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国联证券股份有限公司
GUOLIAN SECURITIES CO., LTD.

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

(Stock Code: 01456)

FIRST QUARTERLY REPORT OF 2023

This announcement is made by Guolian Securities Co., Ltd. (the “**Company**”) pursuant to Rules 13.09(2) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

This announcement contains the “First Quarterly Report of 2023 of Guolian Securities Co., Ltd.” as published on the website of the Shanghai Stock Exchange by the Company. This report has been prepared in both Chinese and English. Should there be any discrepancies between the two versions, the Chinese version shall prevail.

IMPORTANT NOTICE

The board of directors, the supervisory committee, directors, supervisors and senior management of the Company undertake that the information in this quarterly report is true, accurate and complete and contains no false record, misleading statement or material omission, and assume several and joint liabilities to the information in this report.

Ge Xiaobo, the person in charge of the Company, and Yin Lei, the person in charge of accounting affairs and the person in charge of the accounting office (head of accounting department), hereby undertake that the information of financial information contained in this quarterly report is true, accurate and complete.

WHETHER THE FIRST QUARTERLY FINANCIAL STATEMENTS ARE AUDITED

☐ Yes ☒ No

I. KEY FINANCIAL DATA

(I) Major accounting information and financial indicators

Unit: Yuan Currency: RMB

Items	The Reporting Period	Increase/decrease for the Reporting Period as compared with the corresponding period of the previous year (%)
Operating income	678,374,714.39	6.66
Net profit attributable to shareholders of listed companies	207,346,319.54	9.79
Net profit attributable to shareholders of listed companies, excluding non-recurring profit or loss	202,602,638.26	9.25
Net cash flows generated from operating activities	-373,105,033.42	N/A
Basic earnings per share (in RMB per share)	0.07	–
Diluted earnings per share (in RMB per share)	0.07	–
Weighted average return on net assets (%)	1.22	Increased by 0.08 percentage point

	The end of the Reporting Period	The end of the previous year	Increase/decrease at the end of the Reporting Period as compared with the end of the previous year (%)
Total assets	81,893,361,986.50	74,381,996,357.05	10.10
Owners’ equity attributable to shareholders of listed companies	17,278,636,632.59	16,760,552,710.73	3.09

(II) Non-recurring profit or loss items and amounts

✓ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Items	Amount for the Period	Explanation
Profit or loss on disposal of non-current assets	359,044.45	
Government grants included in current profit or loss, except for those closely relevant to normal business of the Company, conformed to the requirements of national policies and can be continuously enjoyed on a fixed amount or quantity basis according to certain standards	5,992,771.65	
Other non-operating income and expenses apart from the aforesaid items	-26,907.72	
Less: Effect on income tax	1,581,227.10	
Effect of interests of minority shareholders (after tax)	-	
Total	4,743,681.28	

For items of non-recurring profit or loss stated in the “Explanatory Announcement No. 1 for Information Disclosure by Public Issuers of Securities – Non-recurring Profit or Loss Items” that are defined as items of recurring profit or loss, the Company shall provide the reasons

✓ Applicable ☐ Not applicable

Based on the nature and features of its own normal business operations, the Group identified the profits and losses from changes in fair value of financial assets held for trading, financial liabilities held for trading and derivative financial instruments, the investment income/interest income from holding financial assets held for trading, financial liabilities held for trading and other debt investments, and the investment income from the disposal of financial assets held for trading, financial liabilities held for trading, derivative financial instruments and other debt investments as recurring profit or loss items.

