



China International Capital Corporation Limited

(A joint stock company incorporated in the People's Republic of China with limited liability)
Stock code : 3908



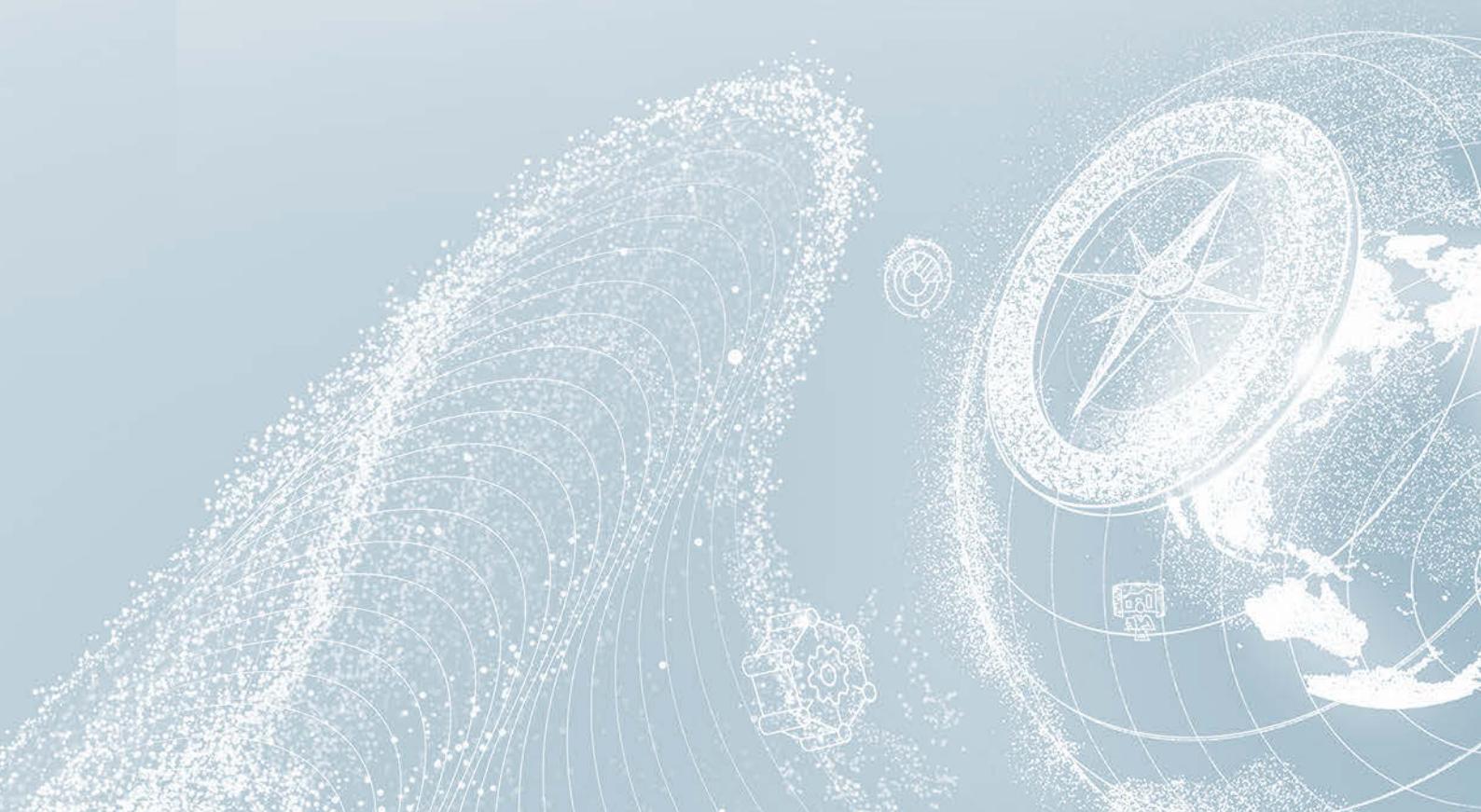
OUR CULTURE

MISSION

BY THE PEOPLE AND FOR THE NATION
CHINESE ROOTS AND INTERNATIONAL REACH

VISION

TO BE A RESPECTED, INNOVATION-DRIVEN,
LEADING GLOBAL INVESTMENT BANK



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DEFINITIONS

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

"A Share(s)"	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is (are) subscribed for and traded in RMB and listed on the Shanghai Stock Exchange
"Articles of Association"	the <i>Articles of Association of China International Capital Corporation Limited</i>
"AUM"	the amount of assets under management
"Beijing Stock Exchange"	the Beijing Stock Exchange* (北京證券交易所)
"Board" or "Board of Directors"	the board of directors of our Company
"CASs"	Chinese Accounting Standards for Business Enterprises issued by the Ministry of Finance of the PRC and other relevant requirements
"China Investment Consulting"	China Investment Consulting Co., Ltd.* (中國投資諮詢有限責任公司), a company incorporated in the PRC in March 1986 and a wholly-owned subsidiary of Jianyin Investment and a Shareholder of our Company
"ChiNext Board"	the ChiNext board of the Shenzhen Stock Exchange
"CICC Capital"	CICC Capital Management Co., Ltd.* (中金資本運營有限公司), a company incorporated in the PRC in March 2017 and a wholly-owned subsidiary of our Company
"CICC Fund Management"	CICC Fund Management Co., Ltd.* (中金基金管理有限公司), a company incorporated in the PRC in February 2014 and a wholly-owned subsidiary of our Company
"CICC Futures"	CICC Futures Co., Ltd.* (中金期貨有限公司), a company incorporated in the PRC in July 2004 and a wholly-owned subsidiary of our Company
"CICC International"	China International Capital Corporation (International) Limited* (中國國際金融(國際)有限公司), formerly known as China International Capital Corporation (Hong Kong) Limited* (中國國際金融(香港)有限公司), a company incorporated in Hong Kong in April 1997, which was renamed as China International Capital Corporation (International) Limited in June 2022, and a wholly-owned subsidiary of our Company
"CICC Private Equity"	CICC Private Equity Management Co., Ltd.* (中金私募股權投資管理有限公司), a company incorporated in the PRC in October 2020 and a wholly-owned subsidiary of our Company
"CICC Pucheng"	CICC Pucheng Investment Co., Ltd.* (中金浦成投資有限公司), a company incorporated in the PRC in April 2012 and a wholly-owned subsidiary of our Company

"CICC HK Securities"	China International Capital Corporation Hong Kong Securities Limited* (中國國際金融香港證券有限公司), a company incorporated in Hong Kong in March 1998 and a wholly-owned subsidiary of CICC International
"CICC Wealth Management" or "CICC Wealth Management Securities"	China CICC Wealth Management Securities Company Limited* (中國中金財富證券有限公司), formerly known as China Investment Securities Company Limited* (中國中投證券有限責任公司), a company incorporated in the PRC in September 2005, which was renamed as China CICC Wealth Management Securities Company Limited in August 2019, and a wholly-owned subsidiary of our Company
"Company", "our Company" or "CICC"	China International Capital Corporation Limited* (中國國際金融股份有限公司), a joint stock company with limited liability converted from China International Capital Corporation Limited* (中國國際金融有限公司), a Chinese-foreign equity joint venture, on June 1, 2015, whose H Shares are listed on the Hong Kong Stock Exchange (Stock Code: 03908) and A Shares are listed on the Shanghai Stock Exchange (Stock Code: 601995)
"Company Law"	the <i>Company Law of the PRC</i> * (中華人民共和國公司法)
"Corporate Governance Code"	<i>Corporate Governance Code</i> , Appendix 14 to the <i>Listing Rules of the Stock Exchange</i>
"CSDC"	China Securities Depository and Clearing Corporation Limited* (中國證券登記結算有限公司)
"CSRC"	the China Securities Regulatory Commission* (中國證券監督管理委員會)
"Directors"	directors of our Company
"ETF(s)"	exchange-traded fund(s)
"FICC"	fixed income, commodities and currencies
"FoF"	Fund of Fund
"Group", "our Group" or "we"	our Company and its subsidiaries (or with reference to the context, our Company and any one or more of its subsidiaries)
"H Share(s)"	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is (are) subscribed for and traded in HK dollars and listed on the Hong Kong Stock Exchange
"Haier Jinying"	Haier Group (Qingdao) Jinying Holdings Co., Ltd., formerly known as Haier Group (Qingdao) Financial Holdings Ltd., a company incorporated in the PRC in February 2014 and a Shareholder of our Company
"HK\$", "HKD" or "HK dollars"	HK dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC

Definitions

"Hong Kong Stock Exchange" or "HKEX"	The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
"Huijin", "Huijin Company" or "Central Huijin"	Central Huijin Investment Ltd.* (中央匯金投資有限責任公司), a wholly state-owned company ultimately owned by the PRC Government and a Shareholder of our Company
"IFRSs"	the International Financial Reporting Standards, which include standards, amendments and interpretations promulgated by the International Accounting Standards Board and the International Accounting Standards (IASs) and interpretations issued by the International Accounting Standards Committee (IASC)
"I&G"	China National Investment and Guaranty Corporation* (中國投融資擔保股份有限公司), a company incorporated in the PRC in 1993 and a Shareholder of our Company
"Jianyin Investment"	China Jianyin Investment Limited* (中國建銀投資有限責任公司), a company incorporated in the PRC in June 1986, a wholly-owned subsidiary of Huijin and a Shareholder of our Company
"JIC Investment"	JIC Investment Co., Ltd.* (建投投資有限責任公司), a company incorporated in the PRC in October 2012 and a wholly-owned subsidiary of Jianyin Investment and a Shareholder of our Company
"Latest Practicable Date"	August 30, 2023
"Listing Rules of the Stock Exchange"	the <i>Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited</i>
"Listing Rules of the SSE"	the <i>Rules Governing the Listing of Stocks on the Shanghai Stock Exchange</i> , together with the <i>Listing Rules of the Stock Exchange</i> , are referred to as the "Listing Rules"
"Ministry of Finance"	the Ministry of Finance of the PRC* (中華人民共和國財政部)
"Model Code"	the <i>Model Code for Securities Transactions by Directors of Listed Companies</i> set out in Appendix 10 to the <i>Listing Rules of the Stock Exchange</i>
"Net capital"	net capital refers to net assets after risk adjustments on certain types of assets as defined in the <i>Provisions on the Calculation Basis for Risk Control Indicators of Securities Companies</i>
"NSSF"	the National Council for Social Security Fund of the PRC* (中國全國社會保障基金理事會)
"Central Bank" or "PBOC"	the People's Bank of China* (中國人民銀行), the central bank of the PRC
"PRC" or "China"	the People's Republic of China

"PRC Government"	the central government of the PRC, including all governmental subdivisions (including provincial, municipal and other regional or local government entities) and instrumentalities
"QFII(s)"	Qualified Foreign Institutional Investor* (合格境外機構投資者)
"REIT(s)"	real estate investment trust(s)
"Reporting Period"	the period from January 1, 2023 to June 30, 2023
"RMB" or "Renminbi"	Renminbi, the lawful currency of the PRC
"Science and technology innovation board" or "STAR Market"	Sci-Tech innovation board of the Shanghai Stock Exchange
"Securities Law"	the <i>Securities Law of the PRC*</i> (《中華人民共和國證券法》)
"SFO"	the <i>Securities and Futures Ordinance</i> (Chapter 571 of the Laws of Hong Kong)
"SSE"	the Shanghai Stock Exchange* (上海證券交易所)
"Share(s)"	ordinary share(s) in the share capital of our Company with a nominal value of RMB1.00 each
"Shareholder(s)"	holder(s) of the Share(s)
"SZSE"	the Shenzhen Stock Exchange* (深圳證券交易所)
"SOE(s)"	state-owned enterprise(s)
"Supervisor(s)"	supervisor(s) of our Company
"Supervisory Committee"	the supervisory committee of our Company
"Tencent Holdings"	Tencent Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Hong Kong Stock Exchange (Stock Code: 00700 (HKD counter) and 80700 (RMB counter))
"Tencent Mobility Limited"	Tencent Mobility Limited, a company incorporated in Hong Kong with limited liability, a wholly-owned subsidiary of Tencent Holdings and a Shareholder of our Company
"US\$" or "USD"	United States dollars, the lawful currency of the United States
"Wind"	Wind Information Co., Ltd.
"%"	per cent

Note:

For ease of reference, the names of Chinese laws and regulations, governmental authorities, institutions, natural persons or other entities (including certain of our subsidiaries) have been included in the report in both the Chinese and English languages and in the event of any inconsistency, the Chinese versions shall prevail. English translations of company names and other terms from the Chinese language are marked with "*" are provided for identification purposes only.

IMPORTANT NOTES

- I. The Board of Directors, the Supervisory Committee and all Directors, Supervisors and senior management of the Company warrant the truthfulness, accuracy and completeness of the contents contained in this interim report, and that there are no misstatements, misleading representations or material omission in the contents contained herein, and severally and jointly bear legal responsibilities thereof.
- II. This report was considered and approved by the Board of Directors of the Company with the attendance of all Directors in person. None of the Directors raised any objection to this report.
- III. The interim report was unaudited. The interim condensed consolidated financial statements for 2023 were prepared by our Company according to the IFRSs, which have been reviewed by Deloitte Touche Tohmatsu.
- IV. Mr. Shen Rujun (Chairman of Board) and Mr. Huang Zhaozui, the President (Chief Executive Officer), guarantee that the financial statements set out in this interim report are true, accurate and complete.
- V. The Company will neither distribute profit nor increase Shares with the use of capital reserve during the mid-term of 2023.
- VI. Statement for the risks involved in the forward-looking statement

The forward-looking statements such as future plans, development strategies contained in this report do not constitute substantive undertakings by our Company to investors who are advised to be cautious about investment risks.

- VII. No appropriation of funds on a non-operating basis by the Company's controlling shareholder or other related parties has occurred.
- VIII. The Company did not provide any external guarantee in violation of the decision-making procedures.

IX. The business operations of our Company are closely related to the macro economy, monetary policy and market conditions in China and other jurisdictions where our businesses are operated. Any fluctuation in China's and international capital markets will affect the Company's business performance.

The risks faced by our Company mainly include: strategic risk, business management risk, market risk, credit risk, liquidity risk, operational risk, IT risk, compliance risk, legal risk, money laundering risk, and reputational risk.

Our Company will work on its organizational structure, management mechanism, IT system, risk indicator framework, talents cultivation and risks response mechanism, etc., to prevent and manage the above-mentioned risks. For detailed analysis and measures taken by our Company in respect of the risks, please refer to the content in "Management Discussion and Analysis – VI. Risk Management".

X. Certain amounts and percentage figures included in this report have been subject to rounding. Any discrepancies in any table or chart between the arithmetic sum shown and the total of the figures listed preceding them are due to rounding. Unless otherwise stated, the amounts in this report are presented in RMB.

COMPANY PROFILE

(As of June 30, 2023)

I. BASIC CORPORATE INFORMATION

Chinese name	中國國際金融股份有限公司
Abbreviation of Chinese name	中金公司
English name	China International Capital Corporation Limited
Abbreviation of English name	CICC
Legal representative	Shen Rujun
Chairman	Shen Rujun
President (Chief Executive Officer)	Huang Zhaohui
Authorized Representatives	Huang Zhaohui, Zhou Jiaxing
Joint Company Secretaries	Sun Nan, Zhou Jiaxing
Registered and office address	27th and 28th Floor, China World Office 2, 1 Jianguomenwai Avenue, Chaoyang District, Beijing, PRC
Postcode	100004
Place of business in Hong Kong	29/F, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong, China
Company website	http://www.cicc.com
E-mail	Investorrelations@cicc.com.cn
Registered capital	RMB4,827,256,868
Net capital	RMB46,085,994,466

Business scope and each individual business qualification of the Company

According to the *Business License*, the Company's business scope covers: securities business; foreign exchange business; public securities investment fund sales; intermediary introduction business provided by securities companies to futures companies; custodian business for securities investment funds.

Please refer to "Appendix I: Company's Main Business Qualifications" in this report for the main business qualifications of the Company.

II. CONTACT

Contact Secretary to the Board: Sun Nan

Securities Affairs Representative: Zhou Cen

Address 27th and 28th Floor, China World Office 2, 1 Jianguomenwai Avenue, Chaoyang District, Beijing, PRC

Telephone (010) 65051166

Facsimile (010) 65051156

E-mail Investorrelations@cicc.com.cn

III. INFORMATION DISCLOSURE AND PLACE AVAILABLE FOR INSPECTION

Names and websites of the medium where the interim report is disclosed

China Securities Journal (<https://www.cs.com.cn>)
 Shanghai Securities News (<https://www.cnstock.com>)
 Securities Times (<http://www.stcn.com>)
 Securities Daily (<http://www.zqrb.cn>)

Websites where the interim report is disclosed

Website of the SSE: <http://www.sse.com.cn>
 Website of the HKEX: <http://www.hkexnews.hk>

Place available for inspection of the interim report

27th and 28th Floor, China World Office 2, 1 Jianguomenwai Avenue, Chaoyang District, Beijing, PRC

IV. OVERVIEW OF COMPANY STOCK

Class of shares	Stock exchange of listing	Stock abbreviation	Stock code
A Shares	SSE	CICC	601995
H Shares	HKEX	CICC	03908

SUMMARY OF ACCOUNTING DATA AND FINANCIAL INDICATORS

I. MAJOR ACCOUNTING DATA AND FINANCIAL INDICATORS

Unit: RMB in million

Items	Six months ended June 30, 2023	Six months ended	
		June 30, 2022	% of change
Operating results			
Total revenue and other income	18,606.7	17,651.0	5.4%
Total expenses	14,478.8	13,148.6	10.1%
Profit before income tax	4,129.9	4,518.4	(8.6%)
Profit attributable to shareholders of the parent company	3,560.6	3,841.6	(7.3%)
Net cash (used in)/generated from operating activities	(10,791.4)	20,536.7	N/A
Basic earnings per share (RMB/share)	0.670	0.743	(9.8%)
Weighted average return on net assets	3.8%	4.6%	Decreased by 0.8 percentage point

Items	June 30, 2023	December 31, 2022	% of change
Financial position			
Total assets	650,364.6	648,764.0	0.2%
Total liabilities	547,696.3	549,289.3	(0.3%)
Total equity attributable to shareholders of the parent company	102,360.6	99,188.1	3.2%
Accounts payable to brokerage clients and to underwriting client	99,631.0	92,100.0	8.2%
Total share capital (in million shares)	4,827.3	4,827.3	–
Net assets per share attributable to shareholders of the parent company (RMB/share)⁽¹⁾	17.8	17.2	3.8%
Gearing ratio⁽²⁾	81.4%	82.1%	Decreased by 0.8 percentage point

(1) Net assets per share attributable to shareholders of the parent company is calculated based on total equity attributable to shareholders of the parent company less other equity instruments.

(2) Gearing ratio = (total liabilities – accounts payable to brokerage clients and to underwriting clients)/(total assets – accounts payable to brokerage clients and to underwriting clients).

— Total revenue and other income —

RMB in million

17,651.0

18,606.7

Six months ended
June 30, 2022 **Six months ended
June 30, 2023**

— Profit attributable to shareholders
of the parent company —

RMB in million

3,841.6

3,560.6

Six months ended
June 30, 2022 **Six months ended
June 30, 2023**

— Weighted average return on net assets —

4.6%

3.8%

Six months ended
June 30, 2022 **Six months ended
June 30, 2023**

82.1%

81.4%

December 31, 2022 **June 30, 2023**

— Total assets —

RMB in million

648,764.0

650,364.6

December 31, 2022 **June 30, 2023**

— Total equity attributable
to shareholders of the parent company —

RMB in million

99,188.1

102,360.6

December 31, 2022 **June 30, 2023**

II. DIFFERENCES OF ACCOUNTING DATA UNDER DOMESTIC AND FOREIGN ACCOUNTING STANDARDS

In terms of our Group's profit attributable to shareholders of the parent company for the six months ended June 30, 2023 and ended June 30, 2022 and the net assets attributable to shareholders of the parent company as of June 30, 2023 and December 31, 2022, there's no difference between the numbers presented in the condensed consolidated financial statements prepared in accordance with IFRSs and those presented in the consolidated financial statements prepared in accordance with CASs.

III. NET CAPITAL AND RELEVANT RISK CONTROL INDICATORS

As of June 30, 2023, the net capital of the parent company amounted to RMB46,086.0 million, representing an increase of 1.7% compared with RMB45,336.9 million as of December 31, 2022. During the Reporting Period, our parent company's net capital and other risk control indicators all met regulatory requirements.

Unit: RMB in million

Items	June 30, 2023	December 31, 2022
Core net capital	30,724.0	30,224.6
Supplementary net capital	15,362.0	15,112.3
Net capital	46,086.0	45,336.9
Net assets	78,298.5	77,107.1
Total risk capital reserves	25,120.0	24,852.8
Total on-and-off-balance-sheet assets	262,564.6	268,837.1
Risk coverage ratio	183.5%	182.4%
Capital leverage ratio	11.7%	11.2%
Liquidity coverage ratio	247.7%	239.7%
Net stable funding ratio	134.4%	154.3%
Net capital/net assets	58.9%	58.8%
Net capital/liabilities	19.4%	18.1%
Net assets/liabilities	32.9%	30.8%
Equity securities and related derivatives held/net capital	53.8%	57.5%
Non-equity securities and related derivatives held/net capital	316.0%	339.5%

MANAGEMENT DISCUSSION AND ANALYSIS

I. CORPORATE STRATEGIES AND OPERATIONS

Market Environment

China's economy has gradually returned to a normalized growth track since the beginning of 2023. China's GDP grew 5.5% year-on-year in the first half of 2023, faster than the full-year growth rate of 3.0% in 2022. China continued to unleash the potential of its domestic demand. In particular, consumption's boost to economic growth increased. Total retail sales of consumer goods increased 8.2% year-on-year in the first half of 2023, maintaining fast growth. The contribution of final consumption expenditure to economic growth reached 77.2% in the first half of 2023, higher than last year. Investment continued to grow – fixed asset investment increased 3.8% year-on-year in the first half of 2023. Infrastructure investment and manufacturing investment increased 7.2% and 6.0% year-on-year.

The quality of economic development continued to improve, with new drivers maintaining rapid growth. Investment in the high-tech manufacturing sector and high-tech service sector increased 11.8% and 13.9% year-on-year in the first half of 2023, which outpaced the growth of overall fixed asset investment by 8.0 percentage points and 10.1 percentage points, respectively. Equipment manufacturing enterprises above the designated size recorded 6.5% year-on-year growth in their value added, which outpaced that of all industrial enterprises above the designated size by 2.7 percentage points. The value added of the high-tech aerospace craft and equipment manufacturing industry increased 22.9% year-on-year. Products related to the clean energy sector grew rapidly. Production of photovoltaic cells, wind turbine generators, and hydroelectric generators increased

54.5%, 48.1%, and 32.3% year-on-year in the first half of 2023.

Macroeconomic policies have focused on strengthening the foundation of economic recovery, and capital market reforms have progressed in an orderly manner. China's economy is in a crucial period of recovery and industrial upgrading, and the development environment is still subject to significant complexity and uncertainty. China has stepped up macroeconomic policies that focus on expanding domestic demand, building a modern industrial system, and advancing market-oriented reforms. In terms of cyclical policies, the PBOC cut the required reserve ratio (RRR) for financial institutions by 25 basis points (bp) and the policy interest rate by 10bp in the first half of 2023. In terms of structural policies, the CPC Central Committee and the State Council issued the *Guideline on Boosting the Growth of the Private Economy* in July 2023, which fully recognizes the important role, status, and contribution of the private economy. The document lays out measures to chart ways and moves to foster the healthy and high-quality development of the private economy from 6 aspects and by 31 rules. In terms of capital market reforms, China fully implemented the registration-based IPO system in February 2023. The China Securities Regulatory Commission (CSRC) introduced a set of detailed rules, and the first batch of companies were listed under the registration-based IPO system on the main board, marking the full implementation of the system. The full implementation of the registration-based IPO system has strengthened the functions of the capital market, and the improvement of various basic systems can help optimize the capital market's ecosystem and help the capital market fully play its role in improving the efficiency of resource allocation.

The full implementation of the registration-based IPO system has enhanced the ability of China's capital market to serve the real economy.

China's capital market opened a new chapter amid economic recovery in the first half of 2023.

China led the world's major economies in economic growth recovery in the first half of 2023. Against this backdrop, major broad-based indexes in China's capital market generally performed better in the first half of 2023 compared with the same period last year. A total of 528.6 billion mutual fund units were issued in the first half of 2023, and the net asset value of mutual funds continued to grow compared with the end of 2022. The amount of securities assets managed by privately offered funds and the amount of equity and securities investment by insurance companies both increased compared with the end of 2022. Northbound trading under the Stock Connect program recorded a cumulative net fund inflow of RMB183.3 billion in the first half of 2023 despite fluctuations in fund flows, exceeding the full-year net inflow in 2022. The overall valuation of China's stock market is quite attractive from a global perspective. We expect China's economy to return to a typical recovery track as more pro-growth policies are implemented. We believe that opportunities outweigh risks in China's capital market in the medium term.

The financial sector provided stronger support for the economy, and the credit structure was further optimized. The PBOC has continued to implement a prudent monetary policy in a precise and forceful manner and stepped up counter-cyclical adjustments since the beginning of the year. The weighted average interest rate on new corporate loans issued in the first half of 2023 was 4.0%, which was 25bp lower than that in the same period last year.

The weighted average interest rate on new personal housing loans issued in the first half of 2023 was 4.2%, 107bp lower than that in the same period last year. New Renminbi loans issued in the first half of 2023 amounted to RMB15.7 trillion, which exceeded the amount in the same period last year by RMB2.0 trillion. Deposit interest rates at commercial banks continued to decline under the market-oriented adjustment mechanism for deposit rates. The financial sector has provided increasing support for key areas such as inclusive finance, sci-tech innovation, green development, and infrastructure construction since the beginning of the year. The PBOC increased the central bank lending quotas for the rural sector and micro and small businesses and the central bank discount quota by a total of RMB200.0 billion. In addition, the PBOC continued to implement inclusive micro and small business loan facilities as well as the loan support scheme to ensure deliveries of presold housing projects. As of the end of June 2023, there was a year-on-year increase of 40.3% in medium- and long-term loans to manufacturing industries, and the increase was 15.8% in medium- and long-term loans to infrastructure projects, 20.4% in loans to small and medium-sized enterprises that use special and sophisticated technologies to produce novel and unique products, and 26.1% in inclusive loans to micro and small businesses. All these figures were higher than the 11.3% growth of total Renminbi loans.

Landscape of Securities Industry

The securities industry's earnings recovered year-on-year in the first half of 2023. The performance of stock market indexes improved from one year ago in the first half of 2023, and the gains of bond market indexes widened. Daily average turnover of the A-share market was RMB944.6 billion, and the balance of margin financing and securities lending increased to

RMB1.6 trillion, up 3% from the level in early 2023. Against such a backdrop, investment income of securities companies rose year-on-year, which could drive up growth in total earnings. Among various business lines, total brokerage revenue of the industry declined year-on-year in the first half of 2023, as market turnover fell slightly, agency sales of financial products still faced difficulties, and commission rates fell marginally. Revenue from the investment banking business came under slight pressure, as A-share IPO fundraising decreased by 16% year-on-year in the first half of the year to RMB218.7 billion, follow-on equity offering decreased by 10% year-on-year to RMB240.9 billion, and credit bond issuance increased by 3% year-on-year to RMB9.4 trillion. The proportion of actively managed products in securities firms' asset management business continued to increase, and the AUM of mutual funds stayed largely flat year-on-year. As such, revenue from asset management will likely remain stable. Improved performance of stock market indexes led to a year-on-year rebound in revenue from proprietary stock trading and co-investment arrangements in the Shanghai Stock Exchange (SSE) STAR market and private equity funds. Meanwhile, revenue from bond investment grew amid broad market gains. Overall, improvement in investment income offset impacts from the decline in other fee incomes.

The securities industry forges ahead toward high-quality development. Since the launch of the pilot registration-based stock issuance system, A-share IPOs have maintained a normal pace and the proportion of new economy companies in total IPOs has gradually increased. In addition, the improvement in supporting trading mechanisms and growth of market scale have also facilitated the long-term development of the brokerage, margin financing and securities lending, and direct investment businesses. These impose higher requirements on investment banking practices, as well as securities firms' investment research, institutional sales, and risk control capabilities. On March 31, the CSRC solicited public opinions on the draft amendment to *Rules on Supervision over Securities Companies*. The draft amendment adds "enhancing the ability of the securities industry to serve the real economy" into the legislative purpose. Moreover, the draft amendment highlights the need to strengthen supervision and clarifies the principle of differentiated supervision. The document aims to guide the industry to stay true to its original mission and achieve intensive growth. It also attaches importance to the long-term development of the industry and leaves room for regulatory transformation and industry innovation. In June, the CSRC solicited public opinions on the *Draft of Administrative Regulations on the Investment Advisory Business for Publicly Offered Securities Investment Funds*, which lays a foundation for pilot schemes of this business to become regular operations. In view of the regulator's recent work plan for the reform of fee rates in the mutual fund industry, the industry has formed a consensus to further develop the investment advisory business and continue to advance the transition to wealth management business. Institutional reforms will drive

the transformation and development of the securities industry, and guide the industry to embark on a path of high-quality development characterized by standardized and specialized development, intensive growth, and business differentiation.

In the long run, improvements in competitive landscape, capital efficiency, and cost structure will enhance the average ROE of high-quality securities firms. The average ROE of Chinese securities firms is generally lower than other Chinese financial institutions, such as banks and fund companies, as well as leading international investment banks. Compared with banks, the leverage ratio of Chinese securities companies is subject to the ceiling set by the regulator, the need to stabilize business operations, and the diversity of debt tools. The average ROA of Chinese securities companies is lower than fund companies, mainly because the latter feature a higher proportion of asset-light businesses in overall business portfolio, and a higher profit margin. In addition, the average ROE of Chinese securities firms is lower than that of international investment banks, mainly due to the combined impact of factors such as regulatory differences, market depth, cost structure, and business transformation. Looking ahead, 1) Deepening reforms, such as the across-the-board registration-based stock issuance system, and the guidance of differentiated supervision, will facilitate continuous improvement in the breadth and depth of the capital market. They can

also help advance supply-side reforms, upgrade the profit model, and improve the industry's competitive landscape; 2) Companies with sufficient business demand and leading risk control capabilities can marginally enhance their leverage ratios due to the pilot program for consolidated supervision, potential improvement in capital regulatory measures, or the requirement that securities firms' financing activities should focus on addressing necessary and reasonable financing needs; 3) The potential decline in long-term funding cost, adoption of intensive growth model, and digital transformation will facilitate cost reduction and efficiency enhancement, which could help securities companies improve their cost structure. In the long run, top-notch securities firms with leading comprehensive service capabilities and specialized firms with outstanding industry expertise could see a continuous rise in ROE.

Development Strategies

CICC's strategic vision is to focus on serving the priorities of the national development, innovating to support the real economy, actively promoting capital market reform, and effectively promoting financial risk mitigation. CICC attaches importance to medium and long-term development, and will clarify the direction, capture the opportunities to promote the Company to accelerate strengthening and improving its core competitiveness, and strives to become a leading international investment bank in China.

Business Plans

The year of 2023 is the first year to implement the spirit of the 20th CPC National Congress. Guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the Company will fully implement the spirit of the 20th CPC National Congress and the deployment of the Central Economic Work Conference, uphold and strengthen the overall leadership of the Party, strive for stable progress in operation and management, further deepen the effectiveness of serving national strategies, improve the internal management level in an all-round way, carry out the "Three + One" strategic deployment, optimize the business model, strengthen capacity building, vigorously promote innovation, and build a competitive advantage of differentiated development, to boost the Company's high-quality development.

