



光大证券  
EVERBRIGHT SECURITIES

光大證券股份有限公司  
Everbright Securities Company Limited

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

Stock Code: 601788 (A Share) 06178 (H Share)

# ANNUAL REPORT 2024



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## IMPORTANT NOTICE

- I. The Board, the Supervisory Committee, Directors, Supervisors and senior management of the Company warrant that this annual report is true, accurate and complete and does not contain any false records, misleading statements or material omission and jointly and severally assume legal responsibility as to the contents herein.
- II. This report was reviewed and passed at the 5th meeting of the seventh session of the Board of the Company. The number of Directors that should attend the Board meeting was 11 and the number of Directors having voted at the Board meeting was 11. None of the Directors or Supervisors has made any objection to this report.
- III. Unless otherwise specified, the financial data disclosed in this report are prepared in accordance with the International Financial Reporting Standards and have been audited by KPMG, who then issued a standard unqualified audit report thereon. Unless otherwise stated, the financial data set out in this report are denominated in RMB.
- IV. Zhao Ling, the person-in-charge of the Company, Zhu Qin, the person-in-charge of accounting affairs, and Du Jia, the head of accounting department, have declared that they warrant the truthfulness, accuracy and completeness of the financial statements contained in this annual report.
- V. The profit distribution proposal or proposal on transfer of capital reserve into share capital reviewed by the Board for the Reporting Period

The Company's profit distribution proposal for 2024 that was considered and approved at the 5th meeting of the seventh session of the Board of the Company is: a cash dividend of RMB918,007,818.92 is proposed to be distributed to all holders of A Shares and H Shares, after deducting a cash dividend of RMB417,276,281.33 distributed in the interim period of 2024, with a total cash dividend amounting to RMB500,731,537.59. On the basis of a total share capital of 4,610,787,639 shares (comprising A Shares and H Shares) in issue as at December 31, 2024, a cash dividend of RMB1.086 (tax inclusive) per 10 shares is proposed to be distributed to all holders of A Shares and H Shares. The above distribution proposal will be submitted for consideration at the general meeting of the Company and will be implemented after the proposal is approved by the general meeting.

- VI. Forward-looking statements included in this report, including future plans and development strategies, do not constitute substantial commitment of the Company to investors. Investors should be reminded of the investment risk.
- VII. There was no appropriation of non-operating funds of the Company by its controlling shareholder or related parties during the Reporting Period.
- VIII. The Company has not provided any external guarantees in violation of the prescribed decision-making procedures during the Reporting Period.
- IX. There has been no such circumstance under which the majority of the Directors cannot warrant the authenticity, accuracy and completeness of the information contained in the annual report.
- X. The Company has described in detail the risks that it may be exposed to in this report. Please refer to the relevant statements in "VII. Discussion and Analysis on the Future Development of the Company – (IV) Potential risk exposure" of Section III "Report of the Board" in this report for details.
- XI. The Company prepared this annual report in both English and Chinese versions. In the event of any discrepancies in interpretation between the English version and Chinese version, the Chinese version shall prevail.

## SECTION I DEFINITIONS AND WARNING OF MATERIAL RISKS

### I. Definitions

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

ABN	asset-backed notes
A Shares	domestic shares of the Company, with a nominal value of RMB1.00 each, which are listed on the SSE and traded in RMB
Articles of Association	articles of association of the Company
Asset securitization, ABS	financing through issuance of tradable securities backed by specific asset portfolios or specific cash flows
AUM	assets under management
Board, Board of Directors	the board of Directors of the Company
China or PRC	the People's Republic of China excluding, for the purpose of this annual report, Hong Kong, Macau and Taiwan
collateralized stock repurchase	a transaction in which a qualified borrower pledges his shares or other securities held as collaterals to obtain financing funds from a qualified lender, and agrees to repay the funds on a future date to release the pledge
Company, our Company, the parent company or Everbright Securities	Everbright Securities Company Limited (光大證券股份有限公司)
connected transaction(s)	has the meaning ascribed to it under the Hong Kong Listing Rules currently in effect and as amended from time to time
CPI	consumer price index
CSRC	China Securities Regulatory Commission (中國證券監督管理委員會)
Dacheng Fund	Dacheng Fund Management Co., Ltd. (大成基金管理有限公司), a joint venture of the Company
Director(s)	the director(s) of the Company

## SECTION I DEFINITIONS AND WARNING OF MATERIAL RISKS

EBSI	Everbright Securities International Holdings Limited (光大證券國際控股有限公司), a wholly-owned subsidiary of the Company
ETF	exchange-traded fund
Everbright Asset Management	Shanghai Everbright Securities Asset Management Co., Ltd. (上海光大證券資產管理有限公司), a wholly-owned subsidiary of the Company
Everbright Bank	China Everbright Bank Company Limited
Everbright Capital	Everbright Capital Investment Co., Ltd. (光大資本投資有限公司), a wholly-owned subsidiary of the Company
Everbright Development	Everbright Development Investment Co., Ltd. (光大發展投資有限公司), a wholly-owned subsidiary of the Company
Everbright Fortune	Everbright Fortune Investment Co., Ltd. (光大富尊投資有限公司), a wholly-owned subsidiary of the Company
Everbright Futures	Everbright Futures Co., Ltd. (光大期貨有限公司), a wholly-owned subsidiary of the Company
Everbright Group	China Everbright Group Ltd. (中國光大集團股份公司), the largest shareholder of the Company
Everbright Leasing	Everbright Fortune Financial Leasing Co., Ltd. (光大幸福融資租賃有限公司), a majority-owned subsidiary of the Company
Everbright Limited	China Everbright Limited (中國光大控股有限公司), the second largest shareholder of the Company
Everbright Pramerica	Everbright Pramerica Fund Management Co., Ltd. (光大保德信基金管理有限公司), a majority-owned subsidiary of the Company
FOF	fund of funds, a fund that invests exclusively in other securities investment funds
Group, our Group	the Company and its subsidiaries
H Shares	foreign shares of the Company, with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars
HK\$ or Hong Kong dollars or HK dollars	Hong Kong dollars, the lawful currency of Hong Kong
Hong Kong	the Hong Kong Special Administrative Region of the People's Republic of China
Hong Kong Listing Rules	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
Hong Kong Stock Exchange	The Stock Exchange of Hong Kong Limited
Huijin	Central Huijin Investment Ltd. (中央匯金投資有限責任公司)

## SECTION I DEFINITIONS AND WARNING OF MATERIAL RISKS

IFRSs	the International Financial Reporting Standards, which include standards, amendments and interpretations promulgated by the International Accounting Standards Board, and interpretation issued by the International Accounting Standards Committee (IASC)
IPO	initial public offering
maintenance margin ratio	the ratio of the total value of all the collateral from the clients of margin financing and securities lending business (including the amount of cash and the market value of securities held in margin securities account) to the margin balance of clients (including the sum of the amount of margin loans purchased, the latest market value of securities lent and any accrued interest and fees)
margin financing and securities lending	provision of collateral by investors to securities firms to borrow funds for securities purchases (margin financing) or to borrow and sell securities (securities lending)
MOF	Ministry of Finance of the PRC (中華人民共和國財政部)
MOM	manager of managers, an asset management investment tool
NEEQ	National Equities Exchange and Quotations (全國中小企業股份轉讓系統)
PB	prime brokerage
PBOC	People's Bank of China, the central bank of the PRC
PPP	public-private partnership
PRC GAAP	the PRC Accounting Standards for Business Enterprises
QFII	qualified foreign institutional investor
REITs	real estate investment trusts
related party transaction(s)	has the meaning ascribed to it under the SSE Listing Rules currently in effect and as amended from time to time, unless otherwise stated
Renminbi or RMB	RMB, the lawful currency of the PRC. Amounts are in RMB unless otherwise indicated in this report
Reporting Period	the year of 2024 (January 1, 2024 to December 31, 2024)
Sci-tech Innovation Board	the science and technology innovation board launched by the Shanghai Stock Exchange
SFC	the Securities and Futures Commission of Hong Kong
SFO	the Securities and Futures Ordinance of Hong Kong (Chapter 571 of the Laws of Hong Kong)



## SECTION I DEFINITIONS AND WARNING OF MATERIAL RISKS

SSE	Shanghai Stock Exchange
Supervisor(s)	the supervisor(s) of the Company
Supervisory Committee	the supervisory committee of the Company
SZSE	Shenzhen Stock Exchange
treasury share	has the meaning ascribed to it under the Hong Kong Listing Rules

In this report, some total figures may be slightly deviated in the last digit from the sum of direct aggregation of all amounts. Such discrepancy is due to the rounding up calculation of decimal places; the last digits of the percentages of change of the amounts under the same item may vary slightly, which is due to the difference of monetary units.

### II. Warning of Material Risks

The Company has described in detail the risks that it may be exposed to in this report. Please refer to the relevant statements in "VII. Discussion and Analysis on the Future Development of the Company – (IV) Potential risk exposure" under Section III "Report of the Board" in this report for details.

## SECTION II COMPANY PROFILE AND KEY FINANCIAL INDICATORS

### I. Company Information

Chinese name of the Company	光大證券股份有限公司
Short name of the Company in Chinese	光大證券
English name of the Company	Everbright Securities Company Limited
Abbreviated name of A Shares of the Company in English	EBSCN
Abbreviated name of H Shares of the Company in English	EB SECURITIES
Legal representative of the Company	Mr. Liu Qiuming
General manager of the Company	Mr. Liu Qiuming
Secretary to the Board	Ms. Zhu Qin
Company Secretary	Dr. Ngai Wai Fung
Authorized representatives	Mr. Zhao Ling and Dr. Ngai Wai Fung

### Registered capital and net capital of the Company:

Unit: RMB

	As at December 31, 2024	As at December 31, 2023
Registered capital	4,610,787,639.00	4,610,787,639.00
Net capital	45,572,211,225.65	46,970,165,838.86

### Business scope of the Company:

Business scope of the Company includes securities brokerage, securities investment consulting, financial advisory relating to securities trading and securities investment, securities underwriting and sponsorship, proprietary trading of securities, intermediary introduction business for futures companies, proxy sale of securities investment funds, margin financing and securities lending business, proxy sale of financial products, market making of stocks and options, securities investment fund custody business and other businesses approved by the CSRC. (For projects subject to approval in accordance with the law, the operating activities may only be carried out after obtaining approval from relevant authority(ies), and the specific scope of operating activities should be determined by approval documentations or licenses issued by relevant agencies)

### Qualification of each of the businesses of the Company:

The Company is a member of the Securities Association of China, SSE, SZSE, Beijing Stock Exchange, China Association of Public Companies, Listed Companies Association of Shanghai, and Shanghai Gold Exchange, clearing participant of China Securities Registration and Settlement Co., Ltd. and member of Asset Management Association of China, etc. For details about qualifications of each of the other businesses of the Company and its majority-owned subsidiaries, please refer to "II. Qualifications of Each of the Businesses of the Company and Its Majority-owned Subsidiaries" under Appendix "Information Disclosure of Securities Companies" in this report.

## II. Contact Person and Information

### Secretary to the Board and Representative of Securities Affairs

Name	Ms. Zhu Qin
Contact address	No. 1508 Xinzha Road, Jing'an District, Shanghai, the PRC
Telephone	021-22169914
Facsimile	021-22169964
Email address	ebs@ebscn.com



## SECTION II COMPANY PROFILE AND KEY FINANCIAL INDICATORS

### III. Basic Information

Registered address of the Company	No. 1508 Xinzha Road, Jing'an District, Shanghai, the PRC
Historical changes of registered address of the Company	In 1996, the Company was established, and its registered address was Everbright Building, No. 6 Fuxingmenwai Avenue, Xicheng District, Beijing;
	In 1997, the registered address of the Company was changed to Shanghai Stock Exchange Building, No. 528 South Pudong Road, Pudong New Area, Shanghai;
	In 2007, the registered address of the Company was changed to No. 1508 Xinzha Road, Jing'an District, Shanghai
Postal code of the registered address of the Company	200040
Office address of the Company	No.1508 Xinzha Road, Jing'an District, Shanghai, the PRC
Postal code of the office address of the Company	200040
Company website	<a href="http://www.ebscn.com">http://www.ebscn.com</a>
E-mail address	ebs@ebscn.com
Principal place of business of the Company in Hong Kong	12/F, Everbright Centre, 108 Gloucester Road, Wan Chai, Hong Kong
E-mail address of independent Directors	independentdirector@ebscn.com

### IV. Information Disclosure and Place of Inspection

Media and their respective websites for publication of the annual report of the Company	China Securities Journal: <a href="https://www.cs.com.cn">https://www.cs.com.cn</a> Shanghai Securities News: <a href="https://www.cnstock.com">https://www.cnstock.com</a> Securities Times: <a href="http://www.stcn.com">http://www.stcn.com</a> Securities Daily: <a href="http://www.zqrb.cn">http://www.zqrb.cn</a> SSE: <a href="http://www.sse.com.cn">http://www.sse.com.cn</a>
Website of the stock exchange for publication of the annual report of the Company	Hong Kong Stock Exchange: <a href="http://www.hkexnews.hk">http://www.hkexnews.hk</a>
Place where the annual report of the Company is available for inspection	No. 1508 Xinzha Road, Jing'an District, Shanghai, the PRC

### V. Information on the Company's Shares

Type of shares	Places of listing	Stock name	Stock code
A Share	Shanghai Stock Exchange	Everbright Securities	601788
H Share	The Stock Exchange of Hong Kong Limited	EB SECURITIES	6178

## SECTION II COMPANY PROFILE AND KEY FINANCIAL INDICATORS

### VI. Other Information of the Company

#### (I) History of the Company, including the reform and restructuring, capital injections in the previous years

##### *Incorporation in 1996*

On June 21, 1995, the PBOC approved the establishment of Everbright Securities Limited by China Everbright Group Limited based on the reform of its original securities brokerage (business) department by issuing He Fa Yin Fu [1995] No. 214 "Reply on the Preparation to Establish Everbright Securities Limited". On March 8, 1996, the PBOC approved the establishment of Everbright Securities Limited and its articles of association by issuing He Fa Yin Fu [1996] No. 81 "Reply on the Establishment of Everbright Securities Limited". On April 23, 1996, Everbright Securities Limited was registered at the State Administration of Industry and Commerce. China Everbright Group Limited contributed RMB157 million (including USD10 million) and held 62.8% of the equity interest. China Everbright International Trust and Investment Company contributed RMB93 million and held 37.2% of the equity interest.

##### *Increase of registered capital in 1997*

On April 26, 1997, with the approval of the PBOC by issuing Yin Fu [1997] No. 180 "Reply on the Equity Change and Other Matters of Everbright Securities Limited", the registered capital of Everbright Securities Limited was increased from RMB250 million to RMB500 million, and the registered address was changed from Beijing to Shanghai. The additional capital was totally contributed by China Everbright Group Limited. After the capital increase, China Everbright Group Limited held 81.4% of the equity interest, while China Everbright International Trust and Investment Company held 18.6% of the equity interest.

##### *Equity transfer in the period from 1999 to 2002*

In June 1999, with the approval by the CSRC by issuing Zheng Jian Fa Zi [1998] No. 324 "Reply on Approving the Acquisition of 49% of the Equity Interest in Everbright Securities Limited by China Everbright Limited", and by the MOF by issuing Cai Guan Zi [1999] No. 134 "Reply on Approving the Transfer of Part of the Equity Interest in Everbright Securities Limited", China Everbright Group Limited transferred its 49% of the equity interest of Everbright Securities Limited to China Everbright Limited, a subsidiary of China Everbright Holdings Company Limited. In August 2000, China Everbright Group Limited signed an equity transfer agreement with China Everbright International Trust and Investment Company, pursuant to which China Everbright International Trust and Investment Company transferred its 18.6% of the equity interest of Everbright Securities Limited to China Everbright Group Limited. On January 21, 2002, by issuing Zheng Jian Ji Gou Zi [2002] No. 29 "Reply on Approving the Change of Equity of Everbright Securities Limited", the CSRC approved the transfer of the 49% of the equity interest from China Everbright Group Limited to China Everbright Limited, and the transfer of 18.6% of the equity interest from China Everbright International Trust and Investment Company to China Everbright Group Limited. Upon the completion of the transfer, China Everbright Group Limited held 51% of the equity interest, while China Everbright Limited held 49% equity interest.

##### *Increase of registered capital in 2002*

On April 8, 2002, by issuing Zheng Jian Ji Gou Zi [2002] No. 90 "Reply on the Increase in Capital and Shares of Everbright Securities Limited", the CSRC approved the increase of the registered capital of Everbright Securities Limited from RMB500 million to RMB2.6 billion, where RMB984.66 million was converted from the capital reserve fund and retained profits, and the rest was contributed by China Everbright Group Limited and China Everbright Limited in the form of cash. Upon the completion of the increase in capital and share, the shareholding structure of Everbright Securities Limited remained unchanged.

##### *Restructuring into a joint stock company in 2005*

On July 14, 2005, with the approval by the MOF by issuing Cai Jin Han [2004] No. 170 "Reply on the Scheme of Converting Everbright Securities Limited into a Joint Stock Company" on December 26, 2004, by the Ministry of Commerce by issuing Shang Zi Yi Pi [2004] No. 250 "Reply of the Ministry of Commerce on Approving the Capital Increase of Everbright Securities Limited and Its Change into a Foreign Investment Joint Stock Company" on April 29, 2004 and by issuing Shang Zi Pi [2005] No. 366 "Reply

## SECTION II COMPANY PROFILE AND KEY FINANCIAL INDICATORS

on Approving the Contribution Reduction, Change of Name and Exit by the Shareholders of Everbright Securities Limited” on March 14, 2005, and by the CSRC by issuing Zheng Jian Ji Gou Zi [2005] No. 54 “Reply on Approving the Restructuring and Reduction of Registered Capital of Everbright Securities Limited” on May 10, 2005, China Everbright Group Limited and China Everbright Limited contributed the audited net assets of RMB2,325 million as of June 30, 2004, the three new shareholders Xiamen Xinshiji Group Co., Ltd., Dongguan City Lianjing Industrial Investment Co., Ltd. and Nanjing Xinding Investment Development Co., Ltd. contributed RMB100 million, RMB10 million and RMB10 million, respectively, in the form of cash to establish Everbright Securities Company Limited, with the net assets of RMB2,445 million converted into 2,445 million shares at the conversion rate of 1:1. When Everbright Securities Limited was restructured into a joint stock company, the registered capital of the Company was changed from RMB2,600 million to RMB2,445 million.

### ***Increase of registered capital in 2007***

On May 29, 2007, with the approval by the MOF by issuing Cai Jin Han [2007] No. 37 “Reply on Approving the Capital Injection Scheme of Everbright Securities Company Limited” on March 1, 2007, by the CSRC by issuing Zheng Jian Ji Gou Zi [2007] No. 70 “Reply on Approving the Capital Injection of Everbright Securities Company Limited” on March 19, 2007, and by the Ministry of Commerce by issuing Shang Zi Pi [2007] No. 702 “Reply on Approving the Capital Injection of Everbright Securities Company Limited” on April 16, 2007, the Company issued 453 million shares in total to the three promoters, Xiamen Xinshiji, Dongguan Lianjing and Nanjing Xinding, and other eight new entities including Jiayuguan Hongfeng Industrial at the offering price of RMB2.75 per share, which were subscribed by cash. Upon the completion of the capital injections, the registered capital of the Company was increased from RMB2,445 million to RMB2,898 million.

### ***Initial public offering of A Shares and listing on the Shanghai Stock Exchange in 2009***

On August 4, 2009, with the approval by the CSRC by issuing Zheng Jian Xu Ke [2009] No. 684 “Reply on Approving the Initial Public Offering by Everbright Securities Company Limited”, the Company issued 520 million A Shares at the offering price of RMB21.08 per share by way of initial public offering and raised RMB10,961.6 million in total. After the initial public offering, the registered capital of the Company was changed to RMB3.418 billion. The shares of the Company were listed and traded on the Shanghai Stock Exchange since August 18, 2009.

### ***Private placement of A Shares in 2015***

With the approval by the CSRC by issuing Zheng Jian Xu Ke [2015] No. 1833 “Reply on Approving the Private Placement of Shares of Everbright Securities Company Limited”, the Company completed the change of registration procedures for securities sold in a private placement to certain target investors on September 1, 2015. In this private placement, 488,698,839 A Shares were issued to seven target investors at an offering price of RMB16.37 per share, and a net amount of RMB7,968,538,346.52 was raised. Upon the completion of this private placement, the total shares of the Company were increased from 3,418,000,000 A Shares before the issuance to 3,906,698,839 A Shares after the issuance. The registered capital was increased from RMB3,418,000,000 before the issuance to RMB3,906,698,839 after the issuance.

### ***Public offering and listing of H Shares on the Hong Kong Stock Exchange in 2016***

With the approval by the CSRC by issuing Zheng Jian Xu Ke [2016] No. 1547 “Reply on Approving the Issuance of Overseas Listed Foreign Shares by Everbright Securities Company Limited”, and by the Hong Kong Stock Exchange, the Company issued 704,088,800 overseas listed foreign shares (H Shares) and these shares were listed on the Main Board of the Hong Kong Stock Exchange on August 18, 2016. The total number of shares of the Company were changed from 3,906,698,839 to 4,610,787,639, and the registered capital was changed from RMB3,906,698,839 to RMB4,610,787,639.

## SECTION II COMPANY PROFILE AND KEY FINANCIAL INDICATORS

### (II) Organizational structure

#### 1. Organizational chart (as of the date of this report)



Note: The above organizational chart only contains the first-tier majority-owned subsidiaries of the Company.

## SECTION II COMPANY PROFILE AND KEY FINANCIAL INDICATORS

### 2. Information about the first-tier onshore and offshore subsidiaries of the Company

Name	Registered Capital	Shareholding Percentage	Registered Address	Date of Establishment	Person in Charge and Contact Number
Everbright Futures	RMB1.5 billion	100%	6th Floor & Unit 703, No. 729, Yanggao South Road, China (Shanghai) Pilot Free Trade Zone	April 8, 1993	Yuan Wenzhong (苑文忠) 021-80212288
Everbright Asset Management	RMB200 million	100%	26th Floor, Tower 3, No. 799, Yanggao South Road, China (Shanghai) Pilot Free Trade Zone	February 21, 2012	Qiao Zhen (喬震) 021-32068300
Everbright Fortune	RMB2 billion	100%	Rooms 801-803, No. 1508 Xinzha Road, Jing'an District, Shanghai	September 26, 2012	Cheng Gang (程剛) 021-22167126
EBSI	HK\$7.4 billion	100%	12/F, Everbright Centre, 108 Gloucester Road, Wan Chai, Hong Kong	November 19, 2010	Li Mingming (李明明) 852-39202828
Everbright Development	RMB500 million	100%	Room 209, Western District, Level 2, No. 707 Zhangyang Road, China (Shanghai) Pilot Free Trade Zone	June 12, 2017	Chen Hu (陳濤) 021-61061966
Everbright Pramerica	RMB160 million	55%	6th Floor, Tower One, BFC, No. 558 Zhongshan East Second Road, Huangpu District, Shanghai	April 22, 2004	Liu Xiang (劉翔) 021-80262888
Everbright Capital	RMB4 billion	100%	8th Floor, No. 1508 Xinzha Road, Jing'an District, Shanghai	November 7, 2008	Guo Yongjie (郭永潔) 021-61061986

### 3. The number and geographical locations of the securities brokerage branches of the Company

As of the disclosure date of this report, the Company has 14 branch companies and 227 securities brokerage branches located nationwide in 114 cities (including county-level cities) of 30 provinces, autonomous regions and municipalities directly under the central government. For details of the geographical location of the branch companies and securities brokerage branches of the Company, please refer to "III. The Geographical Locations of the Branch Companies and Securities Brokerage Branches of the Company" under Appendix "Information Disclosure of Securities Companies" in this report.

### 4. The number and geographical location of other branches

For details of the number and geographical location of other branches of the Company, please refer to "III. The Geographical Locations of the Branch Companies and Securities Brokerage Branches of the Company" under Appendix "Information Disclosure of Securities Companies" in this report.

## SECTION II COMPANY PROFILE AND KEY FINANCIAL INDICATORS

### VII. Other Relevant Information

<b>Accounting firm engaged by the Company (Domestic):</b>	Name	KPMG Huazhen LLP
	Business address	8th Floor, KPMG Tower, Oriental Plaza, No.1 East Chang An Avenue, Dongcheng District, Beijing, the PRC
	Name of signatory accountants	Huang Xiaoyi (黃小熠), Abby Wang (王國蓓)
<b>Accounting firm engaged by the Company (International):</b>	Name	KPMG
	Business address	8/F, Prince's Building, 10 Chater Road, Central, Hong Kong, the PRC
	Name of signatory accountants	Pang Shing Chor Eric
<b>Domestic legal advisor:</b>	King & Wood Mallesons	
<b>International legal advisor:</b>	Latham & Watkins LLP	
<b>A Share Registrar:</b>	China Securities Depository and Clearing Corporation Limited, Shanghai Branch	
<b>H Share Registrar:</b>	Computershare Hong Kong Investor Services Limited	

## SECTION II COMPANY PROFILE AND KEY FINANCIAL INDICATORS

### VIII. Key Accounting Information and Financial Indicators for the Last Three Years

#### (I) Key accounting information and financial indicators

(Unless otherwise stated, the accounting information and financial indicators contained in this report have been prepared in accordance with IASs)

Item	2024 (RMB'000)	2023 (RMB'000)	Variance as compared to the last corresponding period	2022 (RMB'000)
<b>Operating results</b>				
Revenue and other income	14,196,747	14,776,094	(3.92)%	15,021,145
Profit before income tax	3,580,900	4,757,297	(24.73)%	3,853,905
Net profit attributable to shareholders of the Company	3,058,464	4,271,152	(28.39)%	3,189,073
Net cash generated from/(used in) operating activities	16,839,780	26,673,529	(36.87)%	17,910,087
	(RMB/share)	(RMB/share)		(RMB/share)
<b>Earnings per share</b>				
Basic earnings per share	0.58	0.84	(30.95)%	0.61
Diluted earnings per share	0.58	0.84	(30.95)%	0.61
<b>Profitability indicator</b>				
Weighted average return on net assets	4.58%	6.91%	Decreased by 2.33 percentage points	5.27%

Net profit attributable to shareholders of the Company during the Reporting Period decreased by 28.39% year-on-year, mainly because Everbright Capital, a subsidiary of the Company, entered into an execution settlement agreement last year (please refer to the Company's announcement No. Lin 2023-046 published on the website of the SSE and announcement published on the website of the Hong Kong Stock Exchange dated September 20, 2023 for details) and the reversal of provision for contingent liabilities amounted to RMB2.15 billion.



## SECTION II COMPANY PROFILE AND KEY FINANCIAL INDICATORS

Item	As of December 31, 2024 (RMB'000)	As of December 31, 2023 (RMB'000)	Variance as compared to the last corresponding period	As of December 31, 2022 (RMB'000)
<b>Scale indicators</b>				
Total assets	<b>292,959,018</b>	259,604,027	12.85%	258,354,482
Total liabilities	<b>223,735,548</b>	191,708,638	16.71%	193,570,043
Accounts payable to brokerage clients	<b>71,279,573</b>	55,957,676	27.38%	69,297,987
Equity attributable to shareholders of the Company	<b>68,390,255</b>	67,088,609	1.94%	64,004,834
Total equity of owners	<b>69,223,470</b>	67,895,389	1.96%	64,784,439
Total share capital ('000 shares)	<b>4,610,788</b>	4,610,788	–	4,610,788
Net assets per share attributable to shareholders of the Company (RMB/share) <sup>(Note 1)</sup>	<b>12.77</b>	12.49	2.24% Increased by 2.11 percentage points	11.82
Gearing ratio <sup>(Note 2)</sup>	<b>68.77%</b>	66.66%		65.73%

Note 1: Net assets per share is calculated based on owners' equity attributable to shareholders of the listed company less other equity instruments.

Note 2: Gearing ratio = (Total liabilities – Accounts payable to brokerage clients)/(Total assets – Accounts payable to brokerage clients)

Note 3: The net profit and the net assets attributable to shareholders of the listed company for the comparative periods as disclosed in the financial reports prepared in accordance with IASs are consistent with those prepared in accordance with the PRC GAAP.

## SECTION II COMPANY PROFILE AND KEY FINANCIAL INDICATORS

### (II) Net capital and risk control indicators of the parent company

Unit: Yuan Currency: RMB

Item	As at the end of the Reporting Period	As at the end of last year
Core net capital	39,252,211,225.65	39,370,165,838.86
Subordinate net capital	6,320,000,000.00	7,600,000,000.00
Net capital	45,572,211,225.65	46,970,165,838.86
Net assets	67,028,783,143.57	66,563,271,769.63
Provisions for risk capital	13,240,035,436.96	14,706,516,022.25
On-balance sheet and off-balance sheet assets	203,396,570,131.42	211,984,392,223.89
Risk coverage ratio (%)	344.20	319.38
Capital leverage ratio (%)	20.71	20.08
Liquidity coverage ratio (%)	216.14	232.90
Net stable funding ratio (%)	189.46	145.75
Net capital/Net assets (%)	67.99	70.56
Net capital/Liabilities (%)	31.30	36.81
Net assets/Liabilities (%)	46.04	52.17
Value of proprietary trading of equity securities and equity derivatives/Net capital (%)	3.74	6.70
Value of proprietary trading of non-equity securities and non-equity derivatives/Net capital (%)	248.35	174.82

Note: All the core risk control indicators of the parent company are in compliance with the relevant provisions of the Administrative Measures on the Risk Control Indicators of Securities Companies 《證券公司風險控制指標管理辦法》 issued by the CSRC.

The above data were prepared in accordance with the Administrative Measures on the Risk Control Indicators of Securities Companies 《證券公司風險控制指標管理辦法》 issued by the CSRC and the PRC GAAP on a parent company basis.

## SECTION II COMPANY PROFILE AND KEY FINANCIAL INDICATORS

### (III) Key accounting information and financial indicators for the last five years

RMB: million

	2024	2023	2022	2021	2020
Revenue and other income	<b>14,196.7</b>	14,776.1	15,021.1	21,897.8	21,034.0
Total expenses	<b>10,730.8</b>	10,117.1	11,272.4	17,296.3	17,125.0
Profit before income tax	<b>3,580.9</b>	4,757.3	3,853.9	4,668.2	3,998.8
Profit for the year – attributable to shareholders of the Company	<b>3,058.5</b>	4,271.2	3,189.1	3,484.3	2,334.1

RMB: million

	As of December 31, 2024	As of December 31, 2023	As of December 31, 2022	As of December 31, 2021	As of December 31, 2020
Total assets	<b>292,959.0</b>	259,604.0	258,354.5	239,107.6	228,736.4
Total liabilities	<b>223,735.5</b>	191,708.6	193,570.0	180,512.3	175,541.3
Accounts payable to brokerage clients	<b>71,279.6</b>	55,957.7	69,298.0	70,224.0	60,102.7
Equity attributable to shareholders of the Company	<b>68,390.3</b>	67,088.6	64,004.8	57,865.6	52,448.9
Total share capital	<b>4,610.8</b>	4,610.8	4,610.8	4,610.8	4,610.8

	2024	2023	2022	2021	2020
Basic earnings per share (RMB)	<b>0.58</b>	0.84	0.61	0.72	0.50
Diluted earnings per share (RMB)	<b>0.58</b>	0.84	0.61	0.72	0.50
Weighted average return on net assets	<b>4.58%</b>	6.91%	5.27%	6.43%	4.74%
Gearing ratio	<b>68.77%</b>	66.66%	65.73%	65.30%	68.46%
Net assets per share attributable to shareholders of the Company (RMB/share)	<b>12.77</b>	12.49	11.82	11.47	10.94

## SECTION III REPORT OF THE BOARD

### I. Discussion and Analysis on Business Operation

#### (I) Main businesses during the Reporting Period

In 2024, under the strong leadership of the Party Committee and the Board, the Company fully followed the guiding principles of the Central Financial Work Conference and the Central Economic Work Conference, maintained the strategic positioning and highlighted the functional positioning, to deepen business transformation and consolidate the foundation of development. Throughout the year, the Company recorded total revenue and other income of RMB14.197 billion and net profit attributable to shareholders of the parent company of RMB3.058 billion.

The Company's main business includes wealth management business segment, corporate financing business segment, institutional customer business segment, investment trading business segment, asset management business segment and equity investment business segment.

Unit: RMB'000

Item	2024				2023			
	Segment revenue		Segment expenses		Segment revenue		Segment expenses	
	Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage
Wealth management business segment	8,133,795	57%	5,426,617	51%	8,006,611	54%	5,839,717	58.00%
Corporate financing business segment	944,315	7%	555,456	5%	1,196,916	8%	733,884	7.00%
Institutional customer business segment	1,152,893	8%	423,029	4%	1,479,760	10%	501,460	5.00%
Investment trading business segment	1,749,795	12%	728,398	7%	1,358,879	9%	667,379	7.00%
Asset management business segment	1,041,545	7%	722,219	7%	1,182,546	8%	791,130	8.00%
Equity investment business segment	197,714	1%	30,926	0%	8,000	0%	(1,750,098)	(17.00)%

## SECTION III REPORT OF THE BOARD

### 1. Wealth management business segment

The wealth management business segment of the Company mainly comprises retail business, margin financing and securities lending, stock pledge business, futures brokerage business and overseas wealth management and brokerage business.

In 2024, the business segment achieved revenue of RMB8.1 billion, accounting for 57% of the Group's total revenue.

#### *Market environment*

In 2024, the A-share market initially declined and rebounded later. It showed a downward trend amid fluctuations with a gloomy trading sentiment in the first three quarters. With the introduction of a raft of incremental policies at the end of September, the market activity was continuously improved and the market sentiment gradually picked up, promoting the rapid rebound of the stock market. The turnover in the A-share market throughout the year exceeded RMB257 trillion, representing an increase of 21% as compared with 2023. Major stock indexes increased at different degrees with the SSE Composite Index, the SZSE Component Index and the ChiNext Index up 12.67%, 9.34% and 13.23%, respectively, throughout the year.

As of the end of December 2024, the balance of margin financing and securities lending in the whole market amounted to RMB1,864.583 billion, representing an increase of 12.94% from the end of last year. In particular, the balance of margin financing amounted to RMB1,854.145 billion, representing an increase of 17.40% from the end of last year, and the balance of securities lending amounted to RMB10.438 billion, representing a decrease of 85.42% from the end of last year.

According to statistics from the China Futures Association, in 2024, the accumulated trading volume in the national futures market reached 8.094 billion lots, representing a year-on-year decrease of 7.77%; and the accumulated turnover reached RMB618.94 trillion, representing a year-on-year increase of 8.94%. The overall accumulated revenue of the industry throughout the year reached RMB41.291 billion, representing a year-on-year increase of 3%; and the net profit reached RMB9.477 billion, representing a year-on-year decrease of 4.30%.

In 2024, the Hong Kong Hang Seng Index rose by 17.67%, and the Hong Kong Hang Seng TECH Index increased by 18.70%. In terms of market activity, the average daily turnover of the Hong Kong Stock Exchange was approximately HK\$131.8 billion in 2024, representing an increase of 26% as compared with HK\$105.0 billion in 2023.

## SECTION III REPORT OF THE BOARD

### *Operational measures and performance*

#### (1) Retail business

In 2024, the Company continued to uphold the political and people-oriented nature of the retail business and strengthened the “customer-centric and professionalism-rooted” service philosophy. Following the business logic of “customer-asset-revenue”, it focused on value creation, promoted various mechanism reforms, continued to forge professional teams, enhanced customer service capabilities and consolidated the fundamentals of the retail business. It constantly promoted the transformation of the wealth management business and effectively served customers in achieving the preservation and appreciation of customers’ assets. The Company advanced the transformation of proxy sale of financial products from the sale of single product to allocation services, completed the integrated construction of the “introduction-evaluation-sale” system and reshaped the product, appraisal and service systems. The Company comprehensively promoted the construction of the 2.0 version of “Sunshine Investment Consulting”. Centering on the “subjective, information and tool” product systems, the Company focused on the development of “All E Investment” (全E投), “All Star” (全明星), “Golden Algorithm” (金算法) and other core products. It set production and service standards on securities investment advisory products and carried out standardized operation, achieving new progresses in “advisory” services. It optimized the service scenarios of “Golden Sunshine Manager” and solidly carried out inclusive finance based on the performance of fund portfolios. According to the data from the Securities Association of China, as of the end of the third quarter of 2024, the Company’s net income from the securities brokerage business and net income from trade orders on behalf of the customers remained stable compared with the end of last year.

As of the end of 2024, the total number of customers of the Company reached 6.46 million, representing an increase of 10% from the end of last year; and customers’ total assets reached RMB1.37 trillion, representing an increase of 8.5% from the end of last year. In 2024, the proxy sale of financial products of the Company totaled RMB20.469 billion and the total scale of non-monetary funds was RMB41.1 billion, among which, the total scale of mutual funds in the non-monetary market was RMB29.5 billion. As of the end of the third quarter of 2024, the ranking in terms of net revenue from proxy sale of financial products improved by 3 places. As of the end of 2024, the number of contracted customers for securities investment advisory products increased by 31% from the end of last year, while the assets of and income from contracted customers recorded increases of 41% and 183% from the end of last year, respectively. The Company was awarded the “New Fortune Best Investment Advisor Team” for six consecutive times and the “Outstanding Organization Award” for five consecutive times in the New Fortune Best Investment Advisor Selection. It was also awarded the “Demonstration Institution for Growth Fund Investment Advisory” in the first session of the Golden Investment Advisory Cases in the 21st Century.

#### (2) Margin financing and securities lending business

In 2024, with the customer as the center, the Company’s margin financing and securities lending business earnestly practiced the principle of developing finance for people to satisfy customers’ demands for professional, refined and differentiated services. Through optimizing of business mechanism, innovating service models and enriching business operation tools, the Company achieved an increase in the number of customers with the growth rate in the scale of margin financing and securities lending higher than the market. It continuously strengthened compliance and risk control management, upheld the defense line of compliance and increasingly improved the quality of assets. As of the end of December 2024, the Company’s margin financing and securities lending balance was RMB41.293 billion, representing an increase of 20.23% from the end of last year. The overall maintenance margin ratio was 246.85%.

## SECTION III REPORT OF THE BOARD

### (3) Stock pledge business

In 2024, the Company strengthened business access and risk control for the stock pledge business, which continuously improved asset quality. As of the end of December 2024, the Company's stock pledge balance amounted to RMB2.507 billion, of which the balance of the Company's stock pledge with own funds amounted to RMB940 million, representing a decrease of RMB67 million from the end of 2023. The weighted average performance guarantee ratio of the Company's stock pledge self-funded projects to be performed was 310.07%.

### (4) Futures brokerage business

The Company mainly carries out its futures brokerage business through its wholly-owned subsidiary, Everbright Futures. In 2024, Everbright Futures actively responded to market changes and earnestly advanced various work. In 2024, Everbright Futures achieved an average daily margin of RMB28.526 billion, with a market share of 1.78% in trading volume. The cumulative stock options trading volume of Everbright Futures represented 1.69% of the total trading volume of stock options on the SSE, ranking 6th among the 32 futures companies engaged in stock options business in terms of the trading volume. Based on the futures market and through risk management means, Everbright Futures continued to deeply promote various work in advancing rural revitalization and serving the real economy. It carried out 78 "insurance + futures" projects throughout the year, covering more than 10 provincial administrative regions, such as Shaanxi, Xinjiang, Yunnan, Chongqing and Heilongjiang, and achieving tangible results in upholding the political and people-oriented nature of financial work. In 2024, Everbright Futures was awarded the "Outstanding Members of the Year", outstanding "insurance + futures" cases and other awards by various futures exchanges and authoritative media.

### (5) Overseas wealth management and brokerage business

The Company carries out its overseas wealth management and brokerage business mainly through its Hong Kong subsidiary. As of the end of 2024, the Hong Kong subsidiary's brokerage business had a total of 142 thousand customers with the asset scale of retail customers of HK\$57.7 billion, representing a year-on-year increase of 6.26%. The number of wealth management products exceeded 3,500. In 2024, the Hong Kong subsidiary was granted the "Securities Company of the Year 2024 – Excellence Award" and the "2024 Wealth Management Platform – Excellence Award" by the Bloomberg Businessweek (Chinese Version), the "2024 Best Broker in Hong Kong" in Country Awards by FinanceAsia, the "Best Securities Investment Service" Award at the Sing Tao Service Awards organized by Sing Tao Daily as well as other awards by well-known third-party institutes in the industry.



## SECTION III REPORT OF THE BOARD

### *Outlook for 2025*

In 2025, for the retail business, the Company will continue to focus on the core logic of “customer-asset-revenue”, follow the “customer-centric” concept and promote the preservation and appreciation of customers’ assets. It will persist in the cultivation and transformation of customer groups, increasingly consolidate the customer base, strengthen team building, stimulate the vitality of the talent team, constantly improve the professional service capabilities, continuously optimize the business mechanism, encourage and promote the branches to grow bigger and stronger. The Company will step up efforts in promoting the transformation from “product-focused” single product sales to “customer-centric” allocation services by adhering to the orientation of wealth management transformation and serving the real economy and value creation, so as to improve the market competitiveness and promote the high-quality development of wealth management business. For the margin financing and securities lending business, the Company will closely follow market changes and expand the customer base through empowerment with professionalism, services and technologies to increasingly enhance the market competitiveness of the margin financing and securities lending business. It will continue to strengthen risk control measures in the “pre-event, in-process and post-event” stages and carry out counter-cyclical management to facilitate the high-quality business development. For the stock pledge business, the Company will strictly comply with regulatory requirements and continue to give play to the value of comprehensive services, and effectively serve the real economy. Based on its own resources endowment, Everbright Futures will improve technological empowerment and service collaboration, consolidate the business risk prevention and control mechanism and actively respond to risks and challenges to consolidate the foundation for the high-quality development of the Company in the next stage. For the overseas wealth management and brokerage business, the Company will continue to improve the value creation and professional capabilities of teams. In combination with its business characteristics and advantages in the complete set of financial services licenses, the Company will focus on advancing the transformation of wealth management business and continuously launch asset growth programs and thematic marketing activities for high-end and new customers to consolidate business foundations.

## **2. Corporate financing business segment**

Our corporate financing business segment mainly includes equity financing business, debt financing business, overseas investment banking business and financial leasing business.

In 2024, the business segment achieved revenue of RMB0.9 billion, accounting for 7% of the Group’s total revenue.

### ***Market environment***

Since 2024, the issuance in the A-share equity financing market has continued to slow down. In 2024, the total amount of equity financing in the A-share equity financing market was RMB288.072 billion, representing a year-on-year decrease of 72.88%. The amount of funds raised in IPOs was RMB67.353 billion, representing a year-on-year decrease of 81.24%.

In 2024, the bond underwriting size of securities companies expanded. The total bond underwriting amount of securities companies was RMB14.14 trillion, representing a year-on-year increase of 4.66%.

In 2024, a total of 70 companies were newly listed on the Hong Kong market through IPOs, which was basically the same with that of last year. HK\$87.48 billion was raised through IPOs, representing a year-on-year increase of 94.98%.

## SECTION III REPORT OF THE BOARD

### *Operational measures and performance*

#### (1) Equity financing business

In 2024, for the equity financing business, the Company contributed to the development of new quality productive forces, increased support for strategic emerging industries, and further enhanced the capabilities to serve modern industries by closely focusing on national strategic industries. The Company was committed to promoting the efficient implementation of projects, and completed the IPO of Holyview and refinancing of Nanya New Material, both being national-level specialized and sophisticated enterprises that produce new and unique products. The Company continued to explore high-quality project resources and strictly controlled the quality of projects, continued to increase the efforts in the coordinated business expansion, constantly deepened and consolidated the project pipeline, actively expanded business channels, and strived to better serve customers and help to meet the financing needs of real economy enterprises.

In 2024, the Company completed 2 equity underwriting projects for which it acted as the lead underwriter (excluding exchangeable bonds), with the amount of equity underwriting of RMB1.09 billion. In particular, the Company completed 1 IPO project, with an amount of underwriting of RMB961 million. As of the end of 2024, the Company had 7 equity projects under review.

#### (2) Debt financing business

In 2024, for the debt financing business, the Company fully implemented the national strategic deployment, improved service capabilities, accelerated the implementation of reserve projects, further consolidated the results of serving the real economy, promoted the issuance of industrial bonds, and strived to make positive contributions to serving the "five major aspects". The amount of debt financing to serve the real economy was RMB86.126 billion, representing a year-on-year increase of 20.50%, of which the underwriting amount for the technology industry and the green industry increased by 28.46% and 43.58% year-on-year, respectively. The Company continued to give full play to the advantages of business innovation and became the first in many aspects in the industry, of which "24 Jizhong Energy MTN01" was the first digital RMB bond for science and technology innovation of energy enterprises in China; "CNNC Huineng REITs Project" was issued in a total of 2 tranches by the Company with an aggregate amount of RMB11.5 billion, becoming the new energy REITs project with the largest market size in the year; "24 Beijing State-owned Assets Bond" was the first credit bond approved by and issued on the Beijing Stock Exchange. The Company tapped into strategic resources and developed a series of flagship projects, constantly enhancing market influence. The Company was awarded the "2024 Junding Prize for Bond Financing Investment Bank in China's Securities Industry" as well as the "Best Underwriter for Asset-backed Securities", the "Best Underwriter for Corporate ABS" and the "Best Underwriter for Green Bond" by Wind in 2024.

In 2024, the number of the Company's underwriting projects for bonds was 1,487, and the underwriting amount of bonds was RMB439.229 billion, with a market share of 3.12%, ranking 8th in the industry. Among them, the underwriting amount of asset-backed securities was RMB55.303 billion, with a market share of 3.49%, ranking 8th in the industry.

## SECTION III REPORT OF THE BOARD

### The underwriting amount and number of issuance projects for major types of bonds of the Company

Type of bonds	Underwriting amount (RMB100 million)	Number of issuance projects (piece)
Financial bonds	555.84	66
Corporate bonds	282.61	129
Interbank products (including short-term financing bonds, medium-term notes, and private placement notes)	1,162.55	383
Local government bonds	1,836.27	564
Asset-backed securities	553.03	344
Enterprise bonds	2.00	1

#### (3) Overseas investment banking business

The Company mainly conducts its overseas investment banking business through its Hong Kong subsidiary. In 2024, the Hong Kong subsidiary completed a total of 12 equity underwriting projects of IPOs, 1 sponsoring project of IPOs, 2 financial advisory projects and 8 debt underwriting projects. In particular, it completed 16 overseas financing projects of domestic enterprises.

#### (4) Financial leasing business

The Company conducts its financial leasing business mainly through Everbright Leasing, a majority-owned subsidiary of the Company. In 2024, Everbright Leasing strengthened the operation of existing projects, enhanced asset settlement and optimized the debt structure. Throughout the year, the Company settled asset projects of RMB79 million.

### Outlook for 2025

In 2025, for the equity financing business, the Company will respond to regulatory calls, prioritize compliance, strengthen control over existing projects, focus on business execution and improve comprehensive service capabilities, to build an investment banking service system that serves scientific and technological innovation enterprises, make full use of "what an investment banking can do" to serve "customers' needs", grow together with enterprises, and achieve value creation in rendering services. In terms of the debt financing business, the Company will continue to deeply implement the guiding policy of the Party Central Committee on financial work and persistently focus on the development demands of the real economy; deeply explore the potential of regional development and strive to provide local enterprises with wider financial channels. As strengthening compliance and risk management and enhancing internal capabilities are key to improving the quality of the bond underwriting business and preventing risks, the Company will continue to improve internal capabilities and the quality of practice by exploring and optimizing intermediary functions. While strictly adhering to the bottom line of risks, it will promote the high-quality business development. In terms of the overseas investment banking business, the Company will continue to display its role in capital intermediary, strengthen business exploration in TMT, artificial intelligence and other relevant industrial hotspots, enrich project reserves and facilitate the integrated development of domestic and overseas businesses.

## SECTION III REPORT OF THE BOARD

### 3. Institutional customer business segment

Institutional customer business segment mainly comprises institutional trading business, prime brokerage business, asset custody and outsourcing business, investment research business, financial innovation business and overseas institutional sales business.

In 2024, the business segment achieved revenue of RMB1.2 billion, accounting for 8% of the Group's total revenue.

#### *Market environment*

In 2024, the share and fund turnover in Shanghai and Shenzhen stock markets recorded a year-on-year increase of 23%. The existing size of wealth management products issued by banks was RMB29.95 trillion, representing an increase of 11.75% as compared with the beginning of the year. The net assets under mutual funds amounted to RMB32.83 trillion, representing an increase of 18.95% as compared with the end of 2023. In 2024, the CSRC released the Regulation on the Management of Securities Transaction Expenses from Publicly-raised Securities Investment Funds 《公開募集證券投資基金證券交易費用管理規定》, which promoted the return of sell-side research business to the essence of research, facilitated the professional development of securities research services, guided the reasonable downward adjustment of commission rates of mutual funds and optimized the structure of market transaction costs. The lower transaction costs of mutual funds effectively boosted investors' confidence, which facilitated the steady rebound in the asset size of mutual funds and created development opportunities for the institutional business of securities companies. However, the increasing trend of differentiation in the industry intensified competitions and the institutional business of securities companies faced various challenges. In 2024, with the increasingly strict private fund regulatory environment, the number of new filings of private securities investment funds in the whole market decreased by 61.45% year-on-year, and the scale of new filings decreased by 50.31% year-on-year from January to December according to the statistics of the Asset Management Association of China.

#### *Operational measures and performance*

##### (1) Institutional trading business

In 2024, the Company continued to follow the customer-centric concept, optimized the allocation of research resources, built digital investment research platforms, improved the efficiency of customer services, promoted featured research services of Everbright, consolidated and facilitated the cooperation with core customers on mutual funds and insurance asset management. The Company actively responded to the challenges posed by the year-on-year decreases in insurance seats of mutual funds and the downward adjustment of trading rates of mutual funds, and expanded the coverage of and the service for bank wealth management, private funds and other customers, striving to build the service brand of Everbright. The Company deepened internal coordination, enhanced the comprehensive service capabilities and developed value-added services for institutional clients, such as trading support, to continuously optimize customer experience, expand sources of revenue and reinforce customer stickiness.

##### (2) Prime brokerage business

In 2024, for commercial banks and wealth management subsidiaries, private equity institutions and trust and other financial institutions, the Company provided one-stop integrated financial services underpinned by trading system, investment research, fundraising, capital intermediary and FOF/MOM investment and extended with other services to create the prime brokerage service brand. As of the end of 2024, the Company has introduced a total of 7,470 PB products, representing an increase of 15.22% as compared with the end of 2023. There were 4,069 existing PB products, representing an increase of 1.22% as compared with the end of 2023.

## SECTION III REPORT OF THE BOARD

### (3) Asset custody and outsourcing business

In 2024, for asset custody and outsourcing business, the Company closely followed regulatory dynamics, stuck to its principal responsibilities and businesses, persistently adhered to the customer-centric concept and practiced the people-oriented nature and functionality of custody business. Leveraging its professional and efficient operational service capabilities, the Company expanded its client base, enhanced operational efficiency, strengthened risk management and control and maintained compliance and steady operation. As of the end of 2024, the Company's asset custody and outsourcing business saw a 9.49% increase in the number of clients compared with the beginning of the year. The Company ranked 10th among securities companies in terms of the number of mutual funds under custody and 15th among securities companies in terms of the number of private securities investment funds under custody. The scale of mutual and private fund under custody amounted to RMB54.7 billion, representing a decrease of 18.48% as compared with the beginning of the year. The scale of private fund outsourcing amounted to RMB124.4 billion, representing a decrease of 3.49% as compared with the beginning of the year.

### (4) Investment research business

In 2024, for the investment research business, the Company conducted policy analysis and economic research and judgment with a focus on the economic situation and market hotspots, and frequently conveyed the voice of Everbright for the high-quality development and steady advancing of the capital market. It accelerated the building of professional research team to better serve customers and the market through distinctive and in-depth research. The Company held 5 exchange conferences for major listed companies and 888 phone meetings, published 5,397 research reports, conducted 31,527 roadshows and reverse roadshows and 1,008 joint researches. As of the end of 2024, the Company researched and monitored 813 A-share listed companies and 185 overseas listed companies, with its market influence continuing to increase.

### (5) Financial innovation business

In 2024, the Company closely followed regulatory orientation, flexibly responded to market changes, and steadily promoted the development of return swaps, OTC options and income receipts business under the guarantee of the sound compliance framework and risk control systems. During the Reporting Period, the Company actively expanded market making subjects, provided liquidity to the market and achieved the full coverage of all ETF options and 33 ETF funds on the SSE and the SZSE as well as all index options on China Financial Futures Exchange. The Company properly fulfilled the obligations of market maker for exchanges and obtained the annual class-A comprehensive appraisal on lead market makers for stock options in 2024 granted by the SSE, the "good" comprehensive appraisal on general market makers of listed funds in 2024 by the SZSE and the annual class-A comprehensive appraisal on general market makers of listed funds by the SSE.

### (6) Overseas institutional trading business

The Company conducts its overseas institutional trading business mainly through its Hong Kong subsidiary. In 2024, the overseas institutional trading business continued to enhance business expansion and continuously tapped into long funds, hedge funds, corporate institutes and other new customers.

## SECTION III REPORT OF THE BOARD

### *Outlook for 2025*

In 2025, for the institutional trading business, the Company will continue to diversify investment research products and services, leverage on artificial intelligence, big data and other technologies, improve the efficiency and accuracy of investment research services, consolidate the foundations for cooperation with mutual funds, insurance asset management and other institutional customers, boost efforts in providing comprehensive services to bank wealth management, private fund and interbank institutions, expand the coverage of institutional customers, optimize the customer structure and diversify the sources of revenue. For the asset custody and outsourcing business, the Company will actively follow regulatory policies, keep an insight on market development trends and focus on the steady development of principal businesses. It will consolidate the functionality of the custody and outsourcing business through continuously improving the professional capabilities and operational efficiency, fully display the role of the institutional business as customer acquisition channels, promote the resources integration model with coordinated development as the core to facilitate the overall high-quality business development and achieve multi-dimensional value creation. The investment research business will focus on market demand, continue to develop research on featured sectors, expand the coverage of institutional customers and improve the research capability and market influence. The financial innovation business will continue to optimize the OTC business model and product structure based on market changes and regulatory requirements, enhance the trading hedge capability and meet diversified customer demands for risk management and asset allocation. For the market making business, the Company will further expand the scope of marketing making subjects, strengthen the technical capability of the market making system and increasingly improve the market competitiveness.

### **4. Investment trading business segment**

The investment trading business segment includes the proprietary equity investment business and the proprietary fixed income investment business.

In 2024, the business segment achieved revenue of RMB1.7 billion, accounting for 12% of the Group's total revenue.

#### *Market environment*

In 2024, the SSE Composite Index increased by 12.67%, the SZSE Component Index rose by 9.34%, the ChiNext Index jumped by 13.23%, and the Wind All A-Share Index rose by 10%. The market fluctuated significantly throughout the year and the investment environment was full of challenges. Against the backdrop of the macroeconomic environment, the driving of policies and the structural imbalance in the supply and demand of bonds, the bond market continuously strengthened. The yield rates and spreads of various types of bonds have fallen to historical low levels, and the bond market has ushered in a new phase of low interest rates across the board.

#### *Operational measures and performance*

##### (1) Proprietary equity investment business

In 2024, the Company operated its proprietary equity investment business by focusing on absolute returns. The Company firmly defended the bottom line of risk, and actively responded to market changes. Benefiting from the diversified asset allocation and the flexible position management, the overall asset portfolio recorded positive revenue under the complicated and volatile market environment.

##### (2) Proprietary fixed income investment business

In 2024, for the proprietary fixed income investment business, the Company focused on absolute returns, continuously consolidated the investment research foundations, improved investment framework, diversified investment strategies, strictly controlled risks, seized market opportunities to steadily increase the allocation of high-quality bonds and expand the scale of investment and constantly boosted efforts in supporting the real economy and serving the national strategies. The Company further diversified investment categories and increased neutral strategies to supplement fixed income directional investment, improve overall profitability and profit stability, achieving outstanding results of operations.

## SECTION III REPORT OF THE BOARD

### *Outlook for 2025*

In 2025, for the proprietary equity investment business, the Company will maintain the target of absolute returns and adhere to the steady investment concept, continue to refine and improve investment methodology, improve investment strategies, enhance the development of talent teams, deeply explore investment opportunities, and promote enhanced and refined business layout of multi-asset allocation and multi-strategy. For the proprietary fixed income investment business, the Company will continue to adhere to the orientation of absolute returns, constantly strengthen the building of investment research capabilities, further consolidate investment research foundations, continuously improve investment strategies and diversify investment and trading categories. The Company will always stick to the concept of serving the real economy and national strategies through business development and increase investment in bonds with the real economy as the subject.

### **5. Asset management business segment**

The asset management business segment includes the asset management business, the fund management business and the overseas asset management business.

In 2024, the business segment achieved revenue of RMB1.0 billion, accounting for 7% of the Group's total revenue.

### *Market environment*

In 2024, the CSRC issued the Opinions on Strengthening the Supervision of Securities Companies and Mutual Funds and Accelerating the Promotion of Construction of First-class Investment Banks and Investment Institutions (Trial), providing guidance on the steady development of securities and fund business institutions in the future. According to the data of the Asset Management Association of China, as of the end of 2024, the scale of the private asset management business of securities companies and their asset management subsidiaries was RMB5.47 trillion, representing an increase of 3.04% from the beginning of the year. As of the end of 2024, the AUM of mutual funds amounted to RMB32.18 trillion (excluding ETF feeder funds and excluding market value of funds held by FOF), representing an increase of RMB5.06 trillion, or 18.64%, as compared with the end of 2023.

### *Operational measures and performance*

#### (1) Asset management business

The Company mainly conducts asset management business through its wholly-owned subsidiary, Everbright Asset Management. In 2024, Everbright Asset Management focused on its principal responsibilities and businesses, vigorously explored the private asset management business, consolidated and deepened the partnership with core customers. It also constantly expanded customer groups and optimized the business structure. Positioning as a "manager of social wealth", Everbright Asset Management continued to improve and expand the product spectrum, strengthened the layout on diversified products and improved the adaptability and stability of investment strategies, striving to meet the increasingly diversified wealth management demands of residents.

As of the end of 2024, the assets under entrusted management of Everbright Asset Management was RMB311.4 billion, representing an increase of 3.71% from the beginning of the year. According to the statistics of the Asset Management Association of China, in the third quarter of 2024, the monthly average AUM of the private equity asset management products of Everbright Asset Management ranked 5th in the industry.



## SECTION III REPORT OF THE BOARD

### (2) Funds management business

The Company mainly conducts funds management business through its majority-owned subsidiary, Everbright Pramerica. In 2024, Everbright Pramerica continued to strengthen cooperation with various distribution channels and issued the Everbright Pramerica Dingli 90-day Rolling Bond-held Securities Investment Fund (光大保德信鼎利90天滾動持有債券型證券投資基金) and the Everbright Pramerica Selected Balanced Pension Target Three-year Holding Period Hybrid Initiating Fund of Funds (FOF) (光大保德信安選平衡養老目標三年持有期混合型發起式基金中基金(FOF)), with a fundraising scale of nearly RMB1 billion. Everbright Pramerica continuously promoted the establishment of the investment research system, strived to improve the breadth and depth of research support for investment and create excellent products. As of the end of 2024, the total AUM of Everbright Pramerica amounted to RMB93.4 billion, among which, the AUM of mutual funds amounted to RMB75.7 billion, and the AUM of mutual funds excluding money market funds amounted to RMB57.0 billion.

### (3) Overseas asset management business

The Company conducts its overseas asset management business mainly through its Hong Kong subsidiary. In 2024, the Hong Kong subsidiary continued to improve its investment research capabilities, risk control and asset allocation, actively responded to market changes, flexibly adjusted asset allocation strategies, seized trading opportunities in the market and effectively improved revenue from investment portfolios. The Hong Kong subsidiary recorded outstanding performance of mutual fund products under its management with the investment performance continuously higher than market indexes in the same period. The AUM of its Hong Kong subsidiary was HK\$1.377 billion.

### *Outlook for 2025*

In 2025, Everbright Asset Management will continue to focus on the target of high-quality development, adhere to the primary functional positioning, continuously improve its investment management and production creation capability and strive to achieve stable and better investment results and strengthen the capability in providing customers with comprehensive services. Everbright Pramerica will continue to take investment and research capabilities as the core business driver, deeply explore retail channels and actively cooperate with institutional customers, constantly improve the comprehensive risk management system and strengthen financial technology investment, strive to continuously create value for investors, promote the high-quality development and enhance the market influence of brands of the enterprise. In respect of overseas asset management, the Company will strengthen its independent investment research capabilities, improve the product layout and boost product investment performance internally, and deeply focus on retail and institutional sales channels and boost the market influence of brands of the enterprise externally.

## SECTION III REPORT OF THE BOARD

### 6. Equity investment business segment

The equity investment business segment includes private fund investment and financing business and alternative investment business.

In 2024, the business segment achieved revenue of RMB0.2 billion, accounting for 1% of the Group's total revenue.

#### *Market environment*

In 2024, China's equity investment market maintained the downward trend on the whole with year-on-year decreases in the number and size of fundraising. The equity investment sped up in deploying in key and core sectors to consolidate the foundations for and empower the development of new quality productive forces. The post-investment management of institutions still need to be improved continuously in practice while the diversification of exit manners accelerated. The Management Rules for Private Investment Fund Subsidiaries of Securities Companies (Revised in 2024) 《證券公司私募投資基金子公司管理規範(2024 年修訂)》 was issued by the Securities Association of China. The guidance of regulatory policies on the private fund investment business of securities companies has been continuously enhanced and developing toward the direction of further standardization and orderliness.

#### *Operational measures and performance*

##### (1) Private fund investment and financing business

The Company mainly conducts private fund investment and financing business through its wholly-owned subsidiaries, Everbright Capital and Everbright Development. In 2024, for direct investment projects and existing fund business, Everbright Capital continued to take measures to rectify such business according to the regulatory requirements, strengthened post-investment management of the existing investment projects, and properly facilitated risks solving and addressing. Everbright Development continued to improve the internal management system to ensure the smooth operation of existing products.

##### (2) Alternative investment business

The Company mainly conducts alternative investment business through its wholly-owned subsidiary, Everbright Fortune. Everbright Fortune actively followed market situation and orderly proceeded relevant business on follow-up investment in the Sci-tech Innovation Board and the ChiNext Board and direct equity investment to achieve steady business development. Everbright Fortune strengthened the construction of professional post-investment management team and made efforts to the post-investment management of the existing projects to ensure the safe and orderly withdrawal from projects. It actively attended the strategic placing of the Company on the Sci-tech Innovation Board. As of the end of 2024, it has completed a total of 14 equity investment projects, and follow-up investment in 11 companies on the Sci-tech Innovation Board.

#### *Outlook for 2025*

In 2025, Everbright Capital will continuously strengthen risk control and compliance management, adhere to prudent and stable operation, enhance post-investment management of existing direct investment and fund business. Everbright Fortune will continue to serve the real economy and national strategies, steadily advance the strategic placing investment projects on the Sci-tech Innovation Board and the ChiNext Board, and actively expand equity investment and other businesses; it will focus on "specialized and sophisticated enterprises that produce new and unique products", concentrate on growth and innovation enterprises, and actively expand the strategic placing on Beijing Stock Exchange, private placement of listed companies and other new businesses.

## SECTION III REPORT OF THE BOARD

### II. Description of the Industry where the Company Operated during the Reporting Period

In 2024, under the strong leadership of the Party Central Committee, China's economy ran generally stable with steady progress, achieving new advancements in high-quality development. Since the fourth quarter, a package of incremental policies has effectively boosted social confidence and driven a noticeable economic rebound. According to preliminary estimates, China's annual GDP exceeded RMB130 trillion, representing a year-on-year increase of about 5%. Chinese residents' demand for wealth management continued to rise, with growing demand for diversified asset allocation. Industrial restructuring and upgrading persisted, and as of the end of 2024, China was home to 463,000 high-tech enterprises and over 140,000 small and medium-sized specialized and sophisticated enterprises that produce new and unique products, accelerating the development of new quality productive forces.

The Third Plenary Session of the 20th CPC Central Committee stressed deepening financial reform, advancing high-level financial opening-up, and strengthening the construction of the financial legal framework. It called for building a modern system of financial institutions, markets, products, and services, and establishing long-term mechanisms to enhance the intrinsic stability of capital markets. For the regulation on the industry, it focused on three key tasks: risk prevention, stringent supervision, and development promotion, and embraced the "five-pronged regulation" philosophy, ensuring strict and effective oversight. The capital market environment continued to improve, with stricter IPO entry criteria, intensified delisting measures, and full implementation of "gatekeeper" responsibilities. Reforms and risk mitigation in small and medium-sized financial institutions accelerated to prevent external risk spillovers. Financing support for "the implementation of major national strategies and building up security capacity in key areas" and "the large-scale renewal of equipment and the trade-in of consumer goods" was strengthened, fostering region-specific development of new quality productive forces and enhancing financial services for key sectors and vulnerable links.

Note: All industrial information was retrieved from the public disclosure of the SSE and the SZSE, Wind Info, the Securities Association and the Funds Association.

## SECTION III REPORT OF THE BOARD

### III. The Company's Businesses for the Reporting Period

**Wealth management business segment:** The Company provides brokerage and investment consulting services for retail clients to earn fee and commission, holds cash on behalf of clients to earn interest income, and sells financial products developed by the Company and other financial institutions to earn commission fee; and earns interest income from margin financing and securities lending, collateralized stock repurchase transactions, securities transactions under repurchase agreement and stock option exercise with respect to share incentive schemes of listed companies.

**Corporate financing business segment:** The Company provides one-stop direct financing services for corporate customers and government customers, such as equity financing, debt financing, merger and acquisition financing, NEEQ and structural financing, asset securitization and financial advisory services, to earn fee and commission.

**Institutional customer business segment:** The Company earns fee and commission by providing integrated services such as investment research, prime brokerage and custody, customized financial products and package solutions and bond distribution to institutional clients.

**Investment trading business segment:** On the premise of value investment and steady operation, the Company engages in various investment in and trading of stocks, bonds and derivatives to earn investment income.

**Asset management business segment:** The Company provides institutional and individual clients with various securities assets management services and fund assets management services to earn management and advisory fees.

**Equity investment business segment:** The Company generates income from private equity investment financing and alternative investment.

### IV. Descriptions of the Material Changes in the Principal Assets of the Company during the Reporting Period

The principal assets of the Company include financial assets at fair value through profit or loss, cash held on behalf of brokerage clients, margin accounts receivable and investment in debt instruments at fair value through other comprehensive income, etc. For details of the changes in the principal assets during the Reporting Period, please refer to "VI. Key business operation for the Reporting Period – (I) Analysis of the principal businesses – 3. Analysis on principal components of consolidated statement of financial position" in this section.

Of which: Overseas assets reached RMB13.96 billion, accounting for 4.76% of the total assets.

Overseas assets are derived from the investment in a Hong Kong subsidiary, EBSI. Please refer to "VI. Key business operation for the Reporting Period – (V) Analysis on principal controlled subsidiaries and companies with equity interest" in this section for details.

## SECTION III REPORT OF THE BOARD

### V. Analysis on Core Competitive Strengths during the Reporting Period

#### (I) Upholding Party building as the guiding principle, and undertaking the responsibilities as a central enterprise

The Company has consistently adhered to the centralized and unified leadership of the CPC Central Committee in financial work, integrating Party leadership into all aspects and throughout the entire process of corporate governance, and effectively turning the guidance of the CPC Central Committee into concrete actions for high-quality development. Everbright Group, the controlling shareholder of the Company, was promoted and established by the MOF and Huijin Company. It has a complete set of financial service licenses and featured businesses related to people's livelihood, and special advantages in comprehensive finance, synergy of industry and finance, and cross-border operations. As the only core subsidiary of the Group with securities licenses, the Company has always upheld the political and people-oriented nature of financial work by elevating political awareness, strengthening mission-driven responsibility, establishing correct philosophies on operation, performance and risk and giving full play to its capabilities to align with the needs of the country and the expectations of the people.

#### (II) Focusing on its principal responsibilities and businesses to enhance the functional contributions

Regarding serving the real economy as the starting point and the ultimate goal of its work, the Company leverages its expertise as a securities firm to solidly advance the implementation of its work and continuously enhance the quality and efficiency of direct financing services. In 2024, the Company facilitated direct financing of RMB257.5 billion for enterprises. The Company strengthens its presence in key strategic areas of China and continuously enhances its market influence. During the Reporting Period, it assisted Wuxi Holyview, a national level specialized and sophisticated "Little Giant" enterprise, in its listing on the main board of the SSE. This marked an important achievement in supporting the innovation-driven development strategy of the Yangtze River Delta and the development of new quality productive forces. It also underwrote the "Ruiyuan No. 3" for China Cinda, which was then the largest "advanced manufacturing"-themed ABS product in the market.

#### (III) Strengthening synergistic development and maximizing value through synergy

The Company fully leverages the leading role of Everbright Group's Institutional Working Committee to optimize the portfolio of licenses, build synergistic scenarios and tap into synergistic resources to support business development. The Company utilizes synergy to strengthen its efforts and capacities to serve the real economy and implement national strategies. During the Reporting Period, the Company assisted Everbright Limited in issuing the largest single-tranche Panda medium-term note in nearly five years. It also underwrote RMB30 billion special financial bond for micro and small enterprise loans for Everbright Bank, facilitating the steady growth of the bank's micro and small enterprise business through bank-securities linkage. The Company hosted the "Light of Everbright • Shining in Rongcheng" 2024 Capital Market Investment and Financing Tianfu Event, building an efficient and convenient investment and financing communication platform for the government, banks, and enterprises. The Company built a synergistic business ecosystem with a focus on "customer-centric" business philosophy, providing a basket of comprehensive solutions for domestic and overseas customers.

## SECTION III REPORT OF THE BOARD

### **(IV) Fostering distinctive culture to forge soft competitiveness**

The Company actively fosters a financial culture with Chinese characteristics and vigorously promotes excellent traditional Chinese culture. The Company internalizes the principle of integrity, trustworthiness, righteousness, prudence, innovation and compliance into its value orientation of financial work by nurturing a positive and progressive culture, igniting entrepreneurial drive, leveraging the role of cultural incentives and constraints to forge soft competitiveness. Following the requirements of “first-class culture,” the Company advances the cultural practice assessment of securities firms, integrates the “Five Musts and Five Don’ts” principles into all aspects of operational management and business processes, and promotes a positive and responsible corporate culture and a pragmatic working style. Through diversified cultural advocacy activities, the Company highlights exemplary models to establish clear value orientations and foster a refreshing and righteous atmosphere.

### **(V) Technology-driven innovation to accelerate transformation and upgrading**

Grasping the opportunities presented by the digital economy development, the Company intensifies its technological investment in key areas, continuously enhances data governance capabilities, focuses on the long-term capacity building of technology services in various business lines, strengthens automated customer service capabilities, and fully empowers the improvement of operating efficiency and effective cost control. Accelerating its transformation and upgrading, the Company aims to preserve and increase the value of customer assets by enhancing product innovation capabilities, diversifying the product and service offerings, and iterating the product service system, and is committed to offering financial products that combine safety, profitability and liquidity to more customers to better meet the financial service needs of the public.

## SECTION III REPORT OF THE BOARD

### VI. Key Business Operation for the Reporting Period

#### (I) Analysis of the principal businesses

For details, please refer to “I. Discussion and Analysis on Business Operation” in this section.

##### 1. Analysis of the major items of the consolidated statement of profit or loss

Unit: RMB'000

Item	2024		2023		Increase/decrease	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Fee and commission income	6,675,247	47%	6,458,483	44%	216,764	3%
Interest income	4,849,801	34%	5,067,384	34%	(217,583)	(4)%
Net investment gains	2,492,536	18%	2,515,046	17%	(22,510)	(1)%
Other income and gains	179,163	1%	735,181	5%	(556,018)	(76)%
<b>Total revenue and other income</b>	<b>14,196,747</b>		14,776,094		(579,347)	(4)%

In 2024, total revenue and other income of the Company amounted to RMB14.20 billion, representing a year-on-year decrease of 4%.

In particular, fee and commission income amounted to RMB6.68 billion, representing a year-on-year increase of 3%, which was mainly due to the changes in fee from brokerage business, investment banking and asset management business.

Interest income amounted to RMB4.85 billion, representing a year-on-year decrease of 4%, which was mainly due to the decreases in interest income from margin financing and securities lending and interest income from financial interbank deposits.

Net investment gains amounted to RMB2.49 billion, which was basically the same with that last year.

Other income and gains amounted to RMB0.18 billion, representing a year-on-year decrease of 76%, which was mainly due to the changes in government grants and revenue from the commodity basis trading during the current period.

Unit: RMB'000

Item	2024		2023		Increase/decrease	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
Fee and commission expenses	2,004,131	19%	1,572,333	16%	431,798	27%
Interest expenses	2,701,984	25%	3,268,003	32%	(566,019)	(17)%
Staff costs	3,832,109	36%	4,243,576	42%	(411,467)	(10)%
Depreciation and amortization expenses	672,485	6%	675,105	7%	(2,620)	(0)%
Tax and surcharges	53,162	0%	55,149	1%	(1,987)	(4)%
Other operating expenses	1,442,371	13%	1,766,917	17%	(324,546)	(18)%
Provision for contingent liabilities	25,681	0%	(2,132,573)	(21)%	2,158,254	101%
Asset impairment losses	2,112	0%	340,062	3%	(337,950)	(99)%
Provision (reversal) of credit impairment loss	(3,196)	(0)%	328,503	3%	(331,699)	(101)%
<b>Total</b>	<b>10,730,839</b>		10,117,075		613,764	6%



## SECTION III REPORT OF THE BOARD

In 2024, total expenses amounted to RMB10.73 billion, representing a year-on-year increase of 6%.

In particular, fee and commission expenses amounted to RMB2.00 billion, representing a year-on-year increase of 27%, which was mainly due to a year-on-year increase in fee and commission expenses for brokerage business;

Interest expenses amounted to RMB2.70 billion, representing a year-on-year decrease of 17%, which was mainly due to a decrease in interest expenses arising from long-term bonds and loans and borrowings;

Staff costs amounted to RMB3.83 billion, representing a year-on-year decrease of 10%, which was mainly due to a decrease in total salary;

Depreciation and amortization expenses amounted to RMB0.67 billion, which was basically the same with that of the corresponding period last year;

Provision for contingent liabilities amounted to RMB0.03 billion, and the reversal of the same amounted to RMB2.13 billion for the corresponding period last year, which was mainly due to the enforcement of settlement agreement in relation to MPS for the corresponding period last year and no substantial accrued litigation expense in the year;

The reversal of credit impairment loss amounted to RMB3.2 million, and the provision of the same amounted to RMB0.33 billion for the corresponding period last year, which was mainly due to the provision for impairment of receivables and other assets by the Company last year and no substantial provision in the year;

Asset impairment losses amounted to RMB2.1 million, representing a year-on-year decrease of 99%, which was mainly due to the provisions for impairment of goodwill and impairment loss on inventory by the subsidiaries last year and no substantial provision in the year;

Other operating expenses amounted to RMB1.44 billion, representing a year-on-year decrease of 18%, which was mainly due to a year-on-year decrease in costs of the commodities trading business of the Company during the current period.

### 2. Cash Flows

In 2024, the cash and cash equivalents of the Company recorded a net decrease of RMB6.472 billion, of which:

Net cash generated from operating activities amounted to RMB16.840 billion, mainly due to the increase in financial assets sold under repurchase agreements and placements from other financial institutions, partially offset by the increase in margin accounts receivable.

Net cash used in investing activities amounted to RMB15.043 billion, mainly due to the changes of financial assets for investment purpose at fair value through other comprehensive income.

Net cash used in financing activities amounted to RMB8.269 billion, mainly due to the repayment of long-term bonds and short-term debt instruments and the payment of dividend during the current period, which was partially offset by the proceeds received from the issuance of long-term bonds and short-term debt instruments.

## SECTION III REPORT OF THE BOARD

### 3. Analysis on principal components of consolidated statement of financial position

Unit: RMB'000

	December 31, 2024		December 31, 2023		Increase/decrease	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
<b>Non-current assets</b>	<b>47,646,407</b>		42,090,369		5,556,038	13%
Property and equipment	848,928	0.29%	890,080	0.34%	(41,152)	(5)%
Right-of-use assets	709,062	0.24%	804,799	0.31%	(95,737)	(12)%
Investment properties	10,706	0.00%	11,432	0.00%	(726)	(6)%
Goodwill	540,882	0.18%	529,506	0.20%	11,376	2%
Other intangible assets	255,521	0.09%	262,918	0.10%	(7,397)	(3)%
Investments in associates and joint ventures	1,065,431	0.36%	1,001,201	0.39%	64,230	6%
Financial assets measured at amortized cost	1,811,424	0.62%	3,498,381	1.35%	(1,686,957)	(48)%
Investment in equity instruments at fair value through other comprehensive income	992,149	0.34%	875,215	0.34%	116,934	13%
Investment in debt instruments at fair value through other comprehensive income	29,678,644	10.13%	22,129,376	8.52%	7,549,268	34%
Refundable deposits	8,884,137	3.03%	8,959,802	3.45%	(75,665)	(1)%
Deferred tax assets	2,471,094	0.84%	2,408,529	0.93%	62,565	3%
Receivables arising from finance lease and sale-and-leaseback arrangements	74,909	0.03%	431,704	0.17%	(356,795)	(83)%
Other non-current assets	303,520	0.10%	287,426	0.11%	16,094	6%
<b>Current assets</b>	<b>245,312,611</b>		217,513,658		27,798,953	13%
Accounts receivable	1,152,307	0.39%	1,204,768	0.46%	(52,461)	(4)%
Receivables arising from finance lease and sale-and-leaseback arrangements	414,751	0.14%	693,776	0.27%	(279,025)	(40)%
Other receivables and prepayments	1,361,649	0.46%	2,842,513	1.09%	(1,480,864)	(52)%
Margin accounts receivable	42,839,851	14.62%	36,783,275	14.17%	6,056,576	16%
Investment in debt instruments at fair value through other comprehensive income	27,902,340	9.52%	19,981,258	7.70%	7,921,082	40%
Financial assets measured at amortized cost	1,591,484	0.54%	149,369	0.06%	1,442,115	965%
Financial assets held under resale agreements	5,885,842	2.01%	7,871,606	3.03%	(1,985,764)	(25)%
Financial assets at fair value through profit or loss	77,169,459	26.34%	75,337,162	29.02%	1,832,297	2%
Derivative financial assets	1,602,261	0.55%	1,838,397	0.71%	(236,136)	(13)%
Clearing settlement funds	1,860,896	0.64%	1,237,540	0.48%	623,356	50%
Cash held on behalf of brokerage clients	64,593,099	22.05%	47,875,463	18.44%	16,717,636	35%
Cash and bank deposits	18,938,672	6.46%	21,698,531	8.36%	(2,759,859)	(13)%
<b>Total assets</b>	<b>292,959,018</b>		<b>259,604,027</b>		<b>33,354,991</b>	<b>13%</b>

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	December 31, 2024		December 31, 2023		Increase/decrease	
	Amount	Percentage	Amount	Percentage	Amount	Percentage
<b>Current liabilities</b>	<b>193,491,482</b>		171,074,105		22,417,377	13%
Loans and borrowings	<b>353,145</b>	<b>0.16%</b>	956,260	0.50%	(603,115)	(63)%
Short-term debt instruments issued	<b>13,406,317</b>	<b>5.99%</b>	13,083,268	6.82%	323,049	2%
Placements from other financial institutions	<b>15,593,158</b>	<b>6.97%</b>	12,821,203	6.69%	2,771,955	22%
Financial liabilities at fair value through profit or loss	<b>1,610,423</b>	<b>0.72%</b>	296,017	0.15%	1,314,406	444%
Accounts payable to brokerage clients	<b>71,279,573</b>	<b>31.86%</b>	55,957,676	29.19%	15,321,897	27%
Employee benefits payable	<b>2,599,140</b>	<b>1.16%</b>	2,236,335	1.17%	362,805	16%
Other payables and accruals	<b>12,853,101</b>	<b>5.74%</b>	18,269,205	9.53%	(5,416,104)	(30)%
Income tax payable	<b>551,498</b>	<b>0.25%</b>	67,738	0.04%	483,760	714%
Financial assets sold under repurchase agreements	<b>66,680,271</b>	<b>29.80%</b>	43,862,830	22.88%	22,817,441	52%
Derivative financial liabilities	<b>776,441</b>	<b>0.35%</b>	1,033,710	0.54%	(257,269)	(25)%
Lease liabilities due within one year	<b>216,615</b>	<b>0.10%</b>	224,558	0.12%	(7,943)	(4)%
Contract liabilities	<b>12,860</b>	<b>0.01%</b>	32,469	0.02%	(19,609)	(60)%
Long-term bonds due within one year	<b>7,558,940</b>	<b>3.38%</b>	22,232,836	11.60%	(14,673,896)	(66)%
<b>Net current assets</b>	<b>51,821,129</b>		46,439,553		5,381,576	12%
<b>Total assets less current liabilities</b>	<b>99,467,536</b>		88,529,922		10,937,614	12%
<b>Non-current liabilities</b>	<b>30,244,066</b>		20,634,533		9,609,533	47%
Loans and borrowings	<b>1,112,204</b>	<b>0.50%</b>	1,163,962	0.61%	(51,758)	(4)%
Long-term bonds	<b>27,577,557</b>	<b>12.33%</b>	17,266,636	9.01%	10,310,921	60%
Deferred tax liabilities	<b>17,998</b>	<b>0.01%</b>	20,576	0.01%	(2,578)	(13)%
Accrued liabilities	<b>576,500</b>	<b>0.26%</b>	546,886	0.29%	29,614	5%
Lease liabilities	<b>517,521</b>	<b>0.23%</b>	591,315	0.31%	(73,794)	(12)%
Other non-current liabilities	<b>442,286</b>	<b>0.20%</b>	1,045,158	0.55%	(602,872)	(58)%
<b>Total liabilities</b>	<b>223,735,548</b>		191,708,638		32,026,910	17%
<b>Net assets</b>	<b>69,223,470</b>		67,895,389		1,328,081	2%

Except for the liabilities disclosed in this report, as at December 31, 2024, the Company had no outstanding mortgages, charges, debts, other debt capital, liabilities under acceptance or other similar indebtedness, hire purchase and financial leasing commitments, guarantees or other significant contingent liabilities.

### Non-current assets:

As of December 31, 2024, the non-current assets of the Company amounted to RMB47.6 billion, representing an increase of 13% as compared with that at the beginning of the year, which was mainly due to the increase in investment in debt instruments at fair value through other comprehensive income, partially offset by the decrease in financial assets measured at amortized cost.

## SECTION III REPORT OF THE BOARD

### **Current assets:**

As of December 31, 2024, the current assets of the Company amounted to RMB245.3 billion, representing an increase of 13% as compared with that at the beginning of the year, which was mainly due to the increases in cash held on behalf of brokerage clients, investment in debt instruments at fair value through other comprehensive income and margin accounts receivable, partially offset by the decrease in cash and bank balances.

### **Current liabilities:**

As of December 31, 2024, the current liabilities of the Company amounted to RMB193.5 billion, representing an increase of 13% as compared with that at the beginning of the year, which was mainly due to the increases in financial assets sold under repurchase agreements and accounts payable to brokerage clients, partially offset by the decrease in long-term bonds due within one year.

### **Non-current liabilities:**

As of December 31, 2024, the non-current liabilities of the Company amounted to RMB30.2 billion, representing an increase of 47% as compared with that at the beginning of the year, which was mainly due to the increase in long-term bonds.

## **Borrowings and bond financing**

Unit: RMB'000

Item	December 31, 2024	December 31, 2023
Loans and borrowings	1,465,349	2,120,222
Short-term debt instruments issued	13,406,317	13,083,268
Long-term bonds	35,136,497	39,499,472
Total	50,008,163	54,702,962

For details of interest rate and maturity profiles of borrowings and bonds financing, please refer to Notes 45, 46 and 53 to the consolidated financial statements.

For details of charged assets and other assets with restricted ownership or right to use, please refer to notes to the consolidated financial statements.

As at December 31, 2024, the Company's gearing ratio was 68.77%, the Company's borrowings, short-term debt instruments issued and bonds due within one year amounted to RMB21.3 billion, and the Company's net current assets, net of the above liabilities, amounted to RMB224.0 billion. Therefore, the liquidity risk exposure of the Company was not material.

## **(II) Analysis on operational information by industries**

Please refer to "II. Description of the Industry where the Company Operated during the Reporting Period" in this section for details.

## SECTION III REPORT OF THE BOARD

### (III) Analysis on investments

As of the end of the Reporting Period, long-term equity investment of the Company amounted to RMB1.065 billion, representing an increase of RMB64 million or 6% from the beginning of the year, which was mainly due to the gains on investment in associates and joint ventures under the equity method. For details, please refer to the relevant disclosure in the financial report.

#### 1. Overall analysis on external equity investment

##### (1) Significant equity investment

The Company did not have any significant equity investment during the Reporting Period.

##### (2) Significant non-equity investment

The Company did not have any significant non-equity investment during the Reporting Period.

### (IV) Material disposal of assets and equity interests

There was no significant disposal of assets and equity interests during the Reporting Period.

### (V) Analysis on principal controlled subsidiaries and companies with equity interest

1. Everbright Futures Co., Ltd., established on April 8, 1993 with a registered capital of RMB1.5 billion, is a wholly-owned subsidiary of the Company. It is principally engaged in commodity futures brokerage, financial futures brokerage, futures investment consultation, asset management and distribution of publicly offered securities investment funds.

As of December 31, 2024, Everbright Futures had total assets of RMB27.167 billion and net assets of RMB3.026 billion; in 2024, Everbright Futures had revenue of RMB765 million and net profit of RMB219 million.

2. Shanghai Everbright Securities Asset Management Co., Ltd., established on February 21, 2012 with a registered capital of RMB200 million, is a wholly-owned subsidiary of the Company. It is principally engaged in securities asset management business.

As of December 31, 2024, Everbright Asset Management had total assets of RMB2.909 billion and net assets of RMB2.078 billion; in 2024, Everbright Asset Management had revenue of RMB675 million and net profit of RMB219 million.