(III) Descriptions and reasons for changes in major accounting information and financial indicators

✓ Applicable ☐ Not applicable

Names of items	Percentage of changes (%)	Major reasons
Net cash flows generated from operating activities – the Reporting Period	N/A	Decreased in net increase in financial assets held for trading

II. INFORMATION OF SHAREHOLDERS

(I) Statement of the total number of holders of ordinary shares and holders of preference shares with restored voting rights, and the particulars of shareholdings of top 10 shareholders

Unit: share

Total number of holders of ordinary shares as at the end of the Reporting Period	96,334	Total number of holders of preference shares with restored voting rights as at the end of the Reporting Period (if any)	0
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Particulars of shareholdings of top 10 shareholders

Name of shareholders	Nature of shareholders	Number of shares held	Percentage of shareholding (%)	Number of shares held subject to selling restrictions	Shares pledged, marked or frozen	
					Status of shares	Number of shares
Wuxi Guolian Development (Group) Co., Ltd.	State-owned legal person	543,901,329	19.21	543,901,329	Nil	0
HKSCC (Nominees) Limited	Overseas legal person	442,493,790	15.63	0	Unknown	0
Guolian Trust Co., Ltd.	State-owned legal person	390,137,552	13.78	390,137,552	Nil	0
Wuxi Guolian Municipal Electric Power Co., Ltd.	State-owned legal person	266,899,445	9.43	266,899,445	Nil	0
Wuxi Minsheng Investment Co., Ltd.	State-owned legal person	73,500,000	2.60	73,500,000	Nil	0
Wuxi Yimian Textile Group Co., Ltd.	State-owned legal person	72,784,141	2.57	72,784,141	Nil	0
Wuxi Huaguang Environment & Energy Group Co., Ltd.	State-owned legal person	29,113,656	1.03	29,113,656	Nil	0
Hong Kong Securities Clearing Company Limited	Overseas legal person	25,496,633	0.90	0	Nil	0
Jiangsu Xinfang Industrial Co., Ltd.	Domestic non-state-owned legal person	22,500,000	0.79	0	Nil	0
Wuxi Jinhong Telecommunications Group Co., Ltd.	Domestic non-state-owned legal person	21,000,000	0.74	0	Nil	0

**Particulars of shareholdings of top 10
shareholders not subject to selling restrictions**

Name of shareholders	Number of tradable shares held not subject to selling restrictions	Type and number of shares	
		Type of shares	Number of shares
HKSCC (Nominees) Limited	442,493,790	Overseas listed foreign shares	442,493,790
Hong Kong Securities Clearing Company Limited	25,496,633	RMB ordinary shares	25,496,633
Jiangsu Xinfang Industrial Co., Ltd.	22,500,000	RMB ordinary shares	22,500,000
Wuxi Jinhong Telecommunications Group Co., Ltd.	21,000,000	RMB ordinary shares	21,000,000
China Construction Bank Corporation – Guotai CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	19,555,101	RMB ordinary shares	19,555,101
China Construction Bank Corporation – Huabao CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	18,098,053	RMB ordinary shares	18,098,053
National Social Security Fund – Portfolio 118 (全國社保基金一一八組合)	14,149,307	RMB ordinary shares	14,149,307
China Life Insurance Company Limited-Traditional-General Insurance Products-005L-CT001 Shanghai	13,907,150	RMB ordinary shares	13,907,150
Dajia Life Insurance Co., Ltd. – Universal Products	13,838,415	RMB ordinary shares	13,838,415
Industrial Bank Co., Ltd. – China Southern Finance themed Flexible Allocation Hybrid Securities Investment Fund	12,261,995	RMB ordinary shares	12,261,995

Explanation on related relationship or acting in concert among the above shareholders	As of the end of the Reporting Period, Wuxi Guolian Development (Group) Co., Ltd., the controlling shareholder of the Company, directly held 19.21% of the shares in the Company, and indirectly held 29.40% of the shares in the Company through its controlled companies Guolian Trust Co., Ltd., Wuxi Guolian Municipal Electric Power Co., Ltd., Wuxi Minsheng Investment Co., Ltd., Wuxi Yimian Textile Group Co., Ltd. and Wuxi Huaguang Environment & Energy Group Co., Ltd., and thus holding 48.60% of the shares in the Company in total. In addition to the above, the Company is not aware of any other related relationships or concerted action arrangement.
Description of margin financing and securities lending and refinance securities business by top 10 shareholders and top 10 shareholders not subject to selling restrictions (if any)	N/A

Note 1: As of 31 March 2023, the total number of shareholders of the Company was 96,334, comprising of 96,236 holders of A shares and 98 registered shareholders of H shares.

