
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect about this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in GF Securities Co., Ltd., you should at once hand this circular, together with the enclosed proxy form, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

**GF SECURITIES CO., LTD.****廣發証券股份有限公司**

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

(Stock Code: 1776)

- (1) 2021 DIRECTORS' REPORT**
- (2) 2021 SUPERVISORY COMMITTEE'S REPORT**
- (3) 2021 FINAL FINANCIAL REPORT**
- (4) 2021 ANNUAL REPORT**
- (5) 2021 PROFIT DISTRIBUTION PLAN**
- (6) RESOLUTION REGARDING ENGAGEMENT OF AUDITORS IN 2022**
- (7) RESOLUTION REGARDING THE AUTHORIZATION OF PROPRIETARY INVESTMENT QUOTA OF THE COMPANY FOR 2022**
- (8) RESOLUTION REGARDING THE 2022 EXPECTED DAILY RELATED PARTY/CONNECTED TRANSACTIONS OF THE COMPANY**
- (9) RESOLUTION REGARDING THE GENERAL MANDATE OF ISSUANCES OF ONSHORE AND OFFSHORE DEBT FINANCING INSTRUMENTS BY THE COMPANY**
- (10) AMENDMENTS TO THE ARTICLES OF ASSOCIATION**
- AND**
- (11) NOTICE OF AGM**

The 2021 AGM of GF Securities Co., Ltd. will be held at 2:00 p.m. on Friday, May 20, 2022 at Conference Room 4008, 40th Floor, GF Securities Tower, 26 Machang Road, Tianhe District, Guangzhou, Guangdong, the PRC. A notice of convening the AGM is set out on pages 7 to 11 of this circular.

Whether or not you are able to attend the AGM, you are advised to read the notice of AGM carefully and to complete the enclosed proxy form in accordance with the instructions printed thereon and return it as soon as possible. H Shareholders are required to return the proxy form to the Company's H Share registrar, Computershare Hong Kong Investor Services Limited, while A Shareholders are required to return the proxy form to the Board's office, in person or by post, no later than 24 hours before the time appointed for convening the AGM. Completion and return of the proxy form will not preclude you from attending and voting at the AGM in person if you so wish.

April 27, 2022

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	4
Notice of AGM	7
 APPENDIX I BUSINESSES OF THE AGM	 I-1
Annex A 2021 Directors' Report.	A-1
Annex B 2021 Supervisory Committee's Report	B-1
Annex C 2021 Final Financial Report.	C-1
Annex D Resolution Regarding the Authorization of Proprietary Investment Quota of the Company for 2022	D-1
Annex E Resolution Regarding the 2022 Expected Daily Related Party/Connected Transactions of the Company	E-1
Annex F Resolution Regarding the General Mandate of Issuances of Onshore and Offshore Debt Financing Instruments by the Company	F-1
 APPENDIX II 2021 WORK REPORT OF THE INDEPENDENT DIRECTORS	 II-1
 APPENDIX III 2021 DUTY PERFORMANCE REPORT OF THE INDEPENDENT DIRECTORS.	 III-1
 APPENDIX IV SPECIAL DESCRIPTION OF THE PERFORMANCE ASSESSMENT AND REMUNERATION OF THE DIRECTORS FOR THE YEAR OF 2021	 IV-1
 APPENDIX V SPECIAL DESCRIPTION OF THE DUTY PERFORMANCE APPRAISAL AND REMUNERATION OF THE SUPERVISORS FOR THE YEAR OF 2021.	 V-1
 APPENDIX VI SPECIAL DESCRIPTION OF THE DUTY PERFORMANCE, PERFORMANCE ASSESSMENT AND REMUNERATION OF THE MANAGEMENT FOR THE YEAR OF 2021	 VI-1

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“A Share(s)”	domestic share(s) with a nominal value of RMB1.00 each in the ordinary share capital of the Company, which are listed on the SZSE and traded in RMB (stock code: 000776)
“A Shareholder(s)”	holder(s) of A Shares
“AGM” or “2021 AGM”	the 2021 annual general meeting of the Company to be held at 2:00 p.m. on Friday, May 20, 2022
“Articles of Association”	the articles of association of the Company, as amended, modified or otherwise supplemented from time to time
“associate”	has the meaning ascribed to it under the Hong Kong Listing Rules
“Board” or “Board of Directors”	the board of directors of the Company
“Company Law”	Company Law of the PRC (《中華人民共和國公司法》), as amended from time to time
“connected person(s)”	has the meaning ascribed to it under the Hong Kong Listing Rules
“CSRC”	China Securities Regulatory Commission
“Director(s)”	the directors of the Company
“E Fund”	E Fund Management Co., Ltd. (易方達基金管理有限公司)
“GF Asset Management”	GF Securities Asset Management (Guangdong) Co., Ltd. (廣發証券資產管理(廣東)有限公司)
“GF Fund”	GF Fund Management Co., Ltd. (廣發基金管理有限公司)
“GF Futures”	GF Futures Co., Ltd. (廣發期貨有限公司)
“GF Qianhe”	GF Qianhe Investment Co., Ltd. (廣發乾和投資有限公司)

DEFINITIONS

“GF Xinde”	GF Xinde Investment Management Co., Ltd. (廣發信德投資管理有限公司)
“GFFL”	Guangfa Financial Leasing (Guangdong) Co., Ltd. (廣發融資租賃(廣東)有限公司)
“GFHK”	GF Holdings (Hong Kong) Corporation Limited (廣發控股 (香港)有限公司)
“H Share(s)”	the overseas listed foreign share(s) with a nominal value of RMB1.00 each in the ordinary share capital of the Company, which are listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars in Hong Kong (stock code: 1776)
“H Shareholder(s)”	holder(s) of H Shares
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange, as amended from time to time
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Director(s)” or “Independent Non-executive Director(s)”	the independent non-executive director(s) of the Company
“Jilin Aodong”	Jilin Aodong Pharmaceutical Group Co., Ltd. (吉林敖東藥業集團股份有限公司), a substantial shareholder of the Company, the shares of which are listed on the SZSE (stock code: 000623)
“Latest Practicable Date”	April 21, 2022, being the latest practicable date prior to the publication of this circular for the purpose of ascertaining certain information contained herein
“Liaoning Cheng Da”	Liaoning Cheng Da Co., Ltd. (遼寧成大股份有限公司), a substantial shareholder of the Company, the shares of which are listed on the SSE (stock code: 600739)

DEFINITIONS

“PRC”	the People’s Republic of China, and which for the purpose of this circular only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Reporting Period”	the year of 2021 (January 1, 2021 to December 31, 2021)
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	the ordinary share(s) of the Company with a nominal value of RMB1.00 each, including A Share(s) and H Share(s)
“Shareholder(s)”	shareholder(s) of the Company, including A Shareholder(s) and H Shareholder(s)
“SSE”	Shanghai Stock Exchange
“substantial shareholder(s)”	has the meaning ascribed to it under the Hong Kong Listing Rules
“Supervisor(s)”	the supervisor(s) of the Company
“Supervisory Committee”	the supervisory committee of the Company
“SZSE”	Shenzhen Stock Exchange
“The Company” or “Company” or “GF Securities” or “parent company”	GF Securities Co., Ltd. (廣發証券股份有限公司), a joint stock company incorporated in the PRC with limited liability and whose H Shares and A Shares are listed on the main board of the Hong Kong Stock Exchange and the main board of the SZSE, respectively
“The Group” or “Group”	the Company and its subsidiaries which fall within the scope of the consolidated financial statements
“Zhongshan Public Utilities”	Zhongshan Public Utilities Group Co., Ltd. (中山公用事業集團股份有限公司), a substantial shareholder of the Company, the shares of which are listed on the SZSE (stock code: 000685)

Note: Unless otherwise specified, the monetary amount presented in this circular are denominated in RMB.

LETTER FROM THE BOARD



GF SECURITIES CO., LTD.

廣發証券股份有限公司

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

(Stock Code: 1776)

Executive Directors:

Mr. Lin Chuanhui (*Chairman, General Manager*)
Mr. Ge Changwei (*Vice Chairman*)
Ms. Sun Xiaoyan
Mr. Qin Li

Non-executive Directors:

Mr. Li Xiulin
Mr. Shang Shuzhi
Mr. Guo Jingyi

Independent Non-executive Directors:

Mr. Fan Lifu
Mr. Hu Bin
Ms. Leung Shek Ling Olivia
Mr. Li Wenjing

Registered address:

Room 618
2 Tengfei 1st Road
Sino-Singapore Guangzhou Knowledge City
Huangpu District, Guangzhou
Guangdong
the PRC

*Principal place of business
in the PRC:*

GF Securities Tower
26 Machang Road
Tianhe District, Guangzhou
Guangdong
the PRC

Place of business in Hong Kong:

29-30/F, Li Po Chun Chambers
189 Des Voeux Road Central
Hong Kong

April 27, 2022

Dear H Shareholders,

- (1) 2021 DIRECTORS' REPORT**
- (2) 2021 SUPERVISORY COMMITTEE'S REPORT**
- (3) 2021 FINAL FINANCIAL REPORT**
- (4) 2021 ANNUAL REPORT**
- (5) 2021 PROFIT DISTRIBUTION PLAN**
- (6) RESOLUTION REGARDING ENGAGEMENT OF AUDITORS IN 2022**
- (7) RESOLUTION REGARDING THE AUTHORIZATION OF PROPRIETARY INVESTMENT QUOTA OF THE COMPANY FOR 2022**
- (8) RESOLUTION REGARDING THE 2022 EXPECTED DAILY RELATED PARTY/CONNECTED TRANSACTIONS OF THE COMPANY**
- (9) RESOLUTION REGARDING THE GENERAL MANDATE OF ISSUANCES OF ONSHORE AND OFFSHORE DEBT FINANCING INSTRUMENTS BY THE COMPANY**
- (10) AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND**
- (11) NOTICE OF AGM**

LETTER FROM THE BOARD

1. INTRODUCTION

On behalf of the Board, I would like to invite you to attend the 2021 AGM to be held at 2:00 p.m. on Friday, May 20, 2022 at Conference Room 4008, 40th Floor, GF Securities Tower, 26 Machang Road, Tianhe District, Guangzhou, Guangdong, the PRC.

The purpose of this circular is to give you the notice of the AGM and to provide you with the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolutions to be proposed at the AGM.

2. BUSINESSES TO BE CONSIDERED AT THE AGM

Details of the businesses to be considered at the AGM are set forth on pages I-1 to I-10 of this circular.

Resolutions to be proposed at the AGM include the resolutions to be approved by way of ordinary resolutions: (1) the 2021 Directors' Report; (2) the 2021 Supervisory Committee's Report; (3) the 2021 Final Financial Report; (4) the 2021 Annual Report; (5) the 2021 Profit Distribution Plan; (6) the resolution regarding engagement of auditors in 2022; (7) the resolution regarding the authorization of proprietary investment quota of the Company for 2022; (8) the resolution regarding the 2022 expected daily related party/connected transactions of the Company; and the resolutions to be approved by way of special resolutions; (9) the resolution regarding the general mandate of issuances of onshore and offshore debt financing instruments by the Company; and (10) amendments to the Articles of Association.

In order to enable you to have a better understanding of the resolutions to be proposed at the AGM and to make an informed decision thereof, we have provided detailed information to the Shareholders in Appendix I to this circular, which includes the information and explanation about the resolutions proposed to be passed at the AGM.

The following reports/special descriptions will be presented at the AGM for hearing, but no Shareholders' approval is required: (1) the 2021 Work Report of the Independent Directors; (2) the 2021 Duty Performance Report of the Independent Directors; (3) the Special Description of the Performance Assessment and Remuneration of the Directors for the Year of 2021; (4) the Special Description of the Duty Performance Appraisal and Remuneration of the Supervisors for the Year of 2021; and (5) the Special Description of the Duty Performance, Performance Assessment and Remuneration of the Management for the Year of 2021. In order to provide detailed information to Shareholders, these reports/special descriptions are set out in Appendix II to Appendix VI to this circular for Shareholders' review, respectively.

3. THE AGM

The AGM will be held at 2:00 p.m. on Friday, May 20, 2022 at Conference Room 4008, 40th Floor, GF Securities Tower, 26 Machang Road, Tianhe District, Guangzhou, Guangdong, the PRC. The notice of AGM is set out on pages 7 to 11 of this circular.

Enclosed are the proxy form of the AGM. Whether or not you are able to attend the AGM, you are advised to read the notice of AGM carefully and to complete the enclosed proxy form in accordance with the instructions printed thereon and return it as soon as possible. H Shareholders are required to return the proxy form to the Company's H Share registrar,

LETTER FROM THE BOARD

Computershare Hong Kong Investor Services Limited, while A Shareholders are required to return the proxy form to the Board's office, in person or by post no later than 24 hours before the time appointed for convening the AGM. Completion and return of the proxy form will not preclude you from attending and voting at the AGM in person if you so wish.

The address of the Company's Board office is 51st Floor, GF Securities Tower, 26 Machang Road, Tianhe District, Guangzhou, Guangdong, the PRC, postal code: 510627, (phone: (86) 20 8755 0265, (86) 20 8755 0565; fax: (86) 20 8755 4163). Computershare Hong Kong Investor Services Limited, the Company's H Share registrar, is located at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (phone: (852) 2862 8555).

4. VOTING BY POLL

- (1) Pursuant to the requirements of the Hong Kong Listing Rules, all votes of shareholders at a general meeting must be taken by poll. Therefore, all resolutions to be proposed at the AGM will be voted by poll. Results of the poll voting will be posted on the website of the Company at www.gf.com.cn and on the HKExnews website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk upon the conclusion of the AGM.
- (2) Jilin Aodong, Liaoning Cheng Da, Zhongshan Public Utilities and their respective associates will abstain from voting on the resolution regarding the 2022 expected daily related party/connected transactions of the Company and shall not accept appointment from other Shareholders as proxies in voting.

5. RECOMMENDATION

The Directors (including the Independent Non-executive Directors) are of the view that the matters set out in this circular are in the interests of the Company and the Shareholders as a whole. As such, the Directors (including the Independent Non-executive Directors) recommend all the Shareholders to vote in favour of the resolutions to be proposed at the AGM.

6. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Hong Kong Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects, and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

By order of the Board
GF Securities Co., Ltd.
Lin Chuanhui
Chairman

NOTICE OF AGM



GF SECURITIES CO., LTD.

廣發証券股份有限公司

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

(Stock Code: 1776)

NOTICE OF AGM

NOTICE IS HEREBY GIVEN that the 2021 annual general meeting (the “AGM”) of GF Securities Co., Ltd. (the “Company”) will be held at 2:00 p.m. on Friday, May 20, 2022 at Conference Room 4008, 40th Floor, GF Securities Tower, 26 Machang Road, Tianhe District, Guangzhou, Guangdong, the PRC to consider and, if thought fit, approve the following resolutions.

ORDINARY RESOLUTIONS

1. To consider and approve the 2021 Directors' Report.
2. To consider and approve the 2021 Supervisory Committee's Report.
3. To consider and approve the 2021 Final Financial Report.
4. To consider and approve the 2021 Annual Report.
5. To consider and approve the 2021 Profit Distribution Plan.
6. To consider and approve the resolution regarding engagement of auditors in 2022.
7. To consider and approve the resolution regarding the authorization of proprietary investment quota of the Company for 2022.
8. To consider and approve the resolution regarding the 2022 expected daily related party/connected transactions of the Company.

SPECIAL RESOLUTIONS

9. To individually consider and approve the resolution regarding the general mandate of issuances of onshore and offshore debt financing instruments by the Company, including:
 - 9.1 issuing entity, size of issuance and method of issuance
 - 9.2 type of debt financing instruments
 - 9.3 term of debt financing instruments

NOTICE OF AGM

- 9.4 interest rate of the debt financing instruments
 - 9.5 security and other arrangements
 - 9.6 use of proceeds
 - 9.7 issuing price
 - 9.8 targets of issue
 - 9.9 listing of the debt financing instruments
 - 9.10 safeguard measures for debt repayment of the debt financing instruments
 - 9.11 authorization for the issuances of the onshore and offshore debt financing instruments
 - 9.12 validity period of the resolution
10. To consider and approve the amendments to the Articles of Association.

TO HEAR THE RELEVANT REPORTS

- 11. To hear the 2021 Work Report of the Independent Directors.
- 12. To hear the 2021 Duty Performance Report of the Independent Directors.
- 13. To hear the Special Description of the Performance Assessment and Remuneration of the Directors for the Year of 2021.
- 14. To hear the Special Description of the Duty Performance Appraisal and Remuneration of the Supervisors for the Year of 2021.
- 15. To hear the Special Description of the Duty Performance, Performance Assessment and Remuneration of the Management for the Year of 2021.

By order of the Board
GF Securities Co., Ltd.
Lin Chuanhui
Chairman

Guangzhou, the PRC

April 27, 2022

As at the date of this notice, the Board of the Company comprises Mr. Lin Chuanhui, Mr. Ge Changwei, Ms. Sun Xiaoyan and Mr. Qin Li as executive Directors; Mr. Li Xiulin, Mr. Shang Shuzhi and Mr. Guo Jingyi as non-executive Directors; and Mr. Fan Lifu, Mr. Hu Bin, Ms. Leung Shek Ling Olivia and Mr. Li Wenjing as independent non-executive Directors.

NOTICE OF AGM

Notes:

1. Details of the above said resolutions are set out in Appendix I to the circular of the Company dated April 27, 2022 (the “**Circular**”), of which details in respect of various resolutions are set out in Annex A to Annex F of Appendix I to this Circular, respectively.
2. The following reports/special descriptions will be presented at the AGM for hearing, but no Shareholders’ approval is required: (1) the 2021 Work Report of the Independent Directors; (2) the 2021 Duty Performance Report of the Independent Directors; (3) the Special Description of the Performance Assessment and Remuneration of the Directors for the Year of 2021; (4) the Special Description of the Duty Performance Appraisal and Remuneration of the Supervisors for the Year of 2021; and (5) the Special Description of the Duty Performance, Performance Assessment and Remuneration of the Management for the Year of 2021.
3. Pursuant to the requirements of the Hong Kong Listing Rules, all votes of Shareholders at a general meeting must be taken by poll. Therefore, the resolutions as set out in the notice of AGM will be voted by poll. Results of the poll voting will be posted on the HKExnews website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the website of the Company at www.gf.com.cn upon the conclusion of the AGM.
4. Any Shareholder entitled to attend and vote at the AGM convened by the above notice is entitled to appoint one or more proxies to attend and vote on his/her behalf at the meeting. A proxy needs not be a Shareholder of the Company.
5. In order to be valid, the instrument appointing a proxy together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power of attorney or authority, should be completed and deposited at the Board’s office (for A Shareholders) or the Company’s H Share registrar, Computershare Hong Kong Investor Services Limited (for H Shareholders), no less than 24 hours before the time appointed for holding the AGM. The address of the Company’s Board office is at 51st Floor, GF Securities Tower, 26 Machang Road, Tianhe District, Guangzhou, Guangdong, the PRC, postal code: 510627, (phone: (86) 20 8755 0265; (86) 20 8755 0565; fax: (86) 20 8755 4163). Computershare Hong Kong Investor Services Limited, the Company’s H Share registrar, is located at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong (phone: (852) 2862 8555). Completion and return of the proxy form will not preclude a Shareholder from attending and voting at the AGM in person should he/she so wish.
6. In order to determine the H Shareholders’ entitlement to attend the AGM, the H Share register of members of the Company will be closed from Tuesday, May 17, 2022 to Friday, May 20, 2022 (both days inclusive), during which period no transfer of shares will be registered. In order for H Shareholders to attend the AGM, all share transfer, documents accompanied by the relevant share certificates, must be lodged with the Company’s H Share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, by 4:30 p.m. on Monday, May 16, 2022. H Shareholders who are registered with Computershare Hong Kong Investor Services Limited on or before the aforementioned date are entitled to attend the AGM.
7. The Board recommended the payment of a final dividend for the year ended December 31, 2021 in an aggregate amount expected to be RMB3,810,543,832.00 (tax inclusive), representing a cash dividend of RMB5.00 (tax inclusive) for every 10 Shares held on the basis of the number of Shares on the record date for dividend distribution. Cash dividends of H Shares are distributed in Hong Kong dollars, the actual amount of which is calculated based on the average benchmark exchange rate for conversion between RMB and Hong Kong dollar as announced by the People’s Bank of China of the five business days before the date of the AGM (namely May 13, 2022 to May 19, 2022).

If the Shareholders approve the 2021 final dividend at the AGM, the Company’s final dividend for the year ended December 31, 2021 will be paid to H Shareholders on Wednesday, July 13, 2022.

Separate announcements will be published by the Company in respect of the record date and book closure period for the payment of dividends on H Shares, as well as the record date and specific date for the payment of dividends on A Shares and other relevant matters.

Time arrangements of the record date, ex-entitlement date and final dividend payment date for investors of Northbound Trading of Shenzhen Connect are consistent with those for A Shareholders of the Company. Time arrangements of the record date, ex-entitlement date and final dividend payment date for Southbound Trading investors are consistent with those for H Shareholders of the Company.

NOTICE OF AGM

8. Withholding and payment of enterprise income tax for overseas non-resident enterprise Shareholders

According to the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) and its implementation regulations and other relevant rules and regulations, the Company is required to withhold and pay enterprise income tax at the rate of 10% before distributing the 2021 final dividend to non-resident enterprise Shareholders as appeared on the H Share register of members of the Company. Any Shares registered in the name of non-individual registered Shareholders, including HKSCC Nominees Limited, other nominees, trustees or other organizations and groups, will be treated as being held by non-resident enterprise Shareholders and therefore will be subject to the withholding of the enterprise income tax.

Upon receipt of such dividends, a non-resident enterprise Shareholder may apply to the competent tax authorities for relevant treatment under the tax treaties (arrangements) in person or through a proxy or a withholding agent and provide evidence in support of its status as a beneficial owner as defined in the tax treaties (arrangements). Upon verification by the competent tax authorities, the difference between the tax levied and the amount of tax payable as calculated at the tax rate under the tax treaties (arrangements) will be refunded.

