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## **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)**

### **2024 FIRST QUARTERLY REPORT**

This announcement is made pursuant to Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Set out below is the 2024 first quarterly report of GF Securities Co., Ltd. (the “**Company**” or “**Parent Company**”) and its subsidiaries (the “**Group**”) as of March 31, 2024. The financial report contained herein is prepared in accordance with the China Accounting Standards for Business Enterprises and has not been audited.

This report is prepared in both Chinese and English languages. In the event of any inconsistency between these two versions, the Chinese version shall prevail.

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

Guangzhou, the PRC  
April 29, 2024

*As at the date of this announcement, 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.*

# **GF SECURITIES CO., LTD.**

## **2024 FIRST QUARTERLY REPORT**

### **Important Content Notice**

The Board of Directors, Supervisory Committee and the Directors, Supervisors and senior management of the Company confirm the truthfulness, accuracy and completeness of the contents in this quarterly report, and there is no false representation, misleading statement or material omission therein, and they will assume joint and several legal responsibilities thereof.

All Directors of the Company attended the board meeting for consideration of this quarterly report.

Mr. Lin Chuanhui, the legal representative of the Company, Ms. Sun Xiaoyan, the person-in-charge of accounting affairs, and Ms. Yu Lihong, the head of the accounting department (person-in-charge of accounting) hereby declare that the financial information contained in this quarterly report are true, accurate and complete.

This quarterly report has not been audited. Unless otherwise specified, all data in this quarterly report are presented in Renminbi.

## I. Key Financial Data

### (1) Key Accounting Data and Financial Indicators

Whether the Company has to make retrospective adjustment or restatement of the accounting data of prior years

No

	The reporting period	The corresponding period of last year	Increase/decrease for the reporting period as compared with the corresponding period of last year
Total operating revenue (RMB)	4,949,345,961.54	6,477,062,887.66	-23.59%
Net profit attributable to owners of the Company (RMB)	1,538,328,759.88	2,156,742,527.33	-28.67%
Net profit attributable to owners of the Company excluding non-recurring gains and losses (RMB)	1,527,539,023.04	2,130,337,906.06	-28.30%
Net cash flows from operating activities (RMB)	-11,861,776,432.59	-4,582,031,552.90	-
Basic earnings per share (RMB/share)	0.17	0.27	-37.04%
Diluted earnings per share (RMB/share)	0.17	0.27	-37.04%
Return on weighted average net assets	1.16%	1.87%	Decreased by 0.71 percentage point

	As at the end of the reporting period	As at the end of last year	Increase/decrease at the end of the reporting period as compared with the end of last year
Total assets (RMB)	759,773,963,785.73	682,181,679,228.41	11.37%
Equity attributable to owners of the Company (RMB)	139,961,538,195.53	135,717,647,870.07	3.13%

Total share capital of the Company as of the trading day preceding the date of publication of this quarterly report:

Total share capital of the Company as of the trading day preceding the date of publication of this quarterly report (shares)	7,621,087,664
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Fully-diluted earnings per share based on the latest share capital:

Interest on perpetual bonds attributable from the beginning of the year to the end of the reporting period	218,882,465.75
Fully-diluted earnings per share based on the latest share capital (RMB/share)	0.17

**(2) Non-recurring Gain and Loss Items and Amounts**

Unit: RMB

Items	Amount for the reporting period	Note
Profits and losses from disposal of non-current assets (including write-offs of accrued asset impairment provisions)	37,261.26	
Government subsidies recorded under profit and loss of the current period (except for those government subsidies which are closely related to the normal operating business of the Company, in compliance with the policy requirements of the State, granted pursuant to established standards and have continuous effect on the profit and loss of the Company)	1,770,874.21	Mainly are financial incentives.
Other non-operating income and expenses other than the above items	40,665,687.91	
Other profit or loss items falling within the definition of non-recurring gains and losses	-20,970,622.72	
Less: Income tax effect	5,356,982.62	
Impact on non-controlling interests (after tax)	5,356,481.20	
Total	10,789,736.84	-