Note 2: The shares held by HKSCC (Nominees) Limited are owned by the non-registered shareholders of H shares of the Company.

Note 3: The shares held by Hong Kong Securities Clearing Company Limited are the A shares of the Company held by the investors of Shanghai Stock Connect of the Company.

III. OTHER REMINDERS

Other important information about the Company's operating conditions during the Reporting Period that needs to draw the attention of investors

✓ Applicable ☐ Not applicable

1. Issuance of A Shares to Specific Subscribers by the Company

The Company convened the twenty-eighth meeting of the fourth session of the Board, the first extraordinary general meeting and the shareholders class meeting for the year 2022 on 28 September 2022 and 20 October 2022, respectively, which considered and approved the relevant resolutions on the issuance of A shares to specific subscribers by the Company. On 17 February 2023, China Securities Regulatory Commission (the “CSRC”) officially promulgated the rules of the system relating to the full implementation of the registration system for share issuance, and the projects accepted by the CSRC were transferred to the exchange registration system for review. On 2 March 2023, the Company received the acceptance notice of application issued by the Shanghai Stock Exchange. On 30 March 2023, the Company received the enquiry letter on the review issued by the Shanghai Stock Exchange. As of the date of this report, the issuance of A shares to specific subscribers by the Company is being actively facilitated and the Company will perform its information disclosure obligations in a timely manner in accordance with the progress of the matter.

2. Acquisition of ZhongRong Fund Management Company Limited

As resolved at the fourth meeting of the fifth session of the Board of the Company, the Company executed relevant agreements with Zhongrong International Trust Co., Ltd. (中融國際信託有限公司) and Shanghai Rongsheng Investment Co., Ltd. (上海融晟投資有限公司) to acquire the 75.5% equity interests in ZhongRong Fund Management Company Limited (中融基金管理有限公司) (hereinafter referred to as “**ZhongRong Fund**”) held by them. Recently, the CSRC disclosed the Reply on Approving the Changes in Substantial Shareholder and Actual Controller by ZhongRong Fund Management Company Limited (Zheng Jian Xu Ke [2023] No. 848) (《關於核准中融基金管理有限公司變更主要股東、實際控制人的批復》(證監許可[2023] 848號)) on its website, which approved the Company to become the substantial shareholder of ZhongRong Fund, and approved Wuxi Guolian Development (Group) Co., Ltd. to become the actual controller of ZhongRong Fund, and raised no objection regarding the receipt of ZhongRong Fund’s capital contribution of RMB566.25 million (representing 75.5% of the registered capital) by the Company in accordance with the law. For details, please refer to the Company’s announcements No. 2023-005, 006, 007, 010 and 023 disclosed on the website of the Shanghai Stock Exchange.

IV. QUARTERLY FINANCIAL STATEMENTS

(I) Type of audit opinions

☐ Applicable ☒ Not applicable

(II) Financial statements

Consolidated Balance Sheet 31 March 2023

Prepared by: Guolian Securities Co., Ltd

Unit: Yuan Currency: RMB Audit type: Unaudited

Items	31 March 2023	31 December 2022
Assets:		
Monetary capital	11,665,760,365.59	10,032,794,934.35
Including: Cash deposits from customers	7,756,664,422.88	7,964,934,932.58
Clearing settlement funds	3,013,283,094.39	2,994,738,898.72
Including: Settlement funds held on behalf of customers	1,937,667,755.02	1,894,227,441.62
Margin accounts receivable	10,049,706,079.22	8,815,669,697.81
Derivative financial assets	657,092,390.56	979,879,348.92
Refundable deposits	422,425,502.61	592,225,857.47
Accounts receivable	583,490,282.14	1,225,701,880.13
Financial assets held under resale agreements	3,725,178,023.84	3,263,815,497.62