Withholding and payment of individual income tax for overseas resident individual Shareholders

Pursuant to the Individual Income Tax Law of the People's Republic of China (《中華人民共和國個人所得稅法》) and its implementation regulations and other relevant rules and regulations, the Company is required to withhold and pay individual income tax before distributing the 2021 final dividend to individual Shareholders as appeared on the H Share register of members of the Company (the “**individual H Shareholders**”). However, the individual H Shareholders may be entitled to certain tax preferential treatments pursuant to the tax treaties between the PRC and the countries (regions) in which the individual H Shareholders are domiciled and the tax arrangements between Mainland China and Hong Kong (Macau). In this regard, the Company will implement the following arrangements in relation to the withholding and payment of individual income tax for the individual H Shareholders:

- for individual H Shareholders who are Hong Kong or Macau residents or whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of 10%, the Company will withhold and pay individual income tax at the rate of 10% on behalf of the individual H Shareholders in the distribution of final dividend;
- for individual H Shareholders whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of less than 10%, the Company will temporarily withhold and pay individual income tax at the rate of 10% on behalf of the individual H Shareholders in the distribution of final dividend;
- for individual H Shareholders whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of more than 10% but less than 20%, the Company will withhold and pay individual income tax at the effective tax rate stipulated in the relevant tax treaty in the distribution of final dividend;
- for individual H Shareholders whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of 20%, or a country (region) which has not entered into any tax treaties with the PRC, or under any other circumstances, the Company will withhold and pay individual income tax at the rate of 20% on behalf of the individual H Shareholders in the distribution of final dividend.

If individual H Shareholders consider that the tax rate adopted by the Company for the withholding and payment of individual income tax on their behalf is not the same as the tax rate stipulated in any tax treaties between the PRC and the countries (regions) in which they are domiciled, please submit promptly to the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, a letter of entrustment and all application materials showing that they are residents of a country (region) which has entered into a tax treaty with the PRC. The Company will then submit the above documents to competent tax authorities who will proceed with subsequent tax related arrangements.

NOTICE OF AGM

Withholding of income tax for H Shareholders via Southbound Trading

Pursuant to the Notice on Relevant Taxation Policies Concerning the Pilot Inter-connected Mechanism for Trading on the Shenzhen Stock Market and the Hong Kong Stock Market (Cai Shui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)) promulgated on December 5, 2016:

- for dividends received by Mainland individual investors from investing in the H Shares of the Company via Southbound Trading, the Company will withhold and pay individual income tax at the rate of 20% on their behalf. For dividends received by Mainland securities investment funds from investing in the H Shares of the Company via Southbound Trading, the tax payable will be the same as that for individual investors and will also be paid in the same way; and
- for dividends received by Mainland corporate investors from investing in the H Shares of the Company via Southbound Trading, the Company will not withhold and pay the income tax on their behalf and the Mainland corporate investors shall file the tax returns on their own. Dividends and bonus income of resident enterprises in the PRC obtained as they have continuously held H Shares for 12 months and enterprise income tax will be exempted according to laws.

Should the H Shareholders of the Company have any doubt in relation to the aforesaid arrangements, they are recommended to consult their tax advisors for relevant tax impact in Mainland China, Hong Kong and other countries (regions) on the possession and disposal of the H Shares of the Company.

9. In the case of joint Shareholders, if more than one of them are present at the meeting, either in person or by proxy, the vote of the senior joint Shareholder who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint Shareholder(s). For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint shareholding.
10. The AGM is expected to last for half day. Shareholders or their proxies attending the meeting shall be responsible for their own travelling and accommodation expenses. Shareholders or their proxies shall produce their identity documents when attending the AGM.
11. The abovementioned ordinary resolution no. 8 (the resolution regarding the 2022 expected daily related party/connected transactions of the Company) will be taken by poll by Shareholders who do not hold any interests in the resolution.

Jilin Aodong, Liaoning Cheng Da, Zhongshan Public Utilities and their respective associates are required to abstain from voting on the abovementioned ordinary resolution no. 8 (the resolution regarding the 2022 expected daily related party/connected transactions of the Company), and shall not accept appointment from other Shareholders as proxies in voting.

ORDINARY RESOLUTIONS**1. To Consider and Approve the 2021 Directors' Report**

Pursuant to the requirements of the Company Law and the Articles of Association, considering and approving the Directors' Report is the function and power of the general meeting of the Company. According to the requirements of the Rules of General Meeting of Listed Companies issued by the CSRC, the Board shall report its work during the past year to the Shareholders at the AGM.

The 2021 Directors' Report of GF Securities was considered and approved by the 23rd Meeting of the Tenth Session of the Board of Directors (the "**Board Meeting**") of the Company on March 30, 2022, and is hereby proposed to the AGM for consideration and approval by the Shareholders.

Details of the aforesaid Directors' Report are set out in Annex A to this circular.

2. To Consider and Approve the 2021 Supervisory Committee's Report

Pursuant to the relevant regulatory provisions and the requirements of the Articles of Association, considering and approving the Supervisory Committee's Report is the function and power of the general meeting of the Company. According to the requirements of the Rules of General Meeting of Listed Companies issued by the CSRC, the Supervisory Committee shall report its work during the past year to the Shareholders at the AGM.

The 2021 Supervisory Committee's Report of GF Securities was considered and approved by the 11th Meeting of the Tenth Session of the Supervisory Committee of the Company on March 30, 2022, and is hereby proposed to the AGM for consideration and approval by the Shareholders.

Details of the aforesaid Supervisory Committee's Report are set out in Annex B to this circular.

3. To Consider and Approve the 2021 Final Financial Report

The 2021 Final Financial Report of GF Securities was considered and approved by the Board at the 23rd Meeting of the Tenth Session of the Board of Directors of the Company on March 30, 2022 and is hereby proposed to the AGM for consideration and approval by the Shareholders.

Details of the aforesaid resolution are set out in Annex C to this circular.

4. To Consider and Approve the 2021 Annual Report

The 2021 Annual Report was considered and approved by the Board at the 23rd Meeting of the Tenth Session of the Board of Directors of the Company on March 30, 2022 and is hereby proposed to the AGM for consideration and approval by the Shareholders. For details about the Annual Report, please refer to the 2021 Annual Report/Annual Results Announcement dated March 30, 2022 published by the Company on the HKExnews website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company's website (www.gf.com.cn).

5. To Consider and Approve the 2021 Profit Distribution Plan

According to the 2021 Profit Distribution Plan of GF Securities which was considered and approved at the 23rd Meeting of the Tenth Session of the Board of Directors and disclosed by the Company on China Securities Journal, Securities Times, Shanghai Securities News, Securities Daily and the website of CNINFO (www.cninfo.com.cn) on March 31, 2022, the annual profit distribution plan of the Company for 2021 is as follows:

In 2021, GF Securities, the parent company of the Group, achieved a net profit of RMB8,691,676,018.41, and in accordance with the provisions of the Articles of Association, each of the statutory surplus reserve, the general risk reserve, and the transaction risk reserve was credited with 10% of the net profit, amounting to RMB869,167,601.84 for each of the reserves. According to the Provisional Measures on Supervision and Administration of Risk Reserve of Public Offering of Securities Investment Funds (《公開募集證券投資基金風險準備金監督管理暫行辦法》), a fund custodian should appropriate no less than 2.5% of the income from fund custodian fees to the risk reserve on a monthly basis. A sum of RMB1,224,870.16 was appropriated to the general risk reserve for asset custodian business, and the remaining distributable profit amounted to RMB26,254,352,518.76.

According to the Document (Zheng Jian Ji Gou Zi [2007] No. 320 (證監機構字[2007]320號文)) issued by the CSRC, securities companies shall not utilize the gains arising from fair value changes included in distributable profits to distribute cash dividends. After deducting the gains arising from fair value changes included in distributable profits, the distributable profits for cash dividends for the year amounted to RMB26,254,352,518.76.

Based on the number of Shares held as at the record date for dividend distribution, it was proposed that a cash dividend of RMB5.00 (tax inclusive) for every 10 Shares is to be distributed to all Shareholders. Based on the Company's existing share capital of 7,621,087,664 Shares, the total cash dividend would be RMB3,810,543,832.00, and the remaining undistributed profit of RMB22,443,808,686.76 would be carried forward to the next financial year.

Dividends for A Shares will be paid in RMB and dividends for H Shares will be paid in Hong Kong dollars, and the actual amount will be translated by the average benchmark exchange rate between RMB and Hong Kong dollars as announced by the People's Bank of China for the five business days prior to the date of the AGM of the Company.

After being considered and approved by the AGM, the 2021 Profit Distribution Plan of the Company will be implemented within two months from the date when it is being considered and approved at the general meeting, and is hereby proposed to the shareholders' general meeting to authorize the management of the Company to deal with, including but not limited to, opening and operating dividend accounts and other specific matters relating to the implementation of profit distribution. The Plan complies with the profit distribution policy required by the Articles of Association.

The aforesaid 2021 Profit Distribution Plan was considered and approved by the Board at the Board Meeting on March 30, 2022 and is hereby proposed to the AGM for consideration and approval by the Shareholders, and to the shareholders' general meeting to authorize the management of the Company to deal with, including but not limited to, opening and operating dividend accounts and other specific matters relating to the implementation of profit distribution. If the Shareholders approve the 2021 final dividend at the AGM, the Company's final dividend for the year ended December 31, 2021 will be paid to H Shareholders on Wednesday, July 13, 2022.

Separate announcements will be published by the Company in respect of the record date and book closure period for the payment of dividends on H Shares, as well as the record date and specific date for the payment of dividends on A Shares and other relevant matters.

Time arrangements of the record date, ex-entitlement date and final dividend payment date for investors of Northbound Trading of Shenzhen Connect are consistent with those for A Shareholders of the Company. Time arrangements of the record date, ex-entitlement date and final dividend payment date for Southbound Trading investors are consistent with those for H Shareholders of the Company.

6. To Consider and Approve the Resolution Regarding Engagement of Auditors in 2022

Ernst & Young Hua Ming LLP and Ernst & Young are the auditors of the Company. In consideration of their professional level and service experience, the Board hereby proposes to re-appoint Ernst & Young Hua Ming LLP as the PRC domestic auditor of the Company in 2022, and Ernst & Young as the overseas auditor of the Company in 2022. It is hereby proposed to the shareholders' general meeting to authorize the management of the Company to negotiate and determine the 2022 audit fee with the firms in accordance with market principle.

The aforesaid resolution was considered and approved by the Board at the 23rd Meeting of the Tenth Session of the Board of Directors of the Company on March 30, 2022 and is hereby proposed to the AGM for consideration and approval by the Shareholders.

7. To Consider and Approve the Resolution Regarding the Authorization of Proprietary Investment Quota of the Company for 2022

The aforesaid resolution was considered and approved by the Board at the 23rd Meeting of the Tenth Session of the Board of Directors of the Company on March 30, 2022 and is hereby proposed to the AGM for consideration and approval by the Shareholders. Details of the aforesaid resolution are set out in Annex D to this circular.

8. To Consider and Approve the Resolution Regarding the 2022 Expected Daily Related Party/Connected Transactions of the Company

The aforesaid resolution was considered and approved by the Board at the 23rd Meeting of the Tenth Session of the Board of Directors of the Company on March 30, 2022 and is hereby proposed to the AGM for consideration and approval by the Shareholders. Details of the aforesaid resolution are set out in Annex E to this circular.

SPECIAL RESOLUTIONS

9. To Consider and Approve the Resolution Regarding the General Mandate of Issuances of Onshore and Offshore Debt Financing Instruments by the Company

The aforesaid resolution was considered and approved by the Board at the 23rd Meeting of the Tenth Session of the Board of Directors of the Company on March 30, 2022 and is hereby proposed to the AGM for consideration and approval by the Shareholders by the way of a special resolution. Details of the aforesaid resolution are set out in Annex F to this circular.

10. To Consider and Approve the Amendments to the Articles of Association

Pursuant to the Ten Elements of Cultural Construction in the Securities Industry (《證券行業文化建設十要素》) (Zhong Zheng Xie Fa [2021] No. 20) and the Practical Evaluation Metrics for the Cultural Construction of Securities Companies (Trial) (《證券公司文化建設實踐評估指標(試行)》) (Zhong Zheng Xie Fa [2021] No. 135) issued by the Securities Association of China, and in consideration of the actual situation of the Company, the Company proposes to amend the Articles of Association. Besides, in response to the national rural revitalization strategy and in order to consolidate and boost the achievements of poverty alleviation, the Company continues to carry out a series of public welfare and donation activities while seeking economic benefits, with an aim to contribute to social development. In the future, the Company will continue to adopt the principle of “One Enterprise for One County” to help designated counties which have been lifted out of poverty and proceed with rural revitalization and assistance in Guangdong Province, and participate in social welfare activities such as disaster relief and anti-pandemic activities, education promotion and assistance. Taking into account its actual situation, the Company proposes to amend the Articles of Association.

The aforesaid resolution was considered and approved by the Board at the Board Meeting on March 30, 2022 and is hereby proposed to the AGM for consideration and approval by the Shareholders by the way of a special resolution. Details of the proposed amendments to the Articles of Association are set out below:

Existing Provision		New Provision		Reason for Change
Provision	Content of Provision	Provision	Content of Provision	
Article 11	The objectives of business of the Company are: to insist on the principles of socialist marketing economy, to implement national economic and financial guidelines and policies, to promote the development of securities market, to conduct business in compliance with regulations, to comprehensively put in practice the development values of innovation, coordination, green, openness and sharing, to provide quality and effective services for customers, to create good economic benefits and social benefits, to proactively fulfill social responsibilities, to establish a sound, effective and transparent governance mechanism, to strengthen internal and external supervision and check and balance, to protect the legitimate rights of shareholders and to ensure that they are to receive fair treatment, to respect the basic rights and interests of stakeholders, to effectively enhance the overall value of the enterprises, and to maximise the investment return for all the shareholders of the Company.	Article 11	<p>The objectives of business of the Company are: to insist on the principles of socialist marketing economy, to implement national economic and financial guidelines and policies, to promote the development of securities market, to conduct business in compliance with regulations, to comprehensively put in practice the development values of innovation, coordination, green, openness and sharing, to provide quality and effective services for customers, to create good economic benefits and social benefits, to proactively fulfill social responsibilities, to establish a sound, effective and transparent governance mechanism, to strengthen internal and external supervision and check and balance, to protect the legitimate rights of shareholders and to ensure that they are to receive fair treatment, to respect the basic rights and interests of stakeholders, to effectively enhance the overall value of the enterprises, and to maximise the investment return for all the shareholders of the Company.</p> <p><u>The Company puts into practice the securities industry culture of “compliance, integrity, professionalism and stability” and continues to develop corporate culture.</u></p>	<p>The Ten Elements of Cultural Construction in the Securities Industry (《證券行業文化建設十要素》) (Zhong Zheng Xie Fa [2021] No. 20) issued by the Securities Association of China proposed to “incorporate the general requirements of cultural construction into the company’s articles of association or formulate specific rules and documents, and continue to promote cultural construction.”</p> <p>The Practical Evaluation Metrics for the Cultural Construction of Securities Companies (Trial) (《證券公司文化建設實踐評估指標(試行)》) (Zhong Zheng Xie Fa [2021] No. 135) issued by the Securities Association of China proposed to “incorporate cultural construction into daily management, and clarify the responsibilities and specific division of labor of the company’s Party Committee (if any), board of directors, board of supervisors, management, various departments, branches and subsidiaries in the cultural construction.”</p>

Existing Provision		New Provision		Reason for Change
Provision	Content of Provision	Provision	Content of Provision	
Article 171	<p>The Board shall exercise the following functions and powers:</p> <p>.....</p> <p>(23) To exercise other functions and powers as conferred by laws, administrative regulations, departmental rules or these Articles of Association.</p> <p>.....</p>	Article 171	<p>The Board shall exercise the following functions and powers:</p> <p>.....</p> <p><u>(23) To guide and promote the construction of the Company's corporate culture;</u></p> <p><u>(24) To exercise other functions and powers as conferred by laws, administrative regulations, departmental rules or these Articles of Association.</u></p> <p>.....</p>	<p>The Ten Elements of Cultural Construction in the Securities Industry (《證券行業文化建設十要素》) (Zhong Zheng Xie Fa [2021] No. 20) issued by the Securities Association of China proposed to “incorporate the general requirements of cultural construction into the company's articles of association or formulate specific rules and documents, and continue to promote cultural construction.”</p> <p>The Practical Evaluation Metrics for the Cultural Construction of Securities Companies (Trial) (《證券公司文化建設實踐評估指標(試行)》) (Zhong Zheng Xie Fa [2021] No. 135) issued by the Securities Association of China proposed to “incorporate cultural construction into daily management, and clarify the responsibilities and specific division of labor of the company's Party Committee (if any), board of directors, board of supervisors, management, various departments, branches and subsidiaries in cultural construction.”</p>

Existing Provision		New Provision		Reason for Change
Provision	Content of Provision	Provision	Content of Provision	
Article 175	<p>The Board shall establish strict examination and decision-making procedures by setting the scope of authority for external investment, acquisition and sale of assets, asset pledge, external guarantee, consigned financial management and connected transactions, and organize relevant specialists or professional personnel to assess and examine any material investment projects, and report such investment projects to the general meeting for approval.</p> <p>The Board's scope of authority for external investment, financing, external guarantee, asset disposal and donation is as follows:</p> <p>(3) Matters related to external donation by the Company within one financial year in an amount between RMB30 million and RMB100 million;</p>	Article 175	<p>The Board shall establish strict examination and decision-making procedures by setting the scope of authority for external investment, acquisition and sale of assets, asset pledge, external guarantee, consigned financial management and connected transactions, and organize relevant specialists or professional personnel to assess and examine any material investment projects, and report such investment projects to the general meeting for approval.</p> <p>The Board's scope of authority for external investment, financing, external guarantee, asset disposal and donation is as follows:</p> <p>(3) Matters related to external donation by the Company within one financial year in an amount between RMB50 million and RMB100 million;</p>	<p>In order to fulfill the corporate social responsibilities of the Company, the Company will continue to adopt the principle of "One Enterprise for One County" to help designated counties which have been lifted out of poverty and proceed with rural revitalization and assistance in Guangdong Province, and participate in social welfare activities such as disaster relief and anti-pandemic activities, education promotion and assistance. With the increase in size and operating income of the Company, the donation expenses has been increasing.</p> <p>The Proposal on Donation to GF Securities Social Charity Foundation in Guangdong Province (廣東省廣發證券社會公益基金會) was considered and approved at the 2015 annual general meeting of the Company, which agreed that the Company would donate to the foundation every year starting from 2016 an amount of 1‰ of the profit of the previous year (the net profit of the parent company in the audited financial statements) and no more than RMB8 million. The donation is not included in the scope of Article 175 of the Articles of Association.</p>

Existing Provision		New Provision		Reason for Change
Provision	Content of Provision	Provision	Content of Provision	
Article 202	<p>The general manager shall be accountable to the Board and exercise the following functions and powers:</p> <p>.....</p> <p>(12) To exercise other functions and powers conferred in these Articles of Association and by the Board.</p>	Article 202	<p>The general manager shall be accountable to the Board and exercise the following functions and powers:</p> <p>.....</p> <p>(12) <u>To implement the work requirements of the Board on corporate culture construction, and carry out specific work on corporate culture construction;</u></p> <p>(13) To exercise other functions and powers conferred in these Articles of Association and by the Board.</p>	<p>The Ten Elements of Cultural Construction in the Securities Industry (《證券行業文化建設十要素》) (Zhong Zheng Xie Fa [2021] No. 20) issued by the Securities Association of China proposed to “incorporate the general requirements of cultural construction into the company’s articles of association or formulate specific rules and documents, and continue to promote cultural construction.”</p> <p>The Practical Evaluation Metrics for the Cultural Construction of Securities Companies (Trial) (《證券公司文化建設實踐評估指標(試行)》) (Zhong Zheng Xie Fa [2021] No. 135) issued by the Securities Association of China proposed to “incorporate cultural construction into daily management, and clarify the responsibilities and specific division of labor of the company’s Party Committee (if any), board of directors, board of supervisors, management, various departments, branches and subsidiaries in cultural construction.”</p>
Article 220	<p>The Supervisory Committee shall exercise the following functions and powers:</p> <p>.....</p> <p>(11) To exercise other powers conferred by the laws, administrative regulations, departmental rules or general meetings.</p> <p>.....</p>	Article 220	<p>The Supervisory Committee shall exercise the following functions and powers:</p> <p>.....</p> <p>(11) <u>To supervise the corporate culture construction of the Company;</u></p> <p>(12) To exercise other powers conferred by the laws, administrative regulations, departmental rules or general meetings.</p> <p>.....</p>	

The Board proposes to the general meeting of the Company to grant the approval of the above proposed amendments to the Articles of Association, and to authorize the management of the Company: (1) to make adjustments and amendments to the Articles of Association (draft) that were considered and approved at the general meeting of the Company (including but not limited to adjusting and amending the wordings, chapters, clauses and effective conditions, etc. of the Articles of Association) in accordance with the provisions of the domestic and overseas laws and regulations, requirements and advices of the relevant domestic and overseas governmental departments and regulatory authorities, and the actual situation of the Company; (2) to handle the relevant procedures of filing the Articles of Association with the regulatory authorities; and (3) to handle the relevant procedures including the change of industrial and commercial registration due to the amendments to the Articles of Association. The above-mentioned proposed amendments are hereby proposed to the AGM for consideration and approval by the Shareholders. This resolution is a special resolution and shall be passed at the general meeting by more than two-thirds of the voting rights held by shareholders (including their proxies) present at the general meeting.

The proposed amendments to the Articles of Association were prepared in the Chinese language and the English version is therefore a translation only. In the event of any discrepancy between the English translation and the Chinese version of the Articles of Association, the Chinese version shall prevail.