3. Everbright Capital Investment Co., Ltd., established on November 7, 2008 with a registered capital of RMB4 billion, is a wholly-owned subsidiary of the Company. It is principally engaged in investment management, asset management, equity investment and investment consultation.

As of December 31, 2024, Everbright Capital had total assets of RMB2.059 billion and net assets of RMB-891 million; in 2024, Everbright Capital had revenue of RMB-63 million and net loss of RMB71 million.

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4. Everbright Fortune Investment Co., Ltd., established on September 26, 2012 with a registered capital of RMB2 billion, is a wholly-owned subsidiary of the Company. It is principally engaged in financial products investment, etc.

As of December 31, 2024, Everbright Fortune had total assets of RMB2.112 billion and net assets of RMB1.892 billion; in 2024, Everbright Fortune had revenue of RMB51 million and net profit of RMB79 million.

5. China Everbright Securities International Company Limited is the main operating and management platform for the Company's business in Hong Kong. As of December 31, 2024, China Everbright Securities International Company Limited had total assets of HK\$4.728 billion and net assets of HK\$3.087 billion; in 2024, China Everbright Securities International Company Limited had revenue of HK\$1.135 billion and net profit of HK\$197 million, under IFRSs.

China Everbright Securities International Holdings Limited, as a shareholding platform, is a company with limited liability incorporated under the laws of Hong Kong on November 19, 2010 with a registered capital of HK\$7.4 billion, and a wholly-owned subsidiary of the Company. It is principally engaged in investment holding and financial services. As of December 31, 2024, EBSI had total assets of RMB13.959 billion (RMB equivalent, here and below) and net assets of RMB2.652 billion; in 2024, EBSI had revenue of RMB659 million and net profit of RMB111 million, under the PRC GAAP.

6. Everbright Development Investment Co., Ltd., established on June 12, 2017 with a registered capital of RMB500 million, is a wholly-owned subsidiary of the Company. It is principally engaged in equity investment, equity investment management, investment management, asset management, project investment and investment consultation.

As of December 31, 2024, Everbright Development had total assets of RMB1.573 billion and net assets of RMB456 million; in 2024, Everbright Development had revenue of RMB-133 million and net loss of RMB64 million.

7. Everbright Fortune Financing Leasing Co., Ltd., established on September 29, 2014 with a registered capital of RMB1 billion, is held by the Company as to 85% equity interests through Everbright Capital and EBSI (among which, 35% equity interests held by Everbright Capital have been frozen due to the impact of MPS risk events. For details, please refer to the Company's announcements No. Lin 2019-037 and No. Lin 2022-009 published on the website of the SSE, and announcements published on the website of the Hong Kong Stock Exchange dated May 31, 2019 and March 16, 2022). It is principally engaged in financial leasing and leasing business, etc.

As of December 31, 2024, Everbright Leasing had total assets of RMB1.304 billion and net assets of RMB1.216 billion; in 2024, Everbright Leasing had revenue of RMB48 million and net profit of RMB42 million.

8. Everbright Pramerica Fund Management Co., Ltd., jointly established by the Company and PGIM, Inc. on April 22, 2004 with a registered capital of RMB160 million, is held by the Company as to 55% equity interests. It is principally engaged in fund raising, fund sales, asset management.

As of December 31, 2024, Everbright Pramerica had total assets of RMB1.651 billion and net assets of RMB1.446 billion; in 2024, Everbright Pramerica had revenue of RMB361 million and net profit of RMB47 million.

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9. Dacheng Fund Management Co., Ltd., established on April 12, 1999 with a registered capital of RMB200 million, is held by the Company as to 25% equity interests. It is principally engaged in fund raising, fund sales and asset management.

As of December 31, 2024, Dacheng Fund had total assets of RMB6.114 billion and net assets of RMB3.706 billion; in 2024, Dacheng Fund had revenue of RMB2.116 billion and net profit of RMB461 million.

### (VI) Structured entities under the control of the Company

As of the end of 2024, the Company consolidated 50 structured entities, including asset management plans and partnerships. For asset management plans for which the Company acts as manager and partnerships for which the Company acts as general partner or investment manager, the Company is of the view that it has control over certain asset management plans and partnerships taking into account various factors including the rights of making decision on investment and the exposure to variable returns, and has included them into the scope of consolidation. As at December 31, 2024, the net assets of the above structured entities within the scope of consolidation amounted to RMB13.0 billion.

### (VII) Financing channels of the Company

The financing channels of the Company comprise equity financing and debt financing. In 2024, the Company did not commence equity financing and its main debt financing instruments included: public corporate bonds, non-public corporate bonds, short-term corporate bonds of the securities companies, commercial papers and structured notes of the securities companies, margin refinancing from CSFC, inter-bank borrowing. The principal and interest of the debt financing instruments were all paid in a timely manner.

### (VIII) Analysis of the financing capability of the Company

As an A+H listed securities firm with good market reputation and domestic and overseas financing capabilities, the Company attaches great importance to the maintenance of the relationship with counterparties of financing instruments and maintains a good partnership with commercial banks. At the end of 2024, the Company's total bank credit facilities amounted to RMB240.0 billion, with utilized lines of approximately RMB40.0 billion and unused lines of approximately RMB200.0 billion. Meanwhile, the strong capital strength of Everbright Group also provides solid guarantee for the Company.

## VII. Discussion and Analysis on the Future Development of the Company

### (I) Landscape and development trend of the industry

In 2025, under the guidance of the spirit of the Third Plenary Session of the 20th Central Committee of the Communist Party of China, the capital market will continue to deepen reform and fully play its important role in serving the real economy, promoting technology innovation, and enhancing market stability. The "strict supervision" over securities companies by the regulators will become more normalized, to continuously strengthen investor protection. It further clarifies the goal to accelerate the construction of first-class investment banks and investment institutions, and encourages them to take functional role as the main task, under which leading institutions actively explore mergers and acquisitions, reorganization, organizational innovation and other ways to enhance competitiveness, and small and medium-sized institutions explore differentiated development.

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### (II) Company's development strategy

Taking "developing a first-class service-oriented investment bank in China" as its strategic goal, taking adhering to the politics and people orientation in finance work as its purpose, taking practicing national strategies and serving the real economy as its mission and taking the customers as its focus, the Company will adhere to its principal responsibilities and businesses as a securities company, and continue to improve its service capabilities. The Company will give full play to the role of a securities company as the main channel for direct financings in the Group's integrated financial service system, strive to build a first-class investment banking brand with Everbright characteristics, and make the best effort to five major fields, namely technology finance, green finance, inclusive finance, elderly care finance and digital finance.

### (III) Business plan

In 2025, guided by Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era, the Company will continue to fully implement the spirit of the Third Plenary Session of the 20th Central Committee of the Communist Party of China, the Central Financial Work Conference and the Central Economic Work Conference, take serving the real economy as its starting point and ultimate purpose, and improve its professional capability in investment banking services, in order to better play the functional role as the "gatekeeper" of capital market, the "guardian" of residents' wealth and the "provider" of intermediary services. By taking "developing a first-class service-oriented investment bank in China" as its strategic goal, taking the customers as its focus, and adhering to the balanced development strategy, the Company will accelerate the internal and external development as its "dual growth drivers", further enhance its market competitiveness, and promote high-quality development to a new level.

### (IV) Potential risk exposure

#### 1. Summary of risk management

By adhering to the risk management culture of sound operation, the Company continued to commit itself to establishing the comprehensive risk management system that matches the Company's strategic and development objectives, improving its risk management system, building its risk management information system and strengthening its professional risk management so as to effectively manage various risks faced during the Company's operations and promote the healthy and sustainable development of the Company's businesses.

#### 2. Risk management structure

The Company's risk management organizational structure consists of four levels, including the Board of Directors and its risk management committee, and the Supervisory Committee; the management and its subordinate professional committees; the risk management functional departments; and various departments, branches and subsidiaries.

The Board of Directors shall undertake ultimate responsibility for comprehensive risk management and be responsible for advancing the construction of risk culture; considering and approving the basic system of the comprehensive risk management of the Company; considering and approving the risk preference, risk tolerance and significant risk limit of the Company; considering the regular risk assessment report of the Company; and establishing a direct communication mechanism with the chief risk officer, etc. The Board of Directors may authorize its subordinate Risk Management Committee to fulfill some of its comprehensive risk management duties. The Supervisory Committee of the Company shall undertake the supervisory responsibility for comprehensive risk management, and be responsible for supervising and examining the performance of duties of the Board and the management in the risk management aspect and supervising their rectification.



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The management of the Company shall undertake primary responsibility for comprehensive risk management and be responsible for establishing and making timely adjustment to risk management system; establishing a healthy operation management structure for the Company's comprehensive risk management, clarifying the duty division of comprehensive risk management among risk management functions, business departments and other departments, and establishing a working mechanism that features effective check and balance and good coordination among the departments; establishing the specific execution plans on risk preference, risk tolerance and significant risk limit and ensuring the effective implementation of the plans; monitoring its progress, analyzing its reasons in a timely manner and handling it according to the authorizations granted by the Board; regularly assessing the overall risk of the Company and various types of material risk management conditions, resolving problems that are found in risk management and reporting the same to the Board; establishing a performance assessment system for all staff that covers effectiveness of risk management; and establishing a complete IT system and data quality control mechanism, etc. The management of the Company has set up various subordinate professional committees that are responsible for some of risk management functions within the scope of their respective duties.

The departments which have risk management functions of the Company include risk management and internal control department, legal and compliance department, internal audit department, information technology headquarters, financial technology development department, financial management department, treasury management department, operations management headquarters, board office/supervisory committee office, investment banking quality control headquarters, investment banking internal audit office, and so on. Each functional department shall identify, monitor, evaluate and report various risks of the Company, and assist, instruct and inspect the corresponding risk management work of each department, branch and subsidiary of the Company in accordance with the authorization of the Company.

Each person in charge of the Company's business departments, branches and subsidiaries shall undertake direct responsibility for risk management within their respective business field. Each of the Company's business departments, branches and subsidiaries is responsible for carrying out businesses strictly within the scope of authorizations granted according to the Company's authorization management system. Unauthorized activities are strictly prohibited and business activities are managed and controlled effectively by a way of establishing rules, procedures and systems.

The risk management and internal control system of the Company is designed to manage rather than eliminate the risk of failure to achieve our business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board reviews the Company's risk assessment report on a semi-annual basis and the Company's internal control evaluation report and audit report of internal control on an annual basis, and has also audited and reviewed the Company's risk management and internal control system. In 2024, the Company's overall risk was basically controllable, with core risk control indicators continuing to meet regulatory requirements. The Company maintained effective internal control over financial reporting in all material aspects in accordance with the requirements under China's Internal Control Standards for Enterprises and relevant regulations, and no material defects in internal control over non-financial reporting were identified.

### 3. *Measures against various risks*

#### (1) *Market risk*

Market risk exposure to the Company refers to the potential loss in value of its financial instruments resulting from changes or fluctuations in their market prices, mainly including equity price risk, interest rate risk, exchange rate risk, commodity price risk, etc.

## SECTION III REPORT OF THE BOARD

In terms of market risk, the Company adheres to the principle of proactive management and quantitative orientation and establishes a risk limit system incorporated with various procedures for market risk tolerance and business risk limit based on the risk preferences of the Company. Risks are controlled by a combination of investment portfolios, mark-to-market measures, hedging and mitigation measures during the business expansion. The general meeting of the Company determines the annual scale of proprietary trading business, the Board of Directors of the Company determines market risk loss tolerance, and the management of the Company and its committees determine the breakdown scale of proprietary trading business and the management mechanism for market risk tolerance and limit, break down the market risk loss tolerance, review and approve limits for specific business, and specify the early warning standards, over-limit standards and countermeasures for various indicators. Among them, business risk limits system and various risk indicators include value at risk (VaR), net exposure value, Greek letters, concentration, basis point value, etc. Stress testing is an integral part of the Company's market risk management, and therefore the Company has established and improved its stress testing mechanism to conduct regular or irregular tests on the corresponding investment portfolios in accordance with business development and market changes, evaluate the Company's potential losses under stress scenarios and make risk recommendations to provide basis for the business departments and management's operational decisions. For risk management of over-the-counter derivatives business, the Company has insisted on market neutral strategy as the core, and established risk management measures such as access to the underlying pool, margin management, pre-approval of counterparties, in-market surveillance and post-collateral risk disposal, and set up risk limits such as Greek letter exposure, subject concentration and stress test loss to carry out market risk management.

In view of its overseas expansion and business development, the Company may be exposed to foreign exchange risks. In terms of sources and use of proceeds, the Company's potential foreign exchange risks are mainly arising from investment in foreign currency assets through onshore RMB financing and investment in RMB assets through foreign currency financing. As of the end of the Reporting Period, the Company has not commenced any of the above businesses. Proceeds from foreign currency financing by offshore subsidiaries will be all specifically used for investment in the local market to achieve natural hedging of foreign exchange risks. Looking forward, the Company will mitigate foreign exchange risks through a range of hedging measures based on the actual situation so as to support its overseas business development.

### (2) Credit risk

Credit risk refers to the risk of loss caused by default of financing party, counterparty or issuer, mainly due to default risk arising from bond issuers or over-the-counter derivatives counterparties, and risks arising from the failure of full repayment as agreed by clients of financing businesses such as collateralized stock repurchase transactions, security transactions with repurchase agreement and margin financing and securities lending.

In terms of bond investment business, the Company controls the credit risk exposure by setting the internal credit rating, unified credit extension management, concentration limit management and the lower limit for debt investment rating, and closely monitoring the operating position and credit status of the bond issuers. For the financing business, the credit risk is managed and controlled through conducting risk education, credit investigation, credit extension, mark-to-market measures, risk alert, forced liquidation and judicial recourse for or against the clients, as well as establishing stringent standards for the scope and discount rate of collaterals, margin deposit ratios, and maintenance margin ratios. For the OTC derivatives business, the Company conducts due diligence, credit rating and scale control on the counterparties and applies the mark-to-market measures, collaterals supplement and disposal of collaterals to control the credit risk exposure from the counterparties.

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(3) *Operational risk*

The operational risk exposure to the Company refers to the potential losses arising from defective internal procedures, human resource, IT system and external events.

Following the principle of “all employees in the whole process and prevention and foresight,” the Company has strictly controlled operational risks through formulating administrative measures for the operational risk and implementation rules for three tools, specifying the governance structure of the operational risk and strengthening the responsibilities and duties for managing each defense line of operational risk. The Company continues to promote the improvement of the operational risk management system, formulate operational risk preference, strictly implement the self-assessment of operational risk and control, strengthen the monitoring and reporting of operational risk indicators, collect and analyze internal and external loss data of operational risk and promote the construction of operational risk management system. The Company integrates the operational risk management and internal control, reinforces the corresponding system such as monitoring of internal control, authorization management and new business assessment and strengthens the vision and effectiveness of operational risk management. The Company focuses on strengthening advocacy and training of operational risk management, and enhances the awareness of all employees in management responsibility of operational risk, so as to ensure that the overall operational risk faced by the Company is controllable and tolerable.

(4) *Liquidity risk*

Liquidity risk refers to the potential risk of the Company’s failure to obtain sufficient funds at a reasonable cost to repay debts as they come due, perform its other payment obligations and satisfy the capital requirements for its normal business operations.

The Company has authorized the treasury management department to take charge of the overall liquidity risk management within the consolidation scope, implement overall control over the financing management of the Company, set up a capital desk to centrally manage short-term trading financing instruments, coordinate to satisfy the capital requirements of each department, and carry out the daily liquidity management. The risk management and internal control department of the Company is responsible for monitoring the implementation of limit system for overall liquidity risk of the Company.

For the purpose of preventing the liquidity risk prudently, the Company has formulated and issued Administrative Measures for the Liquidity Risk of Everbright Securities Company Limited, specified the objective, strategy, governance structure, solutions and reporting system relating to the liquidity risk management, and actively carried out liquidity risk consolidation management to ensure that the overall liquidity risk within the consolidation scope is controllable.

Under assets and liabilities management and overall risk management policies, the Company persistently adheres to the strategy of robust risk management. The Company has adopted a proactive management and dynamic adjustment approach, and developed a tolerance and distribution management mechanism for the liquidity risks covering parent company and subsidiaries pursuant to the overall risks management policies. It has gradually improved the management framework for the differentiated liquidity risk of subsidiaries. In addition, the Company has also established differentiated fund management patterns according to the liquidity characteristics of different businesses, and set up the corresponding liquidity risk limit management, monitoring and early warning system. The Company centralized the management of short-term trading liabilities and strictly prevented daytime liquidity risks. The Company continued to reasonably measure liquidity risk management costs, and explored the incorporation of liquidity factors into the Company’s capital pricing system.

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In terms of risk response, the Company has formulated a liquidity risk emergency plan, which clarifies the level of liquidity risk, criteria of triggering, response methods, and reporting path in detail. Through methods including having reasonable reserve of high-quality liquid assets and emergency channel, prudent and dynamic management of the asset and liability maturity structure, the Company adhered to the bottom line of non-occurrence of liquidity risk. The Company also carried out regular emergency drills to test the effectiveness of the risk response mechanism. In addition, the Company also actively expanded financing channels and financing methods, maintained a good cooperative relationship with external institutions, reserved sufficient external financing credits, to ensure the Company's sustainable and stable source of funds.

### (5) *Information technology risk*

Information technology risk refers to the risk of loss due to human errors, software and hardware defects or failures, natural disasters, etc. affecting the network and information system or data, resulting in abnormal service capability of the network and information system or data damage or leakage.

With the extensive application of the new information technology in the financial field, scientific and technological innovation makes the risk increasingly hidden, sudden and conductive, and the information technology risk becomes more and more complicated. Anchored on the strategic goal of "building a first-class service-oriented investment bank in China" and focused on the strategic vision of digitalization, platformization and intellectualization of technology, the Company continued to deepen information technology reform, strengthened information system security construction and quality control, improved information system operation and protection mechanism, enhanced information technology operation and maintenance management by using big data, cloud computing, artificial intelligence and other technologies, continuously optimized and improved emergency plans for internet security incidents, and further improved information technology risk monitoring and emergency disposal capabilities through regular emergency drills to ensure the safe, reliable and stable operation of its system. No significant information technology risk events have occurred during the Reporting Period.

### (6) *Reputational risk*

Reputational risk refers to the risk of the public negative perceptions on the Company from the Company's shareholders, employees, investors, issuers, third-party partners, regulators, self-regulatory organization, the public, media and others due to the Company's operation, management, other actions or external events or actions conducted by the Company's staff in violation of anti-corruption requirements, professional ethics, business code of conduction and industry rules, thus impairing the Company's brand value, prejudicing the Company's normal operation and even affecting the stability of the market and society.

In order to effectively control reputational risk, the Company continued to carry out appropriate and effective reputational risk management, and has established a standardized management system, a scientific organizational structure and a sound management and control system. The Company has also successively formulated and revised the Management Measures on Reputational Risk and Public Opinion Work, the Implementation Rules for Reputational Risk and Public Opinion Work, the Measures for the Management of Information Release, and other related measures.

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The Company has a leading group for reputational risk and public opinion, which has realized the coordination and unity among the Company, the departments, the subsidiaries and sub-branches in reputation risk management, and improved employee reputational risk awareness and reputational risk management capabilities through system promotion, training, emergency drills, etc. In addition, the Company has set dedicated positions responsible for public opinion monitoring and addressing and the management of media relations, and at the same time, the Company has also engaged third-party consultants and law firms to assist the Company in managing its reputational risk.

At present, the Company has achieved full coverage of the subsidiaries' reputational risk prevention and control system.

(7) *Compliance risk*

Compliance risk refers to the risk of the Company being investigated for legal responsibility in accordance with laws, being taken regulatory measures, being given disciplinary action, or losing property or business reputation, due to violations of laws, regulations and guidelines by the Company or its staff in operation and management and practice.

During the Reporting Period, the Company continued to improve the organizational structure of compliance management and optimize the compliance management and control mechanism. In terms of the organizational structure of compliance management, the Board sets the targets on compliance management of the Company; the Supervisory Committee supervises the performance; the senior management of the Company implements the targets on compliance management; the chief compliance officer is accountable to the Board; the legal and compliance department effectively performs various compliance management functions. In order to effectively control compliance risk, the Company has established a compliance management system, defined the compliance management requirements through the system. The Company intensified full-process management and control on compliance management: in the pre-event stage, the Company carries out compliance review on key systems, significant businesses and innovative businesses of the Company through compliance review, compliance consulting and other measures. In the in-process stage, the Company conducts on-going monitoring and inspection on the practices of practitioners and Chinese walls to prevent illicit trading, the leakage of sensitive information, benefit transfer and other behaviors. In the post-event stage, the Company spots problems and identifies risks through compliance inspections and urges relevant entities to rectify immediately, and continues to improve accountability mechanisms, refine accountability standards and promote precise accountability. Through normalized alarming publicity and alarming with cases, the Company urges all staff to recognize red lines and bottom lines, and creates a clean and upright development atmosphere.

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In 2024, according to the changes in the external regulatory requirements and the actual work situation of the Company, the Company further improved the compliance system and consolidated the performance of various compliance functions. In addition, the Company strengthened the construction of compliance culture, actively incorporated the construction of compliance culture into the Company's corporate culture construction, and highlighted the characteristics of Everbright culture. In general, the compliance management of the Company was stable and orderly on the whole without significant compliance risk events or significant regulatory punishment since the 2024.

In addition, the Company attaches great importance to the construction of compliance culture. The Company strengthened employee awareness of internal control and compliance by providing warnings based on cases and compliance trainings and examinations to them. The Company strengthened the compliance management of the parent and subsidiaries and, under the principle of "level-based authorization" and "category-based management", implemented level-based and category-based management for each subsidiary. Through continuous improvement of compliance reporting, compliance review of major innovative businesses, compliance inspections and other aspects, it further strengthened the daily supervision and control of the legal compliance work of the subsidiaries. The Company promoted the establishment and improvement of the legal affairs management system, and carry out legal affairs risk management by focusing on contract review, litigation support, and supervision communication mechanism. It continuously improved the management and control of professional practices and corruption-free practices. Through the application of information technology, it promoted the structured and standardized management of compliance data, and improved the technical level and management efficiency of monitoring.

## SECTION III REPORT OF THE BOARD

### 4. *Implementation of comprehensive risk management, compliance risk control and information technology input*

The Company attached significant importance to risk management and was committed to building a comprehensive risk management system aligned with the Company's strategic goals. During the Reporting Period, the Company continued to strengthen the comprehensive consolidated management and the Group's control, optimize the risk management organizational structure, improve the risk management system and mechanism, strengthen professional risk management and forward-looking control, increase efforts in the promotion of risk management culture and concept, expand the risk management team, improve the risk management informatization level, and promote the continuous improvement of the Company's comprehensive risk management system. In 2024, the total amount of investment in risk management amounted to RMB88 million, including the purchase and development expenses of risk management-related systems, the daily operating expenses of risk control-related departments, and the risk control staff costs.

The Company continued to strengthen its investment in compliance management system: (1) the Company further enhanced technology empowerment in compliance management, leveraged the advantages of the compliance system to improve the compliance monitoring and compliance personnel management functions and effectively improve the efficiency of daily compliance management work; (2) the Company upgraded the customer transaction behavior management related system and optimized the monitoring indicators according to the new regulatory requirements and practices, to provide effective control methods for the management of abnormal customer transaction behaviors and reduce the risk of abnormal customer transactions; (3) the Company continued to improve the information isolation wall system, anti-money laundering system, sensitive person monitoring system, and investment banking conflict of interest review system; and (4) the Company gave full play to the effectiveness of the Company's legal and regulatory database, allowing employees to have access to laws and regulations and regulatory penalty cases at any time, enhancing the awareness of compliant business development. During the Reporting Period, the amount of investment in compliance management system amounted to RMB3.22 million.

The Company attaches great importance to information technology management. Focusing on the "five major aspects" of finance, the Company dynamically refined its technology development strategic plan, strengthened the core competitiveness of financial technology and enhanced the deep integration of business and technology. Meanwhile, the Company continuously strengthened its capabilities of security assurance, autonomous technological control, innovation application, and data-driven to optimize system construction quality and efficiency and implement its digital transformation initiatives. In addition, we are continuously enhancing investments in information technology, solidifying the Company's digital infrastructure, and establishing a new framework for technological advancement, moving steadily towards the overall development goal of "ranking among the top in the industry in terms of the Company's technological capabilities." In 2024, the Company's total investment in information technology amounted to approximately RMB659 million mainly used for the construction of information technology infrastructure, operation and maintenance of information technology, research and development and construction costs of information systems, and personnel outsourcing costs.

## SECTION III REPORT OF THE BOARD

### VIII. Profit Distribution and Proposed Dividend

For details of the formulation and implementation of the Company's cash dividend policies and the 2024 annual profit distribution proposal, please refer to "X. Proposal of Profit Distribution or Capitalization from Capital Reserve Fund" of Section IV "Corporate Governance" in this report.

### IX. Other Information

#### (I) 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 during the Reporting Period and biographical particulars, please refer to "III. Directors, Supervisors and Senior Management" of Section IV "Corporate Governance" in this report.

#### (II) Pre-emptive right

In accordance with the provisions of the PRC laws and the Articles of Association, the Company's shareholders do not have pre-emptive right to purchase shares.

#### (III) Service contracts of Directors and Supervisors

The Company has entered into the "Service Contracts for Directors" and the "Service Contracts for Supervisors" with its incumbent Directors and Supervisors. For details of the service terms of the Directors and Supervisors, please refer to "III. Directors, Supervisors and Senior Management" of Section IV "Corporate Governance" in this report.

None of the Company's Directors and Supervisors has signed with the Company or its subsidiaries any service contract which cannot be terminated within one year, or which cannot be terminated without payment of compensation, other than statutory compensation.

#### (IV) Right of Directors and Supervisors to purchase shares

At no time during the Reporting Period was the Company or any of its subsidiaries a party to any arrangements to enable the Directors and Supervisors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

#### (V) Directors' and Supervisors' interests 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 or their connected entities have, directly or indirectly, a material interest during the Reporting Period.

#### (VI) Interest of Directors in business 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.

#### (VII) Permitted indemnity provision

The Company purchased liability insurance for its Directors, Supervisors and senior management to protect them against compensation liabilities that may arise in the course of their performance of duties and to facilitate the Directors, Supervisors and senior management to fully perform their duties.

#### (VIII) Management contracts

For the year ended December 31, 2024, no contract has been entered into for the management and administration of the entire or any material part of the business of the Group.



## SECTION III REPORT OF THE BOARD

### (IX) Major clients

The Group has a diversified customer base in various business segments, with major clients including individuals, corporations, institutional investors and financial institutions. The Group's clients are primarily located in China, but it expects to serve more overseas clients as the Group expands our overseas operations.

In 2024, income generated from the five largest clients of the Group accounted for less than 30% of the Group's total revenue and other income. The Group has no major suppliers due to the nature of our businesses.

### (X) Reserves and reserves for profit distribution

For particulars about changes in reserves and reserves for profit distribution, please refer to the "Consolidated Statement of Changes in Equity" of the financial statements and Note 57 to the consolidated financial statements in this report.

### (XI) Employees

Human resources are one of the most valuable assets of the Group. The Company is committed to strengthening talent team building and improving employee quality. Please refer to "IX. Information about the Staff of the Parent Company and Major Subsidiaries as of the end of the Reporting Period" of Section IV "Corporate Governance" in this report.

### (XII) Equity-linked agreements

No equity-linked agreements were entered into by the Group, or existed during the Reporting Period.

### (XIII) Directors', Supervisors' and chief executive's interests and short positions in shares, underlying shares or debentures of the Company and its associated corporations

As at December 31, 2024, according to the information obtained by the Company and to the knowledge of the Directors, none of the Directors, Supervisors or chief executive of the Company had any interests and/or short positions in the shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which shall be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and/or short positions which are taken or deemed to be held under such provisions of the SFO), or which would be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Hong Kong Listing Rules to be notified to the Company and the Hong Kong Stock Exchange or which would be required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein.

### (XIV) Donations

During the Reporting Period, the Group's donations amounted to approximately RMB7.80 million in total.

By order of the Board  
**Everbright Securities Company Limited**  
**Zhao Ling**  
*Chairman*

Shanghai, the PRC  
March 27, 2025

## SECTION IV CORPORATE GOVERNANCE

### I. Description of Corporate Governance

#### (I) Corporate governance

As a public company listed in both mainland China and Hong Kong, the Company has established a sound corporate governance system in strict compliance with the laws and regulations including the Company Law, the Securities Law, the Regulations for Supervision and Administration of Securities Companies, the Rules for Governance of Securities Companies, the Code of Corporate Governance for Listed Companies, and the Corporate Governance Code in Appendix C1 to the Hong Kong Listing Rules. During the Reporting Period, based on relevant laws and regulations and the actual situation of the Company, the Company amended the Articles of Association of Everbright Securities Company Limited and the rules of procedure of each special committee under the Board.

The Company has been continuing to improve its corporate governance structure towards independent functioning and checks and balances among general meeting, the Board, the Supervisory Committee and the management, so that each level plays its part within their respective scope of duties and authorizations to ensure standardized operation of the Company. During the Reporting Period, except for Code Provision B.2.2 of Part 2, the Company fully complied with all the code provisions of the Corporate Governance Code, and met the requirements of the majority of the recommended best practices set out in the Corporate Governance Code. Pursuant to Code Provision B.2.2 of Part 2, every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years. The term of office of the sixth session of the Board and the Supervisory Committee of the Company expired on December 14, 2023. Due to the time required for the preparation of the re-election, in order to maintain the continuity in the work of the Board and the Supervisory Committee, the re-election of the sixth session of the Board and the Supervisory Committee was postponed, and the term of office of each special committee under the Board was correspondingly extended. Before the completion of the re-election and appointment, all the members of the sixth session of the Board and the Supervisory Committee and members of each special committee under the Board continued to perform their respective duties and obligations. The Company completed the election of the Directors of the seventh session of the Board and the Supervisors of the seventh session of the Supervisory Committee on May 28, 2024 in accordance with statutory procedures.

During the Reporting Period, the Company convened 3 general meetings, 8 Board meetings, 7 meetings of the Supervisory Committee, 7 meetings of the Audit and Related Party Transaction Control Committee, 4 meetings of the Remuneration, Nomination and Credentials Committee, 2 meetings of the Risk Management Committee, 2 meetings of the Strategy and Sustainable Development Committee and 3 special meetings of the independent Directors.

#### (II) Relationship with controlling shareholders

The Company operates in strict compliance with the Company Law, the Articles of Association and other laws, regulations and rules, and is independent of the controlling shareholders in respect of assets, personnel, finance, organization, business, etc., and has an independent and complete business system and independent operation capabilities, and there is no circumstance where the controlling shareholders may affect the independence of the Company. In respect of assets, the Company has independent and complete assets, and clear ownership of assets; in respect of personnel, the Company has an independent labor, HR and employment system; in respect of finance, the Company has established an independent and standardized accounting system and financial management system; in respect of organization, the Company has sound corporate governance structure with standardized management and operation; in respect of business, the Company has independent principal business and market-oriented independent operation capabilities.

## SECTION IV CORPORATE GOVERNANCE

### (III) Corporate governance policies and the Board's responsibilities on corporate governance

In order to meet the corporate governance and standardized operation requirements of A+H listed company, on August 1, 2016, the Board meeting approved and adopted the Model Code for Securities Transactions by Directors of the Listed Issuers as set out in Appendix 10 (now known as Appendix C3) to the Hong Kong Listing Rules as the code of conduct for listed securities transactions of the Company by all Directors and Supervisors, and adopted the Corporate Governance Code in Appendix 14 (now known as Appendix C1) to the Hong Kong Listing Rules as its own corporate governance guideline. On August 18, 2016, the H Shares of the Company were listed and traded on the Main Board of the Hong Kong Stock Exchange.

According to Rule 3.21 of the Hong Kong Listing Rules (in respect of audit committee), Rule 3.25 of the Hong Kong Listing Rules (in respect of remuneration committee) and Rule 3.27A of the Hong Kong Listing Rules (in respect of nomination committee), independent non-executive directors shall account for the majority of members of the Remuneration, Nomination and Credentials Committee and the Audit and Related Party Transaction Control Committee of the Board of the Company. Currently, the composition of the special committees of the Board has conformed to the above requirements under the Hong Kong Listing Rule.

In respect of corporate governance, the responsibilities of the Board or the special committees shall include the following:

- (I) to formulate and review the corporate governance policies and practices of the Company and make recommendations to the Board;
- (II) to review and monitor the training and continuous professional development of the Directors and the senior management;
- (III) to review and monitor the Company's policies and practices on compliance with laws and regulatory requirements;
- (IV) to formulate, review and monitor the code of conduct and compliance manual applicable to employees and Directors (if any); and
- (V) to review the Company's compliance with the Corporate Governance Code and disclosure in the Corporate Governance Report.

Before the publication of this report, the Board reviewed the Corporate Governance section in this report, i.e., Corporate Governance Report, and was of the view that it is in compliance with the relevant requirements of the Hong Kong Listing Rules.

## SECTION IV CORPORATE GOVERNANCE

### II. Information on General Meeting

#### (I) Shareholders and the general meeting

The general meeting is the authoritative organization of the Company, and all shareholders shall exercise their functions and powers through such meeting. The Articles of Association and the Rules of Procedure of the General Meeting of the Company stipulate the rights and obligations of shareholders, the functions and power of general meeting, the convening of general meetings, the procedure of voting and the proposal of resolutions and other matters, thereby ensuring that the operation of general meeting of the Company is in order and effective, and safeguarding the interests of the shareholders, especially minority shareholders and the Company.

According to Article 84 of the Articles of Association, the shareholder(s) severally or jointly holding 10% or more shares in the Company shall have the right to request the Board of Directors to convene an extraordinary general meeting and shall submit such request to the Board of Directors in writing. The Board shall, in accordance with provisions of the law, administrative regulations and the Articles of Association, inform in writing to indicate whether the Board of Directors has agreed or disagreed to convene such extraordinary shareholders' meeting within 10 days upon receipt of the request. If the Board of Directors has agreed to hold such extraordinary shareholders' meeting, it shall serve a notice of the general meeting within five days after the Board of Directors has passed the relevant board resolution. The relevant shareholders' consent shall be sought in respect of any changes to the original proposal contained in such notice. If the Board of Directors does not agree to hold such extraordinary general meeting or fails to give any reply within 10 days upon receipt of such request, the shareholder(s) severally or jointly holding 10% or more shares in the Company shall have the right to propose to the Supervisory Committee to hold such extraordinary general meeting and shall propose to the Supervisory Committee in writing. If the Supervisory Committee agrees to hold such extraordinary general meeting, it shall serve a notice of such general meeting within five days upon receipt of such request. The relevant shareholders' consent shall be sought in respect of any changes to the original proposal contained in such notice. If it fails to give such notice of the general meeting within the period of time set forth above, the Supervisory Committee shall be deemed not to convene and preside over such general meeting. The shareholder(s) severally or jointly holding 10% or more shares in the Company for more than 90 consecutive days may proceed to convene and preside over such general meeting by itself. Shareholders may also contact the Company through the contact information provided by the Company. Please refer to "XVI. Investor Relations – (I) Overview of investor relations" in this section for details.

In addition, according to Article 89 of the Articles of Association, when a general meeting of the Company is held, the Board of Directors, the Supervisory Committee and the shareholder(s) severally or jointly holding 3% or more shares in the Company shall have the right to make proposals regarding the matters to be resolved to the Company. The shareholder(s) severally or jointly holding 3% or more shares in the Company shall submit any temporary written proposals regarding the matters to be resolved to the convener 10 days before a general meeting is held. The convener shall give a supplementary notice of the general meeting and publicly announce the content of such temporary proposals within two days upon receipt of such proposal. Otherwise, the convener shall not change the proposals set out in the notice of the general meeting or add any new proposals after the said notice is served.

## SECTION IV CORPORATE GOVERNANCE

### (II) General meetings during the Reporting Period

Meeting	Date of meeting	Enquiry index of the websites designated for publication of the resolutions	Date of disclosure of publishing the resolutions	Resolutions at the meeting
2023 annual general meeting	May 28, 2024	Website of the SSE ( <a href="http://www.sse.com.cn">http://www.sse.com.cn</a> ) and website of the Hong Kong Stock Exchange ( <a href="http://www.hkexnews.hk">http://www.hkexnews.hk</a> )	May 29, 2024 (SSE) May 28, 2024 (Hong Kong Stock Exchange)	<p>To consider the Resolution in Respect of the 2023 Report of the Board of Directors of the Company</p> <p>To consider the Resolution in Respect of the 2023 Report of the Supervisory Committee of the Company</p> <p>To consider the Resolution in Respect of the Independent Directors' Annual Work Report for 2023</p> <p>To consider the Resolution in Respect of the 2023 Annual Report and its Summary of the Company</p> <p>To consider the Resolution in Respect of the 2023 Annual Profit Distribution Plan of the Company</p> <p>To consider the Report on Performance Appraisal and Remuneration of the Directors of the Company for 2023</p> <p>To consider the Report on Performance Appraisal and Remuneration of the Supervisors of the Company for 2023</p> <p>To consider the Resolution on the Cap of Proprietary Trading Businesses Scale of the Company in 2024</p> <p>To consider the Resolution on the Expected Ordinary Related Party (Connected) Transactions of the Company in 2024</p> <p>To consider the Resolution on the Appointment of External Auditors for 2024</p> <p>To consider the Resolution on the Amendments to the Articles of Association of Everbright Securities Company Limited</p> <p>To consider the Resolutions on the General Mandate to Issue Onshore and Offshore Debt Financing Instruments to the Company</p> <p>To consider the Resolution on the Election of Non-independent Directors of the Seventh Session of the Board of Directors of the Company</p> <p>To consider the Resolution on the Election of Independent Directors of the Seventh Session of the Board of Directors of the Company</p> <p>To consider the Resolution on the Election of Supervisors of the Seventh Session of the Supervisory Committee of the Company</p> <p>To hear the Report on Performance of Duty, Performance Appraisal and Remuneration of the Senior Management of the Company for 2023</p>
The first extraordinary general meeting in 2024	November 19, 2024	Website of the SSE ( <a href="http://www.sse.com.cn">http://www.sse.com.cn</a> ) and website of the Hong Kong Stock Exchange ( <a href="http://www.hkexnews.hk">http://www.hkexnews.hk</a> )	November 20, 2024 (SSE) November 19, 2024 (Hong Kong Stock Exchange)	To consider the Resolution on the 2024 Interim Profit Distribution Plan of the Company
The second extraordinary general meeting in 2024	December 24, 2024	Website of the SSE ( <a href="http://www.sse.com.cn">http://www.sse.com.cn</a> ) and website of the Hong Kong Stock Exchange ( <a href="http://www.hkexnews.hk">http://www.hkexnews.hk</a> )	December 25, 2024 (SSE) December 24, 2024 (Hong Kong Stock Exchange)	To consider the Resolution Regarding Entering into of the Framework Agreement on Ordinary Related Party (Connected) Transactions with China Everbright Group Ltd.

## SECTION IV CORPORATE GOVERNANCE

As a responsible listed company, the Company effectively protects the rights and interests of minority shareholders, ensures their full right to information and the fairness of information disclosure, and continues to take a series of concrete actions to further enhance the quality and strength of communication with investors. The Company has formulated the Measures of Managing Information Disclosure of Everbright Securities 《光大證券信息披露事務管理制度》, the Insider Registration System of Everbright Securities 《光大證券內幕信息知情人登記制度》 and other rules and regulations. The Company has appointed the secretary to the Board of Directors and the company secretary to be responsible for information disclosure. The company secretary, the securities affairs representative and the office of the Board are appointed to assist in the disclosure of information and the handling of investor relations. The Company interacts with investors mainly through telephone, email, the investor relations interactive platform on the Company's website, reception of visitors, participation in investor meetings, road shows and other forms. Shareholders may submit inquiries and express their opinions to the Board in writing through the company secretary and the office of the Board. Where appropriate, the inquiries and opinions of shareholders will be forwarded to the Board and/or the relevant special committees under the Board of the Company, and ensure that the Company's shareholders, especially minority shareholders, are able to fully exercise their rights.

The Company has reviewed the shareholders' communication policy and considers that the Company has provided various channels for investors to understand the business and operations of the Group as well as channels for investors to express their opinions and comments. The Company also actively responded to the feedback from investors. The Company believes that the shareholders' communication policy implemented during the year is adequate and effective.

## SECTION IV CORPORATE GOVERNANCE

### III. Directors, Supervisors and Senior Management

#### (I) Changes in shareholding and remuneration of current and resigned Directors, Supervisors and senior management during the Reporting Period

##### 1. The current Directors, Supervisors and senior management

Unit: Shares

Name	Position	Gender	Year of birth	Start of the term of office	Expiration of the term of office	Total pre-tax remuneration received from the Company during the Reporting Period (RMB Ten Thousand)	Whether received remuneration from any related party of the Company or not
Zhao Ling	Chairman of the Board, Executive Director	Male	1972	June 14, 2022 June 14, 2022	May 27, 2027 May 27, 2027	197.78	No
Liu Qiuming	Executive Director, President	Male	1976	March 13, 2020 March 13, 2020	May 27, 2027 —	183.13	No
Ma Rentao	Non-executive Director	Female	1978	May 28, 2024	May 27, 2027	0	Yes
Lian Yalin	Non-executive Director	Male	1974	May 28, 2024	May 27, 2027	0	Yes
Yin Yanwu	Non-executive Director	Male	1974	November 22, 2022	May 27, 2027	0	Yes
Qin Xiaozheng	Non-executive Director	Male	1982	May 28, 2024	May 27, 2027	0	No
Ren Yongping	Independent non-executive Director	Male	1963	December 15, 2020	May 27, 2027	24.00	No
Yin Junming	Independent non-executive Director	Male	1972	December 15, 2020	May 27, 2027	24.00	No
Lau Ying Pan	Independent non-executive Director	Male	1963	May 28, 2024	May 27, 2027	14.00	No
Chen Xuanjuan	Independent non-executive Director	Female	1974	May 28, 2024	May 27, 2027	14.00	No
Lv Suqi	Independent non-executive Director	Male	1964	May 28, 2024	May 27, 2027	14.00	No
Liang Yi	Chairman of the Supervisory Committee	Male	1966	June 14, 2022	May 27, 2027	165.50	No
Zhou Huajian	Supervisor	Male	1977	May 28, 2024	May 27, 2027	0	Yes
Ye Shengli	Supervisor	Male	1982	May 28, 2024	May 27, 2027	0	Yes
Lin Maoliang	Supervisor	Male	1971	May 28, 2024	May 27, 2027	0	Yes
Li Ruoshan	External Supervisor	Male	1949	May 28, 2024	May 27, 2027	11.67	Yes
Liu Yunhong	External Supervisor	Male	1976	May 28, 2024	May 27, 2027	11.67	Yes
Lin Jingmin	Employee Supervisor	Female	1983	November 12, 2021	May 27, 2027	70.95	No
Du Jia	Employee Supervisor	Female	1981	May 28, 2024	May 27, 2027	50.06	No
Song Zhe	Employee Supervisor	Male	1985	May 28, 2024	May 27, 2027	36.84	No
Mei Jian	Vice President	Male	1970	January 12, 2017	—	153.25	No
Zhu Qin	Vice President, Chief Compliance Officer, Chief Risk Officer, Secretary to the Board	Female	1970	December 31, 2019 February 27, 2020 December 31, 2019 February 6, 2017	— — — —	149.29	No
Xiong Guobing	Senior expert	Male	1968	November 21, 2019	—	152.95	No
Wang Cuiting	Senior expert	Female	1966	November 21, 2019	—	150.67	No
Fang Ye	Chief Information Officer	Male	1971	April 17, 2020	—	128.71	No
Wang Pei	Business Director	Male	1976	January 6, 2023	—	126.60	No
Total	/	/	/	/	/	1,679.07	/

## SECTION IV CORPORATE GOVERNANCE

### 2. *Resigned Directors, Supervisors and senior management during and after the Reporting Period*

Name	Position	Gender	Year of birth	Start of the term of office	Expiration of the term of office
Wang Yun	Non-executive Director	Female	1968	May 28, 2024	March 7, 2025
Xie Song	Non-executive Director	Male	1971	June 29, 2023	February 19, 2025
Song Bingfang	Non-executive Director	Male	1971	August 13, 2018	May 28, 2024
Chan Ming Kin	Non-executive Director	Male	1969	November 13, 2014	May 28, 2024
Wang Yong	Independent non-executive Director	Male	1966	November 1, 2018	May 28, 2024
Po Wai Kwong	Independent non-executive Director	Male	1957	December 15, 2020	May 28, 2024
Liu Yunhong	Independent non-executive Director	Male	1976	December 15, 2020	May 28, 2024
Huang Xiaoguang	Supervisor	Male	1971	August 23, 2022	May 28, 2024
Zhu Wuxiang	External Supervisor	Male	1965	September 15, 2014	May 28, 2024
Cheng Fengchao	External Supervisor	Male	1959	December 15, 2020	May 28, 2024
Huang Qin	Employee Supervisor	Female	1975	September 23, 2014	May 28, 2024
Li Xianzhi	Employee Supervisor	Male	1965	October 17, 2017	May 28, 2024
Wu Chunsheng	Supervisor	Male	1963	December 15, 2020	January 18, 2024
Fu Jianping	Vice President	Male	1971	June 30, 2023	June 27, 2024
Wang Zhong	Vice President	Male	1972	March 12, 2015	May 7, 2024
Li Bingtao	Business Director	Male	1976	February 13, 2017	March 12, 2024
Liang Chunliang	Business Director	Male	1971	April 17, 2020	January 2, 2024

Note 1: The Directors, Supervisors and senior management of the Company do not hold any shares of the Company, and there was no change in shareholdings during the Reporting Period.

Note 2: The Company held the 2023 annual general meeting on May 28, 2024 and completed the election of the members of the seventh session of the Board. Mr. Zhao Ling and Mr. Liu Qiuming were elected as executive Directors of the seventh session of the Board. Ms. Ma Rentao, Mr. Lian Yalin, Ms. Wang Yun, Mr. Yin Yanwu, Mr. Xie Song and Mr. Qin Xiaozheng were elected as non-executive Directors of the seventh session of the Board. Mr. Ren Yongping, Mr. Yin Junming, Mr. Lau Ying Pan, Ms. Chen Xuanjuan and Mr. Lv Suiqi were elected as independent non-executive Directors of the seventh session of the Board. On the same date, as approved at the first meeting of the seventh session of the Board, Mr. Zhao Ling was elected as the chairman of the seventh session of the Board of the Company.

Note 3: The Board of the Company received a letter of resignation from Ms. Wang Yun, a non-executive Director of the Company, on March 7, 2025. Ms. Wang Yun resigned as a non-executive Director of the Company as a result of job change.

The Board of the Company received a letter of resignation from Mr. Xie Song, a non-executive Director of the Company, on February 19, 2025. Mr. Xie Song resigned as a non-executive Director of the Company as a result of job change.



## SECTION IV CORPORATE GOVERNANCE

The Board of the Company received a letter of resignation from Mr. Liu Yunhong, an independent non-executive Director, on November 24, 2023. Due to work commitments, Mr. Liu Yunhong resigned as an independent non-executive Director of the Company. As the resignation of Mr. Liu Yunhong would result in the number of independent non-executive Directors of the Company not meeting the relevant provisions of the Measures for the Administration of Independent Directors of Listed Companies and the Articles of Association, Mr. Liu Yunhong shall continue to perform his duties as an independent non-executive Director until a new independent non-executive Director was elected at the general meeting of the Company. A new independent non-executive Director was elected at the 2023 annual general meeting of the Company held on May 28, 2024, and Mr. Liu Yunhong ceased to perform his duties as an independent non-executive Director.

The term of office of Mr. Song Bingfang and Mr. Chan Ming Kin expired on May 28, 2024, and they ceased to be non-executive Directors of the Company; the term of office of Mr. Wang Yong and Mr. Po Wai Kwong expired on May 28, 2024, and they ceased to be independent non-executive Directors of the Company.

Note 4: The Company held the 2023 annual general meeting on May 28, 2024 and completed the election of the members of the seventh session of the Supervisory Committee. Mr. Liang Yi, Mr. Zhou Huajian, Mr. Ye Shengli and Mr. Lin Maoliang were elected as Supervisors of the seventh session of the Supervisory Committee. Mr. Li Ruoshan and Mr. Liu Yunhong were elected as external Supervisors of the seventh session of the Supervisory Committee. At the twenty-sixth meeting of the fifth session of the employee representatives' meeting of the Company, Ms. Lin Jingmin, Ms. Du Jia and Mr. Song Zhe were elected as employee Supervisors of the seventh session of the Supervisory Committee of the Company, and since May 28, 2024, they have jointly formed the seventh session of the Supervisory Committee of the Company with six other Supervisors elected at the general meeting of the Company and formally performed their duties. On the same date, as considered and approved at the first meeting of the seventh session of the Supervisory Committee, Mr. Liang Yi was elected as the chairman of the seventh session of the Supervisory Committee of the Company.

Note 5: The term of office of Mr. Huang Xiaoguang expired on May 28, 2024, and he ceased to be a Supervisor of the Company; the term of office of Mr. Zhu Wuxiang and Mr. Cheng Fengchao expired on May 28, 2024, and they ceased to be external Supervisors of the Company; the term of office of Ms. Huang Qin and Mr. Li Xianzhi expired on May 28, 2024, and they ceased to be employee Supervisors of the Company.

The Supervisory Committee of the Company received a letter of resignation from Mr. Wu Chunsheng, a Supervisor of the Company, on January 18, 2024. Due to retirement, Mr. Wu Chunsheng resigned as a Supervisor of the Company.

Note 6: The Board of the Company received a letter of resignation from Mr. Fu Jianping, the vice president of the Company, on June 27, 2024. Due to change of job assignment, Mr. Fu Jianping resigned as a vice president of the Company. Mr. Fu Jianping would continue to serve as a member of the CPC Committee and the secretary of the Commission for Discipline Inspection of the Company after his resignation.

The Board of the Company received a letter of resignation from Mr. Wang Zhong, the vice president of the Company, on May 7, 2024. Due to change of job assignment, Mr. Wang Zhong resigned as a vice president of the Company.

The Board of the Company received a letter of resignation from Mr. Li Bingtao, a business director of the Company, on March 12, 2024. Due to change of job assignment, Mr. Li Bingtao resigned as a business director of the Company.

The Board of the Company received a letter of resignation from Mr. Liang Chunliang, a business director of the Company, on January 2, 2024. Due to change of personal work commitments, Mr. Liang Chunliang resigned as a business director of the Company.

## SECTION IV CORPORATE GOVERNANCE

Note 7: During the Reporting Period, the re-election and appointment of the Board and the Supervisory Committee of the Company have been completed, through which, certain Directors and Supervisors have been altered. The number of Directors, Supervisors and senior management members who were altered or left office was 15, accounting for approximately 51.72% of the total number of Directors, Supervisors and senior management members at the beginning of the Reporting Period.

Note 8: In the above table, the remuneration of certain Directors, Supervisors and senior management includes part of performance-based remuneration, the amount of which is yet to be determined, and the rest will be disclosed in a separate announcement after confirmation.

Note 9: During the Reporting Period, the provident fund and enterprise annuity for Directors, Supervisors and senior management contributed by the Company were as follows: Zhao Ling (趙陵): RMB225,700, Liang Yi (梁毅): RMB200,300, Liu Qiuming (劉秋明): RMB237,500, Mei Jian (梅鍵): RMB237,500, Zhu Qin (朱勤): RMB237,700, Xiong Guobing (熊國兵): RMB236,300, Wang Cuiting (王翠婷): RMB186,300, Fang Ye (房曄): RMB237,000, Mr. Wang Pei (汪沛): RMB237,500, Ms. Lin Jingmin (林靜敏): RMB154,100, Ms. Du Jia (杜佳): RMB120,000, Mr. Song Zhe (宋哲): RMB42,600.

Note 10: During the Reporting Period, among the Directors, Supervisors and senior management of the Company who had resigned, Ms. Wang Yun, Mr. Xie Song, Mr. Song Bingfang, Mr. Chan Ming Kin, Mr. Wu Chunsheng and Mr. Huang Xiaoguang did not receive remuneration from the Company. Mr. Wang Yong, Mr. Po Wai Kwong and Mr. Liu Yunhong (as an independent non-executive Director) each received pre-tax remuneration totalling RMB100,000 from the Company. Mr. Zhu Wuxiang and Mr. Cheng Fengchao each received pre-tax remuneration totalling RMB83,300 from the Company. Ms. Huang Qin received pre-tax remuneration totalling RMB639,600 from the Company. Mr. Li Xianzhi received pre-tax remuneration totalling RMB563,500 from the Company. Mr. Fu Jianping received pre-tax remuneration totalling RMB812,200 from the Company. Mr. Wang Zhong received pre-tax remuneration totalling RMB445,300 from the Company. Mr. Li Bingtao received pre-tax remuneration totalling RMB182,800 from the Company. Mr. Liang Chunliang received pre-tax remuneration totalling RMB12,000 from the Company.

Note 11: During the Reporting Period, the Company purchased liability insurance for the Directors, Supervisors and senior management from Huatai P&C Insurance Co., Ltd., with the cumulative indemnity limit of US\$30 million.

Note 12: None of the Directors and the Supervisors had waived or agreed to waive the receipt of any emoluments during the year ended December 31, 2024.

Note 13: There are no relationships among each of the Directors, Supervisors and senior management of the Company, including financial, business, family or other material relationships.

## SECTION IV CORPORATE GOVERNANCE

### 3. *Biographical details of the current Directors, Supervisors and senior management*

Name	Principal work experience
Zhao Ling (趙陵)	Mr. Zhao currently serves as the chairman and executive Director of the Company. He had served as a staff member of the treasury department, a deputy director of trading office, the director of the investment and trading division, an assistant to the general manager, a deputy general manager, an executive deputy general manager (in charge of operations), the general manager, the general manager of the financial market department, chief business officer, a member of the CPC Committee, deputy president and secretary to the board of directors of China Everbright Bank Company Limited (a company listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange, Shanghai Stock Exchange stock code: 601818, Hong Kong Stock Exchange stock code: 6818). He had also held directorship at Sun Life Everbright Asset Management Co., Ltd., CEB International Investment Corporation Limited and China Everbright Bank (Europe) S.A., respectively.
Liu Qiuming (劉秋明)	Mr. Liu currently serves as an executive Director and the president of the Company. He previously served as the head of the institutional customer business of Shenyin & Wanguo Securities Co., Ltd., the managing director of UBS Securities Co., Limited (瑞銀證券有限責任公司), an executive member of Ping An Insurance (Group) Company of China, Ltd. (中國平安保險(集團)股份有限公司, a company listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange, Shanghai Stock Exchange stock code: 601318, Hong Kong Stock Exchange stock code: 2318), the vice president of Ping An Securities Co., Ltd. (平安證券有限責任公司), the chairman of the board and president of CMIG Capital Company Limited (中民投資本管理有限公司) and other positions.
Ma Rentao (馬韜韜)	Ms. Ma currently serves as a non-executive Director of the Company and a vice general manager of the investment and restructuring department of China Everbright Group Ltd. (中國光大集團股份公司). She previously served as a senior manager of the investment banking business department, an assistant to the general manager and a deputy general manager of the strategic customer and investment banking department of China Everbright Bank Company Limited (a company listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange, Shanghai Stock Exchange stock code: 601818, Hong Kong Stock Exchange stock code: 6818), an assistant to the general manager of the investment and restructuring department of China Everbright Group Ltd. and other positions.

## SECTION IV CORPORATE GOVERNANCE

Name	Principal work experience
Lian Yalin (連涯鄰)	Mr. Lian currently serves as a non-executive Director of the Company and a deputy general manager of the audit department/audit center of China Everbright Group Ltd. He previously served as a senior deputy manager of the accounting and settlement department, the senior manager of the planning and finance department, the head of the accounting management division of the finance and accounting department of China Everbright Bank Company Limited (a company listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange, Shanghai Stock Exchange stock code: 601818, Hong Kong Stock Exchange stock code: 6818), the head of the financial management division of the financial management department and an assistant to the general manager of China Everbright Group Ltd. and other positions.
Yin Yanwu (尹岩武)	Mr. Yin is currently a non-executive Director of the Company, a member of the Party Committee, an executive director, the vice president and a member of the management decision committee of China Everbright Limited (a company listed on the Hong Kong Stock Exchange, stock code: 165), the chairman, manager and legal representative of China Everbright Asset Management (Shanghai) Co., Ltd. (光控資產管理(上海)有限公司), and a director of China Everbright Assets Management Limited (中國光大資產管理有限公司). He previously served as a member of the executive committee and business director of China Galaxy Securities Co., Ltd. (中國銀河證券股份有限公司) (a company listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange, Shanghai Stock Exchange stock code: 601881, Hong Kong Stock Exchange stock code: 6881), the chairman, director of the executive committee and director of the investment decision committee of Galaxy Jinhui Securities Assets Management Co., Ltd. (銀河金匯證券資產管理有限公司), the chairman and legal representative of Shanghai Everbright Investment Management Co., Ltd. (上海光控動態投資管理有限公司) and other positions.
Qin Xiaozheng (秦小徵)	Mr. Qin currently serves as a non-executive Director of the Company, the director of the Party-mass personnel department and the Party committee inspection office of CSSC Finance Company Limited (中船財務有限責任公司), the general manager of China Shipbuilding Capital Limited (中國船舶資本有限公司) and other positions. He previously served as a deputy manager of the investment management department, the manager/general manager of the audit department of CSSC Finance Company Limited and other positions.

## SECTION IV CORPORATE GOVERNANCE

Name	Principal work experience
Ren Yongping (任永平)	<p>Mr. Ren is currently an independent non-executive Director of the Company, an accounting professor and doctoral supervisor of management school of Shanghai University, academic director of MBA Center of Shanghai University and an independent director of Jiangsu Yangnong Chemical Co., Ltd. (江蘇揚農化工股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 600486) and Jiangsu Rijiu Optoelectronics Jointstock Co., Ltd. (a company listed on the Shenzhen Stock Exchange, stock code: 003015). He previously served as vice dean of management school and secretary of Party Committee of Shanghai University, lecturer, associate professor and professor of Jiangsu University, a director of Xingyuan Environment Technology Co., Ltd. (興源環境科技股份有限公司, a company listed on the Shenzhen Stock Exchange, stock code: 300266), and an independent director of Tengda Construction Group Co., Ltd. (騰達建設集團股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 600512), Kama Co., Ltd. (恒天凱馬股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 900953), Kehua Holdings Co., Ltd. (科華控股股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 603161), Jiangsu Hengshun Vinegar Industry Co., Ltd. (江蘇恒順醋業股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 600305), Shanghai Jin Jiang International Travel Co., Ltd. (上海錦江國際旅遊股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 900929), Chanse Technology (Jiangsu) Inc. and other companies.</p>
Yin Junming (殷俊明)	<p>Mr. Yin is currently an independent non-executive Director of the Company, and an accounting professor of the school of business of Nanjing University of Information Science &amp; Technology and an independent director of Shuangdeng Group Co., Ltd., Anhui Shenjian New Materials Co., Ltd. (安徽神劍新材料股份有限公司, a company listed on the Shenzhen Stock Exchange, stock code: 002361) and Jiangsu Rugao Rural Commercial Bank Co., Ltd. (江蘇如皋農村商業銀行股份有限公司, a company listed on the National Equities Exchange and Quotations, stock code: 871728), and a supervisor of Jiangsu Gaochun Rural Commercial Bank Co., Ltd. (江蘇高淳農村商業銀行股份有限公司). He was a dean, the secretary of the Party committee and an accounting professor of the accounting school of Nanjing Audit University, an associate professor at the Sias International College of Zhengzhou University, an accountant in the aircraft section of Nanchang Railway Bureau and an independent director of Jiangsu Canlon Building Materials Co., Ltd. (江蘇凱倫建材股份有限公司, a company listed on the Shenzhen Stock Exchange, stock code: 300715) and Suning Universal Co., Ltd. (蘇寧環球股份有限公司, a company listed on the Shenzhen Stock Exchange, stock code: 000718) and other positions.</p>

## SECTION IV CORPORATE GOVERNANCE

Name	Principal work experience
Lau Ying Pan (劉應彬)	Mr. Lau is currently an independent non-executive Director of the Company, a director (non-executive) of the Stewards and a director (non-executive) of China Baptist Theological Seminary. He previously served as a division head, an assistant to the chief executive, an executive director, a senior executive director, the deputy chief executive, the special adviser to the chief executive of the Hong Kong Monetary Authority, the chief executive officer of HKMC Annuity Limited, the chief executive officer of the Stewards and other positions.
Chen Xuanjuan (陳選娟)	Ms. Chen is currently an independent non-executive Director of the Company, a professor of finance and vice dean at the School of Finance of Shanghai University of Finance and Economics, the executive dean of Dishui Lake Advanced Finance Institute of Shanghai University of Finance and Economics, and a director and executive director of the China Modern Financial Society under the Industrial and Commercial Bank of China. She previously served as a lecturer of accounting at Renmin University of China, an assistant professor of finance at the University of North Carolina at Wilmington in the United States, an assistant professor and an associate professor of finance at Kansas State University, a visiting scholar of finance at Columbia University in the United States, and an associate professor at the School of Finance of Shanghai University of Finance and Economics and other positions.
Lv Suiqi (呂隨啟)	Mr. Lv is currently an independent non-executive Director of the Company. He previously served as a teaching assistant and a lecturer at the School of Economics and an associate professor at the Department of Finance, School of Economics of Peking University, a visiting scholar at Tilburg University in the Netherlands, a visiting scholar at Brandeis University in the United States, and an independent director of Zhengzhou Coal & Power Co., Ltd. (鄭州煤電股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 600121), First Capital Securities Co., Ltd. (第一創業證券股份有限公司, a company listed on the Shenzhen Stock Exchange, stock code: 002797), Hongde Fund Management Co., Ltd. (泓德基金管理有限公司), Wanda Film Holding Co., Ltd. (萬達電影股份有限公司, a company listed on the Shenzhen Stock Exchange, stock code: 002739), Henan Rebecca Hair Products Co., Ltd. (河南瑞貝卡發製品股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 600439) and Henan Huangguo Grain Industry Co., Ltd. (河南黃國糧業股份有限公司, a company listed on the National Equities Exchange and Quotations, stock code: 831357) and other positions.

## SECTION IV CORPORATE GOVERNANCE

Name	Principal work experience
Liang Yi (梁毅)	Mr. Liang is currently the Chairman of the Supervisory Committee and chairman of the labor union of the Company. Since joining China Everbright Group Ltd. in 2000, he had successively served as a deputy director of the legal division under the legal department, the director of the legal division, an assistant to the director of the legal department, a deputy director of the legal department, a deputy general manager of the risk management and internal control and compliance department/legal department, a senior specialist at the risk management and internal control department/legal department and a member of the headquarters disciplinary committee.
Zhou Huajian (周華建)	Mr. Zhou is currently a Supervisor of the Company and an expert of the audit department/audit center of China Everbright Group Ltd. He previously served as a deputy section chief of the audit division of Qingdao Branch, a senior auditor of the audit I division of the audit department of the head office and a senior supervision manager of the office of the supervisory committee of Bank of Communications Co., Ltd. (交通銀行股份有限公司, a company listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange, Shanghai Stock Exchange stock code: 601328, Hong Kong Stock Exchange stock code: 3328).
Ye Shengli (葉勝利)	Mr. Ye is currently a Supervisor of the Company, and the director and head of the risk management and legal compliance department of China Everbright Limited (a company listed on the Hong Kong Stock Exchange, stock code: 165). He previously served as a deputy general manager and general manager of the risk management department of Hengtai Securities Co., Ltd. (恒泰證券股份有限公司, a company listed on the Hong Kong Stock Exchange, stock code: 1476), the general manager of the risk management department, a member of the executive committee and the chief risk officer of Galaxy Jinhui Securities Assets Management Co., Ltd. (銀河金匯證券資產管理有限公司).
Lin Maoliang (林茂亮)	Mr. Lin is currently a Supervisor of the Company, and the general manager and a director of Guangdong Hengjian International Investment Co., Ltd. (廣東恒健國際投資有限公司), a director of East Group Co., Ltd. (易事特集團股份有限公司, a company listed on the Shenzhen Stock Exchange, stock code: 300376) and a director of Dirui Industrial Co., Ltd. (迪瑞醫療科技股份有限公司, a company listed on the Shenzhen Stock Exchange, stock code: 300396). He has successively served as a deputy director of the risk control and legal department of Guangdong Hengjian Investment Holding Co., Ltd. (廣東恒健投資控股有限公司), a deputy general manager of Guangdong Hengtai'an Investment Co., Ltd. (廣東恒泰安投資有限公司), a director and deputy general manager of Guangdong Agricultural Supply Side Structural Reform Funds Management Co., Ltd. (廣東省農業供給側結構性改革基金管理有限公司) and a deputy general manager of Guangdong Hengjian International Investment Co., Ltd.



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Name	Principal work experience
Li Ruoshan (李若山)	<p>Mr. Li is currently an external Supervisor of the Company, a professor and a doctoral supervisor of the Department of Accounting of the School of Management of Fudan University, the chairman of the third session of the independent directors professional committee of the China Association for Public Companies, an independent director of Spring Airlines Co., Ltd. (春秋航空股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 601021), Shanghai Conglin Environmental Protection Technology Co., Ltd. (上海叢麟環保科技股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 688370) and Montage Technology Co., Ltd. (瀾起科技股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 688008), and a director of China MCC20 Group Corp., Ltd. (中國二十冶集團有限公司), ProMab Biotechnologies, Inc. (湖南遠泰生物技術有限公司), Huchuang Medical Technology (Shanghai) Co., Ltd. (滬創醫療科技(上海)有限公司) and Shanghai Shineton Investment Co., Ltd. (上海祥騰投資有限公司) and other positions. He previously served as a deputy director of the Department of Accounting of the School of Economics and a vice dean of the School of Economics of Xiamen University, and the director of the Department of Finance of the School of Management and a vice dean of the School of Management of Fudan University and other positions.</p>
Liu Yunhong (劉運宏)	<p>Mr. Liu is currently an external Supervisor of the Company, the head of Foresea Life Insurance Co., Ltd. (Shanghai) Research Institute, a deputy head of the Institute of International M&amp;A and Investment of Renmin University of China, an independent director of Shanghai Rural Commercial Bank Co., Ltd. (上海農村商業銀行股份有限公司, a company listed on the Shanghai Stock Exchange, stock code: 601825), Shanghai Electric Group Company Limited (上海電氣集團股份有限公司, a company listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange, Shanghai Stock Exchange stock code: 601727, Hong Kong Stock Exchange stock code: 2727) and Sinolink Securities Co., Ltd. (a company listed on the Shanghai Stock Exchange, stock code: 600109), a deputy director of the mergers and acquisitions financing committee and a member of the independent directors professional committee of the China Association for Public Companies, an adjunct professor and a doctoral and master's supervisor of Renmin University of China, East China University of Political Science and Law, and other universities. He previously served as the head of the Legal and Compliance Division of Guotai Asset Management Co., Ltd., the general manager of Investment Banking Department of Aerospace Securities Co., Ltd. and the general manager of the Investment Banking Department and an assistant to the president of Hwabao Securities Co. Ltd.</p>
Lin Jingmin (林靜敏)	<p>Ms. Lin is currently an employee Supervisor and an assistant to the general manager of the risk management and internal control department of the Company. She was an investment banking assistant at Shanghai investment bank department No. 2 of the Company, and the person in charge of net capital and liquidity risk monitoring group at risk management department of the Company.</p>



## SECTION IV CORPORATE GOVERNANCE

Name	Principal work experience
Du Jia (杜佳)	Ms. Du is currently an employee Supervisor and a deputy general manager (in charge of work) of the finance management department of the Company, and a director of Everbright Fortune Financial Leasing Co., Ltd. (光大幸福融資租賃有限公司), Everbright Securities International Holdings Limited (光大證券國際控股有限公司), Everbright Securities International (HK) Limited (光大證券國際(香港)有限公司) and China Everbright Securities International Company Limited (中國光大證券國際有限公司). She previously served an assistant to the general manager of the planning finance department, a deputy general manager of the financial treasury department and a deputy general manager of finance management department of the Company and other positions.
Song Zhe (宋哲)	Mr. Song is currently an employee Supervisor and a deputy general manager of the legal and compliance department of the Company. He previously served as the person in charge of the legal affairs group and the investment banking business management group, an assistant to the general manager and the person in charge of the accountability office group at the legal and compliance department of the Company and other positions.
Mei Jian (梅鍵)	Mr. Mei is currently a vice president of the Company, chairman of Everbright Futures Co., Ltd. (光大期貨有限公司), chairman and a director of Everbright Securities International Holdings Limited (光大證券國際控股有限公司) and China Everbright Securities International Company Limited and a director of Everbright Financial Investment Limited (光大金融投資有限公司). He previously held various positions, including director of the office of the Board, director of the Company's general office, general manager of brokerage business division, secretary to the Board and assistant president and other positions.
Zhu Qin (朱勤)	Ms. Zhu is currently the vice president, chief compliance officer, chief risk officer and the secretary to the Board of the Company. She previously worked as a project manager, senior manager and executive director of the fourth division of the investment banking division, assistant to the director, deputy director and director of the Board office of the Company and other positions.
Xiong Guobing (熊國兵)	Mr. Xiong is currently a senior expert of the Company and chairman of Shanghai Everbright Securities Asset Management Co., Ltd. (上海光大證券資產管理有限公司). He has served in various positions, including general manager of the Company's audit department, general manager of the Company's risk management department, secretary of the commission for discipline inspection and vice president and other positions.

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Name	Principal work experience
Wang Cuiting (王翠婷)	Ms. Wang currently serves as a senior expert of the Company, and chairman of Everbright Pramerica Fund Management Co., Ltd. (光大保德信基金管理有限公司). She previously served in various positions, such as secretary to the Board, director of the Board office, general manager of the human resources department, vice president and chairman of the labor union of the Company and other positions.
Fang Ye (房曄)	Mr. Fang is currently the chief information officer of the Company. He previously served as IT manager in China of OSRAM (Foshan) Lighting Co., Ltd., IT manager in China of Donnelly (Shenzhen) Printing Co., Ltd., IT director in Asia of Donnelly (China) Investment Co., Ltd., IT director, general manager of the Shanghai Internet Securities Branch, director of the Internet financing business (financial technology) and member of the brokerage business executive committee of Sinolink Securities Co., Ltd. (a company listed on the Shanghai Stock Exchange, stock code: 600109) and other positions.
Wang Pei (汪沛)	Mr. Wang is currently a business director of the Company. He previously served as the general manager of the Financial Market Headquarters (formerly known as the Securities Investment Headquarters) of the Company, a dealer at the capital operation center of the general planning department of the headquarters of Agricultural Bank of China (a company listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange, Shanghai Stock Exchange stock code: 601288, Hong Kong Stock Exchange stock code: 1288), a researcher and a fund manager of Fullgoal Fund Management Company Limited (富國基金管理有限公司), a fund manager and the director of CCB Principal Asset Management Co., Ltd. (建信基金管理有限公司), and the general manager of Shanghai Everbright Securities Asset Management Co., Ltd. (上海光大證券資產管理有限公司).

#### 4. *Changes in shareholding of Directors, Supervisors and senior management*

During the Reporting Period, none of the Directors, Supervisors and senior management of the Company directly held any shares, stock options or restricted shares of the Company.

#### 5. *Equity incentives granted to Directors, Supervisors and senior management during the Reporting Period*

During the Reporting Period, none of the Directors, Supervisors and senior management of the Company have been granted any equity incentives by the Company.

## SECTION IV CORPORATE GOVERNANCE

### (II) Employment of the current and resigned Directors, Supervisors and senior management during the Reporting Period

#### 1. Positions held in the shareholding companies

Name of employee	Name of shareholding companies	Positions held in shareholding companies	Start of the term of office	Expiration of the term of office
Ma Rentao	China Everbright Group Ltd.	Deputy general manager of the investment and restructuring department	November 2020	–
Lian Yalin	China Everbright Group Ltd.	Deputy general manager of audit department/audit center	September 2024	–
Yin Yanwu	China Everbright Limited	Executive director, vice president, a member of the Management Decision Committee	March 2022	–
Zhou Huajian	China Everbright Group Ltd.	Expert of the audit department/audit center	February 2019	–
Ye Shengli	China Everbright Limited	Director and head of the risk management and legal compliance department	June 2022	–

#### 2. Positions held in other companies

Name of employee	Name of other companies	Positions held in other companies	Start of the term of office	Expiration of the term of office
Yin Yanwu	China Everbright Asset Management (Shanghai) Co. Ltd. (光控資產管理(上海)有限公司)	Chairman of the board of directors, manager and legal representative	August 2021	–
Yin Yanwu	China Everbright Assets Management Limited (中國光大資產管理有限公司)	Director	June 2021	–
Qin Xiaozheng	CSSC Finance Company Limited (中船財務有限責任公司)	Director of the Party-mass personnel department and the Party committee inspection office	February 2022	–
Qin Xiaozheng	China Shipbuilding Capital Limited (中國船舶資本有限公司)	General manager	April 2024	–
Qin Xiaozheng	CSIC Investment One Limited	Director	August 2024	–
Qin Xiaozheng	CSIC Capital Three Limited	Director	July 2024	–
Ren Yongping	Jiangsu Yangnong Chemical Co., Ltd. (江蘇揚農化工股份有限公司)	Independent director	November 2021	–
Ren Yongping	Jiangsu Riju Optoelectronics Joint-stock Co., Ltd. (江蘇日久光電股份有限公司)	Independent director	December 2020	–
Yin Junming	Shuangdeng Group Co., Ltd. (雙登集團股份有限公司)	Independent director	October 2020	–

## SECTION IV CORPORATE GOVERNANCE

Name of employee	Name of other companies	Positions held in other companies	Start of the term of office	Expiration of the term of office
Yin Junming	Anhui Shenjian New Materials Co., Ltd. (安徽神劍新材料股份有限公司)	Independent director	January 2020	–
Yin Junming	Jiangsu Rugao Rural Commercial Bank Co., Ltd. (江蘇如皋農村商業銀行股份有限公司)	Independent director	March 2024	–
Yin Junming	Jiangsu Gaochun Rural Commercial Bank Co., Ltd. (江蘇高淳農村商業銀行股份有限公司)	Supervisor	June 2021	–
Lau Ying Pan	Stewards	Director (non-executive)	September 2019	–
Lau Ying Pan	China Baptist Theological Seminary	Director (non-executive)	January 2024	–
Lin Maoliang	Dirui Industrial Co., Ltd. (迪瑞醫療科技股份有限公司)	Director	September 2023	–
Lin Maoliang	East Group Co., Ltd. (易事特集團股份有限公司)	Director	August 2023	–
Lin Maoliang	Guangdong Hengjian International Investment Co., Ltd. (廣東恒健國際投資有限公司)	General manager, director	July 2024	–
Li Ruoshan	Shanghai Shineton investment co., Ltd. (上海祥騰投資有限公司)	Director	December 2010	–
Li Ruoshan	China MCC20 Group Corp., Ltd. (中國二十冶集團有限公司)	Director	July 2018	–
Li Ruoshan	ProMab Biotechnologies, Inc. (湖南遠泰生物技術有限公司)	Director	December 2019	–
Li Ruoshan	Shanghai Conglin Environmental Protection Technology Co., Ltd. (上海叢麟環保科技股份有限公司)	Independent director	November 2020	–
Li Ruoshan	Huchuang Medical Technology (Shanghai) Co., Ltd. (滬創醫療科技(上海)有限公司)	Director	September 2021	–
Li Ruoshan	Shanghai Spring Airlines Co., Ltd. (上海春秋航空股份有限公司)	Independent director	June 2023	–
Li Ruoshan	Montage Technology Co., Ltd. (瀾起科技股份有限公司)	Independent director	June 2024	–
Liu Yunhong	Foresea Life Insurance Co., Ltd. (Shanghai) Research Institute (前海人壽保險股份有限公司(上海)研究所)	Head	May 2019	–
Liu Yunhong	Sinolink Securities Co., Ltd. (國金證券股份有限公司)	Independent director	September 2020	–
Liu Yunhong	Shanghai Electric Group Company Limited (上海電氣集團股份有限公司)	Independent director	November 2020	–

## SECTION IV CORPORATE GOVERNANCE

Name of employee	Name of other companies	Positions held in other companies	Start of the term of office	Expiration of the term of office
Liu Yunhong	BOCOM International Trust Co., Ltd. (交銀國際信託有限公司)	Independent director	November 2022	–
Liu Yunhong	Hzbank Wealth Management Co., Ltd. (杭銀理財有限責任公司)	Supervisor	September 2023	–
Liu Yunhong	Shanghai Rural Commercial Bank Co., Ltd. (上海農村商業銀行股份有限公司)	Independent director	January 2024	–
Liu Yunhong	Guiyang GY Financial Leasing Co., Ltd. (貴陽貴銀金融租賃有限責任公司)	Supervisor	March 2024	–

### (III) Remuneration of Directors, Supervisors and senior management

Decision-making procedures of remuneration of the Directors, Supervisors and senior management	The remuneration of the Company's independent Directors and external Supervisors shall be decided by the general meeting, and the remuneration of the senior management of the Company shall be considered and approved by the Board of Directors. According to the relevant requirements of the Rules for Governance of Securities Companies, payment of more than 40% of annual performance-based remuneration for the senior management of the securities companies shall be deferred for a period of at least three years.
Whether a Director recused himself from discussing his remuneration matters in the Board	Yes
Recommendations on the remuneration of the Directors, Supervisors and senior management by the Remuneration and Assessment Committee or the special meeting of independent Directors	Remuneration of the independent Directors and external Supervisors of the Company is determined with reference to that of similar listed companies in the same industry and based on actual situation of the Company. Remuneration of executive Directors, Supervisors holding a position in the Company and senior management is determined in accordance with the remuneration system of the Company and is also linked to position and performance. The Resolution on the Evaluation and Remuneration Plan for Directors and Senior Management of the Company for the Year 2023 was considered and approved at the first meeting of the Remuneration, Nomination and Credentials Committee of the seventh session of the Board of the Company and was submitted to the Board of Directors for consideration.
The basis for determining the remuneration of the Directors, Supervisors and senior management	Remuneration of the independent Directors and external Supervisors of the Company is determined with reference to that of similar listed companies in the same industry and based on actual situation of the Company. Remuneration of executive Directors, Supervisors holding a position in the Company and senior management is determined in accordance with the remuneration system of the Company and is also linked to position and performance.

## SECTION IV CORPORATE GOVERNANCE

Actual payment of remuneration of the Directors, Supervisors and senior management

Please refer to “III. Directors, Supervisors and Senior Management – (I) Changes in shareholding and remuneration of current and resigned Directors, Supervisors and senior management during the Reporting Period” in this section for details.

Total remuneration actually obtained by the Directors, Supervisors and senior management at the end of the Reporting Period

Please refer to “III. Directors, Supervisors and Senior Management – (I) Changes in shareholding and remuneration of current and resigned Directors, Supervisors and senior management during the Reporting Period” in this section for details.

### (IV) Changes of Directors, Supervisors and senior management of the Company

Name	Position	Change	Reasons for change
Ma Rentao	Non-executive Director	Elected	On May 28, 2024, the 2023 annual general meeting of the Company elected Ms. Ma Rentao as a non-executive Director of the seventh session of the Board.
Lian Yalin	Non-executive Director	Elected	On May 28, 2024, the 2023 annual general meeting of the Company elected Mr. Lian Yalin as a non-executive Director of the seventh session of the Board.
Wang Yun	Non-executive Director	Elected	On May 28, 2024, the 2023 annual general meeting of the Company elected Ms. Wang Yun as a non-executive Director of the seventh session of the Board.
Qin Xiaozheng	Non-executive Director	Elected	On May 28, 2024, the 2023 annual general meeting of the Company elected Mr. Qin Xiaozheng as a non-executive Director of the seventh session of the Board.
Lau Ying Pan	Independent non-executive Director	Elected	On May 28, 2024, the 2023 annual general meeting of the Company elected Mr. Lau Ying Pan as an independent non-executive Director of the seventh session of the Board.
Chen Xuanjuan	Independent non-executive Director	Elected	On May 28, 2024, the 2023 annual general meeting of the Company elected Ms. Chen Xuanjuan as an independent non-executive Director of the seventh session of the Board.
Lv Suiqi	Independent non-executive Director	Elected	On May 28, 2024, the 2023 annual general meeting of the Company elected Mr. Lv Suiqi as an independent non-executive Director of the seventh session of the Board.

## SECTION IV CORPORATE GOVERNANCE

Name	Position	Change	Reasons for change
Zhou Huajian	Supervisor	Elected	On May 28, 2024, the 2023 annual general meeting of the Company elected Mr. Zhou Huajian as a Supervisor of the seventh session of the Supervisory Committee.
Ye Shengli	Supervisor	Elected	On May 28, 2024, the 2023 annual general meeting of the Company elected Mr. Ye Shengli as a Supervisor of the seventh session of the Supervisory Committee.
Lin Maoliang	Supervisor	Elected	On May 28, 2024, the 2023 annual general meeting of the Company elected Mr. Lin Maoliang as a Supervisor of the seventh session of the Supervisory Committee.
Li Ruoshan	External Supervisor	Elected	On May 28, 2024, the 2023 annual general meeting of the Company elected Mr. Li Ruoshan as an external Supervisor of the seventh session of the Supervisory Committee.
Liu Yunhong	External Supervisor	Elected	On May 28, 2024, the 2023 annual general meeting of the Company elected Mr. Liu Yunhong as an external Supervisor of the seventh session of the Supervisory Committee.
Du Jia	Employee Supervisor	Elected	At the twenty-sixth meeting of the fifth session of the employee representatives' meeting of the Company, Ms. Du Jia was elected as an employee Supervisor of the seventh session of the Supervisory Committee of the Company, and since May 28, 2024, she has jointly formed the seventh session of the Supervisory Committee of the Company with six other Supervisors elected at the general meeting of the Company and formally performed her duties.
Song Zhe	Employee Supervisor	Elected	At the twenty-sixth meeting of the fifth session of the employee representatives' meeting of the Company, Mr. Song Zhe was elected as an employee Supervisor of the seventh session of the Supervisory Committee of the Company, and since May 28, 2024, he has jointly formed the seventh session of the Supervisory Committee of the Company with six other Supervisors elected at the general meeting of the Company and formally performed his duties.
Wang Yun	Non-executive Director	Resigned	The Board of the Company received a letter of resignation from Ms. Wang Yun, a non-executive Director, on March 7, 2025. Ms. Wang Yun resigned as a non-executive Director of the Company.
Xie Song	Non-executive Director	Resigned	The Board of the Company received a letter of resignation from Mr. Xie Song, a non-executive Director, on February 19, 2025. Mr. Xie Song resigned as a non-executive Director of the Company.

## SECTION IV CORPORATE GOVERNANCE

Name	Position	Change	Reasons for change
Song Bingfang	Non-executive Director	Resigned	On May 28, 2024, new non-executive Directors were elected at the 2023 annual general meeting of the Company, and Mr. Song Bingfang resigned upon expiration of his term of office.
Chan Ming Kin	Non-executive Director	Resigned	On May 28, 2024, new non-executive Directors were elected at the 2023 annual general meeting of the Company, and Mr. Chan Ming Kin resigned upon expiration of his term of office.
Wang Yong	Independent non-executive Director	Resigned	On May 28, 2024, new independent non-executive Directors were elected at the 2023 annual general meeting of the Company, and Mr. Wang Yong resigned upon expiration of his term of office.
Po Wai Kwong	Independent non-executive Director	Resigned	On May 28, 2024, new independent non-executive Directors were elected at the 2023 annual general meeting of the Company, and Mr. Po Wai Kwong resigned upon expiration of his term of office.
Liu Yunhong	Independent non-executive Director	Resigned	The Board of the Company received a letter of resignation from Mr. Liu Yunhong, an independent non-executive Director, on November 24, 2023. Mr. Liu Yunhong resigned as an independent non-executive Director of the Company. As the resignation of Mr. Liu Yunhong will result in the number of independent non-executive Directors of the Company not meeting the relevant provisions of the Measures for the Administration of Independent Directors of Listed Companies and the Articles of Association, Mr. Liu Yunhong continued to perform his duties as an independent non-executive Director until a new independent non-executive Director is elected at the general meeting of the Company. On May 28, 2024, new independent non-executive Directors were elected at the 2023 annual general meeting of the Company, and Mr. Liu Yunhong ceased to perform his duties as an independent non-executive Director.
Huang Xiaoguang	Supervisor	Resigned	On May 28, 2024, new Supervisors were elected at the 2023 annual general meeting of the Company, and Mr. Huang Xiaoguang resigned upon expiration of his term of office.
Zhu Wuxiang	External supervisor	Resigned	On May 28, 2024, new external Supervisors were elected at the 2023 annual general meeting of the Company, and Mr. Zhu Wuxiang resigned upon expiration of his term of office.
Cheng Fengchao	External supervisor	Resigned	On May 28, 2024, new external Supervisors were elected at the 2023 annual general meeting of the Company, and Mr. Cheng Fengchao resigned upon expiration of his term of office.



## SECTION IV CORPORATE GOVERNANCE

Name	Position	Change	Reasons for change
Huang Qin	Employee Supervisor	Resigned	New employee Supervisors were elected at the twenty-sixth meeting of the fifth session of the employee representatives' meeting of the Company, and Ms. Huang Qin resigned upon expiration of her term of office on May 28, 2024.
Li Xianzhi	Employee Supervisor	Resigned	New employee Supervisors were elected at the twenty-sixth meeting of the fifth session of the employee representatives' meeting of the Company, and Mr. Li Xianzhi resigned upon expiration of his term of office on May 28, 2024.
Wu Chunsheng	Supervisor	Resigned	The Supervisory Committee of the Company received a letter of resignation from Mr. Wu Chunsheng, a Supervisor of the Company, on January 18, 2024. Mr. Wu Chunsheng resigned as a Supervisor of the Company.
Fu Jianping	Vice president	Resigned	The Board of the Company received a letter of resignation from Mr. Fu Jianping, a vice president of the Company, on June 27, 2024. Mr. Fu Jianping resigned as a vice president of the Company.
Wang Zhong	Vice president	Resigned	The Board of the Company received a letter of resignation from Mr. Wang Zhong, a vice president of the Company, on May 7, 2024. Mr. Wang Zhong resigned as a vice president of the Company.
Li Bingtao	Business director	Resigned	The Board of the Company received a letter of resignation from Mr. Li Bingtao, a business director of the Company, on March 12, 2024. Mr. Li Bingtao resigned as a business director of the Company.
Liang Chunliang	Business director	Resigned	The Board of the Company received a letter of resignation from Mr. Liang Chunliang, a business director of the Company, on January 2, 2024. Mr. Liang Chunliang resigned as a business director of the Company.

