



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

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

Stock Code : 06881

25th

2000-2025 25th ANNIVERSARY

2025 INTERIM REPORT

IMPORTANT NOTES

- I. The Board of Directors, Supervisory Committee, Directors, Supervisors and senior management of the Company undertake the authenticity, accuracy and completeness of the information contained in this interim report, and that there is no misrepresentation, misleading statement or material omission, and they are jointly and severally liable for any legal liabilities.
- II. This interim report has been considered and approved at the sixth meeting (regular) of the fifth session of the Board of Directors. All Directors of the Company attended the Board meeting in person, except for the following Director, and no objection was put forward by Directors for this interim report.

Name of the absent Director	Position of the absent Director	Reason for the absence of the Director	Name of the appointee
LAW Cheuk Kin Stephen	Independent non-executive Director	Other business engagements	FAN Xiaoyun

- III. This interim report is unaudited. The interim financial report for 2025 was prepared by the Company according to the IFRS, which has been reviewed by Ernst & Young.
- IV. Wang Sheng, the person in charge of the Company, Xue Jun, the person in charge of the accounting affairs, and Wang Dansen, the person in charge of the accounting firm (head of accounting department) hereby confirm that the financial report as disclosed in this interim report is true, accurate and complete.
- V. The Company proposed to distribute a cash dividend of RMB1,366,800,282.00 (tax inclusive), based on the total share capital of 10,934,402,256 shares as at the end of June 2025, with a cash dividend of RMB1.25 (tax inclusive) for every 10 shares. In case of any changes in the total share capital of the Company on the record date, the amount of cash dividend per share will be adjusted accordingly, up to a total of RMB1,366,800,282.00 (tax inclusive). The 2025 interim profit distribution plan of the Company was approved at the sixth meeting (regular) of the fifth session of the Board of Directors, subject to the consideration and approval at the general meeting of the Company.
- VI. The forward-looking statements such as future plans and development strategies contained in this report do not constitute substantive undertakings by the Company to investors who are advised to be cautious about investment risks. The business of the Company is highly dependent on the overall economy and market conditions of China and regions where its businesses are located. Any significant fluctuations in the domestic and international capital markets will have a significant impact on the Company's operating results.
- VII. There is no utilisation of funds for non-operating purposes by the controlling shareholder or other related parties of the Company.
- VIII. There is no external guarantee provided by the Company which violates the decision-making procedures of the Company.
- IX. There is no more than a majority of Directors of the Company who cannot guarantee the authenticity, accuracy and completeness of the interim report published by the Company.
- X. The risks that the Company faces mainly include: legal and compliance risks resulting from the failure of its business management and standards to promptly adapt to adjustments in national laws and regulations as well as the regulatory policies; strategic risks associated with strategic planning amid profound changes in domestic and overseas capital markets; risks of internal operations and management arising from business model transformation, commencement of innovative business and application of new technologies; market risks caused by price fluctuations in the market in which the Company holds positions of securities and their derivatives; credit risks arising from borrowers or counterparties failing to fulfill their contractual obligations; liquidity risks arising from a shortage of funds when the Company attempts to fulfill its obligations of payment; and operational risks that may lead to losses due to lapses in internal process management, failure of the information system, the improper conduct of practitioners or external adverse events. In addition, the Company is also exposed to risks from international competition and fluctuations in exchange rates, etc.

In response to the above risks, the Company will work on improving its organisational structure, optimising management mechanisms and tools, upgrading system functions, regulating employee management and other aspects to establish a sound and integrated risk prevention system. At the same time, the Company will prevent operational risks through regular monitoring, continuous assessment, consistent optimisation of operation procedures and control measures, professionally manage its exposure to market risks, credit risks and liquidity risks, and will pay additional attention to managing and controlling risks arising from innovative businesses and products, etc.

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25th DEFINITIONS

“Company”	China Galaxy Securities Co., Ltd. (中國銀河證券股份有限公司), a joint stock limited company incorporated in the PRC on 26 January 2007, whose H Shares are listed on the Hong Kong Stock Exchange (Stock Code: 06881) and A Shares are listed on the SSE (Stock Code: 601881)
“Group”	the Company and its subsidiaries
“Articles of Association”	the articles of association of the Company, as amended to reflect the most recent changes
“Board” or “Board of Directors”	the board of directors of the Company
“Supervisory Committee”	the supervisory committee of the Company
“Director(s)”	the directors of the Company
“Supervisor(s)”	the supervisors of the Company
“MOF” or “Ministry of Finance”	Ministry of Finance of the People's Republic of China
“CSRC”	the China Securities Regulatory Commission (中國證券監督管理委員會)
“CSRC Beijing Bureau”	China Securities Regulatory Commission Beijing Bureau
“SSE”	Shanghai Stock Exchange
“SZSE”	Shenzhen Stock Exchange
“BSE”	Beijing Stock Exchange
“HKEX”	Hong Kong Exchanges and Clearing Limited
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“SCH”	Shanghai Clearing House (銀行間市場清算所股份有限公司)

DEFINITIONS

“Galaxy Jinhui”	Galaxy Jinhui Securities Assets Management Co., Ltd. (銀河金匯證券資產管理有限公司), a wholly-owned subsidiary of the Company
“Galaxy Futures”	Galaxy Futures Company Limited (銀河期貨有限公司), a wholly-owned subsidiary of the Company
“Galaxy Derivatives”	Galaxy Derivatives Capital Management Company Limited (銀河德睿資本管理有限公司), which is owned as to 100% by Galaxy Futures and is an indirectly wholly-owned subsidiary of the Company
“Galaxy International Holdings”	China Galaxy International Holdings Company Limited (中國銀河國際控股有限公司), a wholly-owned subsidiary of the Company
“CGS International”	collectively refers to CGS International Securities Pte. Ltd. (formerly known as CGS-CIMB Securities International Pte. Ltd.) and CGS International Securities Malaysia Sdn. Bhd. (formerly known as CGS-CIMB Holdings Sdn. Bhd.)
“Galaxy Capital”	Galaxy Capital Management Company Limited (銀河創新資本管理有限公司), a wholly-owned subsidiary of the Company
“Galaxy Yuanhui”	Galaxy Yuanhui Investment Co., Ltd. (銀河源匯投資有限公司), a wholly-owned subsidiary of the Company
“Galaxy Financial Holdings”	China Galaxy Financial Holdings Company Limited (中國銀河金融控股有限責任公司), the controlling shareholder of the Company, holding 47.43% of the issued share capital of the Company as at the End of the Reporting Period
“Galaxy Fund Management”	Galaxy Fund Management Company Limited (銀河基金管理有限公司), which is owned as to 50% by Galaxy Financial Holdings and is a non-wholly owned subsidiary of Galaxy Financial Holdings
“CIC”	China Investment Corporation, holding 100% of the equity interest in Huijin as at the End of the Reporting Period
“Huijin”	Central Huijin Investment Ltd. (中央匯金投資有限責任公司), holding 69.07% of the equity interest in Galaxy Financial Holdings as at the End of the Reporting Period
“ChiNext”	the ChiNext of the Shenzhen Stock Exchange
“STAR Market”	the Science and Technology Innovation Board (STAR Market) of the Shanghai Stock Exchange
“NEEQ”	National Equities Exchange and Quotations
“Securities Law”	the Securities Law of the People’s Republic of China

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“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (as amended, supplemented or otherwise modified to reflect the most recent changes)
“Company Law”	the Company Law of the People’s Republic of China
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Stock Exchange Listing Rules
“CG Code”	Corporate Governance Code set out in Appendix C1 to the Stock Exchange Listing Rules
“connected person(s)”	has the same meaning ascribed to it under the Stock Exchange Listing Rules
“Stock Exchange Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended to reflect the most recent changes
“SSE Listing Rules”	the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, as amended to reflect the most recent changes
“IFRS”	International Financial Reporting Standards, including standards, amendments and interpretations issued by the International Accounting Standards Board and the International Accounting Standards (IAS) and interpretations issued by the International Accounting Standards Committee (IASC)
“China Accounting Standards for Business Enterprises”	China Accounting Standards for Business Enterprises and related regulations issued by the Ministry of Finance
“FICC”	fixed income, foreign currencies and commodities
“ETF”	exchange-traded funds
“FOF”	Fund of Fund, a fund with funds as investment objectives
“REIT(s)”	real estate investment trusts
“margin and securities refinancing”	a business in which securities firms can act as intermediaries to borrow funds or securities from China Securities Finance Corporation Limited and lend such funds and securities to their clients
“A Share(s)”	domestic shares in the share capital of the Company with a nominal value of RMB1.00 each, which is (are) listed on the SSE, and subscribed for and traded in Renminbi
“H Share(s)”	overseas listed foreign shares in the share capital of the Company with a nominal value of RMB1.00 each, which is (are) listed on the Hong Kong Stock Exchange, and subscribed for and traded in HK dollars
“IPO”	initial public offering

DEFINITIONS

“VaR”	Value at Risk, representing the maximum possible loss of value of a financial asset or portfolio of securities in a given future period at a certain confidence level
“End of the Reporting Period”	30 June 2025
“Reporting Period”	the period from 1 January 2025 to 30 June 2025
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“HK\$” or “HK dollars” or “HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“US\$” or “U.S. dollars” or “USD”	United States dollars, the lawful currency of the United States
“S\$” or “Singapore dollars”	Singapore dollars, the lawful currency of Singapore
“THB”	Thai baht or baht, the lawful currency of Thailand
“MYR”	Malaysian ringgits, the lawful currency of Malaysia

Notes:

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

25th COMPANY INFORMATION

I. Company Information

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

Registered Capital and Net Capital of the Company

Unit: Yuan Currency: RMB

	30 June 2025	31 December 2024
Registered Capital	10,934,402,256.00	10,934,402,256.00
Share Capital (paid-in capital)	10,934,402,256.00	10,934,402,256.00
Net Capital	109,331,444,840.24	111,090,346,133.00

COMPANY INFORMATION

II. Contact Persons and Contact Details

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

III. Disclosure of Information and Place for Inspection

Names and websites of the media for disclosing the interim report	China Securities Journal (http://www.cs.com.cn) Shanghai Securities News (http://www.cnstock.com) Securities Times (http://www.stcn.com) Securities Daily (http://www.zqrb.cn)
Websites of the stock exchanges for disclosing the interim report	Designated website of the CSRC: http://www.sse.com.cn (website of the SSE) Designated website of the Hong Kong Stock Exchange: https://www.hkexnews.hk (HKEXnews website of the HKEX)
Locations designated for maintaining the interim report	Qinghai Finance Building, Building No. 1, No. 8 Xiyong Street, Fengtai District, Beijing, the PRC 20th Floor, Wing On Centre, 111 Connaught Road Central, Sheung Wan, Hong Kong

IV. Overview of Company's Shares

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

FINANCIAL HIGHLIGHTS

I. MAJOR ACCOUNTING DATA AND FINANCIAL INDICATORS

Item	January – June 2025	January – June 2024 (Restated) ^{Note 1}	Increase/decrease from the same period last year
Operating results (RMB'000)			
Total revenue, gains and other income	18,798,367	15,807,337	18.92%
Total expenses	11,167,241	11,254,940	-0.78%
Profit before income tax	7,635,466	4,542,357	68.09%
Profit for the period – attributable to owners of the Company	6,487,816	4,387,820	47.86%
Net cash flow from operating activities	-4,382,322	10,990,084	-139.88%
Earnings per share (RMB per share)			
Basic earnings per share	0.54	0.35	54.29%
Diluted earnings per share ^{Note 2}	0.54	0.35	54.29%
Profitability ratio			
Weighted average return on net assets	5.16%	3.63%	Increase of 1.53 percentage points
Scale indicators (RMB'000)			
Total assets	781,740,324	737,470,691	6.00%
Total liabilities	637,586,180	596,971,247	6.80%
Equity attributable to owners of the Company	144,135,359	140,480,735	2.60%
Accounts payable to brokerage clients	185,484,488	165,569,131	12.03%
Total share capital (in thousand shares)	10,934,402	10,934,402	–
Net assets per share attributable to owners of the Company (RMB per share) ^{Note 3}	13.18	12.85	2.60%
Gearing ratio (%) ^{Note 4}	75.82%	75.43%	Increase of 0.39 percentage point

Note 1: On 8 July 2025, the Ministry of Finance issued an Questions & Answers in relation to the implementation of accounting treatment of standard warehouse receipt transactions (the "Q&As"). In accordance with the Q&As, the Company has recognised investment income on a net basis for warehouse receipt transactions that meet specific conditions and made corresponding adjustments to the comparative figures for the prior period in the interim condensed consolidated statement of profit or loss. For further details on relevant accounting policy adjustments, please refer to Note 2.2 to the interim condensed consolidated financial statements.

Note 2: There were no dilutive potential ordinary shares of the Company in 2024 and the first half of 2025.

Note 3: Net assets per share attributable to owners of the Company as at 30 June 2025 and 31 December 2024 presented in the table above include perpetual bonds issued by the Company. After deducting such effect, net assets per share attributable to owners of the Company as at the End of the Reporting Period and the end of last year amounted to RMB10.45 and RMB10.12, respectively.

Note 4: Gearing ratio = (total liabilities – accounts payable to brokerage clients – accounts payable to underwriting clients)/(total assets – accounts payable to brokerage clients – accounts payable to underwriting clients).

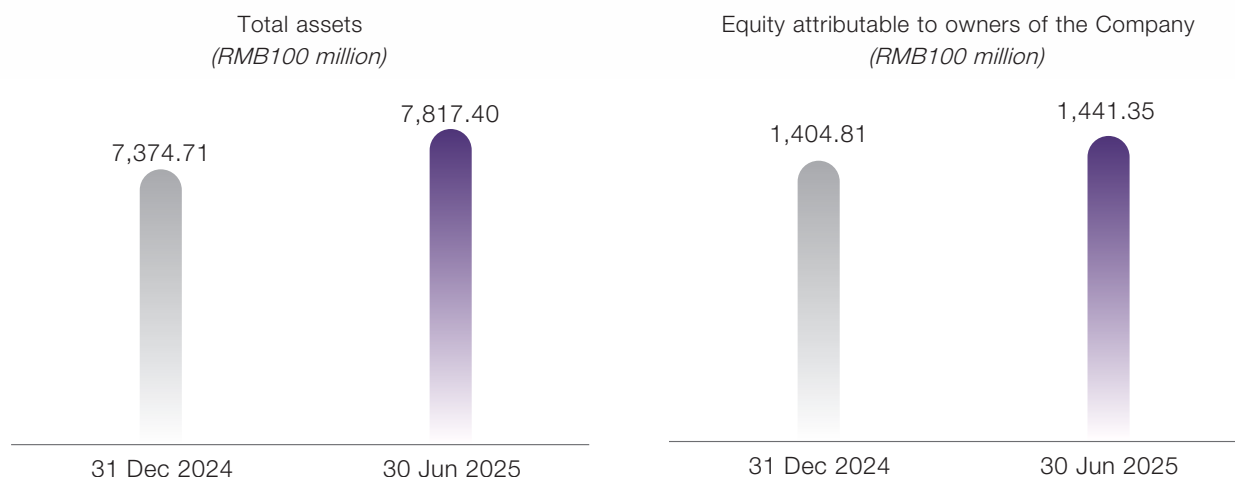
FINANCIAL HIGHLIGHTS

Description of differences on accounting data under domestic and foreign accounting standards:

There was no difference between the Company's net profits and net assets presented in the interim condensed consolidated financial statements prepared in accordance with the IFRS and those presented in the consolidated financial statements prepared in accordance with the China Accounting Standards for Business Enterprises.



FINANCIAL HIGHLIGHTS



II. NET CAPITAL AND RELEVANT RISK CONTROL INDICATORS OF THE PARENT COMPANY

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

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

Item	30 June 2025	31 December 2024 (Restated) ^{Note}
Net capital (RMB)	109,331,444,840.24	111,090,346,133.00
Net assets (RMB)	138,372,223,137.99	135,500,054,764.83
Total risk capital provisions (RMB)	41,892,140,840.48	45,724,937,700.12
Total on-/off-balance sheet assets (RMB)	555,270,640,171.17	537,355,427,919.34
Risk coverage ratio (%)	260.98	242.95
Capital leverage ratio (%)	15.02	14.93
Liquidity coverage (%)	314.58	376.07
Net stable funding ratio (%)	166.86	157.44
Net capital/Net assets (%)	79.01	81.99
Net capital/liabilities (%)	26.67	28.00
Net assets/liabilities (%)	33.75	34.15
Proprietary equity securities and their derivatives/Net capital (%)	29.25	27.27
Non-proprietary equity securities and their derivatives/Net capital (%)	327.68	289.09

Note: In accordance with the Provisions on the Calculation Standards for Risk Control Indicators of Securities Companies 《證券公司風險控制指標計算標準規定》 (CSRC Announcement [2024] No. 13), the risk control indicators as of 31 December 2024 have been restated.

COMPANY BUSINESS OVERVIEW

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

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

The Company is committed to building a reputable modern investment bank by focusing on marketisation, platformisation and digitisation. In 2023, the Company formally implemented a new round of strategic development planning by clearly defining the strategic mission of “serving the country with finance and putting customers first” and the strategic goal of “building a first-class domestic and international modern investment bank”. The Company pushed forward the “five-in-one” business model, i.e., to provide integrated financial services including wealth management business, investment banking business, institutional business, international business, investment trading business, and other parent-subsidary integration business.

Wealth Management Business

The Company provides clients with agency trading of stocks, funds, bonds, derivative financial instruments, etc., with financial services including investment advisory, portfolio advice, financial product sales and asset allocation, and offers them margin financing and securities lending, stock-pledged repurchases, agreed repurchase transactions and so forth.

Investment Banking Business

The Company provides one-stop investment banking services for a variety of corporate and government clients, including equity financing, bond financing, structured financing, financial advisory, asset securitisation and diversified financing solutions.

Institutional Business

The Company engages in the provision of prime brokers, seat leasing, custody and fund services, investment research, sales and trading for institutional clients.

International Business

The Company provides brokerage and sales, investment banking, research and asset management services to global institutional clients, corporate clients and retail clients through such business platforms as Galaxy International Holdings and CGS International.

Investment Trading Business

The Company engages in investment trading of equity securities, fixed-income securities, commodities and derivative financial instruments with its own funds, and provides integrated financial solutions for clients' investment, financing and risk management.

Other Parent-subsidary Integration Business

Focusing on “client demand”, “professional development” and “collaborative income generation”, the Company actively integrates the subsidiaries that provide such services as futures, private equity fund management, alternative investment and asset management with the above-mentioned five business lines, in a bid to strengthen business collaboration and resources connection, and continuously offer integrated financial services for clients.

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COMPANY BUSINESS OVERVIEW

(2) Operating Model of the Group

During the Reporting Period, the Company continuously improved the “five-in-one” business model and established the “three plus one” system. The “five-in-one” business model was developed vertically, where “five” means a financial advisor around the people, an investment banking specialist trusted by entrepreneurs, a full-service provider relied on by institutional clients, an integrated service provider in the international market, and a professional investment dealer in the capital market, and “in-one” means the provision of integrated financial services centring on parent-subsidiary integration. The “three plus one” system was established horizontally, where “three” means marketisation, platformisation and digitisation, and “one” means comprehensive synergy.

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

1. *Economic Environment*

During the Reporting Period, global economic growth exhibited a certain degree of divergence, with an overall slow recovery. China’s economic operation enjoyed good momentum in the first quarter as a good start, and demonstrated resilience and vitality as supported by economic foundation, policy effectiveness and development momentum in the second quarter. In the first half of 2025, China’s GDP increased by 5.3% year-on-year. The economic operation generally remained steady with positive progress made. New momentum continued to grow, and new progress made for high-quality development.

2. *Market Trends*

During the Reporting Period, the A-share market experienced volatile upward movements. The Shanghai Composite Index (SCI), the Shenzhen Component Index (SZCI) and the ChiNext Index rose by 2.8%, 0.5% and 0.5% from the beginning of the year respectively, while the CSI 2000 Index rose by 15.2% from the beginning of the year. The Hong Kong stock market outperformed its global peers. The Hang Seng Index rose by 20.0% from the beginning of the year. The average daily turnover of the Hong Kong stock market reached HK\$240.2 billion, representing a year-on-year increase of 118.0%. The fluctuations in yields in the domestic bond market intensified. The 10-year treasury yield was 1.65%, representing a year-on-year decrease of 55.89 BPs, and the 30-year treasury yield was 1.86%, representing a year-on-year decrease of 56.71 BPs.

3. *Industry Landscape*

During the Reporting Period, China’s capital market demonstrated enhanced intrinsic stability, with increasing returns for investors and continued positive sentiment in the securities market. The supply-side reform in the industry advanced further. The leading securities firms expanded their competitive edges through M&A and restructuring, while the small and medium-sized securities firms sought for differentiated positioning by specializing in niche segments, which unlocked broader business opportunities for securities firms.

(4) Position of the Group in the Industry

The Company is a leading integrated financial services provider in the PRC securities industry, with its size and strength ranking among the top players in the industry. As a “national team” player in the capital market, the Company has always insisted on aligning its development with national strategies while maintaining stable business performance. During the Reporting Period, the Group realised revenue, gains and other income of RMB18.798 billion, and net profit attributable to owners of the Company of RMB6.488 billion. As at the End of the Reporting Period, the Group’s total assets amounted to RMB781.740 billion, and equity attributable to owners of the Company amounted to RMB144.135 billion.

COMPANY BUSINESS OVERVIEW

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

As at the End of the Reporting Period, the Group had total assets of RMB781.740 billion, representing an increase of 6.00% from the end of 2024. The items with greater changes were as follows: monetary capital amounted to RMB156.370 billion, representing an increase of 7.92% from the end of last year, which was mainly due to the increase in clients' deposits; clearing settlement funds amounted to RMB43.266 billion, representing an increase of 20.86% as compared with the end of last year, which was mainly due to the increase in clearing settlement funds for clients; lending to clients amounted to RMB100.986 billion, representing a decrease of 0.54% as compared with the end of last year, which was basically in line with the scale of financing business; derivative financial assets amounted to RMB1.979 billion, representing a decrease of 52.89% from the end of last year, which was mainly due to the change in size and the changes in fair value of derivatives instruments; financial assets held for trading amounted to RMB253.620 billion, representing an increase of 14.88% from the end of last year, which was mainly due to the increase in bond investments; other debt investments amounted to RMB95.276 billion, representing a decrease of 9.37% from the end of last year, which was mainly due to the decrease in bond investments; investment in other equity instruments amounted to RMB58.009 billion, representing an increase of 4.17% from the end of last year, which was mainly due to an increase in investment in other equity instruments.

As of the End of the Reporting Period, the Group had overseas assets equivalent to RMB46.955 billion, accounting for 6.01% of the total assets.

III. ANALYSIS ON CORE COMPETITIVENESS DURING THE REPORTING PERIOD

As an important securities and finance platform under Huijin as well as a “national team” player in the securities industry and the capital market, the Company is well-positioned to promptly align with national development policies and benefit from resource synergies. After years of development, the Company has established significant competitive advantages as follows:

- (i) Prudent and sound operations and management. Adhering to the principle of focusing on risk control and prioritising compliance, the Company maintained a prudent and robust risk appetite, and upheld the compliance concept of “three ‘never’ and one ‘pursuing’”. By enhancing comprehensive risk management capabilities as the overarching principle and reinforcing effective internal control coordination as the foundation, the Company improved the professional tools of internal controls on an ongoing basis, and refined the penetrating and full-coverage risk management operation mechanism covering subsidiaries and off-balance-sheet businesses. These efforts persistently strengthened the proactive, professional and forward-looking nature of internal control management, so as to firmly safeguard against major financial risks and provide a solid foundation and guarantee for the Company's steady development.
- (ii) Distinctive business system. Specialising in retail business, the Company has established a client-centric wealth management service system. Its stock and futures brokerage operation, agency sale of financial products and credit business ranked among the industry leaders. Leveraging its advantages in offline network and client base, the Company has gained first-mover advantages in wealth management transformation, and thus maintained a leading position in retail services. The Company has strategically positioned Southeast Asia as the focus of its international expansion, and established a comprehensive global service chain. It secured top-three market positions in key regional brokerage operation markets including Singapore and Malaysia. Overseas operations have been gradually mature, and are poised to become a major growth driver going forward.



COMPANY BUSINESS OVERVIEW

- (iii) Good brand image. As a wholly state-owned securities firm with the largest registered capital in China at the time of establishment, the Company remains one of the leading securities firms with the highest state ownership. The Company achieved listings on the H-share market in 2013 and A-share market in 2017, and has been awarded numerous honours and titles by governmental departments and professional organisations. The Company has consistently maintained top-tier market positions in its core businesses while actively supporting national strategies and promoting the real economy development, helping the capital market establish an endogenous stability mechanism, and actively integrating into the “dual circulation” development paradigm. The Company enjoys high brand recognition and reputation in China’s capital market, especially in the field of household wealth management.
- (iv) Extensive network coverage and rich client resources. The Company has constantly strengthened its presence in the domestic market. After years of development, the Company has 37 branch offices and 460 securities branches across 31 provinces, autonomous regions and direct-administered municipalities in China, allowing it to provide integrated financial services to diverse clients with localised support. With the deepening of the Belt and Road Initiative of China, the Company, through its merger and acquisition with CIMB, has extended its international business network from Hong Kong to Singapore, Malaysia, Indonesia, Thailand, South Korea and other regions, marking its comprehensive entry into Southeast Asia and making it as one of the Chinese securities firms with the most extensive network in Asia. As at the End of the Reporting Period, the Company had more than 18 million clients. Benefitting from its sound client base, the Company has significant potential for synergistic marketing growth among its business lines.

MANAGEMENT DISCUSSION AND ANALYSIS

I. OVERALL BUSINESS SITUATION

During the Reporting Period, amid the operating environment with both opportunities and challenges coexisted, the Company insisted on the guidance of Xi Jinping Thought on Socialism with Chinese characteristics for a New Era, and fully understood that the high-quality development of capital market with Chinese characteristics would be the intrinsic requirements for Chinese-style modernisation. Adhering to the value orientation of people-centric operations, the Company operated with confidence and maintained its determination, and fully played its role as the “service provider” for direct financing, the “gatekeeper” for capital market and the “manager” for social wealth. The Company proactively seized market opportunities, maintained steady when making progress, steadily facilitated the progress of building itself into a top-class investment bank, and continuously optimised the business layout. The Company further enhanced data support and technology empowerment, and strictly adhered to the baseline for risk control and compliance. Hence, the Company maintained a steady upward development trajectory, with further improvement in both market image and recognition. As at the End of the Reporting Period, the Group’s total assets amounted to RMB781.740 billion and the equity attributable to owners of the Company amounted to RMB144.135 billion. During the Reporting Period, the Group achieved revenue, gains and other income of RMB18.798 billion, representing a year-on-year increase of 18.92%, and net profit attributable to owners of the Company of RMB6.488 billion, representing a year-on-year increase of 47.86%. Weighted average return on net assets was 5.16%, representing a year-on-year increase of 1.53 percentage points.

II. ANALYSIS OF PRINCIPAL BUSINESSES

1. Wealth Management Business

(1) Retail Brokerage and Wealth Management Business

During the Reporting Period, the A-share market rebounded amid volatility under supportive policies and structural opportunities, demonstrating gradual restoration of investor confidence and sustained market liquidity. According to the statistics of stock exchanges, the trading volume of equity funds (excluding Shanghai Stock Connect, Shenzhen Stock Connect and exchange-traded money market funds) on the three stock exchanges (i.e. the SSE, the SZSE and the BSE) was approximately RMB179.72 trillion, with an average daily trading volume of RMB1.54 trillion, representing an increase of 36.6% as compared to 2024.

The wealth management business of the Company insisted on keeping in line with state policies, maintaining co-creation with business partners and working together with customers. Focusing on the demands and scenarios of different customers, the Company has been iterating and upgrading its trading systems, thus forming a diversified, stable and consistent service ecosystem. The Company continued to enhance the level of professional and international services, facilitated the unified development of domestic and overseas wealth management businesses, and deepened the development of “ONE CGS”. It proactively implemented the concept of “replacing business with ecosystem, replacing marketing with scenarios”, and took into consideration of the needs for single investment transactions, combination and allocation and one-stop full lifecycle integrated financial services, thereby fulfilling the differentiated and personalised demands of different customers. The Company strengthened customer management, and refined its customer operation and management model. Leveraging the advantages of online digital platform and physical branches and outlets, the Company steadily and prudently explored new customer base through multiple channels, enhanced service for existing customers, and increased the access to and interaction of whole-process and full-scenario services. The Company actively pursued transaction growth and revenue generation, technology empowerment and integrated coordination of financial technologies in the field of wealth management, effectively explored the digital human intelligent services, and created a grid smart trading industry brand, thus forming a closed-loop growth cycle from user insight to value creation.

As at the End of the Reporting Period, the total number of customers of the Company exceeded 18.00 million, and the number of ETF trading accounts ranked top 5 within the industry.

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(2) Financial Product Sales Business and Investment Advisory Service

The number and size of publicly offered funds in China varied during the Reporting Period. According to the statistics of Wind, there were 672 newly established funds, representing a year-on-year increase of 7.7%, with total proceeds raised of RMB540.848 billion, representing a year-on-year decrease of 20.3%. Among which, proceeds raised for equity funds amounted to RMB188.059 billion, representing a year-on-year increase of 183.0%. According to statistics from the Asset Management Association of China, the net asset value of publicly offered funds managed by domestic fund management institutions in China reached RMB34.39 trillion as at the End of the Reporting Period, representing a 4.8% increase from the beginning of the year.

The Company continued to optimise and improve numerous product distribution and service matrix, facilitated the establishment of investment advisory system for purchasers, strengthened comprehensive asset allocation capability, actively seized the opportunities for the issuance of the first new floating rate fund, SSE STAR Market Composite Index ETF and other innovative products, and fully utilised the whole-chain advantages of wealth management in respect of financial product allocation and investment advisory service. With the implementation of various measures, the Company expanded its service coverage and brand differentiation competitiveness, enhanced the promotion of the “Fortune Star (財富星)” brand, continued to expand the industry influence of the “Stellar Entrepreneur Office (星耀企業家辦公室)”, optimised the “Stellar Fund Manager Club (星耀管理人俱樂部)”, the “Stellar Leadership Program (星耀領航計劃)”, the “Galaxy Xingshan Program (銀河星善計劃)” and the “Galaxy Jinyi” high-net-worth client service brands and created innovative products under the “Jin • Yao (金 • 耀)” series. The Company facilitated the effective domestic and overseas coordination of financial products under cross-border wealth management and investment advisory business. Leveraging the “Stellar Family Office (星耀家族辦公室)” brand, the Company explored one-stop, all-rounded family affair service models, and facilitated the establishment of business mechanism for domestic platforms to expand globally.

As at the End of the Reporting Period, the size of financial products of the Company amounted to RMB214.147 billion, representing an increase of 1.4% from the beginning of the year. Among which, the size of inclusive financial products exceeded RMB160 billion. The number of corporate investment advisors amounted to 4,111, representing an increase of 313 from the beginning of the year. Over 180,000 individual pension accounts were opened. The size of the “Jin • Yao (金 • 耀)” asset allocation series products surpassed RMB2.2 billion, representing an increase of 102.0% from the beginning of the year.

(3) Credit Business

According to stock exchange statistics, the balance of margin trading and securities lending amounted to RMB1,850.5 billion as at the End of the Reporting Period, representing a decrease of 0.8% from the beginning of the year. Among which, the balance of margin trading stood at RMB1,838.1 billion, representing a decrease of 0.9% from the beginning of the year, while that of securities lending was RMB12.3 billion, representing an increase of 17.9% from the beginning of the year.

MANAGEMENT DISCUSSION AND ANALYSIS

During the Reporting Period, focusing on supporting national strategies, the Company's credit business fully utilised credit business tools to serve the real economy. It adhered to right path and sought for innovation, deepened client relationships, enhanced services, and promoted synergy. Various measures were taken to promote the high-quality development of the credit business. The Company efficiently responded to market changes, closely followed regulatory policies, and made every effort to ensure compliance and protect investor rights. It insisted on becoming client-centric, strengthened the financial support for people, enhanced technological and professional empowerment, and provided differentiated and precise services and products for various clients, including individuals, companies and institutions, on an ongoing basis. A sound risk prevention and control system was established to improve risk management and prevention capabilities. The Company continuously monitored market dynamics, expanded business outreach and innovated the business model to actively boost the growth of new financing business. It built a competitive "credit + X" business cluster to provide diverse integrated financial services to listed companies and their shareholders and various professional investment institutions.

As at the End of the Reporting Period, the balance of the Company's margin trading and securities lending business amounted to RMB92.4 billion with an average maintenance margin of 267%. The outstanding balance of its stock pledge business was RMB19.4 billion, with an average performance security ratio of 294%. Risks were generally under control.

2. Investment Banking Business

During the Reporting Period, the A-share IPO market unleashed its vitality amid stability. The primary bond market sustained expansion. The "Two-wheel drive" of credit bonds and interest rate bonds issuance continued to act as the "ballast stone" in terms of stabilising market expectation, safeguarding financing in key fields, supporting economic structural transformation and other aspects. According to Wind statistics, equity financing in China (excluding exchangeable bonds) amounted to RMB762.836 billion, representing a year-on-year increase of 402.9%. Specifically, the proceeds from IPOs were RMB37.355 billion, representing a year-on-year increase of 15.0%. Refinancing amounted to RMB725.481 billion, representing a year-on-year increase of 508.8%. New domestic bond issuance (excluding convertible bonds) amounted to RMB44.09 trillion, representing a year-on-year increase of 16.1%.

During the Reporting Period, the Company fully utilised the competitive edges of its investment banking business, actively responded to the needs of capital market reform, and continued to diligently implement new strategic plans. Closely focusing on the key business strategy of "being an investment banking specialist trusted by entrepreneurs", the Company endeavoured to implement the "three plus one" system, and deepened the reform of professional development, optimised the team setting, hired new professionals, improved the project management, strengthened business collaboration, and continued to facilitate domestic and overseas integrated business development and serve corporate clients in "going out" and "getting in". In particular:

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MANAGEMENT DISCUSSION AND ANALYSIS

(1) Equity Financing and Financial Advisory Business

The Company continued to exert its function as investment bank, stepped up efforts on professional capacity building and project reserves, consolidated its foundation for steady business development, and further optimised its cross-border synergistic business development mechanism to significantly enhance its ability to provide integrated financial services across the entire chain in multiple markets. In respect of supporting the “Healthy China” strategy and the development of “inclusive finance”, the Company completed the IPO of Shantou Institute of Ultrasonic Instruments at the STAR Market as the sponsor and the refinancing project of Eyebright Medical as the lead underwriter. In respect of strengthening the development of the national financial system, the Company supported the Postal Savings Bank of China in the RMB130 billion refinancing project as the lead underwriter. In respect of serving the development of new quality productive forces and “technology finance”, the Company completed the major asset restructuring project in respect of the acquisition of 10% equity interests in Shenzhen Yinwang by Seres Auto as the sole financial advisor of the latter listed company. In respect of serving the development of green economy, the Company completed the refinancing project of Leshan Electric and other projects.