Dear Shareholders,

The directors of the Company (the “**Directors**”) present the annual report and the audited consolidated financial statements of the Company and the Group for the year ended December 31, 2021. Contents of relevant section in the 2021 Annual Report (the “**Annual Report**”) of the Company mentioned in the cross references in the Directors’ Report forms part of the Directors’ Report.

I. DEVELOPMENT OF THE INDUSTRY IN WHICH THE GROUP OPERATES DURING THE REPORTING PERIOD

During the Reporting Period, the development of the industry in which the Company operates was as follows: (1) Since the comprehensive deepening of reforms, the reforms at both sides of investment and financing have continued to advance. In terms of financing-side reform, the multi-level capital market continued to improve, and the securities industry showed a steady and developing trend. The report of the 19th National Congress of the Communist Party of China clearly put forward the need to strengthen financial services for the real economy and raise the proportion of direct financing. After the establishment of the STAR Market and launch of the pilot registration system in 2019 and the promotion of the pilot registration system for the ChiNext Board in 2020, the establishment of a multi-level capital market has taken another milestone in 2021. The Beijing Stock Exchange has established and implemented a registration system, focusing on serving the financing needs of “specialized, refined, featured and innovative” small and medium-sized technology companies. According to the deployment of the Central Economic Work Conference, with the implementation of a comprehensive share issuance registration system in 2022, the development of the capital market will usher in a new chapter. In terms of investment-side reform, the relevant policies have facilitated the entry of medium and long-term funds into the market, and promoted the development and growth of institutional investors such as public funds. In addition, the fund investment advisory business has been piloted, and the business qualifications and other measures have been gradually issued. (2) The wealth of residents has been accumulated and allocation structure has changed, and China has entered into a golden cycle of wealth management. With the continuous growth of China’s economy and the wealth of residents, asset management industry of China has developed rapidly. In recent years, under the influence of “housing is for living in, not for speculation”, the new regulations on assets management and the deepening reform of capital market, the standardized and NAV- measured asset management industry represented by public funds has become the sector with the most vitality and growth potential in the financial sub-field. The percentage of the standardized financial assets in the household asset allocation of China will increase, and there will be a huge room for development in resident wealth management business. (3) The change in investor structure and the increasing proportion of institutional investors have brought diversified business opportunities. With the robust development of public fund and private fund, the degree of participation of professional institutional investors, such as insurance funds, bank wealth management funds and offshore funds, has increased, which have not only alleviated the pressure of declining commission rate, but also brought diversified business opportunities such as custody, derivatives and market-making transactions. (4) Capital market was further opened

up. On the one hand, the restrictions on foreign investment in China's securities industry and asset management industry have been further loosened. On the other hand, the Group actively introduced overseas institutional investors by implementing various measures such as abolishing QFII quotas, lowering entry barriers and facilitating investments for overseas investment institutions and expanding cooperation with international indice agencies, and the internationalization of the capital market is accelerating. (5) The Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area expressly stated establishing an international financial hub, putting great efforts on the development of the featured financial industry, orderly promoting the interconnectivity of the financial markets and providing support to optimize the modern financial service system, which will allow the Group to leverage on regional advantages to take a lead in the Guangdong-Hong Kong-Macao Greater Bay Area through forward-looking strategic arrangements. (6) The investment research business has driven the high-quality development of the industry. The research business was based on institutional investor services to improve the service quality of institutional investors and expand the scope of services. Meanwhile, it can fully empower capitalization, wealth management, derivatives and other business lines of investment banks, so as to drive high-quality development of all business lines through research business. (7) Customer-oriented and one-stop comprehensive financial services have gradually become a common proposition in the industry. The securities industry was exploring group-based, whole-industry-chain operations, and strengthening departmental collaboration under the premise of compliance to meet customer integration requirements.

During the Reporting Period, the Company's major operating indicators ranked among the top in the industry.

II. MAIN BUSINESSES OF THE COMPANY DURING THE REPORTING PERIOD

The Group is a provider of comprehensive capital market services with industry-leading innovation capabilities focused on serving China's quality enterprises and many investors with demand for financial products and services. The Group has built a diversified business serving the various needs of corporations, individuals, institutional investors, financial institutions and government clients. The main business of the Group can be classified into four segments, namely investment banking, wealth management, trading and institution and investment management.

Products and services of the four business segments are set out in the table below:

Investment Banking	Wealth Management	Trading and Institution	Investment Management
◆ Equity finance	◆ Brokerage and wealth management	◆ Equity and derivatives trading	◆ Assets management
◆ Debt finance	◆ Margin financing and securities lending	◆ Fixed income sales and trading	◆ Public fund management
◆ Financial advisory	◆ Repurchase transactions	◆ OTC sales and trading	◆ Private fund management
	◆ Financial leasing	◆ Alternative investment	
		◆ Investment research	
		◆ Asset custody	

Investment Banking: the Group earns its commissions, sponsor and consulting fees through underwriting stocks and bonds and providing sponsor and financial advisory services;

Wealth Management: the Group earns its fees, consulting fees and commissions through providing brokerage and investment advisory services, obtaining interest income from its business of margin financing and securities lending, repurchase transactions, financial leasing, and management of settlement fund on behalf of clients, and earning its fees through acting as agent for the sales of financial products developed by the Group and other financial institutions;

Trading and Institution: the Group earns its investment income and interest income through investment transactions, alternative investments and market making services from equity, fixed income and derivatives, earning its fees and commissions through providing transaction consultation and execution, investment research services and the main broker services to institutional customers;

Investment Management: the Group earns its management fees, advisory fees and performance fee through providing services for the assets management, public fund management and private fund management.

The primary securities business of the Group relies on China's economic growth, accumulation of household wealth and the development and performance of China's capital markets, including the issuance, investment and trading of financial products (such as stocks, bonds and wealth management products). These important factors are affected by the combination of economic environment, regulatory environment, investor sentiment and international market, which have shown an overall stable and healthy trend. During the Reporting Period, the principal businesses and the operating model of the Group have had no significant changes, which was in line with the development of the industry.

III. BUSINESS REVIEW

Business operations and business review of the Group for the year ended December 31, 2021 are set out in "Management Discussion and Analysis", which forms part of the Directors' Report, in Section 5 of the Annual Report.

IV. ANALYSIS ON CORE COMPETITIVENESS

1. Excellent corporate culture

An excellent corporate culture is the most fundamental source of strength for the Company to grow and flourish. In making continuous progress in developing its corporate values and excellent cultural genes with the core value of "inquisitiveness and integrity", the Company forms its mission of "creating values to realize the dream of serving the country with financial services" and the operation and management philosophy of "stable growth, continual innovations, performance driven culture and coordinated and efficient business strategies". The Company advocates achieving success with professionalism and pioneering with innovations, along with its persistence in adhering to the path of professional development. Embracing professionalism, responsibility and professional pursuit, we endeavour to become a top-notch investment banking and wealth management institution. The Company insists on serving the macro needs of the country and the real economy, and actively fulfills its social responsibilities. It always focuses on the development of every major business when optimizing and strengthening its core businesses, in order to meet its customers' needs with high-quality financial services, and to create returns for its extensive shareholders with a promising operation performance.

2. Forward-looking strategic doctrine

In the early days of development during the 1990s, the founding team of the Company, which mainly consists of intellectuals from universities and colleges, has clearly proposed the development strategy of "running with shareholding system and group structure and in an internationalized and standardized manner", pointing the direction of the development of the Company. Under the leadership of the previous leading bodies of the Company, which were committed to our development and renewal, the Company has improved, enriched and upgraded the strategic ideology of "Four Modernizations" in the critical period of innovation and transformation in the industry,

ensuring the Company's forefront position in the industry over the past 30 years. With its shares listed and traded on the Shenzhen Stock Exchange and the Hong Kong Stock Exchange in 2010 and 2015, respectively, the Company is the third securities company in China with its A+H shares listed through IPO. The Company is one of the first securities companies in the industry to set up futures and fund companies, and established its Hong Kong branch in 2006. The Company has a sound corporate governance structure and a standardized system for continuous compliance with internal and external requirements.

Over the past 22 years, the top three shareholders of the Company have been Jilin Aodong, Liaoning Cheng Da and Zhongshan Public Utilities (all public listed companies) (excluding HKSCC Nominees, as the shares held by HKSCC Nominees are owned by non-registered shareholders of H Shares). A long-term stable shareholding structure ensures the continuity and stability of our management team, supporting our commitment to the strategic path of "sticking to the blueprint until the end".

3. A securities group that has a financial platform with outstanding comprehensive strength

The Company possesses licenses for a full range of services including investment banking, wealth management, transaction and institution and investment management. The Company, through its subsidiaries, provides global and domestic clients with comprehensive financial services, covering futures, publicly-offered funds, asset management, private investment fund, alternative investment and overseas business, forming the financial platform of a securities group with securities business as the core and businesses that cover domestic and global markets.

The Company has a complete business system, a rational and balanced business structure, as well as industry-leading comprehensive financial service capabilities. With main operating indicators ranked among the top ten securities companies in China for 28 consecutive years, the Company is one of the most influential securities companies in China's capital market. The parent company and its subsidiaries have developed together, and each subsidiary has been ranking among the forefront in the industry in which it operates, with increasing contribution to the Group's profit. In 2021, the major subsidiaries accounted for 37.54% of the net profit of the Group attributable to owners of the parent company. At the end of 2021, the fund management scale of GF Fund and E Fund after excluding monetary funds ranked third and first in the industry, respectively. GF Asset Management ranked third in the industry in terms of the average monthly scale of private assets under active management. GFHK has all necessary business licenses and its capital strength is at the forefront among the Hong Kong subsidiaries as Chinese-funded securities companies. GF Futures has been rated as Class A and Grade AA of futures companies for eight consecutive years, and has formed a business network facilitating the development of global derivatives markets through Hong Kong and London. In recent years, GF Xinde and GF Qianhe have won numerous honors such as "Top 50 Private Equity Investment Institutions in China" and "Top 10 Securities Company Equity Investment Institutions in China" by Zero2IPO, respectively.

4. Leading core businesses

The Company enjoys advantages as it is deeply rooted in the core location of Guangdong-Hong Kong-Macao Greater Bay Area with customer resources. It promotes the innovative spirit of “leading innovation, pragmatic and enterprising” by adhering to being customer-centric, developing and innovating based on customer needs, and striving to provide better services. Over the past 30 years, with solid professional ability, outstanding innovation ability and the concept of creating value for customers, the Company has developed from a securities business department with only RMB10 million of working capital to a large national comprehensive securities company with strong capital strength and outstanding core business advantages.

The Company has industry-leading investment and research capabilities, and has won the first prize of “Best Local Research Team of New Fortune”, “Golden Bull Research Institute” and other industry authoritative awards for consecutive years by building a “research + N” business model. With industry-leading wealth management capability, it has provided wealth management services to nearly 15 million customers through 309 branches and business departments and more than 4,000 securities investment consultants in China. In 2021, the net income from the agency sale of financial products ranked third in the industry. We realized full development in various operations of the investment banking business, with a comprehensive business chain ranked among the top in the industry in terms of ability to provide services. We have ranked among the top ten for consecutive 14 years in terms of the number of IPOs, and have ranked first for three times. The Company has committed to the principle of driving business development by technological innovation by increasing input into financial technology and actively employing advanced concepts, techniques and tools, so as to continuously enhance harmonization of our financial technology and operation and promote their digital transformation.

5. Philosophy of compliance and steady development

The Company is one of the first batch of pilot compliance management brokerages selected by the CSRC, one of the first brokerages to implement a comprehensive risk management strategy in the industry, and one of the few major brokerages which has not received investment or restructuring due to operating losses among the first batch of brokers established from the end of the 80's to the early 90's. During the past 30 years, the Company has been adhering to the philosophy of “stable growth” while maintaining the focus on developing its major business lines. It has been firmly conforming to the compliance base line, and has set up and continued to improve the comprehensive risk management system. With these efforts, the Company has survived challenges including a series of crackdown on the industry and market fluctuations. In 2021, the Company was granted the Class A and Grade AA rating for securities firms, which was the highest rating in the industry.

6. First-class professional talents

The Company has been respecting knowledge and talents since its inception. It has been recognized as an “army of doctors” in the capital markets and has established a postdoctoral working station in 1999, which was the first one in China. The Company believes that relying on first-class talents is the key to develop itself into a first-class securities company and have a professional, high-caliber and loyal talent team that has strong sense of responsibility and shares the culture of the Company. To date, the management team members have an average of approximately 25 years of managerial experience in the areas of securities, finance and economics and have served an average term of over 15 years. They also have extensive experience in operation and management. Over the past three years, the voluntary turnover rates of the middle and high-level management team and the employees were approximately 2.36% and 2.28%. In recent years, the Company has been building a team consists of young personnel by recruiting young people who are competent and willing to deliver performance, so as to further strengthen our vitality and enterprising spirit in providing unfailing driving force for long-term development of the Company.

V. PROFIT DISTRIBUTION AND PROPOSED DIVIDEND

The formulation and implementation details of the Company’s cash dividends policy and the profit distribution proposal for 2021 are set out in “XI. Profit Distribution and Conversion of Capital Reserves into Share Capital of the Company” of Section 6 “Corporate Governance” in the Annual Report.

VI. SHARE CAPITAL CHANGES AND MATTERS RELATING TO BONDS

During the Reporting Period, there were no changes in the total number of ordinary shares and the shareholding structure of the Company.

For details on the issuance of securities (excluding preference shares) during the Reporting Period, please refer to “II. Securities Issuance and the Listing” of Section 9 “Changes in Shareholdings and Particulars about Shareholders” in the Annual Report.

For details on the issuance of corporate bonds, subordinated bonds, short-term financing bills and financial bonds by the Company, please refer to Section 11 “Bonds” in the Annual Report.

VII. DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT OF THE COMPANY

For details of the composition of the Directors, Supervisors and senior management of the Company, its changes and biographies during the Reporting Period, please refer to “V. Particulars about Directors, Supervisors and Senior Management” of Section 6 “Corporate Governance” in the Annual Report.

VIII. SERVICE CONTRACTS OF DIRECTORS AND SUPERVISORS

The Company has entered into “Service Contracts for Directors” and “Service Contracts for Supervisors” with each of the eleven Directors of the current Tenth Session of the Board of Directors and each of the five Supervisors of the current Tenth Session of the Supervisory Committee. The term of office of the Directors and Supervisors was effective from the date of approval by the General Meeting or the employee representatives meeting until the expiry date of the term of office for the Tenth Session of the Board of Directors and the Supervisory Committee. The “Service Contracts for Directors” and “Service Contracts for Supervisors” provide the agreed terms on the duties and responsibilities of the Directors and Supervisors during their term of office and their term of office.

In addition, none of the Directors and Supervisors of the Company has entered into any service contract with the Company or its subsidiaries which is not terminable within one year without payment of compensation, other than statutory compensation.

IX. DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES OR DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

Please refer to “9. Directors, Supervisors and Chief Executive's Interests and Short Positions in the Shares, Underlying Shares or Debentures of the Company and its Associated Corporations” under “III. Shareholders and De Facto Controllers” of Section 9 “Changes in Shareholdings and Particulars about Shareholders” in the Annual Report.

X. SHARE PURCHASE RIGHTS OF DIRECTORS AND SUPERVISORS

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

XI. PERMITTED INDEMNITY PROVISION

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

XII. INTEREST OF DIRECTORS AND SUPERVISORS IN MATERIAL CONTRACTS

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

XIII. INTEREST OF DIRECTORS IN BUSINESSES IN COMPETITION WITH THE COMPANY

Mr. Qin Li, our Executive Director, is a director of E Fund, which is a fund management company in China, in which we held 22.65% equity interest as of December 31, 2021. E Fund provides asset management services to insurance companies, finance companies, corporate annuities, other institutional investors, high net worth individuals and National Social Security Fund. Since E Fund is primarily engaged in fund management business, it competes or may compete, directly or indirectly, with certain aspects of our business.

The Directors are of the view that we are able to operate our business independently of E Fund and conduct transactions on arm's length because (i) we can only appoint one director among the nine directors of E Fund, and hence we have no control over its board of directors, (ii) the management team of E Fund is independent of our Company, (iii) we do not participate in the day to day management of E Fund and do not share any operating facilities with E fund, and (iv) we are financially independent of E Fund.

Save as disclosed above, none of the Directors has any interest in any business that competes or may compete with our business, directly or indirectly.

XIV. MANAGEMENT CONTRACTS

For the year ended December 31, 2021, no contract has been entered into for the management and administration of the entire business or any material part of the business of the Group.

XV. MAJOR CUSTOMERS

The Company provides diversified businesses and services to satisfy the diverse needs of customers, such as enterprises, individuals and institutional investors, financial institutions and the government. Our major customers are based in the PRC. With further progress in internationalization and the development of international business, the Company will provide services to more overseas customers. In 2021, income generated from the five largest customers of the Company contributed 1.53% to the total revenue and other income of the Company.

None of the shareholders controlling more than 5% of the shareholding of the Company, Directors, Supervisors and their respective associates has any interest in the five largest customers of the Company. The Company has no major supplier due to the nature of its business.

XVI. CHARITABLE DONATIONS

During the Reporting Period, the Group's total expenditure on social charity was RMB63.9320 million. The GF Securities Social Charity Foundation in Guangdong Province (廣東省廣發証券社會公益基金會) established by the Group actively organized activities for poverty relief and provided financial support for education. The total expenditure on social charity for the full year was RMB56.3495 million.

XVII. RESERVES AND RESERVES FOR PROFIT DISTRIBUTION

For particulars about changes in reserves and reserves for profit distribution, please refer to the "Consolidated Statement of Changes in Equity" of Financial Statements and Notes 58 and 59 of the Notes to the Consolidated Financial Statements in the Annual Report.

XVIII. EMPLOYEES

Human resources is one of the greatest assets of the Group. The Company is committed to increasing effort in building its talents pool by enhancing training and improving the quality of employees. Please refer to "IX. Information of the Staff of the Company" in Section 6 "Corporate Governance" in the Annual Report.

XIX. PRE-EMPTIVE RIGHT

Pursuant to the regulations under the PRC laws and the Articles of Association of the Company, shareholders of the Company have no pre-emptive right.

XX. ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING AND PERFORMANCE OF SOCIAL RESPONSIBILITIES

Regarding the performance of social responsibilities of the Company, please see "II. Social Responsibilities" of Section 7 "Environment and Social Responsibilities" in the Annual Report. For environmental policy and performance, the Company cares about environmental and ecological development, promotes low carbon environmental protection, advocates green business and green office ideas, upgrades video conferencing system, paperless meeting system, teleconferencing system, conference room reservation system etc., continues printing and copying outsourcing development, minimizes energy consumption, optimizes resources allocation, and actively contributes to the sustainable development of the society. The Company has complied with the mandatory disclosure requirement and the "comply or explain" provisions as set out in the Environmental, Social and Governance Reporting Guide during the year, for details, please see "GF Securities Co., Ltd. 2021 Social Responsibility Report" published by the Company.

Regarding the governance of the Company, please see Section 6 “Corporate Governance” in the Annual Report. The Company has been improving the internal control management system and gradually enhancing the completeness, reasonability and effectiveness of internal control; the Company has further established and refined its rules and regulations, and each governance department of the Company has been fully performing their duties, complying with all provisions set out in the Corporate Governance Code contained in Appendix 14 to the Hong Kong Listing Rules and achieving most of the requirements of recommended best practices provided in the aforesaid rules.

XXI. REVIEW OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

The financial statements of the Company for the year ended December 31, 2021 have been reviewed by the Audit Committee of the Board of Directors of the Company.

XXII. EVENTS AFTER THE END OF THE REPORTING PERIOD

Please refer to Note 74 of the Notes to the Consolidated Financial Statements in the Annual Report for details of significant events after the end of the Reporting Period.

Please kindly consider the above report.

Dear Shareholders,

In 2021, the Supervisory Committee of the Company, with support and coordination from the Board and the management, conducted various types of supervision and inspection work in great depth and performed supervisory duties practically by focusing on the key tasks of the Company in accordance with the provisions and requirements of laws and regulations, including the Company Law, the Securities Law, the Rules for Governance of Securities Companies, the Rules for Governance of Listed Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, the regulatory documents of supervision and administrative authorities, the Articles of Association and the Rules of Procedure for the Supervisory Committee, to promote compliance in operation and healthy development of the Company, and protect the legitimate rights and interests of the Company, customers, shareholders and employees. The report on the major tasks of the Supervisory Committee in 2021 is set out below:

I. MAJOR TASKS OF THE SUPERVISORY COMMITTEE DURING THE REPORTING PERIOD

(I) Convening Supervisory Committee Meetings in compliance with laws and regulations to consider important matters of the Company

During the Reporting Period, the Supervisory Committee of the Company convened four meetings in total, including three on-site meetings and one teleconference. A total of 30 reports and proposals were considered/heard, the contents included regular reports, compliance reports, risk management reports, audit reports, internal control and evaluation reports, social responsibility reports, assessment reports on the effectiveness of compliance management, anti-money laundering reports and performance appraisal of the Supervisors. The Supervisory Committee performed its supervision role in compliance with laws and regulations, conducted sufficient discussions and enquiries in understanding the above matters, and passed resolutions on matters required to be determined.

