4, Phoenix Culture Plaza, No. 611 Century Avenue, Chengnan New District, Yancheng City, Jiangsu Province	April 14, 1998	Zhang Tiye	0515--88310950
75	Yancheng Xiangshui Shuangyuan Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 88-2 Shuangyuan Road, Xiangshui County, Yancheng City, Jiangsu Province	January 28, 2014	Wang Daorong	0515-86885858 0515-86887797 99523
76	Haimen Xiushan West Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 50 Xiushan West Road, Haimen Sub-district, Haimen District, Nantong City, Jiangsu Province	August 11, 2014	Shao Lei	0513-80182098 0513-80182068 0513-80182108
77	Nantong Zhaoxia Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Shop 101, Building 1, Aojian Building, No. 467 Zhaoxia Road, Tongzhou District, Nantong City, Jiangsu Province	May 24, 2001	Chen Ying	0513-86109196 0513-81691260





No.	Name	Address	Time of establishment	Principal	Contact number
78	Nantong Changjiang Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 538 Changjiang Road, Haimen Sub-district, Haimen District, Nantong City, Jiangsu Province	April 19, 2012	Feng Baosheng	0513-85110562
79	Jiangyin Chengjiang Middle Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 7-7 Chengjiang Middle Road, Jiangyin City, Jiangsu Province	October 20, 2017	Lin Weiqi	0510-86195523 0510-86395523 0510-86890568 0510-86890598
80	Yixing Yangquan Middle Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 330, 332 and 336, Yangquan Middle Road, Yicheng Street, Yixing City, Jiangsu Province	April 11, 2008	Zhang Yunda	0510-87962198 0510-87976159
81	Yixing Huankeyuan Xincheng Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 201, Comprehensive Building, Xincheng Garden, Huankeyuan, Yixing City, Jiangsu Province	January 7, 2014	Chen Wei	0510-87072032 0510-87072033 0510-87072030
82	Zhenjiang Jiefang Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	2/F, No. 5 Building (formerly Building 5, Municipal Government East Courtyard), No. 26 Jiefang Road, Jingkou District, Zhenjiang City, Jiangsu Province	August 13, 1997	Ji Zhenlin	0511-85035752 0511-85034208
83	Jurong Huarong East Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Axis 1-16, 2/F west side, Kaiyuan Commercial Building, No. 18 Huayang East Road, Huayang Town, Jurong City, Jiangsu Province	June 11, 2001	Zheng Jian	0511-85171818 0511-85176666 0511-87229791 0511-85171821
84	Suzhou Longxi Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 103 and 701, Longxi Building, No. 160 Longxi Road, Wuzhong District, Suzhou City, Jiangsu Province	October 13, 1997	Xu Zhifeng	0512-65282876 0512-65282993 0512-65279550
85	Yangzhou Jiangdu Longchuan South Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms S103 & 203, Building 7, Hongyi Qianqiu, No. 299 Longchuan Road, Xiannv Town, Jiangdu District, Yangzhou City, Jiangsu Province	January 8, 2014	Chen Xuezhi	0514-86338500 0514-86710562 0514-86330800 95523
86	Jingjiang Renmin Middle Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 136 Renmin Middle Road, Jingjiang City, Jiangsu Province	April 17, 1997	Zhu Laizhang	0523-84821700 0523-84898880
87	Taixing Fuqian Street Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	South Side of Gulou East Road and West Side of Fuqian Street, Taixing City, Jiangsu Province	June 20, 2001	Yang Youjing	0523-87650136 0523-87650123
88	Huai'an Shenzhen Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 7-5, Building 7, Dongguan Yixuan Huayuan, Economic and Technological Development Zone, Huai'an City, Jiangsu Province	August 8, 2012	Wang Xiaofeng	0517-83800717 0517-83800718
89	Zhangjiagang Renmin East Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room F203, No. 11 Renmin East Road (Huachang Oriental Plaza), Yangsue Town, Zhangjiagang City, Suzhou City, Jiangsu Province	January 21, 2019	Zhao Guangyu	0512-58912291 0512-58912292 0512-58912293 0512-58912295



No.	Name	Address	Time of establishment	Principal	Contact number
90	Xuzhou Heping Avenue Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 26#, 27#-106 and 122, Tixiangwan, Heping Avenue, Yunlong District, Xuzhou City, Jiangsu Province	April 14, 2021	Song Jie	0516-85558503 0516-85558580
91	Hangzhou Huazhe Plaza Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 1801, 1802, 1803 and 1808, 18/F, No. 1, Huazhe Plaza, Gongshu District, Hangzhou City, Zhejiang Province	July 1, 2003	Zhong Di	0571-87975618 0571-87968040
92	Hangzhou Jinhua South Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 701, 702 and 710, Building 3, Ocean International Center, Gongshu District, Hangzhou City, Zhejiang Province	July 1, 2003	Xu Zuo	0571-88021345 0571-88020560
93	Hangzhou Miduqiao Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 3 Miduqiao Road, Gongshu District, Hangzhou City, Zhejiang Province	March 14, 1997	Lin Zhong	0571-85065656 0571-85063942
94	Hangzhou Moganshan Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	3/F, Lantian Business Building, No. 18 Moganshan Road, Gongshu District, Hangzhou City, Zhejiang Province	July 1, 2003	Zhang Anping	0571-88069567 0571-88069565 0571-88823297
95	Hangzhou Stadium Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 267 Stadium Road, Hangzhou City, Zhejiang Province	July 1, 2003	Zhang Sheng	0571-85063333 0571-85058197
96	Lin'an Guangdian Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 19 Guangdian Road, Jincheng Subdistrict, Lin'an District, Hangzhou City, Zhejiang Province	January 10, 2014	Xiang Yu	0571-61083059 0571-61083130
97	Xiaoshan Boxue Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 03, 12/F, Building C# (No. 3), Xiaoshan Science and Technology Innovation Center, No. 618 Boxue Road, Beigan Sub-district, Xiaoshan District, Hangzhou City, Zhejiang Province	May 20, 2016	Wang Mengjie	0571-86920157
98	Jinhua Bayi North Street Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 484 Bayi North Street, Wucheng District, Jinhua City, Zhejiang Province	February 26, 1997	Zhan Yingcai	0579-82305912 0579-82305902
99	Quzhou Xianxi Street Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 77 Xianxi Street, Quzhou City, Zhejiang Province	June 30, 1997	Cao Min	0570-3029317 0570-3028330
100	Tongxiang Chongfu Town Chongde West Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Ground floor, Hualong Building, No. 158 Chongde West Road, Chongfu Town, Tongxiang City, Jiaxing City, Zhejiang Province	May 19, 2014	Zhao Shengli	0573-88389388 0573-88389168
101	Tongxiang Heping Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	1/F, 3-5/F and 6/F East, Building 3, No. 95 Heping Road (West), Wutong Sub-district, Tongxiang City, Jiaxing City, Zhejiang Province	August 22, 1997	Zhu Hui	0573-88109258 0573-88109353 0573-88111312
102	Jiashan Tiyu South Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 91, 91-1 & 91-2, Tiyu South Road, Weitang Sub-district, Jiashan County, Zhejiang Province	August 6, 2001	Xu Jiahua	0573-84266600





No.	Name	Address	Time of establishment	Principal	Contact number
103	Changshan Dingyang North Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	2/F, Changshan County Supply and Marketing Complex Building, No. 2-16 Dingyang North Road, Tianma Subdistrict, Changshan County, Quzhou City, Zhejiang Province	April 8, 2002	Lin Qian	0570-5029690 0570-5015108
104	Huzhou Taihu Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 74, 76, S209 and S210 Taihu Road, Podium Building 9, Changdao Mansion, Huzhou City, Zhejiang Province	May 8, 2014	Luo Zhaoyang	0572-2765766
105	Yiwu Huangyuan Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	1/F, No. 143 Huangyuan Road, Yiwu City, Zhejiang Province	May 23, 2014	Jiang Xiaorong	0579-85785070 0579-85785012
106	Wenling Wanchang West Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 159 Wanchang West Road, Taiping Sub-district, Wenling City, Zhejiang Province (four complete front rooms facing Wanchang West Road plus 10 square meters of front rooms on the east side)	January 7, 2014	Wang Guocheng	0576-81679792 0576-86267171
107	Shaoxing Zhongxing South Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Foyer on 1/F and 4/F, No. 285 Zhongxing South Road, Yuecheng District, Shaoxing City, Zhejiang Province	December 7, 2015	Hong Jieqiong	0575-85200678
108	Lishui Chengda Street Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	1/F, No. 3-5, Building 1, No. 181 Chengda Street, Nanmingshan Sub-district, Liandu District, Lishui City, Zhejiang Province	December 20, 2020	Kong Ning	0578-2695523 0578-2195523
109	Wenzhou Chezhan Avenue Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 7, 1/F and North Area of 2/F, Block 1 & 2, Jinglong Building, No. 543 Chezhan Avenue, Lucheng District, Wenzhou City, Zhejiang Province	May 13, 1993	Jiang Yanmiao	0577-88269999
110	Ruian Luoyang Avenue Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Shops 2-11 & 2-12, 1/F, Block A, Wanshun Jingyuan, Luoyang Avenue, Anyang Sub-district, Rui'an City, Wenzhou City, Zhejiang Province	August 15, 2001	Lu Youfeng	0577-66882000
111	Yongjia Yangguang Avenue Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Business Rooms 111 & 112, Wangfu Building, Longqiao Village, Jiangbei Sub-district, Yongjia County, Zhejiang Province	September 26, 2001	Jin Qinlong	0577-66991188
112	Yueqing Bole East Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Shops on 1/F, Shops 58-65 on 2/F, Yueji Building I-A, New Century Garden, Chengnan Sub-district, Yueqing City, Wenzhou City, Zhejiang Province	January 25, 2018	Huang Lingyun	0577-62076777



No.	Name	Address	Time of establishment	Principal	Contact number
113	Ningbo Daxie Xintuo Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 111 & 410, Block A, Haihua Building, No. 168 Xintuo Road, Daxie Development Zone, Ningbo, Zhejiang Province	February 18, 2014	Chen Guang	0574-87068812 0574-87068816 0574-87068817
114	Ningbo Haiyan North Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 426 Ningdong Road and 13-1-2 and 13-2, No. 371 Haiyan North Road, Yinzhou District, Ningbo City, Zhejiang Province	May 29, 1997	Zhang Wei	0574-87711284 0574-87373739
115	Ningbo Youngor Avenue Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 383 Youngor Avenue, Shiqi Sub-district, Yinzhou District, Ningbo City, Zhejiang Province	February 4, 2016	Xin Zhongyu	0574-87373939
116	Guangzhou Dongfeng East Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Units 05B, 06 and 07, 08/F, No. 761 Dongfeng East Road, Yueshi District, Guangzhou City, Guangdong Province	March 11, 2008	Zhang Sumei	020-87382169 020-87386111 020-87361816
117	Guangzhou Hanxi Avenue East Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 3204, No. 362 Hanxi Avenue East, Nancun Town, Panyu District, Guangzhou City, Guangdong Province	March 27, 2014	Chen Peng	020-34891001
118	Guangzhou Jiangnan Avenue Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 108, Jiangnan Avenue Middle, Haizhu District, Guangzhou City, Guangdong Province	January 13, 1995	Liu Xiangyi	020-84116000 02084116091
119	Guangzhou Bazhou Avenue Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 1701, No. 78 Bazhou Avenue, Haizhu District, Guangzhou City, Guangdong Province	January 28, 2014	He Zhipeng	020-89989880 020-89989892
120	Guangzhou Kaitai Avenue Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Shops 113 and 114, No. 2 Mingcheng Third Street, Huangpu District, Guangzhou City, Guangdong Province	December 26, 2018	Liu Hanbo	020-32164202 020-32164170
121	Guangzhou Zhongshan Avenue Middle Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 1308, 1309, 1310, 1311 and 1312, No. 439 Zhongshan Avenue Middle Road, Tianhe District, Guangzhou City, Guangdong Province	January 28, 2014	Xu Huan	020-38887166 020-38887165
122	Guangzhou Zhujiang West Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 5805, No. 15, Zhujiang West Road, Tianhe District, Guangzhou City, Guangdong Province	June 25, 1993	Zhang Junjie	020-38735112 020-38261439 020-38735176
123	Maoming Yingbin Third Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 310-316, 3/F, Building 3 & 4, Dayuan Huahai Yaju, No. 126 Yingbin 3rd Road, Maonan District, Maoming City, Guangdong Province	March 16, 2011	Wang Dongwei	0668-3916999 0668-3916958 0668-3916966
124	Zhongshan Golden Eagle Plaza Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 04, 17/F, Block 2, Wanmei Golden Eagle Plaza, No. 28 Sun Wen East Road, Shiqi District, Zhongshan City, Guangdong Province	April 9, 1998	Xu Ying	0760-89986638 0760-88888806 0760-89989931





No.	Name	Address	Time of establishment	Principal	Contact number
125	Zhanjiang Renmin Avenue Middle Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 1802-1805, Qixiang Building, No. 45 Renmin Avenue Middle, Zhanjiang City, Guangdong Province	May 7, 2012	Han Ren	0759-3388877
126	Shenzhen Binhai Avenue Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 2203, Yingfeng Center, No. 19 Haitian Second Road, Binhai Community, Yuehai Sub-district, Nanshan District, Shenzhen City, Guangdong Province	January 9, 2020	Liu Wei	0755-86966393
127	Shenzhen Caitian Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 1701, Block A, Xinhao Yidu, No. 7018 Caitian Road, Futian District, Shenzhen City, Guangdong Province	February 27, 1995	Zhang Dekun	0755-83642498 0755-83642165 0755-83642162
128	Shenzhen Fuhua First Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 1702 and 1703, 17/F, Life Tower, No. 123 Fuhua 1st Road, Fu'an Sub-district, Futian Street, Futian District, Shenzhen, Guangdong Province	January 31, 2008	Guan Fang	0755-83027695 0755-83027789
129	Shenzhen Gaoxin South Fifth Avenue Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 102, Jinzheng Technology Building, No. 9 Gaoxin South Fifth Avenue, Gaoxin District, Yuehai Sub-district, Nanshan District, Shenzhen City, Guangdong Province	October 31, 2018	Sheng Bin	0755-33004178 0755-33004058
130	Shenzhen Huafu Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Units 01-03A, 29/F, West Block, AVIC Center, No. 1018 Huafu Road, Huahang Community, Huaqiang North Sub-district, Futian District, Shenzhen City, Guangdong Province	June 16, 1995	Tang Mingjiang	0755-83260048 0755-83262395 0755-83260578
131	Shenzhen Jintian Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Units A01-A02 and B01, 22/F, Anlian Mansion, No. 4018 Jintian Road, Shenzhen City, Guangdong Province	May 31, 1995	Zhu Peijiang	0755-88285756 0755-88285732
132	Shenzhen Shangbu Middle Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	8/F and Rooms 901-910, 9/F, Shen Kan Building, No. 1043 Shangbu Middle Road, Fuqiang Community, Huaqiangbei Sub-district, Futian District, Shenzhen City, Guangdong Province	June 13, 1995	Gui Ruiyi	0755-83755690 0755-83755958
133	Shenzhen Shennan Avenue Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 2308 & 2309, Fuchun Oriental Building, No. 7006 Shennan Avenue, Futian District, Shenzhen City, Guangdong Province	October 22, 2013	Sun Ke	0755-83755953 0755-83755254
134	Shenzhen Guangming Chuangtuo Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 2902, Unit 1, Guangming Technology Finance Building, No. 160 Chuangtuo Road, Dongkeng Community, Fenghuang Sub-district, Guangming District, Shenzhen City, Guangdong Province	September 9, 2022	Han Pei	0755-83329619



No.	Name	Address	Time of establishment	Principal	Contact number
135	Shenzhen Xinhua Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	2308-2309, Tower B, Phase III, Unicenter North, No. 99 Xinhua Road, N12 Area, Haiwang Community, Xin'an Sub-district, Bao'an District, Shenzhen City, Guangdong Province	January 2, 2020	Gan Bin	0755-32936960 0755-32936682 0755-32936961 0755-32936962
136	Chengdu North First Ring Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 4, North Third Section of First Ring Road, Jinniu District, Chengdu City, Sichuan Province	November 16, 1994	Qian Hongbing	028-86421542 028-86421498 028-86421538 028-86421479
137	Chengdu Dongda Street Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 802B, 8/F, Mingyu Financial Plaza, Unit 1, Building 1, No. 35 Zidong Building Section of Dongda Street, Jinjiang District, Chengdu City, Sichuan Province	January 06, 2014	Liang Jing	028-63255288 028-63255299 028-63255286
138	Chengdu Tianfu Fourth Street Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 1 and 2, Building 3, No. 199 Tianfu Fourth Road, Gaoxin District, Chengdu, China (Sichuan) Pilot Free Trade Zone	April 6, 1999	Zhang Le	028-85322573 028-85331551 028-85320857 028-85323897
139	Chengdu South Railway Station East Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 201, 2/F, Building 2, No. 5 South Railway Station East Road, Wuhou District, Chengdu City, Sichuan Province	August 11, 1997	Cai Huawei	028-82936805 028-82936838 028-82936845 028-82936801
140	Chengdu Shujin Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 701, 7/F, Building 2, No. 1 Shujin Road, Qingyang District, Chengdu City, Sichuan Province	December 3, 2007	Tong Xiaoqian	028-61359312 028-61359320 028-61358013 028-69360943
141	Chengdu Shuangliu Jinhe Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	2/F, Sub No. 201-206, No. 257, Third Section of Jinhe Road, Dongsheng Sub-district, Shuangliu District, Chengdu City, Sichuan Province	April 20, 2001	Hu Jun	028-85814881
142	Chengdu Wenjiang Nanjiang Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 228-201 Nanjiang Road, Wenjiang District, Chengdu City, Sichuan Province	November 1, 2001	Yang Gang	028-82717988 028-82717987 028-82717986 028-82715599
143	Chengdu West First Ring Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	2/F, Jiayu Building, Jule Road, West First Section of First Ring Road, Wuhou District, Chengdu City, Sichuan Province	May 13, 1997	Wang Chang	028-85061626 028-85079139 028-85079133 028-85079439 028-85090237
144	Chengdu Chongzhou City Shuzhou North Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 120-4, Shuzhou North Road, Chongyang Subdistrict, Chongzhou City, Sichuan Province	September 21, 2001	He Mengjiao	028-82205070 028-82205355 028-82205667 028-82209663





No.	Name	Address	Time of establishment	Principal	Contact number
145	Guanghan Shunde Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 7, 7/F, Building 1, No. 1 First Section of Shunde Road, Guanghan City, Deyang City, Sichuan Province	August 30, 2010	Li Jiajie	0838-5357712 0838-5357708 0838-5357705 0838-5357716
146	Meishan Hubin Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	4F, Zone C, Attached Building of Yuanjing Building, Hubin Road, Dongpo District, Meishan City, Sichuan Province	August 21, 2000	Zhang Fangjun	028-38109097 028-38114419
147	Meishan Pengshan District Ziwei Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 37 Ziwei Road, Pengshan District, Meishan City, Sichuan Province	September 26, 2001	Li Xiaoxia	028-37632479 028-37632409 028-37631509 028-37631359 028-37630049
148	Luzhou Fenghuang Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 101 and 103, Fenghuang Road, Jiangyang District, Luzhou City, Sichuan Province	April 18, 1997	Wang Xu	0830-2298573 08302282038
149	Luzhou Jiucheng Avenue Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Zone B, Room 401, 4/F, Building 18, No. 9 First Section of Jiucheng Avenue, Jiangyang District, Luzhou City, Sichuan Province	September 12, 2001	Feng Xiang	0830-2993880 0830-2994107
150	Ya'an Panda Avenue Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 4, 4/F, Block 2, No. 383 Panda Avenue, Yucheng District, Ya'an City, Sichuan Province	May 15, 2014	Zhang Ji	0835-5183999 0835-5181992 0835-5181991
151	Wuhan Dongfeng Third Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 608, 6/F, Building D, Phase II, Donghe Center, Wuhan Economic and Technological Development Zone, Hubei Province	January 3, 2014	Yu Zewen	027-84525098
152	Wuhan Guanggu Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 102, 1/F, Building 1, Area B (Wuhan Area of Free Trade Zone), Wuhan HiTech Medical Devices Business Park, No. 818 Gaoxin Avenue, Donghu New Technology Development Zone, Wuhan City, Hubei Province	12 February 2014	Huang Weiming	027-87911556
153	Wuhan Jingwu Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Shops (3) and (4), 1-2/F, Building 15, Phase II, Yuexiu International Financial Exchange, No. 2, Jingwu Road, Jiangnan District, Wuhan City, Hubei Province	June 16, 2022	Liu Jiansheng	027-83925236 021-85550502 027-85550638 027-85550870
154	Wuhan Jing'an Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Shop 7 on 1/F and Shops 6 & 7 on 2/F, Unit 1, Building 1, Shangwen • Jing'an Shangcheng (Renhe Jiayuan), No. 8 Jing'an Road, Wuchang District, Wuhan City, Hubei Province	February 14, 2001	Hong Jun	027-87776091 027-87776092 027-87776123 027-87776112



No.	Name	Address	Time of establishment	Principal	Contact number
155	Wuhan Sanyang Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Units 2202 and 2203, 22/F, Office Building A, Tianyue Xingcheng, No. 8, Sanyang Road, Siwei Street, Jiang'an District, Wuhan City, Hubei Province	February 14, 2001	Yang Xiaowen	027-83241340 027-83211134 027-83081172 027-83242228
156	Wuhan Wuluo Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 2, 1/F, Building 7, Kaile Garden, No. 46, Lane 5, Wuluo Road, Wuchang District, Wuhan City, Hubei Province	May 23, 2023	Xiong Wen	027-87739170 027-87739162
157	Wuhan Qingnian Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Units 04-07, 17/F, Zhonghai Center, No. 278 Qingnian Road, Jiangnan District, Wuhan City, Hubei Province	April 3, 1997	Yu Shimou	027-83612900 027-83627491 027-83925260
158	Wuhan Zhongbei Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 1, 4/F, Shiji Building, Zone E, Shiji Caicheng, No. 233 (formerly No. 151) Zhongbei Road, Wuchang District, Wuhan City, Hubei Province	April 16, 2002	Liu Chao	027-87257101 027-87711135
159	Wuhan Zhongshan Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 5-11, 5/F, Phoenix International Building, No. 338 Zhongshan Road, Jiyuqiao Sub-district, Wuchang District, Wuhan City, Hubei Province	April 3, 1997	Zhao Qiancheng	027-88855495 027-88852851 027-88855423 027-88855422
160	Huangshi Hubin Avenue Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 7, 8, 9, 10 & 16, Building 1, No. 97 Hubin Avenue, Huangshi City, Hubei Province	May 19, 1997	Hong Weiguo	0714-6233077 0714-3058611 0714-3058612 0714-3058616
161	Huanggang Xishui Liwen Avenue Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 269 Liwen Avenue (2/F of ICBC), Qingquan Town, Xishui County, Huanggang City, Hubei Province	December 6, 2001	Cai Hui	0713-4226184
162	Xiangyang Tanxi Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 3, 1/F, Building 1 and Room 1, 2/F, Building 1, Jiayuan, Zone G, Shanshui Tanxi, Tanxi Road, Xiangcheng District, Xiangyang City, Hubei Province	March 26, 2001	Han Ying	0710-2833111 0710-2810525
163	Xiangyang Yanjiang Avenue Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 36 Yanjiang Avenue, Fancheng District, Xiangyang City, Hubei Province	December 12, 1997	Jiang Wei	0710-3481356 0710-3442313 0710-3484171 0710-3481257
164	Yichang Development Avenue Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 000217-000220, Shanshui International (Building 0021), No. 105 Development Avenue, Dongcheng Pilot Zone, Yiling District, Yichang City, Hubei Province	February 19, 2001	Zhang Li	0717-7200275 0717-7200276 0717-7200690 0717-7200691
165	Yichang Xiling First Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	12/F, Junyao International Plaza, No. 51 Xiling First Road, Xiling District, Yichang City, Hubei Province	December 5, 1997	Cai Wei	0717-6747248
166	Shenyang Daxi Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 46 Daxi Road, Shenhe District, Shenyang City, Liaoning Province	November 17, 2000	Wang Botong	024-22826461 024-22708861





No.	Name	Address	Time of establishment	Principal	Contact number
167	Shenyang Jianshe East Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Door 6, No. 80 Jianshe East Road, Tiexi District, Shenyang City, Liaoning Province	October 26, 2001	Tang Shuang	024-23292808 024-22825729 024-86518766 024-25620562
168	Shenyang Ningshan Middle Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	(Door 2) No. 42, Ningshan Middle Road, Huanggu District, Shenyang City, Liaoning Province	April 17, 1997	Ning Xia	024-86221178 024-86248869
169	Shenyang Zhongshan Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 193 Zhongshan Road, Heping District, Shenyang City, Liaoning Province	May 21, 1993	Du Guangxin	024-22841818 024-22872240
170	Benxi Digong Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 5 and 6, Building 20, Digong Road, Mingshan District, Benxi City, Liaoning Province	September 19, 2001	Tian Haiying	024-42804248 024-42811638 024-42807618
171	Anshan Xinhua Street Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 20-S10, Xinhua Street, Tiedong District, Anshan City, Liaoning Province	April 12, 2012	Yu Zilong	0412-7336000 0412-7335736
172	Dalian Gorky Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Unit 02-3, 1/F, Lvcheng Dalian Shenlan International, No. 504 Gorky Road and Unit 03, 6/F, Lvcheng Dalian Shenlan International, No. 5 Xinghe Second Street, Shahekou District, Dalian City, Liaoning Province	March 17, 1993	Li Xiongwei	0411-82645086 0411-82825271 0411-82825265 0411-82825260 0411-82825266
173	Dalian Jinma Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	1-2/F, No. 172-7 Jinma Road, Dalian Economic and Technological Development Zone, Liaoning Province	September 12, 2001	Wang Zhiguang	0411-87620580
174	Dalian Jinzhou Stalin Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	1-2/F, No.260A-4, Stalin Road, Guangming Sub-district, Jinzhou District, Dalian City, Liaoning Province	January 3, 2014	Song Jingwei	0411-39956556 0411-39956553
175	Dalian Changjiang East Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 01-02, 16/F, Yunda Building, No. 71 Changjiang East Road, Zhongshan District, Dalian City, Liaoning Province	March 24, 1994	Cheng Xianhong	0411-82809292 0411-82822864 0411-82822869
176	Nanning Yinghua Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Shops A203, A205, A206 and A207, Building 5, Peninsula Mong Kok, No. 56 Yinghua Road, Qingxiu District, Nanning City, Guangxi Zhuang Autonomous Region	June 17, 2003	Li Hongjiang	0771-5309228 0771-5773117 0771-5309216 0771-5305921
177	Nanning Zhongxin Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 5502, 5503, 55/F, Guangxi Jiuzhou International, No. 9 Zhongxin Road, Qingxiu District, Nanning City, Guangxi Zhuang Autonomous Region	September 1, 1997	Wei Yi	0771-5846538 0771-5880597 0771-5874707 0771-5874784 0771-5842430



No.	Name	Address	Time of establishment	Principal	Contact number
178	Guilin Lijiang Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 7-1, 7-2, 7-3, 7-4, 7-5, 7-6, 7-7 and 7-8, Building 4, Zhongruan Modern Town, No. 28 Lijiang Road, Qixing District, Guilin City, Guangxi Zhuang Autonomous Region	September 5, 2001	Zhang Nianning	0773-3850204 0773-3827778 0773-3821966
179	Liuzhou Donghuan Avenue Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 2-1, Building 2, Wode Mengxiang, No. 258 Donghuan Avenue, Liuzhou City, Guangxi Autonomous Region	August 30, 2001	Mo Jiangli	0772-2872001 0772-2807638
180	Qinzhou Yongfu West Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 28 Yongfu West Street, Qinzhou City, Guangxi Autonomous Region	January 10, 2014	Gu Fanding	0777-2800562 0777-2820562
181	Guigang Zhongshan North Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	3/F, Anju Commercial Building, No. 19 Zhongshan North Road, Guigang City, Guangxi Autonomous Region	April 28, 2014	Huang Zhe	0775-5963689 0775-5963186
182	Hezhou Jiangbei Middle Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 602, Jingcheng Building, No. 200 Jiangbei Middle Road, Hezhou City, Guangxi Autonomous Region	February 18, 2014	Tang Bo	0744-5201293 0774-5201291 0774-5201295
183	Nanchang Nanjing East Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 165 Nanjing East Road, Qingshanhu District, Nanchang City, Jiangxi Province	August 10, 2002	He Li	0791-88100289
184	Nanchang County Chenghu North Avenue Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Shops 101, 102, 103, 203, 204 and 205, Building 23, Jingyu Boyue, No. 699 Chenghu North Avenue, Liantang Town, Nanchang County, Nanchang City, Jiangxi Province	December 3, 2001	Huang Xiaoyong	0791-85736530
185	Nanchang Xinjian Changmai Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 30, 32 & 36 Changmai South Road, Changleng Town, Xinjian District, Nanchang City, Jiangxi Province	May 10, 2012	Deng Yan	0791-83121166 0791-83127799
186	Nanchang Zhongshan West Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	2/F East Side and 3/F, Building B, No. 12 Zhongshan West Road, Xihu District, Nanchang City, Jiangxi Province	May 19, 1997	Yin Zhongming	0791-86211512 0791-86211607 0791-86229006 0791-86211673
187	Shangrao Wannian Liulingbei Avenue Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 8-10, 3/F, M Zone, Fortune Pedestrian Street, Liulingbei Avenue, Chenying Town, Wannian County, Shangrao City, Jiangxi Province	December 11, 2000	Hu Yasong	0793-3857855 0793-3857929 0793-3857857 0793-3857858
188	Shangrao Wusan Avenue Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	1-1-A, 1-2-A, 1-3 and 2-1-A, Block 1, No. 148 Wusan Avenue, Xinzhou District, Shangrao City, Jiangxi Province	November 21, 1997	Xie Fei	0793-8218601 0793-8202313 0793-8218603 0793-8218617 0793-8218607





No.	Name	Address	Time of establishment	Principal	Contact number
189	Ganzhou Changzheng Avenue Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Shops 1-13 & 2-13, 9/F, Tianji Huating, No. 2 Changzheng Avenue, Zhangjiang New District, Zhanggong District, Ganzhou City, Jiangxi Province	September 7, 2020	Wang Qintao	0797-5886090
190	Jingdezhen Xinchang West Road Securities ranch of Shenwan Hongyuan Securities Co., Ltd.	Shop 4, Building 1, Moxiang Baodi, No. 409 Xinchang West Road, Zhushan District, Jingdezhen City, Jiangxi Province	June 8, 2023	Zhang Chao	0798-8295523
191	Yichun Yuanhe East Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Shop 109, Building 1, Heyue Fortune Center, No. 898 Yuanhe East Road, Yichun City, Jiangxi Province	August 30, 2023	Chen Xiaofeng	0795-3133698 0795-3133696
192	Fuzhou Gutian Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Units 01, 11-13, 15-17, 25/F, Fusheng Fortune Center, No. 60 Gutian Road, Gulou District, Fuzhou City, Fujian Province	May 14, 2014	Xiao Liang	0591-38132776 0591-38132772
193	Fuzhou Guping Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 03, 2/F and Room 04, 2/F, Shanhai Building, No. 192 Guping Road, Huada Sub-district, Gulou District, Fuzhou City, Fujian Province	April 11, 1997	Chen Ming	0591-87811340 0591-87821184 0591-87811342
194	Putian Dongyuan West Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 1159, 1163 & 1167, Dongyuan West Road, Longqiao Sub-district, Chengxiang District, Putian City, Fujian Province	April 24, 2014	Su Jianshan	0594-2629199 0594-2601186
195	Shishi Shilong Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Shops 112-113, Building 6, Baide Huifeng Plaza, North Zone of Clothing Mall, Lingxiu Town, Shishi City, Quanzhou City, Fujian Province	May 30, 2014	Cai Jinguan	0595-22353188 0595-22353176
196	Xiamen Lujiang Avenue Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Units 02-04, 19/F, No. 100 Lujiang Avenue, Siming District, Xiamen City, Fujian Province	January 3, 2008	Lin Chunxiang	0592-2969918 0592-2969913 0592-2969987
197	Xiamen Lvling Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Units 104, 2703 and 2705, Building B, Dream Center, No. 1739 Lvling Road, Siming District, Xiamen City, Fujian Province	January 14, 2014	Yang Ying	0592-6301060
198	Jinjiang Chongde Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	1/F, No. 214 Chongde Road, Jinjiang City, Fujian Province	October 10, 2023	Guan Jinxian	0595-82035523
199	Chongqing Hucai Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 2, 3, 4 and 5, 8/F, Block 4, No. 118 Hucai Road, Yuanyang Sub-district, Liangjiang New District, Chongqing	March 17, 2011	Hua Chengzhong	023-63018080 023-63010328
200	Chongqing Jinshamen Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	16-1&16-8, No. 6 Juxianyan Plaza, Jiangbei District, Chongqing	September 14, 2021	Zhu Liang	023-67751366



No.	Name	Address	Time of establishment	Principal	Contact number
201	Chongqing Qunhui Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 13-10, 13-11, 13-12, 13-13 and 13-14, Qunhui Road, Nan'an District, Chongqing	May 9, 2014	Hu Changjun	023-62897594 023-62772028 023-62387427
202	Chongqing Xiaoxin Street Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	4/F, Hengxin Building, No. 85 Xiaoxin Street, Shapingba District, Chongqing	June 5, 1997	Luo Yu	023-65478918 023-65478978
203	Chongqing Yangjiaping Main Street Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	5/F, No. 11 Yangjiaping Main Street, Jiulongpo District, Chongqing	September 15, 1997	Peng Yu	023-68400313 023-68400289
204	Chongqing Yuxi Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	2-1, No. 53 Yuxi Road, Yubei District, Chongqing	November 14, 2007	Jiang Yansun	023-67687915 023-65862278
205	Chongqing Zhongshan First Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	2/F, Kangjian Building, No.181 Zhongshan First Road, Yuzhong District, Chongqing	June 5, 1997	Jia Xiaoxin	023-63500583
206	Changsha Furong Middle Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 2318, Building C, D & H, Phase II of Tianjian Furong Shengshi Garden, No. 88 First Section of Furong Middle Road, Kaifu District, Changsha City, Hunan Province	March 17, 2014	Yang Huabo	0731-85113117 0731-85112917 0731-85112627 0731-85112807
207	Changsha Wuyi Avenue Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 2, 11/F, Taizhen Building, No. 447 Wuyi Avenue, Furong District, Changsha City, Hunan Province	January 1, 1993	Peng Man	0731-84455396 0731-84432804 0731-84441246 0731-84455395
208	Changsha Xiangjiang New Area Chazishan East Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Zone A, 7/F, Pufa Finance Building, No. 102 Chazishan East Road, Guanshaling Sub-district, Yuelu District, Changsha City, Hunan Province	January 10, 2019	Ma Xiaolong	0731-82889388 0731-82889390
209	Changsha Xiangjiang Middle Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	30015-30020, 30/F, Tower A, Huijing Development Business Center, No. 178 Section 2 of Xiangjiang Middle Road, Tianxin District, Changsha City, Hunan Province	December 25, 2007	Mao Huajun	0731-85506858
210	Xiangtan Jianshe North Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 010113-010120, Unit 1, Baishi Commercial Plaza, No. 8 Jianshe North Road, Yuhu Road Sub-district, Yuhu District, Xiangtan City, Hunan Province	July 11, 2012	Yang Li	0731-55583218 0731-55583216 0731-55583206 0731-55583207
211	Zhuzhou Zhujiang South Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	804-01, 8/F, Shennong Sun City Commercial Outer Circle, No. 599 Zhujiang South Road, Tianyuan District, Zhuzhou City, Hunan Province	February 28, 2011	Miao Fang	0731-22727772 0731-22727778 0731-22727780





No.	Name	Address	Time of establishment	Principal	Contact number
212	Yiyang Zishan West Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 1090, 1/F, Building A, Wuzhou City, No. 28 Zishan West Road, Yiyang City, Hunan Province	December 20, 2013	Chen Wei	0737-2223867 0737-2232166 0737-2230983
213	Beijing Anding Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 39 Anding Road, Chaoyang District, Beijing	April 18, 1994	Zhang Manyi	010-64448218
214	Beijing East Fourth Ring Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 106 and 107, Unit 101, 1/F, and Room 207, Unit 201, 2/F, Building 56, East Fourth Ring Middle Road, Chaoyang District, Beijing	March 13, 2008	Wei Qingli	010-82031482 010-65505171 010-82031483 010-65505163
215	Beijing Financial Street Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 102, 1/F, No. 19 Taipingqiao Street, Xicheng District, Beijing	December 5, 2007	Li Jingtan	010-88085820
216	Beijing Jinsong Jiuqu Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 909, Jinsong Jiuqu, Chaoyang District, Beijing	September 11, 1995	Gao Feng	010-67751166 010-67736860
217	Beijing Lize Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	401-1A, 101 Inner, 4/F, Building 1, Yard 24, Lize Road, Fengtai District, Beijing	November 11, 2010	Jia Tianxia	010-63896561 010-63892561
218	Beijing Zizhuyuan Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Shop 01, Block A, 3/F, No. 116 Zizhuyuan Road, Haidian District, Beijing	November 29, 2001	Sun Qian	010-88511332
219	Jinan Jingshi Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Area B, 29/F, North Building, China Life Building, No. 11001 Jingshi Road, Lixia District, Jinan City, Shandong Province	August 15, 2012	Wang Liankun	0531-55639888 0531-55639872
220	Jinan Lishan Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 104, No.177 Lishan Road, Lixia District, Jinan City, Shandong Province	November 23, 2010	Weng Ruiheng	0531-55512888 0531-55512868 0531-55512886 0531-55512876
221	Linyi Jinqueshan Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Shops in 1-2/F, Tianyuan City Sunshine West, No. 68 Jinqueshan Road, Lanshan District, Linyi City, Shandong Province	September 30, 2013	Xu Yun	0539-7701106 0539-7701116
222	Zibo Liantong Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 102, Building 11, University Town Entrepreneurship Center Park, 508 Liantong Road, Zhoucun District, Zibo City, Shandong Province	March 9, 2018	Zhang Le	0533-6588086 0533-6588087
223	Weifang Shengli East Street Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 111-01, 1/F, Building 3, Central Business District, No. 4778, Shengli East Street, Kuiwen District, Weifang City, Shandong Province	August 25, 2020	Liu Tao	0536-8299166
224	Qingdao Haier Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 1301 and 1323, 13/F, Liqun Jinding Building, No. 83 Haier Road, Laoshan District, Qingdao City, Shandong Province	August 30, 2013	Yang Xiaoyan	0532-66560388 0532-66560289