During the Reporting Period, the Company completed one IPO project, four refinancing projects and two non-public offerings on the NEEQ. According to Wind statistics, during the Reporting Period, the Company’s equity underwriting size was RMB20.598 billion, ranking 8th in the market. The major asset restructuring transaction size was RMB11.5 billion, ranking 7th in the market.

(2) Bond Financing Business

The Company actively strengthened business synergies and further explored business opportunities. It facilitated the prosperous development of Western China and the implementation of the establishment of “technology board” for bonds, and successfully completed the first issuance of the technology innovation bonds of Legend Capital, a private equity investment institution, in China and Beijing and other projects. According to Wind statistics, during the Reporting Period, the Company’s bond underwriting size reached RMB327.262 billion, representing a year-on-year increase of 82.8%, ranking 6th in the market. Among which, the underwriting size for local government bonds was RMB212.865 billion, ranking 5th in the market; the underwriting size for financial bonds was RMB60.321 billion, ranking 10th in the market; and the underwriting size for medium-term notes was RMB22.266 billion, ranking 6th in the market.

During the Reporting Period, the Company was awarded the “Most Promising Investment Bank”, the “Best Debt Underwriting Investment Bank” and the “Best Merger and Acquisition Bank” in the 2025 Best Investment Bank Election by the New Fortune.

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3. Institutional Business

According to statistics from the Asset Management Association of China, as at the End of the Reporting Period, the net asset value of publicly offered funds managed by domestic fund management institutions in the PRC amounted to RMB34.39 trillion, representing an increase of 4.8% from the beginning of the year. The number of private securities investment fund managers in operation was 7,761, managing 83,356 funds with a total size of RMB5.56 trillion, representing an increase of 6.7% from the beginning of the year.

Striving to become the whole-chain service provider trusted by institutional customers, the Company constantly promoted in-depth integration of technology and operation, continued to improve institutional service ecosystem, and focused on providing different customers with customized, comprehensive one-stop solutions covering diversified business scenarios such as research services, OTC derivatives, institutional wealth management, custody and fund services, prime broker (PB) business, FICC business and equity services. Centering on the “Galaxy Sky Bow” platform, the Company actively explored the application of cutting-edge AI technologies in transaction, operation and customer service. Achievements made under this series included the launch of negotiation and transaction quotation robots, the solutions to industry pain points such as derivative valuation and quotation, the completion of upgrade for whole-process digitalization for OTC derivative business, and turning of service bottleneck into traffic gate. Intelligent customer service for custody and fund service was introduced, which successfully replaced over 80% of standard manual services, and optimized resources allocation in a rational way, thus creating higher business value with financial technologies.

As at the End of the Reporting Period, the Company had over 7,000 institutional customers, including Galaxy Derivatives.

(1) Prime Brokerage (PB) Business

During the Reporting Period, the PB business of the Company operated steadily with progress, and system operation remained steady in general. On the basis of continuous optimisation of “Qiming (启明)” Algorithm Centre, the Company introduced the brand new “Qirui (启睿)” Strategy Centre, comprehensively connecting various elements such as data, factor, investment and research, and transaction. The Company launched the cross-border real-time settlement functions for specific ETFs in the SSE and the SZSE, supported the processing of the BSE transactions at the SSE and the SZSE nodes through top-tier professional channels, and accelerated the establishment and deployment of the risk control centre, striving to provide safe, flexible and comprehensive one-stop transaction service for customers.

As at the End of the Reporting Period, the business size of the Company’s PB business amounted to RMB347.1 billion, and the number of clients served was 7,332. The stock and fund trading volume was RMB2.25 trillion, representing an increase of 56.3% from the beginning of the year.

(2) OTC Derivatives Business

During the Reporting Period, the Company focused on enhancing core competitiveness, facilitated the balanced development of OTC derivatives business in a diversified way, and continuously enriched product matrices to improve service delivery capability. The Company actively responded to the needs of the real economy and industrial clients. It has launched and released Galaxy self-developed strategy indices, effectively identified the pain points of integration of industry and finance during the production and operation processes of physical enterprises, and continued to fulfill the needs of risk management for medium- and long-term capital. The Company accelerated and facilitated infrastructure construction, promoted the whole-process closed-loop digitalisation for cross-border derivatives business, and fully utilised the sales network and cross-border transaction capability of its overseas institutions to attract overseas investors to the domestic market.

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(3) Custody and Fund Services

During the Reporting Period, upholding its core service philosophy of “making investors feel secure and fund managers feel at ease”, the Company promoted the advancement of whole-chain services by creating an institutional service ecosystem. In respect of business expansion, the Company dynamically assessed market trend, precisely implemented differentiated marketing strategies, and continuously optimised business structure. In respect of operational services, the Company introduced the brand new “Yun Ding (雲鼎)” performance analysis platform, thus realising comprehensive enhancement in algorithm accuracy, interactive experience and system functioning, and fulfilling the whole-process needs of customers in respect of pre-investment decision making, monitoring during investment and post-investment assessment. The Company expanded the application of AI technologies, and established the intelligent operation system centring six core scenarios of “searching, reading, recording, calculating, writing and reviewing”, thus forming intelligent innovative solution on Q&A search, element extraction, document generation, operation accounting, process pre-approval and other aspects, which significantly improved operational efficiency in various aspects. In respect of risk control establishment, the Company innovatively created a specialised risk control matrix and established the whole-process dynamic management system encompassing “identification, monitoring, alert and handling” to ensure steady business operation and the successful passing of the ISAE3402 international verification for its custody and fund services business.

As at the End of the Reporting Period, the size of the Company’s custody and fund services business amounted to RMB221.135 billion, representing an increase of 5.4% from the beginning of the year. The number of such products was 3,949, representing a decrease of 2.6% from the beginning of the year.

(4) Equity Market Making Business

During the Reporting Period, the Company insisted on providing comprehensive financial services, actively participated in market making for listed funds, the STAR Market, and the BSE, continuously expanded its business scope, and improved its professional capabilities in market making, thus playing a significant role in enhancing market liquidity, invigorating the capital market, and serving technological innovation. As at the End of the Reporting Period, based on the number of market making enterprises/products, the Company ranked 4th in the industry for market making on the STAR Market, 4th for BSE, and 10th for funds.

(5) Research Business

During the Reporting Period, the Company promoted the overall development of industry research through macro research, and facilitated the integrated layout and collaboration of domestic and overseas research. It continued to build up think tank research, and established the Global Southern Research Centre under the New Development Research Institute to fully utilise its professional research strengths and timely interpret national strategies, policies and trends. The Company proactively reported on annual key topics of regulatory institutions, resulting in year-on-year increase of 23.5% in the number of research reports published. The Company optimised its research product and service system, strengthened comprehensive competitiveness, and continued to introduce the frequent data tracking, industry research dynamic, macro analysis and strategic guidance. The Company organised the 2025 interim investment strategy presentation, and actively expanded and served external institutional investors. Through a diversified service matrix covering research reports, special projects, field research, roadshows, research salons, media publications and conference calls, the frequency and efficiency of services have improved, thus boosting market confidence. The Company strengthened its professional capability in fund evaluation, actively contributed to the construction of national public fund basic data, and expanded standardised services for the private fund industry, further leveraging the professional value and leadership role of fund evaluation institutions.

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4. International Business

During the Reporting Period, the upward trend of Hong Kong stocks continued, with robust activities in the primary market. According to HKEX statistics, the size of equity financing was HKD280.8 billion, representing a year-on-year increase of 322.3%. Among which, the size of IPO issuance was HKD107.1 billion, representing a year-on-year increase of 699.3%. According to Wind statistics, a total of 837 new bonds were issued in the China offshore bond market, amounting to USD399.0 billion in aggregate, representing a year-on-year increase of 12.7%. The indices of the core four Southeast Asian markets experienced ups and downs with diverse trading trends. Specifically, the Singapore Straits Times Index rose by 4.7% from the beginning of the year; the Malaysia KLCI Index dropped by 6.7% from the beginning of the year; the Indonesia Jakarta Index dropped by 2.2% from the beginning of the year; and the Thailand SET Composite Index dropped by 22.7% from the beginning of the year.

(1) *Galaxy International Holdings*

During the Reporting Period, Galaxy International Holdings continued to implement the Group's strategic plan in depth. It stayed focused on its goal of becoming an "integrated service provider in the international market", and adhered to its core responsibilities and principal business. Galaxy International Holdings strengthened collaboration across Mainland China, Hong Kong, and ASEAN regions, and actively seized cross-border business opportunities to promote high-quality development. During the Reporting Period, the market ranking of its brokerage business in Hong Kong rose by two places compared to 2024. Galaxy International Holdings completed 11 Hong Kong IPO projects and underwrote 103 offshore bonds. The ranking of its investment banking underwriting business has increased steadily.

During the Reporting Period, Galaxy International Holdings won the 3A Grade Digital Award for the "Best Financial Artificial Intelligence Project" by The Asset with its "Galaxy Star AI Platform", becoming the only Chinese-funded securities firms in Hong Kong to receive this honor.

(2) *CGS International*

During the Reporting Period, fully utilising its bridging and connecting functions, CGS International supported the high-quality development under the Belt and Road Initiative. It continued to enhance the collaboration between capital markets in China and ASEAN countries. CGS International, as the only participating Chinese financial institution, actively participated in and co-hosted the inaugural "Malaysia Economic Forum", the "ASEAN Investors Conference 2025" and the "ASEAN Business Conference 2025" etc. In terms of brokerage business, CGS International continued to strengthen its dominant position in the core Southeast Asian markets, ranking 1st in Malaysia, 2nd in Singapore, 4th in Indonesia, and 5th in Thailand in terms of market share. In terms of investment banking, CGS International completed a total of 34 equity and bond financing transactions, with a transaction size of S\$1.8 billion. In particular, CGS International completed the largest IPO of REIT in Malaysia. Its cross-border investment and financing service capability continued to enhance.

During the Reporting Period, CGS International won the "Best Broker in Southeast Asia" under the Best Financial Institution of the Year from Alpha Southeast Asia, the "Best Broker in Southeast Asia" under the Annual 3A Sustainable Finance Awards from The Asset, the "Best Local Securities Firm" in three major markets, namely Malaysia, Indonesia and Thailand, from Finance Asia, as well as the "Best Local Securities Firm in Malaysia" and the "Best Local Securities Firm in Thailand" under the Asian Best Local Securities Firms Election from Extel. There were 90 analysts making the industry list, 15 of whom were ranked first in their industry. Leveraging its innovative platform "UP", CGS International won the "Fintech – Security Business" Award under the 2025 Technology Excellence Awards from SBR.

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5. Investment Trading Business

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

(1) *Equity Investment*

During the Reporting Period, by accurately capturing market trends with reference to its business characteristics and resource endowments, the Company focused on strengthening forward-looking research in advanced technology fields such as AI chips, quantum computing, biomedicine, new energy materials, and aerospace technology. The Company invested in related industrial chains and individual stocks, which achieved exceptional interim investment results. The Company continued to participate in the Securities, Funds and Insurance Companies Swap Facility (SFISF) project by the central bank, fully leveraged its role as patient capital and a stabilising force to maintain capital market stability and boost investor confidence. The Company's high-dividend strategy, which offers both returns and defensive benefits, actively supported the development of the Belt and Road Initiative and contributed to high-level opening-up, making it a solid choice to navigate economic cycles.

(2) *Fixed Income*

During the Reporting Period, the Company achieved remarkable results in the fixed income innovation business. The Company executed the interbank market's first batch of standardised 3-year and 7-year China Development Bank bond forwards with physical delivery, a 1-year interbank deposit note standard interest rate swap, and the first long-term interest rate swap with centralised settlement. The Company also completed the first two-way bond lending for science and technology innovation bonds, the first "ABS + science and technology innovation bond" lending on the SSE, and the central counterparty clearing business for RMB iron ore swaps. The Company issued the first yield certificate linked to the "Shanghai Clearing House Science and Technology Innovation Bond Index" in the market, completed the first Shanghai Emission Allowance (SHEA) transaction, and launched the first batch of bond baskets under the bond lending theme. As one of the first institutions to create and provide quotations for science and technology innovation bond baskets, the Company executed the first self-organised basket transaction of science and technology innovation enterprise bonds in the interbank market. The Company launched "25 XiongGroup 01 (25 雄集 01)", the market's first "investment banking + dual market primary and secondary market connectivity" project to facilitate the dual market connectivity of Xiongan Group's corporate bonds, deepen services for Beijing Construction Engineering's science and technology innovation bonds. The project was deemed as a typical innovative product supported by the SSE. Through the "investment banking + investment + market making" model, the Company facilitated the largest issuance size within a single period for the domestic green financial bonds and the first batch of financial science and technology innovation bonds. The client-driven business achieved leapfrog development, while the quantitative strategy dedicated accounts were well received by the market. Institutional bond investment advisory services, backed by solid performance and an excellent reputation, secured the first direct sales agreement with a client of a bank's wealth management subsidiary. Vertical integration of cross-border investment achieved effective results. The Company completed the first "back-to-back" yield swap based on an ISDA agreement (International Swaps and Derivatives Association (ISDA)), and launched and completed the first transaction of "CGT-ESG bond portfolio" (established in accordance with the Common Ground Taxonomy (CGT) of the International Platform on Sustainable Finance (IPSF) and the Galaxy CGS-CICPMC ESG assessment system etc.), marking the first overseas green bond basket. The Company jointly established a proprietary trading platform with CGS International, which created a new engine for revenue growth. Financial technology empowered business development. The project "AI-based Bond Inquiry and Quotation Robot" 《基於 AI 技術的債券詢報價機器人》 was selected for the second batch of capital market financial science and technology innovation pilot qualifications by the CSRC, while the new intelligent inquiry model promoted the formation of a new market-maker service model.

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During the Reporting Period, the Company obtained Class A ordinary clearing member status from the Shanghai Clearing House and was awarded “Bond Trading and Investment Elite”, “Bond Market Making Elite” and “Liquidity Support Elite” by the SSE for the first quarter; the monthly “Star of X-Lending”, “Star of X-Bond China Development Bank Bond”, “Star of iDeal Trade Intent”, “Star of Standardised Bond”, “Star of Standardised Interbank”, and “Star of New and Old Bond Strategy”, “Star of Bond Basket Quotation”, “Star of Bond Basket Investment”, as well as Active Standardised Bond Institution, Active Standardised Interbank Institution and Active General Repurchase Institution by China Foreign Exchange Trade System.

6. Other Parent-Subsidiary Integration Business

(1) *Futures Business*

According to statistics from the China Futures Association, the cumulative trading volume in China’s futures market during the Reporting Period was 4.076 billion contracts, a year-on-year increase of 17.8%, while the cumulative turnover reached RMB339.73 trillion (single-sided), a year-on-year increase of 20.7%.

Galaxy Futures actively responded to policy guidelines and deeply involved in innovative projects across 8 categories on 4 futures exchanges, focusing on key areas such as industrial services to “secure agriculture-industrial stability and safeguard the real economy”, specialised support for leading enterprises, construction of industry-finance integration bases, and green cultivation initiatives to “promote green development”, with a total of 45 declared projects, serving over 40 physical enterprises. Based on our long-term focus on industry services and in-depth industry research, the Company provided clients with one-stop professional investment and research services ranging from hedging solutions to delivery process guidance, resulting in a significant growth in the trading advisory business. The Company coordinated and promoted the institutional client expansion services, fully utilised the advantage of its customer base and the efficiency of its offline network layout, integrated online empowerment and digital operations to effectively promote the transformation of retail customer base from “quantity increase” to “quality improvement”. By fully leveraging the Group’s business synergy mechanisms, the Company deepened the parent-subsidiary synergistic business development. The average daily equity of IB clients reached record high. The Company actively established the “Branch Market Outreach + Subsidiary Professional Support” business system, accelerated cross-border integration with CGS International, optimised the transaction response mechanisms, comprehensively enhanced professionalism and refinement level, and promoted the standardisation and systematisation of cross-border business development. The Company insisted on the differentiated positioning of futures and derivatives asset management, with its flagship product “Quan Galaxy Series (權銀河系列)” achieved an annualised return of 15% since its launch 9 years ago, while revenue generated from self-developed investment strategy recorded steady growth, reaching RMB614 million, representing an increase of 142.7% from the beginning of the year. The Company launched two new innovative product lines “Precious Metals Cross-Border Yield Swap” and “QIS Index Allocation” strategies. As at the End of the Reporting Period, the asset management size reached RMB13.088 billion, representing an increase of 17.5% as compared to the beginning of the year. The Company jointly promoted rural revitalisation through collaborative effort, engaged in 19 “Insurance + Futures” transactions and innovatively launched Inner Mongolia’s first “Weather + Futures” comprehensive insurance project, which played a positive role in safeguarding farmers’ incomes and optimising agricultural risk management methods.

In OTC derivatives business, Galaxy Derivatives, as the risk management subsidiary of Galaxy Futures, upgraded the intelligent model of “Yinxiaorui Robot (銀小睿機器人)” to effectively improve communication flexibility and user experience. Multiple international exchanges were included in the cross-border automatic trading system, such as the Chicago Mercantile Exchange, which significantly expanded the range of trading products to meet the diverse needs of customers. In futures-spot business, the Company promoted the development of its ferroalloy business and improved its business segment system by optimising the regional layout and improving its talent pool. In market making business, the Company independently developed DRONE, a futures market-making system, and the MMZ, an equity options market-making system, which achieved significant results in technological independence, greatly improved quotation efficiency and system response capabilities.

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(2) Asset Management Business

During the Reporting Period, the asset management business of securities firms returned to its origins, promoted active management and adhered to the guidance of fiduciary duty. It adapted itself to the market with its expertise, fulfilled the diversified needs of investors, promoted high-quality development of industry, and continued to build up core competitiveness and differentiated advantages with the use of resources.

Centring on the main line of “standardisation and systematisation”, Galaxy Jinhui focused on deepening customer relationships, promoted and optimised effective internal risk control system, and continued to enhance internal synergy within the group, thus gradually exploring the path of building up refined asset management of securities firms. It continued to facilitate the establishment of investment and research system, insisted on the concepts of long-term investment and value investment, and focused on the model-based in-depth research on macroeconomy, major asset allocation, fixed income strategies, equity strategies, and key industries such as dividends, technology, medical, resources and advanced manufacturing. Galaxy Jinhui continued to refine its research framework and methodology, and strived to enhance research depth and investment capabilities, thus driving the outstanding performance of assets under management in general, with certain products gained leading positions in terms of performance. It continued to establish diversified product portfolio, introduced core product categories such as technology equity, fixed income+, public REITs and QDII, and built up a product matrix for 21 multi-dimensional equity sub-strategies covering industrial chain, large factory ecology, global allocation, fixed income enhancement and other aspects. It completed the deployment of pension FOF product series, thus further optimising and strengthening product structure. Galaxy Jinhui continuously promoted the big operation concept and the upgrades of models and systems, Focusing on the development modes for new businesses, it established and enhanced the effective integrated operational system, creating an integrated work mode of front-, middle- and back-office operations. By strengthening multi-dimensional synergy of operations, information, sales, products, customer experience and other aspects, as well as systematically optimising business procedures, operational efficiency was fully enhanced.

(3) Alternative Investment Business

During the Reporting Period, measures on capital market reform rolled out consecutively. A-share and Hong Kong IPO market remained active. Market sentiment of fundraising and investment activities in private equity investment market improved, while exit activities remained at low levels.

Adhering to supporting national strategies, Galaxy Yuanhui focused on the key fields of technology “self-innovation”, and actively dedicated to “technology finance”. With a continuous focus on national key technology projects and future cutting-edge industries, Galaxy Yuanhui swiftly grasped the investment opportunities in key segments of major industry chain. It mainly deployed operations in leading companies of sub-sectors. During the Reporting Period, newly approved investments amounted to RMB440 million. With the combination of financial products and equity investments, Galaxy Yuanhui actively established a medium- to long-term quality investment portfolio, focused on both capital income and utilisation efficiency, and timely adjusted investment allocation, thus realising steady income generation. It continued to strengthen its coordinated positioning, facilitated the IPO projects, merger, acquisition and restructuring of its investees, fully enhanced the value of post-investment enterprises, and continuously developed itself into a “specialised, refined, distinctive and innovative (SRDI)” alternative investment platform with a good reputation for securities firms and built up the brand of Galaxy Yuanhui.

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(4) Private Equity Investment Management Business

According to statistics from the Asset Management Association of China, as at the End of the Reporting Period, it had registered 11,801 private equity and venture capital fund managers, managing 56,345 private equity/venture capital investment funds with a fund size of RMB14.36 trillion, representing an increase of 0.5% from the beginning of the year.

During the Reporting Period, Galaxy Capital fully leveraged the unique advantages of private equity funds as long-term and patient capital, and effectively fuelled the technology innovation and the development of new quality productive forces. During the Reporting Period, it had 4 newly registered funds with a total size of RMB1.255 billion, and 8 investment projects and sub-funds with a total investment amount of RMB307 million, focusing on technology innovation industries. As at the End of the Reporting Period, Galaxy Capital managed 27 funds with a total registered size of RMB31.479 billion, achieving effective coverage of key regions under the national strategies.

III. CHALLENGES AND PROSPECTS FOR THE SECOND HALF OF 2025

In the second half of 2025, with the gradual implementation of tariff policies, the global macroeconomy and industrial systems will gradually develop a new equilibrium. China's economy is expected to forge ahead with steady steps amidst improving liquidity and global synergies. Further deepened capital market reforms will continue to bring long-term capitals inflows into the markets. With ample policy flexibility, market resilience will continue to enhance and strengthen. The A-share market will maintain its structural momentum. Under the dual drivers of policy support and capital expansion, the stability of the securities markets will significantly improve. Industry valuation adjustment and performance improvement will be supported by solid fundamentals.

The Company will put huge efforts in “technology finance, green finance, inclusive finance, pension finance, and digital finance”, and continue to deepen institutional development and structural reforms, thus further supporting national strategies and serving the real economy. In respect of business operations, the wealth management business will strengthen its customer base, and establish closed-loop wealth management for purchasers through the “research, investment and advisory” system. The investment banking business will be deeply involved in the whole lifecycle of corporate development, and enhance the functional capabilities of investment banking. The institutional business will utilise cross-business synergies to boost the value of its services for institutional customers. The international business will continue to enhance its penetration management of overseas subsidiaries, and deepen the integrated, effective and synergised operating system for whole business chain domestic and overseas operations, thereby strengthening its core market position in Southeast Asia. The investment and trading business will maintain prudent operations with improved overall asset allocation rebalancing capabilities to promote market stability and investment revenue generation. Other parent-subsidiary integration business will focus on its principal operations, facilitate transformation, and continue to boost momentum for organic growth. In respect of risk compliance management, adhering to a dual focus on development and safety, the Company will insist on prudent operations and implement comprehensive risk management protocols while strengthening compliance and risk control frameworks and optimising risk prevention system on an ongoing basis.

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MANAGEMENT DISCUSSION AND ANALYSIS

IV. ANALYSIS OF FINANCIAL STATEMENTS

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

During the Reporting Period, the Group realised revenue, gains and other income of RMB18.798 billion, representing a year-on-year increase of 18.92%, of which wealth management business realised revenue, gains and other income of RMB7.408 billion, representing a year-on-year increase of 22.42%; investment banking business realised revenue, gains and other income of RMB286 million, representing a year-on-year increase of 7.25%; institutional business realised revenue, gains and other income of RMB1.086 billion, representing a year-on-year increase of 258.63%; international business realised revenue, gains and other income of RMB2.053 billion, representing a year-on-year decrease of 3.52%; investment trading business realised revenue, gains and other income of RMB6.465 billion, representing a year-on-year decrease of 2.05%; other parent-subsidiary integration business realised revenue, gains and other income of RMB1.524 billion, representing a year-on-year increase of 11.18%.

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

Commission and fee income amounted to RMB4.69 billion, representing an increase of 31.13% year-on-year, mainly due to the year-on-year increase in commission on securities dealing and broking and handling fee income.

Interest income amounted to RMB6.56 billion, representing a decrease of 7.91% year-on-year, mainly due to the year-on-year decrease in deposits with exchanges and non-bank financial institutions and bank balances, as well as interest income from debt instruments measured at fair value through other comprehensive income.

Investment income and gains or losses amounted to RMB7.40 billion, representing an increase of 47.85% year-on-year, mainly due to the increase in realised and unrealised investment income from financial instruments held for trading.

In the first half of 2025, the Group's expenses totalled RMB11.17 billion, representing a decrease of 0.78% year-on-year, and the changes in major items were as follows:

Depreciation and amortisation expenses amounted to RMB0.60 billion, representing an increase of 4.69% year-on-year, mainly due to the increase in depreciation and amortisation as a result of the increase in capital investment by the Company including fixed assets and intangible assets.

Staff costs amounted to RMB4.41 billion, representing an increase of 23.34% year-on-year, mainly due to the growth in both the number of the Company's staff and its performance.

Commission and fee expenses amounted to RMB0.44 billion, representing a decrease of 17.92% year-on-year, mainly due to the decrease in expenses in securities brokerage fees.

Interest expenses amounted to RMB4.62 billion, representing a decrease of 12.57% year-on-year, mainly due to the decrease in financial assets sold under repurchase agreements, bonds payable and interest expenses on accounts payable to brokerage clients.

MANAGEMENT DISCUSSION AND ANALYSIS

Other operating expenses amounted to RMB1.31 billion, representing a decrease of 7.57%, mainly due to the decrease in data transmission expenses and sundry expenses.

Impairment losses on other assets amounted to RMB0.03 billion, representing a decrease of 43.51% year-on-year, mainly due to the decrease in the provision for impairment on other current assets related to the bulk commodity sales business of our subsidiary Galaxy Derivatives.

Reversal of credit impairment losses amounted to RMB0.24 billion, representing an increase of 33.45% in reversal year-on-year, mainly due to the decline in expected credit risk of credit business and the corresponding reversal of credit impairment losses.

During the Reporting Period, the Group realised net profit attributable to owners of the Company of RMB6.488 billion, representing a year-on-year increase of 47.86%. The basic earnings per share was RMB0.54, representing an increase of 54.29% year-on-year. Weighted average return on net assets was 5.16%, representing an increase of 1.53 percentage points year-on-year.

(II) Asset Structure and Quality

During the Reporting Period, the Group continuously maintained its profitability and realised capital preservation and appreciation. As at 30 June 2025, equity attributable to owners of the Company amounted to RMB144.135 billion, representing an increase of RMB3.655 billion or 2.60% as compared with that as at the end of 2024.

As at the End of the Reporting Period, the total assets of the Group amounted to RMB781.740 billion, representing an increase of RMB44.27 billion or 6.00% as compared with that as at the end of 2024, and the self-owned assets, after deducting the securities trading and underwriting agency fees, amounted to RMB596.256 billion. Among them, self-owned cash assets (bank balances, clearing settlement funds, and deposits with exchanges and non-bank financial institutions) amounted to RMB35.895 billion, accounting for 6.02%; financial investments amounted to RMB409.927 billion, accounting for 68.75%; Loaned funds and financial assets held under resale agreements amounted to RMB125.596 billion, accounting for 21.06%.

As at the End of the Reporting Period, the total liabilities of the Group amounted to RMB637.586 billion, representing an increase of RMB40.615 billion or 6.80% as compared with that as at the end of 2024, and the self-owned liabilities, after deducting the securities trading and underwriting agency fees, amounted to RMB452.102 billion. Among them, self-owned current liabilities amounted to RMB368.12 billion, accounting for 81.42% of self-owned liabilities; self-owned non-current liabilities amounted to RMB83.982 billion, accounting for 18.58% of self-owned liabilities. Self-owned liabilities were mainly financial assets sold under repurchase agreements of RMB185.419 billion, accounting for 41.01%; bond payables (subordinated bonds and corporate bonds) of RMB96.201 billion, accounting for 21.28%; financial liabilities held for trading of RMB50.976 billion, accounting for 11.28%; debt instruments (short-term financing bills and structured notes) of RMB41.481 billion, accounting for 9.18%; amount due to banks and other financial institutions of RMB14.772 billion, accounting for 3.27%; and other liabilities of RMB63.253 billion, accounting for 13.98%.

As at 30 June 2025, the gearing ratio of the Group was 75.82%, representing an increase of 0.39 percentage point compared to that of 75.43% as at the end of 2024 (Note: gearing ratio = (total liabilities – accounts payable to brokerage clients – accounts payable to underwriting clients)/(total assets – accounts payable to brokerage clients – accounts payable to underwriting clients)). The operating leverage ratio was 4.14 times, representing an increase of 0.07 as compared with 4.07 times as at the end of 2024 (Note: operating leverage ratio = (total assets – accounts payable to brokerage clients – accounts payable to underwriting clients)/equity attributable to owners of the Company).

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(III) Cash Flows

During the Reporting Period, the net change in cash and cash equivalents of the Company amounted to RMB-882 million, as compared to RMB-281 million for the same period of 2024, representing a year-on-year decrease in net cash flows of RMB601 million, which was mainly attributable to the decrease in net cash flows from operating activities.

During the Reporting Period, net cash flows from operating activities of the Company amounted to RMB-4.382 billion, as compared to RMB10.99 billion for the same period of 2024, representing a year-on-year decrease in net inflows of RMB15.372 billion, which was mainly attributable to the decrease of net cash flows in payables, financial liabilities measured at fair value through profit and loss and derivative financial liabilities, as well as financial assets sold under repurchase agreements.

During the Reporting Period, net cash flows from investing activities of the Company amounted to RMB11.574 billion, as compared to RMB-2.849 billion for the same period of 2024, representing a year-on-year increase of RMB14.423 billion, which was mainly attributable to the decrease in cash outflows generated from purchase of debt instruments measured at fair value through other comprehensive income.

During the Reporting Period, net cash flows from financing activities amounted to RMB-8.074 billion, as compared to RMB-8.422 billion for the same period of 2024, representing a year-on-year increase of RMB348 million, which was mainly attributable to the increase in net cash flows received from the issuance of debt instruments.

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V. ESTABLISHMENT AND DISPOSAL OF SECURITIES BRANCHES AND BRANCH OFFICES

As at the End of the Reporting Period, the Company established 37 branch offices and 460 securities branches.

1. Establishment of Securities Branches

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

2. Closure of Securities Branches

During the Reporting Period, the Company completed the closure of 2 securities branches in accordance with the Announcement on Various Issues in relation to the Cancellation or Adjustment of Certain Administrative Review and Approval Projects of Securities Firms 《關於取消或調整證券公司部分行政審批項目等事項的公告》, namely Jixi Hongqi Road Securities Branch and Nanchang Liantang Securities Branch.