1. Specific details of the meetings convened by the Supervisory Committee in 2021

Session of meeting	Convening date	Titles of resolutions of the meeting	Status of resolution	Disclosure date	Disclosure index
The Fourth Meeting of the Tenth Session of the Supervisory Committee	March 29, 2021	1. the Internal Control and Evaluation Report of GF Securities for the Year of 2020; 2. the Social Responsibility Report of GF Securities for the Year of 2020; 3. the Annual Report of GF Securities for the Year of 2020; 4. the Resolution on Audit Opinion of 2020 Annual Report of GF Securities; 5. the Supervisory Committee Report of GF Securities for the Year of 2020; 6. the Resolution on Performance Assessment on Supervisors for the Year of 2020; 7. the Special Description of Performance Assessment and Remuneration of Supervisors of GF Securities for the Year of 2020; 8. the Review Report on the Effectiveness of the Compliance Management of GF Securities for the Year of 2020; 9. the Inspection Report on the Implementation of the Information Disclosure Management System of GF Securities for the Year of 2020; 10. the Resolution on the Formulation and Publication of the Guidelines for Reviewing Periodic Reports of the Supervisory Committee of the Company; 11. the Resolution on Performance Salary for Chairman of the Supervisory Committee for the Year of 2020.	All the resolutions were passed	March 30, 2021	It was published in China Securities Journal, Securities Times, Shanghai Securities News and Securities Daily and disclosed on the website of CNINFO (www.cninfo.com.cn) and the HKExnews website of the Hong Kong Stock Exchange (www.hkexnews.hk) by the Company.
The Fifth Meeting of the Tenth Session of the Supervisory Committee	April 28, 2021	1. the 2021 First Quarterly Report of GF Securities.	The resolution was passed	April 29, 2021	
The Sixth Meeting of the Tenth Session of the Supervisory Committee	August 27, 2021	1. the 2021 Interim Report of GF Securities.	The resolution was passed	August 28, 2021	
The Seventh Meeting of the Tenth Session of the Supervisory Committee	October 28, 2021	1. the 2021 Third Quarterly Report of GF Securities.	The resolution was passed	October 29, 2021	

2. *Specific details of Supervisors' attendance at meetings of the Supervisory Committee in 2021*

Name	Position	Required attendance at meetings of the Supervisory Committee during the Reporting Period	Attendance at meetings of the Supervisory Committee in person	Attendance at meetings of the Supervisory Committee by proxy	Times of absence from the meetings of the Supervisory Committee
Zhang Shaohua	Employee representative Supervisor, chairman of Supervisory Committee	4	4	0	0
Cheng Huaiyuan	Employee representative Supervisor	4	4	0	0
Lai Jianhuang	Supervisor	4	4	0	0
Xie Shisong	Supervisor	4	4	0	0
Lu Xin	Supervisor	4	4	0	0

(II) Focusing on key supervisory duties and promoting the compliance in the operation of the Company

1. *Carrying out supervision on duty performance of Directors and senior management continuously and urging the management to perform duties diligently*

During the Reporting Period, the Supervisors conducted supervision on the performance of duties by Directors and senior management through attending general meetings, Board meetings and important operation meetings of the Company and urged the Directors and senior management of the Company to perform duties diligently.

During the Reporting Period, the Supervisors attended two general meetings in total, namely the 2021 First Extraordinary General Meeting and the 2020 Annual General Meeting. The Supervisors attended five on-site Board meetings in total, namely the thirteenth, the fourteenth, the fifteenth, the sixteenth and the eighteenth meetings of the Tenth Session of the Board. Through attending the said meetings, supervision was conducted on the attendance of Directors and senior management in meetings, and on the compliance of the convening procedure, meeting contents and procedure and the process of resolution, and opinions and recommendations were provided. For Board meetings conducted by teleconference, the Supervisors also reviewed the relevant meeting materials carefully. The Supervisory Committee also continuously carried out follow-up inspections on the implementation of the Company's system of three meetings and the implementation of the resolutions of the three meetings and put forward supervisory opinions and suggestions to ensure the effective execution and implementation of the system of three meetings and the resolutions passed thereat.

The chairman of the Supervisory Committee also attended important operation and management meetings of the Company and the year-end working meeting, listened to work reports and provided opinions and recommendations on supervision from the perspectives of the Company and employees.

During the Reporting Period, the Supervisory Committee conducted departure audit on three senior management members and carried out objective evaluation on their performance of duties during their term of office.

2. *Organizing and carrying out daily and special supervision and inspection and earnestly performing the supervisory duty on information disclosure*

During the Reporting Period, the Supervisory Committee strengthened system establishment, carried out daily and special supervision and inspection, earnestly performed the supervisory duty on information disclosure and promoted the Company to continuously improve the information disclosure level.

The Supervisory Committee considered and approved the Guidelines for the Review of Regular Reports of the Supervisory Committee of GF Securities (《廣發証券監事會定期報告審核工作指引》), which specifies the review requirements, key concerns, standards on review enquiries and feedback procedures and requirements on review conclusions and regulates the review of regular reports of the Supervisory Committee.

The Supervisory Committee reviewed the securities issuance documents and regular reports prepared by the Board and put forward written review opinions, and all Supervisors signed written confirmation of opinions to ensure the timely and fair disclosure of information and the truthfulness, accuracy and completeness of the information disclosed by the Company.

The Supervisory Committee organized and carried out daily and special supervision and inspection on the implementation of the Company's information disclosure management system. From the inspection results, the Company had basically established the information disclosure management mechanism and the registration and management mechanism for insiders of inside information. It is hereby proposed that the Company should continue to improve the information disclosure management level by drawing on industry-leading practices.

3. *Performing supervisory duties of risk management, compliance management and anti-corruption and enabling the Company to enhance the standard of internal control*

During the Reporting Period, the Supervisory Committee enforced the regulatory requirements to perform supervisory duties conscientiously in the areas of comprehensive risk management, compliance management, money laundering risk management, anti-corruption, investor protection and internal control.

The Supervisory Committee assisted the Company in formulating and revising various rules and systems, including the Administrative Measures for the Protection of Investors' Interests of GF Securities (《廣發證券投資者權益保護工作管理辦法》) and the Administrative Measures for the Reputational Risks of GF Securities (《廣發證券聲譽風險管理辦法》), standardizing contents on the performance of duties by the Supervisory Committee and Supervisors.

The Supervisory Committee read and reviewed regular reports, risk management reports, compliance reports, anti-money laundering reports and audit work reports of the Company before convening a meeting, and opinions of review were provided in advance and timely communicated for discussion sufficiently at the meeting. Supervision opinions were expressed, and recommendations for improvement were suggested, on the basis of fully understanding the overall operating conditions and the existing compliance management and risk management conditions of the Company.

The Supervisory Committee engaged an external professional institution to conduct an annual evaluation on the effectiveness of compliance management of the Company to prevent and control compliance risks, and by focusing on problems, timely followed up the problems identified and noticed in the evaluation on the effectiveness of compliance management and daily supervision process, urged the implementation of rectification measures, further improved the internal control management system of the Company, and constantly enhanced the internal control level.

(III) Practically strengthening its own establishment and continuously improving the performance capabilities

1. Completing the election of Supervisors in a timely manner to ensure the composition and operation of the Supervisory Committee in compliance with the requirements

During the Reporting Period, Mr. Zhang Shaohua tendered his resignation as the chairman of the Supervisory Committee and the employee representative Supervisor of the Tenth Session of the Supervisory Committee of the Company by reason of work adjustment. The Company organized and completed the election of employee representative Supervisor and the chairman of the Supervisory Committee in a timely manner and ensured the composition and operation of the Supervisory Committee in compliance with the requirements of laws, regulations and the Articles of Association, and the smooth succession of various work of the Supervisory Committee.

2. Continuously improving various rules and systems of the Supervisory Committee

During the Reporting Period, firstly, the Supervisory Committee, in accordance with the requirements of the new Securities Law and the Administrative Measures on Information Disclosure of Listed Companies (Revised in 2021), sorted out and analyzed the rules of the SZSE and the Hong Kong Stock Exchange in relation to information disclosure and published the Guidelines for the Review of Regular Reports of the Supervisory Committee of GF Securities, to provide system basis and guarantee for the Supervisory Committee and

Supervisors to perform their supervisory duties on information disclosure diligently. Secondly, based on changes in external regulations, the Supervisory Committee revised and improved the Reference Handbook of the Supervisory Committee of GF Securities for Common Laws and Regulations (《廣發証券監事會常用法律法規備查手冊》) and the Guidance on Duty Performance of Supervisors of GF Securities (《廣發証券監事履職指引》) in a timely manner to provide support to routine duty performance of Supervisors. Thirdly, the Supervisory Committee followed the industry regulatory spirit and assisted the Company in defining specific contents and requirements on duty performance by the Supervisory Committee and Supervisors in various special systems.

3. *Giving play to the role for supervision and coordination and improving the overall supervision efficiency and effect of the Company*

During the Reporting Period, the Supervisory Committee constantly optimized and improved the working mechanism and actively promoted the intensive operation of the Audit Department, the Compliance and Legal Affairs Department, the Risk Management Department and other internal supervision resources of the Company to strengthen the joint efforts of supervision. Firstly, it shared internal supervision information, regularly prepared the Monthly Newsletters of the Directors and Supervisors (《董監事通訊》), the Briefs of Sharing of Internal Supervision Information (《內部監督信息共享簡報》) and other materials and kept abreast of regulatory requirements, industry updates, the progress of the Company's major matters and decisions in a timely manner. Secondly, in terms of joint inspection and collaboration, it carried out various important projects, such as the evaluation of the effectiveness of compliance management, the inspection on the implementation of the information disclosure management system and the departure audit on management members. Thirdly, by utilizing the office meetings of the chairman of the Supervisory Committee as the communication platform, it studied and discussed key compliance risk matters and any problems identified in routine supervision and urged the Company to take rectification measures. Through the above measures, the Supervisory Committee further played the role of supervision and coordination from the perspective of corporate governance and improved the overall supervision efficiency and effect of the Company.

4. *Carrying out evaluation on duty performance by Supervisors and urging Supervisors to perform their duties diligently*

During the Reporting Period, to further regulate the supervision on duty performance of Supervisors of the Company by the Supervisory Committee and urge Supervisors to perform duties diligently, the Supervisory Committee formulated the Annual Duty Performance Supervision and Assessment Implementation Plan of the Supervisory Committee for Supervisors (《監事會對監事年度履職監督評價實施方案》). According to the Implementation Plan, the Supervisory Committee organized and carried out self-evaluation and mutual evaluation of Supervisors, the appraisal of employee Supervisors in a democratic manner at the employee representatives meeting and the consideration and appraisal by the Supervisory Committee and the final appraisal results were submitted to the general meeting for hearing. During the Reporting Period, the duty performance appraisal results for each of the Supervisors by the Supervisory Committee are satisfactory.

5. *Carrying out training and communications in various forms to strengthen the performance capabilities of Supervisors*

During the Reporting Period, the Supervisory Committee actively participated in special research, training and essays solicitation on the work of the supervisory committee as offered by the China Association for Public Companies and other organizations. With the focus on improving the quality of listed companies and strengthening corporate governance, the Supervisory Committee studied and learned about the good practices of peers and explored the supervisory system of the supervisory committee that meets the actual conditions of GF Securities and has the characteristics of GF Securities.

(IV) Giving full play to the role of employee Supervisors, and conducting research and supervision based on actual circumstance of business

During the Reporting Period, the Supervisory Committee conducted close collaboration with the labor union, took the actual circumstance of the business into account and actively carried out research and supervision. On one hand, it guided employees to actively carry out various tasks in relation to important decisions and arrangements of the Company. On the other hand, it collected, listened to, studied and analyzed the opinions, suggestions and concerns from employees. Employee Supervisors expressed opinions on major issues concerning the personal interests of employees and reported to the operation leaders of the Company about concerns of employees through attending the office meetings of the general manager to promote the effective communication, implementation and solution of general and key issues and protect the legitimate rights and interests of employees.

II. OPINIONS EXPRESSED BY THE SUPERVISORY COMMITTEE ON RELEVANT MATTERS OF THE COMPANY IN 2021

During the Reporting Period, the Supervisory Committee of the Company conducted supervision work in compliance with laws and regulations, and on the basis of conscientious supervision and inspection, the following opinions were expressed:

- (I) During the Reporting Period, as an A+H dual-listed company, the Company complied with the relevant laws and regulations, including the Company Law, the Securities Law and the Rules for Governance of Securities Companies, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the requirements of systems such as the Articles of Association, the decision-making process of the Company was lawful and effective, and the Company did not impair the legitimate rights and interests of Shareholders, the Company, employees, creditors and other stakeholders.
- (II) The Supervisory Committee conscientiously audited the accounting statements and financial information of the Company. Ernst & Young Hua Ming LLP and Ernst & Young audited the 2021 financial statements of the Company prepared according to the PRC GAAP and the International Accounting Standards, and issued standard and

unqualified audit reports thereon. The Supervisory Committee believed that the financial report of the Company had truly, accurately and completely reflected the financial position and operating results of the Company.

- (III) During the Reporting Period, the Company convened two general meetings with a total of 9 resolutions passed. The Supervisory Committee of the Company had supervised the implementation of the resolutions passed by the general meetings. In the opinion of the Supervisory Committee, the Board and the management of the Company earnestly implemented the relevant resolutions passed by the general meetings.
- (IV) The Supervisory Committee reviewed the Internal Control and Evaluation Report of GF Securities for the Year of 2021. The Supervisory Committee did not have any objection to the content of the Company's Internal Control and Evaluation Report.
- (V) The Company had established and effectively implemented its information disclosure management system, and the Company was recommended to continue to improve the management level of information disclosure affairs.
- (VI) The Supervisory Committee did not discover any insider dealings in the Company or any harm to the interest of certain Shareholders or loss of assets in the Company.
- (VII) Related party transactions of the Company were fair and reasonable. None of the related parties had appropriated funds of the Company (except in the course of operating business), nor any harm to the interest of the Company was caused.

III. RECOMMENDATIONS OF THE SUPERVISORY COMMITTEE TO THE BOARD AND MANAGEMENT OF THE COMPANY

Based on the responsible attitude towards the Shareholders, the Company, its customers and employees, the Supervisory Committee made the following recommendations to the Board and management on the work plan for 2022:

(I) Seizing opportunities to achieve stable development

2022 is a crucial year in the "14th Five-Year Plan" period. As it will fully implement the registration-based IPO system in China's capital market and steadily promote various reform measures, the securities industry will embrace new development opportunities and challenges. It is hereby proposed that the Company shall clarify the development and operation strategies under the new stage and the new situation, actively practice the high-quality development concept, firmly focus on principal duties and businesses, optimize and reinforce core businesses to consolidate and strengthen the Company's position in the industry.

(II) Firmly conforming to the compliance and risk control baselines and continuously enhancing professional capabilities

In 2022, regulatory authorities will continue to follow the guideline of “system establishment, no interference and zero tolerance” and the policies on various illegal behaviors will remain tough and strong. The full implementation of the registration-based IPO system will pose higher requirements on the standardized management and practice ability of intermediaries in the capital market. The Company shall continuously strengthen the intermediary positioning as the “gatekeeper” of the capital market to perform its duties, firmly conform to the compliance and risk control baselines, constantly enhance risk prevention awareness and professional capabilities and continuously improve management standards of internal control.

IV. MAJOR WORK ARRANGEMENTS OF THE SUPERVISORY COMMITTEE FOR 2022

In 2022, the Supervisory Committee will continue to perform duties faithfully and diligently, and give full play to its supervisory role by focusing on the development strategies and key tasks of the Company, in accordance with the relevant provisions of laws and regulations, regulatory requirements and the Articles of Association, and in compliance with external regulatory concepts and policies. It will continue to enhance the governance standard of corporate entities, promote sustainable, stable and healthy development of the Company, and protect the interests of various parties, including the Shareholders, the Company, its customers and employees.

- (I) The Supervisory Committee will convene the Supervisory Committee meeting strictly in accordance with regulations, deliberate on important matters of the Company and supervise the governance and compliance in the operation of corporate entities.
- (II) The Supervisory Committee will continue to discuss and study the supervision mechanisms and methods in various forms. It will carry out supervision on the financial officers, Directors and senior management of the Company in performing duties, information disclosure, compliance and risk control and money-laundering risk management to practically perform key supervisory duties of the Supervisory Committee.
- (III) In accordance with the latest laws and regulations and the industry disciplinary regulations, the Supervisory Committee will carry out comprehensive and systematic review and analysis on the duty performance requirements on the Supervisory Committee and the Supervisors and revise and improve relevant systems to improve the institutionalized and standardized management of the Supervisory Committee.

- (IV) The Supervisory Committee will deeply promote the intensive operation of internal supervision resources. It will strengthen supervision and examination, deeply analyze key problems identified, propose comments and suggestions, provide advices on the standardized development of the Company and give full play to the service supporting role of the supervision system.
- (V) The Supervisory Committee will actively support the employee Supervisors to perform duties according to laws. It will conduct basic-level research on concerns of employees, pay attention to the implementation and enforcement of the system of rules and regulations relating to the personal interests of employees and practically protect the legitimate rights and interests of employees.

Please kindly consider the above report.

Dear Shareholders,

We hereby present the 2021 Final Financial Report of GF Securities as follows:

I. FINANCIAL POSITION OF 2021:

As of the end of 2021, total assets of the Group were RMB535,855 million, representing an increase of RMB78,392 million from the beginning of the year. The changes in the Group's portfolio of assets between the beginning and the end of the year were mainly that: (1) the total amount of bank balances and clearing settlement funds was RMB147,007 million, increasing by RMB23,726 million from the beginning of the year; (2) margin financing amounted to RMB97,231 million, increasing by RMB11,078 million from the beginning of the year; (3) securities held under resale agreements were RMB19,992 million, increasing by RMB3,198 million from the beginning of the year, mainly due to an increase in the scale of the bond repurchase; (4) the aggregate balance of financial investment assets was RMB235,925 million (including financial assets held for trading, debt investments, other debt investments and other equity instrument investments), increasing by RMB35,913 million from the beginning of the year, among which the size of bond investment, equity investment, and monetary fund and wealth management products investment increased; (5) receivables were RMB4,893 million, increasing by RMB1,489 million from the beginning of the year, mainly due to an increase in the scale of deposits receivable from the OTC business; (6) the balance of long-term equity investments was RMB8,248 million, increasing by RMB1,052 million from the beginning of the year, mainly due to the recognition of RMB1,464 million of investment gains from associates and joint ventures, increase in net investments of associates and joint ventures of RMB553 million, receipt of cash dividends from associates and joint ventures of RMB969 million.

As of the end of 2021, total liabilities of the Group were RMB425,054 million, increasing by RMB69,864 million from the beginning of the year. Total equity of Shareholders amounted to RMB110,801 million, increasing by RMB8,528 million from the beginning of the year. The changes in the Group's liabilities and owners' equity between the beginning and the end of the year were mainly that: (1) the balance due to banks and other financial institutions was RMB11,617 million, increasing by RMB5,496 million from the beginning of the year; (2) the balance of financial assets sold under repurchase agreements was RMB81,230 million, decreasing by RMB13,381 million from the beginning of the year; (3) the balance of accounts payable to brokerage customers was RMB126,731 million, increasing by RMB23,790 million from the beginning of the year; (4) the balance of long-term and short-term debts (including issuance of corporate bonds, income certificates, long-term and short-term liabilities) was RMB167,815 million, increasing by RMB38,321 million from the beginning of the year; (5) financial liabilities held for trading were RMB10,823 million, increasing by RMB5,258 million from the beginning of the year, mainly due to the issue of income certificates and structured notes; (6) payables were RMB7,074 million, increasing by RMB4,469 million from the beginning of the year, mainly due to an increase in the scale of deposits payable to customers; (7) Shareholders' equity attributable to the parent company was RMB106,625 million, increasing by RMB8,462 million from the beginning of the year, mainly comprising the net profit of RMB10,854 million attributable to shareholders of the parent company realized during the year, the increase of RMB1,000 million in other equity instruments by issuing perpetual bonds and the distribution of cash dividends of RMB3,429 million.

The net capital of the parent company was RMB66,167 million, increasing by RMB1,270 million from the beginning of the year.

II. PROFIT REALIZED IN 2021:

In 2021, the economy in the PRC generally maintained a recovery trend with the accelerated deepening reform in the capital market, a record high in the capitalization value of the A-share market and the distinctly differentiated performance of major stock indexes; the trading volume of stock-based funds increased notably; in the bond market, the central bank adopted sound and relatively loose monetary policies with reasonable and sufficient liquidity in the market and dropping but generally flat bond yield curve; the registration-based IPO system reform was under steady progress, IPO and refinancing were issued at a high speed; the scale of bond financing underwritten by securities firms increased.

In 2021, under the leadership of the management of the Company, all employees took active actions. Amid the complicated business environment, the Group achieved good results. The Group realized total operating revenue of RMB34,250 million, total profit of RMB14,964 million, net profit attributable to shareholders of the parent company of RMB10,854 million, representing an increase of 17.48%, 10.03% and 8.13% from the previous year, respectively.

The changes in the revenue items of the Group were that: (1) the Group realized net fee income from brokerage business of RMB7,970 million, increasing by 21.28% from the previous year, mainly due to an increase in the trading volume of stock and fund in A share market and a significant increase in the Group's income from the agency sales of financial products; (2) the Group realized net fee income of RMB433 million from investment banking business, decreasing by 33.31% from the previous year; (3) the Group realized net income of RMB9,946 million from asset management and fund management fees, increasing by 50.74% from the previous year, mainly due to a significant increase in the net income from management fee of GF Fund and GF Xinde; (4) the Group's investment business realized an aggregate amount of RMB9,214 million in interest income, investment gains and profit or loss from fair value changes, decreasing by RMB901 million from the previous year, mainly due to the fact that the Group's investment income decreased as result of the impact of market fluctuations; (5) excluding the interest income from investment business, the Group realized other net interest income of RMB1,477 million, increasing by RMB530 million from the previous year, mainly due to an increase in interest income from margin financing and securities lending; (6) the Group recognized an investment income of RMB1,464 million from associates and joint ventures, increasing by 45.67% from the previous year, which was mainly attributable to the increase in investment incomes from E Fund, an associate and joint venture; (7) the Group realized other business income of RMB2,075 million, increasing by 17.25% from the previous year, mainly due to an increase in income from sale of bulk commodities; (8) the Group realized other income of RMB1,228 million, increasing by 8.47% from the previous year.

The changes in operating expenses of the Group were that: 1. the Group's business and management fees were RMB15,961 million, increasing by 25.24% from the previous year, which were mainly attributable to the increase in the staff expenses and business development expenses of the Group resulting from acceleration of business transformation and more efforts in the recruitment of relevant professionals; 2. the Group made provision for credit impairment loss of RMB981 million, mainly due to the provision for impairment of share pledge and margin financing and securities lending business; 3. the Group's other business costs were RMB2,058 million, increasing by 17.17% from the previous year, mainly due to an increase in cost of sales of bulk commodities.