First, give priority to the overall development and improve the quality and effectiveness of serving national strategies. Second, improve the management level and boost the high-quality development of the Company. Third, accelerate strategy execution and keep advancing ahead towards the medium and long-term goals. Fourth, optimize the business model and enhance countercyclical and stability. Fifth, vigorously innovate and build new competitive advantages. Sixth, strengthen risk control and compliance management and safeguard the bottom line of no major risks.

II. ANALYSIS OF CORE COMPETITIVENESS

(I) Premier Brand

Our Company has established a premier brand in the financial services industry. Since the inception, our Company has drawn on the best practices of market in China, and has always adhered to the business philosophy of "By the People and For the Nation, Professionalism and Diligence, Innovation and Entrepreneurship, Clients First, and Integrity", which won us a market reputation at home and abroad. For years, while maintaining high-standard practices, our Company has actively participated in reforms and system construction of the capital market to stimulate business innovation. Our Company maintained leading positions in many businesses for years, and was honored numerous awards as the best player in China.

Our Company regarded the brand cultivation and cultural building as key measures to continuously enhance our market leading position. Leveraging our franchise and core values of professionalism, entrepreneurship and pursuing excellence, our Company continued to attract outstanding talents and new clients, expand our business scope and capture important business opportunities while maintaining the stability of existing employees and clients.

(II) High-quality Client Base

Our Company has explored an extensive and profound client base with high quality. Relying on our excellent service quality and professional service capabilities, our Company has formed a profound client base covering a wide range of large-sized enterprises, high-quality emerging growth companies, professional institutional investors and growing wealth management clients that play important roles in the national economy and capital market. Our Company can provide our clients with complicated, diversified and high-quality business services through our integrated and customized cross-border platform. Our Company has developed long-term cooperation with clients and are dedicated to providing them with a comprehensive suite of products and services.

(III) Balanced Business Structure

Our Company has established our business structure from a forward-looking prospective based on our insight into development trends of global capital markets. With the accelerating process of internationalization and institutionalization of the capital market in recent years, a large number of traditional channel businesses are facing tremendous pressure. As such, in line with the trend of "institutionalization", "internationalization" and "product sophistication", our Company continued to enhance the overall capabilities, and has embarked on a new track in advance to closely focus on key national deployment areas such as technological innovation and green development, and promoted the sustainable development of emerging businesses related to asset management business, private equity business and wealth management business.

(IV) Outstanding Cross-border Capability

Capitalizing on our first mover advantage in pursuing international strategy, our Company has formed outstanding cross-border business capabilities with a leading position in the cross-border arena, thus proactively playing our role in serving cross-border capital transactions and promoting the mutual opening of financial markets.

In terms of international presence, our Company has established overseas operations and business activities in seven financial centres across Hong Kong, New York, London, Singapore, San Francisco, Frankfurt and Tokyo, which are managed by respective business lines vertically, so as to fully mobilize domestic and overseas resources including research, people and products, thus providing one-stop cross-border services for our clients. The seamless connection among our domestic and overseas businesses equipped our teams with both domestic and overseas business experience, and have obtained qualifications for domestic businesses and businesses in several overseas regions.

In terms of cross-border business, our Company has been serving the “bringing in” and “going global” needs of industrial capital and financial capital, which enabled us to enjoy certain advantages in businesses such as overseas IPOs

for PRC-based companies, offshore bond offerings, and cross-border mergers and acquisitions, to sustain strong growth in emerging businesses such as cross-border transactions and the Connect business, thereby obtaining more bargaining and pricing power in the international capital markets.

(V) Leading and Influential Research

Research is an important foundation for our business. Our talented, experienced and international research team has provided objective, independent, prudent and professional research services for domestic and overseas clients through our research platform covering the global markets. With in-depth understanding, thorough analysis and unique insights into Chinese companies and industries, our research team has won the Company a reputation as the “China Expert”.

Our research capabilities have been widely recognized by influential international institutions. These included the “No. 1 Overall Country Research for China” in the *Asiamoney Brokers Poll*, which marked the 17th consecutive year of our championship in this poll from 2006 to 2022. We were also named the “No.1 The All-China Best Research Team” by *Institutional Investor* for eleven consecutive years from 2012 to 2022. In 2020, our Company established the CICC Global Institute (CGI), which focuses on public policy research and is committed to building a new

think tank in the new era. The CGI and CICC Research are committed to working side by side to provide all-round research support for the economic and social development.

(VI) Experienced Management and High-quality Workforce

Our Company has a senior management team with global perspectives and entrepreneurship, and a high-quality workforce with full licenses at home and abroad.

Most members of our senior management team have work experience in domestic and overseas financial institutions with global perspectives. In the meantime, they have experienced the main development course and multiple cycles of China's securities industry, and are equipped with rich experience and profound understanding regarding domestic and overseas capital markets and the securities markets. Riding on the concept of "Chinese Roots and International Reach", our senior management team has constantly combined advanced management experience with the practices of China's financial reform, and took the lead in developing new products and vigorously exploring new markets.

Our excellent brand and high-quality platforms enabled us to recruit the best graduates from top domestic and overseas universities, providing the best talents for our domestic and overseas branches. Our sound staff

development and training system has provided comprehensive and systematic training for employees at different levels and positions, thereby continuously enhancing professional capabilities of our workforce and equipping them with practice capabilities to obtain full licenses. Through the above measures, we have developed high-quality workforce to support our rapid, healthy and sustainable development.

(VII) Efficient Management Model and Prudent Risk Management Mechanism

Our Company has established an efficient and reasonable management model and a comprehensive and prudent risk management mechanism. Since establishment, our Company has adhered to the concept of combining best international practices with the actual conditions of China, formulated a full set of governance structure and management procedures in line with international standards, and established a vertical management model covering all business operations and internal control of the Company to ensure efficient and effective management. At the same time, our Company has always adhered to and continuously strengthened the "all staff, whole process, full coverage and penetrating" risk control compliance system and operating mechanism, through which the parent company can conduct integrated vertical management over domestic and overseas subsidiaries and branches, and the same business and the same client can be subject to unified risk management. Therefore,

our Company has formed centralized and effective business management and risk control, and unified decision-making, management and resources allocation, thus ensuring the smooth and orderly development of our business and the stable operation of our risk control system.

(VIII) Advanced Information Technology Capabilities

We consider information technology as a core component of our competitiveness. We have a sound IT governance structure and the industry-leading independent research and development capabilities. Our Company has developed three basic technology systems regarding basic transactions, products and services, and risk control and operation management, to provide complicated whole-process and end-to-end financial products and services for clients and various business units as well as global support of comprehensive business operation and management capabilities. Our Company has adopted self-developed and industry-leading core business systems and platforms with stable operation.

The Company will continue to promote our business development based on information technologies. With the continuous advancement of information technologies in recent years, our Company has also increased capital investment in and attached importance to talent training and capacity building, continued to optimize our organizational structure and operating model, and proactively researched and explored the application of new technologies in various business areas of investment banks, so as to promote the integration of businesses and technologies. Capitalizing on the advantages brought by the booming development of China's financial technologies, we have actively carried out strategic cooperation with China's leading technology companies to develop new products, businesses and models with data and technology.

III. ANALYSIS OF PRINCIPAL BUSINESS

The Company's investment banking business mainly provides investment banking services such as equity financing, debt and structured financing and financial advisory for domestic and foreign corporate and institutional customers, including sponsorship and underwriting of initial public offering and listing at home and abroad, sponsorship and underwriting for refinancing of domestic and foreign listed companies, underwriting of various domestic and overseas fixed income financing instruments, financial advisory services for transactions such as corporate mergers and acquisitions, strategic acquisition of shares, privatization and spin-off of listed companies.

The Company's equities business mainly provides domestic and overseas professional investors with one-stop comprehensive financial services covering "investment research, sales and trading, derivatives products and cross-border business", including institutional trading services and capital business. Capital business mainly includes providing professional investors with various innovative products and capital services such as prime brokers, over-the-counter derivatives, capital introduction and market-making transactions.

The Company's FICC business mainly provides domestic and foreign enterprises and institutional customers with integrated and comprehensive services covering sales, trading, research, advisory and structuring of fixed income, commodity and foreign exchange securities and derivatives. Specifically, FICC operates in interest rate business, credit business, structured business (including securitized products and non-standard products), foreign exchange business and commodity business (including futures business).

The Company has full licenses in asset management, and a diversified portfolio of asset management products. With reference to international industry standards and domestic regulatory requirements, the Company has established a unified asset management business platform covering domestic and overseas markets, which mainly designs and provides diversified asset management products and services, including social security and annuity investment management, institutional entrusted investment management, offshore asset management, retail and mutual fund products and services for domestic and foreign investors.

The Company's private equity business serves domestic and foreign investors, designing and providing integrated private equity investment fund products and services, mainly including corporate equity investment fund, FoF, USD fund, real asset fund, and infrastructure fund. The Company carries out unified management of domestic and overseas private equity investment fund business through our private equity fund management subsidiaries, which invest in high-quality enterprises with long-term growth potential, core competitiveness and strong management teams.

The wealth management business of the Company mainly provides a wide range of wealth management products and services to individuals, families and corporate customers to meet their trading, investment and asset allocation demand, including trading services, capital services such as margin financing, securities lending and stock-pledge repo, and product allocation services.

The research business of the Company mainly supports various business lines of the Company by providing objective, independent, rigorous and professional research services to domestic and foreign customers. In 2020, the Company established the CICC Global Institute, which focuses on public policy research and is committed to building a featured think tank in the new era.

(I) INVESTMENT BANKING

Equity Financing

Market Environment

In the first half of 2023, a total of 184 A-share IPOs were completed, with an aggregate financing size of RMB218,720 million, representing a year-on-year decrease of 15.9%; a total of 133 A-share follow-on offerings were completed, with an aggregate financing size of RMB240,885 million, representing a year-on-year decrease of 9.9%.

In the Hong Kong primary market, a total of 28 Hong Kong IPOs were completed, with an aggregate financing size of US\$2,253 million, representing a year-on-year decrease of 16.1%; in terms of follow-on offerings and sell-downs, a total of 99 transactions were completed with an aggregate amount of US\$9,666 million, representing a year-on-year increase of 72.0%.

In the U.S. primary market, a total of 17 US IPOs of PRC-based companies were completed, with an aggregate financing size of US\$466 million, representing a year-on-year increase of 214.4%. A total of 22 US follow-on offerings and sell-downs of PRC-based companies were

completed, with an aggregate size of US\$2,159 million, representing a year-on-year increase of 944.8%.

Actions and Achievements

In the first half of 2023, our Company closed a total of 9 A-share IPOs acting as the lead underwriter, with an aggregate lead underwriting amount of RMB20,218 million, ranking the third in the market. The Company continued to consolidate the advantages in large projects, and led the completion of A-share IPOs including Nexchip and CECport. The Company closed a total of 13 A-share follow-on offering projects acting as the lead underwriter, with an aggregate lead underwriting amount of RMB35,475 million, ranking the third in the market.

In the first half of 2023, the Company sponsored a total of 8 Hong Kong IPOs, including that of JF Wealth and Laekna, with an aggregate lead underwriting amount of US\$508 million, ranking the first in the market; the Company closed a total of 9 Hong Kong IPOs acting as the global coordinator, with an aggregate lead underwriting amount of US\$487 million, ranking the first in the market; and the Company also closed a total of 9 Hong Kong IPOs acting as the bookrunner, with an aggregate lead underwriting amount of US\$258 million, ranking the first in the market. The Company closed 7 transactions of follow-on offerings and sell-downs for Hong Kong stocks acting as the bookrunner, with an aggregate lead underwriting amount of US\$483 million.

In the first half of 2023, we fully implemented the major decisions and deployments of the Party Central Committee and the State Council, and promoted the high-quality development of investment banking business in the great vision of serving the development of China. To serve national science and technology innovation, we completed IPO financing of over RMB22.0 billion on the STAR Market and the ChiNext Board, including industry benchmark projects such as CSI Solar and DEERMA. To serve the green development strategy, we completed related equity projects with deal size of nearly RMB50.0 billion, including the A-share non-public offering of POWERCHINA and the A-share non-public offering of SEMCORP. To serve the dual circulation of domestic and foreign markets, we completed related equity projects with deal size of nearly RMB35.0 billion, including the listing of Ferretti in Milan.

Items	January to June 2023		January to June 2022	
	Lead underwriting amount (RMB in million)	Number of offerings	Lead underwriting amount (RMB in million)	Number of offerings
IPOs	20,218	9	22,225	14
Follow-on offerings	35,475	13	48,066	21
Preferred shares	2,500	1	0	0

Items	January to June 2023		January to June 2022	
	Lead underwriting amount (USD in million)	Number of offerings	Lead underwriting amount (USD in million)	Number of offerings
Hong Kong equity offerings ¹				
IPOs	258	9	227	12
Follow-on offerings	483	7	318	6

Source: Company statistics; Wind for A-share market, Dealogic for offshore market.

Note: Domestic follow-on offerings include private placement, public placement and rights issue; follow-on offerings for Hong Kong stock market include placement, rights issue and block trade sell down.

¹ Based on lead underwriting amount as the bookrunner

Outlook for the Second Half of 2023

In the second half of 2023, the Company will continue to fully implement the guiding principles of the 20th CPC National Congress, seize the business opportunities brought by the across-the-board registration-based IPO system, and continuously improve the quality and efficiency of serving national strategies such as scientific and technological self-improvement, major regional development, dual circulation, and green development. The Company will continue to consolidate core advantages, strengthen capacity building, enhance the project pipeline and market share, and increase the number of clients covered. It will give full play to professional advantages and actively contribute to the construction of a modern capital market with Chinese characteristics.

Debt and Structured Financing

Market Environment

In the first half of the year, China's bond market was volatile and strong as a whole. Credit bonds issued amounted to approximately RMB9.36 trillion, representing a year-on-year increase of 2.9%, among which the asset securitization products issued amounted to RMB0.86 trillion, representing a year-on-year decrease of 10.2%. In the first half of the year, local government bonds issued amounted to RMB4.37 trillion, representing a year-on-year decrease of 16.8%. In terms of offshore bonds, overseas interest rates continued to rise due to the Federal Reserve's interest rate hikes. In the first half of the year, medium-and long-term offshore bonds issued by Chinese issuers amounted to US\$46,514 million, representing a year-on-year decrease of 34.7%.

Actions and Achievements

In the first half of 2023, the onshore bonds underwriting amount of CICC was RMB505,190 million, representing a year-on-year increase of 2.3%; the offshore bonds underwriting amount was US\$2,817 million, representing a year-on-year decrease of 9.3%.

In the first half of 2023, CICC's debt and structured financing business has made remarkable achievements in serving the national science and technology advancement, promoting infrastructure public REITs products, and supporting the national "Dual-carbon" strategy, adhering to serving the real economy. In the first half of 2023, CICC ranked No. 4 in terms of onshore bonds underwriting amount, No. 3 in terms of underwriting amount of asset-backed securities, and No. 3 in terms of underwriting amount of local government bonds in the industry. In the field of infrastructure public REITs, CICC ranked first in the market in terms of the listed projects under management, and continued to lead the market in terms of expansion, market making, strategic investment and research coverage. In terms of offshore bonds, CICC ranked No. 1 among PRC-based securities companies in terms of offshore bonds underwriting amount by Chinese issuers. Specifically, CICC ranked No. 1 among PRC-based securities companies in terms of underwriting amount of offshore ESG bonds by Chinese issuers. CICC also ranked No. 1 among PRC-based securities companies in terms of the underwriting amount of investment-grade USD bond offerings by Chinese issuers for over seven consecutive years.

In terms of milestone deals and product innovation, in the field of green bonds, the Company assisted CECEP Solar Energy Technology (中節能股份) in completing the issuance of the first green corporate bond under the *Common Ground Taxonomy* on the SZSE, and Wuhan Optics Valley Traffic Company (武漢光谷交通) in completing the issuance of carbon neutrality green corporate bonds. In terms of supporting regional economic development, the Company assisted Chengdu Communications Investment Group (成都交通投資集團) in completing the issuance of the "Chengdu-Chongqing Twin Cities Economic Circle" bond, being China's first bond to raise funds for expressway project. In terms of scientific and technological innovation, the Company assisted Beijing Enterprises Group (北京控股集團) in completing the issuance of market's first 10-year science and technology innovation bond of local state-owned enterprises. In terms of rural revitalization, the Company assisted Shanxi Road & Bridge Construction Group (山西路橋建設集團) in completing the issuance of rural revitalization notes. In the field of infrastructure public REITs, the optics valley industrial park REIT project of Hubei Science Technology Investment (湖北科投) was completed, which is the first infrastructure public REIT for industrial park in Hubei Province. In terms of offshore bonds, in the field of ESG bonds, the Company assisted multiple branches of Industrial and Commercial Bank in the issuance of multi-currency carbon neutral thematic green bonds, assisted China Construction Bank London Branch and Sydney Branch, and Bank of China New York Branch in the issuance of green bonds, and assisted Huzhou City Investment (湖州城投) and Yiwu State-owned Capital Operation (義烏國資) in the issuance of sustainable

bonds. In the field of product diversification and innovation, the Company assisted China Taiping in completing the issuance of subordinated capital bonds, and assisted Bank of China Macau Branch in issuing the global first RMB "Yulan Bond". In the internationalization field, the Company assisted China Education Group (guaranteed by CGIF, a trust fund of the Asian Development Bank) in the issuance of RMB Dim Sum Bonds, assisted New Development Bank, SSA (Sovereigns, Supranational, and Agencies) issuer, in completing private placement issuance and euro commercial paper issuance, and assisted the wholly-owned Asian subsidiary of the Korea Development Bank in the issuance of offshore certificates of deposits. In terms of debt restructuring, the Company assisted several leading real estate enterprises in resolving debt risks, involving a total debt scale of approximately RMB56.0 billion.

Outlook for the Second Half of 2023

In the second half of 2023, the Company will, as always, ensure business development is in line with policy guidance, and give full play to its professional advantages. The Company will combine its efforts in innovating fixed income products with those in serving national strategic development, and increase investment in serving scientific and technological innovation, green development strategy, rural revitalization, and optimization of industrial upgrading. The Company will consolidate the advantages in the field of infrastructure public REITs. The Company will also actively seize opportunities arising from corporate debt management and credit repair business. In the international business, the Company will actively participate in the construction of the offshore RMB bond market

and promote green and sustainable debt financing. The Company will expand overseas customer base, and relying on the advantages of CICC's cross-border platform, provide domestic and foreign enterprises with multi-currency debt financing and risk management solutions. In addition, the Company will continue to enhance the awareness of risk prevention and control, strictly control project access, and comprehensively improve the contracting and executing quality of fixed income business.

Financial Advisory Services

Market Environment

In the first half of 2023, according to Dealogic, 1,453 mergers and acquisitions ("M&A") transactions in PRC Market were announced with an aggregate volume of approximately US\$149,962 million, representing a year-on-year decrease of 30.7%, among which, 1,267 transactions were domestic with a total volume of approximately US\$119,289 million, representing a year-on-year decrease of 36.9%; and 186 transactions were cross-border with a total volume of approximately US\$30,673 million, representing a year-on-year increase of 12.5%.

Actions and Achievements

In the first half of 2023, according to Dealogic, CICC maintained our leading position and continued to rank No. 1 in the PRC M&A Market. In the first half of 2023, according to Dealogic, CICC announced 33 transactions, involving an aggregate volume of approximately US\$30,465

million. Among these transactions, 27 were domestic with a total volume of approximately US\$24,015 million and 6 were cross-border or offshore with a total volume of approximately US\$6,449 million.

In the first half of 2023, we served the national strategy and helped the strategic restructuring of central and state-owned enterprises. We announced a number of deals, including the investment in Postal Savings Bank of China by China Mobile, the acquisition of a controlling stake in Sichuan JCC Rare Earth Metals (四川江銅稀土) by China Rare Earth Group, and the integration of assets of controlling shareholders by Yankuang Energy Group. To promote market-oriented industrial M&A and financing transactions, we announced deals including COFCO Fortune (中糧福臨門)'s strategic investor introduction and PowerChina Renewable Energy's strategic investor introduction. To keep leading Hong Kong stock market and cross-capital market transactions, we announced the H-share privatization of Yitai Coal, the privatization of Dali Foods, the privatization of Jiangnan Group, China Resources Medical's acquisition of LH Targets and JE Target from China Resources Healthcare, and the acquisition of a controlling stake in Halcyon Agri Corp, a Singapore rubber company, by Hainan Rubber (海南橡膠), triggering a pre-conditional mandatory cash offer. We continued to help the government and enterprises resolve risks, protect the employment, and lead multiple debt restructuring deals.

Milestone transactions announced in the first half of 2023 include:

Project	Size	Highlights
Investment in Postal Savings Bank of China by China Mobile	US\$6.5 billion	The largest all cash-based A-share non-public offering through bookbuilding ever in A-share market
COFCO Fortune's strategic investor introduction	US\$3.1 billion	The largest private equity financing in food and agriculture industry in China since 2022
Acquisition of a controlling stake in Halcyon Agri Corp, a Singapore rubber company, by Hainan Rubber, triggering a pre-conditional mandatory cash offer	US\$1.8 billion	The transaction involved three listed companies in and outside of China, marking a milestone under the national "Belt and Road" strategy and the "Going Global" strategy of Hainan Province
PowerChina Renewable Energy's strategic investor introduction	US\$1.1 billion	The largest private financing by a domestic new energy operator since 2022
H-share privatization of Yitai Coal	US\$0.7 billion	The largest H-share buy-back privatization transaction, the first H-share privatization transaction of a company listed on SSE B-share and HKEX
China Resources Medical's acquisition of LH Targets and JE Target from China Resources Healthcare	US\$0.6 billion	The largest M&A transaction among Hong Kong listed companies in the medical service industry in the past three years
Series A financing of YOFC Advanced Semiconductor by Yangtze Optical Fibre and Cable	US\$0.4 billion	The largest disclosed private equity financing in semiconductor industry in China since 2023
Acquisition of a controlling stake in Sichuan JCC Rare Earth Metals by China Rare Earth Group	Undisclosed	The first significant acquisition by China Rare Earth Group of regional rare earth resources since its inception

Outlook for the Second Half of 2023

In the second half of 2023, the Company will continue to serve the national strategies, proactively capture M&A opportunities arising from key emerging industries, and leverage our international presence to promote the dual circulation of domestic and foreign capitals and firmly support the high-quality development of the real economy. We will build on our strengths and strive to steadily increase market share. The Company will actively participate in the restructuring of troubled enterprises and the resolution of financial risks.

(II) Equities Business

Market Environment

In the first half of 2023, as the global stock market was disturbed by geopolitical tensions, changes in monetary policy, European and American bank risks, and US debt ceiling negotiations, the overall sentiment was relatively volatile, and the performance of various markets was differentiated. The A-share market was subject to fluctuations and corrections, with slight decrease in trading volume as compared with the same period of the previous year.

As of the end of the first half of the year, performance of the A-share market can be illustrated by the following indexes: +3.7% in SSE Composite Index, +0.1% in SZSE Component Index, -0.8% in Shanghai & Shenzhen 300 Index, +2.3% in China Securities Index 500, -5.6% in ChiNext Price Index, -4.4% in Hang Seng Indexes,

-4.2% in Hang Seng China Enterprises Index and -5.3% in Hang Seng Tech Index. In the first half of 2023, the average daily turnover of A shares reached RMB944,595 million, representing a year-on-year decrease of 3.4%; the average daily turnover in the Hong Kong stock market was HK\$115,539 million, representing a year-on-year decrease of 16.4%; the net northbound flow under the Stock Connect Scheme was RMB183,324 million, and the net southbound flow reached HK\$123,552 million.¹

Actions and Achievements

In the first half of 2023, we actively served the national strategies, leveraged our strengths in the stock business, coordinated with various departments of the Company to introduce high-quality investors to the capital market and channel capital to the real economy as a way to help deepen the reform and opening up of the capital market.

We steadily advanced our business with institutional clients. We have consolidated the advantages of institutional client groups and upgraded our global trading capabilities. We followed the concept of Client First and continued to diversify our clientele, covering more than 9,000 domestic and foreign institutional investors. We provided domestic and foreign institutional investors with one-stop comprehensive financial services for stock business, including investment research, sales, trading, products and cross-border services, and were committed to becoming a high-quality

¹ Source: Wind, SSE, SZSE, Hong Kong Stock Exchange, among which, the average daily turnover in the Hong Kong stock market includes warrants

platform and partner for cross-border bilateral investment for domestic and foreign institutional investors. In 2023, the number of new client accounts achieved solid growth. The market share of QFII clients has ranked first in the market for 20 consecutive years, and investment research services for a number of QFII and global long-only funds ranked top. The market share of Hong Kong stock trading continued to lead among Chinese securities companies. In recent years, the Company has been ranked at the forefront in the investment research services for mutual funds clients. We have achieved a high coverage of hedge funds and remained a leading position in the investment research services for NSSF.

We comprehensively improved our tailor-made products. As a primary dealer, we continued to improve product and service capabilities throughout the whole life cycle for domestic businesses and maintained our market advantage. Through product innovation, we supported clients that use special and sophisticated technologies to produce novel and unique products and helped the high-quality development of the real economy. In the first half of the year, the Company landed the first batch of margin financing and securities lending business on the Beijing Stock Exchange and obtained the market-making qualification of the STAR Market. In terms of offshore product business, we continuously enriched the product and customer structure, and improved the ability of the product sales team, as a way to further enhance our international competitiveness, and ranked among the tops of overseas Chinese securities companies in terms of comprehensive strengths.

We actively expanded our international presence.

We strengthened our international setup, continued to lead cross-border business, and provided customers with first-class global capital market services so as to help CICC expand overseas business, and improve the level of comprehensive service for customers. The share of Stock Connect transactions remained at the forefront of the market. CICC HK Securities became one of the first batch of "HKD-RMB dual counter" market makers. The overseas team cooperated in the implementation of a number of primary and secondary market financing projects to introduce overseas strategic and cornerstone investors for listed companies, and actively attract long-term funds into the market.

We built and broadened the 1.5 lines of defense risk management system across the department, and formed a multi-level, all-round and penetrating risk control and compliance system, to proactively respond to various market fluctuations and emergencies, and firmly hold the bottom line of no major risks. We accelerated digitization process to enable business development, benchmarked against market best practices, and built a platform-based open ecosystem service system to lead financial innovation with digital and intelligent technologies.

Outlook for the Second Half of 2023

In the second half of 2023, the Company will always adhere to the goal of serving national strategies, practice the customer-oriented concept, and strengthen the comprehensive customer service capability. The Company will enhance the innovation of financial products, give full play to the advantages of two-way cross-border business, and improve the digital level of investment and research trading services as a way to build a comprehensive customer service system, and continuously build a world-leading, cross-border connectivity and one-stop service stock business platform.

(III) FICC

Market Environment

In the first half of 2023, the domestic economy experienced its recovery, but the major overseas economies were still facing inflationary pressure, and the market saw repeated divergence and periodical fluctuations. At the beginning of the year, the domestic market saw a slight increase in yield in January amid strong economic recovery expectations. However, due to the long-short divergence at the expectation level, the market continued to fluctuate. Since early March, it has been fluctuating and declining due to the impact of fundamentals and policies. In the first half of 2023, according to the data of Chinabond, the total bond transaction amount in the inter-bank market was RMB92.3 trillion, of which the cumulative trading volume of the Northbound Bond Connect amounted to over RMB4.8 trillion according to the data of China Bond Connect.

Actions and Achievements

In the first half of 2023, the Company continued to promote the development of FICC business. We improved the quality and efficiency of traditional businesses, and actively expanded market presence of emerging businesses with focus on customer service. Bond underwriting and trading volume continued to lead the market. We continued to rank No.1 by spot trading volume of book-entry Chinese Government Bond (CGB) as a syndicate member and No.1 in the market in terms of the underwriting amount of USD bonds of PRC-based companies. We further enhanced the coverage of international customers and trading service capabilities, and established a global sales network covering New York, London, Singapore and Tokyo with Chinese mainland and Hong Kong SAR as centers, with cross-border settlement amount continuing to increase.

In order to actively capture opportunities, we enhanced our product innovation and customer services and continued to develop derivatives business. We continued to capture market opportunities from publicly-offered REITs, carbon transaction, green finance, enterprises that use special and sophisticated technologies to produce novel and unique products, and non-equity ETF. In order to develop the capacity to provide customized services, we enhanced the innovation of domestic and foreign products and launched a number of innovative product lines. We continued to develop the cross-border derivatives business and expand the interest rate, credit and foreign exchange businesses, thereby rallying among leading market makers in terms of key categories of commodities.

In the meantime, we promoted the integration of business and technology, actively explored the innovation of cutting-edge fin-tech, and continuously enhanced risk control capabilities and operation systems constructions.

Outlook for the Second Half of 2023

In the second half of 2023, the Company will continue to promote the strategic transformation of FICC business, enhance comprehensive customer service capabilities, develop a global market-making platform with full time zones, multiple currencies and markets, thus constantly expanding our influence; continue to maintain our dominant position in the traditional FICC business market and expand the scale of the emerging businesses. We will continue to optimize the risk control system and strengthen risk control; further strengthen capabilities in customized products, continuously promote product innovation, and improve the capacity to serve the real economy, with an aim to build an one-stop customer service platform covering all products. We will improve cross-border business capabilities, capitalize on domestic and international dual circulations, and steadily enhance the internationalization setup. In the meantime, we will continue to promote the digital transformation, step up the development of digital economy and enhance the systematic ability of global business development to build a first-class FICC fin-tech platform.

(IV) Asset Management

1. Asset Management

Market Environment

In the first half of 2023, in the healthy development environment created by clear regulation, as the supply side expanded due to market reform, and the demand side boosted by wealth accumulation, the asset management industry entered a sound development track, which accelerated the formation of a new industry pattern featured orderly coopetition, and asset management institutions ushered in more opportunities and challenges. The capital market reform represented by the registration-based stock issuance system expedited to lay a good foundation for the high-quality development of the industry. Important opportunities such as the landing of the individual pension system and the transformation of residents' asset allocation needs have emerged, which is conducive to asset management institutions to further play the function of serving national strategies and supporting industrial transformation and upgrading. In this context, asset management institutions need to build up their own capacity, enhance investment and research capabilities, improve product mix, create characteristic strategies, strengthen compliance and risk control, and give full play to the advantages of the whole business chain so as to promote high-quality business development.

Actions and Achievements

In the first half of 2023, the Company insisted on promoting the high-quality development of asset management business, forging strength, filling weaknesses, improving management quality and efficiency, and enhancing comprehensive competitiveness. To serve the national strategies and the real economy, the Company strengthened the strategic business setup and increased product supply in the fields of pension fund, green finance, dual circulation, and rural revitalization with an aim to promote common prosperity with high-quality asset management services. In terms of investment research, the Company deeply advanced the building of system and mechanism, improved the organizational structure, and strengthened the talent reserves and echelon construction so as to promote the long-term sustainable development of performance. To further enrich the diversity of clients, the Company worked to expand enterprise, insurance and channel clients, extend the service depth and breadth for NSSF and annuities business clients, strengthen overseas client coverage, and carry out product design and client service in a more refined and targeted manner according to the needs of different client groups as a way to develop new business growth points. To continuously strengthen digital empowerment, the Company made efforts to promote the iterative construction of investment research

and risk control systems, continuously optimize product operation processes, and carry out in-depth data governance so as to improve the ability to provide comprehensive asset management services for various clients. The Company firmly maintained the bottom line of risks, consolidated risk control and compliance, promoted the formation of a closed loop of control in rules, processes and systems, and comprehensively strengthened employee management and cultural construction.

As of June 30, 2023, the AUM of the Asset Management Department of the Company was RMB611,097 million. By product line, the AUM of collective asset management products and segregated asset management products (including NSSF, corporate annuities, occupational annuities and pensions) were RMB170,705 million and RMB440,392 million, respectively. We had altogether 796 products under management.