Items	31 March 2023	31 December 2022
Financial investments:		
Financial assets held for trading	34,829,740,227.07	32,435,843,456.51
Other debt investment	9,500,971,487.68	8,363,285,430.68
Other equity instruments investment	3,482,656,495.00	2,926,192,724.96
Long-term equity investment	96,806,164.43	96,806,164.43
Fixed assets	85,127,722.58	81,439,900.43
Construction in progress	2,436,029.66	2,436,029.66
Right-of-use assets	147,143,859.38	155,920,633.59
Intangible assets	72,011,346.25	65,608,021.57
Goodwill	–	–
Deferred income tax assets	21,588,866.71	21,588,866.71
Other assets	3,537,944,049.39	2,328,049,013.49
Total assets	81,893,361,986.50	74,381,996,357.05
Liabilities:		
Short-term financing instruments payables	4,461,754,082.21	705,301,479.48
Placements from banks and other financial institutions	672,562,580.55	900,216,230.56
Financial liabilities held for trading	1,753,162,341.17	1,578,980,701.36
Derivative financial liabilities	440,579,797.08	501,076,486.55
Financial assets sold under repurchase agreements	18,188,341,588.21	14,992,680,981.17
Amount of agency sales of securities	10,142,460,482.53	10,797,280,881.06
Remuneration payable to employees	226,348,976.38	440,289,540.93
Tax payable	–838,153.39	63,838,045.64
Accounts payable	387,229,786.40	354,439,298.01
Contract liabilities	20,020,646.59	15,705,447.80
Estimated liabilities	1,868,504.15	1,868,504.15
Bonds payable	18,993,473,390.44	19,488,992,787.86
Lease liabilities	149,474,649.49	160,176,371.65
Deferred income tax liabilities	283,809,679.45	201,166,691.51
Other liabilities	8,894,477,002.65	7,419,430,198.59
Total liabilities	64,614,725,353.91	57,621,443,646.32

Items	31 March 2023	31 December 2022
Owners' equity (or shareholders' equity):		
Paid up capital (or share capital)	2,831,773,168.00	2,831,773,168.00
Capital reserve	8,174,228,056.61	8,174,228,056.61
Other comprehensive income	295,111,846.62	-27,533,218.31
Surplus reserve	763,323,436.52	763,323,436.52
General risk reserve	1,914,691,368.76	1,912,844,330.01
Undistributed profits	3,299,508,756.08	3,105,916,937.90
Total equity attributable to the owners of the parent company (or shareholders' equity)	17,278,636,632.59	16,760,552,710.73
Total owners' equity (or shareholders' equity)	17,278,636,632.59	16,760,552,710.73
Total liabilities and owners' equity (or shareholders' equity)	81,893,361,986.50	74,381,996,357.05
<i>Person in Charge of the Company:</i> Ge Xiaobo	<i>Person in Charge of Accounting Affairs:</i> Yin Lei	<i>Person in Charge of the Accounting Office:</i> Yin Lei

Consolidated Income Statement
January to March 2023

Prepared by: Guolian Securities Co., Ltd.

Unit: Yuan Currency: RMB Audit type: Unaudited

Items	First quarter of 2023	First quarter of 2022
I. Total revenue	678,374,714.39	636,002,769.33
Net interest income	54,738,909.86	72,019,366.29
Including: Interest income	362,642,893.98	329,478,016.90
Interest expenses	307,903,984.12	257,458,650.61
Net fee and commission income	243,317,775.79	347,197,946.45
Including: Net fee income from brokerage business	111,872,480.58	138,495,179.70
Net fee income from investment banking business	88,929,678.73	163,365,436.64
Net fee income from asset management business	31,644,726.37	34,614,185.48
Investment income (Losses are denoted as “-”)	595,941,570.87	-71,022,339.02
Including: Investment income from associates and joint ventures	-	-
Other income	5,873,196.65	4,609,628.26
Gains on changes in fair value (Losses are denoted as “-”)	-223,321,129.74	283,900,638.58
Gains on foreign exchange (Losses are denoted as “-”)	182,606.37	-835,146.07
Other operating income	1,289,569.21	27,143.96
Gains on disposal of assets (Losses are denoted as “-”)	352,215.38	105,530.88
II. Total operating costs	400,559,791.85	385,518,564.96
Taxes and surcharges	5,945,904.50	2,404,924.19
Business and administrative expenses	396,236,870.73	386,228,940.75
Credit impairment losses	-1,622,983.38	-3,115,299.98
III. Operating profit (Losses are denoted as “-”)	277,814,922.54	250,484,204.37
Add: Non-operating income	406,513.18	13,014.62
Less: Non-operating expenses	307,016.83	186,514.13
IV. Total profit (Total losses are denoted as “-”)	277,914,418.89	250,310,704.86
Less: Income tax expenses	70,568,099.35	61,454,027.06