3. Relocation of Branch Offices and Securities Branches

The Company has constantly adjusted and optimised the distribution of its branches. During the Reporting Period, the Company relocated a total of 29 branches, including 3 branch offices and 26 securities branches. Details are as follows:

(1) Relocation of branch offices

No.	Province/ autonomous region/ municipality	Branch office	Current address
1	Shaanxi Province	Shaanxi Branch	Room 10604, 1/F, No. 11 Tangyan Road, High-tech Zone, Xi'an, Shaanxi Province
2	Liaoning Province	Liaoning Branch	Rooms 2101-2106, 21/F, No. 77 (120) Wenhua Road, Heping District, Shenyang, Liaoning Province
3	Guangxi Zhuang Autonomous Region	Guangxi Branch	No. 2501, West Office Tower, Nanning China Resources Center, No. 136-2 Minzu Avenue, Qingxiu District, Nanning, Guangxi Zhuang Autonomous Region

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(2) Relocation of securities branches

No.	Province/ autonomous region/ municipality	Original name of securities branch	Current name of securities branch	Current address
1	Guangdong Province	Foshan Nanhai Guilan North Road Securities Branch	Foshan Nanhai Denghu East Road Securities Branch	Unit 2-1, Room 101, Chengchuang Building, No. 10 Denghu East Road, Guicheng Street, Nanhai District, Foshan
2	Guangdong Province	Zhongshan Huangpu Xinfeng North Road Securities Branch	Zhongshan Huangpu Xinfeng North Road Securities Branch	Shops 02, 03, 12, 13 and 14, Building 7, Lantian Jindi Garden, No. 63 Xinfeng North Road, Huangpu Town, Zhongshan
3	Guangdong Province	Shenzhen Xianglin Road Securities Branch	Shenzehn Binhe Boulevard Securities Branch	5705 and 5703A, Building A, North Zone, Riverfront Times Square, No. 9289 Binhe Boulevard, Xiasha Community, Shatou Street, Futian District, Shenzhen
4	Guangdong Province	Foshan Nanhai Dali Securities Branch	Foshan Nanhai Dali Securities Branch	Room 101, 1/F, Rui Bao Commercial Building, No. 11 Xincheng Avenue, Dali Town, Nanhai District, Foshan
5	Guangdong Province	Guangzhou Guanhong Road Securities Branch	Guangzhou Yuzhu Securities Branch	Room 603A, No. 840 Huangpu Avenue East, Huangpu District, Guangzhou
6	Zhejiang Province	Ningbo Baizhang East Road Securities Branch	Ningbo Baizhang East Road Securities Branch	No. 899 <1-21> and No. 901<7-4> Baizhang East Road, Baizhuang Road, Yinzhou District, Ningbo, Zhejiang Province
7	Zhejiang Province	Tongxiang Shiji Avenue Securities Branch	Tongxiang Shiji Avenue Securities Branch	No. 268 Heping Road, No. 1129 and 19 Shiji Avenue, 1/F of No. 270, 20 and 21 Heping Road, Wutong Street, Tongxiang, Jiaxing, Zhejiang Province
8	Beijing	Beijing Zhongguancun Avenue Securities Branch	Beijing Zhongguancun Avenue Securities Branch	02-202 Commercial Zone, 2/F, Building 1-4, Yard A18, Zhongguancun South Avenue, Haidian District, Beijing
9	Beijing	Beijing Fuwai Street Securities Branch	Beijing Fuwai Street Securities Branch	Unit L106-2, 1/F, Podium of Sichuan Mansion, No. 1 Fuchengmenwai Avenue, Xicheng District, Beijing
10	Shanghai	Shanghai Hongjing Road Securities Branch	Shanghai Hongjing Road Securities Branch	Rooms 202 and 216, Tower 10, No. 185 Hongjing Road, Minhang District, Shanghai

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No.	Province/ autonomous region/ municipality	Original name of securities branch	Current name of securities branch	Current address
11	Shanghai	Shanghai Wulian Road Securities Branch	Shanghai Hongkou District Tiantong Road Securities Branch	Rooms 02, 03 and 04, 20/F, No. 89 Zhapu Road; Rooms 02-3, UG 1, No. 328 Tiantong Road, Hongkou District, Shanghai
12	Jiangsu Province	Rudong Tonghai Road Securities Branch	Rudong Tonghai Road Securities Branch	Shop 151, 2/F & Shops 152 and 153, Building 8, Runtong Shangcheng, No. 9 Tonghai Road, Chengzhong Street, Rudong County, Nantong, Jiangsu Province
13	Fujian Province	Fuzhou Securities Branch	Fuzhou Securities Branch	Units 07-12, 12/F, Shangri-La Center Office Building, No. 9 Xinquan South Road, Gulou District, Fuzhou, Fujian Province
14	Fujian Province	Longyan Lianhua Jiayuan Securities Branch	Longyan Hualian Road Securities Branch	Room 502-2, Block A4, No. 138 Hualian Road, Xinluo District, Longyan, Fujian Province
15	Shandong Province	Zibo Linzi Avenue Securities Branch	Zibo Linzi Avenue Securities Branch	Rooms 804-808, Building 3 & partial lobby area, 1/F, No. 786 Linzi Avenue, Linzi District, Zibo, Shandong Province
16	Liaoning Province	Shenyang Sanjing Street Securities Branch	Shenyang Wenhua Road Securities Branch	Rooms 2107-2112, 21/F, No. 77 (120) Wenhua Road, Heping District, Shenyang, Liaoning Province
17	Shanxi Province	Linfen Jiefang East Road Securities Branch	Linfen Xiangyang Road Securities Branch	18/F, Building 4, Deheyuehui Plaza, West of Zhongda Street, North of Xiangyang West Road, East of Huayuan Mingdi, Linfen Economic Development Zone, Shanxi Province
18	Hubei Province	Xiangyang Securities Branch	Xiangyang Securities Branch	No. 105, 1/F & No. 303, 3/F, Building 3, Minfa Chengshi Yinxian, No. 20 Changhong Road, Fancheng District, Xiangyang, Hubei Province
19	Sichuan Province	Chengdu Longquanyi Longdu South Road Securities Branch	Chengdu Niushikou Securities Branch	Room 3309, 33/F, No. 16 Dongda Road, Jinjiang District, Chengdu, Sichuan Province
20	Henan Province	Zhengzhou Longhai Road Securities Branch	Zhengzhou Longhai Road Securities Branch	Rooms 801, 811 and 812, 8/F, Office Building, No. 70 Longhai Middle Road, Erqi District, Zhengzhou, Henan Province

MANAGEMENT DISCUSSION AND ANALYSIS

No.	Province/ autonomous region/ municipality	Original name of securities branch	Current name of securities branch	Current address
21	Henan Province	Zhengzhou Nanyang Road Securities Branch	Zhengzhou Ruyi East Road Securities Branch	Rooms 101, 201-1 and 202, Block A, Zhongrui International, South of Ruyi East 3rd Street, West of Ruyi East Road, Zhengzhou Area (Zhengdong), Henan Pilot Free Trade Zone
22	Hunan Province	Loudi Leping Avenue Securities Branch	Loudi Leping Avenue Securities Branch	Room 301, Building 1 (formerly Building 6), Jinyang Bogong, South Side of Leping East Street, Louxing District, Loudi, Hunan Province
23	Shaanxi Province	Xi'an Youyi East Road Securities Branch	Xi'an Tangyan Road Securities Branch	Rooms 70201, 70202 and 10603, Building 1, No. 11 Tangyan Road, High-Tech Zone, Xi'an, Shaanxi Province
24	Yunnan Province	Chuxiong Lucheng South Road Securities Branch	Chuxiong Qixiang Road Securities Branch	1/F and 2/F, Shops, No. 59, 61, 63, 65 and 67 Composite Building, No. 3 Qixiang Road, Lucheng Town, Chuxiong City, Chuxiang Yi Autonomous Prefecture, Yunnan Province
25	Guangxi Zhuang Autonomous Region	Nanning Yuanhu South Road Securities Branch	Nanning Minzu Avenue Securities Branch	Unit 2502, West Office Tower, Nanning Huarun Center, No. 136-2 Minzu Avenue, Qingxiu District, Nanning, Guangxi Zhuang Autonomous Region
26	Gansu Province	Pingliang East Street Securities Branch	Pingliang Ludi Plaza Securities Branch	Shop 51, 1/F, Pingliang Yangsheng Commercial Plaza, No. 166 Jingyang Middle Road, Xijiao Street, Kongtong District, Pingliang, Gansu Province

MANAGEMENT DISCUSSION AND ANALYSIS

VI. ISSUANCE OF BONDS

(i) Issuance of Bonds during the Reporting Period

- During the Reporting Period, the Company issued corporate and subordinated bonds with an aggregate amount of RMB13.4 billion, which were listed on the SSE. Details are as follows:

Unit: 100 million yuan Currency: RMB

Bond short name	Type of bonds	Date of completion of issuance	Issue price or interest rate	Issuance amount	Listing date	Amount approved for listing and trading	Maturity date
25 Galaxy F1	Corporate bonds	2025/1/9	1.72%	15	2025/1/15	15	2027/1/9
25 Galaxy F2	Corporate bonds	2025/1/9	1.75%	25	2025/1/15	25	2028/1/9
25 Galaxy C1	Subordinated bonds	2025/2/27	2.15%	13	2025/3/5	13	2028/2/27
25 Galaxy C2	Subordinated bonds	2025/2/27	2.25%	21	2025/3/5	21	2030/2/27
25 Galaxy K1	Technology innovation corporate bonds	2025/5/13	1.75%	10	2025/5/19	10	2028/5/13
25 Galaxy C3	Subordinated bonds	2025/5/15	2.07%	30	2025/5/20	30	2030/5/15
24 Galaxy G1 ^(Note)	Corporate bonds	2025/6/20	2.15%	20	2025/6/25	20	2027/10/17

Note: On 20 June 2025, the Company completed the follow-on offering of its issued 2024 corporate bonds (tranche 1) (type 1) of China Galaxy Securities Co., Ltd. publicly issued to professional investors. The short name, code, nominal value and coupon rate of the bonds under the follow-on offering are the same as those of the corresponding existing bonds. The size of the follow-on offering is RMB2.0 billion, the issue price is RMB102.349, and the gross proceeds amount to RMB2,046.98 million.

During the Reporting Period, the proceeds from the Company's issuance of corporate and subordinated bonds were utilised to replenish the working capital of the Company or to repay its maturing bonds. It is proposed that no less than 70% of the proceeds from the Company's issuance of the technology innovation corporate bonds will be used to specifically support businesses in the field of technology and innovation in the form of equity, bonds, fund investment, etc., and that the remaining portion will be used to supplement working capital as well as for other purposes in compliance with laws and regulations.

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2. During the Reporting Period, the Company publicly issued short-term commercial papers with an aggregate amount of RMB41.0 billion, which were listed on the interbank market. Details are as follows:

Unit: 100 million yuan Currency: RMB

Bond short name	Date of completion of issuance	Issue price or interest rate	Issuance amount	Listing date	Amount approved for listing and trading	Maturity date
25 Galaxy Securities CP001	2025/1/13	1.64%	30	2025/1/14	30	2025/4/15
25 Galaxy Securities CP002	2025/2/12	1.81%	30	2025/2/13	30	2025/5/14
25 Galaxy Securities CP003	2025/2/18	1.90%	30	2025/2/19	30	2025/7/17
25 Galaxy Securities CP004	2025/3/5	2.08%	20	2025/3/6	20	2025/6/5
25 Galaxy Securities CP005	2025/3/12	2.07%	30	2025/3/13	30	2025/9/12
25 Galaxy Securities CP006	2025/3/18	1.99%	30	2025/3/19	30	2025/10/17
25 Galaxy Securities CP007	2025/4/10	1.80%	30	2025/4/11	30	2025/7/10
25 Galaxy Securities CP008	2025/5/12	1.66%	40	2025/5/13	40	2025/8/12
25 Galaxy Securities CP009	2025/5/19	1.63%	30	2025/5/20	30	2025/10/16
25 Galaxy Securities CP010	2025/5/26	1.68%	30	2025/5/27	30	2025/11/21
25 Galaxy Securities CP011	2025/6/3	1.69%	40	2025/6/4	40	2025/9/18
25 Galaxy Securities CP012	2025/6/9	1.67%	30	2025/6/10	30	2025/9/9
25 Galaxy Securities CP013	2025/6/16	1.64%	40	2025/6/17	40	2025/12/16

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

(ii) Bond Financing Activities after the Reporting Period

1. Corporate bonds issued after the Reporting Period

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

MANAGEMENT DISCUSSION AND ANALYSIS

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

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

Unit: 100 million yuan Currency: RMB

Name of bond	Bond short name	Issue amount	Date of completion of issuance	Maturity date	Term	Coupon rate
2025 Fourteenth Tranche of Short-term Commercial Paper of China Galaxy Securities Co., Ltd.	25 Galaxy Securities CP014	35	2025/7/8	2026/7/8	365 days	1.62%
2025 Fifteenth Tranche of Short-term Commercial Paper of China Galaxy Securities Co., Ltd.	25 Galaxy Securities CP015	40	2025/7/16	2025/10/23	99 days	1.59%
2025 Sixteenth Tranche of Short-term Commercial Paper of China Galaxy Securities Co., Ltd.	25 Galaxy Securities CP016	50	2025/7/22	2026/1/16	178 days	1.58%
2025 Seventeenth Tranche of Short-term Commercial Paper of China Galaxy Securities Co., Ltd.	25 Galaxy Securities CP017	40	2025/7/25	2026/5/22	301 days	1.66%
2025 Eighteenth Tranche of Short-term Commercial Paper of China Galaxy Securities Co., Ltd.	25 Galaxy Securities CP018	40	2025/8/6	2026/8/6	365 days	1.67%
2025 Nineteenth Tranche of Short-term Commercial Paper of China Galaxy Securities Co., Ltd.	25 Galaxy Securities CP019	40	2025/8/7	2026/6/17	314 days	1.65%
2025 Twentieth Tranche of Short-term Commercial Paper of China Galaxy Securities Co., Ltd.	25 Galaxy Securities CP020	40	2025/8/21	2025/11/14	85 days	1.64%

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VII. EXTERNAL GUARANTEE, MORTGAGE, PLEDGE AND MATERIAL CONTINGENT LIABILITIES OF THE COMPANY

Unit: Yuan Currency: RMB

External guarantee granted by the Company (excluding the guarantee for subsidiaries)														
Relationship between guarantor and listed company	Guaranteed party	Guaranteed amount	Date of guarantee (Date of agreement)	Commencement date of guarantee	Expiry date of guarantee	Type of guarantee	Principal debt	Collateral (if any)	Is the guarantee fully fulfilled	Is the guarantee overdue	Amount overdue	Counter guarantee	Is the guarantee provided to related parties	Related party relationship
None														
Total guarantee incurred during the Reporting Period (excluding the guarantee for subsidiaries)														-
Total guarantee balance as at the End of the Reporting Period (A) (excluding the guarantee for subsidiaries)														-
Guarantee by the Company and its subsidiaries for their subsidiaries														
Total guarantee for its subsidiaries incurred during the Reporting Period														-4,370,200,655.03
Total guarantee balance for its subsidiaries as at the End of the Reporting Period (B)														3,273,585,000.00
Total guarantee by the Company (including the guarantee for its subsidiaries)														
Total guarantee (A+B)														3,273,585,000.00
Total guarantee as a percentage of the Company's net assets (%)														2.27
Including:														
Amount of guarantee for shareholders, actual controller and their related parties (C)														-
Amount of debt guaranteed directly or indirectly for any guaranteed party with gearing ratio over 70% (D)														-
Total guaranteed amount over 50% of the net asset (E)														-
Total of the above three guarantees (C+D+E)														-
Statement on the possible joint and several liability in connection with outstanding guarantees														
Description of guarantee					(1)	In August 2016 and August 2017, the Company provided a net capital guarantee of RMB1.0 billion and RMB2.0 billion for Galaxy Jinhui, a subsidiary of the Company, to meet the needs of its business development.								
					(2)	As at 30 June 2025, the guarantees provided by Galaxy International Holdings to its subsidiaries amounted to RMB274 million.								

In addition, the Company has authorised guarantees as follows:

- (1) On 22 June 2017, the Resolution on the Increase of Net Capital Guarantee to Galaxy Jinhui was considered and approved at the 2016 annual general meeting of the Company, pursuant to which it was agreed that the Company would provide net capital guarantee for Galaxy Jinhui of RMB3.0 billion to satisfy its business development needs. As at the End of the Reporting Period, the guarantee had not been fulfilled.
- (2) On 30 August 2021, the Resolution on the Increase in the Shareholdings in CGS-CIMB to Increase the Amount of Guarantees and Quasi-Guarantees by Galaxy International Holdings was considered and approved at the second (regular) meeting of the fourth session of the Board of the Company. In accordance with the needs of business development, it was agreed that the maximum amount of guarantee and quasi-guarantee authorisation provided to CGS International would be increased from RMB3.5 billion to RMB7.0 billion in phases. As at the End of the Reporting Period, the outstanding amount of guarantees provided by Galaxy International Holdings to CGS International was nil.

MANAGEMENT DISCUSSION AND ANALYSIS

VIII. ANALYSIS ON MAJOR CONTROLLED COMPANIES AND INVESTEES

Unit: 100 million yuan Currency: RMB

Name of company	Type of company	Primary business	Registered capital	Total assets	Net assets	Operating revenue	Operating profit	Net profit
Galaxy Futures	Subsidiary	Commodity futures brokerage, financial futures brokerage, futures investment advisory, asset management and sales of funds	45	898.20	73.53	8.74	3.68	2.82
Galaxy Capital	Subsidiary	Asset management, project investment and investment management	15	17.61	16.65	0.29	0.11	0.06
Galaxy International Holdings	Subsidiary	Provision of securities and futures brokerage, research and analysis, investment banking, margin financing and securities lending, asset management, wealth management, foreign exchange trading and derivatives, etc. in regions and countries such as Hong Kong, Singapore, Malaysia, Indonesia, Thailand, South Korea, the United Kingdom, the United States and Mauritius through a number of subsidiaries	86 ^(Note 1)	469.00	90.41	10.99	2.02	1.63
Galaxy Jinhui	Subsidiary	Securities asset management	10	17.87	14.84	2.54	0.59	0.35
Galaxy Yuanhui	Subsidiary	Proprietary investment (including equity investment or debt investment) in enterprises, or investment in other investment funds related to equity investment and debt investment	50	50.35	44.71	1.25	0.99	0.75

Note 1: As at the End of the Reporting Period, Galaxy International Holdings has a registered capital of HK\$8.6 billion.

Note 2: The total assets, net assets, operating revenue, operating profit and net profit mentioned above are financial data audited in accordance with the China Accounting Standards for Business Enterprises as at the End of the Reporting Period/during the Reporting Period.

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MANAGEMENT DISCUSSION AND ANALYSIS

IX. STRUCTURED ENTITIES CONTROLLED BY THE COMPANY

As at the End of the Reporting Period, the Group consolidated 111 structured entities, including asset management schemes, partnerships and funds. When determining whether a structured entity should be included in the consolidated financial statements, the Group is required to assess a combination of factors based on the terms of the related contracts, including its power over the structured entity, all variable returns obtained including investment income and management fee revenue, the circumstances under which the managers of the relevant structured entity can be replaced, etc. The Group identifies its control over certain structured entities and incorporates them into the scope of the consolidation after taking into account the above factors. As of the End of the Reporting Period, the equity attributable to the Group from the above-mentioned structured entities amounted to RMB29.96 billion.

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

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

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

XI. NUMBER OF EMPLOYEES, REMUNERATION AND TRAINING PLAN

As at the End of the Reporting Period, the Group had 14,424 employees (including sales account managers), of which 10,848 were employees of the Company (including sales account managers).

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

In terms of staff training, the Company has conducted "hierarchical, multi-sectoral and thematic" centralised training and online training, organising and implementing a total of 14 online and offline training sessions, 285 online training courses in "Galaxy Academy" and 139 live-streaming training sessions, with a cumulative total of approximately 144,000 trainees. The training covers leaders at all levels, key business personnel, new employees, etc. The themes of training include comprehensive ability building, management ability building, as well as professional skills and business skills enhancement etc. The Company will further advance the scientific, structural and standardized development of education and training for its cadre and talent team.

MANAGEMENT DISCUSSION AND ANALYSIS

XII. RISK MANAGEMENT

During the Reporting Period, the Company conducted risk management in pursuit of two major objectives, namely, to continue to enhance its risk management capability and to practically prevent and control major risks. The Company continued to build and improve its risk management system to meet external regulatory requirements, internal business development and risk management needs. The Company formulated risk management and control mechanism on geopolitics, business continuity, environment and climate, and further optimised the risk prevention and control mechanism in areas such as comprehensive risk management, risk limits management and vertical risk management of subsidiaries. By closely monitoring the market to strengthen risk monitoring and analysis, it strengthened forward-looking research and judgment, especially the impacts of extreme events, and evaluated and reviewed the risk appetite through a combination of different means like scenario analysis and stress tests. It dynamically optimised and adjusted risk limits at all levels to support business development while reducing marginal incremental risk. The Company continued to increase its investments in talent and resources for data governance, system construction, and risk measurement. Additionally, the Group enriched its professional risk management tools, continuously enhanced the level of risk management intelligence, and built a comprehensive risk management system to meet the requirements of a modern investment bank. Furthermore, it strengthened the assessment, investigation, and control of risks in key areas and businesses to effectively advance the unified credit-granting management of the Group. During the Reporting Period, the risks of the Company were generally under control and no significant business risks arose.

1. Major risks affecting the operations of the Company

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

(1) Market risk

Market risk refers to the risk of the potential or actual loss incurred by the Company due to the fluctuation of the fair value or future cash flows in respect of financial instruments held or to be held by the Company resulting from the adverse changes in securities price, interest rate and currency rate, including securities price risk, interest rate risk and currency rate risk. Market risk is mainly measured by professional indicators such as sensitivity and VaR, and managed through measuring, monitoring and dynamically adjusting the limit indicators by setting risk limits such as risk exposure, scale, concentration level, limit of loss, sensitivity and VaR. As at the End of the Reporting Period, the VaR (1D, 95%¹) of the Group amounted to RMB387 million.

¹ 1 day, 95% confidence interval.

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MANAGEMENT DISCUSSION AND ANALYSIS

Securities price risk

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

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

Interest rate risk

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

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

Exchange rate risk

Exchange rate risk refers to the risk of the loss incurred by the Company's positions held due to the adverse fluctuation in exchange rates, which arises mainly from international business and cross-border business. The Company mainly adopts reasonable and effective measures such as hedging with foreign exchange derivatives and setting exchange rate exposure limits to manage its exchange rate risk.

MANAGEMENT DISCUSSION AND ANALYSIS

(2) Credit risk

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

During the Reporting Period, the Company's credit risk preference for bond investment remained relatively stable. The investors of credit bonds were mainly central-government-controlled enterprises and state-owned enterprises, with AA+ level or above accounting for approximately 96.20%, and the credit rating was generally high and the default risk was low. As at the End of the Reporting Period, the Company saw an average maintenance margin of 267% for its margin financing and securities lending clients with outstanding liabilities, and an average performance security ratio of 294% for its stock pledged repurchase clients with outstanding liabilities. The overall credit risk faced by the Company was within the acceptable range.

(3) Liquidity risk

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

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

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

MANAGEMENT DISCUSSION AND ANALYSIS

(4) Operational risk

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

In order to effectively control operational risks, the Company has adopted the following measures: Firstly, it established a comprehensive and clearly structured operational risk management framework, continuously improving the operational risk management system and supplemental implementation rules covering three major management tools of loss data collection (LDC), risk and control self-assessment (RCSA) and key risk indicators (KRI). A linkage mechanism among these management tools was set up to enable online management and trigger linkages of different management tools and ensure full application within the Group. Secondly, by sorting out the main business processes, risk points and control measures of business departments, branches and subsidiaries, the Company established an operational risk and control matrix covering key areas and critical links. Regular or ad hoc self-assessments were conducted to identify and address control weaknesses, promoting the improvement of processes and measures. A KRI database for operational risk in key business operations was established, with regular monitoring and analysis of the operation of indicators in each business line to leverage early warning indicator. Through the collection and analysis of loss data, the Company achieved classification and categorisation of operational risk events, attribution analysis, management of problems and action plans. Thirdly, the identification and assessment of operational risks were integrated into the processes of launching new business and products, upgrading important business systems or reviewing major changes, which strengthened risk pre-assessment and risk warnings, and achieved front-end control and closed-loop management of operational risks. Fourthly, a coordination mechanism was established to cover internal control and monitoring departments, realising the sharing of risk data and monitoring results, thereby improving the quality and efficiency of collaborative prevention and control of internal control, and promoting the sound development of the Company's internal control system.

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

MANAGEMENT DISCUSSION AND ANALYSIS

(5) *Cyber and information security risk*

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

In order to effectively prevent and cope with the cyber and data security risks, and to protect data security and personal information security of investors, the Company mainly adopted the following measures: Firstly, established and improved the cyber and information security management system, continuously improved the investor personal information protection mechanism, implemented the cybersecurity responsibility system, made full use of various technologies, and enhanced the establishment of a sound cyber and information security technology ensuring system. It developed a system for disaster recovery and offsite backup within the same city to ensure a safe physical network environment. The Company used data backup technology and hardware redundancy backup technology to improve the security level of hardware, software and data of the network system. Secondly, by taking multiple measures, including network planning and isolation, information system security baseline, access to network, and office terminal control, the Company strengthened information security management and control in key matters. It installed firewalls, application firewalls, traffic safety detection systems and other cybersecurity devices at network boundaries, as well as deployed antivirus and data anti-leakage systems to prevent malicious network attacks and mitigate the risk of data leakage. The Company conducted security vulnerability scanning on important systems on a regular basis, conducting level protection, security assessments and penetration tests for essential systems. It carried out data security assessment, as well as personal information protection impact assessment work. The Company also formulated a comprehensive contingency plan for information system emergencies and organised drills on a regular basis; and organised various forms of safety awareness training for the Company's employees and investors.

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

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

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

MANAGEMENT DISCUSSION AND ANALYSIS

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

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

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

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

The Company mainly adopted the following measures: Firstly, it optimised the model management system and mechanism, enhanced the continuous evaluation and validation of its measurement models, strengthened the management of complex over-the-counter derivatives models such as snowballs and their parameters, and dynamically examined and judged the risks of over-the-counter derivatives business in a timely manner through scenario analysis models. Secondly, it constantly optimised the asset realisation model, dynamic cash flow model, multi-scenario liquidity stress test and other models to improve the capabilities to measure and evaluate the Company's liquidity risk indicators. Thirdly, the Company continuously improved the construction of risk-performance attribution analysis and T+0 risk monitoring functions to enhance the refinement of market risk measurement. Fourthly, it continuously built and optimised the construction of the unified customer and business management system and credit risk management system, promoted the construction and application of the internal credit rating system, optimised the risk alert model and system, improved the negative list management mechanism, and effectively implemented the asset risk classification and management mechanism. Fifthly, it continuously improved the operational risk management system and mechanism, diligently implemented the accountability system for operational risk management at different levels, established the linked triggering and cross-application mechanism for operational risk management tools, continuously developed system functions to meet the diversified, whole-process management needs, and enhanced the quality and efficiency of operational risk management.

MANAGEMENT DISCUSSION AND ANALYSIS

(3) *Enhancing the establishment of risk management information intelligence*

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

The Company mainly adopted the following measures: Firstly, the Company established a comprehensive risk management platform, which realised the Group's risk information aggregation and multi-dimensional displays and reports. Secondly, the Company continued to develop three new-generation risk management systems, namely the market risk management system, credit risk management system, unified customer and business and risk early warning management system. It steadily expanded and optimised a group-level risk data mart, a market risk measurement platform, an internal credit rating system, an operational risk management system, a risk monitoring system for margin financing business, a liquidity risk management system, a consolidated financial statement management system, an economical capital measurement system and a comprehensive risk management platform, etc. The Company completed an unified risk management portal to consolidate the Group's risk management digital resources and to support the enhancement of the ability of risk measurement, identification, early warning and disposal, as well as the effectiveness of risk management. Thirdly, the Company enhanced the proportion of independent research and development, deeply explored AI large model application, and completed the establishment of intelligent systems for several risk management scenarios, thus effectively supporting the risk management of the Group.

(4) *Implementing whole-process risk management*

The Company applies risk management to the entire business process, and the measures include the performance of risk assessment before launching business, the design of risk control process, risk control indicator and threshold setting, risk management supporting system, and the construction of corresponding risk monitoring information system. Apart from that, pre-assessment and audit in the course of business, in-process risk measurement, independent monitoring, risk screening and risk reporting are conducted in addition to the post-incident risk assessment, risk review, risk disposition and accountability that risk management effectively covers the entire process of business.

(5) *Deepening "full coverage, penetration" vertical risk management*

Within the Group's unified risk management framework and based on the Group's risk appetite, the Company promotes the implementation of differentiated risk management after taking into account the operating and risk characteristics of each subsidiary. Firstly, pre-assessment of key risk exposure links such as basic systems, key limits, major investment decisions, and new operations and new products of subsidiaries to effectively control key risk exposures of subsidiaries. Secondly, the Company incorporated subsidiaries at all levels in the consolidated risk management system of the Group to deepen the data collection and application of parent and subsidiaries. Through consolidating our subsidiaries' risks in the T+1 group-level unified risk measurement, monitoring and reporting, the Company promoted subsidiaries applying the Group's unified internal ratings, unified customer and business management, and unified credit management. Thirdly, the Company established a daily communication mechanism between parent and subsidiaries for vertical management of key risk posts in subsidiaries, such as chief risk officer. In addition, the Company assigned key personnel in overseas subsidiaries to ensure the effective operation of the vertical risk management system of subsidiaries.

MANAGEMENT DISCUSSION AND ANALYSIS

3. Risk Control Indicator Monitoring and Top-up Mechanism Establishment of the Company

The Company established a sound risk control indicator management mechanism and formulated the Management Measures for Risk Control Indicators of the Company to standardise the institutional management of risk control indicators. The Company implemented the new regulatory requirements on the calculation standards of risk control indicators for securities firms and upgraded the dynamic monitoring system for risk control indicators to conduct dynamic monitoring and analysis of risk control indicators and give an early warning, through which it can report and deal with various abnormalities in a timely manner, so as to ensure that all risk control indicators always meet the regulatory requirements. The Company established a risk control early warning mechanism with indicators, set up internal early warning lines with indicators, and strengthened precautionary measures for risk control indicators. During the Reporting Period, the Company's net capital remained robust and various risk control indicators met regulatory standards.

During the Reporting Period, the Company strengthened asset-liability matching management, ensured safe liquidity, reasonable asset allocation and appropriate asset pricing, and promoted the alignment of asset allocation with strategy planning, thus enhancing the efficiency of asset and liability management of the Group. The Company established a dynamic top-up mechanism and made long-term top-up plans for net capital. The Company raised short-term capital to increase its liquidity coverage by issuing short-term commercial papers, etc. It replenished the long-term available stable fund to increase the net stable fund rate through the issuance of long-term corporate bonds and subordinated debts, etc, so as to ensure a dynamic balance between the Company's business development and its risk resistance. The Company effectively managed capital allocation and debt financing arrangements. When the capital adequacy target continued to fall or there were potentially significant adverse factors, the Company could initiate the financing plan at an appropriate time based on the market conditions to guarantee the level of capital adequacy. As at the End of the Reporting Period, the Company issued 11 long-term subordinated bonds and 6 perpetual bonds to replenish net capital of subsidiaries with RMB29.0 billion. During the Reporting Period, the Company's net capital and other risk control indicators met the relevant regulatory requirements.

XIII. CONNECTED TRANSACTIONS

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

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

MANAGEMENT DISCUSSION AND ANALYSIS

The annual caps of the service charges and commissions payable by Galaxy Financial Holdings Group to the Group for the provision of securities and financial services under the Securities and Financial Services Framework Agreement for the three years ending 31 December 2027 will be RMB169 million, RMB202 million and RMB219 million, respectively; the annual caps of the interest payable by the Group to Galaxy Financial Holdings Group for the entrusted funds for the three years will be RMB3.99 million, RMB4.39 million and RMB4.83 million, respectively. As the annual caps in respect of the applicable percentage ratios under the Stock Exchange Listing Rules are more than 0.1% but less than 5%, the transactions are subject to the reporting, announcement and annual review requirements, but are exempt from the independent shareholders' approval requirement under the Stock Exchange Listing Rules.

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

Unit: Yuan Currency: RMB

Item	Actual transaction amount from 1 January to 30 June 2025	Annual cap for 2025
Revenue	4,991,007.66	169,000,000.00
Of which: Securities brokerage services	866,763.54	
Sales agency services	964,952.00	
Leasing of trading seats	2,581,028.96	
Other related securities and financial services ^(Note)	578,263.16	
Expenses	144,648.79	3,990,000.00
Of which: Interest expenses	144,648.79	

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

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

On 30 June 2023, the Company and Galaxy Financial Holdings entered into the Securities and Financial Products Transactions Framework Agreement, pursuant to which, from 30 June 2023 to 31 December 2025, the Group, in the ordinary course of its business and on normal commercial terms, will engage in securities and financial products transactions with Galaxy Financial Holdings Group, mainly including: 1) fixed-income securities products; 2) derivatives relating to fixed-income products; 3) equity products; 4) financing transactions; and 5) other related securities and financial products transactions permitted by the regulatory authorities. The securities and financial products transactions, whether conducted in the PRC inter-bank bond market, the PRC exchange market, the open-ended fund market or other over-the-counter market, shall be conducted on normal commercial terms at the prevailing market prices or market rates of similar transactions with independent third parties. The pricing of these transactions is subject to strict regulation in the PRC and shall be in compliance with applicable PRC laws and regulations. Galaxy Financial Holdings is the controlling shareholder of the Company and therefore a connected person of the Company. As such, the transaction constitutes a continuing connected transaction of the Company under the Stock Exchange Listing Rules. The Securities and Financial Products Transactions Framework Agreement was approved by independent shareholders of the Company on 29 June 2023 with effect from the date of execution (i.e. 30 June 2023).

MANAGEMENT DISCUSSION AND ANALYSIS

For the three years ending 31 December 2025, the maximum aggregate net inflows from securities and financial products transactions (excluding financing transactions) of the Group under the Securities and Financial Products Transactions Framework Agreement will be RMB25.5 billion, RMB30.9 billion and RMB39.1 billion, respectively, and the maximum aggregate net outflows will be RMB26.0 billion, RMB31.4 billion and RMB39.7 billion, respectively. The maximum daily balance (including accrued interest) of the financing provided by Galaxy Financial Holdings Group to the Group by way of pledge repurchase transactions under the Securities and Financial Products Transactions Framework Agreement is RMB5.3 billion. As the annual caps in respect of the applicable percentage ratios under the Stock Exchange Listing Rules are more than 5%, the transactions are subject to the reporting, announcement, annual review and independent shareholders' approval requirements under the Stock Exchange Listing Rules.

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

Unit: Yuan Currency: RMB

Item	Actual transaction amount from 1 January to 30 June 2025	Annual cap for 2025
Total inflows from Galaxy Financial Holdings Group to the Group	29,870,575.86	39,100,000,000.00
1. Inflows from transactions of fixed-income securities products	10,012,562.81	
2. Inflows from transactions of equity products	19,858,013.05	
Total outflows from the Group to Galaxy Financial Holdings Group	121,185,185.18	39,700,000,000.00
1. Outflows from transactions of fixed-income securities products	101,185,185.18	
2. Outflows from transactions of equity products	20,000,000.00	
Maximum daily balance (including accrued interest) of each of the facilities provided by Galaxy Financial Holdings Group to the Group by way of pledge repurchase transactions	–	5,300,000,000.00

MANAGEMENT DISCUSSION AND ANALYSIS

XIV. ADMINISTRATIVE PENALTIES, ADMINISTRATIVE REGULATORY MEASURES AND RELATED MATTERS FACED BY THE COMPANY, ITS BRANCHES AND SUBSIDIARIES DURING AND SUBSEQUENT TO THE REPORTING PERIOD

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

On 17 January 2025, the Company received the Decision on Administrative Regulatory Measures to Order Corrective Action for China Galaxy Securities Co., Ltd. issued by the CSRC Beijing Bureau, which highlighted the following issues of the Company: Firstly, there were insufficient control measures over arbitrage activities that bypassed the rules in margin financing and securities lending, which facilitated improper trading activities for clients. Secondly, the Company's participation as an actual capital contributor in the arbitrage of the "Private Placement + Securities Financing" constituted the improper trading behaviour by disguising the illegal reduction of shareholdings.

The Company attached great importance to the issues highlighted in the regulatory letter and urged the relevant departments to thoroughly identify and rectify the problems, establish a sound internal management mechanism, strictly enforce the relevant management requirements prohibiting the arbitrage activities that bypass the rules in margin financing and securities lending, and cease to carry out "Private Placement + Securities Financing" arbitrage business to practically improve the management level. On 17 March 2025, the Company submitted the Report of China Galaxy Securities Co., Ltd. on Remedial Status Regarding the Administrative Regulatory Measures to CSRC Beijing Bureau.

MANAGEMENT DISCUSSION AND ANALYSIS

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

XV. INFORMATION ON PERFORMANCE OF SOCIAL RESPONSIBILITY DURING THE REPORTING PERIOD

In the first half of 2025, the Company thoroughly studied and implemented the important remarks made by General Secretary Xi Jinping on rural revitalisation, conscientiously implemented the decisions and deployments made by CIC in respect of the designated assistance, and met the relevant requirements and responded to calls from the CSRC and the Securities Association of China. The Company studied and applied the experience of the “Village Demonstration and Renovation Project”, focusing on the principles of “safeguarding the bottom lines, increasing the driving forces, promoting revitalisation, and strengthening the guarantees”. With efforts concentrated on the designated assistance in the Jingning County, Gansu Province and Yulu New Village of Dongming County, Shandong Province, the Company improved the levels of industrial development, rural construction and rural governance, made every effort to promote agricultural efficiency, rural vitality and farmers’ income, and facilitated the progression of rural revitalisation in the assisted areas to a new level, creating strong momentum for local economic and social development.

During the Reporting Period, the Party Committee, the Board of Directors and the Executive Committee of the Company put the assistance work into the key agenda, and successively studied and deployed assistance-related works for 6 times to provide all-rounded support and security, as well as effectively facilitate the implementation of various works. During the Reporting Period, the Company allocated assistance funds totalling approximately RMB7 million. Details are as follows:

1. RMB6 million was invested in the designated assistance fund of Jingning County in Gansu Province to implement assistance projects, including:

- (1) Education assistance projects: Construction of art education practice base, renovation of music room in and purchase of traditional folk music instruments for Wenhui Primary School; and construction of adolescent mental health service centre, and renovation of classrooms, multimedia lecture halls, recording studios and education association centre in Jingning County Open University.
- (2) Medical assistance projects: Launch of basic emergency rescue knowledge and skill trainings on injury, accident and home first aid, public safety and disaster prevention; construction of Chinese medicine health station in Dongyuan Community, Jingning County, which consisted of, among others, out-patient zone, clinic zone and physiotherapy zone.