Save as disclosed above, there was no other information that shall be disclosable pursuant to Rule 13.51B(1) of the Hong Kong Listing Rules.

According to Rule 3.09D of the Hong Kong Listing Rules, Ms. Ma Rentao, Mr. Lian Yalin, Ms. Wang Yun and Mr. Qin Xiaozheng, who were appointed as non-executive Directors of the Company on May 28, 2024, and Mr. Lau Ying Pan, Ms. Chen Xuanjuan and Mr. Lv Suiqi, who were appointed as independent non-executive Directors of the Company on the same date, obtained the legal opinions required under Rule 3.09D from Latham & Watkins LLP, the Company's Hong Kong legal adviser, on May 17, 2024, and confirmed that they understood their obligations as directors of a listed issuer and the consequences which may arise from making a false statement or providing false information to the Hong Kong Stock Exchange.

## SECTION IV CORPORATE GOVERNANCE

### IV. Board of Directors and the Management

#### (I) Board of Directors

The Articles of Association and the Rules of Procedure of the Board of Directors of the Company have stipulated the qualification and obligations of the Directors, the terms of reference of the Board of Directors, the convening, voting and resolution of the Board of Directors, to ensure the standardized and efficient operation of Board of Directors.

#### *Composition of the Board*

The Company shall appoint and change Directors in accordance with relevant regulations and Articles of Association. The Board of Directors has exercised its functions and powers according to law. The composition, convening, voting and resolutions of the Board are in compliance with the relevant laws and regulations stipulated in the Company Law, the Articles of Association and the Hong Kong Listing Rules.

According to Article 122 of the Articles of Association, except for the first session of the Board of Directors of the Company, the candidates for the Directors of any successive director of the Board of Directors shall be nominated by the shareholders individually or jointly holding more than 3% (inclusive) of the shares or by three directors of the previous Board of Directors of the Company. The previous Board of Directors shall be responsible for preparing and submitting a proposal to the general meeting for voting. Any shareholder holding more than 1% (inclusive) of the shares may nominate any candidates for independent Directors.

The members of the Board shall be elected and changed by the general meeting for a term of three years from the date on which their appointments are approved at the general meeting. Directors are eligible for re-election upon the expiration of their terms. The term of independent non-executive Directors is the same as other Directors of the Company and eligible for re-election upon the expiration of their terms. However, the successive terms of independent non-executive Directors may not be more than two terms. An ordinary resolution with respect to any Director elected at a general meeting shall be valid only when such matters are passed by one half or above of the voting rights held by the shareholders (including their proxies) attending the general meeting.

The Company seeks appropriate candidates for Directors through a variety of channels in the Company and the human resource market. The criteria of candidates to be considered include but not limited to gender, age, educational background or professional experience, skills, knowledge and service tenure, and the ability to take responsibility for the affairs of the Company. After reviewing and passing the resolution to determine the candidate, the Board of Directors shall submit to the general meeting a written proposal. Since the listing of the Company's H Shares, the Board has always complied with the requirements of the Hong Kong Listing Rules with respect to the appointment of at least three independent non-executive Directors and the number of independent non-executive Directors appointed must make up at least one-third of the Board members. The qualification of all current independent non-executive Directors of the Company complies with the requirements of Rules 3.10(1) and (2) and 3.10(A) of the Hong Kong Listing Rules. Apart from that, the Company has received the annual written confirmation from each independent non-executive Director with regard to his independence in accordance with relevant requirements under Rule 3.13 of the Hong Kong Listing Rules. Therefore, the Company confirms that each independent non-executive Director meets the independence requirements set out by the Hong Kong Listing Rules.

## SECTION IV CORPORATE GOVERNANCE

### *Duties and responsibilities of the Board of Directors*

The Board of Directors is the decision-making organ of the Company and shall be accountable to the general meeting and exercise its powers and duties in accordance with the laws and regulations, the Articles of Association and the securities listing rules and requirements of the stock exchange on which shares of the Company are listed. The Board of Directors is mainly responsible for the formulation of the Company's strategy, development of corporate governance practices, implementation of risk management and internal control, and corporate finance decision making.

According to the Articles of Association, the Board of Directors shall exercise the following major powers and duties: to convene a general meeting and report to such meeting; to implement the resolutions of a general meeting; to decide the operation plan and investment scheme of the Company; to prepare the draft annual budget and final accounts of the Company; to prepare the profit distribution plan and the plan for provisions for losses of the Company; to prepare the plan for the Company to increase or reduce its registered capital, issuance of bonds and other securities and other listing plans; to prepare plans of the Company with respect to material acquisitions, acquisition of the Company's shares for any reasons set forth in Articles 28(i) and 28(ii) of the Articles of Association, mergers, divisions, dissolution or changes of the form of the Company; to decide the Company's external investments, purchases and sales of assets, pledge of assets, external guarantees, trust management, related parties transactions and external donations within the scope of authorization by a general shareholders' meeting; to decide the establishment of the internal management organizations of the Company; to decide on the appointment or removal of the president or the Board secretary or the chief compliance officer and other senior officers nominated by the Chairman of the Board of Directors and decide the remunerations, rewards and punishments thereof; to decide on the appointment or removal of the vice president, assistant president, chief financial officer, chief risk officer, chief information officer and other senior management officers nominated by the president and decide the remunerations, rewards and punishments thereof. The Company can only dismiss the chief compliance officer for any of the following proper reasons: the chief compliance officer voluntarily tenders resignation from his/her post, or the chief compliance officer is ordered by the CSRC or its local office to be replaced, or there is any evidence of his/her inability to perform his/her duties properly or failure to act diligently; to establish a basic management system of the Company; to prepare plans to amend the Articles of Association; to manage the matters related to the information disclosed by the Company; to make suggestions to a general meeting regarding the engagement or replacement of the accounting firm as the auditors of the Company; to receive the work report of the president of the Company and examine the work of the president; to be responsible to urge, examine and evaluate the establishment and implementation of various internal control systems of the Company and to undertake final responsibility for the validity of such internal control systems; to be responsible to decide on the compliance management objectives of the Company, consider and adopt the basic compliance system and the annual compliance report, decide on the dismissal of senior managers who bear primary responsibility or leadership responsibility for the occurrence of major compliance risks, establish a direct communication mechanism with the person in charge of compliance, assess the effectiveness of compliance management, and supervise the resolution of problems in compliance management; to undertake ultimate responsibility for comprehensive risk management; to review the Company's information technology management objectives and take responsibility for the effectiveness of information technology management; to take responsibilities on deciding to acquire the shares of the Company in accordance with Articles 28(iii), (v) and (vi) of the Articles of Association; other powers and duties conferred by the law, administrative regulations, department regulations and the Articles of Association.

In order to assist the Directors to properly discharge their duties, all Directors can seek advice from the company secretary, the internal legal team or independent professional advisors at the Company's expense when they consider necessary. The Company believes that the composition of the Board of Directors (including the number and proportion of independent non-executive Directors) of the Company and the availability of information and resources for the Directors are effective in ensuring that independent views and opinions are available to the Board of Directors.

The Company purchased liability insurance for the Directors, Supervisors and senior management, to protect them against liabilities that may arise from performing their duties and to encourage them to earnestly fulfill their duties and responsibilities.

## SECTION IV CORPORATE GOVERNANCE

### *Duties and responsibilities of the management*

According to the Articles of Association, the president of the Company is accountable to the Board of Directors and exercises the following powers and duties: to manage the operation of the Company, organize and implement the decisions of the Board of Directors and report to the Board of Directors; to organize and implement the annual plan and investment plan of the Company; to prepare the plan for the establishment of internal organizations of the Company; to formulate the basic management system of the Company; to formulate specific regulations of the Company; to nominate the vice presidents, assistant presidents, chief financial officer, chief risk officer, chief information officer and other senior officers approved by CSRC for appointment or removal by the Board of Directors; to decide on the appointment or removal of any management personnel other than those required to be appointed or removed by the Board of Directors; to propose the salary, benefits, rewards and punishments of the employees of the Company and decide on the appointment and removal of such employees; to propose to the chairman of the Board of Directors to agree to convene any interim Board meetings; to decide on the investment matters of the Company within the scope of authorization of the Board of Directors in accordance with the relevant regulations of the securities regulators; other powers and duties conferred by the Articles of Association or granted by the Board of Directors. The president, the Board secretary, chief compliance officer and other senior management officers of the Company shall be nominated by the chairman of the Board of Directors, and appointed or removed by the Board of Directors; the vice presidents, assistant presidents, chief financial officer, chief risk officer, chief information officer and other senior management officers of the Company shall be nominated by the president and appointed or removed by the Board of Directors. The tenure for the president shall be three years and the president may be re-elected and reappointed upon expiration of tenure.

### *Chairman and president*

The Chairman of the Company leads the work of the Board, supervises the implementation of resolutions of the Board and ensures the efficient and orderly operation of the Board. The president of the Company presides over the daily operation and management of the Company and organizes to implement the resolutions made by the Board, and reports to the Board. The responsibilities of the Chairman in managing the Board affairs and those of the president in managing the day-to-day business of the Company have been distinctively defined, which is in compliance with the relevant code provisions of the Corporate Governance Code.

## V. Board Meetings during the Reporting Period

Meeting	Date of meeting	Resolutions at the meeting
The thirty-third meeting of the sixth session of the Board	January 24, 2024	To consider the Resolution on the Provisions for Asset Impairment of the Company for the Year 2023
The thirty-fourth meeting of the sixth session of the Board	March 6, 2024	To consider the Resolution on the Renewal of the Lease of Office Premises at Plaza 66, Shanghai
The thirty-fifth meeting of the sixth session of the Board	March 27, 2024	To listen to the Report on the Operations of the Company for 2023 To consider the Resolution in respect of the Annual Report and its Summary of the Company for 2023 To consider the Resolution in respect of the 2023 Profit Distribution Plan of the Company To consider the Resolution in respect of the Work Report of the Board of Directors of the Company in 2023

## SECTION IV CORPORATE GOVERNANCE

Meeting	Date of meeting	Resolutions at the meeting
		<p>To consider the Independent Directors' Annual Work Report for 2023</p> <p>To listen to the Report of the Performance of the Audit and Related Party Transaction Control Committee of the Board in 2023</p> <p>To listen to the Report of the Performance of the Accounting Firm in 2023</p> <p>To consider the Resolution in respect of the Remuneration System of the Company and its Implementation</p> <p>To consider the Report on Performance Appraisal and Remuneration of Directors of the Company for 2023</p> <p>To listen to the Report on Execution of Duty, Performance Appraisal and Remuneration of the Senior Management of the Company for 2023</p> <p>To consider the Resolution on the Social Responsibility/ ESG Report of the Company for the Year 2023</p> <p>To consider the Resolution regarding the Special Report on the information technology management of the Company for 2023</p> <p>To consider the Resolution on the Internal Audit Work of the Company for 2023 and Audit Project Plans in 2024</p> <p>To consider the Resolution on the Evaluation Report of Internal Control of the Company for the Year 2023</p> <p>To review the Audit Report of Internal Control of the Company for 2023</p> <p>To consider the Resolution on the Compliance Work Report of the Company for the Year 2023</p> <p>To consider the Resolution on the Integrity Management Report of the Company for the Year 2023</p> <p>To listen to the Report on the Anti-money Laundering of the Company in 2023</p> <p>To consider the Resolution on the Risk Management and Assessment Report of the Company for the Year 2023</p> <p>To consider the Resolution in respect of the Company's Risk Preference for 2024</p> <p>To consider the Resolution on the Expected Ordinary Related Party (Connected) Transactions of the Company in 2024</p> <p>To consider the Resolution on the Appointment of External Auditors for the Year 2024</p> <p>To consider the Resolution on the Amendments to the Articles of Association of Everbright Securities Company Limited and its Appendices</p> <p>To consider the Proposal on Granting General Mandate in respect of Issuance of Domestic and Overseas Debt Financing Instruments by the Company</p> <p>To listen to the Report on the Provision of Guarantees for Subsidiaries</p> <p>To consider the Resolution on Convening of the 2023 Annual General Meeting of the Company</p> <p>To listen to the Report on the Execution of Previous Resolutions of the Board in 2023</p>

## SECTION IV CORPORATE GOVERNANCE

Meeting	Date of meeting	Resolutions at the meeting
The thirty-sixth meeting of the sixth session of the Board	April 29, 2024	<p>To listen to the Report on the Operation of the Company for the First Quarter of 2024</p> <p>To consider the Report of the Company for the First Quarter of 2024</p> <p>To listen to the Annual Operation Plan and Financial Budget of the Company for 2024</p> <p>To consider the Resolution of Cap of Proprietary Trading Businesses Scale of the Company in 2024</p> <p>To consider the Resolution on the Amendments to the Annual Authorization Plan for the Management by the Board of Directors</p> <p>To consider the Resolution on the Amendments to the Articles of Association of Everbright Securities Company Limited</p> <p>To consider the Resolution on the Amendments to the Basic Internal Audit System of the Company</p> <p>To consider the Resolution on the Nomination of Non-independent Director Candidates of the Seventh session of the Board of Directors of the Company</p> <p>To consider the Resolution on the Nomination of Independent Director Candidates of the Seventh Session of the Board of Directors of the Company</p> <p>To consider the Resolution on the Addition to Resolutions of the 2023 Annual General Meeting</p>
The first meeting of the seventh session of the Board	May 28, 2024	<p>To consider the Resolution regarding the Election of Mr. Zhao Ling as the Chairman of the Seventh Session of the Board of Directors of the Company</p> <p>To consider the Resolution regarding the Election of the Members of Each Special Committee under the Seventh Session of the Board of Directors of the Company</p> <p>To consider the Resolution on the Evaluation Plan on the Senior Management of the Company in 2023</p> <p>To listen to the Report on the Strategy Enhancement Measures and Negative List for Strategy Development of the Company</p>

## SECTION IV CORPORATE GOVERNANCE

Meeting	Date of meeting	Resolutions at the meeting
The second meeting of the seventh session of the Board	August 29, 2024	<p>To listen to the Report on the Operation of the Company for the First Half of 2024</p> <p>To consider the Resolution on the Company's 2024 Interim Report and its Summary</p> <p>To consider the Resolution on the Risk Management and Assessment Report of the Company for the First Half of 2024</p> <p>To consider the Resolution on the action plan of "Quality Improvement, Efficiency Increase and Return Orientation" of the Company in 2024</p> <p>To consider the Resolution on the Interim Profit Distribution of the Company for 2024</p> <p>To consider the Resolution on the Written-off of Bad Debts</p> <p>To consider the Resolution on the Amendments to the Rules of Procedure of Each Special Committee under the Board of Directors</p> <p>To consider the Resolution on Convening of the 2024 First Extraordinary General Meeting of the Company</p> <p>To listen to the Report on the Execution of Previous Resolutions of the Board in 2024</p>
The third meeting of the seventh session of the Board	October 30, 2024	<p>To listen to the Report on the Operation of the Company for the First Three Quarters of 2024</p> <p>To consider the Report of the Company for the Third Quarter of 2024</p> <p>To consider the Resolution on the Signing of Ordinary Related Party (Connected) Transactions Framework Agreement with China Everbright Group Ltd.</p> <p>To consider the Resolution on Convening of the 2024 Second Extraordinary General Meeting of the Company</p>
The fourth meeting of the seventh session of the Board	December 18, 2024	<p>To consider the Resolution on the Evaluation and Remuneration Plan for Directors and Senior Management of the Company for the Year 2023</p> <p>To consider the Resolution on the Evaluation Plan on the Senior Management of the Company in 2024</p>

## VI. Performance of Duties of Directors

The Board of Directors shall exercise its powers and duties in accordance with the provisions of the Articles of Association, and for the best interests of the Company and the shareholders. The Board of Directors shall report to the general meetings, implement the resolutions approved by the general meetings, and be accountable to the general meetings.

### (I) Attendance of Directors at Board meetings and general meetings

According to the provisions of the Articles of Association, the Board of Directors shall hold at least four meetings every year, which shall be convened by the chairman of the Board of Directors. A written notice of regular meeting of the Board of Directors shall be served at least 14 days before such meeting, and shall state the date and venue of the meeting, the period of such meeting, the subject matters and agenda and the date of the notice.

## SECTION IV CORPORATE GOVERNANCE

A Board meeting shall be held only when more than half of the Directors are present. Unless otherwise provided in the Articles of Association, any resolutions made at a Board meeting shall be passed by more than half of all Directors. If a Director is related to an enterprise in a resolution to be passed at a Board meeting, such Director shall not exercise his/her voting rights or on behalf of any other Directors in respect of such resolution. Such Board meeting may be held when more than half of non-related Directors are present; any resolutions made at such Board meeting shall be passed by more than half of non-related Directors. If the number of non-related Directors present at such Board meeting is less than three, such matters shall be submitted to a general meeting for consideration. The Board meeting shall be held on-site in principle. If necessary, the meeting, subject to the Directors' full expression of their opinions, may be held through video, telephone, facsimile, email voting, etc., with the consent of the convener (chairman of the meeting) and the proposer. In addition, the physical meeting and other meeting methods can be simultaneously adopted for the meeting of the Board. The Directors, in principle, shall attend the meeting of the Board in person. Any Director who cannot attend the meeting due to some reasons shall review the meeting materials and form his/her definite opinions in advance and appoint in writing another Director to attend and vote at such meeting on his/her behalf.

During the Reporting Period, attendance of the seventh session of the Board of Directors at Board meetings and general meetings is as follows:

Name of Director	Whether or not he/she is an independent non-executive Director	Number of Board meetings requiring attendance during the year	Attendance at Board meetings				Attendance at general meetings	
			Attendance in person	Attendance through correspondence	Attendance by proxy	Absence	Whether or not he/she failed to attend the meeting in person for two consecutive times	Number of general meetings attended
Zhao Ling	No	4	4	2	0	0	No	1
Liu Qiuming	No	4	4	2	0	0	No	2
Ma Rentao	No	4	4	2	0	0	No	2
Lian Yalin	No	4	4	2	0	0	No	2
Yin Yanwu	No	4	4	4	0	0	No	2
Qin Xiaozheng	No	4	4	3	0	0	No	2
Ren Yongping	Yes	4	4	2	0	0	No	2
Yin Junming	Yes	4	4	2	0	0	No	2
Lau Ying Pan	Yes	4	4	2	0	0	No	2
Chen Xuanjuan	Yes	4	4	2	0	0	No	2
Lv Suiqi	Yes	4	4	2	0	0	No	2

Note 1: The Directors of the seventh session of the Board of Directors of the Company began to perform their duties on May 28, 2024.

Note 2: Ms. Wang Yun resigned on March 7, 2025. During the Reporting Period, Ms. Wang Yun was required to attend 4 Board meetings and actually attended 4 Board meetings of the seventh session of the Board of Directors.

Note 3: Mr. Xie Song resigned on February 19, 2025. During the Reporting Period, Mr. Xie Song was required to attend 4 Board meetings and actually attended 4 Board meetings of the seventh session of the Board of Directors.



## SECTION IV CORPORATE GOVERNANCE

During the Reporting Period, attendance of the sixth session of Board of Directors of the Company at Board meetings and general meetings is as follow:

Name of Director	Whether or not he/she is an independent non-executive Director	Number of Board meetings requiring attendance during the year	Attendance at Board meetings			Absence	Whether or not he/she failed to attend the meeting in person for two consecutive times	Attendance at general meetings
			Attendance in person	Attendance through correspondence	Attendance by proxy			Number of general meetings attended
Zhao Ling	No	4	4	1	0	0	No	1
Liu Qiuming	No	4	4	1	0	0	No	1
Song Bingfang	No	4	4	2	0	0	No	1
Yin Yanwu	No	4	4	2	0	0	No	0
Chan Ming Kin	No	4	4	4	0	0	No	0
Xie Song	No	4	4	4	0	0	No	0
Wang Yong	Yes	4	4	1	0	0	No	1
Po Wai Kwong	Yes	4	4	1	0	0	No	1
Ren Yongping	Yes	4	4	1	0	0	No	1
Yin Junming	Yes	4	4	1	0	0	No	0
Liu Yunhong	Yes	4	4	1	0	0	No	1

## SECTION IV CORPORATE GOVERNANCE

### (II) Description of the Board meetings during the Reporting Period:

Number of Board meetings held during the year	8
Of which: number of on-site meetings	0
Number of meetings held through correspondence	3
Number of meetings held both on-site and through correspondence	5

Note: On-site meetings include meetings held on-site or through video or telephone; correspondence meetings represent meetings held through the circulation of written resolutions.

### (III) Objections raised by independent non-executive Directors

During the Reporting Period, no objections were raised by independent non-executive Directors to relevant matters of the Company.

### (IV) Training of Directors

The Company attaches great importance to the ongoing training of the Directors, in order to ensure that the Directors could have an appropriate understanding of the operation of the Company and its business and that they understand their duties and responsibilities as a director as required by the CSRC, the SSE, the Hong Kong Stock Exchange and as stipulated in the Articles of Association and other relevant laws and regulatory requirements.

During the Reporting Period, the Directors of the Company participated in various trainings, including the Phase 2 preliminary training session for directors, supervisors and senior executives of listed companies in 2024, the "Series Training on High-quality Development of Listed Companies – M&A and Reorganization Practices" provided by the Shanghai Stock Exchange, the pre-employment training for the seventh session of the Board of Directors and supervisors of the Company – focusing on the duties and obligations of directors and supervisors under domestic and overseas rules, special training on the reform of the independent director system organized by the Listed Companies Association of Shanghai, training on investment information declaration for directors and supervisors of the Company, special training on anti-money laundering and practicing behavior management (including workplace integrity), the Phase 4 follow-up training for independent directors of listed companies organized by the Shanghai Stock Exchange in 2024 and a special course on "Key Elements and Advice on Performance of Anti-fraud by Independent Director of Listed Companies" provided by the Shanghai Stock Exchange, etc., the contents of which covered listing regulatory compliance, legal regulatory compliance, responsibilities of Directors, anti-corruption and anti-money laundering.

Directors	Listing regulatory compliance	Legal regulatory compliance	Responsibilities of Directors	Anti-corruption and anti-money laundering
Zhao Ling	✓	✓	✓	✓
Liu Qiuming	✓	✓	✓	✓
Ma Rentao	✓	✓	✓	✓
Lian Yalin	✓	✓	✓	✓
Yin Yanwu	✓	✓	✓	✓
Qin Xiaozheng	✓	✓	✓	✓
Ren Yongping	✓	✓	✓	✓
Yin Junming	✓	✓	✓	✓
Lau Ying Pan	✓	✓	✓	✓
Chen Xuanjuan	✓	✓	✓	✓
Lv Suiqi	✓	✓	✓	✓

## SECTION IV CORPORATE GOVERNANCE

### VII. Special Committees under the Board of Directors

To strengthen the decision-making function of the Board of Directors, and to ensure that the Board of Directors effectively monitors the management and optimizes the corporate governance structure of the Company, the Board of Directors of the Company has established the Risk Management Committee, the Audit and Related Party Transaction Control Committee, the Remuneration, Nomination and Credentials Committee and the Strategy and Sustainable Development Committee according to the Company Law, the Hong Kong Listing Rules and the relevant requirements of the regulatory authorities. The members of a special committee shall consist of Directors, of which independent non-executive Directors shall represent more than half of the Audit and Related Party Transaction Control Committee and the Remuneration, Nomination and Credentials Committee and an independent non-executive Director shall act as the chairman. At least one independent non-executive Director with more than 5 years of professional experience in accounting shall serve as a member of the Audit and Related Party Transaction Control Committee. The establishment of any special committees under the Board of Directors shall be approved at a general meeting. During the Reporting Period, the special committee under the Board did not raise any objection toward the related matters of the Company. In 2024, the special committees under the Board of Directors held a total of 15 meetings, of which the Audit and Related Party Transaction Control Committee held 7 meetings, the Remuneration, Nomination and Credentials Committee held 4 meetings, the Risk Management Committee held 2 meetings, the Strategy and Sustainable Development Committee held 2 meetings. In compliance with the relevant requirements of the Articles of Association and the rules of procedure of each committee, every special committee under the Board of Directors earnestly performed its duties, and made use of the professional experience of its members, thus providing strong support for decision-making of the Board of Directors. The composition of the special committees under the seventh session of the Board of Directors is set out as follows:

Special committees	Members
Audit and Related Party Transaction Control Committee	Yin Junming (chairman), Lian Yalin, Ren Yongping, Lau Ying Pan
Remuneration, Nomination and Credentials Committee	Ren Yongping (chairman), Lian Yalin, Yin Yanwu, Yin Junming, Lv Suiqi
Risk Management Committee	Chen Xuanjuan (chairman), Ma Rentao, Yin Yanwu, Lau Ying Pan, Lv Suiqi
Strategy and Sustainable Development Committee	Zhao Ling (chairman), Liu Qiuming, Ma Rentao, Qin Xiaozheng, Chen Xuanjuan

Note: On May 28, 2024, as a new session of the Board was elected at the 2023 annual general meeting of the Company, Mr. Song Bingfang ceased to be a non-executive Director and a member of the Remuneration, Nomination and Credentials Committee and the Risk Management Committee under the Board of Directors of the Company. Mr. Chan Ming Kin ceased to be a non-executive Director and a member of the Remuneration, Nomination and Credentials Committee and the Audit and Related Party Transaction Control Committee under the Board of Directors of the Company. Mr. Wang Yong ceased to be an independent non-executive Director, a member (chairman) of the Risk Management Committee and a member of the Strategy and Sustainable Development Committee under the Board of Directors. Mr. Po Wai Kwong ceased to be an independent non-executive Director and a member of the Audit and Related Party Transaction Control Committee and the Risk Management Committee under the Board of Directors of the Company. Mr. Liu Yunhong ceased to perform his duties as an independent non-executive Director and a member of the Remuneration, Nomination and Credentials Committee and the Risk Management Committee under the Board of Directors of the Company.

## SECTION IV CORPORATE GOVERNANCE

On May 28, 2024, at the 2023 annual general meeting of the Company, the seventh session of the Board was elected. Upon approval at the first meeting of the seventh session of the Board, Mr. Yin Junming (chairman), Mr. Lian Yalin, Ms. Wang Yun, Mr. Ren Yongping and Mr. Lau Ying Pan were elected as the members of the Audit and Related Party Transaction Control Committee under the Board; Mr. Ren Yongping (chairman), Mr. Lian Yalin, Mr. Yin Yanwu, Mr. Yin Junming and Mr. Lv Suiqi were elected as the members of the Remuneration, Nomination and Credentials Committee under the Board; Ms. Chen Xuanjuan (chairlady), Ms. Ma Rentao, Mr. Yin Yanwu, Mr. Lau Ying Pan and Mr. Lv Suiqi were elected as the members of the Risk Management Committee under the Board; Mr. Zhao Ling (chairman), Mr. Liu Qiuming, Ms. Ma Rentao, Ms. Wang Yun, Mr. Xie Song, Mr. Qin Xiaozheng and Ms. Chen Xuanjuan were elected as the members of the Strategy and Sustainable Development Committee under the Board.

On March 7, 2025, Ms. Wang Yun resigned as a non-executive Director of the Company, and ceased to be a member of each of the Strategy and Sustainable Development Committee and the Audit and Related Party Transaction Control Committee under the Board; on February 19, 2025, Mr. Xie Song resigned as a non-executive Director of the Company, and ceased to be a member of the Strategy and Sustainable Development Committee under the Board.

## SECTION IV CORPORATE GOVERNANCE

The duties and the convening of meetings of these special committees are as follows:

### **Audit and Related Party Transaction Control Committee**

The Audit and Related Party Transaction Control Committee shall have the following primary powers and duties:

The Audit and Related Party Transactions Control Committee shall be responsible for reviewing the financial information of the Company and its disclosure, supervising and evaluating the internal and external audit work and internal control. The following matters shall be submitted to the Board of Directors for consideration with the consent of more than half of all members of the Audit and Related Party Transactions Control Committee:

- (I) to disclose financial information and internal control evaluation reports in financial accounting reports and regular reports;
- (II) to engage or dismiss an accounting firm undertaking the audit of the Company;
- (III) to appoint or dismiss the chief financial officer or the person in charge of finance of the Company;
- (IV) changes in accounting policies and accounting estimates or corrections of significant accounting errors due to reasons other than changes in accounting standards; and
- (V) to be responsible for other matters stipulated by laws, administrative regulations, provisions of the CSRC, the listing rules of the place where the shares are listed and the Articles of Association.

In addition to the above matters, the Audit and Related Party Transactions Control Committee shall perform the following duties:

- (I) to monitor and evaluate external audit work;
- (II) to monitor and evaluate the internal audit work;
- (III) to be responsible for coordination between the internal auditors and external auditors;
- (IV) to monitor annual audit work and make a judgment as to the truthfulness, accuracy and completeness of the financial report information subsequent to such audit;
- (V) to monitor and evaluate the internal control of the Company;
- (VI) to review and advise on the basic management system for related party transactions, supervise the day-to-day management of related party transactions and review major related party transactions; and
- (VII) to be responsible for other matters authorized by the Board of Directors of the Company.

## SECTION IV CORPORATE GOVERNANCE

The Rules of Procedure of Audit and Related Party Transaction Control Committee has been published on the websites of the Company and the Hong Kong Stock Exchange. During the Reporting Period, the Audit and Related Party Transaction Control Committee held 7 meetings:

<b>Date of meeting</b>	<b>Contents of meeting</b>	<b>Important comments and suggestions</b>	<b>Performance of other duties</b>
January 18, 2024	The twenty-third meeting of the sixth session of the Audit and Related Party Transaction Control Committee	–	To listen to the audit plan and key concerns in audit of external auditors for 2023 To consider the Unaudited Financial Statements of the Company for the Year 2023
January 24, 2024	The twenty-fourth meeting of the sixth session of the Audit and Related Party Transaction Control Committee	To consider the Resolution on Provision of Asset Impairment of the Company for the Year 2023	–
March 13, 2024	The twenty-fifth meeting of the sixth session of the Audit and Related Party Transaction Control Committee	–	Discussing key matters such as financial statements and internal control for 2023 with accountants responsible for annual examination

## SECTION IV CORPORATE GOVERNANCE

Date of meeting	Contents of meeting	Important comments and suggestions	Performance of other duties
March 26, 2024	The twenty-sixth meeting of the sixth session of the Audit and Related Party Transaction Control Committee	<p>To consider the Resolution on the 2023 Annual Report and its Summary of the Company</p> <p>To consider the Resolution on the Evaluation Report of Internal Control of the Company for the Year 2023</p> <p>To consider the Resolution on the Internal Audit Work of the Company for the Year 2023 and the Audit Project Plan in 2024</p> <p>To consider the Resolution on the Appointment of External Auditors for the Year 2024</p> <p>To consider the Resolution on the Expected Ordinary Related Party (Connected) Transactions of the Company in 2024</p>	<p>To listen to the report of performance of the Audit and Related Party Transaction Control Committee of the Board for 2023</p> <p>To listen to the evaluation report on the performance of the accounting firms for 2023</p> <p>To review the Resolution on the Audit Report of Internal Control of the Company for 2023</p>
April 26, 2024	The twenty-seventh meeting of the sixth session of the Audit and Related Party Transaction Control Committee	<p>To consider the Resolution on the 2024 First Quarterly Report of the Company</p> <p>To consider the Resolution on the Revision of the Basic Internal Audit System of the Company</p> <p>To consider the Resolution on the 2024 First Quarterly Internal Audit Work Report of the Company</p>	–

## SECTION IV CORPORATE GOVERNANCE

Date of meeting	Contents of meeting	Important comments and suggestions	Performance of other duties
August 28, 2024	The first meeting of the seventh session of the Audit and Related Party Transaction Control Committee	<p>To consider the Resolution on the Financial Report of the Company for the First Half of 2024</p> <p>To consider the Resolution on the Internal Audit Work Report of the Company for the First Half of 2024</p>	–
October 29, 2024	The second meeting of the seventh session of the Audit and Related Party Transaction Control Committee	<p>To consider the Resolution on the 2024 Third Quarterly Report of the Company</p> <p>To consider the Internal Audit Report of the Company for the First Three Quarters of 2024</p> <p>To consider the Resolution on the Entering Into Ordinary Related Party (Connected) Transactions Framework Agreement with China Everbright Group Corporation Limited</p>	–

During the Reporting Period, the attendance of the members of the Audit and Related Party Transaction Control Committee at meetings is as follows:

Name	Position	Number of actual attendances/Number of meetings required attendance
Yin Junming (chairman)	Independent non-executive Director	7/7
Lian Yalin	Non-executive Director	2/2
Ren Yongping	Independent non-executive Director	7/7
Lau Ying Pan	Independent non-executive Director	2/2
Wang Yun (resigned on March 7, 2025)	Non-executive Director	2/2
Chan Ming Kin (resigned on May 28, 2024)	Non-executive Director	4/5
Po Wai Kwong (resigned on May 28, 2024)	Independent non-executive Director	5/5



## SECTION IV CORPORATE GOVERNANCE

### *Overview of the audit work of the Company*

KPMG Huazhen LLP (Special General Partnership) and KPMG ("KPMG") carried out the 2024 audit on the Company by two stages, the preliminary audit and the year-end audit. In the preliminary audit stage, KPMG conducted the audit on internal control as required, carried out internal control tests at the Company's level and business process level (including the business processes of the headquarters and securities brokerage branches), and evaluated the effectiveness of the internal control design and whether it has been effectively implemented during the audit. Through interviews, KPMG understood the Company's control environment, the main operation conditions, business innovation, system updates and fraud risk. KPMG conducted a preliminary audit and test on major subjects of financial statements, such as financial instruments, operating income, investment income and other subjects. KPMG also made a test and evaluation of the main information system used by the Company and discussed timely the finding of preliminary audit with the Company's management. At the end of the year-end audit, KPMG followed up the findings on the preliminary audit stage and conducted detailed audit procedures for all major subjects, and communicated the findings of the year-end audit with the Company's management.

In order to successfully complete the audit in 2024 and issue relevant audit reports, the Audit and Related Party Transaction Control Committee of the Board of Directors authorized the Finance Management Department of the Company to discuss with KPMG the planning of audit work, audit progress, valuation of financial instruments, scope of consolidation, timing of initial draft and final draft of the audit report, etc. During the auditing, the Audit Committee made multiple rounds of supervision. On March 27, 2025, KPMG issued the standard unqualified audit reports to the Company within the scheduled time.

## SECTION IV CORPORATE GOVERNANCE

### Remuneration, Nomination and Credentials Committee

The Remuneration, Nomination and Credentials Committee shall have the following primary powers and duties:

The Remuneration, Nomination and Credentials Committee shall be responsible for formulating the selection criteria and procedures for Directors and senior management, selecting and reviewing the candidates for Directors and senior management and their qualifications, formulating and evaluating the assessment standards of Directors and senior management, formulating and reviewing the remuneration policies and plans of Directors and senior management, and making recommendations to the Board of Directors on the following matters:

- (I) to nominate, appoint or dismiss Directors;
- (II) to appoint or dismiss senior management;
- (III) to decide on the remuneration of the Directors and senior management;
- (IV) to formulate or change the stock incentive plans and employee stock ownership plans, and encourage objects to achieve the conditions for granting and exercising rights and interests;
- (V) to arrange shareholding plans of Directors and senior management in subsidiaries to be split; and
- (VI) to be responsible for other matters stipulated by laws, administrative regulations, provisions of the CSRC, the listing rules of the place where the shares are listed and the Articles of Association.

In addition to the above matters, the Remuneration, Nomination and Credentials Committee shall perform the following duties:

- (I) to formulate any remuneration plan or scheme in accordance with the main scope, responsibility, importance of the management posts of Directors and senior management and the remuneration level for other similar management posts. The remuneration plan or scheme mainly includes but is not limited to the main plans and systems with respect to performance evaluation criteria, procedures and main evaluation system, rewards and punishments;
- (II) to review the duty performance of the Directors and senior management of the Company and make annual appraisals of such performance;
- (III) to be responsible for monitoring the implementation of the remuneration system of the Company;
- (IV) to review and make suggestions at least once a year with respect to, the structure, size and composition (including skills, knowledge and experience) of the Board of Directors according to the business activities, asset scale and equity structure of the Company; and
- (V) to be responsible for other matters authorized by the Board of Directors.

The Remuneration, Nomination and Credentials Committee of the Board of Directors shall make opinions or suggestions at least once a year with respect to the structure, number and composition of the Board of Directors (including skills, knowledge and experience) according to the business activities, asset scale and shareholding structure of the Company, and also make recommendations on any changes to the Board of Directors that are in line with the Company's strategy.

## SECTION IV CORPORATE GOVERNANCE

In terms of director nomination, the Remuneration, Nomination and Credentials Committee serves as the advisor of the Board. The nominated candidates for new Directors will be discussed firstly, and then recommended to the Board, and shall be decided by the Board whether to submit to the general meeting for election. The Remuneration, Nomination and Credentials Committee and the Board mainly consider the cultural and educational background and professional experience of the relevant candidates.

In order to comply with and implement the relevant provisions of the Hong Kong Listing Rules on the diversification of the board of directors, and ensure that the composition of the Board of Directors is more scientific and reasonable, the Company has formulated the Policy on Diversity of Directors of Everbright Securities Company Limited 《光大證券股份有限公司董事多元化政策》 and published on the website of the Company, the main contents of which are as follows:

1. Policy descriptions: When setting up the composition of the Board, the Company considers and implements member diversity in a number of aspects, including but not limited to gender, age, cultural and educational background, race, professional experience, skills, knowledge and service tenure. All appointments of the Board are based on the principle of meritocracy, and the diversity of members shall be fully taken into account in objective terms when considering candidates.
2. Measurable goals: The candidate selection of the Company is based on a range of diversity requirements, including but not limited to gender, age, cultural and educational background, race, professional experience, skills, knowledge and service tenure. The appointment decision will be ultimately based on the strengths of the candidate and the contributions that can be made to the Board.

The Remuneration, Nomination and Credentials Committee selects new Directors in accordance with the Policy on Diversity of Directors of Everbright Securities Company Limited, with a view to achieving the diversity objectives of Board members. For both male and female employees with necessary experience, skills and knowledge in operation and business, the Group will provide comprehensive training, including but not limited to operation, management, accounting, finance and compliance. The Board considers that the above strategies will provide the Board with an opportunity to select competent female employees for nomination to the Board in the future and will further promote gender diversity on the Board in the long run. As of the disclosure date of this report, the Company has two female Directors on its Board of Directors, and considers that it has achieved its goal of diversity in terms of gender on Board membership. The Company believes that the composition of the Board, the backgrounds of the members and the procedures for selecting new Directors are in compliance with the requirements of the Hong Kong Listing Rules in relation to the diversity of directors and the requirements of the Policy on Diversity of Directors of Everbright Securities Company Limited 《光大證券股份有限公司董事多元化政策》 formulated by the Company.

## SECTION IV CORPORATE GOVERNANCE

As of the disclosure date of this report, the diversity analysis of the seventh session of the Board of the Company is as follows:

Project	Type	Number	As a percentage of Board members
Gender	Male	9	82%
	Female	2	18%
Age	40-50	4	36%
	51-60	5	45%
	61-70	2	18%
Title	Executive Director	2	18%
	Non-executive Director	4	36%
	Independent non-executive Director	5	45%
Length of term served in securities and finance	Within 20 years	2	18%
	20-30 years (not including 20 years, including 30 years)	7	64%
	Over 30 years (exclusive)	2	18%
Expertise or strength in economy/finance/accounting	N/A	11	100%

## SECTION IV CORPORATE GOVERNANCE

The Rules of Procedure of the Remuneration, Nomination and Credentials Committee has been published on the websites of the Company and the Hong Kong Stock Exchange. During the Reporting Period, the Remuneration, Nomination and Credentials Committee convened 4 meetings as follows:

<b>Date of meeting</b>	<b>Contents of meeting</b>	<b>Important comments and suggestions</b>	<b>Performance of other duties</b>
March 26, 2024	The twentieth meeting of the six session of the Remuneration, Nomination and Credentials Committee	To consider the Resolution on the Remuneration System and its Implementation	To listen to the report on the suggestions on the structure, number and composition of the Board of Directors To consider the report on performance appraisal and remuneration of Directors of the Company for 2023 To listen to the report on execution of duty, performance appraisal and remuneration of the senior management of the Company for 2023
April 23, 2024	The twenty-first meeting of the six session of the Remuneration, Nomination and Credentials Committee	To consider the Resolution on the Nomination of Candidates for Non-independent Directors of the Seventh Session of the Board of the Company To consider the Resolution on the Nomination of Candidates for Independent Directors of the Seventh Session of the Board of the Company	–
May 27, 2024	The twenty-second meeting of the six session of the Remuneration, Nomination and Credentials Committee	To consider the Resolution on the Evaluation Plan on the Senior Management of the Company in 2023	–
December 17, 2024	The first meeting of the seventh session of the Remuneration, Nomination and Credentials Committee	To consider the Resolution on the Evaluation and Remuneration Plan for Directors and Senior Management of the Company for the Year 2023 To consider on the Resolution on the Evaluation Plan on the Senior Management of the Company for the Year 2024 To consider on the Resolution on Assessment of the Chief Compliance Officer of the Company for the Year 2023	To listen to the opinion on the compliance assessment of the senior management of the Company for 2023

## SECTION IV CORPORATE GOVERNANCE

During the Reporting Period, the attendance of the members of the Remuneration, Nomination and Credentials Committee at meetings is as follows:

Name	Position	Number of actual attendance/number of required attendance
Ren Yongping (chairman)	Independent non-executive Director	4/4
Lian Yalin	Non-executive Director	1/1
Yin Yanwu	Non-executive Director	1/1
Yin Junming	Independent non-executive Director	4/4
Lv Suiqi	Independent non-executive Director	1/1
Song Bingfang (resigned on May 28, 2024)	Non-executive Director	3/3
Chan Ming Kin (resigned on May 28, 2024)	Non-executive Director	3/3
Liu Yunhong (resigned on May 28, 2024)	Independent non-executive Director	3/3

### Risk Management Committee

The Risk Management Committee is mainly responsible for monitoring the overall risk management of the Company and controlling such risks within reasonable limits, so as to ensure that the Company may implement effective risk management plans with respect to various risks in relation to the business activities of the Company. The Risk Management Committee is accountable to the Board of Directors and report to it, as follows:

1. to evaluate and express opinions with respect to the overall target and basic policies of compliance management and risk management;
2. to evaluate and express opinions with respect to the establishment of compliance management and risk management organizations and the powers and duties thereof;
3. to evaluate and express opinions with respect to the risks of material decisions to be considered by the Board of Directors and the solution of such material risks;
4. to review and express opinions with respect to the compliance report and risk evaluation report to be considered by the Board of Directors; and
5. to be responsible for other powers and duties as stipulated in the Articles of Association.

## SECTION IV CORPORATE GOVERNANCE

The Rules of Procedure of the Risk Management Committee has been published on the websites of the Company and the Hong Kong Stock Exchange. During the Reporting Period, the Risk Management Committee convened 2 meetings as follows:

Date of meeting	Contents of meeting	Important comments and suggestions	Performance of other duties
March 26, 2024	The eleventh meeting of the sixth session of the Risk Management Committee	<p>To consider the Resolution in Respect of the Compliance Work Report of the Company for 2023</p> <p>To consider the Resolution in Respect of the Risk Management and Evaluation Report of the Company for 2023</p> <p>To consider the Resolution in Respect of the Risk Control Indicators of the Company for 2023</p> <p>To consider the Resolution in Respect of the Company's Risk Preference for 2024</p>	–
August 28, 2024	The first meeting of the seventh session of the Risk Management Committee	<p>To consider the Resolution on the Risk Management and Assessment Report of the Company for the First Half of 2024</p> <p>To consider the Resolution on the Risk Control Indicators of the Company for the First Half of 2024</p>	–

## SECTION IV CORPORATE GOVERNANCE

During the Reporting Period, the attendance of the members of the Risk Management Committee at meetings is as follows:

Name	Position	Number of actual attendance/number of required attendance
Chen Xuanjuan (chairman)	Independent non-executive Director	1/1
Ma Rentao	Non-executive Director	1/1
Yin Yanwu	Non-executive Director	2/2
Lau Ying Pan	Independent non-executive Director	1/1
Lv Suiqi	Independent non-executive Director	1/1
Song Bingfang (resigned on May 28, 2024)	Non-executive Director	1/1
Wang Yong (resigned on May 28, 2024)	Independent non-executive Director	1/1
Po Wai Kwong (resigned on May 28, 2024)	Independent non-executive Director	1/1
Liu Yunhong (resigned on May 28, 2024)	Independent non-executive Director	1/1

### Strategy and Sustainable Development Committee

The Strategy and Sustainable Development Committee shall have the following primary powers and duties, including:

1. to research and make suggestions with respect to the long-term strategic plan of the Company;
2. to research and make suggestions with respect to any material financing plan required to be approved by the Board of Directors as stipulated in the Articles of Association;
3. to research and make suggestions with respect to any material capital operations and asset operation projects required to be approved by the Board of Directors as stipulated in the Articles of Association;
4. to determine the Environmental, Social and Governance (ESG) targets, promote the development of the ESG system and review the ESG reports;
5. to research and make suggestions with respect to any other material matters affecting the development of the Company;
6. to examine the implementation of all such matters above; and
7. to be responsible for other matters authorized by the Board of Directors.



## SECTION IV CORPORATE GOVERNANCE

The Rules of Procedure of the Strategy and Sustainable Development Committee has been published on the websites of the Company and the Hong Kong Stock Exchange. During the Reporting Period, the Strategy and Sustainable Development Committee convened 2 meetings as follows:

Date of meeting	Contents of meeting	Important comments and suggestions	Performance of other duties
March 26, 2024	The third meeting of the sixth session of the Strategy and Sustainable Development Committee	To consider the Resolution in Respect of the Social Responsibility/ESG Report of the Company in 2023 To consider the Resolution on the General Mandate to Issue Onshore and Offshore Debt Financing Instruments to the Company	–
May 22, 2024	The fourth meeting of the sixth session of the Strategy and Sustainable Development Committee	–	Listen to the report on the Company's strategic optimization measures and negative list of strategic development

During the Reporting Period, the attendance of the members of the Strategy and Sustainable Development Committee at meetings is as follows:

Name	Position	Number of actual attendance/number of required attendance
Zhao Ling (chairman)	Chairman of the Board, Executive Director	2/2
Liu Qiuming	Executive Director, President	2/2
Ma Rentao	Non-executive Director	0/0
Qin Xiaozheng	Non-executive Director	0/0
Chen Xuanjuan	Independent Non-executive Director	0/0
Wang Yun (resigned on March 7, 2025)	Non-executive Director	0/0
Xie Song (resigned on February 19, 2025)	Non-executive Director	2/2
Yin Yanwu (upon expiration of his term of office of member of the Strategy and Sustainable Development Committee on May 28, 2024)	Non-executive Director	2/2
Wang Yong (resigned on May 28, 2024)	Independent non-executive Director	2/2

## SECTION IV CORPORATE GOVERNANCE

During the Reporting Period, the Company convened three special meetings of the independent Directors, details are as follows:

<b>Date of meeting</b>	<b>Contents of meeting</b>	<b>Important comments and suggestions</b>	<b>Performance of other duties</b>
March 26, 2024	The second special meeting of the six session of the independent Directors	To consider the Resolution on Expected Ordinary Related Party (Connected) Transactions of the Company in 2024	—
August 28, 2024	The first special meeting of the seventh session of the independent Directors	To consider the Resolution on Election of Chairman of Special Meeting of the Independent Directors	—
October 29, 2024	The second special meeting of the seventh session of the independent Directors	To consider the Resolution on Entering into the Ordinary Related Party (Connected) Transactions Framework Agreement with China Everbright Group Ltd. (中國光大集團股份公司)	—

## SECTION IV CORPORATE GOVERNANCE

### VIII. Supervisory Committee

The Supervisory Committee is a supervisory body of the Company and shall be accountable to the general meeting. As required by the Company Law and Articles of Association, the Supervisory Committee is responsible for monitoring the Company's financial activities and internal control, and overseeing the legality and compliance of the performance of duties by the Board, the management and its members.

#### (I) The meetings of the Supervisory Committee and the attendance of Supervisors during the Reporting Period

There are no objections raised by the Supervisory Committee in respect of supervision matters during the Reporting Period.

For the year of 2024, in strict compliance with the relevant requirements of the Company Law, the Securities Law, the Articles of Association and the Rules of Procedure for the Supervisory Committee, the Supervisory Committee of the Company performed its duties earnestly and diligently, and supervised the Company's legal compliance operation, financial status, and the duty performance by the Board of Directors and the Company's management. During the Reporting Period, the Supervisory Committee of the Company held a total of seven meetings, including five on-site meetings, one correspondence meeting and one meeting held on-site and through correspondence.

Session of meeting	Date of meeting	Meeting resolutions
Twenty-third meeting of the sixth session of the Supervisory Committee	January 24, 2024	To consider the Resolution in respect of the Provisions for Assets Impairment of the Company for 2023
Twenty-fourth meeting of the sixth session of the Supervisory Committee	March 26, 2024	<p>To listen to the Report on the Operations of the Company for 2023</p> <p>To consider the Resolution in respect of the Annual Report and its Summary of the Company for 2023</p> <p>To consider the Resolution in respect of the Annual Profit Distribution Plan of the Company for the Year 2023</p> <p>To consider the Resolution in respect of the Social Responsibility Report/ESG Report of the Company in 2023</p> <p>To consider the Resolution in respect of the Work Report of the Supervisory Committee of the Company in 2023</p> <p>To consider the Resolution in respect of the Work Plan of the Supervisory Committee of the Company in 2024</p> <p>To consider the Resolution in Respect of Amendment to the Rules of Procedure for the Supervisory Committee of the Company</p> <p>To consider the Resolution in Respect of the Performance Evaluation Results of the Directors of the Company in 2023</p> <p>To consider the Report on Performance Evaluation and Remuneration of the Supervisors of the Company for 2023</p>

## SECTION IV CORPORATE GOVERNANCE

Session of meeting	Date of meeting	Meeting resolutions
		<p>To consider the Resolution in Respect of the Risk Management and Assessment Report of the Company in 2023</p> <p>To consider the Resolution in Respect of the Compliance Work Report of the Company in 2023</p> <p>To listen to the Report on Anti-money Laundering Work of the Company for 2023</p> <p>To listen to the Report on Integrity Management of the Company for 2023</p> <p>To consider the Resolution in Respect of the Evaluation Report of Internal Control of the Company in 2023</p> <p>To review the Resolution in Respect of the Audit Report of Internal Control of the Company in 2023</p> <p>To listen to the Report on Internal Audit Work in 2023 and Audit Project Plan of the Company in 2024</p> <p>To listen to the Report on the Operations of the Company for the First Quarter of 2024</p> <p>To consider the Resolution in Respect of First Quarterly Report of the Company for 2024</p> <p>To listen to the Internal Audit Report of the Company for the First Quarter of 2024</p> <p>To listen to the Integrity Assessment Report of the Company in 2023</p> <p>To consider the Resolution on the Nomination of Candidates for the Supervisors of the Seventh Session of the Supervisory Committee of the Company</p>
Twenty-fifth meeting of the sixth session of the Supervisory Committee	April 26, 2024	
First meeting of the seventh session of the Supervisory Committee	May 28, 2024	<p>To consider the Resolution on the Election of Mr. Liang Yi as the Chairman of the Seventh Session of the Supervisory Committee of the Company</p> <p>To consider the Resolution in respect of the Election of Members of Each Special Committee of the Seventh Session of the Supervisory Committee of the Company</p>
Second meeting of the seventh session of the Supervisory Committee	August 28, 2024	<p>To listen to the Report on the Operations of the Company for the First half of 2024</p> <p>To consider the Resolution in Respect of the Interim Report and its Summary of the Company for the First half of 2024</p> <p>To consider the Resolution in respect of the 2024 Interim Profit Distribution of the Company</p> <p>To consider the Resolution in Respect of the Risk Management and Assessment Report of the Company in the First Half of 2024</p> <p>To listen to the Report on Internal Audit Work of the Company in the First Half of 2024</p>

## SECTION IV CORPORATE GOVERNANCE

Session of meeting	Date of meeting	Meeting resolutions
Third meeting of the seventh session of the Supervisory Committee	October 30, 2024	To listen to the Report on the Operations of the Company for the First Three Quarters of 2024 To consider the Resolution in Respect of Third Quarterly Report of the Company for 2024 To listen to the Internal Audit Report of the Company for the First Three Quarters of 2024
Fourth meeting of the seventh session of the Supervisory Committee	December 18, 2024	To consider the Resolution in Respect of the Appraisal Results of and Remuneration Proposal for the Chairman of the Supervisory Committee of the Company in 2023 To listen to the Appraisal Results and Remuneration Proposal for the Directors and Senior Management of the Company for 2023 To listen to the Evaluation Plan on the Senior Management of the Company for 2024

Before attending the meetings of the Supervisory Committee, the Supervisors carefully reviewed the meeting materials, and fully discussed and considered the proposals. The Supervisors failing to attend on-site meetings obtained detailed understanding and made in-depth analysis of meeting materials and proposal background and fulfilled the duty of Supervisors by way of communication voting. The Supervisors performed their duties during the Reporting Period as follows:

## SECTION IV CORPORATE GOVERNANCE

### 1. Attendance of the Supervisors at the meetings of the Seventh Session of the Supervisory Committee

Name	Number of meetings of Supervisory Committee requiring attendance	Attendance in person	Attendance Through correspondence	Attendance by proxy	Absence
Liang Yi	4	3	1	0	0
Zhou Huajian	4	3	1	0	0
Ye Shengli	4	3	1	0	0
Lin Maoliang	4	2	2	0	0
Li Ruoshan	4	3	1	0	0
Liu Yunhong	4	3	1	0	0
Lin Jingmin	4	3	1	0	0
Du Jia	4	3	1	0	0
Song Zhe	4	3	1	0	0

Note: The supervisors of the seventh session of the Supervisory Committee began to perform their duties on May 28, 2024.

### 2. Attendance of the Supervisors at the meetings of the Sixth Session of the Supervisory Committee

Name	Number of meetings of Supervisory Committee requiring attendance	Attendance in person	Attendance Through correspondence	Attendance by proxy	Absence
Liang Yi	3	3	0	0	0
Huang Xiaoguang	3	3	0	0	0
Zhu Wuxiang	3	3	0	0	0
Cheng Fengchao	3	3	0	0	0
Huang Qin	3	3	0	0	0
Li Xianzhi	3	3	0	0	0
Lin Jingmin	3	3	0	0	0

Note: Mr. Wu Chunsheng resigned on January 18, 2024.

## (II) Trainings of Supervisors

The Company attaches great importance to the continuous trainings of Supervisors to ensure they have proper understanding of the Company's operation, business and the latest regulatory requirements. During the Reporting Period, the Supervisors of the Company participated in relevant trainings such as pre-appointment training for the seventh session of Directors and Supervisors on the responsibilities and obligations of directors and supervisors under domestic and overseas rules, the special training on the reform of the independent director system organized by the Listed Companies Association of Shanghai, the special training on investment information declaration for Directors and Supervisors of the Company and special training on anti-money laundering and management of practicing behaviors (including integrity practice).

## SECTION IV CORPORATE GOVERNANCE

### IX. Information about the Staff of the Parent Company and Major Subsidiaries as of the end of the Reporting Period

#### (I) Information about the staff

##### 1. Information about the staff

The Company always adheres to the people-oriented development concept, strictly complies with relevant laws and regulations and follows the recruitment principle of equality and legality. In strict compliance with the requirements of the Labor Contract Law of the People's Republic of China, the Labor Law of the People's Republic of China and other relevant laws and regulations, we have formulated and implemented a series of salary and welfare distribution policies to protect the legitimate rights and interests of employees. According to the legal requirements, the Administrative Measures for Employee Recruitment of Everbright Securities Company Limited (《光大證券股份有限公司公開招聘管理辦法》) has been formulated, which stipulates that the recruitment of employees should adhere to the principles of fairness, impartiality, and transparency, with strict control, competitive selection, and preference for the best candidates; possessing both virtue and talent, prioritizing virtue, and appointing people based on merit. There are two main types of recruitment: internal recruitment and external recruitment. We strictly manage the recruitment process, prohibit child labor, and resist all forms of forced and compulsory labor. Meanwhile, we practice the concept of diversity in recruitment and eliminate discrimination in various aspects such as gender, ethnicity, race, marital status, and religious belief.

Number of staff employed by the parent company	5,849
Number of staff employed by the major subsidiaries	1,875
The total number of staff employed	7,724
Number of paid retired staff of the parent company and its subsidiaries	–

Profession Composition	
Profession	Number
Brokerage business personnel	4,957
Investment banking personnel	578
Research personnel	152
Assets management personnel	262
Investment business personnel	166
Information technology personnel	453
Financial personnel	140
Compliance/Risk control/Internal audit personnel	306
Other business and administration personnel	710
Total	7,724

Education	
Levels of education	Number
Doctoral degree and above	57
Master's degree	2,548
Bachelor's degree	4,313
Others	806
Total	7,724

## SECTION IV CORPORATE GOVERNANCE

Gender	Gender	Number
Male		4,018
Female		3,706
Total		7,724

2. In 2024, in strict compliance with the relevant provisions of the Interim Provisions on the Administration of Securities Brokers (《證券經紀人管理暫行規定》), the Opinions on On-site Verification of Securities Brokers System (《證券經紀人制度現場核查意見書》) in respect of verification opinions and internal system, the Company centralized management of securities brokers to further regulate the practice of securities brokers to safeguard the legitimate rights and interests of clients through improving rules and regulations, the internal control mechanism, the support system and internal training. As of the end of the Reporting Period, the Company had 178 securities brokerage branches to carry out securities brokerage business, and 829 domestic securities brokers in China, all of which have registered with the Securities Association of China.

As of December 31, 2024, the Company's male employees accounted for 52% and female employees accounted for 48%. Among the senior management, two were female, and the Company will continue to strive to achieve a balance of gender diversity.

### (II) Remuneration Policy

The Company integrated the culture concept of "compliance, integrity, professionalism and prudence" into its remuneration management, continuously establishing and improving a remuneration management system that aligns with operational performance, business nature, contribution levels, compliance and risk controls and social culture. The Company adhered to the dual benchmarking of compensation and performance, linking its compensation management directly with performance appraisal. The Company actively optimized its internal income distribution mechanism by designing a rational compensation system where pay is determined by position and rewards are performance-based, with a focus on frontline and primary-level employees. Furthermore, the Company fully implemented risk management principles by establishing incentive and constraint mechanisms, such as deferred payments, termination of compensation payments, and claw-back, which are tailored to its business characteristics and risk levels, giving full play to remuneration related positive incentives and reverse constraints.

According to relevant regulations, the Company shall pay social security and benefit contributions which are determined at a certain percentage of relevant salaries of the employees to the labor and social welfare authorities, on a regular basis. Such social benefit schemes are defined contribution schemes. For details, please refer to Note 50 to the consolidated financial statements.



## SECTION IV CORPORATE GOVERNANCE

### (III) Training plan

In 2024, the Company continuously improved its tiered and categorized training system and strengthened its training contents on the Party's theories, the Party spirit and performance capacities, to forge a loyal, integrous and responsible team.

Firstly, focusing on the "Key Few" and strengthening political training. The Company integrated the development of political capabilities throughout the entire process of cadre training and education, emphasizing education on theoretical knowledge and the Party spirit. In particular, by combining the study and implementation of the spirit of the Third Plenary Session of the 20th CPC Central Committee with that of the 20th CPC National Congress, as well as the General Secretary Xi Jinping's important discussions on financial work, and leveraging intensive rotational training, specialized training, and online learning platforms, the Company helped a wide range of cadres and employees strengthen their political theory learning and discipline education, guiding frontline cadres to significantly enhance their political quality and performance capacities, and transforming theoretical learning outcomes into practical applications in management and business development.

Secondly, insisting on tailored education to build a high-quality cadre and talent pool. The Company enhanced the analysis and evaluation of its cadre and talent teams, and empowered them in a precise manner based on the principle of "learning what is required based on the specific position and supplementing what is lacking." Targeted capacity-building training sessions were organized for various business lines, including wealth management, technology operations, and compliance and risk control, achieving the improvements in both professional expertise and management skills. Additionally, the Company arranged for cadres engaged in financial management, technological innovation, and discipline inspection to participate in specialized training sessions for the purpose of the Group's selection and re-designation, and supported employees in participating in various professional training programs organized by Securities Association of China and other organizations, to encourage their proactive knowledge updates and in-depth exploration of work.

Thirdly, improving endogenous talent cultivation mechanism to create a conducive environment for talent development. The Company paid close attention to the different stages of talent development. Based on the unique characteristics of leaders of the newly appointed team, heads of business units, middle-level cadres, young employees, and new hires in branches, the Company conducted specialized training courses tailored to job requirements, to ensure employees' smooth transition in their careers, enhance their performance capabilities, and boost their competitiveness in the workplace. Considering the fast-paced and high-intensity nature of the securities industry, the Company implemented the "Sunflower" employee care program, which focuses on emotion management, stress management, communication and collaboration, and interpersonal relationships, to create a united and harmonious work atmosphere through organizing specialized lectures, psychological counseling, and stress-relief activities.

### (IV) Labor outsourcing

The Company has not utilized any material outsourced labor services. In the year 2024, the average number of outsourced and dispatched employees of the Company was approximately 84 and the total amount of remuneration cost paid for outsourced and dispatched employees was approximately RMB17.3871 million.

## SECTION IV CORPORATE GOVERNANCE

### X. Proposal of Profit Distribution or Capitalization from Capital Reserve Fund

#### (I) Formulation, implementation or adjustment of cash dividend policies

##### 1. *The profit distribution policy of the Company*

The Company emphasizes the return for shareholders. The Articles of Association explicitly provides for the Company's profit distribution policy and the Company has formulated the Management Measures for Profit Distribution of Everbright Securities Company Limited (《光大證券股份有限公司分紅管理制度》). The relevant profit distribution provisions of the Articles of Association clearly stipulate the specific conditions for the adjustment of the established policy, especially the cash dividend distribution policy, the decision-making procedures and mechanism, and the priority of the cash dividends in comparison to bonus shares in the profit distribution, the interval time and the specific conditions of cash dividends distribution, the conditions of the issuance of bonus shares, etc.

As at the date of this report, the Company is not aware of any Shareholder who has waived or agreed to waive any arrangement related to dividends.

##### 2. *The implementation of the Company's 2023 profit distribution and 2024 interim profit distribution during the Reporting Period*

During the Reporting Period, the 2023 annual general meeting of the Company considered and approved the Resolution in relation to the Company's 2023 Profit Distribution Proposal. On July 25, 2024, the Company's 2023 profit distribution was completed. The 2024 first extraordinary general meeting of the Company considered and approved the Resolution in relation to the the Company's 2024 Interim Profit Distribution Proposal. On January 17, 2025, the Company's 2024 interim profit distribution was completed.

##### 3. *The 2024 profit distribution plan*

The Company's profit distribution proposal for 2024 that was considered and approved at the 5th meeting of the seventh session of the Board of the Company is: a cash dividend of RMB918,007,818.92 is proposed to be distributed to all holders of A Shares and H Shares, after deducting a cash dividend of RMB417,276,281.33 distributed in the interim period of 2024, with a total cash dividend amounting to RMB500,731,537.59. On the basis of a total share capital of 4,610,787,639 shares (comprising A Shares and H Shares) in issue as at December 31, 2024, a cash dividend of RMB1.086 (tax inclusive) per 10 shares is proposed to be distributed to all holders of A Shares and H Shares. The above distribution proposal will be submitted for consideration at the general meeting of the Company and will be implemented after the proposal is approved by the general meeting.

Cash dividend is denominated and declared in RMB, and paid to holders of A Shares in RMB and to holders of H Shares in HKD. The actual distribution amount in HKD would be calculated at the average benchmark exchange rate of RMB against HKD published by the PBOC for one week (including the date of the annual general meeting) prior to the 2024 annual general meeting of the Company.

The Company will announce in due course the date of the 2024 annual general meeting, and for the purpose of ascertaining the eligibility of the shareholders to attend and vote at the forthcoming annual general meeting, the timing for which the register of members of the Company will be closed. The Company will publish separate announcements on the record date and book closure period for the payment of the dividends to the holders of H Shares, as well as the record date and the date for the payment of the dividends to holders of A Shares.

## SECTION IV CORPORATE GOVERNANCE

### (II) Specific description on the cash dividend policy of the Company

Whether the policy is in compliance with the provisions of the Articles of Association and requirements of the resolutions of the general meeting	✓ Yes	<input type="checkbox"/> No
Whether the criteria and rate of the dividend are explicit and clear	✓ Yes	<input type="checkbox"/> No
Whether the relevant decision-making procedures and mechanism are adequate and complete	✓ Yes	<input type="checkbox"/> No
Whether the independent Directors have performed their duties and made due contributions	✓ Yes	<input type="checkbox"/> No
Whether the opinions and requests of the minority shareholders can be properly expressed and their legal rights and interests are fully protected	✓ Yes	<input type="checkbox"/> No

### XI. The Evaluation of Senior Management as well as the Establishment and Implementation of Incentive Mechanism during the Reporting Period

The first meeting of the seventh session of the Board of Directors of the Company considered and approved the Evaluation Plan on the Senior Management of the Company in 2023. The fourth meeting of the seventh session of the Board of Directors of the Company carried out an evaluation on the senior management of the Company in accordance with the Articles of Association of Everbright Securities Company Limited, the Evaluation Plan on Senior Management of the Company in 2023 and other requirements. The remuneration of the senior management of the Company shall be considered and approved by the Board of Directors. The Company has not yet developed any equity incentive system.

### XII. Establishment and Implementation of Internal Control System during the Reporting Period

As of the end of the Reporting Period, the Company has established an internal control system comprehensively covering all departments, branches and subsidiaries of the Company. The Company fully implemented the spirit of the 20th CPC National Congress, consolidated and deepened the results of inspection and rectification. With the goal of implementing internal and external regulations, strengthening internal control construction, and enhancing the execution of the system, the Company comprehensively sorted through the existing rules and regulations, carried out system evaluation in key areas, improved the integrity and operability of the system and ensured the effectiveness and binding force of the system, so as to form a continuous improvement and perfection of the system operation mechanism, and to drive the high-quality development of the Company.

During the Reporting Period, on the basis of routine supervision and professional inspections on internal control, the Company has organized and implemented the evaluation and procedures on internal control to evaluate and improve the effectiveness of the Company's risk management and internal control measures. Through benchmarking existing policies, systems and business procedures, the Company has identified defects in internal control, formulated rectification plans on defects in internal control and urged all entities to analyze defects in internal control and implement rectifications. The evaluation results of internal control can truthfully and accurately reflect the operation of the Company's internal control.

### XIII. Management and Control of Subsidiaries during the Reporting Period

The Company has formulated the Management Measures for Subsidiaries of Everbright Securities Company Limited 《光大證券股份有限公司子公司管理辦法》, established a management model on subsidiary lines with the coordination of leading departments and centralized management of professional functional departments. It fully performs supervision, management, guidance and service functions on all lines of majority-owned subsidiaries, strengthens vertical management and control and penetration management over subsidiaries, further clarifies the scope of authorities and enhances process management and control. It has adopted various management and control measures on corporate governance, compliance and risk control, finance and personnel, evaluation and supervision.

## SECTION IV CORPORATE GOVERNANCE

### XIV. Description of the Relevant Contents of the Internal Control Audit Report

In accordance with relevant provisions of the Corporate Internal Control Audit Guidelines, KPMG Huazhen LLP issued a standard unqualified internal control audit report. For details, please refer to the 2024 Annual Internal Control Audit Report of Everbright Securities Company Limited disclosed by the Company on the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>).

### XV. Rectification of Problems in Self-inspection under the Special Campaign to Improve the Governance of Listed Companies

During the Reporting Period, there was no self-inspection and rectification under the special campaign to improve the governance of listed companies. The Company will improve the corporate governance according to laws and regulations so as to enhance the quality of its development.

### XVI. Investor Relations

#### (I) Overview of investor relations

The Company attaches great importance to the management of investor relations, and has developed sound policies and systems such as the Administrative Measures for Market Value and the Investor Relations Management System, fully practiced the principle of people-oriented nature of financial work in an all-round manner to effectively strengthen investor protection and formed effective communication channels with shareholders and investors. In addition to information disclosure channels required by laws, the Company has also established an investor relations management platform incorporating on-site, telephone, online and other communication channels and covering general meeting, performance briefing, roadshow, response to investor inquiries, company website, investor hotline, e-mail, e-mail address of independent Directors and other communication methods; the Company actively enhanced its interaction and communication with investors, improved the transparency of the Company, and ensured that investors could obtain the information of the Company in a timely, accurate and comprehensive manner through proactively participating in "SSE e-Interaction" and investor collective reception day activities, attending investment strategy conferences held by securities firms or investment forums and other means. The Company has always categorized and analyzed the questions raised by investors and analysts to continuously improve the professionalism, standardization, personalization and thus the quality of investor relations management work, maintain a good relationship with the capital market and effectively exert the transmission function of the capital market.

During the Reporting Period, the Company successfully held the 2023 annual results briefing, the 2024 interim results briefing and the 2024 third quarter results briefing through live streaming on the platforms such as SSE Roadshow Center, Roadshow China, eastmoney.com and Xinhua Finance, communicated via video with investors in real time in respect of the Company's operations, answered investors' concerns, and improved the efficiency and depth of communication among shareholders. Through the investor hotline, the SSE e-Interaction platform, attending the strategy conferences of securities firms, receiving surveys and other means, the Company conducted continuous and in-depth communication with investors. In view of enhancing the protection of investors' interests, the Company was honored on the 2024 Top 100 List for Protecting the Rights and Interests of Small and Medium Investors of Chinese Listed Companies.

## SECTION IV CORPORATE GOVERNANCE

The shareholders' general meeting is the highest authoritative organ of the Company, and the shareholders exercise their rights through the shareholders' general meeting. The Company convenes and holds shareholders' general meetings in strict compliance with the relevant provisions to ensure the equal status of all shareholders, in particular the minority shareholders, and enable them to exercise their rights completely. Under the Articles of Association, the Company has orderly operated and maintained a sound and stable development, as well as effectively protected the interests of the Company and shareholders. According to the Articles of Association, in the case that a shareholder proposes to access or obtain relevant information provided for in the Articles of Association of the Company, written proof of the class and quantity of shares held by the shareholder shall be provided to the Company, and the Company shall provide relevant information according to the request after the Company checks and confirms the identity of the shareholder and the shareholder pays for the costs and expenses incurred.

The Company pays high attention to the shareholders' opinions and advice, actively and regularly carrying out various investor relations activities to keep communications with shareholders and meet their reasonable needs in a timely manner. Meanwhile, the Company publishes its announcements, financial information and other relevant information on the website designated by the regulatory authorities, which act as a channel for the effective communication with the shareholders. Shareholders who wish to know more about the matters related to the Company's investor relations can contact the Company's investor relations team:

Facsimile: +86-21-22169964

Email: ebs@ebsecn.com

Postal address: No. 1508, Xinzha Road, Jing'an District, Shanghai, China

Postal code: 200040

### (II) Amendments to the Articles of Association during the Reporting Period

During the Reporting Period, the amendments to the Articles of Association were as below:

The Resolution on the Amendments to the Articles of Association was considered and approved at the 2023 annual general meeting, which proposed to make amendments to the Articles of Association of the Company according to the relevant requirements of the Measures for the Administration of Independent Directors of Listed Companies, the Implementation Rules on Integrity Practices of the Securities and Futures Agencies and Their Employees (《證券期貨經營機構及其工作人員廉潔從業實施細則》) and the Opinions on Strengthening the Regulation of Business Integrity of Intermediaries under the Registration System (《關於加強註冊制下中介機構廉潔從業監管的意見》). For details of the above amendments, please refer to the announcement and circular dated April 29, 2024 and the Articles of Association dated May 28, 2024 published on the website of the Hong Kong Stock Exchange.

## XVII. Information Disclosure Systems

The Company has formulated a series of information disclosure-related systems, including the Measures of Managing Information Disclosure of Everbright Securities Company Limited (《光大證券股份有限公司信息披露事務管理制度》), the Disclosure Deferral and Exemption Management System of Everbright Securities Company Limited (《光大證券股份有限公司信息披露暫緩與豁免管理制度》) and the Insider Registration System of Everbright Securities Company Limited (《光大證券股份有限公司內幕信息知情人登記制度》). These systems cover the basic principles, contents, procedures of information disclosure and the registration of insiders. The Company carried out information disclosure and insider registration and management in strict accordance with the requirements of relevant systems to safeguard the principle of fairness in information disclosure. During the Reporting Period, there was no change in the Company's measures of managing information disclosure.

## SECTION IV CORPORATE GOVERNANCE

### XVIII. Other Matters on Corporate Governance

#### (I) Responsibilities of the Directors in respect of the financial statement

The following responsibility statement of Directors regarding the financial statements shall be read in conjunction with the responsibilities of the auditors of the financial statements for the audit of the consolidated financial statements in this report. Each statement shall be understood separately.

The Company's Directors shall compile genuine and fair combined financial statements according to the disclosure requirements under the PRC GAAP, IFRSs issued by the International Accounting Standards Committee and the Hong Kong Companies Ordinance. The Company's Directors will also be responsible for the necessary internal monitoring of the combined 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.

For the reporting responsibility of external auditor of the Company, KPMG, please refer to the independent auditors' report.

#### (II) Appointment of external auditors and their remuneration

##### 1. Current external auditors

Ernst & Young Hua Ming LLP (Special General Partnership) and Ernst & Young (together, "EY") have been providing audit services to the Company for a number of consecutive years. According to the relevant provisions of the Administrative Measures for State-owned Financial Enterprises to Select and Appoint Accounting Firms 《國有金融企業選聘會計師事務所管理辦法》 issued by the Ministry of Finance and the actual situation of the Company, in order to ensure the independence and objectivity of the Company's auditors, the Company has reached a mutual understanding with EY on the non-renewal of its appointment.

According to the Articles of Association, appointment of external auditors of the Company shall be decided by the general meeting, and the auditors shall serve a term of one year and may be reengaged. After the thirty-fifth meeting of the sixth session of the Board and the annual general meeting in 2023 considered and approved the Resolution Regarding the Appointment of External Auditors for 2024, KPMG Huazhen LLP was appointed as the PRC external auditor of the Company for the year 2024 to be responsible for providing relevant domestic audit services in accordance with the China Accounting Standards for Business Enterprises and other requirements, and KPMG was appointed as the overseas external auditor of the Company for the year 2024 to be responsible for providing relevant overseas audit and review services in accordance with the IFRSs. The domestic and overseas audit and review fees paid by the Company totalled RMB3.80 million, including internal control audit fee of RMB0.3 million.

In 2024, the Company did not engage an auditor to provide significant non-audit service to the Company.

During the Reporting Period, there was no occasion where the Board of Directors did not agree with the opinions of the Audit and Related Party Transaction Control Committee on the selection and appointment of external auditors.

##### 2. Changes of external auditors in the past three years

Except as described in "(II) Appointment of External Auditors and Their Remuneration – 1. Current External Auditors" in this section, the Company has not changed the external auditors in the past three years.

## SECTION IV CORPORATE GOVERNANCE

### (III) Compliance with Model Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix C3 of the Hong Kong Listing Rules as the code for all Directors and Supervisors to conduct transactions of the Company’s securities. After specific inquiries to all Directors and Supervisors made by the Company, they all confirmed that they strictly complied with the standards specified in the Model Code during the Reporting Period. The Company has also set up guidelines, at least as strict as the Model Code, on transactions of the Company’s securities by relevant employees (within the meaning of the Hong Kong Listing Rules). The Company did not find that relevant employees violated any of the guidelines.

### (IV) Company secretary

Dr. Ngai Wai Fung serves as the company secretary of the Company. Dr. Ngai is a director and chief executive officer of SWCS Corporate Services Group (Hong Kong) Limited. During the Reporting Period, Dr. Ngai had taken no less than 15 hours of professional training pursuant to the Hong Kong Listing Rules.

During the Reporting Period, the primary contact person of the Company and Dr. Ngai is Ms. Zhu Qin (secretary to the Board of Directors and representative of securities affairs of the Company).

## SECTION V ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES

### I. Particulars of Environmental Information

#### (I) Environmental information on the Company

The Company is not a major pollutant-discharging entity announced by the environmental protection authorities. During the Reporting Period, the Company has not been subject to any administrative punishments for environmental issues. The Company places high priority on ecological and environmental protection, anchoring its efforts to green development goals. It actively identifies green financing needs and strives to build strengths in green financial services. Additionally, the Company promotes green and low-carbon operations, optimizes processes to reduce energy consumption, and implements comprehensive initiatives to advance sustainable development. The Company has established a mechanism related to environmental protection, and made investment of RMB272,400 in environmental protection during the Reporting Period.

#### (II) Relevant information beneficial to ecological protection, pollution prevention and fulfillment of environmental responsibilities

The Company actively performs its responsibility for an environmentally friendly society and implements the green development concept throughout the development process. In terms of green finance, the Company continued to enrich green financial products and services, developed green financial products such as green bonds and green assets securitization, and strengthened green financing support. During the Reporting Period, the Company facilitated the successful issuance of new energy REITs by CNNC Huineng and BJ Energy International, and assisted China Everbright Greentech Limited (a company listed on the Hong Kong Stock Exchange, stock code of the Hong Kong Stock Exchange: 1257) in issuing green medium-term notes in the interbank market. In terms of green operation, the Company continued to promote paperless offices and launched pilot projects of public printing machine leasing, strictly controlled unnecessary printing activities through refined and intelligent management measures; the Company also actively promoted energy saving and emission reduction, strengthened the management of waste disposal and reduced the impact of its own operation on the environment.



## SECTION V ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES

### (III) Measures adopted for reducing its carbon emission during the Reporting Period and effects

Whether measures are adopted for reducing carbon emission	Yes
Reduction of carbon dioxide emissions equivalent (unit: tons)	5,212
Type of measures for reducing carbon emission (such as using electricity generated from clean energy, adopting carbon emission reduction technology in the production, developing and producing new products for carbon emission reduction, etc.)	<ol style="list-style-type: none"> <li>1. Energy savings in lighting system: reasonably utilizing natural light, using energy-saving bulbs, and developing the habit of turning off lights when not in use, to reduce electricity consumption of bulb lighting and extend the service life of bulbs.</li> <li>2. Energy savings in air conditioning: taking full advantage of natural ventilation to minimize use of air conditioners, turning off air conditioning 30 minutes before leaving the work office, setting the temperature of the air conditioning to no lower than 26 degrees Celsius in summer and no higher than 24 degrees Celsius in winter, while setting the water outlet temperature of the central air conditioning unit not lower than 9 degrees Celsius in summer and not higher than 43 degrees Celsius in winter, and reasonably adjusting the number of units for use.</li> <li>3. Energy savings in computer equipment: adjusting screen brightness of computers to a moderate level, switching computers to standby mode when not in use.</li> <li>4. Establishing a Green Data Center: in the Jinji Road Same-City Disaster Recovery Data Center Construction Project, all infrastructure was domestically sourced, achieving an autonomously controllable, eco-friendly, and intelligent data center.</li> <li>5. Reducing food waste: actively implementing the "Clean Your Plate Campaign" by encouraging employees to order only what they need and "take meals as needed", while reminding the kitchen personnel to control portion sizes during cooking to reduce food waste at the source.</li> </ol>

## SECTION V ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES

### II. Work on Social Responsibilities

External donation, public welfare programs	Quantity/ content	Description
Total investment (RMB0'000)	779.66	<p>The Company donated RMB7 million to the targeted assistance project in Xintian County, Hunan Province;</p> <p>The Company donated RMB0.5 million to the Everbright Sunshine Public Welfare Fund;</p> <p>The Company donated a total of RMB62,000 to Miaoping Village and Miaoping Primary School in Xiji County, Ningxia;</p> <p>The Company donated a total of RMB100,000 to Fangtai Village, Xingguo County and the Disabled Persons' Federation of Xingguo County, Jiangxi Province;</p> <p>The Company donated RMB50,000 to Xiaping Village, Danxi Town, Xunwu County, Jiangxi Province;</p> <p>The Company donated RMB50,000 to Shaping Town, Wan'an County, Jiangxi Province;</p> <p>The Company donated a total of HK\$38,000 to the community health check-up event for residents in the Central and Western District of Hong Kong Island, Hong Kong Special Administrative Region, and the "Grand Achievements – Large-scale Achievement Touring Exhibition for Celebrating the 75th Anniversary of the Founding of the People's Republic of China" event.</p>
Including: Funds (RMB'0,000)	779.66	–
Materials equivalent to cash (RMB'0,000)	0	–
Number of beneficiaries (person)	90,000	The number of beneficiaries is incomplete.

The Company has prepared the 2024 Environmental, Social and Governance Report of Everbright Securities Company Limited pursuant to the Environmental, Social and Governance Reporting Guide contained in Appendix C2 to the Hong Kong Listing Rules. For details, please refer to the 2024 Environmental, Social and Governance Report of Everbright Securities Company Limited published by the Company on the HKEx website of the Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)). During the Reporting Period, the Company has complied with the "mandatory disclosure requirements" and "comply or explain" provisions set out in the Environmental, Social and Governance Reporting Guide.

## SECTION V ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES

### III. Particulars of Consolidating and Expanding the Results of Poverty Alleviation, Rural Revitalization and Other Work

Poverty Alleviation and Rural Revitalization Project	Quantity/ content	Description
Total investment (RMB'0,000)	793.22	<p>In 2024, the Company donated RMB7 million to the targeted assistance project in Xintian County, Hunan Province and continuously intensified fund support to targeted assistance counties;</p> <p>The Company donated a total of RMB62,000 to Miaoping Village and Miaoping Primary School in Xiji County, Ningxia;</p> <p>The Company donated a total of RMB100,000 to Fangtai Village, Xingguo County, and the Disabled Persons' Federation of Xingguo County, Jiangxi Province;</p> <p>The Company donated RMB50,000 to Xiaping Village, Danxi Township, Xunwu County, Jiangxi Province;</p> <p>The Company donated RMB50,000 to Shaping Town, Wan'an County, Jiangxi Province;</p> <p>The Company donated RMB110,000 to Yanchangpu Village, Puning City, Guangdong Province through the Everbright Sunshine Public Welfare Fund;</p> <p>The Company carried out consumption assistance in various forms with a cumulative annual procurement amount of specialty agricultural products of RMB560,200 through "love purchase" by labor unions, procurement for business reception and encouraging voluntary procurement by cadres and employees.</p>
Including: Funds (RMB'0,000)	793.22	—
Materials equivalent to cash (RMB'0,000)	0	—
Number of beneficiaries (person)	90,000	The number of beneficiaries is incomplete.

## SECTION V ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES

### Poverty Alleviation and Rural Revitalization Project

	Quantity/ content	Description
Forms of assistance (such as industrial poverty alleviation, employment poverty alleviation, educational poverty alleviation, etc.)	Financial assistance, industrial assistance, consumption assistance, intellectual assistance, public welfare assistance, talent assistance, organizational assistance, educational assistance and ecological assistance	<p><b>Consumption assistance:</b> In 2024, the Company carried out consumption assistance in various forms by supporting the development of green food, organic agricultural products and agricultural products with geographical indications in counties.</p> <p><b>Talent assistance:</b> The Company successively assigned outstanding cadres to hold temporary posts in Xintian County, Hunan Province, a county receiving targeted assistance, to put into practice targeted assistance.</p> <p><b>Intellectual assistance:</b> The Company organized financial knowledge training, skill training, technical support, entrepreneurial guidance and other services to grassroots cadres, professional technical personnel and rural revitalization leaders in four targeted assistance areas through online, offline and other methods.</p> <p><b>Organizational assistance:</b> Taking theme education as the carrier, the Company supported and encouraged excellent Party branches for joint learning and building with rural Party branches at the county level. In 2024, the Company's Party members and the Party members and cadres in local poverty-stricken counties were selected to continuously conduct Party development exchanges in four targeted assistance areas of the Company.</p> <p><b>Industrial assistance:</b> Everbright Futures optimized and improved the "insurance + futures" service model and provided services to support the value and price of agricultural products in counties. The value of agricultural products and the number of projects involved was over RMB1.3 billion and 78, respectively.</p>

## SECTION V ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES

### Detailed description

In 2024, Everbright Securities carefully studied and implemented General Secretary Xi Jinping's important discourse and instruction on "agriculture, rural areas and farmers", learnt and applied the experience in the "Green Rural Revival Program", innovated manners and methods based on its own business advantages and actively developed assistance models with the characteristics of Everbright Securities to serve the comprehensive rural revitalization and the building of a "strong agricultural country".

**Firstly, strengthening coordination and planning.** The Party Committee of the Company carefully formulated the work plan on rural revitalization in 2024 and strengthened the overall coordination and management of work on rural revitalization and the effective integration of resources. The Company donated nearly RMB7.8 million and carried out 45 assistance projects during the year. It reinforced the "one-to-one" targeted assistance arrangements on outstanding branches of the Company with Xintian County in Hunan Province, Xunwu County in Jiangxi Province, Wan'an County in Jiangxi Province, Xingguo County in Jiangxi Province and Xiji County in Ningxia Hui Autonomous Region. It ensured at least three substantive assistance projects in each county and improved the actual effect of assistance. The Company continued to assign cadres to hold temporary posts in Xintian County, Hunan Province and promoted the implementation of assistance projects in Xintian County by securing funds from the higher level and approaching the grassroots frontline.

**Secondly, carrying out professional assistance.** Leveraging its advantages in investment banking business, the Company raised funds for enterprises in targeted assistance areas and other counties out of poverty to contribute to the enrichment of people and the development of industries in counties and facilitate the transformation and upgrading of agricultural enterprises by means of issuance of bonds and asset-backed securities. The Company underwrote rural revitalization bonds and revolutionary old area bonds of RMB2.467 billion during the year. It optimized and improved the "insurance + futures" service model and provided services to preserve the value and price of agricultural products in counties. The value of agricultural products and the number of projects involved was over RMB1.3 billion and 78, respectively.