Outlook for the Second Half of 2023

The Company will continue to study and implement the guiding principles of the 20th CPC National Congress, and resolutely implement the decision-making and deployment of the Party Central Committee. Base on inclusive finance, the Company will vigorously serve the national strategies, help coordinate security and development, actively serve the needs of the real economy and wealth management, and give full play to the Company's role of a bridge between

capital and asset ends as a financial institution. The Company will accelerate the establishment of a world-class asset management institution that closely follows the pulse of the times and the needs of customers with the goal of high-quality development.

In the second half of 2023, the Company will adhere to high-quality services for the real economy, focus on the orientation of national development strategies, diversify product mix, continuously consolidate investment research infrastructure, enhance investment research competitiveness and product performance, and continuously promote digital transformation. The Company will vigorously strengthen channel construction, enhance the influence of end clients, respond to client needs in a refined, differentiated and characteristic manner, further enhance the ability to provide high-quality asset management services for different clients, practice new development concepts, and serve the new development pattern. The Company will continue to comprehensively strengthen risk management capacity building, further enhance the compliance awareness of all employees, and strictly abide by the bottom line of compliance risk control.

2. CICC Fund Management

Market Environment

In the first half of 2023, the A-share market was weak and volatile, and the new

issuance of funds was sluggish, hitting a three-year low. The equity market was full of risk aversion, and the scale of equity and hybrid funds decreased slightly. However, driven by the growth of the money market funds and bond funds, the scale of the mutual fund industry increased to RMB27.69² trillion, representing an increase of approximately 6.4% over the end of the previous year.

Actions and Achievements

In the first half of 2023, CICC Fund Management closely followed the requirements of high-quality development, focused on mutual fund business, and strictly observed requirements of compliance and risk control to maintain steady business growth. CICC Fund Management issued new products including CICC CSI 1000 Index Enhanced Initiating Fund (中金中證1000指數增強型發起式證券投資基金) and CICC Selected Changxing Robust 6-month Holding Period Hybrid Initiating Fund of Funds (FoF). The Company successfully completed the first capital raising of CICC GLP REIT and the issuance of CICC Hubei Science Technology Investment Optics Industry Park REIT (中金湖北科投光谷REIT), and the management scale of publicly-offered REITs remained the first in the industry. Meanwhile, as CICC Fund Management continued to strengthen the core competence building of investment and research, the fund performances

² Source: Data from the Asset Management Association of China as of the end of June 2023

improved and many of them ranked in the forefront of its class. Continued efforts were made to improve sales competence. CICC Fund Management has been exploring the online transformation of traditional channels to provide better service for our customers, and the number of customers served grew continuously. In addition, CICC Fund Management kept following the core value of Client First, strived to create investment income for investors, and actively carried out various forms of investor education activities. In the first half of 2023, the overall business of CICC Fund Management was running smoothly, with no major violations of laws and regulations and major potential compliance risks.

As of June 30, 2023, the AUM of CICC Fund Management increased by RMB19,252 million compared with the end of 2022 to RMB130,309 million. The AUM of mutual funds increased to RMB120,828 million, representing an increase of 19.7% compared with the end of 2022.

Outlook for the Second Half of 2023

In the second half of 2023, CICC Fund Management will keep practicing high-quality development and promote steady business growth. We will continue to focus on investment and research team and competence building, adhere to set proper investment styles for different products, and solidly accumulate

product performance. We will continue to strengthen product management and improve product vitality. Efforts will be made to promote the construction of high-quality marketing system to continuously improve service quality and customer reach. We will actively carry out the reform of comprehensive fee rate of mutual funds, adhere to the public attributes of mutual funds, and promote the high-quality development of the industry. We will work on investment education, and strengthen customer accompaniment to continuously improve customer investment experience. We will improve the operation and management of publicly-offered REITs, and establish a benchmark for industry operation competence. In the second half of 2023, CICC Fund Management will continue to strengthen comprehensive competence building, actively explore industry innovation, empower business development through digitalization, strengthen compliance and risk control management, and safeguard the bottom line of no major risks.

(V) Private Equity Investment

Market Environment

In the first half of 2023, the external environment became more complex and severe, meanwhile, China's economic recovery was still in the process. The fundraising of China's private equity market continued to decline due to macroeconomic factors. The recent promulgation

of the *Regulation on the Supervision and Administration of Private Investment Funds* has marked an important milestone in the development of the industry. Under the guidance of this regulation, the fundraising channels of China's private equity industry are expected to be further expanded.

In terms of investment, in the first half of 2023, the amount of investment and the number of investment cases in China's private equity market decreased due to factors such as fundraising shrinkage and the inversion of valuation in the primary and secondary markets. From an industry perspective, technological innovation is still the main investment theme of China's private equity market. Semiconductor, new energy and new material received significant market attention in the first half of 2023.

In terms of exit, in the first half of 2023, the exit of China's private equity investment market slowed down due to the volatility of the global financial market. However, in the long run, the implementation of the comprehensive registration-based IPO system and the promotion of secondary fund are conducive to the exit of equity investment.

Actions and Achievements

As of June 30, 2023, the AUM of CICC Capital Management Department reached RMB386.9 billion. In the first half of 2023, CICC Capital Management Department completed the fundraising of a number of direct investment funds focusing on national strategies such as "technological innovation" and "green development", and won bids for a number of

local guidance funds to continuously serve and empower the high-quality development of the regional economy. Relying on CICC's resources and combining with China practice, CICC Capital Management Department leveraged its own advantages of investment and investment banking synergy, systematically invested in high-quality enterprises in strategic emerging industries such as scientific and technological innovation, advanced manufacturing, healthcare, industrial internet and environmental protection, and actively empowered the invested companies to achieve high-quality growth. At present, a number of invested companies have gone public.

Outlook for the Second Half of 2023

CICC Capital Management Department will continue to serve the strategic layout of China's 14th Five-Year Plan, meet the relevant requirements of the *Regulation on the Supervision and Administration of Private Investment Funds*, play an important role in direct financing, enhance support for technological start-ups, and continue to make positive contributions to the real economy and technological innovation. Looking forward, CICC Capital Management Department will pursue progress while maintaining stability, stick to the path of private equity development with Chinese characteristics, and provide high-quality fund products and empowerment services to fulfill the diversified needs of clients. Meanwhile, CICC Capital Management Department will further implement the strategic deployment of internationalization, regionalization, digitalization and One CICC to improve its competitive advantage and satisfy the new requirements for high-quality development.

THE ASSETS UNDER MANAGEMENT OF THE GROUP

As of June 30, 2023, the size of total assets managed by different business divisions and subsidiaries of our Group is set forth as follows:

Unit: RMB in million

Items	June 30, 2023	December 31, 2022	% of change
AUM in relation to fee and commission income (wholly-owned)			
Collective asset management plans	171,849	232,262	-26%
Segregated asset management plans	489,046	518,082	-6%
Special asset management plans	189,595	176,937	7%
Mutual funds	135,328	114,845	18%
Private equity investment funds	284,750	262,609	8%
Subtotal	1,270,569	1,304,734	-3%
AUM in relation to share of profits of associates and joint ventures (jointly invested)			
Private equity investment funds	115,958	111,158	4%
Non-private equity investment funds	58,062	71,755	-19%
Subtotal	174,020	182,913	-5%
Total	1,444,589	1,487,647	-3%

Note: Mutual funds mainly include public securities investment funds and private asset management plans under the management of CICC Fund Management.

(VI) Wealth Management

Market Environment

In the first half of 2023, China's capital market steadily recovered as the economy and society fully resumed normalized operation. The turnover of Shanghai and Shenzhen stocks was RMB111.11 trillion, representing a slight half-on-half increase of approximately 1.5%³. The number of market investors increased by 7,373.6 thousand⁴, representing an increase of approximately 25% compared with the end of 2022. Wealth management has stepped into the NAV-based era. The scale of mutual funds amounted to RMB27.69 trillion, representing an increase of approximately 6.4%⁵ compared with the end of 2022. As the report of the 20th National Congress clearly proposed to "increase the property income of urban and rural residents through more channels", the wealth management industry gradually ushered in high-quality development.

Actions and Achievements

The size of existing products continued to grow, with a focus on improving the full-spectrum, three-dimensional fee-based investment advisory system. We continued to innovate in products, services and models, and helped clients reduce the volatility of accounts and accompanied them through asset allocation. The size of product balance

of wealth management business exceeded RMB360.0 billion, of which the amount of fee-based investment advisory⁶ assets steadily increased to RMB82.0 billion. The fee-based investment advisory service solution continued to be upgraded. The Mutual Fund 50 intelligent fixed investment service "Jinzhī Investment" (金智投) was launched and the "Target Profit" (目標盈) was optimized, making investment more flexible. The ETF investment advisory service brand "ETF50" was launched, with signed assets exceeding RMB10 billion.

We achieved a stable increase in the number of customers and strengthened inclusive finance and investor education. The number of wealth management customers reached 6,458.1 thousand, and the total customer assets reached RMB3.14 trillion. In terms of customer acquisition, we continued to build an omni-channel and multi-scenario customer acquisition model to serve a wider range of customers. We continued to strengthen the building of investment education system, accomplished and obtained a grade A of the "2022-2023 Investor Education Evaluation" (2022-2023年度投資者教育評估工作) jointly carried out by the Securities Association of China together with Shenzhen Stock Exchange, Beijing Stock Exchange and Shanghai Stock Exchange, and completed 15 thousand original investment education works and more than 5,000 investment education activities.

³ Source: wind

⁴ Source: wind

⁵ Source: Data from the Asset Management Association of China as of the end of June 2023

⁶ The size of the fee-based investment advisory assets is the total asset for which CICC Wealth Management acts as the manager and/or provides investment advisory services and the asset of discretionary accounts opened in Wealth Management Department of CICC HK Securities, including China 50, Mini 50, Mutual Fund 50, CICC Wealth Management FoF (中金財富FoF), Overseas 30 (海外30)

We deepened digital transformation and enhanced fintech capabilities under the guidance of North Star indicator customer experience. We deeply cultivated the user journey, and improved self-research and self-control capabilities, resulting in the significant improvement of CICC Wealth Management App's user experience. E-SPACE was upgraded to provide one-stop service and growth platform for more than 3,800 investment consultants. We developed "RITAS", a wealth management digital platform integrating research, investment, trading, analysis and solutions, and built application scenarios such as intelligent investment research, intelligent investment advisory, intelligent risk control, and intelligent marketing to offer customized wealth management needs.

Outlook for the Second Half of 2023

Looking forward to the second half of the year, with stable economic policies boosting confidence in the capital market, a broader market space will be provided to wealth management for individual investors. In terms of the customer experience, we will continue to guide customers to target their needs for asset allocation and continue to optimize the four-step customer experience of "understanding, proposing, executing and reviewing" to provide customers with full life cycle consulting services. In terms of solutions, based on the perspective of fee-based investment advisory, we will create a wealth planning account system to meet the wealth management needs of customers through full categories of business including public offerings, ETFs and trading.

In terms of investment consultant capacity building, we will continue to absorb excellent investment consultants in the market, enrich talent growth and training system, and improve the efficiency of investment consultants. In terms of technology and digitalization, we will continue to improve digital innovation capabilities, promote the construction of "digital intelligence", and further develop CICC Wealth Management's fintech brand.

(VII) Research

Our research team covers global markets and serves clients both at home and abroad through our offices and platforms across the world. The scope of our research products and investment analysis ranges from macro economy and market strategy to fixed income, financial engineering, asset allocation, equities, commodities, and foreign exchange. As of June 30, 2023, our research team consisted of nearly 400 highly experienced professionals, and covered more than 40 sectors and nearly 1,700 companies listed on stock exchanges in Chinese mainland, Hong Kong SAR, New York, Singapore, Frankfurt, London, and Paris.

CICC Research has won recognition from domestic and international investors for its independent, unbiased, and insightful research products. In the first half of 2023, we issued more than 8,800 research reports in Chinese and/or foreign languages. On top of numerous sector and company reports, we also published a series of thematic reports, such as reports on the wave of AI (AI浪潮之巔, Chinese version), data and AI in China (數智中國, Chinese version), the valuation

system with Chinese characteristics (探索中國特色估值體系, Chinese version), the across-the-board registration-based stock issuance system (全面注册制研究, Chinese version) and reports on frontier technologies (中金前沿科技, Chinese version). These research products have showcased our profound understanding of China. The superior depth and extensive coverage of our research reports have earned us the reputation as the "China Expert". In the first half of 2023, we hosted multiple forums and conferences to analyze hot topics in the capital market and macro policy trends, which gained extensive attention and recognition from institutional clients. These events include *Frontier Technology: A Smart Future and the Accelerating Present (CICC Closed-door Meetings with Select Listed Companies 2023)*, *Virtuous Cycle in Healthcare Ecosystem: Broad Range of Investment Opportunities (CICC Healthcare Industry Forum 2023)*, and *New Strides of High-quality Development (CICC Investment Strategy Conference 2H23)*.

CICC Global Institute (CGI) has worked diligently to perform its tasks, improve its social influence, and build a strong, comprehensive brand name for public policy research. In the first half of 2023, CGI held two quarterly macro forums: *Long-term Challenges and Recovery Paths for the Chinese Economy* and *CBDCs: Current Developments and Future Implications*. We published a new book titled *Industry Chains of a Large Economy: Macro and Sector Trends in New Landscape* (《大國產業鏈：新格局下的宏觀和產業趨勢》, Chinese version). Moreover, we invited scholars to visit CGI and

organized activities for internal and external communications. CGI was invited to participate in the G20 Sustainable Finance Working Group. We endeavored to advance key projects of the China Council for International Cooperation on Environment and Development (CCICED), and continued to conduct many public policy research projects and services.

(VIII) OTHER EXPLANATIONS

Please refer to "Corporate Strategies and Operations" of this section in this report for the details of industry operation information.

There was no major change in the Company's operation and no matter that had or expected to have a significant impact on the Company's principal operations during the Reporting Period.

IV. ANALYSIS ON PRINCIPAL OPERATIONS AND FINANCIAL STATEMENTS

(I) Profitability Analysis Of Our Group

In the first half of 2023, economic operation gradually returned to a normal growth trajectory. The capital market of China rebounded steadily. The securities industry's earnings represented a year-on-year recovery. The Group's revenue grew slightly with an increase of income from equities business and investment banking business amid the market recovery.

In the first half of 2023, the Group realized total revenue and other income of RMB18,606.7 million, representing an increase of RMB955.6 million or 5.4% compared with that in the first half of 2022. In the first half of 2023, the Group realized profit attributable to shareholders of the parent company of RMB3,560.6 million, representing a decrease of RMB281.0 million or 7.3% compared with that in the first half of 2022. The Group realized earnings per share of RMB0.670 in the first half of 2023, representing a decrease of 9.8% compared with that in the first half of 2022. The weighted average return on net assets was 3.8%, representing a decrease of 0.8 percentage point compared with that in the first half of 2022.

(II) Asset Structure and Quality

As of June 30, 2023, total assets of the Group amounted to RMB650,364.6 million, representing an increase of RMB1,600.5 million or 0.2% compared with that at the end of 2022. Total liabilities of the Group amounted to RMB547,696.3 million, representing a decrease of RMB1,593.0 million or 0.3% compared with that at the end of 2022. The Group's total equity attributable to shareholders of the parent company amounted to RMB102,360.6 million, representing an increase of RMB3,172.5 million or 3.2% compared with that at the end of 2022. After deducting accounts payable to brokerage clients and to underwriting clients of RMB99,631.0 million, the adjusted total assets of the Group amounted to RMB550,733.5 million; the adjusted total liabilities amounted to RMB448,065.3 million; the gearing ratio was 81.4%, decreased by 0.8 percentage point from

82.1% at the end of 2022; the operating leverage ratio⁷ was 5.4 times, representing a decrease of 0.2 time compared with 5.6 times at the end of 2022.

As of June 30, 2023, the Group's financial assets at fair value through profit or loss and derivative financial assets totalled RMB305,715.0 million, accounting for 47.0% of the total assets; financial assets at fair value through other comprehensive income amounted to RMB56,998.3 million, accounting for 8.8% of the total assets; cash and bank balances and cash held on behalf of clients totalled RMB162,832.5 million, accounting for 25.0% of the total assets; receivable from margin clients and reverse REPOS totalled RMB58,583.2 million, accounting for 9.0% of the total assets; investments in associates and joint ventures amounted to RMB1,028.1 million, accounting for 0.2% of the total assets; other assets amounted to RMB65,207.5 million, accounting for 10.0% of the total assets.

As of June 30, 2023, most of the Group's liabilities were current liabilities. Accounts payable to brokerage clients and to underwriting clients totally amounted to RMB99,631.0 million, accounting for 18.2% of the total liabilities; REPOS amounted to RMB49,197.2 million, accounting for 9.0% of the total liabilities; placements from financial institutions, short-term debt securities issued and long-term debt securities issued due within one year totalled RMB124,806.1 million, accounting for 22.8% of the total liabilities; financial liabilities at fair value through profit or loss and derivative financial liabilities totalled RMB59,001.2 million, accounting for 10.8% of the total liabilities; long-term debt securities issued

⁷ Operating leverage ratio = (total assets – accounts payable to brokerage clients and to underwriting clients)/total equity attributable to shareholders of the parent company.

amounted to RMB82,885.7 million, accounting for 15.1% of the total liabilities; other liabilities amounted to RMB132,175.1 million, accounting for 24.1% of the total liabilities.

(III) Cash Flows

In the first half of 2023, excluding the impacts of changes in cash held on behalf of clients, a net decrease in cash and cash equivalents of the Group amounted to RMB13,660.2 million, as compared with a net increase in cash and cash equivalents of RMB2,233.2 million in the first half of 2022. The net change in cash and cash equivalents are mainly generated from the following daily activities:

- net cash used in operating activities amounted to RMB10,791.4 million, representing a change from net cash generated of RMB20,536.7 million in the first half of 2022. The change was mainly attributable to a shrinkage in the net cash inflow from investments in financial instruments at fair value through profit or loss as compared with that of the corresponding period of 2022; the decrease in cash inflow also resulted from a drop in growth rates of repurchase business scale and of cash held on behalf of brokerage clients compared with those during the first half of 2022 and resulted from a turn from a decline of scale of receivable from margin clients in the first half of 2022 to an expansion of scale in the first of 2023; meanwhile, a larger reduction in placements from financial institutions as compared with that in the first half of 2022 led to an increase in cash outflows. The above increase in net cash outflow was partially offset by a decrease in net cash outflow associated with trade payables for derivative transactions;
- net cash generated from investing activities amounted to RMB10,507.8 million, representing a change from net cash used of RMB5,114.7 million in the first half of 2022. The change was mainly attributable to a reduction of the cash outflow associated with purchase of investments, which was partially undermined by a diminution in cash receipts from disposal of investments;
- net cash used in financing activities amounted to RMB13,376.7 million, representing an increase of RMB187.9 million or 1.4% as compared with the net cash used of RMB13,188.8 million in the first half of 2022. The increase was mainly attributable to an enlargement in redemption of debt securities issued, which was partially offset by an increase in proceeds from issuing debt securities.

(IV) Operating Revenue and Profit Analysis

1. Analysis of Items in Statement of Profit or Loss

Summary of Financial Performance

In the first half of 2023, the Group realized a profit of RMB3,581.7 million, representing a decrease of 7.0% compared with that in the first half of 2022. The financial performance of the Group is summarized as follows:

Unit: RMB in million

Items	Six months ended June 30, 2023	Six months ended June 30, 2022	Change	% of change
Revenue				
Fee and commission income	7,253.1	8,336.1	(1,083.0)	(13.0%)
Interest income	4,914.3	3,920.3	994.0	25.4%
Investment income	4,426.6	5,044.5	(617.9)	(12.2%)
Total revenue	16,594.0	17,301.0	(707.0)	(4.1%)
Other income	2,012.7	350.1	1,662.6	474.9%
Total revenue and other income	18,606.7	17,651.0	955.6	5.4%
Total expenses	14,478.8	13,148.6	1,330.2	10.1%
Share of profits of associates and joint ventures	2.0	16.0	(13.9)	(87.2%)
Profit before income tax	4,129.9	4,518.4	(388.5)	(8.6%)
Income tax expense	548.2	668.9	(120.6)	(18.0%)
Profit for the period	3,581.7	3,849.5	(267.9)	(7.0%)
Profit attributable to shareholders of the parent company	3,560.6	3,841.6	(281.0)	(7.3%)

Revenue Breakdown

In the first half of 2023, the Group's revenue decreased by 4.1% to RMB16,594.0 million compared with that in the first half of 2022. Fee and commission income accounted for 43.7% of total revenue, representing a decrease of 4.5 percentage points compared with that in the first half of 2022; interest income accounted for 29.6%, representing an increase of 7.0 percentage points compared with that in the first half of 2022; investment income accounted for 26.7%, representing a decrease of 2.5 percentage points compared with that in the first half of 2022. A breakdown of the Group's revenue is presented as follows:

Items	Six months ended June 30, 2023	Six months ended June 30, 2022		Change
Fee and commission income	43.7%	48.2%	Decreased by 4.5 percentage points	
Interest income	29.6%	22.7%	Increased by 7.0 percentage points	
Investment income	26.7%	29.1%	Decreased by 2.5 percentage points	
Total	100.0%	100.0%		

In the first half of 2023, fee and commission income and investment income of the Group decreased compared with that in the first half of 2022, resulting in a relatively increase in the proportion of interest income in revenue.

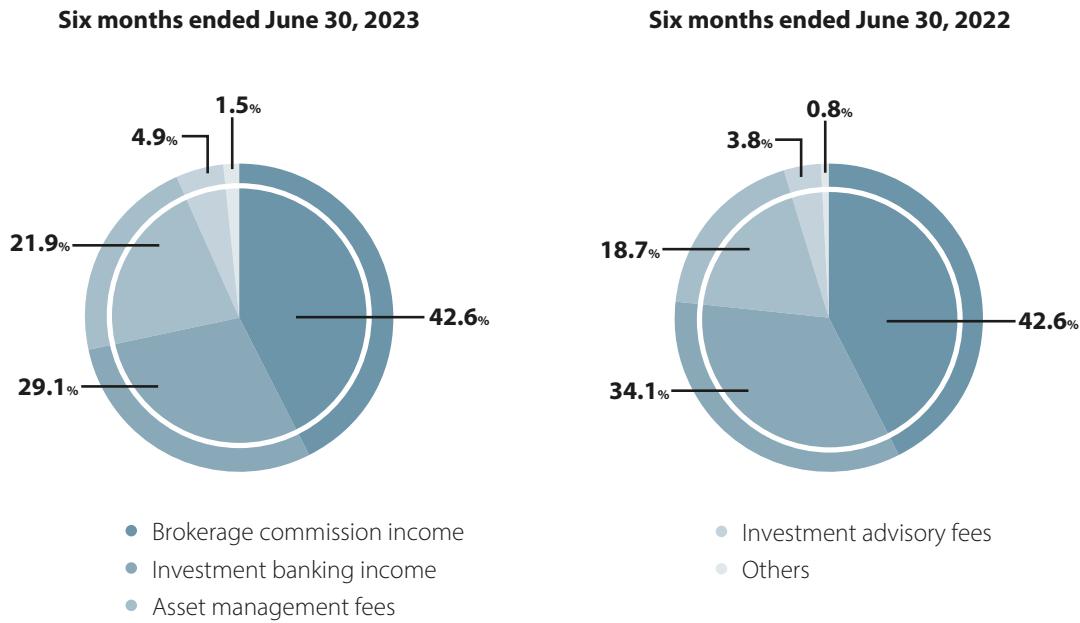
Fee and Commission Income and Expenses

In the first half of 2023, the Group realized a net fee and commission income of RMB6,401.0 million, representing a decrease of RMB696.6 million or 9.8% compared with that in the first half of 2022. A breakdown of the Group's fee and commission income and expenses is presented as follows:

Unit: RMB in million

Items	Six months ended June 30, 2023	Six months ended June 30, 2022			Change	% of change
Fee and commission income						
Brokerage commission income	3,092.8	3,549.3	(456.5)	(12.9%)		
Investment banking income	2,112.3	2,841.5	(729.2)	(25.7%)		
Underwriting and sponsoring fees from equity financing	1,327.1	1,699.7	(372.6)	(21.9%)		
Underwriting and sponsoring fees from debt and structured financing	546.9	689.9	(143.0)	(20.7%)		
Financial advisory fees	238.4	451.8	(213.5)	(47.2%)		
Asset management fees	1,586.7	1,556.5	30.2	1.9%		
Asset management and mutual funds	816.2	857.5	(41.3)	(4.8%)		
Private equity investment funds	770.5	699.0	71.5	10.2%		
Investment advisory fees	355.5	316.2	39.3	12.4%		
Others	105.8	72.7	33.2	45.6%		
Total fee and commission income	7,253.1	8,336.1	(1,083.0)	(13.0%)		
Fee and commission expenses						
Net fee and commission income	6,401.0	1,238.5	(386.4)	(31.2%)		
		7,097.6	(696.6)	(9.8%)		

The charts below set forth the composition of the Group's fee and commission income:



The structure of the Group's fee and commission income is presented as follows:

Items	Six months ended June 30, 2023	Six months ended	Change
		June 30, 2022	
Brokerage commission income	42.6%	42.6%	Increased by 0.1 percentage point
Investment banking income	29.1%	34.1%	Decreased by 5.0 percentage points
Asset management fees	21.9%	18.7%	Increased by 3.2 percentage points
Investment advisory fees	4.9%	3.8%	Increased by 1.1 percentage points
Others	1.5%	0.8%	Increased by 0.6 percentage point
Total	100.0%	100.0%	

Brokerage commission income amounted to RMB3,092.8 million, representing a decrease of RMB456.5 million or 12.9% compared with that in the first half of 2022, mainly because the A-share market was subject to fluctuations and corrections with a slight decrease in trading volume as compared with that during the same period of the previous year. In particular, the average daily turnover of A shares and in the Hong Kong stock market decreased by 3.4% and 16.4% respectively compared with those during the corresponding period of the previous year.

Investment banking income amounted to RMB2,112.3 million, representing a decrease of RMB729.2 million or 25.7% compared with that in the first half of 2022. Investment banking income included underwriting and sponsoring fees from equity financing and from debt and structured financing and financial advisory fees. The underwriting and sponsoring fees amounted to RMB1,873.9 million, representing a decrease of RMB515.7 million or 21.6% compared with that in the first half of 2022; of which, underwriting and sponsoring fees from equity financing decreased by RMB372.6 million or 21.9%, mainly due to a decrease in revenue associated with equity financing transactions such as IPO on the main board and on the ChiNext Board; underwriting and sponsoring fees from debt and structured financing decreased by RMB143.0 million, or 20.7%, mainly due to a decrease in revenue related to debt and structured financing transactions such as corporate bonds, company bonds, financial bonds and asset securitization products. Financial advisory fees amounted to RMB238.4 million, representing a decrease of RMB213.5 million or 47.2% compared with that in the first half of 2022, mainly due to a decline in fees from advisory services for debt restructuring, M&A, IPO and fixed-income products.

Asset management fees amounted to RMB1,586.7 million, representing an increase of RMB30.2 million or 1.9% compared with that in the first half of 2022. Asset management fees consisted of fees from asset management business, mutual fund management business and private equity investment fund management business. In addition to asset management fees, the Group had a share of profits of associates and joint ventures generated from the AUM of the fund management companies jointly-invested by the Group.

Investment advisory fees amounted to RMB355.5 million, representing an increase of RMB39.3 million or 12.4% compared with that in the first half of 2022, mainly due to a rise in demand for investment advisory services for trusts in the first half of 2023, resulting in the corresponding increase in investment advisory fees.

Fee and commission expenses amounted to RMB852.1 million, representing a decrease of RMB386.4 million or 31.2% compared with that in the first half of 2022, mainly due to a reduction in brokerage commission expenses under the impact of the downshift in the stock market activity.

Interest Income and Expenses

In the first half of 2023, the Group incurred a net interest expenses of RMB419.4 million, among which interest income amounted to RMB4,914.3 million, representing an increase of 25.4% compared with that in the first half of 2022, and interest expenses amounted to RMB5,333.7 million, representing an increase of 24.3% compared with that in the first half of 2022. A breakdown of the Group's interest income and expenses is presented as follows:

Unit: RMB in million

Items	Six months ended June 30, 2023	Six months ended June 30, 2022			Change	% of change
Interest income						
Interest income from financial institutions	1,776.0	1,344.3	431.7		32.1%	
Interest income from margin financing and securities lending	1,392.6	1,327.4	65.1		4.9%	
Interest income from reverse REPOS	414.4	497.2	(82.8)		(16.7%)	
Interest income from financial assets at fair value through other comprehensive income	858.4	647.6	210.8		32.6%	
Others	472.9	103.8	369.1		355.7%	
Total interest income	4,914.3	3,920.3	994.0		25.4%	
Interest expenses						
Interest expenses on accounts payable to brokerage clients	183.3	165.1	18.2		11.0%	
Interest expenses on REPOS	649.8	418.6	231.2		55.2%	
Interest expenses on placements from financial institutions	1,050.0	602.2	447.7		74.3%	
Interest expenses on debt securities issued	2,732.0	2,909.7	(177.7)		(6.1%)	
Interest expenses on lease liabilities	39.8	37.0	2.7		7.3%	
Others	678.8	159.0	519.8		326.8%	
Total interest expenses	5,333.7	4,291.7	1,042.0		24.3%	
Net interest expenses	(419.4)	(371.4)	(48.0)		12.9%	

Interest income from financial institutions amounted to RMB1,776.0 million, representing an increase of RMB431.7 million or 32.1% compared with that in the first half of 2022, mainly due to a growth in average daily scale of bank balances as compared with that in the first half of 2022.

Interest income from margin financing and securities lending amounted to RMB1,392.6 million, representing an increase of RMB65.1 million or 4.9% compared with that in the first half of 2022.

Interest income from reverse REPOS amounted to RMB414.4 million, representing a decrease of RMB82.8 million or 16.7% compared with that in the first half of 2022, mainly due to a shrinkage in scale of the Group's stock-based lending business compared with that in the first half of 2022, resulting in a corresponding decrease in interest income.

Interest income from financial assets at fair value through other comprehensive income amounted to RMB858.4 million, representing an increase of RMB210.8 million or 32.6% compared with that in the first half of 2022, mainly due to an expansion in average scale of the Group's position in debt securities at fair value through other comprehensive income in the domestic markets.

Interest expenses amounted to RMB5,333.7 million, representing an increase of RMB1,042.0 million or 24.3% compared with that in the first half of 2022, mainly due to a climb in interest expenses arising from REPOS, placements from financial institutions and other external financing.

Investment Income

In the first half of 2023, the Group realized an investment income of RMB4,426.6 million, representing a decrease of RMB617.9 million or 12.2% compared with that in the first half of 2022. A breakdown of the Group's investment income is presented as follows:

Unit: RMB in million

Items	Six months ended June 30, 2023	Six months ended June 30, 2022	Change	% of change
Investment income				
Net (losses)/gains from disposal of financial assets at fair value through other comprehensive income	(156.6)	109.3	(265.9)	N/A
Net gains from financial instruments at fair value through profit or loss and from derivative financial instruments	4,583.2	4,935.2	(352.0)	(7.1%)
– Equity investments	1,954.7	2,518.1	(563.4)	(22.4%)
– Debt investments	2,293.9	1,531.2	762.7	49.8%
– Other investments	334.6	886.0	(551.3)	(62.2%)
Total	4,426.6	5,044.5	(617.9)	(12.2%)

Net losses from disposal of financial assets at fair value through other comprehensive income amounted to RMB156.6 million, representing a change from the net gains in the first half of 2022. The variation was primarily attributable to an enlarged scale of the Group's disposition of debt securities at fair value through other comprehensive income amid a weak overseas bond market in general, resulting in the corresponding increase in the losses associated with the disposals.