MANAGEMENT DISCUSSION AND ANALYSIS

- (3) Anti-poverty insurance projects: Purchase of insurance against falling back into poverty for three types of households within Jingning County, namely unstable households, households prone to poverty and poverty households due to sudden severe difficulties, so as to achieve full coverage of insurance against falling back into poverty for key population who are easily fell back into poverty.
- (4) Industrial revitalisation projects: Establishment of intelligent agricultural machinery equipment system for smart orchard, and purchase of trail-type fertilizer spreader, multifunctional operating platform and autopilot tractor etc. for orchard; construction of demonstration base for cattle fattening in Dazhai Village, Chengchuan Town; provision of interest subsidy at a rate of 2% for loans to beef cattle farms for the purpose of beef rearing; purchase of pricing insurance in respect of agricultural products (such as apple and cattle feed) for parties involved in agricultural industry (including parties under monitor) under the “Insurance + Futures” project.
- (5) Talent cultivation projects: Launch of youth talent training for rural revitalisation under the “Youth Entrepreneurial Venture Programme (青年企航揚帆創夢)”, talent training for financial-aid rural revitalisation, and training for the “Jingning Apple” labour brand.
- (6) Cultural revitalisation projects: Construction of a Galaxy Library (銀河書屋) with a floor area of 140 square meters, and purchase of books and reading desks and chairs, integrated machines for book borrowing and returning, a self-service library card kiosk, an RFID safety gate, and other relevant ancillary equipment and facilities.
- (7) Ecology revitalisation projects: Construction of demonstration rural village for the comprehensive utilisation of clean energy; promotion of solar energy heating system and electric heating equipment; and installation of solar photovoltaic street lamp, heating-pipe electric stove and other facilities.
- (8) Organisational revitalisation projects: Organisation of business skill demonstration training course in Jingning County to promote rural revitalisation through Party building, and skill and qualification enhancement training course for rural cadres to promote rural revitalisation.

2. RMB1 million was invested in the assistance fund of Yulu New Village, Dongming County in Shandong Province to implement assistance projects, including:

- (1) Rural security projects: Construction of fences in new villages and areas surrounding the village, and installation of door access system and other essential security and protection facilities.
- (2) Project on construction of Yulu property team: Purchase of maintenance equipment and accessories such as cutting machines, portal scaffolding and hardware, and launch of public services such as gardening and road maintenance.
- (3) Cultural facility construction projects: Construction of children playgrounds, maintenance of cultural parks and other essential cultural facilities, and improvement of village landscape.

During the Reporting Period, the Company introduced RMB15.79 million in a pro bono assistance fund to Jingning County in Gansu Province, trained 5,393 personnel, and assisted in the sale of agricultural products totalling more than RMB4 million.

During the Reporting Period, the Company assigned a total of six officials to various positions, including deputy county mayor, deputy director of the Bureau of Agriculture and Rural Development, deputy director of the Bureau of Human Resources and Social Security, and deputy director of the Bureau of Education in Jingning County, Gansu Province, the first secretary stationed in Yangzui Village, and the first secretary stationed in Yulu New Village, Dongming County, Shandong Province.

25th

CHANGES IN ORDINARY SHARES AND OTHER SITUATION

I. CHANGES IN SHARES

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

II. INFORMATION OF SHAREHOLDERS

(I) Total Number of Shareholders

As at the End of the Reporting Period, the Company had a total of 136,152 ordinary shareholders, of which 135,298 accounts were holders of A Shares and 854 accounts were registered holders of H Shares.

(II) Shareholdings of the Top 10 Shareholders and Top 10 Holders of Tradable Shares (or Holders of Shares not subject to selling restrictions) as at the End of the Reporting Period

Unit: Share(s)

Shareholdings of the top ten shareholders (excluding shares lent through margin and securities refinancing)						
Name of shareholders (Full name)	Increase or decrease during the Reporting Period	Number of shares held as at the End of the Reporting Period	Percentage (%)	Number of shares subject to selling restrictions held	Shares pledged, marked or frozen	Nature of shareholders
China Galaxy Financial Holdings Company Limited	-	5,186,538,364	47.43	-	Nil	State-owned legal person
HKSCC Nominees Limited ^(Note 1)	47,000	3,689,040,986	33.74	-	Unknown	Overseas legal person
Hong Kong Securities Clearing Company Limited ^(Note 2)	47,583,162	185,330,715	1.69	-	Nil	Overseas legal person
China Securities Finance Corporation Limited	-	84,078,210	0.77	-	Nil	State-owned legal person
Bank of Lanzhou Co., Ltd.	-	41,941,882	0.38	-	Nil	Domestic non-state-owned legal person
Industrial and Commercial Bank of China Limited – Huatai-PineBridge CSI 300 Trading Index Securities Investment Open-ended Fund	1,127,062	38,607,071	0.35	-	Nil	Others
China Construction Bank Corporation – Guotai CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	1,853,059	33,507,122	0.31	-	Nil	Others
China Construction Bank Corporation – E-Fund CSI 300 Exchange-traded Index Initiated Style Securities Investment Fund	1,716,800	27,590,185	0.25	-	Nil	Others
China Construction Bank Corporation – Huabao CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	-491,947	25,978,638	0.24	-	Nil	Others
Industrial and Commercial Bank of China Limited – ChinaAMC CSI 300 Trading Index Securities Investment Open-ended Fund	3,031,600	20,233,491	0.19	-	Nil	Others

CHANGES IN ORDINARY SHARES AND OTHER SITUATION

Unit: Share(s)

Shareholdings of the top 10 holders of shares not subject to selling restrictions (excluding shares lent through margin and securities refinancing)			
Name of shareholders (Full name)	Number of tradable shares not subject to selling restrictions held	Type and number of shares	
		Type of shares	Number of shares
China Galaxy Financial Holdings Company Limited	5,186,538,364	Renminbi-denominated ordinary shares	5,160,610,864
		Overseas listed foreign shares	25,927,500
HKSCC Nominees Limited ^(Note 1)	3,689,040,986	Overseas listed foreign shares	3,689,040,986
Hong Kong Securities Clearing Company Limited ^(Note 2)	185,330,715	Renminbi-denominated ordinary shares	185,330,715
China Securities Finance Corporation Limited	84,078,210	Renminbi-denominated ordinary shares	84,078,210
Bank of Lanzhou Co., Ltd.	41,941,882	Renminbi-denominated ordinary shares	41,941,882
Industrial and Commercial Bank of China Limited – Huatai-PineBridge CSI 300 Trading Index Securities Investment Open-ended Fund	38,607,071	Renminbi-denominated ordinary shares	38,607,071
China Construction Bank Corporation – Guotai CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	33,507,122	Renminbi-denominated ordinary shares	33,507,122
China Construction Bank Corporation – E-Fund CSI 300 Exchange-traded Index Initiated Style Securities Investment Fund	27,590,185	Renminbi-denominated ordinary shares	27,590,185
China Construction Bank Corporation – Huabao CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	25,978,638	Renminbi-denominated ordinary shares	25,978,638
Industrial and Commercial Bank of China Limited – ChinaAMC CSI 300 Trading Index Securities Investment Open-ended Fund	20,233,491	Renminbi-denominated ordinary shares	20,233,491
Description of special repurchase accounts among the top ten shareholders	Nil		
Description of the voting rights exercised by proxy of the above shareholders, the voting rights exercised by the above shareholders as authorised by and on behalf of other shareholders, the voting rights the above shareholders abstained from	Nil		
Description of the associated relationship of or action in concert among the aforesaid shareholders	The Company's de facto controller, Huijin, holds 66.7% equity interest in China Securities Finance Corporation Limited. Apart from the aforesaid circumstances, as at the End of the Reporting Period, the Company was not aware of any other associated/connected relationship of or any parties acting in concert among the aforesaid shareholders.		
Preference shareholders with voting rights restored and number of shares held	Nil		

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

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

CHANGES IN ORDINARY SHARES AND OTHER SITUATION

(III) Lending of Shares Through the Margin and Securities Refinancing Business by Shareholders With More Than 5% of Shareholdings, Top 10 Shareholders and Top 10 Holders of Tradable Shares Not Subject To Selling Restrictions

Not applicable.

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

Not applicable.

(V) Number of Shares Subject To Selling Restrictions Held by the Top 10 Shareholders and Selling Restrictions

Not applicable.

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

Not applicable.

OTHER INFORMATION

I. INTERIM DIVIDEND

As approved by the Board, the Company proposed to distribute an interim cash dividend of RMB1,366,800,282.00 (tax inclusive) for 2025 to its shareholders, based on the Company's total share capital of 10,934,402,256 shares as at 30 June 2025, with a cash dividend of RMB1.25 (tax inclusive) for every 10 shares. In case of any changes in the total share capital of the Company on the record date, the amount of cash dividend per share will be adjusted accordingly, up to a total of RMB1,366,800,282.00 (tax inclusive). The cash dividends will be denominated and declared in RMB, and will be paid to A shareholders in RMB and to H shareholders in RMB or its equivalent in Hong Kong dollars. The Hong Kong dollar conversion rate was determined based on the average benchmark exchange rate of RMB against Hong Kong dollars to be announced by the People's Bank of China for five working days prior to the date of the general meeting of the Company that considered the profit distribution plan. The 2025 interim profit distribution plan of the Company was approved at the sixth meeting (regular) of the fifth session of the Board of Directors, subject to the consideration and approval at the general meeting of the Company.

The Company will announce in due course the date of the general meeting and the time for the closure of its register of members for the purpose of determining shareholders' eligibility to attend and vote at the general meeting, during which time no transfer of shares will be registered. The Company will issue separate notices on the record date for the distribution of the interim dividends, the date for the closure of its register of members and the date of distribution.

II. INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES OR DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS HELD BY THE DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE

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

III. RIGHTS OF THE DIRECTORS AND SUPERVISORS TO ACQUIRE SHARES OR DEBENTURES

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

OTHER INFORMATION

IV. INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY HELD BY SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS

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

Name of substantial shareholders	Class of shares	Nature of interest	Number of shares held (share) ^(Note 1)	Percentage of the total number of issued shares of the Company	Percentage of the total number of issued A Shares/H Shares of the Company	Long position/ short position/ shares available for lending
				(%)	(%)	
Huijin ^(Note 2)	A Shares	Interests of controlled corporation	5,160,610,864	47.20	71.25	Long position
	H Shares	Interests of controlled corporation	25,927,500	0.24	0.70	Long position
Galaxy Financial Holdings ^(Note 2)	A Shares	Beneficial owner	5,160,610,864	47.20	71.25	Long position
	H Shares	Beneficial owner	25,927,500	0.24	0.70	Long position

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

Note 2: Huijin directly holds approximately 69.07% equity interest in Galaxy Financial Holdings and is therefore deemed to be interested in 5,160,610,864 A Shares and 25,927,500 H Shares directly held by Galaxy Financial Holdings.

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

V. PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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

VI. COMPLIANCE WITH THE CG CODE

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

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

VII. COMPLIANCE WITH THE MODEL CODE

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

VIII. OPERATION OF THE BOARD AND ITS SPECIAL COMMITTEES

As at the End of the Reporting Period and the date of this report, the Board currently comprises 10 Directors, including 2 executive Directors, 4 non-executive Directors and 4 independent non-executive Directors.

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

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Type of special committee	Chairperson	Name of member
Strategy and Development Committee	Wang Sheng (Executive Director)	Executive Director: Xue Jun Non-executive Directors: Yang Tijun, Huang Yan, Song Weigang Independent non-executive Directors: Liu Li, Ma Zhiming
Compliance and Risk Management Committee	Li Hui (Non-executive Director)	Executive Director: Xue Jun Non-executive Director: Yang Tijun Independent non-executive Director: Ma Zhiming
Nomination and Remuneration Committee	Liu Li (Independent non-executive Director)	Non-executive Directors: Li Hui, Huang Yan Independent non-executive Directors: Law Cheuk Kin Stephen, Ma Zhiming
Audit Committee	Ma Zhiming (Independent non-executive Director)	Non-executive Directors: Yang Tijun, Li Hui Independent non-executive Directors: Law Cheuk Kin Stephen, Liu Li

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

During the Reporting Period, the Board convened 1 annual general meeting, submitted 8 proposals for shareholders' consideration; and convened 1 extraordinary general meeting and submitted 1 proposal for shareholders' consideration. The Board actively organized, supervised and followed up with the implementation of the resolutions passed at general meetings. The Board convened 4 Board meetings to consider 29 proposals. The Strategy and Development Committee convened 3 meetings, the Compliance and Risk Management Committee convened 2 meetings, the Nomination and Remuneration Committee convened 2 meetings, and the Audit Committee convened 3 meetings. The special committees gave full play to their own professional strengths, provided strong support for the decision-making of the Board and further enhanced the efficiency and level of decision-making of the Board.

The Audit Committee and the management have reviewed the accounting policies adopted by the Company, discussed matters including the risk management, internal control and financial statements of the Company, and fully reviewed the consolidated interim financial information and interim report for the six months ended 30 June 2025. The external auditor of the Company has reviewed the interim financial information in accordance with the International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

IX. OPERATION OF THE SUPERVISORY COMMITTEE

The Supervisory Committee currently comprises 5 Supervisors, including 2 employee Supervisors.

Supervisory Committee	Chairperson	Supervisors
Supervisor	Qu Yanping	Fan Wenbo, Tao Libin, Chen Jijiang (employee Supervisor), Wang Dansen (employee Supervisor)

The Supervisors performed their duties diligently and supervised the operation of the Company in accordance with relevant laws and regulations, including the Company Law and the Securities Law of the PRC, and the relevant requirements of the Articles of Association, so as to protect the legitimate interests of the Company and its shareholders. During the Reporting Period, the Supervisory Committee convened 2 meetings. The Performance Monitoring Committee convened 1 meeting while the Financial Monitoring Committee convened 2 meetings.

X. MATERIAL LITIGATIONS

During the Reporting Period, the Company had no material litigation or arbitration involving an amount of over RMB10 million and representing over 10% of the absolute value of the latest audited net assets of the Company.

XI. PUNISHMENT OR PUBLIC CENSURE, INCLUDING PUNISHMENT IMPOSED OR PUBLIC CENSURE MADE BY THE CSRC, THE SECURITIES ASSOCIATION OF CHINA, STOCK EXCHANGES AND FINANCIAL FUTURES EXCHANGE AGAINST THE COMPANY AND ITS DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

During the Reporting Period, the Directors, Supervisors and senior management of the Company had not been punished or publicly censured by the CSRC, the Securities Association of China, stock exchanges, financial futures exchange, finance and taxation, foreign exchange and auditing authorities.

During the Reporting Period, the Company had not been subject to any administrative penalties by the CSRC, the Securities Association of China, stock exchanges, financial futures exchanges, finance and taxation, foreign exchange and auditing authorities due to material violation of laws and regulations.

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

Name	Position	Changes
Liu Chun	Independent Non-executive Director, Chairman of the Audit Committee, Member of the Compliance and Risk Management Committee, Member of the Nomination and Remuneration Committee	Resignation
Ma Zhiming	Chairman of the Audit Committee	Election
Fan Xiaoyun	Independent Non-executive Director	Election

Changes in Directors, Supervisors and Senior Management of the Company

- On 26 February 2025, the Board of Directors received a written resignation report from Ms. Liu Chun, an independent non-executive Director, who applied for resignation as an independent non-executive Director, the chairman of the Audit Committee, a member of the Compliance and Risk Management Committee and a member of the Nomination and Remuneration Committee of the Board of Directors of the Company as she had served as an independent non-executive Director for six years. The application became effective upon delivery to the Board of Directors of the Company. Following the resignation of Ms. Liu Chun, the chairman of the Audit Committee became vacant, thus failing to meet the requirements of Rule 3.21 of the Stock Exchange Listing Rules.
- On 28 March 2025, Mr. Ma Zhiming, an independent non-executive Director, was appointed as the chairman of the Audit Committee with effect from 28 March 2025. Upon the appointment of Mr. Ma Zhiming as the chairman of the Audit Committee, the Company recomplied with Rule 3.21 of the Stock Exchange Listing Rules which requires the audit committee to be chaired by an independent non-executive director.
- On 27 June 2025, the Company held its 2024 annual general meeting and elected Ms. Fan Xiaoyun as an independent non-executive Director of the Company.

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

Pursuant to Rule 3.09D of the Stock Exchange Listing Rules, Ms. Fan Xiaoyun (appointed as an independent non-executive Directors of the Company on 27 June 2025) obtained the legal opinion referred to in Rule 3.09D on the same day. Ms. Fan Xiaoyun had confirmed that she understands her responsibilities as a Director of the Company and the potential consequences of making false statements or providing false information to the Hong Kong Stock Exchange.

XIII. DETAILS OF, REASONS FOR AND IMPACT FROM THE CHANGES TO THE ACCOUNTING POLICIES, ACCOUNTING ESTIMATES AND AUDIT METHODS COMPARED WITH THE PREVIOUS ACCOUNTING PERIOD

On 8 July 2025, the Ministry of Finance issued an Questions & Answers in relation to the implementation of accounting treatment of standard warehouse receipt transactions (the "Q&As"). In accordance with the Q&As, the Company has recognised investment income on a net basis for warehouse receipt transactions that meet specific conditions and made corresponding adjustments to the comparative figures for the prior period in the interim condensed consolidated statement of profit or loss. The aforementioned changes in accounting policies do not have material impact on the consolidated statement of financial position of the Group and the Company as at 31 December 2024. Please refer to Note 2.2 to the interim condensed consolidated financial statements for specific figures.

XIV. CONTRACTS OF SIGNIFICANCE AND THEIR PERFORMANCE

Pursuant to the SSE Listing Rules and the Standards on the Content and Format of Information Disclosure by Companies with Publicly Issued Securities No. 3 – Content and Format of Semi-Annual Reports (2025 Revision), the Group did not enter into any contracts of significance during the Reporting Period.

XV. EVALUATION OF THE IMPLEMENTATION OF THE ACTION PLAN FOR “IMPROVING QUALITY AND EFFICIENCY TO INCREASE RETURNS”

In order to deeply implement the spirits of the 20th National Congress of the Communist Party of China (CPC), the Central Financial Work Conference and the Central Economic Work Conference, and actively respond to the Several Opinions of the State Council on Strengthening Regulation, Preventing Risks and Promoting the High-Quality Development of the Capital Market and the Initiative on Launching a Special Campaign for “Improving Quality and Efficiency to Increase Returns” for SSE-listed companies issued by the SSE, the Company developed the 2024 Action Plan for “Improving Quality and Efficiency to Increase Returns”. In the first half of 2025, the Company actively pursued and implemented relevant work in the plan, details of which are as follows:

Firstly, the Company insisted on serving the overall national plans while focusing on its principal business in order to promote high-quality development. The Company adhered to and strengthened the overall leadership of the Party, maintained strategic focus, and diligently pushed ahead various operational and management tasks. Growth was achieved across its investment trading, wealth management, investment banking, and institutional businesses, delivering robust business performance. Consciously adhering to the political and people-oriented nature of financial work, the Company earnestly pursued “technology finance, green finance, inclusive finance, pension finance, and digital finance”, and continuously enhanced the quality and efficiency of serving the real economy. In terms of technology finance, the Company continued to leverage the synergistic advantages of its “investment banking + investment” model to provide efficient comprehensive investment banking services, including investment, financing, M&As and restructuring, for enterprises with new quality productive forces and technological innovations. At the same time, by harnessing its professional strengths of its securities-affiliated private equity funds and alternative investment subsidiaries, the Company actively diverted financial capital toward the technology innovation sector. In terms of green finance, the Company supported the issuance of a number of green bonds, and successfully completed its first Shanghai Emission Allowances (SHEA) carbon transaction on the Shanghai Energy and Environment Exchange. Besides, the Company established the “CGT-ESG Bond Portfolio” through cooperation and executed its first overseas transaction. In terms of inclusive finance, the Company continued to enhance its professional wealth management and asset allocation services, with the total amount of the Company’s inclusive financial products of more than RMB160.0 billion. In terms of pension finance, a total of more than 180,000 individual pension accounts were opened. In terms of digital finance, the Company continued to enhance the digital human service system, and reinforced the application of digital finance in wealth management and other business sectors.

Secondly, the Company further improved market value management, and continued to enhance shareholders’ returns with stable dividend distribution. The Company strengthened the market value management team, established market value management policies, and refined the market value monitoring and early warning mechanism. The Company continued to enhance investor communication channels, and promptly responded to inquiries on the SSE E-interactive platform. The Company organised a total of 12 investor exchanges for domestic and overseas institutional investors, covering over 60 institutional investors and analysts. The Company strictly complied with the requirements of the listing rules of both places and fulfilled its information disclosure obligations in accordance with the standards of “truthfulness, accuracy, completeness, timeliness, fairness and effectiveness”. In the first half of 2025, the Company issued 178 regular and provisional announcements for A-shares and H-shares, and continued to maintain “zero error” in its information disclosure work.

The Company always adhered to the “investor-oriented” development concept, and strived to create a “long-term, stable and sustainable” shareholder value return mechanism. According to the 2024 profit distribution plan, the total cash dividend of the Company for 2024 amounted to RMB3.062 billion (including the interim dividend), representing 30.52% of the net profit attributable to the shareholders of the listed company for 2024. The Company’s cash dividend ratio has consistently remained above 30% in recent years.

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Thirdly, the Company insisted on culture-guided and innovation-driven principles, and served the construction of new quality productive forces. In the first half of 2025, the Company continued to carry out in-depth activities to promote a financial culture with Chinese characteristics, such as the “Five Dos and Five Don’ts”, and continuously educated and guided the staff to set up the correct values, the concept of interests and concept of development, and to create a clean and upright development environment. The Company adhered to and strengthened the overall leadership of the Party, and put the political construction of the Party in the first place. The Company has been awarded the highest rating of AA for culture construction in the industry for four consecutive years.

The Company vigorously promoted the construction of platform and digital infrastructure. On the basis of ensuring business continuity and stability, the Company continued to deepen the application of AI technology by gradually integrating AI as a strategic tool into its various core businesses. Large models have been implemented in various scenarios, including customer service, investment advisory services, custody services and proprietary trading, which achieved positive results.

Fourthly, the Company solidly promoted efficient and standardised operations to continue to enhance the quality and efficiency of corporate governance. In strict compliance with the requirements regarding corporate governance and standardised operations for companies with their securities listed on both A-share and H-share markets, the Company actively promoted the reform of the Supervisory Committee and the amendments to its various governance policies such as the Articles of Association. Pursuant to its established procedures, the Company completed the by-election of independent non-executive Directors. With female Directors accounting for 30% of the Board members, a highly efficient decision-making team with diverse and complementary professional backgrounds, work experience, age and gender was formed. The Company actively coordinated internal and external resources to provide induction training for new Directors and continuous training for Directors on their duty performance, in order to enhance the ability of duty performance of Directors.

Fifthly, the Company strengthened comprehensive risk management and consolidated the foundation for sound development. The Company continued to build and improve a comprehensive risk management system that meets the requirements of modern investment banks from the perspective of group integration, focused on the key areas of “on and off-balance sheet (表内外)”, “in and outside of the country (境内外)” and “on-market and off-market activities (场内外)”, continued to strengthen the Group’s centralised and unified risk management and control, deepened vertical integration management, and enhanced the consistency of core mechanisms, measures and methods of risk management of parent-subsidiary companies. The Company deepened the construction and application of professional tools such as refined risk measurement, market-wide active rating, intelligent risk early warning and stress testing, strengthened forward-looking assessment and effective response to extreme situations, constantly improved professional risk management capabilities, and firmly held the bottom line of no major risks.

Sixthly, the Company strengthened the accountability of “key minorities” and enhanced their ability in duty performance. The Company attached great importance to strengthening and reinforcing the accountability of “key minorities”, and maintained close communication with the controlling shareholder, de facto controller, Directors, Supervisors and senior management. The Company actively arranged Directors, Supervisors and senior management to participate in training sessions on special topics such as “Market Value Management”, “Standard Procedures for Changes in Shareholding” and “Information Disclosure” organised by the Listed Companies Association of Beijing, the SSE and other institutions to convey the latest regulatory spirit to the relevant parties in a timely manner, guiding them to strengthen their awareness of compliance and the concept of the rule of law, and strictly preventing them from touching the regulatory bottom line, so as to strengthen the accountability of these “key minorities”.

Next, the Company will continue to evaluate the implementation of the Action Plan for “Improving Quality and Efficiency to Increase Returns”, earnestly fulfill the responsibilities and obligations as a listed company and a state-owned financial enterprise, and actively contribute to the construction of a strong financial nation with its own high-quality development.

RELEVANT INFORMATION OF BONDS

I. OVERVIEW OF INTEREST-BEARING DEBT

(I) Debt Structure of the Company

At the beginning and End of the Reporting Period, the balance of the Company's interest-bearing debts was RMB364.420 billion and RMB371.976 billion, respectively. The balance of interest-bearing debts increased by 2.07% year-on-year during the Reporting Period.

Unit: 100 million yuan Currency: RMB

Category of interest-bearing debt	Overdue	Due time Within 1 year (inclusive)	Over 1 year (exclusive)	Total amount	Proportion of interest- bearing debts (%)
Corporate credit-related bonds	–	589.36	784.46	1,373.82	36.93
Among them: Short-term commercial papers	–	411.82	–	411.82	11.07
Corporate bonds	–	177.54	784.46	962.01	25.86
Other interest-bearing debts	–	2,323.60	22.34	2,345.94	63.07
Among them: Borrowed funds	–	20.80	–	20.80	0.56
Financial liabilities held for trading	–	481.38	22.30	503.67	13.54
Financial assets sold under repurchase agreements	–	1,820.78	–	1,820.78	48.95
Income certificates	–	0.65	0.04	0.69	0.02
Total	–	2,912.96	806.80	3,719.76	100.00

As at the End of the Reporting Period, among the Company's outstanding corporate credit-related bonds, the balance of corporate bonds was RMB96.201 billion, and the balance of domestic short-term commercial papers was RMB41.182 billion.

RELEVANT INFORMATION OF BONDS

(II) Debt Structure of the Group

- At the beginning and End of the Reporting Period, the balance of the Group's interest-bearing debts was RMB379.272 billion and RMB388.849 billion, respectively. The balance of interest-bearing debts increased by 2.53% year-on-year during the Reporting Period.

Unit: 100 million yuan Currency: RMB

Category of interest-bearing debt	Overdue	Due time Within 1 year (inclusive)	Over 1 year (exclusive)	Total amount	Proportion of interest- bearing debts (%)
Short-term borrowings	–	126.92	–	126.92	3.26
Corporate credit-related bonds	–	590.97	784.46	1,375.43	35.37
Among them: Short-term commercial papers	–	413.42	–	413.42	10.63
Corporate bonds	–	177.54	784.46	962.01	24.74
Other interest-bearing debts	–	2,364.07	22.07	2,386.15	61.36
Among them: Borrowed funds	–	20.80	–	20.80	0.54
Financial liabilities held for trading	–	487.73	22.03	509.76	13.11
Financial assets sold under repurchase agreements	–	1,854.19	–	1,854.19	47.68
Income certificates	–	1.35	0.04	1.39	0.04
Total	–	3,081.96	806.54	3,888.49	100.00

As at the End of the Reporting Period, among the Group's outstanding corporate credit-related bonds, the balance of corporate bonds was RMB96.201 billion, the balance of domestic short-term commercial papers was RMB41.182 billion, and the balance of overseas short-term commercial papers was RMB161 million.

- As at the End of the Reporting Period, the balance of the Group's overseas short-term commercial papers issued was RMB161 million, among which the principal amount due within 1 year (inclusive) was RMB161 million.

RELEVANT INFORMATION OF BONDS

II. BOND ISSUANCE AND DURATION

(I) Corporate Bonds

1. Basic information on corporate bonds

Name of bond	Short name	Bond code	Date of issuance	Value date	Latest resale date after 31 August 2025	Maturity date	Bond balance (RMB100 million)	Interest rate (%)	Ways of principal and interest repayment	Trading venues	Lead underwriter	Trustee	Arrangement (if any) to ensure the suitability of investors	Trading mechanism	Is there any risk of termination of listing and trading
2020 Publicly Issued Perpetual Subordinated Bonds (Tranche 1) of China Galaxy Securities Co., Ltd.	20 Galaxy Y1	175196.SH	2020/11/23	2020/11/24	N/A	N/A (Note 1)	50	4.80	The interest shall be paid annually if the issuer does not exercise the right for deferred interest payment	SSE	Guotai Haitong Securities Co., Ltd.	Guotai Haitong Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2021 Publicly Issued Perpetual Subordinated Bonds (Tranche 1) of China Galaxy Securities Co., Ltd.	21 Galaxy Y1	175879.SH	2021/3/26	2021/3/29	N/A	N/A (Note 2)	50	4.57	The interest shall be paid annually if the issuer does not exercise the right for deferred interest payment	SSE	Guotai Haitong Securities Co., Ltd.	Guotai Haitong Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2021 Publicly Issued Perpetual Subordinated Bonds (Tranche 2) of China Galaxy Securities Co., Ltd.	21 Galaxy Y2	188024.SH	2021/4/20	2021/4/21	N/A	N/A (Note 3)	50	4.30	The interest shall be paid annually if the issuer does not exercise the right for deferred interest payment	SSE	Guotai Haitong Securities Co., Ltd.	Guotai Haitong Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No

RELEVANT INFORMATION OF BONDS

Name of bond	Short name	Bond code	Date of issuance	Value date	Latest resale date after 31 August 2025	Maturity date	Bond balance (RMB100 million)	Interest rate (%)	Ways of principal and interest repayment	Trading venues	Lead underwriter	Trustee	Arrangement (if any) to ensure the suitability of investors	Trading mechanism	Is there any risk of termination of listing and trading
2021 Corporate Bonds (Tranche 3) (Type 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	21 Galaxy G6	188400.SH	2021/7/16	2021/7/20	N/A	2026/7/20	18	3.45	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	Guosen Securities Co., Ltd., China Securities Co., Ltd., Everbright Securities Company Limited	Guosen Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2022 Corporate Bonds (Tranche 2) (Type 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	22 Galaxy G3	137650.SH	2022/8/10	2022/8/11	N/A	2027/8/11	50	3.08	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd., Orient Securities Company Limited, Dongxing Securities Co., Ltd.	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2022 Corporate Bonds (Tranche 3) (Type 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	22 Galaxy G4	137768.SH	2022/9/2	2022/9/5	N/A	2025/9/5	10	2.54	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd., Orient Securities Company Limited, Dongxing Securities Co., Ltd.	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No

RELEVANT INFORMATION OF BONDS

Name of bond	Short name	Bond code	Date of issuance	Value date	Latest resale date after 31 August 2025	Maturity date	Bond balance (RMB100 million)	Interest rate (%)	Ways of principal and interest repayment	Trading venues	Lead underwriter	Trustee	Arrangement (if any) to ensure the suitability of investors	Trading mechanism	Is there any risk of termination of listing and trading
2022 Corporate Bonds (Tranche 3) (Type 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	22 Galaxy G5	137769.SH	2022/9/2	2022/9/5	N/A	2027/9/5	40	2.95	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd., Orient Securities Company Limited, Dongxing Securities Co., Ltd.	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2023 Corporate Bonds (Tranche 1) (Type 2) of China Galaxy Securities Co., Ltd. Non-publicly Issued to Professional Investors	23 Galaxy F2	114952.SH	2023/2/16	2023/2/17	N/A	2026/2/17	30	3.28	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd., Orient Securities Company Limited, Dongxing Securities Co., Ltd.	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Click-through, enquiry, bidding and negotiation closings	No
2023 Corporate Bonds (Tranche 2) (Type 2) of China Galaxy Securities Co., Ltd. Non-publicly Issued to Professional Investors	23 Galaxy F4	250215.SH	2023/3/8	2023/3/9	N/A	2026/3/9	32	3.35	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd., Orient Securities Company Limited, Dongxing Securities Co., Ltd.	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Click-through, enquiry, bidding and negotiation closings	No

RELEVANT INFORMATION OF BONDS

Name of bond	Short name	Bond code	Date of issuance	Value date	Latest resale date after 31 August 2025	Maturity date	Bond balance (RMB100 million)	Interest rate (%)	Ways of principal and interest repayment	Trading venues	Lead underwriter	Trustee	Arrangement (if any) to ensure the suitability of investors	Trading mechanism	Is there any risk of termination of listing and trading
2023 Subordinated Bonds (Tranche 2) (Type 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	23 Galaxy C4	115241.SH	2023/4/14	2023/4/17	N/A	2026/4/17	40	3.34	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Merchants Securities Co., Ltd., Shenwan Hongyuan Securities Co., Ltd., China International Capital Corporation Limited	China Merchants Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2023 Perpetual Subordinated Bonds (Tranche 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	23 Galaxy Y1	115343.SH	2023/5/17	2023/5/18	N/A	N/A (Note 4)	50	3.63	The interest shall be paid annually if the issuer does not exercise the right for deferred interest payment	SSE	China Securities Co., Ltd., China International Capital Corporation Limited, Shenwan Hongyuan Securities Co., Ltd., GF Securities Co., Ltd., Everbright Securities Company Limited, Industrial Securities Co., Ltd.	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2023 Perpetual Subordinated Bonds (Tranche 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	23 Galaxy Y2	115461.SH	2023/6/8	2023/6/9	N/A	N/A (Note 5)	50	3.58	The interest shall be paid annually if the issuer does not exercise the right for deferred interest payment	SSE	China Securities Co., Ltd., China International Capital Corporation Limited, Shenwan Hongyuan Securities Co., Ltd., GF Securities Co., Ltd., Everbright Securities Company Limited, Industrial Securities Co., Ltd.	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2023 Corporate Bonds (Tranche 1) (Type 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	23 Galaxy G1	115642.SH	2023/7/14	2023/7/17	N/A	2026/7/17	30	2.74	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd., Orient Securities Company Limited, Dongxing Securities Co., Ltd.	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No

RELEVANT INFORMATION OF BONDS

Name of bond	Short name	Bond code	Date of issuance	Value date	Latest resale date after 31 August 2025	Maturity date	Bond balance (RMB100 million)	Interest rate (%)	Ways of principal and interest repayment	Trading venues	Lead underwriter	Trustee	Arrangement (if any) to ensure the suitability of investors	Trading mechanism	Is there any risk of termination of listing and trading
2023 Corporate Bonds (Tranche 1) (Type 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	23 Galaxy G2	115643.SH	2023/7/14	2023/7/17	N/A	2028/7/17	20	3.08	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd., Orient Securities Company Limited, Dongxing Securities Co., Ltd.	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2023 Corporate Bonds (Tranche 2) (Type 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	23 Galaxy G3	115817.SH	2023/8/17	2023/8/18	N/A	2028/8/18	20	2.66	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd., Orient Securities Company Limited, Dongxing Securities Co., Ltd.	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2023 Corporate Bonds (Tranche 2) (Type 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	23 Galaxy G4	115818.SH	2023/8/17	2023/8/18	N/A	2028/8/18	30	2.98	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd., Orient Securities Company Limited, Dongxing Securities Co., Ltd.	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No

RELEVANT INFORMATION OF BONDS

Name of bond	Short name	Bond code	Date of issuance	Value date	Latest resale date after 31 August 2025	Maturity date	Bond balance (RMB100 million)	Interest rate (%)	Ways of principal and interest repayment	Trading venues	Lead underwriter	Trustee	Arrangement (if any) to ensure the suitability of investors	Trading mechanism	Is there any risk of termination of listing and trading
2023 Corporate Bonds (Tranche 3) (Type 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	23 Galaxy G5	115967.SH	2023/9/13	2023/9/14	N/A	2026/9/14	30	2.95	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd., Orient Securities Company Limited, Dongxing Securities Co., Ltd.	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2023 Corporate Bonds (Tranche 3) (Type 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	23 Galaxy G6	115968.SH	2023/9/13	2023/9/14	N/A	2028/9/14	10	3.20	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd., Orient Securities Company Limited, Dongxing Securities Co., Ltd.	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2023 Corporate Bonds (Tranche 3) (Type 3) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	23 Galaxy G7	115969.SH	2023/9/13	2023/9/14	N/A	2033/9/14	10	3.33	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd., Orient Securities Company Limited, Dongxing Securities Co., Ltd.	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No