No.	Name	Address	Time of establishment	Principal	Contact number
225	Laixi Yantai Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 7, south side of 1/F, 2/F and 3/F, Block 2, No. 95 Yantai Road, Shuiji Sub-district Office, Laixi City, Qingdao City, Shandong Province	March 26, 2001	Ma Zhijin	0532-88489028 0532-88487638 0532-88472197 0532-88471686 0532-88487058
226	Tianjin Binhai New Area Huanghai Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 101-1, Block A, Building 4, No. 18 Huanghai Road, Development Area, Tianjin	June 10, 2008	Li Huiqing	022-59829911 022-59829925
227	Tianjin Lingbin Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 3-101 and 102, South of Building 3, Phase I of Lingao Creative Industry Park, Nankai District, Tianjin	December 3, 2013	Yang Guangyu	022-58660665 022-58660667
228	Tianjin Qiwei Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	(Rooms 101 and 202), No. 79 Qiwei Road, Hedong District, Tianjin	March 31, 1997	Wang Xinnan	022-24011158 022-24013012 022-24011160
229	Tianjin Jiefang South Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 358 Jiefang South Road, Hexi District, Tianjin	May 4, 1997	Hao Shuai	022-23135988 022-23110123
230	Hefei Qianshan Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Offices 1504, 1505 and 1506, Part 1, Baili Business Center, No. 888 Qianshan Road, Shushan District, Hefei City, Anhui Province	September 6, 2011	Wang Hongpeng	0551-67127568
231	Hefei Wangjiang West Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 805, 806 and 807A, Building A, Heli Building, No. 9 Wangjiang West Road, Shushan District, Hefei City, Anhui Province	June 27, 2017	Fan Yuchun	0551-66026556
232	Huangshan City Huangshan West Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 45-101 Huangshan West Road, Tunxi District, Huangshan City, Anhui Province	April 29, 2014	Zhao Peifeng	0559-2532288
233	Huainan Dongshan Middle Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	2/F, 3/F (Ground Floor), Podium, Huainan Caijin Building, No. 8 Dongshan Middle Road, Tianjiaan District, Huainan City, Anhui Province	April 13, 2018	Wang Bo	0554-2695523 0554-2695520
234	Jilin City Jilin Street Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 60 Jilin Street, High-tech Industrial Development Zone, Jilin City, Jilin Province	June 11, 2001	Yu Jing	0432-65118120 0432-65118113 0432-65118118
235	Changchun Shengtai Street Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 104, 7/F, 8/F and 9/F, Phase III, Huarongtai Commercial Complex, No. 2345 Shengtai Street, Jingyue Development Zone, Changchun City, Jilin Province	December 23, 2013	Qiu Yuxi	0431-81815798 0431-81815797 0431-81858278 0431-81815796
236	Zhengzhou Guoji Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 5, 2-3/F, Windsor Castle Building 1, No. 168 Guoji Road, Jinshui District, Zhengzhou City, Henan Province	April 1, 2016	Xia Longfei	0371-61315780 0371-61315760 0371-61315780





No.	Name	Address	Time of establishment	Principal	Contact number
237	Zhengzhou Huayuan Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 53 Huayuan Road, Jinshui District, Zhengzhou City, Henan Province	October 23, 2000	Yang Lin	0371-55623766 0371-55623799 0371-55623785 0371-55623773
238	Nanyang Xinhua West Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No.159 Xinhua West Road, Wolong District, Nanyang City, Henan Province	June 26, 2014	Li Yongliang	0377-61698900 0377-61698911
239	Tangshan Guangming Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	1-2/F, Commercial Building, No. 1810 Lugang Community, Guangming Road, Lubei District, Tangshan City, Hebei Province	November 29, 2007	Fan Shibo	0315-2210562 0315-2393562 0315-2394562
240	Shijiazhuang Zhongshan West Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	1/F, Mixc 0124 and No. 2512 and 2513, Block A, Mixc, No. 108 Zhongshan West Road, Qiaoxi District, Shijiazhuang City, Hebei Province	January 13, 2014	Han Xiaoxu	0311-66772080
241	Baoding Yuhua West Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 531-1 Yuhua West Road, Baoding City, Hebei Province	October 17, 2013	Li Tao	0312-2150562
242	Qinhuangdao Hongqi Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. 82 Hongqi Road, Wenhua Road Sub-district, Haigang District, Qinhuangdao City, Hebei Province	June 3, 1996	Ding Zhenhua	0335-5990858
243	Haikou Longkun North Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	1 & 2/F, Hongyuan Securities Building, No. 30 Longkun North Road, Haikou City, Hainan Province	June 5, 1996	Deng Xian	0898-66513878 0898-66513799
244	Haikou Longkun South Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 1306 and 1307, 13/F, Hainan Taiwan Building, No. 114 Longkun South Road, Ganzheyuan Community, Fucheng Sub-district, Qionghshan District, Haikou City, Hainan Province	April 8, 2002	Li Ting	0898-65981070
245	Yangpu Economic Development Zone Yingbin Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Shopping Mall Shop No. 1, 1/F, Yangpu Building, No. 1 Konggu Avenue, Yangpu Economic Development Zone, Hainan Province	November 24, 2021	Lin Zhong	0898-28839608 0898-28839607
246	Harbin Minjiang Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 2, 4/F, Unit 1, Longyue Building at the Southeast Corner of Hongqi Street and Minjiang Road, Nangang Concentration Area, Harbin Economic Development Zone, Heilongjiang Province	October 14, 2011	Wu Xinming	0451-87238288
247	Harbin Changjiang Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	3 & 4/F, No. 10, Building E, Jinyuan Garden, No. 197 Changjiang Road, Nangang Concentration Area, Harbin Economic Development Zone, Heilongjiang Province	September 11, 1997	Li Bin	0451-85863188 0451-88340389 0451-85863159



No.	Name	Address	Time of establishment	Principal	Contact number
248	Guiyang Jinyang North Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Rooms 10 & 11, 4/F, (1) North Unit, Qilong Guizhou Tower (formerly Xineng Zhejiang Building) at the Intersection of Jinyang Avenue and Liyuan Road, Guanshanhu District, Guiyang City, Guizhou Province	October 21, 2013	Zhang Juanjuan	0851-85973007 0851-85973048 0851-84838957
249	Zunyi Shanghai Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	No. (1-2-2, 1-2-3) Unit 1, Podium 1-2, Yipincheng Phase II Project, Shanghai Road, Huichuan District, Zunyi City, Guizhou Province	June 12, 2014	Yan Chen	0851-27569856 0851-27569857 0851-27569858
250	Taiyuan Jinyang Street Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Room 1003, 10/F, Block B, Junwei International Financial Center, No. 89 Jinyang Street, Taiyuan Xuefu Park, Shanxi Comprehensive Reform Demonstration Zone	February 26, 2014	Zhang Xiaolei	0351-5635239 0351-5635387
251	Kunming Wanhua Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	3/F, Building 5, Xingguang Junyuan, Wanhua Road, Panlong District, Kunming City, Yunnan Province	October 12, 2012	Huang Jun	0871-63133231 0871-63137139
252	Qujing Qilin West Road Securities Branch of Shenwan Hongyuan Securities Co., Ltd.	Baiyuan Commercial Building, No. 52 Qilin West Road, Qujing City, Yunnan Province	June 4, 2018	Wang Guoyu	0874-3181133 0874-3181160
253	Xi'an Gaoxin Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	Room 10103, Unit 1, Building 1, Nanyang International, No. 50 Gaoxin Road, Xi'an City, Shaanxi Province	January 27, 2014	Si Weiping	029-68250008
254	Xi'an South Second Ring Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	2/F, Xindi City West Tower, CapitaMall, No. 64 West Section of South Second Ring Road, Yanta District, Xi'an City, Shaanxi Province	February 21, 1997	Tang Jiang'ou	029-85224299 029-85257292 029-85215989
255	Lanzhou Xijin West Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	Room 3316, Lanzhou Center, No. 16 Xijin West Road, Qilihe District, Lanzhou City, Gansu Province	January 9, 2014	Huang Wei	0931-8732375 0931-8732699 0931-8730203
256	Yinchuan Fenghuang North Street Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	Commercial Building 1, Jintai Garden, No. 580 Fenghuang North Street, Xingqing District, Yinchuan City, Ningxia	April 16, 2012	Chen Meng	0951-5686777 0951-6830836
257	Urumqi Fenghuangshan Street Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	Room 401, Building B, Rui Zhong Building Project, No. 500 Fenghuangshan Street, Xinjiang Urumqi Economic and Technological Development Zone (Toutunhe District), Xinjiang	November 14, 2007	Lv Chunyu	0991-3109697 0991-3100013 0991-3700379 0991-3113173
258	Urumqi Beijing Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	9/F, Block B, Zhonghe Building, No. 467 Beijing South Road, High-tech Industrial Development Zone (Xinshi District), Urumqi City, Xinjiang	May 12, 2005	Ma Jimin	0991-3819358 0991-3852373





No.	Name	Address	Time of establishment	Principal	Contact number
259	Urumqi Beijing Middle Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	Room 101, No. 30 East Second Lane, Beijing Middle Road, Ergong Sub-district, High-tech Industrial Development Zone (New Urban Area), Urumqi City, Xinjiang	November 14, 2007	Chi Xiaojie	0991-7671575 0991-7671587
260	Urumqi Jiefang South Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	West Area, 2/F, Office Building of Xinjiang People's Publishing House, No. 348 Jiefang South Road, Tianshan District, Urumqi City, Xinjiang	November 14, 2007	Chen Weiwei	0991-8890075 0991-2326953 0991-8875294 0991-8876743
261	Urumqi Renmin Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	Block B, 4/F, Urumqi Building, No. 2 Renmin Road, Tianshan District, Urumqi City, Xinjiang	October 25, 2001	Du Zhenglin	09918808200 0991-6360519
262	Urumqi Wenyi Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	2/F and 7/F, Hongyuan Building, No. 233 Wenyi Road, Tianshan District, Urumqi City, Xinjiang	April 9, 1998	Li Xiaofeng	0991-2300355 0991-7885022 0991-7885152
263	Urumqi Xinhua South Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	2/F (North Side), Ruijing Building, No. 288 Xinhua South Road, Tianshan District, Urumqi City, Xinjiang	November 14, 2007	Fan Feng	0991-6208626 0991-6208619 0991-6208615 0991-6208623 0991-6208633
264	Urumqi Yangzijiang Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	1F to 2F, Annex, News building of Xinjiang Daily, No. 16 Yangzijiang Road, Shayibake District, Urumqi City, Xinjiang	August 6, 2008	Hou Caixia	0991-5857522 0991-5801923
265	Urumqi Exhibition Avenue Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	East Side of 14/F, Block B, Building 1, Urumqi Evening News Building, No. 1119 Exhibition Avenue, Shuimogou District, Urumqi City, Xinjiang	February 21, 2008	Zhao Li	0991-7716599 0991-4546537 0991-4532207
266	Urumqi Zhongshan Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	Room 1107, 11/F, Tiansheng Plaza, No. 222 Jiefang North Road, Tianshan District, Urumqi City, Xinjiang	November 14, 2007	Zhou Qiheng	0991-2308044 0991-2315351 0991-2335759 0991-2308581
267	Urumqi Zhenxing Middle Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	No. 699 Zhenxing Middle Road, Midong District, Urumqi City, Xinjiang	January 31, 2008	Li Xiulei	0991-3311471 0991-3381076
268	Urumqi Kunlun East Street Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	Offices 405, 406, 407 and 408, 4/F, No. 789 Kunlun East Street, Shuimogou District, Urumqi City, Xinjiang	April 24, 2002	Nie Tengyun	0991-6183888 0991-6103999
269	Aksu Dongda Street Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	Room 01, 2/F, Yilong Hotel, No. 26 Dongda Street, Aksu City, Aksu Prefecture, Xinjiang	July 23, 2008	Feng Chao	0997-2151000 0997-2151000
270	Altay Jiefang Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	4/F, Building 91, Zone 7, Jiefang Road, Altay City, Altay Prefecture, Xinjiang	May 10, 2010	Chen Feng	0906-2134831 0906-2134839 0906-2136236



No.	Name	Address	Time of establishment	Principal	Contact number
271	Atushi Guangming Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	Shop 106, No. 27 Guangming North Road, Xingfu Sub-district, Atushu City, Kizilsu Kirghiz Autonomous Prefecture, Xinjiang	May 5, 2010	Zhu Guangming	0908-7661109 0908-7661107 0908-7661101
272	Bole Beijing Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	3/F, No. 446 Beijing North Road, Bole City, Bortala Mongol Autonomous Prefecture, Xinjiang	July 30, 2008	Xu Yongru	0909-2223539 0909-2230986
273	Changji Yan'an North Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	Room W, Building 3, Qiu 3, Zone 5, 4/F, Podium, Oriental Plaza, No. 198 Yan'an North Road, Changji City, Changji Prefecture, Xinjiang	January 21, 2002	Chen Yu	0994-2320562 0994-2320994 0994-2582429 0994-2351392
274	Changji Yan'an Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	3/F, No. 69 Yan'an South Road (Building 48, Qiu 3, Zone 40), Changji City, Changji Hui Autonomous Prefecture, Xinjiang	November 5, 2008	Li Xiaopeng	0994-2351087 0994-2351243 0994-6520674 0994-2357409
275	Fukang Fuxin Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	(Section 7, Zone 2), Rooms 4 & 5, 1-2/F, Building 20, Fuxing Huayuan Community, Fuxin Road, Fukang City, Changji Prefecture, Xinjiang	May 6, 2010	Guo Qiang	0994-3226925 0994-3220348 0994-3233786 0994-3223198
276	Hami Tianshan West Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	5/F, Ruihua Building, No. 1 Tianshan West Road, Yizhou District, Hami City, Xinjiang	January 21, 2001	Xing Yan	0902-2318093 0902-2319791 0902-2269062
277	Hami Tuha Petroleum Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	3/F, Petroleum Sub-branch of Industrial and Commercial Bank of China, Tuha Petroleum Base, Hami City, Xinjiang	May 5, 2010	Cong Long	0902-2761144 0902-2766172 0902-2767113
278	Hutubi Dongfeng Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	2F and 3F, No. 96 Dongfeng Road, Hutubi County, Changji Prefecture, Xinjiang (No. 1, 4th Yard, 9th District, 6th Street)	May 4, 2010	Cai Yongjia	0994-4503614 0994-6825943
279	Kashi Keziduwei Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	No. 602 and 603, 6/F, Block A, Building 1-1, Mingsheng International Plaza, No. 41 Keziduwei Road, Wenhua Road Community, Kumudewazi Sub-District, Kashi City, Kashi Prefecture, Xinjiang	December 11, 2008	Zhang Jiaxing	0998-5850703 0998-5850122 0998-5850166
280	Karamay Tianshan Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	No. 70-3-7-19 Tianshan Road, Karamay City, Xinjiang (Rooms 7-19, 3/F, Metropolitan Plaza)	October 20, 2008	Liu Yan	0990-6887515 0990-6890818 0990-6912728 0990-6260115
281	Karamay Jungar Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	4/F, No. 61 Junggar Road, Karamay District, Karamay City, Xinjiang	September 27, 2011	Qu Jingqiang	0990-6234567 0990-6226063 0990-6234660 0990-6226053





No.	Name	Address	Time of establishment	Principal	Contact number
282	Kuche Wenhua East Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	Rooms 1001-1004, 10/F, Wuzhou Building, No.11 Wenhua East Road, Kuche County, Aksu Prefecture, Xinjiang	May 4, 2010	Wei Ze	0997-7151800 0997-7151811
283	Korla Binhe Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	2/F, Zaishuiyifang, No.7 Binhe Road, Korla City, Bayingolin Mongol Autonomous Prefecture, Xinjiang	December 4, 2007	Bao Xiaomin	0996-2033432 0996-2033429
284	Kuitun Beijing West Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	Room 12, Building 7, Kalagashi-Beijing West Road, Downtown of Kuitun City, Yili Prefecture, Xinjiang	December 3, 2007	Liu Hu	0992-3224046 0992-3248696
285	Manas Tuanjie Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	1/F, Shop No. 07, 2/F, North Side of Fengjingyuan Community, Tuanjie Road, Manas County, Changji Hui Autonomous Prefecture, Xinjiang	May 7, 2010	Wei Jingjing	0994-6669494
286	Qitai Tuanjie South Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	No. 3, 1/F, Building 219, Qiu 12, Zone 2, Tuanjie South Road, Qitai County, Changji Hui Autonomous Prefecture, Xinjiang (Office Building of Founder Company	May 7, 2010	Zhou Yan	0994-7241115 0994-7210589 0994-7221588 0994-7241056
287	Shanshan Xincheng East Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	No. 3, Building 1, East Podium, Xiyou Hotel, South Side of Xincheng East Road, 7th District, Shanshan County, Turpan City, Xinjiang	September 23, 2008	Li Nan	0995-8315315 0995-8386755 0995-8314862 0995-8385352
288	Shihezi North Second Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	Rooms 22-A3 & 22-7, Chengyu Building, North Second Road, San Community, Shihezi City, Xinjiang	December 7, 2007	Wei Yuehong	0993-2017807 0993-6661200
289	Shihezi Beisi Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	3/F, No. 167, Beisi Road, Community 22, Shihezi City, Xinjiang	March 28, 2002	Li Hao	0993-2093399 0993-2093889
290	Tacheng Shengchan Street Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	North Side of No 3, Shengchan Street, Tacheng City, Tacheng Prefecture, Xinjiang	June 25, 2008	Fu Wenjun	0901-6239582 0901-6230159
291	Turpan Wenhua Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	No. 102, 1#1/F, Residential Building, Tianlun Paradise Community, North Side of Wenhua Road, New 14th District, Gaochang District, Turpan City, Xinjiang	July 21, 2008	Li Jiangping	0995-8533562 0995-8660098 0995-8628686 0995-8628787 0995-8628866 0995-8660068
292	Wusu Huanghe Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	No. 2-17 and 2-18, 2/F, Building 36, Ruibang Lijing, No. 513 Huanghe Road, Wenlin Road Community, New City Area Sub-district, Wusu City, Tacheng Prefecture, Xinjiang	May 4, 2010	Wei Bianjiang	0992-3224521 0992-8517786 0992-8509192 0992-8509191 0992-8509100



No.	Name	Address	Time of establishment	Principal	Contact number
293	Wujiaqu Zhenxing Street Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	No. 261-2 Zhenxing Street, Wujiaqu City, Xinjiang	May 5, 2010	Zhu Jiandong	0994-5810996
294	Yining Jiefang Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	2/F, Complex Building of New Times Plaza, No. 115 Jiefang Road, Yining City, Yili Prefecture, Xinjiang	December 6, 2007	Ma Zhaoyuan	0999-8085856 0999-8035791 0999-8020823 0999-8038858
295	Shache Qinaibage Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	2/F, South Side of No. 1 Qinaibage Road, Anning Community, Chengzhong Sub-district, Shache County, Kashgar Prefecture, Xinjiang	May 6, 2010	Liu Dongdong	0998-8520066 0998-8521355 0998-8529098 0998-8529556
296	Hetian Urumchi North Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	No. 123, Urumqi North Road, Heping Community, Nuermage Sub-district, Hetian City, Hetian Area, Xinjiang	August 11, 2021	Rao Xiong	0903-6880066 0903-6881001 0903-6881002 0903-6881003
297	Horgos Yaou Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	No. 1 Yaou North Road, Horgos City, Ili Prefecture, Xinjiang	May 8, 2017	Shen Mei	0999-8799039
298	Alar Jinyinchuan Road Securities Branch of Shenwan Hongyuan Securities (Western) Co., Ltd.	Room 12-107, Xinyuan Mingju, Northeast Side of the Intersection of Jinyinchuan Road and Junken Avenue, Alar City, Xinjiang	October 14, 2010	Meng Xiangpeng	0997-4623322

Note: The table above is for information as of December 31, 2024.



## Section VII Changes in Shares and Shareholders

### I. CHANGES IN SHARES

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

Unit: Share

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

#### (II) Changes in A Shares subject to selling restrictions

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





## II. ISSUANCE AND LISTING OF SECURITIES

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

For the issuance of corporate bonds by the Company, please refer to “Section VIII Profile of Bonds” of this report; for the bonds of subsidiaries of the Company, please refer to “XXIII. Significant Matters of Subsidiaries of the Company” under “Section VI Significant Events” in this report.

- (II) During the Reporting Period, there were no changes in the sum of the Company’s shares or in the shareholder structure, or changes in the assets or liabilities of the Company caused by bonus shares, conversion of capital reserve into share capital, rights issue, placement of new shares, nonpublic issuance of shares, warrants exercise, implementation of equity incentive plan, enterprise merger, equity conversion of convertible corporate bonds, capital reduction, listing of internal employee shares, issuance of bonds or other reasons.
- (III) The Company has no internal employee shares.

## III. SHAREHOLDERS AND ACTUAL CONTROLLERS

- (I) **The total number of shareholders as at the end of the month preceding the disclosure date of the annual report is 237,518 (including 237,464 A shareholders and 54 H shareholders).**





## (II) Number of shareholders and their shareholdings as of December 31, 2024

Unit: Share

None

**Total number of ordinary shareholders as of the end of the Reporting Period** 244,590 (including 244,536 A shareholders and 54 H shareholders)

**Total number of preferred shareholders whose voting rights were resumed at the end of the Reporting Period (if any)**

Shareholdings of the top ten ordinary shareholders								
Name of shareholders	Nature of shareholder	Shareholding percentage	Number of ordinary shares held at the end of the Reporting Period	Increase or decrease during the Reporting Period	Number of ordinary shares subject to selling restrictions	Number of ordinary shares without selling restrictions	Pledged or frozen Status	Number
China Jianyin Investment Ltd.	State-owned legal entity	26.34%	6,596,306,947	0	0	6,596,306,947	-	0
Central Huijin Investment Ltd.	State shares	20.05%	5,020,606,527	0	0	5,020,606,527	-	0
HKSCC Nominees Limited	Overseas legal entity	10.00%	2,503,845,920	36,400	0	2,503,809,520	N/A	N/A
Shanghai Jiushi (Group) Co., Ltd.	State-owned legal entity	4.84%	1,212,810,389	11,125,100	0	1,212,810,389	-	0
Sichuan Development Holding Co., Ltd.	State-owned legal entity	4.49%	1,124,543,633	0	0	1,124,543,633	-	0
China Everbright Group Ltd.	State-owned legal entity	3.99%	999,000,000	0	0	999,000,000	Pledged	67,500,000
China Securities Finance Corporation Limited	Domestic general legal entity	2.54%	635,215,426	0	0	635,215,426	-	0
Xinjiang Financial Investment (Group) Co., Ltd.	State-owned legal entity	1.56%	390,095,559	-10,000,000	0	390,095,559	Pledged	52,000,000
Hong Kong Securities Clearing Company Limited	Overseas legal entity	1.51%	378,779,262	62,476,595	0	378,779,262	-	0
Central Huijin Asset Management Ltd.	State-owned legal entity	0.79%	197,390,385	0	0	197,390,385	-	0
Strategic investors or general legal entities becoming the top ten holders of ordinary shares by placing of new shares				None				
Description on the related relationship or parties acting-in-concert arrangements among the shareholders above				Central Huijin Investment Ltd. holds the entire equity interest in China Jianyin Investment Ltd., holds the entire equity interest in Central Huijin Asset Management Ltd., and holds 63.16% of equity interest in China Everbright Group Ltd.				
Description of the above-mentioned shareholders' delegated/entrusted voting rights and waiver of voting rights				None				
Special description for the existence of special repurchase account among the top 10 shareholders				None				





## Section VII Changes in Shares and Shareholders (continued)

### Shareholdings of the top ten ordinary shareholders without selling restrictions

Name of shareholder	Number of ordinary shares without selling restrictions at the end of the Reporting Period		Class of share	
	Reporting Period	Class of share	Number	
China Jianyin Investment Ltd.	6,596,306,947	RMB-denominated ordinary shares	6,596,306,947	
Central Huijin Investment Ltd.	5,020,606,527	RMB-denominated ordinary shares	5,020,606,527	
HKSCC Nominees Limited	2,503,845,920	Overseas listed foreign shares	2,503,845,920	
Shanghai Jiushi (Group) Co., Ltd.	1,212,810,389	RMB-denominated ordinary shares	1,212,810,389	
Sichuan Development Holding Co., Ltd.	1,124,543,633	RMB-denominated ordinary shares	1,124,543,633	
China Everbright Group Ltd.	999,000,000	RMB-denominated ordinary shares	999,000,000	
China Securities Finance Corporation Limited	635,215,426	RMB-denominated ordinary shares	635,215,426	
Xinjiang Financial Investment (Group) Co., Ltd.	390,095,559	RMB-denominated ordinary shares	390,095,559	
Hong Kong Securities Clearing Company Limited	378,779,262	RMB-denominated ordinary shares	378,779,262	
Central Huijin Asset Management Ltd.	197,390,385	RMB-denominated ordinary shares	197,390,385	
Description on the related relationship or parties acting-in-concert among the top ten ordinary shareholders without selling restrictions and between the top ten ordinary shareholders without selling restrictions and the top ten ordinary shareholders	Central Huijin Investment Ltd. holds the entire equity interest in China Jianyin Investment Ltd., holds the entire equity interest in Central Huijin Asset Management Ltd., and holds 63.16% of equity interest in China Everbright Group Ltd.			
Description on any of the top ten ordinary shareholders participating in the margin financing and securities lending business	As of the end of the Reporting Period, Xinjiang Financial Investment (Group) Co., Ltd. held 174,504,959 shares through ordinary securities accounts and 215,590,600 shares through credit securities accounts, and actually held 390,095,559 shares in total.			

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



## Shares lent through securities lending and refinancing by top ten Shareholders

Unit: Share

Name of shareholder (Full name)	Shares lent through securities lending and refinancing by top ten Shareholders							
	Shareholdings in ordinary account and credit account at the beginning of the period		Outstanding shares lent through refinancing at the beginning of the period		Shareholdings in ordinary account and credit account at the end of the period		Outstanding shares lent through refinancing at the end of the period	
	Total number	Percentage of the total shares	Total number	Percentage of the total shares	Total number	Percentage of the total shares	Total number	Percentage of the total shares
Shanghai Jiushi (Group) Co., Ltd.	1,201,685,289	4.7991%	11,125,100	0.0444%	1,212,810,389	4.8435%	0	0

## Changes in the top ten shareholders compared to the previous period

There were no additions of or exits from the Company's top ten shareholders compared to the end of the 2023.

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

☐Yes ☒No

### (III) Controlling shareholders of the company

China Jianyin Investment Ltd. has Dong Shi as its legal representative and Huang Jianjun as its president. It was established in September 2004 with a registered capital of RMB20.69225 billion.

#### 1. Principal business

Investment and investment management, management and disposal of asset, corporation management, real estate lease, consulting.

#### 2. Controlled and invested domestic or overseas corporations as of December 31, 2024

No.	Stock Code	Stock Name	Number of shares held (share)
1	400149.NQ	Shandong Jintai	3,169,001
2	601229.SH	Bank of Shanghai	687,322,763
3	600369.SH	Southwest Securities	328,427,012
4	601995.SH	China International Capital Corporation	911,600
5	688631.SH	Les Information	16,405,300





#### (IV) Actual controller of the Company

The actual controller of Shenwan Hongyuan Group is Central Huijin Investment Ltd. JIC is a wholly-owned subsidiary of Central Huijin.

The legal representative of Central Huijin Investment Ltd. is Zhang Qingsong and the registered capital is RMB828,209 million.

1. Scope of business: Making equity investment in key state-owned financial institutions as authorized by the State Council; other related business approved by the State Council.
2. The information on the enterprises in which Central Huijin directly held shares as of December 31, 2024 was as follows:

No.	Name of institution	Shareholding by Central Huijin
1	China Development Bank	34.68%
2	Industrial and Commercial Bank of China Limited ★☆	34.79%
3	Agricultural Bank of China Limited ★☆	40.14%
4	Bank of China Limited ★☆	64.13%
5	China Construction Bank Corporation ★☆	57.14%
6	China Everbright Group Ltd.	63.16%
7	China Export & Credit Insurance Corporation	73.63%
8	China Reinsurance (Group) Corporation ☆	71.56%
9	China Jianyin Investment Limited	100.00%
10	China Galaxy Financial Holding Co., Ltd.	69.07%
11	Shenwan Hongyuan Group Co., Ltd. ★☆	20.05%
12	New China Life Insurance Company Limited ★☆	31.34%
13	China International Capital Corporation Limited ★☆	40.11%
14	Zhong Hui Life Insurance Co., Ltd.	80.00%
15	Evergrowing Bank Co., Limited	40.46%
16	Bank of Hunan Corporation Limited	20.00%
17	China Securities Co., Ltd. ★☆	30.76%
18	China Galaxy Asset Management Co., Ltd.	13.30%
19	Guotai Junan Investment Management Co., Ltd.	14.54%

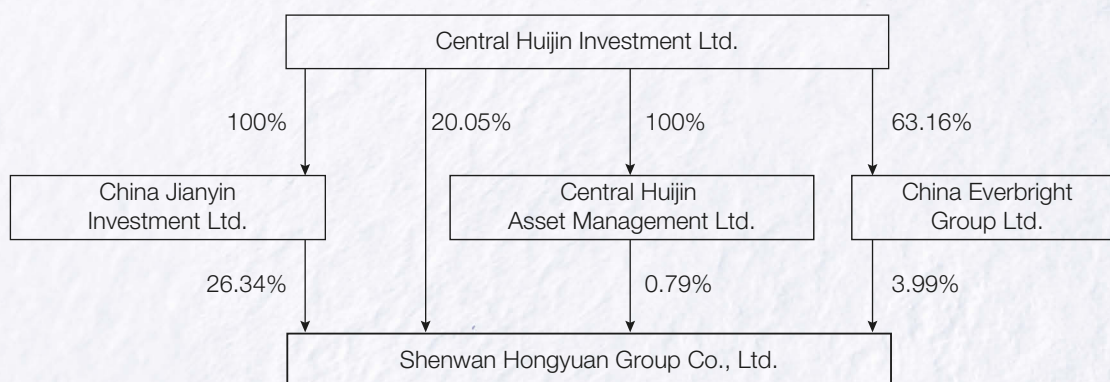
Note 1: ★ represents A-share listed company; ☆ represents H-share listed company.

Note 2: Other than the above controlled subsidiaries and investees, Central Huijin also wholly owns Central Huijin Asset Management Ltd.



### 3. Property right and control relationship between the Company and the actual controller

The property right and control relationship between the Company and the actual controller as of the end of the Reporting Period is as follows:



- (V) **The controlling shareholder or the largest shareholder of the company and its persons acting in concert have accumulatively pledged shares that account for more than 80% of the Company's shares held by them**

N/A

- (VI) **Other legal person shareholders holding more than 10% of the shares**

N/A

- (VII) **Description on restrictions on reducing shareholding by the controlling shareholder, actual controller, restructuring party and other undertaking parties**

N/A

## IV. SPECIFIC IMPLEMENTATION OF SHARE REPURCHASE DURING THE REPORTING PERIOD

N/A

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

As at December 31, 2024, none of the directors, supervisors or chief executives of the Company had or was deemed to have interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance which were required, to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the Securities and Futures Ordinance, or were recorded in the register required to be maintained by the Company under Section 352 of the Securities and Futures Ordinance, or which were required, pursuant to the Model Code, to be notified to the Company and the Hong Kong Stock Exchange.





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

As at December 31, 2024, to the best knowledge of the Company after having made all reasonable enquiries, the following persons (other than directors, supervisors or chief executives of the Company) had interests or short positions in the shares or underlying shares of the Company which were required to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance or which were recorded in the register required to be kept by the Company under Section 336 of the Securities and Futures Ordinance:

Name of substantial shareholders	Class of shares	Nature of interests	Number of shares held (share) <sup>Note 3</sup>	Percentage of the total number of issued shares of the Company <sup>Note 4</sup>	Percentage of the total number of issued A Shares/	Long/short positions
					H Shares of the Company	
1 Central Huijin Investment Ltd. <sup>Note 1</sup>	A Shares	Beneficial owner	5,020,606,527	20.05	22.28	Long positions
	A Shares	Interest in controlled corporations	7,792,697,332	31.12	34.58	Long positions
	H Shares	Interest in controlled corporations	756,472,000	3.02	30.21	Long positions
	H Shares	Interest in controlled corporations	64,193,600	0.26	2.56	Short positions
2 China Jianyin Investment Ltd.	A Shares	Beneficial owner	6,596,306,947	26.34	29.27	Long positions
3 Industrial and Commercial Bank of China Limited	H Shares	Beneficial owner	648,404,800	2.59	26.00	Long positions
4 Everbright PGIM Fund Management Co., Ltd. (on behalf of EPF — Rui Insurance SMA One (光大保德信 — 瑞眾保險 1號單 — 資產管理計劃)) <sup>Note 2</sup>	H Shares	Trustee	216,134,400	0.86	8.63	Long positions
5 Huaxia Life Insurance Co., Ltd. <sup>Note 2</sup>	H Shares	Beneficial owner	216,134,000	0.86	8.63	Long positions
6 China Life Insurance (Group) Company	H Shares	Beneficial owner	172,907,200	0.69	6.90	Long positions





Note 1: Central Huijin holds the entire equity interest in JIC, the entire equity interest in Central Huijin Asset Management Ltd., and 63.16% of equity interest in China Everbright Group Ltd. The total number of A Shares of the Company held by JIC, Central Huijin Asset Management Ltd. and China Everbright Group Ltd. is 7,792,697,332. Central Huijin indirectly held 756,472,000 H Shares of the Company through its controlled corporations including Industrial and Commercial Bank of China Limited, and China Reinsurance (Group) Corporation. In particular, Central Huijin held 648,404,800 shares through Industrial and Commercial Bank of China Limited and 108,067,200 shares through China Reinsurance (Group) Corporation.

Note 2: On April 26, 2019, Huaxia Life Insurance Co., Ltd. engaged Everbright PGIM Fund Management Co., Ltd. (光大保德信基金管理有限公司), a qualified domestic institutional investor as approved by the relevant PRC authority, as the asset manager, in the name of EPF – HuaXia Life SMA One (光大保德信－華夏人壽1號單一資產管理計劃), to subscribe and hold the H Shares on behalf of Huaxia Life on a discretionary basis. According to the Approval of Beijing Branch of the National Financial Regulatory Administration on the Acquisition of Insurance Business of Huaxia Life Insurance Co., Ltd. by Rui Life Insurance Company Limited (Jing Jin Fu [2023] No. 245) and the Announcement on the Transfer of Insurance Business between Rui Life Insurance Company Limited and Huaxia Life Insurance Co., Ltd., Rui Life Insurance Company Limited (“Rui Insurance”) has acquired the insurance business and corresponding assets and liabilities of Huaxia Life Insurance Co., Ltd. as a whole. As a result of the above-mentioned acquisition, the investor of EPF – HuaXia Life SMA One (光大保德信－華夏人壽1號單一資產管理計劃) has been changed from Huaxia Life Insurance Co., Ltd. to Rui Life Insurance Company Limited, and all rights and obligations of Huaxia Life under the original contract have been assumed by Rui Insurance. After the principal, manager and custodian reached an agreement and signed a supplementary agreement, the name of the project was changed to EPF – Rui Insurance SMA One (光大保德信－瑞眾保險1號單一資產管理計劃). Rui Insurance has engaged Everbright PGIM Fund Management Co., Ltd. (光大保德信基金管理有限公司), a qualified domestic institutional investor as approved by the relevant PRC authority, as the asset manager, in the name of EPF – Rui Insurance SMA One (光大保德信－瑞眾保險1號單一資產管理計劃), to hold the H Shares on behalf of Rui Insurance.

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

Note 4: As at December 31, 2024, the Company has issued a total of 22,535,944,560 A Shares and 2,504,000,000 H Shares, totaling 25,039,944,560 shares.

Save as disclosed above, as December 31, 2024, the Company was not aware of any other person (other than directors, supervisors and chief executives of the Company) having any interests or short positions in the shares or underlying shares of the Company which were required to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance and were required to be recorded, in the register that is required to be kept by the Company under Section 336 of the Securities and Futures Ordinance.