Net gains from financial instruments at fair value through profit or loss and from derivative financial instruments totalled RMB4,583.2 million, representing a decrease of RMB352.0 million or 7.1% compared with that in the first half of 2022, and were from the following categories of investments:

- Net gains from equity investments decreased by RMB563.4 million or 22.4% compared with that in the first half of 2022, mainly due to a shrinkage in scale of the Group's OTC derivatives business under the impact of declined client demands amid the stock market subject to fluctuations and corrections in the first half of 2023, resulting in a corresponding drop of net gains from investments; the drop was partially compensated by a net gain from securities held by the Group under the following-investment mechanism on STAR Market as compared with a net loss in the first half of 2022;

- Net gains from debt investments increased by RMB762.7 million or 49.8% compared with that in the first half of 2022, mainly due to a growth in net gains from investments in securitized products and financial bonds;
- Net gains from other investments decreased by RMB551.3 million or 62.2% compared with that in the first half of 2022, mainly due to a decline in scale of the Group's investments in private funds and a drop in valuation of public REITs funds amid an unfavorable market, resulting in a corresponding decrease in net gains from fund investments.

Operating Expenses

In the first half of 2023, the Group's operating expenses (excluding fee and commission expenses and interest expenses, the same below) amounted to RMB8,293.0 million, representing an increase of RMB674.6 million or 8.9% compared with that in the first half of 2022. A breakdown of the Group's operating expenses is presented as follows:

Unit: RMB in million

Items	Six months ended June 30, 2023	Six months ended June 30, 2022	Change	% of change
Operating expenses				
Staff costs	5,594.1	5,499.8	94.3	1.7%
Depreciation and amortization expenses	845.2	759.5	85.7	11.3%
Tax and surcharges	48.9	65.9	(17.0)	(25.8%)
Other operating expenses and costs	1,812.5	1,361.4	451.1	33.1%
Reversal of impairment losses under expected credit loss model	(7.7)	(68.3)	60.6	(88.7%)
Total	8,293.0	7,618.4	674.6	8.9%

Staff costs amounted to RMB5,594.1 million, representing an increase of RMB94.3 million or 1.7% compared with that in the first half of 2022.

Depreciation and amortization expenses amounted to RMB845.2 million, representing an increase of RMB85.7 million or 11.3% compared with that in the first half of 2022, mainly due to an increase in the depreciation of right-of-use assets.

Tax and surcharges amounted to RMB48.9 million, representing a decrease of RMB17.0 million or 25.8% compared with that in the first half of 2022, mainly due to a decrease in the Group's taxable revenue in connection with value-added tax, resulting in a decline in value-added tax and related urban construction and maintenance tax, educational surtax and local educational surtax.

Other operating expenses and costs amounted to RMB1,812.5 million, representing an increase of RMB451.1 million or 33.1% compared with that in the first half of 2022, mainly due to rises in business development expenses, travelling and transportation expenses, electronic equipment operating expenses and information technology expenses.

Reversal of impairment losses under expected credit loss model amounted to RMB7.7 million, representing a decrease of RMB60.6 million or 88.7% compared with that in the first half of 2022. The decrease primarily consisted of a variation to a provision of impairment losses for account receivable and other assets from a reversal for impairment losses for the same period of last year, and was partially dampened by a change to reversal for impairment losses for financial assets at fair value through other comprehensive income from a provision of impairment losses for the same period of last year.

2. Segment Results

The Group has six principal business segments: Investment Banking, Equities, FICC, Asset Management, Private Equity and Wealth Management. The segment Others mainly comprises of other business departments, and middle and back offices.

Unit: RMB in million

Items	Six months ended June 30, 2023	Six months ended June 30, 2022	Change	% of change
Investment Banking				
Segment revenue and other income	2,145.1	1,744.8	400.3	22.9%
Fee and commission income	1,681.5	2,282.5	(60.1)	(26.3%)
Interest income	0.5	19.5	(18.9)	(97.2%)
Investment income/(losses)	461.8	(557.6)	1,019.4	N/A
Other income	1.3	0.4	0.9	200.2%
Interest expenses	(121.5)	(172.7)	51.2	(29.6%)
Revenue and other income after interest	2,023.6	1,572.2	451.5	28.7%
Non-interest expenses ⁽¹⁾	1,889.6	1,866.1	23.4	1.3%
Profit (loss) before income tax	134.0	(294.0)	428.0	N/A
Segment margin ⁽²⁾	6.2%	(16.8%)		N/A

The variation of investment income of Investment Banking from investment losses in the first half of 2022 was primarily attributable to upturns in market value of the securities held by the Group under the following-investment mechanism on STAR Market amid the recovery of China's capital market, resulting in a corresponding swing in the gains and losses from these investments; other income grew significantly compared with that in the same period of 2022, primarily due to an increment in government grants received.

Unit: RMB in million

Items	Six months ended June 30, 2023	Six months ended June 30, 2022			% of change
		Change			
Equities					
Segment revenue and other income	5,284.7	4,422.9	861.8	19.5%	
Fee and commission income	1,007.1	1,341.5	(334.5)	(24.9%)	
Interest income	911.9	415.2	496.7	119.6%	
Investment income	1,670.4	2,967.4	(1,297.0)	(43.7%)	
Other income/(losses)	1,695.3	(301.2)	1,996.6	N/A	
Interest expenses	(2,109.4)	(602.6)	(1,506.8)	250.1%	
Revenue and other income after interest	3,175.3	3,820.3	(645.0)	(16.9%)	
Non-interest expenses⁽¹⁾	867.7	896.7	(29.0)	(3.2%)	
Profit before income tax	2,307.5	2,923.6	(616.0)	(21.1%)	
Segment margin⁽²⁾	43.7%	Decreased by 22.4 66.1% percentage points			

Interest income of Equities increased significantly compared with that in the same period of 2022, mainly due to a hike of interest rates of the United States, resulting in a corresponding rise in interest income; meanwhile, interest income from reverse REPOS and from margin financing and securities lending also grew. The change of other income from other losses in the first half of 2022 was primarily a result of an increase in net gains from foreign exchange derivatives under the effect of exchange rate fluctuations. Interest expenses rose significantly compared with that of the same period of 2022, mainly due to larger interest expenses on external financing; meanwhile, an increase in capital occupancy led to a corresponding rise in the interest expenses calculated on the basis of capital occupancy.

Unit: RMB in million

Items	Six months ended June 30, 2023	Six months ended	Change	% of change
		June 30, 2022		
FICC				
Segment revenue and other income	3,063.2	3,486.9	(423.7)	(12.2%)
Fee and commission income	487.3	553.8	(66.4)	(12.0%)
Interest income	925.3	647.2	278.1	43.0%
Investment income	1,677.7	2,108.1	(430.4)	(20.4%)
Other (losses)/income	(27.1)	177.8	(204.9)	N/A
Interest expenses	(1,688.2)	(1,570.8)	(117.4)	7.5%
Revenue and other income after interest	1,375.0	1,916.1	(541.1)	(28.2%)
Non-interest expenses⁽¹⁾	556.6	616.1	(59.4)	(9.6%)
Profit before income tax	818.4	1,300.1	(481.6)	(37.0%)
Segment margin⁽²⁾	26.7%	37.3% decreased by 10.6 percentage points		

The variation of other losses of FICC from other income in the same period of 2022 was primarily resulted from changes in gains and losses from foreign exchange derivative transactions for the purpose of foreign currency hedging resulted from exchange rate fluctuations.

Unit: RMB in million

Items	Six months ended June 30, 2023	Six months ended June 30, 2022			Change	% of change
Asset Management						
Segment revenue and other income	652.5	750.0	(97.5)	(13.0%)		
Fee and commission income	631.5	729.7	(98.2)	(13.5%)		
Interest income	14.3	25.8	(11.5)	(44.7%)		
Investment losses	(2.3)	(7.4)	5.1	(68.8%)		
Other income	9.0	1.8	7.2	398.9%		
Interest expenses	(71.4)	(77.9)	6.5	(8.4%)		
Revenue and other income after interest	581.1	672.1	(91.0)	(13.5%)		
Non-interest expenses⁽¹⁾	479.8	446.8	32.9	7.4%		
Share of profits of associates and joint ventures	2.9	16.6	(13.7)	(82.7%)		
Profit before income tax	104.2	241.8	(137.6)	(56.9%)		
Segment margin⁽²⁾	16.0%	32.2%	Decreased by 16.3 percentage points			

The significant increase in other income of Asset Management as compared with that in the first half of 2022 was mainly attributable to changes in gains and losses from foreign exchange derivatives under the effect of exchange rate fluctuations.

Unit: RMB in million

Items	Six months ended June 30, 2023	Six months ended June 30, 2022			% of change
		Change			
Private Equity					
Segment revenue and other income	935.2	785.2	150.0	19.1%	
Fee and commission income	779.1	707.5	71.6	10.1%	
Interest income	0.3	5.2	(4.9)	(94.5%)	
Investment income	114.9	64.2	50.7	79.1%	
Other income	41.0	8.4	32.6	388.9%	
Interest expenses	(124.0)	(133.9)	9.9	(7.4%)	
Revenue and other income after interest	811.2	651.3	159.9	24.6%	
Non-interest expenses⁽¹⁾	445.2	496.3	(51.0)	(10.3%)	
Share of profits of associates and joint ventures	42.5	41.9	0.6	1.5%	
Profit before income tax	408.6	197.0	211.6	107.4%	
Segment margin⁽²⁾	43.7%	25.1%	Increased by 18.6 percentage points		

The significant increase in other income of Private Equity as compared with that in the first half of 2022 was primarily attributable to an increment in government grants received.

Unit: RMB in million

Items	Six months ended June 30, 2023	Six months ended June 30, 2022			Change	% of change
Wealth Management						
Segment revenue and other income	4,937.9	5,155.2	(217.3)	(4.2%)		
Fee and commission income	2,709.7	2,769.6	(59.8)	(2.2%)		
Interest income	1,981.8	2,095.5	(113.7)	(5.4%)		
Investment income	89.5	197.9	(108.5)	(54.8%)		
Other income	156.9	92.2	64.7	70.2%		
Interest expenses	(952.8)	(1,087.5)	134.7	(12.4%)		
Revenue and other income after interest	3,985.1	4,067.6	(82.6)	(2.0%)		
Non-interest expenses⁽¹⁾	2,623.1	2,629.5	(6.5)	(0.2%)		
Share of losses of associates and joint ventures	(43.3)	(42.5)	(0.8)	2.0%		
Profit before income tax	1,318.7	1,395.6	(76.9)	(5.5%)		
Segment margin⁽²⁾	26.7%	27.1%	Decreased by 0.4 percentage point			

Unit: RMB in million

Items	Six months ended June 30, 2023	Six months ended June 30, 2022		Change	% of change
Others⁽³⁾					
Segment revenue and other income	1,588.0	1,306.0	281.9	21.6%	
Fee and commission income	(43.1)	(48.5)	5.4	(11.2%)	
Interest income	1,080.1	711.9	368.2	51.7%	
Investment income	414.7	271.9	142.8	52.5%	
Other income	136.3	370.7	(234.4)	(63.2%)	
Segment expenses	2,549.5	2,551.7	(2.2)	(0.1%)	
Loss before income tax	(961.6)	(1,245.7)	284.1	(22.8%)	

- (1) Non-interest expenses include fee and commission expenses, staff costs, depreciation and amortization expenses, tax and surcharges, other operating expenses and costs, and impairment losses.
- (2) Segment margin = profit before income tax/segment revenue and other income.
- (3) The segment margin of Others is not presented as this segment incurred a loss before income tax in the relevant periods.

(V) Contingent Liabilities

The Group is exposed to the risk of economic benefit outflows due to litigations or arbitrations in the course of operations. The Group assessed and made provisions for any probable outflow of economic benefits in relation to the contingent liabilities in accordance with relevant accounting policies.

(VI) Pledge of assets of the Group

The Group has no pledge of assets as of June 30, 2023.

(VII) Income tax Policy

In accordance with the *Enterprise Income Tax Law of the PRC* (《中華人民共和國企業所得稅法》) and the *Provisions of Implementation for the Enterprise Income Tax Law of the PRC* (《中華人民共和國企業所得稅法實施條例》), the statutory corporate income tax rate applicable to our parent company and our PRC subsidiaries is 25%. Our Hong Kong subsidiaries are subject to a tax rate of 16.5% on their assessable profit. The parent company's income tax computation and payment are governed by the *Announcement of the State Administration of Taxation on Printing and Distributing the Administrative Measures for Collection of Consolidated Payments of Enterprise Income Tax by the Enterprises with Trans-regional Operations* (《國家稅務總局關於印發〈跨地區經營匯總納稅企業所得稅徵收管理辦法〉的公告》) (Public Notice of the State Administration of Taxation [2012] No.57). During the six months ended June 30, 2023, we had fulfilled all our tax obligations and did not have any unresolved tax disputes with the relevant tax authorities in China or other jurisdictions.

V. ANALYSIS ON INVESTMENT AND FINANCING ACTIVITIES

(I) Overall analysis on external investments

During the Reporting Period, the Group did not have significant equity investments.

As of June 30, 2023, the Group's interests in associates and joint ventures amounted to RMB1,028.1 million, representing an increase of RMB12.5 million or 1.2% as compared with RMB1,015.6 million as of December 31, 2022.

No material non-equity investments by the Group were in progress during the Reporting Period.

(II) Analysis on financing activities

Our Group constantly broadens and diversifies its funding channels to optimize the liability structure. The funding instruments of our Group include corporate bonds, medium-term note program, bank loans, commercial papers, beneficiary certificates, refinancing, transfer of right to income, inter-bank borrowing, REPOs, etc.

In addition, our Group may finance through follow on offerings, rights issues and other ways according to market conditions and business needs. The Company's proposed rights issue to the original shareholders is still in the process, and the Company will make further announcements on the related major updates and progress in due course.

For information on debt financing during the Reporting Period, please refer to "Particulars of Bonds" in this report.

(III) Material assets and equity disposal

During the Reporting Period, the Company had no material disposal of assets and equity.

(IV) Major controlled and participating companies

The Company has 8 major subsidiaries, the principal information on which is as follows:

No.	Name	Shareholding	Time of establishment	Registered capital (or working capital)	Person-in-charge	Contact number	Registered address	Main business
1	CICC International	100%	1997/4/4	With issued share capital of HK\$6,000,000,000	Liu Qingchuan, Wong King Fung, Chu Gang, Xia Xin Han, Ma Kui, Sun Nan, Wang Hanfeng and Wu Bo	(852)28722000	29/F, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong	Overseas investment holding business
2	CICC Wealth Management Securities	100%	2005/9/28	RMB8 billion	Gao Tao	(0755)82026676	L4601-L4608, China Resources Building, No. 2666 Keyuan South Road, Haizhu Community, Yuehai Street, Nanshan District, Shenzhen, Guangdong	Securities brokerage; securities investment consulting; financial consulting relating to the securities trading and securities investment; proprietary trading of securities; securities asset management; proxy sale of securities and investment fund; margin financing and securities lending; and proxy sale of financial products
3	CICC Capital	100%	2017/3/6	RMB2 billion	Shan Junbao	(010)65051166	Units 09-11, 9th Floor, 1 Jianguomenwai Avenue (Phase II), Chaoyang District, Beijing	Asset management; investment management; project investment; and investment consulting
4	CICC Fund Management	100%	2014/2/10	RMB500 million	Hu Changsheng	(010)63211122	Room 05, 26th Floor, China World Office 2, 1 Jianguomenwai Avenue, Chaoyang District, Beijing	Fund offering, fund sales, provision of asset management service for specific clients, asset management and other activities as approved by the CSRC
5	CICC Pucheng	100%	2012/4/10	RMB6 billion	Liu Jian	(021)58796226	Unit 2608A, 26/F, No. 1233 Lujiazui Ring Road, China (Shanghai) Pilot Free Trade Zone	Investment management, investment consultancy, import and export of goods and technology, domestic cargo transportation agency services and storage (excluding hazardous articles)
6	CICC Futures	100%	2004/7/22	RMB350 million	Zhou Xuetao	(0971)8224987	No. 1811 and 1813, Sapphire Hotel, No. 21 Shengli Road, Chengxi District, Xining, Qinghai	Commodity futures brokerage, financial futures brokerage and asset management
7	CICC Private Equity	100%	2020/10/30	RMB500 million	Long Liang	(010)65051166	Unit 03, 8/F, No. 100 South Zhongshan Road, Huangpu District, Shanghai	Equity investment management; investment management; asset management, and investment consulting
8	CICC Financial Trading Limited	Wholly owned by CICC Financial Holdings Limited	2012/04/10	With issued share capital of HK\$1	Diao Zhihai, Lin Ning, Ji Yanbin, Wang Ke, Zhang Yongcheng, Yu Weijiang, Liu Qingchuan, Zhou Xuetao, Jia Jia, Lau Tsing Wing, Wang Jin, Peng Jun, Tan Bin, Zhou Jishen, Zhang Wangyi and Wu Bo	(852)28722000	29/F, One International Finance Centre, 1 Harbour View Street, Central, Hong Kong	Client facilitation trade, trading of listed securities, exchange-traded funds (ETFs), and derivative financial instruments

The key information on the financial position and financial performance of the Company's major subsidiaries is as follows:

CICC International:

As of June 30, 2023, under the Hong Kong Financial Reporting Standards, the total assets amounted to HK\$186,269.8 million; the net assets amounted to HK\$25,709.6 million. In the first half of 2023, CICC International realized a net profit of HK\$1,681.3 million.

CICC Wealth Management Securities:

As of June 30, 2023, the total assets amounted to RMB153,143.9 million; the net assets amounted to RMB19,015.7 million. In the first half of 2023, CICC Wealth Management Securities realized a net profit of RMB1,288.6 million.

CICC Capital:

As of June 30, 2023, the total assets amounted to RMB6,469.1 million; the net assets amounted to RMB2,927.6 million. In the first half of 2023, CICC Capital realized a net profit of RMB345.0 million.

CICC Fund Management:

As of June 30, 2023, the total assets amounted to RMB691.9 million; the net assets amounted to RMB393.7 million. In the first half of 2023, CICC Fund Management realized a net profit of RMB3.7 million.

CICC Pucheng:

As of June 30, 2023, the total assets amounted to RMB9,138.3 million; the net assets amounted to RMB4,363.9 million. In the first half of 2023, CICC Pucheng realized a net profit of RMB125.2 million.

CICC Futures:

As of June 30, 2023, the total assets amounted to RMB9,287.8 million; the net assets amounted to RMB753.1 million. In the first half of 2023, CICC Futures realized a net profit of RMB31.5 million.

CICC Private Equity:

As of June 30, 2023, the total assets amounted to RMB893.1 million; the net assets amounted to RMB473.4 million. In the first half of 2023, CICC Private Equity realized a net profit of RMB61.5 million.

CICC Financial Trading Limited:

As of June 30, 2023, under the Hong Kong Financial Reporting Standards, the total assets amounted to US\$17,166.7 million; the net assets amounted to US\$1,185.0 million. In the first half of 2023, CICC Financial Trading Limited realized a net profit of US\$182.9 million.

VI. RISK MANAGEMENT

(I) Overview

Our Company has always believed that risk management creates value. The risk management of our Company aims to effectively allocate risk-based capital, limit risks to a controllable level, maximize the corporate value and constantly solidify the foundation for the steady and sustainable development of our Company. Our Company has sound corporate governance, effective risk management measures and a strict internal control system.

Pursuant to the relevant laws and regulations and regulatory requirements, our Company has established a sound governance structure. The Shareholders' General Meeting, the Board of Directors and the Supervisory Committee of our Company perform duties in accordance with the *Company Law*, the *Securities Law*, the *Guidance for the Internal Control of Securities Companies* (《證券公司內部控制指引》), the *Norms for the Comprehensive Risk Management of Securities Companies* (《證券公司全面風險管理規範》) and the *Articles of Association* and supervise and manage the business operations of our Company. Through enhancing and improving the internal control structure, compliance and risk management culture, the Board of Directors has made internal control and risk management an essential aspect of the business operation management of our Company.

(II) Risk Management Framework

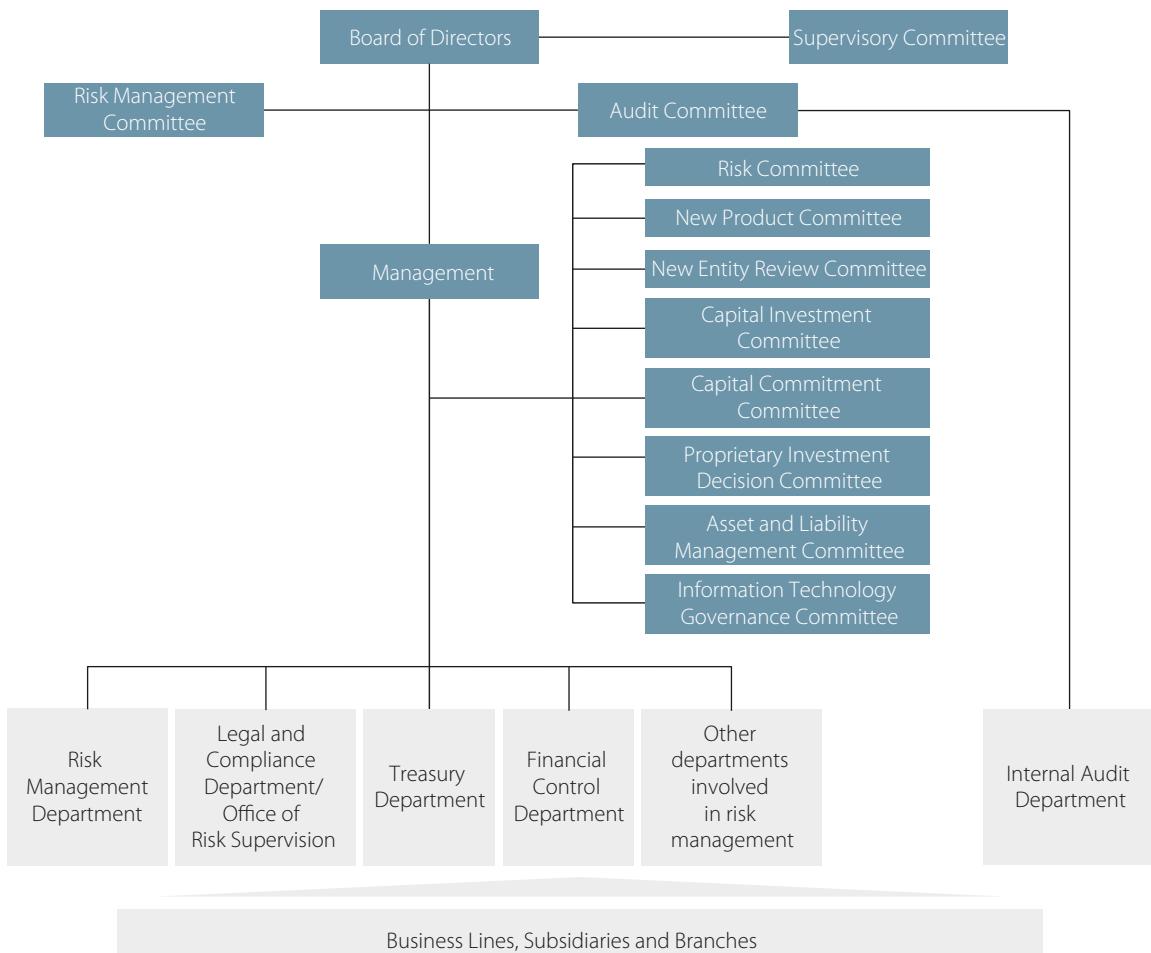
The Company has established a multi-level risk management organizational structure which comprises the Board of Directors, the Supervisory Committee, senior management, independent departments performing risk management functions, business departments and branches, of which, (i) the Board of Directors is the top level of our Company's risk management and internal control governance structure and is responsible for facilitating the enforcement of the firmwide risk management culture and reviewing and approving the overall risk management goals, risk appetite, risk tolerance, important risk limits and the risk management policy of our Company. The Board of Directors performs its risk management duties primarily through the Risk Management Committee and the Audit Committee; (ii) the Supervisory Committee assumes the supervision duty on the effectiveness of the overall risk management of our Company, and supervises and inspects the fulfillment of the risk management duties performed by the Board of Directors and the management, and reviews the rectification of risk management deficiencies and findings; (iii) under the Board of Directors, our Company has established the Management Committee chaired by the President (the Chief Executive Officer). The Management Committee determines the risk appetite of our Company in accordance with the overall risk management goals set by the Board of Directors and assumes the major responsibility of ensuring the effectiveness of the overall risk management of our Company;

(iv) the Risk Committee established under the Management Committee reports risk issues to the Management Committee and significant risk matters to the Risk Management Committee under the Board of Directors. The Chief Operating Officer is the chairman of the Risk Committee, and the Chief Risk Officer and Chief Compliance Officer are the co-executive chairmen of the Risk Committee. Other members include the Chief Financial Officer, heads of each of the business departments and heads of independent departments performing risk management functions. There are New Product Committee, New Entity Review Committee, Capital Investment Committee, Capital Commitment Committee, Proprietary Investment Decision Committee, Asset and Liability Management Committee and Information Technology Governance Committee under Management Committee, which perform their duties in respect of new business/new product approval, branch set-up and approval, approval of capital contribution from owned funds, risk control of issuance and underwriting

in investment banking business, management of investment decision-making process of proprietary business, management of assets and liabilities of the Company and management of information technology and etc.; (v) independent departments performing risk management functions, including departments such as Risk Management Department, Legal and Compliance Department, Treasury Department, Financial Control Department, Operations Department, Information Technology Department and Public Relations Department, coordinate to manage various risks based on their respective perspectives; and (vi) heads of business departments and branches take the primary responsibility for the effectiveness of risk management. During our daily business operations, all staff involved in business operations in our business departments and branches are required to perform risk management functions.

Management Discussion and Analysis

The organizational structure of our Company's risk management is shown in the following chart:



(III) Risk to Our Company's Business activities and Management Measures

Risks related to business activities of our Company mainly include market risk, credit risk, liquidity risk, operational risk, IT risk, compliance risk, legal risk, money laundering risk and reputational risk, etc. During the Reporting Period, the aforementioned risk factors did not have any significant impact on the current or future operating results of the Company. Our Company proactively responded to and managed risks through effective risk management measures, which generally prevented the occurrence of significant risk events and ensured the stable development of the business operation of our Company.

In the first half of 2023, international economy, trade and investment slowed down, inflation remained at a high level, financial market volatility was intensified, and global economy growth was unstable and the uncertainty significantly increased. The overall trend was that of a recovery in the Chinese economy: the first quarter achieved a good start and the second quarter continued the recovery trend. However, the market demand is still insufficient. It is currently in the critical period of economic recovery and industrial upgrading, with structural problems and cyclical contradictions intertwined. Confronted with severe and complex market environment challenges, the Company persisted in implementing the risk management and control requirements of "full coverage penetrating, and whole process", and continuously strengthened the integrated vertical risk management system covering its subsidiaries and branches. Through joint efforts

on risk management control of three lines of defense, the Company actively identified, prudently evaluated, dynamically monitored, timely reported and proactively coped with risks. The Company deeply publicized the risk management culture, continuously enhanced risk management capabilities, coordinated its business plans, considered its risk appetite, reviewed and improved the multi-dimensional and multi-level risk management system, optimized the management mechanism and processes prospectively, and continuously promoted the optimization and sustainable development of its business models. During the Reporting Period, the business operation of the Company was stable without material risk events and large losses, and the overall risks were controllable and tolerable.

During the Reporting Period, the Company continued to enhance risk management of the same business and the same customer. The Company formulated identification standards for the same business to implement relatively consistent risk management standards and measures for the same business and to identify, assess, measure, monitor and aggregate risks of the same business within the Company in a unified manner. The Company also formulated identification standards for the same customer to enhance standardized and regulated management of information of the same customer and to aggregate and monitor the business transactions in various business lines of the Company with the same customer, which will be implemented throughout all key links of business. At the same time, the Company managed relevant risks of customers identified as related parties in a unified manner.

Market Risk

Market risk refers to risks of changes in the fair value of financial assets held by our Company resulting from the fluctuations in equity prices, interest rates, exchange rates and commodity prices, etc.

Our Company has adopted the following measures to manage market risk:

- Business departments of our Company, as the first line of defense, dynamically manage market risk of exposures by way of diversifying risk exposures, controlling the size of positions and utilizing hedging instruments;
- The Risk Management Department of our Company independently assesses, monitors and manages the overall market risk of our Company. The market risk management mainly includes risk measurement, limit formulation and risk monitoring, etc.:
 - Our Company measures market risk mainly by means of Value at Risk (VaR) analysis, stress tests and sensitivity analysis, etc. VaR is a major tool for our Company to measure and monitor market risk. VaR measures the potential maximum loss to an asset portfolio by changes in market risk factors at a certain confidence level within a certain holding period. Our Company computes the single day VaR at a confidence level of 95% by adopting a historical simulation method based on three years of historical data and examines the effectiveness of the model through the method of back testing on a regular basis. Meanwhile, our Company adopts stress test to complement the VaR analysis and measures whether the investment loss of our Company is within the scope of the risk tolerance when market risk factors such as equity prices, interest rates, exchange rates and commodity prices undergo extreme changes. In addition, in respect of sensitivity factors of different assets, our Company measures the impact of changes in specific factors on the value of assets by calculating the corresponding sensitivity indicators.

- Our Company has formulated a risk limit indicator framework. Risk limit is a means for controlling risks and also represents the risk appetite and risk tolerance of our Company. Our Company sets appropriate market risk limits based on the business nature, such as notional limit, VaR limit, concentration limit, sensitivity limit, stress test limit and stop-loss limit, etc.
- Our Company monitors risk limit usage in real time or on a daily basis. The Risk Management Department prepares daily risk reports to monitor the usage of limits and submits them to the management and business departments. When the limit usage triggers the warning line, the Risk Management Department will issue a warning notice to business departments. Once the risk indicators exceed the limits, business departments shall report reasons of the breach and measures to be taken to the Chief Risk Officer or his/her authorized person and shall be responsible for reducing the risk exposure to a level within the limits in a given time frame. If this cannot be achieved, they are required to apply to the Chief Risk Officer or his/her authorized person for a temporary increase in limit. If necessary, the Chief Risk Officer will submit a request to the management.

Value at Risk (VaR)

Our Company sets the total VaR limit of our investment portfolio and VaR limits for different business lines. The Risk Management Department computes and monitors VaRs of these financial instruments on a daily basis to ensure the daily VaRs are maintained within limits. The following table sets forth the computed VaRs and diversification effect of the Company by risk categories (equity prices, interest rates, currency rates and commodity prices) as of the dates and for the periods as indicated: (i) the daily VaRs as of the end of the respective period; (ii) the averages of daily VaRs during the respective period; and (iii) the highest and lowest daily VaRs during the respective period.

The Company (RMB in million)	June 30, 2023	December 31, 2022	Six months ended June 30, 2023			Twelve months ended December 31, 2022		
			Average	Highest	Lowest	Average	Highest	Lowest
Equity prices ⁽¹⁾	119.9	108.0	121.9	138.3	109.2	130.8	187.3	96.9
Interest rates ⁽²⁾	50.8	71.7	57.1	74.7	45.7	69.9	83.0	50.9
Currency rates ⁽³⁾	13.6	42.0	46.8	58.5	10.5	35.0	48.5	20.8
Commodity prices ⁽⁴⁾	0.6	0.7	0.9	1.3	0.5	1.1	2.7	0.5
Diversification effect	(40.7)	(90.4)	(77.5)			(87.3)		
Total portfolio	144.3	132.1	149.2	176.4	131.8	149.5	186.1	126.1

Notes:

- (1) including equities and the price-sensitive portion of derivative products
- (2) including fixed income products and the interest-rate sensitive portion of derivative products
- (3) including financial products subject to exchange rate changes (including derivative products)
- (4) including commodity and the price-sensitive portion of derivative products

The chart below sets forth the VaRs by risk categories of the Company as of the end of each month over the past year:

Monthly VaR Chart



The Company has set price-sensitive exposure limits for price-related businesses, which are measured and monitored on a daily basis. During the Reporting Period, the equity market showed a volatile trend, and the Company managed price market risks through adjusting positions, applying derivatives for hedging and controlling the concentration.