### (3) Changes in the Key Accounting Data and Financial Indicators and Reasons for Changes

Unit: RMB

Items	March 31, 2024	December 31, 2023	Increase/ Decrease	Main reasons for the changes
Financial assets held for trading	301,658,081,615.40	216,074,348,976.05	39.61%	Increase in the scale of fixed-income investments at the end of the period.
Debt investments	189,327,157.77	129,711,575.06	45.96%	Increase in the scale of debt investments at the end of the period.
Other equity instrument investments	9,224,358,684.71	5,696,950,862.18	61.92%	Increase in the scale of other equity instrument investments at the end of the period.
Financial liabilities held for trading	10,567,663,462.37	17,609,062,491.86	-39.99%	Decrease in the scale of structured notes at the end of the period.
Derivative financial liabilities	6,589,512,214.74	4,700,925,321.20	40.17%	Increase in the scale of derivative financial instruments at the end of the period.
Financial assets sold under repurchase agreements	221,076,643,272.26	153,748,802,389.89	43.79%	Increase in the scale of pledged and outright resale agreements at the end of the period.
Deferred tax liabilities	273,551,425.00	449,045,308.16	-39.08%	Decrease in the temporary time differences in tax payables at the end of the period.
Other liabilities	8,207,861,817.80	5,829,713,790.43	40.79%	Increase in notes payable at the end of the period.
Other comprehensive income	2,044,206,379.79	1,338,708,059.93	52.70%	Increase in the fair value changes in other debt investments and other equity instrument investments at the end of the period.

Items	January-March 2024	January-March 2023	Increase/ Decrease	Main reasons for the changes
Net interest income	438,457,684.88	937,302,735.92	-53.22%	Increase in interest expenses on sales under resale agreements and decrease in interest income from margin financing and securities lending during the period.
Investment gains	750,966,943.33	1,504,600,613.70	-50.09%	Decrease in investment gains from disposal of financial instruments held for trading during the period.
Gains from changes in fair value	352,879,553.81	212,734,947.58	65.88%	Due to fair value changes in financial instruments held for trading during the period.
Foreign exchange gains	5,125,083.98	-9,576,682.27	-	Due to fluctuations in exchange rates during the period.
Gains from disposal of assets	37,261.26	730,852.41	-94.90%	Decrease in gains from disposal of assets during the period.
Other operating income	157,223,314.90	48,833,876.11	221.96%	Increase in commodity trading income during the period.
Other assets impairment losses	4,907,289.43	74,426.62	6,493.46%	Increase in losses from price reduction of inventories during the period.
Other operating expenses	142,440,322.22	39,917,459.51	256.84%	Increase in commodity trading costs during the period.

<b>Items</b>	<b>January-March 2024</b>	<b>January-March 2023</b>	<b>Increase/ Decrease</b>	<b>Main reasons for the changes</b>
Non-operating income	15,841.85	760,893.02	-97.92%	Decrease in non-operating income during the period.
Non-operating expenses	3,230,489.34	428,802.77	653.37%	Increase in donation expenses during the period.
Income tax expense	108,091,630.89	412,231,360.57	-73.78%	Decrease in taxable income during the period.
Other comprehensive income, net of tax	705,609,399.10	46,669,635.73	1,411.92%	Increase in the fair value changes of other debt investments and other equity instrument investments during the period.
Net cash flows from operating activities	-11,861,776,432.59	-4,582,031,552.90	-	Increase in the net cash outflow from purchase of financial instruments held for trading during the period.
Net cash flows from investing activities	8,607,904,843.80	3,302,689,070.77	160.63%	Increase in cash received from divestments during the period.
Net cash flows from financing activities	8,294,802,318.78	-625,919,980.87	-	Decrease in cash paid for repayment of debts during the period.

## II. Shareholders Information

### (I) Statement of the Total Number of Shareholders of Ordinary Shares and Shareholders of Preference Shares with Restored Voting Rights and the Shareholdings of the Top 10 Shareholders