**Thirdly, reinforcing comprehensive assistance.** The Company actively responded to the "Public Welfare Action on Promoting Rural Revitalization by the Securities Industry" initiated by the Securities Association of China and deeply carried out intellectual assistance, organizational assistance, public welfare assistance, consumption assistance and other assistance actions. Its Party branches developed joint and common building relations with 30 grass-roots Party organizations and facilitated the improvement of the rural governance capability of grass-roots Party organizations. The Company organized 65 trainings on professional knowledge to boost talent revitalization in rural areas. The special training on thousands of financial talents and the improvement of financial literacy jointly organized with Xingguo County attracted over 150 participants from local counties, bureaus and offices and was highly recognized by local people. The Company vigorously responded to consumption assistance calls of the NDRC and other authorities and procured specialty agricultural products of approximately RMB560,000 from areas out of poverty.

With its continuous input and sincere devotion in rural revitalization and public welfare activities, Everbright Securities was awarded the "Star of Charity in Jing'an District in 2022-2023" by the Shanghai Charity Foundation, the Golden Tripod Award for the "Best Classic Case of Rural Revitalization in 2024" by the National Business Daily and other honors in 2024. Everbright Futures, a subsidiary of the Company, ranked 6th in the appraisal on "insurance + futures" in 2023-2024 by the China Futures Association, maintaining the leading level in the industry.

## SECTION V ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES

In 2025, Everbright Securities will strictly follow the requirements of the Party Central Committee on rural revitalization and targeted assistance, stick to the guidance of Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era, deeply carry out the spirit of the 20th CPC National Congress, the Second and Third Plenary Sessions of the 20th CPC National Congress and fully implement General Secretary Xi Jinping's important discourse on "agriculture, rural areas and farmers". Under the guidance of the Opinions of the Central Committee of the Communist Party of China and the State Council on Further Deepening Rural Reform and Solidly Promoting Comprehensive Rural Revitalization and the Plan on Comprehensive Rural Revitalization (2024-2027), the Company will actively respond to relevant regulatory initiatives under the Agreement of Initiators on the Public Welfare Action on Promoting Rural Revitalization by the Securities Industry, implement precise policies and make accurate efforts in combination with its own characteristics and the industrial structure of the assisted areas to make even greater contribution to comprehensive rural revitalization.

**Firstly, the Company will strengthen serving rural revitalization with financial work.** The Company will leverage the advantages of comprehensive financial services of Everbright Group and display the professional role of the Company's investment banking, futures and other businesses in the economic development in various counties. In combination with doing a good job in "five major aspects" and serving national and regional development, the Company will focus on key regions and industries in rural revitalization, display the Company's advantages in the investment banking business, strengthen and innovate financial services, continue to optimize and improve the "insurance + futures" service model and develop a series of financial service cases on rural revitalization with the characteristics of Everbright which are of promotional value.

**Secondly, the Company will continue to carry out "One Company to One County" targeted assistance.** Based on the initiative of the Securities Association of China on continuously conducting "One Company to One County" targeted assistance and the special evaluation and appraisal requirements on social responsibilities, the Company will enhance researches on assisted counties and follow-up results of assistance projects and coordinate assistance work in Xintian County in Hunan Province, Xunwu County, Wan'an County and Xingguo County in Jiangxi Province and Xiji County in Ningxia Hui Autonomous Region receiving targeted assistance from the Company.

**Thirdly, the Company will integrate systematic assistance resources and coordinate and encourage all parties to participate in targeted assistance.** The Company will tap into and leverage on the customer resources of the Company, its branches, securities brokerage branches and financial enterprises of Everbright Group, coordinate in introducing various assistance funds and promote the implementation of projects. It will improve the awareness on the overall development, linkage, sharing and market, coordinate in advancing assistance, organize paired Party building, one-for-one and other forms of assistance within the Company and carry out "love procurement" of Everbright to develop an atmosphere of assistance with everyone's attention and participation.

**Fourthly, the Company will tell the assistance stories of Everbright and strengthen the building of brand culture.** The Company deeply explore vivid cases in targeted assistance areas, carry out various forms of publicity and achieve the organic combination of vivid practice in assistance and the building of the corporate culture to facilitate the building of the Everbright brand.

## **SECTION VI    SIGNIFICANT MATTERS**

### **I.    Performance of Undertakings**

In preparation of the listing of the Company's H Shares on the Hong Kong Stock Exchange, Everbright Group made relevant non-competition undertakings which were disclosed in the Company's prospectus. The independent non-executive Directors of the Company have reviewed the reply letters from subsidiaries of Everbright Group regarding their continuous compliance with the non-competition undertakings, and after taking into account the material and information obtained, believe that Everbright Group has complied with such non-competition undertakings during the financial year from January 1, 2024 to December 31, 2024.

### **II.    Particulars of Appropriation of Funds on a Non-recurring Basis by the Company's Controlling Shareholders and Other Related Parties during the Reporting Period**

During the Reporting Period, there was no appropriation of funds on a non-recurring basis by the Company's controlling shareholders or other related parties.

### **III.    Guarantees in Violation of Regulations**

During the Reporting Period, the Company had no guarantees in violation of regulations.

## SECTION VI SIGNIFICANT MATTERS

### IV. Appointment and Dismissal of Accounting Firms

Unit: 10 Thousand Currency: RMB

	Previous engagement	Current engagement
Name of domestic accounting firm	Ernst & Young Hua Ming LLP (Special General Partnership)	KPMG Huazhen LLP
Remuneration of domestic accounting firm	458	380
Years of audit service of domestic accounting firm	7 years	1 year
Name of certified public accounts of domestic accounting firm	/	Huang Xiaoyi (黃小熠), Abby Wang (王國蓓)
Cumulative years of audit service of certified public accounts of domestic accounting firm	/	1 year
Name of overseas accounting firm	Ernst & Young	KPMG
Remuneration of overseas accounting firm	Note	Note
Years of audit service of overseas accounting firm	7 years	1 year

	Name	Remuneration
Accounting firm for internal control	KPMG Huazhen LLP	Note

Note: The Resolution on Appointment of External Auditor for the year 2024 was considered and approved at the 35th meeting of the sixth session of the Board and the 2023 annual general meeting of the Company, which approved to engage KPMG Huazhen LLP as the domestic external auditor of the Company for the year 2024 to provide relevant domestic audit services in accordance with the PRC GAAP; to appoint KPMG as the overseas external auditor of the Company for the year 2024 to provide relevant overseas audit and review services in accordance with the IFRS; the above domestic and overseas audit and review fees and others amounted to RMB3.80 million in aggregate (including internal control audit fees of RMB0.30 million).

#### Description of appointment and dismissal of accounting firms

The 35th meeting of the sixth session of the Board of the Company and the 2023 annual general meeting have considered and approved the Resolution on the Appointment of External Auditors for the Year 2024, to appoint KPMG Huazhen LLP as the domestic external auditor of the Company for the year 2024; and appoint KPMG as the overseas external auditor of the Company for the year 2024.



## SECTION VI SIGNIFICANT MATTERS

### V. Material Litigation and Arbitration Matters

#### Summary and types of the matters

Jin Tong Ling securities false statement liability disputes case:

Investors including Ye Xiaoming and Wang Pengtao filed a lawsuit against 24 defendants including Jin Tong Ling Technology Group Co., Ltd. (金通靈科技集團股份有限公司) ("**Jin Tong Ling**") and the Company on the grounds of Jin Tong Ling securities false statement liability disputes, requesting the court to order Jin Tong Ling to compensate the investors for investment differential losses, commission, and stamp duty losses and the other defendants to bear joint and several liability for the aforementioned compensation obligations of Jin Tong Ling.

Pursuant to the jurisdictional designation by the Supreme People's Court, the Nanjing Intermediate People's Court of Jiangsu Province has accepted the case under the special representative litigation procedures and issued the "Notice on Rights Registration for Special Representative Litigation". The China Securities Investor Services Center Co., Ltd. participated in the litigation as the representative.

Given that the case is being adjudicated under special representative litigation procedures and has not yet proceeded to trial, the final liability amount involved remains subject to uncertainty. Currently, it is still impossible to determine its impact on the Company's profit for the period or subsequent periods.

#### Search index

Announcements No. Lin 2024-048, No. Lin 2024-051, No. Lin 2024-053 and No. Lin 2025-001 of the Company published on the website of the SSE, and the announcements of the Company dated December 17, 2024, December 20, 2024, December 30, 2024 and January 1, 2025 published on the website of the Hong Kong Stock Exchange

## SECTION VI SIGNIFICANT MATTERS

### VI. Suspected Non-Compliance with Laws and Regulations by and Penalties Imposed on the Listed Company, its Directors, Supervisors, Senior Management, Controlling Shareholders, De Facto Controller as well as Relevant Rectifications

During the Reporting Period, neither the Company nor any of its Directors, Supervisors, members of senior management, controlling shareholders or de facto controller has been subject to any administrative penalties.

During the Reporting Period, the administrative regulatory measures, disciplinary punishment or self-disciplinary punishment imposed on the Company are as follows:

On April 10, 2024, the Jiangsu Regulatory Bureau of the CSRC issued a Warning Letter to Everbright Securities Company Limited, Zhou Ping and Wang Shiwei by the Jiangsu Regulatory Bureau ([2024] No. 63); on May 14, 2024, the SZSE issued the Decision on Issuing a Notice of Criticism against Everbright Securities Company Limited and its Relevant Personnel (Shen Zheng Hui [2024] No. 146), which determined that Everbright Securities did not fully fulfill its verification obligations during the continuous supervision process on the 2018 share issuance for asset purchase and supporting capital raising project of Jin Tong Ling Technology Group Co., Ltd, and failed to conduct necessary prudent verification when relying on the professional opinions of other securities service institutions, resulting in false records in the 2018-2020 continuous supervision opinions. In response to the issues pointed out in the regulatory letters, the Company has made deeply self-examination and carried out rectification work in practice. Firstly, it convened a warning meeting on merger and acquisition and restructuring cases and a business training meeting to enhance the sense of responsibility and risk prevention awareness among all employees; secondly, it reviewed and further improved the normative requirements for the continuous supervision phase, further clarifying the essential actions and key points of practice in continuous supervision; thirdly, it conducted a comprehensive self-inspection, using the case as a mirror to self-correct and fill gaps in all merger and acquisition and restructuring projects during the continuous supervision period, consolidating the rectification results; fourthly, it held the personnel accountable related to the Jin Tong Ling's major asset project.

On May 31, 2024, the CSRC issued the Decision on Issuing a Warning Letter to Everbright Securities Company Limited ([2024] No. 31), stating that the Company had issues in some projects where quality control was not stringent on project risks and due diligence documentation, the follow-up and implementation of core opinions were inadequate, and the issuance and sponsorship work reports of some projects did not fully disclose internal control concerns. In response to the issues pointed out in the regulatory letter, the Company has taken the following actions: firstly, it has made deeply self-examination and summarized the lessons, analyzed the problems in practice and management, organized business training to delivery regulatory requirements, and enhanced the sense of responsibility and risk control awareness among all employees; secondly, it has clarified the responsibilities for the issues, detailed the division of labor, formulated plans, and executed them in an orderly manner, continuously strengthening the construction of the internal control system for the investment banking's three lines of defense; thirdly, it has conducted a comprehensive self-inspection, using the case as a mirror to self-correct and fill gaps in all projects under review against all shortfalls and problems identified, consolidating the rectification results; fourthly, it has carried out a "look-back" review to ensure that the rectifications are implemented effectively; fifthly, it has taken accountability measures against the relevant responsible personnel, including investment banking staff, quality control heads, and core opinion leaders, in light of the issues identified in the regulatory letter.

## SECTION VI SIGNIFICANT MATTERS

### VII. Explanation of Integrity of the Company and Its Controlling Shareholders and De Facto Controllers during the Reporting Period

During the Reporting Period, the Company and its controlling shareholders were not involved in any circumstances where they failed to comply with the obligations specified in effective court documents or pay off debts overdue with a relatively large amount.

### VIII. Material Related Party Transactions and Connected Transactions

#### (I) Related party transactions and connected transactions relating to daily business

Everbright Group is a controlling shareholder of the Company and hence a connected person of the Company.

##### *Exempt continuing connected transactions*

In the Group's daily operation, the Company and certain of its subsidiaries in China have entered into certain trademark license agreements with Everbright Group. Everbright Group has granted non-exclusive, non-transferable and royalty-free licenses to the Company and its subsidiaries, pursuant to which the Company and its subsidiaries are permitted to use certain trademarks owned by Everbright Group in China.

The transactions provided under above-mentioned agreements are fully exempt continuing connected transactions in accordance with Chapter 14A of the Hong Kong Listing Rules and are exempt from the reporting, announcement, independent shareholders' approval and annual review requirements under Chapter 14A of the Hong Kong Listing Rules.

In addition, the Group shall set a maximum daily deposit balance limit on the deposits of the Group's proprietary funds and client funds deposited at Everbright Bank. The Company has made its application to the Hong Kong Stock Exchange for a waiver from strict compliance with a maximum daily balance limit as required by Rule 14A.53 of the Hong Kong Listing Rules and has obtained a waiver letter from the Hong Kong Stock Exchange, waiving the Company from the obligation of setting a maximum daily deposit balance limit on the deposits of its proprietary funds and client funds deposited at Everbright Bank.

## SECTION VI SIGNIFICANT MATTERS

### *Non-exempt continuing connected transactions*

#### *Property Leasing Framework Agreement*

In the ordinary and usual course of the Group, the Group leases certain properties in the PRC from Everbright Group and its associates for its offices and business uses. On the other hand, Everbright Group and its associates lease certain properties from the Group mainly for their business operations.

Reference is made to the announcement of the Company dated August 26, 2021. The Company entered into a property leasing framework agreement with Everbright Group on December 6, 2021 (the **"2021 Everbright Group Property Leasing Framework Agreement"**) for a term of three years commencing from January 1, 2022 to December 31, 2024.

Reference is made to the announcement of the Company dated October 30, 2024. The Company is expected that the Group will continue to lease certain properties from Everbright Group and its associates, and Everbright Group and its associates will also continue to lease certain properties from the Group. In view of that, and considering the 2021 Everbright Group Property Leasing Framework Agreement expired on December 31, 2024, the Company has renewed the property leasing framework agreement (the **"2024 Everbright Group Property Leasing Framework Agreement"**) with Everbright Group for a term of three years from January 1, 2025 to December 31, 2027.

The principal terms of the 2021 Everbright Group Property Leasing Framework Agreement are as follows: (1) the rental shall be determined based on the market rent applicable to the leased property; (2) the Company or its subsidiaries and Everbright Group or its relevant associates shall enter into specific transaction agreements to set out the specific terms and conditions in respect of the relevant leased property according to the principles, and within the parameters, which are determined under the 2021 Everbright Group Property Leasing Framework Agreement; (3) the Company or its subsidiaries and Everbright Group and its associates are entitled to lease additional floor area from and among the available properties owned by the other party during the term of the 2021 Everbright Group Property Leasing Framework Agreement and adjust rent accordingly; and (4) based on the relevant provisions of the transaction agreement, either party thereto may terminate any transaction by giving prior notice within a reasonable time to the other party (the market practice shall prevail if the relevant market practice for such transaction adopts shorter notice period).

In accordance with the 2021 Everbright Group Property Leasing Framework Agreement, the annual caps for the rental income from Everbright Group and its associates for leased properties were expected to be RMB8.0 million, RMB8.0 million and RMB9.2 million in 2022, 2023 and 2024, respectively; the Group's annual caps for the rental expenses to be paid/the total value of right-of-use assets in respect of the properties rented from Everbright Group and its associates were expected to be RMB118.0 million, RMB184.0 million and RMB207.0 million in 2022, 2023 and 2024, respectively. In 2024, the actual amount of rental income from Everbright Group and its associates for leased properties was RMB3.64 million, and the rental expenses to be paid/the total value of right-of-use assets in respect of the properties rented from Everbright Group and its associates were RMB147.57 million.

## SECTION VI SIGNIFICANT MATTERS

As the highest applicable percentage ratio in respect of the relevant annual caps under the 2021 Everbright Group Property Leasing Framework Agreement is between 0.1% and 5% on an annual basis, such transactions are subject to the announcement, reporting and annual review requirements under Chapter 14A of the Hong Kong Listing Rules, but are exempted from the independent shareholders' approval requirement.

For details of the 2021 Everbright Group Property Leasing Framework Agreement, please refer to the announcement of the Company dated August 26, 2021.

### *Non-financial Miscellaneous Services Framework Agreement*

In the ordinary and usual course of the operations, Everbright Group and its associates (on one hand), and the Group (on the other hand) provide certain non-financial miscellaneous services to each other. The non-financial miscellaneous services provided by Everbright Group and its associates to the Group include, but not limited to, information technology and Internet network services, conference services, title sponsor services, network maintenance, printing and publication, books and audio/video products, renovation, training, medical care, corporate travel management, advertising and promotion, property management, consultancy services, labor outsourcing related services and other non-financial miscellaneous services. The non-financial miscellaneous services to be provided by the Group to Everbright Group and its associates include, but not limited to, information technology and Internet network services, lease of advertising placements, logistics, warehouse, consultancy services, labor outsourcing and other non-financial miscellaneous services.

Reference is made to the announcement of the Company dated August 26, 2021. The Company entered into the non-financial miscellaneous services agreement (the **"2021 Everbright Group Non-financial Miscellaneous Services Framework Agreement"**) with Everbright Group on December 6, 2021 for a term of three years commencing from January 1, 2022 to December 31, 2024.

Reference is made to the announcement of the Company dated October 30, 2024. Considering the 2021 Everbright Group Non-financial Miscellaneous Services Framework Agreement expired on December 31, 2024, the Company has renewed the non-financial miscellaneous services agreement between the Company and Everbright Group (the **"2024 Everbright Group Non-financial Miscellaneous Services Framework Agreement"**) for a term of three years from January 1, 2025 to December 31, 2027.

In accordance with the 2021 Everbright Group Non-financial Miscellaneous Services Framework Agreement, the Group's annual caps for the income from Everbright Group and its associates from provision of non-financial miscellaneous services were expected to be RMB5.0 million, RMB5.0 million and RMB5.0 million in 2022, 2023 and 2024, respectively; and the annual caps for the expenses to be paid by the Group for non-financial miscellaneous services provided by Everbright Group and its associates were expected to be RMB89.0 million, RMB104.0 million and RMB119.0 million in 2022, 2023 and 2024, respectively. In 2024, the actual amount of income from provision of non-financial miscellaneous services to Everbright Group and its associates by the Group was RMB0.02 million, and the expenses paid for the non-financial miscellaneous services provided by Everbright Group and its associates were RMB25.25 million.

As the highest applicable percentage ratio in respect of the proposed annual caps for the continuing connected transactions contemplated under the 2021 Everbright Group Non-financial Miscellaneous Services Framework Agreement for the three years ending December 31, 2024 exceeds 0.1% but is less than 5%, such continuing connected transactions are subject to the reporting, announcement and annual review but are exempt from the independent shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

For details of the 2021 Everbright Group Non-financial Miscellaneous Services Framework Agreement, please refer to the announcement of the Company dated August 26, 2021.

## SECTION VI SIGNIFICANT MATTERS

### *Financial Products and Services Framework Agreement*

In the ordinary and usual course of the Group's business, the Group enters into securities and financial products transactions with Everbright Group and its associates on normal commercial terms, and they provide securities and financial services to each other.

References are made to the announcement of the Company dated August 26, 2021 and the circular dated September 28, 2021. The Company entered into the financial products and services framework agreement (the **"2021 Everbright Group Financial Products and Services Framework Agreement"**) with Everbright Group on December 6, 2021 for a term of three years commencing from January 1, 2022 to December 31, 2024.

References are made to the announcement of the Company dated October 30, 2024 and the circular dated December 2, 2024. Considering the 2021 Everbright Group Financial Products and Services Framework Agreement would expire on December 31, 2024, the Company has renewed the financial products and services framework agreement (the **"2024 Everbright Group Financial Products and Services Framework Agreement"**) with Everbright Group based on the 2021 Everbright Group Financial Products and Services Framework Agreement during the Reporting Period, for a term of three years from January 1, 2025 to December 31, 2027.

#### A. *Securities and Financial Products Transactions*

The transactions of securities and financial products include (a) securities products with fixed income; (b) fixed income related derivative products; (c) equity products; (d) financial transactions; and (e) other securities and financial products permitted to be transacted under applicable laws and regulations.

The securities and financial products transactions are conducted through the PRC inter-bank bond market and the PRC exchange bond market, exchanges (including stock exchanges, futures exchanges, Shanghai Gold Exchange and China Foreign Exchange Trade System) and the open-ended fund market. Such transactions are and will continue to be carried out at the prevailing market prices in the ordinary and usual course of the Group's business with high frequency. The pricing mechanisms of the securities and financial products transactions depend on the particular trading venue where the relevant transaction is carried out.

With respect to the pricing of securities and financial products without direct market quotations, the Company mainly refers to the quotation information provided by currency brokers. Currency brokers are entities set up with the approval of the National Financial Regulatory Administration (formerly known as the China Banking and Insurance Regulatory Commission) and are subject to its regulation. Currency brokers specialize in facilitating transactions including intra-financial system financing, foreign exchange transactions, bond transactions and derivative transactions, who charge a commission from the provision of such brokerage services but do not directly engage in transactions of the relevant securities and financial products.

In accordance with the 2021 Everbright Group Financial Products and Services Framework Agreement, the annual cap for cash inflow from the transactions of securities and financial products shall be RMB560,000 million, RMB670,000 million and RMB804,000 million in 2022, 2023 and 2024, respectively; and the annual cap for cash outflow from the transactions of securities and financial products shall be RMB560,000 million, RMB670,000 million and RMB804,000 million in 2022, 2023 and 2024, respectively. In 2024, the actual cash inflow from the transactions of securities and financial products was RMB87,980 million; and the actual cash outflow from the transactions of securities and financial products was RMB75,394 million.

## SECTION VI SIGNIFICANT MATTERS

### B. *Securities and Financial Services*

Securities and financial services shall cover various securities and financial services permitted by regulatory authorities and mutually provided by the Group and Everbright Group and its associates. The securities and financial services to be provided by the Group to Everbright Group and its associates include (a) underwriting and sponsorship services; (b) other investment banking services; (c) brokerage services; (d) proxy sale of financial products services; (e) entrusted asset management services; (f) leasing of trading seats; (g) fund investment advisory services, other financial and securities advisory and consulting services and commodities services; (h) PPP financial services; (i) financial leasing services and factoring financial services; (j) custody and outsourcing services; (k) insurance brokerage and consultancy services; and (l) other securities and financial services permitted by the applicable laws and regulations. The securities and financial services to be provided by Everbright Group and its associates to the Group include (a) deposit services; (b) proxy sale of financial products services; (c) deposits management and custody services; (d) loan services; (e) insurance services; (f) financial leasing services and factoring financial services; (g) financial and securities advisory and consulting services; and (h) other securities and financial services permitted by the applicable laws and regulations.

The price of such securities and financial services shall be determined through fair negotiation and by referring to the prevailing market price, industrial practice, the interest rate of deposit and loan as determined and published by the PBOC, and independent third party's price.

In accordance with the 2021 Everbright Group Financial Products and Services Framework Agreement, the annual caps for the revenue gained by the Group for the securities and financial services provided to Everbright Group and its associates were RMB1,145 million, RMB1,374 million and RMB1,718 million in 2022, 2023 and 2024 respectively; and the annual caps for the expenses paid by the Group for the securities and financial services provided by Everbright Group and its associates shall be RMB849 million, RMB1,019 million and RMB1,274 million in 2022, 2023 and 2024, respectively. In 2024, the actual revenue gained by the Group for the securities and financial services provided to Everbright Group and its associates was RMB274.13 million, and the expenses paid for the securities and financial services provided by Everbright Group and its associates was RMB81.10 million.

As the highest applicable percentage ratio in respect of the relevant annual caps under the 2021 Everbright Group Financial Products and Services Framework Agreement is 5% or more on an annual basis, these transactions are subject to the announcement, reporting, annual review and independent shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

Details of the 2021 Everbright Group Financial Products and Services Framework Agreement are set out in the Company's announcement dated August 26, 2021 and the circular of 2021 first extraordinary general meeting dated September 28, 2021.

The Company had made its application to the Hong Kong Stock Exchange for a waiver from strict compliance with setting a maximum daily deposit balance limit as required by Rule 14A.53 of the Hong Kong Listing Rules and had obtained a waiver letter from the Hong Kong Stock Exchange on August 31, 2021, waiving the Company from the obligation of setting a maximum daily deposit balance limit under the 2021 Everbright Group Financial Products and Services Framework Agreement. For details of the reasons for the Company to apply for such waiver, please refer to the announcement of the Company dated September 2, 2021.

Save as disclosed above, during the Reporting Period, the Company or its subsidiaries did not enter into any other contract of significance with the Company's controlling shareholder or its subsidiaries (including provision of services by the controlling shareholder or its subsidiaries to the Company or its subsidiaries).

## SECTION VI SIGNIFICANT MATTERS

### (II) Confirmation of the auditors

The Board has received the letter of confirmation from the Company's auditors in relation to the above-mentioned continuing connected transactions that are subject to the reporting, announcement, and/or independent shareholders' approval requirement. The Company's auditors confirmed that, during the Reporting Period:

- nothing has come to their attention that causes them to believe that the above-mentioned continuing connected transactions have not been approved by the Board;
- nothing has come to their attention that causes them to believe that the above-mentioned continuing connected transactions were not, in all material respects, in accordance with the pricing policies of the Company for transactions involving the provision of goods or services by the Company;
- nothing has come to their attention that causes them to believe that the above-mentioned continuing connected transactions were not entered into, in all material respects, in accordance with the relevant agreements governing the transactions; and
- nothing has come to their attention that causes them to believe that the aggregate amount of the above-mentioned continuing connected transactions has exceeded the annual cap as set by the Company.

### (III) Independent non-executive Directors' confirmation

The independent non-executive Directors have reviewed the above-mentioned continuing connected transactions that are subject to the reporting, announcement and/or independent shareholders' approval requirements, and confirmed that each of the above-mentioned continuing connected transactions has been:

1. entered into in the Group's ordinary and usual course of business;
2. entered into on normal commercial terms or better; and
3. entered into according to the agreements regulating such continuing connected transactions on terms that are fair and reasonable and in the interests of the Company's shareholders as a whole.

### (IV) Related Party Transactions referred to in the Consolidated Financial Statements and Connected Transactions under the Hong Kong Listing Rules

Save as disclosed above, there is no related party transaction or continuing related party transaction referred to in Note 62 to the consolidated financial statements that falls into the category of connected transactions or continuing connected transactions that need to be disclosed under the Hong Kong Listing Rules. The Company has complied with the disclosure requirements under Chapter 14A of the Hong Kong Listing Rules with respect to the connected transactions and continuing connected transactions of the Company.



## SECTION VI SIGNIFICANT MATTERS

### IX. Material Contracts and Their Performance

#### (I) Guarantee

Unit: 100 million Currency: RMB

<b>Guarantees provided by the Company (excluding guarantees for subsidiaries)</b>	
Total amount of guarantees provided during the Reporting Period (excluding guarantees for subsidiaries)	–
Balance of guarantees as at the end of the Reporting Period (A) (excluding guarantees for subsidiaries)	–
<b>Guarantees for subsidiaries by the Company and its subsidiaries</b>	
Total guarantees for subsidiaries during the Reporting Period	–
Balance of guarantees for subsidiaries as at the end of the Reporting Period (B)	39.17
<b>Total guarantees provided by the Company (including guarantees for subsidiaries)</b>	
Total guarantees (A+B)	39.17
Ratio of total guarantee to net assets of the Company (%)	5.66
Among which:	
Guarantees for shareholders, de facto controller and their related parties (C)	–
Debt guarantee provided directly or indirectly for companies with gearing ratio over 70% (D)	–
Amount of guarantees in excess of 50% of the net assets (E)	–
Total amount of the above three types of guarantees (C+D+E)	–
Outstanding guarantees subject to joint and several liabilities	–
Details of guarantees	

- During the Reporting Period, the Company has provided the following major guarantees: the net capital guarantee for wholly-owned subsidiary Everbright Asset Management, and the guarantee for the offshore borrowings of wholly-owned subsidiary EBSI. As of December 31, 2024, the balance of such guarantees was approximately RMB3.314 billion.

The guarantees of the Company's controlling subsidiaries mainly include: the Company's wholly-owned subsidiary EBSI and its subsidiaries provided loan guarantees, financing guarantees and business guarantees for their subsidiaries, to facilitate their subsidiaries' business operation. As of December 31, 2024, the balance of such guarantees was approximately RMB603 million.

- The guarantee amount incurred was the amount increased during the year, excluding the amount decreased during the year.

## SECTION VI SIGNIFICANT MATTERS

### X. Other Events and Subsequent Events

#### 1. Relevant information on branches

In order to further optimize the Company's branch network, the Company has decided to close down the securities brokerage branches at Taiping Road in Taicang, Menghai Avenue in Shenzhen and Xiyue South Road in Maoming, and to set up a new securities brokerage branch at Jiangbin Central Avenue in Fuzhou. As of the disclosure date of this report, the Company had 227 securities brokerage branches.

#### 2. Litigations during and after the Reporting Period

In April 2021, Shanghai Everbright Fortune Jinghui Investment Center (Limited Liability Partnership), a limited partnership fund managed by a subsidiary of the Company, Everbright Fortune Evertop Investment Management (Shanghai) Co., Ltd., and its offshore subsidiary Quantum Capital Resources Limited filed an arbitration to Hong Kong International Arbitration Center with Shenzhen Guangqi Hezhong Technology Co., Ltd. and Asean Telecommunications Limited as the respondents, on disputes over the breach of the share purchase agreement. The amount involved in the case was approximately RMB835 million. For details, please refer to the Company's 2021 interim report. Up to date, partial final awards have been received in the case. The arbitral tribunal supported our claims and dismissed the counterclaims of the other party. We have applied to the arbitral tribunal for supplementary or corrected awards regarding matters such as the conversion amount, interest calculation, and enforcement.

In November 2021, the Company filed a lawsuit against China Fortune Land Holding Company (華夏幸福基業控股股份公司) due to a dispute over the collateralized stock repurchase, and the amount involved was approximately RMB341 million. For details, please refer to the Company's 2021 annual report and 2024 interim report. The case has now entered the enforcement phase.

In December 2021, New Horizon Wireless Technology Limited, Cutting Edge Global Limited and Lucky Time Global Limited filed a lawsuit against Shanghai Everbright Fortune Jinghui Investment Center (Limited Liability Partnership (上海光大富尊璟環投資中心(有限合夥)) on their disputes over the pledge of stocks. For details, please refer to the Company's 2021 annual report. The proceedings have now been reinstated.

In January 2022, Everbright Leasing filed a lawsuit against, among others, Shanghai Jinhui General Aviation Co., Ltd. (上海金匯通用航空股份有限公司) on its disputes over the confirmation of bankruptcy claims. The amount involved in the case was approximately RMB200 million. For details, please refer to of the Company's 2021 annual report and the 2023 annual report. The case has now entered the enforcement phase.

In June 2022, a person surnamed Xie, Chengdu Deshang Jinchangchuan Creator Equity Investment Fund Center (Limited Partnership) (成都德商金長川創客股權投資基金中心(有限合夥)) and Chongqing Chongbao Chuangrui Cultural Creativity Equity Investment Fund Partnership (Limited Partnership) (重慶重報創睿文化創意股權投資基金合夥企業(有限合夥)) filed lawsuits against, amongst others, the Company (as the principal broker) due to their disputes over responsibilities related to securities of Beijing Yingding Education Technology Co., Ltd. (北京贏鼎教育科技股份有限公司), and the amounts involved were approximately RMB20.0000 million, RMB14.9999 million and RMB10.0004 million, respectively. For details, please refer to the Company's 2022 interim report, 2022 annual report, 2023 interim report, and 2024 interim report. The aforementioned case has received the second-instance judgment, whereby the appeals were dismissed and the original judgment was upheld. The case has been closed.

## SECTION VI SIGNIFICANT MATTERS

In June 2022, Everbright Photon Investment Management Co., Ltd. filed a lawsuit against Ningbo Gangjiu Longcang Storage Co., Ltd. (寧波港九龍倉儲有限公司) due to the disputes over a storage contract, and the amount involved was approximately RMB75.6644 million. For details, please refer to the Company's 2022 interim report, 2023 interim report, 2023 annual report and 2024 interim report. Currently, the Ningbo Intermediate People's Court has issued a first-instance criminal judgment, which ordered the recovery of illegal gains. The illegal gains and the interest derived therefrom that have been sealed, frozen, and seized shall be returned to the respective victim entities in accordance with law. For any shortfalls, continued recovery or orders for compensation will be pursued.

In July 2023, Everbright Fortune filed a lawsuit against two persons both surnamed Zhang and Guangzhou Chuangxian Kejiao Co., Ltd. (廣州創顯科教股份有限公司) due to a dispute over investment contract, and the amount involved was approximately RMB29.1489 million. For details, please refer to the Company's 2023 interim report and 2024 interim report. The case has now entered the enforcement phase.

In December 2023, Everbright Securities Investment Services (HK) Limited filed a lawsuit against Yongxi Greater China Fund Independent Portfolio Company (雍熙大中華基金獨立投資組合公司) and a person surnamed Yan due to a dispute over a margin financing, and the amount involved was approximately US\$4.7811 million plus interest. For details, please refer to the Company's 2023 annual report and 2024 interim report. The Quanzhou Intermediate People's Court dismissed the person surnamed Yan's jurisdictional objection appeal. The case has received a first-instance judgment, with the Dehua County People's Court of Fujian Province ruling that the defendants should repay Everbright Securities Investment Services (HK) Limited the outstanding principal of approximately USD4.7503 million and overdue interest, etc. The person surnamed Yan has appealed.

In April 2024, Everbright Leasing filed a lawsuit against Gansu No. 7 Construction Group Co., Ltd. (甘肅第七建設集團股份有限公司) due to a dispute over a finance lease contract, and the amount involved was approximately RMB15.1000 million. For details, please refer to the Company's 2024 interim report. The parties have now reached a settlement under court mediation.

In August 2023, a person surnamed Wu filed an arbitration against the Company as the respondent for labor disputes, and filed a lawsuit against the Company after the arbitration award was made, and the amount involved was approximately RMB17.5374 million. For details, please refer to the Company's 2023 annual report. The person surnamed Wu adjusted the litigation claim to request the Company to make compensation for losses and pay relevant expenses, totaling approximately RMB17.5244 million. The first-instance judgment for the case ordered the Company to compensate the person surnamed Wu RMB850.34. The person surnamed Wu has appealed.

In February 2025, a person surnamed Zheng filed a lawsuit against Everbright Asset Management (with Everbright Securities as a third party) over labor contract disputes. The amount involved was approximately RMB23.569 million. The case has been accepted by the Pudong New Area People's Court of Shanghai.

In September 2024, Shanxi Lingqiu Rural Commercial Bank Co., Ltd. (山西靈丘農村商業銀行股份有限公司) filed a lawsuit against the Company (as a joint lead underwriter) and others due to disputes over liability related to Huaxin debt securities (華信債證券), and the amount involved was approximately RMB74.0812 million. After being accepted by the Shanghai Financial Court, the case has been transferred to the Jinan Railway Transportation Intermediate Court.

In October 2024, Hangzhou Xiaoshan Washu Digital TV Co., Ltd. (杭州蕭山華數數字電視有限公司) filed for arbitration with the China International Economic and Trade Arbitration Commission against Beijing Baifendian Information Technology Co., Ltd. and its shareholders (with Everbright Fortune as one of the shareholders) as respondents over investment contract disputes. The amount involved was approximately RMB81.5654 million. The case has been accepted by the China International Economic and Trade Arbitration Commission.

## SECTION VI SIGNIFICANT MATTERS

In October 2024, Everbright Photon Investment Management Co., Ltd. filed a lawsuit against Shanghai Jiesheng Supply Chain Management Co., Ltd. (上海節升供應鏈管理有限公司) over sales contract disputes. The amount involved was approximately RMB102 million. The case was accepted by the Pudong New Area People's Court of Shanghai. Due to the criminal nature of the case, it has been withdrawn.

In January 2025, Everbright Capital filed a lawsuit against Hangzhou Xinhe Pharmaceutical Group Co., Ltd. (杭州鑫禾醫藥集團有限公司) over investment contract disputes. The amount involved was approximately RMB12.5373 million. The case has been accepted by the Jing'an District People's Court of Shanghai.

In February 2025, Everbright Fortune filed a lawsuit against a person surnamed Li, a person surnamed Hou and another person surnamed Li over investment contract disputes. The amount involved was approximately RMB35.2519 million. The case has been accepted by the Jing'an District People's Court of Shanghai.

The Company previously disclosed the litigations and arbitrations of Everbright Capital in relation to MPS, please refer to the 2023 annual report and 2024 interim report of the Company for details. In particular, the litigation case of Guizhou Gui'an Capital Operation Co., Ltd. (貴州貴安資本運營有限公司) has now been terminated in this enforcement procedure.

## SECTION VI SIGNIFICANT MATTERS

### XI. Tax Relief

#### (I) A Share shareholders

In accordance with the Notification of the MOF, the State Administration of Taxation and the CSRC on the Issues Concerning Differential Personal Income Tax Policies for Dividends of Listed Companies (Cai Shui [2015] No. 101), for the listed companies' shares obtained by individuals from public issue and transfer market, where the holding period is more than one year, the income from dividend may be temporarily exempted from personal income tax; for the listed companies' shares obtained by individuals from public issue and transfer market, where the share holding period is within one month (including one month), the full amount of income from dividends shall be taken into the amount of taxable income; where the holding period is from one month to one year (including one year), the income from dividends shall be 50% taken into the amount of taxable income. For the above-mentioned income, personal income tax shall be uniformly calculated and levied as per 20% tax rate. When distributing dividends, listed companies may not withhold personal income tax where personal shareholding is within one year (including one year); when individuals transfer their shares, the securities registration and settlement company shall calculate the amount of tax to be paid according to their shareholding period, and the shares custody institutions such as securities companies, etc. shall deduct and transfer the amount of taxes from their personal fund accounts to the securities registration and settlement company. Within 5 working days of the next month, the securities registration and settlement company shall transfer and pay such taxes to the listed companies. Within the statutory declaration period of the very month when receiving the taxes, the listed companies shall declare for tax payment to the competent tax authorities.

As for resident corporate shareholders holding A Shares of the Company, the enterprise income tax on the dividends obtained by them shall be declared and paid by themselves.

As for qualified foreign institutional investors (QFII), in accordance with the provisions of the Notification of the State Administration of Taxation on the Issues Concerning Withholding of Enterprise Income Tax on the Dividends, Bonus and Interests Paid by Chinese Resident Enterprises to QFII (Guo Shui Han [2009] No. 47), listed companies shall withhold enterprise income tax at the tax rate of 10%. Where the dividend and bonus income obtained by QFII shareholders need to enjoy the treatment of tax treaty (arrangement), QFII shareholders may apply for tax refund to competent tax authorities independently after obtaining the dividends and bonus according to regulations, and the competent tax authorities may execute the regulations of tax treaty after checking and confirming that every item is correct.

As for non-resident enterprise shareholders holding A Shares of the Company other than the aforesaid QFII, in accordance with the relevant provisions of the Interim Measures for Management on Source Withholding of Non-resident Enterprise Income Tax (Guo Shui Fa [2009] No. 3) and the Written Reply of the State Administration of Taxation on the Issues Concerning the Levying of Enterprise Income Tax on the Dividends of B Share Obtained by Non-Resident Enterprises (Guo Shui Han [2009] No. 394), etc., listed companies shall withhold enterprise income tax as per the tax rate of 10%. Non-resident enterprise shareholders shall follow relevant provisions executed by tax treaty where they need to enjoy the treatment of tax treaty.

## SECTION VI SIGNIFICANT MATTERS

In accordance with the provisions of the Notification of the MOF, the State Administration of Taxation and the CSRC on Relevant Tax Policies for Pilot Operation of Transaction Interconnection Mechanism of Shanghai-Hong Kong Stock Markets (Cai Shui [2014] No. 81), for the dividend income obtained by Hong Kong investors (including enterprises and individuals) from investment in A shares listed on the SSE, before Hong Kong Securities Clearing Company Limited meets the conditions of providing detailed data about investors' identities and shareholding time, etc. to China Securities Depository and Clearing Corporation Limited, the differential tax levying policies will not be executed temporarily according to shareholding time, while listed companies shall withhold the income tax as per the 10% tax rate and handle the withholding declaration to their competent tax authorities. Where some Hong Kong investors belong to other countries' tax residents, and the dividend income tax rate regulated in the tax treaty signed by and between their countries and China is lower than 10%, the enterprises or individuals may, personally or by entrusting the withholding obligator, file an application for enjoying the treatment of tax treaty to the competent tax authorities of the listed companies. After examination and approval, the competent tax authorities shall reimburse the taxes according to the difference between the amount of tax already levied and the tax payable as calculated as per the tax rate in the tax treaty.

In accordance with the provisions of the Notification of the MOF, the State Administration of Taxation and the CSRC on Relevant Tax Policies for Pilot Operation of Transaction Interconnection Mechanism of Shenzhen-Hong Kong Stock Markets (Cai Shui [2016] No. 127), for the dividend income obtained by Hong Kong investors (including enterprises and individuals) from investment in A shares listed on the SZSE, before Hong Kong Securities Clearing Company Limited meets the conditions of providing detailed data about investors' identities and shareholding time, etc. to China Securities Depository and Clearing Corporation Limited, the differential tax levying policies will not be executed temporarily according to shareholding time, while listed companies shall withhold the income tax as per the 10% tax rate and handle the withholding declaration to their competent tax authorities. Where some Hong Kong investors belong to other countries' tax residents, and the dividend income tax rate regulated in the tax treaty signed by and between their countries and China is lower than 10%, the enterprises or individuals may, personally or by entrusting the withholding obligator, file an application for enjoying the treatment of tax treaty to the competent tax authorities of the listed companies. After examination and approval, the competent tax authorities shall reimburse the taxes according to the difference between the amount of tax already levied and the tax payable as calculated as per the tax rate in the tax treaty.

## SECTION VI SIGNIFICANT MATTERS

### (II) H Share shareholders

In accordance with the provisions of the Notification of the State Administration of Taxation on the Issues Concerning the Levying and Management of Personal Income Tax after Cancellation of Guo Shui Fa [1993] No. 045 Archives (Guo Shui Han [2011] No. 348), for the dividend income obtained by foreign resident individual shareholders from holding the shares issued by domestic non-foreign-invested enterprises in Hong Kong, the withholding obligators shall withhold personal income tax according to laws by the items "interest, dividend and bonus income". As for the shares issued in Hong Kong by domestic non-foreign invested enterprises, their foreign resident individual shareholders may enjoy relevant tax preference according to the tax treaty signed by the country to which their resident identities belong and China, and the tax arrangements between Chinese Mainland and Hong Kong (Macao). The interest rate on relevant dividends regulated in relevant tax treaty and tax arrangement is generally 10%. In order to simplify tax levying and management, domestic non-foreign-invested enterprises issuing shares in Hong Kong may generally, when distributing dividends and bonuses, withhold personal income tax according to the tax rate of 10%, instead of filing an application for the withholding. Under the circumstances where the tax rate on dividends is not 10%, the following regulations shall be followed: (1) where the individuals obtaining dividends and bonuses are residents of the agreement countries executing a tax rate of lower than 10%, the withholding obligator may apply for the treatment of relevant agreement for such dividends according to regulations, and refund the over-withheld tax after obtaining the approval of competent tax authorities; (2) where the individuals obtaining dividends and bonuses are residents of the agreement countries executing a tax rate of higher than 10% but less than 20%, the withholding obligator shall withhold personal income tax as per actual tax rate without filing an application when distributing dividends and bonuses; and (3) where the individuals obtaining dividends and bonuses are residents of countries having not concluded tax treaty with China or belong to other circumstances, the withholding obligator shall withhold personal income tax as per the tax rate of 20% when distributing dividends and bonuses.

In accordance with the provisions of the Notification of the State Administration of Taxation on the Issues Concerning the Withholding of Enterprise Income Tax on the Dividends Distributed by Chinese Resident Enterprises to Foreign H Share Non-Resident Corporate Shareholders (Guo Shui Han [2008] No. 897), when distributing dividends of 2008 and later years to foreign H share non-resident corporate shareholders, Chinese resident enterprises shall uniformly withhold enterprise income tax as per the tax rate of 10%. After obtaining dividends, foreign non-resident corporate shareholders may, personally or by entrusting an agent or withholding obligator, file an application for enjoying the treatment of tax treaty (arrangement) to competent tax authorities, and provide the data proving that they are the actual beneficial owners meeting the provisions of tax treaty (arrangement). After checking and affirming the data, the competent tax authorities shall reimburse the tax according to the difference between the amount of tax already levied and the tax payable as calculated as per the tax rate regulated in the tax treaty (arrangement).

## SECTION VI SIGNIFICANT MATTERS

In accordance with the provisions of the Notification of the MOF, the State Administration of Taxation and the CSRC on Relevant Tax Policies for Pilot Operation of Transaction Interconnection Mechanism of Shanghai-Hong Kong Stock Markets (Cai Shui [2014] No. 81), for the dividends and bonuses obtained by Chinese Mainland personal investors from investment in H Shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, H Share companies shall withhold personal income tax as per the tax rate of 20%. For the dividends and bonuses obtained by Chinese Mainland securities investment funds from investment in shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect, personal income tax shall be calculated and levied according to the above regulations. Individual investors who have paid withholding taxes overseas, with effective taxation certificates, can apply to competent taxation authorities under CSDC for tax credit. Gains on dividends derived by Chinese Mainland corporate investors through investment into shares listed on the Hong Kong Stock Exchange via the Shanghai-Hong Kong Stock Connect are credited to their total income and subject to corporate income tax in accordance with laws. Wherein, for the dividend and bonus income obtained by Chinese Mainland resident enterprises from holding of H Shares continuously for 12 months, enterprise income tax shall be exempted according to law.

In accordance with the provisions of the Notification of the MOF, the State Administration of Taxation and the CSRC on Relevant Tax Policies for Pilot Operation of Transaction Interconnection Mechanism of Shenzhen-Hong Kong Stock Markets (Cai Shui [2016] No. 127), for the dividends and bonuses obtained by Chinese Mainland personal investors from investment in H Shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, H Share companies shall withhold personal income tax as per the tax rate of 20%. For the dividends and bonuses obtained by Chinese Mainland securities investment funds from investment in shares listed on the Hong Kong Stock Exchange through Shenzhen-Hong Kong Stock Connect, personal income tax shall be calculated and levied according to the above regulations. For the withholding tax having been paid abroad, an individual investor may file an application for tax credit with the competent tax authority of CSDC with an effective credit document. Gains on dividends derived by Chinese Mainland corporate investors through investment into shares listed on the Hong Kong Stock Exchange via the Shenzhen-Hong Kong Stock Connect are credited to their total income and subject to corporate income tax in accordance with laws. Wherein, for the dividend and bonus income obtained by Chinese Mainland resident enterprises from holding of H Shares continuously for 12 months, enterprise income tax shall be exempted according to laws.

Under the current practice of the Hong Kong Inland Revenue Department, no tax is payable in Hong Kong in respect of dividends paid by the Company. The Company's shareholders pay relevant taxes and/or enjoy tax reduction and exemption according to the above-mentioned regulations.



## SECTION VII CHANGES IN SHARES AND PARTICULARS ABOUT SHAREHOLDERS

### I. Changes in Ordinary Share Capital

During the Reporting Period, there were no changes in the total number of the Company's ordinary shares and the structure of share capital.

As of December 31, 2024, the number of the Company's shares in issue amounted to 4,610,787,639, including 3,906,698,839 A Shares and 704,088,800 H Shares. As of December 31, 2024, the Company did not hold any treasury shares.

### II. Issuance and Listing of Securities

#### (I) Issuance of securities during the Reporting Period

Unit: 100 million shares Currency: RMB

Types of shares and their derivative securities	Issuance date	Issue price (or interest rate)	Number of securities issued	Date of listing	Number of securities permitted to be listed for trading	Date of termination of transaction
Bonds (including enterprise bonds, corporate bonds and non-financial enterprise debt financing instruments)						
Corporate Bonds	2024/3/5	2.42%	15.00	2024/3/12	15.00	2026/3/7
Corporate Bonds	2024/6/18	2.18%	28.00	2024/6/26	28.00	2027/6/20
Short-term Corporate Bonds	2024/8/8	1.88%	15.00	2024/8/15	15.00	2025/5/9
Corporate Bonds	2024/8/20	2.17%	23.00	2024/8/27	23.00	2029/8/22
Subordinated Bonds	2024/9/11	2.18%	11.00	2024/9/20	11.00	2027/9/13
Subordinated Bonds	2024/9/11	2.27%	9.00	2024/9/20	9.00	2029/9/13
Subordinated Bonds	2024/10/24	2.08%	30.00	2024/10/31	30.00	2025/11/7
Corporate Bonds	2024/11/12	2.08%	10.00	2024/11/19	10.00	2026/11/14
Corporate Bonds	2024/11/12	2.17%	20.00	2024/11/19	20.00	2027/11/14
Short-term Corporate Bonds	2024/11/21	1.93%	30.00	2024/11/28	30.00	2025/10/17
Subordinated Bonds	2024/12/18	1.76%	30.00	2024/12/25	30.00	2026/1/13

For details of the bonds issued by the Company, please refer to Section IX "Relevant Information on Bonds" of this report.

## SECTION VII CHANGES IN SHARES AND PARTICULARS ABOUT SHAREHOLDERS

### III. Information of Shareholders and De Facto Controller

#### (I) Total number of shareholders

Total number of shareholders of ordinary shares as of the end of the Reporting Period	178,938
Total number of shareholders of ordinary shares at the end of last month preceding the date of disclosure of the annual report	168,700

#### (II) Shareholding of top ten shareholders and top ten holders of tradable shares (or holders of shares without selling restrictions) as of the end of the Reporting Period

Unit: Shares

Shareholding of top ten shareholders (excluding shares lent through refinancing)							
Name of shareholders (Full name)	Changes in the number of shares during the Reporting Period	Number of shares held as of the end of the Reporting Period	Percentage (%)	Number of shares held with selling restrictions	Pledged, marked or frozen shares		Nature of shareholders
					Status of shares	Number of shares	
China Everbright Group Ltd.	0	1,159,456,183	25.15	–	Nil	–	State-owned legal person
China Everbright Limited	0	956,017,000	20.73	–	Nil	–	Foreign legal person
HKSCC Nominees Limited	21,400	703,712,390	15.26	–	Unknown	–	Unknown
China Securities Finance Corporation Limited	0	130,090,372	2.82	–	Nil	–	Others
Hong Kong Securities Clearing Company Limited	25,854,453	81,124,851	1.76	–	Nil	–	Others
Industrial and Commercial Bank of China Limited – Huatai PineBridge CSI 300 Trading Index Securities Investment Open-ended Fund	19,233,301	33,803,625	0.73	–	Nil	–	Others
China Construction Bank Corporation – Guotai CSI All Share Securities Company Trading Index Securities	(13,639,737)	28,466,446	0.62	–	Nil	–	Others
ICBC Credit Suisse Fund – Agricultural Bank of China – ICBC Credit Suisse CSI Financial Asset Management Plan	0	24,431,977	0.53	–	Nil	–	Others
China Construction Bank Corporation – Huabao CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	(4,390,648)	23,722,412	0.51	–	Nil	–	Others
China Construction Bank Corporation – E Fund CSI 300 Trading Index Securities Investment Open-ended Fund	17,800,782	23,272,760	0.50	–	Nil	–	Others

## SECTION VII CHANGES IN SHARES AND PARTICULARS ABOUT SHAREHOLDERS

### Shareholding of top ten shareholders without selling restrictions (excluding shares lent through refinancing)

Name of shareholders	Number of tradable shares held without selling restrictions	Type and number of shares	
		Type	Number
China Everbright Group Ltd.	1,159,456,183	RMB ordinary shares	1,159,456,183
China Everbright Limited	956,017,000	RMB ordinary shares	956,017,000
HKSCC Nominees Limited	703,712,390	Overseas listed foreign shares	703,712,390
China Securities Finance Corporation Limited	130,090,372	RMB ordinary shares	130,090,372
Hong Kong Securities Clearing Company Limited	81,124,851	RMB ordinary shares	81,124,851
Industrial and Commercial Bank of China Limited – Huatai PineBridge CSI 300 Trading Index Securities Investment Open-ended Fund	33,803,625	RMB ordinary shares	33,803,625
China Construction Bank Corporation – Guotai CSI All Share Securities Company Trading Index Securities	28,466,446	RMB ordinary shares	28,466,446
ICBC Credit Suisse Fund – Agricultural Bank of China – ICBC Credit Suisse CSI Financial Asset Management Plan	24,431,977	RMB ordinary shares	24,431,977
China Construction Bank Corporation – Huabao CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	23,722,412	RMB ordinary shares	23,722,412
China Construction Bank Corporation – E Fund CSI 300 Trading Index Securities Investment Open-ended Fund	23,272,760	RMB ordinary shares	23,272,760
Description of the connected relationships or action in concert between the above shareholders	China Everbright Limited is a controlled subsidiary of China Everbright Holdings Company Limited, a wholly-owned subsidiary of China Everbright Group Ltd.		
	Save for the above, the Company is unaware of any connected relationships or action in concert between the above shareholders.		

Note 1: As of the end of the Reporting Period, the total number of shareholders of ordinary shares was 178,938, of which 178,793 were holders of A Shares and 145 were registered holders of H Shares. As at the end of last month preceding the date of disclosure of the annual report, the total number of shareholders of ordinary shares was 168,700, of which 168,557 were holders of A Shares and 143 were registered holders of H Shares.

Note 2: Among the H shareholders of the Company, HKSCC Nominees Limited held the H Shares on behalf of the non-registered shareholders.

Note 3: Hong Kong Securities Clearing Company Limited is the nominee holder of the Shanghai-Hong Kong Stock Connect shares.

## SECTION VII CHANGES IN SHARES AND PARTICULARS ABOUT SHAREHOLDERS

Unit: Shares

Participation of the shareholders holding more than 5% of the shares, the top 10 shareholders and the top 10 shareholders holding tradable shares without selling restrictions in shares lent under the margin refinancing business

Name of Shareholder (full name)	Shares held in the general account and credit account as at the beginning of the Reporting Period		Shares lent under the margin refinancing as at the beginning of the Reporting Period and not yet returned		Shares held in the general account and credit account as at the end of the Reporting Period		Shares lent under the margin refinancing as at the end of the Reporting Period and not yet returned	
	Total	Percentage	Total	Percentage	Total	Percentage	Total	Percentage
	Number	(%)	Number	(%)	Number	(%)	Number	(%)
Industrial and Commercial Bank of China Limited – Huatai PineBridge CSI 300 Trading Index Securities Investment Open-ended Fund	14,570,324	0.32	136,400	0.00	33,803,625	0.73	0	0.00
China Construction Bank Corporation – Guotai CSI All Share Securities Company Trading Index Securities Investment Open – ended Fund	42,106,183	0.91	314,700	0.01	28,466,446	0.62	0	0.00
China Construction Bank Corporation – Huabao CSI All Share Securities Company Trading Index Securities Investment Open – ended Fund	28,113,060	0.61	414,300	0.01	23,722,412	0.51	0	0.00
China Construction Bank Corporation –E Fund CSI 300 Trading Index Securities Investment Open-ended Fund By Way of Promotion	5,471,978	0.12	14,900	0.00	23,272,760	0.50	0	0.00

## SECTION VII CHANGES IN SHARES AND PARTICULARS ABOUT SHAREHOLDERS

### IV. Controlling Shareholder and De Facto Controller

#### (I) Controlling shareholder

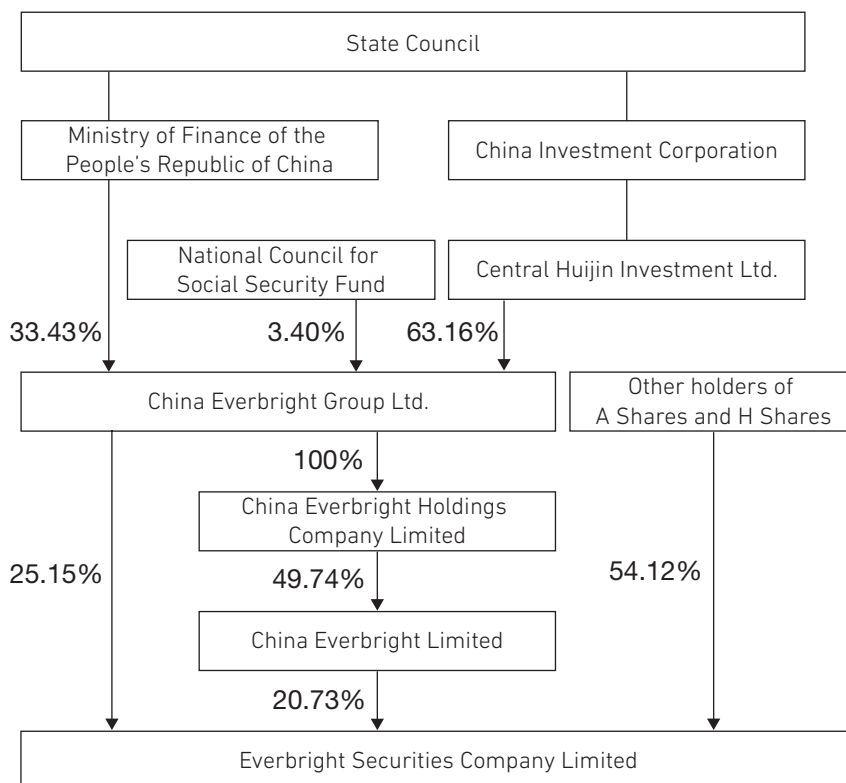
##### 1 Legal person

Name	China Everbright Group Ltd.
Person in charge of the unit or legal representative	Wu Lijun
Date of establishment	November 12, 1990
Principal business	Investment and management of the financial business, including banking, securities, insurance, funds, trust, futures, leasing, gold and silver transactions; asset management; investment and management of non-financial business. (A market entity can independently select business projects and carry out operating activities in accordance with laws. The business activities required to obtain approval by law may only be carried out after such approvals are obtained. Business activities prohibited and restricted by the state and local industrial policies shall not be engaged in.)
Shareholding in other domestic and overseas listed subsidiaries and investees during the Reporting Period	directly and indirectly holding 47.33% of Everbright Bank (601818.SH, 6818.HK) directly and indirectly holding 49.74% of Everbright Limited (0165.HK) directly and indirectly holding 43.08% of Everbright Environment (0257.HK) directly and indirectly holding 23.19% of China CYTS Tours (600138.SH) directly and indirectly holding 28.47% of Cachet (002462.SZ) directly and indirectly holding 74.99% of Everbright Grand China Assets (3699.HK) directly and indirectly holding 3.99% of Shenwan Hongyuan (000166.SZ) directly and indirectly holding 7.41% of Lianlian (02598.HK)

## SECTION VII CHANGES IN SHARES AND PARTICULARS ABOUT SHAREHOLDERS

### 2 Chart of the ownership and controlling relationship between the Company and controlling shareholder

Shareholding structure chart as of December 31, 2024



Note: In the above chart, the three shareholders of China Everbright Group Ltd. hold a total of 99.99% of the shares, which is due to the rounding-up of the relevant data to two digits after the decimal point. China Everbright Holdings Company Limited indirectly held shares in China Everbright Limited.

## (II) De facto controller

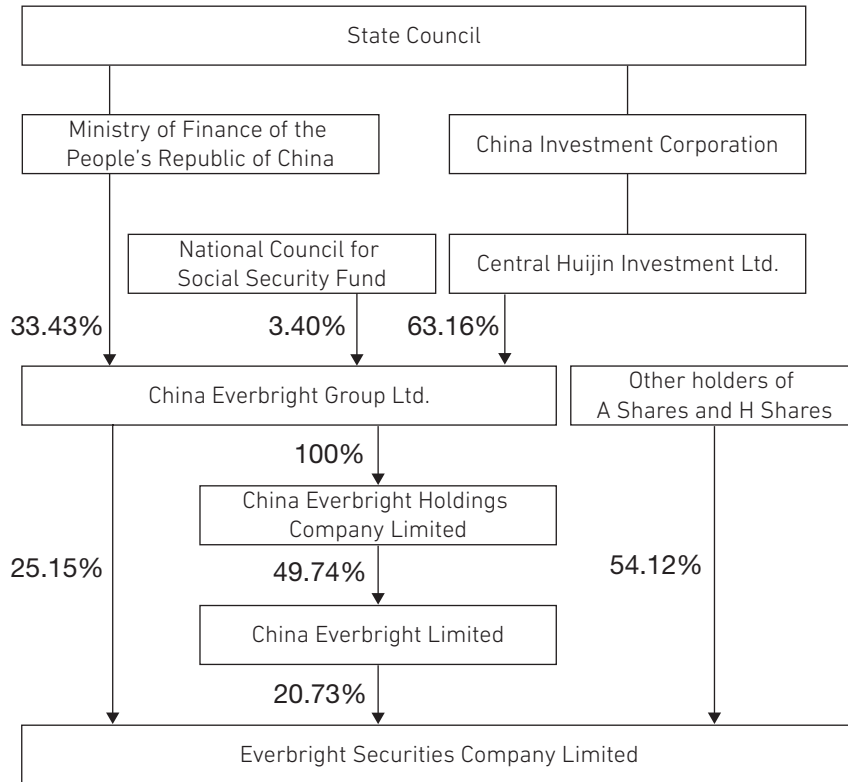
### 1 Legal person

Name	State Council
Other matters	The de facto controller shall be disclosed to the level of state-owned assets management authority in accordance with the Standard No. 2 of Contents and Format of the Information Disclosure for Companies Offering Securities Publicly – the Contents and Format of Annual Report (revised in 2021). The de facto controller of the Company is State Council, and the ownership and controlling relationship between the Company and the de facto controller is shown as below.

## SECTION VII CHANGES IN SHARES AND PARTICULARS ABOUT SHAREHOLDERS

### 2 Chart of the ownership and controlling relationship between the Company and de facto controller

**Shareholding structure chart as of December 31, 2024**



Note: In the above chart, the three shareholders of China Everbright Group Ltd. hold a total of 99.99% of the shares, which is due to the rounding-up of the relevant data to two digits after the decimal point. China Everbright Holdings Company Limited indirectly held shares in China Everbright Limited.

## SECTION VII CHANGES IN SHARES AND PARTICULARS ABOUT SHAREHOLDERS

### (III) Substantial shareholders and other persons' interests and short positions in the shares and underlying shares

As of December 31, 2024, so far as the Directors, having made reasonable enquiries, are aware, the following parties (other than the Directors, Supervisors or chief executive of the Company) had an interest or short position in the shares or underlying shares, which is required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and has been entered in the register kept by the Company according to section 336 of the SFO:

No.	Name of substantial shareholders <sup>7</sup>	Type of share	Nature of interests	Number of corresponding shares of the Company held (share)	Percentage of total issued shares of the Company <sup>6</sup> (%)	Percentage of total issued A Shares/ H Shares of the Company <sup>6</sup> (%)	Long position/ short position
1.	Central Huijin Investment Ltd. (中央匯金投資有限責任公司)	A Share	Interests in controlled corporation <sup>1</sup>	2,115,473,183	45.88	54.15	Long Position
2.	China Everbright Group Ltd.	A Share	Beneficial owners	1,159,456,183	25.15	29.68	Long Position
		A Share	Interests in controlled corporation <sup>2</sup>	956,017,000	20.73	24.47	Long Position
				2,115,473,183	45.88	54.15	Long Position
3.	China Everbright Holdings Company Limited	A Share	Interests in controlled corporation <sup>2</sup>	956,017,000	20.73	24.47	Long Position
4.	Datten Investments Limited	A Share	Interests in controlled corporation <sup>2</sup>	956,017,000	20.73	24.47	Long Position
5.	Honorich Holdings Limited	A Share	Interests in controlled corporation <sup>2</sup>	956,017,000	20.73	24.47	Long Position
6.	China Everbright Limited	A Share	Beneficial owners	956,017,000	20.73	24.47	Long Position
7.	China State Shipbuilding Corporation Limited (中國船舶集團有限公司)	H Share	Interests in controlled corporation <sup>3</sup>	144,608,800	3.14	20.54	Long Position
8.	China Shipbuilding Industry Company Limited (中國船舶工業集團有限公司)	H Share	Interests in controlled corporation <sup>3</sup>	144,608,800	3.14	20.54	Long Position
9.	CSSC INTERNATIONAL HOLDING COMPANY LIMITED	H Share	Beneficial owners <sup>3</sup>	144,608,800	3.14	20.54	Long Position
10.	Guangdong Hengjian Investment Holding Co., Ltd (廣東恒健投資控股有限公司)	H Share	Interests in controlled corporation <sup>4</sup>	131,344,200	2.85	18.65	Long Position
11.	Hengjian International Investment Holding (Hong Kong) Limited (恒健國際投資控股(香港)有限公司)	H Share	Beneficial owners	131,344,200	2.85	18.65	Long Position
12.	China State Construction Engineering Corporation (中國建築集團有限公司)	H Share	Interests in controlled corporation <sup>5</sup>	122,028,400	2.65	17.33	Long Position
13.	China State Construction Engineering Corporation Limited	H Share	Interests in controlled corporation <sup>5</sup>	122,028,400	2.65	17.33	Long Position
14.	CSECE Capital (Hong Kong) Limited	H Share	Beneficial owners <sup>5</sup>	122,028,400	2.65	17.33	Long Position



## SECTION VII CHANGES IN SHARES AND PARTICULARS ABOUT SHAREHOLDERS

Notes:

1. Central Huijin Investment Ltd. held a 63.16% interest in China Everbright Group Ltd. Accordingly, Central Huijin Investment Ltd. is deemed to be interested in China Everbright Group Ltd.'s interest in the Company under the SFO.
2. Honorich Holdings Limited and Everbright Investment and Management Limited (光大投資管理有限公司) held 49.386% and 0.358% of the total issued share capital in China Everbright Limited, respectively; Datten Investments Limited held 100% of the total issued share capital in Honorich Holdings Limited; China Everbright Holdings Company Limited held 100% of the total issued share capital in Datten Investments Limited and Everbright Investment and Management Limited; China Everbright Group Ltd. held 100% of the total issued share capital in China Everbright Holdings Company Limited. Accordingly, each of China Everbright Group Ltd., China Everbright Holdings Company Limited, Datten Investments Limited and Honorich Holdings Limited is deemed to be interested in China Everbright Limited's interests in the Company under the SFO.
3. In order to realize the internal integration of China State Shipbuilding Corporation, China Shipbuilding Capital Limited (中國船舶資本有限公司) entered into a bulk transaction with CSSC INTERNATIONAL HOLDING COMPANY LIMITED, and completed the equity transfer of the shares held in the Company. China Shipbuilding Industry Company Limited (中國船舶工業集團有限公司) held 100% of the total issued share capital in CSSC INTERNATIONAL HOLDING COMPANY LIMITED; China State Shipbuilding Corporation Limited (中國船舶集團有限公司) held 100% of the total issued share capital in China Shipbuilding Industry Company Limited. Accordingly, China Shipbuilding Industry Company Limited and China State Shipbuilding Corporation Limited are deemed to be interested in CSSC INTERNATIONAL HOLDING COMPANY LIMITED's interests in the Company under the SFO.
4. Guangdong Hengjian Investment Holding Co., Ltd held 100% of the total issued share capital in Hengjian International Investment Holding (Hong Kong) Limited. Accordingly, Guangdong Hengjian Investment Holding Co., Ltd. is deemed to be interested in Hengjian International Investment Holding (Hong Kong) Limited's interest in the Company under the SFO.
5. China State Construction Engineering Corporation Limited held 100% of the total issued share capital in CSCEC Capital (Hong Kong) Limited; China State Construction Engineering Corporation held 57.03% of the total issued share capital in China State Construction Engineering Corporation Limited. Accordingly, China State Construction Engineering Corporation Limited and China State Construction Engineering Corporation are deemed to be interested in CSCEC Capital (Hong Kong) Limited's interests in the Company under the SFO.
6. As of December 31, 2024, the total issued shares of the Company were 4,610,787,639, of which 3,906,698,839 were A Shares and 704,088,800 were H Shares.
7. Under Part XV of the SFO, disclosure of interest forms shall be submitted by shareholders of the Company upon satisfaction of certain conditions. If there are changes in the shareholders' shareholdings in the Company, shareholders are not required to inform the Company and the Hong Kong Stock Exchange, except where certain conditions have been satisfied. Therefore, there could be a difference between the substantial shareholders' latest shareholdings in the Company and the information on their shareholdings submitted to the Hong Kong Stock Exchange. Information set out in the above table is based on the disclosure of interest forms submitted by the relevant shareholders.

Save as disclosed above, as of December 31, 2024, the Company was not aware of any other person (other than the Directors, Supervisors and chief executive of the Company) having any interests or short positions in the shares or underlying shares of the Company which are required to be recorded in the register pursuant to Section 336 of the SFO.

## SECTION VII CHANGES IN SHARES AND PARTICULARS ABOUT SHAREHOLDERS

### V. Other Legal-person Shareholders with More than 10% Shareholding

Unit: Yuan Currency: RMB

Name of legal-person shareholder	Person in charge of the unit or legal representative	Date of establishment	Code of the organization	Registered capital	Main business or managed activities
China Everbright Limited	Yu Fachang, the chairman of the board of directors	August 25, 1972 (China Everbright Limited was previously known as Intercontinental Housing Development Ltd. (明輝發展有限公司), and its name was changed to China Everbright Limited in 1997.)	N/A	The number of issued shares is 1,685,253,712, and the total paid-up amount is HK\$9,618,096,709 (as of December 31, 2024)	China Everbright Limited is a Hong Kong listed company with private equity fund management and investment as its core business, with fund management and its own capital investment as its main business operations. China Everbright Group Ltd. is the company's largest shareholder, indirectly holding 49.74% of its shares.

### VI. Sufficient Public Float

According to the data which is publicly available to the Company and to the best knowledge of the Directors as of the latest practicable date prior to the publication of this annual report, the Company has always maintained the public float as required by the Hong Kong Stock Exchange since the Company's H Shares were listed on the Hong Kong Stock Exchange on August 18, 2016.

### VII. Repurchase, Sale or Redemption of the Listed Securities of the Company and Its Subsidiaries

Save for relevant securities issued (please refer to "II. Issuance and Listing of Securities – (I) Issuance of securities during the Reporting Period" in this section, Section IX "Relevant Information on Bonds" and Notes 46 and 53 to the consolidated financial statements for details), during the Reporting Period, neither the Company nor any of its subsidiaries has repurchased, sold or redeemed any above listed securities (including sale of treasury shares) of the Company or its subsidiaries.

## **SECTION VIII RELEVANT INFORMATION ON PREFERENCE SHARES**

During the Report Period, the Company did not have any matters relating to preference shares.

## SECTION IX RELEVANT INFORMATION ON BONDS

### I. Overview of Corporate Bonds

Unit: 100 million    Currency: RMB

Bond name	Abbreviation	Code	Issue date	Value date	Latest sell-back date after	Maturity date	Balance of bonds	Interest rate (%)	Principal and interest payment method	Places of transaction	Lead underwriter	Trust manager	Arrangements for investors' appropriateness (if any)	Trading mechanism	Any risk of termination of listing and trading or not
					April 30, 2025										
24S1 EBS Public Offering Short-term Corporate Bonds targeted at Professional Investors (First Tranche)	24 EVERBRIGHT SECURITIES S1	241416	August 8, 2024	August 12, 2024	-	May 9, 2025	15	1.88	Principal repayable and accrued interest payable upon maturity	Fixed-income products platform of the SSE	Industrial Securities Co., Ltd.	Industrial Securities Co., Ltd.	Targeted at professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
22G1 EBS Public Offering Corporate Bonds targeted at Professional Investors (First Tranche) (Type 1)	22 EVERBRIGHT SECURITIES G1	185821	June 10, 2022	June 14, 2022	-	June 14, 2025	25	2.90	Payment of interest on a yearly basis	Fixed-income products platform of the SSE	China Merchants Securities Co., Ltd., China Galaxy Securities Co., Ltd. and CSC Financial Co., Ltd.	China Merchants Securities Co., Ltd.	Targeted at professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
20Y1 EBS Public Offering Perpetual Subordinated Bonds (First Tranche)	20 EVERBRIGHT SECURITIES Y1	175000	August 13, 2020	August 17, 2020	-	August 17, 2025	20	4.40	Payment of interest on a yearly basis	Fixed-income products platform of the SSE	CITIC Securities Co., Ltd.	CITIC Securities Co., Ltd.	Targeted at professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
22G3 EBS Public Offering Corporate Bonds targeted at Professional Investors (Second Tranche)	22 EVERBRIGHT SECURITIES G3	137693	August 18, 2022	August 22, 2022	-	August 22, 2025	20	2.56	Payment of interest on a yearly basis	Fixed-income products platform of the SSE	China Merchants Securities Co., Ltd., China Galaxy Securities Co., Ltd. and CSC Financial Co., Ltd.	China Merchants Securities Co., Ltd.	Targeted at professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
25S1 EBS Public Offering Short-term Corporate Bonds targeted at Professional Investors (First Tranche)	25 EVERBRIGHT SECURITIES S1	242274	February 11, 2025	February 13, 2025	-	September 11, 2025	30	1.85	Principal repayable and accrued interest payable upon maturity	Fixed-income products platform of the SSE	Industrial Securities Co., Ltd., China Galaxy Securities Co., Ltd. and BOC International (China) Co., Ltd.	Industrial Securities Co., Ltd.	Targeted at professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
24S2 EBS Public Offering Short-term Corporate Bonds targeted at Professional Investors (Second Tranche)	24 EVERBRIGHT SECURITIES S2	242026	November 21, 2024	November 25, 2024	-	October 17, 2025	30	1.93	Principal repayable and accrued interest payable upon maturity	Fixed-income products platform of the SSE	Industrial Securities Co., Ltd., China Galaxy Securities Co., Ltd. and BOC International (China) Co., Ltd.	Industrial Securities Co., Ltd.	Targeted at professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No

## SECTION IX RELEVANT INFORMATION ON BONDS

Bond name	Abbreviation	Code	Issue date	Value date	Latest sell-back date after		Maturity date	Balance of bonds	Interest rate (%)	Principal and interest payment method	Places of transaction	Lead underwriter	Trust manager	Arrangements for investors' appropriateness (if any)	Trading mechanism	Any risk of termination of listing and trading or not
					April 30, 2025											
24C3 EBS Public Offering Subordinated Bonds targeted at Professional Investors (Second Tranche)	24 EVERBRIGHT SECURITIES C3	241840	October 24, 2024	October 28, 2024	-	November 7, 2025	30	2.08	Principal repayable and accrued interest payable upon maturity	Fixed-income products platform of the SSE	Industrial Securities Co., Ltd.	Industrial Securities Co., Ltd.	Targeted at professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No	
24C4 EBS Public Offering Subordinated Bonds targeted at Professional Investors (Third Tranche)	24 EVERBRIGHT SECURITIES C4	242159	December 18, 2024	December 20, 2024	-	January 13, 2026	30	1.76	Principal repayable and accrued interest payable upon maturity	Fixed-income products platform of the SSE	Industrial Securities Co., Ltd.	Industrial Securities Co., Ltd.	Targeted at professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No	
24G1 EBS Public Offering Corporate Bonds targeted at Professional Investors (First Tranche)	24 EVERBRIGHT SECURITIES G1	240670	March 5, 2024	March 7, 2024	-	March 7, 2026	15	2.42	Payment of interest on a yearly basis	Fixed-income products platform of the SSE	Industrial Securities Co., Ltd., China Merchants Securities Co., Ltd. and Orient Securities Co., Ltd.	Industrial Securities Co., Ltd.	Targeted at professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No	
25G1 EBS Public Offering Corporate Bonds targeted at Professional Investors (First Tranche)	25 EVERBRIGHT SECURITIES G1	242629	March 20, 2025	March 24, 2025	-	April 14, 2026	28	1.98%	Principal repayable and accrued interest payable upon maturity	Fixed-income products platform of the SSE	Industrial Securities Co., Ltd., China Merchants Securities Co., Ltd. and Orient Securities Co., Ltd.	Industrial Securities Co., Ltd.	Targeted at professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No	
21Y1 EBS Public Offering Perpetual Subordinated Bonds (First Tranche)	21 EVERBRIGHT SECURITIES Y1	188104	May 11, 2021	May 13, 2021	-	May 13, 2026	30	4.19	Payment of interest on a yearly basis	Fixed-income products platform of the SSE	CITIC Securities Co., Ltd.	CITIC Securities Co., Ltd.	Targeted at professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No	
21G3 EBS Public Offering Corporate Bonds targeted at Professional Investors (Second Tranche) (Type 2)	21 EVERBRIGHT SECURITIES G3	188196	June 3, 2021	June 7, 2021	-	June 7, 2026	10	3.67	Payment of interest on a yearly basis	Fixed-income products platform of the SSE	China Merchants Securities Co., Ltd., China Galaxy Securities Co., Ltd. and CSC Financial Co., Ltd.	China Merchants Securities Co., Ltd.	Targeted at professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No	

## SECTION IX RELEVANT INFORMATION ON BONDS

Bond name	Abbreviation	Code	Issue date	Value date	Latest sell-back date after		Balance of bonds	Interest rate (%)	Principal and interest payment method	Places of transaction	Lead underwriter	Trust manager	Arrangements for investors' appropriateness (if any)	Trading mechanism	Any risk of termination of listing and trading or not
					April 30, 2025	Maturity date									
21G5 EBS Public Offering Corporate Bonds targeted at Professional Investors (Third Tranche) (Type 2)	21 EVERBRIGHT SECURITIES G5	188383	July 14, 2021	July 16, 2021	-	July 16, 2026	17	3.45	Payment of interest on a yearly basis	Fixed-income products platform of the SSE	China Merchants Securities Co., Ltd., China Galaxy Securities Co., Ltd. and CSC Financial Co., Ltd.	China Merchants Securities Co., Ltd.	Targeted at professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
23G3 EBS Public Offering Corporate Bonds targeted at Professional Investors (Third Tranche)	23 EVERBRIGHT SECURITIES G3	115774	August 8, 2023	August 10, 2023	-	August 10, 2026	30	2.77	Payment of interest on a yearly basis	Fixed-income products platform of the SSE	Industrial Securities Co., Ltd., China Merchants Securities Co., Ltd. and Orient Securities Co., Ltd.	Industrial Securities Co., Ltd.	Targeted at professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
23G4 EBS Public Offering Corporate Bonds targeted at Professional Investors (Fourth Tranche)	23 EVERBRIGHT SECURITIES G4	115976	September 12, 2023	September 14, 2023	-	September 14, 2026	28	2.98	Payment of interest on a yearly basis	Fixed-income products platform of the SSE	Industrial Securities Co., Ltd., China Merchants Securities Co., Ltd. and Orient Securities Co., Ltd.	Industrial Securities Co., Ltd.	Targeted at professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
21G9 EBS Public Offering Corporate Bonds targeted at Professional Investors (Fifth Tranche) (Type 2)	21 EVERBRIGHT SECURITIES G9	188763	September 14, 2021	September 16, 2021	-	September 16, 2026	10	3.50	Payment of interest on a yearly basis	Fixed-income products platform of the SSE	China Merchants Securities Co., Ltd., China Galaxy Securities Co., Ltd. and CSC Financial Co., Ltd.	China Merchants Securities Co., Ltd.	Targeted at professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
23G5 EBS Public Offering Corporate Bonds targeted at Professional Investors (Fifth Tranche)	23 EVERBRIGHT SECURITIES G5	240017	September 19, 2023	September 21, 2023	-	September 21, 2026	18	2.90	Payment of interest on a yearly basis	Fixed-income products platform of the SSE	Industrial Securities Co., Ltd., China Merchants Securities Co., Ltd. and Orient Securities Co., Ltd.	Industrial Securities Co., Ltd.	Targeted at professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
24G4 EBS Public Offering Corporate Bonds targeted at Professional Investors (Fourth Tranche) (Type 1)	24 EVERBRIGHT SECURITIES G4	241943	November 12, 2024	November 14, 2024	-	November 14, 2026	10	2.08	Payment of interest on a yearly basis	Fixed-income products platform of the SSE	Industrial Securities Co., Ltd., China Merchants Securities Co., Ltd. and Orient Securities Co., Ltd.	Industrial Securities Co., Ltd.	Targeted at professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No

## SECTION IX RELEVANT INFORMATION ON BONDS

Bond name	Abbreviation	Code	Issue date	Value date	Latest sell-back date after	Maturity date	Balance of bonds	Interest rate (%)	Principal and interest payment method	Places of transaction	Lead underwriter	Trust manager	Arrangements for investors' appropriateness (if any)	Trading mechanism	Any risk of termination of listing and trading or not
					April 30, 2025										
2111 EBS Public Offering Corporate Bonds targeted at Professional Investors (Sixth Tranche) (Type 2)	21 EVERBRIGHT SECURITIES 11	188886	December 21, 2021	December 23, 2021	-	December 23, 2026	10	3.35	Payment of interest on a yearly basis	Fixed-income products platform of the SSE	China Merchants Securities Co., Ltd., China Galaxy Securities Co., Ltd. and CSC Financial Co., Ltd.	China Merchants Securities Co., Ltd.	Targeted at professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
22V1 EBS Public Offering Perpetual Subordinated Bonds targeted at Professional Investors (First Tranche)	22 EVERBRIGHT SECURITIES Y1	185407	February 17, 2022	February 21, 2022	-	February 21, 2027	20	3.73	Payment of interest on a yearly basis	Fixed-income products platform of the SSE	CITIC Securities Co., Ltd. and SDIC Securities Co., Ltd.	CITIC Securities Co., Ltd.	Targeted at professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
22V2 EBS Public Offering Perpetual Subordinated Bonds targeted at Professional Investors (Second Tranche)	22 EVERBRIGHT SECURITIES Y2	185445	March 10, 2022	March 14, 2022	-	March 14, 2027	10	4.08	Payment of interest on a yearly basis	Fixed-income products platform of the SSE	CITIC Securities Co., Ltd. and SDIC Securities Co., Ltd.	CITIC Securities Co., Ltd.	Targeted at professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
22V3 EBS Public Offering Perpetual Subordinated Bonds targeted at Professional Investors (Third Tranche)	22 EVERBRIGHT SECURITIES Y3	185600	March 22, 2022	March 24, 2022	-	March 24, 2027	15	4.03	Payment of interest on a yearly basis	Fixed-income products platform of the SSE	CITIC Securities Co., Ltd. and SDIC Securities Co., Ltd.	CITIC Securities Co., Ltd.	Targeted at professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
22G2 EBS Public Offering Corporate Bonds targeted at Professional Investors (First Tranche) (Type 2)	22 EVERBRIGHT SECURITIES G2	185888	June 10, 2022	June 14, 2022	-	June 14, 2027	5	3.25	Payment of interest on a yearly basis	Fixed-income products platform of the SSE	China Merchants Securities Co., Ltd., China Galaxy Securities Co., Ltd. and CSC Financial Co., Ltd.	China Merchants Securities Co., Ltd.	Targeted at professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
24G2 EBS Public Offering Corporate Bonds targeted at Professional Investors (Second Tranche)	24 EVERBRIGHT SECURITIES G2	241142	June 18, 2024	June 20, 2024	-	June 20, 2027	28	2.18	Payment of interest on a yearly basis	Fixed-income products platform of the SSE	Industrial Securities Co., Ltd., China Merchants Securities Co., Ltd. and Orient Securities Co., Ltd.	Industrial Securities Co., Ltd.	Targeted at professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No

## SECTION IX RELEVANT INFORMATION ON BONDS

Bond name	Abbreviation	Code	Issue date	Value date	Latest sell-back date after		Balance of bonds	Interest rate (%)	Principal and interest payment method	Places of transaction	Lead underwriter	Trust manager	Arrangements for investors' appropriateness (if any)	Trading mechanism	Any risk of termination of listing and trading or not
					April 30, 2025	Maturity date									
24C1 EBS Public Offering Subordinated Bonds targeted at Professional Investors (First Tranche) (Type 1)	24 EVERBRIGHT SECURITIES C1	241618	September 11, 2024	September 13, 2024	-	September 13, 2027	11	2.18	Payment of interest on a yearly basis	Fixed-income products platform of the SSE	Industrial Securities Co., Ltd. and Haitong Securities Co., Ltd.	Industrial Securities Co., Ltd.	Targeted at professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
24G5 EBS Public Offering Corporate Bonds targeted at Professional Investors (Fourth Tranche) (Type 2)	24 EVERBRIGHT SECURITIES G5	241944	November 12, 2024	November 14, 2024	-	November 14, 2027	20	2.17	Payment of interest on a yearly basis	Fixed-income products platform of the SSE	Industrial Securities Co., Ltd., China Merchants Securities Co., Ltd. and Orient Securities Co., Ltd.	Industrial Securities Co., Ltd.	Targeted at professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
25F1 EBS Non-Public Offering Corporate Bonds targeted at Professional Investors (First Tranche)	25 EVERBRIGHT SECURITIES F1	257814	March 13, 2025	March 17, 2025	-	March 17, 2028	15	2.25%	Payment of interest on a yearly basis	Fixed-income products platform of the SSE	Industrial Securities Co., Ltd. and China Galaxy Securities Co. Ltd.	Industrial Securities Co., Ltd.	Targeted at professional investors	Click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
24G3 EBS Public Offering Corporate Bonds targeted at Professional Investors (Third Tranche)	24 EVERBRIGHT SECURITIES G3	241505	August 20, 2024	August 22, 2024	-	August 22, 2029	23	2.17%	Payment of interest on a yearly basis	Fixed-income products platform of the SSE	Industrial Securities Co., Ltd., China Merchants Securities Co., Ltd. and Orient Securities Co., Ltd.	Industrial Securities Co., Ltd.	Targeted at professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No
24C2 EBS Public Offering Subordinated Bonds targeted at Professional Investors (First Tranche) (Type 2)	24 EVERBRIGHT SECURITIES C2	241619	September 11, 2024	September 13, 2024	-	September 13, 2029	9	2.27%	Payment of interest on a yearly basis	Fixed-income products platform of the SSE	Industrial Securities Co., Ltd. and Haitong Securities Co., Ltd.	Industrial Securities Co., Ltd.	Targeted at professional investors	Matching transaction, click transaction, inquiry transaction, bidding transaction, negotiation transaction	No



## SECTION IX RELEVANT INFORMATION ON BONDS

### Settlement of interest and principals of the bonds during the Reporting Period

Bond name	Description for settlement of interest and principals of the bonds
22Y1 EBS Public Offering Perpetual Subordinated Bonds targeted at Professional Investors (First Tranche)	The interest on the bonds was paid on February 21, 2024
22Y2 EBS Public Offering Perpetual Subordinated Bonds targeted at Professional Investors (Second Tranche)	The interest on the bonds was paid on March 14, 2024
22Y3 EBS Public Offering Perpetual Subordinated Bonds targeted at Professional Investors (Third Tranche)	The interest on the bonds was paid on March 25, 2024
21Y1 EBS Public Offering Perpetual Subordinated Bonds (First Tranche)	The interest on the bonds was paid on May 13, 2024
21G3 EBS Public Offering Corporate Bonds targeted at Professional Investors (Second Tranche) (Type 2)	The interest on the bonds was paid on June 7, 2024
22G1 EBS Public Offering Corporate Bonds targeted at Professional Investors (First Tranche) (Type 1)	The interest on the bonds was paid on June 14, 2024
22G2 EBS Public Offering Corporate Bonds targeted at Professional Investors (First Tranche) (Type 2)	The interest on the bonds was paid on June 14, 2024
21G5 EBS Public Offering Corporate Bonds targeted at Professional Investors (Third Tranche) (Type 2)	The interest on the bonds was paid on July 16, 2024
23G3 EBS Public Offering Corporate Bonds targeted at Professional Investors (Third Tranche)	The interest on the bonds was paid on August 12, 2024
20Y1 EBS Public Offering Perpetual Subordinated Bonds (First Tranche)	The interest on the bonds was paid on August 19, 2024
22G3 EBS Public Offering Corporate Bonds targeted at Professional Investors (Second Tranche)	The interest on the bonds was paid on August 22, 2024
23G4 EBS Public Offering Corporate Bonds targeted at Professional Investors (Fourth Tranche)	The interest on the bonds was paid on September 18, 2024
21G9 EBS Public Offering Corporate Bonds targeted at Professional Investors (Fifth Tranche) (Type 2)	The interest on the bonds was paid on September 18, 2024
23G5 EBS Public Offering Corporate Bonds targeted at Professional Investors (Fifth Tranche)	The interest on the bonds was paid on September 23, 2024
2111 EBS Public Offering Corporate Bonds targeted at Professional Investors (Sixth Tranche) (Type 2)	The interest on the bonds was paid on December 23, 2024

## SECTION IX RELEVANT INFORMATION ON BONDS

Bond name	Description for settlement of interest and principals of the bonds
22Y1 EBS Public Offering Perpetual Subordinated Bonds targeted at Professional Investors (First Tranche)	The interest on the bonds was paid on February 21, 2025
24G1 EBS Public Offering Corporate Bonds targeted at Professional Investors (First Tranche)	The interest on the bonds was paid on March 7, 2025
22Y2 EBS Public Offering Perpetual Subordinated Bonds targeted at Professional Investors (Second Tranche)	The interest on the bonds was paid on March 14, 2025
22Y3 EBS Public Offering Perpetual Subordinated Bonds targeted at Professional Investors (Third Tranche)	The interest on the bonds was paid on March 24, 2025
21G1 EBS Public Offering Corporate Bonds targeted at Professional Investors (First Tranche)	The principal and interest on the bonds were paid on January 15, 2024 and delisted from the SSE Integrated Electronic Platform for Fixed-income Securities
23G1 EBS Public Offering Corporate Bonds targeted at Professional Investors (First Tranche)	The principal and interest on the bonds were paid on February 28, 2024 and delisted from the SSE Integrated Electronic Platform for Fixed-income Securities
23G2 EBS Public Offering Corporate Bonds targeted at Professional Investors (Second Tranche)	The principal and interest on the bonds were paid on March 27, 2024 and delisted from the SSE Integrated Electronic Platform for Fixed-income Securities
23S2 EBS Public Offering Short-term Corporate Bonds targeted at Professional Investors (Second Tranche)	The principal and interest on the bonds were paid on April 17, 2024 and delisted from the SSE Integrated Electronic Platform for Fixed-income Securities
23S3 EBS Public Offering Short-term Corporate Bonds targeted at Professional Investors (Third Tranche)	The principal and interest on the bonds were paid on May 8, 2024 and delisted from the SSE Integrated Electronic Platform for Fixed-income Securities
23S1 EBS Public Offering Short-term Corporate Bonds targeted at Professional Investors (First Tranche)	The principal and interest on the bonds were paid on June 7, 2024 and delisted from the SSE Integrated Electronic Platform for Fixed-income Securities
21G2 EBS Public Offering Corporate Bonds targeted at Professional Investors (Second Tranche) (Type 1)	The principal and interest on the bonds were paid on June 7, 2024 and delisted from the SSE Integrated Electronic Platform for Fixed-income Securities
21G4 EBS Public Offering Corporate Bonds targeted at Professional Investors (Third Tranche) (Type 1)	The principal and interest on the bonds were paid on July 16, 2024 and delisted from the SSE Integrated Electronic Platform for Fixed-income Securities
21G6 EBS Public Offering Corporate Bonds targeted at Professional Investors (Fourth Tranche) (Type 1)	The principal and interest on the bonds were paid on August 12, 2024 and delisted from the SSE Integrated Electronic Platform for Fixed-income Securities
21G8 EBS Public Offering Corporate Bonds targeted at Professional Investors (Fifth Tranche) (Type 1)	The principal and interest on the bonds were paid on September 18, 2024 and delisted from the SSE Integrated Electronic Platform for Fixed-income Securities
2110 EBS Public Offering Corporate Bonds targeted at Professional Investors (Sixth Tranche) (Type 1)	The principal and interest on the bonds were paid on December 23, 2024 and delisted from the SSE Integrated Electronic Platform for Fixed-income Securities

## SECTION IX RELEVANT INFORMATION ON BONDS

### II. Triggering and implementation of the Company or investor option terms and investor protection terms

During the Reporting Period, the Company implemented major terms of the corporate bonds of the issuer in strict compliance with the prospectus and paid the interest of bonds in a timely manner to safeguard the legitimate interests of investors. Meanwhile, the Company maintained stable operations and good profitability. There was no default in the redemption of, or payment of interest on, the bonds issued by the Company and none of relevant investor protection terms were triggered.