RELEVANT INFORMATION OF BONDS

Name of bond	Short name	Bond code	Date of issuance	Value date	Latest resale date after 31 August 2025	Maturity date	Bond balance (RMB100 million)	Interest rate (%)	Ways of principal and interest repayment	Trading venues	Lead underwriter	Trustee	Arrangement (if any) to ensure the suitability of investors	Trading mechanism	Is there any risk of termination of listing and trading
2023 Corporate Bonds (Tranche 3) (Type 2) of China Galaxy Securities Co., Ltd. Non-publicly Issued to Professional Investors	23 Galaxy F6	252729.SH	2023/10/17	2023/10/18	N/A	2026/10/18	45	3.08	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Dongxing Securities Co., Ltd., Orient Securities Company Limited	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Click-through, enquiry, bidding and negotiation closings	No
2023 Perpetual Subordinated Bonds (Tranche 3) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	23 Galaxy Y3	240273.SH	2023/11/16	2023/11/17	N/A	N/A (Note 6)	50	3.43	The interest shall be paid annually if the issuer does not exercise the right for deferred interest payment	SSE	China Securities Co., Ltd., China International Capital Corporation Limited, Shenwan Hongyuan Securities Co., Ltd., Everbright Securities Company Limited, Industrial Securities Co., Ltd.	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2023 Corporate Bonds (Tranche 4) (Type 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	23 Galaxy G8	240370.SH	2023/12/13	2023/12/14	N/A	2026/12/14	20	2.98	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd., Orient Securities Company Limited, Dongxing Securities Co., Ltd.	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No

RELEVANT INFORMATION OF BONDS

Name of bond	Short name	Bond code	Date of issuance	Value date	Latest resale date after 31 August 2025	Maturity date	Bond balance (RMB100 million)	Interest rate (%)	Ways of principal and interest repayment	Trading venues	Lead underwriter	Trustee	Arrangement (if any) to ensure the suitability of investors	Trading mechanism	Is there any risk of termination of listing and trading
2023 Corporate Bonds (Tranche 4) (Type 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	23 Galaxy G9	240371.SH	2023/12/13	2023/12/14	N/A	2028/12/14	30	3.14	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd., Orient Securities Company Limited, Dongxing Securities Co., Ltd.	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2024 Corporate Bonds (Tranche 1) of China Galaxy Securities Co., Ltd. Non-publicly Issued to Professional Investors	24 Galaxy F1	253608.SH	2024/1/18	2024/1/18	N/A	2027/1/18	50	2.84	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Dongxing Securities Co., Ltd., Orient Securities Company Limited	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Click-through, enquiry, bidding and negotiation closings	No
2024 Corporate Bonds (Tranche 2) of China Galaxy Securities Co., Ltd. Non-publicly Issued to Professional Investors	24 Galaxy F2	253609.SH	2024/1/29	2024/1/29	N/A	2026/1/29	10	2.75	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Dongxing Securities Co., Ltd., Orient Securities Company Limited	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Click-through, enquiry, bidding and negotiation closings	No

RELEVANT INFORMATION OF BONDS

Name of bond	Short name	Bond code	Date of issuance	Value date	Latest resale date after 31 August 2025	Maturity date	Bond balance (RMB100 million)	Interest rate (%)	Ways of principal and interest repayment	Trading venues	Lead underwriter	Trustee	Arrangement (if any) to ensure the suitability of investors	Trading mechanism	Is there any risk of termination of listing and trading
2024 Subordinated Bonds (Tranche 1) (Type 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	24 Galaxy C1	240681.SH	2024/3/8	2024/3/11	N/A	2027/3/11	20	2.60	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd., Everbright Securities Company Limited, Dongxing Securities Co., Ltd., Central China Securities Co., Ltd., Wanlian Securities Co., Ltd.	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2024 Subordinated Bonds (Tranche 1) (Type 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	24 Galaxy C2	240682.SH	2024/3/8	2024/3/11	N/A	2029/3/11	40	2.75	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd., Everbright Securities Company Limited, Dongxing Securities Co., Ltd., Central China Securities Co., Ltd., Wanlian Securities Co., Ltd.	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2024 Subordinated Bonds (Tranche 2) (Type 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	24 Galaxy C3	241033.SH	2024/5/24	2024/5/27	N/A	2027/5/27	25	2.35	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd., Everbright Securities Company Limited, Dongxing Securities Co., Ltd.	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No

RELEVANT INFORMATION OF BONDS

Name of bond	Short name	Bond code	Date of issuance	Value date	Latest resale date after 31 August 2025	Maturity date	Bond balance (RMB100 million)	Interest rate (%)	Ways of principal and interest repayment	Trading venues	Lead underwriter	Trustee	Arrangement (if any) to ensure the suitability of investors	Trading mechanism	Is there any risk of termination of listing and trading
2024 Subordinated Bonds (Tranche 2) (Type 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	24 Galaxy C4	241034. SH	2024/5/24	2024/5/27	N/A	2029/5/27	25	2.45	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd., Everbright Securities Company Limited, Dongxing Securities Co., Ltd.	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2024 Corporate Bonds (Tranche 3) (Type 1) of China Galaxy Securities Co., Ltd. Non-publicly Issued to Professional Investors	24 Galaxy F3	255344. SH	2024/7/19	2024/7/22	N/A	2027/7/22	15	2.13	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd., Nanjing Securities Co., Ltd.	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Click-through, enquiry, bidding and negotiation closings	No
2024 Corporate Bonds (Tranche 3) (Type 2) of China Galaxy Securities Co., Ltd. Non-publicly Issued to Professional Investors	24 Galaxy F4	255345. SH	2024/7/19	2024/7/22	N/A	2029/7/22	35	2.25	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd., Nanjing Securities Co., Ltd.	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Click-through, enquiry, bidding and negotiation closings	No

RELEVANT INFORMATION OF BONDS

Name of bond	Short name	Bond code	Date of issuance	Value date	Latest resale date after 31 August 2025	Maturity date	Bond balance (RMB100 million)	Interest rate (%)	Ways of principal and interest repayment	Trading venues	Lead underwriter	Trustee	Arrangement (if any) to ensure the suitability of investors	Trading mechanism	Is there any risk of termination of listing and trading
2024 Subordinated Bonds (Tranche 3) (Type 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	24 Galaxy C5	241492.SH	2024/8/21	2024/8/22	N/A	2027/8/22	12	2.10	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd., Everbright Securities Company Limited, Dongxing Securities Co., Ltd., Wanlian Securities Co., Ltd.	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2024 Subordinated Bonds (Tranche 3) (Type 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	24 Galaxy C6	241493.SH	2024/8/21	2024/8/22	N/A	2029/8/22	14	2.22	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd., Everbright Securities Company Limited, Dongxing Securities Co., Ltd., Wanlian Securities Co., Ltd.	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2024 Corporate Bonds (Tranche 1) (Type 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	24 Galaxy G1	241757.SH	2024/10/16	2024/10/17	N/A	2027/10/17	35	2.15	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd., Everbright Securities Company Limited	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No

RELEVANT INFORMATION OF BONDS

Name of bond	Short name	Bond code	Date of issuance	Value date	Latest resale date after 31 August 2025	Maturity date	Bond balance (RMB100 million)	Interest rate (%)	Ways of principal and interest repayment	Trading venues	Lead underwriter	Trustee	Arrangement (if any) to ensure the suitability of investors	Trading mechanism	Is there any risk of termination of listing and trading
2024 Corporate Bonds (Tranche 1) (Type 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	24 Galaxy G2	241758.SH	2024/10/16	2024/10/17	N/A	2029/10/17	15	2.25	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd., Everbright Securities Company Limited	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2025 Corporate Bonds (Tranche 1) (Type 1) of China Galaxy Securities Co., Ltd. Non-publicly Issued to Professional Investors	25 Galaxy F1	257139.SH	2025/1/8	2025/1/9	N/A	2027/1/9	15	1.72	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd., Nanjing Securities Co., Ltd.	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Click-through, enquiry, bidding and negotiation closings	No
2025 Corporate Bonds (Tranche 1) (Type 2) of China Galaxy Securities Co., Ltd. Non-publicly Issued to Professional Investors	25 Galaxy F2	257140.SH	2025/1/8	2025/1/9	N/A	2028/1/9	25	1.75	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd., Nanjing Securities Co., Ltd.	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Click-through, enquiry, bidding and negotiation closings	No

RELEVANT INFORMATION OF BONDS

Name of bond	Short name	Bond code	Date of issuance	Value date	Latest resale date after 31 August 2025	Maturity date	Bond balance (RMB100 million)	Interest rate (%)	Ways of principal and interest repayment	Trading venues	Lead underwriter	Trustee	Arrangement (if any) to ensure the suitability of investors	Trading mechanism	Is there any risk of termination of listing and trading
2025 Subordinated Bonds (Tranche 1) (Type 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	25 Galaxy C1	242426.SH	2025/2/26	2025/2/27	N/A	2028/2/27	13	2.15	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd., Everbright Securities Company Limited, Dongxing Securities Co., Ltd., Wanlian Securities Co., Ltd.	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2025 Subordinated Bonds (Tranche 1) (Type 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	25 Galaxy C2	242427.SH	2025/2/26	2025/2/27	N/A	2030/2/27	21	2.25	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd., Everbright Securities Company Limited, Dongxing Securities Co., Ltd., Wanlian Securities Co., Ltd.	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2025 Technology Innovation Corporate Bonds (Tranche 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	25 Galaxy K1	242589.SH	2025/5/12	2025/5/13	N/A	2028/5/13	10	1.75	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd.	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No

RELEVANT INFORMATION OF BONDS

Name of bond	Short name	Bond code	Date of issuance	Value date	Latest resale date after 31 August 2025	Maturity date	Bond balance (RMB100 million)	Interest rate (%)	Ways of principal and interest repayment	Trading venues	Lead underwriter	Trustee	Arrangement (if any) to ensure the suitability of investors	Trading mechanism	Is there any risk of termination of listing and trading
2025 Subordinated Bonds (Tranche 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	25 Galaxy G3	242864.SH	2025/5/14	2025/5/15	N/A	2030/5/15	30	2.07	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd., Everbright Securities Company Limited, Dongxing Securities Co., Ltd., Wanlian Securities Co., Ltd.	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2024 Corporate Bonds (Tranche 1) (Type 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors (Follow-on Offering)	24 Galaxy G1	241757.SH	2025/6/19 (Note 7)	2024/10/17	N/A	2027/10/17	20	2.15	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd., Everbright Securities Company Limited	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2025 Technology Innovation Corporate Bonds (Tranche 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors (Follow-on Offering)	25 Galaxy K1	242589.SH	2025/7/11 (Note 8)	2025/5/13	N/A	2028/5/13	10	1.75	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd., Everbright Securities Company Limited	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No

RELEVANT INFORMATION OF BONDS

Name of bond	Short name	Bond code	Date of issuance	Value date	Latest resale date after 31 August 2025	Maturity date	Bond balance (RMB100 million)	Interest rate (%)	Ways of principal and interest repayment	Trading venues	Lead underwriter	Trustee	Arrangement (if any) to ensure the suitability of investors	Trading mechanism	Is there any risk of termination of listing and trading
2025 Corporate Bonds (Tranche 1) (Type 1) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors (Follow-on Offering)	25 Galaxy G1	243475.SH	2025/8/6	2025/8/7	N/A	2028/8/7	30	1.79	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd., Everbright Securities Company Limited	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No
2025 Corporate Bonds (Tranche 1) (Type 2) of China Galaxy Securities Co., Ltd. Publicly Issued to Professional Investors	25 Galaxy G2	243476.SH	2025/8/6	2025/8/7	N/A	2030/8/7	30	1.90	The interest shall be calculated annually at a simple rate other than a compound rate. The interest shall be paid annually and the principal amount shall be repaid in full at the maturity date. The interest shall be paid together with the principal amount	SSE	China Securities Co., Ltd., Guosen Securities Co., Ltd., Everbright Securities Company Limited	China Securities Co., Ltd.	Bonds issued and traded for professional institutional investors	Matching, click-through, enquiry, bidding and negotiation closings	No

RELEVANT INFORMATION OF BONDS

- Note 1:* On 24 November 2020, the Company publicly issued 2020 perpetual subordinated bonds (tranche 1) of RMB5.0 billion, with an interest rate of 4.80%, which will remain unchanged for the first five interest-bearing years of the duration of the bonds. If the Company does not exercise its redemption right, the coupon rate shall be reset every five years commencing from the sixth interest-bearing year.
- Note 2:* On 29 March 2021, the Company publicly issued 2021 perpetual subordinated bonds (tranche 1) of RMB5.0 billion, with an interest rate of 4.57%, which will remain unchanged for the first five interest-bearing years of the duration of the bonds. If the Company does not exercise its redemption right, the coupon rate shall be reset every five years commencing from the sixth interest-bearing year.
- Note 3:* On 21 April 2021, the Company publicly issued 2021 perpetual subordinated bonds (tranche 2) of RMB5.0 billion, with an interest rate of 4.30%, which will remain unchanged for the first five interest-bearing years of the duration of the bonds. If the Company does not exercise its redemption right, the coupon rate shall be reset every five years commencing from the sixth interest-bearing year.
- Note 4:* On 18 May 2023, the Company publicly issued 2023 perpetual subordinated bonds (tranche 1) of RMB5.0 billion to professional investors, with an interest rate of 3.63%, which will remain unchanged for the first five interest-bearing years of the duration of the bonds. If the Company does not exercise its redemption right, the coupon rate shall be reset every five years commencing from the sixth interest-bearing year.
- Note 5:* On 9 June 2023, the Company publicly issued 2023 perpetual subordinated bonds (tranche 2) of RMB5.0 billion to professional investors, with an interest rate of 3.58%, which will remain unchanged for the first five interest-bearing years of the duration of the bonds. If the Company does not exercise its redemption right, the coupon rate shall be reset every five years commencing from the sixth interest-bearing year.
- Note 6:* On 17 November 2023, the Company publicly issued 2023 perpetual subordinated bonds (tranche 3) of RMB5.0 billion to professional investors, with an interest rate of 3.43%, which will remain unchanged for the first five interest-bearing years of the duration of the bonds. If the Company does not exercise its redemption right, the coupon rate shall be reset every five years commencing from the sixth interest-bearing year.
- Note 7:* On 20 June 2025, the Company conducted a follow-on offering of its issued 2024 corporate bonds (tranche 1) (type 1) of China Galaxy Securities Co., Ltd. publicly issued to professional investors. The short name, code, nominal value and coupon rate of the bonds under the follow-on offering are the same as those of the corresponding existing bonds. The size of the follow-on offering is RMB2.0 billion, the issue price is RMB102.349, and the total amount of proceeds is RMB2,046.98 million.
- Note 8:* On 14 July 2025, the Company conducted a follow-on offering of its issued 2025 technology innovation corporate bonds (tranche 1) of China Galaxy Securities Co., Ltd. publicly issued to professional investors. The short name, code, nominal value and coupon rate of the bonds under the follow-on offering are the same as those of the corresponding existing bonds. The size of the follow-on offering is RMB1.0 billion, the issue price is RMB100.460, and the total amount of proceeds is RMB1,004.6 million.

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

The Company's issued perpetual subordinated bonds, including the "20 Galaxy Y1", "21 Galaxy Y1", "21 Galaxy Y2", "23 Galaxy Y1", "23 Galaxy Y2" and "23 Galaxy Y3", include issuer's renewal options, issuer's redemption rights, and the right to defer interest payments. During the Reporting Period, the Company did not exercise its right to defer interest payments and paid the current interest on the "21 Galaxy Y1", "21 Galaxy Y2", "23 Galaxy Y1" and "23 Galaxy Y2" bonds in full as scheduled, while the "20 Galaxy Y1" and "23 Galaxy Y3" bonds had not yet reached the interest payment date for the year. As at the End of the Reporting Period, neither the issuer's renewal options nor the issuer's redemption rights had reached their exercise dates.

RELEVANT INFORMATION OF BONDS

3. Intermediaries providing services for bonds issuance and on-going business

(1) Accounting firm issuing the audit's report

Name	Ernst & Young Hua Ming LLP (Special General Partnership)
Office address	16/F, Ernst & Young Tower, Oriental Plaza, 1 East Chang'an Avenue, Dongcheng District, Beijing, China
Signing accountants	Liang Chengjie, Song Xueqiang, Guo Yan, Shi Yuxuan, Yu Liu
Contact person	Shi Yuxuan
Contact number	010-58152643

(2) Trustee

Bond short name	22 Galaxy G3, 22 Galaxy G4, 22 Galaxy G5, 23 Galaxy F2, 23 Galaxy F4, 23 Galaxy Y1, 23 Galaxy Y2, 23 Galaxy G1, 23 Galaxy G2, 23 Galaxy G3, 23 Galaxy G4, 23 Galaxy G5, 23 Galaxy G6, 23 Galaxy G7, 23 Galaxy F6, 23 Galaxy Y3, 23 Galaxy G8, 23 Galaxy G9, 24 Galaxy F1, 24 Galaxy F2, 24 Galaxy C1, 24 Galaxy C2, 24 Galaxy C3, 24 Galaxy C4, 24 Galaxy F3, 24 Galaxy F4, 24 Galaxy C5, 24 Galaxy C6, 24 Galaxy G1, 24 Galaxy G2, 25 Galaxy F1, 25 Galaxy F2, 25 Galaxy C1, 25 Galaxy C2, 25 Galaxy C3, 25 Galaxy K1, 25 Galaxy G1, 25 Galaxy G2
Name	China Securities Co., Ltd.
Office address	Building 1, Courtyard 16, Jinghui Street, Chaoyang District, Beijing
Contact person	Yuan Leitong
Contact number	010-56052152
Bond short name	20 Galaxy Y1, 21 Galaxy Y1, 21 Galaxy Y2
Name	Guotai Haitong Securities Co., Ltd.
Office address	No. 768, Nanjing West Road, Jingan District, Shanghai
Contact person	Shi Yunheng
Contact number	010-83939168
Bond short name	21 Galaxy G6
Name	Guosen Securities Co., Ltd.
Office address	4/F, Guosen Securities Building, No. 6 Xingsheng Street, Financial Street, Xicheng District, Beijing
Contact person	Guo Rui
Contact number	010-88005006

RELEVANT INFORMATION OF BONDS

Bond short name	23 Galaxy C4
Name	China Merchants Securities Co., Ltd.
Office address	16/F, Building No. 3, Courtyard 1, Yuetan South Street, Xicheng District, Beijing
Contact person	Han Xu, Qian Yi
Contact number	010-57783091

(3) Credit rating agency

Bond short name	20 Galaxy Y1, 21 Galaxy Y1, 21 Galaxy Y2, 21 Galaxy G6, 22 Galaxy G3, 22 Galaxy G4, 22 Galaxy G5, 23 Galaxy F2, 23 Galaxy F4, 23 Galaxy C4, 23 Galaxy Y1, 23 Galaxy Y2, 23 Galaxy G1, 23 Galaxy G2, 23 Galaxy G3, 23 Galaxy G4, 23 Galaxy G5, 23 Galaxy G6, 23 Galaxy G7, 23 Galaxy F6, 23 Galaxy Y3, 23 Galaxy G8, 23 Galaxy G9, 24 Galaxy F1, 24 Galaxy F2, 24 Galaxy C1, 24 Galaxy C2, 24 Galaxy C3, 24 Galaxy C4, 24 Galaxy F3, 24 Galaxy F4, 24 Galaxy C5, 24 Galaxy C6, 24 Galaxy G1, 24 Galaxy G2, 25 Galaxy F1, 25 Galaxy F2, 25 Galaxy C1, 25 Galaxy C2, 25 Galaxy K1, 25 Galaxy C3, 25 Galaxy G1, 25 Galaxy G2
Name	China Lianhe Credit Rating Co., Ltd.
Office address	17/F, PICC P&C Building, No. 2 Jianguomenwai Avenue, Chaoyang District, Beijing
Contact person	Zhang Fan, Wang Yalong
Contact number	010-85679696

(4) Law firm

Bond short name	20 Galaxy Y1, 21 Galaxy Y1, 21 Galaxy Y2, 21 Galaxy G6, 22 Galaxy G3, 22 Galaxy G4, 22 Galaxy G5, 23 Galaxy F2, 23 Galaxy F4, 23 Galaxy C4, 23 Galaxy Y1, 23 Galaxy Y2, 23 Galaxy G1, 23 Galaxy G2, 23 Galaxy G3, 23 Galaxy G4, 23 Galaxy G5, 23 Galaxy G6, 23 Galaxy G7, 23 Galaxy F6, 23 Galaxy Y3, 23 Galaxy G8, 23 Galaxy G9, 24 Galaxy F1, 24 Galaxy F2, 24 Galaxy C1, 24 Galaxy C2, 24 Galaxy C3, 24 Galaxy C4, 24 Galaxy F3, 24 Galaxy F4, 24 Galaxy C5, 24 Galaxy C6, 24 Galaxy G1, 24 Galaxy G2, 25 Galaxy F1, 25 Galaxy F2, 25 Galaxy C1, 25 Galaxy C2, 25 Galaxy K1, 25 Galaxy C3, 25 Galaxy G1, 25 Galaxy G2
Name	Grandall Law Firm
Office address	9/F, Taikang Financial Tower, No. 38 North Dongsanhuan Road, Chaoyang District, Beijing
Contact person	Yang Junjun
Contact number	010-65890699

During the Reporting Period, no change has been made in the above-mentioned intermediaries of the Company.

RELEVANT INFORMATION OF BONDS

4. Use of proceeds

During the Reporting Period, the Company utilised the proceeds from bonds issuance as follows:

(1) Basic information

Unit: 100 million yuan Currency: RMB

Bond code	Bond short name	Whether it is a special bond	Specific type of special bond	Total amount of proceeds	Balance of proceeds as at the End of the Reporting Period	Balance of special account of proceeds as at the End of the Reporting Period
257139.SH	25 Galaxy F1	No	–	15	–	0 ^(Note 2)
257140.SH	25 Galaxy F2	No	–	25	–	0 ^(Note 2)
242426.SH	25 Galaxy C1	No	–	13	–	0 ^(Note 3)
242427.SH	25 Galaxy C2	No	–	21	–	0 ^(Note 3)
242589.SH	25 Galaxy K1	Yes	Technology innovation corporate bonds	10	0.6	0.01 ^(Note 4)
242864.SH	25 Galaxy C3	No	–	30	–	0.01 ^(Note 5)
241757.SH	24 Galaxy G1 ^(Note 1)	No	–	20.4698	–	0 ^(Note 6)

Note 1: On 20 June 2025, the Company conducted a follow-on offering of its issued 2024 corporate bonds (tranche 1) (type 1) of China Galaxy Securities Co., Ltd. publicly issued to professional investors. The short name, code, nominal value and coupon rate of the bonds under the follow-on offering are the same as those of the existing bonds. The size of the follow-on offering is RMB2.0 billion, the issue price is RMB102.349, and the total amount of proceeds is RMB2,046.98 million.

Note 2: As at the End of the Reporting Period, balance of special account of proceeds of 25 Galaxy F1 and 25 Galaxy F2 was RMB140,803.59.

Note 3: As at the End of the Reporting Period, balance of special account of proceeds of 25 Galaxy C1 and 25 Galaxy C2 was RMB74,165.90.

Note 4: As at the End of the Reporting Period, balance of unutilized proceeds of 25 Galaxy K1 was RMB60 million, which was under cash management, and balance of special account of proceeds of 25 Galaxy K1 was RMB1,173,188.78.

Note 5: As at the End of the Reporting Period, balance of special account of proceeds of 25 Galaxy C3 was RMB649,410.44.

Note 6: As at the End of the Reporting Period, balance of special account of proceeds of 24 Galaxy G1 was RMB119,699.88.

RELEVANT INFORMATION OF BONDS

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

(3) *Use of proceeds*

Actual use (excluding temporary liquidity replenishment)

Unit: 100 million yuan Currency: RMB

Bond code	Bond short name	Actual amount of proceeds used during the Reporting Period	Repayment amount of interest-bearing debt (excluding corporate bonds)	Repayment amount of corporate bonds	Amount of replenishment of working capital	Amount involved in fixed asset investment projects	Amount involved in equity investment, debt investment or asset acquisition	Amount of other uses
257139.SH	25 Galaxy F1	15	-	15	-	-	-	-
257140.SH	25 Galaxy F2	25	-	25	-	-	-	-
242426.SH	25 Galaxy C1	13	-	-	13	-	-	-
242427.SH	25 Galaxy C2	21	-	-	21	-	-	-
242589.SH	25 Galaxy K1	9.4	-	-	-	-	9.4	-
242864.SH	25 Galaxy C3	30	-	-	30	-	-	-
241757.SH	24 Galaxy G1	20.4698	-	20.4698	-	-	-	-

RELEVANT INFORMATION OF BONDS

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

			Details of repayment of other interest-bearing debts (excluding corporate bonds)																				
Bond code	Bond short name	Details of repayment of corporate bonds																					
257139.SH	25 Galaxy F1	The proceeds of the bonds of RMB4 billion were used to repay the principal of maturing corporate bonds in full. A breakdown of the repayment of the principal of maturing corporate bonds is as follows:	—																				
257140.SH	25 Galaxy F2	Unit: 100 million yuan Currency: RMB <table><tr><th>Repayment of maturing bonds</th><th>Issue amount</th><th>Repayment amount</th><th>Value date</th><th>Maturity date</th></tr><tr><td>21 Galaxy F8</td><td>18.00</td><td>18.00</td><td>2021/10/20</td><td>2024/10/20</td></tr><tr><td>21 Galaxy 10</td><td>36.00</td><td>22.00</td><td>2021/11/22</td><td>2024/11/22</td></tr><tr><td>Total</td><td>54.00</td><td>40.00</td><td></td><td></td></tr></table> Note: 21 Galaxy F8 and 21 Galaxy 10 represent the self-owned funds used for the replacement and redemption payments.	Repayment of maturing bonds	Issue amount	Repayment amount	Value date	Maturity date	21 Galaxy F8	18.00	18.00	2021/10/20	2024/10/20	21 Galaxy 10	36.00	22.00	2021/11/22	2024/11/22	Total	54.00	40.00			—
Repayment of maturing bonds	Issue amount	Repayment amount	Value date	Maturity date																			
21 Galaxy F8	18.00	18.00	2021/10/20	2024/10/20																			
21 Galaxy 10	36.00	22.00	2021/11/22	2024/11/22																			
Total	54.00	40.00																					
241757.SH	24 Galaxy G1	Unit: 100 million yuan Currency: RMB <table><tr><th>Repayment of maturing bonds</th><th>Issue amount</th><th>Repayment amount</th><th>Value date</th><th>Maturity date</th></tr><tr><td>22 Galaxy C3</td><td>10.55</td><td>10.4698</td><td>2022/3/21</td><td>2025/3/21</td></tr><tr><td>23 Galaxy C3</td><td>10.00</td><td>10.00</td><td>2023/4/17</td><td>2025/4/17</td></tr><tr><td>Total</td><td>20.55</td><td>20.4698</td><td></td><td></td></tr></table> Note: 22 Galaxy C3 and 23 Galaxy C3 represent the self-owned funds used for the replacement and redemption payments.	Repayment of maturing bonds	Issue amount	Repayment amount	Value date	Maturity date	22 Galaxy C3	10.55	10.4698	2022/3/21	2025/3/21	23 Galaxy C3	10.00	10.00	2023/4/17	2025/4/17	Total	20.55	20.4698			—
Repayment of maturing bonds	Issue amount	Repayment amount	Value date	Maturity date																			
22 Galaxy C3	10.55	10.4698	2022/3/21	2025/3/21																			
23 Galaxy C3	10.00	10.00	2023/4/17	2025/4/17																			
Total	20.55	20.4698																					

RELEVANT INFORMATION OF BONDS

Proceeds used for replenishment of working capital (excluding temporary liquidity replenishment)

Bond code	Bond short name	Details of replenishment of working capital
242426.SH	25 Galaxy C1	For proprietary investment and other business of the Company
242427.SH	25 Galaxy C2	For proprietary investment and other business of the Company
242864.SH	25 Galaxy C3	For proprietary investment and other business of the Company

Proceeds used in specific projects: N/A

Proceeds used for other purposes

Bond code	Bond short name	Details of other purposes
242589.SH	25 Galaxy K1	As at 30 June 2025, proceeds from the issuance of bonds of RMB940 million have been used for investment in technology and innovation fields and the swap of funds for investment in technology and innovation fields made within 12 months prior to the issuance of bonds, including tier 1 equity investment in technology and innovation companies, investment in stocks in STAR market and GEM, and investment in sci-tech bonds etc.

Temporary liquidity replenishment: N/A

RELEVANT INFORMATION OF BONDS

5. Compliance in the use of proceeds

					Whether the actual use is consistent with the intended use (including the use stated in the offering documents and the use after legitimate changes)	Compliance of use of proceeds and management of special account of proceeds during the Reporting Period	Compliance of use of proceeds with local government debt management regulations																																									
Bond code	Bond short name	Intended use of proceeds stated in the offering documents	Actual use of proceeds as at the End of the Reporting Period (including actual use and temporary liquidity replenishment)																																													
257139.SH	25 Galaxy F1	The proceeds of the bonds, up to and including RMB4 billion, are intended for repayment of the principal of maturing corporate bonds in full. A breakdown of the proposed repayment of the principal of maturing corporate bonds is as follows: <i>Unit: 100 million yuan Currency: RMB</i>	The proceeds of the bonds of RMB4 billion were used to repay the principal of maturing corporate bonds in full. A breakdown of the repayment of the principal of maturing corporate bonds is as follows: <i>Unit: 100 million yuan Currency: RMB</i>					Yes	Yes	N/A																																						
257140.SH	25 Galaxy F2							Yes	Yes	N/A																																						
		<table><tr><th>Proposed repayment of bonds at maturity</th><th>Issue amount</th><th>Repayment amount</th><th>Value date</th><th>Maturity date</th></tr><tr><td>21 Galaxy F8</td><td>18.00</td><td>18.00</td><td>2021/10/20</td><td>2024/10/20</td></tr><tr><td>21 Galaxy 10</td><td>36.00</td><td>22.00</td><td>2021/11/22</td><td>2024/11/22</td></tr><tr><td>Total</td><td>54.00</td><td>40.00</td><td></td><td></td></tr></table>	Proposed repayment of bonds at maturity	Issue amount	Repayment amount	Value date	Maturity date	21 Galaxy F8	18.00	18.00	2021/10/20	2024/10/20	21 Galaxy 10	36.00	22.00	2021/11/22	2024/11/22	Total	54.00	40.00			<table><tr><th>Repayment of bonds at maturity</th><th>Issue amount</th><th>Repayment amount</th><th>Value date</th><th>Maturity date</th></tr><tr><td>21 Galaxy F8</td><td>18.00</td><td>18.00</td><td>2021/10/20</td><td>2024/10/20</td></tr><tr><td>21 Galaxy 10</td><td>36.00</td><td>22.00</td><td>2021/11/22</td><td>2024/11/22</td></tr><tr><td>Total</td><td>54.00</td><td>40.00</td><td></td><td></td></tr></table>	Repayment of bonds at maturity	Issue amount	Repayment amount	Value date	Maturity date	21 Galaxy F8	18.00	18.00	2021/10/20	2024/10/20	21 Galaxy 10	36.00	22.00	2021/11/22	2024/11/22	Total	54.00	40.00			Note: 21 Galaxy F8 and 21 Galaxy 10 represent the self-owned funds used for the replacement and redemption payments.				
Proposed repayment of bonds at maturity	Issue amount	Repayment amount	Value date	Maturity date																																												
21 Galaxy F8	18.00	18.00	2021/10/20	2024/10/20																																												
21 Galaxy 10	36.00	22.00	2021/11/22	2024/11/22																																												
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Repayment of bonds at maturity	Issue amount	Repayment amount	Value date	Maturity date																																												
21 Galaxy F8	18.00	18.00	2021/10/20	2024/10/20																																												
21 Galaxy 10	36.00	22.00	2021/11/22	2024/11/22																																												
Total	54.00	40.00																																														
242426.SH	25 Galaxy C1	The proceeds of the bonds are intended for replenishment of working capital of the Company in full.	The proceeds of the bonds were used for replenishment of working capital of the Company in full.					Yes	Yes	N/A																																						
242427.SH	25 Galaxy C2							Yes	Yes	N/A																																						
242589.SH	25 Galaxy K1	No less than 70% of the proceeds of the bonds are intended to be used to specifically support businesses in the field of technology and innovation in the form of equity, bonds, fund investment, etc., and the remaining portion are intended to be used to supplement working capital as well as for other purposes in compliance with laws and regulations. The issuer undertook that the portion used to supplement working capital for capital-consuming businesses such as margin financing, stock pledges, and derivatives shall not exceed 10% of the total proceeds.	As at 30 June 2025, the proceeds from the issuance of bonds of RMB940 million have been used for investment in technology and innovation fields and the swap of funds for investment in technology and innovation fields made within 12 months prior to the issuance of bonds, including tier 1 equity investment in technology and innovation companies, investment in stocks in STAR market and GEM, and investment in sci-tech bonds etc.					Yes	Yes	N/A																																						
242864.SH	25 Galaxy C3	The proceeds of the bonds are intended for replenishment of working capital of the Company in full.	The proceeds of the bonds were used for replenishment of working capital of the Company in full.					Yes	Yes	N/A																																						

RELEVANT INFORMATION OF BONDS

					Whether the actual use is consistent with the intended use (including the use stated in the offering documents and the use after legitimate changes)	Compliance of use of proceeds and management of special account of proceeds during the Reporting Period	Compliance of use of proceeds with local government debt management regulations																																									
Bond code	Bond short name	Intended use of proceeds stated in the offering documents			Actual use of proceeds as at the End of the Reporting Period (including actual use and temporary liquidity replenishment)																																											
241757.SH	24 Galaxy G1	(I) The portion of proceeds of the bonds under the follow-on offering, up to and including RMB2 billion, is intended for repayment of the principal of maturing corporate bonds. A breakdown of the proposed repayment of the principal of maturing corporate bonds is as follows: Unit: 100 million yuan Currency: RMB <table><tr><th>Proposed repayment of bonds at maturity</th><th>Issue amount</th><th>Repayment amount</th><th>Value date</th><th>Maturity date</th></tr><tr><td>22 Galaxy C3</td><td>10.55</td><td>10.00</td><td>2022/3/21</td><td>2025/3/21</td></tr><tr><td>23 Galaxy C3</td><td>10.00</td><td>10.00</td><td>2023/4/17</td><td>2025/4/17</td></tr><tr><td>Total</td><td>20.55</td><td>20.00</td><td></td><td></td></tr></table> <i>Note: 22 Galaxy C3 and 23 Galaxy C3 represent the self-owned funds used for the replacement and redemption payments.</i>			Proposed repayment of bonds at maturity	Issue amount	Repayment amount	Value date	Maturity date	22 Galaxy C3	10.55	10.00	2022/3/21	2025/3/21	23 Galaxy C3	10.00	10.00	2023/4/17	2025/4/17	Total	20.55	20.00			The proceeds of the bonds under the follow-on offering of RMB2,046.98 million were used for repayment of the principal of maturing corporate bonds in full. A breakdown of the proposed repayment of the principal of maturing corporate bonds is as follows: Unit: 100 million yuan Currency: RMB <table><tr><th>Repayment of bonds at maturity</th><th>Issue amount</th><th>Repayment amount</th><th>Value date</th><th>Maturity date</th></tr><tr><td>22 Galaxy C3</td><td>10.55</td><td>10.4698</td><td>2022/3/21</td><td>2025/3/21</td></tr><tr><td>23 Galaxy C3</td><td>10.00</td><td>10.00</td><td>2023/4/17</td><td>2025/4/17</td></tr><tr><td>Total</td><td>20.55</td><td>20.4698</td><td></td><td></td></tr></table>	Repayment of bonds at maturity	Issue amount	Repayment amount	Value date	Maturity date	22 Galaxy C3	10.55	10.4698	2022/3/21	2025/3/21	23 Galaxy C3	10.00	10.00	2023/4/17	2025/4/17	Total	20.55	20.4698			Yes	Yes	N/A
Proposed repayment of bonds at maturity	Issue amount	Repayment amount	Value date	Maturity date																																												
22 Galaxy C3	10.55	10.00	2022/3/21	2025/3/21																																												
23 Galaxy C3	10.00	10.00	2023/4/17	2025/4/17																																												
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23 Galaxy C3	10.00	10.00	2023/4/17	2025/4/17																																												
Total	20.55	20.4698																																														
		(II) The portion of proceeds of the bonds under the follow-on offering, exceeding the threshold of RMB2 billion, is intended for repayment of the principal of maturing corporate bonds and replenishment of working capital of the Company.																																														

RELEVANT INFORMATION OF BONDS

				Whether the actual use is consistent with the intended use (including the use stated in the offering documents and the use after legitimate changes)	Compliance of use of proceeds and management of special account of proceeds during the Reporting Period	Compliance of use of proceeds with local government debt management regulations										
Bond code	Bond short name	Intended use of proceeds stated in the offering documents	Actual use of proceeds as at the End of the Reporting Period (including actual use and temporary liquidity replenishment)													
		1. A breakdown of the proposed repayment of the principal of maturing corporate bonds is as follows: Unit: 100 million yuan Currency: RMB <table><tr><th>Proposed repayment of bonds at maturity</th><th>Issue amount</th><th>Repayment amount</th><th>Value date</th><th>Maturity date</th></tr><tr><td>22 Galaxy C3</td><td>10.55</td><td>0.55</td><td>2022/3/21</td><td>2025/3/21</td></tr></table> Note: Represents the self-owned funds used for the replacement and redemption payments. 2. The portion of proceeds of the bonds under the follow-on offering, exceeding the threshold of RMB2,055 million, is intended for replenishment of working capital of the Company. Based on the Company's financial position and capital needs, the Company may allocate some of its working capital to repay the principal of maturing corporate bonds in the future. The issuer undertook that the portion used for capital-consuming businesses such as margin financing, stock pledges, and derivatives shall not exceed 10% of the total proceeds.	Proposed repayment of bonds at maturity	Issue amount	Repayment amount	Value date	Maturity date	22 Galaxy C3	10.55	0.55	2022/3/21	2025/3/21				
Proposed repayment of bonds at maturity	Issue amount	Repayment amount	Value date	Maturity date												
22 Galaxy C3	10.55	0.55	2022/3/21	2025/3/21												

During the Reporting Period, there were no illegal or non-compliant situations in the Company's use of proceeds and management of proceeds accounts, and no violations or penalties were incurred due to improper use of proceeds.