Items	First quarter of 2023	First quarter of 2022
V. Net profit (Net losses are denoted as “–”)	207,346,319.54	188,856,677.80
(I) Classified by continuity of operations		
1. Net profit from continuing operations		
(Net losses are denoted as “–”)	207,346,319.54	188,856,677.80
(II) Classified by ownership		
1. Net profit attributable to shareholders of parent company (Net losses are denoted as “–”)	207,346,319.54	188,856,677.80
VI. Other comprehensive income after tax, net	322,645,064.93	–61,007,825.87
Other comprehensive income after tax, net, attributable to owners of parent company	322,645,064.93	–61,007,825.87
(I) Other comprehensive income not to be reclassified to profit or loss	253,197,138.15	–31,587,193.08
1. Changes in fair value of other equity instruments investments	253,197,138.15	–31,587,193.08
(II) Other comprehensive income to be reclassified to profit or loss	69,447,926.78	–29,420,632.79
1. Changes in fair value of other debt investments	71,225,069.34	–25,376,052.21
2. Allowance for credit losses on other debt investments	2,643,651.75	–1,853,226.75
3. Exchange differences from translation of financial statements denominated in foreign currencies	–4,420,794.31	–2,191,353.83
VII. Total comprehensive income	529,991,384.47	127,848,851.93
Total comprehensive income attributable to owners of parent company	529,991,384.47	127,848,851.93
VIII. Earnings per share:		
(I) Basic earnings per share (<i>in RMB per share</i>)	0.07	0.07
(II) Diluted earnings per share (<i>in RMB per share</i>)	0.07	0.07

*Person in Charge of
the Company:*
Ge Xiaobo

*Person in Charge of
Accounting Affairs:*
Yin Lei

*Person in Charge of the
Accounting Office:*
Yin Lei

Consolidated Statement of Cash Flows
January to March 2023

Prepared by: Guolian Securities Co., Ltd.

Unit: Yuan Currency: RMB Audit type: Unaudited

Items	First quarter of 2023	First quarter of 2022
I. Cash flows generated from operating activities:		
Cash received from interests, fees and commissions	638,201,311.89	777,665,264.78
Net decrease in margin accounts receivable	–	877,616,340.79
Net increase in cash from repurchase business	3,557,265,382.71	2,105,172,240.68
Other cash received relating to operating activities	957,866,903.95	1,018,049,837.12
Sub-total of cash inflows from operating activities	5,153,333,598.55	4,778,503,683.37
Net increase in financial assets held for trading	1,873,431,819.14	7,689,321,612.39
Net decrease in placements from banks and other financial institutions	227,653,650.01	400,000,000.00
Net increase in margin accounts receivable	1,219,861,849.93	–
Net cash paid for agency sales of securities	654,821,550.96	356,361,712.79
Cash for payment of interests, fees and commissions	198,141,498.06	194,911,465.66
Cash paid to and on behalf of employees	472,730,475.37	535,517,480.43
Cash paid for all types of taxes	187,488,311.24	192,212,232.94
Other cash paid relating to operating activities	692,309,477.26	468,590,739.78
Sub-total of cash outflows from operating activities	5,526,438,631.97	9,836,915,243.99
Net cash flows generated from operating activities	–373,105,033.42	–5,058,411,560.62
II. Cash flows generated from investing activities:		
Cash receipts from recover of investments	4,293,557,398.72	3,896,292,190.49
Cash receipts from investment income	84,261,075.93	217,183,584.44
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	5,370,382.60	2,350,546.12
Sub-total of cash inflows from investing activities	4,383,188,857.25	4,115,826,321.05
Cash paid for investments	5,343,484,921.62	1,206,320,153.39
Cash paid for purchase of fixed assets, intangible assets and other long-term assets	48,969,805.75	16,979,994.86
Sub-total of cash outflows from investing activities	5,392,454,727.37	1,223,300,148.25
Net cash flows generated from investing activities	–1,009,265,870.12	2,892,526,172.80