For the triggering and implementation of option terms and investor protection terms on the Company's existing perpetual subordinated bonds "20 EVERBRIGHT SECURITIES Y1", "21 EVERBRIGHT SECURITIES Y1", "22 EVERBRIGHT SECURITIES Y1", "22 EVERBRIGHT SECURITIES Y2" and "22 EVERBRIGHT SECURITIES Y3" as of the date of approval of this report, please refer to "VII. 56 Other Equity Instruments" of Section X "Financial Report".

### III. The Intermediary Institutions which Provide Services for Bonds Issuance and Duration Business

Name of intermediary institution	Office address	Name of the signing accountant	Contact person(s)	Telephone
Ernst & Young Hua Ming LLP (Special General Partnership)	Room 01-12, 17/F, EYHM Tower, Oriental Plaza, No.1 East Chang'an Avenue, Dongcheng District, Beijing	Wang Ziqing (王自清), Chen Qi (陳奇) and Wei Huanhuan (魏歡歡)	Tao Lin (陶林)	021-22289234
AllBright Law Offices	11F & 12F, Shanghai Tower No. 501 Yincheng Middle Road, Pudong New Area, Shanghai	N/A	Pei Zhenyu (裴振宇)	021-20511217
China Galaxy Securities Co., Ltd.	Qinghai Finance Building, Building No. 1, No. 8 Xiying Street, Fengtai District, Beijing	N/A	Deng Xiaoxia (鄧小霞)	010-80927231
SDIC Securities Co., Ltd. (國投證券股份有限公司)	35/F & Unit A02, 28/F, Anlian Building, No. 4018 Jintian Road, Futian District, Shenzhen	N/A	Liu Jian (劉健)	010-83321331
CITIC Securities Co., Ltd.	North Tower, Excellence Times Plaza II, No. 8 Zhong Xin San Road, Futian District, Shenzhen, Guangdong Province	N/A	Nie Lei (聶磊), Chen Yingjuan (陳瑩娟), Qi Jihua (祁繼華) and Kang Yaran (康雅然)	010-60833960

## SECTION IX RELEVANT INFORMATION ON BONDS

Name of intermediary institution	Office address	Name of the signing accountant	Contact person(s)	Telephone
China Merchants Securities Co., Ltd.	No. 111 Fuhua Yi Road, Futian Subdistrict, Futian District, Shenzhen	N/A	Liu Huachao (劉華超)	010-60840902
CSC Financial Co., Ltd.	Kaiheng Tower, 2 Chaoyangmen Inner Street, Dongcheng District, Beijing	N/A	Zhang Haihong (張海虹)	010-85130421
Industrial Securities Co., Ltd.	No. 36 Changliu Road, Pudong New Area, Shanghai	N/A	He Weihao (何偉豪)	021-20730714
Orient Securities Company Limited (東方證券股份有限公司)	24/F, No. 318 Zhongshan South Road, Huangpu District, Shanghai	N/A	Wang Yibin (王怡斌)	021-23153888
Haitong Securities Co., Ltd.	5th Floor, Tower B, Haitong Bund Finance Plaza, No. 888 South Zhongshan Road, Huangpu District, Shanghai	N/A	Luo Lina (羅麗娜)	021-23187475
BOCI Securities Co., Ltd. (中銀國際證券股份有限公司)	39/F, BOC Building, 200 Mid. Yincheng Road, Pudong New District, Shanghai	N/A	He Liu (何柳)	010-66229339
China Chengxin International Credit Rating Co., LTD	No. 60101, Building 1, No. 2 Nanzhugan Hutong, Dongcheng District, Beijing	N/A	Zhao Tingting (趙婷婷) and Wang Rui (王瑞)	010-66428877
China Lianhe Credit Rating Co., Ltd.	17th Floor, PICC building, No.2 Jianguomenwai Avenue, Chaoyang District, Beijing	N/A	Liang Lanqiong (梁蘭琼)	010-85679696

## SECTION IX RELEVANT INFORMATION ON BONDS

### IV. Proceeds Raised from Issuance of Corporate Bonds

#### 1. Basic information

Unit: 100 million Currency: RMB

Bond code	Bond abbreviation	Whether it is a special purpose bond	Specific types of special purpose bond	Total amount of proceeds	Balance of proceeds as of the end of the Reporting Period	Balance of the special account of proceeds as of the end of the Reporting Period
240670	24 EVERBRIGHT SECURITIES G1	No	N/A	15	0	0
241142	24 EVERBRIGHT SECURITIES G2	No	N/A	28	0	0
241416	24 EVERBRIGHT SECURITIES S1	No	N/A	15	0	0
241505	24 EVERBRIGHT SECURITIES G3	No	N/A	23	0	0
241618	24 EVERBRIGHT SECURITIES C1	No	N/A	11	0	0
241619	24 EVERBRIGHT SECURITIES C2	No	N/A	9	0	0
241840	24 EVERBRIGHT SECURITIES C3	No	N/A	30	0	0
241943	24 EVERBRIGHT SECURITIES G4	No	N/A	10	0	0
241944	24 EVERBRIGHT SECURITIES G5	No	N/A	20	0	0
242026	24 EVERBRIGHT SECURITIES S2	No	N/A	30	0	0
242159	24 EVERBRIGHT SECURITIES C4	No	N/A	30	0	0
242274	25 EVERBRIGHT SECURITIES S1	No	N/A	30	0	0
257814	25 EVERBRIGHT SECURITIES F1	No	N/A	15	0	0
242629	25 EVERBRIGHT SECURITIES G1	No	N/A	28	0	0

#### 2. Use of proceeds

##### (1). Actual use of proceeds (excluding temporary replenishment of liquidity)

Unit: 100 million Currency: RMB

Bond code	Bond abbreviation	Amount of proceeds actually utilized during the Reporting Period	Repayment of interest-bearing debts (excluding corporate bonds) and its amount used	Repayment of corporate bonds and its amount used	Replenishment of liquidity and its amount used	Investment in fixed assets and its amount used	Other purposes and its amount used
240670	24 EVERBRIGHT SECURITIES G1	15	N/A	N/A	15	N/A	N/A
241142	24 EVERBRIGHT SECURITIES G2	28	N/A	N/A	28	N/A	N/A
241416	24 EVERBRIGHT SECURITIES S1	15	N/A	N/A	15	N/A	N/A
241505	24 EVERBRIGHT SECURITIES G3	23	N/A	N/A	23	N/A	N/A
241618	24 EVERBRIGHT SECURITIES C1	11	N/A	N/A	11	N/A	N/A
241619	24 EVERBRIGHT SECURITIES C2	9	N/A	N/A	9	N/A	N/A

## SECTION IX RELEVANT INFORMATION ON BONDS

Bond code	Bond abbreviation	Amount of proceeds actually utilized during the Reporting Period	Repayment of interest-bearing debts (excluding corporate bonds) and its amount used	Repayment of corporate bonds and its amount used	Replenishment of liquidity and its amount used	Investment in fixed assets and its amount used	Other purposes and its amount used
241840	24 EVERBRIGHT SECURITIES C3	30	N/A	N/A	30	N/A	N/A
241943	24 EVERBRIGHT SECURITIES G4	10	N/A	N/A	10	N/A	N/A
241944	24 EVERBRIGHT SECURITIES G5	20	N/A	N/A	20	N/A	N/A
242026	24 EVERBRIGHT SECURITIES S2	30	N/A	N/A	30	N/A	N/A
242159	24 EVERBRIGHT SECURITIES C4	30	N/A	30	N/A	N/A	N/A
242274	25 EVERBRIGHT SECURITIES S1	30	N/A	N/A	30	N/A	N/A
257814	25 EVERBRIGHT SECURITIES F1	15	N/A	N/A	15	N/A	N/A
242629	25 EVERBRIGHT SECURITIES G1	28	N/A	N/A	28	N/A	N/A

### 3. Compliance of use of proceeds

Bond code	Bond abbreviation	Actual use of proceeds as of the end of the Reporting Period (including actual use and temporary replenishment of liquidity)	Whether the actual use was consistent with the specified use (including the use specified in the prospectus and the use after changes for the purpose of compliance)	Whether the use of and management of the special account for the proceeds during the Reporting Period were compliant	Whether the use of proceeds was in compliance with the debt administrative provisions of the local government
240670	24 EVERBRIGHT SECURITIES G1	Payment of inter-bank borrowings	Yes	Yes	N/A
241142	24 EVERBRIGHT SECURITIES G2	Payment of inter-bank borrowings	Yes	Yes	N/A
241416	24 EVERBRIGHT SECURITIES S1	Payment of inter-bank borrowings	Yes	Yes	N/A
241505	24 EVERBRIGHT SECURITIES G3	Payment of inter-bank borrowings	Yes	Yes	N/A
241618	24 EVERBRIGHT SECURITIES C1	Payment of inter-bank borrowings	Yes	Yes	N/A
241619	24 EVERBRIGHT SECURITIES C2	Payment of inter-bank borrowings	Yes	Yes	N/A
241840	24 EVERBRIGHT SECURITIES C3	Payment of inter-bank borrowings	Yes	Yes	N/A
241943	24 EVERBRIGHT SECURITIES G4	Payment of inter-bank borrowings	Yes	Yes	N/A
241944	24 EVERBRIGHT SECURITIES G5	Payment of inter-bank borrowings	Yes	Yes	N/A
242026	24 EVERBRIGHT SECURITIES S2	Payment of inter-bank borrowings	Yes	Yes	N/A
242159	24 EVERBRIGHT SECURITIES C4	Repayment of debts due	Yes	Yes	N/A
242274	25 EVERBRIGHT SECURITIES S1	Payment of inter-bank borrowings	Yes	Yes	N/A
257814	25 EVERBRIGHT SECURITIES F1	Payment of inter-bank borrowings	Yes	Yes	N/A
242629	25 EVERBRIGHT SECURITIES G1	Payment of inter-bank borrowings	Yes	Yes	N/A

## SECTION IX RELEVANT INFORMATION ON BONDS

### (I) Other matters that should be disclosed for special types of bonds

#### 1. The Company as the issuer of renewable corporate bonds

Unit: 100 million Currency: RMB

Bond code	175000	188104	185407	185445	185600
Bond abbreviation	20	21	22	22	22
	EVERBRIGHT SECURITIES	EVERBRIGHT SECURITIES	EVERBRIGHT SECURITIES	EVERBRIGHT SECURITIES	EVERBRIGHT SECURITIES
	Y1	Y1	Y1	Y2	Y3
Balance of bond	20	30	20	10	15
Renewal	As of the disclosure date of this report, the bond was in its first pricing cycle.				
Interest rate step-up	N/A				
Interest deferral	N/A				
Enforcement of interest payment	The ordinary share profit distribution plans (the Company's announcements No. Lin 2024-024 and No. Lin 2024-041) were approved at the 2023 annual general meeting and the 2024 first extraordinary general meeting by the Company, and the Company has recognized above-mentioned interest payables of perpetual bonds in the dividend payable as at December 31, 2024.				
Whether they are still included in equity and corresponding accounting treatment or not	As of the disclosure date of this report, the bond was in its first pricing cycle.				
Other matters	N/A				

## V. Significant events in relation to corporate bonds during the Reporting Period

1. During the Reporting Period, the operation and management of the Company maintain normal and there were no events that have significant effect on its production and operation, financial position and solvency.

#### 2. Explanation of the changes in revenue and expenses from the business of the Company during the Reporting Period

Under the PRC GAAP, in 2024, the operating revenue of the investment trading business amounted to RMB1,096.59 million, representing a year-on-year increase of 47%, mainly attributable to the increase in revenue from diversified asset investment and fixed income investment over the same period of last year as a result of our orientation to the absolute return strategy and optimization of "fixed income +" investment strategy and continuous improvement of the diversified asset investment plan; the operating expenses of the investment trading business amounted to RMB75.19 million, representing a year-on-year increase of 37%, mainly attributable to the Company's prudent provision of credit impairment losses for other debt investments based on investment assets.

In 2024, the operating revenue of the equity investment business amounted to RMB109.9490 million, as compared with RMB-114.5003 million of the same period of last year, mainly attributable to the fair value fluctuation of investment projects of subsidiaries; the operating expenses of the equity investment business amounted to RMB-64.39 million, as compared with RMB305.17 million of the same period of last year, mainly due to the subsidiaries' reversal of certain credit impairment losses as a result of strengthened settlement management of existing investment projects.

## SECTION IX RELEVANT INFORMATION ON BONDS

### 3. Non-operating account current and capital lending/borrowing

#### (1). Balance of non-operating account current and capital lending/borrowing

At the beginning of the Reporting Period, the balance of the Company's consolidated accounts receivable for non-operating account current and capital lending/borrowing from/to other parties not directly arising from production and operations (hereinafter referred to as non-operating account current and capital lending/borrowing) was RMB0 billion;

During the Reporting Period, whether there was any breach of the relevant agreements or commitments in the prospectus in respect of non-operating account current and capital lending/borrowing

As at the end of the Reporting Period, the total amount of uncollected non-operating account current and capital lending/borrowing was RMB0 billion

#### (2). Breakdown of non-operating account current and capital lending/borrowing

As at the end of the Reporting Period, the proportion of the Company's uncollected consolidated non-operating account current and capital lending/borrowing to consolidated net assets was 0%.

### 4. Liabilities

#### (1). Interest-bearing debts under the PRC GAAP and changes

##### 1.1 Information on the structure of corporate debts

As at the beginning and the end of the Reporting Period, the balance of the Company's interest-bearing debts (on a non-consolidated basis) amounted to RMB106.518 billion and RMB128.281 billion, respectively, representing a year-on-year change of 20.43% during the Reporting Period.

Unit: 100 million Currency: RMB

Type of interest-bearing debts	Maturity date			Total	Percentage to the interest-bearing debts (%)
	Overdue	Within 1 year (inclusive)	Over 1 year (exclusive)		
Corporate credit bonds	–	196.05	275.78	471.83	37%
Bank loans	–	–	–	–	–
Loans from non-bank financial institutions	–	1.31	0.00	1.31	0%
Other interest-bearing debts	–	809.68	0.00	809.68	63%
Total	–	1,007.04	275.78	1,282.81	–

For the existing corporate credit bonds of the Company as at the end of the Reporting Period, the balance of corporate bonds was RMB47.183 billion, the balance of enterprises bonds was RMB0 billion and the balance of non-financial enterprise debt financing instruments was RMB0 billion, and corporate credit bonds which will expire or be redeemed from May to December 2025 is RMB12.063 billion in total.



## SECTION IX RELEVANT INFORMATION ON BONDS

### 1.2 Structure of the interest-bearing debts of the Company on a consolidated basis

As at the beginning and the end of the Reporting Period, the balance of the Company's interest-bearing debts within the scope of consolidated statements amounted to RMB111.387 billion and RMB132.282 billion, respectively, representing a year-on-year change of 18.76% during the Reporting Period.

Unit: 100 million Currency: RMB

Type of interest-bearing debts	Maturity date			Total	Percentage to the interest-bearing debts (%)
	Overdue	Within 1 year (inclusive)	Over 1 year (exclusive)		
Corporate credit bonds	–	196.05	275.78	471.83	36%
Bank loans	–	3.53	11.12	14.65	1%
Loans from non-bank financial institutions	–	1.31	–	1.31	0%
Other interest-bearing debts	–	835.03	–	835.03	63%
Total	–	1,035.92	286.90	1,322.82	–

For the existing corporate credit bonds of the Company on a consolidated basis as at the end of the Reporting Period, the balance of corporate bonds was RMB47.183 billion, the balance of enterprises bonds was RMB0 billion and the balance of non-financial enterprise debt financing instruments was RMB0 billion, and corporate credit bonds which will expire or be redeemed from May to December 2025 is RMB12.063 billion in total.

### 1.3 Overseas bonds

As of the end of the Reporting Period, the balance of overseas bonds issued by the Company within the scope of consolidated statements was RMB0 billion, of which the balance of overseas bonds which will expire from May to December 2025 is RMB0 billion.

### (2). Main liabilities under the PRC GAAP and reason for the changes

Unit: 10 thousand Currency: RMB

Liabilities	Balance as at the end of the Reporting Period	Balance of 2023	Percentage of changes (%)	Explanation for those with the percentages of change greater than 30%
Short-term borrowings	–	39,064.82	(100.00)	Repayment of short-term loans of subsidiaries upon maturity
Financial liabilities held for trading	161,042.33	29,601.66	444.03	Increase in investment scale of debt instruments
Financial assets sold under repurchase agreements	6,668,027.09	4,386,282.97	52.02	Increase in bond repurchase scale
Taxes payable	65,398.84	19,401.82	237.08	Increase in corporate income tax
Other liabilities	1,277,922.48	1,879,339.60	(32.00)	Mainly due to change in derivatives margin payable

## SECTION IX RELEVANT INFORMATION ON BONDS

### (3). Settlement of the short-term commercial papers of the Company during the Reporting Period

Unit: 100 million Currency: RMB

Bond name	Code	Issue date	Maturity date	Amount issued	Interest rate (%)
Short-term commercial papers issued by Everbright Securities Company Limited in 2024 (First Tranche)	072410113.IB	July 12, 2024	January 9, 2025	15	1.95
Short-term commercial papers issued by Everbright Securities Company Limited in 2024 (Fourth Tranche)	072410173.IB	October 14, 2024	February 12, 2025	20	2.02
Short-term commercial papers issued by Everbright Securities Company Limited in 2024 (Second Tranche)	072410151.IB	September 23, 2024	March 20, 2025	20	1.97

## VI. Accounting Data and Financial Indicators of the Company for the Past Two Years up to the End of the Reporting Period

Unit: 10 thousand Currency: RMB

Major indicator	2024	2023	Increase/ decrease for the period over the same period of last year (%)	Reason for the change
EBITDA	521,892.11	467,424.80	11.65	
Net profit EBITDA attributable to shareholders of the listed company after deducting non-recurring gains or losses	300,806.83	187,229.87	60.66	Decrease in operating costs
Balance of cash and cash equivalents	7,599,280.59	6,288,295.94	20.85	
Current ratio	1.40	1.85	(24.32)	
Quick ratio	0.92	1.25	(26.40)	
Gearing ratio (%)	68.83	66.73	Increased by 2.10 percentage points	
EBITDA to total debts ratio	0.04	0.04	–	
Interest coverage ratio	4.81	2.91	65.29	Mainly due to the decrease in interest expense of bonds payable
Cash interest coverage ratio	11.89	17.00	(30.06)	Decrease in the net cash flow from operating activities, excluding the effect of client funds
EBITDA interest coverage ratio	5.52	3.40	62.35	Increase in EBITDA and decrease in interest expense of bonds payable
Loan payment ratio (%)	N/A	N/A	N/A	
Interest payment ratio (%)	100.00	100.00	–	

## SECTION IX RELEVANT INFORMATION ON BONDS

Notes:

1. EBITDA to total debts ratio refers to EBITDA of interest-bearing debts/interest-bearing debts, excluding non-recurring gains or losses arising from contingencies unrelated to the Company's normal business operations;
2. Interest coverage ratio refers to EBIT of bonds payable/interest expense of bonds payable;
3. Cash interest coverage ratio refers to (net cash flow from operating activities + cash interest expenses + income tax paid in cash)/cash interest expenses, the effect of client funds has been excluded from the net cash flow from operating activities;
4. EBITDA interest coverage ratio refers to EBITDA of bonds payable/interest expense of bonds payable;
5. The Company settled all kinds of debt interest as expected;
6. The above financial indicators were calculated in accordance with the PRC GAAP.

### VII. Matters in Relation to Structured Notes

During the Reporting Period, the Company issued structured notes with a principal amount of approximately RMB7.278 billion and redeemed principal totaling approximately RMB11.485 billion, with all redemptions completed in full and on schedule. As of the end of the Reporting Period, the outstanding principal amount of the Company's structured notes was approximately RMB1.359 billion.

**Everbright Securities Company  
Limited**  
(Incorporated in the People's Republic of China  
with limited liability)

**Audited Consolidated Financial Statements**

**31 December 2024**



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## Independent Auditor's Report

To the shareholders of Everbright Securities Company Limited  
(Established in the People's Republic of China with limited liability)

### Opinion

We have audited the consolidated financial statements of Everbright Securities Company Limited (the "Company") and its subsidiaries (the "Group") set out on pages 1 to 146 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, comprising material accounting policy information 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 International Financial Reporting Standards ("IFRS Accounting Standards") issued by the International Accounting Standards Board ("IASB") 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 Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. 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 HKICPA's Code of Ethics for Professional Accountants ("the 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 the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### 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.

# Independent Auditor's Report

## Key Audit Matters (continued)

### The key audit matter

### How the matter was addressed in our audit

#### Provision for contingent liabilities

Refer to Note 15 to the consolidated financial statements and the material accounting policies in Note 3.22.

As at 31 December 2024, the Group made a provision for contingent liability in the consolidated financial statements amounting to RMB577 million. The Group's contingent liability is primarily resulted from Shanghai Jinxin Investment Consultancy Partnership Enterprise (Limited Partnership) (hereinafter referred to as "Jinxin Fund"), managed by Everbright Jinhui Asset Management Co., Ltd. (Shanghai) (hereinafter referred to as "Everbright Jinhui"), a wholly-owned subsidiary of Everbright Capital Investment Co., Ltd. (hereinafter referred to as "Everbright Capital"), which is wholly-owned subsidiary of the Group.

In April 2016, Everbright Jinhui together with Baofeng (Tianjin) Investment Management Co., Ltd. (hereinafter referred to as "Baofeng Investment"), a wholly-owned subsidiary of Baofeng Group Co., Ltd., and Shanghai Qunchang Financial Services Co., Ltd., as general partners, signed a partnership agreement with the limited partners of Jinxin Fund. Jinxin Fund acquired a 65% stake in overseas MP & Silva Holding S.A. (hereinafter referred to as "MPS") through incorporation of a special purpose vehicle. Jinxin Fund's senior-tranche limited partners contributed RMB3,200 million, the mezzanine-tranche limited partners contributed RMB1,000 million, and the junior-tranche limited partners contributed RMB1,000 million.

Our audit procedures to assess the provision for contingent liability included the following:

- assessing the design, implementation and operating effectiveness of key internal controls over the provision for contingent liability;
- interviewing management of Everbright Capital to understand their assessment of the development of pending matters, and the basis for determining the best estimates of the provision;
- reviewing the investment-related contracts, settlement agreement, and documents related to litigations and arbitrations;
- obtaining legal opinions from external counsel on pending litigations, reviewing correspondences with external counsel and discussing the relevant matters with them;
- evaluating the judgements and estimates made by management based on the information and materials obtained; and
- evaluating the adequacy of the disclosures in the consolidated financial statements on provision of contingent liability with reference to the requirements of relevant accounting standards.

# Independent Auditor's Report

## Key Audit Matters (continued)

The key audit matter	How the matter was addressed in our audit
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### Provision for contingent liabilities (continued)

Due to compliance risks and operational risks that arose during and after the acquisition of MPS, the relevant limited partners of the Jinxin Fund failed to exist as originally planned. From October 2018 to May 2024, all senior-tranche-limited partners, all mezzanine-tranche limited partners, and some junior-tranche limited partners have successively initiated litigations or arbitration procedures against Everbright Jinhui or Everbright Capital.

In September 2023, Everbright Capital signed relevant settlement agreements with all senior-tranche limited partners. As of the balance date, certain aforementioned litigations are still in progress. Based on the available information, the judgements, the rulings of the arbitration and the progress of litigations, the Group made the assessment on the provision of contingent liability.

We identified the provision of contingent liability as a key audit matter because of its significance to the financial results and the significant degree of judgement and estimation exercised by management in determining the best estimate of contingent liability, which carries inherent uncertainty and may be influenced by management bias.

# Independent Auditor's Report

## Key Audit Matters (continued)

### The key audit matter

### How the matter was addressed in our audit

#### Impairment of Goodwill in Hong Kong Subsidiary

Refer to Note 24 to the consolidated financial statements and the material accounting policies in Note 3.2.

As at 31 December 2024, the Group's accumulated impairment of goodwill was RMB1,213 million and the carrying amount of goodwill was RMB541 million. The Group's goodwill is primarily resulted from the acquisition of Everbright Securities Global Limited ("ESGL") and Everbright Securities International Company Limited ("EBSIL") by Everbright Securities International Holdings Limited("EBSI").

Management performs goodwill impairment assessment annually. The impairment assessment relies upon the calculation of the recoverable amount for each of the Group's cash generating units ("CGUs"). The recoverable amount of CGUs is the higher of its fair value less costs of disposal and its value in use ("VIU"). Management used the VIU approach to assess the recoverable amount by applying a discounted cash flow ("DCF") model based on key assumptions and inputs including estimated revenue growth rate, terminal growth rate and discount rate.

Our audit procedures to assess the impairment of goodwill in Hong Kong subsidiary included the following:

- understanding and evaluating the effectiveness of the design, implementation and operating effectiveness of key internal controls over the assessment of goodwill impairment in Hong Kong subsidiary;
- based on our understanding on the Group's business and prevailing accounting standards, assessing management's identification of CGU, the method in preparing the discounted cash flow forecast and the allocation of goodwill to each CGU;
- involving KPMG valuation specialists to evaluate the appropriateness of the method and the reasonableness of the assumptions, including discount rate the management used when estimating the discounted cash flows;
- assessing the appropriateness of the key assumptions and judgments applied, including estimated revenue growth rate in the forecast period and terminal growth rate adopted in the discounted cash flow forecast by comparing with approved budgets and business plan prepared by management and historical data;



# Independent Auditor's Report

## Key Audit Matters (continued)

### The key audit matter

### How the matter was addressed in our audit

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#### Impairment of Goodwill in Hong Kong Subsidiary (continued)

We identified impairment of goodwill in Hong Kong subsidiary as a key audit matter because of its significance to the financial statements, the significant management judgements and estimates involved, and the fact that these judgements are inherently uncertain and might be affected by management's bias.

- performing sensitivity analyses on the discount rate and other key assumptions adopted by management to assess the impact of the impairment test result arising from the change in key assumptions and whether there is any indication of management bias; and
- assessing the reasonableness of the disclosures in the consolidated financial statements on goodwill impairment in Hong Kong subsidiary with reference to the requirements of the prevailing accounting standards.

# Independent Auditor's Report

## Key Audit Matters (continued)

The key audit matter	How the matter was addressed in our audit
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<p><b>Assessment of fair value of financial instruments classified under Level 3 in the fair value hierarchy</b></p>	
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<p>Refer to Note 65 to the consolidated financial statements and the material accounting policies in Note 3.3.</p>	
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<p>The Group's financial instruments measured 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"). Where unobservable inputs were used in the valuation, estimates need to be developed which can involve significant management judgement.</p>	
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<p>We identified assessing the valuation of Level 3 Financial Instruments as a key audit matter because of the degree of complexity involved in valuing Level 3 Financial Instruments and the significant judgement exercised by management in valuation process, including determining the inputs used in the valuation models.</p>	
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	<p>Our audit procedures to assess the fair value of Level 3 Financial Instruments included the following:</p>
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|  | <ul style="list-style-type: none"> <li>• understanding and assessing the design, implementation and operating effectiveness of key internal controls over the valuation for Level 3 Financial instruments;</li> <li>• on a sample basis, reviewing investment agreements for Level 3 Financial Instruments to understand the relevant investment terms and identify any conditions that were relevant to the valuation of financial instruments;</li> <li>• On a sample basis, involving KPMG valuation specialists to evaluate the appropriateness of valuation models used by management to value the fair value of Level 3 Financial Instruments and to perform, parallel analysis of Level 3 Financial Instruments and compare these valuations with the Group's valuations. This included testing inputs and reperforming the calculations; and</li> <li>• evaluating the reasonableness of the disclosures in the consolidated financial statements on fair values of Level 3 Financial Instruments with reference to the requirements of the applicable accounting standards.</li> </ul> |
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# Independent Auditor's Report

## Key Audit Matters (continued)

The key audit matter	How the matter was addressed in our audit
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<b>Expected credit loss allowance of margin accounts, financial assets held under resale agreements, debt investments at amortised cost and debt instruments at fair value through other comprehensive income.</b>
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Refer to Note 29, 30, 32, 40, to the consolidated financial statements and the material accounting policies in Note 3.12, 64(c)

The determination of loss allowances using the expected credit loss (ECL) model is subject to a number of key parameters and assumptions, including the credit risk staging, estimates of probability of default, loss given default, exposures at default, economic indicators for forward-looking adjustment. Management judgement is involved in the selection of those parameters and the application of the assumptions.

The determination of the loss allowances is heavily dependent on the external macro environment and the Group's internal credit risk management strategy. When evaluating key parameters and assumptions, the expected credit loss allowance of margin accounts, financial assets held under resale agreements, debt investments at amortised cost and debt instruments at fair value through other comprehensive income are derived from estimates whereby management takes into consideration of the history of default, internal and external credit grading and other factors.

Our audit procedures to assess the expected credit loss allowances of margin accounts, financial assets held under resale agreements, debt investments at amortised cost and debt instruments at fair value through other comprehensive income includes the following:

- 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, debt investments at amortised cost and debt instruments at fair value through other comprehensive income, the credit risk staging process and the measurement of loss allowance;
- with the assistance of KPMG financial risk management specialists, assessing the appropriateness of the ECL model in determining loss allowance and the appropriateness of the key parameters and assumptions in the model, including the credit risk staging, estimates of probability of default, loss given default, exposures at default, and adjustments for forward-looking scenarios, and assessing the appropriateness of related key management judgement;

# Independent Auditor's Report

## Key Audit Matters (continued)

### The key audit matter

### How the matter was addressed in our audit

#### **Expected credit loss allowance of margin accounts, financial assets held under resale agreements, debt investments at amortised cost and debt instruments at fair value through other comprehensive income (continued)**

Management also exercises judgement in determining the quantum of loss given default based on a range of factors. These include available remedies for recovery, the financial situation of the borrower, the recoverable amount of collateral and the seniority of the claim. When listed stocks are involved as collateral, price volatility of the stock, the liquidity, the loan balances to collateral ratio and the operation of the issuer will also be taken into account in the judgement.

We identified expected credit loss allowances of margin accounts, financial assets held under resale agreements, debt investments at amortised cost and debt instruments at fair value through other comprehensive income as a key audit matter because of the inherent uncertainty and management judgment involved and because of its significance to the financial results and capital of the Group.

- assessing the completeness and accuracy of data used as key parameters in the ECL model. For key parameters derived from internal data relating to original agreements, we compared the total balance of the financial asset list used by management to assess the loss allowances for ECL with the general ledger; on a sample basis, comparing the investment information with the underlying agreements and other related documentation to assess the accuracy of compilation of the asset list. For key parameters derived from external data, on a sample basis, inspected the accuracy of such data by comparing them with external sources;

# Independent Auditor's Report

## Key Audit Matters (continued)

The key audit matter	How the matter was addressed in our audit
<p><b>Expected credit loss allowance of margin accounts, financial assets held under resale agreements, debt investments at amortised cost and debt instruments at fair value through other comprehensive income (continued)</b></p>	<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, debt investments at amortised cost and debt instruments at fair value through other comprehensive income has, or has not, increased significantly since initial recognition and whether the financial assets is credit impaired. Checking the reasonableness of management's assessment on the credit risk staging of credit impaired financial assets by selecting risk-based samples. On a sample basis, we checked the financial assets overdue information, understanding the credit situation and the collateral to loan ratio of the borrowers;</li> <li>• for selected samples of the financial assets that are credit-impaired, evaluating the reasonableness of loss given default. 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>• reviewing the accuracy of the amount of ECL allowance using the ECL model based on the above audit procedures for a sample of margin accounts, financial assets held under resale agreements, debt investments at amortised cost and debt instruments at fair value through other comprehensive income; and</li> </ul>

## Independent Auditor's Report

### Key Audit Matters (continued)

The key audit matter	How the matter was addressed in our audit
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<b>Expected credit loss allowance of margin accounts, financial assets held under resale agreements, debt investments at amortised cost and debt instruments at fair value through other comprehensive income (continued)</b>	
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- assessing the reasonableness of the disclosures in the consolidated financial statements on ECL allowance of margin accounts, financial assets held under resale agreements, debt investments at amortised cost and debt instruments at fair value through other comprehensive income with reference to the requirements of the applicable accounting standards.

## Independent Auditor's Report

### **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

### **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 HKSAs 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 HKSAs, 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

### **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

27 March 2025

## Consolidated statement of profit or loss

For the year ended 31 December 2024

(Amounts expressed in thousands of RMB unless otherwise stated)

	Notes	Year ended 31 December 2024	2023
<b>Revenue</b>			
Fee and commission income	6	6,675,247	6,458,483
Interest income	7	4,849,801	5,067,384
Net investment gains	8	2,492,536	2,515,046
<b>Total revenue</b>		14,017,584	14,040,913
Other income and gains	9	179,163	735,181
<b>Total revenue and other income</b>		14,196,747	14,776,094
Fee and commission expenses	10	(2,004,131)	(1,572,333)
Interest expenses	11	(2,701,984)	(3,268,003)
Staff costs	12	(3,832,109)	(4,243,576)
Depreciation and amortisation expenses	13	(672,485)	(675,105)
Tax and surcharges		(53,162)	(55,149)
Other operating expenses	14	(1,442,371)	(1,766,917)
(Provision for)/reversal of contingent liabilities	15	(25,681)	2,132,573
Provision for impairment losses	16	(2,112)	(340,062)
Reversal of/(provision for) credit loss expense	17	3,196	(328,503)
<b>Total expenses</b>		(10,730,839)	(10,117,075)
<b>Operating profit</b>		3,465,908	4,659,019
Share of profits of associates and joint ventures		114,992	98,278
<b>Profit before income tax</b>		3,580,900	4,757,297
Income tax expense	18	(495,233)	(456,692)
<b>Profit for the year</b>		3,085,667	4,300,605
Attributable to:			
Shareholders of the Company		3,058,464	4,271,152
Non-controlling interests		27,203	29,453
<b>Total</b>		3,085,667	4,300,605
Basic and diluted earnings per share (in RMB per share)	21	0.58	0.84

The accompanying notes form an integral part of the consolidated financial statements.

## Consolidated statement of profit or loss

For the year ended 31 December 2024

(Amounts expressed in thousands of RMB unless otherwise stated)

	Year ended 31 December	
	2024	2023
<b>Profit for the year</b>	<u>3,085,667</u>	<u>4,300,605</u>
<b>Other comprehensive income for the year</b>		
Items that may be reclassified subsequently to profit or loss:		
Debt investments at fair value through other comprehensive income		
- Net changes in fair value	672,080	168,943
- Provision for ECL allowance	35,644	16,621
- Reclassified to profit or loss	(215,503)	(39,238)
Share of other comprehensive income of associates and joint ventures	4,064	467
Exchange differences on translation of financial statements in foreign currencies	45,293	(60,578)
Income tax impact	<u>(123,056)</u>	<u>(35,894)</u>
<b>Total items that may be reclassified subsequently to profit or loss</b>	<u>418,522</u>	<u>50,321</u>
Items that will not be reclassified subsequently to profit or loss:		
Equity investments designated at fair value through other comprehensive income		
- Nets change in fair value	14,829	167,181
- Income tax impact	<u>(3,707)</u>	<u>(41,795)</u>
<b>Total items that will not be reclassified subsequently to profit or loss</b>	<u>11,122</u>	<u>125,386</u>
<b>Total comprehensive income for the year</b>	<u>3,515,311</u>	<u>4,476,312</u>
Attributable to:		
Shareholders of the Company	3,488,877	4,449,137
Non-controlling interests	<u>26,434</u>	<u>27,175</u>
<b>Total</b>	<u>3,515,311</u>	<u>4,476,312</u>

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

## Consolidated statement of financial position

As at 31 December 2024

(Amounts expressed in thousands of RMB unless otherwise stated)

	Notes	As at 31 December 2024	2023
<b>Non-current assets</b>			
Property and equipment	22	848,928	890,080
Right-of-use assets	23	709,062	804,799
Investment properties		10,706	11,432
Goodwill	24	540,882	529,506
Other intangible assets	25	255,521	262,918
Investments in associates and joint ventures	28	1,065,431	1,001,201
Financial assets measured at amortised cost	29	1,811,424	3,498,381
Debt investments at fair value through other comprehensive income	30	29,678,644	22,129,376
Equity investments designated at fair value through other comprehensive income	31	992,149	875,215
Refundable deposits	34	8,884,137	8,959,802
Deferred tax assets	35	2,471,094	2,408,529
Finance lease receivables and receivables arising from sale-and-leaseback arrangement	36	74,909	431,704
Other non-current assets	37	303,520	287,426
<b>Total non-current assets</b>		<b>47,646,407</b>	<b>42,090,369</b>
<b>Current assets</b>			
Accounts receivable	38	1,152,307	1,204,768
Finance lease receivables and receivables arising from sale-and-leaseback arrangements	36	414,751	693,776
Other receivables and prepayments	39	1,361,649	2,842,513
Margin accounts receivable	40	42,839,851	36,783,275
Financial assets measured at amortised cost	29	1,591,484	149,369
Debt investments at fair value through other comprehensive income	30	27,902,340	19,981,258
Financial assets held under resale agreements	32	5,885,842	7,871,606
Financial assets at fair value through profit or loss	33	77,169,459	75,337,162
Derivative financial assets	41	1,602,261	1,838,397
Clearing settlement funds	42	1,860,896	1,237,540
Cash held on behalf of brokerage clients	43	64,593,099	47,875,463
Cash and bank balances	44	18,938,672	21,698,531
<b>Total current assets</b>		<b>245,312,611</b>	<b>217,513,658</b>
<b>Total assets</b>		<b>292,959,018</b>	<b>259,604,027</b>

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

## Consolidated statement of financial position

As at 31 December 2024

(Amounts expressed in thousands of RMB unless otherwise stated)

	Notes	As at 31 December 2024	2023
<b>Current liabilities</b>			
Loans and borrowings	45	353,145	956,260
Short-term debt instruments	46	13,406,317	13,083,268
Placements from other financial institutions	47	15,593,158	12,821,203
Financial liabilities at fair value through profit or loss	48	1,610,423	296,017
Accounts payable to brokerage clients	49	71,279,573	55,957,676
Employee benefits payable	50	2,599,140	2,236,335
Other payables and accruals	51	12,853,101	18,269,205
Current tax liabilities	35	551,498	67,738
Financial assets sold under repurchase agreements	52	66,680,271	43,862,830
Derivative financial liabilities	41	776,441	1,033,710
Lease liabilities due within one year	23	216,615	224,558
Contract liabilities		12,860	32,469
Long-term bonds due within one year	53	7,558,940	22,232,836
<b>Total current liabilities</b>		<u>193,491,482</u>	<u>171,074,105</u>
<b>Net current assets</b>		<u>51,821,129</u>	<u>46,439,553</u>
<b>Total assets less current liabilities</b>		<u>99,467,536</u>	<u>88,529,922</u>
<b>Non-current liabilities</b>			
Loans and borrowings	45	1,112,204	1,163,962
Long-term bonds	53	27,577,557	17,266,636
Provision for contingent liabilities	15	576,500	546,886
Lease liabilities	23	517,521	591,315
Deferred tax liabilities	35	17,998	20,576
Other non-current liabilities	54	442,286	1,045,158
<b>Total non-current liabilities</b>		<u>30,244,066</u>	<u>20,634,533</u>
<b>Net assets</b>		<u>69,223,470</u>	<u>67,895,389</u>

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

## Consolidated statement of financial position

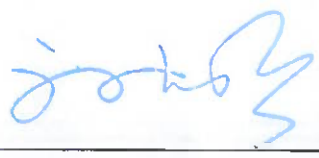
As at 31 December 2024

(Amounts expressed in thousands of RMB unless otherwise stated)

		As at 31 December	
	Notes	2024	2023
<b>Equity</b>			
Share capital	55	4,610,788	4,610,788
Other equity instruments	56	9,498,943	9,498,943
Reserves	57	39,109,507	38,217,581
Retained profits	57	15,171,018	14,761,297
Total equity attributable to shareholders of the Company		68,390,256	67,088,609
Non-controlling interests		833,214	806,780
<b>Total equity</b>		<b>69,223,470</b>	<b>67,895,389</b>

Approved and authorised for issue by the Board of Directors on 27 March 2025.

  
Director

  
Director

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

## Consolidated statement of changes in equity

For the year ended 31 December 2024  
(Amounts expressed in thousands of RMB unless otherwise stated)

	Attributable to shareholders of the Company								Non-controlling interests	Total	Total equity
	Share capital	Other equity instruments	Capital reserve	Surplus reserve	General reserve	Fair value reserve	Translation reserve	Retained profits			
As at 1 January 2024	4,610,788	9,498,943	24,191,139	4,042,363	10,322,636	56,075	(394,632)	14,761,297	806,780	67,088,609	67,895,389
Profit for the year	-	-	-	-	-	-	-	3,058,464	27,203	3,058,464	3,085,667
Other comprehensive income	-	-	-	-	-	385,120	45,293	-	(769)	430,413	429,644
Total comprehensive income	-	-	-	-	-	385,120	45,293	3,058,464	26,434	3,488,877	3,515,311
Appropriation to general reserve	-	-	-	-	537,407	-	-	(537,407)	-	-	-
Dividends	-	-	-	-	-	-	-	(1,709,680)	-	(1,709,680)	(1,709,680)
Perpetual bonds' interest	-	-	-	-	-	-	-	(477,550)	-	(477,550)	(477,550)
Other comprehensive income that has been reclassified to retained profits	-	-	-	-	-	(75,894)	-	75,894	-	-	-
As at 31 December 2024	4,610,788	9,498,943	24,191,139	4,042,363	10,860,043	365,301	(349,339)	15,171,018	833,214	68,390,256	69,223,470

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

## Consolidated statement of changes in equity

For the year ended 31 December 2024  
(Amounts expressed in thousands of RMB unless otherwise stated)

	Attributable to shareholders of the Company										Non-controlling interests	Total equity
	Reserves											
	Share capital	Other equity instruments	Capital reserve	Surplus reserve	General reserve	Fair value reserve	Translation reserve	Retained profits	Total			
As at 1 January 2023	4,610,788	9,498,943	24,198,686	4,042,363	9,780,181	(78,737)	(334,054)	12,286,664	64,004,834	779,605	64,784,439	
Profit for the year	-	-	-	-	-	-	-	4,271,152	4,271,152	29,453	4,300,605	
Other comprehensive income	-	-	-	-	-	238,563	(60,578)	-	177,985	(2,278)	175,707	
Total comprehensive income	-	-	-	-	-	238,563	(60,578)	4,271,152	4,449,137	27,175	4,476,312	
Appropriation to general reserve	-	-	-	-	542,455	-	-	(542,455)	-	-	-	
Dividends	-	-	-	-	-	-	-	(968,265)	(968,265)	-	(968,265)	
Perpetual bonds' interest	-	-	-	-	-	-	-	(389,550)	(389,550)	-	(389,550)	
Other comprehensive income that has been reclassified to retained profits	-	-	-	-	-	(103,751)	-	103,751	-	-	-	
Others	-	-	(7,547)	-	-	-	-	-	(7,547)	-	(7,547)	
As at 31 December 2023	4,610,788	9,498,943	24,191,139	4,042,363	10,322,636	56,075	(394,632)	14,761,297	67,088,609	806,780	67,895,389	

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



## Consolidated statement of cash flows

For the year ended 31 December 2024

(Amounts expressed in thousands of RMB unless otherwise stated)

	Year ended 31 December	
	2024	2023
<b>Cash flows from operating activities:</b>		
Profit before income tax	3,580,900	4,757,297
Adjustments for:		
Interest expenses	1,255,955	1,792,141
Share of profit of associates and joint ventures	(114,992)	(98,278)
Depreciation and amortisation expenses	672,485	679,208
Impairment losses	2,112	340,062
(Reversal of)/provision for credit loss expense	(3,196)	328,503
Gains on disposal of property and equipment and other intangible assets	(606)	(1,039)
Provision for contingent liabilities	25,681	-
Foreign exchange losses	10,508	2,052
Interest income and net realised gains from disposal of debt investments at fair value through other comprehensive income and financial assets measured at amortised cost	(1,394,684)	(928,840)
Gains on disposal of associates and joint ventures	(27)	(571)
Dividend income from equity investments designated at fair value through other comprehensive income	(58,286)	(143,803)
Unrealised fair value changes of financial instruments at fair value through profit or loss	(210,851)	(162,663)
Unrealised fair value changes of derivative financial instruments	(21,408)	(429,523)
Operating cash flows before movements in working capital	<u>3,743,591</u>	<u>6,134,546</u>

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

## Consolidated statement of cash flows

For the year ended 31 December 2024

(Amounts expressed in thousands of RMB unless otherwise stated)

	Year ended 31 December	
	2024	2023
<b>Cash flows from operating activities (continued):</b>		
<i>Changes in operating assets</i>		
Decrease in refundable deposits	75,665	741,450
(Increase)/decrease in margin accounts receivable	(6,036,622)	7,707
Decrease in finance lease receivables and receivables arising from sale-and-leaseback arrangements	659,991	708,407
Decrease in accounts receivable, other receivables and prepayments	1,517,581	1,843,933
Decrease/(increase) in financial assets held under resale agreements	1,988,210	(6,453,159)
(Increase)/decrease in financial instruments at fair value through profit or loss	(307,039)	17,091,735
Decrease in derivative financial instruments	276	29,041
Decrease/(increase) in restricted bank deposits	415	(19,930)
(Increase)/decrease in cash held on behalf of brokerage clients	(19,542,090)	11,092,242
<i>Changes in operating liabilities</i>		
Increase/(decrease) in accounts payable to brokerage clients	15,321,898	(13,784,867)
(Decrease)/Increase in other payables and accruals	(4,877,695)	3,948,650
Decrease in contingent liabilities	-	(4,737,407)
Increase in employee benefits payable	362,805	417,819
Increase in financial assets sold under repurchase agreements	22,817,441	12,613,641
Increase/(decrease) in placements from other financial institutions	2,771,955	(882,852)
Cash generated from operations	18,496,382	28,750,956
Income taxes paid	(195,573)	(512,721)
Interest paid for operating activities	(1,461,029)	(1,564,706)
Net cash flows generated from operating activities	16,839,780	26,673,529

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

## Consolidated statement of cash flows

For the year ended 31 December 2024

(Amounts expressed in thousands of RMB unless otherwise stated)

	Year ended 31 December 2024	2023
<b>Cash flows from investing activities:</b>		
Proceeds from disposal of financial assets at fair value through other comprehensive income and other investments	53,121,369	19,528,267
Dividends and interest received from financial assets at fair value through other comprehensive income and other investments	1,202,347	909,053
Proceeds from disposal of property and equipment, other intangible assets and other non-current assets	2,714	1,375
Proceeds from disposal of subsidiaries, associates and joint ventures	61	119,451
Dividends received from subsidiaries, associates and joint ventures	42,415	33,790
Purchases of financial assets at fair value through other comprehensive income and other investments	(69,039,536)	(34,896,378)
Purchases of property and equipment, other intangible assets and other non-current assets	(372,008)	(506,041)
Net cash flows used in investing activities	(15,042,638)	(14,810,483)
<b>Cash flows from financing activities:</b>		
Proceeds from issuance of long-term bonds	17,601,650	12,640,000
Proceeds from issuance of short-term debt instruments	19,276,565	16,659,475
Proceeds from loans and borrowings	493,454	1,919,980
Long-term bonds repaid	(21,640,000)	(14,700,000)
Short-term debt instruments repaid	(18,944,697)	(12,197,360)
Loans and borrowings repaid	(1,141,106)	(5,017,021)
Lease payments paid	(310,780)	(354,825)
Interest paid	(1,563,778)	(1,699,052)
Dividends and perpetual bonds' interest paid	(2,040,598)	(1,358,521)
Cash used in other financing activities	-	(7,547)
Net cash flows used in financing activities	(8,269,290)	(4,114,871)
Net (decrease)/increase in cash and cash equivalents	(6,472,148)	7,748,175
Cash and cash equivalents at the beginning of the year	22,567,460	14,807,334
Effect of foreign exchange rate changes	39,902	11,951
Cash and cash equivalents at the end of the year	16,135,214	22,567,460

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

# Notes to the consolidated financial statements

(Amounts expressed in thousands of RMB unless otherwise stated)

## 1. General information

Everbright Securities Company Limited (光大證券股份有限公司) (the “Company”), formerly known as Everbright Securities Limited Liability Company (光大證券有限責任公司), approved by the People’s Bank of China (“PBOC”), was incorporated in Beijing on 23 April 1996. The Company was renamed as Everbright Securities Company Limited (光大證券股份有限公司) on 14 July 2005 as a result of the conversion into a joint stock limited liability company.

As approved by the China Securities Regulatory Commission (“CSRC”), the Company publicly issued 520,000,000 ordinary shares (A Shares) and was listed on the Shanghai Stock Exchange on 18 August 2009.

On 1 September 2015, the Company completed the change of registration procedures for securities sold in a private placement to certain investors. Following the completion of this private placement, the total number of share capital of the Company increased from 3,418,000,000 A Shares to 3,906,698,839 A Shares, and the registered share capital of the Company increased from RMB3,418,000,000 to RMB3,906,698,839.

As at 18 August 2016, the Company completed its initial public offering of H Shares on the Main Board of the Hong Kong Stock Exchange, and issued 680,000,000 shares with a par value of RMB1.00 each. As at 19 September 2016, the Company exercised the over-allotment option in respect of 24,088,800 H Shares with a par value of RMB1.00 each.

As at 31 December 2024, the Company’s registered capital was RMB4,610,787,639 and the Company had a total of 4,610,787,639 issued shares of RMB1.00 each.

The registered address of the Company is No. 1508 Xinzha Road, Shanghai, the PRC. The Company and its subsidiaries (the “Group”) are principally engaged in securities and futures brokerage, securities investment consulting, securities trading, financial advisory related to securities investment activities, securities underwriting and sponsorship, securities proprietary trading, intermediary introduction services for futures companies, distribution of securities investment funds, margin financing and securities lending services, distribution of financial products, stock option market making business, and securities investment fund custody; investment management, asset management, equity investment, fund management business, financial leasing business and other business activities approved by the CSRC.

## **2. Material accounting policies**

### **2.1 Basis of preparation**

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS Accounting Standards"), which comprise all standards and interpretations approved by the International Accounting Standards Board ("IASB"). The consolidated financial statements also comply with the applicable disclosure provision of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") and the disclosure requirements of the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared under the historical cost convention, except for certain financial instruments that are measured at fair value, as explained in the accounting policies set out below. The consolidated financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated.

### **2.2 Basis of consolidation**

The consolidated financial statements include the financial statements of the Group for the year ended 31 December 2024. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

## 2. Material accounting policies (continued)

### 2.2 Basis of consolidation (continued)

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

### 2.3 Amendments to the accounting standards effective in 2024 and adopted by the Group

The Group has adopted the following amendments to the IFRS Accounting Standards issued by the IASB that are first effective for the financial year ended 31 December 2024.

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

(1) *Amendments to IAS 1, Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants*

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 non-current 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.

(2) *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.

(3) *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.

## 2. Material accounting policies (continued)

### 2.4 **Standards and amendments relevant to the Group that are not yet effective and have not been adopted before their effective dates by the Group**

The Group has not adopted the following new and amended standards that have been issued but are not yet effective.

	<i>Effective date</i>
• <i>Amendments to IAS 21 - Lack of Exchangeability</i>	1 January 2025
• <i>Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments</i>	1 January 2026
• <i>IFRS 18 - Presentation and Disclosure in Financial Statements</i>	1 January 2027
• Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and <i>its Associate or Joint Venture</i>	to be determined

#### (1) Amendments to IAS 21, *Lack of Exchangeability*

The amendments specify when a currency is exchangeable into another currency and when it is not, and how an entity determines a spot rate when a currency lacks exchangeability. Under the amendments, entities are required to provide additional disclosures to help users evaluate how a currency's lack of exchangeability affects, or is expected to affect, its financial performance, financial position and cash flows. The Group anticipates that the adoption of the amendments will not have a significant impact on the Group's consolidated financial statements.

#### (2) Amendments to IFRS 9 and IFRS 7, *Classification and Measurement of Financial Instruments*

The amendments include requirements on: (i) classification of financial assets with environmental, social or governance ("ESG") targets and similar features; (ii) settlement of financial liabilities through electronic payment systems; and (iii) disclosures regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent feature. The Group anticipates that the adoption of the amendments will not have a significant impact on the Group's consolidated financial statements.

#### (3) IFRS 18, *Presentation and Disclosure in Financial Statements*

IFRS 18 will replace IAS 1, and aim to enhance the comparability and transparency of information about an entity's financial performance through the following three aspects: (i) a more structured income statement; (ii) enhanced disclosure requirements on management-defined performance measures; (iii) enhanced requirements on aggregation and disaggregation of information. The Group anticipates that the adoption of the amendments will not have a significant impact on the Group's consolidated financial statements.

## **2. Material accounting policies (continued)**

### **2.4 Standards and amendments relevant to the Group that are not yet effective and have not been adopted before their effective dates by the Group (continued)**

- (4) Amendments to IFRS 10 and IAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

These amendments address an inconsistency between IFRS 10 and IAS 28 in the sale and contribution of assets between an investor and its associate or joint venture. A full gain or loss is recognised when a transaction involves a business. A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if those assets are in a subsidiary. The Group anticipates that the adoption of these amendments will not have a significant impact on the Group's consolidated financial statements.

## **3. Summary of material accounting policies**

### **3.1 Investments in associates and joint ventures**

An associate is an entity in which the Group has a long-term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investments in associates and joint ventures are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses.

The Group's share of the post-acquisition results and other comprehensive income of associates and joint ventures is included in the consolidated statement of profit or loss and consolidated other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's investments in the associates or joint ventures, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of associates or joint ventures is included as part of the Group's investments in associates or joint ventures.

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other case, upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.



### **3. Summary of material accounting policies (continued)**

#### **3.1 Investments in associates and joint ventures (continued)**

When an investment in an associate or a joint venture is classified as held for sale, it is accounted for in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.

#### **3.2 Business combinations and goodwill**

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.

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.

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts that are financial liabilities of the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

### **3. Summary of material accounting policies (continued)**

#### **3.2 Business combinations and goodwill (continued)**

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (or group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

#### **3.3 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

### 3. Summary of material accounting policies (continued)

#### 3.3 Fair value measurement (continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- |         |  |
|---------|--|
| Level 1 | based on quoted prices (unadjusted) in active markets for identical assets or liabilities;   |
| Level 2 | based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly; and |
| Level 3 | based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.                                  |

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

#### 3.4 Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, contract assets, deferred tax assets, financial assets and investment properties), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognized only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are 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. An impairment loss is charged to the statement of profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the statement of profit or loss in the period in which it arises.

### 3. Summary of material accounting policies(continued)

#### 3.5 Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and 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 of a parent of the Group.
- or
- (b) the party is an entity where 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 of a parent, subsidiary or fellow subsidiary of the other entity);
  - (iii) the entity and the Group 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); and
  - (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 parent of the Group.

#### 3.6 Property and equipment and depreciation

Property and equipment, other than construction in progress ("CIP"), are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property and equipment have been put into operation, such as repairs and maintenance, is normally charged to the statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

### 3. Summary of material accounting policies (continued)

#### 3.6 Property and equipment and depreciation (continued)

Depreciation is calculated on the straight-line basis to write off the cost of each item of property and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Buildings	2.50%
Electronic equipment	12.50% - 33.30%
Furniture and fixtures	12.50% - 33.30%
Motor vehicles	3.80% - 20.00%

Where parts of an item of property and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property and equipment including any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognized in the statement of profit or loss in the year the asset is derecognized is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress represents a building under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction and capitalized borrowing costs on related borrowed funds during the period of construction. Construction in progress is reclassified to the appropriate category of property and equipment when completed and ready for use.

#### 3.7 Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment property is accounted for using the cost model and stated in the financial statements at cost less accumulated depreciation, and impairment losses (see Note 3.4). The cost of investment property, less its estimated residual value and accumulated impairment losses, is depreciated using the straight-line method over its estimated useful life, unless the investment property is classified as held for sale.

<i>Type of assets</i>	<i>Estimated useful lives</i>	<i>Estimated residual value</i>	<i>Depreciation rate</i>
Buildings	40 years	0.00%	2.50%

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

### 3. Summary of material accounting policies (continued)

#### 3.8 Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level, whether there is any indicator of impairment or not. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

Useful lives of each category of intangible assets are as follows:

<i>Types of assets</i>	<i>Estimated useful lives</i>
Software and others	3 to 10 years
Customer relationship	2.5 to 10 years

#### 3.9 Leases

The Group assesses at contract inception 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.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

At inception or on reassessment of a contract that contains a lease component and non-lease component(s), the Group adopts the practical expedient not to separate non-lease component(s) and to account for the lease component and the associated non-lease component(s) as a single lease component.

### 3. Summary of material accounting policies (continued)

#### 3.9 Leases (continued)

Group as a lessee (continued)

(a) *Right-of-use assets*

Right-of-use assets are recognized at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Where applicable, the cost of a right-of-use asset also includes 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. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

(b) *Lease liabilities*

Lease liabilities are recognized at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

(c) *Short-term leases and leases of low-value assets*

The Group applies the short-term lease recognition exemption to its short-term leases (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of assets that are considered to be of low value. Lease payments on short-term leases and leases of low-value assets are recognized as an expense on a straight-line basis over the lease term.

### 3. Summary of material accounting policies(continued)

#### 3.9 Leases (continued)

##### Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases that transfer substantially all the risks and rewards incidental to ownership of an underlying assets to the lessee are accounted for as finance leases. At the commencement date, the cost of the leased asset is capitalised at the present value of the minimum lease payments and related payments (including the initial direct costs), and presented as a receivable at an amount equal to the net investment in the lease. The finance income on the net investment in the lease is recognised in the statement of profit or loss so as to provide a constant periodic rate of return over the lease terms.

##### Sale-and-leaseback transactions

IFRS 16 requires sale-and-leaseback transactions to be determined based on the requirements of IFRS 15 as to whether the transfer of the relevant asset should be accounted for as a sale.

Upon application of IFRS 16, the Group applies the requirements of IFRS 15 to assess whether sale-and-leaseback transaction constitutes a sale by a seller - lessee. For a transfer that does not satisfy the requirements as a sale, the Group accounts for the transfer proceeds as receivables arising from sale-and-leaseback arrangements within the scope of IFRS 9. In accordance with the transition provisions of IFRS 16, sale-and-leaseback transactions entered into before the date of initial application are not reassessed but the new requirements would partially impact the Group's sale-and-leaseback transactions entered into on or after the date of initial application.

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases.



### 3. Summary of material accounting policies (continued)

#### 3.10 Investments and other financial assets

##### Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognized on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

##### Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

##### *Financial assets at amortised cost (debt instruments)*

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

### 3. Summary of material accounting policies (continued)

#### 3.10 Investments and other financial assets (continued)

##### *Financial assets at fair value through other comprehensive income (debt instruments)*

For debt investments at fair value through other comprehensive income, interest income, foreign exchange revaluation and credit losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

##### *Financial assets designated at fair value through other comprehensive income (equity instruments)*

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through other comprehensive income when they meet the definition of equity under IAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to the statement of profit or loss. Dividends are recognised as net investment gains in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case such gains are recorded in other comprehensive income. Equity instruments designated at fair value through other comprehensive income are not subject to impairment assessment.

##### *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on the equity investments are also recognised as net investment gains in the statement of profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in the statement of profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately.

### 3. Summary of material accounting policies (continued)

#### 3.11 Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a passthrough arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

#### 3.12 Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months ("a 12-month ECL"). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

### 3. Summary of material accounting policies (continued)

#### 3.12 Impairment of financial assets (continued)

##### General approach (continued)

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information. The Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

For debt investments at fair value through other comprehensive income, the Group applies the low credit risk simplification. At each reporting date, the Group evaluates whether the debt investments are considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Group reassesses the external credit ratings of the debt investments. In addition, the Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due or an actual or expected significant deterioration in the financial instrument's external or internal (if available) credit rating.

The Group considers a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Debt investments at fair value through other comprehensive income and financial assets measured at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables and contract assets which apply the simplified approach as detailed below.

Stage 1 - Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

Stage 2 - Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

Stage 3 - Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Purchased or originated credit-impaired ("POCI") assets are financial assets that are credit-impaired on initial recognition. POCI assets are recorded at fair value at original recognition and interest income is subsequently recognised based on a credit-adjusted effective interest rate. ECLs are only recognised or released to the extent that there is a subsequent change in the expected credit losses.

### 3. Summary of material accounting policies (continued)

#### 3.12 Impairment of financial assets (continued)

##### Simplified approach

For trade receivables and contract assets that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies a simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

For trade receivables and contract assets that contain a significant financing component, the Group chooses as its accounting policy to adopt the simplified approach in calculating ECLs with policies as described above.

#### 3.13 Financial liabilities

##### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and other financial liabilities measured at amortized cost.

All financial liabilities are recognised initially at fair value and, in the case of other financial liabilities, net of directly attributable transaction costs.

The Group's financial liabilities include loans and borrowings, short-term debt instruments, placements from other financial institutions, accounts payable to brokerage clients, financial liabilities at fair value through profit or loss, financial assets sold under repurchase agreements, derivative financial liabilities, bonds payable, other current liabilities and other non-current liabilities.

##### Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

##### *Financial liabilities at fair value through profit or loss*

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss. The net fair value gain or loss recognised in the statement of profit or loss does not include any interest charged on these financial liabilities.

### **3. Summary of material accounting policies (continued)**

#### **3.13 Financial liabilities (continued)**

Subsequent measurement (continued)

##### *Financial liabilities at fair value through profit or loss (continued)*

Financial liabilities designated upon initial recognition as at fair value through profit or loss are designated at the date of initial recognition and only if the criteria in IFRS 9 are satisfied. Gains or losses on liabilities designated at fair value through profit or loss are recognised in the statement of profit or loss, except for the gains or losses arising from the Group's own credit risk which are presented in other comprehensive income with no subsequent reclassification to the statement of profit or loss. The net fair value gain or loss recognised in the statement of profit or loss does not include any interest charged on these financial liabilities.

##### *Financial liabilities at amortised cost*

After initial recognition, trade and other payables, and interest-bearing borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

#### **3.14 Derecognition of financial liabilities**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the statement of profit or loss.

#### **3.15 Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

### **3. Summary of material accounting policies (continued)**

#### **3.16 *Derivative financial instruments***

Initial recognition and subsequent measurement

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value of derivatives are taken directly to the statement of profit or loss, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and later reclassified to profit or loss when the hedged item affects profit or loss.

#### **3.17 *Financial assets held under resale and sold under repurchase agreements***

Financial assets held under resale agreements and financial assets sold under repurchase agreements are recorded at the amount actually paid or received when the transactions occur, and are recognised in the statement of financial position. The assets held under the agreements to resell are registered as off-balance sheet items, while the assets sold under the agreements to repurchase are recorded in the statement of financial position.

The bid-ask spread of the financial assets under agreements to resell and financial assets sold under agreements to repurchase are recognized as interest income or interest expense using the effective interest rate method in the reselling or repurchasing period.

#### **3.18 *Accounts payable to brokerage clients***

Accounts payable to brokerage clients are all deposited in the bank accounts designated by the Group. The Group recognises the funds as liabilities for settlement to the customers.

The Group executes trade orders through stock exchanges on behalf of the customers. If the total amount of purchased securities exceeds that of sold securities, accounts payable to brokerage clients would decrease by the difference, in addition to the withholding stamp duty and commission. If the total amount of sold securities exceeds that of purchased securities, accounts payable to brokerage clients would increase by the difference after deducting withholding stamp duty and commission.

#### **3.19 *Margin financing and securities lending***

Margin financing and securities lending refer 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.

### **3. Summary of material accounting policies (continued)**

#### **3.19 Margin financing and securities lending (continued)**

##### *Margin financing services*

The Group recognizes margin financing services to customers as margin accounts receivable, and recognises the commission as interest income accordingly.

The policy of provision for impairment of margin accounts receivables is determined with reference to the policy of provision for impairment of financial assets measured at amortised cost.

##### *Securities lending services*

The Group lends securities to their customers with agreed expiry dates and interest rates, and the same amount of similar securities received on the expiry date. Commission is recognized as interest revenue according to the securities lending agreement. The securities transferred under the securities lending services are not derecognized.

#### **3.20 Inventories**

Inventories are recognised at cost for initial recognition. The cost of inventories comprises all costs of purchase, costs of conversion and other costs.

At each reporting date, inventories are measured at the lower of cost and net realisable value. When net realisable value is lower than the carrying amount, the Group decreases the carrying amount to net realisable value. The decreased amount is recognised in profit or loss and corresponding allowance is made.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion, the estimated costs necessary to make the sale and related taxes.

#### **3.21 Cash and cash equivalents**

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short-term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash.



### **3. Summary of material accounting policies (continued)**

#### **3.22 Provision and contingent liabilities**

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in interest expense in the statement of profit or loss.

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of (i) the amount that would be recognised in accordance with the general policy for provisions above and (ii) the amount initially recognised less, when appropriate, the amount of income recognised in accordance with the policy for revenue recognition.

#### **3.23 Income tax**

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

### 3. Summary of material accounting policies (continued)

#### 3.23 *Income tax (continued)*

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from 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 the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right exists to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

#### 3.24 *Government grants*

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments.

### 3. Summary of material accounting policies (continued)

#### 3.25 Revenue recognition

##### Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, 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 between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

##### (a) Securities brokerage and investment consulting business

Income from the securities brokerage is recognised on a trade date basis when the relevant transactions are executed. Handling and settlement fee income arising from the brokerage business is recognised when the related services are rendered.

Income from the investment consulting business is recognised when the relevant transactions have been arranged or the relevant services have been rendered.

##### (b) Underwriting and sponsorship business

Income from the underwriting and sponsorship business is recognised when the obligation of underwriting or sponsoring is completed.

##### (c) Asset management business

Income from asset management business is recognised 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.

### **3. Summary of material accounting policies (continued)**

#### **3.25 Revenue recognition (continued)**

(d) Other business

Income from other business is recognised when control of goods or services is transferred to the customers.

#### **3.26 Contract assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional. Contract assets are subject to impairment assessment, details of which are included in the accounting policies for impairment of financial assets.

#### **3.27 Contract liabilities**

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

#### **3.28 Contract costs**

Other than the costs which are capitalised as inventories, property, plant and equipment and intangible assets, costs incurred to fulfil a contract with a customer are capitalised as an asset if all of the following criteria are met:

- (a) The costs relate directly to a contract or to an anticipated contract that the entity can specifically identify.
- (b) The costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future.
- (c) The costs are expected to be recovered.

The capitalised contract costs are amortised and charged to the statement of profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. Other contract costs are expensed as incurred.

#### **3.29 Expenses recognition**

*Commission expenses*

Commission expenses relate mainly to transactions, which are recognised as expenses when the services are received.

### **3. Summary of material accounting policies (continued)**

#### **3.29 Expenses recognition (continued)**

##### *Interest expenses*

Interest expenses are recognised based on the principal outstanding and at the effective interest rate applicable.

##### *Other expenses*

Other expenses are recognised on an accrual basis.

#### **3.30 Fiduciary wealth management**

The Group's fiduciary wealth management business includes fund management, single asset management, collective asset management and specified asset management. The Group keeps separate accounting records for each of these investment schemes, and periodically reconciles the accounting and valuation results of each scheme with relevant custodians.

#### **3.31 Employee benefits**

##### *Employee benefits*

Employee benefits refers to all forms of consideration and other related expenditure given or incurred by the Group in exchange for services rendered by. The benefits payable is recognised as liability in the accounting period of services provided by employee. Benefits provided to an employee's spouse, children, dependents, family members of deceased employees, or other beneficiaries are also employee benefits.

##### *Post-employment benefits (Defined contribution plan)*

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 recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

##### *Termination benefits*

Termination benefits are recognized at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognizes restructuring costs involving the payment of termination benefits.

#### **3.32 Dividends**

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 recognised as a liability at the end of the reporting period but disclosed in the notes to the financial statements separately.

### 3. Summary of material accounting policies (continued)

#### 3.33 Foreign currencies

The consolidated financial statements are presented in RMB, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognized in the statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item.

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognizes the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain overseas subsidiaries, joint ventures and associates are currencies other than RMB. As at the end of the reporting period, the assets and liabilities of these entities are translated into RMB at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into RMB at the average exchange rates for the year.

The resulting exchange differences are recognized in other comprehensive income and accumulated in the translation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is transferred to the statement of profit or loss.

Cash flows denominated in foreign currencies and cash flows of overseas subsidiaries are translated using the average exchange rates for the year. The impact on cash caused by the fluctuation of exchange rates is presented as a separate line item in the statement of cash flows.

### **3. Summary of material accounting policies(continued)**

#### **3.34 Perpetual bonds**

Perpetual bonds issued by the Group, which satisfied with the following criteria are classified as equity instruments:

- (i) Financial instruments exclude those are settled on a net basis in cash (or other financial assets);
- (ii) Financial instruments must or can be settled on own equity: (a) For non-derivative contracts, they exclude those are settled gross by delivery of a variable number of own shares; (b) Derivative contracts that result in the delivery of a fixed amount of cash or other financial assets for a fixed number of an entity's own equity instruments.

Dividends for the perpetual bonds holders, which are classified as equity instruments, are accounted for as profit distribution.

#### **3.35 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 the 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 resources 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 the actual transaction price for such transactions for segment reporting, and segment accounting policies are consistent with those for the consolidated financial statements.

### **4. 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 recognised prospectively.

#### 4. Material accounting judgements and estimates (continued)

##### Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in these consolidated financial statements is included in the following note:

Note 2.2 - consolidation: whether the Group has control over a structured entity.

##### 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 3.2 - the impairment of goodwill

Note 3.3 - measurement of fair value;

Note 3.4 - the impairment of non-financial assets;

Notes 3.6 to 3.8 - depreciation rates and amortisation rates for property and equipment, investment property and Intangible assets (other than goodwill);

Note 3.12 - measurement of 'expected credit loss' (ECL) allowance for financial assets;

Note 3.22 - recognition of contingent liability; and

Note 3.23 - recognition of deferred tax assets.

#### 5. 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>
Corporate income tax	Taxable profits	16.5%, 25%
Value added tax ("VAT")	Taxable revenue	1% - 13%
City maintenance and construction tax	Value added tax paid	1%, 5%, 7%
Education surcharge	Value added tax paid	3%
Local education surcharge	Value added tax paid	2%

Corporate income tax

The income tax rate applicable to the Company and its domestic subsidiaries is 25%. The income tax rate applicable to subsidiaries in Hong Kong is 16.5%.



## 6. Fee and commission income

	2024	2023
Income arising from		
- Securities brokerage and investment advisory business	3,532,562	3,209,139
- Underwriting and sponsorship business	856,101	1,051,482
- Asset management business	790,026	1,010,295
- Futures brokerage business	1,409,211	1,098,745
- Financial advisory business	34,244	32,306
- Others	53,103	56,516
Total	<u>6,675,247</u>	<u>6,458,483</u>

## 7. Interest income

	2024	2023
Interest income arising from		
- Margin financing and securities lending	1,986,960	2,244,041
- Deposits in financial institutions	1,607,711	1,776,198
- Debt investments at fair value through other comprehensive income	1,075,021	771,627
- Financial assets measured at amortised cost	100,703	107,182
- Finance leases and receivables arising from sale-and-leaseback arrangements	38,956	69,730
- Financial assets held under resale agreements	20,043	43,450
- Securities-backed lending and stock repurchases	5,689	43,053
- Others	14,718	12,103
Total	<u>4,849,801</u>	<u>5,067,384</u>

## 8. Net investment gains

	2024	2023
Net realised gains from		
- Financial instruments at fair value through profit or loss	1,635,408	1,902,625
- Debt investments at fair value through other comprehensive income	215,503	39,238
- Financial assets measured at amortised cost	3,456	10,793
- Derivative financial instruments	(1,102,789)	(2,016,074)
Dividend and interest income from		
- Financial instruments at fair value through profit or loss	1,610,981	2,018,018
- Equity investments designated at fair value through other comprehensive income	58,286	143,803
Unrealised fair value changes of		
- Financial instruments at fair value through profit or loss	210,851	162,663
- Derivative financial instruments	(139,160)	253,980
Total	<u>2,492,536</u>	<u>2,515,046</u>

## 9. Other income and gains

	2024	2023
Income from bulk commodity trading	-	250,241
Government grants	119,511	394,439
Commodity options market making business	1,150	28,427
Income from agent business	-	16,135
Rental income	15,916	14,062
Exchange losses	(10,508)	(2,052)
Others	53,094	33,929
Total	<u>179,163</u>	<u>735,181</u>

## 10. Fee and commission expenses

	2024	2023
Expenses arising from		
- Securities brokerage and investment advisory business	905,574	831,980
- Futures brokerage business	1,030,311	687,233
- Underwriting and sponsorship business	67,834	52,308
- Asset management business	412	812
Total	<u>2,004,131</u>	<u>1,572,333</u>

## 11. Interest expenses

	2024	2023
Interest expenses for		
- Long-term bonds	945,539	1,374,418
- Financial assets sold under repurchase agreements	878,091	806,944
- Placements from other financial institutions	224,142	330,560
- Accounts payable to brokerage clients	270,494	282,176
- Short-term debt instruments	183,022	134,313
- Loans and borrowings	94,553	254,771
- Gold borrowing	14,679	30,614
- Lease liabilities	32,841	28,639
- Others	58,623	25,568
Total	<u>2,701,984</u>	<u>3,268,003</u>

## 12. Staff costs

	2024	2023
Salaries, bonuses and allowances	2,890,950	3,291,610
Contributions to pension schemes	439,080	436,745
Other social welfare	502,079	515,221
Total	<u>3,832,109</u>	<u>4,243,576</u>

The employees of the Group in Mainland China participate in state-managed retirement benefit schemes operated by the respective local governments in Mainland China. The Group also operates a Mandatory Provident Fund Scheme under the Mandatory Provident Fund Schemes Ordinance for all of its qualified employees in Hong Kong.

Apart from participating in various defined contribution retirement benefit schemes organized by municipal and provincial governments in Mainland China, the Group is also required to make monthly contributions to annuity plans for the period.

The Group currently has no additional significant cost for the payment of retirement and other post-retirement benefits of employees other than the monthly contributions described above. The Group's contributions to these pension plans are charged to profit or loss in the period to which they relate.

## 13. Depreciation and amortisation expenses

	2024	2023
Amortisation of right-of-use assets	292,383	318,773
Depreciation of property and equipment	183,987	177,501
Amortisation of other intangible assets	158,639	147,138
Amortisation of leasehold improvements and long-term deferred expenses	37,476	31,693
Total	<u>672,485</u>	<u>675,105</u>

## 14. Other operating expenses

	2024	2023
IT expenses	513,459	477,088
Cost of bulk commodity trading	-	249,257
Fund and asset management plan distribution and custodian expenses	138,670	166,499
Stock exchange management fees	132,973	137,710
Rental expenses and utilities	102,002	98,932
Promotion and entertainment expenses	91,914	107,837
Consulting and professional services	55,290	94,548
Business travel expenses	55,035	61,223
Postal and communication expenses	52,819	57,726
Labour outsourcing expenses	44,933	53,967
Securities/futures investor protection funds	43,314	40,133
Auditors' remuneration	9,091	10,421
Others	202,871	211,576
Total	1,442,371	1,766,917

## 15. Provision for contingent liabilities

### (a) Provision

	31 December 2024	31 December 2023
Litigation and arbitration	576,500	546,886

### (b) Provision for contingent liabilities

	2024	2023
At the beginning of the year	546,886	5,284,293
Addition	29,614	-
Reversal	-	(2,132,573)
Transfer-out	-	(2,516,887)
Amounts paid during the year	-	(87,947)
At the end of the year	576,500	546,886

The Group's provision for contingent liabilities is accounted for in accordance with the IAS 37 Provisions, Contingent Liabilities and Contingent Assets. It is mainly arising from relevant litigations and arbitrations related to an investment of MP & Silva Holding S.A. (hereinafter referred to as "MPS") with a provision amounting to RMB0.528 billion as of 31 December 2024 (31 December 2023: RMB0.528 billion). Details as below.

## 15. Provision for contingent liabilities (continued)

### (b) *Provision for contingent liabilities (continued)*

Everbright Capital Investment Co., Ltd. (hereinafter referred to as “Everbright Capital”), a wholly-owned subsidiary of the Company, is principally engaged in the private equity investment fund business. Everbright Jinhui Asset Management Co., Ltd. (Shanghai) (hereinafter referred to as “Everbright Jinhui”) is a subsidiary of Everbright Capital. In April 2016, Everbright Jinhui, together with Baofeng (Tianjin) Investment Management Co., Ltd., a wholly-owned subsidiary of Baofeng Group Co., Ltd. (hereinafter referred to as “Baofeng Group”) and Shanghai Qunchang Financial Services Co., Ltd., signed a partnership agreement with the limited partners of Shanghai Jinxin Investment Consultancy Partnership Enterprise (Limited Partnership) (hereinafter referred to as “Jinxin Fund”) as general partners with the proposition to directly or indirectly acquire 65% equity interests in an overseas company, MPS, through the incorporation of a special purpose vehicle held by Jinxin Fund. Everbright Jinhui is the managing partner of Jinxin Fund.

Meanwhile, each of the senior-tranche limited partners presented a “Letter of Makeup of Shortfall” with the chop of Everbright Capital affixed, however, it was not in compliance with the internal approval process of Everbright Capital, the main contents of which are that Everbright Capital shall have the obligation to make up the corresponding shortfall to the extent that the senior-tranche limited partners are unable to exit their investments with indicated returns within a 36-month investment period of Jinxin Fund. On 25 February 2019, the investment period of Jinxin Fund expired and Jinxin Fund failed to exit as originally planned.

#### Litigation with Hua Rui Bank

In October 2018, Hua Rui Bank initiated arbitration proceedings with Shanghai International Economic and Trade Arbitration Commission (Shanghai International Arbitration Center) against Everbright Jinhui to recover investment principal, investment return, penalty, legal and arbitration costs amounting to RMB452.37 million regarding the “Supplementary Agreement to the Partnership Agreement of Shanghai Jinxin Investment Consultancy Partnership Enterprise (Limited Partnership)”. In May 2020, Everbright Jinhui received the Arbitration Award ([2020] Humao Arbitration No. 0338), which ruled that Everbright Jinhui, as a respondent, shall pay Hua Rui Bank the principal of RMB400 million and the corresponding expected income, legal fees, arbitration fees and other related expenses to Hua Rui Bank as an applicant.

In November 2018, Hua Rui Bank also filed a civil lawsuit with the Shanghai Financial Court against Everbright Capital over the same case with claims amounting to approximately RMB431.36 million. Hua Rui Bank also initiated preservative measures requesting the Shanghai Financial Court to freeze Everbright Capital's partial bank accounts and equity interests in some investments. In August 2020, Everbright Capital received the civil judgement of first instance ([2018] Hu 74 Min Chu No. 730) from the Shanghai Financial Court that Everbright Capital shall pay Hua Rui Bank the principal of RMB400 million and the investment income from 1 January 2018 to the date of actual fulfilment, and bear the legal fees, preservation fees and other related expenses. If Hua Rui Bank receives the original capital of its investment and the income due to the enforcement of the outcome of arbitration, the payment obligation of Everbright Capital under the above judgement will be decreased correspondingly. Everbright Capital appealed to the Shanghai High People's Court. In June 2021, Everbright Capital received the civil judgement of second instance ([2020] Hu Min Zhong No. 618) from the Shanghai High People's Court that rejected the request of Everbright Capital, and the original verdict was upheld.