Unit: share

<b>Total number of shareholders of ordinary shares as at the end of the reporting period</b>	219,009, of which there were 217,563 shareholders of A Shares and 1,446 registered shareholders of H Shares	<b>Total number of shareholders of preference shares with restored voting rights as at the end of the reporting period (if any)</b>	Nil			
<b>Shareholdings of the top 10 shareholders</b>						
Name of shareholder	Nature of shareholder	Percentage of shareholding	Number of shares held	Number of shares held subject to trading moratorium	Pledged, remarked or frozen	
					Status of shares	Number of shares
HKSCC Nominees Limited	Overseas legal entity	22.31%	1,700,128,840	0	-	-
Jilin Aodong Pharmaceutical Group Co., Ltd.	Domestic general legal entity	16.44%	1,252,768,767	0	-	-
Liaoning Cheng Da Co., Ltd.	State-owned legal entity	16.40%	1,250,154,088	0	-	-
Zhongshan Public Utilities Group Co., Ltd.	State-owned legal entity	9.01%	686,754,216	0	-	-
China Securities Finance Corporation Limited	Domestic general legal entity	2.99%	227,870,638	0	-	-
Hong Kong Securities Clearing Company Limited	Overseas legal entity	1.12%	85,102,851	0	-	-
National Social Insurance Fund No. 118 Portfolio	Fund and wealth management products, etc	1.00%	76,479,934	0	-	-
China Construction Bank Corporation – Guotai CSI All Share Investment Banking & Brokerage Index Exchange-traded Fund	Fund and wealth management products, etc	0.82%	62,595,313	0	-	-
China Construction Bank Corporation – Huabao CSI All Share Investment Banking & Brokerage Index Exchange-traded Fund	Fund and wealth management products, etc	0.55%	41,802,134	0	-	-
Industrial and Commercial Bank of China Co., Ltd. – Huatai-Berry CSI 300 Traded Open-End Index Securities Investment Fund	Fund and wealth management products, etc	0.42%	31,820,936	0	-	-

Shareholdings of the top 10 ordinary shareholders not subject to trading moratorium			
Name of shareholder	Number of shares held not subject to trading moratorium	Class of shares	
		Class of shares	Number of shares
HKSCC Nominees Limited	1,700,128,840	Overseas listed foreign shares	1,700,128,840
Jilin Aodong Pharmaceutical Group Co., Ltd.	1,252,768,767	RMB-denominated ordinary shares	1,252,768,767
Liaoning Cheng Da Co., Ltd.	1,250,154,088	RMB-denominated ordinary shares	1,250,154,088
Zhongshan Public Utilities Group Co., Ltd.	686,754,216	RMB-denominated ordinary shares	686,754,216
China Securities Finance Corporation Limited	227,870,638	RMB-denominated ordinary shares	227,870,638
Hong Kong Securities Clearing Company Limited	85,102,851	RMB-denominated ordinary shares	85,102,851
National Social Insurance Fund No. 118 Portfolio	76,479,934	RMB-denominated ordinary shares	76,479,934
China Construction Bank Corporation – Guotai CSI All Share Investment Banking & Brokerage Index Exchange-traded Fund	62,595,313	RMB-denominated ordinary shares	62,595,313
China Construction Bank Corporation – Huabao CSI All Share Investment Banking & Brokerage Index Exchange-traded Fund	41,802,134	RMB-denominated ordinary shares	41,802,134
Industrial and Commercial Bank of China Co., Ltd. – Huatai-Berry CSI 300 Traded Open-End Index Securities Investment Fund	31,820,936	RMB-denominated ordinary shares	31,820,936

*Note 1:* Among the H shareholders of the Company, shares of the non-registered shareholders are held by HKSCC Nominees Limited on their behalf;

*Note 2:* In the table above, shares held by HKSCC Nominees Limited are overseas listed foreign shares (H Shares), and shares held by other shareholders are RMB-denominated ordinary shares (A Shares);

*Note 3:* According to the information provided by Jilin Aodong Pharmaceutical Group Co., Ltd. (hereinafter referred to as “**Jilin Aodong**”), Liaoning Cheng Da Co., Ltd. (hereinafter referred to as “**Liaoning Cheng Da**”) and Zhongshan Public Utilities Group Co., Ltd. (hereinafter referred to as “**Zhongshan Public Utilities**”), as of March 31, 2024, Jilin Aodong held 236,666,600 H Shares of the Company by itself and 36,868,800 H Shares of the Company through its wholly-owned subsidiary, Aodong International (Hong Kong) Industrials Co., Limited, totaling 273,535,400 H Shares, representing 3.59% of the total share capital of the Company; Liaoning Cheng Da held 115,300,000 H Shares of the Company by itself and 1,473,600 H Shares of the Company through Chengda Steel Hong Kong Co., Limited, a wholly-owned subsidiary of Liaoning Cheng Da Steel Co., Ltd. (遼寧成大鋼鐵貿易有限公司), which was in turn a wholly-owned subsidiary of Liaoning Cheng Da, totaling 116,773,600 H Shares, representing 1.53% of the total share capital of the Company; and Zhongshan Public Utilities held 100,904,000 H Shares of the Company through its wholly-owned subsidiary, Public Utilities International (Hong Kong) Investment Company Limited, representing 1.32% of the total share capital of the Company. As of March 31, 2024, the shareholding percentages of Jilin Aodong and its parties acting in concert, Liaoning Cheng Da and its parties acting in concert and Zhongshan Public Utilities and its parties acting in concert in the A Shares and H Shares of the Company were 20.03%, 17.94% and 10.34%, respectively, of the total share capital of the Company;