The Company closely followed the changes in interest rates and credit spreads in domestic and overseas markets, measuring risk exposures and monitoring risk limit utilizations on a daily basis. The Company hedged the interest rate risk for the fixed-income portfolio by using treasury bond futures, interest rate swaps, etc.

The Company conducted foreign exchange risk management for domestic and overseas assets, measuring risk exposures and monitoring risk limit utilizations on a daily basis. The foreign exchange risk exposures were managed by adjusting currency positions and using foreign exchange derivatives as hedging instruments.

The Company's exposure to commodity market risks was relatively low. During the Reporting Period, as the prices of some domestic and overseas commodities fluctuated sharply, the Company conducted commodity risk management by using commodity futures, options and swaps as hedging instruments.

Credit Risk

Credit risk refers to the risk caused by deterioration in creditworthiness or default losses of counterparties, borrowers and securities issuers.

Bond Investments Business

Our Company emphasizes the diversification level of the fixed income credit products and the credit products invested are those predominantly with relatively high credit ratings. Our Company controls its market risk and credit risk exposures by various initiatives, such as setting up limits on investment size, product types, credit ratings and concentrations, and carrying out forward-looking risk research, as well as closely monitors and tracks bond issuers' business performance and credit profiles so as to constantly evaluate and warn any credit deterioration.

During the Reporting Period, in response to the frequent occurrence of credit risk events, FICC Department closely collaborated with the Risk Management Department and identified, assessed, monitored and managed credit risk related to bond investments. As a result, the Company avoided material losses during the Reporting Period through effective risk management measures.

As of June 30, 2023 (Unit: RMB in million)

The Company	Position	DV01	Spread DV01
Overseas rating			
– AAA	1,149.3	0.16	0.00
– AA- to AA+	911.9	0.07	0.07
– A- to A+	5,050.9	0.55	0.52
– BBB- to BBB+	2,157.6	0.23	0.23
– below BBB–	836.8	0.05	0.05
– NR	1,301.1	0.45	0.46
Sub-total	11,407.7	1.52	1.34
Domestic rating			
– AAA	78,020.9	10.47	9.66
– AA- to AA+	10,276.8	1.27	1.27
– A- to A+	908.4	0.04	0.04
– below A–	395.6	0.02	0.02
Sub-total	89,601.7	11.80	11.00
– Non-rated 1	37,268.8	6.63	–
– Non-rated 2	6,310.0	0.05	0.05
Total	144,588.1	20.01	12.39

Notes: The Risk Management Department uses DV01 and Spread DV01 to measure the interest rate sensitivity and credit spread sensitivity of bonds. DV01 measures the change in the value of interest rate sensitive products for each parallel movement of one basis point in a market interest rate curve. Spread DV01 measures the change in the value of credit spread sensitive products for each parallel movement of one basis point in the credit spread.

- (1) The Company refers the credit ratings of its debt securities to the credit ratings of the debt securities or the debt securities' issuers from Bloomberg comprehensive ratings or the local major rating agencies.
- (2) Non-rated 1: These non-rated financial assets mainly include government bonds and policy financial bonds.
- (3) Non-rated 2: These non-rated financial assets are mainly other debt securities and trading securities which are not rated by independent rating agencies.

Capital Business

For the credit risks of margin financing and securities lending business, stock-based lending business and other capital businesses, our Company has established a comprehensive and robust risk control system, including the customers' creditworthiness assessment, collateral management, underlying securities management, risk limit management, margin ratio monitoring, mandatory liquidation, etc. Our Company attaches considerable importance to customers' on-boarding and has established and implemented a strict customer selection and credit assessment mechanism, under which the branches are responsible for preliminary assessment of the customers' credit profile by collecting customers' basic information, financial status, securities investment experience, credit record and risk tolerance. The information of the customers that has passed the preliminary assessment will be submitted to the relevant business departments at the headquarters for further review, which, if qualified, will then be submitted to the Risk Management Department for formal approval, which will conduct an independent assessment of the customers' qualifications, and determine their credit ratings and credit limits.

During the Reporting Period, no significant losses were incurred in the Company's margin financing and securities lending business and stock-based lending business. Our Company primarily controlled the risks of margin financing and securities lending business and stock-based lending business by the following measures:

1. Margin Financing and Securities Lending Business

During the Reporting Period, our Company strictly controlled the concentrations of single customer and single underlying security, closely monitored and assessed accounts with higher collateral concentration and riskier investment portfolio, timely communicated with the customers and promptly took corresponding measures to mitigate such risks; our Company attached considerable importance to collateral management and dynamically adjusted the scope and haircuts of the collaterals; we prudently reviewed and approved business extension by considering the following factors, i.e., the concentration and risk condition of the investment portfolio, and the collateral ratio of the existing deal; our Company also conducted regular and irregular stress testing and closely monitored customers with high risks.

2. *Stock-based Lending Business*

During the Reporting Period, our Company exercised strict control over the onboarding and approval of the stock-based lending deals, and has taken effective risk control measures, including, but not limited to, strengthening deal risk assessment and management, evaluating the risks by the customers' creditworthiness and fundamentals of the pledged securities (including the pledge ratio of the large shareholder, pledge ratio of all shareholders, liquidity and trading suspension records, shareholder structure, capital status of the controlling shareholder, potential delisting risk and negative news), carefully determining the loan-to-value ratio, as well as exercising strict control over the financing amount of the customers who are subject to shareholding reduction restriction; our Company strictly controlled single security concentration, established a security blacklist mechanism, and managed the overall exposure of a single security within the Company. In addition, our Company strengthened the on-site due diligence investigation, assessment and analysis of the pledged securities and clients with large financing demand, and raised the approval requirements to ensure risks were managed at a controllable level.

Meanwhile, our Company continuously monitored the risks of the outstanding contracts, conducted regular and irregular stress testing, and classified deals into different risk status and kept key track of the deals with potential high risks; we maintained close monitoring and regular assessment of the customers' credit risk with large financing amount, and maintained dynamic monitoring of the pledged securities, continuously tracked the fundamentals and security price fluctuations of large deals, and if any abnormal circumstances identified on the pledged security, our Company will ensure the risk precautions are in place, and corresponding measures are taken promptly.

a. *Margin Financing and Securities Lending Business*

The following table sets forth the balance of margin financing and securities lending, market value of collaterals, and collateral ratio data of the margin financing and securities lending business of the Company:

Unit: RMB in million

Items	As of June 30, 2023	As of December 31, 2022
Amounts of margin financing and securities lending	42,539.9	41,153.8
Market value of collaterals	118,603.1	110,229.3
Collateral ratio	278.8%	267.8%

Note: The collateral ratio is calculated as the ratio of the client's total account assets balance (including cash and securities held) to the client's balance of margin loans and securities borrowed from our Company (i.e. the sum of margin loans extended, the securities sold short and any accrued interests and fees).

As of June 30, 2023, the collateral ratio of the margin financing and securities lending business of the Company was 278.8%. Assuming that the market value of all securities as collaterals of the Company's margin financing and securities lending business declined by 10% and 20% respectively, and the liabilities of securities lending business increased by 10% and 20% respectively, the collateral ratio of the Company's margin financing and securities lending business as of June 30, 2023, would have been 247.3% and 216.0% respectively.

b. *Stock-based Lending Business*

The following table sets forth the lending amount, market value of collaterals, and collateral ratio data of the stock-based lending business of the Company:

Unit: RMB in million

Items	As of June 30, 2023	As of December 31, 2022
Amounts of stock-based lending	4,754.2	5,657.0
Market value of collaterals	14,968.9	18,215.6
Collateral ratio	314.9%	322.0%

Note: The collateral ratio refers to the ratio of the fair value of initial and supplement collateral, less any collateral already released, plus interests and dividends received, divided by the amount payable by the borrower.

Liquidity Risk

Liquidity risk refers to the risks arising from our Company's inability to obtain sufficient funds at reasonable costs in a timely manner to settle debts due, fulfill other payment obligations, and satisfy the funding needs in conducting normal business operations.

Our Company implements vertical and centralized management on liquidity risks of all domestic and overseas branches and subsidiaries. Our Company has adopted the following measures to manage liquidity risk:

- Closely monitoring balance sheets of our Company and its branches and subsidiaries, and managing liquidity gaps between assets and liabilities;
- Setting liquidity risk limits based on our Company's overall situation and regulatory requirements;
- Conducting cash flow forecast and liquidity risk stress test on a regular and irregular basis to analyze and assess our liquidity risk exposure;
- Maintaining adequate high-quality liquid assets and establishing liquidity contingency plan for potential liquidity emergencies.

In order to withstand the potential liquidity risk and satisfy the short-term liquidity needs, our Company constantly holds sufficient unsecured and high-quality liquid assets as

its liquidity reserves. The liquidity reserves are held by the Treasury Department and are managed independently from business departments. Our Company manages the liquidity reserves of all branches and subsidiaries vertically to ensure the allocation efficiency of the liquidity reserves. Meanwhile, due to the liquidity transfer restrictions between entities and regions, the liquidity reserves are held in various currencies and maintained within major operating subsidiaries, ensuring that the liquidity requirements of different entities are met in a timely manner. The size and composition of the liquidity reserves are actively managed by our Company based on the consideration of factors including, but not limited to, funding maturity profile, balance sheet size and composition, business and operational capital requirements, stress test results, and regulatory requirements. Our Company strictly limits the liquidity reserves to high-quality liquid assets (including cash and cash equivalents, interest rate bonds and money market funds) and sets risk limits.

Our Company constantly broadens and diversifies its funding channels to optimize the liability structure. The funding instruments of our Company include corporate bonds, medium-term note program, bank loans, commercial papers, beneficiary certificates, refinancing, transfer of right to income, inter-bank borrowing, REPOs, etc. Our Company maintains good relationship with banks and has sufficient bank credit to meet the funding requirement for business development. As of the Latest Practicable Date, as assessed by China

Chengxin International Credit Rating Company Limited (中誠信國際信用評級有限責任公司), the credit rating of our Company is AAA and the rating outlook is stable. As of the Latest Practicable Date, as assessed by Standard & Poor's, the long-term rating of the Company is BBB+, the short-term rating is A-2 and the rating outlook is stable. As assessed by Moody's, the long-term rating of the Company is Baa1, the short-term rating is P-2 and the rating outlook is stable. As assessed by Fitch, the long-term rating of the Company is BBB+, the short-term rating is F2 and the rating outlook is stable.

Our Company's liquidity risk management was sound, the liquidity reserves were sufficient, and the liquidity risk was under control.

During the Reporting Period, the regulatory liquidity risk management indicator of our Company continued to comply with the regulatory requirements. As of June 30, 2023, the liquidity coverage ratio and the net stable funding ratio of our Company were 247.7% and 134.4%, respectively.

Operational Risk

Operational risk refers to the risks arising from losses resulting from inadequate or problematic internal procedures, personnel, IT systems, and external events. Operational risk can occur in all business operations and daily operations of the Company, which may eventually lead to other risks including but not limited to legal risk, compliance risk and reputational risk.

Our Company has adopted the following measures to manage operational risk:

- Cultivating the operational risk idea of all staffs and improving employees' awareness to operational risks;
- Establishing a transparent organizational structure with a proper decision-making mechanism and defining the responsibilities of the management and control of business processes;
- Promoting risk management in key areas and processes, and optimizing and improving systems, processes and mechanisms;
- Carrying out risk assessment and follow-up review of new businesses and products, and effectively managing and controlling operational risks of new businesses and products;
- Continuously strengthening the identification, assessment, monitoring and response to operational risks of the operational risk management and control tools, and strengthening the ex ante management of operational risks, management of operational risks in the act and ex post facto management of operational risks;
- Optimizing the communication, reporting and processing mechanism for operational risk information to prevent and control risks in a more active and forward-looking manner;

- Promoting the construction of business continuity management systems to enhance the continuity of going concern ability.

Our Company continued to strengthen the operational risk management by enhancing IT systems and streamlining business procedures. By improving the IT systems and optimizing and standardizing business procedures, our Company further improved the operation efficiency and prevented operational risk.

IT Risk

IT risk refers to the operational, legal and reputational risks arising from natural factors, human factors, technology vulnerabilities and management deficiencies in the application of information technology in CICC.

The Company has mainly adopted the following measures to control and prevent IT risks:

- Establishing an effective IT governance framework to keep information technology construction consistent with business goals;
- Clarifying the information technology risk management mechanism, and clarifying at the policy level the division of responsibilities of the three lines of defense in IT risk management, defining and regulating management strategies and methods;
- Conducting IT risk assessment, fully identifying and analyzing the risks, determining the possibility and potential impact of the risks, implementing risk prevention measures; establishing an IT key risk indicator system and monitoring mechanism; cultivating IT risk culture and improving employees' awareness of IT risk prevention and control;
- Ensuring the reliability, integrity, availability and maintainability of information system through the management process of initialization, approval and control of IT projects;
- Establishing information security management system, formulating and implementing information security plan, monitoring information security threats;
- Establishing a data governance organizational framework to ensure unified management, sustainable controllability and storage safety of data;
- Tracking, responding to, analyzing and dealing with problems of information system and emergencies of information technology through establishing an effective process to manage problems;

- Through establishing an IT emergency management system, formulating an emergency plan, carrying out emergency drills, and continuously improving IT emergency management process, to ensure that the system can support the Company's business operations in a continuous and steady manner.

Compliance Risk

Compliance risk refers to the risk of the Company being legally held accountable, subject to supervisory measures, given self-discipline penalties or suffering from loss of property or reputation because of the violation of laws, regulations, industry self-regulatory rules or our internal policies arising from our operations and management activities or employee behavior.

Our Company has mainly adopted the following measures to manage and prevent compliance risk:

- Our Company controls the circulation of sensitive information by monitoring information flows and establishing dynamic information barrier walls, with the aim to prevent risks of insider trading and manage conflicts of interest;
- Our Company undertakes compliance supervision and reviews in accordance with applicable laws and regulations, other regulatory documents, self- regulatory rules, industry norms and our internal policies, to monitor the compliance of our business operations and employee activities and identify and prevent compliance risks in a proactive manner;
- Our Company adopts various means to cultivate a compliance culture within each business line, functional department and branch and provides compliance training to our employees to improve their compliance awareness;
- Our Company has established an internal accountability system in respect of employees' violations of laws and regulations and internal policies to impose applicable punishments on offenders.

- Our Company formulates and updates our compliance policies and procedures in accordance with changes in laws, regulations and industry norms;
- Our professional compliance team is responsible for examining various businesses and providing compliance advice. We implement effective compliance risk management measures at an early stage of new businesses and conduct compliance reviews and supervision during carrying out new business;

Legal Risk

Legal risk refers to the risk of possible economic loss or damage to our Company's reputation resulting from breach of contracts, infringement-related disputes, litigation or other legal disputes.

Our Company manages, controls and prevents legal risks mainly through the following measures:

- Our Company continuously enhances our internal policies and business procedures from a legal perspective to ensure that our operations and management satisfy the requirements of applicable laws and regulations;
- Our Company formulates templates for various business contracts and requires our business departments to use our in-house templates to the fullest extent. We also review contracts drafted or provided by counterparties prior to entering into such contracts to mitigate the legal risk associated with performing such contracts;
- Our Company conducts legal training to enhance our employees' legal awareness;

- Our Company applies for trademarks, maintains and protects our existing trademarks, safeguards our goodwill and trade secrets and takes legal actions against behaviors that harm our reputation or interests;
- Our Company takes active measures to mitigate legal risks when disputes and litigation arise.

Money Laundering Risk

Money laundering risk refers to the risks of being used by illegal and criminal activities such as money laundering, terrorist financing and proliferation financing in the course of conducting business and operating management of the Company, which may bring regulatory penalties, legal disputes, financial loss or reputation loss to the Company.

The Company mainly adopted the following measures to manage and prevent money laundering risks:

- Establishing an organizational structure for money laundering risk management and properly conducting anti-money laundering human resource assurance;

- Formulating and updating anti-money laundering policies in accordance with laws, regulations, and regulatory requirements;
- Conducting regular and irregular money laundering risk assessment;
- Integrating risk control measures into relevant business operation processes in consideration of anti-money laundering obligations, including customer identification, preservation of customer identity information and transaction records, suspicious transaction monitoring and reporting, name screening and monitoring, asset freezing;
- Continuously carrying out anti-money laundering publicity and training to promote the full transmission of money laundering risk management culture;
- Establishing and improving the anti-money laundering monitoring system and data quality control mechanism;
- Carrying out anti-money laundering inspection and internal audit work and conducting anti-money laundering performance appraisals, rewards and punishments, and emergency management work.

Reputational Risk

Reputational risk refers to the risk of negative comments of investors, issuers, regulators, disciplinary organizations, the public and the media on our Company caused by our Company's actions or external events and our employees' violation of integrity rules, professional ethics, business norms, and rules and regulations of the industry, which may damage the brand value of the Company, hinder the normal operation of the Company, and even undermine the market and social stability.

Our Company has mainly adopted the following measures to manage and prevent reputational risk:

- All business departments take measures to prevent and control reputational risks across important business activities and processes, and strictly follow "Know your Customers (KYC)" principle, enhance project due diligence and quality control, as well as timely prevent and deal with potential reputational risk;
- Continuously implementing the reputational risk management system and rules to specify the organizational structure and division of responsibilities for reputational risk management so as to consolidate reputational risk management work;

- Identifying and evaluating the risk information or sources that may affect the Company's reputation, conducting investigations of reputational risks and evaluation of reputational risks, adopting corresponding risk control measures based on the evaluation results, and continuously improving the mechanism for assessing, preventing, responding to and handling reputational risk events;
- By the establishment of a sound public opinion monitoring and early warning system, monitoring the public opinions and supporting the identification, early warning and judgment, publishing and communicating the Company's views and positions to the public in a timely manner, so as to avoid the spread and deterioration of erroneous information including misreading and misinformation in the public opinion environment;
- Defining the content, form, frequency and scope of reputational risk reporting to timely inform the Board and the management of the levels and management of reputational risks, and submitting reports on major reputational events as required by regulatory authorities or their branches;
- Strengthening employee reputational risk management, developing employees' awareness of reputational risks and their good professional conduct through system construction and training mechanism, improving the employee reputation information registration mechanism, incorporating employee reputation into the personnel management system, and strengthening the assessment and accountability of personnel who have a negative impact on the reputation of the Company.

(IV) Establishment of Monitoring and Complementary Mechanism of the Company's Risk Control Indicators

Establishment of risk control indicators monitoring

The Company has established a sound monitoring and management mechanism of the risk control indicators based on the regulatory standards and early warning standards for risk control indicators of securities companies stipulated by the CSRC. By means of the limit management, daily monitoring and reporting, regular stress test, report of abnormalities, etc., we continuously optimized and improved the comprehensive risk management system of the Company, so as to ensure that the net capital, liquidity and other risk control indicators always comply with the regulatory requirements.

Complementary mechanism

For risk control indicators, the Company has established a dynamic complementary mechanism for net capital and liquidity. The Company's complementary channels of net capital include but not limited to suspending or reducing the scale of capital-intensive business, issuing subordinated bonds, increasing equity capital, reducing or suspending profit distribution, etc. The complementary channels of liquidity include but not limited to raising external funds (such as corporate bonds, medium-term note programme, bank loans, commercial papers, beneficiary certificates, refinancing, transfer of right to income, inter-bank borrowing, REPOs etc.), suspending or reducing the scale of certain businesses, realizing the liquidity reserves held by the Company, disposing other assets of the Company, etc.

CORPORATE GOVERNANCE

I. INTRODUCTION OF THE SHAREHOLDERS' GENERAL MEETING

During the Reporting Period, our Company convened one shareholders' general meeting, the details and resolutions of which are as follows:

On June 30, 2023, the Company held the 2022 annual general meeting, which considered and approved the following resolutions: *Resolution on the Amendments to the Articles of Association, Resolution on the Amendments to the Rules of Procedures of the Meeting of Board of Directors, Resolution on the 2022 Work Report of the Board of Directors, Resolution on the 2022 Work Report of the Supervisory Committee, Resolution on the 2022 Annual Report, Resolution on the 2022 Profit Distribution Plan, Resolution on the Re-appointment of the Accounting Firms, Resolution on the 2023 Annual Estimation for Daily Related-party Transactions, Resolution on the 2022 Annual Work Report of Independent Non-executive Directors, Resolution on the Election of Ms. Zhang Wei as a Non-executive Director, Resolution on the Election of Mr. Kong Lingyan as a Non-executive Director and Resolution on the Election of Mr. Zhou Yu as an Independent Non-executive Director.*

Announcements on the resolutions of the above shareholders' general meeting were also published on HKEXnews website (<http://www.hkexnews.hk>), SSE website (<http://www.sse.com.cn>) and the Company's website (<http://www.cicc.com>) on the date or the next day of the meeting.

There was no request for convening an extraordinary general meeting by preference shareholders with restored voting rights in the Company.

II. CHANGES IN DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

(I) Changes in Directors, Supervisors and Senior Management

1. Changes in Directors

As of the Latest Practicable Date, the Board of our Company comprises 10 Directors, including one executive Director (Mr. Huang Zhaohui), five non-executive Directors (Mr. Shen Rujun, Ms. Zhang Wei, Mr. Kong Lingyan, Ms. Tan Lixia and Mr. Duan Wenwu) and four independent non-executive Directors (Mr. Ng Kong Ping Albert, Mr. Lu Zhengfei, Mr. Peter Hugh Nolan and Mr. Zhou Yu).

From the beginning of the Reporting Period to the Latest Practicable Date, the changes in Directors of the Company are as follows:

- (1) With the approval of the 2022 annual general meeting of the Company held on June 30, 2023, Ms. Zhang Wei and Mr. Kong Lingyan were appointed as non-executive Directors of the Company and Mr. Zhou Yu was appointed as an independent non-executive Director of the Company with terms of office from June 30, 2023 until the date of expiration of the term of office for the second session of the Board of the Company, and they will be eligible for re-election then. With the approval of the Board of the Company, Ms. Zhang Wei was appointed as the member of each of the Strategy and ESG Committee, Remuneration Committee and Risk Management Committee under the Board of the Company; Mr. Kong Lingyan was appointed as the member of each of the Strategy and ESG Committee, Audit Committee and Risk Management Committee under the Board of the Company; Mr. Zhou Yu was appointed as the chairman of the Nomination and Corporate Governance Committee and the member of each of the Strategy and ESG Committee, Remuneration Committee and Audit Committee under the Board of the Company; Mr. Lu Zhengfei was appointed as the member of the Related-Party Transaction Control Committee under the Board of the Company from the same date.
- (2) Mr. Liu Li has resigned from the office of independent non-executive Director and positions of the relevant special committees of the Board of the Company with effect from June 30, 2023, after serving for six consecutive years.

2. Changes in Supervisors

As of the Latest Practicable Date, the Supervisory Committee of the Company comprised three Supervisors, including one employee representative Supervisor (Mr. Gao Tao) and two non-employee representative Supervisors (Mr. Jin Lizuo and Mr. Cui Zheng).

From the beginning of the Reporting Period to the Latest Practicable Date, there was no change in Supervisors of the Company.

3. Changes in Senior Management

As of the Latest Practicable Date, the Company had a total of 15 senior management personnel, namely Huang Zhaohui, Chu Gang, Wong King Fung, Hu Changsheng, Wu Bo, Zhang Kejun, Xu Yicheng, Wang Jianli, Wang Shuguang, Du Pengfei, Zhang Fengwei, Ma Kui, Sun Nan, Cheng Long and Zhou Jiaxing.

From the beginning of the Reporting Period to the Latest Practicable Date, the changes in senior management of the Company are as follows:

- (1) After consideration and approval by the Board of the Company, Mr. Xu Yicheng, Mr. Wang Jianli and Mr. Wang Shuguang were appointed as members of the Management Committee of the Company, with effect from January 13, 2023. Mr. Xu Yicheng ceased to serve as the Assistant President since the same date.
- (2) After consideration and approval by the Board of the Company, Mr. Du Pengfei was appointed as a member of the Management Committee of the Company, with effect from April 28, 2023.

(II) Change in Shareholdings of Directors, Supervisors and Senior Management

During the Reporting Period, there was no change in shareholdings of who currently are or used to be the Directors, Supervisors and senior management of the Company during the Reporting Period.

(III) Rights of Directors and Supervisors to Acquire Shares or Debentures

As of the end of the Reporting Period, none of the Company or any of its subsidiaries was a party to any arrangements to enable the Directors, Supervisors or their spouses or minor children under the age of 18 to acquire benefits by means of acquiring shares or debentures of the Company or any other body corporate.

(IV) Changes in Biographies of Directors and Supervisors

Mr. Duan Wenwu has served as the Chairman of SDIC Capital Co., Ltd., a company listed on the Shanghai Stock Exchange (Stock Code: 600061), since April 2023, performed the duties of the general manager of SDIC Capital Co., Ltd. since June 2023, and ceased to be the Chairman of I&G (NEEQ: 834777) from June 2023.

Mr. Lu Zhengfei ceased to be an independent supervisor of PICC Property and Casualty Company Limited (a company listed on the Hong Kong Stock Exchange (Stock Code: 02328)) since August 2023.

Save as disclosed above, there is no other information of Directors and Supervisors of the Company that is required to be disclosed pursuant to Rule 13.51B(1) of the *Listing Rules of the Stock Exchange*.

III. PLAN ON PROFIT DISTRIBUTION OR CONVERTING CAPITAL RESERVE INTO SHARE CAPITAL

In considering the interim report, the Board of the Company did not make a plan on profit distribution or converting capital reserve into share capital.

IV. THE SHARE INCENTIVE SCHEME, EMPLOYEE STOCK OWNERSHIP PLAN OR OTHER EMPLOYEE INCENTIVES AND THEIR IMPACTS

During the Reporting Period, the Company did not implement any share incentive scheme, employee stock ownership plan or other employee incentives, and therefore, none of the Directors, Supervisors or senior management of the Company have been granted stock options or restricted Shares.

V. COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

During the Reporting Period, the Company strictly complied with the *Corporate Governance Code*, followed all code provisions and met the requirements of part of the recommended best practices set out in the *Corporate Governance Code*.

VI. COMPLIANCE WITH THE MODEL CODE

The Company has adopted a code of conduct regarding securities transactions of Directors on terms no less exacting than the required standards set out in the *Model Code* for securities transactions. The Company has made specific enquiries to all Directors and Supervisors concerning their compliance with the *Model Code*. All Directors and Supervisors confirmed that they had strictly complied with all standards set out in the Company's code of conduct regarding securities transactions of Directors during the Reporting Period.

VII. EMPLOYEES AND REMUNERATION

As of June 30, 2023, the Group had 15,297 employees⁸, among whom 14,182 employees were based in the Chinese mainland and 1,115 employees were based in Hong Kong SAR, Singapore, the United States, the United Kingdom and Germany, representing 93% and 7%, respectively, of the total number of the Group's employees. Approximately 54% and 42% of the Group's employees had obtained bachelor's degrees or master's degrees and above, respectively. Moreover, approximately 31% of the Group's employees and 43% of our managing directors had overseas education or working experience.

During the Reporting Period, there was no change in the remuneration policy and training plans of the Company. For related information, please refer to "Directors, Supervisors, Senior Management and Employees" in the 2022 annual report of the Company.

⁸ The number of employees includes the number of employees under the labor contract and the number of employees under the labor dispatch, which were 15,171 and 126 respectively

ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

I. FULFILLING ENVIRONMENTAL RESPONSIBILITIES

The Company vigorously develops green bonds and green funds, and actively deploys ESG-themed strategic products to help achieve the “dual-carbon” goal. In the first half of 2023, the Company facilitated to issue a total of 42 green and ESG bonds worth of more than RMB280.0 billion. For instance, the Company assisted CECEP Solar Energy Technology in completing the issuance of the first green corporate bond under the *Common Ground Taxonomy* on the SZSE, Wuhan Optics Valley Traffic Company in completing the issuance of carbon neutrality green corporate bonds, multiple branches of ICBC in the issuance of multi-currency offshore green bonds themed carbon neutrality, China Construction Bank (CCB) London Branch, CCB Sydney Branch, Bank of China New York Branch in the issuance of green bonds, and Huzhou City Investment and Yiwu State-owned Capital Operation in the issuance of sustainable bonds. In the first half of 2023, the Company ranked No. 1 among PRC-based securities companies in terms of underwriting amount of offshore ESG bonds by Chinese issuers. CICC Capital, a private equity investment subsidiary of the Company, has jointly established a number of green-related funds with local governments and industrial parties to support the development of green economy and innovative green technologies in taking root in China. These funds will make full use of the green industrial resources invested by local governments and industrial parties and the professional investment capabilities of CICC Capital, with a focus on ecological protection, green energy industry chain and upstream and downstream technologies, to serve the development of green and low-carbon industries. In addition, the asset management business segment of the Company actively promotes the building of ESG investment research system, strengthens ESG investment practices, and deepens and improves sustainable investment strategies and product systems covering multiple asset classes to meet the ESG investment needs of different investors. In the first half of 2023, on the basis of the successful listing of CICC Carbon Futures ETF on the Hong Kong Stock Exchange, the Company provided more liquidity for CICC Carbon Futures ETF through market-making services in the Hong Kong market, and better guided market funds to participate in trading and pricing to help achieve the strategic goal of “dual carbon”.

The Company actively responds to the “dual carbon” goal and helps promote the public welfare undertakings in response to climate change and ecological environmental protection. Through the cooperation of CICC Charity Foundation, China Green Carbon Foundation and Shan Shui Conservation Center, the Company supported the biodiversity conservation, science popularization and protection capacity building, community protection demonstration village construction and other project activities in Mêdog County, Nyingchi, Tibet, and explored the pilot of a comprehensive management model themed “green and low-carbon + biodiversity + rural revitalization” as a way to protect biodiversity, and play an active role in the improvement and sustainable development of the local ecological environment.

The Company practices the concept of green development, works to conserve energy and reduce emission to the maximum extent in operation, and continues to explore new ideas in this regard from aspects of green operation and green building. In terms of green operations, the Company promoted the launch of the green travel platform; gave preference to green certified food consumables, while giving full play to the positive impact of green procurement on suppliers, to promote the green upgrading of the entire chain; actively promoted co-working to reduce carbon emissions caused by leasing and construction while improving the utilization rate of space resources. In terms of green construction, the Company continued to promote the prefabricated construction model. In the first half of 2023, the Company cancelled 360.03 tons of China Certified Emission Reduction through prefabricated construction. In terms of office renovation and decoration, the Company conscientiously abided by green building standards, paid attention to energy conservation and environmental protection and other indicators of equipment, and reduced decoration construction waste and carbon emissions.

II. CONSOLIDATING THE RESULTS OF POVERTY ALLEVIATION, AND FACILITATING RURAL REVITALIZATION

The Company has conscientiously implemented the central government's decision and deployment on the effective linkage between consolidating poverty eradication and rural revitalization, and held party committee meetings to review and formulate annual assistance measures. In the first half of 2023, the Company invested RMB26.67 million to support Huining County in consolidating poverty eradication and promoting rural revitalization. The Company purchased products from Huining and other counties totaling RMB4.40 million, and helped the sales of local agricultural products through consumption. The Company actively contacted external public welfare foundations and invested companies to introduce free aid funds of approximately RMB700,000. The Company coordinated 3 leading enterprises in the development of new materials, agricultural product processing and sales to visit Huining and negotiate cooperation as a way to help attract business and investment. In addition, the Company subsidized RMB450,000 to implement the live pig "insurance + futures" project in Shibing County and carried out agriculture-benefiting financial knowledge training; introduced external non-profit organizations to donate medical equipment worth RMB3.16 million to Jingning County; participated in the first China Specialized Agriculture Development Summit and opened the CICC agriculture pavilion to build a platform for the development and exchange, exhibition and negotiation of specialized industries for Huining and other counties.