## 15. Provision for contingent liabilities (continued)

### (b) *Provision for contingent liabilities (continued)*

#### Litigation with Hua Rui Bank (continued)

In September 2023, the case between Everbright Capital and Hua Rui Bank has been finally reviewed and entered the execution stage. After consultation between the two parties, an execution and settlement plan has been formulated and approved by the 29th meeting of the sixth board of directors of Everbright Capital. Everbright Capital has signed the execution settlement agreement with Hua Rui Bank, fulfilling all payment obligations determined by the final judgement with RMB 400 million. As of 31 December 2024, the execution settlement of RMB 400 million by Hua Rui Bank has been fully repaid. The arbitration case between Everbright Capital and Hua Rui Bank has also been concluded due to the execution settlement.

#### Litigation with Shenzhen Hengxiang

In November 2018, Shenzhen Hengxiang Equity Investment Fund LLP (limited partnership) (hereinafter referred to as "Shenzhen Hengxiang"), one of the mezzanine tranche limited partners of Jinxin Fund, initiated arbitration proceedings with Shanghai International Arbitration Center against Everbright Jinhui as one of the respondents in disputes over the partnership agreements and the supplementary agreements. Shenzhen Hengxiang presented the "Supplementary Agreement" signed by all general partners. The Supplementary Agreement stated that all general partners have the obligation to make up the corresponding shortfall to the extent that Shenzhen Hengxiang is unable to exit its investment principal of RMB150 million with indicated returns. In November 2018, the People's Court of Jingan District of Shanghai accepted the application of the property preservation of Shenzhen Hengxiang and has frozen the relevant equity interests in some investments held by Everbright Jinhui. In April 2020, Everbright Jinhui received the Arbitration Award ([2020] Humao Arbitration No. 0322), which ruled that Everbright Jinhui, Baofeng (Tianjin) Investment Management Co., Ltd. and Shanghai Qunchang Financial Services Co., Ltd., as respondents, shall pay Shenzhen Hengxiang's investment principal of RMB150 million and the corresponding expected income, legal fees, arbitration fees and other related expenses. In December 2020, the execution of Judgement Document ([2020] Hu 02 Zhi 1332) was terminated by the Shanghai No. 2 Intermediate People's Court, because it was verified that Everbright Jinhui, Baofeng (Tianjin) Investment Management Co., Ltd. and Shanghai Qunchang Financial Services Co., Ltd. had no executable assets. Shenzhen Hengxiang has applied to the Shanghai No. 2 Intermediate People's Court for the addition of Everbright Capital as the defaulter, but Shenzhen Hengxiang has withdrawn the application. In May 2024, Everbright Capital received a notice from the court that Shenzhen Hengxiang had filed a civil lawsuit against Everbright Capital as the defendant in a tortious liability dispute with the Shanghai Financial Court, requesting that Everbright Capital compensate for the investment principal of RMB150 million, together with the corresponding expected income, lawyer fees, and all litigation costs. As of 31 December 2024, the lawsuit has not yet been judged.

## 15. Provision for contingent liabilities (continued)

### (b) *Provision for contingent liabilities (continued)*

#### Litigation with Merchants Bank

In May 2019, Everbright Capital received the notice of responding to prosecution from the Shanghai Financial Court. Merchants Bank initiated a civil lawsuit as plaintiff against Everbright Capital, requesting Everbright Capital to fulfil the obligation of making up the shortfall according to the "Letter of Makeup of Shortfall". The lawsuit amount was approximately RMB3,489 million for the principal of RMB2,800 million, expected income, penalties and other related expenses. In May 2019, Shanghai Financial Court accepted the application of the property preservation of Everbright Capital and has frozen the relevant equity interests in some investments held by Everbright Capital. In August 2020, Everbright Capital received the civil judgement of first instance ([2019] Hu 74 Min Chu No. 601) from the Shanghai Financial Court that Everbright Capital shall pay RMB3,116 million and the accrued interest from 6 May 2019 to the date of actual payoff to Merchants Bank, and bear part of the legal fees, property preservation fees and other related expenses. Everbright Capital appealed to the Shanghai High People's Court. In June 2021, Everbright Capital received civil judgement of second instance ((2020) Hu Min Zhong No. 567) from the Shanghai Higher People's Court that rejected the request of Everbright Capital, and the original verdict was upheld. In December 2021, Everbright Capital appealed to the Shanghai High People's Court. In June 2022, Everbright Capital received the civil verdict from the Shanghai High People's Court that rejected the request of Everbright Capital, and the original verdict was upheld.

In March 2022, Everbright Capital received the enforcement ruling (one of [2021] Hu 74 Zhi No. 466) from the Shanghai Financial Court, ruling that 35% of Everbright Fortune Financial Leasing Co., Ltd. and 3,810,482 shares of Tianyang Hongye Technology Co., Ltd. held by Everbright Capital were adjudicated as price. As of 31 December 2022, the number of shares of Tianyang Hongye Technology Co., Ltd. after allotment was 6,858,868 shares. In May 2023, 6,858,868 shares of Tianyang Hongye Technology Co., Ltd. has been compulsorily executed. All proceeds from the auction have been used to repay the debts of Merchants Bank.

In September 2023, the case between Everbright Capital and Merchants Bank has been finally reviewed and entered the execution stage. After consultation between the two parties, an execution and settlement plan has been formulated and approved by the 29th meeting of the sixth board of directors of Everbright Capital. Everbright Capital has signed the execution settlement agreement with Merchants Bank, fulfilling all payment obligations determined by the final judgement with RMB 2.24 billion. Among them, the execution settlement with Merchants Bank will be repaid in installments over four years. As of 31 December 2024, the execution settlement of RMB 1,163 million by Merchants Bank has been repaid in accordance with the settlement agreement. The outstanding amount is RMB 1.077 billion.



## 15. Provision for contingent liabilities (continued)

### (b) *Provision for contingent liabilities (continued)*

#### Litigation with Zhaoyuan Yongjin

In September 2020, Jiaxing Zhaoyuan Yongjin Equity Investment Fund Partnership (Limited Partnership) (hereinafter referred to as “Zhaoyuan Yongjin”), one of the mezzanine tranche limited partners of Jinxin Fund, initiated a civil lawsuit as plaintiff against Everbright Capital, regarding tortious liability dispute, requesting Everbright Capital to compensate for the loss of investment principal of RMB600 million and the corresponding expected income. In October 2021, Everbright Capital received the first instance civil judgement ((2020) Hu 74 Min Chu No. 2467) from the Shanghai Financial Court that Everbright Capital shall compensate Zhaoyuan Yongjin for 30% of the investment principal, which is RMB180 million; Zhaoyuan Yongjin’s remaining claims are not supported. Everbright Capital has appealed the verdict of the case and the court session was held on 23 February 2022.

In July 2023, Everbright Capital received the final judgement of the second instance ([2021] Hu Min Zhong No. 1254) from the Shanghai Higher People’s Court that the first instance civil judgement was revoked and Everbright Capital was sentenced to compensate Zhaoyuan Yongjin with approximately RMB135 millions of investment capital, and the remaining litigation requests of Zhaoyuan Yongjin have been rejected. In August 2023, Zhaoyuan Yongjin applied for compulsory enforcement of the case, and Everbright Capital has received the “Enforcement Notice” issued by the Shanghai Financial Court in the same month, but failed to perform the relevant obligations because there was no asset available for enforcement under its name. In March 2024, Everbright Capital has received an execution ruling from the Shanghai Financial Court, which terminates the current execution process. In January 2024, Everbright Capital has filed a retrial application with the Supreme People’s Court of the People’s Republic of China. In May 2024, Everbright Capital received the Civil Judgement of the retrial application, and the Supreme People’s Court of the People’s Republic of China that rejected the retrial application.

#### Litigation with Guian Financial

In May 2021, Guizhou Guian Financial Investment Co., Ltd. (hereinafter referred to as “Guian Financial”), the stakeholder of another mezzanine tranche and junior limited partners of Jinxin Fund, initiated civil lawsuits as plaintiff against Everbright Capital, regarding to tortious liability dispute, requesting Everbright Capital to compensate for the loss of their investment principal of RMB95 million, together with the corresponding expected income. In July 2023, Everbright Capital received the first instance civil judgement ([2021] Hu 74 Min Chu No. 1374) from the Shanghai Financial Court that Everbright Capital shall compensate Guian Financial for 30% of the investment principal; Guian Financial’s remaining claims were not supported. Everbright Capital appealed to the Shanghai High People’s Court against the first instance judgement. In December 2023, Everbright Capital received the verdict of the second instance and upheld the original judgement. In April 2024, Everbright Capital appealed to the Supreme People’s Court; In August 2024, Everbright Capital received the Civil Ruling of the retrial application, and the Supreme People’s Court ruled to reject the retrial application.

## 15. Provision for contingent liabilities (continued)

### (b) *Provision for contingent liabilities (continued)*

#### Litigation with Dongxing Investment

In June 2021, Shanghai Dongxing Investment Holdings Co., Ltd., the stakeholder of one of mezzanine tranche limited partners of Jinxin Fund, initiated civil lawsuits as plaintiff against Everbright Capital and Everbright Jinhui, regarding to tortious liability dispute, requesting Everbright Capital and Everbright Jinhui to compensate for the loss of their investment principal of RMB246.5 million, together with the corresponding expected income. In October 2021, Everbright Capital received the first instance civil judgement ([2021] Hu 74 Min Chu No. 283) from the Shanghai Financial Court that rejected the request of the plaintiff, and the verdict of the first instance has taken effect.

#### Litigation with Yingtan Langtaosha

In April 2024, Yingtan Langtaosha Investment Management Partnership Enterprise (Limited Partnership) (hereinafter referred to as "Yingtan Langtaosha"), the stakeholder of one of junior-tranche limited partners of Jinxin Fund, initial civil lawsuits as plaintiff against Everbright Capital, regarding to tortious liability dispute, requesting Everbright Capital to compensate for the loss of their investment principal of RMB100 million together with the corresponding expected income and the related legal fees. At present, the lawsuit has not been adjudicated.

#### Litigation with Baofeng Group and its controlling shareholder, Feng Xin

The provision was made based on an assessment and estimate of probable losses, after considering the repurchase agreement for Baofeng Group and its controlling shareholder, Feng Xin, to repurchase equity interests in MPS from Jinxin Fund as contractually agreed. In this regard, on 13 March 2019, Everbright Jinhui, in its capacity as the executive partner of Jinxin Fund, together with Jinxin Fund, jointly pursued civil legal action against Baofeng Group and Feng Xin at Beijing Higher People's Court, seeking compensation for losses arising from the non-fulfilment of their obligations to repurchase the 65% equity interests in MPS from Jinxin Fund and other related costs, totalling RMB751.19 million. In December 2020, Everbright Jinhui received the first instance Civil Judgement ([2019] Jing Min Chu No. 42), which rejected the plaintiff's claim, and the relevant case acceptance fees and property preservation fees were borne by the plaintiff. Everbright Jinxin and Jinxin Fund appealed to against the judgement of the first instance and received the civil ruling ([2021] Supreme Fa Min Zhong No. 580) in June 2022, which ruled to revoke the Civil Judgement ([2019] Jing Min Chu No. 42) from the Beijing Higher People's Court and send back to the Beijing Higher People's Court for retrial. The Beijing Higher People's Court accepted the case in June 2023 and held a hearing on 13 October 2023. So far, the case has not been adjudicated.

In June 2021, Jinxin Inc., the special purpose vehicle of Jinxin Fund registered in the Cayman Islands, filed a lawsuit against Riccardo Silva, Andreaa Radrizzani and other previous shareholders of MPS, regarding fraudulent misrepresentation and breach of tax commitment, in the higher court of England and Wales, amounting to USD661 million. As of the date of approval of the financial statements, no court session has been held.

## 15. Provision for contingent liabilities (continued)

### (b) Provision for contingent liabilities (continued)

Based on the assessment of the latest developments in relevant litigation and arbitration, combined with the information currently obtained, and taking into the account the requirements of the relevant laws and regulations, the Group made a provision for contingent liabilities in accordance with the relevant provisions of the IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*.

The Group will continue to monitor the progress and results of the matter, evaluate the responsibility to be undertaken, and disclose the relevant information.

Please refer to the Group's announcements of No. Lin 2019-008, No. Lin 2019-012, No. Lin 2019-016, No. Lin 2019-037, No. Lin 2019-051, No. Lin 2020-015, No. Lin 2020-049, No. Lin 2020-051, No. Lin 2020-080, No. Lin 2020-094, No. Lin 2021-006, No. Lin 2021-031, No. Lin 2021-037, No. Lin 2021-045, No. Lin 2021-062, No. Lin 2022-002, No. Lin 2022-005, No. Lin 2022-007, No. Lin 2022-009, No. Lin 2022-032, No. Lin 2022-052, No. Lin 2022-054, No. Lin 2023-019, No. Lin 2023-034, No. Lin 2023-036, No. Lin 2023-046, No. Lin 2023-048, No. Lin 2024-007, No. Lin 2024-009 and No. Lin 2024-023 for more details.

## 16. Provision for impairment losses

	2024	2023
Provision for impairment losses against		
- Goodwill	-	315,171
- Inventories	2,112	24,891
Total	2,112	340,062

## 17. (Reversal of)/provision for credit loss expense

	2024	2023
(Reversal of)/provision for credit loss expense against		
- Other receivables and prepayments	(128,388)	127,539
- Other non-current assets	136,676	97,414
- Finance lease receivables and receivables arising from sale-and-leaseback arrangements	(24,171)	84,008
- Margin accounts receivable	(19,953)	17,667
- Debt investments at fair value through other comprehensive income	35,644	16,622
- Accounts receivable	(330)	237
- Financial assets measured at amortised cost	(228)	(671)
- Financial assets held under resale agreements	(2,446)	(14,313)
Total	(3,196)	328,503

## 18. Income tax expense

### (a) Taxation in the consolidated statement of profit or loss represents:

	2024	2023
Current tax		
Mainland China income tax	647,543	422,328
Hong Kong profits tax	9,666	9,875
Subtotal	657,209	432,203
Adjustment in respect of prior years		
Mainland China income tax	4,736	(1,537)
Hong Kong profits tax	(104)	(187)
Subtotal	4,632	(1,724)
Deferred tax		
Origination and reversal of temporary differences	(166,608)	26,213
Total	495,233	456,692

According to the PRC Corporate Income Tax ("CIT") Law that took effect on 1 January 2008, the Company and the Company's subsidiaries in Mainland China are subject to CIT at the statutory tax rate of 25%.

For the Company's subsidiaries in Hong Kong, Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits for the year.

### (b) Reconciliation between income tax expense and accounting profit at the applicable tax rate:

	2024	2023
Profit before income tax	3,580,900	4,757,297
Tax at Mainland China statutory tax rate of 25%	895,225	1,189,324
Effect of different tax rates of subsidiaries	(12,142)	40,007
Adjustment for prior years	4,632	(1,724)
Profits and losses attributable to joint ventures and associates	(33,677)	(24,390)
Non-taxable income	(644,522)	(434,111)
Non-deductible expense	28,036	70,057
Recognition of deductible temporary differences and tax losses previously not recognised	-	(547,624)
Tax effect of unrecognised temporary differences and unused tax losses	377,326	262,625
Deductible distribution of other equity instruments	(119,388)	(97,388)
Others	(257)	(84)
Total	495,233	456,692

## 19. Directors' and supervisors' remuneration

The remuneration of directors and supervisors paid by the Group who held office during the reporting period is as follows:

Name	2024				Total
	Directors' fees	Salaries, allowances and benefits in kind	Contributions to pension schemes	Discretionary bonuses	
Directors:					
Zhao Ling	-	1,513	465	226	2,204
Liu Qiuming	-	1,403	429	237	2,069
Ma Rentao	-	-	-	-	-
Lian Yalin	-	-	-	-	-
Wang Yun	-	-	-	-	-
Yin Yanwu	-	-	-	-	-
Xie Song <sup>5</sup>	-	-	-	-	-
Qin Xiaozheng	-	-	-	-	-
Independent directors:					
Ren Yongping	240	-	-	-	240
Yin Junming	240	-	-	-	240
Liu Yingbin	140	-	-	-	140
Chen Xuanjuan	140	-	-	-	140
Lv Suiqi	140	-	-	-	140
Supervisors:					
Liang Yi	-	1,265	390	200	1,855
Zhou Huajian	-	-	-	-	-
Ye Shengli	-	-	-	-	-
Lin Maoliang	-	-	-	-	-
Li Ruoshan	117	-	-	-	117
Liu Yunhong	117	-	-	-	117
Lin Jingmin	-	672	38	154	864
Du Jia	-	495	5	120	620
Song Zhe	-	364	5	43	412
Total	1,134	5,712	1,332	980	9,158

## 19. Directors' and supervisors' remuneration (continued)

Name	2023 (Restated)				Total
	Directors' fees	Salaries, allowances and benefits in kind	Contributions to pension schemes	Discretionary bonuses	
Directors:					
Zhao Ling	-	1,682	1,580	186	3,448
Liu Qiuming	-	1,560	1,221	248	3,029
Song Bingfang	-	-	-	-	-
Yin Yanwu	-	-	-	-	-
Chan Ming Kin	-	-	-	-	-
Xie Song	-	-	-	-	-
Independent directors:					
Wang Yong	240	-	-	-	240
Po Wai Kwong	240	-	-	-	240
Ren Yongping	240	-	-	-	240
Yin Junming	240	-	-	-	240
Liu Yunhong	240	-	-	-	240
Supervisors:					
Liang Yi	-	1,405	1,100	174	2,679
Wu Chunsheng	-	-	-	-	-
Huang Xiaoguang	-	-	-	-	-
Zhu Wuxiang	200	-	-	-	200
Cheng Fengchao	200	-	-	-	200
Huang Qin	-	1,115	951	241	2,307
Li Xianzhi	-	1,093	577	171	1,841
Lin Jingmin	-	539	530	157	1,226
Total	1,600	7,394	5,959	1,177	16,130

1. The remuneration of personnels above for the year 2024 is calculated based on the remuneration amount attributable to 2024 and already paid in 2024. The final remuneration is still under confirmation, and the remaining portion will be disclosed upon finalization.

For the year 2023, in addition to the remuneration listed above, the pre-tax deferred bonuses attributable to 2023 are as follows: Zhao Ling RMB1.58 million, Liang Yi RMB1.1 million, Liu Qiuming RMB1.22 million, and Huang Qin 0.23million.

## 20. Individuals with the highest emoluments

The remuneration of the five highest paid individuals include the directors or supervisors disclosed in Note 19. The aggregate of the emoluments is as follows:

	2024	2023
Salaries and allowances	9,738	5,525
Discretionary bonuses	493	25,104
Employer's contributions to pension schemes	789	901
Total	<u>11,020</u>	<u>31,530</u>

The emoluments with the highest emoluments are within the following bands:

	2024 Number of individuals	2023 Number of individuals
HKD2,000,001 to HKD2,500,000	4	-
HKD2,500,001 to HKD3,000,000	1	-
HKD5,500,001 to HKD6,000,000	-	-
HKD6,000,001 to HKD6,500,000	-	-
HKD6,500,001 to HKD7,000,000	-	4
HKD7,500,001 to HKD8,000,000	-	1
Total	<u>5</u>	<u>5</u>

No emoluments are paid or payable to these individuals as benefits for retirement from employment or as an inducement to join or upon joining the Company or as compensation for loss of office during the reporting period. The remuneration of 5 highest paid individuals is calculated based on the amount attributed to 2024 and has already been disbursed, and the final remuneration is still under confirmation.

## 21. Basic and diluted earnings per share

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the year. There has been no change in the number of ordinary shares during the reporting period.

	Note	2024	2023
Earnings			
Profit attributable to equity holders of the Company		3,058,464	4,271,152
Less: Profit attributable to other equity instruments holders of the Company	(1)	<u>389,550</u>	<u>389,550</u>
Profit attributable to ordinary equity holders of the Company		<u>2,668,914</u>	<u>3,881,602</u>
Shares (in thousand)			
Weighted average number of ordinary shares in issue		<u>4,610,788</u>	<u>4,610,788</u>
Earnings per share attributable to ordinary equity holders of the Company (RMB yuan per share)			
- Basic		<u>0.58</u>	<u>0.84</u>

- (1) For the purpose of calculating basic earnings per ordinary share in respect of the year ended 31 December 2024, RMB389,550 thousand (2023: RMB389,550 thousand) attributable to perpetual bonds were deducted from profits attributable to equity holders of the Company.



## 22. Property and equipment

Cost	Buildings	Electric equipment	Furniture and fixtures	Motor vehicles	Construction in progress	Total
As at 1 January 2023	886,211	769,312	333,141	106,172	158	2,094,994
Additions	-	177,159	70,611	370	-	248,140
Transfers out during the year	-	-	-	-	(158)	(158)
Disposals and others	(35)	(44,398)	(1,667)	(3,766)	-	(49,866)
As at 31 December 2023	886,176	902,073	402,085	102,776	-	2,293,110
Additions	2,214	118,892	16,961	55,699	-	193,766
Disposals	-	(48,551)	(10,394)	(5,891)	-	(64,836)
Others and exchange difference	-	(3,349)	(110,370)	(67)	-	(113,786)
As at 31 December 2024	888,390	969,065	298,282	152,517	-	2,308,254
Accumulated depreciation						
As at 1 January 2023	(371,257)	(588,440)	(282,569)	(29,581)	-	(1,271,847)
Charge for the year	(22,142)	(129,393)	(25,508)	(3,841)	-	(180,884)
Disposals and others	7	44,396	1,532	3,766	-	49,701
As at 31 December 2023	(393,392)	(673,437)	(306,545)	(29,656)	-	(1,403,030)
Charge for the year	(23,714)	(140,205)	(15,637)	(5,205)	-	(184,761)
Disposals	-	48,472	10,201	5,891	-	64,564
Others and exchange difference	-	3,033	60,801	67	-	63,901
As at 31 December 2024	(417,106)	(762,137)	(251,180)	(28,903)	-	(1,459,326)
Carrying amount						
As at 31 December 2024	471,284	206,928	47,102	123,614	-	848,928
As at 31 December 2023	492,784	228,636	95,540	73,120	-	890,080

As of December 31, 2024, and 2023, the Group had buildings with carrying amounts of RMB 1,657 thousand and RMB 985 thousand, respectively, for which the relevant land use rights or building ownership certificates had not yet been obtained.

## 23. Leases

### (i) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

	<i>Buildings</i>	<i>Others</i>	<i>Total</i>
<b>Cost</b>			
As at 1 January 2023	1,352,834	7,360	1,360,194
Additions	594,009	325	594,334
Disposals and others	(179,397)	(1,946)	(181,343)
As at 31 December 2023	1,767,446	5,739	1,773,185
Additions	213,342	351	213,693
Disposals and others	(356,968)	(532)	(357,500)
As at 31 December 2024	1,623,820	5,558	1,629,378
<b>Accumulated depreciation</b>			
As at 1 January 2023	(814,010)	(3,518)	(817,528)
Charge for the year	(317,414)	(1,359)	(318,773)
Disposals and others	165,969	1,946	167,915
As at 31 December 2023	(965,455)	(2,931)	(968,386)
Charge for the year	(291,533)	(850)	(292,383)
Disposals and others	339,986	467	340,453
As at 31 December 2024	(917,002)	(3,314)	(920,316)
<b>Net carrying amount</b>			
As at 31 December 2024	706,818	2,244	709,062
As at 31 December 2023	801,991	2,808	804,799

Note: Others include the effect of foreign exchange rate changes.

## 23. Leases (continued)

### (ii) Lease liabilities

The carrying amount of lease liabilities and the movements during the year are as follows:

	2024	2023
Carrying amount at 1 January	815,873	561,400
New leases	216,442	594,580
Accretion of interest recognised during the year	32,841	28,639
Payments	(327,491)	(354,825)
Others	(3,529)	(13,921)
	<u>734,136</u>	<u>815,873</u>
Carrying amount at 31 December		
Analysed into:		
Current portion	<u>216,615</u>	<u>224,558</u>
Non-current portion	<u>517,521</u>	<u>591,315</u>

### (iii) The amounts recognised in profit or loss in relation to leases are as follows:

	2024	2023
Amortisation of right-of-use assets	292,383	318,773
Interest on lease liabilities	32,841	28,639
Expense relating to short-term leases	11,637	10,513
Expense relating to leases of low-value assets	1,193	53
	<u>338,054</u>	<u>357,978</u>
Total		

## 24. Goodwill

	31 December 2024	31 December 2023
Cost	1,504,201	1,504,201
Effect of exchange rate changes for cost	249,793	212,453
Less: Provision for impairment losses	(1,134,164)	(1,134,164)
Effect of exchange rate changes for impairment provision	<u>(78,948)</u>	<u>(52,984)</u>
Carrying amount	<u>540,882</u>	<u>529,506</u>

## 24. Goodwill (continued)

### Impairment testing on goodwill

Goodwill is allocated to the Group's cash-generating units ("CGU") identified according to operating segments as follows:

	31 December 2024	31 December 2023
Hong Kong Wealth Management CGU	1,744,614	1,707,274
Everbright Futures CGU	9,380	9,380
Total	<u>1,753,994</u>	<u>1,716,654</u>

As at 31 December 2024, the Group's goodwill was divided into two CGUs, consistent with the previous years. The goodwill of RMB9,380 thousand generated from the acquisition of Everbright Futures Co., Ltd. (hereinafter referred to as "Everbright Futures") by the Group in 2007 belongs to the Everbright Futures CGU. The goodwill of HKD1,883,951 thousand generated from the acquisition of Everbright Securities Global Limited ("ESGL") in 2011 and Everbright Securities International Company Limited ("EBSIL") in 2015 belongs to the Hong Kong Wealth Management CGU.

The recoverable amount of the Hong Kong Wealth Management CGU is determined using the present value of expected future cash flows. Based on the financial budget or forecast approved by management for a five-year period, the Group's revenue growth rate ranges from 2.50% to 9.00% and net margin rate ranges from 36.30% to 36.78% for the budget or forecast period. The basis for determining these growth rates is on the revenue achieved in the first three years of the budget or forecast period, adjusted appropriately according to the expected market development situation. The revenue growth rate and net margin rate during the stable period are 2.50% and 36.78% respectively, which are determined based on inflation during the budget or forecast period and adjusted appropriately according to the expected industry development situation, and do not exceed the long-term average growth rate of the business involved in the Hong Kong Wealth Management CGU. The discount rate used is a pre tax discount rate that reflects the specific risk of the relevant CGU. The applicable pre tax discount rate is 15.74%, which already reflects the specific risk of the relevant CGU. As at 31 December 2024, the cumulative recognised impairment for goodwill in this CGU was RMB1,213,112 thousand.

## 25. Other intangible assets

	<i>Customer relationship</i>	<i>Software and others</i>	<i>Total</i>
Cost			
As at 1 January 2023	863,362	1,191,644	2,055,006
Additions	-	195,557	195,557
Disposals and others	-	3,074	3,074
As at 31 December 2023	863,362	1,390,275	2,253,637
Additions	-	151,757	151,757
Disposals	-	12,523	12,523
Exchange difference and others	99,406	31,773	131,179
As at 31 December 2024	962,768	1,561,282	2,524,050
Accumulated depreciation			
As at 1 January 2023	(863,362)	(976,152)	(1,839,514)
Charge for the year	-	(147,138)	(147,138)
Disposals and others	-	(4,067)	(4,067)
As at 31 December 2023	(863,362)	(1,127,357)	(1,990,719)
Charge for the year	-	(158,639)	(158,639)
Disposals	-	12,186	12,186
Exchange difference and others	(99,406)	(31,951)	(131,357)
As at 31 December 2024	(962,768)	(1,305,761)	(2,268,529)
Net carrying amount			
As at 31 December 2024	-	255,521	255,521
As at 31 December 2023	-	262,918	262,918

## 26. Investments in subsidiaries

The following list contains the particulars of subsidiaries which affected the results, assets or liabilities of the Group. All shares held are ordinary shares unless otherwise stated.

Name of company	Place and date of incorporation/ establishment	Place of operation	Issued and fully paid-up capital	Equity interest held as at 31 December		Principal activities
				2024	2023	
Everbright Futures Co., Ltd.* <sup>(1)</sup> 光大期貨有限公司	Mainland China 8 April 1993	Mainland China	RMB1,500,000,000	100%	100%	Futures brokerage
Shanghai Everbright Securities Assets Management Co., Ltd.* <sup>(1)</sup> 上海光大證券資產管理有限公司	Mainland China 21 February 2012	Mainland China	RMB200,000,000	100%	100%	Asset management
Everbright Fortune Investment Co., Ltd.* <sup>(1)</sup> 光大富尊投資有限公司	Mainland China 26 September 2012	Mainland China	RMB2,000,000,000	100%	100%	Alternative investment
Everbright Securities International Holdings Limited ("EBSI") <sup>(1)</sup>	Hong Kong 19 November 2010	Hong Kong	HKD7,400,000,000	100%	100%	Investment holding
Everbright Development Investment Co., Ltd.* <sup>(1)</sup> 光大發展投資有限公司	Mainland China 12 June 2017	Mainland China	RMB500,000,000	100%	100%	Direct investment
Everbright Pramerica Fund Management Co., Ltd.* <sup>(1)</sup> 光大保德信基金管理有限公司	Mainland China 22 April 2004	Mainland China	RMB160,000,000	55%	55%	Fund management
Everbright Capital Investment Co., Ltd.* <sup>(1)</sup> 光大資本投資有限公司	Mainland China 7 November 2008	Mainland China	RMB4,000,000,000	100%	100%	Direct investment
Everbright Fortune Financial Leasing Co., Ltd.* <sup>(6)</sup> 光大幸福融資租賃有限公司	Mainland China 29 September 2014	Mainland China	RMB1,000,000,000	85%	85%	Finance leasing
Everbright Photon Investment Management Co., Ltd.* 光大光子投資管理有限公司	Mainland China 26 June 2014	Mainland China	RMB300,000,000	100%	100%	OTC Derivatives business basis trading and market making
Everbright Fortune Evertop Investment Management (Shanghai) Co., Ltd.* 光大富尊泰鋒投資管理(上海)有限公司	Mainland China 19 November 2015	Mainland China	RMB10,000,000	100%	100%	Investment management
Everbright Pramerica Assets Management Co., Ltd.* 光大保德信資產管理有限公司	Mainland China 27 August 2015	Mainland China	RMB250,000,000	100%	100%	Asset management

## 26. Investments in subsidiaries (continued)

Name of company	Place and date of incorporation/ establishment	Place of operation	Issued and fully paid-up capital	Equity interest held as at 31 December	Principal activities
			2024	2023	
Everbright Jinhui Investment Management (Shanghai) Co., Ltd.* 光大滙輝投資管理(上海)有限公司	Mainland China 4 May 2015	Mainland China	RMB100,000,000	100%	Investment management
Everbright Fortune International Commercial Factoring Co., Ltd.* 光大幸福國際商業保理有限公司	Mainland China 3 May 2017	Mainland China	RMB200,000,000	100%	Factoring
Guanghang No. 1 (Tianjin) Leasing Co., Ltd.* 光航一號(天津)租賃有限公司	Mainland China 22 January 2018	Mainland China	RMB100,000	100%	Finance leasing
Guanghang No. 2 (Tianjin) Leasing Co., Ltd.* 光航二號(天津)租賃有限公司	Mainland China 25 January 2018	Mainland China	RMB100,000	100%	Finance leasing
Everbright Financial Investment Limited	Hong Kong 14 August 2014	Hong Kong	HKD650,000,000	100%	Investment holding
China Everbright Fortune Investment Limited <sup>(2)</sup>	Hong Kong 4 July 2013	Hong Kong	HKD1,000	100%	Investment
Everbright Fortune (Shenzhen) Information Technology Co., Ltd.* <sup>(2)</sup> 陽光富尊(深圳)信息技術有限公司	Mainland China 23 September 2011	Mainland China	HKD30,000,000	100%	IT support management
China Everbright Securities Asset Management Limited <sup>(2)</sup>	Hong Kong 23 September 2011	Hong Kong	HKD10,000,000	100%	Investment management
China Everbright Securities International Structured Finance Company Limited <sup>(2)</sup>	Hong Kong 11 April 2016	Hong Kong	HKD10,000,000	100%	Investment
Everbright Capital Return Company Limited <sup>(2)</sup>	Cayman Islands 20 October 2016	Hong Kong	USD1	100%	Fund management
Everbright Capital Investment Management (Cayman) Limited <sup>(2)</sup>	Cayman Islands 20 October 2016	Hong Kong	USD1	100%	Fund management
China Everbright Securities International Fixed Income Investment Company Limited* <sup>(2)</sup> 中國光證國際固定收益投資有限公司	Hong Kong 13 December 2017	Hong Kong	HKD 10,000,000	100%	Investment holding

## 26. Investments in subsidiaries (continued)

Name of company	Place and date of incorporation/ establishment	Place of operation	Issued and fully paid-up capital	Equity interest held as at 31 December	Principal activities
				2024	2023
Everbright Securities International (HK) Limited <sup>(4)</sup>	Hong Kong 4 January 1994	Hong Kong	HKD5,000,000	100%	Investment holding and provision of management services
China Everbright Capital Limited <sup>(2)</sup>	Hong Kong 4 January 1994	Hong Kong	HKD50,000,000	100%	Corporate finance advisory
China Everbright Research Limited <sup>(2)</sup>	Hong Kong 30 July 1992	Hong Kong	HKD5,500,000	100%	Investment research
China Everbright Securities (HK) Limited <sup>(2)</sup>	Hong Kong 4 January 1991	Hong Kong	HKD1,000,000,000	100%	Securities brokerage and margin financing
China Everbright Forex & Futures (HK) Limited <sup>(2)</sup>	Hong Kong 19 August 1993	Hong Kong	HKD200,000,000	100%	Futures brokerage and leveraged foreign exchange
China Everbright Wealth Management Limited <sup>(2)</sup>	Hong Kong 6 December 2002	Hong Kong	HKD500,000	100%	Insurance broking services
Bolson Limited <sup>(2)</sup>	Hong Kong 2 November 2007	Hong Kong	HKD10,000	100%	Holding of motor vehicles and licences
Shenzhen Baoyoudi Archives Co., Ltd* <sup>(2)</sup> 深圳寶又迪檔案整理有限公司	Mainland China 18 January 2008	Mainland China	HKD8,000,000	100%	Inactive
EBS Investment Limited <sup>(3)</sup>	Hong Kong 6 November 2017	Hong Kong	HKD1	100%	Investment
Advance I (BV/I) Limited <sup>(3)</sup>	British Virgin Islands 23 May 2018	Hong Kong	USD1	100%	Financing
China Everbright Securities International Company Limited <sup>(4)</sup>	Hong Kong 27 February 1973	Hong Kong	HKD157,748,221	100%	Investment holding
Bright Fund Management Limited <sup>(3)</sup>	Hong Kong 20 January 1989	Hong Kong	HKD106,000,000	100%	Fund marketing investment advising and fund management
Everbright Securities Digital Finance (HK) Limited <sup>(3)</sup>	Hong Kong 23 December 1975	Hong Kong	HKD40,000,000	100%	Online securities broking and margin financing
CES Private (HK) Limited <sup>(3)</sup>	Hong Kong 11 July 1975	Hong Kong	HKD100,000	100%	Business marketing and promotion



## 26. Investments in subsidiaries (continued)

Name of company	Place and date of incorporation/ establishment	Place of operation	Issued and fully paid-up capital	Equity interest held as at 31 December	Principal activities
				2024	2023
Shun Loong Holdings Limited <sup>(5)</sup>	Hong Kong 1 August 1980	Hong Kong	HKD200,000,000	N/A	100% Investment holding
CES Nominees (HK) Limited <sup>(3)</sup>	Hong Kong 18 April 1972	Hong Kong	HKD200	100%	100% Nominee services
Sun Hing Bullion Company Limited <sup>(3)</sup>	Hong Kong 24 November 1992	Hong Kong	HKD5,500,000	100%	100% Bullion trading
Everbright Securities (UK) Company Limited <sup>(3)</sup>	UK 16 December 2009	UK	GBP1,852,282	100%	100% Brokerage and research services
Bright Bullion Company Limited <sup>(3)</sup>	Hong Kong 12 September 1972	Hong Kong	HKD210,000,000	100%	100% Bullion trading and investment holding
CES Commodities (HK) Limited <sup>(3)</sup>	Hong Kong 4 August 1976	Hong Kong	HKD133,300,000	100%	100% Commodities broking
CES Insurance Consultants (HK) Limited <sup>(3)</sup>	Hong Kong 5 July 1988	Hong Kong	HKD21,000,000	100%	100% Insurance broking consultancy services
CES International Commodities (HK) Limited <sup>(3)</sup>	Hong Kong 24 March 1972	Hong Kong	HKD25,000,000	100%	100% Inactive
Everbright Securities Global (HK) Limited <sup>(3)</sup>	Hong Kong 3 May 1974	Hong Kong	HKD22,000,000	100%	100% Corporate finance services
CES Investment Services (Macau) Limited <sup>(3)</sup>	Macau 5 February 1991	Macau	MOP48,900,000	100%	100% Inactive
Everbright Securities Investment Services (HK) Limited <sup>(3)</sup>	Hong Kong 4 August 1972	Hong Kong	HKD2,430,000,000	100%	100% Investment holding securities broking and margin financing
Sun Yi Company Limited <sup>(5)</sup>	Hong Kong 19 November 1982	Hong Kong	HKD15,000,000	N/A	100% Inactive
CES Wealth Management (HK) Limited <sup>(3)</sup>	Hong Kong 21 December 1990	Hong Kong	HKD5,000,000	100%	100% Investment advisory financial planning wealth management
CES Insurance Agency (HK) Limited <sup>(3)</sup>	Hong Kong 30 October 2014	Hong Kong	HKD2,000,001	100%	100% Insurance agency
Shun Loong Bullion Limited <sup>(3)</sup>	Hong Kong 7 September 1995	Hong Kong	HKD6,000,000	100%	100% Investment holding
OP EBS Fintech Investment Limited <sup>(2)</sup>	British Virgin Islands 13 January 2021	Hong Kong	-	100%	100% Inactive

Note: All of the subsidiaries established in Mainland China are registered as companies with limited liability under PRC law.

## 26. Investments in subsidiaries (continued)

The Group acted as a principal of several structured entities during the reporting period according to the relevant accounting policies of the Group, and details of these structured entities are included in the financial statements. More detailed information of consolidated structured entities is disclosed in note 27.

- (1) These subsidiaries are directly held by the Company.
- (2) The equity interest in the subsidiary represents the equity interest held directly or indirectly by Everbright Securities International (HK) Limited.
- (3) The equity interest in the subsidiary represents the equity interest held directly or indirectly by China Everbright Securities International Company Limited.
- (4) The equity interest in the subsidiary represents the equity interest held directly by Everbright Securities International Holdings Limited.
- (5) The subsidiaries were dissolved in 2024.
- (6) A 35% equity interest in the subsidiary has been frozen. Please refer to note 15(b) for details.
- \* The English translation of the names is for reference only. The official names of these entities are in Chinese.

The following table lists out the information related to a major subsidiary of the Group which has material non-controlling interests ("NCI"). The summarised financial information presented below represents the amounts before any inter-company elimination.

Everbright Pramerica Fund Management Co., Ltd.

	31 December 2024	31 December 2023
NCI percentage	45%	45%
Assets	1,651,485	1,602,036
Liabilities	(205,342)	(202,422)
Net assets	1,446,143	1,399,614
Carrying amount of NCI	650,764	629,826
	2024	2023
Revenue <sup>(1)</sup>	360,515	484,619
Profit for the year	46,530	88,570
Total comprehensive income	46,530	88,570
Total comprehensive income attributable to NCI	20,939	39,857
Cash flows from operating activities	(18,460)	137,462
Cash flows from investing activities	22,820	91,951
Cash flows generated from/(used in) financing activities	3,066	(239,871)

- (1) The Financial information is calculated in accordance with PRC GAAP.

## 27. Investments in structured entities

### (a) Interest in consolidated structured entities

The Group has consolidated certain structured entities, mainly investments in funds and asset management products. For those structured entities where the Group is involved as manager or as investor, the Group assesses whether the combination of investments it held together with its remuneration creates exposure to variability of returns from the activities of those structured entities that is of such significance that it indicates that the Group is a principal.

As at 31 December 2024 and 2023, the net assets of the consolidated structured entities were RMB13,020,612 thousand and RMB12,669,298 thousand respectively, and the carrying amounts of interests held by the Group in the consolidated structured entities were RMB12,748,654 thousand and RMB12,696,658 thousand respectively.

Interests held by other investors in these consolidated structured entities were classified as financial liabilities at fair value through profit or loss in the consolidated statement of financial position.

At the end of the reporting period, the Group reassessed the control of structured entities and decided whether the Group is still a principal.

### (b) Interests in structured entities sponsored by third party institutions

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

The carrying amount of the related accounts in the consolidated statements 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:

31 December 2024	Financial assets at fair value through profit or loss	Investments in associates and joint ventures	Total
Funds	20,796,623	-	20,796,623
Asset management products	531,737	-	531,737
Wealth management products	3,820,684	-	3,820,684
Others	450,838	22,732	473,570
Total	<u>25,599,882</u>	<u>22,732</u>	<u>25,622,614</u>

## 27. Investments in structured entities (continued)

### (b) Interests in structured entities sponsored by third party institutions (continued)

31 December 2023	Financial assets at fair value through profit or loss	Investments in associates and joint ventures	Total
Funds	22,594,601	-	22,594,601
Asset management products	421,425	-	421,425
Wealth management products	3,505,048	-	3,505,048
Others	259,769	22,633	282,402
Total	26,780,843	22,633	26,803,476

### (c) Interests in unconsolidated structured entities

The Group exercised the power over the structured entities including investments in funds, asset management products and limited partnerships by acting as a manager or general partner during the year. Except for the structured entities the Group has consolidated as stated in Note 27(a), in management's opinion, the Group's exposure to variable returns of these structured entities that the Group has interests in are not significant. The Group therefore did not consolidate these structured entities.

The Group classified the investments in unconsolidated investment funds, asset management products and limited partnerships managed by the Group as financial assets at fair value through profit or loss and investments in associates and joint ventures. As at 31 December 2024 and 2023, the carrying amounts of the Group's interests in unconsolidated structured entities were RMB73,608,589 thousand and RMB87,613,104 thousand, respectively. The management fee arising from these unconsolidated structured entities in which the Group did not hold interest amounted to RMB222,292 thousand and RMB341,181 thousand for the years ended 31 December 2024 and 2023, respectively.

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 the end of the reporting period, and their respective carrying amounts are listed below:

31 December 2024	Financial assets at fair value through profit or loss	Investments in associates and joint ventures	Total
Funds	452,624	-	452,624
Asset management products	570,168	-	570,168
Others	-	73,293	73,293
Total	1,022,792	73,293	1,096,085

## 27. Investments in structured entities (continued)

### (c) Interests in unconsolidated structured entities (continued)

31 December 2023	Financial assets at fair value through profit or loss	Investments in associates and joint ventures	Total
Funds	378,211	-	378,211
Asset management products	485,482	-	485,482
Others	-	78,638	78,638
Total	863,693	78,638	942,331

As at 31 December 2024 and 31 December 2023, the net assets of these unconsolidated structured entities in which the Group acted as an asset manager but did not have any interests amounted to RMB310,105,240 thousand and RMB312,268,475 thousand, respectively.

During the years ended 31 December 2024 and 2023, the Group recognised the income amounted to RMB567,734 thousand and RMB669,114 thousand, respectively, from these unconsolidated structured entities in which the Group acted as an asset manager but did not have any interests. As at 31 December 2024 and 31 December 2023, the corresponding remuneration receivables totaled RMB109,245 thousand and RMB80,629 thousand, respectively.

## 28. Investments in associates and joint ventures

	31 December 2024	31 December 2023
Share of net assets		
- Associates	944,952	865,126
- Joint ventures	120,479	136,075
Total	1,065,431	1,001,201

## 28. Investments in associates and joint ventures (continued)

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

Name of associates and joint ventures	Place of incorporation	Registered capital (RMB Yuan)	Equity interest held		Principal activities
			As at 31 December 2024	As at 31 December 2023	
Associates					
Dacheng Fund Management Co., Ltd.* 大成基金管理有限公司	Shenzhen	RMB200,000,000	25.00%	25.00%	Fund management
Everbright Yunfu Internet Co., Ltd.* 光大雲付互聯網股份有限公司	Shanghai	RMB200,000,000	40.00%	40.00%	Financial data processing
Everbright Eascreate Internet Co., Ltd.* 光大易創網路科技股份有限公司	Shanghai	RMB100,000,000	40.00%	40.00%	Financial data processing
CRECG & EB Private Equity Fund Management (Shanghai) Co., Limited* 中鐵光大股權投資基金管理(上海)有限公司	Shanghai	RMB50,000,000	30.00%	30.00%	Investment management
Tianjin Zhongchen Zhongli Investment Management Co., Ltd.* 天津中城光麗投資管理有限公司	Tianjin	RMB20,000,000	30.00%	30.00%	Investment management
Joint ventures					
Hangzhou Everbright Tunlan Investment LLP* <sup>(3)</sup> 杭州光大瞰瀾投資合夥企業(有限合夥)	Hangzhou	RMB106,000,000	47.17%	47.17%	Investment management
Everbright Ivy (Shanghai) Investment Center (Limited Partnership)* <sup>(3)</sup> 光大常春藤(上海)投資中心(有限合夥)	Shanghai	RMB185,000,000	27.03%	27.03%	Fund management

## 28. Investments in associates and joint ventures (continued)

Name of associates and joint ventures	Place of incorporation	Registered capital (RMB Yuan)	Equity interest held		Principal activities
			As at 31 December 2024	As at 31 December 2023	
Joint ventures (continued)					
Shanghai Everbright Sports & Culture Equity Fund (Limited Partnership)* (3)	Shanghai	RMB163,944,800	24.76%	24.76%	Fund management
上海光大體育文化投資合夥企業 (有限合夥)					
Everbright securities Forex (HK) Limited (1)	Hong Kong	HKD75,166,707	51.00%	51.00%	Foreign exchange dealing
光證外匯 (香港) 有限公司					
Jiaxing Everbright Meiyin No. 1 Investment LLP* (3)	Jiaxing	RMB100,000,000	25.00%	25.00%	Investment management
嘉興光大美銀壹號投資合夥企業 (有限合夥)					
Jiaxing Everbright BoPu Investment LLP (Limited Partnership)* (3)	Jiaxing	RMB100,000,000	24.90%	24.90%	Investment management
嘉興光大礪璞投資合夥企業 (有限合夥)					
EBS Fund Management Co., Ltd.* (1)	Shanghai	RMB20,000,000	75.50%	75.50%	Investment management
上海光大光證股權投資基金管理有限公司					
Everbright Ivy Investment Management (Shanghai) Co., Ltd.* (1)	Shanghai	RMB10,000,000	51.00%	51.00%	Investment management
光大常春藤投資管理 (上海) 有限公司					
Everbright LeadBank Assets Management (Shanghai) Co., Ltd.* (1) (3)	Shanghai	RMB10,000,000	95.00%	95.00%	Investment management
光大利得資產管理 (上海) 有限公司					
Jiaxing Everbright Meiyin Investment Management Co., Ltd.* (1) (3)	Jiaxing	RMB2,000,000	51.00%	51.00%	Investment management
嘉興光大美銀投資管理有限公司					

## 28. Investments in associates and joint ventures (continued)

Name of associates and joint ventures	Place of incorporation	Registered capital (RMB Yuan)	Equity interest held		Principal activities
			As at 31 December 2024	As at 31 December 2023	
Joint ventures (continued)					
Shanghai JinXin Investment Consultancy Enterprise (Limited Partnership) ("Jinxin Fund")* <sup>(2) (3)</sup> 上海浸鑫投資諮詢合夥企業 (有限合夥)	Shanghai	RMB5,203,000,000	1.15%	1.15%	Fund management
Jingning Everbright Zhetong No.1 Investment Fund L.P.* <sup>(2)</sup> 景寧光大浙通壹號投資管理合夥企業 (有限合夥)	Lishui	RMB65,600,000	15.24%	15.24%	Fund management
Jingning-Everbright ECO Investment Fund L.P.* <sup>(2)</sup> 景寧光大生態壹號投資管理中心 (有限合夥)	Lishui	RMB20,000,000	9.01%	9.01%	Fund management
Shanghai Everbright Fortune Jingtian Investment Center (Limited Partnership)* <sup>(2)</sup> 上海光大富尊環閩投資中心 (有限合夥)	Shanghai	RMB52,350,000	0.20%	0.20%	Investment management
Shanghai Jingjun Enterprise Management L.P.* 上海璟雋企業管理合夥企業 (有限合夥)	Hangzhou	RMB10,000,000	40.00%	40.00%	Investment management
Beijing Everbright 360 Investment Management Center* <sup>(2) (3)</sup> 北京光大三六零投資管理中心 (有限合夥)	Beijing	RMB680,800,000	0.07%	0.07%	Investment management
Hohhot Haotian Construction Co., Ltd.* <sup>(2)</sup> 呼和浩特市昕天璟建設有限公司	Hohhot	RMB100,000,000	1.00%	1.00%	Investment management

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



## 28. Investments in associates and joint ventures (continued)

- (1) The Group's shareholding of these investees is higher than 50%, however these investees are jointly controlled by the Group and other investors as a result of the relevant arrangements stipulated in the articles of association and other corporate governance documents.
- (2) The Group's shareholding of these investees is lower than 20%, however these investees are jointly controlled by the Group and other investors as a result of the relevant arrangements stipulated in the articles of association and other corporate governance documents.
- (3) As at 31 December 2024, the Group's shareholding of these investees has been restricted by the judicial department. Please refer to note 15(b) for details.
- \* The English translation of the names is for reference only. The official names of these entities are in Chinese.

Summarised financial information of the Group's material associate reconciled to the carrying amounts in the financial statement is disclosed below:

Dacheng Fund Management Co., Ltd.

	31 December 2024	31 December 2023
Gross amounts of the associate:		
Assets	6,113,923	5,715,106
Liabilities	(2,407,981)	(2,327,452)
Net assets	<u>3,705,942</u>	<u>3,387,654</u>
	2024	2023
Revenue <sup>(1)</sup>	<u>2,116,480</u>	<u>2,006,352</u>
Profit for the year	460,841	405,270
Other comprehensive income	<u>18,527</u>	<u>1,871</u>
Total comprehensive income	<u>479,368</u>	<u>407,141</u>
Dividend declared this year from the associate	<u>44,000</u>	<u>40,000</u>
Dividend received this year from the associate	<u>40,000</u>	<u>32,000</u>

## 28. Investments in associates and joint ventures (continued)

	31 December 2024	31 December 2023
Reconciled to the Group's interest in the associate:		
Net assets	3,705,942	3,387,654
The Group's effective interest	25%	25%
	<hr/>	<hr/>
The Group's share of net assets of the associate	926,485	846,914
	<hr/>	<hr/>
Carrying amount in the consolidated financial statements	926,485	846,914
	<hr/>	<hr/>

(1) The Financial information is calculated in accordance with PRC GAAP.

The following table illustrates the aggregate financial information of the Group's associates and joint ventures that are not individually material:

	2024	2023
Aggregate amounts of the Group's share of those associates and joint ventures' net profits	(4,516)	366
	<hr/>	<hr/>
Total comprehensive income	(4,516)	366
	<hr/>	<hr/>
	31 December 2024	31 December 2023
Aggregate carrying amount of individually immaterial associates and joint ventures in the consolidated financial statements	138,946	154,287
	<hr/>	<hr/>

## 29. Financial assets measured at amortised cost

	31 December 2024	31 December 2023
<i>Non-current</i>		
Debt securities	1,812,251	3,549,957
Others	166,964	167,213
Less: Allowance for ECLs	(167,791)	(218,789)
Total	<u>1,811,424</u>	<u>3,498,381</u>
Analysed as:		
Listed outside Hong Kong	221,913	220,365
Unlisted	<u>1,589,511</u>	<u>3,278,016</u>
Total	<u>1,811,424</u>	<u>3,498,381</u>
<i>Current</i>		
Debt securities	1,592,316	149,422
Less: Allowance for ECLs	(832)	(53)
Total	<u>1,591,484</u>	<u>149,369</u>
Analysed as:		
Listed outside Hong Kong	-	1,639
Unlisted	<u>1,591,484</u>	<u>147,730</u>
Total	<u>1,591,484</u>	<u>149,369</u>

As at 31 December 2024, the financial assets measured at amortised cost which were pledged as collateral amounted to RMB2,357,642 thousand (as at 31 December 2023: RMB1,862,659 thousand).

### (a) Analysis of the movements of allowance for ECLs:

	2024	2023
At the beginning of the year	218,842	220,181
Charge for the year	21	514
Reversal for the year	(249)	(1,185)
Amounts written off	<u>(49,991)</u>	<u>(668)</u>
At the end of the year	<u>168,623</u>	<u>218,842</u>

## 29. Financial assets measured at amortised cost (continued)

### (b) Analysed by stage of ECLs:

	Stage 1	Stage 2	Stage 3	Total
31 December 2024	<u>1,658</u>	<u>-</u>	<u>166,965</u>	<u>168,623</u>
31 December 2023	<u>1,785</u>	<u>-</u>	<u>217,057</u>	<u>218,842</u>

## 30. Debt investments at fair value through other comprehensive income

<i>Non-current</i>	<i>31 December 2024</i>	<i>31 December 2023</i>
Debt securities	<u>29,678,644</u>	<u>22,129,376</u>
Total	<u>29,678,644</u>	<u>22,129,376</u>
Analysed as:		
Listed outside Hong Kong	6,196,332	3,226,323
Unlisted	<u>23,482,312</u>	<u>18,903,053</u>
Total	<u>29,678,644</u>	<u>22,129,376</u>
 <i>Current</i>	 <i>31 December 2024</i>	 <i>31 December 2023</i>
Debt securities	<u>27,902,340</u>	<u>19,981,258</u>
Total	<u>27,902,340</u>	<u>19,981,258</u>
Analysed as:		
Listed outside Hong Kong	375,970	148,591
Unlisted	<u>27,526,370</u>	<u>19,832,667</u>
Total	<u>27,902,340</u>	<u>19,981,258</u>

As at 31 December 2024, the debt investments at fair value through other comprehensive income which were pledged as collateral amounted to RMB45,550,939 thousand (as at 31 December 2023: RMB37,133,205 thousand).

### 30. Debt investments at fair value through other comprehensive income (continued)

#### (a) Analysis of the movements of allowance for ECLs:

	2024	2023
At the beginning of this year	69,555	59,708
Charge for the year	35,644	20,122
Reversal for the year	-	(3,500)
Amounts written off	(26,138)	(6,775)
	<u>79,061</u>	<u>69,555</u>
At the end of the year	<u>79,061</u>	<u>69,555</u>

#### (b) Analysed by stage of ECLs:

	Stage 1	Stage 2	Stage 3	Total
31 December 2024	<u>28,940</u>	<u>121</u>	<u>50,000</u>	<u>79,061</u>
31 December 2023	<u>19,555</u>	<u>-</u>	<u>50,000</u>	<u>69,555</u>

### 31. Equity investments designated at fair value through other comprehensive income

	31 December 2024	31 December 2023
<i>Non-current</i>		
Equity securities	106,984	528,846
Perpetual bonds	581,282	-
Others	303,883	346,369
Total	<u>992,149</u>	<u>875,215</u>
Analysed as:		
Listed outside Hong Kong	105,935	514,114
Unlisted	886,214	361,101
Total	<u>992,149</u>	<u>875,215</u>

For the year ended 31 December 2024, the Group disposed some of the equity investments designated at fair value through other comprehensive income as a result of an adjustment in its investment strategy. The accumulated net realised gains on the equity instruments disposed of was RMB101,192 thousand. During the year ended 31 December 2024, the Group received dividends in the amounts of RMB58,286 thousand from equity securities, perpetual bonds and others.

### 31. Equity investments designated at fair value through other comprehensive income (continued)

For the year ended 31 December 2023, the Group disposed some of the equity investments designated at fair value through other comprehensive income as a result of an adjustment in its investment strategy. The accumulated net realised gains on the equity instruments disposed of was RMB138,334 thousand. During the year ended 31 December 2023, the Group received dividends in the amounts of RMB143,803 thousand from equity securities and others.

As at 31 December 2024, the equity investments designated at fair value through other comprehensive income which were pledged as collateral amounted to RMB332,800 thousand (as at 31 December 2023: nil).

### 32. Financial assets held under resale agreements

#### (a) Analysed by collateral type:

	31 December 2024	31 December 2023
<i>Non-current</i>		
Equity securities	217,077	838,274
Debt securities	184,155	184,227
Less: Allowance for ECLs	(401,232)	(1,022,501)
Total	-	-
<i>Current</i>		
Equity securities	212,412	129,671
Debt securities	5,677,708	7,747,923
Less: Allowance for ECLs	(4,278)	(5,988)
Total	5,885,842	7,871,606

## 32. Financial assets held under resale agreements (continued)

### (b) Analysed by market:

	31 December 2024	31 December 2023
<i>Non-current</i>		
Stock exchanges	401,232	1,022,501
Less: Allowance for ECLs	(401,232)	(1,022,501)
Total	-	-
<i>Current</i>		
Stock exchanges	279,809	195,416
Inter-bank market	5,610,311	7,682,178
Less: Allowance for ECLs	(4,278)	(5,988)
Total	5,885,842	7,871,606

### (c) Analysis of the movements of allowance for ECLs:

	2024	2023
At the beginning of the year	1,028,489	1,042,802
Charge for the year	-	5,977
Reversal for the year	(2,447)	(20,290)
Amounts written off	(620,563)	-
Others	31	-
At the end of the year	405,510	1,028,489

### (d) Analysed by stage of ECLs:

	Stage 1	Stage 2	Stage 3	Total
31 December 2024	4,278		401,232	405,510
31 December 2023	5,988	-	1,022,501	1,028,489

### 33. Financial assets at fair value through profit or loss

<i>Current</i>	<i>31 December 2024</i>	<i>31 December 2023</i>
Debt securities	29,145,726	11,876,226
Funds	21,249,247	22,972,812
Equity shares	17,537,896	28,209,476
Perpetual bonds and preferred shares	3,626,850	7,408,870
Wealth management products	3,820,684	3,505,048
Asset management products	1,101,905	906,907
Asset backed securities	450,756	259,692
Others	236,395	198,131
<b>Total</b>	<b>77,169,459</b>	<b>75,337,162</b>
Analysed as:		
- Listed outside Hong Kong	21,306,206	35,347,190
- Listed in Hong Kong	39,318	689,031
- Unlisted	55,823,935	39,300,941
<b>Total</b>	<b>77,169,459</b>	<b>75,337,162</b>

As at 31 December 2024 and 31 December 2023, financial assets at fair value through profit or loss of the Group included financial assets of RMB23,414,395 thousand and RMB11,783,955 thousand, respectively, which are pledged, restricted, lent or frozen, of which the equity shares in the financial assets at fair value through profit or loss with lock-up periods held by the Group amounted to RMB64,516 thousand and RMB650,144 thousand, respectively.

As at 31 December 2024 and 31 December 2023, the Group has entered into securities lending arrangements with clients that resulted in the transfer of financial assets at fair value through profit or loss with total fair values of RMB7,459 thousand and RMB6,887 thousand to external clients, respectively. These have not resulted in the derecognition of the financial assets in accordance with the accounting policy. The fair value of collateral for the securities lending business is analysed in note 40(c) together with the fair value of collateral of margin financing business.



### 34. Refundable deposits

	31 December 2024	31 December 2023
Deposits with stock exchanges and clearing houses		
- China Securities Depository and Clearing Corporation Limited	907,103	663,614
- Shanghai Clearing House	29,015	20,038
- Hong Kong Securities Clearing Company Limited	20,962	17,261
- The Stock Exchange of Hong Kong Limited	10,187	15,019
Subtotal	967,267	715,932
Deposits with futures and commodity exchanges		
- China Financial Futures Exchange	2,651,029	2,359,772
- Shanghai Futures Exchange	2,569,842	2,018,812
- Dalian Commodity Exchange	1,287,594	1,822,044
- Zhengzhou Commodity Exchange	1,077,219	1,530,120
- Shanghai International Energy Exchange	162,942	209,726
- Shanghai Gold Exchange	144,740	183,204
- Hong Kong Futures Exchange	6,946	8,156
Subtotal	7,900,312	8,131,834
Deposits with other institutions		
- China Securities Finance Corporation Limited ("CSFC")	13,846	63,184
- Other institutions	2,712	48,852
Subtotal	16,558	112,036
Total	8,884,137	8,959,802

### 35. Income tax

#### (a) Current taxation

	31 December 2024	31 December 2023
Current tax liabilities	551,498	67,738
	2024	2023
At the beginning of the year	67,738	115,397
Provision for the year	661,841	430,479
Increase through the disposal of equity investments designated at fair value through other comprehensive income	25,297	34,583
Tax paid	(203,378)	(512,721)
At the end of the year	551,498	67,738

#### (b) Deferred tax assets/liabilities recognised

The components of deferred tax assets/liabilities recognised in the consolidated statement of financial position and the movements during the reporting period are as follows:

Deferred tax arising from:	Allowance for ECLs/ Impairment losses	Employee benefits payable	Changes in fair value of financial instruments	Others	Total
As at 1 January 2023	1,738,751	443,454	137,344	137,723	2,457,272
Recognised in profit or loss	18,903	105,178	(123,685)	(26,609)	(26,213)
Recognised in reserves	-	-	(77,689)	-	(77,689)
Transferred out	-	-	34,583	-	34,583
As at 31 December 2023	1,757,654	548,632	(29,447)	111,114	2,387,953
Recognised in profit or loss	32,983	89,673	40,114	3,838	166,608
Recognised in reserves	-	-	(126,762)	-	(126,762)
Transferred out	-	-	25,297	-	25,297
As at 31 December 2024	1,790,637	638,305	(90,798)	114,952	2,453,096

### 35. Income tax (continued)

#### (c) Reconciliation to the statement of financial position

	31 December 2024	31 December 2023
Net deferred tax assets recognised in the consolidated statement of financial position	2,471,094	2,408,529
Net deferred tax liabilities recognised in the consolidated statement of financial position	(17,998)	(20,576)
Total	<u>2,453,096</u>	<u>2,387,953</u>

#### (d) Recognised in other comprehensive income

	2024		
	Before tax	Tax benefit	Net of tax
Debt investments at fair value through other comprehensive income			
- Net changes in fair value	672,080	(168,021)	504,059
- Provision for ECL allowance	35,644	(8,911)	26,733
- Reclassified to profit or loss	(215,503)	53,876	(161,627)
Equity investments designated at fair value through other comprehensive income			
- Net changes in fair value	14,829	(3,707)	11,122
Share of other comprehensive income of associates	4,064	-	4,064
Exchange differences on translation of financial statements in foreign currencies	45,293	-	45,293
Total	<u>556,407</u>	<u>(126,763)</u>	<u>429,644</u>

### 35. Income tax (continued)

	<u>2023</u>		
	<i>Before tax</i>	<i>Tax benefit</i>	<i>Net of tax</i>
Debt investments at fair value through other comprehensive income			
- Net changes in fair value	168,943	(42,236)	126,707
- Provision for ECL allowance	16,621	(3,468)	13,153
- Reclassified to profit or loss	(39,238)	9,810	(29,428)
Equity investments designated at fair value through other comprehensive income			
- Net changes in fair value	167,181	(41,795)	125,386
Share of other comprehensive income of associates	467	-	467
Exchange differences on translation of financial statements in foreign currencies	(60,578)	-	(60,578)
Total	<u>253,396</u>	<u>(77,689)</u>	<u>175,707</u>

#### (e) **Deferred tax assets not recognised**

As at 31 December 2024 and 2023, the Group has not recognised deferred tax assets in respect of cumulative tax losses and temporary differences amounting to RMB5,478,321 thousand and RMB3,714,839 thousand respectively, as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdiction and entity, including a deductible temporary differences of RMB3,555,659 thousand and a deductible losses of RMB1,922,662 thousand.

### 36. Finance lease receivables and receivables arising from sale-and-leaseback arrangements

(a) *Analysed by nature:*

	31 December 2024	31 December 2023
Minimum lease payments to be received	682,916	1,373,239
Less: Unrealised finance income	(39,784)	(83,339)
Balance of finance lease receivables and receivables arising from sale-and-leaseback arrangements	643,132	1,289,900
Less: Allowance for ECLs	(153,472)	(164,420)
Finance lease receivables and receivables arising from sale-and-leaseback arrangements, net	489,660	1,125,480
Analysis for presentation purposes:		
Current assets	414,751	693,776
Non-current assets	74,909	431,704

Minimum lease payments to be received and the corresponding present values are as follows:

	<i>As at 31 December 2024</i>		<i>As at 31 December 2023</i>	
	<i>Gross lease receivables</i>	<i>Net lease receivables</i>	<i>Gross lease receivables</i>	<i>Net lease receivables</i>
Within 1 year	606,105	567,930	921,074	855,700
1 to 2 years	76,811	75,202	375,220	358,923
Over 2 years	-	-	76,945	75,277
Total	682,916	643,132	1,373,239	1,289,900
Unrealised finance income	(39,784)	-	(83,339)	-
Balance of finance lease receivables and receivables arising from sale-and-leaseback arrangements	643,132	643,132	1,289,900	1,289,900
Allowance for ECLs	(153,472)	(153,472)	(164,420)	(164,420)
Finance lease receivables and receivables arising from sale-and-leaseback arrangements, net	489,660	489,660	1,125,480	1,125,480

### 36. Finance lease receivables and receivables arising from sale-and-leaseback arrangements (continued)

(b) *Analysis of the movements of allowance for ECLs:*

	2024	2023
At the beginning of the year	164,420	115,542
Charge for the year	11,201	115,290
Reversal of impairment	(35,372)	(31,281)
Amounts written off	13,223	(35,131)
	<u>153,472</u>	<u>164,420</u>
At the end of the year	<u>153,472</u>	<u>164,420</u>

(c) *Analysed by stage of ECLs:*

	Stage 1	Stage 2	Stage 3	Total
31 December 2024	<u>1,558</u>	<u></u>	<u>151,914</u>	<u>153,472</u>
31 December 2023	<u>3,566</u>	<u>-</u>	<u>160,854</u>	<u>164,420</u>

### 37. Other non-current assets

Analysed by nature:

	Note	31 December 2024	31 December 2023
Other receivables		612,810	501,801
Bulk commodity trading inventories		66,636	86,214
Deposits		61,282	60,592
Long-term deferred expenses	(a)	115,689	52,284
Less: Allowance for ECLs	(b)	(495,903)	(358,583)
Provision for impairment losses		<u>(56,994)</u>	<u>(54,882)</u>
Total		<u>303,520</u>	<u>287,426</u>

(a) *The movements of long-term deferred expenses are as follows:*

	2024	2023
Balance at the beginning of the year	52,284	53,710
Additions and other	100,881	30,267
Amortisation	<u>(37,476)</u>	<u>(31,693)</u>
Balance at the end of the year	<u>115,689</u>	<u>52,284</u>

### 37. Other non-current assets (continued)

#### (b) Analysis of the movements of allowance for ECLs:

	2024	2023
At the beginning of the year	358,583	175,442
Charge for the year	136,676	97,414
Transfer in from other receivables and prepayments	1,176	24,157
Others	(532)	61,570
	<u>495,903</u>	<u>358,583</u>
At the end of the year	<u>495,903</u>	<u>358,583</u>

#### (c) Analysed by stage of ECLs:

	Stage 1	Stage 2	Stage 3	Total
31 December 2024	<u>-</u>	<u>-</u>	<u>495,903</u>	<u>495,903</u>
31 December 2023	<u>-</u>	<u>-</u>	<u>358,583</u>	<u>358,583</u>

### 38. Accounts receivable

#### (a) Analysed by nature:

	31 December 2024	31 December 2023
Accounts receivable of		
- Brokers and dealers	648,516	743,425
- Settlement	293,684	267,970
- Fees and commissions	255,460	237,162
- Others	21,051	41,447
Less: Allowance for ECLs	<u>(66,404)</u>	<u>(85,236)</u>
Total	<u>1,152,307</u>	<u>1,204,768</u>

### 38. Accounts receivable (continued)

#### (b) Analysed by ageing:

As at the end of the reporting period, the ageing analysis of accounts receivable is as follows:

	31 December 2024	31 December 2023
Within 1 year	1,140,867	1,192,405
1 to 2 years	5,258	6,199
2 to 3 years	734	1,411
Over 3 years	5,448	4,753
	<hr/>	<hr/>
Total	1,152,307	1,204,768
	<hr/>	<hr/>

#### (c) Analysis of the movements of allowance for ECLs:

	2024	2023
At the beginning of the year	85,236	84,943
Charge for the year	744	1,650
Reversal of impairment	(1,074)	(1,413)
Amounts written-off	(19,235)	-
Others	733	56
	<hr/>	<hr/>
At the end of the year	66,404	85,236
	<hr/>	<hr/>

#### (d) Analysed by stage of ECLs:

	Stage 1	Stage 2	Stage 3	Simplified approach	Total
31 December 2024	<hr/> 370 <hr/>	<hr/> - <hr/>	<hr/> 852 <hr/>	<hr/> 65,182 <hr/>	<hr/> 66,404 <hr/>
31 December 2023	<hr/> 1,233 <hr/>	<hr/> - <hr/>	<hr/> - <hr/>	<hr/> 84,003 <hr/>	<hr/> 85,236 <hr/>

#### (e) Accounts receivable that were not impaired

Accounts receivable that were not impaired were not past due and related to a wide range of customers for whom there was no recent history of default.



### 39. Other receivables and prepayments

**(a) Analysed by nature:**

	31 December 2024	31 December 2023
Other receivables	1,816,178	3,152,006
Dividend receivables	114,870	310,182
Interest receivable	30,691	43,587
Prepaid tax	27,389	17,583
Debt-expiated assets	18,729	101,721
Deferred expenses	12,020	22,282
Others	11,785	7,277
Less: Allowance for ECLs	(670,013)	(812,125)
Total	<u>1,361,649</u>	<u>2,842,513</u>

**(b) Analysis of the movements of allowance for ECLs:**

	2024	2023
At the beginning of the year	812,125	708,350
Charge for the year	1,040	127,933
Reversal of impairment	(129,428)	(394)
Amounts written off	(12,649)	(48)
Transfer out to other non-current assets	(1,176)	(24,157)
Others	101	441
At the end of the year	<u>670,013</u>	<u>812,125</u>

**(c) Analysed by stage of ECLs:**

	Stage 1	Stage 2	Stage 3	Total
31 December 2024	<u>84</u>	<u>-</u>	<u>669,929</u>	<u>670,013</u>
31 December 2023	<u>1,583</u>	<u>113,982</u>	<u>696,560</u>	<u>812,125</u>

#### 40. Margin accounts receivable

(a) *Analysed by nature:*

	31 December 2024	31 December 2023
Individuals	40,689,192	34,306,228
Institutions	2,762,846	3,106,706
Less: Allowance for ECLs	(612,187)	(629,659)
Total	<u>42,839,851</u>	<u>36,783,275</u>

(b) *Analysis of the movements of credit loss expense:*

	2024	2023
At the beginning of the year	629,659	606,285
Charge for the year	26,520	35,798
Reversal of impairment	(46,473)	(18,131)
Others	2,481	5,707
At the end of the year	<u>612,187</u>	<u>629,659</u>

(c) *The fair value of collateral for margin financing and securities lending business is analysed as follows:*

	31 December 2024	31 December 2023
Fair value of collateral:		
- Equity securities	117,622,146	101,589,582
- Cash	6,227,910	3,324,909
- Funds	3,245,919	2,024,545
- Debt securities	536,599	664,509
- Others	368,189	370,918
Total	<u>128,000,763</u>	<u>107,974,463</u>

(d) *Analysed by stage of ECLs:*

	Stage 1	Stage 2	Stage 3	Total
31 December 2024	<u>25,013</u>	<u>301</u>	<u>586,873</u>	<u>612,187</u>
31 December 2023	<u>23,536</u>	<u>473</u>	<u>605,650</u>	<u>629,659</u>

#### 41. Derivative financial instruments

	31 December 2024		
	Notional amount	Fair value	
		Assets	Liabilities
Interest rate derivatives			
- Interest rate swaps	3,927,000	-	(14,518)
- Treasury bond futures	18,635,700	2,529	(80,504)
- Standard bond forward	10,000	-	(10,688)
Equity derivatives			
- Stock index futures	9,377,700	72,213	(119,959)
- OTC stock index options	9,447,439	620,772	(419,196)
- Stock index options	11,705,962	100,230	(131,666)
- Total return swaps	28,279,020	853,980	(209,391)
- Structured notes	573,558	10,953	(5,220)
Credit derivatives			
- Credit default swap	80,000	1,516	-
Others			
- Commodity futures	285,584	1,326	(1,022)
- Commodity options	3,000,443	14,599	(10,884)
- Gold options	294,445	210	(85)
- Gold futures	1,233	-	(7)
- Silver futures	677	2	-
Total	85,618,761	1,678,330	(1,003,140)
Less: Cash (received)/paid as settlement		(76,069)	226,699
Net position		1,602,261	(776,441)

#### 41. Derivative financial instruments (continued)

		31 December 2023	
		Notional amount	Fair value
			Assets Liabilities
Interest rate derivatives			
- Interest rate swaps	2,610,000	-	(9,116)
Equity derivatives			
- Stock index futures	10,310,844	30,133	(12,654)
- OTC stock index options	18,161,225	1,080,660	(332,668)
- Stock index options	4,619,660	34,145	(106,025)
- Total return swaps	40,871,325	545,725	(579,836)
- Structured notes	5,565,740	168,560	(1,497)
Others			
- Commodity futures	2,200,549	47,452	(45,176)
- Commodity options	1,580,799	9,307	(13,436)
- Gold options	104,792	-	(248)
- Gold futures	4,334	2	(6)
- Silver futures	271	2	-
Total	86,029,539	1,915,986	(1,100,662)
Less: Cash (received)/paid as settlement		(77,589)	66,952
Net position		1,838,397	(1,033,710)

#### 42. Cash settlement funds

	31 December 2024	31 December 2023
Deposits with		
- China Securities Depository and Clearing Corporation Limited	1,725,183	798,201
- Others	135,713	439,339
Total	1,860,896	1,237,540

### 43. Cash held on behalf of brokerage clients

The Group maintains segregated deposit accounts with banks and authorized institutions to hold cash on behalf of customers arising from its normal course of business. The Group has recorded the related amounts as cash held on behalf of customers and the corresponding liabilities as accounts payable to brokerage customers on the grounds that it is liable for any loss or misappropriation of its brokerage clients' monies.

In Mainland China, the use of cash held on behalf of customers for security and the settlement of their transactions are restricted and governed by relevant third-party deposit regulations issued by the CSRC. In Hong Kong, the "Securities and Futures (Client Money) Rules" implementing the related provisions of the Securities and Futures Ordinance impose similar restrictions.

### 44. Cash and bank balances

	31 December 2024	31 December 2023
Cash on hand	66	88
Bank balances	18,938,606	21,698,443
Total	18,938,672	21,698,531

Bank balances comprise time and demand deposits which bear interest at the prevailing market rates. As at 31 December 2024 and 31 December 2023, the Group's bank balances of RMB358,365 thousand and RMB358,780 thousand, respectively, were restricted.

### 45. Loans and borrowings

31 December 2024	Currency	Nominal interest rate	Year of maturity	Carrying amount
Unsecured bank loans				
- Current	HKD	Hibor+1.40%	2025	324,882
- Non-current	HKD	Hibor+1.45%	2026 - 2027	1,112,204
Secured bank loans				
- Current	RMB	2.85%	2025	28,263
- Non-current	RMB	2.85%	2025	-
Total				1,465,349

#### 45. Loans and borrowings (continued)

31 December 2023	Currency	Nominal interest rate	Year of maturity	Carrying amount
Unsecured bank loans				
- Current	HKD	Hibor + 1.00% - Hibor + 1.85%	2024	721,494
- Non-current	HKD	Hibor + 1.20% -Hibor + 1.80%	2025 - 2026	1,042,153
Secured bank loans				
- Current	RMB	4.00% - 4.85%	2024	234,766
- Non-current	RMB	2.85% - 4.80%	2025 - 2026	121,809
Total				<u>2,120,222</u>

#### 46. Short-term debt instruments

	Nominal interest rate	Book value as at 1 January 2024	Increase	Decrease	Book value as at 31 December 2024
Short-term financing bills payable and corporate bonds, structured notes	0.00% - 2.63%	<u>13,083,268</u>	<u>19,421,812</u>	<u>(19,098,763)</u>	<u>13,406,317</u>
		Book value as at 1 January 2023	Increase	Decrease	Book value as at 31 December 2023
Short-term financing bills payable and corporate bonds, structured notes	0.00% - 6.00%	<u>8,575,315</u>	<u>16,784,766</u>	<u>(12,276,813)</u>	<u>13,083,268</u>

In 2024, the Group issued 142 tranches of structured notes, and repaid 123 tranches of structured notes during the year. The balance bears interest at the fixed interest rates ranging from 0.00% to 2.25% per annum, and was repayable within 1 year.

In 2023, the Group issued 191 tranches of structured notes, and repaid 146 tranches of structured notes during the year. The balance bears interest at the fixed interest rates ranging from 0.00% to 6.00% per annum, and was repayable within 1 year.

#### 47. Placements from other financial institutions

		31 December 2024	31 December 2023
Interbank lending	(1)	15,462,358	12,266,232
Placements from CSFC	(2)	130,800	554,971
Total		<u>15,593,158</u>	<u>12,821,203</u>

- (1) As at 31 December 2024, the interbank lending was unsecured and bore interest at rates ranging from 1.45% to 1.99% per annum, with maturity ranging from 1 days to 7 days. As at 31 December 2023, the interbank lending was unsecured and bore interest at rates ranging from 0.80% to 2.91% per annum, with maturity ranging from 1 days to 136 days.
- (2) As at 31 December 2024, placements from CSFC were repayable within one year, and interest rate is 1.99% per annum. As at 31 December 2023, placements from CSFC were repayable within one year, and bore interest at rates ranging from 2.13% to 2.30% per annum.

#### 48. Financial liabilities at fair value through profit or loss

		31 December 2024	31 December 2023
At fair value through profit or loss			
- Debt instruments		1,227,557	-
- Interests in structured entities held by third parties	(1)	382,866	296,017
Total		<u>1,610,423</u>	<u>296,017</u>
Analysis for presentation purposes:			
- Current		1,610,423	296,017
Total		<u>1,610,423</u>	<u>296,017</u>

- (1) The financial liabilities at fair value through profit or loss resulted from the consolidation of structured entities, as the Group has the obligation to pay other investors upon maturity or redemption dates of the structured entities based on the net book value and related terms of those consolidated structured entities.

#### 49. Accounts payable to brokerage clients

	31 December 2024	31 December 2023
Clients' deposits for other brokerage business	63,022,623	51,003,242
Clients' deposits for margin financing and securities lending	8,256,950	4,954,434
Total	71,279,573	55,957,676

Accounts payable to brokerage customers mainly include money held on behalf of customers in banks and clearing houses, and bear interest at the prevailing market interest rates.

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 in the 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.

#### 50. Employee benefits payable

	2024			
	As at 1 January	Accrued for the year	Payments made	As at 31 December
Current				
Salaries, bonuses and allowances	2,226,747	2,890,950	(2,529,798)	2,587,899
Contributions to pension schemes	3,260	439,080	(439,027)	3,313
Other social welfare	6,328	502,079	(500,479)	7,928
Total	2,236,335	3,832,109	(3,469,304)	2,599,140

	2023			
	As at 1 January	Accrued for the year	Payments made	As at 31 December
Current				
Salaries, bonuses and allowances	1,794,792	3,291,610	(2,859,655)	2,226,747
Contributions to pension schemes	4,537	436,745	(438,022)	3,260
Other social welfare	19,187	515,221	(528,080)	6,328
Total	1,818,516	4,243,576	(3,825,757)	2,236,335



## 51. Other payables and accruals

	31 December 2024	31 December 2023
Deposits of derivative business	10,440,581	16,084,954
Litigation settlement payables	651,020	431,721
Dividends payable	448,183	301,550
Securities settlement payables	205,517	176,104
Risk reserve for futures brokerage business	180,620	162,430
Distribution expenses payable	148,682	152,861
Other tax payable	102,491	126,280
Advance receipts	100,229	56,934
Accrued expenses	79,513	140,008
Funds for party organisation work	65,769	65,448
Commission payable	49,502	42,304
Payables to custodians	48,009	46,132
Professional service fees payable	37,639	23,435
Bond underwriting fees	33,777	76,908
Payables to the securities and futures investor protection fund	28,001	21,065
Project operation deposits	21,000	21,000
Interest payable	1,576	16,576
Deposits of bulk commodity trading	-	30,786
Deposits of financial leasing business	-	17,255
Others <sup>(1)</sup>	210,992	275,454
Total	12,853,101	18,269,205

(1) The balance of others mainly represents sundry payables arising from the normal course of business.