## VII. SUFFICIENCY OF PUBLIC FLOAT

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

## VIII. REPURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

The term of the Corporate Bonds Publicly Offered issued by the Company to Professional Investors in 2021 (First Tranche) ("21 ShenHong 01") is five years, and the issuer shall have the option to adjust the coupon rate and the investors shall have the option to sell back the bonds at the end of the third interest-bearing year. On January 30, 2024, January 31, 2024 and February 1, 2024, the Company disclosed the first, second and third Indicative Announcement on Adjustment of Coupon Rate and Measures for Implementation of Put-back by Investors for "21 ShenHong 01" bonds, respectively, pursuant to which the issuer determined to lower the coupon rate by 268 basis points at the end of the third interest-bearing year of "21 ShenHong 01", i.e. the coupon rate for the fourth and fifth interest-bearing years of the term of the bonds (i.e. from March 8, 2024 to March 7, 2026) is 1.00% and is fixed in the fourth and fifth years of the term of the bonds. Meanwhile, it was announced that the put-back registration period of "21 ShenHong 01" is from February 2, 2024 to February 8, 2024. (Please refer to the relevant announcements published by the Company on the Cninfo website ([www.cninfo.com.cn](http://www.cninfo.com.cn)) and the website of HKExnews of Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) on January 30, January 31 and February 1, 2024 for details)

The number of "21 ShenHong 01" bonds subject to put-back is 15,000,000, the put-back amount is RMB1,500,000,000.00, and the remaining number of bonds under custody is 0. The principal and interest for the "21 ShenHong 01" bonds subject to put-back was transferred by the Company to the designated bank account of Shenzhen Branch of China Securities Depository and Clearing Corporation Limited on time, and were transferred to the accounts of investors on the date of receipt of put-back funds which is March 8, 2024. The put-back is in full. Upon completion of the implementation, "21 ShenHong 01" was delisted at the Shenzhen Stock Exchange on March 8, 2024. (Please refer to the relevant announcements published by the Company on the Cninfo website ([www.cninfo.com.cn](http://www.cninfo.com.cn)) and the website of HKExnews of Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) on March 6, 2024 for details)

Save for the above put-back of corporate bonds, there were no other repurchases, sale or redemption of the Company's listed securities (including sale of treasury shares (as defined under the Hong Kong Listing Rules)) during the Reporting Period.

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

## IX. ARRANGEMENT OF PRE-EMPTIVE RIGHT

Under the PRC laws and Articles of Association, shareholders of the Company did not have pre-emptive right.



## I. CORPORATE BONDS

## (I) Basic Information of the Corporate Bonds

## 1. Public offering of corporate bonds in 2021

Name of bond	Abbreviation of bond	Code of bond	Offering date (YYYY-MM-DD)	Value date (YYYY-MM-DD)	Maturity date (YYYY-MM-DD)	Balance of bond (RMB'0,000)	Coupon rate (%)	Payment of principal and interest	Trading exchange
Corporate Bonds of Shenwan Hongyuan Group Co., Ltd. Publicly Offered to Professional Investors in 2021 (First Tranche) (Type I)	21 ShenHong 01	149393	2021-03-04	2021-03-08	2026-03-08	150,000	3.68		
Corporate Bonds of Shenwan Hongyuan Group Co., Ltd. Publicly Offered to Professional Investors in 2021 (First Tranche) (Type II)	21 ShenHong 02	149394	2021-03-04	2021-03-08	2028-03-08	50,000	3.95	Interest shall be calculated annually, while the principal shall be fully repaid upon maturity. Interest shall be paid annually, and principal will be repaid upon maturity together with interest payable for the last period.	Shenzhen Stock Exchange
Corporate Bonds of Shenwan Hongyuan Group Co., Ltd. Publicly Offered to Professional Investors in 2021 (Second Tranche) (Type II)	21 ShenHong 04	149553	2021-07-13	2021-07-15	2028-07-15	300,000	3.65		
Corporate Bonds of Shenwan Hongyuan Group Co., Ltd. Publicly Offered to Professional Investors in 2021 (Third Tranche) (Type I)	21 ShenHong 05	149578	2021-08-02	2021-08-04	2024-08-04	50,000	2.99		
Corporate Bonds of Shenwan Hongyuan Group Co., Ltd. Publicly Offered to Professional Investors in 2021 (Third Tranche) (Type II)	21 ShenHong 06	149579	2021-08-02	2021-08-04	2026-08-04	250,000	3.38		
Suitability arrangement of investors (if any)	Targeted to professional investors who have maintained A share securities accounts in the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited and in compliance with the requirements under the "Administrative Measures on Corporate Bonds Offering and Trading" (《公司債券發行與交易管理辦法》) and related laws and regulations (excluding subscribers prohibited by laws and regulations). Investors shall not subscribe by illegally making use of accounts or funds of others, or illegally financing or financing for others. Investors subscribing these bonds shall observe relevant laws and regulations and the relevant provisions of the CSRC and assume corresponding legal responsibilities on their own.								
Applicable trading mechanism	Traded by matching, one-click-order, price-enquiry, bidding or upon negotiation								
Whether there is risk of delisting (if any) and countermeasures therefor	Nil								

Note: Corporate Bonds Publicly Offered to Professional Investors in 2021 (First Tranche) (Type I) by the Company completed fully put-back, interest payment and delisting on March 8, 2024.

Corporate Bonds Publicly Offered to Professional Investors in 2021 (Third Tranche) (Type I) by the Company matured and completed principal and interest payment and delisting on August 4, 2024.



## 2. Public offering of corporate bonds in 2022

Name of bond	Abbreviation of bond	Code of bond	Offering date (YYYY-MM-DD)	Value date (YYYY-MM-DD)	Maturity date (YYYY-MM-DD)	Balance of bond (RMB'0,000)	Coupon rate (%)	Payment of principal and interest	Trading exchange
Corporate Bonds of Shenwan Hongyuan Group Co., Ltd. Publicly Offered to Professional Investors in 2022 (First Tranche) (Type I)	22 ShenHong 01	149825	2022-03-04	2022-03-08	2025-03-08	180,000	3.11		
Corporate Bonds of Shenwan Hongyuan Group Co., Ltd. Publicly Offered to Professional Investors in 2022 (First Tranche) (Type II)	22 ShenHong 02	149826	2022-03-04	2022-03-08	2027-03-08	120,000	3.50	Interest shall be calculated annually, while the principal shall be fully repaid upon maturity. Interest shall be paid annually, and principal will be repaid upon maturity together with interest payable for the last period.	Shenzhen Stock Exchange
Corporate Bonds of Shenwan Hongyuan Group Co., Ltd. Publicly Offered to Professional Investors in 2022 (Second Tranche) (Type I)	22 ShenHong 03	149898	2022-04-22	2022-04-26	2025-04-26	300,000	3.06		
Corporate Bonds of Shenwan Hongyuan Group Co., Ltd. Publicly Offered to Professional Investors in 2022 (Second Tranche) (Type II)	22 ShenHong 04	149899	2022-04-22	2022-04-26	2027-04-26	100,000	3.45		
Corporate Bonds of Shenwan Hongyuan Group Co., Ltd. Publicly Offered to Professional Investors in 2022 (Third Tranche) (Type II)	22 ShenHong 06	148054	2022-08-26	2022-08-30	2032-08-30	255,000	3.56		
Suitability arrangement of investors (if any)	Targeted to professional investors who have maintained A share securities accounts in the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited and in compliance with the requirements under the "Administrative Measures on Corporate Bonds Offering and Trading" (《公司債券發行與交易管理辦法》) and related laws and regulations (excluding subscribers prohibited by laws and regulations). Investors shall not subscribe by illegally making use of accounts or funds of others, or illegally financing or financing for others. Investors subscribing these bonds shall observe relevant laws and regulations and the relevant provisions of the China Securities Regulatory Commission and assume corresponding legal responsibilities on their own.								
Applicable trading mechanism	Traded by matching, one-click-order, price-enquiry, bidding or upon negotiation								
Whether there is risk of delisting (if any) and countermeasures therefor	Nil								

Note: Corporate Bonds Publicly Offered to Professional Investors in 2022 (First Tranche) (Type I) by the Company matured and completed principal and interest payment and delisting in March 8, 2025.





### 3. Public offering of corporate bonds in 2023

Name of bond	Abbreviation of bond	Code of bond	Offering date (YYYY-MM-DD)	Value date (YYYY-MM-DD)	Maturity date (YYYY-MM-DD)	Balance of bond (RMB'0,000)	Coupon rate (%)	Payment of principal and interest	Trading exchange
Corporate Bonds Issued Publicly to Professional Investors by Shenwan Hongyuan Group Co., Ltd. in 2023 (First Tranche) (Type II)	23 ShenHong 02	148318	2023-06-12	2023-06-14	2033-06-14	500,000	3.49	Interest shall be calculated annually, while the principal shall be fully repaid upon maturity. Interest shall be paid annually, and principal will be repaid upon maturity together with interest payable for the last period.	Shenzhen Stock Exchange
Corporate Bonds Issued Publicly to Professional Investors by Shenwan Hongyuan Group Co., Ltd. in 2023 (Second Tranche) (Type I)	23 ShenHong 03	148448	2023-09-01	2023-09-05	2024-09-05	160,000	2.49		
Corporate Bonds Issued Publicly to Professional Investors by Shenwan Hongyuan Group Co., Ltd. in 2023 (Second Tranche) (Type II)	23 ShenHong 04	148449	2023-09-01	2023-09-05	2026-09-05	80,000	2.85		
Suitability arrangement of investors (if any)	Targeted to professional investors who have maintained A share securities accounts in the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited and in compliance with the requirements under the "Administrative Measures on Corporate Bonds Offering and Trading" (《公司债券發行與交易管理辦法》) and related laws and regulations (excluding subscribers prohibited by laws and regulations). Investors shall not subscribe by illegally making use of accounts or funds of others, or illegally financing or financing for others. Investors subscribing these bonds shall observe relevant laws and regulations and the relevant provisions of the China Securities Regulatory Commission and assume corresponding legal responsibilities on their own.								
Applicable trading mechanism	Traded by matching, one-click-order, price-enquiry, bidding or upon negotiation								
Whether there is risk of delisting (if any) and countermeasures therefor	Nil								

Note: Corporate Bonds Publicly Offered to Professional Investors in 2023 (Second Tranche) (Type I) by the Company matured and completed principal and interest payment and delisting on September 5, 2024.



#### 4. Public Offering of Corporate Bonds in 2024

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





## 5. Public Offering of Corporate Bonds in 2025

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

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



**(II) Issuer or Investor Option Terms and Triggering and Implementation of Investor Protection Terms**

**1. Issuer or investor option terms**

The term of Corporate Bonds Issued Publicly to Professional Investors in 2021 by the Company (First Tranche) ("21 ShenHong 01") is five years, and the issuer shall have the option to adjust the coupon rate and the investors shall have the option to sell back the bonds at the end of the third interest-bearing year. On January 30, 2024, January 31, 2024, and February 1, 2024, the issuer disclosed the first, second and third Indicative Announcement on Adjustment of Coupon Rate and Measures for Implementation of Put-back by Investors for "21 ShenHong 01" bonds, respectively, pursuant to which the issuer determined to lower the coupon rate by 268 basis points at the end of the third interest-bearing year of "21 ShenHong 01", i.e. the coupon rate for the fourth and fifth interest-bearing years of the term of the bonds (that is, from March 8, 2024 to March 7, 2026) is 1.00% and is fixed in the fourth and fifth years of the term of the bonds. Meanwhile, it was announced that the put-back registration period of "21 ShenHong 01" is from February 2, 2024 to February 8, 2024. The number of "21 ShenHong 01" bonds subject to putback is 15,000,000, the put-back amount is RMB1,500,000,000.00, and the remaining number of bonds under custody is 0. The principal and interest for the "21 ShenHong 01" bonds subject to putback has been transferred by the Company to the designated bank account of Shenzhen Branch of China Securities Depository and Clearing Corporation Limited on time, and were transferred to the accounts of investors on the date of receipt of put-back funds which is March 8, 2024. The put-back is in full. Upon completion of the implementation, "21 ShenHong 01" was delisted at the Shenzhen Stock Exchange on March 8, 2024. (Please refer to the relevant announcements published by the Company on the Cninfo website ([www.cninfo.com.cn](http://www.cninfo.com.cn)) and the website of HKExnews of Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) on January 30, January 31, February 1 and March 6, 2024 for details)

**2. Triggering and implementation of investor protection terms**

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



### (III) Intermediaries

Underwriter for Corporate Bonds Publicly Offered in 2021:						
Name of lead underwriter: Shenwan Hongyuan Securities Co., Ltd.	Office address	5/F, Block B, No. 19, Taipingqiao Street, Xicheng District, Beijing	Contact person	Yu Shan	Telephone	010-88083931
Name of joint underwriter: Chasing Securities Co., Ltd.	Office address	26/F, Shuntian International Fortune Center, No. 80 Section 2 of Furong Middle Road, Changsha City	Contact person	Liu Yongqiang, Chen Yanbing	Telephone	0731-84779547
Signing accountants for Corporate Bonds Publicly Offered in 2021:						
Name of accounting firm	KPMG Huazhen LLP	Office address	8/F, East Tower 2, East Square, No. 1 East Chang'an Avenue, Beijing	Name of signing accountants	Jin Naiwen,Yu Jingjing	
Bond trustee for Corporate Bonds Publicly Offered in 2021:						
Name	Chasing Securities Co., Ltd.	Office address	T3, T4 and podium 718, Binjiang Financial Center, No 112 Chazishan East Road, Yuelu District, Changsha, Hunan Province	Contact person	Liu Yongqiang, Chen Yanbing	Telephone 0731-84779547
Credit rating agency(ies) which conducted rating on corporate bonds during the Reporting Period:						
Name	China Lianhe Credit Rating Co. Ltd.	Office address	17/F, Building 2, Courtyard 2, Jianwai Street, Chaoyang District, Beijing	Contact person	Li Fujian	Telephone 18601130760
Reason of change, procedures to be conducted and impacts on benefits of bond investors, etc. in case the relevant intermediaries hired by the company during the Reporting Period have changed (if applicable)				There were no changes in the intermediaries		



Underwriter for Corporate Bonds Publicly Offered in 2022:						
Name of lead underwriter: Shenwan Hongyuan Securities Co., Ltd.	Office address	5/F, Block B, No. 19 Taipingqiao Street, Xicheng District, Beijing	Contact person	Yu Shan	Telephone	010-88083931
Name of joint underwriter: Chasing Securities Co., Ltd.	Office address	26/F, Shuntian International Fortune Center, No. 80 Section 2 of Furong Middle Road, Changsha City	Contact person	Liu Yongqiang, Chen Yanbing	Telephone	0731-84779547
Signing accountants for Corporate Bonds Publicly Offered in 2022:						
Name of accounting firm	KPMG Huazhen LLP	Office address	8/F, East Tower 2, East Square, No. 1 East Chang'an Avenue, Beijing	Name of signing accountants	Jin Naiwen,Yu Jingjing	
Name of accounting firm	Pricewaterhouse Coopers Zhong Tian LLP	Office address	Room 01, Unit 507, DBS Building, No. 1318 Lujiazui Ring Road, Pilot Free Trade Zone, Shanghai	Name of signing accountants	Yip Siu Foon, Linda, Shan Feng	
Bond trustee for Corporate Bonds Publicly Offered in 2022:						
Name	Chasing Securities Co., Ltd.	Office address	26/F, Shuntian International Fortune Center, No. 80, Section 2 of Furong Middle Road, Changsha City	Contact person	Liu Yongqiang, Chen Yanbing	Telephone 0731-84779547
Credit rating agency(ies) which conducted rating on corporate bonds during the Reporting Period:						
Name	China Lianhe Credit Rating Co. Ltd.	Office address	17/F, Building 2, Courtyard 2, Jianwai Street, Chaoyang District, Beijing	Contact person	Li Fujian	Telephone 010-85171271
Reason of change, procedures to be conducted and impacts on benefits of bond investors, etc. in case the relevant intermediaries hired by the company during the Reporting Period have changed (if applicable)				There were no changes in the intermediaries		





Underwriter for Corporate Bonds Publicly Offered in 2023:						
Name of lead underwriter: Shenwan Hongyuan Securities Co., Ltd.	Office address	6/F, Tower C, Everest Center, No. 26 Jinshifang Street, Xicheng District, Beijing	Contact person	Yu Shan	Telephone	010-88083931
Name of joint underwriter: Chasing Securities Co., Ltd.	Office address	26/F, Shuntian International Fortune Center, No. 80 Section 2 of Furong Middle Road, Changsha City	Contact person	Liu Yongqiang, Lin Haichao	Telephone	0731-84779547
Signing accountants for Corporate Bonds Publicly Offered in 2023:						
Name of accounting firm	KPMG Huazhen LLP	Office address	8/F, East Tower 2, East Square, No. 1 East Chang'an Avenue, Beijing	Name of signing accountants	Jin Naiwen,Yu Jingjing	
Name of accounting firm	Pricewaterhouse Coopers Zhong Tian LLP	Office address	Room 01, Unit 507, DBS Building, No. 1318 Lujiazui Ring Road, Pilot Free Trade Zone, Shanghai	Name of signing accountants	Yip Siu Foon, Linda, Shan Feng	
Bond trustee for Corporate Bonds Publicly Offered in 2023:						
Name	Chasing Securities Co., Ltd.	Office address	26/F, Shuntian International Fortune Center, No. 80, Section 2 of Furong Middle Road, Changsha City	Contact person	Liu Yongqiang, Chen Yanbing	Telephone 0731-84779547
Credit rating agency(ies) which conducted rating on corporate bonds during the Reporting Period:						
Name	China Lianhe Credit Rating Co. Ltd.	Office address	17/F, Building 2, Courtyard 2, Jianwai Street, Chaoyang District, Beijing	Contact person	Li Fujian	Telephone 010-85171271
Reason of change, procedures to be conducted and impacts on benefits of bond investors, etc. in case the relevant intermediaries hired by the company during the Reporting Period have changed (if applicable)				There were no changes in the intermediaries		



Underwriter for Corporate Bonds Publicly Offered in 2024:						
Name of lead underwriter: Shenwan Hongyuan Securities Co., Ltd.		Office address	6/F, Tower C, Everest Center, No. 26 Jinshifang Street, Xicheng District, Beijing	Contact person	Yu Shan	Telephone 010-88083931
Name of joint underwriter: Chasing Securities Co., Ltd.		Office address	26/F, Shuntian International Fortune Center, No. 80 Section 2 of Furong Middle Road, Changsha City	Contact person	Liu Yongqiang, Lin Haichao	Telephone 0731-84779547
Signing accountants for Corporate Bonds Publicly Offered in 2024:						
Name of accounting firm	KPMG Huazhen LLP	Office address	8/F, East Tower 2, East Square, No. 1 East Chang'an Avenue, Beijing	Name of signing accountants	Jin Naiwen, Yu Jingjing	
Name of accounting firm	Pricewaterhouse Coopers Zhong Tian LLP	Office address	Room 01, Unit 507, DBS Building, No. 1318 Lujiazui Ring Road, Pilot Free Trade Zone, Shanghai	Name of signing accountants	Yip Siu Foon, Linda, Shan Feng	
Bond trustee for Corporate Bonds Publicly Offered in 2024:						
Name	Chasing Securities Co., Ltd.	Office address	26/F, Shuntian International Fortune Center, No. 80, Section 2 of Furong Middle Road, Changsha City	Contact person	Liu Yongqiang, Lin Haichao	Telephone 0731-84779547
Credit rating agency(ies) which conducted rating on corporate bonds during the Reporting Period:						
N/A						
Reason of change, procedures to be conducted and impacts on benefits of bond investors, etc. in case the relevant intermediaries hired by the company during the Reporting Period have changed (if applicable)				N/A		





Underwriter for Corporate Bonds Publicly Offered in 2025:							
<b>Name of lead underwriter:</b>	Shenwan Hongyuan Securities Co., Ltd.	<b>Office address</b>	6/F, Tower C, Everest Center, No. 26 Jinshifang Street, Xicheng District, Beijing	<b>Contact person</b>	Yu Shan	<b>Telephone</b>	010-88083931
<b>Name of joint underwriter:</b>	Chasing Securities Co., Ltd.	<b>Office address</b>	26/F, Shuntian International Fortune Center, No. 80 Section 2 of Furong Middle Road, Changsha City	<b>Contact person</b>	Liu Yongqiang, Lin Haichao	<b>Telephone</b>	0731-84779547
Signing accountants for Corporate Bonds Publicly Offered in 2025:							
<b>Name of accounting firm</b>	KPMG Huazhen LLP	<b>Office address</b>	8/F, East Tower 2, East Square, No. 1 East Chang'an Avenue, Beijing	<b>Name of signing accountants</b>	Jin Naiwen, Yu Jingjing		
<b>Name of accounting firm</b>	Pricewaterhouse Coopers Zhong Tian LLP	<b>Office address</b>	11/F, PwC Center, Tower 2, Link Plaza, No. 202 Hubin Road, Huangpu District, Shanghai	<b>Name of signing accountants</b>	Yip Siu Foon, Linda, Wei Jialiang		
Bond trustee for Corporate Bonds Publicly Offered in 2025:							
<b>Name</b>	Chasing Securities Co., Ltd.	<b>Office address</b>	26/F, Shuntian International Fortune Center, No. 80 Section 2 of Furong Middle Road, Changsha City	<b>Contact person</b>	Liu Yongqiang, Lin Haichao	<b>Telephone</b>	0731-84779547
Credit rating agency(ies) which conducted rating on corporate bonds:							
<b>Name</b>	China Lianhe Credit Rating Co. Ltd.	<b>Office address</b>	17/F, Building 2, Courtyard 2, Jianwai Street, Chaoyang District, Beijing	<b>Contact person</b>	Li Fujian	<b>Telephone</b>	010-85171271
Reason of change, procedures to be conducted and impacts on benefits of bond investors, etc. in case the relevant intermediaries (if applicable)				There were no changes in the intermediaries			



**(IV) Use of Proceeds**

Unit: Yuan Currency: RMB

Bond	Total proceeds	Amount used	Balance	Operation of special account for proceeds (if any)	Rectification of illegal use of proceeds (if any)	Whether it is consistent with the purpose, use plan and other agreements under the prospectus
Corporate Bonds of Shenwan Hongyuan Group Co., Ltd. Publicly Offered to Professional Investors in 2021 (First Tranche)	2,000,000,000	2,000,000,000	0	Use according to regulations	Nil	Yes
Corporate Bonds of Shenwan Hongyuan Group Co., Ltd. Publicly Offered to Professional Investors in 2021 (Second Tranche)	3,000,000,000	3,000,000,000	0	Use according to regulations	Nil	Yes
Corporate Bonds of Shenwan Hongyuan Group Co., Ltd. Publicly Offered to Professional Investors in 2021 (Third Tranche)	3,000,000,000	3,000,000,000	0	Use according to regulations	Nil	Yes
Corporate Bonds of Shenwan Hongyuan Group Co., Ltd. Publicly Offered to Professional Investors in 2022 (First Tranche)	3,000,000,000	3,000,000,000	0	Use according to regulations	Nil	Yes
Corporate Bonds of Shenwan Hongyuan Group Co., Ltd. Publicly Offered to Professional Investors in 2022 (Second Tranche)	4,000,000,000	4,000,000,000	0	Use according to regulations	Nil	Yes
Corporate Bonds of Shenwan Hongyuan Group Co., Ltd. Publicly Offered to Professional Investors in 2022 (Third Tranche)	2,550,000,000	2,550,000,000	0	Use according to regulations	Nil	Yes
Corporate Bonds of Shenwan Hongyuan Group Co., Ltd. Publicly Offered to Professional Investors in 2023 (First Tranche)	5,000,000,000	5,000,000,000	0	Use according to regulations	Nil	Yes
Corporate Bonds of Shenwan Hongyuan Group Co., Ltd. Publicly Offered to Professional Investors in 2023 (Second Tranche)	2,400,000,000	2,400,000,000	0	Use according to regulations	Nil	Yes
Corporate Bonds of Shenwan Hongyuan Group Co., Ltd. Publicly Offered to Professional Investors in 2024 (First Tranche)	2,450,000,000	2,450,000,000	0	Use according to regulations	Nil	Yes
Corporate Bonds of Shenwan Hongyuan Group Co., Ltd. Publicly Offered to Professional Investors in 2024 (Second Tranche)	1,600,000,000	1,600,000,000	0	Use according to regulations	Nil	Yes
Corporate Bonds of Shenwan Hongyuan Group Co., Ltd. Publicly Offered to Professional Investors in 2025 (First Tranche)	1,800,000,000	0	1,800,000,000	Use according to regulations	Nil	Yes

**Use of proceeds for construction projects**

N/A

**Change of the use of proceeds from the above bonds during the Reporting Period**

N/A



## (V) Credit Rating Adjustment for Corporate Bonds

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

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

## (VI) Implementation of and Changes in Guarantees, Debt Repayment Plan and Other Debt Repayment Safeguard Measures for Corporate Bonds during the Reporting Period and the Effects Thereof on the Interests of Bond Investors

### 1. Public offering of corporate bonds in 2021

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

The Company has set up a special debt repayment account and paid out of the special debt repayment account the interest payable for “21 ShenHong 01”, “21 ShenHong 02”, “21 ShenHong 04”, “21 ShenHong 05” and “21 ShenHong 06”. In March 2024, the Company paid out of the special debt repayment account the interest payable for “21 ShenHong 01” and “21 ShenHong 02” for the period from March 8, 2023 to March 7, 2024 and the entire principal of “21 ShenHong 01”. In July 2024, the Company paid out of the special debt repayment account the interest for “21 ShenHong 04” for the period from July 15, 2023 to July 14, 2024. In August 2024, the Company paid out of the special debt repayment account the interest for “21 ShenHong 05” and “21 ShenHong 06” for the period from August 4, 2023 to August 3, 2024 and the entire principal of “21 ShenHong 05”.



## **2. Public Offering of Corporate Bonds in 2022**

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

The Company has set up a special debt repayment account and paid out of the special debt repayment account the interest payable for “22 ShenHong 01”, “22 ShenHong 02”, “22 ShenHong 03”, “22 ShenHong 04” and “22 ShenHong 06”. In March 2024, the Company paid out of the special debt repayment account the interest payable for “22 ShenHong 01” and “22 ShenHong 02” for the period from March 8, 2023 to March 7, 2024. In April 2024, the Company paid out of the special debt repayment account the interest for “22 ShenHong 03” and “22 ShenHong 04” for the period from April 26, 2023 to April 25, 2024. In August 2024, the Company paid out of the special debt repayment account the interest for “22 ShenHong 06” for the period from August 30, 2023 to August 29, 2024.

## **3. Public Offering of Corporate Bonds in 2023**

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





The Company has set up a dedicated debt repayment account, from which the Company paid the interest payable on each tranche of “23 ShenHong 02”, “23 ShenHong 03” and “23 ShenHong 04” on a timely basis. In June 2024, the Company paid the interest payable on “23 ShenHong 02” for the period from June 14, 2023 to June 13, 2024 on a timely basis from the dedicated debt repayment account. In September 2024, the Company paid the interest on “23 ShenHong 03” and “23 ShenHong 04” for the period from September 5, 2023 to September 4, 2024 and the entire principal of “23 ShenHong 03” on a timely basis from the dedicated debt repayment account.

#### 4. Public Offering of Corporate Bonds in 2024

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

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

#### 5. Public offering of corporate bonds in 2025

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

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



## II. OTHER INFORMATION ON BONDS

During the Reporting Period, the Company did not have enterprise bonds, non-financial enterprise bond financing instruments, or convertible corporate bonds; the Company did not record loss within the scope of consolidated statements exceeding 10% of the net assets as at the end of last year; the Company did not have any overdue debts; no interest-bearing bonds other than bonds were overdue; there was no violation of laws and regulations, the Articles of Association, the provisions of the information disclosure management system, and the stipulations or commitments in the prospectus of bonds.

For the bonds of subsidiaries of the Company, please refer to “XXIII. Significant Matters of Subsidiaries of the Company” under “Section VI Significant Events” in this report.

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

Item	As of the end of the Reporting Period	As of the end of last year	Increase/decrease as compared with the end of last year
Current ratio	<b>1.32</b>	1.38	Decreased by 0.06
Gearing ratio <sup>Note</sup>	<b>76.81%</b>	76.09%	Increased by 0.72 percentage points
Quick ratio	<b>1.32</b>	1.38	Decreased by 0.06

Item	For the Reporting Period	For the same period last year	Increase/decrease as compared with the same period last year
Net profit after deducting non-recurring profit or loss (RMB'000)	<b>6,107,934</b>	5,248,528	16.37%
Total debt to EBITDA ratio	<b>0.05</b>	0.09	Decreased by 0.04
Interest coverage multiple	<b>1.93</b>	1.69	14.20%
Cash interest coverage multiple	<b>4.26</b>	8.64	-50.69%
EBITDA interest coverage multiple	<b>2.05</b>	1.78	15.17%
Loan repayment ratio	<b>100.00%</b>	100.00%	—
Interest repayment ratio	<b>100.00%</b>	100.00%	—

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



## **Section IX   Financial Statements**

**Shenwan Hongyuan Group Co., Ltd.**  
(Incorporated in the People's Republic of China  
with Limited Liability)

Consolidated financial statements and auditor's  
report for the year ended 31 December 2024



# Independent auditor's report to the shareholders of Shenwan Hongyuan Group Co., Ltd.

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

## **Opinion**

We have audited the consolidated financial statements of Shenwan Hongyuan Group Co., Ltd. ("the Company") and its subsidiaries ("the Group") set out on pages 344 to 492, which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including material accounting policies and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code") together with any ethical requirements that are relevant to our audit of the consolidated financial statements in the People's Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements and IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



# Independent auditor's report to the shareholders of Shenwan Hongyuan Group Co., Ltd. (continued) (Incorporated in the People's Republic of China with limited liability)

## Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of financial instruments held at fair value classified under Level 3 in the fair value hierarchy	
Refer to Notes 3(9) and 57 to the consolidated financial statements.	
The Key Audit Matter	How the matter was addressed in our audit
<p>The Group's financial instruments held at fair value included those classified under Level 3 in the fair value hierarchy ("Level 3 Financial Instruments"), which were measured using valuation techniques that involve significant inputs that were not based on observable market data ("unobservable inputs").</p> <p>We identified the valuation of Level 3 Financial Instruments as a key audit matter because of the significance of their amounts and the degree of complexity involved and the significant judgement exercised by management in the valuation process, including the selection of unobservable inputs.</p>	<p>Our audit procedures to assess the fair value of Level 3 Financial Instruments included the following:</p> <ul style="list-style-type: none"> <li>• assessing and evaluating the design, implementation and operating effectiveness of key internal controls over the valuation process including the valuation model approval for financial instruments;</li> <li>• reading investment agreements of Level 3 Financial Instruments entered into, on a sample basis, to understand the relevant investment terms and identifying any conditions that were relevant to the valuation of financial instruments;</li> <li>• With the assistance of our internal valuation specialists, evaluating the valuation of level 3 financial instruments on a sample basis, including assessing the appropriateness of the valuation models, evaluating the reasonableness of the inputs used and performing parallel valuations; and</li> <li>• assessing the reasonableness of the disclosures in the consolidated financial statements reflected the Group's exposure to financial instrument valuation risk with reference to the requirements of the applicable accounting standards.</li> </ul>



Independent auditor's report to the shareholders of  
Shenwan Hongyuan Group Co., Ltd. (continued)  
*(Incorporated in the People's Republic of China with limited liability)*

**Key audit matters (continued)**

<b>Consolidation of structured entities</b>	
<i>Refer to Notes 3(3) and 53 to the consolidated financial statements.</i>	
<b>The Key Audit Matter</b>	<b>How the matter was addressed in our audit</b>
<p>Structured entities are generally created to achieve a narrow and well-defined objective with restrictions around their ongoing activities. The Group may acquire or retain an ownership interest in, or act as a sponsor of, a structured entity through issuing or acquiring a wealth management product, an investment fund, an asset management scheme, a trust scheme or an asset-backed security.</p> <p>In determining whether a structured entity is required to be consolidated by the Group, management is required to consider the power the Group is able to exercise over the activities of the entity and its exposure to and ability to affect its own returns from the entity.</p> <p>The factors which management needs to consider when determining whether a structured entity should be consolidated or not are not purely quantitative and need to be considered collectively.</p>	<p>Our audit procedures to assess the consolidation of structured entities included the following:</p> <ul style="list-style-type: none"> <li>• understanding and assessing the design and implementation of key internal controls of financial reporting over the consolidation of structured entities.</li> <li>• selecting a sample of structured entities for each key product type and performing the following procedures for each item selected: <ul style="list-style-type: none"> <li>- inspecting the related contracts and internal establishment documents and information disclosed to the investors, to understand the purpose of the establishment of the structured entity and the involvement the Group has with the structured entity and to assess management's judgement over whether the Group has the ability to exercise power over the structured entity;</li> <li>- inspecting the risk and reward structure of the structured entity including any capital or return guarantee, commission paid and distribution of the returns to assess management's judgement as to exposure, or rights, to variable returns from the Group's involvement in such an entity;</li> </ul> </li> </ul>



# Independent auditor's report to the shareholders of Shenwan Hongyuan Group Co., Ltd. (continued)

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

## Key audit matters (continued)

Consolidation of structured entities (continued)	
Refer to Notes 3(3) and 53 to the consolidated financial statements.	
The Key Audit Matter	How the matter was addressed in our audit
We identified the consolidation of structured entities as a key audit matter due to the significant judgements exercised by management in assessing whether the Group had control over the structured entities, and the amount of the structured entities managed or invested by the Group.	<ul style="list-style-type: none"> <li>- inspecting management's analysis of the structured entity including qualitative analysis and the calculations of the magnitude and variability associated with its economic interests in the structured entity to assess management's judgement over the Group's ability to influence its own returns from the structured entity;</li> <li>- assessing management's judgement over whether the structured entity should be consolidated or not; and</li> <li>• assessing the reasonableness of disclosures in the financial statements in relation to consolidation of structured entities with reference to the requirements of the prevailing accounting standards.</li> </ul>



Independent auditor's report to the shareholders of  
Shenwan Hongyuan Group Co., Ltd. (continued)  
(Incorporated in the People's Republic of China with limited liability)

**Key audit matters (continued)**

<p><b>Expected credit loss allowance for margin accounts, financial assets held under resale agreements, financial assets measured at amortized cost and debt instruments measured at fair value through other comprehensive income</b></p>	
<p><i>Refer to Notes 3(6), 3(7), 3(10), 3(11), 14, 24, 25, 26, 33 and 58(1) to the consolidated financial statements.</i></p>	
<b>The Key Audit Matter</b>	<b>How the matter was addressed in our audit</b>
<p>The measurement of expected credit loss allowance for margin accounts, financial assets held under resale agreements, financial assets measured at amortized cost and debt instruments measured at fair value through other comprehensive income using the expected credit loss ("ECL") model is subject to a number of key parameters and assumptions, including the identification of loss stages, loss ratio, estimates of probability of default, loss given default, exposures at default and forward-looking adjustment. Management judgement is involved in the selection of those parameters and the application of the assumptions.</p> <p>Management applied a three-stage ECL model to calculate their ECLs. For such financial assets classified under stages 1 and 2, management assessed credit loss allowances using ECL model that incorporated key parameters, including probability of default, loss given default and exposure at default. For credit-impaired financial assets classified under stage 3, management assessed the credit loss allowances by estimating the cash flows expected to be received from the financial assets.</p>	<p>Our audit procedures to assess ECL allowance of margin accounts, financial assets held under resale agreements, financial assets measured at amortized cost and debt instruments measured at fair value through other comprehensive income included the following:</p> <ul style="list-style-type: none"> <li>• understanding and assessing the design, implementation and operating effectiveness of key internal controls over the approval, recording and monitoring of margin accounts, financial assets held under resale agreements, financial assets measured at amortized cost and debt instruments measured at fair value through other comprehensive income, the measurement of ECL allowances,</li> <li>• assessing the appropriateness of the ECL model and key assumptions and parameters used by management in determining ECL allowance, including the identification of loss stages, probability of default, loss given default, exposure at default, adjustments for forward-looking information, assessing the reasonableness of significant management judgement involved on a sample basis;</li> </ul>



Independent auditor's report to the shareholders of  
Shenwan Hongyuan Group Co., Ltd. (continued)  
*(Incorporated in the People's Republic of China with limited liability)*

**Key audit matters (continued)**

Expected credit loss allowance for margin accounts, financial assets held under resale agreements, financial assets measured at amortized cost and debt instruments measured at fair value through other comprehensive income (continued)	
Refer to Notes 3(6), 3(7), 3(10), 3(11), 14, 24, 25, 26, 33 and 58(1) to the consolidated financial statements.	
The Key Audit Matter	How the matter was addressed in our audit
<p>The measurement of ECL allowance involves significant management judgements and assumptions, primarily including:</p> <p>(1) selection of the appropriate ECL models and application of assumptions;</p> <p>(2) determination of the criteria for a significant increase in credit risk ("SICR"), definition of default and credit impairment;</p> <p>(3) determination of forward-looking measurements and weightings of the forward-looking scenarios; and</p> <p>(4) estimation of future cash flows expected to be received for financial assets classified under stage 3.</p> <p>The Group has established governance processes and controls over the measurement of ECL.</p>	<ul style="list-style-type: none"> <li>assessing the completeness and accuracy of the key data used for the parameters in the ECL model. For parameters derived from key internal data relating to original agreements, we compared the total balance of the financial asset list used by management to assess the allowances for impairment of margin accounts, financial assets held under resale agreements, financial assets measured at amortized cost and debt instruments measured at fair value through other comprehensive income with the general ledger; on a sample basis, selecting financial assets and comparing investment information with the underlying agreements and other related documentation to assess the accuracy of compilation of the asset list. For parameters derived from key external data, we selected samples to inspect the accuracy of such data by comparing them with external sources.</li> <li>for key parameters involving judgement, critically assessing input parameters by seeking evidence from external sources and comparing to the Group's internal records. We compared the economic factors used in the models with market information to assess whether they were aligned with market and economic development;</li> </ul>



Independent auditor's report to the shareholders of  
Shenwan Hongyuan Group Co., Ltd. (continued)  
*(Incorporated in the People's Republic of China with limited liability)*

**Key audit matters (continued)**

Expected credit loss allowance for margin accounts, financial assets held under resale agreements, financial assets measured at amortized cost and debt instruments measured at fair value through other comprehensive income (continued)	
Refer to Notes 3(6), 3(7), 3(10), 3(11), 14, 24, 25, 26, 33 and 58(1) to the consolidated financial statements.	
The Key Audit Matter	How the matter was addressed in our audit
We identified the measurement of ECL allowance for margin accounts, financial assets held under resale agreements, financial assets measured at amortized cost and debt instruments measured at fair value through other comprehensive income as a key audit matter because of the inherent uncertainty and management judgement involved and the significance to the financial results and capital of the Group.	<ul style="list-style-type: none"> <li>evaluating the validity of management's assessment on whether the credit risk of margin accounts, financial assets held under resale agreements, financial assets measured at amortized cost and debt instruments measured at fair value through other comprehensive income has, or has not, increased significantly since initial recognition by checking the overdue status and collateral-to-loan ratio of a financial asset, and the credit situation of the obligor on a sample basis. On a risk-based sample basis, evaluating the reasonableness of management's assessment a financial asset is credit-impaired;</li> <li>for selected samples of the financial assets that are credit-impaired, evaluating the reasonableness of future cash flows expected to be received. We also evaluated the forecast cash flows, challenged the viability of the Group's recovery plans and evaluated other credit enhancements that are integral to the contract terms;</li> <li>recalculating the amount of ECL allowance using the ECL model margin accounts, financial assets held under resale agreements, financial assets measured at amortized cost and debt instruments measured at fair value through other comprehensive income and</li> <li>assessing the reasonableness of the disclosures in the financial statements in relation to ECL allowance of margin accounts, financial assets held under resale agreements, financial assets measured at amortized cost and debt instruments measured at fair value through other comprehensive income with reference to the requirements of the applicable accounting standards.</li> </ul>



# Independent auditor's report to the shareholders of Shenwan Hongyuan Group Co., Ltd. (continued)

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

## **Information other than the consolidated financial statements and auditor's report thereon**

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of the directors for the consolidated financial statements**

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

## **Auditor's responsibilities for the audit of the consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.



# Independent auditor's report to the shareholders of Shenwan Hongyuan Group Co., Ltd. (continued)

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

## **Auditor's responsibilities for the audit of the consolidated financial statements (continued)**

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.