In addition, focusing on national strategies including rural revitalization, the Company's private equity business deeply advanced the layout in three northeast provinces of China, and cooperated with the investment platforms at three levels, namely Jilin Province, Changchun City and Jingyue District, to set up the CICC Keyuan Jilin Rural Revitalization Industry Investment Fund (中金科元吉林鄉村振興產業投資基金) with a subscription scale of RMB1.5 billion, contributing to national strategies such as the rural revitalization, further enhancing the influence of national advantageous industries, and helping the rapid development of rural revitalization industries.

III. OTHER WORK FOR FULFILLING SOCIAL RESPONSIBILITIES

The Company supports and serves small, medium and micro enterprises in various ways. In the first half of 2023, we supported small, medium and micro enterprises with a financing scale of more than RMB90.0 billion, including assisting CGIF (a trust fund of the Asian Development Bank) in guaranteeing the issuance of RMB dim sum bonds of China Education Group. We supported small and medium-sized enterprises with the help of international capital market forces, and conducted win-win cooperation with international super-sovereign institutions. We continued to play the role of "CICC Cloud Investment Bank", serving more than 120 small and medium-sized enterprises from emerging industries such as the new generation of information technology, new energy, and new materials. More than 340 investors solicited for projects via the platform. In the first half of 2023, CICC Wealth Management advised 61 small, medium and micro enterprises to carry out equity incentive business and signed contracts with 14 small, medium and micro enterprises. In the cooperation with third-party institutions, external salons and business activities, we mainly focused the direction and theme of the activities on empowering various small, medium and micro enterprises specialized in niche sectors.

The Company leveraged its advantages in the main business of finance to explore and innovate the development model of public welfare. With a professional support system for medical achievement application, the Capital Healthtech Incubation Engineering Foundation (首都醫療科技成果轉化公益基金會) assisted Beijing in the transformation of medical scientific and technological achievements and the exploration of innovative models. In the first half of 2023, it donated public welfare funds totaling RMB33.00 million to eight transformation projects in pilot hospitals, and actively provided relevant professional support for transformation projects according to the pilot plan for the transformation of medical innovation achievements in municipal pilot hospitals, so as to advance the transformation as planned and achieve the expected results.

In addition, the Company fully relies on the volunteer service management platform to carry out a series of volunteer basic course training, and has established a mechanism of designating departmental personnel for communicating public welfare issues. The "CICC Charity Volunteer Group" (中金公益愛心同行志願團) continues to grow, and volunteer service detachments in various places are being built up to gradually become the backbone of supporting local volunteer activities. In the first half of 2023, through the CICC Charity Foundation, we carried out branded public welfare activities, including "CICC Charity Walk" (中金公益健走), "CICC Tree Planting Season" (中金植樹季), "Sending Love through Books" (書送愛心), "CICC Charity First Lesson of School" (中金公益開學第一課) and "Dream Painting Project" (繪夢計劃), to practice corporate social responsibilities and help the balanced and high-quality development of rural children's education in underdeveloped areas in multiple aspects. In June 2023, the "CICC Public Welfare Volunteer Service Base" (中金公益志願服務基地) was launched in Beijing School for the Blind. CICC volunteers continue to play an important role in the "Integration of School and Society" (學社融合) volunteer service activities for students and the disabled. In the first half of 2023, CICC Charity Foundation was awarded the title of "2023 China Charity Ranking – Model Foundation of the Year" (2023中國慈善榜—年度榜樣基金會) in the 20th "China Charity Ranking" held by the China Philanthropy Times.

SIGNIFICANT EVENTS

I. PERFORMANCE OF UNDERTAKINGS

The undertakings of relevant covenantors during or subsisting in the Reporting Period were fulfilled in a timely and strict manner, and there was no failure in timely fulfillment. The details are as follows:

Background of undertaking	Type of undertaking	Covenantor	Undertaking	Time and duration of undertaking	Whether there is a performance period
Undertakings in relation to initial public offering	Shares selling restrictions	Central Huijin, Jianyin Investment, JJC Investment and China Investment Consulting	Undertakings in relation to restrictions on shareholdings and trading	36 months from the listing date of A Shares of the Company	Yes
	Shares selling restrictions	Central Huijin, Jianyin Investment, JJC Investment and China Investment Consulting	Undertakings in relation to the price for selling shares within 2 years from the expiring date of restrictions on shareholdings and trading	2 years from the expiring date of restrictions on shareholdings and trading	Yes
	Others	Central Huijin, Jianyin Investment, JJC Investment, China Investment Consulting, and Haier Jinying	Undertakings in relation to the intention of shareholding and reducing shareholding	Long-term	Yes
	Others	The Company, Directors (other than independent Directors and Directors not receiving remuneration from the Company) and senior management	Undertakings in relation to stabilizing share price	3 years from the listing date of A Shares of the Company	Yes
	Others	Directors and senior management	Undertakings to take remedial measures against dilution of immediate returns	Long-term	Yes
	Others	The Company, Central Huijin, Directors, Supervisors, senior management, joint sponsors, joint lead underwriters, lawyers of the issuer, accountants of the issuer, and the asset appraisal agency of the issuer	Undertakings that there were no false records, misleading statements or material omissions in the prospectus	Long-term	Yes
	Others	The Company, Central Huijin, Jianyin Investment, JJC Investment, China Investment Consulting, Haier Jinying, Directors, Supervisors, and senior management	Undertakings in relation to binding measures on any failure to fulfill	Long-term	Yes
	Others	Central Huijin	Undertakings in relation to avoiding peer competition	Long-term	Yes
	Others	Haier Jinying	Undertakings in relation to reducing and regulating related party transactions	Long-term	Yes

II. MISAPPROPRIATION OF FUNDS ON A NON-OPERATING BASIS BY THE CONTROLLING SHAREHOLDER AND OTHER RELATED PARTIES

During the Reporting Period, there was no misappropriation of funds on a non-operating basis by the Company's controlling shareholder and other related parties.

III. NON-COMPLIANT GUARANTEES

During the Reporting Period, the Company had no non-compliant guarantees.

IV. CHANGES IN AND TREATMENTS OF MATTERS INVOLVED IN NON-STANDARD AUDIT OPINION ON THE 2022 ANNUAL REPORT

There was no non-standard audit opinion on the 2022 annual report of the Company.

V. AUDIT OR REVIEW OF 2023 INTERIM REPORT

The financial information contained in the 2023 interim report of the Company was unaudited. The Audit Committee of the Board of the Company has reviewed the unaudited interim results of the Company for the six months from January 1, 2023 to June 30, 2023 and did not raise any objection to the accounting policies and accounting practices adopted by the Company.

The external auditor of the Company has reviewed the condensed consolidated financial statements of the Company for the six months ended June 30, 2023 in accordance with *Hong Kong Standard on Review Engagements* 2410.

During the Reporting Period, the Company did not change its accounting firm.

VI. ANALYSIS AND EXPLANATION ON REASONS FOR AND IMPACTS OF CHANGES IN ACCOUNTING POLICIES, ACCOUNTING ESTIMATES OR CORRECTION OF MATERIAL ACCOUNTING ERRORS

For information on change in the Group's accounting policies during the Reporting Period, please refer to "Notes to the Condensed Consolidated Financial Statements – 3. Changes in Accounting Policies".

During the Reporting Period, the Company had no significant changes in accounting estimates or correction of material accounting errors.

VII. BANKRUPTCY OR RESTRUCTURING

During the Reporting Period, there was no bankruptcy or restructuring related matters of the Company.

VIII. MATERIAL LITIGATION AND ARBITRATION

During the Reporting Period, the Company was not involved in any material litigation or arbitration which shall be disclosed in accordance with the requirements under the *Listing Rules of the SSE*.

IX. VIOLATIONS, PUNISHMENTS AND RECTIFICATIONS OF THE COMPANY AND DIRECTORS, SUPERVISORS, SENIOR MANAGEMENT, THE CONTROLLING SHAREHOLDER, AND THE ACTUAL CONTROLLER

During the Reporting Period, the Company was not suspected of a crime and therefore subject to any investigation; none of the controlling shareholder, the Directors, Supervisors or senior management of the Company was suspected of a crime and therefore subject to mandatory measures in accordance with the law; none of the Company or the controlling shareholder, the Directors, Supervisors, senior management of the Company was subject to any criminal penalty, suspected violation of the law or regulation and therefore subject to any investigation initiated or administrative penalties imposed by the CSRC, or subject to any major administrative penalties imposed by other competent authorities; none of the controlling shareholder, the Directors, Supervisors or senior management of the Company was suspected of a serious violation of law or disciplinary offences, or job-related crimes and therefore subject to detention measures by the discipline inspection and supervision authority, affecting the performance of the duties; none of the Directors, Supervisors or senior management of the Company was suspected of a violation of the law or regulation and therefore subject to mandatory measures by other competent authority, affecting the performance of the duties; none of the Company or the controlling shareholder, the Directors, Supervisors or senior management of the Company was subject to administrative regulatory measures imposed by CSRC or subject to disciplinary action by a stock exchange.

X. EXPLANATIONS ON CREDITWORTHINESS AND INDEPENDENCE OF THE COMPANY, CONTROLLING SHAREHOLDER AND THE ACTUAL CONTROLLER

During the Reporting Period, the Company and its controlling shareholder did not fail to perform the obligations determined by any effective court judgment, or to pay outstanding debts with a large amount when due.

During the Reporting Period, there is no situation where the Company cannot guarantee its independence from its controlling shareholder or other related parties, or cannot maintain its ability to operate independently. The assets, personnel, organization, finance and business of the Company are independent from the controlling shareholder and other related parties.

XI. MATERIAL RELATED PARTY/CONNECTED TRANSACTIONS

The Group conducts related party (connected) transactions in strict compliance with the requirements of the relevant laws and regulations, the Listing Rules, the regulatory authorities and the internal management system. The Group's related party (connected) transactions are conducted based on the principles of equity, openness and fairness, and the relevant transaction agreements are entered into based on the principles of equality, voluntariness, equivalence and compensation.

During the Reporting Period, the Group did not conduct any non-exempt connected transactions or continuing connected transactions in accordance with the *Listing Rules of the Stock Exchange*.

During the Reporting Period, the daily related-party transactions of the Company (as defined in the *Listing Rules of the SSE*) were implemented in accordance with the resolutions considered and approved at the shareholders' general meeting. When relevant related-party transactions occur in daily operations, the Company shall determine the transaction price with related-parties strictly in accordance with the principle of fair price, with reference to market price levels, industry practices and third-party pricing, and there is no significant difference between the actual transaction price and the market price. The specific implementation is as follows, which may be different from the "Related Party Relationships and Transactions" set out in the section headed "Consolidated Financial Statements" prepared in accordance with CASs:

**1. Matters disclosed in ad hoc announcements without subsequent progress or change:
Not applicable**

2. Matters disclosed in ad hoc announcements with subsequent progress or change:

Unit: RMB in ten thousand

Transaction type	Transaction contents	Related party	Brief description of business or item	Estimated amount	Actual amount incurred
Securities and financial products services	Income from service charges and commissions	Global Bridge Capital Management, LLC	Providing investment consulting services		65.42
		Haier Group (Qingdao) Jinying Holding Co., Ltd.	Providing securities brokerage services		16.10
		Haier Financial Factoring (Chongqing) Co., Ltd.	Providing investment consulting services		3.47
		Bank of Qingdao Co., Ltd.	Providing asset management services		11.47
		China National Investment and Guaranty Corporation	Providing asset management services		59.58
	Interest expenses	Bank of Qingdao Co., Ltd.	Providing securities underwriting services		5.08
		China National Investment and Guaranty Corporation	Providing securities brokerage services		3.50
		Capital Healthtech Incubation Engineering Foundation	Providing fund management services	Due to the uncertainty of occurrence and scale of business, the amount shall be calculated at actual amount incurred.	61.00
		Haier Group (Qingdao) Jinying Holding Co., Ltd.	Interest expenses on settlement funds of client transactions		2.40
		China National Investment and Guaranty Corporation			0.0003
Securities and financial products transactions	Joint investment	SDIC Capital Co., Ltd.	Balance of joint investment in funds with related party		288.81
		Bank of Qingdao Co., Ltd.	Investment income from purchasing financial assets issued by related party		0.25
	Investment income	China National Investment and Guaranty Corporation			5.52
					0.36

3. Matters not disclosed in ad hoc announcements: Not applicable

During the Reporting Period, except for the above-mentioned related party transactions relating to daily operations, the Company did not have the following material related party transactions that should be disclosed:

Related party transactions relating to asset or share acquisition or disposal; significant related party transactions relating to joint external investments; debts due to/from related parties; financial business with any related financial company, any financial company controlled by the Company, and a related party; other significant related party transactions.

During the Reporting Period, none of the related party transactions set out in the section headed "Consolidated Financial Statements" constituted discloseable connected transactions or continuing connected transactions under the *Listing Rules of the Stock Exchange*.

XII. MATERIAL CONTRACTS AND PERFORMANCE

(I) Guarantees

Unit: RMB in 100 million

External guarantees of the Company (excluding guarantees for its subsidiaries)

Total amount of guarantees provided during the Reporting Period (excluding guarantees for subsidiaries) —

Total balance of guarantees at the end of the Reporting Period (A) (excluding guarantees for subsidiaries) —

Guarantees provided by the Company and its subsidiaries for subsidiaries

Total amount of guarantees provided for subsidiaries during the Reporting Period 105.21

Total balance of guarantees provided for subsidiaries at the end of the Reporting Period (B) 375.25

Total amount of guarantees provided by the Company (including those provided for subsidiaries)

Total amount of guarantees (A+B) 375.25

Percentage of total amount of guarantees over net assets of the Company (%) 36.66

Including:

Amount of guarantees provided for shareholders, actual controller and their related parties (C) —

Amount of debt guarantees directly or indirectly provided for parties with asset-liability ratio exceeding 70% (D) 367.82

Amount of total guarantees exceeding 50% of net assets (E) —

Total amount of above three types of guarantees (C+D+E) 367.82

Explanations on unexpired guarantees subject to joint liabilities —

Notes:

1. The net assets in the above table refer to the total equity attributable to shareholders of the parent company in the condensed consolidated financial statements of the Company as of the end of the Reporting Period.
2. The exchange rates involved in the above table refer to the exchange rate of RMB against USD, and RMB against HKD on June 30, 2023.

During the Reporting Period, the new and existing guarantees of the Company and its holding subsidiaries were all guarantees provided by CICC International, a direct wholly-owned subsidiary of the Company, to its subordinate wholly-owned subsidiaries, i.e. indirectly wholly-owned subsidiaries of the Company, specifically:

1. CICC International providing guarantees for its subordinate wholly-owned subsidiaries in connection with the issuance of medium-term notes

CICC International provided an unconditional and irrevocable guarantee for its subsidiary, CICC Hong Kong Finance 2016 MTN Limited, in connection with the issuance of medium-term notes under the overseas medium-term note programme. The guarantee covered the payment of the principal and interest of the notes and other payment obligations under the Notes and Trust Deed.

During the Reporting Period, CICC Hong Kong Finance 2016 MTN Limited completed one issuance under the medium-term note programme, with an aggregate principal amount of US\$1.25 billion, which is a 3-year note. As of the end of the Reporting Period, the amount of the guarantee provided by CICC International for CICC Hong Kong Finance 2016 MTN Limited in connection with the repayment obligations under the above issuance was approximately RMB10.521 billion.

Save for the new guarantees during the Reporting Period as disclosed above, as of the end of the Reporting Period, other outstanding issuances and relevant guarantees under the medium-term note programme are as follows: In 2020, CICC Hong Kong Finance 2016 MTN Limited completed one issuance under the medium-term note programme, with an aggregate principal amount of US\$500 million, which is a 3-year note. In 2021, CICC Hong Kong Finance 2016 MTN Limited completed two issuances under the medium-term note programme, with an aggregate principal amount of US\$1,500 million, including a 3-year note of US\$1,000 million and a 5-year note of US\$500 million. In 2022, CICC Hong Kong Finance 2016 MTN Limited completed two issuances under the medium-term note programme, with an aggregate principal amount of US\$1.25 billion, both of which are 3-year notes. As of the end of the Reporting Period, the balance of the guarantees provided by CICC International for CICC Hong Kong Finance 2016 MTN Limited in connection with the repayment obligations under the above issuances was approximately RMB24,735 million.

2. CICC International providing guarantees for its subordinate wholly-owned subsidiaries in connection with overseas bank loans

There was no new guarantee during the Reporting Period. As of the end of the Reporting Period, the balance of guarantees was approximately RMB2.269 billion.

In addition, a net capital guarantee commitment of no more than RMB3 billion (inclusive) in connection with a wholly-owned asset management subsidiary to be established by the Company has not been implemented.

(II) Other material contracts

During the Reporting Period, the Company had no material custody, contracting or leasing.

Save as otherwise disclosed in this report, the Company had no other material contracts during the Reporting Period.

XIII. OTHER SIGNIFICANT EVENTS

(I) Changes in branches

During the Reporting Period, for information on the changes in branches of the Group, please refer to "Appendix II: Changes in Branches" in this report.

(II) Information on significant domestic and foreign subsidiaries

As of the end of the Reporting Period, the Company directly controlled one overseas subsidiary, which was CICC International; and directly controlled 6 domestic subsidiaries, namely CICC Wealth Management, CICC Capital, CICC Fund Management, CICC Pucheng, CICC Futures and CICC Private Equity. For details, please refer to "Management Discussion and Analysis – V" in this Report.

CHANGES IN SHARES AND INFORMATION OF SHAREHOLDERS

I. CHANGES IN SHARES

(I) Changes in Shares

As of the end of the Reporting Period, the total number of issued ordinary shares of the Company were 4,827,256,868 Shares, of which, 2,923,542,440 were A Shares and 1,903,714,428 were H Shares.

During the Reporting Period, there was no change in the total number of ordinary shares and capital structure of the Company.

During the Reporting Period and up to the Latest Practicable Date, the Company had no preferred shares.

(II) Changes in Shares Subject to Selling Restrictions

During the Reporting Period, there was no change in shares subject to selling restrictions of the Company. For details, please refer to "Shareholding of Holders of Restricted Shares" of this section in this report.

II. ISSUANCE AND LISTING OF SECURITIES

During the Reporting Period, the Company did not issue ordinary shares, convertible corporate bonds, detachable convertible bonds and other derivative securities.

During the Reporting Period, the information of the issued bonds of the Company and subsidiaries (including enterprise bonds, corporate bonds and debt financing instruments of financial enterprises) is as follows:

Unit: RMB in 100 million, unless otherwise stated

Issuer	Name of bond	Abbreviation	Code	Class of bonds	Issuing date	Coupon rate (%)	Issuance size	Listing date	Listing transaction size	Place for trading	Approved listing	Termination date of transaction	Trading arrangements
CCC	2023 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors [First Tranche] (Type I)	23 CCCG1	138941.SH	Publicly issued corporate bonds	2023/1/16	3,000	10	2023/1/30	10	SSE	2026/1/17	Matching one-click-order, price-enquiry, bidding and agreement trading	
CCC	2023 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors [First Tranche] (Type II)	23 CCCG2	138942.SH	Publicly issued corporate bonds	2023/1/16	3,180	30	2023/1/30	30	SSE	2028/1/17	Matching one-click-order, price-enquiry, bidding and agreement trading	
CCC	2023 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors [Second Tranche] (Type I)	23 CCCG3	115448.SH	Publicly issued corporate bonds	2023/6/5	2,870	50	2023/6/12	50	SSE	2028/6/6	Matching one-click-order, price-enquiry, bidding and agreement trading	
CCC	2023 Subordinated Bonds of China CCC Wealth Management Securities Company Limited Publicly Issued to Professional Investors [First Tranche] (Type I)	23 CCCWMS1	138835.SH	Publicly issued subordinated bonds	2023/2/10	3,800	25	2023/2/17	25	SSE	2026/2/13	Matching one-click-order, price-enquiry, bidding and agreement trading	
CCC	2023 Subordinated Bonds of China CCC Wealth Management Securities Company Limited Publicly Issued to Professional Investors [First Tranche] (Type II)	23 CCCWMS2	138836.SH	Publicly issued subordinated bonds	2023/2/10	4,170	5	2023/2/17	5	SSE	2028/2/13	Matching one-click-order, price-enquiry, bidding and agreement trading	
CCC	2023 Corporate Bonds of China CCC Wealth Management Securities Company Limited Publicly Issued to Professional Investors [First Tranche] (Type I)	23 CCCWMS3	115201.SH	Publicly issued corporate bonds	2023/4/12	3,020	15	2023/4/19	15	SSE	2026/4/13	Matching one-click-order, price-enquiry, bidding and agreement trading	
CCC	2023 Corporate Bonds of China CCC Wealth Management Securities Company Limited Publicly Issued to Professional Investors [First Tranche] (Type II)	23 CCCWMS4	115202.SH	Publicly issued corporate bonds	2023/4/12	3,280	15	2023/4/19	15	SSE	2028/4/13	Matching one-click-order, price-enquiry, bidding and agreement trading	
CCC	2023 Short-term Corporate Bonds of China CCC Wealth Management Securities Company Limited Publicly Issued to Professional Investors [First Tranche]	23 CCCWMS5	115358.SH	Publicly issued short-term corporate bonds	2023/5/17	2,520	30	2023/5/24	30	SSE	2024/5/18	Matching one-click-order, price-enquiry, bidding and agreement trading	
CCC	USD 125.5493% Notes due 2026	CCCHR 5493 (03/01/26)	XSG55576973	Overseas USD-denominated medium-term notes	2023/3/1	5,493	9032	2023/3/2	9032	HKEX	2026/3/1	Public offer	

Note: The medium-term note is USD-denominated and the translation is based on the middle exchange rates to RMB (7.2258) as at June 30, 2023.

III. INFORMATION OF SHAREHOLDERS

(I) Total Number of Shareholders

As of the end of the Reporting Period, the Company had a total of 110,638 ordinary shareholders, among which 110,255 are holders of A Shares and 383 are registered holders of H Shares.

(II) Shareholding of Top Ten Shareholders and Top Ten Holders of Shares Not Subject to Selling Restrictions

1. Shareholding of top ten shareholders

Unit: share

Name of shareholder	Period	Number of shares held as at the end of the Reporting Period		Increase/decrease during the Reporting Period		Number of shares held subject to selling restrictions	Class of shares	Pledged, marked or frozen shares	Class of shareholder
		share capital	Percentage (%)	Reporting Period	subject to selling restrictions				
Central Huijin Investment Ltd.	1,936,155,680	40.11	-	1,936,155,680	A Shares	Nil	Nation		
HKSCC Nominees Limited	1,902,961,034	39.42	+7,600	-	H Shares	Unknown	Foreign legal person		
Haier Group (Qingdao) Jinying Holding Co., Ltd.	197,145,800	4.08	-107,804,200	-	A Shares	Nil	Domestic non-state-owned legal person		
China National Investment and Guaranty Corporation	127,562,960	2.64	-	-	A Shares	Nil	State-owned legal person		
Hong Kong Securities Clearing Company Limited	28,106,275	0.58	-4,680,178	-	A Shares	Nil	Foreign legal person		
China Construction Bank Corporation -Guotai CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	16,976,027	0.35	-63,602	-	A Shares	Nil	Others		
Abu Dhabi Investment Authority	13,757,670	0.28	-2,017,654	13,757,670	A Shares	Nil	Foreign legal person		
Alibaba (China) Network Technology Co., Ltd.	13,757,670	0.28	-	13,757,670	A Shares	Nil	Domestic non-state-owned legal person		

Name of shareholder	Period	Number of shares held as at the end of the Reporting Period	Percentage share capital	Increase/ decrease during the Reporting Period		Number of shares held subject to selling restrictions	Class of shares	Pledged, marked or frozen shares	Class of shareholder
				in the total	Number of shares held during the Reporting Period				
China Construction Bank Corporation	12,338,231	0.26	-696,259		-	A Shares	Nil	Others	
-Huabao CSI All Share Securities Company Trading Index Securities									
Investment Open-ended Fund									
China Life Asset Management-Industrial Bank-China Life Asset	11,743,000	0.24	+11,743,000		-	A Shares	Nil	Others	
-Qianyuan Superior Selection 2374									
Asset Management Product									
China Life Asset Management-Industrial Bank-China Life Asset	11,743,000	0.24	+11,743,000		-	A Shares	Nil	Others	
-Qianyuan Superior Selection 2372									
Asset Management Product									
China Life Asset Management-Industrial Bank-China Life Asset	11,743,000	0.24	+11,743,000		-	A Shares	Nil	Others	
-Qianyuan Superior Selection 2375									
Asset Management Product									

Notes:

1. The information set out in the above table are extracted from the information on registered shareholders which was obtained by the Company from the share register or calculated based on such information.
2. HKSCC Nominees Limited is the nominal holder of shares on behalf of the unregistered shareholders of H Shares of the Company. The number of shares held by HKSCC Nominees Limited included the shares held by Tencent Mobility Limited and Des Voeux Investment Company Limited which are registered under the name of HKSCC Nominees Limited.
3. The shares held by Hong Kong Securities Clearing Company Limited refer to shares held by non-registered shareholders of northbound of the Shanghai-Hong Kong Stock Connect.

2. Shareholding of top ten holders of Shares not subject to selling restrictions

Unit: share

Name of shareholder	Number of outstanding shares held not subject to selling restrictions	Class of shares	Number of shares held as at the end of the Reporting Period
HKSCC Nominees Limited	1,902,961,034	H Shares	1,902,961,034
Haier Group (Qingdao) Jinying Holding Co., Ltd.	197,145,800	A Shares	197,145,800
China National Investment and Guaranty Corporation	127,562,960	A Shares	127,562,960
Hong Kong Securities Clearing Company Limited	28,106,275	A Shares	28,106,275
China Construction Bank Corporation – Guotai CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	16,976,027	A Shares	16,976,027
China Construction Bank Corporation – Huabao CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	12,338,231	A Shares	12,338,231
China Life Asset Management-Industrial Bank-China Life Asset -Qianyuan Superior Selection 2374 Asset Management Product	11,743,000	A Shares	11,743,000
China Life Asset Management-Industrial Bank-China Life Asset -Qianyuan Superior Selection 2372 Asset Management Product	11,743,000	A Shares	11,743,000
China Life Asset Management-Industrial Bank-China Life Asset -Qianyuan Superior Selection 2375 Asset Management Product	11,743,000	A Shares	11,743,000
China Life Asset Management-Bank of China-China Life Asset -Dingkun Superior Selection 2265 Insurance Asset Management Product	10,854,300	A Shares	10,854,300

3. Other issues

There is no designated repurchase account for the above-mentioned top ten Shareholders.

The Company is not aware of any relevant arrangements with voting rights entrusted by or to, or waived by the top ten Shareholders, and is also not aware of any related relationship or acting in concert arrangements among these top ten Shareholders.

In addition to the 197,145,800 A Shares of the Company registered in CSDC Shanghai Branch, during the Reporting Period, Haier Group (Qingdao) Jinying Holding Co., Ltd. lent a total of 11,260,000 A Shares (no transfer of title for those A Shares) of the Company through securities lending and refinancing. As of the end of the Reporting Period, Haier Group (Qingdao) Jinying Holding Co., Ltd. had a total of 208,405,800 A Shares of the Company as registered on the register of members kept with the CSDC Shanghai Branch and lent through securities lending and refinancing, representing 4.32% of the total share capital of the Company.

(III) Shareholding of Holders of Restricted Shares

Unit: share

Name of shareholder	Number of shares held	Available time for listing and trading of shares subject to selling restrictions	Number of shares available for listing and trading increased	Number of shares available for listing and trading increased	Restricted period
	subject to selling restrictions	subject to selling restrictions	and trading increased	and trading increased	
Central Huijin Investment Ltd.	1,936,155,680				
Abu Dhabi Investment Authority	13,757,670				
Alibaba (China) Network Technology Co., Ltd.	13,757,670				
China Life Insurance Company Limited-Traditional-Ordinary insurance products-005L-CT001 Hu	10,318,252				Within 36 months from the listing date of A Shares of the Company
Brunei Investment Agency	10,318,252	2023/11/2			
Taiping Life Insurance Co., Ltd.-Traditional-Ordinary insurance products-022L-CT001 Hu	6,878,835				
China Jianyin Investment Limited	911,600				
JIC Investment Co., Ltd.	911,600				
China Investment Consulting Co., Ltd.	911,600				

Description of the connected relationship or action in concert between the above shareholders:

Jianyin Investment, JIC Investment and China Investment Consulting are direct or indirect wholly-owned subsidiaries of Huijin Company.

(IV) Strategic Investors or General Legal Persons Who Became Top Ten Shareholders Due to Placement of New Shares

Name	Number of Shares placed	Starting date of agreed shareholding	Expiration date of agreed shareholding
Abu Dhabi Investment Authority	13,757,670	2020/11/2	N/A
Alibaba (China) Network Technology Co., Ltd.	13,757,670		

IV. CHANGE IN THE CONTROLLING SHAREHOLDER OR DE FACTO CONTROLLER

Not applicable.

V. DISCLOSURE OF INTERESTS

(I) Directors', Supervisors' and Chief Executive's Interests and Short Positions

As of the end of the Reporting Period, the interests or short positions of the Directors, Supervisors and chief executive of our Company in the shares, underlying shares or debentures of our Company and its associated corporations (within the meaning of Part XV of the *SFO*) as recorded in the register required to be kept by our Company under section 352 of the *SFO*, or as otherwise notified to our Company and the Hong Kong Stock Exchange pursuant to the *Model Code* as set out in Appendix 10 to the *Listing Rules of the Stock Exchange* were as follows:

Name	Class of Shares	Capacity	Number of securities/ Type of shares held	the total share capital (%)	Percentage of the total number of the relevant class of shares (%)
Huang Zhaohui	H Shares	Others (Note 1)	7,240,173/Long positions	0.15	0.38

Note:

1. Mr. Huang Zhaohui indirectly holds interests through subscription of fund and the asset management plan.

(II) Substantial Shareholders' Interests and Short Positions

As of the end of the Reporting Period, to the knowledge of our Company and the Directors after making reasonable inquiries, the following persons (other than the Directors, Supervisors and chief executive of our Company as disclosed above) have interests or short positions in shares or underlying shares which would be required to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of the *SFO* and recorded in the register required to be maintained by our Company under Section 336 of the *SFO*:

Name	Class of Shares		Type of shares held	Percentage of securities/ the total share capital (%)	Percentage of the total number of the relevant class of shares (%)
	Shares	Capacity			
Huijin Company (Note 2)	A Shares	Beneficial owner	1,936,155,680/ Long positions	40.11	66.23
		Interest of controlled corporation	2,734,800/ Long positions		
Haier Group Corporation (Note 3)	A Shares	Interest of controlled corporation	213,919,800/ Long positions	4.43	7.32
Alibaba Group Holding Limited (Note 4)	H Shares	Interest of controlled corporation	202,844,235/ Long positions	4.20	10.66
Tencent Holdings (Note 5)	H Shares	Interest of controlled corporation	216,249,059/ Long positions	4.48	11.36

Notes:

1. Pursuant to Part XV of the *SFO*, the Shareholders of the Company are required to file disclosure of interests forms to the Hong Kong Stock Exchange when certain criteria are fulfilled. When shareholding of a Shareholder in the Company changes, it is not necessary to notify the Company or the Hong Kong Stock Exchange unless certain criteria are fulfilled. Therefore, the shareholdings filed with the Hong Kong Stock Exchange may be different from the latest shareholding of the Shareholders. The number and proportion of shares held by the relevant Shareholders as shown in the above table may also differ from the actual number and proportion of Shares held by the relevant Shareholders as at the end of the Reporting Period as disclosed elsewhere in this report.
2. Each of Jianyin Investment, JIC Investment and China Investment Consulting is wholly owned by Huijin Company. Therefore, Huijin Company is deemed to be interested in 2,734,800 A Shares held by Jianyin Investment, JIC Investment and China Investment Consulting for the purpose of the *SFO*.
3. As of the end of the Reporting Period, each of Haier Cosmo Shareholding Company (as the sole member of Haier Group (Qingdao) Jinying Holding Co., Ltd.), Qingdao Haichuangke Management Consulting Enterprise (Limited Partnership) (holding 48.8% interest in Haier Cosmo Shareholding Company), Haier Group Corporation (holding 51.2% interest in Haier Cosmo Shareholding Company) and Qingdao Haichuangke Investment Management Co., Ltd. (as general partner of Qingdao Haichuangke Management Consulting Enterprise (Limited Partnership) holding its 0.5% interest) is deemed to be interested in the A Shares held by Haier Group (Qingdao) Jinying Holding Co., Ltd. under the *SFO*. For the actual shareholding of Haier Group (Qingdao) Jinying Holding Co., Ltd. in the Company as of the end of the Reporting Period, please refer to "Information of Shareholders" of this section in this report.
4. As of the end of the Reporting Period, Des Voeux Investment Company Limited held 202,844,235 H Shares of the Company. Des Voeux Investment Company Limited is wholly owned by Alibaba Group Treasury Limited, which is wholly owned by Alibaba Group Holding Limited. Therefore, Alibaba Group Treasury Limited and Alibaba Group Holding Limited are deemed to be interested in 202,844,235 H Shares held by Des Voeux Investment Company Limited under the *SFO*. For the actual shareholding of Alibaba (China) Network Technology Co., Ltd., a wholly-owned subsidiary of Alibaba Group Holding Limited, in the Company as of the end of the Reporting Period, please refer to "Information of Shareholders" of this section in this report.
5. As of the end of the Reporting Period, Tencent Mobility Limited, directly interested in 216,249,059 H Shares, is a wholly-owned subsidiary of Tencent Holdings, which is therefore deemed to be interested in the H Shares held by Tencent Mobility Limited.