RELEVANT INFORMATION OF BONDS

(II) Other Matters to be Disclosed Regarding Special Bonds

- During the Reporting Period, the Company did not issue any of the following types of special category bonds: exchangeable corporate bonds, green corporate bonds, poverty alleviation corporate bonds, rural revitalisation corporate bonds, Belt and Road corporate bonds, low-carbon transition (linked) corporate bonds, bailout corporate bonds, or SME support bonds.
- As at the End of the Reporting Period and the date of this report, the perpetual subordinated bonds outstanding of the Company are as follows:

Unit: 100 million yuan Currency: RMB

Bond code	Bond short name	Bond balance	Renewal	Interest step-up	Interest deferral	Enforcement of interest payment	Whether they are still included in equity and corresponding accounting treatment or not	Other
175196.SH	20 Galaxy Y1	50	Not yet reached exercise date	Not yet reached exercise date	Nil	The Annual General Meeting for the year 2024 of the Company considered and adopted the Resolution on the Review of the Company's 2024 Profit Distribution, thereby triggering a mandatory interest payment	Yes	Nil
175879.SH	21 Galaxy Y1	50	Not yet reached exercise date	Not yet reached exercise date	Nil		Yes	Nil
188024.SH	21 Galaxy Y2	50	Not yet reached exercise date	Not yet reached exercise date	Nil		Yes	Nil
115343.SH	23 Galaxy Y1	50	Not yet reached exercise date	Not yet reached exercise date	Nil		Yes	Nil
115461.SH	23 Galaxy Y2	50	Not yet reached exercise date	Not yet reached exercise date	Nil		Yes	Nil
240273.SH	23 Galaxy Y3	50	Not yet reached exercise date	Not yet reached exercise date	Nil		Yes	Nil

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

Unit: 100 million yuan Currency: RMB

Type of issuer applicable to the bonds	Financial institution
Bond code	242589.SH
Bond short name	25 Galaxy K1
Bond balance	10
Progress of the technology innovation project	Proceeds from the issuance of bonds have been used for tier 1 equity investment in technology and innovation companies (including fund swap), with investment fields include AI chips, aerospace engineering and semiconductor equipment etc. Investment projects are in good progress.
Effect on promoting technology innovation and development	Proceeds from the issuance of bonds have been used for investment in technology and innovation fields and the swap of funds for investment in technology and innovation fields made within 12 months prior to the issuance of bonds, including tier 1 equity investment in technology and innovation companies, investment in stocks in STAR market and GEM, and investment in sci-tech bonds etc. Relevant investments have effectively resolved the financing difficulties in technology and innovation fields, supported technology R&D and industrial upgrades, and empowered the innovative development of the real economy.

RELEVANT INFORMATION OF BONDS

(III) Debt Financing Instruments of Non-financial Institutions in the Inter-bank Bond Market

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

(IV) Other Explanations

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

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

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

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

III. KEY ACCOUNTING DATA AND FINANCIAL INDICATORS

Key indicators	End of Reporting Period	End of last year	Change compared with the end of last year (%)	Reason for change
Current ratio	1.36	1.34	1.26	–
Quick ratio	1.36	1.34	1.26	–
Gearing ratio (%)	75.82	75.43	Increased by 0.39 percentage point	–

	Reporting Period (January to June)	Same period last year	Change compared with the same period last year (%)	Reason for change
Net profit attributable to parent company excluding non-recurring gains and losses (RMB)	6,484,561,187.21	4,408,527,993.73	47.09	Mainly due to the increase in net profit of the Company during the Reporting Period
EBITDA to total debt ratio	0.03	0.02	26.17	Mainly due to the increase in total profit of the Company during the Reporting Period
Interest coverage ratio	2.95	2.05	43.81	Mainly due to the increase in total profit of the Company during the Reporting Period
Cash interest coverage ratio	4.59	28.53	-83.90	Mainly due to the decrease in net cash flows from operating activities during the Reporting Period
EBITDA interest coverage ratio	3.10	2.18	42.09	Mainly due to the increase in total profit of the Company during the Reporting Period
Loan repayment rate (%)	100.00	100.00	–	–
Interest payment rate (%)	100.00	100.00	–	–

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

Amounts in thousands of Renminbi, unless otherwise stated

TO THE BOARD OF DIRECTORS OF CHINA GALAXY SECURITIES CO., LTD.

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

Introduction

We have reviewed the interim financial information set out on pages 93 to 164, which comprises the condensed consolidated statement of financial position of China Galaxy Securities Co., Ltd. (the "Company") and its subsidiaries (the "Group") as at 30 June 2025 and the related condensed consolidated statements of profit or loss and comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34") as issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of review

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

Conclusion

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

Ernst & Young

Certified Public Accountants

Hong Kong

28 August 2025

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Amounts in thousands of Renminbi, unless otherwise stated

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

(Amounts in thousands of Renminbi, unless otherwise stated)

	Notes	Six months ended 30 June	
		2025 (Unaudited)	2024 (Unaudited) (Restated)
Revenue			
Commission and fee income	5	4,688,834	3,575,747
Interest income	6	6,558,143	7,121,625
Investment income and gains or losses	7	7,398,851	5,004,182
		18,645,828	15,701,554
Other income, gains or losses	8	152,539	105,783
Total revenue, gains and other income		18,798,367	15,807,337
Depreciation and amortization	9	(603,022)	(576,023)
Staff costs	10	(4,412,904)	(3,577,884)
Commission and fee expenses	11	(436,837)	(532,177)
Interest expenses	12	(4,618,339)	(5,282,485)
Other operating expenses	13	(1,308,044)	(1,415,196)
Impairment losses, net of reversal	14	(29,351)	(51,961)
Credit loss expense, net of reversal	14	241,256	180,786
Total expenses		(11,167,241)	(11,254,940)
Share of results of joint ventures		4,340	(10,040)
Profit before income tax		7,635,466	4,542,357
Income tax expense	15	(1,147,574)	(154,307)
Profit for the period		6,487,892	4,388,050
Profit for the period attributable to:			
Owners of the Company		6,487,816	4,387,820
Non-controlling interests		76	230
Earnings per share (Expressed in RMB per share)			
– Basic	16	0.54	0.35
– Diluted	16	0.54	0.35

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

25th INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Amounts in thousands of Renminbi, unless otherwise stated

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2025

(Amounts in thousands of Renminbi, unless otherwise stated)

	Six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Profit for the period	6,487,892	4,388,050
Other comprehensive income/(expense):		
Items that will not be reclassified to profit or loss:		
Fair value gains on investments in equity instruments measured at fair value through other comprehensive income	1,179,341	2,448,222
Income tax effect on changes in fair value	(294,785)	(612,062)
Subtotal	884,556	1,836,160
Items that may be reclassified subsequently to profit or loss:		
Exchange differences arising on translation of foreign operations and others	177,897	(106,155)
Debt instruments measured at fair value through other comprehensive income:		
– Fair value changes arising during the period	(133,260)	2,604,213
– Reclassification to profit or loss on disposal	(1,131,700)	(1,301,419)
– Reclassification to profit or loss on impairment	(5,553)	(10,321)
– Income tax that may be reclassified subsequently	322,011	(323,214)
Subtotal	(770,605)	863,104
Other comprehensive income for the period (net of tax)	113,951	2,699,264
Total comprehensive income for the period (net of tax)	6,601,843	7,087,314
Total comprehensive income for the period attributable to:		
Owners of the Company	6,601,767	7,087,084
Non-controlling interests	76	230
	6,601,843	7,087,314

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

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Amounts in thousands of Renminbi, unless otherwise stated

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

(Amounts in thousands of Renminbi, unless otherwise stated)

	Notes	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	18	581,149	703,829
Investment properties		6,953	7,051
Right-of-use assets	19	1,323,002	1,527,033
Goodwill	20	1,095,537	1,066,862
Other intangible assets	21	806,813	848,431
Interests in joint ventures	22	350,301	300,311
Financial assets measured at fair value through profit or loss	23	19,696,250	56,836,804
Debt instruments measured at fair value through other comprehensive income	25	3,496,986	1,551,439
Equity instruments measured at fair value through other comprehensive income	26	58,009,430	55,686,887
Debt instruments measured at amortised cost	27	578,744	492,963
Financial assets held under resale agreements	24	7,575,522	10,057,403
Deposits with exchanges and non-bank financial institutions	29	1,192,678	1,314,247
Other assets	28	1,170,838	1,204,216
Deferred tax assets	30	315,115	287,287
Total non-current assets		96,199,318	131,884,763
Current assets			
Advances to customers	31	100,986,329	101,534,753
Accounts receivable	32	12,813,652	10,667,095
Tax recoverable		269,917	585,969
Other assets	28	6,454,989	5,263,027
Financial assets measured at fair value through profit or loss	23	233,924,052	163,924,013
Debt instruments measured at fair value through other comprehensive income	25	91,779,354	103,577,644
Debt instruments measured at amortised cost	27	112,127	402,255
Financial assets held under resale agreements	24	17,034,591	14,700,605
Derivative financial assets	33	1,979,323	4,201,566
Deposits with exchanges and non-bank financial institutions	29	20,551,215	20,040,913
Clearing settlement funds	34	43,265,843	35,797,641
Bank balances	35	156,369,614	144,890,447
Total current assets		685,541,006	605,585,928
Total assets		781,740,324	737,470,691

continued/...

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Amounts in thousands of Renminbi, unless otherwise stated

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

AS AT 30 JUNE 2025

(Amounts in thousands of Renminbi, unless otherwise stated)

	Notes	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
EQUITY AND LIABILITIES			
Equity			
Share capital	36	10,934,402	10,934,402
Other equity instruments	37	29,828,568	29,828,568
Reserves		66,850,305	66,869,983
Retained profits		36,522,084	32,847,782
Equity attributable to owners of the Company		144,135,359	140,480,735
Non-controlling interests		18,785	18,709
Total equity		144,154,144	140,499,444
Liabilities			
Non-current liabilities			
Bonds payable	38	78,446,326	75,966,045
Debt instruments	39	4,106	32,499
Financial liabilities measured at fair value through profit or loss	40	2,203,233	1,898,112
Other payables and accruals	41	98,649	76,731
Lease liabilities	19	885,055	912,985
Deferred tax liabilities	30	2,344,179	2,018,437
Total non-current liabilities		83,981,548	80,904,809
Current liabilities			
Bonds payable	38	17,754,348	22,811,251
Due to banks and other financial institutions	42	14,772,160	17,230,677
Debt instruments	39	41,476,952	42,509,190
Accounts payable to brokerage clients	43	185,484,488	165,569,131
Accounts payable to underwriting clients		—	18,000
Accrued staff costs	44	8,260,339	6,773,509
Other payables and accruals	41	49,068,210	39,580,134
Lease liabilities	19	461,974	671,122
Current tax liabilities		146,488	179,954
Financial liabilities measured at fair value through profit or loss	40	48,773,124	42,119,985
Derivative financial liabilities	33	1,987,440	1,898,872
Financial assets sold under repurchase agreements	45	185,419,109	176,704,613
Total current liabilities		553,604,632	516,066,438
Total liabilities		637,586,180	596,971,247
Total equity and liabilities		781,740,324	737,470,691

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

Approved and authorized for issue by the Board of Directors on 28 August 2025 and signed on its behalf by:

WANG SHENG

DIRECTOR

XUE JUN

DIRECTOR

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Amounts in thousands of Renminbi, unless otherwise stated

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2025

(Amounts in thousands of Renminbi, unless otherwise stated)

	Equity attributable to owners of the Company											Non-controlling interests	Total equity
	Reserves												
	Share capital	Other equity instruments	Capital reserves	Investment	Cash flow	Translation reserves	General reserves	Other reserves	Retained profits	Subtotal			
				revaluation reserve	hedging reserve								
At 1 January 2024 (audited)	10,934,402	29,828,323	32,224,103	1,397,538	(859)	(25,485)	25,929,997	(90,654)	30,268,996	130,466,361	28,425	130,494,786	
Profit for the period	-	-	-	-	-	-	-	-	4,387,820	4,387,820	230	4,388,050	
Other comprehensive income for the period	-	-	-	2,805,419	-	(106,155)	-	-	-	2,699,264	-	2,699,264	
Total comprehensive income for the period	-	-	-	2,805,419	-	(106,155)	-	-	4,387,820	7,087,084	230	7,087,314	
Appropriation to general reserves	-	-	-	-	-	-	9,252	-	(9,252)	-	-	-	
Dividend declared (Note 17)	-	-	-	-	-	-	-	-	(2,405,568)	(2,405,568)	-	(2,405,568)	
Distribution of interests to shareholders of perpetual bonds (Note 17)	-	-	-	-	-	-	-	-	(1,215,500)	(1,215,500)	-	(1,215,500)	
Other comprehensive income that has been reclassified to retained profits	-	-	-	(74,630)	-	-	-	-	74,630	-	-	-	
At 30 June 2024 (unaudited)	10,934,402	29,828,323	32,224,103	4,128,327	(859)	(131,640)	25,939,249	(90,654)	31,101,126	133,932,377	28,655	133,961,032	

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

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Amounts in thousands of Renminbi, unless otherwise stated

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)

FOR THE SIX MONTHS ENDED 30 JUNE 2025

(Amounts in thousands of Renminbi, unless otherwise stated)

	Equity attributable to owners of the Company											Non-controlling interests	Total equity
	Reserves												
	Share capital	Other equity instruments	Capital reserves	Investment revaluation reserve	Cash flow hedging reserve	Translation reserves	General reserves	Other reserves	Retained profits	Subtotal			
At 1 January 2025 (audited)	10,934,402	29,828,568	32,224,103	5,792,863	(859)	151,956	28,744,268	(42,348)	32,847,782	140,480,735	18,709	140,499,444	
Profit for the period	-	-	-	-	-	-	-	-	6,487,816	6,487,816	76	6,487,892	
Other comprehensive income for the period	-	-	-	(63,946)	-	177,897	-	-	-	113,951	-	113,951	
Total comprehensive income for the period	-	-	-	(63,946)	-	177,897	-	-	6,487,816	6,601,767	76	6,601,843	
Appropriation to general reserves	-	-	-	-	-	-	11,033	-	(11,033)	-	-	-	
Dividend declared (Note 17)	-	-	-	-	-	-	-	-	(2,143,143)	(2,143,143)	-	(2,143,143)	
Distribution of interests to shareholders of perpetual bonds (Note 17)	-	-	-	-	-	-	-	-	(804,000)	(804,000)	-	(804,000)	
Other comprehensive income that has been reclassified to retained profits	-	-	-	(144,662)	-	-	-	-	144,662	-	-	-	
At 30 June 2025 (unaudited)	10,934,402	29,828,568	32,224,103	5,584,255	(859)	329,853	28,755,301	(42,348)	36,522,084	144,135,359	18,785	144,154,144	

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

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Amounts in thousands of Renminbi, unless otherwise stated

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

(Amounts in thousands of Renminbi, unless otherwise stated)

	Notes	Six months ended 30 June	
		2025 (Unaudited)	2024 (Unaudited)
OPERATING ACTIVITIES			
Profit before income tax		7,635,466	4,542,357
Adjustments for:			
Interest expenses		4,618,339	5,282,485
Share of results of joint ventures		(4,340)	10,040
Depreciation and amortisation		603,022	576,023
Impairment losses, net of reversal		29,351	51,961
Credit loss expense, net of reversal		(241,256)	(180,786)
Gains on disposal of property and equipment and other intangible assets		(15,407)	(160)
Foreign exchange (gains)/losses		(1,377)	37,141
Net realised gains from disposal of debt instruments measured at fair value through other comprehensive income		(1,131,700)	(1,301,419)
Interest income from debt instruments measured at fair value through other comprehensive income		(1,351,035)	(1,620,704)
Interest income from other financial assets		(2,788)	(30,611)
Dividend income from equity instruments measured at fair value through other comprehensive income		(1,299,123)	(828,071)
Interest income from debt instruments measured at amortised cost		(13,292)	(36,515)
Unrealised fair value losses/(gains) on financial assets measured at fair value through profit or loss		355,094	(492,877)
Unrealised fair value (gains)/losses on financial liabilities measured at fair value through profit or loss		(555,206)	291,527
Unrealised fair value losses/(gains) on derivative financial instruments		52,201	(4,531,604)
		8,677,949	1,768,787

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

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INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Amounts in thousands of Renminbi, unless otherwise stated

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

FOR THE SIX MONTHS ENDED 30 JUNE 2025

(Amounts in thousands of Renminbi, unless otherwise stated)

		Six months ended 30 June	
	Notes	2025 (Unaudited)	2024 (Unaudited)
OPERATING ACTIVITIES			
Operating cash flows before movements in working capital		8,677,949	1,768,787
Decrease in advances to customers		723,595	9,141,674
Increase in accounts receivable and other assets		(3,118,370)	(3,410,750)
Decrease/(increase) in financial assets held under resale agreements		195,548	(750,814)
Increase in financial assets at fair value through profit or loss and derivative financial assets		(33,013,075)	(35,814,546)
(Increase)/decrease in deposits with exchanges and non-bank financial institutions		(590,237)	4,097,279
Increase in clearing settlement funds – clients		(8,799,407)	(3,415,742)
Increase in cash held on behalf of customers		(11,149,520)	(58,687,831)
Increase in accounts payable to brokerage clients, accrued staff costs and other payables and accruals		29,032,918	62,425,568
Increase in financial liabilities measured at fair value through profit or loss and derivative financial liabilities		9,742,125	22,556,182
Increase in financial assets sold under repurchase agreements		8,756,824	20,590,457
Decrease in amounts due to banks and other financial institutions		(1,646,000)	(4,590,000)
(Increase)/decrease in restricted bank deposits		(41,162)	149,877
Cash used in operations		(1,228,812)	14,060,141
Income taxes paid		(536,154)	(400,065)
Interest paid		(2,617,356)	(2,669,992)
NET CASH FLOWS (USED IN)/FROM OPERATING ACTIVITIES		(4,382,322)	10,990,084
INVESTING ACTIVITIES			
Dividends and interest received from investments		2,974,669	2,476,435
Purchases of property and equipment and other intangible assets		(166,205)	(188,194)
Proceeds from disposals of property and equipment and other intangible assets		20,659	2,987
Capital injection to joint ventures		(50,374)	(27,500)
Cash received from recovery of investments		4,593	–
Purchases of debt instruments at fair value through other comprehensive income		(28,530,702)	(132,093,622)
Proceeds from disposals of debt instruments at fair value through other comprehensive income		38,221,550	133,571,642
Purchases of equity instruments at fair value through other comprehensive income		(12,280,696)	(18,873,147)
Proceeds from disposals of equity instruments at fair value through other comprehensive income		11,137,493	12,378,021
Purchases of debt instruments measured at amortised cost		(108,856)	(307,163)
Proceeds from disposals and recovery of debt instruments measured at amortised cost		311,409	335,546
Placement of bank deposits with original maturity of more than three months		(1,048,651)	(1,220,061)
Maturity of bank deposits with original maturity of more than three months		1,088,807	1,095,867
NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		11,573,696	(2,849,189)

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

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INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Amounts in thousands of Renminbi, unless otherwise stated

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

FOR THE SIX MONTHS ENDED 30 JUNE 2025

(Amounts in thousands of Renminbi, unless otherwise stated)

	Notes	Six months ended 30 June	
		2025 (Unaudited)	2024 (Unaudited)
FINANCING ACTIVITIES			
Transaction costs paid on issuance of bonds		(50,743)	(64,151)
Proceeds from bonds issued		13,400,000	17,000,000
Repayment of bonds issued		(16,055,000)	(6,700,000)
Proceeds from debt instrument payables issued		41,239,565	12,346,808
Repayment of debt instrument issued		(42,485,821)	(27,318,885)
Repayment of borrowing and financing payables		(806,152)	(812,263)
Cash repayment of third-party interests in consolidated structured entities		(28,580)	(38,315)
Interest paid in respect of bonds, borrowing and financial instrument payables		(1,863,716)	(1,729,254)
Dividends paid		(1,078,211)	(785,750)
Payment of lease liabilities		(344,978)	(320,077)
NET CASH FLOWS USED IN FINANCING ACTIVITIES		(8,073,636)	(8,421,887)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(882,262)	(280,992)
CASH AND CASH EQUIVALENTS AT 1 JANUARY		24,270,604	26,334,956
Effect of foreign exchange rate changes		(15,707)	17,748
CASH AND CASH EQUIVALENTS AT 30 JUNE	46	23,372,635	26,071,712
NET CASH FLOWS FROM OPERATING ACTIVITIES INCLUDE:			
Interest received		7,233,728	9,755,040

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

25th INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Amounts in thousands of Renminbi, unless otherwise stated

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2025

(Amounts in thousands of Renminbi, unless otherwise stated)

1. GENERAL INFORMATION

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

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

The Company and its subsidiaries (hereinafter collectively referred to as the “Group”) are principally engaged in securities and futures brokerage, institutional sales and investment research, proprietary trading and other securities trading services, margin financing and securities lending, asset management and wealth management, and equity investment management.

The Company’s immediate holding company is China Galaxy Financial Holdings Company Limited (中國銀河金融控股有限公司) (“Galaxy Financial Holdings”).

The unaudited interim condensed consolidated financial information was approved by the Board of Directors (the “Board”) on 28 August 2025.

2. ACCOUNTING POLICIES

2.1 Basis of preparation

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with IAS 34 *Interim Financial Reporting*.

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements as at 31 December 2024.

2.2 Changes in accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended IFRS Accounting Standards for the first time for the current period’s financial information.

Amendments to IAS 21

Lack of Exchangeability

The nature and impact of the amended IFRS Accounting Standard are described below:

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group’s presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Amounts in thousands of Renminbi, unless otherwise stated

2. ACCOUNTING POLICIES (continued)

2.2 Changes in accounting policies (continued)

The Ministry of Finance recently issued Questions & Answers in relation to the implementation of accounting treatment on standard warehouse receipt transactions (the “Q&As”), specifically addressing scenarios where entities frequently trade standard warehouse receipts on commodity exchanges to make profit from short-term price fluctuations without physical delivery of the underlying commodities. According to the Q&As, when an entity earns price differentials by frequently entering into contracts to buy and sell standard warehouse receipts on commodity exchanges without physical delivery of the underlying commodities, it generally indicates that the entity has an established practice of promptly reselling the contracted items after receiving those items in order to make profit from short-term price fluctuations. Such contracts are not considered to be entered into and held for the purpose of receiving or delivering non-financial items in accordance with the predetermined intentions of purchases, sales, or usages. Consequently, these contracts shall be regarded as financial instruments. If an entity buys standard warehouse receipts under such contracts and sells them within a short period, sales revenue shall not be recognized. Instead, the difference between the consideration received from the standard warehouse receipts sold and the carrying amount of the corresponding standard warehouse receipts bought shall be recognized as investment income. Any standard warehouse receipts not yet sold and held by the entity at the end of the reporting period shall be presented as other current assets.

The Group has applied this accounting policy retrospectively from 1 January 2025. The adoption of this policy had no impact on the opening balance of equity as at 1 January 2025. The quantitative impact on the comparative period is summarised below:

	the six months ended 30 June 2024		
	Before accounting policy change	Amendments	After accounting policy change
Income from bulk commodity trading	7,186,416	(7,186,416)	–
Cost from bulk commodity trading	(7,103,580)	7,103,580	–
Other income, gains or losses	102,516	3,267	105,783
Investment income and gains or losses	4,924,613	79,569	5,004,182

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended 31 December 2024.

25th INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Amounts in thousands of Renminbi, unless otherwise stated

4. SEGMENT REPORTING

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

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

- (a) **Wealth Management:** This segment mainly provides clients with agency trading of stocks, funds, bonds, derivative financial instruments, etc., with financial services including investment advisory, portfolio advice, financial product sales and asset allocation, and offers them margin trading, stock-pledged repurchases, agreed repurchase transactions and so forth.
- (b) **Investment Banking:** It provides one-stop investment banking services for a variety of corporate and government clients, including equity financing, bond financing, structured financing, financial advisory, asset securitisation and diversified financing solutions.
- (c) **Institutional Business:** It is principally engaged in the provision of prime brokers, seat leasing, custody and fund services, investment research, sales and trading for institutional clients.
- (d) **International Business:** It primarily provides brokerage and sales, investment banking, research and asset management services to global institutional clients, corporate clients and retail clients through Galaxy International Holdings, CGS International and other business platforms.
- (e) **Investment Trading:** It is engaged in investment trading of equity securities, fixed-income securities, commodities and derivative financial instruments with its own funds, and provides integrated financial solutions for clients’ investment, financing and risk management.
- (f) **Other Parent-subsidiary Integration Business:** Focusing on “client demand”, “professional development” and “collaborative income generation”, the Group actively integrates the business platforms of subsidiaries, such as futures, private equity investment management, alternative investment and asset management, with the above-mentioned five business lines, in a bid to strengthen business collaboration and resources connection, and continuously offer integrated financial services for clients.

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

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

The Group operates in Mainland China, Hong Kong and other overseas areas, representing the locations of both income from external customers and assets of the Group. Segment revenue and all assets of the Group in respect of the international business segment are attributable to operations in Hong Kong and other overseas areas, while other segment revenue and assets of the Group are attributable to operations in Mainland China. No revenue from a single customer amounted to more than 10% to the Group’s revenue for the six months 30 June 2025 and 2024.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Amounts in thousands of Renminbi, unless otherwise stated

4. SEGMENT REPORTING (continued)

The operating and reportable segment information provided to the CODM for the six months ended 30 June 2025 and 2024 is as follows:

	Wealth Management	Investment Banking	Institutional Business	International Business	Investment Trading	Other Parent- Subsidiary Integration Business	Reportable segment total	Others	Eliminations	Consolidated total
For the six months ended 30 June 2025										
Segment revenue and results										
Revenue and net investment gains										
– External	7,095,786	286,214	1,085,950	2,001,444	6,471,662	1,490,809	18,431,865	341,822	(127,859)	18,645,828
– Inter-segment	288,185	–	–	–	(10,528)	–	277,657	–	(277,657)	–
Other income	24,162	–	6	51,232	4,297	33,597	113,294	39,245	–	152,539
Segment revenue and other income	7,408,133	286,214	1,085,956	2,052,676	6,465,431	1,524,406	18,822,816	381,067	(405,516)	18,798,367
Segment expenses	4,106,185	280,671	158,184	1,859,726	2,889,895	1,004,526	10,299,187	1,273,570	(405,516)	11,167,241
Segment result	3,301,948	5,543	927,772	192,950	3,575,536	519,880	8,523,629	(892,503)	–	7,631,126
Share of result of joint ventures	–	–	–	–	–	4,340	4,340	–	–	4,340
Profit/(Loss) before income tax	3,301,948	5,543	927,772	192,950	3,575,536	524,220	8,527,969	(892,503)	–	7,635,466
As at 30 June 2025 (Unaudited)										
Segment assets and liabilities										
Segment assets	242,649,042	41,636	27,888,696	46,857,855	341,970,318	98,139,056	757,546,603	260,065,002	(236,186,396)	781,425,209
Deferred tax assets										315,115
Group's total assets										781,740,324
Segment liabilities	236,179,151	119,556	26,013,022	37,864,049	329,516,621	83,204,818	712,897,217	158,530,944	(236,186,160)	635,242,001
Deferred tax liabilities										2,344,179
Group's total liabilities										637,586,180
Other segment information										
Depreciation and amortization	330,020	2,140	17,782	73,564	6,531	42,287	472,324	130,698	–	603,022
Impairment losses	(209,759)	(98)	(756)	(2,132)	(13,433)	16,267	(209,911)	(1,994)	–	(211,905)
Additions to non-current assets	33,400	–	–	33,799	–	8,528	75,727	65,840	–	141,567
Interest income from operations	3,614,453	51	32,770	952,579	(32,421)	455,962	5,023,394	179,739	(9,317)	5,193,816
Interest income from investments	–	–	–	92,320	1,272,007	–	1,364,327	–	–	1,364,327
Interest expenses	137,318	–	–	660,948	1,777,882	243,944	2,820,092	1,801,624	(3,377)	4,618,339

25th INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Amounts in thousands of Renminbi, unless otherwise stated

4. SEGMENT REPORTING (continued)

The operating and reportable segment information provided to the CODM for the six months ended 30 June 2025 and 2024 is as follows: (continued)

	Wealth Management	Investment Banking	Institutional Business	International Business	Investment Trading	Other Parent- Subsidiary Integration Business	Reportable segment total	Others	Eliminations	Consolidated total
For the six months ended 30 June 2024										
Segment revenue and results										
Revenue and net investment gains										
– External	5,750,205	266,862	(684,605)	2,069,383	6,645,496	1,311,474	15,358,815	448,942	(106,203)	15,701,554
– Inter-segment	268,091	–	–	–	(4,242)	–	263,849	–	(263,849)	–
Other income	33,011	–	–	58,234	(40,306)	59,652	110,591	(4,808)	–	105,783
Segment revenue and other income	6,051,307	266,862	(684,605)	2,127,617	6,600,948	1,371,126	15,733,255	444,134	(370,052)	15,807,337
Segment expenses	3,910,998	230,320	199,867	1,925,342	3,183,299	1,100,377	10,550,203	1,074,671	(369,934)	11,254,940
Segment result	2,140,309	36,542	(884,472)	202,275	3,417,649	270,749	5,183,052	(630,537)	(118)	4,552,397
Share of result of joint ventures	–	–	–	–	–	(10,040)	(10,040)	–	–	(10,040)
Profit/(Loss) before income tax	2,140,309	36,542	(884,472)	202,275	3,417,649	260,709	5,173,012	(630,537)	(118)	4,542,357
As at 31 December 2024 (Audited)										
Segment assets and liabilities										
Segment assets	230,761,933	39,011	30,467,401	39,776,110	322,440,760	90,220,503	713,705,718	264,716,801	(241,239,115)	737,183,404
Deferred tax assets										287,287
Group's total assets										737,470,691
Segment liabilities	230,443,670	177,661	29,675,626	31,175,714	314,746,054	75,633,038	681,851,763	154,339,926	(241,238,879)	594,952,810
Deferred tax liabilities										2,018,437
Group's total liabilities										596,971,247
Other segment information										
Depreciation and amortization	261,667	9,893	19,033	70,583	13,879	41,915	416,970	159,053	–	576,023
Impairment losses	(137,386)	(680)	(218)	(35,446)	(9,712)	55,861	(127,581)	(1,244)	–	(128,825)
Additions to non-current assets	22,482	–	–	22,040	–	6,124	50,646	110,512	–	161,158
Interest income from operations	3,658,729	49	29,149	1,070,398	(59,538)	530,634	5,229,421	235,052	–	5,464,473
Interest income from investments	–	–	–	9,412	1,647,740	–	1,657,152	–	–	1,657,152
Interest expenses	318,138	–	5,098	670,308	2,113,807	300,417	3,407,768	1,874,717	–	5,282,485

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Amounts in thousands of Renminbi, unless otherwise stated

5. COMMISSION AND FEE INCOME

	Six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Commission on securities dealing and broking and handling fee income	3,733,128	2,761,206
Underwriting and sponsors' fees	309,921	267,859
Commission on futures and option contracts dealing and broking and handling fee income	265,960	212,936
Consultancy and financial advisory fee income	68,138	61,666
Asset management fee income	268,177	228,202
Others	43,510	43,878
	4,688,834	3,575,747

6. INTEREST INCOME

	Six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Deposits with exchanges and non-bank financial institutions and bank balances	1,975,670	2,326,440
Advances to customers and securities lending	2,746,862	2,599,376
Financial assets held under resale agreements	468,496	507,979
Debt instruments measured at fair value through other comprehensive income	1,351,035	1,620,704
Debt instruments measured at amortised cost	13,292	36,515
Interest income from other financial assets	2,788	30,611
	6,558,143	7,121,625

7. INVESTMENT INCOME AND GAINS OR LOSSES

	Six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited) (Restated)
Realized and unrealized gains/(losses) from		
– debt instruments measured at FVTOCI	1,131,700	1,301,419
– financial assets measured at FVTPL	5,108,658	1,738,042
– financial liabilities designated at FVTPL	(444,960)	259,981
– derivatives	191,913	2,451,281
– financial liabilities held for trading	231,885	(1,654,181)
– warehouse receipt	(119,468)	79,569
Dividend income from		
– equity instruments measured at FVTOCI	1,299,123	828,071
	7,398,851	5,004,182

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Amounts in thousands of Renminbi, unless otherwise stated

8. OTHER INCOME, GAINS OR LOSSES

	Six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited) (Restated)
Government grants	12,517	8,251
Gains or loss on disposals of property and equipment and other intangible assets	15,407	160
Foreign exchange gains or losses	1,377	(37,141)
Gross rental income	3,867	3,573
Others	119,371	130,940
	152,539	105,783

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

9. DEPRECIATION AND AMORTIZATION

	Six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Depreciation for right-of-use assets	291,800	280,609
Depreciation for property and equipment	173,167	169,998
Depreciation for investment properties	98	98
Amortization of other intangible assets	137,957	125,318
	603,022	576,023

10. STAFF COSTS

	Six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Salaries, bonus and allowances	3,553,486	2,746,525
Social welfare	554,008	505,568
Contributions to annuity schemes	144,539	143,730
Supplementary retirement benefits	5,035	4,160
Others	155,836	177,901
	4,412,904	3,577,884

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11. COMMISSION AND FEE EXPENSES

	Six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Securities and futures dealing and broking expenses	352,138	464,342
Underwriting and sponsors' fee expenses	21,299	19,076
Other service expenses	63,400	48,759
	436,837	532,177

12. INTEREST EXPENSES

	Six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Presented below are interest expenses on the following liabilities:		
– Bonds payable	1,367,439	1,635,357
– Financial assets sold under repurchase agreements	1,631,418	1,872,474
– Debt instruments	395,678	276,928
– Accounts payable to brokerage clients	693,463	948,548
– Due to banks and other financial institutions	381,278	342,176
– Third-party interests in consolidated structured entities and others	149,063	207,002
	4,618,339	5,282,485

13. OTHER OPERATING EXPENSES

	Six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
General and administrative expenses	566,838	536,498
Value-added tax and surcharges	74,237	51,989
Minimum operating lease rentals in respect of rented premises	47,325	44,093
Data transmission expenses	131,905	189,781
Securities investor protection funds	59,192	41,840
Business travel expenses	55,923	62,223
Utilities expenses	15,771	16,965
Auditors' remuneration	6,122	6,173
Sundry expenses	350,731	465,634
	1,308,044	1,415,196

For the six months period ended 30 June 2025, included in "Other operating expenses" were operating lease expenses related to lease liabilities of RMB27 million.