# Independent auditor's report to the shareholders of Shenwan Hongyuan Group Co., Ltd. (continued)

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

## **Auditor's responsibilities for the audit of the consolidated financial statements (continued)**

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Pang, Shing Chor, Eric.

Certified Public Accountants

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

28 March 2025



## Consolidated statement of profit or loss for the year ended 31 December 2024

(In RMB thousands, unless otherwise stated)

	Note	<u>For the year ended 31 December</u> 2024	<u>2023</u>
<b>Revenue</b>			
Fee and commission income	5	8,528,533	8,332,792
Interest income	6	9,275,946	10,026,911
Net investment gains	7	10,565,311	8,973,874
<b>Total revenue</b>		<u>28,369,790</u>	<u>27,333,577</u>
Other income and gains	8	6,408,531	4,582,571
<b>Total revenue and other income</b>		<u>34,778,321</u>	<u>31,916,148</u>
Fee and commission expenses	9	1,852,267	1,326,051
Interest expenses	10	8,748,192	9,695,409
Staff costs	11	7,718,168	7,725,057
Depreciation and amortization expenses	12	927,171	869,538
Tax and surcharges		126,103	135,357
Other operating expenses	13	8,168,811	6,219,305
Credit impairment losses	14	473,600	341,099
Impairment losses on other assets		16,382	89,846
<b>Total expenses</b>		<u>28,030,694</u>	<u>26,401,662</u>



## Consolidated statement of profit or loss for the year ended 31 December 2024(continued)

(In RMB thousands, unless otherwise stated)

	Note	<u>For the year ended 31 December</u> 2024	<u>2023</u>
<b>Operating profit</b>		6,747,627	5,514,486
Share of profit of associates and joint ventures		589,097	577,596
<b>Profit before income tax</b>		7,336,724	6,092,082
Income tax expense	15	1,086,210	616,879
<b>Profit for the year</b>		<u>6,250,514</u>	<u>5,475,203</u>
<b>Attributable to:</b>			
Shareholders of the Company		5,210,662	4,606,340
Non-controlling interests		1,039,852	868,863
<b>Total</b>		<u>6,250,514</u>	<u>5,475,203</u>
Basic and diluted earnings per share (expressed in RMB yuan per share)	18	<u>0.21</u>	<u>0.18</u>

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



## Consolidated statement of comprehensive income for the year ended 31 December 2024 (In RMB thousands, unless otherwise stated)

	<i>For the year ended 31 December</i>	
	2024	2023
<b>Profit for the year</b>	6,250,514	5,475,203
<b>Other comprehensive income for the year</b>		
<b>Items that may be reclassified subsequently to profit or loss:</b>		
Financial assets at fair value through other comprehensive income		
- Net changes in fair value	1,339,888	663,730
- Reclassified to profit or loss	(939,264)	166,454
Share of other comprehensive income of associates and joint ventures	22,643	1,362
Exchange differences on translation of financial statements in foreign currencies	92,333	43,643
Income tax impact	(87,929)	(171,645)
<b>Items that will not be reclassified to profit or loss:</b>		
Equity investment at fair value through other comprehensive income		
- Net change in fair value	1,136,999	832,996
Share of other comprehensive income of associates and joint ventures	(8,014)	-
Income tax impact	(284,250)	(208,267)
<b>Total other comprehensive income for the year, net of tax</b>	1,272,406	1,328,273
<b>Total comprehensive income for the year</b>	7,522,920	6,803,476
<b>Attributable to:</b>		
Shareholders of the Company	6,465,248	5,946,613
Non-controlling interests	1,057,672	856,863
<b>Total</b>	7,522,920	6,803,476

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



## Consolidated statement of financial position as at 31 December 2024

(In RMB thousands, unless otherwise stated)

	Note	As at 31 December 2024	As at 31 December 2023
<b>Non-current assets</b>			
Property and equipment	19	1,313,340	1,429,979
Right-of-use assets	20	859,306	994,630
Investment properties		39,009	43,494
Other intangible assets	21	407,274	311,593
Interest in associates and joint ventures	23	4,170,776	4,076,755
Financial assets measured at amortized cost	24	1,034,064	1,370,362
Financial assets at fair value through other comprehensive income	25	73,294,415	73,173,338
Financial assets held under resale agreements	26	315,507	513,511
Financial assets at fair value through profit or loss	27	6,279,125	13,080,312
Refundable deposits	28	21,795,817	22,812,202
Deferred tax assets	29	1,621,025	2,739,571
Other non-current assets	30	416,926	433,524
<b>Total non-current assets</b>		<u>111,546,584</u>	<u>120,979,271</u>



**Consolidated statement of financial position**  
**as at 31 December 2024 (continued)**  
(In RMB thousands, unless otherwise stated)

	Note	As at 31 December 2024	As at 31 December 2023
<b>Current assets</b>			
Accounts receivable	31	6,005,511	6,167,987
Other current assets	32	1,384,690	1,779,777
Margin accounts receivable	33	74,844,217	64,428,205
Financial assets measured at amortized cost	24	1,478,743	2,146,897
Financial assets at fair value through other comprehensive income	25	61,733,391	70,819,304
Financial assets held under resale agreements	26	12,074,249	4,101,053
Financial assets at fair value through profit or loss	27	263,244,475	223,407,852
Derivative financial assets	34	8,895,889	10,207,378
Clearing settlement funds	35	10,829,210	12,335,678
Cash held on behalf of brokerage clients	36	111,689,377	85,610,760
Cash and bank balances	37	33,870,257	33,453,256
<b>Total current assets</b>		<u>586,050,009</u>	<u>514,458,147</u>
<b>Total assets</b>		<u><u>697,596,593</u></u>	<u><u>635,437,418</u></u>



## Consolidated statement of financial position as at 31 December 2024 (continued)

(In RMB thousands, unless otherwise stated)

	Note	As at 31 December 2024	As at 31 December 2023
<b>Current liabilities</b>			
Loans and borrowings	39	672,001	835,592
Short-term debt instruments issued	40	49,057,674	28,055,961
Placements from other financial institutions	41	3,318,823	2,440,854
Accounts payable to brokerage clients	42	122,496,183	96,870,504
Employee benefits payable	43	1,874,693	2,110,487
Other payables and accruals	44	60,276,965	58,461,588
Contract liabilities		45,247	48,115
Current tax liabilities		87,598	71,891
Financial assets sold under repurchase agreements	45	186,005,634	163,215,333
Lease liabilities	46	329,477	369,687
Financial liabilities at fair value through profit or loss	47	14,453,521	5,694,306
Derivative financial liabilities	34	7,546,247	6,185,560
Long-term bonds due within one year	48	35,896,278	34,371,888
<b>Total current liabilities</b>		<u>482,060,341</u>	<u>398,731,766</u>
<b>Net current assets</b>		<u>103,989,668</u>	<u>115,726,381</u>
<b>Total assets less current liabilities</b>		<u>215,536,252</u>	<u>236,705,652</u>



## Consolidated statement of financial position as at 31 December 2024 (continued)

(In RMB thousands, unless otherwise stated)

	Note	As at 31 December 2024	As at 31 December 2023
<b>Non-current liabilities</b>			
Long-term bonds	48	77,252,222	102,857,017
Non-current employee benefits payable	43	4,018,362	3,648,945
Deferred tax liabilities	29	48,140	30,527
Lease liabilities	46	546,832	645,826
Other non-current liabilities		321,770	729,203
<b>Total non-current liabilities</b>		<u>82,187,326</u>	<u>107,911,518</u>
<b>Net assets</b>		<u>133,348,926</u>	<u>128,794,134</u>



**Consolidated statement of financial position**  
**as at 31 December 2024 (continued)**  
(In RMB thousands, unless otherwise stated)

	Note	As at 31 December 2024	As at 31 December 2023
<b>Equity</b>			
Share capital	49	25,039,945	25,039,945
Reserves	50	46,003,489	42,899,731
Retained profits	51	33,740,663	32,205,365
Total equity attributable to shareholders of the Company		104,784,097	100,145,041
Non-controlling interests		28,564,829	28,649,093
<b>Total equity</b>		<b>133,348,926</b>	<b>128,794,134</b>

Approved and authorised for issue by the Board of Directors on 28 March 2025.

Liu Jian  
Executive Director, Chairman

Huang Hao  
Executive Director, President

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



# Consolidated statement of changes in equity for the year ended 31 December 2024 (In RMB thousands, unless otherwise stated)

	Attributable to shareholders of the Company							Non-controlling interests			
	Reserves										
	Share capital (Note 49)	Capital reserve (Note 50)	Surplus reserve (Note 50)	General reserve (Note 50)	Fair value reserve (Note 50)	Translation reserve (Note 50)	Retained profits (Note 51)	Subtotal	Ordinary shareholders	Other equity instrument investors	Total equity
As at 1 January 2024	25,039,945	19,271,829	4,204,719	18,520,713	699,982	202,488	32,205,365	100,145,041	1,690,695	26,958,398	128,794,134
Profit for the year	-	-	-	-	-	-	5,210,662	5,210,662	82,612	957,240	6,250,514
Other comprehensive income	-	-	-	-	1,180,023	74,563	-	1,254,586	17,820	-	1,272,406
Total comprehensive income for the year	-	-	-	-	1,180,023	74,563	5,210,662	6,465,248	100,432	957,240	7,522,920
Shareholders invested/(reduced) capital											
- Others	-	1,724	-	-	-	-	-	1,724	(1,724)	-	-
Appropriation to surplus reserve	-	-	160,752	-	-	-	(160,752)	-	-	-	-
Appropriation to general reserve	-	-	-	1,351,234	-	-	(1,351,234)	-	-	-	-
Dividends	-	-	-	-	-	-	(1,827,916)	(1,827,916)	(182,972)	-	(2,010,888)
Distribution to other equity instrument investors	-	-	-	-	-	-	-	-	-	(957,240)	(957,240)
Other comprehensive income that has been reclassified to retained profits	-	-	-	-	335,462	-	(335,462)	-	-	-	-
As at 31 December 2024	25,039,945	19,273,553	4,365,471	19,871,947	2,215,467	277,051	33,740,663	104,784,097	1,606,431	26,958,398	133,348,926

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



# Consolidated statement of changes in equity for the year ended 31 December 2024 (continued) (In RMB thousands, unless otherwise stated)

	Attributable to shareholders of the Company							Non-controlling interests			
	Reserves								Ordinary shareholders	Other equity instrument investors	Total equity
	Share capital (Note 49)	Capital reserve (Note 50)	Surplus reserve (Note 50)	General reserve (Note 50)	Fair value reserve (Note 50)	Translation reserve (Note 50)	Retained profits (Note 51)	Subtotal			
As at 1 January 2023	25,039,945	19,367,146	4,131,474	17,197,713	(980,230)	139,598	30,149,298	95,044,944	1,615,996	20,018,753	116,679,693
Profit for the year	-	-	-	-	-	-	4,606,340	4,606,340	68,667	800,196	5,475,203
Other comprehensive income	-	-	-	-	1,277,383	62,890	-	1,340,273	(12,000)	-	1,328,273
Total comprehensive income for the year	-	-	-	-	1,277,383	62,890	4,606,340	5,946,613	56,667	800,196	6,803,476
Shareholders											
invested/(reduced) capital	-	-	-	-	-	-	-	-	-	6,855,849	6,855,849
- Issuance of perpetual debt	-	-	-	-	-	-	-	-	-	-	-
- Others	-	(95,317)	-	-	-	-	-	(95,317)	25,974	-	(69,343)
Appropriation to surplus reserve	-	-	73,245	-	-	-	(73,245)	-	-	-	-
Appropriation to general reserve	-	-	-	1,323,000	-	-	(1,323,000)	-	-	-	-
Dividends	-	-	-	-	-	-	(751,199)	(751,199)	(7,942)	-	(759,141)
Distribution to other equity instrument investors	-	-	-	-	-	-	-	-	-	(716,400)	(716,400)
Other comprehensive income that has been reclassified to retained profits	-	-	-	-	402,829	-	(402,829)	-	-	-	-
As at 31 December 2023	25,039,945	19,271,829	4,204,719	18,520,713	699,982	202,488	32,205,365	100,145,041	1,690,695	26,958,398	128,794,134

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



## Consolidated statement of cash flows for the year ended 31 December 2024

(In RMB thousands, unless otherwise stated)

	<u>For the year ended 31 December</u>	<u>2024</u>	<u>2023</u>
<b>Cash flows from operating activities:</b>			
Profit before income tax	7,336,724	6,092,082	
Adjustments for:			
Interest expenses	8,748,192	9,695,409	
Share of profit of associates and joint ventures	(589,097)	(577,596)	
Depreciation and amortization expenses	927,171	869,538	
Net provision for impairment losses	489,982	430,945	
Gains on disposal of property and equipment and other intangible assets	(32,838)	(1,981)	
Foreign exchange losses / (gains)	20,418	(31,489)	
Net investment gains and interest income from financial assets at fair value through other comprehensive income	(5,503,963)	(4,108,191)	
Net investment gains and interest income from financial assets measured at amortized cost	(106,904)	(149,334)	
Unrealised fair value changes of financial instruments at fair value through profit or loss	(1,857,913)	(445,418)	
Unrealised fair value changes of derivative financial instruments	2,334,541	(1,312,340)	
<b>Operating cash flows before movements in working capital</b>	<u>11,766,313</u>	<u>10,461,625</u>	



## Consolidated statement of cash flows for the year ended 31 December 2024 (continued)

(In RMB thousands, unless otherwise stated)

	<i>For the year ended 31 December</i>	
	2024	2023
<b>Cash flows from operating activities:</b>		
Decrease/ (increase) in refundable deposits	1,016,385	(3,705,176)
Increase in margin accounts receivable	(10,671,240)	(3,108,310)
Decrease in financial assets held under resale agreements	167,235	3,417,579
(Increase)/decrease in financial instruments at fair value through profit or loss	(21,947,750)	43,522,335
Decrease in derivative financial instruments	337,635	738,120
(Increase)/decrease in cash held on behalf of brokerage clients	(26,078,617)	3,917,909
Increase/(decrease) in accounts payable to brokerage clients	25,625,679	(3,440,266)
Increase/(decrease) in other payables and accruals and other non-current liabilities	5,753,836	(2,445,453)
Increase in financial assets sold under repurchase agreements	22,790,301	9,721,199
Increase/(decrease) in placements from other financial institutions	877,969	(1,021,557)
Changes in other operating receivables and payables	(4,858,121)	19,696,313
Cash generated from operations	4,779,625	77,754,318
Income taxes paid	(461,807)	(476,363)
Interest paid for operating activities	(4,072,445)	(4,550,789)
<b>Net cash generated from operating activities</b>	<b>245,373</b>	<b>72,727,166</b>



## Consolidated statement of cash flows for the year ended 31 December 2024 (continued)

(In RMB thousands, unless otherwise stated)

	<u>For the year ended 31 December</u>	
	2024	2023
<b>Cash flows from investing activities:</b>		
Proceeds from disposal of property and equipment and other intangible assets	62,410	21,513
Dividends received from associates and joint ventures	317,841	306,307
Interest income from financial assets measured at amortized cost	107,711	(68,087)
Net investment gains and interest income from financial assets at fair value through other comprehensive income	5,958,641	3,570,395
Proceeds on disposal of financial assets measured at amortized cost	317,103	204,833
Purchases of property and equipment, other intangible assets and other non-current assets	(541,594)	(585,563)
Disposals of associates and joint ventures	192,285	301,912
Disposal/ (purchases) of financial assets at fair value through other comprehensive income	10,822,339	(85,222,029)
(Increase) / decrease in restricted bank deposits	<u>(1,581,834)</u>	<u>6,053,836</u>
<b>Net cash generated from / (used in) investing activities</b>	<u><u>15,654,902</u></u>	<u><u>(75,416,883)</u></u>



## Consolidated statement of cash flows for the year ended 31 December 2024 (continued)

(In RMB thousands, unless otherwise stated)

	Note	<u>For the year ended 31 December</u> 2024	2023
<b>Cash flows from financing activities:</b>			
Proceeds from issuance of long-term bonds		17,236,817	34,158,868
Proceeds from issuance of short-term debt instruments		111,487,364	61,841,401
Proceeds from loans and borrowings		798,619	879,283
Proceeds from issuance of perpetual bonds		-	6,884,717
Long-term bonds repaid		(41,111,730)	(48,027,672)
Short-term debt instruments repaid		(90,629,660)	(55,779,507)
Loans and borrowings repaid		(984,957)	(1,763,482)
Loans, bonds and debt instruments interest paid		(6,685,518)	(5,076,850)
Dividends paid		(957,240)	(1,475,541)
Payment of lease liabilities		(439,891)	(432,150)
Payment of cash related to other financing activities		-	(28,868)
<b>Net cash used in financing activities</b>		<u>(11,286,196)</u>	<u>(8,819,801)</u>
<b>Net increase/ (decrease) in cash and cash equivalents</b>		<u>4,614,079</u>	<u>(11,509,518)</u>
Cash and cash equivalents at the beginning of the year		46,782,888	58,260,917
Effect of foreign exchange rate changes		(20,418)	31,489
<b>Cash and cash equivalents at the end of the year</b>	38	<u>51,376,549</u>	<u>46,782,888</u>

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

# Notes to the consolidated financial statements for the year ended 31 December 2024

(In RMB thousands, unless otherwise stated)

## 1 General information

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

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

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

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

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

On 26 April 2019, the Company issued 2,504,000,000 H shares on the main board of The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”), thus increasing the accumulated total outstanding shares of the Company to 2,504,000,000 shares as at 31 December 2024.



## 2 Basis of accounting

### 2.1 Basis of preparation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the IASB (“IFRS Accounting Standards”). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance (Cap. 622) for this financial year and the comparative period.

### 2.2 Amendments to the accounting standards effective in 2024 and adopted by the Group

The Group has adopted the following amendments to the IFRSs issued by the IASB that are first effective for the financial year ended 31 December 2024:

#### Note

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

- (i) Amendments to IAS 1: Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current

The amendments apply retrospectively for annual reporting periods beginning on or after 1 January 2024. They clarify certain requirements for determining whether a liability should be classified as current or noncurrent and require new disclosures for non-current liabilities that are subject to covenants within 12 months after the reporting period. The adoption of the amendments does not have a significant impact on the Group’s consolidated financial statements.

- (ii) Amendments to IFRS 16: Lease Liability in a Sale and Leaseback

The amendments add to the requirements explaining how an entity accounts for a sale and leaseback after the date of the transaction. The amendments require a seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognise any amount of the gain or loss that relates to the right-of-use it retains, including cases with variable lease payments in the leaseback. The adoption of the amendments does not have a significant impact on the Group’s consolidated financial statements.

- (iii) Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangements

The amendments introduce new disclosures relating to supplier finance arrangements that assist users of the financial statements to assess the effects of these arrangements on an entity’s liabilities and cash flows and on an entity’s exposure to liquidity risk. The adoption of the amendments does not have a significant impact on the Group’s consolidated financial statements.

### **3 Material accounting policies, material accounting judgements and estimates**

#### **(1) Functional and presentation currency**

These consolidated financial statements are presented in Renminbi (“RMB”), which is the functional currency of the Company and its subsidiaries established in the PRC. All consolidated financial statements presented in RMB has been rounded to the nearest thousands, except when otherwise indicated. The Group translates the financial statements of subsidiaries from their respective presentation currencies into the Group’s presentation currency if the subsidiaries’ presentation currencies are not the same as that of the Group.

#### **(2) Material accounting judgements and estimates**

In preparing these consolidated financial statements, management has made judgements and estimates that affect the application of the Group’s accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

##### **(i) Judgements**

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in these consolidated financial statements are included in the following notes:

##### **Classification of financial assets**

When the Group determines the classification of financial assets, a number of significant judgements in the business model and the contractual cash flow characteristics of the financial assets are required. Factors considered by the Group in determining the business model for a group of financial assets include past experience on how the cash flows for these assets were collected, how the asset’s performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

When the Group assesses whether the contractual cash flows of the financial assets are consistent with basic lending arrangements, the main judgements are described as below: whether the principal amount may change over the life of the financial asset (for example, if there are prepayment of principal); whether the interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin and cost, associated with holding the financial asset for a particular period of time. For example, whether the amount paid in advance reflect only the outstanding principal and interest on the outstanding principal, as well as reasonable compensation for early termination of the contract.



### 3 Material accounting policies, material accounting judgements and estimates (continued)

Note 3(3) - consolidation: whether the Group has control over a structured entity

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

#### (ii) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at the end of the reporting period that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

Note 3(7)(i) - measurement of 'expected credit loss' (ECL) allowance for financial assets

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

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

- Selection of the appropriate models and determination of relevant key measurement parameters;
- Criteria for determining whether or not there was a significant increase in credit risk, or a default or impairment loss was incurred;
- Determination of forward-looking measurements and weightings; and
- The estimated future cash flows for the financial assets classified under Stage 3

### 3 Material accounting policies, material accounting judgements and estimates (continued)

#### Note 3(9) - measurement of fair value

As at the end of the reporting period, the Group's valuation methods for specific investments are as follows:

- For exchange-listed equity securities, fair value is determined based on the closing price of the equity securities as at the reporting date within bid-ask spread. For those which has no quoted market price or those with lock-up periods as at the reporting date, valuation techniques are used to determine the fair value.
- For exchange-listed investment funds, fair value is determined based on the closing price within bid-ask spread as at the reporting date or the most recent trading date. For unlisted open-end funds and wealth management products, fair value is determined by quoted price which is based on the net asset value as at the reporting date.
- For debt securities listed through exchanges, fair values are determined based on the closing price within bid-ask spread of the debt securities as at the date of statements of financial position.
- For debt securities traded through the inter-bank bond market and the OTC market, fair values are determined by valuation techniques.
- For unlisted equity securities, wealth management products without quoted bid price in an active market and derivative financial instruments, fair value is determined using valuation techniques.

#### Note 3(15) - recognition of deferred tax assets

Determining income tax provisions involves judgement on the future tax treatment of certain transactions. There are certain transactions and activities for which the ultimate tax determination is uncertain during the ordinary course of business. The Group carefully evaluates the tax implications of transactions and tax provisions are set up accordingly. The tax treatment of such transactions is reconsidered periodically to take into account all changes in tax legislations. Deferred tax assets are recognized for temporary deductible differences. As those deferred tax assets can only be recognized to the extent that it is probable that future taxable profits will be available against which the unused tax credits can be recognized, management's judgement is required to assess the probability of future taxable profits. Management's assessment is constantly reviewed and additional deferred tax assets are recognized if it becomes probable that future taxable profits will allow the deferred tax assets to be recovered.

#### (3) **Basis of consolidation**

- (i) The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.



### 3 Material accounting policies, material accounting judgements and estimates (continued)

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment (see Note3(7)(ii)). Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss. Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

#### (ii) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised gains arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meet the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

Non-controlling interests are presented in the consolidated statements of financial position within equity, separately from equity attributable to the shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position depending on the nature of the liability.

### 3 Material accounting policies, material accounting judgements and estimates (continued)

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognized.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognized in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognized at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see Note 3(6)) or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture (see Note 3(3)(iii)).

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see Note 3(12)), unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

#### (iii) Associates and joint ventures

An associate is an entity in which the Group or the Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

A joint venture is an arrangement whereby the Group or the Company and other parties contractually agree to share control of the arrangement, and have rights to the net assets of the arrangement.

An investment in an associate or a joint venture is accounted for in the consolidated financial statements under the equity method, unless it is classified as held for sale (or included in a disposal Group that is classified as held for sale). Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). The cost of the investment includes purchase price, other costs directly attributable to the acquisition of the investment, and any direct investment into the associate or joint venture that forms part of the Group's equity investment. Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (see Notes 3(3) and 3(7)). Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognized in the consolidated income statement, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognized in the consolidated income statement and other comprehensive income.

When the Group's share of losses exceeds its interest in the associate or the joint venture, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the associate or the joint venture.



### **3 Material accounting policies, material accounting judgements and estimates (continued)**

Unrealised profits and losses resulting from transactions between the Group and its associates and joint venture are eliminated to the extent of the Group's interest in the investee, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognized immediately in profit or loss.

If an investment in an associate becomes an investment in a joint venture or vice versa, retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method.

In all other cases, when the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognized in profit or loss. Any interest retained in that former investee at the date when significant influence or joint control is lost is recognized at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see Note 3(6)).

In the Company's statement of financial position, investments in associates and joint venture of the Company are accounted for using the equity method, unless it is classified as held for sale (or included in a disposal group that is classified as held for sale).

#### **(4) Foreign currency**

When the Group receives capital in foreign currencies from investors, the capital is translated to RMB at the spot exchange rate on the date of receipt. Other foreign currency transactions are, on initial recognition, translated to RMB at the spot exchange rates or the rates that approximate the spot exchange rates on the dates of the transactions.

A spot exchange rate is an exchange rate quoted by the People's Bank of China, the State Administrative of Foreign Exchange or a cross rate determined based on quoted exchange rates. A rate that approximates the spot exchange rate is a rate determined under a systematic and rational method, normally the average exchange rate of the current period.

Monetary items denominated in foreign currencies are translated to RMB at the spot exchange rate at the end of the reporting period. The resulting exchange differences are recognized in profit or loss. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated to RMB using the foreign exchange rate at the transaction date. Non-monetary items denominated in foreign currencies that are measured at fair value are translated using the foreign exchange rate at the date the fair value is determined; the resulting exchange differences are recognized in profit or loss, except for the differences arising from the translation of fair value in other comprehensive income, which are recognized as other comprehensive income in capital reserve.

The assets and liabilities of foreign operation are translated to RMB at the spot exchange rate at the end of the reporting period. The equity items, excluding "retained profits", are translated to RMB at the spot exchange rates at the transaction dates. The income and expenses of foreign operations are translated to RMB at the spot exchange rates or the rates that approximate the spot exchange rates at the transaction dates. The resulting translation differences are recognized in other comprehensive income, and presented in the foreign currency translation reserve (translation reserve) in equity. Upon disposal of a foreign operation, the cumulative amount of the translation differences recognized in shareholders' equity which relates to that foreign operation is transferred to profit or loss in the period in which the disposal occurs.

### **3 Material accounting policies, material accounting judgements and estimates (continued)**

#### **(5) Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

#### **(6) Financial instruments**

##### **(i) Recognition and initial measurement**

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

##### **(ii) Classification and subsequent measurement**

###### *Financial assets*

On initial recognition, a financial asset is classified as measured at: amortized cost; FVOCI - debt investment; FVOCI - equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



### 3 Material accounting policies, material accounting judgements and estimates (continued)

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

#### *Financial assets - Business model assessment*

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

### 3 Material accounting policies, material accounting judgements and estimates (continued)

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

#### *Financial assets - Assessment whether contractual cash flows are solely payments of principal and interest*

For the purposes of this assessment, "principal" is defined as the fair value of the financial asset on initial recognition. "Interest" is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.



### 3 Material accounting policies, material accounting judgements and estimates (continued)

#### *Financial assets - Subsequent measurement and gains and losses*

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments not held for trading at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

### 3 Material accounting policies, material accounting judgements and estimates (continued)

#### *Financial liabilities - Classification, subsequent measurement and gains and losses*

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. The fair value change of a financial liability designated at FVTPL that is attributable to changes of that financial liability's credit risk is recognized in OCI (without reclassification to profit or loss). Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

#### (iii) Derecognition

##### *Financial assets*

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognized in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

##### *Financial liabilities*

The Group derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

#### (iv) Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.



### 3 Material accounting policies, material accounting judgements and estimates (continued)

#### (v) Derivative financial instruments

The Group holds derivative financial instruments to hedge its interest rate and other price risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

#### (vi) Equity instruments

An equity instrument is a contract that proves the ownership interest of the residual assets after deducting all liabilities of the Group. Considerations received from issuance of equity instruments net of transaction costs are recognised in equity. Considerations and transaction costs paid by the Group for repurchasing its own equity instruments are deducted from equity.

#### (vii) Asset-backed securities

The Group securitises the financial assets, which generally results in the sale of these financial assets to structured entities. The structured entities in turn issue asset-backed securities to investors. Interests in the securitised financial assets may be retained in the form of senior or subordinated tranches, or other residual interests. For asset securitization business, the Group has applied the accounting policies set out in Note 3(3) when assessing consolidation of the structured entities and applied the accounting policies described in Note 3(6)(iii) when assessing whether or not to derecognise the transferred financial assets.

### (7) Impairment

#### (i) Non-derivative financial assets

##### *Financial instruments and contract assets*

The Group recognises loss allowances for ECLs on:

- financial assets measured at amortized cost;
- debt investments measured at FVOCI; and
- contract assets.

The Group also recognises loss allowances for ECLs on lease receivables, which are disclosed as part of trade and other receivables.

### 3 Material accounting policies, material accounting judgements and estimates (continued)

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables (including lease receivables) and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

The Group considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

#### *Measurement of ECLs*

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial assets.



### 3 Material accounting policies, material accounting judgements and estimates (continued)

#### *Credit-impaired financial assets*

At each reporting date, the Group assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

#### *Presentation of allowance for ECL in the statement of financial position*

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

#### *Write-off*

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Subsequent recoveries of an asset that was previously written off are recognized as a reversal of impairment in profit or loss in the period in which the recovery occurs.

#### (ii) Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories, contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

### 3 Material accounting policies, material accounting judgements and estimates (continued)

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination. The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised.

#### (8) Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

##### (i) As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.



### 3 Material accounting policies, material accounting judgements and estimates (continued)

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

### 3 Material accounting policies, material accounting judgements and estimates (continued)

#### *Short-term leases and leases of low-value assets*

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

#### (ii) As a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for a major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Group applies IFRS 15 to allocate the consideration in the contract.

The Group applies the derecognition and impairment requirements in IFRS 9 to the net investment in the lease (see Note 3(7)). The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other revenue'.

Generally, the accounting policies applicable to the Group as a lessor in the comparative period were not different from IFRS 16 except for the classification of the sub-lease entered into during current reporting period that resulted in a finance lease classification.



### **3 Material accounting policies, material accounting judgements and estimates (continued)**

#### **(9) Fair value measurement**

If there is an active market for a financial asset or financial liability, the quoted price in the active market without adjusting for transaction costs that may be incurred upon future disposal or settlement is used to establish the fair value of the financial asset or financial liability. For a financial asset held or a financial liability to be assumed, the quoted price is the current bid price. For a financial asset to be acquired or a financial liability assumed, the quoted price is the current asking price. Quoted prices from an active market are prices that are readily and regularly available from an exchange, dealer, broker, industry group or pricing service agency, and represent actual and regularly occurring market transactions on an arm's length basis.

If no active market exists for a financial instrument, a valuation technique is used to establish the fair value. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models. Where discounted cash flow technique is used, future cash flows are estimated based on management's best estimates and the discount rate used is the prevailing market rate applicable for instrument with similar terms and conditions at the end of the reporting period. Where other pricing models are used, inputs are based on market data at the end of the reporting period.

In estimating the fair value of a financial asset and financial liability, the Group considers all factors including, but not limited to, risk-free interest rate, credit risk, foreign exchange rate and market volatility, that are likely to affect the fair value of the financial asset and financial liability.

The Group obtains market data from the same market where the financial instrument was originated or purchased.

#### **(10) Margin financing and securities lending**

Margin financing and securities lending refers to the lending of funds by the Group to customers for purchase of securities, or lending of securities by the Group to customers for securities selling, for which the customers provide the Group with collateral.

The classification, subsequent measurement and impairment of margin financing receivables is based on policies in Notes 3(6) and 3(7(i)). Securities lent are not derecognized when the risks and rewards are not transferred, and interest income from margin financing receivables and securities lent is recognized using the effective interest rate method.

The collateral is not recognized on the statement of financial position, the transfer of the collateral from counterparties is only reflected on the statement of financial position if the risks and rewards of ownership are also transferred.

Securities trading on behalf of margin financing or securities lending customers is accounted for as securities brokerage business.

### **3 Material accounting policies, material accounting judgements and estimates (continued)**

#### **(11) Financial assets held under resale and sold under repurchase agreements**

Financial assets held under resale agreements are transactions where the Group acquires financial assets which will be resold at a pre-determined price at a future date under resale agreements. Financial assets sold under repurchase agreements are transactions where the Group sells financial assets which will be repurchased at a predetermined price at a future date under repurchase agreements.

The cash advanced or received is recognized as amounts held under resale or sold under repurchase agreements in the statement of financial position. Assets held under resale agreements are recorded in memorandum accounts as off-balance sheet items. Assets sold under repurchase agreements continue to be recognized in the statement of financial position.

The difference between the purchase and resale consideration, and that between the sale and repurchase consideration, is amortized over the period of the respective transaction using the effective interest method and is included in interest income and interest expenses respectively.

#### **(12) Investments in subsidiaries**

In the Group's consolidated financial statements, investments in subsidiaries are accounted for in accordance with the principles described in Note 3(3).

In the Company's statements of financial position, investments in subsidiaries are accounted for using the cost method. The investment is stated at cost less impairment loss (Note 3(7)) in the statement of financial position. Except for declared but not yet distributed cash dividends or profits distribution that have been included in the price or consideration paid in obtaining the investments, the Group recognizes its share of the cash dividends or profit distribution declared by the investees as investment income.

#### **(13) Property and equipment and construction in progress**

##### **(i) Recognition and measurement**

Items of property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the following:

- the cost of materials and direct labour;
- any other costs directly attributable to bringing the assets to a working condition for their intended use;
- when the Group has an obligation to remove the asset or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located; and
- capitalised borrowing costs.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. When parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.



### 3 Material accounting policies, material accounting judgements and estimates (continued)

Any gain or loss on disposal of an item of property and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized in profit or loss.

Costs of construction in progress are determined based on the actual expenditures incurred which include all necessary expenditures incurred during the construction period, borrowing costs eligible for capitalisation and other costs incurred to bring the asset to its intended use.

Items classified as construction in progress are transferred to property and equipment when such assets are ready for their intended use.

#### (ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance are expensed as incurred.

#### (iii) Depreciation

Items of property and equipment are depreciated from the date they are available for use or, in respect of self-constructed assets, from the date that the asset is completed and ready for use.

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values using the straight-line basis over their estimated useful lives.