VI. PURCHASE, SALE OR REDEMPTION OF SECURITIES OF OUR COMPANY

For details, please refer to "Particulars of Bonds-Bond Issuance and Duration-Triggering and implementation of the corporate bonds with option clauses during the Reporting Period" in this report.

During the Reporting Period, save as otherwise disclosed in this report, neither the Company nor its subsidiaries have purchased, sold or redeemed any of the Company's securities.

PARTICULARS OF BONDS

I. OVERVIEW OF INTEREST-BEARING DEBT

(I) Interest-bearing Debt Structure of the Company

As of the beginning and the end of the Reporting Period, the outstanding balance of the Company's interest-bearing debt amounted to RMB160,184 million and RMB154,452 million respectively, representing a decrease of 3.58%.

Unit: RMB in 100 million

Types of interest-bearing debt	Overdue	Time to maturity ⁹			The proportion of the amount to the interest-bearing debt	
		Within 6 months	(exclusive) to 1 year (inclusive)	More than 1 year (exclusive)	Total	bearing debt
		(inclusive)	(inclusive)	(exclusive)		
Short-term debt securities issued	–	64.90	12.07	–	76.97	4.98%
Placements from financial institutions	–	230.49	46.78	–	277.27	17.95%
REPOS	–	336.48	–	–	336.48	21.79%
Corporate credit bonds ¹⁰	–	215.99	126.44	511.39	853.81	55.28%
Total	–	847.85	185.29	511.39	1,544.52	100.00%

As of the end of the Reporting Period, among the corporate credit bonds issued by the Company, the outstanding balance of corporate bonds was RMB68,981 million and the outstanding balance of perpetual subordinated bonds was RMB16,400 million, of which a total of RMB18,492 million of corporate credit bonds will mature or can be sold back in September to December 2023.

⁹ The calculation of the remaining life is based on the exercise date of the early redemption/sell-back option, and the debt securities with clauses which allow such securities to be terminated at any time are classified as less than 6 months (inclusive)

¹⁰ Including perpetual subordinated bonds accounted as equity instruments

(II) Interest-bearing Debt Structure of the Group

(1) As of the beginning and the end of the Reporting Period, the outstanding balance of the Group's interest-bearing debt amounted to RMB290,939 million and RMB273,289 million respectively, representing a decrease of 6.07%.

Unit: RMB in 100 million

Types of interest-bearing debt	Overdue	Time to maturity ¹¹			The proportion of the amount to the interest-bearing debt	
		Within 6 months	(exclusive) to 1 year (inclusive)	More than 1 year (exclusive)	Total	The proportion of the amount to the interest-bearing debt
		(inclusive)	(inclusive)	(exclusive)		
Beneficiary certificates	–	117.56	20.34	–	137.90	5.05%
Structured notes	–	3.83	0.22	–	4.04	0.15%
Placements from financial institutions	–	404.97	46.78	–	451.75	16.53%
REPOS	–	491.97	–	–	491.97	18.00%
Corporate credit bonds ¹²	–	298.00	247.27	775.23	1,320.50	48.32%
Medium-term notes	–	36.38	72.72	217.63	326.73	11.95%
Total	–	1,352.71	387.32	992.86	2,732.89	100.00%

As of the end of the Reporting Period, among the corporate credit bonds issued by the Group, the outstanding balance of corporate bonds was RMB115,650 million and the outstanding balance of perpetual subordinated bonds was RMB16,400 million, of which a total of RMB22,588 million of corporate credit bonds will mature or can be sold back in September to December 2023.

(2) As of the end of the Reporting Period, the outstanding balance of the medium-term notes issued overseas by the Group was RMB32,673 million, the outstanding balance of the structured notes issued overseas by the Group was RMB404 million, of which a total of RMB100 million of structured notes will mature in September to December 2023.

¹¹ The calculation of the remaining life is based on the exercise date of the early redemption/sell-back option, and the debt securities with clauses which allow such securities to be terminated at any time are classified as less than 6 months (inclusive)

¹² Including perpetual subordinated bonds accounted as equity instruments

II. BOND ISSUANCE AND DURATION

(I) Enterprise bonds

During the Reporting Period, the Company had no enterprise bonds.

(II) Corporate bonds

1. Basic information of corporate bonds

Unit: RMB in 100 million

Bond name	Abbreviation	Code	Interest date	commencement date	Maturity date	Balance	Reporting Period (%)	Principal and interest payment method	Place for trading	Lead underwriter	Trust manager	Investors mechanism	Suitability of investors	Applicable trading mechanism	Whether there is any risk of delisting or public tender and countermeasures	
2020 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors [Fourth Tranche] (Type)	200CCC07	17522SH	09/09/2020	09/09/2023	10/09/2025	50	3.78	The interest shall be paid annually and the principal shall be paid in a lump sum upon maturity.	SSE	CTC Securities and Huatai United Securities	Professional investors	Matched one-click-order, price-equity bidding and agreement trading	No			
2020 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors [Fifth Tranche] (Type)	200CCC09	17519SH	22/09/2020	23/09/2023	23/09/2025	50	3.80	The interest shall be paid annually and the principal shall be paid in a lump sum upon maturity.	SSE	CTC Securities and Huatai United Securities	Professional investors	Matched one-click-order, price-equity bidding and agreement trading	No			

Particulars of Bonds

Bond name	Abbreviation	Code	Interest date	Issuance commencement date	August 31, 2023	Maturity date	Balance	Period (%)	Principal and interest payment method	Place for trading	Lead underwriter	Trust manager	Investors	Suitability of mechanism	Arrangement to ensure the investors	Applicable trading mechanism	Whether there is any risk of delisting or public tender and countermeasures
2020 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (South Tranche) [Type II]	200CCC12	172263SH	16/10/2020	19/10/2023	19/10/2025	25	3.74	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	CTIC Securities and Huatai United Securities	CTIC Securities	Professional investors	Matching, one-click-order, price-enquiry, bidding and agreement trading	No			
2020 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (South Tranche) [Type II]	200CCC4	173326SH	27/10/2020	28/10/2023	28/10/2025	30	3.68	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	CTIC Securities and Huatai United Securities	CTIC Securities	Professional investors	Matching, one-click-order, price-enquiry, bidding and agreement trading	No			
2020 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (Seventh Tranche) [Type II]	200CCC5	177386SH	11/11/2020	14/12/2020	14/12/2023	14/12/2025	25	4.09	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	Huatai United Securities and China Securities	Professional investors	One-click-order, price-enquiry, bidding and agreement trading	No			
2020 Corporate Bonds of China International Capital Corporation Limited Non-publicly Issued to Professional Institutional Investors (Fourth Tranche) [Type II]																	

Bond name	Abbreviation	Code	Interest	Latest resale date after	Interest commencement date	August 31, 2023	Maturity date	Balance	Reporting Period (%)	Principal and interest payment method	Place for trading	Lead underwriter	Trust manager	Investors mechanism	Applicable trading mechanism	Whether there is any risk of defaulting or delisting or public tender and countermeasures
			Interest	date after	Interest commencement date	August 31, 2023	Maturity date	Balance	Reporting Period (%)	Principal and interest payment method	Place for trading	Lead underwriter	Trust manager	Investors mechanism	Applicable trading mechanism	Whether there is any risk of defaulting or delisting or public tender and countermeasures
2021 Corporate Bonds of China International Capital Corporation Limited Non-publicly Issued to Professional Institutional Investors (First Tranche) [Type: II]	210CCC F2	177615SH	15/01/2021	18/01/2021	18/01/2024	18/01/2026	25	3.75	The interest shall be paid annually and the principal shall be paid in a lump sum upon maturity.	SSE	Huatai United Securities and China Securities	Professional investors	Institutional investors	One-click-order, price-enquiry, bidding and agreement trading	One-click-order, price-enquiry, bidding and agreement trading	
2021 Subordinated Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (First Tranche) [Type: II]	210CCC C1	175749SH	05/02/2021	08/02/2021	-	08/02/2024	10	3.90	The interest shall be paid together with the principal annually and the principal shall be paid in a lump sum upon maturity.	SSE	CITIC Securities and Huatai United Securities	Professional investors	Institutional investors	Matching, one-click-order, price-equity, bidding and agreement trading	Matching, one-click-order, price-equity, bidding and agreement trading	
2021 Corporate Bonds of China International Capital Corporation Limited Non-publicly Issued to Professional Institutional Investors (Second Tranche) [Type: II]	210CCC F4	178001SH	03/03/2021	04/03/2021	04/03/2024	04/03/2026	20	3.82	The interest shall be paid annually and the principal shall be paid in a lump sum upon maturity.	SSE	Huatai United Securities and China Securities	Professional investors	Institutional investors	One-click-order, price-enquiry, bidding and agreement trading	One-click-order, price-enquiry, bidding and agreement trading	

Particulars of Bonds

Bond name	Abbreviation/Code	Interest commencement date	Interest date after	Latest issue date	Interest reporting date	Maturity date	Balance	Period (%)	Principal and interest payment method	Place for trading	Lead underwriter	Trust manager	Investors	Suitability of mechanism	Arrangement to ensure the public tender and	Whether there is any risk of delisting or	
2021 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors [First Tranche] (Type I)	210CCCJG	1738365H	15/03/2021	16/03/2024	16/03/2026	20	3.58	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	Huatai United Securities	Huatai United Securities	Professional investors	Matching, one-click-order, price-equity, bidding and agreement trading	No			
2021 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors [Second Tranche] (Type II)	210CCCJ3	1759155H	24/03/2021	25/03/2021	25/03/2024	25/03/2026	15	3.51	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	Huatai United Securities	Huatai United Securities	Professional investors	Matching, one-click-order, price-equity, bidding and agreement trading	No		
2021 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors [Third Tranche] (Type III)	210CCCJ6	1783395H	12/04/2021	13/04/2021	13/04/2024	13/04/2026	35	3.70	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	Huatai United Securities and China Securities	Huatai United Securities	Professional institutional investors	One-click-order, price-equity, bidding and agreement trading	No		

Bond name	Abbreviation	Interest date	Latest resale date after commencement	Interest reporting date	Maturity date	Balance	Period (%)	Principal and interest payment method	Place for trading	Lead underwriter	Trust manager	Investors mechanism	Applicable trading mechanism	Whether there is any risk of default or delisting or public tender and countermeasures
2019 Subordinated Bonds of China International Capital Corporation Limited Non-publicly Issued (Second Tranche)	190CCC3	162273SH	11/1/2019	14/10/2019	-		14/10/2024	15	4.09	The interest shall be paid annually and the principal shall be paid in a lump sum upon maturity.	SSE	CTIC Securities and Sichuan Securities	Qualified investors One-click-order, price-enquiry, bidding and agreement trading	No
2019 Subordinated Bonds of China International Capital Corporation Limited Non-publicly Issued (Third Tranche)	190CCC4	162470SH	08/11/2019	11/11/2019	-		11/11/2024	15	4.12	The interest shall be paid annually and the principal shall be paid in a lump sum upon maturity.	SSE	CTIC Securities and Sichuan Securities	Qualified investors One-click-order, price-enquiry, bidding and agreement trading	No
2019 Subordinated Bonds of China International Capital Corporation Limited Non-publicly Issued (Fourth Tranche)	190CCC5	162645SH	04/12/2019	05/12/2019	-		05/12/2024	20	4.20	The interest shall be paid annually and the principal shall be paid in a lump sum upon maturity.	SSE	CTIC Securities and Sichuan Securities	Qualified investors One-click-order, price-enquiry, bidding and agreement trading	No

Particulars of Bonds

Bond name	Abbreviation/Code	Interest date	Issuance commencement date	Maturity date	Balance	Period (%)	Reporting	Principal and interest payment method	Place for trading	Lead underwriter	Trust manager	Investors	Suitability of mechanism	Applicable trading mechanism	Whether there is any risk of delisting or public tender and countermeasures	
2021 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (Fourth Tranche) (Type I)	210CCC7	18/09/2021	07/12/2021	08/12/2021	-	25	297	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	Huatai United Securities	Professional Investors	Huatai United Securities	Matching, one-click-order, price-enquiry, bidding and agreement trading	Matching, one-click-order, price-enquiry, bidding and agreement trading	No	
2022 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (Second Tranche) (Type I)	220CCC63	138/355/H	15/12/2022	6/12/2022	16/12/2024	16/12/2025	10	336	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	Huatai United Securities	Professional Investors	Huatai United Securities	Matching, one-click-order, price-enquiry, bidding and agreement trading	Matching, one-click-order, price-enquiry, bidding and agreement trading	No
2023 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (First Tranche) (Type I)	230CCC61	138/45/H	16/01/2023	17/01/2023	17/01/2025	17/01/2026	10	300	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	Huatai United Securities	Professional Investors	Huatai United Securities	Matching, one-click-order, price-enquiry, bidding and agreement trading	Matching, one-click-order, price-enquiry, bidding and agreement trading	No
2020 Subordinated Bonds of China International Capital Corporation Limited Non-publicly Issued (First Tranche)	200CCC1	166/695/H	14/02/2020	17/02/2020	-	17/02/2025	15	385	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	CITIC Securities and Sinopec Securities	Qualified Investors	CITIC Securities and Sinopec Securities	One-click-order, price-enquiry, bidding and agreement trading	Qualified Investors One-click-order, price-enquiry, bidding and agreement trading	No

Bond name	Abbreviation	Code	Interest	Latest resale date after	Interest commencement date	August 31, 2023	Maturity date	Balance	Reporting Period (%)	Principal and interest payment method	Place for trading	Lead underwriter	Trust manager	Investors mechanism	Applicable trading mechanism	Whether there is any risk of defaulting or delisting or public tender and countermeasures
			Interest date after	Interest commencement date	Interest date	Interest date	Maturity date	Interest date	Interest date	Interest date	Interest date	Interest date	Interest date	Interest date	Interest date	Interest date
2020 Corporate Bonds of China International Capital Corporation Limited (Public) Issued to Qualified Investors (First Tranche) [Type II]	20CCC62	163362SH	02/04/2020	03/04/2020	03/04/2025	03/04/2027	10	325	The interest shall be paid annually and the principal shall be paid in a lump sum upon maturity.	SSE	CTIC Securities and China Securities	CTIC Securities	Qualified Investors	Matching, one-click-order, price+equity, bidding and agreement trading	No	
2020 Corporate Bonds of China International Capital Corporation Limited (Public) Issued to Qualified Investors (Second Tranche) [Type II]	20CCC64	163514SH	30/04/2020	06/05/2020	06/05/2025	06/05/2027	7	288	The interest shall be paid together with the principal annually and the principal shall be paid in a lump sum upon maturity.	SSE	CTIC Securities and China Securities	CTIC Securities	Qualified Investors	Matching, one-click-order, price+equity, bidding and agreement trading	No	
2020 Perpetual Subordinated Bonds of China International Capital Corporation Limited Issued to Professional Institutional Investors (First Tranche)	20CCCY1	175075SH	27/08/2020	28/08/2020	-	-	-	50	464	The interest shall be paid annually and the principal shall be paid in a lump sum upon maturity.	SSE	Huatai United Securities	Professional Investors	Matching, one-click-order, price+equity, bidding and agreement trading	No	

Particulars of Bonds

Bond name	Abbreviation	Code	Interest	date after	latest resale	Interest rate	as of the end of the	Reporting	Principal and interest	Place for trading	Lead underwriter	Trust manager	Investors	suitability of mechanism	Applicable trading	Whether there is any risk of delisting or public tender and countermeasures
			commencement	August 31,	date	Period (%)	payment method									
2022 Corporate Bonds of China International Capital Corporation Limited Publicly issued to Professional Investors [First Tranche] [Type I]	220000	G1	138654SH	28/11/2022	29/11/2025	29/11/2027	25	2.94	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	Huatai United Securities	Professional investors	Matching one-click-order, price-enquiry, bidding and agreement trading	Matching one-click-order, price-enquiry, bidding and agreement trading	No	
2023 Corporate Bonds of China International Capital Corporation Limited Publicly issued to Professional Investors [First Tranche] [Type II]	230000	G2	138842SH	16/07/2023	17/01/2023	17/01/2026	30	3.18	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	Huatai United Securities	Professional investors	Matching one-click-order, price-enquiry, bidding and agreement trading	Matching one-click-order, price-enquiry, bidding and agreement trading	No	
2021 Perpetual Subordinated Bonds of China International Capital Corporation Limited Publicly issued to Professional Investors [First Tranche]	210000	Y1	175720SH	28/01/2021	29/01/2021	-	-	15	4.68	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	CITIC Securities and Huatai United Securities	Professional investors	Matching one-click-order, price-enquiry, bidding and agreement trading	Matching one-click-order, price-enquiry, bidding and agreement trading	No

Bond name	Abbreviation	Code	Interest	Latest resale date after	Interest commencement date	Maturity date	Balance	Reporting Period (%)	Principal and interest payment method	Place for trading	Lead underwriter	Trust manager	Investors	suitability of mechanism	Applicable trading mechanism	Arrangement to ensure the	Whether there is any risk of defaulting or delisting or public tender and countermeasures
			August 31, 2023	date after	August 31, 2023	date	date	Period (%)	payment method	trading							
2021 Subordinated Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (First Tranche) (Type II)	210CCC2	17579SH	05/02/2021	08/02/2021	-	08/02/2026	10	4.49	The interest shall be paid annually and the principal shall be paid in a lump sum upon maturity.	SSE	CITIC Securities and Huatai United Securities	Professional investors	Matched one-click-order, pre-equity bidding and agreement trading	Matched one-click-order, pre-equity bidding and agreement trading	No		
2021 Perpetual Subordinated Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (Second Tranche)	210CCC2	188054SH	23/04/2021	26/04/2021	-	-	20	4.20	The interest shall be paid annually and the principal shall be paid in a lump sum upon maturity.	SSE	CITIC Securities and Huatai United Securities	Professional investors	Matched one-click-order, pre-equity bidding and agreement trading	Matched one-click-order, pre-equity bidding and agreement trading	No		
2023 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional/Institutional Investors (Second Tranche)	230CCC3	115448SH	05/06/2023	06/06/2023	06/06/2028	06/06/2028	50	2.87	The interest shall be paid annually and the principal shall be paid in a lump sum upon maturity.	SSE	Huatai United Securities and Industrial Securities	Professional investors	Matched one-click-order, pre-equity bidding and agreement trading	Matched one-click-order, pre-equity bidding and agreement trading	No		

Particulars of Bonds

Bond name	Abbreviation/Code	Interest date	Issuance commencement date	Latest issue date after August 31, 2023	Maturity date	Balance	Period (%)	Reporting	Principal and interest payment method	Place for trading	Lead underwriter	Trust manager	Investors	Suitability of mechanism	Applicable trading mechanism	Whether there is any risk of delisting or public tender and countermeasures
2023 Corporate Bonds of China International Capital Corporation Limited Publicly issued to Professional/Institutional Investors [Third Tranche] (Type I)	23 CCCG5	115693SH	21/07/2023	24/07/2026	24/07/2028	30	269	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	Huatai United Securities and Industrial Securities	Professional investors	Matching, one-click-order, price-enquiry, bidding and agreement trading	Matching, one-click-order, price-enquiry, bidding and agreement trading	No		
2021 Corporate Bonds of China International Capital Corporation Limited Publicly issued to Professional Investors [Third Tranche] (Type II)	21 CCCG6	188576SH	13/08/2021	16/08/2021	16/08/2026	15	339	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	Huatai United Securities and Industrial Securities	Professional investors	Matching, one-click-order, price-enquiry, bidding and agreement trading	Matching, one-click-order, price-enquiry, bidding and agreement trading	No		
2023 Corporate Bonds of China International Capital Corporation Limited Non-publicly issued to Professional Investors [First Tranche] (Type I)	23 CCCF1	252158SH	25/08/2023	28/08/2023	28/08/2026	10	280	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	Huatai United Securities	Professional investors	One-click-order, price-enquiry, bidding and agreement trading	One-click-order, price-enquiry, bidding and agreement trading	No		
2022 Perpetual Subordinated Bonds of China International Capital Corporation Limited Publicly issued to Professional Investors [First Tranche]	22 CCCY1	185245SH	12/01/2022	13/01/2022	-	-	39	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	CITIC Securities and Huatai United Securities	Professional investors	Matching, one-click-order, price-enquiry, bidding and agreement trading	Matching, one-click-order, price-enquiry, bidding and agreement trading	No		

Bond name	Abbreviation	Code	Interest	Issue date	commencement date	August 31, 2023	Maturity date	Balance	Reporting Period (%)	Principal and interest payment method	Place for trading	Lead underwriter	Trust manager	Investors	suitability of mechanism	Applicable trading mechanism	Arrangement	Whether there is any risk of default or delisting or public tender and countermeasures	
			Latest resale date after	date after end of the reporting period	Principal and interest Period (%)	payment method	Place for trading	Lead underwriter	Trust manager	Investors	suitability of mechanism	Applicable trading mechanism	Arrangement	Whether there is any risk of default or delisting or public tender and countermeasures					
2022 Perpetual Subordinated Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (Second Tranche)	20CCCY2	137871SH	30/09/2022	01/10/2022	-	-	40	3.35	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	CITIC Securities and Huatai United Securities	Professional investors	Matching one-click-order, price-equity, bidding and agreement trading	No	Matching one-click-order, price-equity, bidding and agreement trading	Professional investors	Matching one-click-order, price-equity, bidding and agreement trading	No	
2023 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional/Institutional Investors (Third Tranche) [Type II]	23CCC66	115691SH	21/07/2023	24/07/2023	24/07/2028	24/07/2030	20	3.03	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	Huatai United Securities and Industrial Securities	Professional investors	Matching one-click-order, price-equity, bidding and agreement trading	No	Matching one-click-order, price-equity, bidding and agreement trading	Professional investors	Matching one-click-order, price-equity, bidding and agreement trading	No	
2023 Corporate Bonds of China International Capital Corporation Limited Non-publicly Issued to Professional/Institutional Investors (Type II)	23CCCF2	252195SH	25/08/2023	28/08/2023	28/08/2028	28/08/2030	40	3.06	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	Huatai United Securities	Professional investors	One-click-order, price-equity, bidding and agreement trading	No	One-click-order, price-equity, bidding and agreement trading	Professional investors	One-click-order, price-equity, bidding and agreement trading	No	
2021 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (First Tranche) [Type II]	21CCC62	173857SH	15/03/2021	16/03/2021	-	-	16/03/2021	20	4.10	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	Huatai United Securities and Industrial Securities	Professional investors	Matching one-click-order, price-equity, bidding and agreement trading	No	Matching one-click-order, price-equity, bidding and agreement trading	Professional investors	Matching one-click-order, price-equity, bidding and agreement trading	No

Particulars of Bonds

Bond name	Abbreviation/Code	Interest commencement date	Interest date after	latest resale date	Interest reporting date	Maturity date	Balance	Period (%)	Principal and interest payment method	Place for trading	Lead underwriter	Trust manager	Investors	suitability of mechanism	Applicable trading mechanism	Whether there is any risk of delisting or public tender and countermeasures
2021 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (Second Tranche) [Type II]	21000064	1739065H	24/03/2021	25/03/2021	-	25/03/2031	25	4.07	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	Huatai United Securities	Professional investors	Matching, one-click-order, price-enquiry, bidding and agreement trading	No		
									The interest of the last instalment shall be paid together with the principal							
2021 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (Fourth Tranche) [Type II]	21000068	1830935H	07/10/2021	08/10/2021	-	08/10/2031	10	3.68	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	Huatai United Securities	Professional investors	Matching, one-click-order, price-enquiry, bidding and agreement trading	No		
									The interest of the last instalment shall be paid together with the principal							
2022 Corporate Bonds of China International Capital Corporation Limited Publicly Issued to Professional Investors (First Tranche) [Type II]	22000062	1386655H	28/11/2022	29/11/2022	-	29/11/2032	20	3.52	The interest shall be paid annually and the principal shall be repaid in a lump sum upon maturity.	SSE	Huatai United Securities	Professional investors	Matching, one-click-order, price-enquiry, bidding and agreement trading	No		
									The interest of the last instalment shall be paid together with the principal							

Note: During the Reporting Period, the Company had no overdue outstanding bonds.

2. Triggering and implementation of special clauses such as the issuer's or investor's option clause and investor's protection clause

(1) Triggering and implementation of the corporate bonds with option clauses during the Reporting Period

a. The bonds that contain option to adjust coupon rate and option to sell back are as follows:

Bond Code: 175122.SH, 175190.SH, 175263.SH, 175326.SH, 177386.SH, 177615.SH, 178001.SH, 175856.SH, 175905.SH, 178339.SH, 188575.SH, 138735.SH, 138841.SH, 163362.SH, 163514.SH, 138664.SH, 138842.SH, 115448.SH, 115690.SH, 188576.SH, 252158.SH, 115691.SH, 252159.SH, 178338.SH, 178000.SH, 177614.SH, 163610.SH, 166857.SH, 163513.SH, 163361.SH, 166132.SH

Bond Abbreviation: 20 CICC 07, 20 CICC 09, 20 CICC 12, 20 CICC 14, 20 CICC F5, 21 CICC F2, 21 CICC F4, 21 CICC G1, 21 CICC G3, 21 CICC F6, 21 CICC G5, 22 CICC G3, 23 CICC G1, 20 CICC G2, 20 CICC G4, 22 CICC G1, 23 CICC G2, 23 CICC G3, 23 CICC G5, 21 CICC G6, 23 CICC F1, 23 CICC G6, 23 CICC F2, 21 CICC F5, 21 CICC F3, 21 CICC F1, 20 CICC G5, 20 CICC F2, 20 CICC G3, 20 CICC G1 and 20 CICC F1

Triggering and implementation of the option clauses:

21 CICC F5: The Company has the right to decide to adjust the coupon rate for the subsequent maturities of the bonds at the end of the second year of the life of the bonds, and holders of the bonds have the option to register during the announced investor resale registration period so as to sell back all or part of their bonds to the Company at par value. The Company announced on March 15, 2023 that the coupon rate would be adjusted at 1.60% on April 13, 2023. Investors of the bonds choose to redeem all of them to the Company via the auction trading system or the integrated electronic platform for fixed income securities of the Shanghai Stock Exchange within the resale registration period, and the Company does not resell the "21 CICC F5" redeemed, with the redemption amount of RMB1,000,000,000.00. Implementation of the option clauses has no impact on investors' rights and interests.

21 CICC F3: The Company has the right to decide to adjust the coupon rate for the subsequent maturities of the bonds at the end of the second year of the life of the bonds, and holders of the bonds have the option to register during the announced investor resale registration period so as to sell back all or part of their bonds to the Company at par value. The Company announced on February 6, 2023 that the coupon rate would be adjusted at 1.50% on March 4, 2023. Investors of the bonds choose to redeem all of them to the Company via the auction trading system or the integrated electronic platform for fixed income securities of the Shanghai Stock Exchange within the resale registration period, and the Company does not resell the "21 CICC F3" redeemed, with the redemption amount of RMB1,500,000,000.00. Implementation of the option clauses has no impact on investors' rights and interests.

21 CICC F1: The Company has the right to decide to adjust the coupon rate for the subsequent maturities of the bonds at the end of the second year of the life of the bonds, and holders of the bonds have the option to register during the announced investor resale registration period so as to sell back all or part of their bonds to the Company at par value. The Company announced on December 20, 2022 that the coupon rate would be adjusted at 1.80% on January 18, 2023. Investors of the bonds choose to redeem all of them to the Company via the auction trading system or the integrated electronic platform for fixed income securities of the Shanghai Stock Exchange within the resale registration period, and the Company does not resell the "21 CICC F1" redeemed, with the redemption amount of RMB2,500,000,000.00. Implementation of the option clauses has no impact on investors' rights and interests.

20 CICC G5: The Company has the right to decide to adjust the coupon rate for the subsequent maturities of the bonds at the end of the third year of the life of the bonds, and holders of the bonds have the option to register during the announced investor resale registration period so as to sell back all or part of their bonds to the Company at par value. The Company announced on May 25, 2023 that the coupon rate would be adjusted at 1.70% on June 22, 2023. Investors of the bonds choose to redeem all of them to the Company via the auction trading system or the integrated electronic platform for fixed income securities of the Shanghai Stock Exchange within the resale registration period, and the Company does not resell the "20 CICC G5" redeemed, with the redemption amount of RMB1,500,000,000.00. Implementation of the option clauses has no impact on investors' rights and interests.

20 CICC F2: The Company has the right to decide to adjust the coupon rate for the subsequent maturities of the bonds at the end of the third year of the life of the bonds, and holders of the bonds have the option to register during the announced investor resale registration period so as to sell back all or part of their bonds to the Company at par value. The Company announced on April 26, 2023 that the coupon rate would be adjusted at 1.70% on May 28, 2023. Investors of the bonds choose to redeem all of them to the Company via the auction trading system or the integrated electronic platform for fixed income securities of the Shanghai Stock Exchange within the resale registration period, and the Company does not resell the "20 CICC F2" redeemed, with the redemption amount of RMB3,000,000,000.00. Implementation of the option clauses has no impact on investors' rights and interests.

20 CICC G3: The Company has the right to decide to adjust the coupon rate for the subsequent maturities of the bonds at the end of the third year of the life of the bonds, and holders of the bonds have the option to register during the announced investor resale registration period so as to sell back all or part of their bonds to the Company at par value. The Company announced on April 4, 2023 that the coupon rate would be adjusted at 1.80% on May 6, 2023. Investors of the bonds choose to redeem all of them to the Company via the auction trading system or the integrated electronic platform for fixed income securities of the Shanghai Stock Exchange within the resale registration period, and the Company does not resell the "20 CICC G3" redeemed, with the redemption amount of RMB3,300,000,000.00. Implementation of the option clauses has no impact on investors' rights and interests.

20 CICC G1: The Company has the right to decide to adjust the coupon rate for the subsequent maturities of the bonds at the end of the third year of the life of the bonds, and holders of the bonds have the option to register during the announced investor resale registration period so as to sell back all or part of their bonds to the Company at par value. The Company announced on March 6, 2023 that the coupon rate would be adjusted at 1.80% on April 3, 2023. Investors of the bonds choose to redeem all of them to the Company via the auction trading system or the integrated electronic platform for fixed income securities of the Shanghai Stock Exchange within the resale registration period, and the Company does not resell the "20 CICC G1" redeemed, with the redemption amount of RMB1,500,000,000.00. Implementation of the option clauses has no impact on investors' rights and interests.