## 52. Financial assets sold under repurchase agreements

### (a) Analysed by collateral type:

<i>Current</i>	<i>31 December 2024</i>	<i>31 December 2023</i>
Debt securities	66,680,271	43,862,830
Total	66,680,271	43,862,830

### (b) Analysed by market:

<i>Current</i>	<i>31 December 2024</i>	<i>31 December 2023</i>
Inter-bank market	42,126,654	41,612,380
Stock exchanges	24,553,617	2,250,450
Total	66,680,271	43,862,830

### 53. Long-term bonds

Name	Par value in original currency	Issue date	Maturity date	Issue in original currency	Coupon rate	Book value as at 31 December 2023	Increase/ Interest accrual	Decrease	Book value as at 31 December 2024
21 EVERBRIGHTG1 <sup>(1)</sup>	5,300,000	14/01/2021	14/01/2024	5,296,792	3.57%	5,482,234	6,976	(5,489,210)	-
21 EVERBRIGHTG2 <sup>(2)</sup>	2,000,000	07/06/2021	07/06/2024	1,992,925	3.30%	2,036,591	29,409	(2,066,000)	-
21 EVERBRIGHTG3 <sup>(3)</sup>	1,000,000	07/06/2021	07/06/2026	995,283	3.67%	1,018,620	37,646	(36,700)	1,019,566
21 EVERBRIGHTG4 <sup>(4)</sup>	1,300,000	16/07/2021	16/07/2024	1,295,755	3.12%	1,318,017	22,543	(1,340,560)	-
21 EVERBRIGHTG5 <sup>(5)</sup>	1,700,000	16/07/2021	16/07/2026	1,691,981	3.45%	1,723,085	60,257	(58,650)	1,724,692
21 EVERBRIGHTG6 <sup>(6)</sup>	3,000,000	11/08/2021	11/08/2024	2,987,264	3.12%	3,034,079	59,521	(3,093,600)	-
21 EVERBRIGHTG7 <sup>(7)</sup>	3,000,000	16/09/2021	16/09/2024	3,000,000	3.10%	3,026,595	66,405	(3,093,000)	-
21 EVERBRIGHTG8 <sup>(8)</sup>	1,000,000	16/09/2021	16/09/2026	1,000,000	3.50%	1,009,592	34,701	(35,000)	1,009,293
21 EVERBRIGHTG9 <sup>(9)</sup>	2,000,000	23/12/2021	23/12/2024	2,000,000	3.02%	2,001,028	59,372	(2,060,400)	-
21 EVERBRIGHTG10 <sup>(10)</sup>	1,000,000	23/12/2021	23/12/2026	1,000,000	3.35%	999,984	33,783	(33,500)	1,000,267
22 EVERBRIGHTG1 <sup>(11)</sup>	2,500,000	14/06/2022	14/06/2025	2,500,000	2.90%	2,539,012	72,283	(72,500)	2,538,795
22 EVERBRIGHTG2 <sup>(12)</sup>	500,000	14/06/2022	14/06/2027	500,000	3.25%	507,647	16,628	(16,250)	508,025
22 EVERBRIGHTG3 <sup>(13)</sup>	2,000,000	22/08/2022	22/08/2025	2,000,000	2.56%	2,014,391	53,721	(51,200)	2,016,912
23 EVERBRIGHTG1 <sup>(14)</sup>	2,000,000	23/02/2023	28/02/2024	1,992,415	2.80%	2,046,665	10,103	(2,056,768)	-
23 EVERBRIGHTG2 <sup>(15)</sup>	3,000,000	23/03/2023	27/03/2024	2,988,623	2.75%	3,061,530	22,101	(3,083,631)	-
23 EVERBRIGHTG3 <sup>(16)</sup>	3,000,000	10/08/2023	10/08/2026	2,985,789	2.77%	3,020,493	87,826	(83,100)	3,025,219
23 EVERBRIGHTG4 <sup>(17)</sup>	2,800,000	14/09/2023	14/09/2026	2,786,736	2.98%	2,813,024	87,850	(83,440)	2,817,434
23 EVERBRIGHTG5 <sup>(18)</sup>	1,800,000	21/09/2023	21/09/2026	1,791,473	2.90%	1,806,885	55,037	(52,200)	1,809,722
24 EVERBRIGHTG1 <sup>(19)</sup>	1,500,000	07/03/2024	07/03/2026	1,494,340	2.42%	-	1,526,402	-	1,526,402
24 EVERBRIGHTG2 <sup>(20)</sup>	2,800,000	20/06/2024	20/06/2027	2,794,717	2.18%	-	2,828,101	-	2,828,101
24 EVERBRIGHTG3 <sup>(21)</sup>	2,300,000	22/08/2024	22/08/2029	2,291,321	2.17%	-	2,309,861	-	2,309,861
24 EVERBRIGHTC1 <sup>(22)</sup>	1,100,000	13/09/2024	13/09/2027	1,095,849	2.18%	-	1,103,427	-	1,103,427
24 EVERBRIGHTC2 <sup>(23)</sup>	900,000	28/10/2024	13/09/2029	897,547	2.27%	-	903,795	-	903,795
24 EVERBRIGHTC3 <sup>(24)</sup>	3,000,000	28/10/2024	07/11/2025	2,988,679	2.08%	-	3,001,583	-	3,001,583
24 EVERBRIGHTG4 <sup>(25)</sup>	1,000,000	14/11/2024	14/11/2026	996,226	2.08%	-	999,153	-	999,153
24 EVERBRIGHTG5 <sup>(26)</sup>	2,000,000	14/11/2024	14/11/2027	1,996,226	2.17%	-	2,001,980	-	2,001,980
24 EVERBRIGHTC4 <sup>(27)</sup>	3,000,000	20/12/2024	13/01/2026	2,988,679	1.76%	-	2,990,620	-	2,990,620
Structured Notes	1,650	25/07/2024	30/07/2025	40,000	0.00%	40,000	1,650	(40,000)	1,650
Total						39,499,472	18,482,734	(22,845,709)	35,136,497

### 53. Long-term bonds (continued)

Name	Par value in original currency	Issue date	Maturity date	Issue in original currency	Coupon rate	Book value as at 31 December 2022	Increase/ interest accrual	Decrease	Book value as at 31 December 2023
20 EVERBRIGHTF1	3,000,000	09/03/2020	09/03/2023	3,000,000	3.19%	3,077,159	18,541	(3,095,700)	-
20 EVERBRIGHTG1	1,500,000	22/06/2020	22/06/2023	1,498,585	3.10%	1,523,442	23,058	(1,546,500)	-
20 EVERBRIGHTG3	3,700,000	14/07/2020	14/07/2023	3,692,075	3.60%	3,760,247	72,953	(3,833,200)	-
20 EVERBRIGHTG5	4,800,000	28/08/2020	28/08/2023	4,789,528	3.70%	4,857,891	119,709	(4,977,600)	-
20 EVERBRIGHTG7	1,700,000	25/12/2020	25/12/2023	1,696,792	3.60%	1,700,125	61,075	(1,761,200)	-
21 EVERBRIGHTG1	5,300,000	14/01/2021	14/01/2024	5,296,792	3.57%	5,475,567	195,877	(189,210)	5,482,234
21 EVERBRIGHTG2	2,000,000	07/06/2021	07/06/2024	1,992,925	3.30%	2,034,228	68,363	(66,000)	2,036,591
21 EVERBRIGHTG3	1,000,000	07/06/2021	07/06/2026	995,283	3.67%	1,017,577	37,643	(36,700)	1,018,620
21 EVERBRIGHTG4	1,300,000	16/07/2021	16/07/2024	1,295,755	3.12%	1,316,603	41,974	(40,560)	1,318,017
21 EVERBRIGHTG5	1,700,000	16/07/2021	16/07/2026	1,691,981	3.45%	1,721,482	60,253	(58,650)	1,723,085
21 EVERBRIGHTG6	3,000,000	11/08/2021	11/08/2024	2,987,264	3.12%	3,029,838	97,841	(93,600)	3,034,079
21 EVERBRIGHTG8	3,000,000	16/09/2021	16/09/2024	3,000,000	3.10%	3,025,652	93,943	(93,000)	3,026,595
21 EVERBRIGHTG9	1,000,000	16/09/2021	16/09/2026	1,000,000	3.50%	1,008,649	35,943	(35,000)	1,009,592
21 EVERBRIGHT10	2,000,000	23/12/2021	23/12/2024	2,000,000	3.02%	2,000,557	60,871	(60,400)	2,001,028
21 EVERBRIGHT11	1,000,000	23/12/2021	23/12/2026	1,000,000	3.35%	999,701	33,783	(33,500)	999,984
22 EVERBRIGHTG1	2,500,000	14/06/2022	14/06/2025	2,500,000	2.90%	2,540,201	71,311	(72,500)	2,539,012
22 EVERBRIGHTG2	500,000	14/06/2022	14/06/2027	500,000	3.25%	508,949	14,948	(16,250)	507,647
22 EVERBRIGHTG3	2,000,000	22/08/2022	22/08/2025	2,000,000	2.56%	2,018,516	47,075	(51,200)	2,014,391
23 EVERBRIGHTG1	2,000,000	23/02/2023	28/02/2024	1,992,415	2.80%	-	2,046,665	-	2,046,665
23 EVERBRIGHTG2	3,000,000	23/03/2023	27/03/2024	2,988,623	2.75%	-	3,061,530	-	3,061,530
23 EVERBRIGHTG3	3,000,000	10/08/2023	10/08/2026	2,985,789	2.77%	-	3,020,493	-	3,020,493
23 EVERBRIGHTG4	2,800,000	14/09/2023	14/09/2026	2,786,736	2.98%	-	2,813,024	-	2,813,024
23 EVERBRIGHTG5	1,800,000	21/09/2023	21/09/2026	1,791,473	2.90%	-	1,806,885	-	1,806,885
Structured Notes	40,000	02/08/2023	08/08/2024	40,000	0.00%	-	40,000	-	40,000
Total						41,616,484	13,943,758	(16,060,770)	39,499,472

### 53. Long-term bonds (continued)

	31 December 2024	31 December 2023
Long-term bonds due within one year	7,558,940	22,232,836
Long-term bonds due after one year	27,577,557	17,266,636
Total	35,136,497	39,499,472

As approved by the board and related regulatory authorities, the Group issued the following corporate bonds, subordinated bonds and structured notes:

- (1) 3-year corporate bond amounting to RMB5.3 billion on 14 January 2021, which was redeemed on 14 January 2024
- (2) 3-year corporate bond amounting to RMB2 billion on 7 June 2021, which was redeemed on 7 June 2024
- (3) 5-year corporate bond amounting to RMB1 billion on 7 June 2021
- (4) 3-year corporate bond amounting to RMB1.3 billion on 16 July 2021, which was redeemed on 16 July 2024
- (5) 5-year corporate bond amounting to RMB1.7 billion on 16 July 2021
- (6) 3-year corporate bond amounting to RMB3 billion on 11 August 2021, which was redeemed on 11 August 2024
- (7) 3-year corporate bond amounting to RMB3 billion on 16 September 2021, which was redeemed on 16 September 2024
- (8) 5-year corporate bond amounting to RMB1 billion on 16 September 2021
- (9) 3-year corporate bond amounting to RMB2 billion on 23 December 2021, which was redeemed on 23 December 2024
- (10) 5-year corporate bond amounting to RMB1 billion on 23 December 2021
- (11) 3-year corporate bond amounting to RMB2.5 billion on 14 June 2022
- (12) 5-year corporate bond amounting to RMB0.5 billion on 14 June 2022
- (13) 3-year corporate bond amounting to RMB2 billion on 22 August 2022
- (14) 370-day corporate bond amounting to RMB2 billion on 23 February 2023, which was redeemed on 28 February 2024
- (15) 370-day corporate bond amounting to RMB3 billion on 23 March 2023, which was redeemed on 27 March 2024
- (16) 3-year corporate bond amounting to RMB3 billion on 10 August 2023
- (17) 3-year corporate bond amounting to RMB2.8 billion on 14 September 2023
- (18) 3-year corporate bond amounting to RMB1.8 billion on 21 September 2023
- (19) 2-year corporate bond amounting to RMB1.5 billion on 7 March 2024
- (20) 3-year corporate bond amounting to RMB2.8 billion on 20 June 2024
- (21) 5-year corporate bond amounting to RMB2.3 billion on 22 August 2024
- (22) 3-year corporate bond amounting to RMB1.1 billion on 13 September 2024
- (23) 5-year corporate bond amounting to RMB0.9 billion on 13 September 2024
- (24) 374-day corporate bond amounting to RMB3 billion on 28 October 2024
- (25) 2-year corporate bond amounting to RMB1 billion on 14 November 2024
- (26) 3-year corporate bond amounting to RMB2 billion on 14 November 2024
- (27) 388-day corporate bond amounting to RMB3 billion on 20 December 2024

#### 54. Other non-current liabilities

	31 December 2024	31 December 2023
Litigation settlement payables	389,810	995,050
Deposits of financial leasing business	17,228	-
Commission payable	274	259
Others	34,974	49,849
Total	<u>442,286</u>	<u>1,045,158</u>

#### 55. Share capital

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

	31 December 2024	31 December 2023
Registered, issued and fully paid (at RMB1 per share)	<u>4,610,788</u>	<u>4,610,788</u>

#### 56. Other equity instruments

	31 December 2024	31 December 2023
Perpetual subordinated bonds	<u>9,498,943</u>	<u>9,498,943</u>

As approved by the CSRC, the Company issued a batch of perpetual subordinated bonds ("20 Guangzheng Y1") amounting to RMB2 billion with an initial interest rate of 4.40% on 14 August 2020, a batch of perpetual subordinated bonds ("21 Guangzheng Y1") amounting to RMB3 billion with an initial interest rate of 4.19% on 12 May 2021, a batch of perpetual subordinated bonds ("22 Guangzheng Y1") amounting to RMB2 billion with an initial interest rate of 3.73% on 18 February 2022, a batch of perpetual subordinated bonds ("22 Guangzheng Y2") amounting to RMB1 billion with an initial interest rate of 4.08% on 11 March 2022 and a batch of perpetual subordinated bonds ("22 Guangzheng Y3") amounting to RMB1.5 billion with an initial interest rate of 4.03% on 23 March 2022. The perpetual subordinated bonds have no fixed maturity dates and the Company has an option to redeem the bonds at principal amounts plus any accrued interest on the fifth interest payment date or any interest payment date afterwards.

The interest rate for perpetual subordinated bonds is fixed in the first 5 years and will be repriced every 5 years. The repriced interest rate is determined as the sum of the current base rate and the initial spread plus 300bps. The current base rate is defined as the average yield of 5 years treasury from the interbank fixed rate bond yield curve published on the webpage of China Bond 5 working days before the adjustment.

## 56. Other equity instruments (continued)

The issuer has the option to defer interest payment, except in the event of mandatory interest payments, so that at each interest payment date, the issuer may choose to defer the interest payment to the next payment date for the current period as well as all interest and accreted interest already deferred, without being subject to any limitation with respect to the number of deferrals. Mandatory interest payment events are limited to dividend distributions to ordinary equity holders and reductions of registered capital.

The perpetual subordinated bonds issued by the Company are classified as equity instruments and presented under equity in the Group's statement of financial position according to note 3.34 in material accounting policies.

## 57. Reserves and retained profits

### (a) 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 amounts of the proportionate net assets.

### (b) Surplus reserve

Pursuant to the Company Law of the PRC, the Company is required to appropriate 10% of its net profit to the statutory surplus reserve.

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.

As at 31 December 2024, the cumulative amount of the Company's statutory surplus reserve has exceeded 50% of the registered capital, therefore no surplus reserve has been provisioned for this year.

### (c) General reserve

General reserve includes the general risk reserve and transaction risk reserve.

In accordance with the requirements of the Financial Rules for Financial Enterprises (Order No. 42 of the Ministry of Finance of the PRC) and its implementation guide (Caijin [2007] No. 23) and the CSRC Circular regarding the Annual Reporting of Securities Companies in 2007 (Zhengjian Jigou Zi [2007] No. 320) issued on 18 December 2007, the Company appropriates 10% of its annual net profit to the general risk reserve. Several subsidiaries of the Company are also subject to the relevant general risk reserve requirement according to CSRC regulations.

## 57. Reserves and retained profits (continued)

### (c) General reserve (continued)

In accordance with the Securities Law and the requirements of the CSRC Circular regarding the Annual Reporting of Securities Companies in 2007 (Zhengjian Jigou Zi [2007] No. 320) issued on 18 December 2007, the Company appropriates 10% of its annual net profit to the transaction risk reserve. In accordance with the provisions of the Interim Measures for the Supervision and Administration of Risk Reserves of Publicly Offered Securities Investment Funds (Order No. 94 of the CSRC) issued on 24 September 2013, the Company appropriates other risk reserve at a monthly basis of not less than 2.5% of the fund custody fee income.

### (d) Fair value reserve

The fair value reserve comprises the cumulative net changes in fair values of debt investments at fair value through other comprehensive income and equity investments designated at fair value through other comprehensive income until the assets are derecognised or impaired.

### (e) Translation reserve

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

### (f) Retained profits

The movements in retained profits are set out below:

	2024	2023
At beginning of the year	14,761,297	12,286,664
Profit for the year	3,058,464	4,271,152
Appropriation to general reserve	(537,407)	(542,455)
Dividends approved in respect of the previous year	(1,709,680)	(968,265)
Perpetual bonds' interest	(477,550)	(389,550)
Other comprehensive income that have been reclassified to retained profits	75,894	103,751
At end of the year	15,171,018	14,761,297



## 58. Notes to the consolidated statement of cash flows

### (a) Cash and cash equivalents

	31 December 2024	31 December 2023
Cash on hand	66	88
Bank balances	18,938,606	21,698,443
Clearing settlement funds	1,860,896	1,237,540
Less: Restricted bank deposits	(4,644,310)	(358,780)
Less: Interest receivable	(20,044)	(9,831)
Total	<u>16,135,214</u>	<u>22,567,460</u>

### (b) Changes in liabilities arising from financing activities

	Loans and borrowings	Short-term debt instruments	Long-term bonds	Lease liabilities
At 1 January 2023	5,240,204	8,575,315	41,616,484	561,400
Changes from financing cash flows	(3,370,095)	4,396,888	(3,420,770)	(354,825)
Interest expense	254,771	134,313	1,374,418	28,639
New leases	-	-	-	594,580
Other non-cash adjustment	(4,658)	(23,248)	(70,660)	(13,921)
At 31 December 2023	2,120,222	13,083,268	39,499,472	815,873
Changes from financing cash flows	(749,426)	140,027	(5,308,514)	(310,780)
Interest expense	94,553	183,022	945,539	32,841
New leases	-	-	-	216,442
Other non-cash adjustment	-	-	-	(20,240)
At 31 December 2024	<u>1,465,349</u>	<u>13,406,317</u>	<u>35,136,497</u>	<u>734,136</u>

## 59. Transferred financial assets

In the normal course of business, the Group enters into certain transactions in which it transfers recognised financial assets to third parties or customers. If these transfers qualify for derecognition, the Group derecognises all or part of the financial assets where appropriate. If the Group has retained substantially all the risks and rewards on these assets, the Group continues to recognise these assets.

### (a) Repurchase agreements

Transferred financial assets that do not qualify for derecognition include debt securities held by counterparties as collateral under repurchase agreements. The Group transfers the contractual rights to receive the cash flows of these securities, but has an obligation to repurchase them at the agreed date and price. The Group has determined that it retains substantially all the risks and rewards of these securities and therefore has not derecognised them. In addition, they are recognised as financial assets sold under repurchase agreements.

### (b) Securities lending

Transferred financial assets that do not qualify for derecognition include securities lent to customers for securities lending business, for which the customers provide the Group with collateral that could fully cover the credit risk exposure of the securities lent. The customers have an obligation to return the securities according to the contracts. The Group has determined that it retains substantially all the risks and rewards of these securities and therefore has not derecognised such assets.

The following tables provide a summary of the carrying amounts related to transferred financial assets that are not derecognised in their entirety and the associated liabilities:

	<i>Repurchase agreements</i>	<i>Securities lending</i>
<i>31 December 2024</i>		
Carrying amount of transferred assets	-	7,459
Carrying amount of related liabilities	-	N/A
<i>31 December 2023</i>		
Carrying amount of transferred assets	-	6,887
Carrying amount of related liabilities	-	N/A

## 60. Commitments

### Capital commitments

	31 December 2024	31 December 2023
Contracted, but not provided for	<u>777,128</u>	<u>566,480</u>

## 61. Contingencies

In 2018, Jiangsu JinTongLing Technology Group Co., Ltd. (hereinafter referred to as “JinTongLing”) carried out the project of issuing shares to purchase assets and raising matching funds. The Company acted as the independent financial adviser for the project.

On December 28, 2023, the China Securities Regulatory Commission Jiangsu Office (hereinafter referred to as “JiangSu Office”) issued the Decision on Administrative Penalty ([2023] No. 13) to JinTongLing for increasing or decreasing operating income during the period from 2017 to 2022.

On April 10, 2024, the Jiangsu Securities Regulatory Bureau issued a warning letter (No. (2024) 63) to the Company. The warning was issued because, during the performance of its continuous supervision duties in the project of JinTongLing’s 2018 share issuance for asset acquisition and fundraising, the Company failed to fully perform its verification obligations. In particular, it did not conduct the necessary due diligence when relying on professional opinions from other securities service institutions. As a result, the continuous supervision opinions issued for the years 2018 to 2020 contained inaccurate statements.

### Litigation of False Statement Liability in JinTongLing Securities

On December 16, 2024, the Company received a statement of claim and a civil ruling from the Nanjing Intermediate People’s Court of Jiangsu Province. Ten natural persons, who allegedly suffered investment losses due to false statements made by JinTongLing, filed a lawsuit against the Company and 23 other defendants, seeking joint and several liability for compensation.

Upon legal examination, the Nanjing Intermediate People’s Court of Jiangsu Province issued Civil Ruling No. (2024) Su 01 Min Chu 2864, deciding to adopt the ordinary representative litigation procedure for the trial of the case and determining the scope of the entitled parties. After the ruling is served, the Company applied for reconsideration within the statutory period.

On December 29, 2024, the Jiangsu Higher People’s Court made a civil ruling (2024) Su Min Zhong No. 1775, rejecting the above application. On the same day, the China Securities Investor Services Center (hereinafter referred to as the “ISC”) issued a public announcement titled “Notice on Public Solicitation of Investor Authorisation and Entrustment for the JinTongLing Case.” The announcement publicly solicited investor authorisation and entrustment to apply for participation in the ordinary representative litigation of the JinTongLing case and to convert it into a special representative litigation.

## 61. Contingencies (continued)

On December 30, 2024, the ISC accepted special authorisation from 60 entitled parties and applied to the Nanjing Intermediate People's Court of Jiangsu Province to participate in the litigation as a representative.

On December 31, 2024, upon designation of jurisdiction by the Supreme People's Court, the Nanjing Intermediate People's Court of Jiangsu Province ruled to adopt the special representative litigation procedure for the trial of the case and issued the "Announcement on Registration of Rights for Special Representative Litigation."

Given that the above case is being processed under a special representative litigation procedure and has not yet gone to trial, the final amount of litigation involving the Group remains uncertain. Therefore, the Group is currently unable to assess the impact of this matter on the current or future profits of the Group.

The Group will continue to monitor the progress and results of the matter, evaluate the responsibility to be undertaken, and disclose the relevant information.

Please refer to the Group's announcements of No. Lin 2024-048, No. Lin 2024-051, No. Lin 2024-053, and No. Lin 2025-001.

As at 31 December 2024, except for that fact that the above-mentioned case's potential compensation is not available, the Group's contingent liabilities due to pending litigation or arbitration amounted to RMB474,957 thousand (31 December 2023: RMB582,375 thousand).

## 62. Related party relationships and transactions

### (a) Relationship of related parties

#### (i) Major shareholders

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

	31 December 2024	31 December 2023
China Everbright Group Company	25.15%	25.15%
China Everbright Limited	20.73%	20.73%

#### (ii) Associates and joint ventures of the Company

The detailed information of the Company's associates and joint ventures is set out in note 28.

#### (iii) Other related parties

Other related parties include subsidiaries of major shareholders, non-controlling shareholders of major subsidiaries of the Company and individuals which include members of the board of directors, the board of supervisors and senior management, and close family members of such individuals.

## 62. Related party relationships and transactions (continued)

### (b) Related party transactions and balances

#### (i) Transactions between the Group and major shareholders:

	31 December 2024	31 December 2023
Balances at the end of the year:		
Other payables and accruals	77	106
	2024	2023
Transactions during the year:		
Fee and commission income	33,339	35,746
Fee and commission expense	412	-
Interest expense	65	42

#### (ii) Transactions between the Group with associates, joint ventures and other related parties:

	31 December 2024	31 December 2023
Balances at the end of the year:		
Right-of-use assets	290,290	269,002
Financial assets at fair value through profit or loss	1,222,700	1,519,727
Accounts receivable	5,356	9,927
Other receivables and prepayments	153,118	153,033
Cash and bank balances	9,988,244	7,733,909
Loans and borrowings	-	47,143
Placements from other financial institutions	-	1,000,358
Other payables and accruals	55,196	57,715
Lease liabilities	308,750	270,815
	2024	2023
Transactions during the year:		
Transaction amounts for financial assets sold under repurchase agreements	610,031	4,041,267
Transaction amounts for placements from other financial institutions, loans and borrowings	3,255,867	32,288,234
Fee and commission income	67,527	106,094
Fee and commission expenses	33,800	46,640
Interest income	191,027	248,803
Interest expenses	30,587	86,395
Investment income	24,628	66,702
Other income and gains	4,041	4,169
Other operating expenses	101,844	97,154

## 62. Related party relationships and transactions (continued)

### (c) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors and supervisors as disclosed in note 19, is as follows:

	2024	2023
Short-term employee benefits and post-employment benefits	22,265	44,463

The remuneration of personnels above for the year 2024 is calculated based on the remuneration amount attributable to 2024 and already paid in 2024. The final remuneration is still under confirmation, and the remaining portion will be disclosed upon finalization. There is difference in the calculation basis for the two years, which resulted in the fact that the two year's amount is incompatible. Total remuneration is included in "staff costs" (see note 12).

### (d) Government related entities

Other than those disclosed above, the Group has entered into transactions with other government related entities. These transactions are entered into under normal commercial terms and conditions. None of them were individually significant. Management considers that transactions with government related entities are activities conducted in the ordinary course of business, and that the dealings of the Group have not been significantly or unduly affected by the fact that both the Group and those entities are government related.

## 63. Segment reporting

Management allocated resources and assessed the segment performance based on the grouping of operating segments. Accordingly, the reporting period's segment reporting presentation has been presented in accordance with the approach adopted by management in the financial statements.

- Wealth management business segment: mainly including retail business, margin trading business, stock pledge business, futures brokerage business and overseas wealth management and brokerage business;
- Corporate financing business segment: mainly including equity financing business, debt financing business, overseas investment banking business and financial leasing business;
- Institutional customer business segment: mainly including institutional trading business, prime brokerage business, asset custody and outsourcing business, investment research business, financial innovation business and overseas institutional trading business;
- Investment trading business segment: mainly including equity proprietary investment business and fixed income proprietary investment business;
- Asset management business segment: mainly including asset management business, fund management business and overseas asset management business;
- Equity investment business segment: mainly including private equity fund investment and financing business, and alternative investment business;

- Others mainly includes other businesses in addition to the above, including the operation of headquarters and investment holding platforms, and the management of general working capital.

### 63. Segment reporting (continued)

#### (a) Business segments

For the year ended 31 December 2024

	Wealth management	Corporate finance	Institutional customers	Investment trading	Asset management	Equity investment	Others	Segment total
Fee and commission income								
- External	4,686,959	882,331	334,222	-	774,950	1,622	(4,837)	6,675,247
- Inter-segment	101,737	-	-	-	109,587	-	-	211,324
Interest income								
- External	3,175,829	40,645	57,878	799,534	54,237	4,544	717,134	4,849,801
- Inter-segment	-	-	-	-	-	60,240	53,657	113,897
Net investment gains								
- External	103,976	14,115	760,020	950,260	50,954	122,741	490,470	2,492,536
- Inter-segment	-	-	-	-	-	-	1,100,000	1,100,000
Total revenue								
- External	7,966,764	937,091	1,152,120	1,749,794	880,141	128,907	1,202,767	14,017,584
- Inter-segment	101,737	-	-	-	109,587	60,240	1,153,657	1,425,221
Other income and gains								
- External	65,294	7,224	773	1	51,817	8,567	45,487	179,163
- Inter-segment	-	-	-	-	-	-	-	-
Segment revenue and other income								
- External	8,032,058	944,315	1,152,893	1,749,795	931,958	137,474	1,248,254	14,196,747
- Inter-segment	101,737	-	-	-	109,587	60,240	1,153,657	1,425,221
Segment expenses								
- External	(5,416,474)	(554,984)	(423,029)	(728,398)	(629,951)	23,207	(3,001,210)	(10,730,839)
- Inter-segment	(10,143)	(472)	-	-	(92,268)	(54,133)	(578,208)	(735,224)
Segment operating profit/(loss)								
- External	2,615,584	389,331	729,864	1,021,397	302,007	160,681	(1,752,956)	3,465,908
- Inter-segment	91,594	(472)	-	-	17,319	6,107	575,449	689,997
Share of profits of associates and joint ventures								
- External	2,470	-	86	-	119,508	(7,072)	-	114,992
- Inter-segment	-	-	-	-	-	14,617	20,221	34,838
Profit/(loss) before income tax								
- External	2,618,054	389,331	729,950	1,021,397	421,515	153,609	(1,752,956)	3,580,900
- Inter-segment	91,594	(472)	-	-	17,319	20,724	595,670	724,835
Interest expenses	(1,427,409)	(6,891)	(52,871)	(653,205)	(8,219)	(41,632)	(511,757)	(2,701,984)
Impairment losses	(2,112)	-	-	-	-	-	-	(2,112)
Credit loss expense	3,323	24,324	16,238	(32,136)	(744)	128,911	(136,720)	3,196
Depreciation and amortisation expenses	(217,216)	(42,899)	(25,842)	(2,789)	(59,463)	(4,021)	(320,255)	(672,485)



## 63. Segment reporting (continued)

### (a) Business segments (continue)

For the year ended 31 December 2023

	Wealth management	Corporate finance	Institutional customers	Investment trading	Asset management	Equity investment	Others	Segment total
Fee and commission income								
- External	3,843,125	1,066,006	545,315	-	1,002,482	1,585	(30)	6,458,483
- Inter-segment	88,628	-	-	-	-	-	-	88,628
Interest income								
- External	3,633,047	72,834	61,207	533,420	56,947	5,548	704,381	5,067,384
- Inter-segment	8,844	-	-	-	-	40	30,637	39,521
Net investment gains								
- External	78,840	53,473	871,595	825,459	(7,245)	(2,703)	695,627	2,515,046
- Inter-segment	-	-	-	-	-	(38,583)	384,000	345,417
Total revenue								
- External	7,555,012	1,192,313	1,478,117	1,358,879	1,052,184	4,430	1,399,978	14,040,913
- Inter-segment	97,472	-	-	-	-	40	414,637	512,149
Other income and gains								
- External	352,377	4,603	1,643	-	130,362	3,530	242,666	735,181
- Inter-segment	1,750	-	-	-	-	-	1,897	3,647
Segment revenue and other income								
- External	7,907,389	1,196,916	1,479,760	1,358,879	1,182,546	7,960	1,642,644	14,776,094
- Inter-segment	99,222	-	-	-	-	40	416,534	515,796
Segment expenses								
- External	(5,822,865)	(729,629)	(501,460)	(667,379)	(710,454)	1,778,084	(3,463,372)	(10,117,075)
- Inter-segment	(16,852)	(4,255)	-	-	(80,676)	(27,986)	(519,975)	(649,744)
Segment operating profit/(loss)								
- External	2,084,524	467,287	978,300	691,500	472,092	1,786,044	(1,820,728)	4,659,019
- Inter-segment	82,370	(4,255)	-	-	(80,676)	(27,946)	(84,249)	(114,756)
Share of profits of associates and joint ventures								
- External	2,080	34,386	37	-	97,912	(1,751)	(34,386)	98,278
- Inter-segment	-	(34,386)	-	-	-	(24,276)	-	(58,662)
Profit/(loss) before income tax								
- External	2,086,604	501,673	978,337	691,500	570,004	1,784,293	(1,855,114)	4,757,297
- Inter-segment	82,370	(38,641)	-	-	(80,676)	(52,222)	(84,249)	(173,418)
Interest expenses	(1,658,775)	(35,397)	(77,481)	(612,471)	(8,081)	(68,784)	(807,014)	(3,268,003)
Impairment losses	(340,062)	-	-	-	-	-	-	(340,062)
Credit loss expense	171	(120,567)	-	(13,598)	1,413	(180,543)	(15,379)	(328,503)
Depreciation and amortisation expenses	(234,669)	(40,426)	(27,892)	(2,562)	(61,834)	(5,596)	(302,126)	(675,105)

## 63. Segment reporting (continued)

### (b) Geographical segments

The following table sets out (i) information about the geographical locations of the Group's revenue from external customers and (ii) the Group's property and equipment, right-of-use assets, goodwill, other intangible assets, investments in associates and joint ventures and other non-current assets ("specified non-current assets"). The geographical location of customers is based on the location in which the services were provided. The geographical location of the specified non-current assets is based on the physical location of the asset in the case of property and equipment and other non-current assets, the location of the operation to which they are allocated in the case of goodwill and other intangible assets, and the location of the operations in the case of investments in associates and joint ventures.

Segment revenue:

	Year ended 31 December 2024			Year ended 31 December 2023		
	Mainland China	Outside Mainland China	Total	Mainland China	Outside Mainland China	Total
Total revenue	12,972,502	1,045,082	14,017,584	13,084,444	956,469	14,040,913
Other income and gains	165,532	13,631	179,163	709,568	25,613	735,181
Total revenue and other income	13,138,034	1,058,713	14,196,747	13,794,012	982,082	14,776,094

Specified non-current assets:

	Year ended 31 December 2024			Year ended 31 December 2023		
	Mainland China	Outside Mainland China	Total	Mainland China	Outside Mainland China	Total
Property and equipment	831,966	16,962	848,928	828,111	61,969	890,080
Right-of-use assets	454,884	254,178	709,062	505,890	298,909	804,799
Investment properties	10,706	-	10,706	11,432	-	11,432
Goodwill	9,380	531,502	540,882	9,380	520,126	529,506
Other intangible assets	214,641	40,880	255,521	222,181	40,737	262,918
Investments in associates and joint ventures	1,025,125	40,306	1,065,431	964,298	36,903	1,001,201
Other non-current assets	74,585	41,104	115,689	52,284	-	52,284

## 64. Financial instruments and risk management

The Group monitors and controls key exposures to the credit risk, liquidity risk and market risk from its use of financial instruments.

### (a) Policies for risk management

The Company has established a comprehensive risk management and internal control process to supervise, evaluate and manage risk exposures related to various businesses. The Company formulated the *Basic Risk Management System of Everbright Securities Co., Ltd.* in accordance with the requirements of the *Regulations for Comprehensive Risk Management of Securities Companies*, which clarified the Company's risk management objectives, principles, management structure, risk management procedures, systems, and assessments, and has formed the institutional basis for the Company's risk management work. Meanwhile, to strengthen the Company's market and credit classification risk management, and to clarify the Company's valuation process for non-exchange traded derivatives, the Company has formulated the *Market Risk Management Measures of Everbright Securities Co., Ltd.*, *Credit Risk Management Measures of Everbright Securities Co., Ltd.* and *Management Measures for Valuation of Non-Exchange Traded Derivatives of Everbright Securities Co., Ltd.*

In accordance with the requirements of the *Guidelines for Liquidity Risk Management of Securities Companies*, the Company has issued the *Measures for the Liquidity Risk Management of Everbright Securities Co., Ltd.*, *Measures for the Liquidity Risk Management Control Indicators of Everbright Securities Co., Ltd.* and the *Liquidity Risk Contingency Plan of Everbright Securities Co., Ltd.* to clarify the objectives, basic principles, governance structure, high-quality liquid asset management, indicator monitoring and limit management, stress testing and emergency response mechanism, etc.. The Company has formed the institutional basis for the Company's liquidity risk management. In order to strengthen the Company's risk control index management and stress testing, the Company has compared the requirements of the *Measures for the Administration of Risk Control Indicators of Securities Companies* and formulated the *Measures for the Risk Control Indicators Management with Net Capital as the Core of Everbright Securities Co., Ltd.* and *Stress Test Measures of Everbright Securities Co., Ltd.*

### (b) Structure of risk management

In strict accordance with the *Company Law*, *Securities Law* and the requirements of the relevant rules and regulations of CSRC, the Company has established a corporate governance structure composed of shareholders' meetings, the board of directors, the board of supervisors and the Company's management, forming a mechanism of mutual coordination and mutual checks and balances with clear powers and responsibilities among the power organs, decision-making organs, supervisory organs and the management organs to ensure the Company's standardized operation.

The Company's risk management organisation consists of four levels, including the board of directors and the board of supervisors and their risk management committee; management and its subordinate professional committees; the risk management functional departments; and various departments, branches and subsidiaries.

## 64. Financial instruments and risk management (continued)

### (b) *Structure of risk management (continued)*

The board of directors is responsible for supervising, reviewing and evaluating the Company's risk management work and shall undertake ultimate responsibility for the Company's comprehensive risk management. The board of directors sets up a comprehensive risk management committee to carry out its work within the scope of the board's authorization; the board of supervisors assumes the supervisory responsibility of comprehensive risk management, and is responsible for supervising and inspecting the performance of duties and responsibilities of the board of directors and the management in terms of risk management; the Company's operating management is responsible for the implementation of the Company's comprehensive risk management work, formulating risk management systems and specific implementation plans for risk management policies within the scope of authorization of the board of directors; to establish an effective risk management mechanism for the Company and; to assess risk management status and to assume primary responsibilities for overall risk management. The Company sets up a chief risk officer who is responsible for promoting the Company's comprehensive risk management work. The operation management sets up professional committees to be responsible for part of the risk management functions within their respective responsibilities; each risk function department identifies, monitors, evaluates and reports on the Company's different risks in accordance with the Company's authorization. The risk function department includes the risk management department and legal compliance department, audit department, information technology department, financial technology development, financial management department, fund management department, operation management headquarters, the Board of directors office (the board of supervisors office), investment banking quality control headquarters and investment banking internal affairs office, etc.. The Company's departments, branches and subsidiaries conduct business within the scope of the granted authority in accordance with the Company's authorized management system, conduct timely risk self-control in the process of business decision-making and development, and assume direct responsibility for the effectiveness of risk management.

### (c) *Credit risk*

Credit risk refers to the risk that one party to a financial instrument cannot perform its obligations, causing the other party to suffer financial losses. The credit risk of the Group mainly comes from cash and cash equivalents, debt investments, margin financing and securities lending, agreed repurchase business, stock pledged repurchase business, over-the-counter derivatives business. Management will continue to monitor these credit risk exposures.

The Group's cash and cash equivalents other than cash are mainly deposited in financial institutions with good credibility. Management believes that there is no significant credit risk, and it is expected that there will be no losses to the Group caused by the counterparty's default.

In order to control the credit risk arising from proprietary trading, transactions are completed with securities settlement institutions with corresponding qualifications to complete securities settlement and payment clearing, and the possibility of default risk is relatively small; When conducting inter-bank market transactions, the Group mostly chooses counterparties with good credit, and chooses the delivery versus payment method for settlement. The Company's overall risk of default by counterparties is relatively small.

## 64. Financial instruments and risk management (continued)

### (c) Credit risk (continued)

In order to control the credit risk of margin financing and securities lending, the Group has formulated the term of business, interest rate, margin ratio of margin financing and securities lending, margin ratio of floating securities lending, credit factor, and maintenance guarantee ratio (warning line, replenishment line, liquidation line). The range of securities that can be used to offset the margin and the conversion rate are more stringent than those stipulated in the CSRC's guidelines. The Group adopts a graded authorization approval method to strictly approve the credit lines of margin trading and securities lending customers. The Group prevents credit risks at different stages before, during and after the event through customer risk education, daily mark-to-market, customer risk warning, forced liquidation, and judicial recourse.

For the agreed repurchase business and the stock pledged repurchase business, the credit risk faced by the Group is mainly due to insufficient performance of customers or malicious non-performance of the contract, resulting in the inability to recover the full amount of loaned funds and interest. In this regard, the Group has established a strict, scientific and effective system for the evaluation of customer transaction qualifications, based on which the Group has established a customer's maximum transaction quota management mechanism, an alternative database of underlying securities, and reasonably calculated discount rates, and controlled the overall scale of the business to prevent credit risks.

In order to manage the credit risk associated with over-the-counter (OTC) derivatives business, the Group has established a comprehensive risk management framework. This includes formulating rules for measuring credit risk exposure, as well as implementing control requirements for credit management and monitoring. For OTC derivatives transactions, the Group enhances counterparty margin management by defining maintenance margin ratios and standardizing the process for mark-to-market margin calls.

#### ECLs

For businesses such as margin financing and securities lending, stock pledged repurchase, the Group established a migration model to estimate the probability of default based on practical experience and business historical default data, and set the default loss rate based on industry information and market data, combined with forward-looking adjustment factors to estimate ECLs.

For debt instrument investments, the Group has formulated investments credit ratings and credit management systems, and formulated corresponding investment restrictions based on investments credit ratings and credit lines; the Group has established a mapping relationship between ratings and default probabilities based on credit ratings, industry information and market; and the Group sets a default loss rate based on the data, combined with forward-looking adjustment factors, to confirm the ECLs.

For accounts receivable, based on historical credit loss experience, the Group considers forward-looking information related to the debtor and the economic environment, and adopts the loss rate method to measure the impairment provision.

## 64. Financial instruments and risk management (continued)

### (c) Credit risk (continued)

#### ECLs (continued)

For financial instruments measured by the loss rate method, the Group initially measures its loss reserves at an amount equivalent to the expected credit losses of the financial instrument in the next 12 months. ECLs in the next 12 months refers to the event of a financial instrument default that may occur within 12 months after the reporting date (if the expected duration of the financial instrument is less than 12 months, then the expected duration), which are part of the entire duration of ECLs. If the credit risk of the financial instrument has increased significantly since its initial recognition, the Group will measure its loss provision at an amount equivalent to the ECLs during the entire lifetime of the financial instrument.

The ECLs for the entire duration or within the next 12 months is based on the nature of the financial instrument itself, and is calculated as a single financial instrument or a combination of financial instruments.

The Group has formulated corresponding expected credit loss policies. On the reporting date, the Group evaluates whether the credit risk of financial instruments has increased significantly since the initial confirmation by considering the changes in the default risk of financial instruments during the remaining period. Based on the above procedures, the Group divides debt instrument investments into the following stages.

Stage 1: When debt financial assets are first recognised, the Group recognises an allowance based on 12-month ECLs. Stage 1 debt financial assets also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

Stage 2: When debt financial assets have shown a significant increase in credit risk since origination, the Group records an allowance for the LTECLs. Stage 2 debt financial assets also include financial assets, where the credit risk has improved and the financial assets have been reclassified from Stage 3.

Stage 3: Debt financial assets are considered credit-impaired. The Group records an allowance for the LTECLs.

POCI: Purchased or originated credit-impaired ("POCI") assets are financial assets that are credit-impaired on initial recognition. POCI assets are recorded at fair value at original recognition and interest income is subsequently recognised based on a credit-adjusted EIR. ECLs are only recognised or released to the extent that there is a subsequent change in the expected credit losses.

## 64. Financial instruments and risk management (continued)

### (c) Credit risk (continued)

#### ECLs (continued)

For financial assets for which the Group has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered to be a (partial) derecognition of the financial asset.

When estimating the ECLs, the Group considers different scenarios. Each of these is associated with different PDs. When relevant, the assessment of multiple scenarios also incorporates how defaulted debt instruments are expected to be recovered, including the probability that the debt instruments will be repaid and the value of collateral or the amount that might be received for selling the asset.

For financial assets held under resale agreements and margin accounts receivable, the allowance for ECLs may significantly fluctuated due to the decline in fair value of collateral caused by stock market volatility, which may not fully cover the receivables. The Group considers multiple factors to determine the allowance for ECLs, such as the credit situation, repayment ability of the debtor, the credit enhancement measures of the third party, the liquidity and disposal cycle of collateral.

For stock-pledged repurchase business, based on the borrowers' credit quality, contract maturity date, the related collateral securities information, which includes the sector situation, liquidity discount factor, restrictions, concentration, volatility, maintenance margin ratio, issuers' operation condition and related information. The Group sets differentiated collateral to loan ratios (generally the early warning line of the collateral to loan ratios is no less than 150%) as force liquidation thresholds, which is normally no less than 130%, against different exposures related to these transactions.

- Stock-pledged financing with the maintenance margin ratio above the warning line of the collateral to loan ratios, the risk level is designated as a safety level. Stock-pledged financing with the maintenance margin ratio above the force liquidation but lower than the warning line of the collateral to loan ratios, the risk level is designated as an attention level. The safety level and attention level are classified under Stage 1;
- Stock-pledged repurchase business with the maintenance margin ratio above 100% while falling below the force liquidation thresholds, the risk level is designated as a risk level, or stock-pledged repurchase business which is past due for more than 30 days but less than 90 days, or the stock-pledged repurchase business with a right defect (stock pledged frozen) are classified under Stage 2;
- Stock-pledged repurchase business with the maintenance margin ratio falling below 100%, the risk level is designated as a loss level, or the stock-pledged repurchase business which is past due for more than 90 days are classified under Stage 3.

## 64. Financial instruments and risk management (continued)

### (c) Credit risk (continued)

#### Criteria of significant increase in credit risk

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group considers reasonable and supportable information that is available without undue cost or effort, including qualitative and quantitative analyses based on historical data, internal and external credit risk ranking, and forward-looking information. The Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition, on either an individual basis or a collective basis for the underlying portfolio of financial instruments with similar credit risk characteristics, to determine the change in the risk of a default occurring over the expected life of the financial instrument.

When one or more of the following quantitative and qualitative standards are triggered, the Group believes that the credit risk of financial instruments has increased significantly:

- The quantitative criteria are mainly as follows: the remaining lifetime default probability on the reporting date has increased by more than a certain percentage from the initial recognition, the maintenance margin ratio is below the liquidation thresholds, and the latest rating is below investment grade;
- Qualitative criteria: Major adverse changes in the business or financial situation of major debtors, the list of customers with early warning signs.

Regardless of the method used to assess whether the credit risk has increased significantly, if the contract payment is overdue for more than (including) 30 days, it can usually be presumed that the credit risk of the financial asset has increased significantly, unless reasonable and well-founded information can be obtained at a reasonable cost. Even if the payment is overdue for more than 30 days, the credit risk would not increase significantly.

#### Definition of credit-impaired financial asset

Credit impairment may be due to the combined effect of several events rather than a single discrete event. To determine whether a financial asset is credit-impaired, the Group considers one or more of the following quantitative and qualitative indicators:

- The contractual payments of the borrower are more than 90 days past due;
- The collateral valuation falls short of the related loan amounts;
- The latest ratings are in default grade;
- Significant financial difficulty of the issuer or the borrower;
- The Group, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;



## 64. Financial instruments and risk management (continued)

### (c) Credit risk (continued)

#### Definition of credit-impaired financial asset (continued)

- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- The disappearance of an active market for that financial asset because of financial difficulties;
- Other circumstances showing that financial assets are credit-impaired.

The credit impairment of financial assets may be caused by a combination of multiple events, and may not be caused by a separately identifiable event.

#### Key parameters for expected credit losses

Depending on whether the credit risk is significantly increased or credit-impaired, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month or lifetime expected credit losses. The key parameters for measuring expected credit losses include the probability of default ("PD"), loss given default ("LGD") and exposure at default ("EAD"). The Group considers the quantitative analysis of historical data (such as the credit rating of counter parties, ways of guarantee, the category of collateral, and ways of repayment) and forward-looking information, to establish a model of PD, LGD, and EAD.

The Group considers PD/LGD impact on measuring expected credit losses:

- PD is an estimate of the likelihood that a borrower will be unable to meet its debt obligations over the future 12 months or the whole remaining lifetime. The Group estimates PD based on the historical default data, internal and external credit ratings and forward-looking information, etc.
- LGD is the estimated share of the exposure at default that is lost when a borrower default. LGD varies depending on the category of counterparties, ways and priority of recourse, and the category of collateral. LGD is the percentage of loss when default occurs, which is calculated based on the next 12 months or the entire lifetime;
- EAD is an estimation of the extent to which the Group may be exposed to a counterparty in the event of the counterparty's default in the future 12 months or the whole remaining lifetime;
- Forward-looking information which is included in both the assessment of a significant increase in credit risk and calculation of expected credit losses. The Group identifies the key economic factors affecting credit risk and the expected credit losses of different kinds of business based on historical data analysis. The Group forecasts economic factors periodically and applies expert judgements to determine the impact of forward-looking information on PD.

## 64. Financial instruments and risk management (continued)

### (c) Credit risk (continued)

#### Key parameters for expected credit losses (continued)

For stock-pledged financing, the Group periodically makes assessment on the borrowers' credit risk based on available internal and external information, such as: historical default data, maintenance margin ratio, the liquidity. Loss ratios (considering PD& LGD) applied by the Group under the 3 stages as at 31 December 2024 were as follows:

- Stage 1: 0.04% to 0.18% according to different maintenance margin ratios;
- Stage 2: 0.04% to 2.18% according to different maintenance margin ratios, overdue days, whether there is a right defect;
- Stage 3: Evaluate and determine the allowance for ECLs after considering the recoverable amount of each contract based on multiple factors, including qualitative and quantitative indicators such as the value of collateral, maintenance margin ratio, the credit quality and repayment ability of the borrower, other collateral conditions, and the credit enhancement measures of the third party.

#### (i) Maximum exposure to credit risk

Maximum exposure to credit risk of the Group without taking account of any collateral and other credit enhancements:

	31 December 2024	31 December 2023
Financial assets measured at amortised cost	3,402,908	3,647,750
Debt investments at fair value through other comprehensive income	57,580,984	42,110,634
Financial assets held under resale agreements	5,885,842	7,871,606
Financial assets at fair value through profit or loss	29,596,482	12,135,919
Refundable deposits	8,884,137	8,959,802
Finance lease receivables and receivables arising from sale-and-leaseback arrangements	489,660	1,125,480
Other non-current assets	175,120	200,554
Accounts receivable	1,152,307	1,204,768
Other receivables and prepayments	1,136,029	2,667,389
Margin accounts receivable	42,839,851	36,783,275
Derivative financial assets	1,602,261	1,838,397
Clearing settlement funds	1,860,896	1,237,540
Cash held on behalf of brokerage clients	64,593,099	47,875,463
Bank balances	18,938,606	21,698,443
Total maximum credit risk exposure	238,138,182	189,357,020

## 64. Financial instruments and risk management (continued)

### (c) Credit risk (continued)

#### Key parameters for expected credit losses (continued)

#### (ii) Risk concentrations

The Group's maximum credit risk exposure without taking account of any collateral and other credit enhancements, as categorised by geographical area is as follows:

31 December 2024

	<i>By geographical area</i>		<i>Total</i>
	<i>Mainland China</i>	<i>Outside Mainland China</i>	
Financial assets measured at amortised cost	3,402,908	-	3,402,908
Debt investments at fair value through other comprehensive income	57,580,984	-	57,580,984
Financial assets held under resale agreements	5,885,842	-	5,885,842
Financial assets at fair value through profit or loss	29,545,185	51,297	29,596,482
Refundable deposits	8,842,560	41,577	8,884,137
Finance lease receivables and receivables arising from sale-and- leaseback arrangements	489,660	-	489,660
Other non-current assets	175,120	-	175,120
Accounts receivable	229,180	923,127	1,152,307
Other receivables and prepayments	1,035,219	100,810	1,136,029
Margin accounts receivable	41,067,500	1,772,351	42,839,851
Derivative financial assets	1,418,941	183,320	1,602,261
Clearing settlement funds	1,860,896	-	1,860,896
Cash held on behalf of brokerage clients	56,679,458	7,913,641	64,593,099
Bank balances	17,571,530	1,367,076	18,938,606
Total maximum credit risk exposure	<u>225,784,983</u>	<u>12,353,199</u>	<u>238,138,182</u>

## 64. Financial instruments and risk management (continued)

### (c) Credit risk (continued)

#### Key parameters for expected credit losses (continued)

#### (ii) Risk concentrations (continued)

31 December 2023

	<i>By geographical area</i>		<i>Total</i>
	<i>Mainland China</i>	<i>Outside Mainland China</i>	
Financial assets measured at amortised cost	3,647,750	-	3,647,750
Debt investments at fair value through other comprehensive income	42,110,634	-	42,110,634
Financial assets held under resale agreements	7,871,606	-	7,871,606
Financial assets at fair value through profit or loss	12,099,151	36,768	12,135,919
Refundable deposits	8,916,195	43,607	8,959,802
Finance lease receivables and receivables arising from sale-and- leaseback arrangements	1,125,480	-	1,125,480
Other non-current assets	200,554	-	200,554
Accounts receivable	160,093	1,044,675	1,204,768
Other receivables and prepayments	2,531,153	136,236	2,667,389
Margin accounts receivable	34,369,068	2,414,207	36,783,275
Derivative financial assets	1,838,397	-	1,838,397
Clearing settlement funds	1,237,540	-	1,237,540
Cash held on behalf of brokerage clients	41,184,550	6,690,913	47,875,463
Bank balances	20,980,600	717,843	21,698,443
Total maximum credit risk exposure	178,272,771	11,084,249	189,357,020

## 64. Financial instruments and risk management (continued)

### (c) Credit risk (continued)

#### Key parameters for expected credit losses (continued)

#### (iii) Credit rating analysis of financial assets

The Group adopts a credit rating method to monitor the credit risk of the debt securities portfolio. The rating of debt securities is determined with the reference to credit ratings from major credit rating institutions in which the debt issuers are located. The carrying amounts of debt securities at the end of the reporting period are categorised by rating as follows:

	31 December 2024	31 December 2023
Rating		
- AAA- to AAA	66,280,172	50,682,632
- A- to AA+	718,037	4,343,979
- B- to BBB+	-	79,416
- Non-rated	23,582,165	2,788,276
Total	<u>90,580,374</u>	<u>57,894,303</u>

Non-rated financial assets mainly represent debt instruments issued by the MOF, the PBOC, policy banks, private placed bonds, etc.

### (d) Liquidity risk

Liquidity risk refers to the risk of a shortage of funds when an enterprise fulfils its obligation to deliver cash or other financial assets for settlement, and liquidity refers to whether the asset has the ability to quickly realise without losing value. The liquidity of funds affects the ability of the Group to repay the maturing debt.

Each subsidiary within the Group is responsible for its own cash flow forecast. By summarising the cash flow forecasts of various subsidiaries, the financial department of the headquarters continuously monitors the short-term and long-term funding needs on the group level to ensure that sufficient cash reserves and securities that can be realised at any time are maintained to meet daily operations and reimbursement funding requirements related to maturing debts.

## 64. Financial instruments and risk management (continued)

### (d) Liquidity risk (continued)

At the end of the reporting period, the remaining contract periods of the Group's various financial liabilities and lease liabilities based on undiscounted contractual cash flows (including interest calculated at the contract rate (if it is a floating rate, the current rate on 31 December) and the earliest date to be required to pay are as follows:

	31 December 2024						Total
	Carrying amount	Repayable on demand	Less than 1 month	More than 1 month but less than 3 months	More than 3 months but less than 1 year	More than 1 year but less than 5 years	
<i>Financial liabilities</i>							
Loans and borrowings	1,465,349	-	601	8,175	348,286	1,112,178	1,469,240
Short-term debt instruments issued	13,406,317	-	1,877,384	4,779,179	6,845,922	-	13,502,485
Placements from other financial institutions	15,593,158	-	15,463,598	30,302	101,006	-	15,594,906
Financial liabilities at fair value through profit or loss	1,610,423	1,610,423	-	-	-	-	1,610,423
Accounts payable to brokerage clients	71,279,573	71,279,573	-	-	-	-	71,279,573
Other payables and accruals	12,333,104	11,226,561	9,370	387,612	701,364	43,368	12,368,275
Financial assets sold under repurchase agreements	66,680,271	-	66,680,702	5,629	476	-	66,686,807
Derivative financial liabilities	776,441	413,247	57,591	127,830	120,396	57,377	776,441
Lease liabilities	734,136	-	28,991	52,927	151,648	460,782	835,516
Long-term bonds	35,136,497	-	-	36,300	8,307,860	28,466,662	36,810,822
Other non-current liabilities	425,832	28,794	-	-	2,864	394,174	425,832
Total	219,441,101	84,558,598	84,118,237	5,427,954	16,579,822	30,534,541	221,360,320



## 64. Financial instruments and risk management (continued)

### (e) **Market risk**

Market risk is the risk of loss, in respect of the Group's income and value of financial instruments held, arising from the adverse market movements such as changes in interest rates, stock prices, and foreign exchange rates. The objective of market risk management is to monitor and control the market risk within the acceptable range and to maximise the risk adjusted return.

#### (i) Interest rate risk

Interest rate risk refers to the risk of fluctuations in the financial status and cash flow of the Group due to unfavourable changes in market interest rates. The Group's interest-earning assets mainly include financial assets measured at amortised cost, debt instruments at fair value through other comprehensive income, financial assets held under resale agreements, margin accounts receivable, refundable deposits, clearing settlement funds, and bank balances. The interest-bearing liabilities mainly include loans and borrowings, short-term debt instruments, placements from other financial institutions, financial assets sold under repurchase agreements, accounts payable to brokerage clients, and long-term bonds.

The Group uses sensitivity analysis as the main tool to monitor interest rate risk. Sensitivity analysis is used to measure the impact on net profit and equity when a reasonable and possible change in interest rates occurs under the assumption that other variables remain unchanged.



## 64. Financial instruments and risk management (continued)

### (e) Market risk (continued)

#### (i) Interest rate risk (continued)

The following table lists the Group's interest rate risk at the end of the reporting period. The financial assets, financial liabilities and lease liabilities in the table are classified according to the earlier of the contract next repricing dates and maturity dates, and are presented at their book value:

	31 December 2024					
Financial assets	Less than 1 month	More than 1 month but less than 3 months	More than 3 months but less than 1 year	More than 1 year but less than 5 years	More than 5 years	Non-interest- bearing
Financial assets measured at amortised cost	-	-	1,568,924	1,710,564	79,077	44,343
Debt investments at fair value through other comprehensive income	697,263	1,023,065	25,948,314	23,083,209	6,205,869	623,264
Equity investments designated at fair value through other comprehensive income	-	-	-	-	-	992,149
Financial assets held under resale agreements	5,672,888	212,070	-	-	-	884
Financial assets at fair value through profit or loss	110,659	721,083	9,373,691	14,864,424	4,244,356	47,855,246
Refundable deposits	343,177	-	-	-	-	8,540,960
Finance lease receivables and receivables arising from sale-and-leaseback arrangements	27,695	69,792	270,001	74,910	-	47,262
Other non-current assets	-	-	-	-	-	175,120
Accounts receivable	-	-	-	-	-	1,152,307
Other receivables and prepayments	-	-	-	-	-	1,136,029
Margin accounts receivable	2,025,221	27,551,957	12,854,810	-	-	407,863
Derivative financial assets	-	-	-	-	-	1,602,261
Clearing settlement funds	1,860,896	-	-	-	-	1,860,896
Cash held on behalf of brokerage clients	53,382,589	6,475,000	4,650,000	-	-	85,510
Cash and bank balances	14,632,686	-	4,285,942	-	-	20,044
Total	78,753,074	36,052,967	58,951,682	39,733,107	10,529,302	62,683,242
						286,703,374

**64. Financial instruments and risk management (continued)**

**(e) Market risk (continued)**

**(i) Interest rate risk (continued)**

	31 December 2024					
	Less than 1 month	More than 1 month but less than 3 months	More than 3 months but less than 1 year	More than 1 year but less than 5 years	More than 5 years	Non-interest- bearing
<i>Financial liabilities</i>						<i>Total</i>
Loans and borrowings	-	-	352,372	1,109,550	-	3,427
Short-term debt instruments issued	1,862,564	4,743,394	6,740,442	-	-	59,917
Placements from other financial institutions	15,460,000	30,000	100,000	-	-	3,158
Financial liabilities at fair value through profit or loss	1,227,557	-	-	-	-	382,866
Accounts payable to brokerage clients	50,256,151	-	-	-	-	21,023,422
Other payables and accruals	-	-	-	651,020	-	11,682,084
Financial assets sold under repurchase agreements	66,658,399	5,610	472	-	-	15,790
Derivative financial liabilities	-	-	-	-	-	776,441
Lease liabilities	26,908	46,984	142,723	391,966	125,555	-
Long-term bonds	-	-	7,489,558	27,333,950	-	312,989
Other non-current liabilities	-	-	-	389,810	-	36,022
<b>Total</b>	<b>135,491,579</b>	<b>4,825,988</b>	<b>14,825,567</b>	<b>29,876,296</b>	<b>125,555</b>	<b>34,296,116</b>
<b>Net interest rate risk exposure</b>	<b>(56,738,505)</b>	<b>31,226,979</b>	<b>44,126,115</b>	<b>9,856,811</b>	<b>10,403,747</b>	<b>28,387,126</b>

**64. Financial instruments and risk management (continued)**

**(e) Market risk (continued)**

**(i) Interest rate risk (continued)**

	31 December 2023					
	Less than 1 month	More than 1 month but less than 3 months	More than 3 months but less than 1 year	More than 1 year but less than 5 years	More than 5 years	Non-interest- bearing
Financial assets						Total
Financial assets measured at amortised cost						
Debt investments at fair value through other comprehensive income	-	-	99,943	3,419,329	79,052	49,426
Equity investments designated at fair value through other comprehensive income	100,060	4,431,900	14,914,616	20,727,095	1,372,178	564,785
Financial assets held under resale agreements	-	-	-	-	-	875,215
Financial assets at fair value through profit or loss	7,731,766	19,993	109,454	-	-	10,393
Refundable deposits	213,835	482,210	3,691,062	6,824,079	700,309	63,425,667
Finance lease receivables and receivables arising from sale-and-leaseback arrangements	785,895	-	-	-	-	8,173,907
Other non-current assets	40,469	138,204	438,531	431,704	-	76,572
Accounts receivable	-	-	-	-	-	200,554
Other receivables and prepayments	-	-	-	-	-	1,204,768
Margin accounts receivable	-	-	-	-	-	2,667,389
Derivative financial assets	3,719,379	8,805,972	23,581,883	-	-	676,041
Clearing settlement funds	-	-	-	-	-	1,838,397
Cash held on behalf of brokerage clients	1,237,540	-	-	-	-	-
Cash and bank balances	37,098,079	2,750,000	7,951,850	-	-	75,534
	21,687,983	-	-	-	-	10,548
Total	72,615,006	16,628,279	50,787,339	31,402,207	2,151,539	79,849,196
						253,433,566

**64. Financial instruments and risk management (continued)**

**(e) Market risk (continued)**

**(i) Interest rate risk (continued)**

	31 December 2023					
	Less than 1 month	More than 1 month but less than 3 months	More than 3 months but less than 1 year	More than 1 year but less than 5 years	More than 5 years	Non-interest- bearing
<i>Financial liabilities</i>						<i>Total</i>
Loans and borrowings	278,075	126,294	541,243	1,163,962	-	10,648
Short-term debt instruments issued	171,880	2,105,717	10,745,061	-	-	60,610
Placements from other financial institutions	10,500,960	671,450	1,629,035	-	-	19,758
Financial liabilities at fair value through profit or loss	-	-	-	-	-	296,017
Accounts payable to brokerage clients	37,518,160	-	-	-	-	18,439,516
Other payables and accruals	-	-	-	-	-	17,734,168
Financial assets sold under repurchase agreements	43,826,050	3,852	609	-	-	32,319
Derivative financial liabilities	-	-	-	-	-	1,033,710
Lease liabilities	26,739	43,114	154,705	438,149	153,166	-
Long-term bonds	5,299,762	4,996,135	11,321,759	17,266,636	-	615,180
Other non-current liabilities	-	-	-	-	-	1,030,906
<b>Total</b>	<b>97,621,626</b>	<b>7,946,562</b>	<b>24,392,412</b>	<b>18,868,747</b>	<b>153,166</b>	<b>39,272,832</b>
<b>Net interest rate risk exposure</b>	<b>(25,006,620)</b>	<b>8,681,717</b>	<b>26,394,927</b>	<b>12,533,460</b>	<b>1,998,373</b>	<b>40,576,364</b>
						<b>65,178,221</b>

## 64. Financial instruments and risk management (continued)

### (e) Market risk (continued)

#### (i) Interest rate risk (continued)

##### Sensitivity analysis

The Group uses sensitivity analysis to measure the possible impact of changes in interest rates on the Group's equity and net profit. The following table shows the sensitivity of the Group's equity and net profit to possible reasonable changes in interest rates when other variables are fixed. The impacts on the shareholders' equity and net profit of the Group include: (1) The impact of fair value changes on shareholders' equity and net profit resulting from the revaluation of fixed-rate financial assets held at the end of the reporting period by a certain interest rate change; and (2) The impact of a certain interest rate change on the equity and net profit of the annualised cash flow changes generated by the floating interest rate non-derivative instruments held at the end of the reporting period .

Assuming that the yield curve moves in parallel by 25 basis points, the analysis of the potential impact on the Group's equity and net profit on each of the reporting dates is as follows:

	<u>Sensitivity of profit after tax</u>	
	2024	2023
Move in yield curve		
- Up 25 basis points	(185,596)	(96,153)
- Down 25 basis points	188,222	96,941
	<u>Sensitivity of equity</u>	
	2024	2023
Move in yield curve		
- Up 25 basis points	(386,793)	(242,260)
- Down 25 basis points	392,129	244,645

The above forecast assumes that the rate of return moves up or down in parallel, so it does not reflect the possible impact of only certain changes in interest rates while the remaining interest rates remain unchanged. This forecast is also based on other simplified assumptions, including all positions will be held to maturity.

## 64. Financial instruments and risk management (continued)

### (e) Market risk (continued)

#### (ii) Currency risk

Exchange rate risk refers to the risk that the fair value or future cash flow of financial instruments will fluctuate due to changes in foreign exchange rates. The risk of exchange rate change faced by the Group is mainly related to the Group's operating activities (when revenues and expenditures are settled in foreign currencies different from the Group's functional currency) and its net investment in overseas subsidiaries.

Except for the establishment of a subsidiary in Hong Kong and the holding of assets denominated in Hong Kong dollars, the proportion of foreign currency assets and liabilities held by the Group in the overall assets and liabilities is not significant.

As the net foreign currency exposure accounts for a relatively low proportion of the Group, the exchange rate risk faced by the Group is not significant.

#### (iii) Price risk

Price risk refers to the risk of fluctuations in market prices other than exchange rate risk and interest rate risk, regardless of whether these changes are caused by factors related to a single financial instrument or its issuer, or by all similarities with transactions in the market. Price risks can stem from changes in commodity prices, stock market indexes, equity instrument prices, and other risk variables.

The price risk faced by the Group mainly comes from the price fluctuation of financial instruments at fair value through profit or loss and financial assets at fair value through other comprehensive income. Relevant financial assets mainly include equity, stock (including stock indices), funds and commodities, as well as financial derivatives such as swaps, futures and options linked to them. In addition to monitoring positions, transactions and profit and loss indicators, the Group conducts daily monitoring of price risk mainly through value-at-risk, sensitivity indicators, and stress testing indicators.

Assuming that the market price of the above financial instruments rises or falls by 10% and other variables remain unchanged, the impact of the above financial instruments on the Group's equity and net profit based at the end of the reporting date is as follows:

	<i>Sensitivity of profit after tax</i>	
	2024	2023
Increase by 10%	3,648,380	4,550,158
Decrease by 10%	(3,648,380)	(4,550,158)
	<i>Sensitivity of equity</i>	
	2024	2023
Increase by 10%	3,722,792	4,630,368
Decrease by 10%	(3,722,792)	(4,630,368)

## 64. Financial instruments and risk management (continued)

### (f) Capital management

The main goal of the Group's capital management is to ensure the Group to continue as a going concern, and to be able to continue to provide shareholders with returns by setting product and service prices commensurate with the risk level and ensuring financing at reasonable financing costs.

On 13 September 2024, the CSRC revised the Regulations on the Calculation Standards for Risk Control Indexes of Securities Companies (CSRC announcement [2024] No.13) (hereinafter referred to as the "Calculation Standards") effective from 1 January 2025. On 17 October 2024, the CSRC issued the Notice on Matters Related to Securities Companies Participating in Swap Facilities, clarifying that securities companies can early adopt the newly revised Calculation Standards from the month participating in swap facilities transactions. The Company has early adopted the Calculation Standards in 2024. The Company is obliged to continuously meet the following standards for risk control indexes:

- (i) The ratio of net capital divided by the sum of its various risk capital provisions shall be no less than 100%;
- (ii) The ratio of core net capital without deduction of contingent liability risk adjustment such as guarantees divided by on balance sheet assets and off balance sheet assets shall be no less than 8%;
- (iii) The ratio of high quality liquidity assets divided by net cash outflows for the next 30 days shall be no less than 100%;
- (iv) The ratio of available stable funds divided by required stable funds shall be no less than 100%;
- (v) The ratio of net capital divided by net assets shall be no less than 20%;
- (vi) The ratio of net capital divided by liabilities shall be no less than 8%;
- (vii) The ratio of net assets divided by liabilities shall be no less than 10%;
- (viii) The ratio of the value of equity securities and derivatives held divided by net capital shall not exceed 100%;
- (ix) The ratio of the value of non-equity securities and derivatives held divided by net capital shall not exceed 500%; and
- (x) The ratio of margin financing (including securities lending) divided by net capital shall not exceed 400%.

Certain subsidiaries of the Group also are also subject to capital requirements under the regulatory requirements imposed by the CSRC.

## **64. Financial instruments and risk management (continued)**

### **(f) Capital management (continued)**

The Group strictly implements the relevant requirements of regulatory agencies and has established a dynamic monitoring and supplementary mechanism for net capital and other risk control indicators: First, the Group has established a monitoring system for net capital and other risk control indicators, and continuously updates and upgrades it in accordance with the regulatory guidelines of the regulatory agencies. Second, the Group has formulated and implemented net capital monitoring and stress testing related systems, clearly standardised net capital dynamic monitoring, stress testing, emergency response and net capital replenishment procedures and mechanisms. Third, the Group has designated the risk management department as the functional department for risk control index management, and carrying out pressure tests on net capital and other risk control indexes on a regular or irregular basis as needed.

The Group regularly reviews and manages its own capital structure, and strives to achieve the most ideal capital structure and shareholder returns. The factors considered by the Group include: the Group's future funding needs, capital efficiency, actual and expected profitability, expected cash flows, expected capital expenditures, etc. If economic conditions change and affect the Group, the Group will adjust the capital structure.

## **65. Fair value information**

### **(a) Fair value of financial instruments**

The following table lists the fair value information of the Group's assets and liabilities that are continuously and non-continuously measured at fair value and their fair value measurement levels at the end of the reporting period. The level of fair value measurement results depends on the lowest level of input value that is significant to the fair value measurement as a whole. The three levels of input values are defined as follows:

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



## 65. Fair value information (continued)

### (b) Fair value hierarchy

	31 December 2024			
	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Financial assets at fair value through profit or loss				
- Debt securities	538,591	28,607,135	-	29,145,726
- Funds	17,331,064	1,487,674	2,430,509	21,249,247
- Equity shares	17,463,714	3,727	70,455	17,537,896
- Others	641,768	8,372,023	222,799	9,236,590
Debt investments at fair value through other comprehensive income				
- Debt securities	-	57,580,984	-	57,580,984
Equity investments designated at fair value through other comprehensive income				
- Perpetual bonds	-	581,282	-	581,282
- Equity securities	11,213	7,531	88,240	106,984
- Others	-	-	303,883	303,883
Derivative financial assets	102,575	855,497	644,189	1,602,261
<b>Total</b>	<b>36,088,925</b>	<b>97,495,853</b>	<b>3,760,075</b>	<b>137,344,853</b>
<b>Liabilities</b>				
Financial liabilities at fair value through profit or loss	45,958	1,250,086	314,379	1,610,423
Derivative financial liabilities	133,777	209,390	433,274	776,441
<b>Total</b>	<b>179,735</b>	<b>1,459,476</b>	<b>747,653</b>	<b>2,386,864</b>

	31 December 2023			
	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Financial assets at fair value through profit or loss				
- Debt securities	3,894,664	7,981,562	-	11,876,226
- Equity shares	27,501,184	31,626	676,666	28,209,476
- Funds	18,036,984	3,000,473	1,935,355	22,972,812
- Others	3,434,066	7,867,027	977,555	12,278,648
Debt investments at fair value through other comprehensive income				
- Debt securities	13,816,970	28,293,664	-	42,110,634
Equity investments designated at fair value through other comprehensive income				
- Equity securities	443,224	-	85,622	528,846
- Others	-	-	346,369	346,369
Derivative financial assets	37,243	524,196	1,276,958	1,838,397
<b>Total</b>	<b>67,164,335</b>	<b>47,698,548</b>	<b>5,298,525</b>	<b>120,161,408</b>
<b>Liabilities</b>				
Financial liabilities at fair value through profit or loss	41,036	254,981	-	296,017
Derivative financial liabilities	108,848	521,388	403,474	1,033,710
<b>Total</b>	<b>149,884</b>	<b>776,369</b>	<b>403,474</b>	<b>1,329,727</b>

## 65. Fair value information (continued)

### (b) Fair value hierarchy (continued)

For the year ended 31 December 2024, financial assets of Level 3 of RMB480,367 thousand were transferred from Level 1 and Level 2; financial assets of Level 1 of RMB567,989 thousand were transferred from Level 3, mainly because of the restriction period for listed equity investment is lifted.

#### (i) Financial instruments in Level 1

The fair values of financial instruments (financial assets/liabilities at fair value through profit or loss, debt investments at fair value through other comprehensive income, equity investments designated at fair value through other comprehensive income and Derivative financial assets/liabilities) traded in active markets are based on quoted market prices at the end of the reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer and those prices represent actual and regularly occurring market transactions on an arm's length basis.

#### (ii) Financial instruments in Level 2

The fair values of financial instruments (financial assets/liabilities at fair value through profit or loss, debt investments at fair value through other comprehensive income, and Derivative financial assets/liabilities) are quoted by the valuation system of the third-party valuation service providers. Third-party valuation service providers use valuation techniques such as discounted cash flow methods to determine the fair value by using observable market parameters or recent transaction prices of the same or similar assets.

The fair values of financial instruments (financial assets/liabilities at fair value through profit or loss and debt investments at fair value through other comprehensive income) that do not have the quotation provided by the valuation system of the third-party valuation service providers, the fair value of those instruments are determined by valuation techniques. Observable inputs required by valuation techniques include, but are not limited to, valuation parameters such as the yield curve and net asset value.

In 2024, the valuation technique used in the above-mentioned continuous Level 2 fair value measurement of the Group has not changed.

**65. Fair value information (continued)**

**(b) Fair value hierarchy (continued)**

(iii) Valuation methods for specific investments

The Group has developed relevant procedures to determine appropriate valuation techniques and input values in the continuous Level 3 fair value measurement. The Group regularly reviews the relevant procedures and the suitability of fair value determination.

<i>Financial assets/liabilities</i>	<i>2024 Fair value</i>	<i>Valuation technique(s) and key input(s)</i>	<i>Significant unobservable input(s)</i>	<i>Relationship of unobservable input(s) to fair value</i>
Listed equity investments with disposal restrictions within a specific period	64,516	Option pricing model	Volatility	The higher the volatility, the lower the fair value
Equity securities and unlisted equity investment	2,394,596	Market valuation approach	Discount for lack of marketability	The higher the discount, the lower the fair value
Funds, debt investments, asset management products and wealth management products	656,774	Discounted cash flow model	Risk adjusted discount rate	The higher the risk adjusted discount rate, the lower the fair value
Derivative assets	644,189	Option pricing model	Volatility	The higher the volatility, the higher the fair value
Interests in structured entities held by third parties	314,379	Market valuation approach	Discount for lack of marketability	The higher the discount, the lower the fair value
Derivative liabilities	433,274	Option pricing model	Volatility	The higher the volatility, the higher the fair value

**65. Fair value information (continued)**

**(b) Fair value hierarchy (continued)**

(iii) Valuation methods for specific investments (continued)

<i>Financial assets/liabilities</i>	<i>2023 Fair value</i>	<i>Valuation technique(s) and key input(s)</i>	<i>Significant unobservable input(s)</i>	<i>Relationship of unobservable input(s) to fair value</i>
Listed equity investments with disposal restrictions within a specific period	650,144	Option pricing model	Volatility	The higher the volatility, the lower the fair value
Equity securities and unlisted equity investment	1,739,269	Market valuation approach	Discount for lack of marketability	The higher the discount, the lower the fair value
Funds, debt investments, asset management products and Wealth management products	1,632,153	Discounted cash flow model	Risk adjusted discount rate	The higher the risk adjusted discount rate, the lower the fair value
Derivative assets	1,276,958	Option pricing model	Volatility	The higher the volatility, the higher the fair value
Derivative liabilities	403,474	Option pricing model	Volatility	The higher the volatility, the higher the fair value

In 2024, the valuation technique used in the above-mentioned continuous Level 3 fair value measurement of the Group has not changed.

## 65. Fair value information (continued)

### (b) Fair value hierarchy (continued)

#### (iii) Valuation methods for specific investments (continued)

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

	<i>Financial assets at fair value through profit or loss</i>	<i>Equity investments designated at fair value through other comprehensive income</i>	<i>Derivative financial assets</i>	<i>Financial liabilities at fair value through profit or loss</i>	<i>Derivative financial liabilities</i>
As at 31 December 2023	3,589,576	431,991	1,276,958	-	(403,474)
Gains/(losses) for the year	183,735	-	(636,681)	(59,398)	(80,094)
Changes in fair value recognised in other comprehensive income	-	(33,278)	-	-	-
Purchases or issues	5,176	-	125,718	(254,981)	(200,435)
Transfer in	735,348	-	-	-	-
Transfer out	(567,989)	-	-	-	-
Sales and settlements	(1,222,083)	(6,590)	(121,806)	-	250,729
As at 31 December 2024	<u>2,723,763</u>	<u>392,123</u>	<u>644,189</u>	<u>(314,379)</u>	<u>(433,274)</u>
Total profits/(losses) for the reporting period included in profit or loss for assets held at the end of the reporting period	<u>188,300</u>	<u>-</u>	<u>(610,906)</u>	<u>(59,398)</u>	<u>(127,853)</u>

	<i>Financial assets at fair value through profit or loss</i>	<i>Equity investments designated at fair value through other comprehensive income</i>	<i>Derivative financial assets</i>	<i>Derivative financial liabilities</i>
As at 31 December 2022	6,631,982	467,813	355,493	(167,688)
Gains/(losses) for the year	(370,390)	-	1,038,097	(356,967)
Changes in fair value recognised in other comprehensive income	-	(101,100)	-	-
Purchases or issues	2,231,441	-	122,394	(385,043)
Transfer in	31,836	65,278	-	-
Transfer out	(25,338)	-	-	-
Sales and settlements	(4,909,955)	-	(239,026)	506,224
As at 31 December 2023	<u>3,589,576</u>	<u>431,991</u>	<u>1,276,958</u>	<u>(403,474)</u>
Total profits/(losses) for the reporting period included in profit or loss for assets held at the end of the reporting period	<u>(254,198)</u>	<u>-</u>	<u>938,662</u>	<u>(228,905)</u>

## 65. Fair value information (continued)

### (c) Fair value of other financial instruments (carried at other than fair value)

The carrying amounts of the Group's financial instruments carried at cost or amortised cost are not materially different from their fair values as at 31 December 2024 and 2023 except for the following financial instruments, for which their carrying amounts and fair value and the level of fair value hierarchy are disclosed below:

Carrying amount:

	31 December 2024	31 December 2023
Financial assets		
- Financial assets measured at amortised cost	<u>3,402,908</u>	<u>3,647,750</u>
Financial liabilities		
- Long-term bonds	<u>35,136,497</u>	<u>39,499,472</u>

Fair value:

	31 December 2024			
	Level 1	Level 2	Level 3	Total
Financial assets				
- Financial assets measured at amortised cost	<u>-</u>	<u>3,488,993</u>	<u>-</u>	<u>3,488,993</u>
Financial liabilities				
- Long-term bonds	<u>-</u>	<u>35,645,275</u>	<u>-</u>	<u>35,645,275</u>
	31 December 2023			
	Level 1	Level 2	Level 3	Total
Financial assets				
- Financial assets measured at amortised cost	<u>-</u>	<u>3,692,637</u>	<u>-</u>	<u>3,692,637</u>
Financial liabilities				
- Long-term bonds	<u>-</u>	<u>39,663,113</u>	<u>-</u>	<u>39,663,113</u>

## 66. Guarantees

As of December 31, 2024, the Group has not provided guarantees for other parties.

## 67. Statement of financial position of the company

	31 December 2024	31 December 2023
<b>Non-current assets</b>		
Property and equipment	683,170	720,383
Right-of-use assets	409,555	450,439
Investment properties	10,706	11,432
Other intangible assets	190,092	184,357
Investments in subsidiaries	9,761,934	10,281,934
Investments in associates and joint ventures	926,486	846,914
Financial assets measured at amortised cost	1,811,424	3,498,381
Debt investments at fair value through other comprehensive income	29,678,644	22,129,376
Equity investments designated at fair value through other comprehensive income	945,284	821,516
Refundable deposits	562,565	381,276
Deferred tax assets	2,056,982	1,927,515
Other non-current assets	328,284	692,640
<b>Total non-current assets</b>	<b>47,365,126</b>	<b>41,946,163</b>
<b>Current assets</b>		
Accounts receivable	153,873	175,711
Other receivables and prepayments	1,681,151	2,713,670
Margin accounts receivable	41,067,499	34,369,068
Financial assets measured at amortised cost	1,591,484	149,369
Debt investments at fair value through other comprehensive income	27,902,340	19,981,258
Financial assets held under resale agreements	5,621,433	7,801,860
Financial assets at fair value through profit or loss	68,224,167	65,781,752
Derivative financial assets	1,400,548	1,822,207
Clearing settlement funds	3,249,390	6,074,410
Cash held on behalf of brokerage clients	42,995,388	30,860,750
Cash and bank balances	13,142,546	12,753,815
<b>Total current assets</b>	<b>207,029,819</b>	<b>182,483,870</b>
<b>Total assets</b>	<b>254,394,945</b>	<b>224,430,033</b>

## 67. Statement of financial position of the company (continued)

	31 December 2024	31 December 2023
<b>Current liabilities</b>		
Short-term debt instruments	13,406,317	13,083,268
Placements from other financial institutions	15,593,158	12,821,203
Accounts payable to brokerage clients	41,778,325	30,272,957
Financial liabilities at fair value through profit or loss	1,227,557	-
Employee benefits payable	2,281,485	1,864,598
Other payables and accruals	12,327,008	17,705,828
Financial assets sold under repurchase agreements	64,145,325	41,113,696
Current tax liabilities	499,417	-
Derivative financial liabilities	550,949	1,040,246
Lease liabilities due within one year	152,073	152,670
Contract liabilities	8,462	16,872
Long-term bonds due within one year	7,558,940	22,232,836
<b>Total current liabilities</b>	<b>159,529,016</b>	<b>140,304,174</b>
<b>Net current assets</b>	<b>47,500,803</b>	<b>42,179,696</b>
<b>Total assets less current liabilities</b>	<b>94,865,929</b>	<b>84,125,859</b>
<b>Non-current liabilities</b>		
Long-term bonds	27,577,557	17,266,636
Lease liabilities	259,547	295,909
Other non-current liabilities	42	42
<b>Total non-current liabilities</b>	<b>27,837,146</b>	<b>17,562,587</b>
<b>Net assets</b>	<b>67,028,783</b>	<b>66,563,272</b>
<b>Equity</b>		
Share capital	4,610,788	4,610,788
Other equity instruments	9,498,943	9,498,943
Reserves	38,407,494	37,641,169
Retained profits	14,511,558	14,812,372
<b>Total equity</b>	<b>67,028,783</b>	<b>66,563,272</b>



**68. Statement of changes in equity of the company**

	Share capital	Other equity instruments	Reserves				Retained profits	Total
			Capital reserve	Surplus reserve	General reserve	Fair value reserve		
As at 1 January 2024	4,610,788	9,498,943	25,131,424	4,042,363	8,375,823	91,559	14,812,372	66,563,272
Profit for the year	-	-	-	-	-	-	2,263,265	2,263,265
Other comprehensive income	-	-	-	-	-	389,476	-	389,476
Total comprehensive income	-	-	-	-	-	389,476	2,263,265	2,652,741
Appropriation to general reserve	-	-	-	-	452,743	-	(452,743)	-
Dividends	-	-	-	-	-	-	(1,709,680)	(1,709,680)
Perpetual bonds' interest	-	-	-	-	-	-	(477,550)	(477,550)
Other comprehensive income that have been reclassified to retained profits	-	-	-	-	-	(75,894)	75,894	-
As at 31 December 2024	4,610,788	9,498,943	25,131,424	4,042,363	8,828,566	405,141	14,511,558	67,028,783

**68. Statement of changes in equity of the company(continued)**

	Share capital	Other equity instruments	Reserves				Retained profits	Total
			Capital reserve	Surplus reserve	General reserve	Fair value reserve		
As at 1 January 2023	4,610,788	9,498,943	25,138,971	4,042,363	7,963,846	(56,159)	14,419,131	65,617,883
Profit for the year	-	-	-	-	-	-	2,059,282	2,059,282
Other comprehensive income	-	-	-	-	-	251,469	-	251,469
Total comprehensive income	-	-	-	-	-	251,469	2,059,282	2,310,751
Appropriation to general reserve	-	-	-	-	411,977	-	(411,977)	-
Dividends	-	-	-	-	-	-	(968,265)	(968,265)
Perpetual bonds' interest	-	-	-	-	-	-	(389,550)	(389,550)
Other comprehensive income that have been reclassified to retained profits	-	-	-	-	-	(103,751)	103,751	-
Others	-	-	(7,547)	-	-	-	-	(7,547)
As at 31 December 2023	4,610,788	9,498,943	25,131,424	4,042,363	8,375,823	91,559	14,812,372	66,563,272

## **69. Events after the reporting period**

### **(a) Issuance of corporate bonds after the reporting period**

On 12 February 2025, the Company publicly issued the first batch of short-term corporate bonds of Year 2025 amounting to RMB3 billion to the professional investors, which has a term of 210 days and bears a coupon interest rate of 1.85%.

On 14 March 2025, the Company non-publicly issued the first batch of corporate bonds of Year 2025 amounting to RMB1.5 billion to the professional investors, which has a term of 3 years and bears a coupon interest rate of 2.25%.

On 21 March 2025, the Company publicly issued the first batch of corporate bonds of Year 2025 amounting to RMB2.8 billion to the professional investors, which has a term of 386 days and bears a coupon interest rate of 1.98%.

### **(b) Redemption of debt instruments after the reporting period**

On 9 January 2025, the Company completed the redemption of its first batch of short-term financing bills of Year 2024, repaying a principal of RMB1.5 billion and interest of RMB14 million.

On 12 February 2025, the Company completed the redemption of its fourth batch of short-term financing bills of Year 2024, repaying a principal of RMB2 billion and interest of RMB13 million.

On 20 March 2025, the Company completed the redemption of its second batch of short-term financing bills of Year 2024, repaying a principal of RMB2 billion and interest of RMB19 million.

### **(c) Profit distribution plan after the accounting period**

The profit distribution plan for the year 2024, approved by the fifth meeting of the seventh session of the Board of Directors, proposes to distribute a cash dividend of RMB918,008 thousand (2023: RMB1,292,404 thousand) to all A-share and H-share shareholders. After deducting the interim cash dividend of RMB417,276 thousand already distributed in 2024, the current distribution amounts to RMB500,732 thousand. As of December 31, 2024, the total share capital of A-shares and H-shares is 4,610,787,639 ordinary shares, and it is proposed to distribute a cash dividend of 1.086 yuan (inclusive of tax) for every 10 shares to all shareholders.

The proposal is subject to the approval by the shareholders at the next general meeting. The cash dividend is not recognised as a liability as at 31 December 2024.

## **70. Comparative figures**

Certain comparative figures in the audited consolidated financial statements have been reclassified or restated.

## **71. Approval of the consolidated financial statements**

The financial statements were approved and authorised for issue by the Board of Directors on 27 March 2025.

## APPENDIX INFORMATION DISCLOSURE OF SECURITIES COMPANIES

### I. Relevant Information on the Significant Administrative Permission Items of the Company

#### (I) Significant administrative permissions of the Company

Date	Issuing Authority	Document Number	Title
October 17, 2024	Department of Fund and Intermediary Supervision of the CSRC	Ji Gou Si Han [2024] No. 1869	Reply on Matters Related to Everbright Securities Company Limited's Participation in Swap Facility

#### (II) Other regulatory letters received during and subsequent to the Reporting Period

Date	Issuing Authority	Document Number	Title or Matter
March 26, 2024	Ningxia Regulatory Bureau of CSRC	Decision on Administrative Supervision Measures of Ningxia Regulatory Bureau [2024] No. 1	Decision on Issuing a Warning Letter to Securities Brokerage Branch at Fenghuang North Street, Yinchuan of Everbright Securities Company Limited
May 17, 2024	Jiangsu Regulatory Bureau of CSRC	[2024] No. 94	Decision on Adopting Administrative Supervisory Measures to Issue a Warning Letter to Nanjing Branch of Everbright Securities Company Limited by Jiangsu Regulatory Bureau of CSRC
June 27, 2024	Shandong Regulatory Bureau of CSRC	[2024] No. 67	Decision on Adopting Regulatory Measures to Order Zibo Securities Brokerage Branch of Everbright Futures Co., Ltd. to Make Rectification
July 1, 2024	Shenzhen Regulatory Bureau of CSRC	[2024] No. 145	Decision on Ordering Rectification for Securities Brokerage Branch at Xinyuan Road, Shenzhen of Everbright Securities Company Limited by Shenzhen Regulatory Bureau of CSRC
July 8, 2024	Shanghai Regulatory Bureau of CSRC	Hu Zheng Jian Jue [2024] No. 288	Decision on Issuing a Warning Letter to Everbright Pramerica Fund Management Co., Ltd.
December 26, 2024	Xiamen Regulatory Bureau of CSRC	[2024] No. 64	Decision on Issuing a Warning Letter to Securities Brokerage Branch at Zhanhong Road, Xiamen of Everbright Securities Company Limited
January 2, 2025	National Association of Financial Market Institutional Investors	[2025] No. 4	Letter of Decision on Self-discipline Management Measures of Inter-bank Bond Market. As the lead underwriter for the 2024 Second Tranche of Super Short-term Financing Bill of Kunming Land Development Investment and Operation Co., Ltd., the Company, together with Guosen Securities Co., Ltd. and Orient Securities Co., Ltd, acted as joint underwriters for the issuance of such financing bill, violating regulations related to the permitted number of lead underwriters for super short-term financing bills. The National Association of Financial Market Institutional Investors has decided to issue a formal written warning to the Company, and record the details of the violation and the disciplinary outcome.
February 18, 2025	Sichuan Regulatory Bureau of CSRC	[2025] No. 16	Decision on Issuing a Warning Letter to Sichuan Securities Brokerage Branch of Everbright Futures Co., Ltd.