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14. CREDIT LOSS EXPENSE AND IMPAIRMENT LOSSES, NET OF REVERSAL

	Six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Credit loss expense:		
– Financial assets held under resale agreements (Note 24)	(47,638)	(1,639)
– Advances to customers (Note 31)	(175,095)	(134,074)
– Accounts receivable (Note 32)	(7,140)	4,548
– Other receivables (Note 28)	(7,764)	6,243
– Debt instruments measured at FVTOCI (Note 25)	(5,553)	(10,321)
– Debt instruments measured at amortised cost (Note 27)	(588)	(45,474)
– Bank balances	2,522	(69)
Impairment losses:		
– Other assets	29,351	51,961
	(211,905)	(128,825)

15. INCOME TAX EXPENSE

	Six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Current income tax:		
– PRC Enterprise Income Tax	759,896	100,605
– Overseas Profits Tax	41,177	46,072
Underprovision in prior periods:		
– PRC Enterprise Income Tax	18,852	(23,804)
– Overseas Profits Tax	(1,185)	(1,722)
Subtotal	818,740	121,151
Deferred income tax (Note 30)	328,834	33,156
	1,147,574	154,307

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

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

In December 2021, the OECD published Tax Challenges Arising from the Digitalisation of the Economy – Global Anti-Base Erosion Model Rules (“Pillar Two”). Under the Pillar Two legislative rules, low-tax jurisdictions with effective tax rates below 15% may be subject to a Top-up Tax.

The Group is within the scope of the Pillar Two rules. As at 30 June 2025, Mainland China has not legislated Pillar Two. South Korea, The United Kingdom, Malaysia, Indonesia, Singapore, Thailand, Hong Kong, etc., where some of the Group’s branches and subsidiaries are located, have enacted local legislation or draft legislation on Pillar Two. The legislation of the above jurisdictions has no significant impact on the Group’s financial position and operating results for the six months period ended 30 June 2025. Meanwhile, the Group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 Income Taxes issued in May 2023.

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16. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

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

	Six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Profit attributable to Owners of the Company	6,487,816	4,387,820
Less: Profit attributable to other equity holders of the Company ⁽¹⁾	602,755	606,085
Profit attributable to ordinary equity holders of the Company	5,885,061	3,781,735
Weighted average number of shares in issue (thousand)	10,934,402	10,934,402
Basic earnings per share (in RMB)	0.54	0.35

(1) For the purpose of calculating basic earnings per ordinary share in respect for the six months period ended 30 June 2025, RMB603 million (six months period ended 30 June 2024: RMB606 million) attributable to perpetual subordinated bonds was deducted from profits attributable to equity holders of the Company.

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

17. DIVIDENDS

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

	Six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Dividends declared	2,143,143	2,405,568
Distribution to other equity instrument holders	804,000	1,215,500

On 27 June 2025, the Annual General Meeting reviewed and approved the Profit Distribution Plan for 2024. Accordingly, the Company decided to distribute a total cash dividend of RMB2,143.14 million for 2024 (2023: cash dividend of RMB2,405.57 million).

The dividend distributions by the Company triggered the mandatory interest payment event for perpetual subordinated bonds. During the six months period ended 30 June 2025, the Company has recognized the dividend payable to other equity instrument holders of RMB804 million (six months period ended 30 June 2024: RMB1,215.50 million).

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18. PROPERTY, PLANT AND EQUIPMENT

	Buildings	Electronic and communication equipment	Motor vehicles	Office equipment	Leasehold improvements	Total
COST						
As at 1 January 2024 (Audited)	269,486	1,375,618	71,279	130,450	399,348	2,246,181
Additions	–	285,451	4,938	9,632	73,214	373,235
Transfer or reclassification	–	181	–	(187)	5	(1)
Exchange gains or losses	(7)	(2,914)	888	578	1,350	(105)
Disposals/write-off	(2)	(74,634)	(45,298)	(12,705)	(33,696)	(166,335)
As at 31 December 2024 (Audited)	269,477	1,583,702	31,807	127,768	440,221	2,452,975
ACCUMULATED DEPRECIATION						
As at 1 January 2024 (Audited)	200,783	941,342	63,434	106,255	264,737	1,576,551
Charge for the year	11,269	236,494	5,109	9,394	63,940	326,206
Exchange gains or losses	(7)	(629)	469	426	1,346	1,605
Disposals/write-off	–	(69,733)	(42,539)	(11,891)	(31,053)	(155,216)
As at 31 December 2024 (Audited)	212,045	1,107,474	26,473	104,184	298,970	1,749,146
CARRYING VALUE						
As at 31 December 2024 (Audited)	57,432	476,228	5,334	23,584	141,251	703,829
COST						
As at 1 January 2025 (Audited)	269,477	1,583,702	31,807	127,768	440,221	2,452,975
Additions	–	20,952	1,185	3,727	27,746	53,610
Exchange gains or losses	332	5,512	337	1,505	2,864	10,550
Disposals/write-off	–	(12,119)	(10,095)	(4,655)	(10,302)	(37,171)
As at 30 June 2025 (Unaudited)	269,809	1,598,047	23,234	128,345	460,529	2,479,964
ACCUMULATED DEPRECIATION						
As at 1 January 2025 (Audited)	212,045	1,107,474	26,473	104,184	298,970	1,749,146
Charge for the period	5,648	129,888	865	4,285	32,481	173,167
Exchange gains or losses	332	5,126	286	1,208	2,362	9,314
Disposals/write-off	–	(9,380)	(8,956)	(4,438)	(10,038)	(32,812)
As at 30 June 2025 (Unaudited)	218,025	1,233,108	18,668	105,239	323,775	1,898,815
CARRYING VALUE						
As at 30 June 2025 (Unaudited)	51,784	364,939	4,566	23,106	136,754	581,149

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19. LEASES

(a) Right-of-use assets

	Buildings
Cost	
As at 1 January 2024 (Audited)	3,045,040
Additions	459,336
Deductions	(307,317)
Exchange gains or losses	3,643
As at 31 December 2024 (Audited)	3,200,702
Accumulated depreciation	
As at 1 January 2024 (Audited)	1,388,777
Charge for the year	566,304
Deductions	(284,048)
Exchange gains or losses	2,636
As at 31 December 2024 (Audited)	1,673,669
Net book value	
As at 1 January 2024 (Audited)	1,656,263
As at 31 December 2024 (Audited)	1,527,033
Cost	
As at 1 January 2025 (Audited)	3,200,702
Additions	231,769
Deductions	(402,144)
Exchange gains or losses	13,576
As at 30 June 2025 (Unaudited)	3,043,903
Accumulated depreciation	
As at 1 January 2025 (Audited)	1,673,669
Charge for the period	291,800
Deductions	(251,146)
Exchange gains or losses	6,578
As at 30 June 2025 (Unaudited)	1,720,901
Net book value	
As at 1 January 2025 (Audited)	1,527,033
As at 30 June 2025 (Unaudited)	1,323,002

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19. LEASES (continued)

(b) Lease liabilities

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

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Less than 1 year	492,580	714,715
Over 1 years	946,612	972,427
Undiscounted lease liabilities	1,439,192	1,687,142
Lease liabilities	1,347,029	1,584,107

20. GOODWILL

	Goodwill
Gross carrying amount	
As at 1 January 2025 (Audited)	1,066,862
Exchange gains	28,675
As at 30 June 2025 (Unaudited)	1,095,537
Accumulated impairment losses	
As at 1 January 2025 (Audited)	–
Impairment losses recognized during the reporting period	–
As at 30 June 2025 (Unaudited)	–
Net book value	
As at 1 January 2025 (Audited)	1,066,862
As at 30 June 2025 (Unaudited)	1,095,537

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20. GOODWILL (continued)

Securities brokerage business cash-generating unit

In January 2007, the Company acquired the securities brokerage business, investment banking business and related assets and liabilities of former China Galaxy Securities Co., Ltd. (Hereinafter referred to as “former Galaxy Securities”), as well as the equity of Galaxy Futures held by former Galaxy Securities. The difference between the acquisition cost and the fair value of the identifiable net assets acquired in the acquisition business is recognized as goodwill of the Securities brokerage business cash-generating unit. As at 30 June 2025 and 31 December 2024, the gross carrying amount and net book value of goodwill were both RMB223 million.

CGS International Singapore business cash-generating unit

The Group acquired the CGS International Securities Pte. Ltd. (“CGS International Singapore”) in April 2019. The Group recognized the excess of acquisition cost over the fair value of the net identifiable assets acquired as the goodwill. As at 30 June 2025, the gross carrying amount and net book value of goodwill were RMB220 million (31 December 2024: RMB224 million).

CGS International Malaysia business cash-generating unit

The Group acquired the CGS International Securities Malaysia Sdn. Bhd. (“CGS International Malaysia”) in December 2021. The Group recognized the goodwill of 100% equity held by the original controller of the asset group after confirming the identifiable assets and liabilities of the acquired business. As at 30 June 2025, the gross carrying amount and net book value of goodwill were RMB652 million (31 December 2024: RMB620 million).

As at 30 June 2025, no indications of impairment came to attention of the management.

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21. OTHER INTANGIBLE ASSETS

	Trading rights	Computer software and others	Total
COST			
As at 1 January 2024 (Audited)	303,621	1,347,139	1,650,760
Additions	1,574	292,587	294,161
Exchange gains or losses	(74)	31,520	31,446
Disposals/write-off	–	(123,332)	(123,332)
As at 31 December 2024 (Audited)	305,121	1,547,914	1,853,035
ACCUMULATED AMORTISATION			
As at 1 January 2024 (Audited)	–	830,183	830,183
Charge for the year	–	269,293	269,293
Exchange gains or losses	–	27,461	27,461
Disposals/write-off	–	(122,366)	(122,366)
As at 31 December 2024 (Audited)	–	1,004,571	1,004,571
IMPAIRMENT			
As at 1 January 2024 (Audited)	–	36	36
Exchange gains or losses	–	(3)	(3)
As at 31 December 2024 (Audited)	–	33	33
CARRYING VALUE			
As at 31 December 2024 (Audited)	305,121	543,310	848,431
COST			
As at 1 January 2025 (Audited)	305,121	1,547,914	1,853,035
Additions	–	88,220	88,220
Exchange gains or losses	33	26,120	26,153
Disposals/write-off	–	(9,530)	(9,530)
As at 30 June 2025 (Unaudited)	305,154	1,652,724	1,957,878
ACCUMULATED AMORTISATION			
As at 1 January 2025 (Audited)	–	1,004,571	1,004,571
Charge for the period	–	137,957	137,957
Exchange gains or losses	–	17,801	17,801
Disposals/write-off	–	(9,297)	(9,297)
As at 30 June 2025 (Unaudited)	–	1,151,032	1,151,032
IMPAIRMENT			
As at 1 January 2025 (Audited)	–	33	33
Exchange gains or losses	–	–	–
As at 30 June 2025 (Unaudited)	–	33	33
CARRYING VALUE			
As at 30 June 2025 (Unaudited)	305,154	501,659	806,813

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21. OTHER INTANGIBLE ASSETS (continued)

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

Impairment testing on intangible assets with indefinite useful lives

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

The respective recoverable amounts of these trading rights or CGUs where the trading rights are allocated to, using a value in use calculation, exceed their carrying amounts. Accordingly, there was no impairment of the trading rights as at 30 June 2025 and 31 December 2024.

22. INTERESTS IN JOINT VENTURES

(1) Details of the Group's investments in joint ventures are as follows:

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Investments in joint ventures		
As at 1 January	300,311	244,771
Cost of investments in joint ventures	50,374	59,300
Share of post-acquisition profits and other comprehensive income, net of dividends received	4,209	(3,760)
Withdrawal of investments	(4,593)	–
End of the period	350,301	300,311

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22. INTERESTS IN JOINT VENTURES (continued)

(2) Details of the Group's joint ventures at the end of the reporting period are as follows:

Name of entity	Country of registration	Principal place of business	Proportion of ownership interest held by the Group 30/6/2025	Principal activities
Joint ventures:				
China Securities Lize Real Estate (Beijing) Co., Ltd. *	China	China	34.16%	Real estate development and property management
Gansu Jingning Galaxy Development Fund Co., Ltd. *	China	China	1.00%	Equity investment and project investment
Gansu Jingning Galaxy Revitalization Fund Co., Ltd *	China	China	1.00%	Equity investment and project investment
Zhongshan Xingzhong Galaxy green industry investment fund LLP*	China	China	20.00%	Equity investment and project investment
Yinhe core kinetic energy No. 1 equity investment fund (Yantai) partnership LLP *	China	China	1.85%	Equity investment and project investment
Haiyan Yinhe fashion smart manufacturing equity investment fund partnership LLP *	China	China	19.90%	Equity investment and project investment
Komsomolskaya Galaxy Innovation No. 9 Equity Investment Partnership LLP *	China	China	5.00%	Equity investment and project investment
Zhaoyuan Galaxy Hongxu Equity Investment Fund Partnership LLP *	China	China	19.90%	Equity investment and project investment
Zhenjiang Yunfan Innovation Investment Fund Partnership LLP *	China	China	20.00%	Equity investment and project investment
Huzhou Galaxy Furui Equity Investment Partnership *	China	China	20.00%	Equity investment and project investment
Zhaoyuan Galaxy Hongbo Industrial Investment Partnership *	China	China	19.90%	Equity investment and project investment
Jilin Galaxy Zhengyuan Digital Economy Private Equity Partnership LLP*	China	China	20.00%	Equity investment and project investment
Qingdao Dongzheng Digital Source Yunlan Equity Investment Center LLP*	China	China	19.35%	Equity investment and project investment
Changxing Galaxy Kunxin Equity Investment Fund Partnership LLP*	China	China	20.00%	Equity investment and project investment
Shanghai No.0 Bay Innovation Ceyuan Private Equity Fund Partnership LLP*	China	China	1.00%	Equity investment and project investment
Zhangjiagang Galaxy Ruiwen Emerging Industry Equity Investment Fund Partnership LLP*	China	China	20.00%	Equity investment and project investment
Fuqi Galaxy (Fuzhou) Industrial Investment Partnership LLP*	China	China	19.80%	Equity investment and project investment

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22. INTERESTS IN JOINT VENTURES (continued)

(2) Details of the Group's joint ventures at the end of the reporting period are as follows: (continued)

Name of entity	Country of registration	Principal place of business	Proportion of ownership interest held by the Group 30/6/2025	Principal activities
Liaoning Yinxing Jian Dong Fund Investment Partnership LLP*	China	China	5.00%	Equity investment and project investment
Hainan Caijin Galaxy Private Equity Fund Management Co., Ltd*	China	China	50.00%	Equity investment and project investment
Tianjin Youda Galaxy Industrial Investment Fund Partnership LLP*	China	China	20.00%	Equity investment and project investment
Zhejiang Galaxy Guoke Consumer Health Equity Investment Fund Partnership LLP*	China	China	11.96%	Equity investment and project investment
Anhui Galaxy Huaben Intelligent Manufacturing Equity Investment Fund Partnership LLP*	China	China	20.00%	Equity investment and project investment
Jiquan (Shanghai) Private Equity Fund Partnership LLP*	China	China	50.00%	Equity investment and project investment
Huzhou Kaiyin Equity Investment Partnership LLP*	China	China	1.54%	Equity investment and project investment
Hubei Xiaogan Strategic Emerging Industry Investment Master Fund Management Partnership LLP*	China	China	10.00%	Equity investment and project investment
Mianyang Science and Technology City Yinke Industry and Finance Equity Investment Fund Partnership LLP*	China	China	20.00%	Equity investment and project investment
Wenling Galaxy Intelligent Machine Equity Investment Partnership LLP*	China	China	19.90%	Equity investment and project investment
Yancheng New Generation Information Technology Industry Investment Fund Partnership LLP*	China	China	19.50%	Equity investment and project investment
Huangshan Gongying Huatong Equity Investment Partnership LLP*	China	China	19.90%	Equity investment and project investment

* The joint venture does not have an official English name.

Although the Group's percentages of shareholdings in some investees are lower than 20%, they are accounted for as joint ventures due to the relevant arrangements of the partnership agreements and the significant influence of the Group on their investment decision-making committees.

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

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Non-current		
Debt securities	13,741,526	44,227,875
Funds	42,384	632,746
Trust schemes	728,797	331,625
Other investments (a)	5,183,543	11,644,558
	19,696,250	56,836,804
Current		
Debt securities	149,739,933	92,829,939
Equity securities	20,615,247	20,687,459
Funds	32,058,906	26,750,052
Structured deposits and wealth management products	3,643,425	3,024,251
Trust schemes	169,524	386,327
Other investments (a)	26,416,915	19,029,822
Add: Accrued interests	1,280,102	1,216,163
	233,924,052	163,924,013

- (a) The balance mainly represents investments in: (i) collective asset management schemes issued and managed by the Group, whereby the Group's interest in and exposure to them are not significant, (ii) targeted asset management schemes (or trust investments) managed by non-bank financial institutions, which mainly invest in debt securities, publicly traded equity securities listed in the PRC, funds and loans, (iii) limited partnerships managed by non-bank financial institutions, which mainly invest in unlisted enterprises, (iv) equity investments in unlisted enterprises, and (v) perpetual bonds.

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24. FINANCIAL ASSETS HELD UNDER RESALE AGREEMENTS

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Non-current		
Analyzed by collateral type:		
Equity securities	7,610,414	10,184,530
Less: Impairment	(34,892)	(127,127)
	7,575,522	10,057,403
Analyzed by market of collateral:		
Stock exchanges	7,575,522	10,057,403
Current		
Analyzed by collateral type:		
Equity securities	12,865,173	11,136,337
Debt securities	4,253,110	3,585,673
Add: Accrued interest	38,638	56,342
Less: Impairment	(122,330)	(77,747)
	17,034,591	14,700,605
Analyzed by market of collateral:		
Stock exchanges	16,387,907	14,192,184
Interbank bond market	630,010	500,052
Over the counter	16,674	8,369

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

	Six months ended 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
At the beginning of the period/year	204,874	56,969
Impairment losses recognized, net of reversal (Note 14)	(47,638)	147,885
Others	(14)	20
At the end of the period/year	157,222	204,874

As at 30 June 2025, the fair value of collateral received by the Group was approximately RMB68,950 million (31 December 2024: RMB58,377 million).

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

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Non-current		
Debt securities	3,496,986	1,551,439
Current		
Debt securities	90,712,847	102,409,990
Add: Accrued interest	1,066,507	1,167,654
	91,779,354	103,577,644

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

	Six months ended 30 June 2025 (Unaudited)	Year ended 31 December 2024 (Audited)
At the beginning of the period/year	190,625	184,412
Impairment losses recognized, net of reversal (Note 14)	(5,553)	6,213
Exchange difference and others	(83)	–
At the end of the period/year	184,989	190,625

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

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Non-current		
Equity securities	16,254,390	13,718,765
Perpetual bonds	40,078,079	40,982,112
Other investments	1,676,961	986,010
	58,009,430	55,686,887

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

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27. DEBT INSTRUMENTS MEASURED AT AMORTISED COST

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Non-current		
Debt securities ⁽¹⁾	628,517	542,491
Less: Impairment	(49,773)	(49,528)
	578,744	492,963
Current		
Debt securities ⁽¹⁾	124,282	412,863
Add: Accrued interest	4,760	7,143
Less: Impairment	(16,915)	(17,751)
	112,127	402,255

(1) As at 30 June 2025, the interest rates on these debt securities were between 2.26%-6.80% per annum (31 December 2024: between 2.26%-6.80% per annum).

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

	Six months ended 30 June 2025 (Unaudited)	Year ended 31 December 2024 (Audited)
At the beginning of the period/year	67,279	93,397
Impairment losses recognized, net of reversal (Note 14)	(588)	(26,595)
Exchange difference and others	(3)	477
At the end of the period/year	66,688	67,279

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28. OTHER ASSETS

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Non-current		
Prepayments	1,154,126	1,154,126
Reposessed assets	16,674	16,674
Others	38	33,416
	1,170,838	1,204,216
Current		
Prepaid taxes	170,888	8,011
Accrued interest	31,794	8,203
Prepayments	238,473	233,619
Margin financing clients receivable	199,964	201,989
Customer trading deposits	2,204,263	2,419,599
Others	4,428,295	3,185,667
Subtotal	7,273,677	6,057,088
Less: Impairment	(818,688)	(794,061)
Total	6,454,989	5,263,027

As at 30 June 2025, Others included the cost of warehouse receipt contract of RMB2,439.36 million, the provision for impairment of warehouse receipt amounted to RMB53.15 million (31 December 2024, the cost of warehouse receipt contracts was RMB1,204.46 million, the provision for impairment of warehouse receipt was RMB18.43 million).

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

	Six months ended 30 June 2025 (Unaudited)	Year ended 31 December 2024 (Audited)
At the beginning of the period/year	794,061	735,771
Impairment losses recognized, net of reversal (Note 14)	(7,764)	59,196
Exchange difference and others	32,391	(906)
At the end of the period/year	818,688	794,061

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29. DEPOSITS WITH EXCHANGES AND NON-BANK FINANCIAL INSTITUTIONS

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Non-current		
Deposits with stock exchanges	454,275	471,405
Deposits with futures and commodity exchanges	10,134	19,532
Guarantee fund paid to the Shenzhen Stock Exchange	305,412	234,862
Others	422,857	588,448
	1,192,678	1,314,247
Current		
Deposits with futures and commodity exchanges	20,443,017	19,864,792
Deposits with China Securities Finance Corporation Limited (CSFCL)	108,198	176,121
	20,551,215	20,040,913

30. DEFERRED TAXATION

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

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Deferred tax assets	315,115	287,287
Deferred tax liabilities	2,344,179	2,018,437
	(2,029,064)	(1,731,150)

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30. DEFERRED TAXATION (continued)

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

	Changes in fair value of financial assets at fair value through profit or loss	Changes in fair value of financial assets at FVTOCI	Accrued staff costs	Allowance for impairment losses	Accrued interest expenses	Accrued expenses	Changes in fair value of derivative instruments	Accrued interest income	Provisions	Lease liabilities	Unrecovered losses	Right-of-use assets	Others	Total
As at 1 January 2024	(525,214)	(466,203)	939,598	319,270	736,723	85,227	(890,240)	(1,439,078)	9,491	458,249	1,189,163	(414,066)	63,934	66,854
(Charge)/Credit to profit or loss	(318,262)	-	215,313	80,613	42,254	(40,018)	246,586	213,977	6,712	(64,634)	(781,434)	81,038	91,208	(226,647)
Credit to other comprehensive income	-	(1,466,931)	-	-	-	-	-	-	-	-	-	-	-	(1,466,931)
Credit to retained profits	-	-	-	-	-	-	-	-	-	-	(104,426)	-	-	(104,426)
As at 31 December 2024 (Audited)	(843,476)	(1,933,134)	1,154,911	399,883	778,977	45,209	(643,654)	(1,225,101)	16,203	393,615	303,303	(333,028)	155,142	(1,731,150)
(Charge)/Credit to profit or loss	(273,026)	-	194,404	(52,042)	29,363	59,465	35,881	1,440	(1,728)	(77,155)	(258,770)	19,837	(6,503)	(328,834)
Credit to other comprehensive income	-	75,453	-	-	-	-	-	-	-	-	-	-	-	75,453
Credit to retained profits	-	-	-	-	-	-	-	-	-	-	(44,533)	-	-	(44,533)
As at 30 June 2025 (Unaudited)	(1,116,502)	(1,857,681)	1,349,315	347,841	808,340	104,674	(607,773)	(1,223,661)	14,475	316,460	-	(313,191)	148,639	(2,029,064)

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

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31. ADVANCES TO CUSTOMERS

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Current		
Loans to margin clients	97,965,798	98,848,663
Other loans and advances	306,366	305,834
Add: Interest receivable	2,994,473	2,835,735
Less: Impairment	(280,308)	(455,479)
	100,986,329	101,534,753

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

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

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

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

	Six months ended 30 June 2025 (Unaudited)	Year ended 31 December 2024 (Audited)
At the beginning of the period/year	455,479	310,515
Impairment losses recognized, net of reversal (Note 14)	(175,095)	142,621
Amounts written off	(2,785)	–
Exchange difference and others	2,709	2,343
At the end of the period/year	280,308	455,479

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

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32. ACCOUNTS RECEIVABLE

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Accounts receivable of:		
Client securities settlement	4,215,201	3,293,411
Brokers and dealers	6,229,432	6,237,645
Clearing house	2,196,694	1,148,467
Underwriting and sponsors fee	73,432	44,577
Trading rights rental commission	57,960	52,031
Asset management and funds distribution handling fees	148,162	161,626
Others	205,144	38,989
Subtotal	13,126,025	10,976,746
Less: Impairment	(312,373)	(309,651)
Total	12,813,652	10,667,095

An aging analysis of accounts receivable is as follows:

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Within 1 year	12,751,891	10,619,685
Between 1 and 2 years	4,819	5,668
Between 2 and 3 years	1,291	3,898
Over 3 years	55,651	37,844
	12,813,652	10,667,095

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

	Six months ended 30 June 2025 (Unaudited)	Year ended 31 December 2024 (Audited)
At the beginning of the period/year	309,651	196,750
Impairment losses recognized, net of reversal (Note 14)	(7,140)	111,551
Amounts written off	(87)	—
Exchange difference and others	9,949	1,350
At the end of the period/year	312,373	309,651

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33. DERIVATIVE FINANCIAL INSTRUMENTS

As at 30 June 2025 (Unaudited)			
	Nominal amounts	Assets	Liabilities
Hedging instruments			
Currency forward	227,705	603	313
Commodity futures	53,783	–	–
Non-hedging instruments			
Equity Derivatives	142,824,629	1,506,354	1,809,626
Interest Rate Derivatives	1,747,562,089	1,316	6,665
Other Derivatives	59,138,979	471,050	170,836
Total	1,949,807,185	1,979,323	1,987,440

As at 31 December 2024 (Audited)			
	Nominal amounts	Assets	Liabilities
Hedging instruments			
Currency forward	353,987	–	2,715
Commodity futures	483,491	–	–
Non-hedging instruments			
Equity Derivatives	196,765,725	4,050,928	1,760,167
Interest Rate Derivatives	1,370,524,766	2,221	3,180
Other Derivatives	44,220,663	148,417	132,810
Total	1,612,348,632	4,201,566	1,898,872

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

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34. CLEARING SETTLEMENT FUNDS

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Clearing settlement funds held with clearing houses for:		
– House accounts	8,736,566	10,067,771
– Clients accounts	34,477,900	25,664,963
Add: Accrued interest	51,377	64,907
Total	43,265,843	35,797,641

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

35. BANK BALANCES

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
House accounts	16,351,539	15,930,828
Cash held on behalf of customers	139,751,446	128,601,926
Add: Accrued interest	266,629	357,693
	156,369,614	144,890,447

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

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

As at 30 June 2025, the expected credit losses ("ECLs") allowance for bank balances amounted to RMB3.67 million (31 December 2024: RMB1.07 million).

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36. SHARE CAPITAL

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

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Issued and fully paid ordinary shares of RMB1 each (in thousands)		
Domestic shares	7,243,417	7,243,417
H shares	3,690,985	3,690,985
	10,934,402	10,934,402
Share capital (in RMB thousands)		
Domestic shares	7,243,417	7,243,417
H shares	3,690,985	3,690,985
	10,934,402	10,934,402

37. OTHER EQUITY INSTRUMENTS

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Perpetual subordinated bonds	29,828,568	29,828,568
	29,828,568	29,828,568

On 24 November 2020, the Company issued RMB5 billion perpetual subordinated bonds ("20 Yinhe Y1") at par, with a coupon rate of 4.80%. The bonds are redeemable or repayable at the Company's option at the end of each repricing period, which is every 5 years.

On 29 March 2021, the Company issued RMB5 billion perpetual subordinated bonds ("21 Yinhe Y1") at par, with a coupon rate of 4.57%. The bonds are redeemable or repayable at the Company's option at the end of each repricing period, which is every 5 years.

On 21 April 2021, the Company issued RMB5 billion perpetual subordinated bonds ("21 Yinhe Y2") at par, with a coupon rate of 4.30%. The bonds are redeemable or repayable at the Company's option at the end of each repricing period, which is every 5 years.

On 18 May 2023, the Company issued RMB5 billion perpetual subordinated bonds ("23 Yinhe Y1") at par, with a coupon rate of 3.63%. The bonds are redeemable or repayable at the Company's option at the end of each repricing period, which is every 5 years.

On 9 June 2023, the Company issued RMB5 billion perpetual subordinated bonds ("23 Yinhe Y2") at par, with a coupon rate of 3.58%. The bonds are redeemable or repayable at the Company's option at the end of each repricing period, which is every 5 years.

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37. OTHER EQUITY INSTRUMENTS (continued)

On 17 November 2023, the Company issued RMB5 billion perpetual subordinated bonds (“23 Yinhe Y3”) at par, with a coupon rate of 3.43%. The bonds are redeemable or repayable at the Company’s option at the end of each repricing period, which is every 5 years.

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

The coupon rate for the perpetual subordinated bonds is fixed in the first 5 years and will be repriced every 5 years. The coupon rate will be repriced as the sum of the current basis rate, the initial spread, and an additional 300 basis points. The repriced coupon rate will remain unchanged in the next 5 years. The current basis rate is defined as the average yields of 5 years treasury bonds from the interbank fixed rate bond yield curve published on China Bond website 5 working days before the interest repricing date.

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

The perpetual subordinated bonds issued by the Company are classified as equity instruments and presented under equity in the Group’s statement of financial position.

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38. BONDS PAYABLE

As at 30 June 2025 and 31 December 2024, bonds payable comprised subordinated bonds and corporate bonds.

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

Non-current

Value date	Maturity date	Coupon rate	As at 30 June 2025 (Unaudited) Carrying amount	As at 31 December 2024 (Audited) Carrying amount
17 April 2023	17 April 2026	3.34%	–	4,091,290
11 March 2024	11 March 2027	2.60%	2,011,889	2,036,740
11 March 2024	11 March 2029	2.75%	4,022,684	4,076,325
27 May 2024	27 May 2027	2.35%	2,499,868	2,527,752
27 May 2024	27 May 2029	2.45%	2,498,641	2,528,406
22 August 2024	22 August 2027	2.10%	1,218,465	1,205,145
22 August 2024	22 August 2029	2.22%	1,422,338	1,406,312
27 February 2025	27 February 2028	2.15%	1,305,271	–
27 February 2025	27 February 2030	2.25%	2,108,788	–
15 May 2025	15 May 2030	2.07%	2,997,053	–
17 February 2023	17 February 2026	3.28%	–	3,081,641
09 March 2023	09 March 2026	3.35%	–	3,282,533
17 July 2023	17 July 2026	2.74%	3,074,823	3,031,949
20 July 2021	20 July 2026	3.45%	1,857,509	1,825,865
18 August 2023	18 August 2026	2.66%	2,043,479	2,015,693
18 August 2023	18 August 2028	2.98%	3,070,662	3,024,953
18 October 2023	18 October 2026	3.08%	4,590,134	4,518,194
11 August 2022	11 August 2027	3.08%	5,128,840	5,050,164
05 September 2022	05 September 2027	2.95%	4,090,122	4,029,774
17 July 2023	17 July 2028	3.08%	2,054,371	2,022,901
14 September 2023	14 September 2028	3.20%	1,023,035	1,006,701
14 September 2023	14 September 2033	3.33%	1,023,376	1,006,583
14 September 2023	14 September 2026	2.95%	3,065,913	3,019,897
14 December 2023	14 December 2026	2.98%	2,028,930	1,997,954
14 December 2023	14 December 2028	3.14%	3,043,623	2,995,519
18 January 2024	18 January 2027	2.84%	5,054,369	5,122,808
29 January 2024	29 January 2026	2.75%	–	1,023,504
22 July 2024	22 July 2027	2.13%	1,526,338	1,509,464
22 July 2024	22 July 2029	2.25%	3,563,653	3,523,065
17 October 2024	17 October 2027	2.15%	5,583,557	3,503,355
17 October 2024	17 October 2029	2.25%	1,518,952	1,501,558
13 May 2025	13 May 2028	1.75%	998,785	–
09 January 2025	09 January 2027	1.72%	1,507,983	–
09 January 2025	09 January 2028	1.75%	2,512,875	–
			78,446,326	75,966,045

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38. BONDS PAYABLE (continued)

Current

Value date	Maturity date	Coupon rate	As at 30 June 2025 (Unaudited) Carrying amount	As at 31 December 2024 (Audited) Carrying amount
21 March 2022	21 March 2025	3.38%	–	1,082,738
08 August 2022	08 August 2025	2.72%	3,380,156	3,333,842
18 January 2022	18 January 2025	3.15%	–	3,090,099
17 April 2023	17 April 2025	3.09%	–	1,021,547
17 April 2023	17 April 2026	3.34%	4,025,565	–
13 January 2023	13 January 2025	3.58%	–	2,586,558
26 July 2022	26 July 2025	2.83%	2,052,723	2,023,243
09 June 2022	09 June 2025	3.06%	–	5,083,311
09 March 2023	09 March 2025	3.25%	–	1,026,131
17 February 2023	17 February 2025	3.09%	–	1,026,764
05 September 2022	05 September 2025	2.54%	1,020,598	1,007,303
26 April 2022	26 April 2025	2.95%	–	1,529,715
17 February 2023	17 February 2026	3.28%	3,033,924	–
09 March 2023	09 March 2026	3.35%	3,230,798	–
29 January 2024	29 January 2026	2.75%	1,010,584	–
			17,754,348	22,811,251

All of these bonds are denominated in RMB.