Items	First quarter of 2023	First quarter of 2022
III. Cash flows generated from financing activities:		
Cash receipts from bond issuance	7,509,960,000.00	5,004,431,952.87
Sub-total of cash inflows from financing activities	7,509,960,000.00	5,004,431,952.87
Cash paid for repayment of debts	4,118,106,013.50	3,402,792,352.87
Cash paid for distribution of dividends or profits, or interest expenses	261,143,684.01	224,845,015.64
Cash paid for repayment of lease liabilities	25,478,718.84	20,734,163.00
Sub-total of cash outflows from financing activities	4,404,728,416.35	3,648,371,531.51
Net cash flows from financing activities	3,105,231,583.65	1,356,060,421.36
IV. Effect of fluctuations in exchange rate on cash and cash equivalents	1,190,451.23	-1,460,296.88
V. Net increase in cash and cash equivalents	1,724,051,131.34	-811,285,263.34
Add: Opening balance of cash and cash equivalents	13,583,144,833.07	13,325,484,599.51
VI. Closing balance of cash and cash equivalents	15,307,195,964.41	12,514,199,336.17

*Person in Charge of
the Company:*
Ge Xiaobo

*Person in Charge of
Accounting Affairs:*
Yin Lei

*Person in Charge of the
Accounting Office:*
Yin Lei

Balance Sheet of the Parent Company
31 March 2023

Prepared by: Guolian Securities Co., Ltd.

Unit: Yuan Currency: RMB Audit type: Unaudited

Items	31 March 2023	31 December 2022
Assets:		
Monetary capital	11,222,119,319.24	9,432,411,483.79
Including: Cash deposits from customers	7,756,634,583.81	7,964,904,531.25
Clearing settlement funds	3,006,734,186.86	2,988,869,120.05
Including: Settlement funds held on behalf of customers	1,937,324,095.47	1,894,227,441.62
Margin accounts receivable	10,049,685,789.26	8,815,669,697.81
Derivative financial assets	657,092,390.56	979,879,348.92
Refundable deposits	419,641,427.00	589,525,132.10
Accounts receivable	563,891,871.54	1,221,939,770.31
Financial assets held under resale agreements	3,725,178,023.84	3,263,815,497.62
Financial investments:		
Financial assets held for trading	30,141,239,772.28	28,935,824,735.43
Other debt investment	9,500,971,487.68	8,363,285,430.68
Other equity instruments investment	3,482,656,495.00	2,926,192,724.96
Long-term equity investment	4,619,237,154.22	3,619,237,154.98
Fixed assets	83,737,140.51	80,074,912.80
Right-of-use assets	127,701,803.05	131,355,378.69
Intangible assets	72,011,346.25	65,608,021.57
Deferred income tax assets	—	—
Other assets	3,517,716,255.02	2,301,000,152.57
Total assets	81,189,614,462.31	73,714,688,562.28