III. OPERATING CONDITIONS OF SUBSIDIARIES:

In 2021, GF Futures realized operating revenue of RMB3,086 million and net profit of RMB402 million; GFHK realized operating revenue of RMB382 million and net profit of RMB18 million; GF Xinde realized operating revenue of RMB1,396 million and net profit of RMB864 million; GF Qianhe realized operating revenue of RMB1,750 million and net profit of RMB1,232 million; GF Asset Management realized operating revenue of RMB759 million and net profit of RMB200 million; GFFL realized operating revenue of RMB34 million and net profit of RMB-49 million; GF Fund realized operating revenue of RMB9,346 million and net profit of RMB2,607 million.

IV. KEY FINANCIAL INDICATORS OF THE GROUP AND RISK CONTROL INDICATORS OF THE PARENT COMPANY:**1. Key financial indicators:**

Item	2021	2020
Earnings per share (RMB)	1.42	1.32
Net assets per share attributable to owners of the parent company (RMB)	13.99	12.88
Return on weighted average net assets	10.67%	10.60%

2. Key regulatory indicators of the parent company:

Item	End of 2021	Pre-warning standard	Regulatory standard
Net capital	RMB66,167 million	≥RMB240 million	≥RMB200 million
Risk coverage ratio	197.71%	≥120%	≥100%
Capital leverage ratio	16.03%	≥9.6%	≥8%
Liquidity coverage ratio	238.90%	≥120%	≥100%
Net stable funding ratio	163.37%	≥120%	≥100%
Net capital/net assets	72.02%	≥24%	≥20%
Net capital/liabilities	23.88%	≥9.6%	≥8%
Net assets/liabilities	33.16%	≥12%	≥10%
Proprietary equity securities and securities derivatives/net capital	49.57%	≤80%	≤100%
Proprietary non-equity securities and securities derivatives/net capital	290.54%	≤400%	≤500%

All regulatory indicators of the parent company were in compliance with the regulatory standard in 2021.

Please kindly consider the above report.

Dear Shareholders,

Pursuant to the requirements of the Regulations for Supervision and Administration of Securities Companies (《證券公司監督管理條例》), the Administrative Measures for Risk Control Indicators of Securities Companies (《證券公司風險控制指標管理辦法》), the Provisions on Strengthening the Supervision and Administration of Listed Securities Companies (as amended in 2020) (《關於加強上市證券公司監管的規定》(2020年修訂)), the Provisions on the Investment Scope for Proprietary Securities Business of Securities Companies and Related Matters (《關於證券公司證券自營業務投資範圍及有關事項的規定》), the Norms for the Comprehensive Risk Management of Securities Companies (《證券公司全面風險管理規範》), the Guidelines on Proprietary Securities Business of Securities Companies (《證券公司證券自營業務指引》) and the Guidelines for the Liquidity Risk Management of Securities Companies (《證券公司流動性風險管理指引》), in order to further improve the authorization and management of proprietary investment of the Company, in conjunction with the actual conditions of the Company, the authorization of the investment quota for the proprietary business of the Company is proposed as follows:

1. To authorize the Board of Directors of the Company, subject to compliance with the relevant requirements of the CSRC and self-regulation organization regarding the supervision and administration of securities companies, management of proprietary investment and risk management, and provided that the investment quota of the proprietary securities business of the Company shall not exceed the maximum limit prescribed in the rules and regulations and regulatory documents of the CSRC, to determine reasonably the total amount of maximum limit for the proprietary investment of the Company, and make adjustments to the allocation of the proprietary investment quota in accordance with market conditions, regulatory environment and operating performance, the scope of proprietary investment is limited to the types of securities listed in the List of Securities Investment Products of Proprietary Trading by Securities Companies (《證券公司證券自營投資品種清單》) and its subsequent amendments.
2. To authorize the management of the Company to allocate the investment quota for the proprietary business scientifically within the scope of regulatory standards for risk control indicators prescribed under the Administrative Measures for the Risk Control Indicators of Securities Companies (《證券公司風險控制指標管理辦法》), Rules on Computation Standards for Risk Control Indicators of Securities Companies (《證券公司風險控制指標計算標準規定》) and its subsequent amendments and carefully set the risk limit of proprietary business. To authorize the Board of the Company with the right to adjust the proprietary investment quota of the management of the Company within the extent authorized under Item 1.

3. To authorize the management of the Company to make reasonable adjustments to the size of the proprietary business and the risk limit as needed when amendments are made to external laws and regulations to ensure that the proprietary securities business quota of the Company will not exceed the requirements as stipulated in the rules and regulations and regulatory documents of the CSRC.

It should be noted that the above quota is the maximum limit for the proprietary investment quota determined according to the relevant requirements of the CSRC and the characteristics of market volatility, and its total quantity and variation are not representation of judgments made by the Board of Directors and the management of the Company in respect of the market. The above quota does not include the investment quota for long-term equities to be invested by the Company, and the investment quota for long-term equities is still required to be determined and executed in accordance with the relevant decision-making procedures of the Company.

Please kindly consider the above resolution.

ANNEX E RESOLUTION REGARDING THE 2022 EXPECTED DAILY RELATED PARTY/CONNECTED TRANSACTIONS OF THE COMPANY

Dear Shareholders,

Pursuant to the relevant requirements of the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange (hereinafter referred to as the “**SZSE Listing Rules**”) and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “**Hong Kong Listing Rules**”), and in consideration of its actual condition, the Company has made an estimation of the daily related party/connected transactions that will occur in 2022.

I. ESTIMATION OF DAILY RELATED TRANSACTIONS UNDER THE SZSE LISTING RULES FOR 2022

Category	Type of transaction	Particulars of the relevant transaction	Pricing principle and estimated amount in 2022	Related parties ^{Note 1}	Actual occurrence in 2021 ^{Note 2}		
					Actual amount as of March 30, 2022 (RMB ten thousand)	Actual Amount (RMB ten thousand)	Percentage in the same category of business (%)
Investment Banking	Income from securities underwriting and sponsorship	Income generated from the provision of securities underwriting and sponsorship business services by the Company and controlled subsidiaries to related parties.	Pricing will be determined by reference to the market level. However, since the issue size of securities is greatly affected by market conditions, the trading volume is unpredictable. Therefore, it is difficult to predict such income of the Company. The actual amount incurred will be adopted for calculation.	All related parties of the Company	–	–	–
	Income from financial advisory	Income generated from the provision of financial advisory business services by the Company and controlled subsidiaries to related parties.	Pricing will be determined by reference to the market level. However, since customer demand is unpredictable, it is difficult to predict such income of the Company. The actual amount incurred will be adopted for calculation.	All related parties of the Company	–	8.49	0.25

**ANNEX E RESOLUTION REGARDING THE 2022 EXPECTED DAILY RELATED
PARTY/CONNECTED TRANSACTIONS OF THE COMPANY**

Category	Type of transaction	Particulars of the relevant transaction	Pricing principle and estimated amount in 2022	Related parties ^{Note 1}	Actual occurrence in 2021 ^{Note 2}		
					Actual amount as of March 30, 2022	Actual Amount	Percentage in the same category of business
					(RMB ten thousand)	(RMB ten thousand)	(%)
Wealth Management	Commission income from securities brokerage business	Seat income generated from the provision of trading service to related parties by the Company and controlled subsidiaries through specific trading seats.	Pricing will be determined by reference to market level. However, since the trading volume is affected by market news and investment decisions, the transaction amount is unpredictable. Therefore, it is difficult to predict such income of the Company. The actual amount incurred will be adopted for calculation.	Jilin Aodong and its concert parties ^{Note 3}	0.84	25.74	0.00
		E Fund Management Co., Ltd.		767.59	7,258.98	1.09	
		Other related parties		0.08	1,510.12	0.23	
	Interest income from financing businesses including margin financing and securities lending, repurchase transactions, financial leasing and money lending business (Hong Kong)	Interest income received from the provision of financing businesses including margin financing and securities lending, repurchase transactions, financial leasing and money lending business (Hong Kong) by the Company and controlled subsidiaries to related parties.	Pricing will be determined by reference to market level. However, since the trading volume is affected by market news, the relevant business size is unpredictable. Therefore, it is difficult to predict such income of the Company. The actual amount incurred will be adopted for calculation.	All related parties of the Company	–	1.31	0.00
	Commission income from futures business	Commission income generated from the provision of services including transaction and consultation by GF Futures Co., Ltd. and controlled subsidiaries to related parties.	Pricing will be determined by reference to market level. However, since the trading volume is affected by market news and investment decisions, the transaction volume is unpredictable. Therefore, it is difficult to predict such income of the Company. The actual amount incurred will be adopted for calculation.	Jilin Aodong and its concert parties	–	–	–
E Fund Management Co., Ltd.				5.80	51.78	0.09	
Other related parties				0.89	1.71	0.00	

ANNEX E RESOLUTION REGARDING THE 2022 EXPECTED DAILY RELATED PARTY/CONNECTED TRANSACTIONS OF THE COMPANY

Category	Type of transaction	Particulars of the relevant transaction	Pricing principle and estimated amount in 2022	Related parties ^{Note 1}	Actual occurrence in 2021 ^{Note 2}		
					Actual amount as of March 30, 2022 (RMB ten thousand)	Actual Amount (RMB ten thousand)	Percentage in the same category of business (%)
	Income from agency sale of fund products	Application fees, redemption fees, subscription fees, conversion fees, customer maintenance fees (trailing commission) and other related income received by the Company and controlled subsidiaries from the agency sale of fund and other products issued by related parties.	Pricing will be determined by reference to market level. However, since the subscription of funds is the discretionary act of customers and affected by market news, the application amount and redemption amount are unpredictable. Therefore, it is difficult to predict such income of the Company. The actual amount incurred will be adopted for calculation.	E Fund Management Co., Ltd.	688.05	6,299.09	5.76
				Other related parties	–	925.41	0.85
Trading and Institution	Trading of securities and financial products	Amount of trading ^{Note 4} of shares, debentures, derivatives and other securities and financial products (excluding fund and other wealth management products issued by related parties) by the Company and controlled subsidiaries with related parties.	Pricing will be determined by reference to market level. However, since the trading of securities and financial products is discretionary act of customers and affected by market news, the transaction amount is unpredictable, it is difficult to predict such income of the Company. The actual amount incurred will be adopted for calculation.	E Fund Management Co., Ltd.	–	–	–
				Other related parties	13,760.07	1,108,464.91	0.06
				E Fund Management Co., Ltd.	460,305.89	342,723.74	6.17
				Other related parties	–	3,571.36	0.06
		Balance of ending market value of fund and other wealth management products issued by related parties of the Company and held by the Company and controlled subsidiaries.					

ANNEX E RESOLUTION REGARDING THE 2022 EXPECTED DAILY RELATED PARTY/CONNECTED TRANSACTIONS OF THE COMPANY

Category	Type of transaction	Particulars of the relevant transaction	Pricing principle and estimated amount in 2022	Related parties ^{Note 1}	Actual occurrence in 2021 ^{Note 2}		
					Actual amount as of March 30, 2022 (RMB ten thousand)	Actual Amount (RMB ten thousand)	Percentage in the same category of business (%)
	Interest expenses for issuance of income certificates	Interest expenses incurred from the issuance of income certificates by the Company and controlled subsidiaries to related parties.	Pricing will be determined by reference to market level. However, since the subscription of income certificates is the	All related parties of the Company	-	-	-
	Liabilities incurred from issuance of structured notes	Liabilities incurred when related parties purchase structured notes issued by the Company and controlled subsidiaries.	discretionary act of customers and affected by market news, the subscription amount is unpredictable. Therefore, it is difficult to predict the scale of such expenses/liabilities of the Company. The actual amount incurred will be adopted for calculation.	All related parties of the Company	-	-	-
	Income from market-making business	Income generated from the provision of market-making services by the Company and controlled subsidiaries to related parties.	Pricing will be determined by reference to market valuation. However, since the volume of market-making target and market volatility level are unpredictable, it is difficult to predict such income of the Company. The actual amount incurred will be adopted for calculation.	All related parties of the Company	-	-	-
	OTC transfer transaction	Income generated by the Company and controlled subsidiaries when providing liquidity for products held by customers of related parties in the OTC market.	Pricing will be determined by reference to market level. However, since the customer demand for liquidity is affected by market news, it is difficult to predict such income of the Company. The actual amount incurred will be adopted for calculation.	All related parties of the Company	-	-	-

ANNEX E RESOLUTION REGARDING THE 2022 EXPECTED DAILY RELATED PARTY/CONNECTED TRANSACTIONS OF THE COMPANY

Category	Type of transaction	Particulars of the relevant transaction	Pricing principle and estimated amount in 2022	Related parties ^{Note 1}	Actual occurrence in 2021 ^{Note 2}		
					Actual amount as of March 30, 2022 (RMB ten thousand)	Actual Amount (RMB ten thousand)	Percentage in the same category of business (%)
	Custody and fund service business	Income generated from the provision of custody and fund service business by the Company to related parties.	Pricing will be determined by reference to market level. Since the scale of products of the custody and fund service business provided is unpredictable, it is difficult to predict such income of the Company. The actual amount incurred will be adopted for calculation.	E Fund Management Co., Ltd.	–	0.84	0.01
				Other related parties	–	127.48	0.78
Investment Management	Income from entrusted customer asset management business	Management fees and other income generated from wealth management products held by related parties of the Company and managed by the Company, GF Securities Asset Management (Guangdong) Co., Ltd., GF Futures Co., Ltd and other subsidiaries.	Pricing will be determined by reference to market level. Since the asset size of the related party customers entrusted to the Company and the income generated according to management results are uncertain and affected by market news with relatively high volatility, it is difficult to predict such income of the Company. The actual amount incurred will be adopted for calculation.	Jilin Aodong and its concert parties	2.08	12.98	0.01
				E Fund Management Co., Ltd.	–	–	–
				Other related parties	14.05	160.69	0.16
	Income of management fees from fund products	Management fees and other income generated from fund and other wealth management products issued by GF Fund Management Co., Ltd. and held by related parties of the Company.	The products are issued at net value and the management fees and other fees are charged according to market standards. The specific amount of income is subject to market news and investment judgment, and it is therefore difficult to predict such income. The actual amount incurred will be adopted for calculation.	Jilin Aodong and its concert parties	11.51	58.00	0.01
				E Fund Management Co., Ltd.	2.79	17.78	0.00
				Other related parties	130.93	790.47	0.09
				Jilin Aodong and its concert parties	–	226.78	0.03
		Management fees and other income generated from fund and other products managed by GF Xinde Investment Management Co., Ltd. and held by related parties of the Company.		E Fund Management Co., Ltd.	–	–	–
				Other related parties	–	1,671.80	0.19

ANNEX E RESOLUTION REGARDING THE 2022 EXPECTED DAILY RELATED PARTY/CONNECTED TRANSACTIONS OF THE COMPANY

Category	Type of transaction	Particulars of the relevant transaction	Pricing principle and estimated amount in 2022	Related parties ^{Note 1}	Actual occurrence in 2021 ^{Note 2}		
					Actual amount as of March 30, 2022 (RMB ten thousand)	Actual Amount (RMB ten thousand)	Percentage in the same category of business (%)
	Joint investment with related parties	The establishment of equity investment fund partnership and investment related enterprises by the Company and its subsidiary engaged in investment business with related parties according to the needs of daily business development.	Investment amount will be determined by reference to market level and relevant agreements. Since the occurrence and size of business are uncertain, the actual amount incurred will be adopted for calculation.	Jilin Aodong and its concert parties Other related parties	- 150,000.00 ^{Note 5}	- 20,275.00	- 5.45

Note 1: The related parties mentioned in the above table refers to related legal entities and related natural persons as defined in accordance with the SZSE Listing Rules and the Notice on Matters Relating to Further Enhancing Supervision on Related Party Transactions of Securities Companies under Jurisdiction issued by Guangdong Bureau of the CSRC (《中國證監會廣東監管局關於進一步加強轄區證券公司關聯交易監管有關事項的通知》) (Guangdong Zheng Jian Fa [2018] No. 77).

Note 2: For details of expected daily related party transactions of the Company in 2021, please refer to the Announcement of Expected Daily Related Party/Connected Transactions of the Company in 2021 disclosed by the Company on March 30, 2021.

Note 3: “Jilin Aodong and its concert parties” refer to Jilin Aodong Pharmaceutical Group Co., Ltd. and other related parties under the control of the same entity or who exercise mutual control among themselves.

Note 4: The trading of shares, debentures, derivatives and other securities and financial products (excluding fund and other wealth management products issued by related parties) by the Company and controlled subsidiaries with related parties includes issuance and subscription, proprietary transactions, repurchase and lending (with interest included), equity investment, etc. (excluding transactions listed under Article 6.3.11 of the SZSE Listing Rules).

Note 5: On March 11, 2022, the Company convened the 22nd meeting of the Tenth Session of Board of Directors, at which the Resolution on the Related Party/Connected Transaction Regarding the Joint Investment of GF Xinde Investment Management Co., Ltd., GF Qianhe Investment Co., Ltd. and Zhongshan Public Utilities Environmental Protection Industry Investment Co., Ltd. was considered and approved. For details, please refer to the Announcement on the Related Party/Connected Transaction Regarding the Joint Investment of GF Xinde Investment Management Co., Ltd., GF Qianhe Investment Co., Ltd. and Zhongshan Public Utilities Environmental Protection Industry Investment Co., Ltd. disclosed by the Company on March 12, 2022.

ANNEX E RESOLUTION REGARDING THE 2022 EXPECTED DAILY RELATED PARTY/CONNECTED TRANSACTIONS OF THE COMPANY

Other than the aforesaid expected daily related transactions, when the Company entered into the following related transactions with related parties, it is exempted from performing the relevant obligations pursuant to Article 6.3.11 of the SZSE Listing Rules and Article 38 of the Connected Transaction Management Rules of GF Securities (《廣發証券關聯交易管理制度》):

- (1) when one party subscribes in cash for shares and derivative products, corporate bonds or enterprise bonds of the other party under the public offering, except where related parties are included in pre-determined issuing targets;
- (2) when one party acts as a member of the underwriting syndicate to underwrite shares and derivative products, corporate bonds or enterprise bonds of the other party under the public offering;
- (3) when one party collects dividends, bonus or returns according to the resolution passed at a general meeting of the other party;
- (4) when the Company provides products and services to related natural persons stipulated under items (ii) to (iv) of paragraph 3 in Article 6.3.3 of the SZSE Listing Rules on the trading conditions same as those with non-related parties.
- (5) other situations recognized by the SZSE.

II. INTRODUCTION OF MAJOR RELATED PARTIES AND RELATED PARTY RELATIONSHIP UNDER THE SZSE LISTING RULES

The legal representative of Jilin Aodong is Li Xiulin. Jilin Aodong has a registered capital of RMB1,163 million and its business scope includes: planting and breeding, business (except for special projects controlled by the state and franchise); machinery repair, warehousing, importing of raw and auxiliary materials, mechanical equipment, instruments, spare parts (except for the 12 imported items which are operated by the specified companies approved by the State) required for the production and scientific research by this enterprise; pharmaceutical industry, pharmaceutical business, pharmaceutical research and development, vehicle rental services, and self-owned real estate operating activities (project requiring statutory approvals shall be operated only after receiving approval from relevant authorities). Its address of domicile is at “No. 2158, Aodong Street, Dunhua City, Jilin Province”. As of September 30, 2021, the amount of total assets of Jilin Aodong was RMB28,786 million and the amount of its net assets attributable to shareholders of the parent company was RMB24,696 million. From January to September in 2021, Jilin Aodong had an operating revenue of RMB1,598 million and net profit attributable to shareholders of the parent company of RMB1,693 million. As of December 31, 2021, A Shares and H Shares held by Jilin Aodong and its concert parties in the Company accounted for 18.06% of the Company’s total share capital. Mr. Li Xiulin, a director of the Company, serves as the chairman of the board of directors and legal representative of Jilin Aodong. Jilin Aodong has satisfied the requirements of related party relationship specified

**ANNEX E RESOLUTION REGARDING THE 2022 EXPECTED DAILY RELATED
PARTY/CONNECTED TRANSACTIONS OF THE COMPANY**

in paragraph 2 of Article 6.3.3 of the SZSE Listing Rules, and concurrently constitutes a connected person under the Hong Kong Listing Rules. Jilin Aodong has good contract performance and payment capabilities and is not dishonest judgment debtor.

The legal representative of E Fund is Liu Xiaoyan. E Fund has a registered capital of RMB132 million and its business scope includes: management of securities investment fund issued by public offering, sales of funds, asset management for specific customers (project requiring statutory approvals shall be operated only after receiving approval from relevant authorities). Its address of domicile is at “Sixth Floor, No. 188 Rongyue Road, Hengqin New District, Zhuhai, Guangdong Province”. As of December 31, 2021, the amount of total assets of E Fund was RMB23,069 million and the amount of its net assets attributable to shareholders of the parent company was RMB12,492 million. In 2021, the operating revenue of E Fund was RMB14,557 million and net profit attributable to shareholders of the parent company was RMB4,539 million. As of December 31, 2021, the Company held 22.65% equity interest in E Fund and was its largest shareholder. Mr. Qin Li, a Director and the chief officer of the Company, is also a director of E Fund. E Fund has satisfied the requirements of related party relationship specified in paragraph 2 of Article 6.3.3 of the SZSE Listing Rules but does not constitute a connected person under the Hong Kong Listing Rules. E Fund has good contract performance and payment capabilities and is not dishonest judgment debtor.

III. DAILY CONNECTED TRANSACTIONS UNDER THE HONG KONG LISTING RULES IN 2022

For any connected transaction that satisfies the definition of the Hong Kong Listing Rules, the Company will conduct it and perform the relevant decision making and disclosure procedures strictly in accordance with the provisions under the Hong Kong Listing Rules and the Connected Transaction Management Rules of GF Securities.