Depreciation is generally recognized in profit or loss, unless the amount is included in the carrying amount of another asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

The estimated useful lives for the current and comparative years of significant items of property and equipment are as follows:

<i>Types of assets</i>	<i>Estimated useful lives</i>	<i>Estimated residual values</i>	<i>Depreciation rates</i>
Buildings	20 - 35 years	5%	2.71% - 4.75%
Motor vehicles	6 years	5%	15.83%
Machinery	10 - 11 years	5%	8.64% - 9.50%
Electronic equipment	3 - 5 years	5%	19.00% - 31.67%
Furniture and fixtures	5 years	5%	19.00%
Renovation	5 years	0%	20.00%

No depreciation is provided in respect of construction in progress.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

### **3 Material accounting policies, material accounting judgements and estimates (continued)**

#### **(14) Employee benefits**

##### **(i) Short-term employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

##### **(ii) Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees. There were no forfeited contributions (by employers on behalf of employees who leave the scheme prior to vesting fully in such contributions) to offset existing contributions under the defined contribution schemes.

##### **(iii) Other long-term employee benefits**

The Group's net obligation in respect of long-term employee benefits other than pension plans is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognized in profit or loss in the period in which they arise.

##### **(iv) Termination benefits**

Termination benefits are recognized as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognized as an expense if the Group has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the end of the reporting period, then they are discounted to their present value.

#### **(15) Income tax**

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in OCI.

##### **(i) Current tax**

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax payable also includes any tax liability arising from the declaration of dividends.



### 3 Material accounting policies, material accounting judgements and estimates (continued)

#### (ii) Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognized for:

- temporary differences on the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit/loss and does not give rise to equal taxable and deductible temporary differences;
- temporary differences related to investments in subsidiaries, associates and jointly controlled entities to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. For investment property that is measured at fair value, the presumption that the carrying amount of the investment property will be recovered through sale has not been rebutted.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

#### (iii) Tax exposures

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

### **3 Material accounting policies, material accounting judgements and estimates (continued)**

#### **(16) Provisions and contingent liabilities**

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

#### **(17) Fiduciary activities**

The Group acts in a fiduciary activity as an asset manager, a custodian, or an agent for customers. Assets held by the Group and the related undertakings to return such assets to customers are recorded as off-balance sheet items as the risks and rewards of the assets reside with customers.

#### **(18) Revenue recognition**

Income is classified by the Group as revenue when it arises from the provision of services or the use by others of the Group's assets under leases in the ordinary course of the Group's business.

Revenue is recognized when control over a product or service is transferred to the customer, or the lessee has the right to use the asset, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Where the contract contains a variable consideration, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the promised goods or services to a customer and includes in the transaction price some or all of the variable consideration estimated, such that revenue is only recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur.

Where the contract contains a financing component which provides a significant financing benefit to the customer for more than 12 months, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction with the customer, and interest income is accrued separately under the effective interest method. Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognized under that contract includes the interest expense accreted on the contract liability under the effective interest method. The Group takes advantage of the practical expedient of IFRS 15 and does not adjust the consideration for any effects of a significant financing component if the period of financing is 12 months or less.



### 3 Material accounting policies, material accounting judgements and estimates (continued)

Further details of the Group's revenue and other income recognition policies are as follows:

(i) Commission income from brokerage business

Brokerage commission income is recognized on a trade date basis when the relevant transactions are executed. Handling and settlement fee income arising from brokerage business is recognized when the related services are rendered.

(ii) Underwriting and sponsoring fees

Underwriting fee is recognized when the Group has fulfilled its obligations under the underwriting contract.

Depending on contract terms, sponsoring fees are recognized progressively over time using a method that depicts the Group's performance, or at a point in time when the service is completed.

(iii) Advisory fees

Depending on the nature of the advisory services and the contract terms, advisory fees are recognized progressively over time using a method that depicts the Group's performance, or at a point in time when the advisory service is completed.

(iv) Asset management fees

Asset management fees include periodic management fees calculated based on assets under management and performance-based fees. The fees are recognized progressively over time using a method that depicts the Group's performance, to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur.

(v) Other business income

Other business revenue mainly comes from the bulk commodities sales of the Group's commodities trading subsidiaries.

The Group recognizes sales revenue from bulk commodity goods when fulfills the Group's performance obligations in the contract, that is, the revenue is recognized when the customer obtains control of the relevant bulk commodity goods. In the process of selling goods, the Group, as the primary obligor, has the primary responsibility of providing goods and performing orders to customers. The Group is exposed to inventory risk before or after the bulk commodity goods have been ordered by a customer; the Group has discretion in establishing prices of bulk commodity goods and exposed to credit risk for the amount receivable from customers in exchange for the other party's goods and commodity risk for inventory. The Group satisfies the performance obligation above and recognized revenue in the gross amount. When the Group acts as an agent, the net amount of the consideration received or receivable after deducting the price payable to other related parties shall be recognized and listed as income.

### **3 Material accounting policies, material accounting judgements and estimates (continued)**

#### **(vi) Interest income**

Interest income is recognized as it accrues using the effective interest method. For financial assets measured at amortized cost or FVOCI (recycling) that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit impaired financial assets, the effective interest rate is applied to the amortized cost (i.e. gross carrying amount net of loss allowance) of the asset.

#### **(vii) Dividend income**

- Dividend income from unlisted investments is recognized when the shareholder's right to receive payment is established.
- Dividend income from listed investments is recognized when the share price of the investment goes ex-dividend.

#### **(viii) Other income**

Other income is recognized on an accrual basis

### **(19) Expenses recognition**

#### **(i) Commission expenses**

Commission expenses relate mainly to transactions, which are recognized as expenses when the services are received.

#### **(ii) Interest expenses**

Interest expenses are recognized based on the principal outstanding and at the effective interest rate applicable.

#### **(iii) Other expenses**

Other expenses are recognized on an accrual basis.

### **(20) Dividend distribution**

Dividends or profit distributions proposed in the profit appropriation plan, which will be authorised and declared after the end of the reporting period, are not recognized as a liability at the end of the reporting period but disclosed in the notes to the consolidated financial statements separately.



### 3 Material accounting policies, material accounting judgements and estimates (continued)

#### (21) Government grants

Government grants are recognized initially as deferred income at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant, and are then recognized in profit or loss as other income on a systematic basis over the useful life of the asset.

Grants that compensate the Group for expenses incurred are recognized in profit or loss as other income on a systematic basis in the periods in which the expenses are recognized, unless the conditions for receiving the grant are met after the related expenses have been recognized. In this case, the grant is recognized when it becomes receivable.

#### (22) Related parties

- (a) A person, or a close member of that person's family, is related to the Group if that person:
  - (i) has control or joint control over the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of the key management personnel of the Group or the Group's parent.
- (b) An entity is related to the Group if any of the following conditions applies:
  - (i) The entity and the Group are members of the same group;
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
  - (iii) Both entities are joint ventures of the same third party;
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
  - (vi) The entity is controlled or jointly controlled by a person identified in (a);
  - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity);
  - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

### 3 Material accounting policies, material accounting judgements and estimates (continued)

#### (23) *Perpetual bonds*

A perpetual bond issued by the Group is classified as equity if, and only if, both of the following conditions are met,

- (a) The perpetual bond includes no contractual obligation:
  - (i) to deliver cash or another financial asset to another entity; or
  - (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Group.
- (b) If the perpetual bond will or may be settled in the Group's own equity instruments, it is:
  - (i) a non-derivative that includes no contractual obligation for the Group to deliver a variable number of its own equity instruments; or
  - (ii) a derivative that will be settled only by the Group exchanging a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

Dividends for the perpetual bonds, which are classified as equity instruments, are accounted for as profit distribution.

#### (24) *Segment reporting*

Reportable segments are identified based on operating segments which are determined based on the structure of the Group's internal organisation, management requirements and internal reporting system. An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose financial performance are regularly reviewed by the Group's management to make decisions about resource to be allocated to the segment and assess its performance, and for which financial information regarding financial performance is available.

Two or more operating segments may be aggregated into a single operating segment if the segments have same or similar economic characteristics and are similar in respect of the nature of each product and service, the nature of production processes, the type or class of customers for the products and services, the methods used to distribute the products or provide the services, and the nature of the regulatory environment.

Inter-segment revenues are measured on the basis of actual transaction price for such transactions for segment reporting, and segment accounting policies are consistent with those for the consolidated financial statements.



### 3 Material accounting policies, material accounting judgements and estimates (continued)

#### (25) Determination method and selection basis of material standard

According to the specific environment in which the Group is situated, the Group judges the materiality of financial information from the nature and amount of the project. In judging the materiality of the nature of the item, the Group mainly considers whether the item belongs to daily activities, whether it significantly affects the financial position, operating results and cash flow of the Group and other factors; In judging the materiality of the amount of the item, the Group considers the proportion of the amount of the item in the total assets, total liabilities, total shareholders' equity, total operating income, total operating cost, net profit, total comprehensive income and other directly related items or the proportion of the amount of the separately listed items in the subordinate statements.

### 4 Taxation

The Group's main applicable taxes and tax rates are as follows:

<i>Tax type</i>	<i>Tax basis</i>	<i>Tax rate</i>
Value added tax ("VAT") (1)	Output VAT is calculated on product sales and taxable services revenue. The basis for VAT payable is to deduct input VAT from the output VAT for the period.	3%–13%
City maintenance and construction	Based on business tax and value added tax paid	5%–7%
Education surcharge	Based on business tax and value added tax paid	3%–5%
Income tax (2)	Based on taxable profits	16.5%–25%

- (1) According to the Circular regarding the Comprehensive Implementation of the Pilot Programs for Transformation from Business Taxes to Value-added Taxes (the "VAT Pilot Programs") (Cai Shui [2016] No.36), the Circular regarding Further Clarification of Relevant Policies Applicable to the Financial Sector in the Comprehensive Implementation of the VAT Pilot Programs (Cai Shui [2016] No.46), the Supplementary Circular regarding VAT Policies Applicable to Transactions between Financial Institutions (Cai Shui [2016] No.70) issued by the Ministry of Finance (the "MOF") and State Administration of Taxation (the "SAT") of the PRC, effective from 1 May 2016, the Company is subject to value-added taxes on its income from principal businesses at 6%.

According to the Announcement on Deepening VAT Reform Relevant Policies (Announcement of the MOF, SAT and General Administration of Customs(the "GAC") [2019] No.39) issued by the MOF, SAT and GAC, taxpayers conduct VAT taxable sales or imports goods, the tax rate previously applied to 16% and 10% will be adjusted to 13% and 9% respectively, which will come into effect as of 1 April 2019.

#### 4 Taxation (continued)

According to Notice on Clarifying VAT Policies for Financial Services, Real Estate Development, and Educational Ancillary Services (Cai Shui [2016] No.140), Supplementary Notice on Issues concerning VAT Policies for Asset Management Products (Cai Shui [2017] No.2) and Notice on Issues Relating to VAT on Fund Management Products (Cai Shui [2017] No.56) issued by the MOF and SAT, effective from 1 January 2018, the simple tax computation method shall apply to VAT taxable acts arising in the course of operation of fund management products by managers of fund management products (hereinafter referred to as the “managers”), and VAT shall be payable in accordance with the 3% levy rate.

- (2) The income tax rate applicable to the Company and its domestic subsidiaries is 25%. Taxes of other overseas subsidiaries are charged at the relevant local rates.

#### 5 Fee and commission income

##### (1) Revenue streams

	<i>For the year ended 31 December</i>	
	<i>2024</i>	<i>2023</i>
Income from securities brokerage business	5,240,547	4,728,895
Income from underwriting and sponsorship business	782,285	1,287,625
Income from futures brokerage business	1,436,591	1,114,448
Income from asset management business	808,605	978,718
Income from financial advisory business	223,240	209,853
Income from other business	37,265	13,253
Total	<u>8,528,533</u>	<u>8,332,792</u>



## 5 Fee and commission income(continued)

### (2) Disaggregation of revenue

In the following table, fee and commission income are disaggregated by timing of revenue recognition:

	<i>For the year ended 31 December</i>			
	<i>2024</i>		<i>2023</i>	
	<i>At a point in time</i>	<i>Over time</i>	<i>At a point in time</i>	<i>Over time</i>
Income from securities brokerage business	5,202,148	38,399	4,650,310	78,585
Income from underwriting and sponsorship business	775,470	6,815	1,267,810	19,815
Income from futures brokerage business	1,436,591	-	1,114,448	-
Income from asset management business	-	808,605	-	978,718
Income from financial advisory business	98,636	124,604	197,928	11,925
Income from other business	-	37,265	-	13,253
Total	<u>7,512,845</u>	<u>1,015,688</u>	<u>7,230,496</u>	<u>1,102,296</u>

## 6 Interest income

	<i>For the year ended 31 December</i>	
	<i>2024</i>	<i>2023</i>
Interest income from margin financing and securities lending	3,671,567	3,999,263
Interest income from financial institutions	3,099,023	3,036,037
Interest income from financial instruments at fair value through other comprehensive income	1,932,556	2,270,106
Interest income from securities-backed lending	174,086	300,474
Interest income from other financial assets held under resale agreements	155,765	190,373
Interest income from financial assets measured at amortized cost	106,904	149,334
Others	136,045	81,324
Total	<u>9,275,946</u>	<u>10,026,911</u>

## 7 Net investment gains

	<i>For the year ended 31 December</i>	
	<i>2024</i>	<i>2023</i>
Dividend income and interest income from financial instruments at fair value through profit or loss	5,746,819	5,037,198
Dividend income from financial instruments at fair value through other comprehensive income	2,720,645	1,557,290
Unrealised fair value changes of financial instruments at fair value through profit or loss	1,857,913	445,418
Net realised gains/(losses) from disposal of derivative financial instruments	1,384,210	(808,560)
Net realised gains from disposal of financial instruments at fair value through other comprehensive income	850,762	280,795
Net realised gains from disposal of financial instruments at fair value through profit or loss	333,506	924,870
Net realised gains from disposal of financial assets measured at amortized cost	-	(4,156)
Unrealised fair value changes of derivative financial instruments	(2,334,541)	1,312,340
Others	5,997	228,679
Total	<u>10,565,311</u>	<u>8,973,874</u>

## 8 Other income and gains

	<i>For the year ended 31 December</i>	
	<i>2024</i>	<i>2023</i>
Income from commodity trading business	6,084,086	3,970,518
Government grants (1)	94,842	234,498
Income from tax authorities for individual income tax withheld	72,333	123,611
Income from future market	50,287	147,077
Income from disposal of property and equipment	35,346	9,275
Rental income	16,599	17,164
Compensation received	5,670	2,210
Miscellaneous (2)	49,368	78,218
Total	<u>6,408,531</u>	<u>4,582,571</u>



## 8 Other income and gains(continued)

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

## 9 Fee and commission expenses

	<i>For the year ended 31 December</i>	
	<i>2024</i>	<i>2023</i>
Expenses for securities brokerage business	875,734	821,227
Expenses for futures brokerage business	931,979	448,809
Expenses for underwriting and sponsorship business	31,893	52,605
Expenses for asset management business	12,244	3,262
Expenses for financial advisory business	417	148
	<hr/>	<hr/>
Total	1,852,267	1,326,051
	<hr/>	<hr/>

## 10 Interest expenses

	<i>For the year ended 31 December</i>	
	<i>2024</i>	<i>2023</i>
Interest expenses for		
- Long-term bonds	3,781,676	4,518,219
- Financial assets sold under repurchase agreements	3,142,432	3,626,071
- Short-term debt instruments issued	826,328	438,117
- Accounts payable to brokerage clients	575,735	426,885
- Other holders of structured entities	154,028	222,376
- Placements from other financial institutions	120,134	168,599
- Lease liabilities	30,797	33,880
- Others	117,062	261,262
	<hr/>	<hr/>
Total	8,748,192	9,695,409
	<hr/>	<hr/>

## 11 Staff costs

	<i>For the year ended 31 December</i>	
	<i>2024</i>	<i>2023</i>
Salaries, bonuses and allowances	5,665,240	5,670,021
Contribution to pension schemes	513,143	481,909
Other social welfare	1,539,785	1,573,127
Total	<u>7,718,168</u>	<u>7,725,057</u>

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

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

The Group has also established an enterprise annuity plan for its employees in Mainland China. According to the provisions of the enterprise annuity plan, when an employee resigns, part of the amounts of the Company's contributions shall be transferred back to the enterprise account based on such employee's actual serving period, and the amounts transferred back will not reduce the contribution levels of existing employees. The Group has also established certain contribution plans (including the Mandatory Provident Fund Scheme in Hong Kong) for some of its employees outside Mainland China. According to the provisions of the contribution plans, forfeited contributions in respect of employees who had left the Group before their contributions fully vested are available for the Group to offset its future voluntary contributions. For the year ended 31 December 2024 and 31 December 2023, the Group has not utilised any such forfeited contributions to reduce the current level of contributions.



## 12 Depreciation and amortization expenses

	<i>For the year ended 31 December</i>	
	2024	2023
Depreciation of right-of-use assets	406,827	398,574
Depreciation of property and equipment	250,679	239,227
Amortization of other intangible assets	206,990	172,999
Amortization of long-term deferred expenses	58,189	54,252
Depreciation of investment properties	4,486	4,486
	<hr/>	<hr/>
Total	927,171	869,538
	<hr/>	<hr/>

## 13 Other operating expenses

	<i>For the year ended 31 December</i>	
	2024	2023
Cost of commodity trading business	6,118,455	4,192,094
IT expenses	675,957	594,633
Administrative and office operating expenses	194,072	223,741
Rental expenses and utilities	169,250	177,401
Consulting and professional services	145,868	173,370
Business travel expenses	142,981	165,085
Fund and asset management scheme distribution expenses	133,914	169,117
Stock exchanges management fees	112,994	159,049
Investor protection funds and risk reserves for futures business	77,341	108,761
Promotion and entertainment expenses	69,579	102,855
Donation and sponsorship	46,047	55,027
Foreign exchange gains and losses	20,418	(31,489)
Compensation paid	11,992	4,364
Losses on disposal of property and equipment	4,598	7,294
Auditors' remuneration	9,366	10,499
Miscellaneous (1)	235,979	107,504
	<hr/>	<hr/>
Total	8,168,811	6,219,305
	<hr/>	<hr/>

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

## 14 Credit impairment losses

	<i>For the year ended 31 December</i>	
	<i>2024</i>	<i>2023</i>
Provision for impairment losses against financial assets measured at amortized cost	379,252	79,925
Provision for impairment losses against financial assets at fair value through other comprehensive income	52,249	156,717
Provision/(reversal of) for impairment losses against other receivables and prepayments	41,076	(15,779)
Provision/(reversal of) for impairment losses against financial assets held under resale agreements	17,558	(28,796)
Provision for impairment losses against margin accounts receivable	1,813	24,604
Reversal of impairment losses against cash and bank balances	(306)	(3,234)
(Reversal of)/provision for impairment losses against accounts receivable	(18,042)	127,662
Total	<u>473,600</u>	<u>341,099</u>

## 15 Income tax expense

### (1) *Taxation in the consolidated income statement represents:*

	<i>For the year ended 31 December</i>	
	<i>2024</i>	<i>2023</i>
Current tax		
- PRC income tax	323,445	270,154
- Hong Kong profits tax	868	8,298
Total	<u>324,313</u>	<u>278,452</u>
Adjustment in respect of prior years		
- PRC income tax	(2,082)	(17,786)
Deferred tax		
- Origination of temporary differences	763,979	356,213
Total	<u>1,086,210</u>	<u>616,879</u>



## 15 Income tax expense(continued)

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

	<i>For the year ended 31 December</i>	
	<i>2024</i>	<i>2023</i>
Profit before income tax	7,336,724	6,092,082
Notional tax calculated using the PRC statutory tax rate	1,834,181	1,523,021
Tax effect of non-deductible expenses	83,755	51,125
Tax effect of non-taxable income	(787,033)	(977,860)
Effect of different tax rates of subsidiaries	(1,051)	4,443
Tax effect of temporary differences or deductible loss in deferred income tax not recognized in the current period	202,815	236,180
Tax effect of recognition of previously unrecognized temporary differences or deductible loss	(14,323)	(23,214)
Adjustment for prior years	(2,082)	(17,786)
Others*	(230,052)	(179,030)
Actual income tax expense	<u>1,086,210</u>	<u>616,879</u>

\* Others mainly focuses on the tax impact of perpetual bond dividends.

## 16 Directors' and supervisors' remuneration

Details of the directors' and supervisors' remuneration are as follows:

	2024				
Name	Directors' fees	Salaries, allowances and benefits in kind	Contribution to pension	Discretionary bonuses	Total
Directors					
Liu Jian	-	1,402	78	-	1,480
Huang Hao	-	1,396	84	-	1,480
Ren Xiaotao (1)	-	-	-	-	-
Zhang Yigang (2)	-	-	-	-	-
Zhu Zhilong	-	-	-	-	-
Zhang Ying	-	-	-	-	-
Shao Yalou	-	-	-	-	-
Xu Yixin (3)	-	-	-	-	-
Yan Jinguo (4)	-	-	-	-	-
Independent directors					
Yang Xiaowen	240	-	-	-	240
Wu Changqi	270	-	-	-	270
Chen Hanwen	270	-	-	-	270
Zhao Lei	240	-	-	-	240
Supervisors					
Fang Rongyi	-	1,401	79	-	1,480
Chen Yan	-	-	-	-	-
Li Yan	-	666	66	135	867
Zou Zhijun (5)	-	-	-	-	-
Yao Hui (6)	-	92	13	19	124
Jiang Yang (7)	-	-	-	-	-
Zhou Jie (8)	-	560	54	100	714
Total	1,020	5,517	374	254	7,165



## 16 Directors' and supervisors' remuneration (continued)

	2023				
Name	Directors' fees	Salaries, allowances and benefits in kind	Contribution to pension	Discretionary bonuses	Total
Directors					
Liu Jian	-	1,420	60	-	1,480
Huang Hao	-	1,396	84	-	1,480
Ren Xiaotao	-	-	-	-	-
Zhang Yigang	-	-	-	-	-
Zhu Zhilong	-	-	-	-	-
Zhang Ying	-	-	-	-	-
Shao Yalou	-	-	-	-	-
Independent directors					
Yang Xiaowen	240	-	-	-	240
Wu Changqi	270	-	-	-	270
Chen Hanwen	270	-	-	-	270
Zhao Lei	240	-	-	-	240
Supervisors					
Fang Rongyi	-	1,401	79	-	1,480
Chen Yan	-	-	-	-	-
Jiang Yang	-	-	-	-	-
Li Yan	-	666	66	135	867
Zhou Jie	-	680	67	120	867
Total	1,020	5,563	356	255	7,194

Note 1: The company has not yet implemented an equity incentive plan. Therefore, none of the directors, supervisors, or senior management personnel held company shares during the reporting period.

Note 2: The final remuneration for directors, supervisors, and senior management personnel who received compensation from the company during the reporting period is still under confirmation. The remaining details will be disclosed once the confirmation process is completed.

## 16 Directors' and supervisors' remuneration (continued)

- (1) Resigned as director in September 2024.
- (2) Resigned as director in October 2024.
- (3) Appointed as director in October 2024.
- (4) Appointed as director in December 2024.
- (5) Appointed as supervisor in October 2024.
- (6) Appointed as supervisor in October 2024.
- (7) Resigned as supervisor in October 2024.
- (8) Resigned as supervisor in October 2024.

Non-executive directors Mr. Ren Xiaotao, Mr. Zhang Yigang, Mr. Zhu Zhilong, Ms. Zhangying Mr. Shao Yalou, Mr. Xu Yixin and Yan Jinguo, supervisors Ms. Chen Yan, Mr. Zou Zhijun and Mr. Jiangyang did not receive remuneration from the Company.

There were no amounts paid during the years ended 31 December 2024 and 2023 to the directors and supervisors in connection with their retirement from employment or compensation for loss of office with the Group, or inducement to join. There was no arrangement under which a director or a supervisor waived or agreed to waive any remuneration during the years ended 31 December 2024 and 2023.

## 17 Individuals with highest emoluments

Of the five individuals with the highest emoluments, none of them are directors or supervisors whose emoluments are disclosed in Note 16. The aggregate of the emoluments are as follows:

	<i>For the year ended 31 December</i>	
	<i>2024</i>	<i>2023</i>
Salaries and allowances	4,996	5,750
Discretionary bonuses	23,326	24,492
Employer's contribution to pension schemes	1,079	1,016
Total	<u>29,401</u>	<u>31,258</u>



## 17 Individuals with highest emoluments(continued)

The emoluments with the highest emoluments are within the following bands:

	2024 Number of individuals	2023 Number of individuals
HKD4,000,001 to HKD4,500,000	1	
HKD4,500,001 to HKD5,000,000		
HKD5,000,001 to HKD5,500,000		
HKD5,500,001 to HKD6,000,000	2	
HKD6,000,001 to HKD6,500,000		1
HKD6,500,001 to HKD7,000,000	2	2
HKD7,000,001 to HKD7,500,000		1
HKD7,500,001 to HKD8,000,000		1

No emoluments are paid or payable to these individuals as retirement from employment or as an inducement to join or upon joining the Company or as compensation for loss of office during the years ended 31 December 2024 and 2023.

## 18 Basic and diluted earnings per share

	Note	<u>For the year ended 31 December</u> 2024	<u>2023</u>
Weighted average number of ordinary shares (in thousands)	(1)	25,039,945	25,039,945
Net profit attributable to equity shareholders of the Company (in RMB thousands)		5,210,662	4,606,340
Basic and diluted earnings per share attributable to equity shareholders of the Company (expressed in RMB yuan per share)		0.21	0.18

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

### (1) Weighted average number of ordinary shares (in thousands)

	<u>For the year ended 31 December</u> 2024	<u>2023</u>
Number of ordinary shares as at 1 January	25,039,945	25,039,945
Increase in weighted average number of ordinary shares	-	-
Weighted average number of ordinary shares	<u>25,039,945</u>	<u>25,039,945</u>

## 19 Property and equipment

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



## 19 Property and equipment (continued)

	<i>Buildings</i>	<i>Motor vehicles</i>	<i>Machinery</i>	<i>Electronic equipment</i>	<i>Furniture and fixtures</i>	<i>Renovation</i>	<i>Construction in progress</i>	<i>Total</i>
<b>Cost</b>								
As at 1 January 2023	1,671,225	46,653	16,378	1,225,690	78,462	119,296	230,151	3,387,855
Additions	-	3,016	-	257,823	7,937	6,405	298,954	574,135
Transfer during the year	2,933	-	-	10,301	402	5,800	(19,436)	-
Disposals	(671)	(8,221)	(1,966)	(161,672)	(10,095)	(3,834)	(293,039)	(479,498)
As at 31 December 2023	<u>1,673,487</u>	<u>41,448</u>	<u>14,412</u>	<u>1,332,142</u>	<u>76,706</u>	<u>127,667</u>	<u>216,630</u>	<u>3,482,492</u>
<b>Accumulated depreciation</b>								
As at 1 January 2023	(899,968)	(38,657)	(14,337)	(864,869)	(63,657)	(85,668)	-	(1,967,156)
Charge for the year	(53,711)	(2,411)	(106)	(174,205)	(2,535)	(6,259)	-	(239,227)
Decreases	34	7,543	1,870	149,463	9,218	3,812	-	171,940
As at 31 December 2023	<u>(953,645)</u>	<u>(33,525)</u>	<u>(12,573)</u>	<u>(889,611)</u>	<u>(56,974)</u>	<u>(88,115)</u>	<u>-</u>	<u>(2,034,443)</u>
<b>Impairment</b>								
As at 1 January 2023	(18,070)	-	-	-	-	-	-	(18,070)
Charge for the year	-	-	-	-	-	-	-	-
As at 31 December 2023	<u>(18,070)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(18,070)</u>
<b>Carrying amount</b>								
As at 31 December 2023	<u>701,772</u>	<u>7,923</u>	<u>1,839</u>	<u>442,531</u>	<u>19,732</u>	<u>39,552</u>	<u>216,630</u>	<u>1,429,979</u>

As at 31 December 2024, included in buildings, a carrying amount of RMB35,496 thousand, for which the Group has yet to obtain the relevant land or building certificates.

## 20 Right-of-use assets

	<i>Right-of-use assets</i>
<b>Cost</b>	
As at 1 January 2024	1,778,389
Increases	278,841
Decreases	(232,824)
As at 31 December 2024	<u>1,824,406</u>
<b>Accumulated depreciation</b>	
As at 1 January 2024	(783,759)
Charge for the year	(406,827)
Decreases	225,486
As at 31 December 2024	<u>(965,100)</u>
<b>Carrying amount</b>	
As at 31 December 2024	<u><u>859,306</u></u>



## 20 Right-of-use assets(continued)

	<i>Right-of-use assets</i>
<b>Cost</b>	
As at 1 January 2023	1,602,505
Increases	509,052
Decreases	(333,168)
As at 31 December 2023	<u>1,778,389</u>
<b>Accumulated depreciation</b>	
As at 1 January 2023	(702,942)
Charge for the year	(398,574)
Decreases	317,757
As at 31 December 2023	<u>(783,759)</u>
<b>Carrying amount</b>	
As at 31 December 2023	<u><u>994,630</u></u>

## 21 Other intangible assets

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



## 21 Other intangible assets (continued)

	Software	Others (1)	Total
<b>Cost</b>			
As at 1 January 2023	983,450	333,654	1,317,104
Additions	204,098	80	204,178
Disposals	(40,036)	(3,906)	(43,942)
As at 31 December 2023	<u>1,147,512</u>	<u>329,828</u>	<u>1,477,340</u>
<b>Accumulated amortization</b>			
As at 1 January 2023	(710,831)	(314,304)	(1,025,135)
Charge for the year	(172,313)	(686)	(172,999)
Decreases	31,958	1,105	33,063
As at 31 December 2023	<u>(851,186)</u>	<u>(313,885)</u>	<u>(1,165,071)</u>
<b>Impairment</b>			
As at 1 January 2023	-	(676)	(676)
As at 31 December 2023	<u>-</u>	<u>(676)</u>	<u>(676)</u>
<b>Carrying amount</b>			
As at 31 December 2023	<u>296,326</u>	<u>15,267</u>	<u>311,593</u>

- (1) The carrying amount of others includes trading seats rights, which have indefinite useful lives and are not amortized.
- (2) As at 31 December 2024 and 31 December 2023, the Group has no material intangible assets used as collateral or mortgage.

## 22 Investments in subsidiaries

Particulars of the Company's principal subsidiaries are as follows:

Name of company	Place of incorporation and operation and date of incorporation	Type of legal entity	Issued capital (in thousands)	Effective equity interest held		Principal activities
				As at 31 December 2024	2023	
Shenwan Hongyuan Securities Co., Ltd.* 申萬宏源證券有限公司 (1)	PRC 16 January 2015	Limited Liability Company	RMB53,500,000	100%	100%	Securities brokerage and investment advisory, margin trading and securities lending, proprietary trading, and others
Shenwan Hongyuan Securities (Western) Co., Ltd.* 申萬宏源西部證券有限公司	PRC 20 January 2015	Limited Liability Company	RMB5,700,000	100%	100%	Securities brokerage and margin financing
Shenwan Hongyuan Financing Services Co., Ltd.* 申萬宏源證券承銷保薦有限責任公司	PRC 20 January 2015	Limited Liability Company	RMB1,000,000	100%	100%	Securities underwriting and sponsoring business
Shenwan Hongyuan (International) Holdings Limited 申萬宏源(國際)集團有限公司	Hong Kong 29 October 1992	Private Company Limited by shares	HKD4,070,920	100%	100%	Investment holding
Shenwan Hongyuan (H.K.) Limited 申萬宏源(香港)有限公司	Hong Kong 18 August 1972	Public Company Limited by shares	HKD2,782,477	64.90%	64.90%	Securities brokerage, corporate finance, asset management, financing and loan investment and other businesses
Shenyin & Wanguo Investment Co., Ltd.* 申銀萬國投資有限公司	PRC 9 April 2009	Limited Liability Company	RMB1,000,000	100%	100%	Investment advisory and wealth management
SWS Research Co., Ltd.* 上海申銀萬國證券研究有限公司	PRC 16 October 1992	Limited Liability Company	RMB20,000	90%	90%	Investment research
Shenyin & Wanguo Alternative Investment Co., Ltd.* 申銀萬國創新證券投資有限公司	PRC 29 May 2013	Limited Liability Company	RMB2,500,000	100%	100%	Investment management and investment advisory services
SWS MU Fund Management Co., Ltd.* 申萬菱信基金管理有限公司	PRC 15 January 2004	Limited Liability Company	RMB150,000	67%	67%	Fund management



## 22 Investments in subsidiaries (continued)

Name of company	Place of incorporation and operation and date of incorporation	Type of legal entity	Issued capital (in thousands)	Effective equity interest held		Principal activities
				As at 31 December 2024	2023	
Shenwan Hongyuan Investment Co., LTD.* 申萬宏源投資有限公司 (1)	PRC 21 January 2015	Limited Liability Company	RMB1,000,000	100%	100%	Investment management
Shenyin & Wanguo Futures Company Limited.* 申銀萬國期貨有限公司	PRC 7 January 1993	Limited Liability Company	RMB1,441,588	97.87%	97.87%	Futures brokerage
Shenwan Hongyuan Investment Management* 申萬宏源產業投資管理 有限責任公司(1)	PRC 21 January 2015	Limited Liability Company	RMB200,000	100%	100%	Investment advisory
Hongyuan Futures Co., Ltd.* 宏源期貨有限公司(1)	PRC 2 May 1995	Limited Liability Company	RMB1,000,000	100%	100%	Futures brokerage
Hongyuan Hengli (Shanghai) Co., Ltd.* 宏源恆利(上海)實業有限公司	PRC 18 June 2013	Limited Liability Company	RMB500,000	100%	100%	Risk management service
Hongyuan Huizhi Investment Co., Ltd.* 宏源匯智投資有限公司 (1)	PRC 27 March 2012	Limited Liability Company	RMB2,000,000	100%	100%	Investment management
Shenwan Hongyuan Innovation (Beijing) Private Fund Management Co., Ltd.* 申萬宏源創新(北京)私 募基金管理有限公司	PRC 18 July 2014	Limited Liability Company	RMB10,000	100%	100%	Fund management
Hongyuan Huifu Venture Investment Co., Ltd.* 宏源匯富創業投資有限 公司(1)	PRC 19 March 2010	Limited Liability Company	RMB500,000	100%	100%	Venture capital
Hongyuan Cycle Energy Investment management (Beijing) Co., Ltd.* 宏源循環能源投資管理 (北京)有限公司	PRC 1 July 2013	Limited Liability Company	RMB10,000	100%	100%	Investment management

## 22 Investments in subsidiaries (continued)

Name of company	Place of incorporation and date of incorporation	Type of legal entity	Issued capital (in thousands)	Effective equity interest held		Principal activities
				As at 31 December 2024	2023	
Hunan Xianghui Private Equity Fund Management Co., Ltd.* 湖南湘匯私募股權基金管理有限公司	PRC 7 December 2017	Limited Liability Company	RMB6,120	100%	100%	Investment management
Sichuan Shenwan Hongyuan Changhong Equity Investment Management Co., Ltd.* 四川申萬宏源長虹股權投資管理有限公司	PRC 19 January 2016	Limited Liability Company	RMB20,000	60%	60%	Investment management
Shenwan Hongyuan Development Chengdu Equity Investment Management Co., Ltd.* 申萬宏源發展成都股權投資管理有限公司	PRC 13 December 2016	Limited Liability Company	RMB30,000	51%	51%	Investment management
Shenyin & Wanguo Jiaotou Integration of Industry (Shanghai) Investment Management CO., Ltd.* 申銀萬國交投產融(上海)投資管理有限公司	PRC 25 July 2014	Limited Liability Company	RMB10,000	51%	51%	Investment management
Sichuan Chuantou Information Industry Shenwan Hongyuan Equity Investment Management Co., Ltd.* 四川川投信產申萬宏源股權投資管理有限公司	PRC 17 July 2019	Limited Liability Company	RMB10,000	51%	51%	Investment management
Shenwan Hongyuan Securities Asset Management Co., Ltd.* 申萬宏源證券資產管理有限公司	PRC 20 December 2022	Limited Liability Company	RMB2,500,000	100%	100%	Securities business

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

The Group acts as principal of certain structured entities during the year ended 31 December 2024, according to relevant accounting policies of the Group, these structured entities were included in the consolidated financial statements. More detailed information of consolidated structured entities is disclosed in Note 53.

(1) These subsidiaries are directly held by the Company.



## 22 Investments in subsidiaries (continued)

- (2) The following table lists out the information related to major subsidiaries of the Group which have material non-controlling interest ("NCI"). The summarised financial information presented below represents the amounts before any inter-company elimination.