## APPENDIX INFORMATION DISCLOSURE OF SECURITIES COMPANIES

### II. Qualifications of Each of the Businesses of the Company and Its Majority-owned Subsidiaries

#### (I) Business qualifications of the Company

Approving Authority	Business Qualification
People's Bank of China	<p>Qualification for proprietary trading business (Reply on the Establishment of Everbright Securities Limited, Yin Fu [1996] No. 81)</p> <p>Investment consultancy and financial advisory businesses (Reply on the Establishment of Everbright Securities Limited, Yin Fu [1996] No. 81)</p> <p>Underwriting of commercial papers (Notice of the People's Bank of China on Engaging in Underwriting of Commercial Papers by Everbright Securities Limited and Haitong Securities Co., Ltd., Yin Fa [2005] No. 173)</p> <p>Proprietary trading and leasing of gold (Notice on Delivery of Filing Materials, Yin Shi Huang Jin Bei [2015] No. 31)</p> <p>Member of the national inter-bank market (inter-bank lending and trading of bonds, spot bonds transactions and bond repurchase businesses) (Notice on Approving the Admission of Some Securities Companies into the National Inter-bank Market, Yin Ban Fa [1999] No. 147)</p>
CSRC and its branch offices	<p>Qualification for proxy sales of financial products (Hu Zheng Jian Ji Gou Zi [2012] No. 547)</p> <p>Qualification for proxy sales of open-ended securities investment funds (Zheng Jian Ji Jin Zi [2004] No. 49)</p> <p>Qualification for intermediary introduction for futures (Hu Zheng Jian Ji Gou Zi [2010] No. 121) and Qualification for intermediary introduction for futures (Zheng Jian Xu Ke [2008] No. 482)</p> <p>Sponsor underwriting and merger and acquisition businesses</p> <p>Agency for spot precious metal (including gold) contracts and proprietary trading of spot gold contracts (Letter of No Objection on Carrying out the Businesses of Agency for Precious Metals (including Gold) Spot Contract and Proprietary Trading of Spot Gold Contract by Everbright Securities Company Limited, Ji Gou Bu Han [2015] No. 280)</p> <p>Qualification for equity securities returns swap business (Letter of No Objection on Engaging in Equity Securities Returns Swap Business by Everbright Securities Company Limited, Ji Gou Bu Han [2013] No. 30)</p> <p>Market making for stock index options (Reply on Opinions of Everbright Securities Company Limited in Market Making for Stock Index Options, Ji Gou Bu Han [2019] No. 3065)</p> <p>Market making for stock options (Reply on Approving the Qualification of Everbright Securities Company Limited in Market Making for Stock Options, Zheng Jian Xu Ke [2015] No. 164)</p> <p>Qualification for margin financing and securities lending businesses (Zheng Jian Xu Ke [2010] No. 314)</p> <p>Securities transactions under repurchase agreements (pilot) (Ji Gou Bu Han [2012] No. 459)</p> <p>Qualification for entrusted investment management (Reply on Approving the Qualification of Everbright Securities Limited in Entrusted Investment Management, Zheng Jian Ji Gou Zi [2002] No. 127)</p> <p>Carrying out of direct investment business (pilot) (Letter of No Objection on Carrying out Direct Investment Business by Everbright Securities Company Limited, Ji Gou Bu Han [2008] No. 446)</p> <p>Notice on Supporting the Carrying out of Credit Derivatives by Securities Companies and Serving Private Enterprises in Bond Financing (Hu Zheng Jian Ji Gou Zi [2019] No. 41)</p>

## APPENDIX INFORMATION DISCLOSURE OF SECURITIES COMPANIES

### Approving Authority Business Qualification

Securities Association of China	Letter of No Objection on Carrying out Client Securities Capital Consumption Payment Services Business (Pilot) by Everbright Securities Company Limited (CSRC Ji Gou Bu Han [2012] No. 560)
	Qualification for securities investment funds custodian business (Zheng Jian Xu Ke [2020] No. 1242)
	Fund investment consultancy business qualification (Zheng Jian Ji Gou Bu Han [2021] No. 1683)
	Qualification for swap facility business (Reply on Matters Relating to Everbright Securities Company Limited's Participation in Swap Facility, Ji Zheng Si Han [2024] No. 1869)
	Qualification for nominated advisers and brokers engaged in agency share transfer business (Notice on Granting Qualification for Nominated Advisers and Brokers Engaged in Agency Share Transfer Business, Zhong Zheng Xie Fa [2003] No. 94)
	Qualification for stock quotation and transfer business (Letter on Granting Qualification for Quotation and Transfer Business to Everbright Securities Company Limited, Zhong Zheng Xie Han [2006] No. 3)
	Become a secondary dealer for OTC options business to carry out related OTC options business (Letter on Unifying the Filing of Secondary Dealers for OTC Options Businesses, Zhong Zheng Xie Han [2018] No. 657)
	Lead market maker of CSI 300ETF options of Shanghai Stock Exchange (Notice on Everbright Securities Company Limited in Carrying out Business as the Lead Market Maker of CSI 300ETF Options, Shang Zheng Han [2019] No. 2301)
	Lead market maker for SSE 50ETF options (Qualification for Lead Market Maker of SSE 50ETF Options, Shang Zheng Han [2016] No. 152)
	Qualification for participant of stock options transactions of the SSE (stock options brokerage, authority for proprietary trading business) (Notice on Everbright Securities Company Limited Becoming a Participant of Stock Options Transactions of the Shanghai Stock Exchange, Shang Zheng Han [2015] No. 63)
Shanghai Stock Exchange	Qualifications for A-share trading unit transactions under Southbound Trading (Shang Zheng Han [2014] No. 650)
	Authority for securities transactions under repurchase agreements (Shang Zheng Hui Zi [2012] No. 176)
	Authority for collateralized stock repurchase transactions (Shang Zheng Hui Zi [2013] No. 67)
	Lead market maker of SSE CSI 500ETF options (Notice on Everbright Securities Company Limited in Carrying out Business as the Lead Market Maker of CSI 500ETF Options, Shang Zheng [2022] No. 1623)
	Lead market maker of SSE STAR 50ETF options (Notice on Approving Everbright Securities Company Limited to Carry out Business as the Lead Market Maker of E Fund STAR 50ETF Options, Shang Zheng Han [2023] No. 1580)
	Lead market maker of SSE STAR 50ETF options (Notice on Approving Everbright Securities Company Limited to Carry out Business as the Lead Market Maker of China AMC STAR 50ETF Options, Shang Zheng Han [2023] No. 1563)
	Qualification of general market maker business for the SSE listed funds (SSE)
	Lead market maker of SZSE CSI 300ETF options (Notice on Approving CITIC Securities and other Option Agencies to Become Market Maker of CSI 300ETF Options on Shenzhen Stock Exchange, Shen Zheng Hui [2019] No. 483)
	Authority for securities transactions under repurchase agreements (Shen Zheng Hui [2013] No. 15)
Shenzhen Stock Exchange	

## APPENDIX INFORMATION DISCLOSURE OF SECURITIES COMPANIES

### Approving Authority Business Qualification

	<p>Authority for collateralized stock repurchase transactions (Shen Zheng Hui [2013] No. 58)</p> <p>Financing for exercise of options under share options incentive schemes of listed companies (pilot) (Shen Zheng Han [2014] No. 320)</p> <p>Authority for transactions under Southbound Trading of Shenzhen – Hong Kong Stock Connect (Shen Zheng Hui [2016] No. 330)</p> <p>Dealer authority for stock option transactions on the SZSE (Shen Zheng Hui [2019] No. 470)</p> <p>Lead market maker of SZSE CSI 500ETF options (Notice on approving CITIC Securities Co., Ltd. and other option agencies to become Market Maker of ChiNext ETF options and CSI 500ETF Options on Shenzhen Stock Exchange, Shen Zheng Hui [2022] No. 313)</p> <p>Lead market maker of SZSE ChiNext ETF options (Notice on approving CITIC Securities Co., Ltd. and other option agencies to become Market Maker of ChiNext ETF options and CSI 500ETF Options on Shenzhen Stock Exchange, Shen Zheng Hui [2022] No. 313)</p> <p>Lead market maker of SZSE 100ETF options of Shenzhen Stock Exchange (Notice on approving CITIC Securities Co., Ltd. and other option agencies to become Market Maker of SZSE 100ETF Options on Shenzhen Stock Exchange, Shen Zheng Hui [2022] No. 421)</p> <p>SZSE ETF liquidity service provider (SZSE)</p>
Other Institutions	<p>Market maker of CSI 300ETF stock index options of China Financial Futures Exchange (Notice on Announcing the List of Market Maker of CSI 300ETF Stock Index Options)</p> <p>Market making for National Equities Exchange and Quotations (Gu Zhuan Xi Tong Han [2014] No. 772)</p> <p>Filing as outsourcing services institution for private funds (Asset Management Association of China, [Filing Number: A00037])</p> <p>Qualification for commercial paper transactions of Shanghai Commercial Paper Exchange (Piao Jiao Suo [2017] No. 9)</p> <p>Qualification for interbank gold bilateral transactions (Reply on Approving the Carrying out of Interbank Gold Bilateral Transactions by Everbright Securities Company Limited, Shang Jin Jiao Fa [2017] No. 68)</p> <p>Interest rate swaps</p> <p>Pooled settlement of and quotation for credit default swaps (Notice on Approval of Becoming a Member of the Group for Pooled Settlement of and Quotation for Credit Default Swaps)</p> <p>Margin refinancing (pilot) (Zhong Zheng Jin Han [2012] No. 124)</p> <p>Refinancing (pilot) (Zhong Zheng Jin Han [2012] No. 115)</p> <p>Securities lending refinancing (pilot) (Zhong Zheng Jin Han [2013] No. 45)</p> <p>Securities lending refinancing on the Sci-Tech Innovation Board (Zhong Zheng Jin Han [2019] No. 203)</p> <p>Securities lending refinancing on the ChiNext Board (Zhong Zheng Jin Han [2020] No. 145)</p> <p>Securities business foreign exchange operation license (foreign currency securities underwriting, foreign currency securities brokerage and foreign currency lending) (Notice of Approving Everbright Securities Company Limited Changing the Company Name Set out in Securities Business Foreign Exchange Operation License, Shanghai Hui Fu [2005] No. 72)</p>

## APPENDIX INFORMATION DISCLOSURE OF SECURITIES COMPANIES

Approving Authority	Business Qualification
China Securities Depository and Clearing Co., Ltd.	Lead Underwriter for Debt Financing Instruments of Non-financial Enterprises (Announcement of National Association of Financial Market Institutional Investors, [2012] No. 19)
	Qualifications for Independently Conducting Lead Underwriting Business for Debt Financing Instruments of Non-financial Enterprises (Zhong Shi Xie Fa [2020] No. 170)
	Special membership qualification of Shanghai Gold Exchange: No. T009 (April 3, 2015)
	Lead market maker of CSI 1000ETF options of China Financial Futures Exchange (Notice on Announcing the Name List of Lead Market Maker of CSI 1000ETF Options)
	Lead market maker of SSE 50ETF options of China Financial Futures Exchange (Notice on Announcing the Name List of Lead Market Maker of SSE 50ETF Options)
	Qualification for account opening agency
	Qualification for class A clearing participant (Zhong Guo Jie Suan Han Zi [2008] No. 12)
	Qualification for participation in multilateral net amount guarantee settlement (Zhong Guo Jie Suan Fa Zi [2014] No. 28)
	Qualification for digital certificate service agency
	Qualification for securities pledge registration agency
Interbank Market Clearing House Co., Ltd.	Qualification for settlement of options (Zhong Guo Jie Suan Han Zi [2015] No. 28)
	Qualification for remote account opening for special institutions and products
	Qualification for clearing of bond netting transactions of Shanghai Clearing House (Qing Suan Suo Hui Yuan Zhun Zi [2015] No. 049)
	Qualification for the central clearing business of standard bond forward transactions of Shanghai Clearing House (Qing Suan Suo Hui Yuan Zhun Zi [2015] No. 115)
	Notice on Matters regarding Participation in the Centralized Clearing Business of Credit Default Swap (2018 Bian Han No. 355)
Beijing Stock Exchange	Key dealer of credit risk mitigation tool, December 21, 2018 <a href="https://www.nafmii.org.cn/hyfw/hyflmd/crmjysba/hxjymd/202112/t20211207_93313.html">https://www.nafmii.org.cn/hyfw/hyflmd/crmjysba/hxjymd/202112/t20211207_93313.html</a>
	Creator of credit risk mitigation warrant, December 21, 2018 <a href="https://www.nafmii.org.cn/hyfw/hyflmd/crmjysba/zcmt/202112/t20211207_93315.html">https://www.nafmii.org.cn/hyfw/hyflmd/crmjysba/zcmt/202112/t20211207_93315.html</a>
	Creator of credit-linked notes, December 21, 2018 <a href="https://www.nafmii.org.cn/hyfw/hyflmd/crmjysba/csjgmd/202112/t20211207_93316.html">https://www.nafmii.org.cn/hyfw/hyflmd/crmjysba/csjgmd/202112/t20211207_93316.html</a>
	Notice on Matters in Relation to Application for Membership of the Beijing Stock Exchange (Bei Zheng Ban Fa [2021] No. 7)



## APPENDIX INFORMATION DISCLOSURE OF SECURITIES COMPANIES

### (II) Business qualifications of majority-owned subsidiaries

Name of Majority-owned Subsidiary	Business Qualification
Everbright Asset Management	<p>License for Carrying out Securities and Futures Business in the People's Republic of China (serial number: 000000047217)</p> <p>License for qualified domestic institutional investor to carry out overseas securities investment and management business (Reply on Approving the Establishment of a Securities Management Subsidiary of Everbright Securities Company Limited) (Zheng Jian Xu Ke [2011] No. 1886)</p> <p>Entrusted insurance fund management <a href="http://www.gov.cn/gzdt/2012-10/12/content_2242366.htm">http://www.gov.cn/gzdt/2012-10/12/content_2242366.htm</a></p>
Everbright Futures and its subsidiaries	<p>Commodity futures brokerage (CSRC)</p> <p>Financial futures brokerage (Zheng Jian Qi Huo Zi [2007] No. 297)</p> <p>Qualification for IB business (Hu Zheng Jian Qi Huo Zi [2010] No. 74)</p> <p>Futures investment consultancy (Zheng Jian Xu Ke [2011] No. 1770)</p> <p>Asset management (Zheng Jian Xu Ke [2012] No. 1499)</p> <p>Sales of publicly offered securities investment funds (Hu Zheng Jian Xu Ke [2017] No. 10)</p> <p>Qualification for the comprehensive settlement of financial futures (Zheng Jian Qi Huo Zi [2007] No. 298)</p> <p>Stock options (Shang Zheng Han [2015] No. 168 and Shen Zheng Han [2019] No. 721)</p> <p>Business qualifications of Everbright Photon: warehouse receipt service, basis trade, OTC derivatives business and third-party risk management services (China Futures Association Han Zi [2014] No. 364) and market making (China Futures Association Bei Zi [2018] No. 56)</p>
Everbright Capital	Private equity funds (Public Notice of the Securities Association of China on the List of Regulated Platforms including Securities Companies and Their Private Equity Funds Subsidiaries (4th Batch))
Everbright Development	Private funds (Public Notice of the Securities Association of China on the List of Regulated Platforms including Securities Companies and Their Private Equity Funds Subsidiaries (4th Batch))
Everbright Fortune	Member as alternative investment subsidiary (Public Notice of the Securities Association of China on Members of Private Investment Fund Subsidiaries and Alternative Investment Subsidiaries (4th Batch))
Everbright Pramerica	<p>License for Carrying out Securities and Futures Business in the People's Republic of China (serial number: 000000029148)</p> <p>Separate account business (Reply on Approving the Carrying out of Asset Management for Specific Clients by Everbright Pramerica Fund Management Co., Ltd., Zheng Jian Xu Ke [2008] No. 1007)</p> <p>Qualified domestic institutional investor (Reply on Approving the Carrying out of Overseas Securities Investment Management by Everbright Pramerica Fund Management Co., Ltd. as a Qualified Domestic Institutional Investor, Zheng Jian Xu Ke [2008] No. 1044)</p>
EBSI	License for Carrying out Securities and Futures Business in the People's Republic of China – investment in domestic securities (serial number: 000000072788)

## APPENDIX INFORMATION DISCLOSURE OF SECURITIES COMPANIES

Name of Majority-owned Subsidiary		Business Qualification	
EBSI	Everbright Securities Investment Services (HK) Limited	Type 1 regulated activity – Dealing in securities	SFC AAC153
		Type 4 regulated activity – Advising on securities	
		Type 9 regulated activity – Asset management	
		Exchange Participant	The Stock Exchange Participant ID 01086
		China Connect Exchange Participant	
		Special Purpose Acquisition Company Exchange Participant	
		Options Trading Exchange Participant	The Stock Exchange HKATS Code SHK
		Direct Clearing Participant	SEOCH DCASS Code CSHK
		China Connect Clearing Participant	HKSCC Participant ID B01086
		Direct Clearing Participant	
		Other financial institutions under the Monetary Authority of Macao – Securities	Monetary Authority of Macao
		License for Carrying out Securities and Futures Business in the People's Republic of China – Foreign Share Brokerage and Foreign Share Lead Underwriting (serial number: 000000054654)	China Securities Regulatory Commission
	CES Nominees (HK) Limited	Associated entity	SFC AAS942
		Trust and corporate service provider	The Hong Kong Companies Registry License Number TC002563
	CES Commodities (HK) Limited	Type 2 regulated activity – Dealing in futures contracts	SFC AAF237
		General Clearing Participant	HKCC DCASS Code CSHK
	CES Forex (HK) Limited	Futures dealer	HKFE HKATS Code SHK
		Type 3 regulated activity – Leveraged foreign exchange trading	SFC ACI995
	Everbright Securities Digital Finance (HK) Limited	Type 1 regulated activity – Dealing in securities	SFC AAC483
	China Everbright Securities (HK) Limited	Type 1 regulated activity – Dealing in securities	SFC AAW536
		Type 6 regulated activity – Advising on corporate finance	
	China Everbright Securities (HK) Limited	Type 9 regulated activity – Asset management	
		Type 2 regulated activity – Dealing in futures contracts	SFC AEX690
	China Everbright Forex & Futures (HK) Limited	Type 3 regulated activity – Leveraged foreign exchange trading	
	China Everbright Research Limited	Type 4 regulated activity – Advising on securities	SFC AEH589
	China Everbright Capital Limited	Type 1 regulated activity – Dealing in securities	SFC ACE409
		Type 4 regulated activity – Advising on securities	
		Type 6 regulated activity – Advising on corporate finance	

## APPENDIX INFORMATION DISCLOSURE OF SECURITIES COMPANIES

Name of Majority-owned Subsidiary	Business Qualification	
China Everbright Securities Asset Management Limited	Type 1 regulated activity – Dealing in securities Type 4 regulated activity – Advising on securities Type 9 regulated activity – Asset management License for Carrying out Securities and Futures Business in the People's Republic of China – investment in domestic securities (serial number: 000000072778)	SFC AYE648  China Securities Regulatory Commission
CES Wealth Management (HK) Limited	Insurance brokerage business – General insurance and long-term insurance (including investment-linked long-term insurance) Mandatory Provident Fund intermediary	Hong Kong Insurance Authority FB1134  Hong Kong Mandatory Provident Fund Schemes Authority IC000854
CES Insurance Consultants (HK) Limited	Insurance brokerage business – General insurance and long-term insurance (including investment-linked long-term insurance) Insurance brokerage business under the Monetary Authority of Macao Mandatory Provident Fund intermediary	Hong Kong Insurance Authority FB1019  Monetary Authority of Macao 02/CRE Hong Kong Mandatory Provident Fund Schemes Authority IC000203
China Everbright Wealth Management Limited	Insurance brokerage business – General insurance and long-term insurance (including investment-linked long-term insurance)	Hong Kong Insurance Authority FB1153
CES Insurance Agency (HK) Limited	Insurance agency business	Hong Kong Insurance Authority FA2265
Everbright Securities (UK) Company Limited	Dealing in securities; advising on securities; studying China's macro policies, industry policies and A shares (through Everbright Securities, its subsidiary in Shanghai) and global depositary receipt cross-border conversion institution in UK for the Shanghai-London Stock Connect program	Registration Number of English corporate: 07106467, a member of London Stock Exchange and registered in UK Financial Conduct Authority – Ref. no.: 524544 Depositary Receipts under the Stock Connect Scheme between the Shanghai Stock Exchange and London Stock Exchange – Shang Zheng Han [2019] No. 2141

## APPENDIX INFORMATION DISCLOSURE OF SECURITIES COMPANIES

### III. The Geographical Locations of the Branch Companies and Securities Brokerage Branches of the Company

#### (I) The geographical locations of the branch companies

Name of branch	Business address and postcode	Time of establishment	Person in charge	Customer service or complaint hotline
Everbright Securities Co., Ltd. Beijing Branch	Beijing Branch 2nd Floor, East Side Building, Yuetan Building, No. 2 Yuetan North Street, Xicheng District, Beijing, 100045	August 5, 2011	Jiang Xun	010-68081186
Everbright Securities Co., Ltd. Chengdu Branch	Unit 6-8, 10/F, Western Cultural and Industrial Center, No. 16, Huaxing East Street, Jinjiang District, Chengdu, 610021	July 29, 2016	Wan Jiazhu	028-80582967
Everbright Securities Co., Ltd. Fujian Branch	Unit 03B & 04A, 34F, No. 82 Zhanhong Road, Siming District, Xiamen, 361000	May 16, 2018	Wang Fei	0592-5021663
Everbright Securities Co., Ltd. Dongguan Branch	No. 1701A, Yuefeng Building, No.2 Sanyuan Road, Nancheng Subdistrict, Dongguan, 523000	June 27, 2016	Lin Yan'e	0769-22220682
Everbright Securities Co., Ltd. Guangdong Branch	Room 4501 (Unit 01B-07), Yuexiu Financial Building, No. 28, Zhujiang East Road, Tianhe District, Guangzhou, 510623	July 21, 2010	Su Manlin	020-38036232
Everbright Securities Co., Ltd. Nanjing Branch	Room 1101-1104, Building No. 4, Financial City, No. 248 Lushan Road, Jianye District, Nanjing, Jiangsu, 210019	August 3, 2011	Ni Tielian	025-52852258
Everbright Securities Co., Ltd. Shandong Branch	Room A-C, Floor 14, No. 67-69 Hong Kong West Road, Shinan District, Qingdao, 266000	July 19, 2016	Ma Yan	0532-82020180
Everbright Securities Co., Ltd. Shanghai Branch	10F, No. 1128 Century Avenue, China (Shanghai) Pilot Free Trade Zone, 200120	July 25, 2011	Chai Haiying	021-58313323
Everbright Securities Co., Ltd. Shenzhen Branch	17A, 17B, New Enterprise Office Building A, No. 6011 Shennan Avenue, Tian'an Community, Shatou Subdistrict, Futian District, Shenzhen, 518030	July 21, 2010	Wu Wenqu	0755-82028396
Everbright Securities Co., Ltd. Shenyang Branch	No. 169 (301), Shiyiwei Road, Shenhe District, Shenyang, Liaoning, 110000	July 21, 2011	Zhai Lei	024-22856015
Everbright Securities Co., Ltd. Wuhan Branch	20F, T2 Office Building, Changchenghui, No. 9 Zhongbei Road, Wuchang District, Wuhan, 430071	July 14, 2016	Zhang Youfu	027-87832666

## APPENDIX INFORMATION DISCLOSURE OF SECURITIES COMPANIES

Name of branch	Business address and postcode	Time of establishment	Person in charge	Customer service or complaint hotline
Everbright Securities Co., Ltd. Xi'an Branch	12F, Building B, Wanzhong International, No. 1 Qujiangchi East Road, Xi'an, 710061	September 9, 2016	Dong Xiaofeng	029-89833670
Everbright Securities Co., Ltd. Zhejiang Branch	11-2, 11-3, Building No. 1, Greenland Center, No. 9 Shijun Road, Jiangbei District, Ningbo, Zhejiang, 315020	July 1, 2010	Zhang Jihong	0574-83852203
Everbright Securities Co., Ltd. Chongqing Branch	No. 108, Dapingzheng Street, Yuzhong District, Chongqing, 400042	August 23, 2011	Song Lin	023-68890806

### (II) The geographical locations of the securities brokerage branches

Number	Branch	Securities brokerage branch	Domicile (business address)	Province (autonomous region, municipality) of its location	Customer service or complaint hotline
1	Beijing Branch	Securities brokerage branch at Yuetan North Road, Beijing	2nd, 3rd, 5th Floor, East Side Building, Yuetan Building, No. 2 Yuetan North Street, Xicheng District, Beijing, 100045	Beijing	010-68081286
2	Beijing Branch	Securities brokerage branch at Xiaoying Road, Beijing	Room 701, 7th Floor, Floor -3-25 (101), Building A2, Huixin East Street, Chaoyang District, Beijing, 100101	Beijing	010-84742357
3	Beijing Branch	Securities brokerage branch at Dongzhong Street, Beijing	2nd Floor, Building B, Donghuan Plaza, No. 29 Dongzhong Street, Dongcheng District, Beijing, 100027	Beijing	010-64182499
4	Beijing Branch	Securities brokerage branch at Weidi Road, Tianjin	Street Floor, Building F, Zhonghao Century Yard, Weidi Road, Hexi District, Tianjin, 300201	Tianjin	022-23335777
5	Beijing Branch	Securities brokerage branch at Zhongguancun Road, Beijing	A-C, 2nd Floor, Building A, No. 8 Haidian Street, Haidian District, Beijing, 100080	Beijing	010-82483062
6	Beijing Branch	Securities brokerage branch at Lize Road, Beijing	Room 201-1, 2nd Floor, Building 1, Yard 14, Xisanhuan South Road, Fengtai District, Beijing, 100073	Beijing	010-83067026
7	Beijing Branch	Securities brokerage branch at Guanghua Road, Beijing	Rooms 1506 & 1507, 15th Floor, Building 3, Yard 4, Guanghua Road, Chaoyang District, Beijing, 102218	Beijing	010-85951550
8	Beijing Branch	Securities brokerage branch at West Street, Shijiazhuang	Room 605, Office Building 1, Wufang Building, No. 88 West Street, Chang'an District, Shijiazhuang, Hebei, 50000	Hebei Province	0311-68019169
9	Beijing Branch	Securities brokerage branch at Sanyuanqiao, Beijing	Unit 307, 3rd Floor, Block B, Building 1, No. 18 Xiaguangli, Dongsanhuan North Road, Chaoyang District, Beijing, 100027	Beijing	010-64735885

## APPENDIX INFORMATION DISCLOSURE OF SECURITIES COMPANIES

Number	Branch	Securities brokerage branch	Domicile (business address)	Province (autonomous region, municipality) of its location	Customer service or complaint hotline
10	Beijing Branch	Securities brokerage branch at Shouti South Road, Beijing	Room 05/06, Floor 23, Tengda Building, No. 168 Xizhimenwai Street, Haidian District, Beijing	Beijing	010-88576880
11	Beijing Branch	Securities brokerage branch at Beijing Headquarters Base	Room 410, Floor 4, Floor -1-5 (501), Building 5, Yard 26, Waihuan West Road, Fengtai District, Beijing, 100070	Beijing	010-68787802
12	Beijing Branch	Securities brokerage branch at Chaoyang Road, Beijing	Rooms 918-922, 9th Floor, No. 41 Dongsihuan Middle Road, Chaoyang District, Beijing, 100025	Beijing	010-66066823
13	Chengdu Branch	Securities brokerage branch at Hongxing Road, Chengdu	No. 70, Section 2, Hongxing Road, Jinjiang District, Chengdu, Sichuan, 610021	Sichuan Province	028-82007711
14	Chengdu Branch	Securities brokerage branch at Neijiang Park Street	3rd Floor, Block B, Dijing Commercial Building, No. 150 Gongyuan Street, Neijiang, Sichuan, 641000	Sichuan Province	0832-2034888
15	Chengdu Branch	Securities brokerage branch at Weiyuan Avenue, Weiyuan County, Neijiang	Room 501, Building 1, No. 253 Weiyuan Avenue, Yanling Town, Weiyuan County, Neijiang, Sichuan, 642450	Sichuan Province	0832-8239403
16	Chengdu Branch	Securities brokerage branch at Mian yuan Street, Deyang	No. 2-1, 2nd Floor, Block B, 102 Life Plaza, No. 276, Section 1, Mian yuan Street, Deyang, Sichuan, 618000	Sichuan Province	0838-2231810
17	Chengdu Branch	Securities brokerage branch at Jin'an Avenue, Guang'an	No. 201 and 202, No. 46, Section 1, Jin'an Avenue, Guang'an District, Guang'an, Sichuan, 638000	Sichuan Province	0826-8089992
18	Chengdu Branch	Securities brokerage branch at Dangui Street, Zigong	2nd Floor, Yingxiang Commercial Building, Group 37, Dangui Street Neighborhood Committee, Ziliujing District, Zigong, Sichuan, 643000	Sichuan Province	0813-8111555
19	Chengdu Branch	Securities brokerage branch at Baituba Road, Nanchong	Room 201-206, No. 344 Baituba Road, Shunqing District, Nanchong, Sichuan, 637000	Sichuan Province	0817-2163333
20	Chengdu Branch	Securities brokerage branch at Hongxing Road, Meishan	Room 301, 3rd Floor, Building 14, District 10, Rose Garden, No.167, Section 2, Hongxing East Road, Dongpo District, Meishan, Sichuan, 620010	Sichuan Province	028-38299265
21	Chengdu Branch	Securities brokerage branch at Yuejin Road, Mianyang	No. 31-37, 3rd Floor, Building 29, North District, Phase II, Changhong International, No. 6 Yuejin Road, Fucheng District, Mianyang, Sichuan, 621000	Sichuan Province	0816-2829888
22	Chengdu Branch	Securities brokerage branch at Chunxi Road, Chengdu	No. 1205, Office Building 2, International Finance Square, No. 1, Section 3, Hongxing Road, Jinjiang District, Chengdu, Sichuan, 610021	Sichuan Province	028-82095228
23	Chengdu Branch	Securities brokerage branch at Guanghua Avenue, Chengdu	No. 201, 2nd Floor, Building 11, No. 78 Guanghua East 4th Road, Qingyang District, Chengdu, Sichuan, 610015	Sichuan Province	028-87056421

## APPENDIX INFORMATION DISCLOSURE OF SECURITIES COMPANIES

Number	Branch	Securities brokerage branch	Domicile (business address)	Province (autonomous region, municipality) of its location	Customer service or complaint hotline
24	Chengdu Branch	Securities brokerage branch at Sanjiang Road, Yibin	No. 9, Building 10-1/F, Swan Castle, No. 18 Sanjiang Road, Xuzhou District, Yibin, Sichuan, 644600	Sichuan Province	0831-8233666
25	Fujian Branch	Securities brokerage branch at Wuyi North Road, Fuzhou	7th Floor, 1#, Zhengxiang Center, East Side, No. 153 Wuyi North Road, Shuibu Subdistrict, Gulou District, Fuzhou, 350001	Fujian Province	0591-87810343
26	Fujian Branch	Securities brokerage branch at Tian'an Road, Quanzhou	3rd Floor, Youth Building, No. 288 Tian'an North Road, Fengze District, Quanzhou, Fujian, 362000	Fujian Province	0595-28281788 0595-28279610
27	Fujian Branch	Securities brokerage branch at Guangchang South Road, Nanchang	Building 17, Hengmao Huacheng, No. 205 Guangchang South Road, Xihu District, Nanchang, Jiangxi, 330003	Jiangxi Province	0791-86665000
28	Fujian Branch	Securities brokerage branch at Financial Center Building, Zhanhong Road, Xiamen	Unit 01, 02 & 03A, 34th Floor, No. 82 Zhanhong Road, Siming District, Xiamen, 361000	Fujian Province	0592-7797779 0592-7792208
29	Fujian Branch	Securities brokerage branch at Haojiang Road, Shishi	10th Floor, Zhonghe International Building, Haojiang Road, Shishi, Fujian, 362700	Fujian Province	0595-83995525
30	Fujian Branch	Securities brokerage branch at Qingchang Avenue, Fuqing	105, 1st floor, 13#, Qiaorong Garden, Yinxi Subdistrict, Fuqing, Fujian, 350300	Fujian Province	0591-85250366
31	Fujian Branch	Securities brokerage branch at Nanchang Middle Road, Zhangzhou	No. D16, Building 6, Liyuan Plaza, No. 31 Nanchang Middle Road, Xiangcheng District, Zhangzhou, Fujian, 363000	Fujian Province	0596-2990528
32	Fujian Branch	Securities brokerage branch at Gaoshi Road, Yichun	No. 1-201, 2nd Floor, Building 1, No. 981 Gaoshi Road, Yuanzhou District, Yichun, Jiangxi, 336000	Jiangxi Province	0795-3563333
33	Fujian Branch	Securities brokerage branch at Xingguo Road, Ganzhou	Shops A204# & A228#, Building A, Ganzhou Book Center, Caizhi Plaza, No. 18 Xingguo Road, Zhanggong District, Ganzhou, Jiangxi, 341000	Jiangxi Province	0797-8102710
34	Fujian Branch	Securities brokerage branch at Xueyuan Middle Street, Putian	Room 201, No. 60/66/88 Xueyuan Middle Street, Fenghuangshan Subdistrict, Chengxiang District, Putian, Fujian, 351100	Fujian Province	0594-2022666
35	Fujian Branch	Securities brokerage branch at Hubin East Road, Xiamen	Unit 01, 29th Floor, Building A, China Resources Building, No. 93 Hubin East Road, Siming District, Xiamen, 361005	Fujian Province	0592-5883155
36	Fujian Branch	Securities brokerage branch at Jiangbin Middle Avenue, Fuzhou	Units 07, 08, 7F, Fuzhou LBC Liyu Bund Center, 363 Jiangbin Middle Avenue, Yanfeng Street, Taijiang District, Fuzhou, Fujian Province, 350004	Fujian Province	0591-83763273
37	Dongguan Branch	Securities brokerage branch at Hongfu Road, Nancheng, Dongguan	Rooms 30001 and 30002, Unit 2, Building 4, No. 200 Hongfu Road, Nancheng Subdistrict, Dongguan, Guangdong, 523073	Guangdong Province	0769-22229808

## APPENDIX INFORMATION DISCLOSURE OF SECURITIES COMPANIES

Number	Branch	Securities brokerage branch	Domicile (business address)	Province (autonomous region, municipality) of its location	Customer service or complaint hotline
38	Dongguan Branch	Securities brokerage branch at Shilong, Dongguan	2nd Floor, Shop No. 5 and Shop No. 1-9, Phase 4, Haoxingyiyuan, Xincheng District, Shilong Town, Dongguan, Guangdong, 523320	Guangdong Province	0769-86626200
39	Dongguan Branch	Securities brokerage branch at Shida Road, Liaobu, Dongguan	Rooms 113 and 114, Building 1, World Trade Center South America, No. 69 Xiangshi Road, Liaobu, Dongguan, Guangdong, 523400	Guangdong Province	0769-83214223
40	Dongguan Branch	Securities brokerage branch at Changfu West Road, Dalang Town, Dongguan	Room 1610, 1611, 1612 & 1613, Building 1, No. 268 Changfu West Road, Qiufu Road, Dalang Town, Dongguan, Guangdong, 523770	Guangdong Province	0769-83111277
41	Dongguan Branch	Securities brokerage branch at Houjie, Dongguan	Ninth Floor, West Tower, Mingfeng Building, Kangle South Road, Houjie Town, Dongguan, Guangdong, 523960	Guangdong Province	0769-85937028
42	Dongguan Branch	Securities brokerage branch at Sanyuan Road, Dongguan	Room 1701B, Yuefeng Building, No. 2 Sanyuan Road, Nancheng Subdistrict, Dongguan, Guangdong, 523000	Guangdong Province	0769-28630008
43	Dongguan Branch	Securities brokerage branch at Humen Avenue, Dongguan	Room 310, No. 142 Humen Avenue, Humen Town, Dongguan, Guangdong, 523000	Guangdong Province	0769-82881168
44	Dongguan Branch	Securities brokerage branch at Zongbu 2nd Road, Songshan Lake, Dongguan	Room 103, Block 1, Building 1, District 1, Everbright Digital Home, No. 2 Zongbu 2nd Road, Songshan Lake High-tech Industrial Development Zone, Dongguan, Guangdong, 523000	Guangdong Province	0769-22897922
45	Dongguan Branch	Securities brokerage branch at Dezheng Middle Road, Chang'an Town, Dongguan	Room 207, Building 3, Chang'an Commercial Plaza, No. 303 Chang'an Changqing South Road, Chang'an Town, Dongguan, Guangdong, 523843	Guangdong Province	0769-23660688
46	Dongguan Branch	Securities brokerage branch at Dongjun Road, Dongguan	Shops A205-A209, Phase 1, Dongjunhaoyuan, No. 28 Dongjun Road, Nancheng District, Dongguan, Guangdong, 523000	Guangdong Province	0769-22220811
47	Dongguan Branch	Securities brokerage branch at Changping Avenue, Dongguan	2nd Floor, Building 1, Lianguan Plaza, Changping Avenue, Changping Town, Dongguan, Guangdong, 523560	Guangdong Province	0769-83335253
48	Guangdong Branch	Securities brokerage branch at Zhujiang New Town, Guangzhou	Unit 11-15, Room 4501, No. 28 Zhujiang East Road, Zhujiang New Town, Tianhe District, Guangzhou, 510623	Guangdong Province	020-38883525
49	Guangdong Branch	Securities brokerage branch at Donghu Road, Guangzhou	Room 405 & 406, No. 126 Donghu Road, Yuexiu District, Guangzhou, 510000	Guangdong Province	020-37631955
50	Guangdong Branch	Securities brokerage branch at Huadi Avenue, Guangzhou	1st and 2nd floors of Building 5-6, Hongmianyuan North District, Huadi Avenue, Liwan District, Guangzhou, 510370	Guangdong Province	020-81598156



## APPENDIX INFORMATION DISCLOSURE OF SECURITIES COMPANIES

Number	Branch	Securities brokerage branch	Domicile (business address)	Province (autonomous region, municipality) of its location	Customer service or complaint hotline
51	Guangdong Branch	Securities brokerage branch at Guangzhou Avenue Middle, Guangzhou	Room 101, 201, 203 & 207, Acquisition and Editing Building, No. 289 Guangzhou Avenue Middle, Yuexiu District, Guangzhou, 510699	Guangdong Province	020-86198353
52	Guangdong Branch	Securities brokerage branch at Daliang, Shunde	3rd Floor, Zhengye Building, No. 101 Fengshan Middle Road, Daliang, Shunde District, Foshan, Guangdong, 528300	Guangdong Province	0757-22381378
53	Guangdong Branch	Securities brokerage branch at Jihua 6th Road, Foshan	Room 07-11, 13th Floor, Building 1, Hengfu Center Office Building, No. 11 Jihua 6th Road, Chancheng District, Foshan, 528000	Guangdong Province	0757-83031628
54	Guangdong Branch	Securities brokerage branch at Fazhan Avenue, Jiangmen	4th Floor, 103, Building 1, No. 178 Fazhan Avenue, Pengjiang District, Jiangmen, Guangdong, 529000	Guangdong Province	0750-3166128
55	Guangdong Branch	Securities brokerage branch at Renmin Avenue North, Zhanjiang	Shop No. 1, 1st Floor, Huahe International Hotel, No. 6, Renmin Avenue North, Development Zone, Zhanjiang, Guangdong, 524000	Guangdong Province	0759-2231893
56	Guangdong Branch	Securities brokerage branch at Huishadi, Huizhou	Shop 02, Floor 2, Building 11, Fuchen Huilongwan, No. 68, Huishadi Second Road, Huicheng District, Huizhou, Guangdong, 516000	Guangdong Province	0752-2117318
57	Guangdong Branch	Securities brokerage branch at Machang Road, Guangzhou	Room 1001 & 1009, Building 1, No. 16 Machang Road, Tianhe District, Guangzhou, Guangdong, 510627	Guangdong Province	020-22169000
58	Guangdong Branch	Securities brokerage branch at Lvjing Road, Foshan	Room 01-10, 2nd Floor, Building 1, No. 39 Lvjing 3rd Road, Chancheng District, Foshan, Guangdong, 528000	Guangdong Province	0757-83206228
59	Guangdong Branch	Securities brokerage branch at Gangzhou Avenue Middle, Xinhui, Jiangmen	Rooms 1401 & 1501, Building 1, Yongcuihuating, No. 3 Gangzhou Avenue Middle, Huicheng, Xinhui District, Jiangmen, Guangdong, 529100	Guangdong Province	0750-6620166
60	Guangdong Branch	Securities brokerage branch at Danshui, Huizhou	Room 301, 3rd Floor, Tongda Building, No. 148, South Kaicheng Avenue, Danshui Subdistrict, Huiyang District, Huizhou, 516211	Guangdong Province	0752-3725221
61	Guangdong Branch	Securities brokerage branch at Pingshan, Huizhou	3rd Floors, Building 4, Yijingwan, Xizhijiangpan, Pingshan Overseas Chinese Town, Huidong County, Huizhou, 516300	Guangdong Province	0752-8558329
62	Guangdong Branch	Securities brokerage branch at Yifu Road, Beijiao, Shunde, Foshan	Unit 05, 8th Floor and 1T108, 1st Floor, Beijiao International Fortune Center, No. 1 Yifu Road, Beijiao Town, Shunde District, Foshan, Guangdong (subject to domicile declaration), 528311	Guangdong Province	0757-29998118

## APPENDIX INFORMATION DISCLOSURE OF SECURITIES COMPANIES

Number	Branch	Securities brokerage branch	Domicile (business address)	Province (autonomous region, municipality) of its location	Customer service or complaint hotline
63	Guangdong Branch	Securities brokerage branch at Haibin South Road, Zhuhai	Unit B, Basement Shopping Mall, Everbright International Trade Center, No. 47 Haibin South Road, Jida, Xiangzhou District, Zhuhai, 519000	Guangdong Province	0756-6868289
64	Guangdong Branch	Securities brokerage branch at Huashan Road, Shantou	2nd Floor, Binhai Building, No. 7 Huashan Road, Longhu District, Shantou, Guangdong, 515041	Guangdong Province	0754-88939393
65	Guangdong Branch	Securities brokerage branch at Huancheng East Road, Panyu, Guangzhou	1st and 2nd Floors, No. 153, Huancheng East Road, Shiqiao, Panyu District, Guangzhou, Guangdong, 511400	Guangdong Province	020-28641199
66	Guangdong Branch	Securities brokerage branch at Jiangnandadao Middle Road, Guangzhou	Room 318, No.168 Jiangnandadao Middle Road, Haizhu District, Guangzhou, 510240	Guangdong Province	020-89667701
67	Guangdong Branch	Securities brokerage branch at Qiguan West Road, Zhongshan	2nd floor of Area 5 of the first floor of Xinghuijuntong, No. 32 Qiguan West Road, Shiqi District, Zhongshan, 528400	Guangdong Province	0760-87112018
68	Guangdong Branch	Securities brokerage branch at Xinghu Avenue North, Zhaoqing	A6-1, 3rd Floor of Street Shop, S1, Haiyi Peninsula, Xinghu Avenue North, Duanzhou District, Zhaoqing, Guangdong, 526000	Guangdong Province	0758-2312021
69	Guangdong Branch	Securities brokerage branch at Jinyan Avenue, Meizhou	4D, 4th Floor, Baoying International Building, Jinyan Avenue, Sanjiao Town, Meijiang District, Meizhou, Guangdong, 514000	Guangdong Province	0753-2331968
70	Guangdong Branch	Securities brokerage branch at Yonghe East Road, Heyuan	No. 310-12, Yonghe East Road, Yuancheng District, Heyuan, 517000	Guangdong Province	0762-3124333
71	Guangdong Branch	Securities brokerage branch at Guangming Road, Kaiping, Jiangmen	Shops 102 and 103, No. 94 Guangming Road, Sanbu Sub-district Office, Kaiping, Guangdong, 529300	Guangdong Province	0750-2286936
72	Guangdong Branch	Securities brokerage branch at Nanzhuang, Foshan	Shop 106, No. 1, Lot "Zhufudaoutang" (Self-edited) of Jili Village Committee, Nanzhuang Town, Chancheng District, Foshan, Guangdong, 528000	Guangdong Province	0757-85332737
73	Guangdong Branch	Securities brokerage branch at Country Garden, Beijiao, Shunde	1-4 of the 1st Floor, Xiyuanmingcuigu Convenience Store, Country Garden, Beijiao Town, Shunde District, Foshan, Guangdong, 528311	Guangdong Province	0757-26671111
74	Guangdong Branch	Securities brokerage branch at Xincheng Road, Heshan, Jiangmen	3rd Unit of Room 1101, Suihe Building, No. 189 Xincheng Road, Shaping, Heshan, Jiangmen, Guangdong, 529700	Guangdong Province	0750-8202282
75	Guangdong Branch	Securities brokerage branch at Jingang Avenue, Nansha, Guangzhou	Rooms 805 & 806, No. 8 Jingang Avenue, Nansha Subdistrict, Nansha District, Guangzhou, 511458	Guangdong Province	020-39007020

## APPENDIX INFORMATION DISCLOSURE OF SECURITIES COMPANIES

Number	Branch	Securities brokerage branch	Domicile (business address)	Province (autonomous region, municipality) of its location	Customer service or complaint hotline
76	Guangdong Branch	Securities brokerage branch at Liyuan Road, Xinxing, Yunfu	1st Floor, Shops 17 & 18, Level 1 (excluding mezzanines and stair area), Building 3, Hupan Huayuan, No. 4 Liyuan Road, Xincheng Town, Xinxing County, Yunfu, Guangdong, 527400	Guangdong Province	0766-2223668
77	Guangdong Branch	Securities brokerage branch at Finance City, Guangzhou	Room 2713, No. 660, Huangpu Avenue Central, Tianhe District, Guangzhou, 510000	Guangdong Province	020-81808809
78	Nanjing Branch	Securities brokerage branch at Zhongshan Road, Nanjing	Room 501, No. 221, Zhongshan Road, Gulou District, Nanjing, Jiangsu, 210008	Jiangsu Province	025-83196903
79	Nanjing Branch	Securities brokerage branch at Zhongxin Road, Danyang	3/F, 4 mezzanines, 6 mezzanines, No. 5 Zhongxin Road, Danyang, 212300	Jiangsu Province	0511-86571122
80	Nanjing Branch	Securities brokerage branch at Suhui Road, Suzhou	Rooms 301 & 303, 3rd Floor, East Side Building, Guojian Building, No. 98 Suhui Road, Suzhou Industrial Park, Suzhou, Jiangsu, 215000	Jiangsu Province	0512-62986807
81	Nanjing Branch	Securities brokerage branch at Taiping South Road, Nanjing	Room 606, Fenghuangherui Building, No. 389 Taiping South Road, Qinhuai District, Nanjing, 210002	Jiangsu Province	025-84578511
82	Nanjing Branch	Securities brokerage branch at Nanhai Road, Haimen	Room 22111, 1st Floor, Building 2, No. 1399 Nanhai Road, Haimen Subdistrict, Haimen District, Nantong, Jiangsu, 226100	Jiangsu Province	0513-81203128
83	Nanjing Branch	Securities brokerage branch at Dongfang Road, Danyang	Shops 14 & 15, Area A, Newspaper Building, Danyang, Jiangsu, 212300	Jiangsu Province	0511-86950029
84	Nanjing Branch	Securities brokerage branch at Jinshui'an, Changzhou	No. 1-23, 24 & 25, Juning Jinshui'an, Diaojiao Road, Tianning District, Changzhou, Jiangsu, 213161	Jiangsu Province	0519-81081205
85	Nanjing Branch	Securities brokerage branch at Beiyihuan Road, Hefei	Rooms 301 & 304, Tower A, Jinding Plaza, No. 287 Suixi Road, Luyang District, Hefei, Anhui, 230001	Anhui Province	0551-64630800
86	Nanjing Branch	Securities brokerage branch at Wenchang West Road, Yangzhou	No. 221 Wenchang West Road, Hanjiang District, Yangzhou, Jiangsu, 225009	Jiangsu Province	0514-87912288
87	Nanjing Branch	Securities brokerage branch at Chengde Road, Huaian	Shop 2, Building 8, Huaxia Homeland, No. 81 Chengde Road, Qingjiangpu District, Huaian, Jiangsu, 223001	Jiangsu Province	0517-83505003
88	Nanjing Branch	Securities brokerage branch at Jiefang South Road, Yancheng	Rooms 105 & 106, Building 1, Nanmenhuafu, No. 15 Jiefang South Road, Tinghu District, Yancheng, Jiangsu, 224001	Jiangsu Province	0515-89885599
89	Nanjing Branch	Securities brokerage branch at Fazhan Avenue, Suqian	Rooms 121, 122 & 123, 1st Floor, Guotai Plaza, Sucheng District, Suqian, Jiangsu, 223800	Jiangsu Province	0527-82280018

## APPENDIX INFORMATION DISCLOSURE OF SECURITIES COMPANIES

Number	Branch	Securities brokerage branch	Domicile (business address)	Province (autonomous region, municipality) of its location	Customer service or complaint hotline
90	Nanjing Branch	Securities brokerage branch at Jinrong First Street, Wuxi	Rooms 604&605, 6th Floor, Building 15, Wuxi Ping An Fortune Center, No. 15 Jinrong First Street, Taihu New Town, Economic Development Zone, Wuxi, 214121	Jiangsu Province	0510-85183072
91	Nanjing Branch	Securities brokerage branch at Jiyang Road, Jiangyin	5th Floor, No. 20, Jiyang Road, Jiangyin, Jiangsu, 214400	Jiangsu Province	0510-86837801
92	Nanjing Branch	Securities brokerage branch at Jiubin South Road, Yixing	No. 100, Jiubin South Road, Xinjie Subdistrict, Yixing, Jiangsu, 214200	Jiangsu Province	0510-80705397
93	Nanjing Branch	Securities brokerage branch at Gongnong Road, Nantong	2nd Floor, No. 131 Gongnong Road, Nantong, Jiangsu, 226001	Jiangsu Province	0513-55083366
94	Nanjing Branch	Securities brokerage branch at Qianjin East Road, Kunshan	Oriental International Plaza, No. 1239 – 4, Qianjin East Road, Kunshan, Jiangsu, 215300	Jiangsu Province	0512-36691653
95	Nanjing Branch	Securities brokerage branch at Dengwei Road, Suzhou	Room 1201, Building 2, Runjie Plaza, No. 9 Dengwei Road, High-tech Zone, Suzhou, Jiangsu, 215011	Jiangsu Province	0512-62392600
96	Nanjing Branch	Securities brokerage branch at Wenyuan Road, Suzhou	No. 123, Wenyuan Road, Golden Eagle Commercial Center, No. 151 Wenyuan Road, East Taihu Ecological Travel Resort (Taihu New City), Wujiang District, Suzhou, 215200	Jiangsu Province	0512-63969692
97	Nanjing Branch	Securities brokerage branch at Zhongshan Road, Wuxi	3rd Floor, No. 131-135 Zhongshan Road, Wuxi, 214000	Jiangsu Province	0510-82728750
98	Nanjing Branch	Securities brokerage branch at Hexi South Road, Zhangjiagang	No. 37 & 39, Hexi South Road, Building 3, Yushui Shijia, Yangshe Town, Zhangjiagang, Jiangsu, 215600	Jiangsu Province	0512-56307781
99	Nanjing Branch	Securities brokerage branch at Dongjin Road, Taizhou	Room 110, 210, 111 & 211, Building A, No. 6 Dongjin Road, Hailing District, Taizhou, Jiangsu, 225300	Jiangsu Province	0523-86862688
100	Nanjing Branch	Securities brokerage branch at Wenhua Road, Wuhu	1st and 2nd Floors, Yihe Building, No.54 Wenhua Road, Jinghu District, Wuhu, Anhui, 241004	Anhui Province	0553-3872006
101	Nanjing Branch	Securities brokerage branch Xuefu Road, Zhenjiang	Room 110 and 111, Building 13, Zixie Lishe, No. 95 Xuefu Road, Jingkou District, Zhenjiang, Jiangsu Province, 212004	Jiangsu Province	0511-88859899
102	Shandong Branch	Securities brokerage branch at Jingshi Road, Jinan	Room A106 and A Zone of 3rd Floor, Huate Plaza, No. 17703 Jingshi Road, Lixia District, Jinan, 250016	Shandong Province	0531-66599161
103	Shandong Branch	Securities brokerage branch at Jinhua Street, Yantai	No. 65, 67 & 69, Jinhua Street, Zhifu District, Yantai, Shandong, 264000	Shandong Province	0535-6632666
104	Shandong Branch	Securities brokerage branch at Hong Kong West Road, Qingdao	19th Floor, Everbright International Finance Center, No. 67 Hong Kong West Road, Shinan District, Qingdao, Shandong, 266071	Shandong Province	0532-83891123

## APPENDIX INFORMATION DISCLOSURE OF SECURITIES COMPANIES

Number	Branch	Securities brokerage branch	Domicile (business address)	Province (autonomous region, municipality) of its location	Customer service or complaint hotline
105	Shandong Branch	Securities brokerage branch at Jinshui Road, Zhengzhou	No. 125-1 Jinshui Road, Jinshui District, Zhengzhou, Henan, 450003	Henan Province	0371-66762911
106	Shandong Branch	Securities brokerage branch at Liuquan Road, Zibo	1st Floor, No. 272 Liuquan Road, High-tech Zone, Zibo, Shandong, 255000	Shandong Province	0533-3153788
107	Shandong Branch	Securities brokerage branch at Zhoushan Road, Luoyang	No. 408, 409 & 411, Zhongtai Mansion, Zhoushan Road, Jianxi District, Luoyang, Henan, 471003	Henan Province	0379-60672166
108	Shandong Branch	Securities brokerage branch at Wanfu Road, Laiwu	No. 1 Wanfu North Road, Laiwu District, Jinan, Shandong, 271100	Shandong Province	0531-75626676
109	Shandong Branch	Securities brokerage branch at Dongchang West Road, Liaocheng	Shop 8, Building 1, Shuicheng Jiayuan Community, No. 113 Dongchang West Road, Dongchangfu District, Liaocheng, Shandong, 252000	Shandong Province	0635-2112166
110	Shandong Branch	Securities brokerage branch at Taibai Road, Jining	Rooms 1901 & 1902, Unit 1, Jining Suning Project, No. 10 Taibai Road, Rencheng District, Jining, Shandong, 272000	Shandong Province	0537-7979558
111	Shandong Branch	Securities brokerage branch at Dongfeng East Street, Weifang	Rooms 2105, 2106 & 2109-2111, Complex 2, Shenghuayuan Community, No. 5922, Beihai Community, Xincheng Street, HiTech Industrial Development Zone, Weifang, Shandong, 261000	Shandong Province	0536-8795525
112	Shandong Branch	Securities brokerage branch at Fuqian Street, Dongying	Rooms 1306 & 1307, 13/F, No. 82 Fuqian Street, Development Zone, Dongying, Shandong, 257000	Shandong Province	0546-8881700
113	Shandong Branch	Securities brokerage branch at Yaodian Avenue, Pingdingshan	Rooms 105, 205 & 110, Floor 1-2, Separate Building, Yingcheng Mingzuo, North Side of Yaodian Avenue Middle Section, Zhanhe District, Pingdingshan, Henan, 467000	Henan Province	0375-2226178
114	Shandong Branch	Securities brokerage branch at Tongan Road, Qingdao	Room 1101, Building 1, Rongbai Fortune Building, No. 886 Tongan Road, Laoshan District, Qingdao, Shandong, 266000	Shandong Province	0532-88700307
115	Shandong Branch	Securities brokerage branch at Finance Island, Zhengzhou	Southwest corner of 1st Floor, China Everbright Center, No. 22 Middle Ring Road, Finance Island, Zhengzhou District (Zhengdong), Henan Pilot Free Trade Zone, 450000	Henan Province	0371-88928998
116	Shanghai Branch	Securities brokerage branch at Dong'an Road, Xuhui District, Shanghai	Room 902, No. 562 Dong'an Road, Xuhui District, Shanghai, 200032	Shanghai	021-64279722
117	Shanghai Branch	Securities brokerage branch at Zhongxing Road, Shanghai	No. 1103 Zhongxing Road, Zhabei District, Shanghai, 200070	Shanghai	021-56313344

## APPENDIX INFORMATION DISCLOSURE OF SECURITIES COMPANIES

Number	Branch	Securities brokerage branch	Domicile (business address)	Province (autonomous region, municipality) of its location	Customer service or complaint hotline
118	Shanghai Branch	Securities brokerage branch at Huaihai Middle Road, Shanghai	31st Floor, No. 1045 Huaihai Middle Road, Xuhui District, Shanghai, 200031	Shanghai	021-64727070
119	Shanghai Branch	Securities brokerage branch at Xianxia Road, Shanghai	Rooms 108 & 301, No. 333 Xianxia Road, Changning District, Shanghai, 200336	Shanghai	021-32522211
120	Shanghai Branch	Securities brokerage branch at Century Avenue, Shanghai	Floors 1 to 2 of East Section, No. 1118 Century Avenue, China (Shanghai) Pilot Free Trade Zone, 200120	Shanghai	021-20235713
121	Shanghai Branch	Securities brokerage branch at Xizang Middle Road, Huangpu District, Shanghai	Room A, 12th Floor, New Jingqiao Plaza, No. 585 Xizang Middle Road, Huangpu District, Shanghai, 200003	Shanghai	021-53082771
122	Shanghai Branch	Securities brokerage branch at Zhangyang Road, Shanghai	2-7 No. 111 Songlin Road, Pudong New Area, Shanghai, 200120	Shanghai	021-58778210
123	Shanghai Branch	Securities brokerage branch at Tacheng Road, Shanghai	2nd Floor, Building 3, No. 885 Tacheng Road, Jiading District, Shanghai, 201800	Shanghai	021-69977159
124	Shanghai Branch	Securities brokerage branch at Huahe Road, Baoshan, Shanghai	No. 280 Huahe Road, Baoshan District, Shanghai, 200436	Shanghai	021-36527888
125	Shanghai Branch	Securities brokerage branch at Mudanjiang Road, Shanghai	Rooms 1503 & 1504, No. 1248 Mudanjiang Road, Baoshan District, Shanghai, 200940	Shanghai	021-66593811
126	Shanghai Branch	Securities brokerage branch at Weiqing West Road, Jinshan District, Shanghai	Floor 1-2, No.711 Weiqing West Road, Jinshan District, Shanghai, 200540	Shanghai	021-33691852
127	Shanghai Branch	Securities brokerage branch at Renmin South Road, Fengxian District, Shanghai	1st Floor, No. 333 and 2nd Floor, No. 333-339 Renmin South Road and 2nd Floor, No. 1859 Nanfeng Road, Fengxian District, Shanghai, 201499	Shanghai	021-57197911
128	Shanghai Branch	Securities brokerage branch at Renmin North Road, Shanghai	10th Floor & Room 105 of 1st Floor, Building 1, No. 151 Renmin North Road, Songjiang District, Shanghai, 201699	Shanghai	021-57812328
129	Shanghai Branch	Securities brokerage branch at Jinke Road, Pudong New Area, Shanghai	Room 112, No. 2891 Jinke Road, China (Shanghai) Pilot Free Trade Zone, 201206	Shanghai	021-58950537
130	Shanghai Branch	Securities brokerage branch at Fangdian Road, Shanghai	Room 01, No. 1388 Fangdian Road, Pudong New Area, Shanghai, 201204	Shanghai	021-26120950
131	Shanghai Branch	Securities brokerage branch at Dongdaming Road, Hongkou District, Shanghai	Unit C, 22/F, No. 1158 Dongdaming Road, Hongkou District, Shanghai, 200082	Shanghai	021-65051008
132	Shanghai Branch	Securities brokerage branch at Xinzha Road, Shanghai	Rooms 111, 112, 113, 1st Floor, No. 1518 Xinzha Road, Jing'an District, Shanghai, 200040	Shanghai	021-60191918

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Number	Branch	Securities brokerage branch	Domicile (business address)	Province (autonomous region, municipality) of its location	Customer service or complaint hotline
133	Shanghai Branch	Securities brokerage branch at Minsheng Road, Shanghai	Room 901, Kaisa Financial Center, No. 1188 Minsheng Road, China (Shanghai) Pilot Free Trade Zone, 200135	Shanghai	021-61659729
134	Shanghai Branch	Securities brokerage branch at Hongbaoshi Road, Changning District, Shanghai	Room 02, 19th Floor, Building 1, No. 500 Hongbaoshi Road, Changning District, Shanghai, 201103	Shanghai	021-52555002
135	Shanghai Branch	Securities brokerage branch at Yaoyuan Road, Pudong New Area, Shanghai	Room 904-2, Building 3#, No. 58 Yaoyuan Road, China (Shanghai) Pilot Free Trade Zone, 200126	Shanghai	021-50818501
136	Shanghai Branch	Securities brokerage branch at Nanjing West Road, Jing'an District, Shanghai	Room 1005, No. 699, Nanjing West Road, Jing'an District, Shanghai, 200041	Shanghai	021-80198866
137	Shenzhen Branch	Securities brokerage branch at Jintian Road, Shenzhen	Unit 08, 09b and Unit 2503, A02 Floor, Rongchao Economic and Trade Center, No. 4028 Jintian Road, Lianhua Subdistrict, Futian District, Shenzhen, 518035	Guangdong Province	0755-83007118
138	Shenzhen Branch	Securities brokerage branch at Xinyuan Road, Shenzhen	5/F, Zhonghai Marketplace, No. 3 Xinyuan Road, Luohu District, Shenzhen, 518001	Guangdong Province	0755-82285197
139	Shenzhen Branch	Securities brokerage branch at Guomao Avenue, Haikou	Level 2, Xianle Garden, No. 63 Guomao Avenue, Longhua District, Haikou, Hainan, 570125	Hainan Province	0898-68550096
140	Shenzhen Branch	Securities brokerage branch at Jinpu Road, Nanning	Rooms 1401, 1402, 1403, 1405 & 1406, 14th Floor, Mingdu Building, No.22 Jinpu Road, Qingxiu District, Nanning, Guangxi, 530021	Guangxi Zhuang Autonomous Region	0771-5305877
141	Shenzhen Branch	Securities brokerage branch at Shenwan First Road, Shenzhen	Rooms 1304, 1305, Block J, Phase 5, Shenwan Huiyun Center, Baishi Third Street, Baishizhou East Community, Shahe Road, Nanshan District, Shenzhen, 518000	Guangdong Province	0755-88308466
142	Shenzhen Branch	Securities brokerage branch at Haide Third Road, Shenzhen	Unit 04, Floor 05, China Resources Building, No. 2666 Keyuan South Road, Yuehai Subdistrict, Nanshan District, Shenzhen, 518057	Guangdong Province	0755-86055273
143	Shenzhen Branch	Securities brokerage branch at Longfu Road, Longgang District, Shenzhen	Unit 06.07, 5th Floor, Building A, Rongchaoyinglong Building, No. 5 Longfu Road, Longcheng Subdistrict, Longgang District, Shenzhen, 518172	Guangdong Province	0755-28370875
144	Shenzhen Branch	Securities brokerage branch at Haitian Road, Shenzhen	Room 1007, Building A, Zhuoyue Baozhong Times Square (Phase 1), No.15-1, Haitian Road, Area N23, Haibin Community, Xin'an Subdistrict, Bao'an District, Shenzhen, 518101	Guangdong Province	0755-29569951

## APPENDIX INFORMATION DISCLOSURE OF SECURITIES COMPANIES

Number	Branch	Securities brokerage branch	Domicile (business address)	Province (autonomous region, municipality) of its location	Customer service or complaint hotline
145	Shenzhen Branch	Securities brokerage branch at Zhongshan Middle Road, Guilin	No. 4-1, 4th Floor, Nanfang Building, No. 39 Zhongshan Middle Road, Xiufeng District, Guilin, Guangxi, 541000	Guangxi Zhuang Autonomous Region	0773-2881288
146	Shenzhen Branch	Securities brokerage branch at Tanzhong East Road, Liuzhou	Rooms 12-13, Unit 2, Huaxin International Plaza, No. 17 Tanzhong East Road, Chengzhong District, Liuzhou, Guangxi, 545026	Guangxi Zhuang Autonomous Region	0772-2128001
147	Shenzhen Branch	Securities brokerage branch at Renmin North Road, Longhua, Shenzhen	Area B, 1st Floor, Podium Building, Floor 1-3, Building 3 and 4, Yinquan Garden, Minzhi Subdistrict, Longhua New District, Shenzhen, 518109	Guangdong Province	0755-81483239
148	Shenzhen Branch	Securities brokerage branch at Xiangmihu Road, Shenzhen	17D, Building A, New Enterprise Office Building, No. 6011 Shennan Avenue, Tian'an Community, Shatou Subdistrict, Futian District, Shenzhen, 518042	Guangdong Province	0755-82523596
149	Shenzhen Branch	Securities brokerage branch at Heping Road, Shenzhen	Room 1005-1006, 10th Floor, Jintian Building, No. 1199 Heping Road, Nanhu Subdistrict, Luohu District, Shenzhen, 518010	Guangdong Province	0755-82331552
150	Shenzhen Branch	Securities brokerage branch at Keyuan Road, Shenzhen	No. 03A, 5th Floor, Oriental Science and Technology Building, No. 16 Keyuan Road, Yuehai Subdistrict, Nanshan District, Shenzhen, 518057	Guangdong Province	0755-86707407
151	Shenyang Branch	Securities brokerage branch at Financial Street, Daqing	South of Weier Road (No. 1 Financial Street), Dongfeng New Village, Saertu District, Daqing, Heilongjiang, 163311	Heilongjiang Province	0459-8178858
152	Shenyang Branch	Securities brokerage branch at Jingwei'erdao Street, Harbin	No. 22 Jingwei'erdao Street, Daoli District, Harbin, Heilongjiang, 150010	Heilongjiang Province	0451-87655603
153	Shenyang Branch	Securities brokerage branch at Jiefang Road, Changchun	3rd Floor, Everbright Building, No. 2677 Jiefang Road, Changchun, Jilin, 130021	Jilin Province	0431-88400506
154	Shenyang Branch	Securities brokerage branch at Longhua Road, Qiqihar	No. 01, 04/F, Unit 00, Mingzhu Office Building, No. 211 Longhua Road, Qiqihar, Heilongjiang Province, 161000	Heilongjiang Province	0452-6181114
155	Shenyang Branch	Securities brokerage branch at Shiyiwei Road, Shenyang	No.169 Shiyiwei Road, Shenhe District, Shenyang, Liaoning, 110014	Liaoning Province	024-23283000
156	Shenyang Branch	Securities brokerage branch at Renmin East Road, Dalian	Unit 03 and 04, 23rd Floor, Minsheng International Financial Center, No. 52 Renmin East Road, Zhongshan District, Dalian, Liaoning, 116000	Liaoning Province	0411-39852303
157	Shenyang Branch	Securities brokerage branch at Dongxing Road, Heihe	No. 2, Dongxing Road, Aihui District, Heihe, Heilongjiang, 164300	Heilongjiang Province	0456-6107000
158	Shenyang Branch	Securities brokerage branch at Xincheng Road, Fushun	No. 36 Fushuncheng Street, Shuncheng District, Fushun, Liaoning, 113000	Liaoning Province	024-53986116



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Number	Branch	Securities brokerage branch	Domicile (business address)	Province (autonomous region, municipality) of its location	Customer service or complaint hotline
159	Shenyang Branch	Securities brokerage branch at Chilechuan Street, Hohhot	Room 303, 3rd Floor, Building B, Lanhai, Greenland Central Plaza, No.15 Chilechuan Street, Saihan District, Hohhot, Inner Mongolia Autonomous Region, 010020	Inner Mongolia Autonomous Region	0471-4957945
160	Shenyang Branch	Securities brokerage branch at Jiangcheng Street, Dandong	Building No. 137-12, Jiangcheng Street, Yuanbao District, Dandong, Liaoning, 118000	Liaoning Province	0415-2831818
161	Wuhan Branch	Securities brokerage branch at Qingnian Road, Wuhan	No. (13), 3rd Floor, Building/Unit 1, No.55 Xibei Road, Jiangnan District, Wuhan, Hubei, 430014	Hubei Province	027-85784820
162	Wuhan Branch	Securities brokerage branch at Furong Middle Road, Changsha	(13th Floor, News Building) No. 469, Section 1, Furong Middle Road, Kaifu District, Changsha, Hunan, 410005	Hunan Province	0731-84895525
163	Wuhan Branch	Securities brokerage branch at Jingnan Avenue, Wuhan	Unit 4901-4906, Wuhan Henglong Plaza Office Building, No. 688 Jingnan Avenue, Qiaokou District, Wuhan, Hubei, 430030	Hubei Province	027-88060350
164	Wuhan Branch	Securities brokerage branch at Binjiang Road, Changsha	2502, Yinjian Building, No.195 Binjiang Road, Yuelu District, Changsha, Hunan, 410023	Hunan Province	0731-88658868
165	Wuhan Branch	Securities brokerage branch at Beijing North Road, Shiyan	No. 35-40, 11th Floor, Building A, Wanda Plaza, No. 99 Beijing North Road, Hanjiang Street Office, Zhangwan District, Shiyan, Hubei, 442000	Hubei Province	0719-8681908
166	Wuhan Branch	Securities brokerage branch at Xiangshan Avenue, Jingmen	Room 1049-1056, Block C, No. 38 Xiangshan Avenue South End (Wanda Plaza), Duodao District, Jingmen, Hubei, 448000	Hubei Province	0724-4267130
167	Wuhan Branch	Securities brokerage branch at Zhongbei Road, Wuhan	20th Floor, Building T2, Changchenghui, No. 9 Zhongbei Road, Wuchang District, Wuhan, Hubei, 430071	Hubei Province	027-87839209
168	Wuhan Branch	Securities brokerage branch at Hanjiang North Road, Xiangyang	North Hall of 1st Floor and 11th Floor East, Xiangyang Huakang Ruicheng Office Building, No. 117 Hanjiang North Road, Fancheng District, Xiangyang, 441057	Hubei Province	0710-3796818
169	Wuhan Branch	Securities brokerage branch at Guanshan Avenue, Wuhan	Room 02-03, 7th Floor, Fanyue City Tower 2, No. 21 Guanshan Avenue, Donghu New Technology Development Zone, Wuhan (Wuhan Area of the Hubei Pilot FTZ), 430079	Hubei Province	027-63496288
170	Xi'an Branch	Securities brokerage branch at Changzhi Road, Taiyuan	Floor 1, Energy Internet Building, 230 Changzhi Road, Xiaodian District, Taiyuan, Shanxi, 030000	Shanxi Province	0351-3020076
171	Xi'an Branch	Securities brokerage branch at Minzhu Road, Urumqi	No. 137, Minzhu Road, Tianshan District, Urumqi, Xinjiang Uygur Autonomous Region, 830002	Xinjiang Uygur Autonomous Region	0991-6298767

## APPENDIX INFORMATION DISCLOSURE OF SECURITIES COMPANIES

Number	Branch	Securities brokerage branch	Domicile (business address)	Province (autonomous region, municipality) of its location	Customer service or complaint hotline
172	Xi'an Branch	Securities brokerage branch at Xingqing Road, Xi'an	3rd and 4th floor, No. 98 Xingqing Road, Beilin District, Xi'an, Shaanxi, 710048	Shaanxi Province	029-83280088
173	Xi'an Branch	Securities brokerage branch at Wusi Street, Xining	No. 48, Wusi Street, Chengxi District, Xining, Qinghai, 810001	Qinghai Province	0971-6109421
174	Xi'an Branch	Securities brokerage branch at Huanghe Road, Xining	Level 5 & Level 6, Building 1, No. 154 Huanghe Road, Chengxi District, Xining, Qinghai, 810001	Qinghai Province	0971-8214543
175	Xi'an Branch	Securities brokerage branch at Jianguo Street, Xining	No. 26 Jianguo Street, Chengdong District, Xining, Qinghai, 810000	Qinghai Province	0971-8163866
176	Xi'an Branch	Securities brokerage branch at East Street, Hanzhong	No. 8 East Street, Hantai District, Hanzhong, Shaanxi, 723000	Shaanxi Province	0916-8893848
177	Xi'an Branch	Securities brokerage branch at Donggang West Road, Lanzhou	No. 555 Donggang West Road, Chengguan District, Lanzhou, Gansu, 730000	Gansu Province	0931-8729955
178	Xi'an Branch	Securities brokerage branch at Fenghuang North Street, Yinchuan	Business Room 25-109, Zhongying Yujing, Fenghuang North Street, Xingqing District, Yinchuan, Ningxia, 750001	Ningxia Hui Autonomous Region	0951-2130676
179	Xi'an Branch	Securities brokerage branch at Yingbin Avenue, Karamay	No. 75-13-1 Yingbin Avenue, Karamay District, Karamay, Xinjiang Uygur Autonomous Region, 834000	Xinjiang Uygur Autonomous Region	0990-6609961
180	Xi'an Branch	Securities brokerage branch at Tangyan Road, Xi'an	Unit 70113, L1 Floor, Mall Block D, Hesheng Jingguang Centre (T11), No. 11 Tangyan Road, High-tech Zone, Xi'an, Shaanxi, 710065	Shaanxi Province	029-89833633
181	Xi'an Branch	Securities brokerage branch at Wenjing Road, Economic Development Zone, Xi'an	Room 207, Building D, Baihualin International Business Plaza, South to Fengcheng 3rd Road, Wenjing Road, Economic and Technological Development Zone, Xi'an, Shaanxi, 710021	Shaanxi Province	029-89820100
182	Zhejiang Branch	Securities brokerage branch at Beichen Plaza, Shengli East Road, Shaoxing	Fifth Floor, Building 1, Beichen Plaza, Shengli East Road, Shaoxing, Zhejiang, 312000	Zhejiang Province	0575-85148800
183	Zhejiang Branch	Securities brokerage branch at Jiefang South Road, Ningbo	No. 67-1 Jiefang South Road, Haishu District, Ningbo, Zhejiang, 315010	Zhejiang Province	0574-83895525
184	Zhejiang Branch	Securities brokerage branch at Danhe East Road, Xiangshan County	Foyer at 1st Floor and 2nd Floor, No. 901 Danhe East Road, Dandong Subdistrict, Xiangshan County, Ningbo, Zhejiang, 315700	Zhejiang Province	0574-65730271
185	Zhejiang Branch	Securities brokerage branch at Binhong Road, Jinhua	Floor 1-2, Kexin Building, No. 959 Binhong Road, Wucheng District, Jinhua, Zhejiang, 321000	Zhejiang Province	0579-83189108
186	Zhejiang Branch	Securities brokerage branch at Huancheng North Road, Ningbo	Rooms 1-6 & 2-6, No. 403 & Room 2-7, No. 401 & Room 2-8, No. 399 Huancheng North Road West Section, Jiangbei District, Ningbo, Zhejiang, 315020	Zhejiang Province	0574-87352299

## APPENDIX INFORMATION DISCLOSURE OF SECURITIES COMPANIES

Number	Branch	Securities brokerage branch	Domicile (business address)	Province (autonomous region, municipality) of its location	Customer service or complaint hotline
187	Zhejiang Branch	Securities brokerage branch at Xinqi, Beilun District, Ningbo	No. 945-2, Building 22, No. 945 Minshan Road, Xinqi Subdistrict, Beilun District, Ningbo, Zhejiang, 315800	Zhejiang Province	0574-86884305
188	Zhejiang Branch	Securities brokerage branch at Heyi Road, Ningbo	Shops 19-1 & 19-2, No.168 Heyi Road, Haishu District, Ningbo, Zhejiang, 315000	Zhejiang Province	0574-87342364
189	Zhejiang Branch	Securities brokerage branch at Chengguan, Zhenhai, Ningbo	Room 1-17, No. 251 Chezhan Road, Room 3-5, Room 3-6, Room 3-7 and Room 3-8, No. 66, Lane 88, Qiancongyuan Road,, Zhaobaoshan Street, Zhenhai District, Ningbo, Zhejiang, 315200	Zhejiang Province	0574-86261936
190	Zhejiang Branch	Securities brokerage branch at Liuting Street, Ningbo	No. 225, Liuting Street, No. 10-2-2 and 10-3, No. 66 Changchun Road, Room 1-4-7, Building 043, No. 54, 56, 58, 60, 62, 64, Changchun Road, Haishu District, Ningbo, Zhejiang, 315000	Zhejiang Province	0574-87286608
191	Zhejiang Branch	Securities brokerage branch at Zhongshan East Road, Fenghua, Ningbo	Room 201, No. 461 Zhongshan East Road, Fenghua District, Ningbo, Zhejiang, 315500	Zhejiang Province	0574-88516410
192	Zhejiang Branch	Securities brokerage branch at Yuesheng Road, Ningbo	No. 21-6, 21-7, 21-8, 21-9, 21-10, 21-11, Building 007, No. 359 Yuesheng Road and No. 1-9, Building 007, No. 361-363 Yuesheng Road, Yinzhou District, Ningbo, Zhejiang, 315000	Zhejiang Province	0574-87529633
193	Zhejiang Branch	Securities brokerage branch at Minsheng Road, Ninghai	No. 558-1 Taoyuan Street, Ninghai County, Ningbo, Zhejiang, 315600	Zhejiang Province	0574-65567368
194	Zhejiang Branch	Securities brokerage branch at Sanbei West Street, Cixi	Floor 1-4, No. 201, Sanbei West Street, Cixi, Zhejiang, 315300	Zhejiang Province	0574-63925020
195	Zhejiang Branch	Securities brokerage branch at Yongjiang Avenue, Ningbo	Rooms 13-4, 37-1-1, 37-1-3 & 37-1 – 4, Building 001, No. 188 Yongjiang Avenue, Yinzhou District, Ningbo, Zhejiang, 315000	Zhejiang Province	0574-87885524
196	Zhejiang Branch	Securities brokerage branch at Yan'an Road, Hangzhou	8th Floor of Building 1, No. 484 Yan'an Road, Gongshu District, Hangzhou, Zhejiang, 310009	Zhejiang Province	0571-87925588
197	Zhejiang Branch	Securities brokerage branch at Nanlei South Road, Yuyao	Rooms 701, 1701 & 1702, Chamber of Commerce Building, No. 2 Nanlei South Road, Yuyao, Zhejiang, 315400	Zhejiang Province	0574-62855112
198	Zhejiang Branch	Securities brokerage branch at Guanhaiwei, Cixi	No. 15-18, 19 & 21, Jinlong Building, Jinci Plastic, Guanhaiwei Town, Cixi, Zhejiang, 315300	Zhejiang Province	0574-63011207
199	Zhejiang Branch	Securities brokerage branch at Shifu Road, Wenzhou	(Part of) Room 104, 105 and 106, Building 1, Xinyi Building, No. 588 – 590, Shifu Road, Lucheng District, Wenzhou, Zhejiang, 325000	Zhejiang Province	0577-88900366

## APPENDIX INFORMATION DISCLOSURE OF SECURITIES COMPANIES

Number	Branch	Securities brokerage branch	Domicile (business address)	Province (autonomous region, municipality) of its location	Customer service or complaint hotline
200	Zhejiang Branch	Securities brokerage branch at Baohua Street, Ningbo	No. 17 & 21, Baohua Street, Yinzhou District, Ningbo, Zhejiang, 315100	Zhejiang Province	0574-87953510
201	Zhejiang Branch	Securities brokerage branch at Wansong East Road, Ruian	Level 2, No. 170 & Levels 1-2, No. 172 Wansong East Road, Anyang Subdistrict, Ruian, Wenzhou, Zhejiang, 325200	Zhejiang Province	0577-66875987
202	Zhejiang Branch	Securities brokerage branch at Qianhu North Road, Ningbo	No. 946 Qianhu North Road, Yinzhou District, Ningbo, Zhejiang, 315100	Zhejiang Province	0574-88214052
203	Zhejiang Branch	Securities brokerage branch at Wangchong Road, Shangyu District, Shaoxing	No. 699 Wangchong Road, Baiguan Subdistrict, Shangyu District, Shaoxing, Zhejiang, 312300	Zhejiang Province	0575-82195525
204	Zhejiang Branch	Securities brokerage branch at Jinkeqiao Avenue, Keqiao, Shaoxing	Room 708, Building 16, World Trade Center (South District), Keqiao District, Shaoxing, Zhejiang, 312030	Zhejiang Province	0575-81167800
205	Zhejiang Branch	Securities brokerage branch at, Laodong Road, Huzhou	Rooms 1817, 1818 and 1819, Longding Building, Dongwu International Plaza, No. 567 Laodong Road, Aishan Subdistrict, Wuxing District, Huzhou, Zhejiang, 313000	Zhejiang Province	0572-2795525
206	Zhejiang Branch	Securities brokerage branch at Shifu Avenue, Taizhou	Floor 1, No. 59 Taizhou Shifu Avenue, Baiyun Subdistrict, Taizhou Bay New District, Taizhou, Zhejiang, 318000	Zhejiang Province	0576-88537978
207	Zhejiang Branch	Securities brokerage branch at Dengta Street, Lishui	Rooms 101 & 201, No. 129 Dengta Street, Liandu District, Lishui, Zhejiang, 323000	Zhejiang Province	0578-2538888
208	Zhejiang Branch	Securities brokerage branch at Feiyunjiang Road, Hangzhou	Room 2002, No. 3 Zanchengtaihe Plaza, Shangcheng District, Hangzhou, Zhejiang, 310008	Zhejiang Province	0571-87609799
209	Zhejiang Branch	Securities brokerage branch at Wenzong South Road, Haining	No. 6 (2nd Floor) & No. 8 (1st and 2nd Floors) Wenzong South Road, Haizhou Subdistrict, Haining, Jiaxing, Zhejiang, 314400	Zhejiang Province	0573-87327799
210	Zhejiang Branch	Securities brokerage branch at Baiyun Middle Avenue, Quzhou	No. 72 Baiyun Middle Avenue, Kecheng District, Quzhou, Zhejiang, 324000	Zhejiang Province	0570-8061888
211	Zhejiang Branch	Securities brokerage branch at Guanhe South Road, Shengzhou	No. 369-101, Guanhe South Road, Sanjiang Subdistrict, Shengzhou, Shaoxing, Zhejiang, 312400	Zhejiang Province	0575-81391290
212	Zhejiang Branch	Securities brokerage branch at Shixin North Road, Hangzhou	No. 62.66 Shixin North Road, Economic and Technological Development Zone, Xiaoshan District, Hangzhou, Zhejiang, 311200	Zhejiang Province	0571-82671828
213	Zhejiang Branch	Securities brokerage branch at Qingfeng South Road, Tongxiang	No. 79 Qingfeng South Road (South), Wutong Subdistrict, Tongxiang, Jiaxing, Zhejiang, 314500	Zhejiang Province	0573-88276969
214	Zhejiang Branch	Securities brokerage branch at Xuefeng West Road, Yiwu	No. 417 and 419 Xuefeng West Road, Beiyuan Subdistrict, Yiwu, Jinhua, Zhejiang, 321000	Zhejiang Province	0579-85018333

## APPENDIX INFORMATION DISCLOSURE OF SECURITIES COMPANIES

Number	Branch	Securities brokerage branch	Domicile (business address)	Province (autonomous region, municipality) of its location	Customer service or complaint hotline
215	Zhejiang Branch	Securities brokerage branch at Caihong North Road, Ningbo	Rooms 20-3 & 20-4, No. 48 Caihong North Road, Yinzhou District, Ningbo, Zhejiang, 315040	Zhejiang Province	0574-87982000
216	Chongqing Branch	Securities brokerage branch at Minquan Road, Chongqing	6th Floor, Unit 1, Hejingjurong Plaza, No. 58 Minquan Road, Yuzhong District, Chongqing, 400010	Chongqing	023-63711970
217	Chongqing Branch	Securities brokerage branch at Yongchuan, Chongqing	3D-1 and 3D-3, Building 3, No. 918, Middle Section, Yuxi Avenue, Yongchuan District, Chongqing, 402160	Chongqing	023-49828717
218	Chongqing Branch	Securities brokerage branch at Dapingzheng Street, Chongqing	Floors 2 & 3, Tianhai Building, No. 108 Dapingzheng Street, Yuzhong District, Chongqing, 400042	Chongqing	023-68808572
219	Chongqing Branch	Securities brokerage branch at Renmin Middle Road, Kunming	No. 26 Renmin Middle Road, Wuhua District, Kunming, Yunnan, 650021	Yunnan Province	0871-63183840
220	Chongqing Branch	Securities brokerage branch at Minzhu Road, Zunyi	6th Floor, Textile Building, No. 2 Minzhu Road, Honghuagang District, Zunyi, Guizhou, 563000	Guizhou Province	0851-28258328
221	Chongqing Branch	Securities brokerage branch at Lijiatuo, Chongqing	No. 5, Mawangpingzheng Street, Lijiatuo, Banan District, Chongqing, 400054	Chongqing	023-62566718
222	Chongqing Branch	Securities brokerage branch at Caifu Avenue, Chongqing	10-1, 10-2 & 10-3, No. 2 Caifu Avenue, Yubei District, Chongqing, 401120	Chongqing	023-66294198
223	Chongqing Branch	Securities brokerage branch at Changling North Road, Guiyang	No.1 (Room 2), 8/F, Unit 1, Building 5, East Tower 5, East Commercial Zone of Financial City, Area B of Zhongtian Exhibition City, Changling North Road, Guanshanhu District, Guiyang, Guizhou, 550081	Guizhou Province	0851-83852751
224	Chongqing Branch	Securities brokerage branch at Cuifeng West Road, Qujing	No. 1-77 Cuifeng West Road, Economic Development Zone, Qujing, Yunnan, 655000	Yunnan Province	0874-3137888
225	Chongqing Branch	Securities brokerage branch at Beixia West Road, Chongqing	2-2, No. 15 Beixia West Road, Beibei District, Chongqing, 400700	Chongqing	023-60306600
226	Chongqing Branch	Securities brokerage branch at Jinchang Road, Chongqing	1-2, Building 28, No. 7 Jinchang Road, New North Zone, Chongqing, 401120	Chongqing	023-65866354
227	Branch directly under the headquarters	Securities brokerage branch at Kaixuan Road, Changning District, Shanghai	Room 301, Building 1, No. 399 Kaixuan Road, Changning District, Shanghai, 200050	Shanghai	021-62160279