Concurrently, the Company is exempted from performing the relevant obligations in accordance with the provisions under Chapter 14A of the Hong Kong Listing Rules and Article 30 of the Connected Transaction Management Rules of GF Securities, when the following connected transactions occur between the Company and connected parties:

- (1) transactions that meet the de minimis level;
- (2) financial assistance;
- (3) issuance of new securities by listed group companies;
- (4) trading of securities on stock exchanges;
- (5) repurchase of securities by listed group companies;
- (6) directors’ service contracts and insurance;

**ANNEX E RESOLUTION REGARDING THE 2022 EXPECTED DAILY RELATED
PARTY/CONNECTED TRANSACTIONS OF THE COMPANY**

- (7) purchase or sale of consumer products or consumer services;
- (8) sharing of administration and management services;
- (9) transactions with the associate(s) of passive investors; and
- (10) transactions with connected parties at the subsidiary level.

IV. MAIN CONTENTS OF RELATED PARTY/CONNECTED TRANSACTIONS**(I) Main contents and pricing principles of related party/connected transactions**

All businesses between the Company and related/connected parties follow market-oriented pricing principles. The major operations and specific pricing principles of the Company are as follows:

- 1. Income from securities underwriting and sponsorship and financial advisory: pricing is determined with reference to the market level and industry practice;
- 2. Commission income from brokerage business: pricing is determined with reference to the commission rates for similar trading services in the market;
- 3. Interest income from margin financing and securities lending, repurchase transaction services and money lending (Hong Kong): pricing is determined with reference to the market level;
- 4. Commission income from futures business: pricing is determined with reference to the commission rates for similar trading or consultation services in the market;
- 5. Income from agency sale of funds and other products: charges are made according to the unified sales policy when the products are issued by fund companies;
- 6. Trading of securities and financial products: pricing will be determined with reference to market level including market news, fair value and net value of products.
- 7. Issuance of income certificates: pricing is determined with reference to the market level and industry practice;
- 8. Income from market-making business: pricing is determined with reference to the market level;

**ANNEX E RESOLUTION REGARDING THE 2022 EXPECTED DAILY RELATED
PARTY/CONNECTED TRANSACTIONS OF THE COMPANY**

9. Income from OTC transfer transactions: pricing is determined with reference to the market level;
10. Income from custody and fund service business: pricing is determined with reference to the market level;
11. Income from entrusted customer asset management business: pricing is determined by reference to the market level and industry practice;
12. Income from issuance of fund and other wealth management products: the products are issued at net value and the management fees and other related fees are charged with reference to the market level;
13. Joint investment: investment amount is determined by reference to market level and relevant agreements.

(II) Signing of related party/connected transactions agreements

With the expected range of annual daily related party/connected transactions, when related party/connected transactions actually occur, the Company will enter into separate relevant agreements. Where related party/connected transactions occurred beyond the expected range, the Company will carry out the approval procedures and perform the obligation of information disclosure in a timely manner according to relevant internal and external requirements.

V. PURPOSES OF THE TRANSACTIONS AND IMPACT ON THE COMPANY

1. Each of the daily related/connected transactions contemplated by the Company is beneficial for the Company in developing new businesses and broadening its income stream during its daily operations;
2. The pricing of the relevant related/connected transactions can be made with reference to market prices available, for which the Company intends to implement at a fair price, which will not damage the interests of the Company and minority Shareholders;
3. The relevant related/connected transactions do not affect the independence of the Company. The major businesses of the Company have not relied on the related/connected parties as a result of the above related/connected transactions.

VI. OPINIONS OF THE INDEPENDENT DIRECTORS

The Independent Directors have issued the following independent opinions on the Resolution Regarding the 2022 Expected Daily Related Party/Connected Transactions of the Company:

- “1. The relevant daily related party/connected transactions are intended to be executed at a fair price and will not damage the interests of the Company and minority Shareholders;
2. Carrying out the relevant daily related party/connected transactions is beneficial for promoting the business growth of the Company, which is in line with the actual business needs of the Company, and is beneficial for the long-term development of the Company;
3. The relevant daily related party/connected transactions shall be disclosed in the annual report and the interim report of the Company in accordance with the Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
4. It is agreed that the Resolution Regarding the 2022 Expected Daily Related Party/Connected Transactions of the Company be submitted to the Board for consideration.”

It is hereby proposed to the general meetings:

1. to agree the implementation of the above related/connected transactions; and agree that the Company shall perform its obligation of information disclosure and carry out the relevant approval procedures in accordance with the requirements under Chapter 14A of the Hong Kong Listing Rules, if the above related party/connected transactions constitute connected transactions under the Hong Kong Listing Rules;
2. to authorize the Board and agree the Board to delegate the management to enter into new agreements or renew the relevant agreements within the scope of the expected daily related/connected transactions in 2022 based on business needs.

Related/connected shareholders including Jilin Aodong and persons acting in concert; Liaoning Cheng Da and persons acting in concert; Zhongshan Public Utilities and persons acting in concert, shall abstain from voting on the resolution, and shall not accept appointment from other Shareholders as proxies in voting.

Please kindly consider the above resolution.

Dear Shareholders,

In order to meet the business operation needs of the Company, replenish working capital, adjust the debt structure, further improve the authorization management of the Company's debt financing, ensure the smooth implementation of financing work and seize market opportunities in a timely manner, it is intended to re-apply for the general mandate of issuances of onshore and offshore debt financing instruments, and to propose to the general meeting for authorizing the Board and permitting the Board to authorize the authorized persons (being the Company's chairman, vice chairman, general manager and chief financial officer) to jointly or individually execute the relevant documents subject to the importance of the authorized matters. In particular, it is agreed to:

1. issue corporate onshore and offshore debt financing instruments on an one-off or multiple issuances or multi-tranche issuances basis, including but not limited to: onshore corporate bonds, subordinated bonds (including perpetual subordinated bonds), debt financing asset-backed securities, renewable bonds, financial bonds and other varieties approved by the regulatory authorities; offshore corporate bonds denominated in foreign currencies (such as US dollar and Euro) and offshore RMB denominated corporate bonds, medium-term note plans, notes (including but not limited to commercial notes), renewable bonds, subordinated bonds (including perpetual subordinated bonds) and other offshore debt financing instruments and other varieties approved by the regulatory authorities.
2. implement the subsequent issuance and authorization of the above-mentioned corporate onshore and offshore debt financing instruments in accordance with this resolution;
3. implement the issuance and authorization of bank loans (including credit lending), bond repurchases, short-term financing bills, short-term corporate bonds and income certificate in accordance with the Resolution on the Authorization of Debt Financing by the Company, which was considered and passed at the third extraordinary general meeting of the Company in 2014.

Details of which are as follows:

I. ISSUING ENTITY, SIZE OF ISSUANCE AND METHOD OF ISSUANCE

The Company or its wholly-owned subsidiary(ies) shall be the issuing entity(ies) of the corporate onshore and offshore debt financing instruments; in case debt financing asset-backed securities are issued, the Company or its wholly-owned subsidiary(ies) will be the originator(s) and assets servicing agency(ies). The corporate onshore and offshore debt financing instruments shall be issued on a one-off or multiple issuances or multi-tranche issuances basis through public offerings in the PRC and overseas or through private placements or through other ways permitted by the regulatory authorities.

The balance of the corporate onshore and offshore debt financing instruments in total shall not exceed 300% of the net assets at the end of the latest financial period, calculated based on the aggregate balance outstanding on the issued instruments (including the outstanding balance of current issued onshore and offshore debt financing instruments). In the case of an instrument denominated in a foreign currency, based on the median price of the exchange rate announced by the People's Bank of China on the date of each issuance. The actual size of issuance of each debt financing instruments shall be in compliance with the requirements prescribed in the relevant laws and regulations on the maximum amount of the debt financing instruments to be issued and related requirements for various risk control indicators.

II. TYPE OF DEBT FINANCING INSTRUMENTS

The corporate onshore and offshore debt financing instruments referred to in this resolution include but are not limited to: onshore corporate bonds, subordinated bonds (including perpetual subordinated bonds), debt financing asset-backed securities, renewable bonds, financial bonds and other varieties approved by the regulatory authorities; offshore corporate bonds denominated in foreign currencies (such as US dollar and Euro) and offshore RMB denominated corporate bonds, medium-term note plans, notes (including but not limited to commercial notes), renewable bonds, subordinated bonds (including perpetual subordinated bonds) and other offshore debt financing instruments and other varieties approved by the regulatory authorities.

The corporate onshore and offshore debt financing instruments referred to in this resolution shall not contain any provision for conversion into the Shares, and shall not be linked to the shares and any equity derivatives of the Company.

The types of the corporate onshore and offshore debt financing instruments and the priorities for repayment of creditors shall be determined according to the relevant regulations and the then prevailing market conditions at the time of issuance.

III. TERM OF DEBT FINANCING INSTRUMENTS

The term of the corporate onshore and offshore debt financing instruments shall be no longer than 15 years (inclusive), with a single term or hybrid type with multiple terms. The issuance of perpetual subordinated bonds, renewable bonds and other types without fixed terms shall not be subject to the above term. The actual term and size of each type with different terms shall be determined in accordance with the relevant regulations and the then prevailing market conditions.

IV. INTEREST RATE OF THE DEBT FINANCING INSTRUMENTS

The interest rate of the corporate onshore and offshore debt financing instruments as well as the method of calculation and payment of principals and interests thereof shall be determined through negotiation with lead underwriters or sponsor (if any) based on the then prevailing market conditions at the time of issuance of the onshore and offshore debt financing instruments and in accordance with relevant applicable laws and regulations and departmental rules.

V. SECURITY AND OTHER ARRANGEMENTS

The Company or its wholly-owned subsidiary(ies) shall be the issuing entity(ies) of the corporate onshore and offshore debt financing instruments; in case debt financing asset-backed securities are issued, the Company or its wholly-owned subsidiary(ies) will be the originator(s) and assets servicing agency(ies). The guarantee and other credit enhancement arrangements shall be determined lawfully according to the characteristics and the issuance requirements of the onshore and offshore debt financing instruments.

The Company or its wholly-owned subsidiary(ies) can provide guarantees for the onshore and offshore debt financing instruments issued by the onshore and offshore wholly-owned subsidiary(ies) of the Company (including wholly-owned subsidiaries with a debt to assets ratio of more than 70%), including but not limited to counter-guarantees provided by the Company to its direct and indirect wholly-owned subsidiary(ies) (including wholly-owned subsidiaries with a debt to assets ratio of more than 70%), among the direct and indirect wholly-owned subsidiary(ies) of the Company (including wholly-owned subsidiaries with a debt to assets ratio of more than 70%) and by the Company or its direct and indirect wholly-owned subsidiary(ies) to a third party. The scope of the guarantee includes the debt financing principal, the corresponding interests and other expenses, etc. The guarantee method includes warranty, mortgage, pledge and other methods permitted by relevant laws and regulations.

The amount of a single guarantee provided by the Company or its wholly-owned subsidiary(ies) for the onshore and offshore debt financing instruments issued by the onshore and offshore wholly-owned subsidiary(ies) of the Company (including wholly-owned subsidiary(ies) with a debt to assets ratio of more than 70%) shall not exceed 10% of the Company's latest audited net assets and the total guarantee amount shall not exceed 50% of the Company's latest audited net assets (the total guarantee amount shall be the guarantee balance corresponding to the outstanding debt to be repaid). If the amount of guarantee provided by the Company or its wholly-owned subsidiary(ies) for the onshore and offshore debt financing instruments issued by the onshore and offshore wholly-owned subsidiary(ies) of the Company (including wholly-owned subsidiary(ies) with a debt to assets ratio of more than 70%) exceed the above-mentioned percentage, it shall be dealt with according to the relevant provisions of Articles of Association of GF Securities Co., Ltd.

VI. USE OF PROCEEDS

The proceeds raised from the issuances of the corporate onshore and offshore debt financing instruments shall be used to meet the business operation needs of the Company, adjust the debt structure of the Company, replenish the working capital of the Company and/or make project investment, and for other purposes permitted by relevant laws and regulations and/or regulatory authorities.

VII. ISSUING PRICE

The issuing price of the corporate onshore and offshore debt financing instruments and the method for pricing thereof shall be determined in accordance with the then prevailing market conditions at the time of each issuance and the relevant laws and regulations.

VIII. TARGETS OF ISSUE

The targets to which the corporate onshore and offshore debt financing instruments are issued shall be the onshore and offshore institutional and/or individual investors and/or other professional investors that meet the subscription conditions. The specific issue targets shall be determined according to relevant laws and regulations, market conditions and other specific matters related to the issuance.

The corporate onshore and offshore debt financing instruments may be placed to the Shareholders of the Company. The specific placement arrangements (including whether to make such placements and the placement proportion, etc.) shall be determined by taking into account the then prevailing market conditions and the relevant laws and regulations.

IX. LISTING OF THE DEBT FINANCING INSTRUMENTS

The relevant matters involved in the application for the listing of the corporate onshore and offshore debt financing instruments (if relevant) shall be determined in accordance with the domestic and overseas laws and regulations, the requirement of the regulatory authorities, the actual conditions of the Company and the then prevailing conditions of the domestic and overseas markets.

X. SAFEGUARD MEASURES FOR DEBT REPAYMENT OF THE DEBT FINANCING INSTRUMENTS

In the event of an anticipated failure to repay principal and interest of the debt financing instrument as scheduled or in the event of an actual failure to repay the principal and interest of the debt financing instrument on due dates, it shall be decided that, pursuant to the mandatory requirements (if applicable) of the laws, regulations or regulatory documents, the following measures may be adopted:

- (I) increasing the ratio of the discretionary surplus reserves and the ratio of the general risk reserves during the term of the debt financing instrument, so as to mitigate repayment risks;
- (II) ceasing to distribute any profits to the Shareholders;
- (III) suspending the implementation of any capital expenditure projects such as material external investments, acquisitions and mergers, etc.;
- (IV) reducing or ceasing to pay the wages and bonus of the Directors and senior management;
- (V) freezing the job transfer of the key responsible personnel.

If the applicable laws and regulations and/or the regulatory authorities provide for requirements on safeguard measures for debt repayment of debt financing instruments, the requirements of the applicable laws and regulations and/or the regulatory authorities shall be complied with.

XI. AUTHORIZATION FOR THE ISSUANCES OF THE ONSHORE AND OFFSHORE DEBT FINANCING INSTRUMENTS

To ensure effective coordination of the issuances of the corporate onshore and offshore debt financing instruments and specific matters during the issuance, it is intended to propose to the general meeting for authorizing the Board and permitting the Board to authorize the authorized persons to deal with all matters in connection with the issuances of the onshore and offshore debt financing instruments in accordance with the relevant laws, regulations and opinions and advices from the regulatory authorities, within the framework and under the principles approved at the general meeting, and based upon the principle of acting in the best interest of the Company, including but not limited to:

- (I) formulating and adjusting of specific plans for the issuances of the corporate onshore and offshore debt financing instruments in accordance with the applicable laws, regulations and relevant provisions from the regulatory authorities as well as the resolutions passed at the general meeting and the Board meeting of the Company for such purposes, and based on the actual conditions of the Company and the relevant debt markets, including, without limitation, suitable issuing entity(ies), timing of issuance, specific amount and method of issuance, terms of issuance, targets and duration, whether to issue on an one-off, multiple issuances, multi-tranche issuances or multiple-category issuances basis and, if on multiple issuances, multi-tranche issuances or multiple-category issuances basis, the size and term of each issuance, tranche and category, issuing price, priorities for repayment, the ways in which the nominal value and interest rate are determined, currency (including

offshore RMB), pricing method, issuance arrangements, guarantee (including the guarantee amount, term, type of guaranteed debt, type of guarantee, guarantee object, etc.) and other credit enhancement arrangement, rating arrangement, specific methods of subscription, whether to set redemption provision, rate adjustment, sell-back clauses, write-down clause, specific placement arrangement, use of proceeds, registration, listing of the corporate onshore and offshore debt financing instruments and place of listing, measures to mitigate repayment risks, measures to ensure debt repayment, repayment methods of principal and interest and all matters relating to the issuances of the corporate onshore and offshore debt financing instruments;

- (II) determining and engaging intermediary agency, signing, executing, amending and completing all agreements and documents relating to the issuances of the corporate onshore and offshore debt financing instruments (including without limitation, the sponsor agreement, underwriting agreement, (counter) guarantee agreement/letter of support/keep-well arrangement and other credit enhancement agreement, bond indenture, agreement on engagement with intermediary agencies, trust management agreement, clearance/settlement management agreement, registration and custody agreement, listing agreement and other legal documents) and disclosing the relevant information in accordance with the relevant laws, regulations and the listing rules of the jurisdictions in which the Company's securities are listed;
- (III) selecting and engaging trustee(s) and clearance/settlement manager(s) for the issuances of the corporate onshore and offshore debt financing instruments, executing the trust management agreement(s) and clearance/settlement management agreement(s) and (if applicable) formulating rules for meetings of the holders of the onshore and offshore debt financing instruments;
- (IV) undertaking all applications and filings as well as listing matters with regard to the issuances of the corporate onshore and offshore debt financing instruments, including, without limitation, preparing, revising and submitting relevant applications and filing materials relating to the issuances and listings of the corporate onshore and offshore debt financing instruments and applications and filing materials in respect of any (counter) guarantee, letter of support or keep-well agreement to be provided by the Company, the issuing entity(ies) and/or a third party, and signing the relevant applications and filing documents and other legal documents; handling the reporting, issuance, establishment, filing, listing, transfer of and other matters for each specific plan of debt financing asset-backed securities;
- (V) making relevant adjustments to matters relating to the issuances of the corporate onshore and offshore debt financing instruments in accordance with the opinions and changes in the policies of the regulatory authorities or the changes in market conditions, or determining whether to continue with all or part of the work in respect

of the issuances of the corporate onshore and offshore debt financing instruments in accordance with the actual situation, unless re-approval by the Shareholders at general meeting is otherwise required pursuant to the relevant laws, regulations and the Articles of Association;

(VI) dealing with other matters in relation to the issuances of the corporate onshore and offshore debt financing instruments.

The above-mentioned authorization shall remain valid and effective on and from the date when the Shareholders at the general meeting have approved and passed the resolutions to the date when the resolutions passed at the general meeting approving the corporate onshore and offshore debt financing instruments cease to be effective or to the date when matters authorized above have been completed (depending on whether the issuance of the onshore and offshore debt financing instruments has been fully completed).

XII. VALIDITY PERIOD OF THE RESOLUTION

The validity period of this resolution shall be 36 months from the date on which the resolution is approved at the general meeting. After this resolution is approved, the onshore and offshore debt financing instruments authorization passed at the 2017 annual general meeting of the Company shall be cancelled simultaneously.

If, according to the authorization granted by way of resolution at the 2017 annual general meeting, the authorized person has decided and the Company has submitted an application to the regulators for it to examine and approve the issuance of debt financing instruments, the authorization validity of the relevant original resolutions shall be extended to the date when the issuance of the debt financing instruments is approved, permitted, registered, filed and recorded by the regulatory authorities and completed. If the issuance of the onshore and offshore debt financing instruments has been approved, permitted, registered, filed and recorded by the regulatory authorities, the Company can fully or partly issue its onshore and offshore debt financing instruments within the validity period confirmed by the approval, permission, registration, filing and record. The validity of the above authorization in respect of the issuance or partial issuance shall be extended to the date when such issuance is completed.

The above resolutions shall be voted individually. This resolution is a special resolution, and the resolution made at the general meeting shall be approved by more than two-thirds of the voting rights held by the Shareholders (including their proxies) attended at the general meeting.

Please kindly consider the above resolution.

Dear Shareholders,

I. ATTENDANCE OF INDEPENDENT DIRECTORS AT THE BOARD MEETINGS AND GENERAL MEETINGS

In 2021, the Company convened 8 Board meetings and 2 general meetings. The Independent Directors of the Company actively participated in relevant meetings, devoted sufficient time and efforts to perform their duties in a regulated and effective manner, and gave full play to their role in corporate governance. Before the meetings, the Independent Directors read the meeting materials carefully, and expressed sufficient professional and independent opinions at the meetings; and they were not influenced by the substantial shareholders and other interested units or individuals of the Company when making independent judgement.

The specific details of attendance of Independent Directors at the Board meetings and general meetings in 2021 are set out in the table below:

Name of Independent Director	Required attendance at Board meetings during the Reporting Period	On-site attendance at Board meetings	Attendance at Board meetings by telecommunication	Attendance at Board meetings by proxy	Times of absence from Board meetings	Attendance at general meetings of shareholders
Fan Lifu	8	0	8	0	0	0/2
Hu Bin	8	0	8	0	0	0/2
Leung Shek Ling						
Olivia	8	0	8	0	0	0/2
Li Wenjing	8	2	6	0	0	1/2

II. PARTICIPATION OF INDEPENDENT DIRECTORS IN THE MEETINGS OF SPECIAL COMMITTEES OF THE BOARD

There are five special committees under the Board of the Company, namely the Strategy Committee, the Nomination Committee, the Remuneration and Appraisal Committee, the Audit Committee and the Risk Management Committee.

In 2021, Mr. Hu Bin, Mr. Fan Lifu and Mr. Li Wenjing served as members of the Nomination Committee of the Tenth Session of the Board of the Company, and Mr. Hu Bin assumed the role of the chairman of the Nomination Committee of the Tenth Session of the Board of the Company; Mr. Hu Bin, Mr. Fan Lifu and Ms. Leung Shek Ling Olivia served as members of the Remuneration and Appraisal Committee of the Tenth Session of the Board of the Company, and Mr. Hu Bin assumed the role of the chairman of the Remuneration and Appraisal Committee of the Tenth Session of the Board of the Company; Mr. Li Wenjing, Mr. Fan Lifu and Ms. Leung Shek Ling Olivia served as members of the Audit Committee of the Tenth Session of the Board of the Company, and Mr. Li Wenjing assumed the role of the

chairman of the Audit Committee of the Tenth Session of the Board of the Company; Ms. Leung Shek Ling Olivia and Mr. Li Wenjing served as members of the Risk Management Committee of the Tenth Session of the Board of the Company.