Shenwan Hongyuan (H.K.) Limited	<i>As at 31 December</i>	
	2024	2023
NCI percentage	35.10%	35.10%
Assets	8,132,220	11,643,906
Liabilities	5,697,340	9,115,390
Net assets	2,434,880	2,528,516
Carrying amount of NCI	854,643	887,509
Revenue	216,062	373,645
Loss for the year	(146,703)	(173,243)
Other comprehensive income	(96)	20,478
Total comprehensive income	(146,799)	(152,765)
Total comprehensive income attributable to NCI	(51,526)	(53,621)
Dividend paid to NCI	-	-
Cash flows used in operating activities	(497,841)	(2,349,932)

SWS MU Fund Management Co., Ltd.	<i>As at 31 December</i>	
	2024	2023
NCI percentage	33.00%	33.00%
Assets	1,694,466	1,626,205
Liabilities	289,316	298,209
Net assets	1,405,150	1,327,996
Carrying amount of NCI	463,700	438,329
Revenue	490,937	549,954
Profit for the year	77,154	85,206
Total comprehensive income	77,154	85,206
Total comprehensive income attributable to NCI	25,461	28,118
Cash flows generated from / (used in) operating activities	41,578	(427)

## 23 Interest in associates and joint ventures

	As at 31 December 2024	As at 31 December 2023
Share of net assets	4,349,061	4,255,040
Less: Provision for impairment losses	(178,285)	(178,285)
Total	<u>4,170,776</u>	<u>4,076,755</u>

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

Name of associates and joint ventures	Place of incorporation	Registered capital (in thousands)	Effective equity interest held		Principal activity
			31 December 2024	31 December 2023	
Fullgoal Fund Management Co., Ltd.* 富國基金管理有限公司	Shanghai	RMB 520,000	27.775%	27.775%	Fund management
Beijing Urban Construction (Wuhu) Equity Investment management Co., Ltd.* 北京城建(蕪湖)股權投資管理有限公司	Wuhu, Anhui	RMB20,000	30.00%	30.00%	Investment management
Xinjiang Tianshan Industrial Investment Fund Management Co., Ltd.* 新疆天山產業投資基金管理有限公司	Urumqi, Xinjiang	RMB50,000	30.00%	30.00%	Investment management
Horgos Tianshan No. 1 Industrial Investment Fund Limited Partnership* 霍爾果斯天山一號產業投資基金有限合夥企業	Horgos, Xinjiang	RMB1,510,000	33.11%	33.11%	Equity management
Xinjiang Financial Investment Asset Management Co., Ltd.* (1) 新疆金投資產管理股份有限公司 (1)	Urumqi, Xinjiang	RMB2,043,223	8.81%	18.00%	Asset management
Henan Guochuang Mixed Reform Fund Management Co., Ltd.* 河南省國創混改基金管理有限公司	Zhengzhou, Henan	RMB10,000	30.00%	30.00%	Investment management
Shenzhen Shenwan Jiaotou West Growth No. 1 Equity Investment Fund Partnership (Limited Partnership)* (1) 深圳申萬交投西部成長一號股權投資基金合夥企業 (有限合夥) (1)	Shenzhen, Guangdong	RMB57,923	17.55%	15.79%	Equity management
Shanghai Shenwan & Hongyuan Jiashi Equity Investment Partnership (Limited partnership)* 上海申萬宏源嘉實股權投資合夥企業 (有限合夥)	Shanghai	RMB100,000	31.00%	27.00%	Equity management



## 23 Interest in associates and joint ventures (continued)

Name of associates and joint ventures	Place of incorporation	Registered capital (in thousands)	Effective equity interest held		Principal activity
			31 December 2024	31 December 2023	
Sichuan Shenwan & Hongyuan Changhong Equity Investment Fund Partnership (Limited Partnership)* (2) 四川申萬宏源長虹股權投資基金合夥企業 (有限合夥) (2)	Mianyang, Sichuan	RMB310,000	51.61%	51.59%	Equity management
Sichuan Development Shenwan & Hongyuan Equity Investment Fund Partnership (Limited Partnership)* 四川發展申萬宏源股權投資基金合夥企業 (有限合夥)	Chengdu, Sichuan	RMB3,000,000	34.00%	33.00%	Equity management
Liaoning Guoxin private equity Investment Fund Management Co., Ltd.* 遼寧國鑫私募基金管理有限公司	Shenyang, Liaoning	RMB10,000	26.00%	26.00%	Investment management
Tongxiang Shenwan Hongding Growth No. 2 Equity Investment Fund Partnership (Limited Partnership)* (1) 桐鄉申萬泓鼎成長二號股權投資基金合夥企業 (有限合夥) (1)	Jiaxing, Zhejiang	RMB380,000	13.16%	13.16%	Equity management
Zhuhai Shenhong Gejin Healthcare Investment Fund Partnership (Limited Partnership)* 珠海申宏格金醫療健康產業投資基金合夥企業 (有限合夥)	Zhuhai, Guangdong	RMB500,000	25.00%	19.96%	Equity management
Aerospace Equity Investment Fund I (Shanghai) Partnership (Limited Partnership)* 宇航一期股權投資基金 (上海) 合夥企業 (有限合夥)	Shanghai	RMB2,458,500	36.61%	30.00%	Equity management
Jinmao Investment Consulting (Shenzhen) Co., Ltd.* 金茂投資諮詢 (深圳) 有限公司	Shenzhen, Guangdong	USD2,000	50.00%	50.00%	Investment advisory
Gongqing City Shenhong Huichuang Logistics Industry Equity Investment Partnership (Limited Partnership)* 共青城申宏匯創物流產業股權投資合夥企業 (有限合夥)	Jiujiang, Jiangxi	RMB43,210	37.51%	37.51%	Equity management
Chongqing Furong Equity Investment Fund Partnership (Limited Partnership)* (1) 重慶市富榮股權投資基金合夥企業 (有限合夥) (1)	Chongqing	RMB1,500,000	1.00%	1.00%	Equity management
Shenhong Huichuang Development (Foshan) Equity Investment Partnership (Limited Partnership)* 申宏匯創發展 (佛山) 股權投資合夥企業 (有限合夥)	Foshan, Guangdong	RMB80,000	31.00%	31.00%	Equity management
Hongyuan Private Equity Investment Management (Shandong) Co., Ltd.* 泓源私募基金管理 (山東) 有限公司	Yantai, Shandong	RMB10,000	20.00%	20.00%	Investment management

## 23 Interest in associates and joint ventures (continued)

Name of associates and joint ventures	Place of incorporation	Registered capital (in thousands)	Effective equity interest held		Principal activity
			31 December 2024	31 December 2023	
Nanjing Rhode Huizhi Equity Investment Partnership (Limited Partnership)* 南京洛德匯智股權投資合夥企業 (有限合夥)	Nanjing, Jiangsu	RMB1,500,000	20.00%	24.88%	Equity management
Shanghai Eastern Airlines Shenhong Equity Investment Fund Management Co., Ltd.* 上海東航申宏股權投資基金管理有限公司	Shanghai	RMB10,000	40.00%	40.00%	Equity management
Yibin State Assets Industry Investment Partnership (Limited Partnership)* (1) 宜賓市國資產業投資合夥企業 (有限合夥) (1)	Yibin, Sichuan	RMB2,020,000	1.00%	1.00%	Equity management
Hanya Huichuang No.1 (Shenzhen) Private Equity Investment Partnership (Limited Partnership)* 韓亞匯創一號 (深圳) 私募股權投資基金合夥企業 (有限合夥)	Shenzhen, Guangdong	RMB200,000	40.00%	40.00%	Equity investment
Gongqing City Shenhong Huichuang Second Logistics Industry Equity Investment Partnership (Limited Partnership)* 共青城申宏匯創二期物流產業股權投資合夥企業 (有限合夥)	Jiujiang, Jiangxi	RMB132,560	24.90%	1.00%	Equity management

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

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

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



## 23 Interest in associates and joint ventures (continued)

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

### **Fullgoal Fund Management Co., Ltd.**

	<i>As at 31 December 2024</i>	<i>As at 31 December 2023</i>
Gross amounts of the associate:		
Assets	15,750,334	13,770,413
Liabilities	6,559,540	5,246,417
Net assets	9,190,794	8,523,996
The Group's effective interest	27.775%	27.775%
The Group's share of net assets of the associate	2,552,743	2,367,540
Carrying amount	2,552,743	2,367,540
	<i>For the year ended 31 December 2024</i>	<i>2023</i>
Revenue	6,405,342	6,715,328
Profit for the year	1,751,211	1,813,900
Other comprehensive loss	7,587	4,905
Total comprehensive income	1,758,798	1,818,805
Dividend received from the associate	303,303	288,860

As at 31 December 2024 and 31 December 2023, the Group's significant associates and joint ventures are all unlisted companies and there are no public market prices.

## 23 Interest in associates and joint ventures (continued)

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

	<i>As at 31 December 2024</i>	<i>As at 31 December 2023</i>
Aggregate carrying amount of individually immaterial associates and joint ventures in the financial report	<u>1,618,033</u>	<u>1,709,215</u>
Aggregate amounts of the Group's share of those associates and joint ventures' profits	<u>102,699</u>	<u>78,570</u>
Aggregate amounts of the Group's share of total comprehensive income	<u>115,221</u>	<u>78,570</u>

## 24 Financial assets measured at amortized cost

### Non-current

	<i>As at 31 December 2024</i>	<i>As at 31 December 2023</i>
Asset management products and others	1,813,706	1,769,645
Less: Provision for impairment losses	<u>(779,642)</u>	<u>(399,283)</u>
Total	<u>1,034,064</u>	<u>1,370,362</u>

### Current

	<i>As at 31 December 2024</i>	<i>As at 31 December 2023</i>
Asset management products and others	1,347,738	2,018,668
Debt securities	189,209	186,324
Less: Provision for impairment losses	<u>(58,204)</u>	<u>(58,095)</u>
Total	<u>1,478,743</u>	<u>2,146,897</u>



## 25 Financial assets at fair value through other comprehensive income

### Non-current

	<i>As at 31 December 2024</i>	<i>As at 31 December 2023</i>
Designated at FVOCI		
- Equity securities not held for trading (1)	69,486,271	70,593,727
Debt securities	3,808,144	2,579,611
Total	<u>73,294,415</u>	<u>73,173,338</u>
Analysed as:		
Unlisted	60,587,802	71,531,807
Listed inside Hong Kong	8,583,960	935,224
Listed outside Hong Kong	4,122,653	706,307
Total	<u>73,294,415</u>	<u>73,173,338</u>

### Current

	<i>As at 31 December 2024</i>	<i>As at 31 December 2023</i>
Debt securities	61,733,391	70,819,304
Total	<u>61,733,391</u>	<u>70,819,304</u>
Analysed as:		
Unlisted	46,425,182	48,004,793
Listed inside Hong Kong	1,161,007	57,694
Listed outside Hong Kong	14,147,202	22,756,817
Total	<u>61,733,391</u>	<u>70,819,304</u>

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

- (1) For the year ended 31 December 2024, the Group disposed some of the financial assets at fair value through other comprehensive income resulting from adjustment in its investment strategy. The accumulated net realized loss of the equity instrument disposed of were RMB447,282 thousand (For the year ended 31 December 2023, the accumulated net realized loss of the equity instrument disposed of were RMB535,877 thousand).

As at 31 December 2024, the Group has pledged financial assets at fair value through other comprehensive income with a total fair value of RMB78,388,737 thousand for the purpose of repurchase agreement business detailed in Note 45(1) (As at 31 December 2023: RMB66,793,733 thousand).

As at 31 December 2024, the Group has pledged financial assets at fair value through other comprehensive income with a total fair value of RMB12,428,694 thousand for the purpose of bond lending business (As at 31 December 2023: RMB15,282,934 thousand).

## 26 Financial assets held under resale agreements

- (1) *Analysed by collateral type:*

### Non-current

	<i>As at 31 December 2024</i>	<i>As at 31 December 2023</i>
Equity securities	2,130,827	2,311,250
Less: Provision for impairment losses	<u>(1,815,320)</u>	<u>(1,797,739)</u>
Total	<u>315,507</u>	<u>513,511</u>

### Current

	<i>As at 31 December 2024</i>	<i>As at 31 December 2023</i>
Debt securities	12,042,331	4,081,147
Equity securities	32,024	20,034
Less: Provision for impairment losses	<u>(106)</u>	<u>(128)</u>
Total	<u>12,074,249</u>	<u>4,101,053</u>



## 26 Financial assets held under resale agreements (continued)

### (2) Analysed by market:

#### Non-current

	<i>As at 31 December 2024</i>	<i>As at 31 December 2023</i>
Shenzhen Stock Exchange	882,126	2,246,425
Shanghai Stock Exchange	309,994	64,825
Others	938,707	-
Less: Provision for impairment losses	<u>(1,815,320)</u>	<u>(1,797,739)</u>
Total	<u>315,507</u>	<u>513,511</u>

#### Current

	<i>As at 31 December 2024</i>	<i>As at 31 December 2023</i>
Shanghai Stock Exchange	9,739,015	1,904,159
Inter-bank market	1,977,314	2,019,639
Shenzhen Stock Exchange	358,026	20,034
Singapore Stock Exchange	-	157,349
Less: Provision for impairment losses	<u>(106)</u>	<u>(128)</u>
Total	<u>12,074,249</u>	<u>4,101,053</u>

## 27 Financial assets at fair value through profit or loss

### Non-current

	<i>As at 31 December 2024</i>	<i>As at 31 December 2023</i>
Equity securities	974,351	1,725,693
Funds	22,246	32,976
Debt securities	2,278	159,388
Asset management products and others	5,280,250	11,162,255
Total	<u>6,279,125</u>	<u>13,080,312</u>
Analysed as:		
Unlisted	6,276,847	12,843,213
Listed outside Hong Kong	2,278	237,099
Total	<u>6,279,125</u>	<u>13,080,312</u>

### Current

	<i>As at 31 December 2024</i>	<i>As at 31 December 2023</i>
Debt securities	175,829,904	121,510,252
Funds	40,615,719	46,441,856
Equity securities	28,910,178	49,789,197
Hybrid instruments	3,243,194	3,193,264
Asset management products and others	14,645,480	2,473,283
Total	<u>263,244,475</u>	<u>223,407,852</u>
Analysed as:		
Unlisted	135,823,162	93,244,008
Listed inside Hong Kong	9,008,742	6,023,072
Listed outside Hong Kong	118,412,571	124,140,772
Total	<u>263,244,475</u>	<u>223,407,852</u>



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

Financial assets at fair value through profit or loss has included securities lending. The collateral for securities lending is analysed in Note 33(2).

As at 31 December 2024, the Group has pledged financial assets at fair value through profit or loss with a total fair value of RMB93,041,907 thousand for the purpose of repurchase agreement business detailed in Note 45 (As at 31 December 2023: RMB50,140,693 thousand).

As at 31 December 2024, the Group has pledged financial assets at fair value through profit or loss with a total fair value of RMB7,489,489 thousand for the purpose of bond lending business (As at 31 December 2023: RMB2,224,052 thousand).

As at 31 December 2024, the equity securities in financial assets at fair value through profit or loss with lock-up periods held by the Group were RMB844,452 thousand (As at 31 December 2023: RMB3,073,911 thousand).

## 28 Refundable deposits

	<i>As at 31 December 2024</i>	<i>As at 31 December 2023</i>
Deposits with exchanges and other financial institutions:		
-Trading deposit	15,628,095	16,422,970
-Performance bond	5,996,243	6,225,624
-Refinancing margin	110,837	121,412
-Credit deposit	60,642	42,196
	<hr/>	<hr/>
Total	<u>21,795,817</u>	<u>22,812,202</u>

## 29 Deferred taxation

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

	Provision for impairment losses	Employee benefits payable	Changes in fair value of financial instruments at fair value through profit or loss	Changes in fair value of derivative Financial instru- ments	Changes in fair value of financial assets at fair value through other compre- hensive income	Business combina- tion	Others	Total
<i>Deferred tax arising from:</i>								
As at 1 January 2023	756,745	1,093,902	659,021	(965,987)	411,648	464,164	1,036,544	3,456,037
Recognized in profit or loss	48,388	(60,401)	(226,815)	(330,888)	(615)	-	337,527	(232,804)
Recognized in reserves	-	-	-	-	(379,912)	-	-	(379,912)
Reclassified from other comprehensive income to retained profits	-	-	-	-	(134,277)	-	-	(134,277)
As at 31 December 2023	<u>805,133</u>	<u>1,033,501</u>	<u>432,206</u>	<u>(1,296,875)</u>	<u>(103,156)</u>	<u>464,164</u>	<u>1,374,071</u>	<u>2,709,044</u>
As at 1 January 2024	805,133	1,033,501	432,206	(1,296,875)	(103,156)	464,164	1,374,071	2,709,044
Recognized in profit or loss	5,223	79,424	(499,418)	469,592	(57,051)	-	(649,929)	(652,159)
Recognized in reserves	-	-	-	-	(372,179)	-	-	(372,179)
Reclassified from other comprehensive income to retained profits	-	-	-	-	(111,821)	-	-	(111,821)
As at 31 December 2024	<u>810,356</u>	<u>1,112,925</u>	<u>(67,212)</u>	<u>(827,283)</u>	<u>(644,207)</u>	<u>464,164</u>	<u>724,142</u>	<u>1,572,885</u>



## 29 Deferred taxation (continued)

### (2) Reconciliation to the consolidated statement of financial position

	As at 31 December 2024	As at 31 December 2023
Net deferred tax assets recognized in the consolidated statement of financial position	1,621,025	2,739,571
Net deferred tax liabilities recognized in the consolidated statement of financial position	(48,140)	(30,527)
Total	<u>1,572,885</u>	<u>2,709,044</u>

### (3) Recognized in other comprehensive income

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

## 29 Deferred taxation (continued)

	<i>As at 31 December 2023</i>		
	<i>Before tax</i>	<i>Tax benefit</i>	<i>Net of tax</i>
Financial assets at fair value through other comprehensive income			
- Net changes in fair value	663,730	(128,230)	535,500
- Reclassified to profit or loss	166,454	(43,415)	123,039
Share of other comprehensive income of associates	1,362	-	1,362
Exchange differences on translation of financial statements in foreign currencies	43,643	-	43,643
Equity investment at fair value through other comprehensive income			
- Net changes in fair value	832,996	(208,267)	624,729
Total	<u>1,708,185</u>	<u>(379,912)</u>	<u>1,328,273</u>

### (4) *Deferred tax assets not recognized*

As at 31 December 2024 and 31 December 2023, in accordance with the relevant accounting policy, the Group has not recognized deferred tax assets in respect of cumulative tax losses with timing difference amounting to RMB 3,933,030 thousand and RMB3,140,450 thousand respectively, mainly as it is not probable that future taxable profits against which the losses can be utilized will be available in the relevant tax jurisdiction and entity.

## 30 Other non-current assets

### (1) *Analysed by nature:*

	<i>As at 31 December 2024</i>	<i>As at 31 December 2023</i>
Inventory (a)	473,986	473,986
Long-term deferred expenses	147,469	131,959
Other (b)	19,654	55,557
Less: Provision for impairment losses (a)	<u>(224,183)</u>	<u>(227,978)</u>
Total	<u>416,926</u>	<u>433,524</u>



### 30 Other non-current assets(continued)

- (a) As of 31 December 2024, a subsidiary of the Group filed a lawsuit due to storage contracts disputes, and the inventory involved was sealed by the public security authorities. The Group evaluated the expected cash flow that could be recovered under different scenarios, and made a provision accordingly.
- (b) As of 31 December 2024, others include goodwill of RMB19,654 thousand formed by the Company as a result of the acquisition of subsidiaries. Goodwill impairment assessments are performed annually. The recoverable amount is determined by the higher of the fair value of the asset, net of disposal costs, and the present value used.

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

	<i>As at 31 December 2024</i>	<i>As at 31 December 2023</i>
At the beginning of the year	131,959	85,921
Additions	19,730	14,092
Transfer in from property and equipment	54,426	86,767
Amortization	(58,189)	(54,252)
Transfer out	(457)	(569)
	<hr/>	<hr/>
At the end of the year	147,469	131,959
	<hr/>	<hr/>

### 31 Accounts receivable

**(1) Analysed by nature:**

	<i>As at 31 December 2024</i>	<i>As at 31 December 2023</i>
Accounts receivable of:		
- Settlement	4,416,261	4,495,448
- Asset management plans	560,512	550,479
- Fee and commission	315,584	477,548
- Others	1,119,309	1,619,006
Less: Provision for impairment losses	(406,155)	(974,494)
	<hr/>	<hr/>
Total	6,005,511	6,167,987
	<hr/>	<hr/>

### 31 Accounts receivable(continued)

#### (2) Analysed by ageing:

As at 31 December 2024 and 31 December 2023, the ageing analysis of accounts receivable, based on the trade date, is as follows:

	<i>As at 31 December 2024</i>	<i>As at 31 December 2023</i>
Within 1 year	4,666,102	5,865,119
1 to 2 years	1,093,009	42,531
2 to 3 years	17,536	14,393
Over 3 years	228,864	245,944
	<hr/>	<hr/>
Total	6,005,511	6,167,987
	<hr/>	<hr/>

For trade receivables result from transactions that are within the scope of IFRS 15, the Group applies the simplified approach for the recognition of expected credit losses. The Group applies the general approach for the recognition of expected credit losses of other receivables. As at 31 December 2024, some of the receivables from asset management business and others are classified into stage 3 (as at 31 December 2023: Same).

#### (3) Accounts receivable that is not impaired

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



## 32 Other current assets

	As at 31 December 2024	As at 31 December 2023
Inventory	591,935	939,618
Overdue and impaired receivables	231,707	271,908
Current tax assets	167,907	183,981
Deposits	101,812	79,854
VAT due from asset management plans	87,546	47,879
Prepayments (a)	61,872	108,074
Dividends receivables	1,445	2,422
Interest receivables	343	1,161
Others (a)	511,138	466,943
Less: Provision for impairment losses	(371,015)	(322,063)
Total	<u>1,384,690</u>	<u>1,779,777</u>

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

## 33 Margin accounts receivable

### (1) Analysed by nature:

	As at 31 December 2024	As at 31 December 2023
Individuals	67,148,743	57,482,569
Institutions	8,099,582	7,348,264
Less: Provision for impairment losses	(404,108)	(402,628)
Total	<u>74,844,217</u>	<u>64,428,205</u>

### 33 Margin accounts receivable(continued)

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

	As at 31 December 2024	As at 31 December 2023
Fair value of collaterals:		
- Stocks	210,219,191	176,390,321
- Cash	10,506,479	6,569,707
- Funds	4,887,214	5,028,704
- Bonds	175,123	131,182
	<u>225,788,007</u>	<u>188,119,914</u>
Total		

### 34 Derivative financial instruments

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



### 34 Derivative financial instruments(continued)

	<i>As at 31 December 2023</i>		
	<i>Nominal Value</i>	<i>Fair value</i>	
		<i>Assets</i>	<i>Liabilities</i>
Equity derivatives	175,336,855	8,770,729	(4,543,916)
Interest rate derivatives	451,123,922	1,182,536	(1,361,306)
Commodity derivatives	81,007,879	207,107	(239,222)
Currency derivatives	1,877,274	32,619	(22,401)
Credit derivatives	6,762,526	14,387	(18,715)
Total	716,108,456	10,207,378	(6,185,560)

Under the daily mark-to-market and settlement arrangement, clearing settlement funds included the changes in fair value of treasury bond futures, stock index futures, precious metal futures, and other commodity futures held by the Group, and were not reflected in the above derivative financial instruments. As at 31 December 2024, the fair value of those unexpired derivative financial instruments contracts was unrealized loss RMB667,819 thousand (31 December 2023: unrealized loss RMB199,385 thousand).

### 35 Clearing settlement funds

	<i>As at 31 December 2024</i>	<i>As at 31 December 2023</i>
Deposits with stock exchanges		
- China Securities Depository and Clearing Corporation Limited	4,490,696	11,319,652
- Shanghai Gold Exchange	26,853	24,560
- Other institutions	6,311,661	991,466
Total	10,829,210	12,335,678

### 36 Cash held on behalf of brokerage clients

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

### 37 Cash and bank balances

Analysed by nature:

	As at 31 December 2024	As at 31 December 2023
Cash on hand	69	68
Bank balances	33,871,887	33,455,187
Less: Provision for impairment losses	(1,699)	(1,999)
Total	<u>33,870,257</u>	<u>33,453,256</u>

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

### 38 Cash and cash equivalents

	As at 31 December 2024	As at 31 December 2023
Cash on hand	69	68
Bank balances	33,608,874	33,250,823
Clearing settlement funds	10,814,251	12,335,678
Financial assets held under resale agreements within 3 months original maturity	12,037,842	4,077,857
Less: restricted bank deposits	(5,084,487)	(2,881,538)
Total	<u>51,376,549</u>	<u>46,782,888</u>

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



### 39 Loans and borrowings

	As at 31 December 2024	As at 31 December 2023
Unsecured bank loans	672,001	835,592

### 40 Short-term debt instruments issued

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

	<i>Book value as at 1 January 2023</i>	<i>Issuance</i>	<i>Redemption</i>	<i>Book value as at 31 December 2023</i>
Short-term corporate bonds	8,517,128	12,066,054	(8,574,828)	12,008,354
Structured notes	13,534,873	53,286,693	(51,172,193)	15,649,373
Financing notes	-	398,234	-	398,234
Total	<u>22,052,001</u>	<u>65,750,981</u>	<u>(59,747,021)</u>	<u>28,055,961</u>

In 2024, the Group has issued 4,278 tranches of structured notes, and repaid 4,057 tranches of structured notes during the year. As at 31 December 2024, the structured notes issued by the Group used fixed rates or floating rates linked to certain stock indexes to accrue interest, in which the fixed rates range were 0.05% - 6.80%.

In 2023, the Group has issued 2,436 tranches of structured notes, and repaid 2,407 tranches of structured notes during the year. As at 31 December 2023, the structured notes issued by the Group used fixed rates or floating rates linked to certain stock indexes to accrue interest, in which the fixed rates range were 2.15%-6.80%.

#### 41 Placements from other financial institutions

	<i>As at 31 December 2024</i>	<i>As at 31 December 2023</i>
Placements from banks	2,500,000	1,500,000
Other	818,823	940,854
Total	<u>3,318,823</u>	<u>2,440,854</u>

#### 42 Accounts payable to brokerage clients

	<i>As at 31 December 2024</i>	<i>As at 31 December 2023</i>
Clients' deposits for other brokerage trading	111,455,781	88,818,649
Clients' deposits for margin financing and securities lending	11,034,177	8,042,115
Interest payable	6,225	9,740
Total	<u>122,496,183</u>	<u>96,870,504</u>

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

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

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



### 43 Employee benefits payable

Current and Non-current

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

	<i>As at 1 January 2023</i>	<i>Accrued for the year</i>	<i>Payments made</i>	<i>As at 31 December 2023</i>
Salaries, bonuses and allowance	5,543,690	5,670,021	(5,896,451)	5,317,260
Contribution to pension schemes	3,209	481,909	(479,285)	5,833
Other social welfare	436,886	1,573,127	(1,573,674)	436,339
	<u>5,983,785</u>	<u>7,725,057</u>	<u>(7,949,410)</u>	<u>5,759,432</u>
Total				

#### 44 Other payables and accruals

	As at 31 December 2024	As at 31 December 2023
Performance bond	29,024,250	38,198,974
Payables to interest holders of consolidated structured entities	25,390,365	15,439,256
Settlement payables	3,679,415	1,937,846
Trade payables	495,629	889,437
Risk reserve for futures brokerage business	342,624	318,971
Borrowings arising from futures pledge business	275,868	506,567
Payables on behalf of staff and customer payments	172,505	186,513
Dividend payables	137,855	273,072
Proceeds from underwriting securities received on behalf of customers	129,821	-
Tax payables	127,626	181,974
Accrued expenses	82,179	123,749
Fee and commission payable	51,802	61,674
Distribution expenses payables	48,712	70,375
Payables to the securities and futures investor protection fund	46,217	30,690
Interest and dividend received on behalf of brokerage clients	24,470	24,588
Interest payables	9,128	12,343
Account executive commission payables	4,004	4,619
Others (1)	234,495	200,940
	<hr/>	<hr/>
Total	60,276,965	58,461,588

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



## 45 Financial assets sold under repurchase agreements

### (1) Analysed by collateral type:

	As at 31 December 2024	As at 31 December 2023
Debt securities	142,844,401	125,677,418
Fund	30,280,140	26,599,527
Others	12,881,093	10,938,388
Total	<u>186,005,634</u>	<u>163,215,333</u>

### (2) Analysed by market:

	As at 31 December 2024	As at 31 December 2023
Inter-bank market	106,394,579	78,942,790
Stock exchanges	60,435,456	69,054,529
OTC market	15,238,735	10,938,388
Futures exchanges	3,936,864	4,279,626
Total	<u>186,005,634</u>	<u>163,215,333</u>

## 46 Lease liabilities

### Non-current

	As at 31 December 2024	As at 31 December 2023
Lease liabilities	<u>546,832</u>	<u>645,826</u>

#### 46 Lease liabilities(continued)

##### Current

	<i>As at 31 December 2024</i>	<i>As at 31 December 2023</i>
Lease liabilities	<u>329,477</u>	<u>369,687</u>

#### 47 Financial liabilities at fair value through profit or loss

##### Current

	<i>As at 31 December 2024</i>	<i>As at 31 December 2023</i>
Financial liabilities held for trading		
- Debt securities	12,557,389	3,222,386
- Equities	-	1,469
Financial liabilities designated at fair value through profit or loss		
- Structured notes	1,853,124	2,451,364
- Others	<u>43,008</u>	<u>19,087</u>
Total	<u>14,453,521</u>	<u>5,694,306</u>



## 48 Long-term bonds

As at 31 December 2024

Name	Par value Original currency	Issuance date	Due date	Issue amount Original currency	Nominal interest rate
17ShenZheng02	500,000	2017/2/17	2024/2/17	500,000	4.50%
21ShenHong01	1,500,000	2021/3/4	2026/3/8	1,500,000	3.68%
21ShenHong02	500,000	2021/3/4	2028/3/8	500,000	3.95%
21ShenHong04	3,000,000	2021/7/13	2028/7/15	3,000,000	3.65%
21ShenHong05	500,000	2021/8/2	2024/8/4	500,000	2.99%
21ShenHong06	2,500,000	2021/8/2	2026/8/4	2,500,000	3.38%
21ShenZheng01	2,500,000	2021/4/29	2024/4/29	2,500,000	3.45%
21ShenZheng02	2,000,000	2021/4/29	2031/4/29	2,000,000	4.05%
21ShenZheng03	2,600,000	2021/5/24	2026/5/24	2,600,000	3.63%
21ShenZheng04	2,000,000	2021/5/28	2024/5/28	2,000,000	3.27%
21ShenZheng05	2,500,000	2021/5/28	2031/5/28	2,500,000	4.00%
21ShenZheng06	2,000,000	2021/7/21	2024/7/21	2,000,000	3.13%
21ShenZheng07	3,000,000	2021/7/21	2031/7/21	3,000,000	3.77%
21ShenZheng08	2,800,000	2021/7/28	2024/7/28	2,800,000	3.04%
21ShenZheng09	4,200,000	2021/7/28	2026/7/28	4,200,000	3.38%
21ShenZheng10	3,000,000	2021/8/26	2024/8/26	3,000,000	3.02%
21ShenZheng11	3,000,000	2021/8/26	2031/8/26	3,000,000	3.75%
21ShenZheng12	4,800,000	2021/9/9	2024/9/9	4,800,000	3.05%
21ShenZheng13	1,000,000	2021/9/9	2026/9/9	1,000,000	3.40%
21ShenZheng15	2,300,000	2021/9/22	2024/9/22	2,300,000	3.10%
21ShenZhengC1	3,000,000	2021/1/21	2024/1/21	3,000,000	3.93%
21ShenZhengC2	3,800,000	2021/3/11	2024/3/11	3,800,000	3.94%
21ShenZhengC4	1,200,000	2021/12/27	2024/12/27	1,200,000	3.20%
22ShenHong01	1,800,000	2022/3/4	2025/3/8	1,800,000	3.11%
22ShenHong02	1,200,000	2022/3/4	2027/3/8	1,200,000	3.50%
22ShenHong03	3,000,000	2022/4/22	2025/4/26	3,000,000	3.06%
22ShenHong04	1,000,000	2022/4/22	2027/4/26	1,000,000	3.45%
22ShenHong06	2,550,000	2022/8/26	2032/8/30	2,550,000	3.56%
22ShenZheng01	5,000,000	2022/1/21	2025/1/21	5,000,000	2.80%
22ShenZheng02	2,400,000	2022/1/21	2032/1/21	2,400,000	3.60%
22ShenZheng03	2,200,000	2022/2/23	2025/2/23	2,200,000	2.95%
22ShenZheng05	3,500,000	2022/3/24	2025/3/24	3,500,000	3.18%
22ShenZheng06	2,100,000	2022/3/24	2027/3/24	2,100,000	3.53%

## 48 Long-term bonds (continued)

Name	Par value Original currency	Issuance date	Due date	Issue amount Original currency	Nominal interest rate
22ShenZheng07	1,800,000	2022/5/23	2025/5/23	1,800,000	2.78%
22ShenZheng08	2,200,000	2022/5/23	2027/5/23	2,200,000	3.20%
22ShenZhengC1	3,000,000	2022/4/27	2025/4/27	3,000,000	3.19%
23ShenHong02	5,000,000	2023/6/12	2033/6/14	5,000,000	3.49%
23ShenHong03	1,600,000	2023/9/1	2024/9/5	1,600,000	2.49%
23ShenHong04	800,000	2023/9/1	2026/9/5	800,000	2.85%
23ShenZheng01	800,000	2023/4/14	2025/4/14	800,000	2.85%
23ShenZheng02	2,000,000	2023/4/14	2026/4/14	2,000,000	2.99%
23ShenZheng03	2,200,000	2023/8/17	2025/8/17	2,200,000	2.50%
23ShenZheng04	1,800,000	2023/8/17	2026/8/17	1,800,000	2.67%
23ShenZheng05	500,000	2023/8/30	2025/8/30	500,000	2.56%
23ShenZheng06	1,500,000	2023/8/30	2028/8/30	1,500,000	2.95%
23ShenZheng07	2,800,000	2023/9/21	2025/9/21	2,800,000	2.80%
23ShenZheng08	2,100,000	2023/9/21	2028/9/21	2,100,000	3.14%
23ShenZhengC1	1,400,000	2023/3/6	2025/3/6	1,400,000	3.35%
23ShenZhengC2	1,300,000	2023/3/6	2026/3/6	1,300,000	3.55%
23ShenZhengC3	2,300,000	2023/3/27	2026/3/27	2,300,000	3.38%
23ShenZhengC4	1,600,000	2023/12/8	2028/12/8	1,600,000	3.35%
24ShenHong02	2,450,000	2024/3/11	2029/3/13	2,450,000	2.71%
24ShenHong03	1,600,000	2024/11/28	2026/12/2	1,600,000	2.06%
24ShenZheng01	1,000,000	2024/2/22	2027/2/26	1,000,000	2.52%
24ShenZheng02	1,500,000	2024/2/22	2029/2/26	1,500,000	2.66%
24ShenZheng03	2,700,000	2024/10/24	2026/10/28	2,700,000	2.20%
24ShenZheng04	2,100,000	2024/10/24	2027/10/28	2,100,000	2.28%
24ShenZhengC1	1,000,000	2024/11/25	2027/11/27	1,000,000	2.19%
24ShenZhengC2	1,500,000	2024/11/25	2029/11/27	1,500,000	2.30%
21 Shenwan Hongyuan International Finance Limited US dollar Bond (1)	500,000	2021/7/14	2026/7/14	-	1.80%
22 Shenwan Hongyuan International Finance Limited US dollar bond (2)	300,000	2022/3/16	2025/3/16	-	2.63%
Structured Notes (3)	9,736,973	Note 3	Note 3	9,736,973	2.70%-3.15%



## 48 Long-term bonds (continued)

Name	Book value as at 1 January 2024	Increase	Amount of amortization	Decrease	Book value as at 31 December 2024
17ShenZheng02	500,000	-	-	(500,000.00)	-
21ShenHong01	1,500,000	-	-	(1,500,000.00)	-
21ShenHong02	500,000	-	-	-	500,000
21ShenHong04	3,000,000	-	-	-	3,000,000
21ShenHong05	500,000	-	-	(500,000.00)	-
21ShenHong06	2,500,000	-	-	-	2,500,000
21ShenZheng01	2,499,308	-	-	(2,499,308.00)	-
21ShenZheng02	1,996,489	-	479	-	1,996,968
21ShenZheng03	2,597,087	-	1,208	-	2,598,295
21ShenZheng04	1,999,320	-	-	(1,999,320.00)	-
21ShenZheng05	2,495,563	-	599	-	2,496,162
21ShenZheng06	1,999,026	-	-	(1,999,026.00)	-
21ShenZheng07	2,994,015	-	795	-	2,994,810
21ShenZheng08	2,799,211	-	-	(2,799,211.00)	-
21ShenZheng09	4,192,810	-	2,803	-	4,195,613
21ShenZheng10	2,997,583	-	-	(2,997,583.00)	-
21ShenZheng11	2,991,483	-	1,116	-	2,992,599
21ShenZheng12	4,797,024	-	-	(4,797,024.00)	-
21ShenZheng13	998,550	-	540	-	999,090
21ShenZheng15	2,297,639	-	-	(2,297,639.00)	-
21ShenZhengC1	2,999,767	-	-	(2,999,767.00)	-
21ShenZhengC2	3,798,970	-	-	(3,798,970.00)	-
21ShenZhengC4	1,198,322	-	-	(1,198,322.00)	-
22ShenHong01	1,800,000	-	-	-	1,800,000
22ShenHong02	1,200,000	-	-	-	1,200,000
22ShenHong03	3,000,000	-	-	-	3,000,000
22ShenHong04	1,000,000	-	-	-	1,000,000
22ShenHong06	2,550,000	-	-	-	2,550,000
22ShenZheng01	4,995,779	-	4,002	-	4,999,781
22ShenZheng02	2,395,366	-	577	-	2,395,943
22ShenZheng03	2,197,445	-	2,096	-	2,199,541
22ShenZheng05	3,495,804	-	3,208	-	3,499,012
22ShenZheng06	2,096,013	-	1,115	-	2,097,128
22ShenZheng07	1,797,536	-	1,647	-	1,799,183