*Note 4:* According to the public disclosure information on the HKEXnews website of the Hong Kong Stock Exchange, as of March 31, 2024, the shareholders holding 5% or more of the H Shares of the Company (except for the disclosure set out in Note 3) were as follows: As of January 31, 2020, the Labor Union Committee of GF Securities Co., Ltd. held a total of 272,500,600 H Shares (long position) of the Company, representing 16.01% of the H Share capital of the Company. The above shares are held by HKSCC Nominees Limited on their behalf;

*Note 5:* As at the end of the reporting period, none of the above shareholders of A Shares held the shares of the Company through credit securities accounts;

*Note 6:* As at the end of the reporting period, none of the above shareholders of A Shares had conducted any agreed repurchase transactions.



**The participation in refinancing business and lending shares of shareholders with more than 5% shareholding, the top 10 shareholders and the top 10 shareholders not subject to trading moratorium**

Unit: share

The participation in refinancing business and lending shares of shareholders with more than 5% shareholding, the top 10 shareholders and the top 10 shareholders not subject to trading moratorium								
Name of shareholder (full name)	Opening ordinary account and credit account holdings		Shares lent under refinancing at the beginning of the period that have not been returned		Closing ordinary account and credit account holdings		The shares were loaned through refinancing at the end of the period that have not been returned	
	Total quantity	Proportion of total share capital	Total quantity	Proportion of total share capital	Total quantity	Proportion of total share capital	Total quantity	Proportion of total share capital
China Construction Bank Corporation – Guotai CSI All Share Investment Banking & Brokerage Index Exchange-traded Fund	63,872,413	0.84%	409,000	0.01%	62,595,313	0.82%	159,300	0.00%
China Construction Bank Corporation – Huabao CSI All Share Investment Banking & Brokerage Index Exchange-traded Fund	42,982,134	0.56%	235,000	0.00%	41,802,134	0.55%	0	0.00%
Industrial and Commercial Bank of China Co., Ltd. – Huatai-Berry CSI 300 Traded Open-End Index Securities Investment Fund	21,927,736	0.29%	37,700	0.00%	31,820,936	0.42%	0	0.00%

**The changes from the refinancing lending/returning of the top 10 shareholders and the top 10 shareholders not subject to trading moratorium**

Not applicable

**(II) Statement of the Total Number of Preference Shareholders and the Shareholdings of the Top 10 Preference Shareholders of the Company**

Not applicable

**III. Other Significant Events**

**(1) Relocation of branch offices and brokerage branches**

As of the end of March 2024, the Company had 26 branch offices and 326 securities brokerage branches located in 31 provinces, municipalities directly under the central government and autonomous regions in China. During the reporting period, 6 branches of the Company have completed relocation or change of names.