Items	31 March 2023	31 December 2022
Liabilities:		
Short-term financing instruments payables	4,461,754,082.21	705,301,479.48
Placements from banks and other financial institutions	672,562,580.55	900,216,230.56
Financial liabilities held for trading	1,707,254,442.48	1,530,120,966.82
Derivative financial liabilities	440,579,797.08	501,076,486.55
Financial assets sold under repurchase agreements	18,071,994,400.72	14,923,969,820.24
Amount of agency sales of securities	10,142,430,708.65	10,797,250,544.93
Remuneration payable to employees	133,071,705.93	256,635,681.76
Tax payable	-17,135,300.81	49,585,454.09
Accounts payable	370,281,495.09	348,818,716.97
Contract liabilities	9,589,123.85	11,011,211.77
Estimated liabilities	1,868,504.15	1,868,504.15
Bonds payable	18,974,564,146.79	19,469,062,162.12
Lease liabilities	129,193,534.92	134,826,514.82
Deferred income tax liabilities	227,879,610.70	154,715,494.47
Other liabilities	8,803,962,378.18	7,406,313,721.72
Total liabilities	64,129,851,210.49	57,190,772,990.45
Owners' equity (or shareholders' equity):		
Paid up capital (or share capital)	2,831,773,168.00	2,831,773,168.00
Capital reserve	8,169,041,204.71	8,169,041,204.71
Other comprehensive income	306,688,357.97	-20,377,501.26
Surplus reserve	763,323,436.52	763,323,436.52
General risk reserve	1,813,552,089.14	1,811,705,050.39
Undistributed profits	3,175,384,995.48	2,968,450,213.47
Total owners' equity (or shareholders' equity)	17,059,763,251.82	16,523,915,571.83
Total liabilities and owners' equity (or shareholders' equity)	81,189,614,462.31	73,714,688,562.28

*Person in Charge of
the Company:*
Ge Xiaobo

*Person in Charge of
Accounting Affairs:*
Yin Lei

*Person in Charge of the
Accounting Office:*
Yin Lei

Income Statement of the Parent Company
January to March 2023

Prepared by: Guolian Securities Co., Ltd.

Unit: Yuan Currency: RMB Audit type: Unaudited

Items	First quarter of 2023	First quarter of 2022
I. Total revenue	590,744,339.15	607,785,529.82
Net interest income	49,995,276.27	59,064,747.95
Including: Interest income	356,391,878.83	315,266,830.10
Interest expenses	306,396,602.56	256,202,082.14
Net fee and commission income	152,606,702.57	185,253,460.25
Including: Net fee income from brokerage business	111,852,855.25	138,495,179.70
Net fee income from investment banking business	46,226.42	1,041,132.07
Net fee income from asset management business	29,836,767.83	34,983,972.01
Investment income (Losses are denoted as “-”)	529,740,156.10	61,757,822.36
Including: Investment income from associates and joint ventures	-	-
Other income	4,651,579.88	3,921,278.59
Gains on changes in fair value (Losses are denoted as “-”)	-146,241,979.18	297,764,165.58
Gains on foreign exchange (Losses are denoted as “-”)	-357,138.48	-108,619.75
Other operating income	48,516.90	27,143.96
Gains on disposal of assets (Losses are denoted as “-”)	301,225.09	105,530.88
II. Total operating costs	320,620,249.13	242,818,779.36
Taxes and surcharges	5,381,325.75	1,386,730.64
Business and administrative expenses	316,861,906.76	244,233,355.01
Credit impairment losses	-1,622,983.38	-2,801,306.29
III. Operating profit (Losses are denoted as “-”)	270,124,090.02	364,966,750.46
Add: Non-operating income	406,513.18	13,014.62
Less: Non-operating expenses	305,915.68	186,433.71
IV. Total profit (Total losses are denoted as “-”)	270,224,687.52	364,793,331.37
Less: Income tax expenses	49,535,404.15	46,079,254.80

Items	First quarter of 2023	First quarter of 2022
V. Net profit (Net losses are denoted as “–”)	220,689,283.37	318,714,076.57
(I) Net profit from continuing operations (Net losses are denoted as “–”)	220,689,283.37	318,714,076.57
VI. Other comprehensive income after tax, net	327,065,859.23	–58,816,472.04
(I) Other comprehensive income not to be reclassified to profit or loss	253,197,138.14	–31,587,193.08
1. Changes in fair value of other equity instruments investments	253,197,138.14	–31,587,193.08
(II) Other comprehensive income to be reclassified to profit or loss	73,868,721.09	–27,229,278.96
1. Changes in fair value of other debt investments	71,225,069.34	–25,376,052.21
2. Allowance for credit losses on other debt investments	2,643,651.75	–1,853,226.75
VII. Total comprehensive income	547,755,142.60	259,897,604.53

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Statement of Cash Flows of the Parent Company
January to March 2023

Prepared by: Guolian Securities Co., Ltd.