## 48 Long-term bonds (continued)

Name	Book value as at 1 January 2024	Increase	Amount of amortization	Decrease	Book value as at 31 December 2024
22ShenZheng08	2,195,580	-	1,170	-	2,196,750
22ShenZhengC1	2,994,248	-	4,040	-	2,998,288
23ShenHong02	4,997,301	-	246	-	4,997,547
23ShenHong03	1,600,000	-	-	(1,600,000.00)	-
23ShenHong04	800,000	-	-	-	800,000
23ShenZheng01	798,839	-	872	-	799,711
23ShenZheng02	1,996,561	-	1,428	-	1,997,989
23ShenZheng03	2,195,663	-	2,537	-	2,198,200
23ShenZheng04	1,796,177	-	1,365	-	1,797,542
23ShenZheng05	495,682	-	975	-	496,657
23ShenZheng06	1,496,582	-	1,116	-	1,497,698
23ShenZheng07	2,789,731	-	5,592	-	2,795,323
23ShenZheng08	2,091,546	-	1,596	-	2,093,142
23ShenZhengC1	1,398,029	-	1,653	-	1,399,682
23ShenZhengC2	1,297,741	-	1,005	-	1,298,746
23ShenZhengC3	2,295,418	-	1,869	-	2,297,287
23ShenZhengC4	1,593,290	-	1,248	-	1,594,538
24ShenHong02	-	2,450,000	-	-	2,450,000
24ShenHong03	-	1,600,000	-	-	1,600,000
24ShenZheng01	-	1,000,000	-	(1,534.00)	998,466
24ShenZheng02	-	1,500,000	-	(3,861.00)	1,496,139
24ShenZheng03	-	2,700,000	-	(5,726.00)	2,694,274
24ShenZheng04	-	2,100,000	-	(4,624.00)	2,095,376
24ShenZhengC1	-	1,000,000	-	(2,738.00)	997,262
24ShenZhengC2	-	1,500,000	-	(6,253.00)	1,493,747
21 Shenwan Hongyuan International Finance Limited US dollar Bond (1)	3,529,084	58,597	-	-	3,587,681
22 Shenwan Hongyuan International Finance Limited US dollar bond (2)	2,120,444	35,902	-	-	2,156,346
Structured Notes (3)	15,750,996	3,417,243	-	(9,611,734.00)	9,556,505
Interest payables	2,315,883	3,795,619	-	(4,162,023.00)	1,949,479
Total	137,228,905	21,157,361	46,897	(45,284,663)	113,148,500



## 48 Long-term bonds (continued)

As at 31 December 2023

Name	Par value Original currency	Issuance date	Due date	Issue amount Original currency	Nominal interest rate
17 ShenZheng 02	500,000	2017/2/17	2024/2/17	500,000	4.50%
18 ShenHong 01	500,000	2018/7/13	2023/7/17	500,000	3.20%
18 ShenHong 02	6,500,000	2018/7/13	2023/7/17	6,500,000	4.80%
18 ShenZheng 03	1,500,000	2018/12/10	2023/12/10	1,500,000	4.08%
20 ShenZheng 02	2,000,000	2020/1/16	2023/1/16	2,000,000	3.55%
20 ShenZheng 04	3,000,000	2020/2/21	2023/2/21	3,000,000	3.20%
20 ShenZheng 06	4,100,000	2020/7/27	2023/7/27	4,100,000	3.49%
20 ShenZheng 08	3,200,000	2020/9/10	2023/9/10	3,200,000	3.76%
20 ShenZheng 10	5,700,000	2020/10/26	2023/10/26	5,700,000	3.68%
20 ShenZheng C2	6,000,000	2020/4/23	2023/4/23	6,000,000	3.18%
20 ShenZheng C3	6,000,000	2020/5/25	2023/5/25	6,000,000	3.25%
21 ShenHong 01	1,500,000	2021/3/4	2026/3/8	1,500,000	3.68%
21 ShenHong 02	500,000	2021/3/4	2028/3/8	500,000	3.95%
21 ShenHong 04	3,000,000	2021/7/13	2028/7/15	3,000,000	3.65%
21 ShenHong 05	500,000	2021/8/2	2024/8/4	500,000	2.99%
21 ShenHong 06	2,500,000	2021/8/2	2026/8/4	2,500,000	3.38%
21 ShenZheng 01	2,500,000	2021/4/29	2024/4/29	2,500,000	3.45%
21 ShenZheng 02	2,000,000	2021/4/29	2031/4/29	2,000,000	4.05%
21 ShenZheng 03	2,600,000	2021/5/24	2026/5/24	2,600,000	3.63%
21 ShenZheng 04	2,000,000	2021/5/28	2024/5/28	2,000,000	3.27%
21 ShenZheng 05	2,500,000	2021/5/28	2031/5/28	2,500,000	4.00%
21 ShenZheng 06	2,000,000	2021/7/21	2024/7/21	2,000,000	3.13%
21 ShenZheng 07	3,000,000	2021/7/21	2031/7/21	3,000,000	3.77%
21 ShenZheng 08	2,800,000	2021/7/28	2024/7/28	2,800,000	3.04%
21 ShenZheng 09	4,200,000	2021/7/28	2026/7/28	4,200,000	3.38%
21 ShenZheng 10	3,000,000	2021/8/26	2024/8/26	3,000,000	3.02%
21 ShenZheng 11	3,000,000	2021/8/26	2031/8/26	3,000,000	3.75%
21 ShenZheng 12	4,800,000	2021/9/9	2024/9/9	4,800,000	3.05%
21 ShenZheng 13	1,000,000	2021/9/9	2026/9/9	1,000,000	3.40%
21 ShenZheng 14	2,300,000	2021/9/22	2023/9/22	2,300,000	2.95%
21 ShenZheng 15	2,300,000	2021/9/22	2024/9/22	2,300,000	3.10%
21 ShenZheng C1	3,000,000	2021/1/21	2024/1/21	3,000,000	3.93%
21 ShenZheng C2	3,800,000	2021/3/11	2024/3/11	3,800,000	3.94%

## 48 Long-term bonds (continued)

Name	Par value Original currency	Issuance date	Due date	Issue amount Original currency	Nominal interest rate
21 ShenZheng C3	1,800,000	2021/12/27	2023/12/27	1,800,000	3.08%
21 ShenZheng C4	1,200,000	2021/12/27	2024/12/27	1,200,000	3.20%
22 ShenHong 01	1,800,000	2022/3/4	2025/3/8	1,800,000	3.11%
22 ShenHong 02	1,200,000	2022/3/4	2027/3/8	1,200,000	3.50%
22 ShenHong 03	3,000,000	2022/4/22	2025/4/26	3,000,000	3.06%
22 ShenHong 04	1,000,000	2022/4/22	2027/4/26	1,000,000	3.45%
22 ShenHong 06	2,550,000	2022/8/26	2032/8/30	2,550,000	3.56%
22 ShenZheng 01	5,000,000	2022/1/21	2025/1/21	5,000,000	2.80%
22 ShenZheng 02	2,400,000	2022/1/21	2032/1/21	2,400,000	3.60%
22 ShenZheng 03	2,200,000	2022/2/23	2025/2/23	2,200,000	2.95%
22 ShenZheng 05	3,500,000	2022/3/24	2025/3/24	3,500,000	3.18%
22 ShenZheng 06	2,100,000	2022/3/24	2027/3/24	2,100,000	3.53%
22 ShenZheng 07	1,800,000	2022/5/23	2025/5/23	1,800,000	2.78%
22 ShenZheng 08	2,200,000	2022/5/23	2027/5/23	2,200,000	3.20%
22 ShenZheng C1	3,000,000	2022/4/27	2025/4/27	3,000,000	3.19%
23 ShenZheng C1	1,400,000	2023/3/6	2025/3/6	1,400,000	3.35%
23 ShenZheng C2	1,300,000	2023/3/6	2026/3/6	1,300,000	3.55%
23 ShenZheng C3	2,300,000	2023/3/27	2026/3/27	2,300,000	3.38%
23 ShenZheng 01	800,000	2023/4/14	2025/4/14	800,000	2.85%
23 ShenZheng 02	2,000,000	2023/4/14	2026/4/14	2,000,000	2.99%
23 ShenHong 02	5,000,000	2023/6/12	2028/6/14	5,000,000	3.49%
23 ShenZheng 03	2,200,000	2023/8/17	2025/8/17	2,200,000	2.50%
23 ShenZheng 04	1,800,000	2023/8/17	2026/8/17	1,800,000	2.67%
23 ShenZheng 05	500,000	2023/8/30	2025/8/30	500,000	2.56%
23 ShenZheng 06	1,500,000	2023/8/30	2028/8/30	1,500,000	2.95%
23 ShenHong 03	1,600,000	2023/9/1	2028/9/5	1,600,000	2.49%
23 ShenHong 04	800,000	2023/9/1	2033/9/5	800,000	2.85%
23 ShenZheng 07	2,800,000	2023/9/21	2025/9/21	2,800,000	2.80%
23 ShenZheng 08	2,100,000	2023/9/21	2028/9/21	2,100,000	3.14%
23 ShenZheng C4	1,600,000	2023/12/8	2028/12/8	1,600,000	3.35%
21 Shenwan Hongyuan International Finance Limited US dollar Bond (1)	500,000	2021/7/14	2026/7/14	-	1.80%
22 Shenwan Hongyuan International Finance Limited US dollar bond (2)	300,000	2022/3/16	2025/3/16	-	2.63%
Structured Notes (3)	15,750,996	Note 3	Note 3	15,750,996	2.70%-3.15%



## 48 Long-term bonds (continued)

Name	Book value as at 1 January 2023	Increase	Amount of amortization	Decrease	Book value as at 31 December 2023
17 ShenZheng 02	500,000	-	-	-	500,000
18 ShenHong 01	32,501	-	-	(32,501)	-
18 ShenHong 02	6,499,987	-	-	(6,499,987)	-
18 ShenZheng 03	1,500,000	-	-	(1,500,000)	-
20 ShenZheng 02	1,999,987	-	-	(1,999,987)	-
20 ShenZheng 04	3,000,000	-	-	(3,000,000)	-
20 ShenZheng 06	4,100,000	-	-	(4,100,000)	-
20 ShenZheng 08	3,196,874	-	-	(3,196,874)	-
20 ShenZheng 10	5,693,415	-	-	(5,693,415)	-
20 ShenZheng C2	5,999,132	-	-	(5,999,132)	-
20 ShenZheng C3	5,999,442	-	-	(5,999,442)	-
21 ShenHong 01	1,500,000	-	-	-	1,500,000
21 ShenHong 02	500,000	-	-	-	500,000
21 ShenHong 04	3,000,000	-	-	-	3,000,000
21 ShenHong 05	500,000	-	-	-	500,000
21 ShenHong 06	2,500,000	-	-	-	2,500,000
21 ShenZheng 01	2,497,318	-	1,990	-	2,499,308
21 ShenZheng 02	1,996,011	-	478	-	1,996,489
21 ShenZheng 03	2,595,882	-	1,205	-	2,597,087
21 ShenZheng 04	1,997,728	-	1,592	-	1,999,320
21 ShenZheng 05	2,494,966	-	597	-	2,495,563
21 ShenZheng 06	1,997,267	-	1,759	-	1,999,026
21 ShenZheng 07	2,993,223	-	792	-	2,994,015
21 ShenZheng 08	2,797,932	-	1,279	-	2,799,211
21 ShenZheng 09	4,190,016	-	2,794	-	4,192,810
21 ShenZheng 10	2,993,875	-	3,708	-	2,997,583
21 ShenZheng 11	2,990,371	-	1,112	-	2,991,483
21 ShenZheng 12	4,792,713	-	4,311	-	4,797,024
21 ShenZheng 13	998,011	-	539	-	998,550
21 ShenZheng 14	2,296,469	-	-	(2,296,469)	-
21 ShenZheng 15	2,294,387	-	3,252	-	2,297,639
21 ShenZheng C1	2,995,522	-	4,245	-	2,999,767
21 ShenZheng C2	3,793,597	-	5,373	-	3,798,970

## 48 Long-term bonds (continued)

Name	Book value as at 1 January 2023	Increase	Amount of amortization	Decrease	Book value as at 31 December 2023
21 ShenZheng C3	1,796,232	-	-	(1,796,232)	-
21 ShenZheng C4	1,196,625	-	1,697	-	1,198,322
22 ShenHong 01	1,800,000	-	-	-	1,800,000
22 ShenHong 02	1,200,000	-	-	-	1,200,000
22 ShenHong 03	3,000,000	-	-	-	3,000,000
22 ShenHong 04	1,000,000	-	-	-	1,000,000
22 ShenHong 06	2,550,000	-	-	-	2,550,000
22 ShenZheng 01	4,991,789	-	3,990	-	4,995,779
22 ShenZheng 02	2,394,791	-	575	-	2,395,366
22 ShenZheng 03	2,195,285	-	2,160	-	2,197,445
22 ShenZheng 05	3,492,500	-	3,304	-	3,495,804
22 ShenZheng 06	2,094,867	-	1,146	-	2,096,013
22 ShenZheng 07	1,795,823	-	1,713	-	1,797,536
22 ShenZheng 08	2,194,366	-	1,214	-	2,195,580
22 ShenZheng C1	2,990,049	-	4,199	-	2,994,248
23 ShenZheng C1	-	1,398,029	-	-	1,398,029
23 ShenZheng C2	-	1,297,741	-	-	1,297,741
23 ShenZheng C3	-	2,295,418	-	-	2,295,418
23 ShenZheng 01	-	798,839	-	-	798,839
23 ShenZheng 02	-	1,996,561	-	-	1,996,561
23 ShenHong 02	-	4,997,301	-	-	4,997,301
23 ShenZheng 03	-	2,195,663	-	-	2,195,663
23 ShenZheng 04	-	1,796,177	-	-	1,796,177
23 ShenZheng 05	-	495,682	-	-	495,682
23 ShenZheng 06	-	1,496,582	-	-	1,496,582
23 ShenHong 03	-	1,600,000	-	-	1,600,000
23 ShenHong 04	-	800,000	-	-	800,000
23 ShenZheng 07	-	2,789,731	-	-	2,789,731
23 ShenZheng 08	-	2,091,546	-	-	2,091,546
23 ShenZheng C4	-	1,593,290	-	-	1,593,290
21 Shenwan Hongyuan International Finance Limited US dollar Bond (1)	3,467,878	-	61,206	-	3,529,084
22 Shenwan Hongyuan International Finance Limited US dollar bond (2)	2,083,374	-	37,070	-	2,120,444
Structured Notes (3)	14,999,615	6,527,810	-	(5,776,429)	15,750,996
Interest payables	2,584,740	4,076,369	-	(4,345,226)	2,315,883
Total	151,064,560	38,246,739	153,300	(52,235,694)	137,228,905



## 48 Long-term bonds (continued)

	As at 31 December 2024	As at 31 December 2023
Long-term bonds due within one year	35,896,278	34,371,888
Long-term bonds due after one year	<u>77,252,222</u>	<u>102,857,017</u>
Total	<u>113,148,500</u>	<u>137,228,905</u>

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

- (1) Shenwan Hongyuan International Finance Limited issued a 5-year corporate bond amounting to US\$0.5billion on 14 July 2021, with the annual interest rate of 1.80%, the bond pays interest every six months, and is guaranteed unconditionally and irrevocably by Shenwan Hongyuan Securities Co., Ltd.
- (2) Shenwan Hongyuan International Finance Limited issued a 3-year corporate bond amounting to US\$0.3billion on 16 March 2022, with the annual interest rate of 2.63%, the bond pays interest every six months, and is guaranteed unconditionally and irrevocably by Shenwan Hongyuan Securities Co., Ltd.
- (3) In 2024, the Group has issued 151 tranches of structured notes due over one year (For the year ended 31 December 2023: 190 tranches). At 31 December 2024, the structured notes issued by the Group used fixed rates or floating rates linked to certain stock indexes to accrue interest, in which the fixed rates range were 0.10%-8.10% (At 31 December 2023: 2.70%-3.15%).

## 49 Share capital

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

	<u>As at 31 December 2024 and 2023</u>	
	<i>Number of shares (Thousands)</i>	<i>Nominal value</i>
Registered, issued and fully paid:		
A shares of RMB1 each	22,535,945	22,535,945
H shares of RMB1 each	2,504,000	2,504,000
	<hr/>	<hr/>
Total	25,039,945	25,039,945
	<hr/>	<hr/>

As at 31 December 2024 and 31 December 2023, the number of non-tradable restricted A shares of the Company was 437,244 shares and 437,244 shares respectively.

## 50 Reserves

### (1) Capital reserve

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

### (2) Surplus reserve

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

Subject to the approval of the shareholders, the statutory reserve may be used to offset accumulated losses, or converted into capital of the Company provided that the balance of the statutory surplus reserve after such capitalisation is not less than 25% of the registered capital immediately before the capitalisation.



## **50 Reserves(continued)**

### **(3) General reserve**

General reserve includes general risk reserve and transaction risk reserve.

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

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

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

### **(4) Fair value reserve**

The fair value reserve comprises:

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

## 50 Reserves (continued)

### (5) Translation reserve

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

	<i>For the year ended 31 December 2024</i>				
	<i>Fair value reserve</i>	<i>Translation reserve</i>	<i>Sub-total</i>	<i>NCI</i>	<i>Total</i>
Items that may be reclassified subsequently to profit or loss:					
Financial assets at fair value through other comprehensive income					
- Net changes in fair value	1,050,326	-	1,050,326	1,178	1,051,504
- Reclassified to profit or loss	(737,681)	-	(737,681)	(1,128)	(738,809)
Share of other comprehensive income of associates	22,643	-	22,643	-	22,643
Exchange differences on translation of financial statements in foreign currencies	-	74,563	74,563	17,770	92,333
Items that will not be reclassified to profit or loss:					
Equity investment at fair value through other comprehensive income					
- Net changes in fair value	852,749	-	852,749	-	852,749
Share of other comprehensive income of associates	(8,014)	-	(8,014)	-	(8,014)
<b>Total</b>	<b>1,180,023</b>	<b>74,563</b>	<b>1,254,586</b>	<b>17,820</b>	<b>1,272,406</b>



## 50 Reserves (continued)

	For the year ended 31 December 2023				
	Fair value reserve	Translation reserve	Sub-total	NCI	Total
Items that may be reclassified subsequently to profit or loss:					
Financial assets at fair value through other comprehensive income					
- Net changes in fair value	524,557	-	524,557	10,943	535,500
- Reclassified to profit or loss	126,735	-	126,735	(3,696)	123,039
Share of other comprehensive income of associates	1,362	-	1,362	-	1,362
Exchange differences on translation of financial statements in foreign currencies	-	62,890	62,890	(19,247)	43,643
Items that will not be reclassified to profit or loss:					
Equity investment at fair value through other comprehensive income					
- Net changes in fair value	624,729	-	624,729	-	624,729
Total	1,277,383	62,890	1,340,273	(12,000)	1,328,273

## 51 Retained profits

As at 31 December 2024 and 31 December 2023, the consolidated retained profits attributable to the Company included an appropriation of RMB5,886 million and RMB5,311 million to surplus reserve made by the subsidiaries respectively; and RMB2,185 million and RMB2,185 million enjoyed by shareholders arising from the merger of Hongyuan Securities under common control.

Pursuant to the resolution of the general meeting of the shareholders dated 28 June 2024, the Company was approved to distribute cash dividends of RMB 0.56 (tax inclusive) per 10 shares to shareholders based on the total outstanding shares of 25,039,945 thousand shares, with total dividends amounting to RMB 1,402,237 thousand.

Pursuant to the resolution of the extraordinary general meeting of the shareholders dated 22 October 2024, the Company was approved to distribute cash dividends of RMB 0.17 (tax inclusive) per 10 shares to shareholders based on the total outstanding shares of 25,039,945 thousand shares, with total dividends amounting to RMB 425,679 thousand.

## 52 Transferred financial assets

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

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

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

	<u>As at 31 December 2024</u>		<u>As at 31 December 2023</u>	
	<i>Carrying amount of transferred assets</i>	<i>Carrying amount of related liabilities</i>	<i>Carrying amount of transferred assets</i>	<i>Carrying amount of related liabilities</i>
Repurchase agreements	760,793	702,449	531,523	502,055
Securities lending	204,887	-	410,095	-

## 53 Interests in structured entities

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

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

As at 31 December 2024 and 31 December 2023, the net assets of the consolidated asset management products are RMB 80,448,751 thousand and RMB 69,728,612 thousand respectively.

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

As at 31 December 2024 and 31 December 2023, the Group reassessed the control of structured entities and decided whether the Group is still a principal.



### 53 Interests in structured entities (continued)

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

The carrying amount of the related accounts in the consolidated statement of financial position is equal to the maximum exposure to loss of interests held by the Group in the unconsolidated structured entities sponsored by third party institutions as at 31 December 2024 and 31 December 2023, which are listed as below:

	<i>As at 31 December 2024</i>	<i>As at 31 December 2023</i>
Financial assets at fair value through profit or loss	49,994,035	44,849,300
Financial assets measured at amortized cost	1,699,308	942,248
Financial assets at fair value through other comprehensive income	132,504	-
Total	<u>51,825,847</u>	<u>45,791,548</u>

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

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

The carrying amount of the related accounts in the consolidated statement of financial position is equal to the maximum exposure to loss of interests held by the Group in the unconsolidated structured entities sponsored by the Group as at 31 December 2024 and 31 December 2023, which are listed as below:

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

### 53 Interests in structured entities (continued)

	<i>As at 31 December 2023</i>		
	<i>Financial assets at fair value through profit or loss</i>	<i>Financial Assets measured at amortized cost</i>	<i>Total</i>
Funds	1,503,890	-	1,503,890
Asset management products and others	1,516,468	-	1,516,468
Total	3,020,358	-	3,020,358

During the years ended 31 December 2024 and 2023, the Group recognized net income from asset management business of RMB796,361 thousand and RMB975,457 thousand, respectively. Net income is analysed in Note 5.

### 54 Contingencies

In December 2023 and February 2024, the Group successively received the notice of arbitration defense sent by Beijing Arbitration Commission. Five intermediaries including the Group's subsidiary Shenwan Hongyuan Securities Underwriting Recommendation Co., Ltd. were involved in the litigation of Brilliance Auto Group Holdings Co., Ltd., of which the amount of the litigation object that had been settled on May 7, 2024 was RMB180,475 thousand, and the amount of the remaining litigation object that had not been settled was RMB474,084 thousand. As of December 31, 2024, there is no progress in arbitration of the above cases.

As at 31 December 2024, except for the above matters, the Group was not involved in any material lawsuits, arbitration or administrative proceedings that if adversely determined, the Group expects would materially and adversely affect its financial position or results of operations.



## 55 Related party relationships and transactions

### (1) Relationship of related parties

#### (a) Major shareholders

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

	<i>Place of incorporation</i>	<i>Place of operating</i>	<i>As at 31 December 2024</i>	<i>As at 31 December 2023</i>
China Jianyin Investment Ltd.	PRC	Beijing	26.34%	26.34%
Central Huijin Investment Ltd.	PRC	Beijing	20.05%	20.05%

#### (b) Associates and joint ventures of the Group

The detailed information of the Group's associates and joint ventures is set out in Note 23.

#### (c) Other related parties

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

## 55 Related party relationships and transactions (continued)

### (2) Related parties transactions and balances

#### (a) Transactions between the Group and major shareholders:

	<i>As at 31 December 2024</i>	<i>As at 31 December 2023</i>
Year end:		
Financial assets at fair value through other comprehensive income	-	402,271
Financial assets at fair value through profit or loss	694,275	10,192
Accounts payable to brokerage clients	9,946	-
Accounts receivable	-	922
	<u><i>For the year ended 31 December</i></u>	<u><i>For the year ended 31 December</i></u>
	<i>2024</i>	<i>2023</i>
Transactions during the year:		
Interest income	-	18,914
Fee and commission income	22,624	12,653
Net investment gains	1,123	(17,045)



## 55 Related party relationships and transactions (continued)

(b) Transactions between the Group with associates, joint ventures and other related parties:

	<i>As at 31 December 2024</i>	<i>As at 31 December 2023</i>
Balances at the end of the year:		
Cash and bank balances	64,951,840	22,686,901
Financial assets sold under repurchase agreements	39,469,525	25,725,097
Financial assets at fair value through other comprehensive income	18,083,187	12,145,273
Financial assets at fair value through profit or loss	7,086,017	19,367,734
Placements from other financial institutions	1,200,000	-
Financial liabilities at fair value through profit or loss	1,148,253	1,796,790
Derivative financial liabilities	383,105	202,851
Derivative financial assets	220,491	68,422
Accounts payable to brokerage clients	206,740	63,750
Loans and borrowings	80,298	313,454
Right-of-use assets	71,789	83,972
Lease liabilities	63,303	74,372
Accounts receivable	57,050	52,233
Other payables and accruals	3,862	6,987
Other receivables and prepayments	-	8,233
	<i><u>For the year ended 31 December</u></i>	<i><u>2024</u></i>
		<i><u>2023</u></i>
Transactions during the year:		
Interest income	1,592,438	1,000,711
Net investment gains	1,217,717	680,541
Interest expenses	160,756	254,014
Fee and commission income	127,997	308,739
Fee and commission expenses	91,686	68,640
Other operating expenses	88,990	112,482
Depreciation and amortization expense	23,538	20,931
Other income and gains	13,882	18,495

## **55 Related party relationships and transactions (continued)**

For the years ended 31 December 2024, the Group has not injected capital into associates and joint ventures. For the years ended 31 December 2023, capital injection made by the Group into the associates and joint ventures is RMB218,100 thousand.

For the years ended 31 December 2024 and 31 December 2023, dividend received from associates and joint ventures are RMB317,881 thousand and RMB308,690 thousand, respectively.

### **(3) Key management personnel remuneration**

In 2024, the Company accrued and disbursed a total pre-tax remuneration of RMB 10,474 thousand (2023: RMB 10,430 thousand) for directors, supervisors, and senior management personnel during the year. The final remuneration for directors, supervisors, and senior management personnel who received compensation from the company is still under confirmation. The remaining details will be disclosed once the confirmation process is completed.

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



## 56 Segment reporting

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

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

## 56 Segment reporting (continued)

### Business segments

#### For the year ended 31 December 2024

	<i>Enterprise finance</i>		<i>Personal finance</i>	<i>Institutional services and trading</i>	<i>Investment management</i>	<i>Segment total</i>
	<i>Investment banking</i>	<i>Principal investment</i>				
Fee and commission income	1,005,526	29,631	5,384,103	1,254,513	854,760	8,528,533
Interest income	26,262	411,600	5,657,952	2,866,186	313,946	9,275,946
Net investment gains	444,129	974,992	148,819	8,950,621	46,750	10,565,311
Other income and gains	3,057	95,194	140,795	6,153,024	16,461	6,408,531
Total revenue and other income	1,478,974	1,511,417	11,331,669	19,224,344	1,231,917	34,778,321
Segment expenses	1,388,925	1,909,079	9,028,672	14,692,789	1,011,229	28,030,694
Including: Interest expenses	29,250	1,099,396	1,859,251	5,584,006	176,289	8,748,192
Provision for impairment losses	1,845	371,504	47,512	107,193	(38,072)	489,982
Share of profit of associates and joint ventures	-	589,097	-	-	-	589,097
Profit before income tax	90,049	191,435	2,302,997	4,531,555	220,688	7,336,724
Other segment information:						
Depreciation and amortization expenses	88,112	24,598	495,597	293,427	25,437	927,171
Capital expenditure paid	13,865	288,271	166,112	61,043	12,303	541,594
As at 31 December 2024						
Segment assets	1,408,844	37,867,916	182,223,321	441,840,142	32,635,345	695,975,568
Deferred tax assets						1,621,025
Segment total assets						697,596,593
Segment liabilities	354,218	33,411,744	131,993,113	370,686,931	27,753,521	564,199,527
Deferred tax liabilities						48,140
Segment total liabilities						564,247,667



## 56 Segment reporting (continued)

### For the year ended 31 December 2023

	<i>Enterprise finance</i>		<i>Personal finance</i>	<i>Institutional services and trading</i>	<i>Investment management</i>	<i>Segment total</i>
	<i>Investment banking</i>	<i>Principal investment</i>				
Fee and commission income	1,497,478	87,250	4,330,794	1,413,480	1,003,790	8,332,792
Interest income	51,579	439,840	5,853,249	3,383,262	298,981	10,026,911
Net investment gains	483,328	1,172,600	377,179	6,825,201	115,566	8,973,874
Other income and gains	2,963	193,609	216,147	4,134,815	35,037	4,582,571
Total revenue and other income	2,035,348	1,893,299	10,777,369	15,756,758	1,453,374	31,916,148
Segment expenses	1,481,567	1,576,912	8,402,445	13,572,591	1,368,147	26,401,662
Including: Interest expenses	29,286	1,090,875	2,060,536	6,202,196	312,516	9,695,409
Provision for impairment losses	(93)	65,289	(36,154)	350,334	51,569	430,945
Share of profit of associates and joint ventures	-	577,596	-	-	-	577,596
Profit before income tax	553,781	893,983	2,374,924	2,184,167	85,227	6,092,082
Other segment information:						
Depreciation and amortization expenses	82,352	21,621	471,455	256,287	37,823	869,538
Capital expenditure paid	6,776	305,582	180,567	74,170	18,468	585,563
As at 31 December 2023						
Segment assets	1,913,994	37,682,330	157,248,866	413,028,017	22,824,640	632,697,847
Deferred tax assets						2,739,571
Segment total assets						635,437,418
Segment liabilities	414,847	29,856,170	118,102,178	339,880,924	18,358,638	506,612,757
Deferred tax liabilities						30,527
Segment total liabilities						506,643,284

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

## 57 Fair value information

### (1) Fair value of financial instruments

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

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

### (2) Fair value hierarchy

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

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

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



## 57 Fair value information (continued)

The table below analyses financial instruments, measured at fair value at 31 December 2024 and 31 December 2023, by the level in the fair value hierarchy into which the fair value measurement is categorized. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

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

## 57 Fair value information (continued)

	As at 31 December 2023			
	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Financial assets at fair value through profit or loss				
- Debt securities	48,620,941	72,798,923	249,776	121,669,640
- Equity securities	82,877,572	8,537,052	6,575,098	97,989,722
- Hybrid instruments	1,453,320	148,040	1,591,904	3,193,264
- Asset management products and others	922,646	4,557,548	8,155,344	13,635,538
Financial assets at fair value through other comprehensive income				
- Debt securities	9,889,044	63,435,321	74,550	73,398,915
- Equity securities	1,573,324	68,756,603	263,800	70,593,727
Derivative financial assets	739,919	1,688,087	7,779,372	10,207,378
<b>Total</b>	<u>146,076,766</u>	<u>219,921,574</u>	<u>24,689,844</u>	<u>390,688,184</u>
<b>Liabilities</b>				
Financial liabilities at fair value through profit or loss	303,566	5,388,936	1,804	5,694,306
Derivative financial liabilities	609,137	1,526,192	4,050,231	6,185,560
<b>Total</b>	<u>912,703</u>	<u>6,915,128</u>	<u>4,052,035</u>	<u>11,879,866</u>

For the years ended 31 December 2024 and 31 December 2023, there were transfers into and out of Level 3 due to the delisting of equity securities and the lifting of restricted stocks respectively. The Group's policy is to recognize transfer between levels of fair value hierarchy at the end of the year in which they occur.



## 57 Fair value information (continued)

### (a) Financial instruments in Level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at 31 December 2024 and 31 December 2023. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the closing price within bid-ask spread. These instruments are included in Level 1. Instruments included in Level 1 comprise primarily securities traded on exchanges and fund investments traded through exchanges or fund management companies.

### (b) Financial instruments in Level 2

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

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

### (c) Valuation methods for specific investments

As at 31 December 2024 and 31 December 2023, the Group's valuation methods for specific investments are as follows:

- (i) For exchange-listed equity securities, fair value is determined based on the closing price of the equity securities as at 31 December 2024 and 31 December 2023 within bid-ask spread. If there is no quoted market price as at 31 December 2024 and 31 December 2023, valuation techniques are used to determine the fair value.
- (ii) For exchange-listed investment funds, fair value is determined based on the closing price within bid-ask spread as at 31 December 2024 and 31 December 2023 or the most recent trading date. For unlisted open-end funds and asset management products, fair value is determined by quoted price which is based on the net asset value as at 31 December 2024 and 31 December 2023.
- (iii) For debt securities, fair values are determined by valuation techniques.
- (iv) For futures traded through exchanges, fair value is determined based on the closing price of the futures as at 31 December 2024 and 31 December 2023.

## 57 Fair value information (continued)

### (d) Financial instruments in Level 3

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

	<i>For the year ended 31 December 2024</i>						
	<i>Financial assets at fair value through profit or loss</i>	<i>Financial assets at fair value through other comprehensive income - debt instruments</i>	<i>Financial assets at fair value through other comprehensive income - equity instruments</i>	<i>Derivative financial assets</i>	<i>Financial liabilities at fair value through profit or loss</i>	<i>Derivative financial liabilities</i>	<i>Total</i>
As at 1 January 2024	16,572,122	74,550	263,800	7,779,372	1,804	4,050,231	28,741,879
Gains or losses for the year	1,300,798	-	-	(207,653)	32,217	412,305	1,537,667
Changes in fair value recognized in other comprehensive income	-	(15,375)	-	-	-	-	(15,375)
Purchases	6,176,575	101,011	-	142,418	-	252,127	6,672,131
Sales and settlements	(11,757,740)	(156,776)	-	(2,295,701)	(34,021)	(1,096,696)	(15,340,934)
Transfer in	-	-	-	-	-	-	-
Transfer out	(2,357,708)	-	-	-	-	-	(2,357,708)
As at 31 December 2024	<u>9,934,047</u>	<u>3,410</u>	<u>263,800</u>	<u>5,418,436</u>	<u>-</u>	<u>3,617,967</u>	<u>19,237,660</u>
Realized gains or losses included in profit or loss for the year							
- investment gains	2,357,708	-	-	224,092	-	670,387	3,252,187
Unrealized gains or losses included in profit or loss for the year							
- gain or losses on the fair value change	(1,056,910)	(15,375)	-	(431,745)	32,217	(258,082)	(1,729,895)



## 57 Fair value information (continued)

	<i>For the year ended 31 December 2023</i>						
	<i>Financial assets at fair value through profit or loss</i>	<i>Financial assets at fair value through other comprehensive income - debt instruments</i>	<i>Financial assets at fair value through other comprehensive income - equity instruments</i>	<i>Derivative financial assets</i>	<i>Financial liabilities at fair value through profit or loss</i>	<i>Derivative financial liabilities</i>	<i>Total</i>
As at 1 January 2023	17,670,018	380,970	261,000	6,614,147	6,894	3,427,642	28,360,671
Gains or losses for the year	3,570,918	(9,147)	-	1,440,082	(2,071)	331,938	5,331,720
Changes in fair value recognized in other comprehensive income	-	(137,974)	-	-	-	-	(137,974)
Purchases	9,689,919	4,759	2,800	18,179	755	377,418	10,093,830
Sales and settlements	(10,252,299)	(164,058)	-	(293,036)	(3,774)	(86,767)	(10,799,934)
Transfer in	9,124	-	-	-	-	-	9,124
Transfer out	(4,115,558)	-	-	-	-	-	(4,115,558)
As at 31 December 2023	<u>16,572,122</u>	<u>74,550</u>	<u>263,800</u>	<u>7,779,372</u>	<u>1,804</u>	<u>4,050,231</u>	<u>28,741,879</u>
Realized gains or losses included in profit or loss for the year							
- investment gains	3,327,274	(9,147)	-	198,124	23,554	(18,817)	3,520,988
Unrealized gains or losses included in profit or loss for the year							
- gain or losses on the fair value change	243,644	-	-	1,241,958	(21,483)	(313,121)	1,150,998

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

## 58 Financial instruments risk management

### Risk analysis and control

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

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

#### (1) Credit risk

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

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

- Established an internal rating system for credit risk, and conducted concentration risk management of the clients;
- Optimised risk assessment and analysis of clients and collateral, and reinforced continuous supervision. The Group has also been improving credit risk management system, and set up company-level negative lists of counterparties so as to collect and manage the list of clients with bad credit, and unified the management of negative information of clients;
- Set up strict entry criteria such as bond and issuer ratings for the proprietary trading business, and carried out pre-transaction review, post-transaction monitoring, and follow up on trading behaviours, credit ratings and types of securities, as well as scale and concentration of bonds;
- Enhanced measures and policies of derivatives trading, set up rating and entry criteria for its counterparties, and improved the risk limit indicators system and pre-transaction review standard; and
- Tightened the review and management of certain businesses, such as stock-backed lending and principal investment business, on the assessment of client, concentration control, and scale of the businesses, and closely monitor project status on a continual basis.