- (2) On January 4, 2024, the Company published the Voluntary Announcement on The Completion of Acquisition of Certain Equity Interest in Value Partners Group Limited by our Wholly-Owned Subsidiary, GF Holdings (Hong Kong) Corporation Limited (《關於全資子公司廣發控股(香港)有限公司購買惠理集團有限公司部分股權完成的自願性公告》), (the “**Transaction**”). As of the date of the announcement, the parties to the Transaction have completed the transfer of equity interest pursuant to the equity purchase agreement. GF Holdings (Hong Kong) Corporation Limited holds 366,000,000 ordinary shares of Value Partners Group, which represent approximately 20.04% of the total issued shares of Value Partners Group as of the date of the announcement.
- (3) On January 19, 2024, the Company received the Notification Letter on the Progress of Increasing the Shareholding of GF Securities Co., Ltd. (《關於增持廣發證券股份有限公司股份進展的告知函》) from the largest shareholder, Jilin Aodong. Based on its confidence in the Company’s continuous and stable development in the future, Jilin Aodong increased its shareholdings of 2,086,600 H shares of the Company in its own funds through the Southbound Trading System of the Shenzhen Stock Exchange from December 13, 2023 to January 19, 2024. Following the increase in its shareholdings, Jilin Aodong and its parties acting in concert hold a total of 1,526,304,167 A shares and H shares of the Company, accounting for 20.0274% of the Company’s total share capital.
- (4) On February 7, 2024, the Company disclosed the announcement on the Cumulative New Borrowings during the year exceeded 40% of the Net Assets at the end of the previous year (《當年累計新增借款超過上年末淨資產的百分之四十的公告》). As of December 31, 2023, the Company’s borrowing balance was 357.675 billion. As of January 31, 2024, the Company’s borrowing balance was 421.381 billion, and the cumulative new borrowings was 63.706 billion. The cumulative new borrowings accounted for approximately 45.29% of the net assets at the end of the previous year, exceeding 40%. The above-mentioned new borrowings comply with the relevant laws and regulations and fall within the scope of the Company’s normal operating activities. Investors are advised to note that the above financial data have not been audited.
- (5) On February 29, 2024, the Company disclosed the announcement on the “Dual Improvement of Quality and Return” Action Plan(《關於“質量回報雙提升”行動方案的公告》). In combination with the Company’s development strategy and operating reality, to effectively improve the investing prospects of the listed company and enhance investor confidence, promote the Company’s steady and sustainable development and formulate an action plan of “Dual Improvement of Quality and Return”. According to the action plan, the Company will focus on its principal business, serve the real economy, standardize corporate governance, strengthen core competitiveness, and promote the Company’s high-quality development to a new horizon. It will adhere to being investor-oriented, continue to improve the quality of information disclosure, strengthen communication with investors, enhance investors’ sense of gain, effectively fulfill the responsibilities and obligations of the listed company, and contribute to stabilizing the market and stabilizing confidence.

- (6) On April 15, 2024, the 34th meeting of the tenth session of the Board of the Company passed the Resolution on Nomination of Candidates for the Non-independent Directors of the Eleventh Session of the Board of the Company (《關於提名公司第十一屆董事會非獨立董事候選人的議案》), and agreed Mr. Li Xiulin, Mr. Shang Shuzhi, Mr. Guo Jingyi, Mr. Lin Chuanhui, Ms. Sun Xiaoyan, Mr. Qin Li and Mr. Xiao Xuesheng be nominated as the candidates for non-independent Directors of the eleventh session of the Board of the Company for election at the general meeting, in which: Mr. Li Xiulin, Mr. Shang Shuzhi and Mr. Guo Jingyi be the candidates for non-executive Directors; and Mr. Lin Chuanhui, Ms. Sun Xiaoyan, Mr. Qin Li and Mr. Xiao Xuesheng be the candidates for executive Directors; passed the Resolution on the Nomination of Candidates for Independent Directors of the Eleventh Session of the Board of the Company (《關於提名公司第十一屆董事會獨立董事候選人的議案》), and agreed Ms. Leung Shek Ling Olivia, Mr. Li Wenjing, Mr. Zhang Chuang and Mr. Wang Dashu be nominated as the candidates for independent Directors of the eleventh session of the Board of the Company for election at the general meeting.

On the same day, the 20th meeting of the tenth session of the Supervisory Committee of the Company passed the Resolution on Nomination of Candidates for the Supervisors of the Eleventh Session of the Supervisory Committee (《關於提名第十一屆監事會監事候選人的議案》), and agreed Mr. Wang Zhenyu, Ms. Zheng Chunmei and Ms. Zhou Feimei be nominated as the candidates for shareholder representative supervisors of the eleventh session of the Supervisory Committee of the Company for consideration at the general meeting.

For details, please refer to the disclosures published in relevant announcements by the Company on CNINFO ([www.cninfo.com.cn](http://www.cninfo.com.cn)) and the HKEXnews website of the Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)).

#### IV. Quarterly Financial Statements

##### (1) Financial Statements

##### 1. Consolidated Statement of Financial Position

Name of enterprise: GF Securities Co., Ltd.