In 2021, according to the rules of procedure for special committees of the Board of the Company, the Strategy Committee of the Board convened one meeting, the Nomination Committee of the Board convened two meetings, the Remuneration and Appraisal Committee of the Board convened one meeting, the Audit Committee of the Board convened four meetings, and the Risk Management Committee of the Board convened two meetings. During the term of office, the Independent Directors attended all meetings of the special committees they belonged to, and provided professional opinions and advice for scientific decisions of the Board.

III. WORK OF THE INDEPENDENT DIRECTORS

- (I) In 2021, the Independent Directors of the Company expressed pre-approval opinions and independent opinions on relevant matters in accordance with statutory procedures and pursuant to the relevant laws and regulations and the Articles of Association, the specific details of which are set out below:
1. On March 29, 2021, the Independent Directors, namely Mr. Fan Lifu, Mr. Hu Bin, Ms. Leung Shek Ling Olivia and Mr. Li Wenjing, issued independent opinions on the Profit Distribution Proposal for 2020, the Internal Control and Evaluation Report for the Year of 2020, the Distribution of Performance-based Remunerations for the Management for the Year of 2020, the Use of the Company's Funds by the Controlling Shareholders or other Related Parties and Guarantees provided by the Company, the 2021 Expected Daily Related/Connected Transactions of the Company; and issued pre-approval opinions and independent opinions on the Re-appointment of the Accounting Firm.
 2. On July 22, 2021, the Independent Directors, namely Mr. Fan Lifu, Mr. Hu Bin, Ms. Leung Shek Ling Olivia and Mr. Li Wenjing, issued independent opinions on the resignation of Mr. Sun Shuming (the Company's former Chairman), the election of Mr. Lin Chuanhui as the chairman of the Tenth Session of the Board of the Company, the appointment of Mr. Xu Youjun as the chief compliance officer of the Company, the appointment of Mr. Kong Weicheng as the chief risk officer of the Company, and the appointment of Mr. Yi Yangfang, Mr. Xin Zhiyun, Mr. Li Qian and Mr. Xu Youjun as the deputy general manager of the Company, respectively.
 3. On August 27, 2021, the Independent Directors, namely Mr. Fan Lifu, Mr. Hu Bin, Ms. Leung Shek Ling Olivia and Mr. Li Wenjing, issued independent opinions on the Use of the Company's Funds by the Controlling Shareholders or other Related Parties and Guarantees provided by the Company.

- (II) On the audit work of the Company in 2021, the Independent Directors of the Company strictly complied with the Annual Report Regulations of Independent Directors of GF Securities (《廣發証券獨立董事年報工作規定》) and ensured that they devoted sufficient time and efforts to perform their duties and timely communicated with the certified public accountants responsible for the annual audit before and after the audit. The Independent Directors conducted inspection and provided guidance to the Company in person, and heard reports from the audit institution on the operating conditions, financial position and audit work of the Company during the process of auditing.

Three out of four Independent Directors of the Company are members of the Audit Committee, who have participated in the communication with the certified public accountants responsible for the annual audit before and after the audit in the dual capacity of Audit Committee member and Independent Director and expressed their opinions. On December 16, 2021, the Independent Directors and the certified public accountants responsible for the annual audit held a communication meeting in relation to the 2021 annual audit plan, at which discussions were made on, among others, the independence of our accounting firm, Ernst & Young, and relevant audit officers, the composition of the audit working group, the audit plan, the risk judgements, the risk and fraud testing and assessment methods and the key audit matters for the year, and relevant departments of the Company were reminded and urged to actively provide supports for the annual audit work. On March 23, 2022, the Independent Directors heard the reports of Ernst & Young on the annual audit of the Company for 2021 and its preliminary audit opinions. After properly communicating with Ernst & Young, the Independent Directors considered that Ernst & Young had implemented appropriate audit procedures in accordance with the requirements of the Auditing Standards for CPAs of China and the International Standards on Auditing.

- (III) In respect of the supervision of the implementation of the Company's information disclosure management system for 2021, the Independent Directors reviewed the regular reports and provisional announcements of the Company in strict compliance with the relevant provisions of the Self-regulatory Supervision Guidelines for Companies Listed on the Shenzhen Stock Exchange No. 5 – Information Disclosure Management (《深圳證券交易所上市公司自律監管指引第5號–信息披露事務管理》) and with reference to the Information Disclosure Management System of GF Securities (《廣發証券信息披露事務管理制度》). The Company actively provided supports for and ensured the performance of duties by the Independent Directors under the law and proactively delivered electronic information disclosures to the Independent Directors.

In 2021, the Independent Directors were not aware of any material defect in the implementation of information disclosure management system of the Company, and such system was complete and implemented effectively.

IV. OTHER EXPLANATORY MATTERS

- (I) In 2021, the Independent Directors of the Company were diligent and active in duly performing their duties. Please refer to the Work Report of each of the Independent Directors for details.
- (II) In 2021, the Independent Directors did not raise objections to the relevant proposals of the Board.
- (III) In 2021, there was no circumstance where an Independent Director of the Company proposed to convene a Board meeting.
- (IV) In 2021, there was no circumstance where an Independent Director of the Company proposed to appoint or dismiss an accounting firm.
- (V) In 2021, there was no circumstance where an Independent Director of the Company appointed an external audit institution and consulting institution.

Independent Directors of the Tenth Session of the Board:
Fan Lifu, Hu Bin, Leung Shek Ling Olivia and Li Wenjing

Please kindly hear the above report.

Fan Lifu

Dear Shareholders,

In 2021, as an Independent Director of GF Securities Co., Ltd. (“GF Securities” or the “Company”), I participated in the decision-making on material matters of GF Securities independently and objectively pursuant to the relevant requirements of relevant laws and regulations and the Articles of Association, performed responsibilities in a regulated and diligent manner, protected the interests of the Company and the minority Shareholders effectively, and gave full play to the role of Independent Director. I hereby present the 2021 duty performance report as an Independent Director as follows:

I. ATTENDANCE AT BOARD MEETINGS AND GENERAL MEETINGS IN 2021

In 2021, the Company convened a total of 8 Board meetings and 2 general meetings. I actively attended such meetings and devoted sufficient time and efforts to perform my duties effectively. I reviewed the meeting materials carefully before the meetings and fully expressed professional and independent opinions at the meetings and was not influenced by the substantial Shareholders and other interested units or individuals of the Company when making independent judgement. In 2021, I independently and objectively participated in the decision-making on material matters and actively exercised voting rights, without raising objections against any proposal or casting dissenting vote or abstention vote at the Board meetings.

Details of my attendance at the meetings in 2021 are set out as follows:

Name of Independent Director	Required attendance at Board meetings during the Reporting Period	On-site attendance at Board meetings	Attendance at Board meetings by telecommunication	Attendance at Board meetings by proxy	Times of absence from Board meetings	Attendance at general meetings of shareholders
Fan Lifu	8	0	8	0	0	0/2

II. ATTENDANCE AT THE MEETINGS OF SPECIAL COMMITTEES UNDER THE BOARD IN 2021

In 2021, I was a member of each of the Nomination Committee, the Remuneration and Appraisal Committee and the Audit Committee of the Tenth Session of the Board of the Company.

In 2021, according to the rules of procedure for special committees of the Board of the Company, the Nomination Committee of the Board held 2 meetings, the Remuneration and Appraisal Committee of the Board held 1 meeting and the Audit Committee of the Board held 4 meetings. I attended all the above meetings of the special committees and provided professional opinions and advice for the scientific decision-making of the Board.

III. PRE-APPROVAL OPINIONS AND INDEPENDENT OPINIONS EXPRESSED IN 2021

In 2021, I, as an Independent Director, together with the other Independent Directors, expressed pre-approval opinions and independent opinions on relevant matters in accordance with statutory procedures and pursuant to the relevant laws and regulations of the PRC and the Articles of Association, and the details are set out below:

1. On March 29, 2021, I expressed independent opinions on the Profit Distribution Proposal for 2020, the Internal Control and Evaluation Report for the Year of 2020, the Distribution of Performance-based Remunerations for the Management for the Year of 2020, the Use of the Company's Funds by the Controlling Shareholders or other Related Parties and Guarantees provided by the Company, and the 2021 Expected Daily Related/Connected Transactions of the Company, and issued pre-approval opinions and independent opinions on the Re-appointment of the Accounting Firm.
2. On July 22, 2021, I expressed independent opinions on the resignation of Mr. Sun Shuming (the Company's former Chairman), the election of Mr. Lin Chuanhui as the chairman of the Tenth Session of the Board of the Company, the appointment of Mr. Xu Youjun as the chief compliance officer of the Company, the appointment of Mr. Kong Weicheng as the chief risk officer of the Company, the appointment of Mr. Yi Yangfang, Mr. Xin Zhiyun, Mr. Li Qian and Mr. Xu Youjun as the deputy general managers of the Company, respectively.
3. On August 27, 2021, I expressed independent opinions on the Use of the Company's Funds by the Controlling Shareholders or other Related Parties and Guarantees provided by the Company.

IV. OTHER RELEVANT WORK

1. On the audit work of the Company in 2021, I strictly complied with the Annual Report Regulations of Independent Directors of GF Securities (《廣發証券獨立董事年報工作規定》) and ensured that I devoted sufficient time and efforts to perform duties and timely communicated with the certified public accountants responsible for the annual audit before and after the audit. During the process of auditing, I participated in the communication with the certified public accountants responsible for the annual audit before and after the audit in the dual capacity of a member of the Audit Committee and an Independent Director, heard reports from the audit institution on the operating conditions, financial position and audit work of the Company and expressed opinions.

On December 16, 2021, I, together with the other Independent Directors, held a communication meeting in relation to the 2021 annual audit plan with the certified public accountants responsible for the annual audit, at which discussions were made on, among others, the independence of our accounting firm, Ernst & Young, and relevant audit officers, the composition of the audit working group, the audit plan, the risk judgements, the risk and fraud testing and assessment methods and the key audit matters for the year, and relevant departments of the Company were reminded and urged to actively provide supports for the annual audit work. On 23 March, 2022, I, together with the other Independent Directors, heard the reports of Ernst & Young on the annual audit of the Company for 2021 and its preliminary audit opinions. After properly communicating with Ernst & Young, the Independent Directors considered that Ernst & Young had implemented appropriate audit procedures in accordance with the requirements of the Auditing Standards for CPAs of China and the International Standards on Auditing.

2. In respect of the supervision of the implementation of the Company's information disclosure management system for 2021, I reviewed the regular reports and provisional announcements of the Company in strict compliance with the relevant provisions of the Self-regulatory Supervision Guidelines for Companies Listed on the Shenzhen Stock Exchange No. 5 – Information Disclosure Management and with reference to the Information Disclosure Management System of GF Securities. The Company actively provided supports for and ensured the performance of duties by the Independent Directors under the law and proactively delivered electronic information disclosures to the Independent Directors.

In 2021, I was not aware of any material defect in the implementation of information disclosure management system of the Company, and such system was complete and implemented effectively.

3. As for training and professional development, I have been focusing on learning about the latest laws, regulations, rules and systems and actively participated in various relevant trainings to continuously improve the capabilities of performing duties and supervise the operation of the Company and provide better advice and recommendations for the scientific decision-making and risk prevention of the Company, thus promoting the standardization and improvement of the corporate governance of the Company. On January 15, 2021, I participated in the special training on the corporate governance of listed companies organized by Liaoning Securities Regulatory Bureau and the Liaoning Association for Public Companies; on July 15, 2021, I participated in the special training on improving the quality of listed companies in 2021 organized by the Liaoning Association for Public Companies; on December 23, 2021, I participated in the “Training Course for Directors, Supervisors and Senior Management of the Listed Companies in Guangdong Province” organized by the Guangdong Securities Regulatory Bureau and the Guangdong Association for Public Companies.

Independent Director: Fan Lifu

Hu Bin

Dear Shareholders,

In 2021, as an Independent Director of GF Securities Co., Ltd. (“GF Securities” or the “Company”), I participated in the decision-making on material matters of GF Securities independently and objectively pursuant to the relevant requirements of relevant laws and regulations and the Articles of Association, performed responsibilities in a regulated and diligent manner, protected the interests of the Company and the minority Shareholders effectively, and gave full play to the role of Independent Director. I hereby present the 2021 duty performance report as an Independent Director as follows:

I. ATTENDANCE AT BOARD MEETINGS AND GENERAL MEETINGS IN 2021

In 2021, the Company convened a total of 8 Board meetings and 2 general meetings. I actively attended such meetings and devoted sufficient time and efforts to perform my duties effectively. I reviewed the meeting materials carefully before the meetings and fully expressed professional and independent opinions at the meetings and was not influenced by the substantial Shareholders and other interested units or individuals of the Company when making independent judgement. In 2021, I independently and objectively participated in the decision-making on material matters and actively exercised voting rights, without raising objections against any proposal or casting dissenting vote or abstention vote at the Board meetings.

Details of my attendance at the meetings in 2021 are set out as follows:

Name of Independent Director	Required attendance at Board meetings during the Reporting Period	On-site attendance at Board meetings	Attendance at Board meetings by telecommunication	Attendance at Board meetings by proxy	Times of absence from Board meetings	Attendance at general meetings of shareholders
Hu Bin	8	0	8	0	0	0/2

II. ATTENDANCE AT THE MEETINGS OF SPECIAL COMMITTEES UNDER THE BOARD IN 2021

In 2021, I was the chairman of each of the Nomination Committee and the Remuneration and Appraisal Committee of the Tenth Session of the Board of the Company.

In 2021, according to the rules of procedure for special committees of the Board of the Company, the Nomination Committee of the Board held 2 meetings and the Remuneration and Appraisal Committee of the Board held 1 meeting. I attended all the above meetings of the special committees and provided professional opinions and advice for the scientific decision-making of the Board.

III. PRE-APPROVAL OPINIONS AND INDEPENDENT OPINIONS EXPRESSED IN 2021

In 2021, I, as an Independent Director, together with the other Independent Directors, expressed pre-approval opinions and independent opinions on relevant matters in accordance with statutory procedures and pursuant to the relevant laws and regulations of the PRC and the Articles of Association, and the details are set out below:

1. On March 29, 2021, I expressed independent opinions on the Profit Distribution Proposal for 2020, the Internal Control and Evaluation Report for the Year of 2020, the Distribution of Performance-based Remunerations for the Management for the Year of 2020, the Use of the Company's Funds by the Controlling Shareholders or other Related Parties and Guarantees provided by the Company, and the 2021 Expected Daily Related/Connected Transactions of the Company, and issued pre-approval opinions and independent opinions on the Re-appointment of the Accounting Firm.
2. On July 22, 2021, I expressed independent opinions on the resignation of Mr. Sun Shuming (the Company's former Chairman), the election of Mr. Lin Chuanhui as the chairman of the Tenth Session of the Board of the Company, the appointment of Mr. Xu Youjun as the chief compliance officer of the Company, the appointment of Mr. Kong Weicheng as the chief risk officer of the Company, the appointment of Mr. Yi Yangfang, Mr. Xin Zhiyun, Mr. Li Qian and Mr. Xu Youjun as the deputy general managers of the Company, respectively.
3. On August 27, 2021, I expressed independent opinions on the Use of the Company's Funds by the Controlling Shareholders or other Related Parties and Guarantees provided by the Company.

IV. OTHER RELEVANT WORK

1. On the audit work of the Company in 2021, I strictly complied with the Annual Report Regulations of Independent Directors of GF Securities (《廣發証券獨立董事年報工作規定》) and ensured that I devoted sufficient time and efforts to perform duties and timely communicated with the certified public accountants responsible for the annual audit before and after the audit. During the process of auditing, I participated as an Independent Director in the communication with the certified public accountants responsible for the annual audit before and after the audit, heard reports from the audit institution on the operating conditions, financial position and audit work of the Company and expressed opinions.

On December 16, 2021, I, together with the other Independent Directors, held a communication meeting in relation to the 2021 annual audit plan with the certified public accountants responsible for the annual audit, at which discussions were made on, among others, the independence of the accounting firm, Ernst & Young, and relevant audit officers, the composition of the audit working group, the audit plan, the risk judgements, the risk and fraud testing and assessment methods and the key audit matters for the year, and relevant departments of the Company were reminded and urged to actively provide supports for the annual audit work. On March 23, 2022, I, together with the other Independent Directors, heard the reports of Ernst & Young on the annual audit of the Company for 2021 and its preliminary audit opinions. After properly communicating with Ernst & Young, the Independent Directors considered that Ernst & Young had implemented appropriate audit procedures in accordance with the requirements of the Auditing Standards for CPAs of China and the International Standards on Auditing.

2. In respect of the supervision of the implementation of the Company's information disclosure management system for 2021, I reviewed the regular reports and provisional announcements of the Company in strict compliance with the relevant provisions of the Self-regulatory Supervision Guidelines for Companies Listed on the Shenzhen Stock Exchange No. 5 – Information Disclosure Management and with reference to the Information Disclosure Management System of GF Securities. The Company actively provided supports for and ensured the performance of duties by the Independent Directors under the law and proactively delivered electronic information disclosures to the Independent Directors.

In 2021, I was not aware of any material defect in the implementation of information disclosure management system of the Company and such system was complete and implemented effectively.

3. As for training and professional development, I have been focusing on learning about the latest laws, regulations, rules and systems and actively participated in various relevant trainings to continuously improve the capabilities of performing duties and supervise the operation of the Company and provide better advice and recommendations for the scientific decision-making and risk prevention of the Company, thus promoting the standardization and improvement of the corporate governance of the Company. On April 21, 2021 and April 22, 2021, I attended the “National High-end Think-tank Forum and 2021 Economic Situation Symposium” hosted by the Chinese Academy of Social Sciences, and delivered a speech themed as “Regulation of Bigtech in Finance Platform”; on April 24, 2021, I participated in the “China's Fintech Burning Index (2021) Conference and the First Fintech Index Forum” organized by the Financial Research Institute of the Chinese Academy of Social Sciences and the People's Daily Digital Communication; on May 8, 2021, I attended the era summit forum of “Big Finance, Big Consumption and Big Livelihood” hosted by the Hainan Provincial People's Government and ICBC, and

delivered a speech themed “Driven by Digital Consumption Vouchers to Develop Digital Economy for Fueling the High-level Construction of Hainan Free Trade Port”; on June 18, 2021, I attended the seminar on “Development and Finance – Theory and Practice of Development-oriented Finance” hosted by the China Development Bank, and delivered a speech themed “Opportunities and Challenges of Development-oriented Finance under the New Development Landscape”; on July 8, 2021, I participated in the “China Financial Supervision and Regulation Report (2021) Conference on Market Behavior, Regulatory Challenges and Policy Responses of Large-scale Internet Platforms” organized by the National Finance and Development Laboratory of the Chinese Academy of Social Sciences, the Financial Research Institute of the Chinese Academy of Social Sciences and the Social Sciences Literature Publishing House, and delivered a keynote speech on the platform economy; on August 25, 2021, I participated in the “2021 Summer Seminar” organized by the Chinese Academy of Social Sciences; on September 26, 2021, I attended the “Tsinghua University’s First Global Securities Market Summit Forum and the Establishment Ceremony and Results Release Conference of Tsinghua University’s Global Securities Market Research Institute” hosted by Tsinghua University; on September 28, 2021, I participated in the “4th China Think-tank Construction and Evaluation Summit Forum and China Think-tank Comprehensive Evaluation AMI Research Report (2021)” organized by the Evaluation Research Institute of the Chinese Academy of Social Sciences; on October 21, 2021, I participated in the sub-forum on “Financial Innovation and Serving the Real Economy for High-quality Development” of the “2021 Beijing Financial Street Forum” organized by the Beijing Municipal Government and the People’s Bank of China, and delivered a speech themed “Reshaping Fintech Regulation Concept and Establishing a Long-term Supervision Mechanism”; on December 23, 2021, I participated in the “Training Course for Directors, Supervisors and Senior Management of the Listed Companies in Guangdong Province” organized by Guangdong Securities Regulatory Bureau and the Guangdong Association for Public Companies.

Independent Director: Hu Bin

Leung Shek Ling Olivia

Dear Shareholders,

In 2021, as an Independent Director of GF Securities Co., Ltd. (“**GF Securities**” or the “**Company**”), I participated in the decision-making on material matters of GF Securities independently and objectively pursuant to the relevant requirements of relevant laws and regulations and the Articles of Association, performed responsibilities in a regulated and diligent manner, protected the interests of the Company and the minority Shareholders effectively, and gave full play to the role of Independent Director. I hereby present the 2021 duty performance report as an Independent Director as follows:

I. ATTENDANCE AT BOARD MEETINGS AND GENERAL MEETINGS IN 2021

In 2021, the Company convened a total of 8 Board meetings and 2 general meetings. I actively attended such meetings and devoted sufficient time and efforts to perform my duties effectively. I reviewed the meeting materials carefully before the meetings and fully expressed professional and independent opinions at the meetings and was not influenced by the substantial Shareholders and other interested units or individuals of the Company when making independent judgement. In 2021, I have independently and objectively participated in the decision-making on material matters and actively exercised voting rights, without raising objections against any proposal or casting dissenting vote or abstention vote at the Board meetings.

Details of my attendance at the meetings in 2021 are set out as follows:

Name of Independent Director	Required attendance at Board meetings during the Reporting Period	On-site attendance at Board meetings	Attendance at Board meetings by telecommunication	Attendance at Board meetings by proxy	Times of absence from Board meetings	Attendance at general meetings of shareholders
Leung Shek Ling Olivia	8	0	8	0	0	0/2

II. ATTENDANCE AT THE MEETINGS OF SPECIAL COMMITTEES UNDER THE BOARD IN 2021

In 2021, I was a member of each of the Remuneration and Appraisal Committee, the Audit Committee and the Risk Management Committee of the Tenth Session of the Board of the Company.

In 2021, according to the rules of procedure for special committees of the Board of the Company, the Remuneration and Appraisal Committee of the Board held 1 meeting, the Audit Committee of the Board held 4 meetings and the Risk Management Committee of the Board held 2 meetings. I attended all the above meetings of the special committees and provided professional opinions and advice for the scientific decision-making of the Board.