## 58 Financial instruments risk management (continued)

### Measurement of expected credit loss

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

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

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

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

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

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

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

## 58 Financial instruments risk management (continued)

### Measuring ECL –Inputs, assumptions and estimation techniques

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

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

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

### The criteria of Significant increase in credit risk (SICR)

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

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

For securities financing business, the Group considered securities financing business to have experienced a SICR if collateral to loan ratios is lower than the force liquidation thresholds, which means collateral valuation has declined or the quality of the third-party collateral is significantly reduced. As at 31 December 2024 and 31 December 2023, over 90% of the securities financing balances of the Group were covered by collateral value of over the force liquidation thresholds of related loan or repo amounts.



## 58 Financial instruments risk management (continued)

For debt securities investments, the Group makes use of open market credit ratings. The Group considers debt securities investments to have experienced a SICR if the following scenarios occurs: the debt securities with an initial rating above AA level (inclusive) downgraded below AA (exclusive); the debt securities with an initial rating below AA level (exclusive) been downgraded; or the debt securities are on the warning list. As at 31 December 2024 and 31 December 2023, the vast majority of the debt securities investments of the Group have been rated as investment grade or above and there was no SICR.

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

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

### Definition of default and credit impairment

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

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

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

## 58 Financial instruments risk management (continued)

### Forward-looking information

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

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

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

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

At 31 December 2024 and 31 December 2023, for all portfolios the Group concluded that three scenarios appropriately captured non-linearities of key economic variables. The scenario weightings are determined by a combination of statistical analysis and expert judgement, taking account of the range of possible outcomes each chosen scenario is representative of. The number of scenarios and their attributes are reassessed at each financial statement date.

The assessment of SICR is performed using the Lifetime PD under each of the base and other scenarios multiplied by the associated scenario weighting, as well as qualitative criteria, quantitative criteria and upper limit. The Group measures ECL as either a probability weighted 12-month ECL or a probability weighted lifetime ECL. These probability weighted ECLs are determined by running each scenario through the relevant ECL model and multiplying it by the appropriate scenario weighting.

At 31 December 2024 and 31 December 2023, comprehensively considering of the current economic situation, and various supporting policies adopted by the government, the Group updated relevant economic indicators for forward-looking measurement based on the latest economic forecasts. As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected. The Group considers these forecasts to represent its best estimate of the possible outcomes as at the financial statement date.



## 58 Financial instruments risk management (continued)

### Sensitivity analysis

The allowance for credit losses is sensitive to the inputs used in internally developed models, macroeconomic variables in the forward-looking forecasts, weighting applied to economic scenarios and other factors considered when applying expert judgement. Changes in these inputs, assumptions and judgements are likely to have an impact on the measurement of ECLs.

A sensitivity analysis is performed on key economic indicators, economic scenarios and weightings assigned use in forward-looking measurement. When increasing the weighting applied to the optimistic scenario by 10% and a corresponding reduction of 10% weighting applied to the base scenario, or shifting 10% of the weighting from the base case scenario to the pessimistic scenario, the impact on ECL recognized is not significant.

Meanwhile, the Group also uses sensitivity analysis to monitor the impact of changes to the credit risk classification of the financial assets on ECL. As at 31 December 2024 and 31 December 2023, assuming there was no significant increase in credit risk since initial recognition, and all the financial assets in Stage 2 were moved to Stage 1, the decremental impact on ECL to be recognized in financial statements is not significant.

### Collateral and other credit enhancements

The Group employed a range of policies and credit enhancements to mitigate credit risk exposure to an acceptable level. The most common of these is accepting collateral for funds advanced or guarantee. The Group determined the type and amount of collateral according to the credit risk evaluation of counterparties. The collateral under margin financing and reverse repurchase agreements is primarily stocks, debt securities, funds etc. The management would test the market value of collateral periodically, and send margin calls according to related agreements, also monitor the market value fluctuation of collaterals when reviewing the measurement of the loss allowance.

### Loss Ratio and impairment provision of securities financing business

Based on the obligors' credit quality, contract maturity date, the related collateral securities information, which including the sector situation, liquidity discount factor, concentration, volatility and related information, the Group sets differentiated collateral to loan ratios (generally no less than 140%) as triggering margin calls and force liquidation thresholds (collateral to loan ratios generally no less than 130%) against different exposures related to these transactions.

- For financing assets exposures with collateral to loan ratios above 130% and those not past due are classified under Stage 1.
- For financing assets exposures with collateral to loan ratios fall below 130% of the pre-determined force liquidation thresholds but above 100%; or those past due for no more than 90 days are considered to be with significant increase in credit risks and are classified under Stage 2.
- For financing assets exposures with collateral to loan ratios fall below 100%; or those past due for more than 90 days are classified under Stage 3.

## 58 Financial instruments risk management (continued)

Loss ratio applied by the Group on its Financing Assets under the 3 stages were as follows:

Stage 1: 0.00% to 1.19% according to the different collateral ratios;

Stage 2: No less than 0.88%;

Stage 3: Discounted cash flow on individual exposure.

### Credit risk exposure analysis

The Group considered the credit risk of the financial assets was relatively low. As at 31 December 2024 and 31 December 2023, majority of the financial assets' ratio to underlying collateral value was over the force liquidation level. As at 31 December 2024 and 31 December 2023, most of the debt securities investments of the Group were rated at investment grade or above.

The maximum credit risk exposure on the balance sheet date, without taking into account any collateral and other credit enhancements, refers to the carrying value of the relevant financial assets after the deduction of impairment provisions. The Group's maximum credit risk exposure is disclosed as follows:

	31 December 2024	31 December 2023
Refundable deposits	21,795,817	22,812,202
Accounts receivable	6,005,511	6,167,987
Other receivables and prepayments	298,638	317,892
Other non-current assets	-	16,338
Margin accounts receivable	74,844,217	64,428,205
Financial assets held under resale agreements	12,389,756	4,614,564
Financial assets at fair value through profit or loss	183,845,151	128,148,316
Derivative financial assets	8,895,889	10,207,378
Financial assets measured at amortized cost	2,512,807	3,517,259
Financial assets at fair value through other comprehensive income	65,541,535	73,398,915
Clearing settlement funds	10,829,210	12,335,678
Cash held on behalf of brokerage clients	111,689,377	85,610,760
Bank balances	33,870,188	33,453,188
Total maximum credit risk exposure	<u>532,518,096</u>	<u>445,028,682</u>



## 58 Financial instruments risk management (continued)

The movements of loss allowance are mainly affected by:

- Increases are primarily attributable to new financial instruments recognized, changes in PD, LGD and expected cash flow recovery rate affected by market changes, the resulted movements amongst Stage 1, Stage 2 and Stage 3, and updates of parameters and assumptions in the ECL model;
- Reversals include the reversals caused by the redemption or disposal of financial assets, the impact of changes in model parameters and assumption;
- Transfers between stages due to financial instruments experiencing significant increases (or decreases) in credit risk or becoming credit-impaired, and the corresponding measurement basis changes between the 12-month (12M) or the Lifetime basis; and
- Foreign exchange and other movements include changes in foreign exchange translations for assets denominated in foreign currencies and other movements.

## 58 Financial instruments risk management (continued)

	<i>As at 1 January 2024</i>	<i>Increases</i>	<i>Reversals</i>	<i>Write-offs</i>	<i>Others</i>	<i>As at 31 December 2024</i>
Provision for impairment losses on cash and bank balances	1,999	676	(982)	-	6	1,699
Provision for impairment losses on margin accounts receivable (a)	402,628	38,687	(36,874)	-	(333)	404,108
Provision for impairment losses on accounts receivable(b)	974,494	4,914	(22,956)	-	(550,297)	406,155
Provision for impairment losses on financial assets held under resale agreements (c)	1,797,867	41,213	(23,655)	-	1	1,815,426
Provision for impairment losses on financial assets measured at amortized cost (d)	457,378	381,846	(2,594)	-	1,216	837,846
Provision for impairment losses on financial assets at fair value through other comprehensive income (e)	905,674	108,821	(56,572)	-	(111,941)	845,982
Provision for impairment losses on other receivables and prepayments(f)	309,529	42,899	(1,823)	-	38	350,643
Total	<u>4,849,569</u>	<u>619,056</u>	<u>(145,456)</u>	<u>-</u>	<u>(661,310)</u>	<u>4,661,859</u>



## 58 Financial instruments risk management (continued)

	As at 1 January 2023	Increases	Reversals	Write-offs	Others	As at 31 December 2023
Provision for impairment losses on cash and bank balances	5,201	1,208	(4,442)	-	32	1,999
Provision for impairment losses on margin accounts receivable (a)	378,024	71,411	(46,807)	-	-	402,628
Provision for impairment losses on accounts receivable(b)	858,529	170,600	(42,938)	-	(11,697)	974,494
Provision for impairment losses on financial assets held under resale agreements (c)	1,829,278	135,030	(163,826)	-	(2,615)	1,797,867
Provision for impairment losses on financial assets measured at amortized cost (d)	590,035	80,387	(462)	-	(212,582)	457,378
Provision for impairment losses on financial assets at fair value through other comprehensive income (e)	745,478	214,026	(57,309)	-	3,479	905,674
Provision for impairment losses on other receivables and prepayments(f)	325,308	14,097	(29,876)	-	-	309,529
Total	<u>4,731,853</u>	<u>686,759</u>	<u>(345,660)</u>	<u>-</u>	<u>(223,383)</u>	<u>4,849,569</u>

## 58 Financial instruments risk management (continued)

### (a) margin accounts receivable

	<i>Stage of ECL</i>			<i>Total</i>
	<i>Stage 1 12-month ECL</i>	<i>Stage 2 Lifetime ECL</i>	<i>Stage 3 Lifetime ECL (Credit-impaired)</i>	
As at 1 January 2024	148,294	3,236	251,098	402,628
Increases	38,677	10	-	38,687
Reversals	(34,902)	-	(1,972)	(36,874)
Transfer:				
Stage 1 to stage 3	(1,744)	-	1,744	-
Stage 2 to stage 1	3,236	(3,236)	-	-
Foreign exchange and other movements	-	-	(333)	(333)
As at 31 December 2024	<u>153,561</u>	<u>10</u>	<u>250,537</u>	<u>404,108</u>
As at 1 January 2023	104,071	23,372	250,581	378,024
Increases	69,489	1,403	519	71,411
Reversals	(45,311)	(1,277)	(219)	(46,807)
Transfer:				
Stage 1 to stage 2	(763)	763	-	-
Stage 1 to stage 3	(1)	-	1	-
Stage 2 to stage 1	20,809	(20,809)	-	-
Stage 2 to stage 3	-	(216)	216	-
As at 31 December 2023	<u>148,294</u>	<u>3,236</u>	<u>251,098</u>	<u>402,628</u>



## 58 Financial instruments risk management (continued)

### (b) Accounts receivable

	<i>Stage of ECL</i>			
	<i>Stage 1 12-month ECL</i>	<i>Stage 2 Lifetime ECL</i>	<i>Stage 3 Lifetime ECL (Credit-impaired)</i>	<i>Total</i>
As at 1 January 2024	6,835	30,088	937,571	974,494
Increases	-	3,492	1,422	4,914
Reversals	-	(3,355)	(19,601)	(22,956)
Transfer:				
Stage 1 to stage 2	(6,281)	6,281	-	-
Stage 1 to stage 3	(554)	-	554	-
Foreign exchange and other movements	-	(379)	(549,918)	(550,297)
As at 31 December 2024	-	36,127	370,028	406,155
As at 1 January 2023	-	40,967	817,562	858,529
Increases	5,540	9,133	155,927	170,600
Reversals	-	(14,970)	(27,968)	(42,938)
Transfer:				
Stage 2 to stage 1	5,042	(5,042)	-	-
Foreign exchange and other movements	(3,747)	-	(7,950)	(11,697)
As at 31 December 2023	6,835	30,088	937,571	974,494

## 58 Financial instruments risk management (continued)

### (c) Financial assets held under resale agreements

	<i>Stage of ECL</i>			<i>Total</i>
	<i>Stage 1 12-month ECL</i>	<i>Stage 2 Lifetime ECL</i>	<i>Stage 3 Lifetime ECL (Credit-impaired)</i>	
As at 1 January 2024	130	-	1,797,737	1,797,867
Increases	106	-	41,107	41,213
Reversals	(128)	-	(23,527)	(23,655)
Transfer:				
Foreign exchange and other movements	1	-	-	1
As at 31 December 2024	109	-	1,815,317	1,815,426
As at 1 January 2023	204	-	1,829,074	1,829,278
Increases	60	-	134,970	135,030
Reversals	(136)	-	(163,690)	(163,826)
Transfer:				
Foreign exchange and other movements	2	-	(2,617)	(2,615)
As at 31 December 2023	130	-	1,797,737	1,797,867



## 58 Financial instruments risk management (continued)

### (d) Financial assets measured at amortized cost

	<i>Stage of ECL</i>			<i>Total</i>
	<i>Stage 1 12-month ECL</i>	<i>Stage 2 Lifetime ECL</i>	<i>Stage 3 Lifetime ECL (Credit-impaired)</i>	
As at 1 January 2024	3,261	-	454,117	457,378
Increases	10,363	-	371,483	381,846
Reversals	(2,594)	-	-	(2,594)
Foreign exchange and other movements	1,216	-	-	1,216
As at 31 December 2024	12,246	-	825,600	837,846
As at 1 January 2023	2,462	-	587,573	590,035
Increases	1,286	-	79,101	80,387
Reversals	(462)	-	-	(462)
Transfer:				
Stage 1 to stage 3	(35)	-	35	-
Foreign exchange and other movements	10	-	(212,592)	(212,582)
As at 31 December 2023	3,261	-	454,117	457,378

## 58 Financial instruments risk management (continued)

(e) Financial assets at fair value through other comprehensive income

	<i>Stage of ECL</i>			
	<i>Stage 1 12-month ECL</i>	<i>Stage 2 Lifetime ECL</i>	<i>Stage 3 Lifetime ECL (Credit-impaired)</i>	<i>Total</i>
As at 1 January 2024	69,928	967	834,779	905,674
Increases	40,190	176	68,455	108,821
Reversals	(51,486)	(966)	(4,120)	(56,572)
Transfer:				
Stage 1 to stage 2	(1,487)	1,487	-	-
Foreign exchange and other movements	743	-	(112,684)	(111,941)
As at 31 December 2024	<u>57,888</u>	<u>1,664</u>	<u>786,430</u>	<u>845,982</u>
As at 1 January 2023	66,944	5,573	672,961	745,478
Increases	54,041	670	159,315	214,026
Reversals	(52,386)	(4,201)	(722)	(57,309)
Transfer:				
Stage 1 to stage 2	(333)	333	-	-
Stage 2 to stage 1	1,409	(1,409)	-	-
Foreign exchange and other movements	253	1	3,225	3,479
As at 31 December 2023	<u>69,928</u>	<u>967</u>	<u>834,779</u>	<u>905,674</u>



## 58 Financial instruments risk management (continued)

### (f) Other receivables and prepayments

	<i>Stage of ECL</i>			<i>Total</i>
	<i>Stage 1 12-month ECL</i>	<i>Stage 2 Lifetime ECL</i>	<i>Stage 3 Lifetime ECL (Credit-impaired)</i>	
As at 1 January 2024	34,609	-	274,920	309,529
Increases	7,556	-	35,343	42,899
Reversals	-	-	(1,823)	(1,823)
Transfer:				
Stage 1 to stage 3	(10,677)	-	10,677	-
Foreign exchange and other movements	38	-	-	38
As at 31 December 2024	<u>31,526</u>	<u>-</u>	<u>319,117</u>	<u>350,643</u>
As at 1 January 2023	33,728	-	291,580	325,308
Increases	13,348	-	749	14,097
Reversals	(12,184)	-	(17,692)	(29,876)
Transfer:				
Stage 1 to stage 3	(283)	-	283	-
As at 31 December 2023	<u>34,609</u>	<u>-</u>	<u>274,920</u>	<u>309,529</u>

## 58 Financial instruments risk management (continued)

### (g) Significant credit risk exposure

	<i>As at 31 December 2024</i>			<i>Total</i>
	<i>Stage 1 12-month ECL</i>	<i>Stage 2 Lifetime ECL</i>	<i>Stage 3 Lifetime ECL (Credit-impaired)</i>	
Margin accounts receivable	74,843,164	1,053	-	74,844,217
Accounts receivable	-	5,796,359	209,152	6,005,511
Financial assets held under resale agreements	12,074,249	-	315,507	12,389,756
Financial assets measured at amortized cost	2,012,180	-	500,627	2,512,807
Financial assets at fair value through other comprehensive income	65,285,299	206,376	49,860	65,541,535
Other receivables and prepayments	298,287	-	351	298,638
<i>As at 31 December 2023</i>				
				<i>Total</i>
	<i>Stage 1 12-month ECL</i>	<i>Stage 2 Lifetime ECL</i>	<i>Stage 3 Lifetime ECL (Credit-impaired)</i>	
Margin accounts receivable	64,009,550	418,655	-	64,428,205
Accounts receivable	5,574,483	246,233	347,271	6,167,987
Financial assets held under resale agreements	4,101,053	-	513,511	4,614,564
Financial assets measured at amortized cost	2,646,007	-	871,252	3,517,259
Financial assets at fair value through other comprehensive income	72,977,955	302,536	118,424	73,398,915
Other receivables and prepayments	334,224	-	5	334,229

### (2) Liquidity risk

Liquidity risk is the risk that the Group may face if the Group fails to acquire sufficient funds in time with reasonable cost to repay its debts due, perform other payment obligations and satisfy capital requirements in normal business operations.

In managing its liquidity risks, the Group considers its short, medium and long-term funding needs and liquidity management requirements, and reinforces the management of both the total amount and the structure of high-quality liquid assets through continuously improving the management system of its liquidity reserve, so as to maintain a sufficient liquidity reserve. The Group maintains adequate cash and cash equivalents and continuously monitors and compares cash flow forecast and actual cash flows. The Group also adopts a risk indicator analysis method to manage its overall liquidity risk. Through the analysis of key risk indicators, such as liquidity coverage ratio, net stable funding ratio, liquidity gap, and asset and liability concentration, the Group assesses and measures its overall liquidity risk status.



For liquidity risks, the Group has primarily adopted the following measures:

- Formulated a comprehensive capital plan to maintain a sufficient liquidity reserve;
- Expanded the scope of cooperation of financial institutions, improved debt financing management capabilities and diversified liquidity management tools;
- Enhanced the dynamic monitoring of liquidity risk, maintained the tracking and assessment of information such as liquidity monitoring indicators, cash flow gap, liquidity reserve and its short-term financing capabilities;
- Carried out stress testing of liquidity risk, improved the ability to measure liquidity shock and put forward effective measures; and
- Improved the capability of reporting and dealing with liquidity risk contingencies through conducting emergency drills for liquidity risk to enhance the ability to respond to liquidity crisis.

## 58 Financial instruments risk management (continued)

The following tables show the details of the Group's contractual cash flow from its undiscounted financial liabilities (including interest payments computed using contractual rates or, if floating, based on rates as of 31 December) for the remainder of the contract as well as the earliest date the Group may be required to pay:

	31 December 2024						
	Overdue/ repayable on demand	Less than 1 month	1 month to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Total
Financial liabilities:							
Loans and borrowings	-	(144,213)	(229,605)	(300,274)	-	-	(674,092)
Short-term debt instruments issued	-	(5,001,815)	(12,544,770)	(31,929,941)	-	-	(49,476,526)
Placements from other financial institutions	-	(2,500,151)	(822,305)	-	-	-	(3,322,456)
Accounts payable to brokerage clients	(122,496,183)	-	-	-	-	-	(122,496,183)
Other payables and accruals	(60,013,584)	(46,217)	-	(54,256)	-	-	(60,114,057)
Financial assets sold under repurchase agreements	-	(161,197,411)	(7,912,961)	(17,184,362)	-	-	(186,294,734)
Lease liabilities	-	(40,906)	(67,932)	(303,489)	(481,144)	(75,392)	(968,863)
Financial liabilities at fair value through profit or loss	-	(11,912,711)	(762,791)	(16,945)	(1,761,074)	-	(14,453,521)
Derivative financial liabilities	(1,163)	(1,212,043)	(1,671,355)	(1,551,240)	(3,109,549)	(897)	(7,546,247)
Long-term bonds	-	(5,817,811)	(10,638,927)	(19,564,902)	(59,814,219)	(28,037,682)	(123,873,541)
Other non-current liabilities	-	-	-	-	-	(108,716)	(108,716)
Total	(182,510,930)	(187,873,278)	(34,650,646)	(70,905,409)	(65,165,986)	(28,222,687)	(569,328,936)



## 58 Financial instruments risk management (continued)

	31 December 2023						
	Overdue/ repayable on demand	Less than 1 month	1 month to 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Total
Financial liabilities:							
Loans and borrowings	-	(266,686)	(184,946)	(388,035)	-	-	(839,667)
Short-term debt instruments issued	-	(4,404,078)	(6,670,373)	(19,348,223)	-	-	(30,422,674)
Placements from other financial institutions	-	(1,668,306)	(157,365)	(626,087)	-	-	(2,451,758)
Accounts payable to brokerage clients	(96,870,504)	-	-	-	-	-	(96,870,504)
Other payables and accruals	(58,040,195)	(30,691)	(35,169)	-	-	-	(58,106,055)
Financial assets sold under repurchase agreements	(1,685,327)	(142,441,508)	(5,432,303)	(14,017,945)	-	-	(163,577,083)
Lease liabilities	-	(43,181)	(71,189)	(285,332)	(601,377)	(85,835)	(1,086,914)
Financial liabilities at fair value through profit or loss	(1,991)	(1,420,742)	(1,684,825)	(592,586)	(2,177,128)	(95,734)	(5,973,006)
Derivative financial liabilities	-	(1,152,989)	(1,501,052)	(2,097,499)	(1,433,447)	(573)	(6,185,560)
Long-term bonds	-	(3,929,890)	(5,332,021)	(23,927,184)	(92,489,691)	(14,517,989)	(140,196,775)
Other non-current liabilities	-	-	-	-	(660,820)	-	(660,820)
Total	<u>(156,598,017)</u>	<u>(155,358,071)</u>	<u>(21,069,243)</u>	<u>(61,282,891)</u>	<u>(97,362,463)</u>	<u>(14,700,131)</u>	<u>(506,370,816)</u>

## 58 Financial instruments risk management (continued)

### (3) Market risk

#### (a) Interest rate risk

Interest rate risk is the risk that changes in market interest rates will affect the Group's operation performance, financial position and cash flows. The Group's interest-bearing assets mainly include cash and bank balances, clearing settlement funds, margin accounts receivable, financial assets at fair value through profit or loss, financial assets held under resale agreements, refundable deposits and financial assets at fair value through other comprehensive income; interest-bearing liabilities mainly include loans and borrowings, short-term debt instruments issued, placements from other financial institutions, financial liabilities at fair value through profit or loss, financial assets sold under repurchase agreements, accounts payable to brokerage clients and long-term bonds.

For financial instruments held on the balance sheet date that expose the Group to fair value interest rate risk, the Group applies interest rate repricing exposure analysis and sensitivity analysis as the primary approach for monitoring interest rate risk. Sensitivity analysis measures the effect of any reasonable and possible changes in the interest rate on the net profits and shareholders' equity with all other variables held constant.



## 58 Financial instruments risk management (continued)

The following tables indicate the interest rate risk of the Group as at 31 December 2024. In the tables, financial assets and liabilities as at 31 December 2024 are presented by the expected next repricing date or maturity date, whichever is earlier:

	31 December 2024					
	Less than 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Non-interest bearing	Total
<b>Financial assets</b>						
Financial assets measured at amortized cost	129,312	-	-	146,287	2,237,208	2,512,807
Financial assets at fair value through other comprehensive income	7,898,676	11,964,126	24,163,518	20,449,418	70,552,068	135,027,806
Financial assets held under resale agreements	12,039,836	29,851	-	-	320,069	12,389,756
Refundable deposits	12,020,142	-	-	-	9,775,675	21,795,817
Accounts receivable	218,072	-	1,026,220	-	4,761,219	6,005,511
Other receivables and prepayments	-	-	-	-	298,638	298,638
Margin accounts receivable	12,637,996	59,991,277	-	-	2,214,944	74,844,217
Financial assets at fair value through profit or loss	10,866,416	26,316,501	91,553,800	50,404,805	90,382,078	269,523,600
Derivative financial assets	-	-	-	-	8,895,889	8,895,889
Clearing settlement funds	10,823,572	-	-	-	5,638	10,829,210
Cash held on behalf of brokerage clients	111,098,591	523,940	-	-	66,846	111,689,377
Cash and bank balances	31,346,040	2,294,416	-	-	229,801	33,870,257
<b>Total</b>	<b>209,078,653</b>	<b>101,120,111</b>	<b>116,743,538</b>	<b>71,000,510</b>	<b>189,740,073</b>	<b>687,682,885</b>
<b>Financial liabilities</b>						
Loans and borrowings	(372,258)	(298,022)	-	-	(1,721)	(672,001)
Short-term debt instruments issued	(17,355,639)	(31,471,347)	-	-	(230,688)	(49,057,674)
Placements from other financial institutions	(2,500,000)	(800,022)	-	-	(18,801)	(3,318,823)
Accounts payable to brokerage clients	(122,489,958)	-	-	-	(6,225)	(122,496,183)
Other payables and accruals	-	-	-	-	(60,276,965)	(60,276,965)
Financial liabilities at fair value through profit or loss	(12,570,147)	(16,945)	(1,761,074)	-	(105,355)	(14,453,521)
Financial assets sold under repurchase agreements	(168,761,079)	(16,829,155)	-	-	(415,400)	(186,005,634)
Derivative financial liabilities	-	-	-	-	(7,546,247)	(7,546,247)
Long-term bonds	(15,259,563)	(19,936,942)	(55,272,751)	(20,729,765)	(1,949,479)	(113,148,500)
Lease liabilities	(96,314)	(293,473)	(422,224)	(64,298)	-	(876,309)
Other non-current liabilities	-	-	-	(108,716)	-	(108,716)
<b>Total</b>	<b>(339,404,958)</b>	<b>(69,645,906)</b>	<b>(57,456,049)</b>	<b>(20,902,779)</b>	<b>(70,550,881)</b>	<b>(557,960,573)</b>
<b>Net interest rate risk exposure</b>	<b>(130,326,305)</b>	<b>31,474,205</b>	<b>59,287,489</b>	<b>50,097,731</b>	<b>119,189,192</b>	<b>129,722,312</b>

## 58 Financial instruments risk management (continued)

	31 December 2023					
	Less than 3 months	3 months to 1 year	1 to 5 years	More than 5 years	Non-interest bearing	Total
<b>Financial assets</b>						
Financial assets measured at amortized cost	-	-	-	126,743	3,390,516	3,517,259
Financial assets at fair value through other comprehensive income	3,826,145	13,179,553	43,081,948	12,020,403	71,884,593	143,992,642
Financial assets held under resale agreements	4,077,857	19,940	-	-	516,767	4,614,564
Refundable deposits	14,874,819	-	-	-	7,937,383	22,812,202
Accounts receivable	10,345	-	226,836	-	5,930,806	6,167,987
Other receivables and prepayments	-	-	-	-	317,892	317,892
Other non-current assets	-	-	-	-	16,338	16,338
Margin accounts receivable	22,003,115	39,624,675	-	-	2,800,415	64,428,205
Financial assets at fair value through profit or loss	5,708,114	22,897,052	73,094,779	24,383,780	110,404,439	236,488,164
Derivative financial assets	-	-	-	-	10,207,378	10,207,378
Clearing settlement funds	12,330,670	-	-	-	5,008	12,335,678
Cash held on behalf of brokerage clients	84,606,151	945,235	-	-	59,374	85,610,760
Cash and bank balances	33,080,301	168,841	-	-	204,114	33,453,256
Total	180,517,517	76,835,296	116,403,563	36,530,926	213,675,023	623,962,325
<b>Financial liabilities</b>						
Loans and borrowings	(446,999)	(386,999)	-	-	(1,594)	(835,592)
Short-term debt instruments issued	(8,928,213)	(18,992,223)	-	-	(135,525)	(28,055,961)
Placements from other financial institutions	(1,815,474)	(609,433)	-	-	(15,947)	(2,440,854)
Accounts payable to brokerage clients	(96,860,765)	-	-	-	(9,739)	(96,870,504)
Other payables and accruals	(113,900)	-	-	-	(58,036,688)	(58,150,588)
Financial liabilities at fair value through profit or loss	(5,634,702)	-	-	-	(59,604)	(5,694,306)
Financial assets sold under repurchase agreements	(149,052,368)	(13,717,404)	-	-	(445,561)	(163,215,333)
Derivative financial liabilities	-	-	-	-	(6,185,560)	(6,185,560)
Long-term bonds	(8,775,453)	(22,931,741)	(89,115,397)	(14,090,431)	(2,315,883)	(137,228,905)
Lease liabilities	(106,164)	(263,523)	(565,697)	(80,129)	-	(1,015,513)
Other non-current liabilities	-	-	-	-	(660,820)	(660,820)
Total	(271,734,038)	(56,901,323)	(89,681,094)	(14,170,560)	(67,866,921)	(500,353,936)
Net interest rate risk exposure	(91,216,521)	19,933,973	26,722,469	22,360,366	145,808,102	123,608,389



## 58 Financial instruments risk management (continued)

### *Sensitivity analysis*

For those financial instruments held by the Group which expose the Group to fair value interest rate risk at the end of the reporting period, the Group adopts sensitivity analysis to measure the potential effect of changes in interest rates on the Group's and the Company's profit after tax and equity. Assuming all other variables remain constant, interest rate sensitivity analysis is as follows:

	31 December 2024	31 December 2023
Sensitivity of profit after tax		
Move in yield curve		
Up 25 basis points	(1,009,579)	(798,844)
Down 25 basis points	986,406	811,092
	31 December 2024	31 December 2023
Sensitivity of equity		
Move in yield curve		
Up 25 basis points	(1,454,378)	(1,135,870)
Down 25 basis points	1,501,165	1,155,690

The sensitivity analysis above indicates the instantaneous change in the Group's profit after tax and equity that would arise assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to re-measure those financial instruments held by the Group which expose the Group to fair value interest rate risk at the end of the reporting period.

In respect of the exposure to cash flow interest rate risk arising from floating rate non-derivative instruments held by the Group, the impact on the Group's profit after tax and equity is estimated as an annualised impact on interest expense or income of such a change in interest rates.

## 58 Financial instruments risk management (continued)

### (b) Foreign currency rate risk

Foreign currency risk is the risk arising from foreign exchange business of the Group, which is attributable to the fluctuation and monitor of foreign exchange rates. The Group's recognized foreign currency assets and liabilities and future foreign currency transactions (the valuation currencies of foreign currency assets and liabilities and foreign currency transactions are mainly US dollars and Hong Kong dollars) have foreign currency rate risk. The Group continuously monitors the scale of the Group's foreign currency transactions and foreign currency assets and liabilities to minimize the foreign currency rate risk it faces. As the net foreign currency exposure is relatively low in the Group, the foreign currency rate risk faced by the Group is not significant.

### (c) Other price risks

Other price risks refer to the risk that the fair value or future cash flows of any equity securities and funds held by the Group will be affected by changes in market price factors (other than interest rates and foreign exchange rates). The Group mainly invests in stocks listed on stock exchanges and funds and the maximum market price risk is determined by fair value of financial instruments held by the Group.

Assuming that the market price of the financial instruments mentioned above increases or decreases by 10%, with all other variables held constant, the effect of these balance sheet assets on the Group shareholders' equity and net profit is listed as follows:

	31 December 2024	31 December 2023
Sensitivity of profit after tax		
Increase by 10%	5,210,537	7,084,780
Decrease by 10%	(5,210,537)	(7,084,780)
	31 December 2024	31 December 2023
Sensitivity of equity		
Increase by 10%	5,866,993	12,359,525
Decrease by 10%	(5,866,993)	(12,359,525)

### (4) Capital management

The Group's primary objectives when managing capital are to safeguard its continued operations, so that it can continue to provide returns for shareholders, by pricing products and services according to the level of risk and by securing access to finance at a reasonable cost.



## 58 Financial instruments risk management (continued)

The Group's capital structure is regularly reviewed and managed to achieve an optimal structure and return for shareholders. Factors for the Group's consideration include: its future funding requirements, capital efficiency, actual and expected profitability, expected cash flows, expected capital expenditure and risk level. Adjustments are made to the capital structure in light of changes in the factors mentioned above affecting the Group.

According to the Provisions on the Calculation Basis for Risk Control Indicators of Securities Companies (2020) and the Measures for the Administration of Risk Control Indicators of Securities Companies (2020 revision) issued by the CSRC, the securities subsidiaries of the Group is required to continuously meet the risk control quota. The core risk control quota standards are as follows:

- (i) Risk Coverage Ratio (Net capital/Total risk capital reserves  $\times$  100%) shall be no less than 100%;
- (ii) Capital Leverage Ratio (Core net capital/Total balance sheet & off-balance sheet assets  $\times$  100%) shall be no less than 8%;
- (iii) Liquidity Coverage Ratio (High quality liquid assets/Total net cash outflows over the next 30 days  $\times$  100%) shall be no less than 100%;
- (iv) Net Stable Funding Ratio (Available amount of stable funding/Required amount of stable funding  $\times$  100%) shall be no less than 100%.

## 59 Supplementary information to the consolidated cash flowchart statement

Reconciliation of liabilities arising from financing activities

	1 January 2024	Increase for the year		Decrease for the year		31 December 2024
		Cash	Non-cash	Cash	Non-cash	
Short-term loans	835,592	798,619	27,995	(990,205)	-	672,001
Short-term financing instruments payable	28,055,961	111,487,364	826,328	(91,311,979)	-	49,057,674
Debt instruments issued long-term loans, and debt instruments issued due within one year and others	137,228,905	17,236,817	3,781,676	(45,098,898)	-	113,148,500
Lease liabilities	1,015,513	-	300,687	(439,891)	-	876,309
Total	167,135,971	129,522,800	4,936,686	(137,840,973)	-	163,754,484

## 60 Company-level statement of financial position

	As at 31 December 2024	As at 31 December 2023
<b>Non-current assets</b>		
Property and equipment	288,575	314,325
Investment properties	110,826	113,124
Other intangible assets	752	192
Interest in associates and joint ventures	63,118,126	63,081,137
Financial assets measured at amortized cost	213,304	869,137
Financial assets at fair value through profit or loss	4,295,674	4,592,937
Deferred tax assets	19,736	-
Other non-current assets	2,219	171
<b>Total non-current assets</b>	<u>68,049,212</u>	<u>68,971,023</u>
<b>Current assets</b>		
Other receivables and prepayments	6,548,952	3,741,525
Financial assets measured at amortized cost	-	1,250,342
Financial assets at fair value through profit or loss	10,246,931	7,912,600
Cash and bank balances	76,154	2,805,951
<b>Total current assets</b>	<u>16,872,037</u>	<u>15,710,418</u>
<b>Total assets</b>	<u><u>84,921,249</u></u>	<u><u>84,681,441</u></u>



## 60 Company-level statement of financial position (continued)

	As at 31 December 2024	As at 31 December 2023
<b>Current liabilities</b>		
Employee benefits payable	129,185	132,464
Other payables and accruals	15,461	33,741
Long-term bonds due within one year	4,908,234	2,117,636
<b>Total current liabilities</b>	5,052,880	2,283,841
<b>Net current assets</b>	11,819,157	13,426,577
<b>Total assets less current liabilities</b>	79,868,369	82,397,600
<b>Non-current liabilities</b>		
Long-term bonds	20,933,572	23,278,544
Non-current employee benefits payable	33,972	14,282
Other non-current liabilities	-	2,474
<b>Total non-current liabilities</b>	20,967,544	23,295,300
<b>Net assets</b>	58,900,825	59,102,300
<b>Equity</b>		
Share capital	25,039,945	25,039,945
Reserves	31,455,228	31,275,555
Retained profits	2,405,652	2,786,800
<b>Total equity</b>	58,900,825	59,102,300

## **61 Events after the reporting date**

### **(a) Profit distribution**

Pursuant to the resolution of the Board of Directors dated 28 March 2025, the Board proposed to distribute cash dividends of RMB 0.46 (tax inclusive) per 10 shares to shareholders based on the total outstanding shares of 25,039,945 thousand shares, with total dividends amounting to RMB 1,151,837 thousand. The proposal is subject to the approval of the shareholders in the forthcoming annual general meeting.

### **(b) Issuance of long-term bonds, short-term bonds and structured notes**

From 31 December 2024 to the reporting date, the Group issued long-term bonds, short-term bonds and a number of structured notes, with coupon rates range from 1.75% to 2.35%. The issuance amount was approximately RMB 26.72 billion in total.

### **(c) Repayment of long-term bonds, short-term bonds and structured notes**

From 31 December 2024 to the reporting date, the Group repaid certain long-term bonds, short-term bonds and a number of structured notes, with coupon rates range from 1.75% to 3.35%. The repayment amount was approximately RMB 39.67 billion in total.

## **62 Reclassification of comparative figures**

Certain comparative figures have been reclassified to conform to the current period presentation.





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