Unit: RMB

Items	Balance at the end of the period	Balance at the beginning of the period
Assets:		
Cash and bank balances	128,896,021,540.17	118,815,210,608.15
Including: cash held on behalf of customers	100,464,908,928.38	94,838,673,037.65
Clearing settlement funds	29,491,038,338.92	34,510,389,022.86
Including: settlement funds held on behalf of customers	24,293,248,628.03	29,647,708,025.94
Advances to customers	87,265,214,399.06	91,107,898,364.20
Derivative financial assets	5,501,446,332.76	5,034,080,928.93
Refundable deposits	17,838,251,920.24	21,252,800,724.27
Accounts receivable	10,660,409,985.03	11,148,893,723.83
Financial assets held under resale agreements	21,010,924,756.74	19,720,900,627.78
Financial investments:	438,905,939,753.17	361,196,132,493.73
Financial assets held for trading	301,658,081,615.40	216,074,348,976.05
Debt investments	189,327,157.77	129,711,575.06
Other debt investments	127,834,172,295.29	139,295,121,080.44
Other equity instrument investments	9,224,358,684.71	5,696,950,862.18
Long-term equity investments	10,265,834,034.24	9,225,272,376.15
Investment properties	199,938,045.10	199,156,711.62
Fixed assets	2,938,378,653.07	2,847,155,296.28
Construction-in-progress	246,301,316.80	246,301,316.80
Right-of-use assets	960,048,511.97	947,936,034.02
Intangible assets	1,567,514,489.78	1,596,931,341.53
Goodwill	2,352,643.54	2,351,605.53
Deferred tax assets	2,168,080,890.97	2,562,495,294.92
Other assets	1,856,268,174.17	1,767,772,757.81
Total assets	759,773,963,785.73	682,181,679,228.41

<b>Items</b>	<b>Balance at the end of the period</b>	<b>Balance at the beginning of the period</b>
Liabilities:		
Short-term borrowings	7,193,275,833.45	6,838,049,471.57
Short-term financing payables	37,928,893,570.27	45,363,288,486.64
Due to banks and other financial institutions	27,846,742,430.80	22,653,003,311.65
Financial liabilities held for trading	10,567,663,462.37	17,609,062,491.86
Derivative financial liabilities	6,589,512,214.74	4,700,925,321.20
Financial assets sold under repurchase agreements	221,076,643,272.26	153,748,802,389.89
Accounts payable to brokerage clients	130,473,814,216.68	132,010,529,184.67
Accrued staff costs	9,781,809,958.62	9,496,302,672.60
Taxes payable	597,929,313.32	555,578,626.21
Accounts payable	36,472,455,521.53	37,138,281,731.71
Contract liabilities	121,064,732.14	115,858,834.54
Provisions	448,187,028.53	446,850,131.35
Bonds payable	116,111,291,435.52	103,580,494,298.26
Lease liabilities	988,811,913.53	970,183,161.07
Deferred tax liabilities	273,551,425.00	449,045,308.16
Other liabilities	8,207,861,817.80	5,829,713,790.43
Total liabilities	614,679,508,146.56	541,505,969,211.81

Items	Balance at the end of the period	Balance at the beginning of the period
Equity:		
Share capital	7,621,087,664.00	7,621,087,664.00
Other equity instruments	24,476,500,000.00	22,478,500,000.00
Including: Perpetual bonds	24,476,500,000.00	22,478,500,000.00
Capital reserve	31,298,911,016.57	31,296,847,770.85
Less: Treasury shares	233,608,724.73	233,608,724.73
Other comprehensive income	2,044,206,379.79	1,338,708,059.93
Surplus reserve	9,431,261,913.08	9,431,261,913.08
General risk reserve	23,716,145,741.94	23,635,650,582.79
Retained profits	41,607,034,204.88	40,149,200,604.15
Equity attributable to owners of the Company	139,961,538,195.53	135,717,647,870.07
Non-controlling interests	5,132,917,443.64	4,958,062,146.53
Total equity	145,094,455,639.17	140,675,710,016.60
Total liabilities and equity	759,773,963,785.73	682,181,679,228.41

Legal representative:  
Lin Chuanhui

Person-in-charge of  
accounting affairs:  
Sun Xiaoyan

Head of accounting  
department:  
Yu Lihong

## 2. Consolidated Statement of Profit or Loss

Name of enterprise: GF Securities Co., Ltd.