Unit: Yuan Currency: RMB Audit type: Unaudited

Items	First quarter of 2023	First quarter of 2022
I. Cash flows generated from operating activities:		
Cash received from interests, fees and commissions	521,965,941.69	526,270,643.45
Net decrease in margin accounts receivable	–	873,398,756.74
Net increase in cash from repurchase business	3,514,122,905.92	2,700,176,660.67
Other cash received relating to operating activities	755,007,185.29	548,107,960.24
Sub-total of cash inflows from operating activities	4,791,096,032.90	4,647,954,021.10
Net increase in financial assets held for trading	498,881,337.95	7,681,471,786.18
Net decrease in placements from banks and other financial institutions	230,000,000.00	400,000,000.00
Net increase in margin accounts receivable	1,219,779,803.37	–
Net cash paid for agency sales of securities	654,819,836.28	356,396,063.21
Cash for payment of interests, fees and commissions	191,215,026.78	135,378,398.14
Cash paid to and on behalf of employees	319,477,481.11	368,167,960.45
Cash paid for all types of taxes	120,419,535.79	54,590,729.04
Other cash paid relating to operating activities	682,417,591.22	446,244,551.30
Sub-total of cash outflows from operating activities	3,917,010,612.50	9,442,249,488.32
Net cash flows generated from operating activities	874,085,420.40	–4,794,295,467.22
II. Cash flows generated from investing activities:		
Cash receipts from recover of investments	3,435,108,600.84	3,701,292,190.49
Cash receipts from investment income	167,442,853.36	219,148,326.96
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	5,318,105.31	1,570,358.89
Sub-total of cash inflows from investing activities	3,607,869,559.51	3,922,010,876.34
Cash paid for investments	5,719,462,890.24	1,228,320,151.41
Cash paid for purchase of fixed assets, intangible assets and other long-term assets	45,558,422.46	13,667,437.79
Sub-total of cash outflows from investing activities	5,765,021,312.70	1,241,987,589.20
Net cash flows generated from investing activities	–2,157,151,753.19	2,680,023,287.14

Items	First quarter of 2023	First quarter of 2022
III. Cash flows generated from financing activities:		
Cash receipts from bond issuance	7,509,960,000.00	5,004,431,952.87
Sub-total of cash inflows from financing activities	7,509,960,000.00	5,004,431,952.87
Cash paid for repayment of debts	4,118,106,013.50	3,402,792,352.87
Cash paid for distribution of dividends or profits, or interest expenses	261,143,684.01	224,845,015.64
Cash paid for repayment of lease liabilities	20,159,618.96	15,702,890.58
Sub-total of cash outflows from financing activities	4,399,409,316.47	3,643,340,259.09
Net cash flows from financing activities	3,110,550,683.53	1,361,091,693.78
IV. Effect of fluctuations in exchange rate on cash and cash equivalents	-357,138.48	-108,619.75
V. Net increase in cash and cash equivalents	1,827,127,212.26	-753,289,106.05
Add: Opening balance of cash and cash equivalents	13,320,412,603.84	12,639,840,213.01
VI. Closing balance of cash and cash equivalents	15,147,539,816.10	11,886,551,106.96

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(III) Adjustments made to the financial statements as at the beginning of the year of the initial adoption of new accounting standard or interpretation of standards since 2023

☐ Applicable ☒ Not applicable

Announcement is hereby given.

By order of the Board
Guolian Securities Co., Ltd.
Ge Xiaobo
Chairman

Wuxi, Jiangsu Province, the PRC
28 April 2023

As of the date of this announcement, the executive director of the Company is Mr. Ge Xiaobo; the non-executive directors of the Company are Mr. Hua Weirong, Mr. Zhou Weiping, Mr. Wu Weihua, Ms. Li Suo and Mr. Liu Hailin; and the independent non-executive directors of the Company are Mr. Wu Xingyu, Mr. Chu, Howard Ho Hwa and Mr. Gao Wei.