III. PRE-APPROVAL OPINIONS AND INDEPENDENT OPINIONS EXPRESSED IN 2021

In 2021, I, as an Independent Director, together with the other Independent Directors, expressed pre-approval opinions and independent opinions on relevant matters in accordance with statutory procedures and pursuant to the relevant laws and regulations of the PRC and the Articles of Association, and the details are set out below:

1. On March 29, 2021, I expressed independent opinions on the Profit Distribution Proposal for 2020, the Internal Control and Evaluation Report for the Year of 2020, the Distribution of Performance-based Remunerations for the Management for the Year of 2020, the Use of the Company's Funds by the Controlling Shareholders or other Related Parties and Guarantees provided by the Company, and the 2021 Expected Daily Related/Connected Transactions of the Company, and issued pre-approval opinions and independent opinions on the Re-appointment of the Accounting Firm.
2. On July 22, 2021, I expressed independent opinions on the resignation of Mr. Sun Shuming (the Company's former Chairman), the election of Mr. Lin Chuanhui as the chairman of the Tenth Session of the Board of the Company, the appointment of Mr. Xu Youjun as the chief compliance officer of the Company, the appointment of Mr. Kong Weicheng as the chief risk officer of the Company, the appointment of Mr. Yi Yangfang, Mr. Xin Zhiyun, Mr. Li Qian and Mr. Xu Youjun as the deputy general managers of the Company, respectively.
3. On August 27, 2021, I expressed independent opinions on the Use of the Company's Funds by the Controlling Shareholders or other Related Parties and Guarantees provided by the Company.

IV. OTHER RELEVANT WORK

1. On the audit work of the Company in 2021, I strictly complied with the Annual Report Regulations of Independent Directors of GF Securities (《廣發証券獨立董事年報工作規定》) and ensured that I devoted sufficient time and efforts to perform duties and timely communicated with the certified public accountants responsible for the annual audit before and after the audit. During the process of auditing, I participated in the communication with the certified public accountants responsible for the annual audit before and after the audit in the dual capacity of a member of the Audit Committee and an Independent Director, and heard reports from the audit institution on the operating conditions, financial position and audit work of the Company and expressed opinions.

On 16 December, 2021, I, together with the other Independent Directors, held a communication meeting in relation to the 2021 annual audit plan with the certified public accountants responsible for the annual audit, at which discussions were made on, among others, the independence of our accounting firm, Ernst & Young, and relevant audit officers, the composition of the audit working group, the audit plan, the risk judgements, the risk and fraud testing and assessment methods and the key audit matters for the year, and relevant departments of the Company were reminded and urged to actively provide supports for the annual audit work. On March 23, 2022, I, together with the other Independent Directors, heard the reports of Ernst & Young on the annual audit of the Company for 2021 and its preliminary audit opinions. After properly communicating with Ernst & Young, the Independent Directors considered that Ernst & Young had implemented appropriate audit procedures in accordance with the requirements of the Auditing Standards for CPAs of China and the International Standards on Auditing.

2. In respect of the supervision of the implementation of the Company's information disclosure management system for 2021, I reviewed the regular reports and provisional announcements of the Company in strict compliance with the relevant provisions of the Self-regulatory Supervision Guidelines for Companies Listed on the Shenzhen Stock Exchange No. 5 – Information Disclosure Management and with reference to the Information Disclosure Management System of GF Securities. The Company actively provided supports for and ensured the performance of duties by the Independent Directors under the law and proactively delivered electronic information disclosures to the Independent Directors.

In 2021, I was not aware of any material defect in the implementation of information disclosure management system of the Company and such system was complete and implemented effectively.

3. As for training and professional development, I have been focusing on learning about the latest laws, regulations, rules and systems and actively participated in various relevant trainings to continuously improve the capabilities of performing duties and supervise the operation of the Company and provide better advice and recommendations for the scientific decision-making and risk prevention of the Company, thus promoting the standardization and improvement of the corporate governance of the Company. On 31 May, 2021, I delivered a speech at the seminar of "Student-led Virtual Exchange between HKU Business School & Icesi University"; on 17 June, 2021, I delivered a speech at the online seminar of "AACSB Online Learning Affinity Group"; on 17 June, 2021, I delivered a speech at the seminar of "Guiding Advisees by Co-developing Feasible Action Plans".

Independent Director: Leung Shek Ling Olivia

Li Wenjing

Dear Shareholders,

In 2021, as an Independent Director of GF Securities Co., Ltd. (“GF Securities” or the “Company”), I participated in the decision-making on material matters of GF Securities independently and objectively pursuant to the relevant requirements of relevant laws and regulations and the Articles of Association, performed responsibilities in a regulated and diligent manner, protected the interests of the Company and the minority Shareholders effectively, and gave full play to the role of Independent Director. I hereby present the 2021 duty performance report as an Independent Director as follows:

I. ATTENDANCE AT BOARD MEETINGS AND GENERAL MEETINGS IN 2021

In 2021, the Company convened a total of 8 Board meetings and 2 general meetings. I actively attended such meetings and devoted sufficient time and efforts to perform my duties effectively. I reviewed the meeting materials carefully before the meetings and fully expressed professional and independent opinions at the meetings and was not influenced by the substantial Shareholders and other interested units or individuals of the Company when making independent judgement. In 2021, I independently and objectively participated in the decision-making on material matters and actively exercised voting rights, without raising objections against any proposal or casting dissenting vote or abstention vote at the Board meetings.

Details of my attendance at the meetings in 2021 are set out as follows:

Name of Independent Director	Required attendance at Board meetings during the Reporting Period	On-site attendance at Board meetings	Attendance at Board meetings by telecommunication	Attendance at Board meetings by proxy	Times of absence from Board meetings	Attendance at general meetings of shareholders
Li Wenjing	8	2	6	0	0	1/2

II. ATTENDANCE AT THE MEETINGS OF SPECIAL COMMITTEES UNDER THE BOARD IN 2021

In 2021, I was a member of the Nomination Committee, the chairman of the Audit Committee and a member of the Risk Management Committee of the Tenth Session of the Board of the Company.

In 2021, according to the rules of procedure for special committees of the Board of the Company, the Nomination Committee of the Board held 2 meetings, the Audit Committee of the Board held 4 meetings and the Risk Management Committee of the Board held 2 meetings. I attended all the above meetings of the special committees and provided professional opinions and advice for the scientific decision-making of the Board.

III. PRE-APPROVAL OPINIONS AND INDEPENDENT OPINIONS EXPRESSED IN 2021

In 2021, I, as an Independent Director, together with the other Independent Directors, expressed pre-approval opinions and independent opinions on relevant matters in accordance with statutory procedures and pursuant to the relevant laws and regulations of the PRC and the Articles of Association, and the details are set out below:

1. On March 29, 2021, I expressed independent opinions on the Profit Distribution Proposal for 2020, the Internal Control and Evaluation Report for the Year of 2020, the Distribution of Performance-based Remunerations for the Management for the Year of 2020, the Use of the Company's Funds by the Controlling Shareholders or other Related Parties and Guarantees provided by the Company, and the 2021 Expected Daily Related/Connected Transactions of the Company, and issued pre-approval opinions and independent opinions on the Re-appointment of the Accounting Firm.
2. On July 22, 2021, I expressed independent opinions on the resignation of Mr. Sun Shuming (the Company's former Chairman), the election of Mr. Lin Chuanhui as the chairman of the Tenth Session of the Board of the Company, the appointment of Mr. Xu Youjun as the chief compliance officer of the Company, the appointment of Mr. Kong Weicheng as the chief risk officer of the Company, the appointment of Mr. Yi Yangfang, Mr. Xin Zhiyun, Mr. Li Qian and Mr. Xu Youjun as the deputy general managers of the Company, respectively.
3. On August 27, 2021, I expressed independent opinions on the Use of the Company's Funds by the Controlling Shareholders or other Related Parties and Guarantees provided by the Company.

IV. OTHER RELEVANT WORK

1. On the audit work of the Company in 2021, I strictly complied with the Annual Report Regulations of Independent Directors of GF Securities (《廣發証券獨立董事年報工作規定》) and ensured that I devoted sufficient time and efforts to perform duties and timely communicated with the certified public accountants responsible for the annual audit before and after the audit. During the process of auditing, I participated in the communication with the certified public accountants responsible for the annual audit before and after the audit in the dual capacity of a member of the Audit Committee and an Independent Director, heard reports from the audit institution on the operating conditions, financial position and audit work of the Company and expressed opinions.

On 16 December, 2021, I, together with the other Independent Directors, held a communication meeting in relation to the 2021 annual audit plan with the certified public accountants responsible for the annual audit, at which discussions were made on, among others, the independence of the accounting firm, Ernst & Young, and relevant audit officers, the composition of the audit working group, the audit plan, the risk judgements, the risk and fraud testing and assessment methods and the key audit matters for the year, and relevant departments of the Company were reminded and urged to actively provide supports for the annual audit work. On March 23, 2022, I, together with the other Independent Directors, heard the reports of Ernst & Young on the annual audit of the Company for 2021 and its preliminary audit opinions. After properly communicating with Ernst & Young, the Independent Directors considered that Ernst & Young had implemented appropriate audit procedures in accordance with the requirements of the Auditing Standards for CPAs of China and the International Standards on Auditing.

2. In respect of the supervision of the implementation of the Company's information disclosure management system for 2021, I reviewed the regular reports and provisional announcements of the Company in strict compliance with the relevant provisions of the Self-regulatory Supervision Guidelines for Companies Listed on the Shenzhen Stock Exchange No. 5 – Information Disclosure Management and with reference to the Information Disclosure Management System of GF Securities. The Company actively provided supports for and ensured the performance of duties by the Independent Directors under the law and proactively delivered electronic information disclosures to the Independent Directors.

In 2021, I was not aware of any material defect in the implementation of information disclosure management system of the Company and such system was complete and implemented effectively.

3. As for training and professional development, I have been focusing on learning about the latest laws, regulations, rules and systems and actively participated in various relevant trainings to continuously improve the capabilities of performing duties and supervise the operation of the Company and provide better advice and recommendations for the scientific decision-making and risk prevention of the Company, thus promoting the standardization and improvement of the corporate governance of the Company. From October 24, 2021 to October 27, 2021, I participated in the “Long-distance Training Course on Corporate Governance of Banking and Insurance Institutions” organized by China Banking and Insurance News; on December 3, 2021, I participated in a live anti-money laundering training organized by China Guangfa Bank; on December 23, 2021, I participated in the “Training Course for Directors, Supervisors and Senior Management of the Listed Companies in Guangdong Province” organized by the Guangdong Securities Regulatory Bureau and the Guangdong Association for Public Companies.

Independent Director: Li Wenjing

APPENDIX IV SPECIAL DESCRIPTION OF THE PERFORMANCE ASSESSMENT AND REMUNERATION OF THE DIRECTORS FOR THE YEAR OF 2021

Dear Shareholders,

In 2021, according to the relevant requirements of laws and regulations including the Company Law (《公司法》) and the Rules for Governance of Securities Companies (《證券公司治理準則》), as well as the Articles of Association, the Duty Performance Appraisal and Remuneration Management Regulations for Directors and Supervisors of GF Securities (《廣發証券董事、監事履職考核與薪酬管理辦法》) and the Performance Appraisal and Remuneration Management Regulations for the Management of GF Securities (《廣發証券經營管理層績效考核與薪酬管理辦法》), by taking the actual circumstances of the Company into consideration and making reference to industry standards, the Company conducted duty performance appraisal of its Directors for the year of 2021 and determined the remuneration of its Directors on this basis. The particulars are set out as follows:

I. PRINCIPLES OF DUTY PERFORMANCE APPRAISAL AND REMUNERATION FOR DIRECTORS IN 2021

According to the requirements of the Duty Performance Appraisal and Remuneration Management Regulations for the Directors and Supervisors of GF Securities (《廣發証券董事、監事履職考核與薪酬管理辦法》), the duty performance appraisal on Directors in 2021 was performed by the Company based on the principles that “duty performance appraisal on directors shall include, inter alia, attendance at meetings as required under the law, speeches at legally convened meetings, whether punishment has been imposed by the regulatory authorities and whether the interest of the Company has been seriously harmed”.

Remuneration of non-executive Directors of the Company is in the form of annual allowance and distributed in equal amounts on a monthly basis. The Company withholds and pays individual income tax on their behalf. Remuneration of executive Directors of the Company includes salaries, bonus and welfare benefits, which is distributed according to the human resources management policies and other relevant requirements. Personnel subject to the Performance Appraisal and Remuneration Management Regulations for the Management of GF Securities (《廣發証券經營管理層績效考核與薪酬管理辦法》) shall also follow the requirements of these Regulations.

II. THE PROCEDURE OF DUTY PERFORMANCE APPRAISAL FOR DIRECTORS IN 2021

The duty performance appraisal for Directors of the Company is composed of three stages, namely self-appraisal by Directors, appraisal by the Remuneration and Appraisal Committee of the Board, and consideration and determination by the Board. When the Remuneration and Appraisal Committee of the Board and the Board deliberate on the duty performance of each Director, the Director being appraised shall abstain from voting.

**APPENDIX IV SPECIAL DESCRIPTION OF THE PERFORMANCE
ASSESSMENT AND REMUNERATION OF
THE DIRECTORS FOR THE YEAR OF 2021**

Other relevant requirements, including the human resources management policies and the Performance Appraisal and Remuneration Management Regulations for the Management of GF Securities are also applicable to the procedure of duty performance appraisal for executive Directors of the Company.

**III. DUTY PERFORMANCE APPRAISAL RESULTS AND REMUNERATION OF
DIRECTORS IN 2021**

According to the aforementioned principles and procedure, the duty performance appraisal results and remuneration for each of the Directors in 2021 are set out below:

- (I) The duty performance appraisal results for each of the Directors of the Company in 2021 are competent.
- (II) The annual remuneration of non-executive Directors has adopted the allowance policies, under which the annual allowance for an Independent Non-executive Director is RMB270,000 per annum (tax inclusive), the annual allowance of non-executive Director employed by a unit of the Shareholder is RMB180,000 per annum (tax inclusive). The above allowances are distributed by the Company on a monthly basis, and individual income tax is withheld and paid on their behalf. The expenses incurred by non-executive Directors relating to attending the Board meetings and general meetings of the Company and performing the duties of Directors shall be borne by the Company.
- (III) Executive Directors shall be appraised, and their remuneration shall be determined, in accordance with the relevant policies of the Company.

Please kindly hear the above report.

APPENDIX V SPECIAL DESCRIPTION OF THE DUTY PERFORMANCE APPRAISAL AND REMUNERATION OF THE SUPERVISORS FOR THE YEAR OF 2021

Dear Shareholders,

In 2021, according to the relevant requirements of laws and regulations including the Company Law (《公司法》) and the Rules for Governance of Securities Companies (《證券公司治理準則》), as well as the Articles of Association, the Duty Performance Appraisal and Remuneration Management Regulations for Directors and Supervisors (《董事、監事履職考核與薪酬管理辦法》) and the Performance Appraisal and Remuneration Management Regulations for Chairman of Supervisory Committee (《監事長績效考核與薪酬管理辦法》), by taking the actual circumstances of the Company into consideration and making reference to industry standards, the Company formulated the Duty Performance Supervision and Assessment Implementation Plan of the Supervisory Committee of GF Securities for Supervisors for the year of 2021 (《廣發証券監事會對監事2021年度履職監督評價實施方案》), and according to such implementation plan, conducted duty performance appraisal of its Supervisors for the year of 2021 and determined the remuneration of its Supervisors on this basis. The particulars are set out as follows:

I. PRINCIPLES OF DUTY PERFORMANCE APPRAISAL FOR SUPERVISORS IN 2021

According to the requirements of the Duty Performance Appraisal and Remuneration Management Regulations for the Directors and Supervisors (《董事、監事履職考核與薪酬管理辦法》), the duty performance appraisal on Supervisors in 2021 was performed by the Company based on the principles that “duty performance appraisal on supervisors shall include, inter alia, attendance at meetings as required under the law, speeches at legally convened meetings, whether punishment has been imposed by the regulatory authorities and whether the interest of the Company has been seriously harmed”.

II. THE PROCEDURE OF DUTY PERFORMANCE APPRAISAL FOR SUPERVISORS IN 2021

The duty performance appraisal for Supervisors of the Company is composed of three stages, namely self-appraisal by Supervisors, mutual appraisal by Supervisors, and consideration and determination by the Supervisory Committee. When the Supervisory Committee deliberates on the duty performance of each Supervisor, the Supervisor being appraised shall abstain from voting.

The human resources management policies and other relevant requirements are also applicable to the appraisal and remuneration determination of employee Supervisor of the Company. Meanwhile, the employee Supervisor of the Company has submitted an annual work report to all staff representatives of the Company and received comments in a democratic manner from staff representatives. The Performance Appraisal and Remuneration Management Regulations for Chairman of Supervisory Committee (《監事長績效考核與薪酬管理辦法》) are also applicable to the Chairman of the Supervisory Committee.

**APPENDIX V SPECIAL DESCRIPTION OF THE DUTY PERFORMANCE
APPRAISAL AND REMUNERATION OF THE
SUPERVISORS FOR THE YEAR OF 2021**

**III. DUTY PERFORMANCE APPRAISAL RESULTS AND REMUNERATION OF
SUPERVISORS IN 2021**

According to the aforementioned principles and procedure, and pursuant to the Duty Performance Supervision and Assessment Implementation Plan of the Supervisory Committee of GF Securities for Supervisors for the Year of 2021 (《廣發証券監事會對監事2021年度履職監督評價實施方案》), the duty performance appraisal results and remuneration for each of the Supervisors in 2021 are set out below:

- (I) The duty performance appraisal results for each of the Supervisors of the Company in 2021 are competent.
- (II) A Supervisor is entitled to receive commensurate remuneration if the annual appraisal result is competent. The annual remuneration of non-employee Supervisor has adopted the allowance policies, under which the standard allowance for a non-employee Supervisor is RMB150,000 per annum (tax inclusive). The above allowances are distributed by the Company on a monthly basis, and individual income tax is withheld and paid on his behalf. The expenses incurred by a non-employee Supervisor relating to attending the Supervisory Committee meetings, participating in Board meetings and attending general meetings of the Company and performing the duties of Supervisors shall be borne by the Company.
- (III) The human resources management policies and other relevant requirements are applicable to determine the remuneration of employee Supervisor of the Company, and the Performance Appraisal and Remuneration Management Regulations for Chairman of Supervisory Committee (《監事長績效考核與薪酬管理辦法》) are applicable to the Chairman of the Supervisory Committee.

Please kindly hear the above report.

**APPENDIX VI SPECIAL DESCRIPTION OF THE DUTY PERFORMANCE,
PERFORMANCE ASSESSMENT AND REMUNERATION
OF THE MANAGEMENT FOR THE YEAR OF 2021**

Dear Shareholders,

In 2021, according to the relevant requirements of laws and regulations including the Company Law (《公司法》) and the Rules for Governance of Securities Companies (《證券公司治理準則》), as well as the Articles of Association, the Duty Performance Appraisal and Remuneration Management Regulations for Directors and Supervisors of GF Securities (《廣發證券董事、監事履職考核與薪酬管理辦法》), the Performance Appraisal and Remuneration Management Regulations for the Management of GF Securities (《廣發證券經營管理層績效考核與薪酬管理辦法》) and the Duty Performance Appraisal and Remuneration Management Regulations for Chief Compliance Officer of GF Securities (《廣發證券合規總監履職考核與薪酬管理辦法》), by taking the actual circumstances of the Company into consideration and making reference to industry standards, the Company conducted appraisal of the duty performance of the management for the year of 2021 and determined the remuneration of the management on this basis. The particulars are set out as follows:

I. DUTY PERFORMANCE OF THE MANAGEMENT IN 2021

In 2021, the Management of the Company was able to implement all resolutions of the general meetings, Board meetings and meetings of the Supervisory Committee of the Company conscientiously, and performed its duties diligently. It actively pursued and completed each of the work plans and arrangements of the Company with strong execution ability. It regulated its own practice and conduct in a voluntary manner, applied for abstention from voting to avoid matters with conflicts of interest, and operated the business with integrity. Non-compliance acts under laws and regulations or corporate systems and rules did not occur, nor incidents of harmful acts to the interest of the Company or rights and interests of Shareholders. The Management was able to perform the obligations of honesty and diligence practicably to protect the legitimate interests of customers, employees and Shareholders.

II. APPRAISAL OF THE MANAGEMENT IN 2021

In 2021, the procedure of performance appraisal for the Management of the Company was implemented according to the human resources management system and other relevant regulations including the Performance Appraisal and Remuneration Management Regulations for the Management of GF Securities (《廣發證券經營管理層績效考核與薪酬管理辦法》). The duty performance appraisal for the Chief Compliance Officer was implemented by the Company according to the regulatory requirements and the requirements of the Performance Appraisal and Remuneration Management Regulations for the Management of GF Securities and the Duty Performance Appraisal and Remuneration Management Regulations for Chief Compliance Officer of GF Securities (《廣發證券合規總監履職考核與薪酬管理辦法》), and the relevant report was filed with the Guangdong Securities Regulatory Bureau.

APPENDIX VI	SPECIAL DESCRIPTION OF THE DUTY PERFORMANCE, PERFORMANCE ASSESSMENT AND REMUNERATION OF THE MANAGEMENT FOR THE YEAR OF 2021
--------------------	--

III. REMUNERATION OF THE MANAGEMENT IN 2021

The annual remuneration of the Management was composed of two parts, namely basic remuneration and performance-based remuneration. The basic remuneration was determined in accordance with the human resources management and remuneration policies of the Company. Independent opinions were expressed by Independent Directors and written opinions were issued by the Remuneration and Appraisal Committee on the distribution plan of performance-based remuneration, the final decision of which will be determined by the Board according to the comprehensive operating conditions and results of the Company.

The distribution of performance-based remuneration will be implemented according to the relevant requirements of the Rules for Governance of Securities Companies (《證券公司治理準則》) and the relevant regulations of the Company.

Please kindly hear the above report.