Unit: RMB

Items	Amounts of current period	Amounts of the prior period
<b>1. Total operating revenue</b>	4,949,345,961.54	6,477,062,887.66
Net interest income	438,457,684.88	937,302,735.92
Interest income	3,212,021,175.37	3,460,267,569.79
Interest expenses	2,773,563,490.49	2,522,964,833.87
Net fee and commission income	3,199,004,909.77	3,721,428,628.85
Including: Net fee income from brokerage business	1,357,636,335.58	1,447,166,485.06
Net fee income from investment banking business	148,041,984.01	100,537,627.10
Net fee income from asset management and fund management business	1,607,156,560.27	2,087,182,091.55
Investment gains (loss denoted by “-”)	750,966,943.33	1,504,600,613.70
Including: Gains from investment in associates and joint ventures	-26,067,378.05	249,463,336.45
Other gains	45,651,209.61	61,007,915.36
Gains from changes in fair value (loss denoted by “-”)	352,879,553.81	212,734,947.58
Foreign exchange gains (loss denoted by “-”)	5,125,083.98	-9,576,682.27
Other operating income	157,223,314.90	48,833,876.11
Gains from disposal of assets (loss denoted by “-”)	37,261.26	730,852.41
<b>2. Total operating expenses</b>	3,124,966,705.40	3,639,360,024.75
Tax and surcharges	41,066,589.24	40,157,058.31
General and administrative expenses	2,997,582,044.98	3,624,425,152.69
Credit impairment losses	-61,029,540.47	-65,214,072.38
Other assets impairment losses	4,907,289.43	74,426.62
Other operating expenses	142,440,322.22	39,917,459.51
<b>3. Operating profits (loss denoted by “-”)</b>	1,824,379,256.14	2,837,702,862.91
Add: Non-operating income	15,841.85	760,893.02
Less: Non-operating expenses	3,230,489.34	428,802.77

Items	Amounts of current period	Amounts of the prior period
<b>4. Total profit (total loss denoted by “-”)</b>	1,821,164,608.65	2,838,034,953.16
Less: Income tax expense	108,091,630.89	412,231,360.57
<b>5. Net profit (net loss denoted by “-”)</b>	1,713,072,977.76	2,425,803,592.59
(1) Classified by continuity of operations		
1. Net profit from continuing operations (net loss denoted by “-”)	1,713,072,977.76	2,425,803,592.59
2. Net profit from discontinued operations (net loss denoted by “-”)	–	–
(2) Classified by ownership of equity		
1. Net profit attributable to owners of the Company	1,538,328,759.88	2,156,742,527.33
2. Profit or loss attributable to non-controlling interests	174,744,217.88	269,061,065.26
<b>6. Other comprehensive income (net of tax)</b>	705,609,399.10	46,669,635.73
Other comprehensive income attributable to owners of the Company (net of tax)	705,498,319.86	49,185,086.64
(1) Other comprehensive income that will not be reclassified into profit or loss	377,133,508.17	11,136,470.34
1. Changes in fair value of other equity instrument investments	377,133,508.17	11,136,470.34
(2) Other comprehensive income that will be reclassified into profit or loss	328,364,811.69	38,048,616.30
1. Other comprehensive income under the equity method that can be reclassified into profit or loss	-215,397.81	-1,482,764.15
2. Fair value changes of other debt investments	362,688,128.97	152,765,163.86
3. Credit impairment provisions for other debt investments	-46,661,297.68	-3,509,797.71
4. Translation differences on foreign currency financial statements	12,553,378.21	-109,723,985.70
Other comprehensive income attributable to non-controlling interests (net of tax)	111,079.24	-2,515,450.91
<b>7. Total comprehensive income</b>	2,418,682,376.86	2,472,473,228.32
Including: Total comprehensive income attributable to owners (or shareholders) of the Company	2,243,827,079.74	2,205,927,613.97



Items	Amounts of current period	Amounts of the prior period
Total comprehensive income attributable to non – controlling interests	174,855,297.12	266,545,614.35
<b>8. Earnings per share</b>		
(1) Basic earnings per share	0.17	0.27
(2) Diluted earnings per share	0.17	0.27

Legal representative:  
Lin Chuanhui

Person-in-charge of  
accounting affairs:  
Sun Xiaoyan

Head of accounting  
department:  
Yu Lihong

### 3. Consolidated Statement of Cash Flows

Name of Enterprise: GF Securities Co., Ltd.