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39. DEBT INSTRUMENTS

	As at 30 June 2025 (Unaudited) Carrying amount	As at 31 December 2024 (Audited) Carrying amount
Non-current		
Structured notes ⁽²⁾	4,106	32,499
	4,106	32,499
Current		
Short-term financing bills ⁽¹⁾	41,342,282	42,222,971
Structured notes ⁽²⁾	134,670	286,219
Total	41,476,952	42,509,190

(1) Short-term financing bills

The details of short-term financing bills as at 30 June 2025 are as follows:

Name	Issue amount RMB'000	Value date	Maturity date	Coupon rate
24 CGS CP013	4,000,000	25 November 2024	26 August 2025	1.92%
24 CGS CP018	4,000,000	19 December 2024	18 July 2025	1.70%
25 CGS CP003	3,000,000	18 February 2025	17 July 2025	1.90%
25 CGS CP005	3,000,000	12 March 2025	12 September 2025	2.07%
25 CGS CP006	3,000,000	18 March 2025	17 October 2025	1.99%
25 CGS CP007	3,000,000	10 April 2025	10 July 2025	1.80%
25 CGS CP008	4,000,000	12 May 2025	12 August 2025	1.66%
25 CGS CP009	3,000,000	19 May 2025	16 October 2025	1.63%
25 CGS CP010	3,000,000	26 May 2025	21 November 2025	1.68%
25 CGS CP011	4,000,000	03 June 2025	18 September 2025	1.69%
25 CGS CP012	3,000,000	09 June 2025	09 September 2025	1.67%
25 CGS CP013	4,000,000	16 June 2025	16 December 2025	1.64%
Commercial Paper	31,316	17 April 2025	17 July 2025	2.80%
Commercial Paper	34,111	17 April 2025	17 July 2025	4.80%
Commercial Paper	33,281	17 April 2025	17 July 2025	2.80%
Commercial Paper	61,872	17 April 2025	17 July 2025	4.80%

(2) Structured notes

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

As at 30 June 2025, for structured notes issued by the Company, their coupon rates were from 2.70% to 4.20% (31 December 2024: 2.70% to 3.15%).

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

(1) Financial liabilities held for trading:

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Current		
Debt Securities	40,838,230	29,447,859
	40,838,230	29,447,859

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

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Non-current		
Financing payables ^(a)	2,203,233	1,898,112
	2,203,233	1,898,112
Current		
Financing payables ^(a)	7,934,894	12,672,126
	7,934,894	12,672,126

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

41. OTHER PAYABLES AND ACCRUALS

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Non-current		
Third-party interests in consolidated structured entities	98,649	76,731
	98,649	76,731
Current		
Third-party interests in consolidated structured entities	142,828	193,325
Customer trading deposits	24,150,855	24,136,990
Other payables to trading clients	1,658,127	340,334
Settlement payable	12,175,097	7,031,431
Value-added tax and other taxes	263,955	255,744
Accrued expenses	1,647,113	781,755
Sundry payables	22,189	18,655
Payable for the securities investor protection fund	73,565	70,206
Dividends payable	3,358,767	1,489,835
Payable deposits with stock exchanges	3,239,628	3,225,032
Others	2,336,086	2,036,827
	49,068,210	39,580,134

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42. DUE TO BANKS AND OTHER FINANCIAL INSTITUTIONS

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Unsecured short-term bank loans ⁽¹⁾	14,747,375	17,199,527
Add: Interest payable	24,785	31,150
	14,772,160	17,230,677

(1) As at 30 June 2025, the unsecured short-term bank loans bore interest at variable interest rates at 0.46% to 7.76% (As at 31 December 2024, the unsecured short-term bank loans bore interest at 1.00%-7.00% per annum) and were repayable within 1 year (31 December 2024: within 1 year).

43. ACCOUNTS PAYABLE TO BROKERAGE CLIENTS

The majority of the accounts payable balances are repayable on demand except where certain balances represent margin deposits and cash collateral received from clients for their trading activities under normal course of business. Only the excess amounts over the required margin deposits and cash collateral stipulated are repayable on demand.

No aging analysis is disclosed as in the opinion of the directors of the Company, the aging analysis does not give additional value to the readers of this interim condensed consolidated financial information in view of the nature of these businesses.

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

As at 30 June 2025, included in the Group's accounts payable to brokerage clients were approximately RMB13,695 million (31 December 2024: RMB14,115 million) received from clients for margin financing and securities lending arrangements.

44. ACCRUED STAFF COSTS

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Salaries, bonus and allowances	7,625,405	6,117,816
Social welfare	35,091	31,099
Annuity schemes	27,715	27,808
Supplementary retirement benefits	410,966	417,786
Early retirement benefits	358	395
Others	160,804	178,605
	8,260,339	6,773,509

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45. FINANCIAL ASSETS SOLD UNDER REPURCHASE AGREEMENTS

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Current		
Analyzed by collateral type:		
Debt securities	176,912,958	164,913,585
Funds	7,161,137	8,467,062
Shares	30,571	60,945
Gold	632,440	2,651,001
Notes	457,851	345,540
Add: Interests payable	224,152	266,480
	185,419,109	176,704,613
Analyzed by market of collateral:		
Stock exchanges	79,277,802	82,448,540
Interbank bond market	101,539,381	90,308,951
Over the counter	4,377,774	3,680,642
Add: Interests payable	224,152	266,480
	185,419,109	176,704,613

Financial assets sold under repurchase agreements bear effective interest at 0.60%-6.00% (31 December 2024: 0.70%-6.00% per annum).

46. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise the following:

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Bank balances – house accounts	14,636,069	14,202,833
Clearing settlement funds – house accounts	8,736,566	10,067,771
	23,372,635	24,270,604

Cash and cash equivalents do not include bank deposits held by the Group with original maturity of more than three months and are restricted for use. As at 30 June 2025, bank deposits held by the Group with original maturity of more than three months were RMB1,035 million (31 December 2024: RMB1,089 million) and there were bank deposits restricted for use of RMB680 million (31 December 2024: RMB639 million).

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47. INTERESTS IN STRUCTURED ENTITIES

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

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

As at 30 June 2025, the total assets of the consolidated structured entities were RMB30,327 million (31 December 2024: RMB32,236 million) and the total net assets of the consolidated structured entities were RMB30,201 million (31 December 2024: RMB32,159 million). The carrying amount of third party interests in the consolidated structured entities were RMB241 million (31 December 2024: RMB270 million), and these interests are presented in Note 41.

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

The amount of unconsolidated structured entities managed by the Group was RMB86,712 million as at 30 June 2025 (31 December 2024: RMB88,210 million). The Group's interests in these unconsolidated structured entities are equal to the maximum exposure to loss of interests held by the Group, which amounted to RMB74 million as at 30 June 2025 (31 December 2024: RMB95 million).

During the period, management fee income and investment gains from the unconsolidated asset management schemes managed by the Group amounted to RMB278 million (Six months ended 30 June 2024: RMB436 million).

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47. INTERESTS IN STRUCTURED ENTITIES (continued)

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

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

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

	As at 30 June 2025 (Unaudited) Financial assets measured at fair value through profit or loss	As at 31 December 2024 (Audited) Financial assets measured at fair value through profit or loss
Carrying amount of interests held by the Group		
– Funds	32,101,290	27,382,798
– Trust schemes and wealth management products	3,924,952	3,100,668
– Asset management schemes	800,064	1,149,762
– Others	13,854,318	12,634,281
Total	50,680,624	44,267,509

48. CAPITAL COMMITMENTS

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Contracted but not provided for		
Leasehold improvements	20,695	16,633
Property and equipment	261,133	164,829
Total	281,828	181,462

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49. RELATED PARTY TRANSACTIONS

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

(1) Immediate holding company and its fellow subsidiaries

Galaxy Financial Holdings is a financial holding company approved by the State Council of the PRC and was established in Beijing on 8 August 2005. Galaxy Financial Holdings owned 5,186,538,364 shares (31 December 2024: 5,186,538,364 shares), representing 47.43% of the entire equity interest of the Company as at 30 June 2025 (31 December 2024: 47.43%). The shareholders of Galaxy Financial Holdings are Central Huijin Investment Ltd. ("Central Huijin") with 69.07% equity interest, the Ministry of Finance (the "MOF") with 29.32% equity interest and the National Council for Social Security Fund (the "SSF") with 1.61% equity interest.

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

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

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

During the six months ended 30 June 2025 and 30 June 2024, the Group provided securities brokerage and asset management services to Galaxy Financial Holdings and its subsidiaries and details of the significant transactions and balances as at 30 June 2025 and 31 December 2024 are set out below.

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Accounts receivable	1,544	782
Accounts payable to brokerage clients	393,266	58,810
Other assets	–	663
Other liabilities	–	6

	Six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Commission and fee income	5,932	4,649
Investment income and gains or losses	–	(1,695)
Rental expenses paid or payable to	46	–
Interest expenses	145	839

As at 30 June 2025, accounts payable to brokerage clients from Galaxy Financial Holdings amounted to RMB207.73 (31 December 2024: RMB155.60).

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49. RELATED PARTY TRANSACTIONS (continued)

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

(2) Central Huijin Group

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

The Group's material transactions with the Central Huijin Group

	Six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Commission and fee income	(31,201)	47,241
Interest income from banks and other financial institutions within the Central Huijin Group	756,298	791,706
Investment gains of equity and debt securities issued by banks and other financial institutions within the Central Huijin Group	(53,112)	441,106
Interest expenses to brokerage clients within the Central Huijin Group	262,736	422,363
Other operating expenses	3,115	3,036

The Group's material balances with the Central Huijin Group

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Equity and debt securities issued by banks and non-bank financial institutions within the Central Huijin Group classified as		
– debt assets measured at FVTOCI	2,798,377	1,499,899
– financial assets measured at FVTPL	14,930,973	9,758,105
– equity assets measured at FVTOCI	7,620,345	6,482,224
– financial assets measured at AC	108,018	395,299
Bank balances deposited with banks within the Central Huijin Group	79,293,927	68,803,606
Derivative financial assets	489,959	803,075
Accounts receivable	16,150	10,374
Right-of-use assets	12,625	13,297
Other assets	49,231	8,278
Due to banks and other financial institutions	2,028,721	1,699,922
Derivative financial liabilities	587,306	784,953
Financial assets sold under repurchase agreements	49,082,047	39,538,218
Accounts payable to brokerage clients within the Central Huijin Group	13,149	951,301
Lease liabilities	13,595	13,642
Other payables and accruals	2,191,922	2,001,400

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49. RELATED PARTY TRANSACTIONS (continued)

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

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

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

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

(b) Related transactions with joint ventures

The Group and the Company's joint ventures are detailed in notes "22. INTERESTS IN JOINT VENTURES".

Related transactions of the Group and the Company with joint ventures.

Other assets

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
China Securities Lize Real Estate	1,154,126	1,154,126

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49. RELATED PARTY TRANSACTIONS (continued)

(b) Related transactions with joint ventures (continued)

Accounts receivable

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Shandong Yunhai Big Data New Growth Drivers Fund Partnership (Limited Partnership)	3,716	3,005
Zhongshan Xingzhong Galaxy Green Industry Investment Fund (Limited Partnership)	561	–
Hainan Free Trade Port Construction Investment Fund Co., Ltd	7,248	7,248
Zhaoyuan Galaxy Hongxu Equity Investment Fund Partnership (Limited Partnership)	1,988	1,329
Huzhou Galaxy Furui Equity Investment Partnership (Limited Partnership)	1,415	1,358
Zhenjiang Yunfan Innovation Investment Fund Partnership (Limited Partnership)	195	–
Zhaoyuan Galaxy Hongbo Industrial Investment Partnership (Limited Partnership)	59	–
Changxing Galaxy Kunxin Equity Investment Fund Partnership (Limited Partnership)	52	–
Deqing Fengrui Equity Investment Partnership (Limited Partnership)	112	112
Shanghai Dalinghao Bay Innovation Cradle Private Equity Fund Partnership (Limited Partnership)	–	56
Zhejiang Galaxy Guoke Consumer Health Equity Investment Fund Partnership (Limited Partnership)	510	112
Tianjin Youda Galaxy Industrial Investment Fund Partnership (Limited Partnership)	150	–
Anhui Galaxy Huaben Intelligent Manufacturing Equity Investment Fund Partnership (Limited Partnership)	36	–
Jichun (Shanghai) Private Equity Investment Fund Partnership (Limited Partnership)	82	–
Huzhou Kaiyin Equity Investment Partnership (Limited Partnership)	93	–
Hubei Xiaogan Strategic Emerging Industry Investment Mother Fund Management Partnership (Limited Partnership)	125	–
Jilin Galaxy Zhengyuan Digital Economy Private Fund Partnership (Limited Partnership)	1,403	–
Zhangjiagang Galaxy Ruiwen Emerging Industry Equity Investment Partnership (Limited Partnership)	37	–
Liaoning Galaxy Jiandong Fund Investment Partnership (Limited Partnership)	47	–

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49. RELATED PARTY TRANSACTIONS (continued)

(b) Related transactions with joint ventures (continued)

Commission and fee income

	Six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Zhongshan Xingzhong Yinhe Green Industry Investment Fund (Limited Partnership)	561	563
Galaxy Kinetic Energy No. 1 Equity Investment Fund (Yantai) Partnership (Limited Partnership)	–	70
Hainan Yinhe Shipeng New Energy Industry Investment Fund Partnership (Limited partnership)	–	94
Zhaoyuan Yinhe Hongxu Equity Investment Fund Partnership (Limited partnership)	659	1,509
Huzhou Yinhe Furui Equity Investment Partnership (Limited partnership)	56	677
Zhenjiang Yunfan Innovation Investment Fund Partnership (Limited partnership)	195	195
Zhaoyuan Yinhe Hongbo Industrial Investment Partnership (limited partnership)	59	29
Jilin Galaxy Zhengyuan Digital Economy Private Fund Partnership (Limited Partnership)	1,403	2,670
Changxing Yinhe Kunxin Equity Investment Fund Partnership (Limited partnership)	52	52
Shandong Yunhai Big Data New Growth Drivers Fund Partnership (Limited Partnership)	711	712
Hainan Free Trade Port Construction Investment Fund Co., Ltd	–	6,574
Zhangjiagang Galaxy Ruiwen Emerging Industry Equity Investment Partnership (Limited Partnership)	37	45
Deqing Fengrui Equity Investment Partnership (Limited Partnership)	–	55
Liaoning Galaxy Jiandong Fund Investment Partnership (Limited Partnership)	47	40
Shanghai Grand Neo Bay Innovation Initialization Private Equity Fund Partnership (Limited Partnership)	243	94
Fuqi Galaxy (Fuzhou) Industrial Investment Partnership (Limited Partnership)	10	259
Qingdao Dongzheng Digital Source Yunlan Equity Investment Center (Limited partnership)	94	94
Tianjin Youda Galaxy Industrial Investment Fund Partnership (Limited Partnership)	150	–
Zhejiang Galaxy Guoke Consumer Health Equity Investment Fund Partnership (Limited Partnership)	1,014	–
Anhui Galaxy Huaben Intelligent Manufacturing Equity Investment Fund Partnership (Limited Partnership)	36	–
Jichun (Shanghai) Private Equity Investment Fund Partnership (Limited Partnership)	82	–
Huzhou Kaiyin Equity Investment Partnership (Limited Partnership)	93	–
Hubei Xiaogan Strategic Emerging Industry Investment Mother Fund Management Partnership (Limited Partnership)	125	–

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49. RELATED PARTY TRANSACTIONS (continued)

(c) Key management personnel compensation

Key management personnel are those persons having authorities and responsibilities for planning, directing and controlling the activities of the Group, directly or indirectly, including directors, supervisors and other members of senior management.

The key management compensation for the six months ended 30 June 2025 and 2024 comprises:

	Six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Salaries, allowances, bonuses, social welfare and annuity scheme contribution	6,594	10,303

The key management personnel's final compensation packages for the six months ended 30 June 2025 have not yet been finalized in accordance with regulations of the PRC relevant authorities. Management of the Group believes that the difference between the final emoluments and that disclosed above will not have a significant impact on the interim condensed consolidated financial statements of the Group.

50. FINANCIAL RISK MANAGEMENT

Overview

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

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

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

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50. FINANCIAL RISK MANAGEMENT (continued)

Risk management organizational structure

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

The Board of Directors is the highest decision-making body of the risk management system, taking the ultimate responsibility for the Company’s risk management duties through its sub-committees, Compliance and Risk Management Committee and Audit Committee. The Supervisory Committee monitors whether the Board of Directors and the management have fulfilled their responsibilities in respect of risk management on a timely and effective manner according to laws and regulations. The management is responsible for the implementation of risk management strategies, objectives and policies. The chief risk officer is in charge of overall risk management.

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

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

50.1 Credit risk

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

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

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50. FINANCIAL RISK MANAGEMENT (continued)

50.1 Credit risk (continued)

For proprietary trading business, when the transactions are conducted through stock exchanges and the CSDCC, the counterparty default risk is considered to be low. For transactions conducted through the interbank market, counterparties are evaluated and only parties with good credit rating are authorized to trade with.

In order to manage the risk of its investment portfolio, except for investments in short-term bonds with rating of A-1, which represents the highest rating of the short-term bonds, the Group invests primarily in bonds with rating of AA or above. Therefore, the Group considers the credit exposure of proprietary trading business is not significant.

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

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

As at 30 June 2025, other than those financial assets whose carrying amounts represent maximum exposure to credit risks, the Group is also exposed to credit risks arising from security lending and borrowing activities as clients may default on returning securities borrowed. Securities lent to clients may include securities collateral received from other clients under similar lending and borrowing arrangements. Therefore, these securities may not be recognized in the consolidated statement of financial position of the Group. As at 30 June 2025, the total amount of the securities (both the Group's own securities and securities borrowed by the Group) lent to clients was RMB779 million (31 December 2024: RMB678 million).

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

Impairment under the ECL model

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

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

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50. FINANCIAL RISK MANAGEMENT (continued)

50.1 Credit risk (continued)

Impairment under the ECL model (continued)

Significant increase in credit risk

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

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

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

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

Internal credit risk ratings

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

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50. FINANCIAL RISK MANAGEMENT (continued)

50.1 Credit risk (continued)

Impairment under the ECL model (continued)

Incorporation of forward-looking information

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

Measurement of ECLs

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

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

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

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

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

Groupings based on shared risk characteristics

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

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50. FINANCIAL RISK MANAGEMENT (continued)

50.2 Market risk

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

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

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

Price risk

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

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

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50. FINANCIAL RISK MANAGEMENT (continued)

50.2 Market risk (continued)

Price risk (continued)

The Company, Galaxy International, which takes a great market risk adopts VaR as the risk evaluation tool for measuring the market risk of the entire securities investment portfolio which comprises various financial instruments, and utilise stress testing as an effective supplement to the VaR analysis. VaR analysis is a statistical technique that estimates the potential maximum losses that could occur on risk positions due to movements in interest rates, stock prices or currency rates over a specified time period and at a given level of confidence.

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

Six months ended 30 June 2025				
The Company	30/6/2025	Average	Lowest	Highest
VaR of equity price	268,927	303,290	248,664	376,957
VaR of interest rate	222,137	220,866	171,972	266,982
VaR of commodity price	6,356	5,814	1,124	15,313
Total portfolio VaR	365,710	350,129	302,414	393,448

Year ended 31 December 2024				
The Company	31/12/2024	Average	Lowest	Highest
VaR of equity price	315,063	243,264	176,854	395,006
VaR of interest rate	143,783	135,161	104,158	178,400
VaR of commodity price	2,617	11,118	459	21,816
Total portfolio VaR	317,836	261,152	190,276	431,347

Interest rate risk

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

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50. FINANCIAL RISK MANAGEMENT (continued)

50.2 Market risk (continued)

Interest rate risk (continued)

Sensitivity analysis

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

Six months ended 30 June		
	2025 (Unaudited)	2024 (Unaudited)
Profit before income tax for the period		
Increase by 100 basis points	(2,788,465)	(2,400,797)
Decrease by 100 basis points	2,788,465	2,400,797

Six months ended 30 June		
	2025 (Unaudited)	2024 (Unaudited)
Other comprehensive income before income tax		
Increase by 100 basis points	(5,321,626)	(5,632,715)
Decrease by 100 basis points	5,321,626	5,632,715

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

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

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

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

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

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50. FINANCIAL RISK MANAGEMENT (continued)

50.2 Market risk (continued)

Currency risk

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

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

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

50.3 Liquidity risk

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

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

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

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

(2) Establishing a stable liquidity risk management report system

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

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

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

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50. FINANCIAL RISK MANAGEMENT (continued)

50.4 Hedges

Fair value hedge

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

As at 30 June 2025, the nominal amount of the hedging instruments was RMB53.78 million (31 December 2024: RMB483.49 million), and the hedging instruments will mature within 6 months (31 December 2024: mature within 6 months).

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

	As at 30 June 2025	As at 31 December 2024
Commodity price risk – commodity futures contracts		
Line item in the statement of financial position	Derivative financial instruments	Derivative financial instruments
Notional amounts of hedging instruments	53,783	483,491
Carrying amount of hedging instruments	–	–
Changes in fair value of hedging instruments used as the basis for recognizing ineffectiveness	11,831	(85,227)

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

	As at 30 June 2025	As at 31 December 2024
Commodity price risk – inventories		
Line item in the statement of financial position	Other assets	Other assets
Carrying amount of hedged items	48,197	464,602
Accumulated amount of fair value hedge adjustments for the hedged item (included in the carrying amount of the hedged items)	(11,912)	136,239

During the six months period ended 30 June 2025, the hedge ineffectiveness of changes in fair value of hedging instruments included in the statement of profit or loss was RMB-0.08 million (six months period ended 30 June 2024: RMB11.42 million).

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50. FINANCIAL RISK MANAGEMENT (continued)

50.4 Hedges (continued)

Net investment hedge

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

During the six months period ended 30 June 2025, the net income from hedging instruments amounted to RMB9.48 million (six months period ended 30 June 2024: net loss of RMB4.21 million) and was included in other comprehensive income. During the six months period ended 30 June 2025, the net loss related to the forward elements of forward contracts totaled RMB7.23 million (six months period ended 30 June 2024: net income of RMB6.17 million), which was included in profit or loss. The net loss arising from the ineffective portion of the hedged net investment in foreign operations is RMB1.64 million (six months period ended 30 June 2024: net loss of RMB1.58 million).

As at 30 June 2025, the nominal amount of hedging instruments designated by the Group as hedging net investments in overseas operations was RMB227.70 million (31 December 2024: RMB353.99 million), and the hedging instruments will mature within 6 months.

51. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

The carrying amounts of the Group's financial assets and financial liabilities not measured at fair value approximated to their fair values as at 30 June 2025 and 31 December 2024 except for the following financial assets and financial liabilities, for which their carrying amounts including accrued interest and fair value are disclosed below:

	As at 30 June 2025 (Unaudited)	
	Carrying amounts	Fair value
Non-current		
Bonds payable	78,446,326	80,056,729
Debt instruments	4,106	4,108
Financial assets held under resale agreements	7,575,522	7,655,701
Debt instruments measured at amortised cost	578,744	632,722

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51. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

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

	As at 31 December 2024 (Audited)	
	Carrying amounts	Fair value
Non-current		
Bonds payable	75,966,045	77,959,004
Debt instruments	32,499	32,561
Financial assets held under resale agreements	10,057,403	10,256,234
Debt instruments measured at amortised cost	492,963	547,368

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

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

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

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

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

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

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51. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

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

As at 30 June 2025 (Unaudited)	Level 1	Level 2	Level 3	Total
Financial assets:				
Debt instruments measured at FVTOCI:	54,119,155	41,157,185	–	95,276,340
– Debt securities	54,119,155	41,157,185	–	95,276,340
Equity instruments measured at FVTOCI:	35,630,689	22,377,235	1,506	58,009,430
– Perpetual bonds	16,254,390	–	–	16,254,390
– Equity investments	17,700,844	22,377,235	–	40,078,079
– Other	1,675,455	–	1,506	1,676,961
Financial assets measured at FVTPL:	51,677,301	195,521,843	6,421,158	253,620,302
– Debt securities	16,143,566	146,821,316	1,796,679	164,761,561
– Equity securities	20,285,792	1,895	327,560	20,615,247
– Funds	15,245,284	16,856,006	–	32,101,290
– Asset management plan	–	800,138	–	800,138
– Structured deposits and wealth management products	–	3,643,425	–	3,643,425
– Trust schemes	–	14,364	883,957	898,321
– Other investments	2,659	27,384,699	3,412,962	30,800,320
Derivative financial assets	338,398	832,455	808,470	1,979,323
Total	141,765,543	259,888,718	7,231,134	408,885,395
Financial liabilities:				
Financial liabilities held for trading:	–	40,838,230	–	40,838,230
– Debt securities	–	40,838,230	–	40,838,230
Financial liabilities designated as at fair value through profit or loss:	–	10,138,127	–	10,138,127
– Financing payables	–	10,138,127	–	10,138,127
Derivative financial liabilities	405,967	313,262	1,268,211	1,987,440
Total	405,967	51,289,619	1,268,211	52,963,797

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51. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

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

As at 31 December 2024 (Audited)	Level 1	Level 2	Level 3	Total
Financial assets:				
Debt instrument measured at FVTOCI:	60,797,875	44,331,208	–	105,129,083
– Debt securities	60,797,875	44,331,208	–	105,129,083
Equity instruments measured at FVTOCI:	32,721,834	22,963,513	1,540	55,686,887
– Perpetual bonds	18,018,599	22,963,513	–	40,982,112
– Equity securities	13,718,765	–	–	13,718,765
– Other investments	984,470	–	1,540	986,010
Financial assets measured at FVTPL:	45,714,635	168,427,734	6,618,448	220,760,817
– Debt securities	14,121,716	121,866,688	2,285,539	138,273,943
– Equity securities	20,286,234	5,295	395,930	20,687,459
– Funds	11,303,985	16,078,813	–	27,382,798
– Asset management plan	–	1,049,809	100,048	1,149,857
– Structured deposits and wealth management products	–	3,024,251	–	3,024,251
– Trust schemes	–	82,813	635,139	717,952
– Other investments	2,700	26,320,065	3,201,792	29,524,557
Derivative financial assets	314,249	1,904,065	1,983,252	4,201,566
Total	139,548,593	237,626,520	8,603,240	385,778,353
Financial liabilities:				
Financial liabilities held for trading:	–	29,447,859	–	29,447,859
– Debt securities	–	29,447,859	–	29,447,859
Financial liabilities designated as at fair value through profit or loss:	–	14,570,238	–	14,570,238
– Financing payables	–	14,570,238	–	14,570,238
Derivative financial liabilities	456,037	655,638	787,197	1,898,872
Total	456,037	44,673,735	787,197	45,916,969

There were no significant transfers between Level 1 and 2 during the six months ended 30 June 2025 and 2024.

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51. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

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

51.2.1 Basis for recurring fair value measurement categorised within Level 1

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

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

For debt instruments at FVTPL and at FVTOCI, and securities lending whose value is available on bond pricing system on the valuation date is measured using the latest valuation results published by bond pricing system. The future cash flows are estimated based on contractual amounts and coupon rates, discounted at a rate that reflects the credit risk of counterparty.

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

For some equity securities at FVTPL traded on National Equities Exchange and Quotations, the fair value is determined based on the most recent transaction price on the valuation date of National Equities Exchange and Quotations.

For equity-linked financing payables designated as at fair value through profit or loss, the fair value is determined based on the bid prices of stock index in an active market.

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

During the six months ended 30 June 2025, there were no significant changes of valuation techniques for Level 2.

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51. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

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

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

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

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)	Valuation technique(s) and key input(s)	Significant unobservable input(s)
Financial assets				
Financial assets measured at FVTPL:				
– Bonds	1,796,679	2,285,539	Discounted cash flows with future cash flows that are estimated based on contract terms, discounted at a rate that reflects the credit risk of investment targets.	Discount rate (Note 2)
– Equity securities traded on National Equities Exchange and Quotations	17,325	17,340	Use of comparable company approach, with an adjustment of discount for lack of marketability.	Marketability discount (Note 3)
– Equity securities traded on stock exchanges with lock-up periods	310,235	378,590	Market quotes based on the option pricing model taking into account the liquidity discount adjustment.	Volatility (Note 1)
– Trust schemes	883,957	635,139	Discounted cash flows with future cash flows that are estimated based on contract terms, discounted at a rate that reflects the credit risk of investment targets.	Discount rate (Note 2)
– Other investments	360,761	393,330	Market quotes based on the option pricing model taking into account the liquidity discount adjustment.	Volatility (Note 1)
– Other investments	1,007,517	806,415	Discounted cash flow with future cash flows that are estimated based on contract terms, discounted at a rate that reflects the credit risk of investment targets.	Discount rate (Note 2)
– Other investments	2,044,684	2,102,095	Determined by reference to the quoted market prices or using comparable company approach, with an adjustment of discount for lack of marketability.	Marketability discount (Note 3)

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51. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

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

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

	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)	Valuation technique(s) and key input(s)	Significant unobservable input(s)
Financial assets				
Equity instruments measured at FVTOCI:				
– Equity investments	1,506	1,540	Valuation using multiples, with an adjustment of discount for lack of marketability.	Marketability discount (Note 3)
Derivative financial instruments:				
– Options-assets	599,831	1,964,288	Calculated based on the Black-Scholes option pricing model.	Implied volatility (Note 1)
– Other forward contract-assets	208,639	18,964	Discounted cash flows with future cash flows that are estimated based on contractual amounts, discounted at a rate that reflects the credit risk of the counterparty.	Discount rate (Note 2)
Total	7,231,134	8,603,240		
Financial liabilities				
Derivative financial instruments:				
– Over-the-counter options	1,263,106	780,794	Calculated based on the Black-Scholes option pricing model.	Implied volatility (Note 1)
– liabilities				
– forward contract-liabilities	5,105	6,403	Discounted cash flows with future cash flows that are estimated based on contractual amounts, discounted at a rate that reflects the credit risk of the counterparty.	Discount rate (Note 2)
Total	1,268,211	787,197		

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51. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

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

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

Notes:

- (1) The significant unobservable input to fair value measurement is the implied volatility of the underlying securities, which ranges from 17.00% to 86.67% (31 December 2024: 18.91% to 92.09%).
- (2) The unobservable input to fair value is the discount rate, determined by reference to the credit risk of underlying investments, ranging from 1.18% to 99.99% (31 December 2024: 4.00% to 99.99%). The higher is the discount rate, the lower is the fair value.
- (3) The unobservable input to fair value is the discount rate for lack of marketability, which ranges from 19.15% to 89.20% (31 December 2024: 19.70 % to 88.17%). The higher is the discount rate for lack of marketability, the lower is the fair value.
- (4) As disclosed in Note 33, except for stock index futures and interest rate swap not under a daily mark-to-market and settlement arrangement are presented gross at the end of the reporting period, the other derivatives are under daily mark-to-market and settlement arrangements. Accordingly, the net position of the treasury bond futures, and commodity futures, stock index futures and interest rate swap was nil at the end of each reporting period. The above analysis only presents the fair value of derivative financial instruments.

There were no transfers between Level 1 and Level 2 fair value measurements during the six months ended 30 June 2025 and 2024.

51.3 Reconciliation of Level 3 fair value measurements

	Financial assets measured at fair value through profit or loss	Equity instruments measured at fair value through other comprehensive income
As at 1 January 2025 (Audited)	6,618,448	1,540
Total losses:		
– in profit or loss	(1,703,311)	–
– in other comprehensive income	–	(34)
Augment	1,865,606	–
Transfers out (Note)	(359,585)	–
As at 30 June 2025 (Unaudited)	6,421,158	1,506
Total gains for assets held at 30 June 2025		
– unrealized gains recognized in profit or loss	21,529	–

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51. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

51.3 Reconciliation of Level 3 fair value measurements (continued)

	Financial assets measured at fair value through profit or loss	Equity instruments measured at fair value through other comprehensive income
As at 1 January 2024 (Audited)	7,316,681	1,539
Total losses:		
– in profit or loss	(3,253,256)	–
– in other comprehensive income	–	1
Augment	4,030,431	–
Transfers out (Note)	(1,475,408)	–
As at 31 December 2024 (Audited)	6,618,448	1,540
Total losses for assets held at 31 December 2024		
– unrealized losses recognized in profit or loss	227,000	–

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

52. EVENTS AFTER THE END OF THE REPORTING PERIOD

Proposed profit distribution after the reporting period

On 28 August 2025, a dividend in respect of the period ended 30 June 2025 of RMB1.25 per 10 shares (inclusive of tax), in an aggregate amount of RMB1,366.80 million, based on a total of 10,934,402,256 shares in issue, has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming general meeting.

Issuance of corporate bonds

Subsequent to the end of the reporting period, the Company completed the public issuance of corporate bonds of RMB1,000 million in July 2025. These bonds bear interest rate at 1.75% per annum and the terms are 3 years. Not less than 70% of the funds raised from the renewal of bonds are intended to support the business in the field of scientific and technological innovation through equity, bonds, fund investment, etc., and the remaining part is intended to be used to supplement liquidity and other purposes in accordance with laws and regulations. The issuer promises to supplement the liquidity for capital-consuming businesses such as margin trading, stock pledge, and derivatives to no more than 10% of the scale of the funds raised.

Public debt offering

Subsequent to the end of the reporting period, the Company has completed the phase 1 public debt offering of RMB3,000 million in August 2025. These bonds bear interest rate at 1.79% per annum and the terms are 3 years. In addition, the Company has completed the phase 2 public debt offering of RMB3,000 million in 2025. These bonds bear interest rate at 1.90% per annum and the terms are 5 years. Proceeds from the issue are used to increase the working capital of the Company.



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