Unit: RMB

Items	Amounts of the current period	Amounts of the prior period
<b>1. Cash flows from operating activities:</b>		
Net decrease in advances to customers	3,628,007,986.91	–
Cash received from interest, fee and commission	5,818,908,945.17	6,379,239,638.37
Net increase in due to banks and other financial institutions	5,177,242,689.63	–
Net increase in repurchase businesses	66,129,334,231.01	34,976,259,669.16
Cash received from other operating activities	3,867,946,107.04	6,552,060,127.93
<b>Cash inflow from operating activities, subtotal</b>	<b>84,621,439,959.76</b>	<b>47,907,559,435.46</b>
Net decrease in cash from financial instruments held for trading	89,084,190,949.55	40,828,802,390.12
Net increase in advances to customers	–	3,511,263,834.51
Cash payment of interest, fee and commission	1,556,595,741.79	1,355,519,347.88
Net cash paid for accounts payable to brokerage clients	1,536,152,600.21	171,687,869.88
Net cash paid for accounts payable to underwriting clients	–	109,300,000.00
Net decrease in due to banks and other financial institutions	–	512,852,237.66
Cash payments to and for employees	1,638,579,321.35	1,568,187,788.56
Tax expenses paid	482,786,415.38	815,310,087.66
Cash paid for other operating activities	2,184,911,364.07	3,616,667,432.09
<b>Cash outflow from operating activities, subtotal</b>	<b>96,483,216,392.35</b>	<b>52,489,590,988.36</b>
<b>Net cash flows from operating activities</b>	<b>-11,861,776,432.59</b>	<b>-4,582,031,552.90</b>
<b>2. Cash flows from investing activities:</b>		
Cash received from divestment	9,206,428,156.40	2,726,613,448.47
Cash received from realized investment gains	984,026,341.09	868,657,316.31
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	1,347,950.43	5,634,929.78
<b>Cash inflow from investing activities, subtotal</b>	<b>10,191,802,447.92</b>	<b>3,600,905,694.56</b>
Cash paid for investments	1,384,366,341.06	51,163,463.43
Cash paid for the purchase of fixed assets, intangible assets and other long-term assets	199,531,263.06	247,053,160.36
<b>Cash outflow from investing activities, subtotal</b>	<b>1,583,897,604.12</b>	<b>298,216,623.79</b>
<b>Net cash flows from investing activities</b>	<b>8,607,904,843.80</b>	<b>3,302,689,070.77</b>

Items	Amounts of the current period	Amounts of the prior period
<b>3. Cash flows from financing activities:</b>		
Cash received from incoming investments	2,000,000,000.00	500,000,000.00
Including: Cash received from issuance of perpetual bonds	2,000,000,000.00	500,000,000.00
Cash received from borrowings	643,037,383.04	202,942,973.48
Cash received from bond issuance	16,000,000,000.00	24,300,000,000.00
Cash received from other financing activities	5,429,052,406.45	4,259,008,882.16
<b>Cash inflow from financing activities, subtotal</b>	<b>24,072,089,789.49</b>	<b>29,261,951,855.64</b>
Cash paid for repayment of debts	9,292,175,685.23	25,147,598,107.77
Cash paid for distribution of dividends, profit and interest expenses	778,153,330.93	870,391,818.68
Including: dividends and profit paid to non-controlling interests by subsidiaries	-	-
Cash paid for other financing activities	5,706,958,454.55	3,869,881,910.06
<b>Cash outflow from financing activities, subtotal</b>	<b>15,777,287,470.71</b>	<b>29,887,871,836.51</b>
<b>Net cash flows from financing activities</b>	<b>8,294,802,318.78</b>	<b>-625,919,980.87</b>
<b>4. Effect of foreign exchange rate changes on cash and cash equivalents</b>	<b>17,433,140.30</b>	<b>-180,869,093.66</b>
<b>5. Net increase in cash and cash equivalents</b>	<b>5,058,363,870.29</b>	<b>-2,086,131,556.66</b>
<b>Add: Cash and cash equivalents at the beginning of the period</b>	<b>146,004,891,075.14</b>	<b>149,831,673,420.82</b>
<b>6. Balance of cash and cash equivalents at the end of the period</b>	<b>151,063,254,945.43</b>	<b>147,745,541,864.16</b>

Legal representative:  
Lin Chuanhui

Person-in-charge of  
accounting affairs:  
Sun Xiaoyan

Head of accounting  
department:  
Yu Lihong

(2) **Auditor's report**

The first quarterly report of the Company has not been audited.

Hereby notify the above.