20 CICC F1: The Company has the right to decide to adjust the coupon rate for the subsequent maturities of the bonds at the end of the third year of the life of the bonds, and holders of the bonds have the option to register during the announced investor resale registration period so as to sell back all or part of their bonds to the Company at par value. The Company announced on January 30, 2023 that the coupon rate would be adjusted at 1.80% on February 26, 2023. Investors of the bonds choose to redeem all of them to the Company via the auction trading system or the integrated electronic platform for fixed income securities of the Shanghai Stock Exchange within the resale registration period, and the Company does not resell the "20 CICC F1" redeemed, with the redemption amount of RMB4,000,000,000.00. Implementation of the option clauses has no impact on investors' rights and interests.

- b. The bonds that contain option to redeem of the issuers who meet the specified conditions, deferred interest payment right, right of redemption and extension option are as follows:

Bond Code: 175075.SH, 175720.SH, 188054.SH, 185245.SH and 137871.SH

Bond Abbreviation: 20 CICC Y1, 21 CICC Y1, 21 CICC Y2, 22 CICC Y1 and 22 CICC Y2

Triggering and implementation of the option clauses: During the Reporting Period, the above-mentioned bonds did not reach the exercise period.

(2) Triggering and implementation of the corporate bonds with investor protection clauses during the Reporting Period

The bonds that contain investor protection clauses are as follows:

Bond Code: 185097.SH, 185091.SH, 185245.SH, 137871.SH, 138664.SH, 138665.SH, 138735.SH, 138841.SH, 138842.SH and 115448.SH

Bond Abbreviation: 21 CICC G7, 21 CICC G8, 22 CICC Y1, 22 CICC Y2, 22 CICC G1, 22 CICC G2, 22 CICC G3, 23 CICC G1, 23 CICC G2 and 23 CICC G3

Investor Protection Clauses Agreed in the Bonds:

(I) *Credit maintenance commitment*

1. The issuer undertakes that the following circumstances will not occur during the duration of the bonds: The issuer has reduced its capital by more than 20% of the original registered capital within a natural year, or has been separated or ordered to cease production and operations.
2. In the event the issuer violates the credit maintenance commitment stipulated in Article 1 above during the duration of the bonds, the issuer will take timely measures to restore relevant requirements of the commitment within half a year.
3. When the issuer violates the credit maintenance commitment or it occurs or is expected to occur related matters that will affect the solvency, the issuer will notify the trustee within 2 trading days and perform the obligation of information disclosure.
4. In the event the issuer violates the credit maintenance commitment and fails to restore the commitment within the time limit specified in Article 2 above, the holder is entitled to request the issuer to take negative matter relief measures in accordance with the relief measures.

(II) *Relief measures*

1. In the event the issuer violates relevant commitment requirements and fails to restore relevant commitment requirements or take relevant measures within the time limit specified in Article 2 of the credit maintenance commitment, the issuer will immediately take one of the following relief measures on the next day upon receipt of the request of holders who hold more than 30% of the bond, striving to reach a settlement with the bondholders on the breach of commitment through a bondholders' meeting and other means:
 - Increase the guarantee or other credit enhancement measures for the bonds within 30 natural days.
 - Provide and implement other settlement plans approved by the bondholders within 30 natural days.

2. If the holder requires the issuer to implement relief measures, the issuer shall notify the trustee within 2 trading days and perform the obligation of information disclosure, as well as disclose the implementation progress of relief measures in a timely manner.

Disclosure, monitoring, triggering and enforcement of investor protection clauses: Investor protection clauses have been disclosed in the prospectus, and the investor protection clauses have been effectively monitored and not been triggered during the Reporting Period.

- 3. During the Reporting Period, the credit rating against the Company by domestic rating companies has not been adjusted**
- 4. Implementation, changes and their impacts of credit enhancement mechanism, debt repayment plan and other debt repayment guarantee measures during the Reporting Period**

Status Quo	Implementation Status	Changed or Not
The outstanding corporate bonds of the Company have no credit enhancement measures, and the debt repayment plan is fulfilled as stipulated in the corporate bond prospectus. According to the stipulations in the prospectus, the Company's debt repayment guarantee measures include setting up a special repayment working group, making sure that the funds are used for special purposes, giving full play to the role of bond trustee, formulating rules for bondholders' meetings, strictly controlling information disclosure, etc.	During the Reporting Period, the Company strictly fulfilled the agreements on debt repayment plan and debt repayment guarantee measures in the prospectus, paid all bond interests and principals on time and in full, operated the special account in a standardized manner, and kept relevant plans and measures consistent with relevant commitments in the prospectus.	No

5. Use of funds raised with corporate bonds during the Reporting Period

The use of funds raised with corporate bonds during the Reporting Period is as follows:

Unit: RMB in 100 million

Particulars of Bonds

(III) Debt financing instruments of non-financial institutions in the inter-bank bond market

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

(IV) Other matters to be disclosed in respect of certain types of bonds

1. The Company has not issued exchangeable bonds
2. The Company is a listed company and has not issued convertible bonds
3. The Company is not an issuer of poverty alleviation bonds, rural revitalization bonds, and Belt and Road bonds; No green bonds, science and technology innovation bonds, innovation and entrepreneurship corporate bond, low-carbon transformation corporate bonds, bailout corporate bonds have been issued
4. As of the approval date of the periodic report, the Company has the following perpetual subordinated bonds

Unit: RMB in 100 million

Bond code	Bond abbreviation	Balance of bond		Interest step-up	Interest deferral	Enforcement of interest payment	Whether they are still included in equity and corresponding accounting treatment or not	Other
		Renewal						
175075.SH	20 CICC Y1	50	No	No	No	No	Yes	No
175720.SH	21 CICC Y1	15	No	No	No	No	Yes	No
188054.SH	21 CICC Y2	20	No	No	No	No	Yes	No
185245.SH	22 CICC Y1	39	No	No	No	No	Yes	No
137871.SH	22 CICC Y2	40	No	No	No	No	Yes	No

(V) Other description

As of the date of this report, the Company does not have bonds for ordinary investors.

During the Reporting Period, the Company had no loss representing more than 10% of net assets as at the end of last year on a consolidated basis and had no overdue interest-bearing debt, and did not violate any provisions of laws and regulations, self-regulatory rules, the *Articles of Association* and the *Policy on Information Disclosure Management*, nor any agreements or undertakings under the bond prospectus.

During the Reporting Period, there was no amendment to the *Policy on Information Disclosure Management*.

III. MAJOR ACCOUNTING DATA AND FINANCIAL INDICATORS

Unit: RMB in million

Major indicators	June 30, 2023	December 31, 2022	% of change
Current ratio	1.8	1.8	(0.5%)
Quick ratio	1.8	1.8	(0.5%)
Gearing ratio	81.4%	82.1%	Decreased by 0.8 percentage point

Major indicators	Six months ended June 30, 2023	Six months ended June 30, 2022		% of change
		June 30, 2022	June 30, 2022	
Earnings before interest, tax, depreciation and amortization (EBITDA)	10,125.5	9,404.6	7.7%	
EBITDA to total debts ratio	3.9%	3.4%	Increased by 0.5 percentage point	
Interest coverage ratio	1.8	2.1	(14.0%)	
Cash interest coverage ratio	(0.2)	6.5	N/A	
EBITDA interest coverage ratio	2.0	2.3	(13.7%)	
Loan repayment ratio	100.0%	100.0%	–	
Interest repayment ratio	100.0%	100.0%	–	

Note: The financial indicators above are calculated based on the consolidated financial statements prepared by the Group in accordance with CASs.

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF CHINA INTERNATIONAL CAPITAL CORPORATION LIMITED

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

INTRODUCTION

We have reviewed the condensed consolidated financial statements of China International Capital Corporation Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 132 to 232, which comprise the condensed consolidated statement of financial position as of 30 June 2023 and the related condensed consolidated statement of profit or loss, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and certain explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 Interim Financial Reporting ("IAS 34") issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of these condensed consolidated financial statements consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong, China
30 August 2023

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2023 (Expressed in Renminbi ("RMB"), unless otherwise stated)

	Notes	Six months ended 30 June	
		2023 (Unaudited)	2022 (Unaudited)
Revenue:			
Fee and commission income	7	7,253,093,976	8,336,102,125
Interest income	8	4,914,305,086	3,920,342,897
Investment income	9	4,426,595,630	5,044,543,256
Total revenue		16,593,994,692	17,300,988,278
Other income, net	10	2,012,658,629	350,060,393
Total revenue and other income		18,606,653,321	17,651,048,671
Expenses:			
Fee and commission expenses	11	852,092,604	1,238,536,177
Interest expenses	12	5,333,711,049	4,291,706,489
Staff costs	13	5,594,124,465	5,499,796,540
Depreciation and amortisation expenses	14	845,198,875	759,501,970
Tax and surcharges		48,902,828	65,934,659
Other operating expenses and costs	15	1,812,473,192	1,361,394,346
Reversal of impairment losses under expected credit loss ("ECL") model	16	(7,696,298)	(68,267,500)
Total expenses		14,478,806,715	13,148,602,681
Operating profit		4,127,846,606	4,502,445,990
Share of profits of associates and joint ventures		2,046,015	15,961,558
Profit before income tax		4,129,892,621	4,518,407,548
Less: Income tax expense	17	548,232,381	668,873,137
Profit for the period		3,581,660,240	3,849,534,411
Attributable to:			
Shareholders of the Company	18	3,560,643,863	3,841,640,437
Non-controlling interests		21,016,377	7,893,974
Basic earnings per share (in RMB per share)	18	0.67	0.74

The notes on pages 142 to 232 form part of this interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2023 (Expressed in RMB, unless otherwise stated)

	Six months ended 30 June	
	2023 (Unaudited)	2022 (Unaudited)
Profit for the period	3,581,660,240	3,849,534,411
Other comprehensive income for the period		
Items that may be reclassified to profit or loss in subsequent periods:		
Financial assets at fair value through other comprehensive income:		
– Net gains/(losses) from changes in fair value	277,369,692	(213,373,682)
– (Reversal of)/provision for impairment losses under ECL model	(26,463,443)	70,603,522
– Tax effect	(84,725,513)	44,962,659
– Net losses/(gains) transferred to profit or loss on disposals	156,624,375	(109,299,789)
Foreign currency translation difference of financial statements of overseas subsidiaries	825,416,978	787,724,987
Others	(6,839,488)	3,422,720
Total other comprehensive income for the period, net of income tax	1,141,382,601	584,040,417
Total comprehensive income for the period	4,723,042,841	4,433,574,828
Attributable to:		
Shareholders of the Company	4,702,026,464	4,425,680,854
Non-controlling interests	21,016,377	7,893,974

The notes on pages 142 to 232 form part of this interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2023 (Expressed in RMB, unless otherwise stated)

Notes	As at 30 June 2023 (Unaudited)	As at 31 December 2022 (Audited)	
		2022 (Audited)	2022 (Audited)
Non-current assets:			
Property and equipment	19	1,831,857,979	1,560,431,199
Right-of-use assets	20	3,110,425,256	3,357,130,462
Goodwill	21	1,622,663,283	1,622,663,283
Intangible assets	22	833,592,045	803,866,789
Interests in associates and joint ventures		1,028,118,971	1,015,580,116
Financial assets at fair value through profit or loss	23	10,779,331,933	10,211,296,407
Financial assets held under resale agreements ("reverse REPOS")	24	1,813,706	3,497,861
Refundable deposits	25	12,097,235,650	12,600,106,686
Deferred tax assets	26	2,398,151,715	2,750,188,301
Other non-current assets	27	651,551,067	414,160,654
Total non-current assets		34,354,741,605	34,338,921,758
Current assets:			
Accounts receivable	28	41,502,892,728	41,769,493,225
Receivable from margin clients	29	33,992,375,555	31,626,190,461
Financial assets at fair value through other comprehensive income	30	56,998,298,693	66,689,432,031
Financial assets at fair value through profit or loss	23	275,880,804,631	259,185,685,152
Reverse REPOS	24	24,588,964,560	27,132,304,186
Derivative financial assets	31	19,054,887,317	17,791,355,263
Cash held on behalf of clients	32	89,171,271,407	83,016,936,855
Cash and bank balances	33	73,661,188,072	85,789,257,629
Other current assets		1,159,132,779	1,424,462,876
Total current assets		616,009,815,742	614,425,117,678
Total assets		650,364,557,347	648,764,039,436

The notes on pages 142 to 232 form part of this interim financial report.

Notes	As at 30 June 2023 (Unaudited)	As at 31 December 2022 (Audited)
Current liabilities:		
Financial liabilities at fair value through profit or loss	35 47,876,105,854	45,203,291,777
Derivative financial liabilities	31 11,125,088,598	11,348,127,497
Accounts payable to brokerage clients	36 98,708,413,177	92,099,956,329
Placements from financial institutions	37 45,175,133,494	60,846,018,714
Short-term debt securities issued	38 19,239,216,462	18,551,991,957
Financial assets sold under repurchase agreements ("REPOS")	39 49,197,200,797	43,156,698,548
Employee benefits payable		4,833,205,284
Income tax payable		576,818,725
Long-term debt securities issued due within one year	41 60,391,797,646	64,710,844,840
Lease liabilities		940,481,166
Contract liabilities	42 478,463,847	407,792,261
Other current liabilities	40 123,280,311,687	112,290,341,815
Total current liabilities		461,822,236,737
Net current assets		154,187,579,005
Total assets less current liabilities		188,542,320,610
Non-current liabilities:		
Non-current employee benefits payable		727,804,321
Long-term debt securities issued	41 82,885,664,294	87,273,120,622
Deferred tax liabilities	26 619,534,452	718,765,065
Lease liabilities		1,292,476,499
Other non-current liabilities		348,608,616
Total non-current liabilities		85,874,088,182
Net assets		102,668,232,428

The notes on pages 142 to 232 form part of this interim financial report.

Condensed Consolidated Statement of Financial Position

As at 30 June 2023 (Expressed in RMB, unless otherwise stated)

Notes	As at 30 June 2023 (Unaudited)		As at 31 December 2022 (Audited)
Equity:			
Share capital	43(a)	4,827,256,868	4,827,256,868
Other equity instruments	44	16,400,000,000	16,400,000,000
Reserves	43(b)	49,778,959,723	48,608,020,887
Retained profits		31,354,410,820	29,352,829,428
Total equity attributable to shareholders of the Company		102,360,627,411	99,188,107,183
Non-controlling interests		307,605,017	286,588,640
Total equity		102,668,232,428	99,474,695,823

The condensed consolidated financial statements were approved and authorised for issue by the board of directors on 30 August 2023.

Shen Rujun

Chairman of Board

Huang Zhaohui

Chief Executive Officer

Company chop

The notes on pages 142 to 232 form part of this interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2023 (Expressed in RMB, unless otherwise stated)

	Attributable to shareholders of the Company											
	Reserves											
					Foreign							
	Other equity				Investment		currency		Retained		Non-controlling	
	Share capital	instruments	Capital reserve	Surplus reserve	General reserves	revaluation reserve	translation reserve	Other reserve	profits	Subtotal	interests	Total equity
	(Note 43(a))	(Note 44)	(Note 43(b)(i))	(Note 43(b)(ii))	(Note 43(b)(iii))	(Note 43(b)(iv))	(Note 43(b)(v))	(Note 43(b)(vi))				
At 1 January 2023	4,827,256,868	16,400,000,000	39,515,216,714	1,856,673,123	6,804,641,319	(142,544,705)	572,324,743	1,709,693	29,352,829,428	99,188,107,183	286,588,640	99,474,695,823
Changes in equity for the six months ended 30 June 2023												
Profit for the period	-	-	-	-	-	-	-	-	-	3,560,643,863	3,560,643,863	21,016,377 3,581,660,240
Other comprehensive income for the period	-	-	-	-	-	322,805,111	825,416,978	(6,839,488)	-	1,141,382,601	-	1,141,382,601
Total comprehensive income for the period	-	-	-	-	-	322,805,111	825,416,978	(6,839,488)	3,560,643,863	4,702,026,464	21,016,377	4,723,042,841
Appropriation to general reserves	-	-	-	-	29,556,235	-	-	-	-	(29,556,235)	-	-
Dividends to shareholders	-	-	-	-	-	-	-	-	-	(868,906,236)	(868,906,236)	- (868,906,236)
Distributions to holders of perpetual subordinated bonds	-	-	-	-	-	-	-	-	-	(660,600,000)	(660,600,000)	- (660,600,000)
At 30 June 2023 (Unaudited)	4,827,256,868	16,400,000,000	39,515,216,714	1,856,673,123	6,834,197,554	180,260,406	1,397,741,721	(5,129,795)	31,354,410,820	102,360,627,411	307,605,017	102,668,232,428

The notes on pages 142 to 232 form part of this interim financial report.

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2023 (Expressed in RMB, unless otherwise stated)

Attributable to shareholders of the Company

	Reserves											Non-controlling interests	Total equity	
	Other equity				General reserves	Investment reserve	Foreign currency translation	Retained profits	Subtotal					
	Share capital	instruments	Capital reserve	Surplus reserve					Subtotal	Subtotal	Subtotal	Non-controlling interests		
At 1 January 2022	4,827,256,868	8,500,000,000	39,531,886,525	1,392,448,797	5,470,061,175	129,746,422	(955,513,381)	(2,674,098)	25,528,908,966	84,422,121,274	308,715,153	308,715,153	84,730,836,427	
Changes in equity for the six months ended 30 June 2022														
Profit for the period	-	-	-	-	-	-	-	-	-	3,841,640,437	3,841,640,437	7,893,974	3,849,534,411	
Other comprehensive income for the period	-	-	-	-	-	-	(207,107,290)	787,724,987	3,422,720	-	584,040,417	-	584,040,417	
Total comprehensive income for the period	-	-	-	-	-	-	(207,107,290)	787,724,987	3,422,720	3,841,640,437	4,425,680,854	7,893,974	4,433,574,828	
Appropriation to general reserves	-	-	-	-	-	150,714,848	-	-	-	(150,714,848)	-	-	-	
Dividends to shareholders	-	-	-	-	-	-	-	-	-	(1,448,177,060)	(1,448,177,060)	-	(1,448,177,060)	
Distributions to holders of perpetual subordinated bonds	-	-	-	-	-	-	-	-	-	(526,600,000)	(526,600,000)	-	(526,600,000)	
Issuance of perpetual subordinated bonds	-	3,900,000,000	-	-	-	-	-	-	-	-	3,900,000,000	-	3,900,000,000	
Contribution from non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	190	190	
At 30 June 2022 (Unaudited)	4,827,256,868	12,400,000,000	39,531,886,525	1,392,448,797	5,620,776,023	(77,360,868)	(167,788,394)	748,622	27,245,057,495	90,773,025,068	316,609,317	91,089,634,385		

The notes on pages 142 to 232 form part of this interim financial report.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2023 (Expressed in RMB, unless otherwise stated)

	Six months ended 30 June	
	2023 (Unaudited)	2022 (Unaudited)
Cash flows from operating activities:		
Profit before income tax	4,129,892,621	4,518,407,548
Adjustments for:		
Net financing interest expenses	2,770,335,922	2,992,712,349
Depreciation and amortisation expenses	845,198,875	759,501,970
Reversal of impairment losses under ECL model	(7,696,298)	(68,267,500)
Net losses/(gains) on disposal of property, equipment and other long-term assets	7,018,736	(1,434,630)
Foreign exchange gains from derivatives and from others	(1,123,936,478)	(116,772,852)
Losses/(gains) on changes in fair value of financial instruments at fair value through profit or loss	105,978,057	(6,201,033,270)
Interest income from financial assets at fair value through other comprehensive income	(858,433,444)	(647,589,578)
Dividend income from investments in financial assets and share of profits of associates and joint ventures	(81,969,207)	(18,760,646)
Net losses/(gains) on disposal of investments	158,848,030	(137,052,617)
Operating cash flows before movements in working capital	5,945,236,814	1,079,710,774
(Increase)/decrease in receivable from margin clients	(2,276,555,892)	4,534,437,506
Decrease/(increase) in accounts receivable, other receivables and prepayments	123,084,156	(9,319,949,119)
Decrease/(increase) in reverse REPOS	2,533,045,664	(12,651,616,368)
(Increase)/decrease in financial instruments at fair value through profit or loss	(13,831,192,572)	7,414,206,222
Increase in cash held on behalf of clients	(6,155,775,599)	(3,428,178,099)
Increase in restricted bank deposits	(71,345,321)	(187,764,288)
Decrease in refundable deposits	502,601,068	568,143,380
Increase in accounts payable to brokerage clients	6,609,897,895	12,530,002,111
Increase in REPOS	6,071,525,287	39,898,132,667
Decrease in other liabilities	(9,235,655,882)	(19,369,675,559)
Cash (used in)/generated from operating activities, before income tax	(9,785,134,382)	21,067,449,227
Income tax paid	(1,006,216,380)	(530,784,817)
Net cash (used in)/generated from operating activities	(10,791,350,762)	20,536,664,410

The notes on pages 142 to 232 form part of this interim financial report.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2023 (Expressed in RMB, unless otherwise stated)

	Six months ended 30 June	
	2023	2022
	(Unaudited)	(Unaudited)
Cash flows from investing activities:		
Cash receipts from disposal of investments	62,504,939,417	73,166,927,351
Cash receipts of investment returns	1,159,257,125	597,057,406
Proceeds from disposal of property, equipment and other long-term assets	835,509	3,762,885
Purchase of investments	(52,561,270,049)	(78,274,114,885)
Purchase of property, equipment and other long-term assets	(595,922,445)	(608,312,823)
Net cash generated from/(used in) investing activities	10,507,839,557	(5,114,680,066)
Cash flows from financing activities:		
Proceeds from issuance of beneficiary certificates	19,824,216,389	31,834,054,086
Proceeds from issuance of corporate bonds	15,000,000,000	2,000,000,000
Proceeds from issuance of medium-term notes ("MTNs")	8,675,000,000	3,820,620,000
Proceeds from issuance of subordinated bonds	3,000,000,000	2,000,000,000
Proceeds from issuance of structured notes	921,886,430	1,285,260,477
Proceeds from issuance of perpetual subordinated bonds	–	3,900,000,000
Capital contribution from non-controlling interests	–	190
Redemption of corporate bonds	(25,300,000,000)	(3,000,000,000)
Redemption of beneficiary certificates	(22,600,459,001)	(35,047,633,003)
Redemption of MTNs	(6,864,300,000)	(6,567,200,000)
Redemption of structured notes	(1,325,654,163)	(1,763,832,134)
Redemption of subordinated bonds	(1,000,000,000)	(6,900,000,000)
Redemption of commercial papers	–	(1,000,000,000)
Cash paid for interest	(2,939,241,423)	(3,175,527,964)
Repayment of lease liabilities	(470,963,504)	(367,222,498)
Distribution to holders of perpetual subordinated bonds	(294,600,000)	(154,200,000)
Cash outflows associated with other financing activities	(2,605,679)	(53,125,544)
Net cash used in financing activities	(13,376,720,951)	(13,188,806,390)

The notes on pages 142 to 232 form part of this interim financial report.

Note	Six months ended 30 June	
	2023 (Unaudited)	2022 (Unaudited)
Net (decrease)/increase in cash and cash equivalents	(13,660,232,156)	2,233,177,954
Cash and cash equivalents at the beginning of the period	84,678,251,394	65,192,946,724
Effect of exchange rate changes	1,423,731,337	361,517,075
Cash and cash equivalents at the end of the period	34 72,441,750,575	67,787,641,753
Net cash used in operating activities including:		
Interest received	3,816,418,073	4,846,353,761
Interest paid	(2,677,247,506)	(1,317,257,960)

The notes on pages 142 to 232 form part of this interim financial report.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in RMB, unless otherwise stated)

1. GENERAL INFORMATION

China International Capital Corporation Limited (中國國際金融股份有限公司) (the "Company" or "CICC") was established on 25 June 1995 in the People's Republic of China ("PRC") as approved by the People's Bank of China ("PBOC"). On 31 July 1995, it obtained the Business License for Enterprise Legal Person (Qi He Guo Zi No.000599) issued by the State Administration for Industry and Commerce of the PRC.

Pursuant to a conversion completed on 1 June 2015, the Company was converted into a joint stock company with limited liability. The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited on 9 November 2015 and was listed on the Shanghai Stock Exchange on 2 November 2020.

The Company's unified social credit code is 91110000625909986U, and the registered address of the Company is the 27th and 28th Floor, China World Trade Centre 2, 1 Jian Guo Men Wai Avenue, Chaoyang District, Beijing, the PRC. As at 30 June 2023, the Company has 1 securities business office and 11 branches.

The Company and its subsidiaries (together "the Group") are principally engaged in investment banking business, equities business, fixed-income, commodities and currency ("FICC") business, asset management business, private equity business, wealth management business and other business activities.

2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting* ("IAS 34"), issued by the International Accounting Standards Board (the "IASB").

The directors of the Company have, at the time of approving the condensed consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the condensed consolidated financial statements.

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2023 are the same as those presented in the Group's annual financial statements for the year ended 31 December 2022, except the changes in accounting policies that are expected to be adopted for the preparation of the 2023 annual financial statements. Details of any changes in accounting policies are set out in Note 3.

The condensed consolidated financial statements do not include all of the information and disclosures required for a full set of financial statements prepared in accordance with International Financial Reporting Standards ("IFRS Standards"), and should be read in conjunction with the Group's financial statements for the year ended 31 December 2022.

3. CHANGES IN ACCOUNTING POLICIES

Application of new and amendments to IFRS Standards

In the current interim period, the Group has applied the following new and amendments to IFRS issued by the IASB, for the first time, which are mandatorily effective for the annual periods beginning on or after 1 January 2023 for the preparation of the Group's condensed consolidated financial statements:

IFRS 17 (including the June 2020 and December 2021 Amendments to IFRS 17)	<i>Insurance Contracts</i>
Amendments to IAS 1 and IFRS Practice Statement 2	<i>Disclosure of Accounting Policies</i>
Amendments to IAS 8	<i>Definition of Accounting Estimates</i>
Amendments to IAS 12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>
Amendments to IAS 12	<i>International Tax Reform-Pillar Two Model Rules</i>

Except for the amendments to IFRS Standards mentioned below, the application of all other amendments to IFRS Standards in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

Amendments to IAS 1 and IFRS Practice Statement 2 Disclosure of Accounting Policies

IAS 1 is amended to replace all instances of the term "significant accounting policies" with "material accounting policy information". Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The amendments also clarify that accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. If an entity chooses to disclose immaterial accounting policy information, such information must not obscure material accounting policy information.

IFRS Practice Statement 2 *Making Materiality Judgements* (the "Practice Statement") is also amended to illustrate how an entity applies the "four-step materiality process" to accounting policy disclosures and to judge whether information about an accounting policy is material to its financial statements. Guidance and examples are added to the Practice Statement.

The Group will apply Amendments to IAS 1 and IFRS Practice Statement 2 Disclosure of Accounting Policies which are mandatorily effective for the Group's annual period beginning on 1 January 2023 for the preparation of the Group's consolidated financial statements for the year ending 31 December 2023. The application of the amendments has had no material impact on the financial position or performance of the Group but may affect the disclosures of the Group's significant accounting policies.

Notes to the Condensed Consolidated Financial Statements

(Expressed in RMB, unless otherwise stated)

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the condensed consolidated financial statements in conformity with IAS 34 requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of uncertainty for the estimation used for the preparation of the condensed consolidated financial statements for the six months ended 30 June 2023 are the same as those for the preparation of the Group's financial statements for the year ended 31 December 2022.

5. TAXATION

(a) Value-added tax ("VAT") and surcharges

The applicable tax rate is 6% for the six months ended 30 June 2023 and ended 30 June 2022. The urban maintenance and construction tax, education surcharge and local education surcharge are charged at 7%, 3% and 2% of VAT respectively for the six months ended 30 June 2023 and ended 30 June 2022.

(b) Income tax

The income tax rate applicable to the Company and its subsidiaries in Chinese mainland is 25% for the six months ended 30 June 2023 and ended 30 June 2022.

The profits tax rate applicable to the subsidiaries in Hong Kong Special Administrative Region ("Hong Kong SAR") is 16.5% for the six months ended 30 June 2023 and ended 30 June 2022. Taxes of other offshore subsidiaries are charged at the relevant local rates.

6. SEGMENT REPORTING

Reportable segments are identified based on operating segments which are determined based on the Group's internal organisational structure, management requirements and internal reporting mechanisms. An operating segment is a component of the Group:

- that engages in business activities from which it may earn revenues and incur expenses;
- whose operating results are regularly reviewed by the Group's management for the purposes of resources allocation and performance evaluation; and
- for which discrete financial information is available.

6. SEGMENT REPORTING *(continued)*

Two or more operating segments may be aggregated into a single operating segment if the segments have similar economic characteristics in respect of:

- nature of the services;
- type or class of clients for the services;
- approaches to providing the services; and
- nature of the regulatory environment.

For management purposes, the Group's businesses are structured and managed separately according to the nature of their operations and the services that the Group provides. Each of the Group's operating segments represents a strategic business unit and offers services which are subject to risks and returns different from those to which the services offered by the other operating segments are subject. A summary of the operating segments is as follows:

- the Investment Banking segment provides investment banking services, including equity financing, debt and structured financing and financial advisory services to domestic and overseas corporations and institutional clients.
- the Equities segment provides one-stop integrated financial services such as investment research, sales, trading, products and cross-border services to domestic and overseas professional investors, including institutional trading services and capital services such as primary brokerage, over-the-counter derivatives, capital introduction and market-making transactions.
- the FICC segment provides a package of services and supports in the areas of market making and financing to domestic and overseas institutional and corporate clients on fixed-income products such as interest rate, credit and structured products, as well as on overseas exchange and commodities.
- the Asset Management segment designs and provides a wide range of asset management products and services to domestic and overseas investors, including social security and annuity investment management business, institutional entrusted investment management business, overseas asset management business, retail and mutual fund business, etc.
- the Private Equity segment designs and provides integrated private equity fund products and services to domestic and overseas investors, mainly including corporate equity funds, Funds of Funds, dollar funds, real asset funds, infrastructure funds, etc.
- the Wealth Management segment provides a wide range of wealth management products and services, consisting of transactional services, capital services and product configuration services, to retail clients, families and corporate clients.
- the Others segment mainly comprises of other business departments, middle offices and back offices.

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(Expressed in RMB, unless otherwise stated)

6. SEGMENT REPORTING (continued)

(a) Segment results

	Six months ended 30 June 2023							
	Investment Banking	Equities	FICC	Asset Management	Private Equity	Wealth Management	Others	Total
Segment revenue								
- Fee and commission income (Note 1)	1,681,480,078	1,007,055,873	487,345,236	631,516,461	779,055,055	2,709,739,081	(43,097,808)	7,253,093,976
- Interest income	549,907	911,943,592	925,320,885	14,302,500	286,315	1,981,766,243	1,080,135,644	4,914,305,086
- Investment income/(losses)	461,779,362	1,670,376,259	1,677,671,838	(2,294,905)	114,895,493	89,466,259	414,701,324	4,426,595,630
- Other income/(losses), net	1,322,957	1,695,327,956	(27,106,214)	8,956,171	41,006,555	156,894,304	136,256,900	2,012,658,629
Segment revenue and other income	2,145,132,304	5,284,703,680	3,063,231,745	652,480,227	935,243,418	4,937,865,887	1,587,996,060	18,606,653,321
Segment expenses	2,011,095,670	2,977,180,813	2,244,812,122	551,139,841	569,220,626	3,575,857,689	2,549,499,954	14,478,806,715
Segment operating profit/(loss)	134,036,634	2,307,522,867	818,419,623	101,340,386	366,022,792	1,362,008,198	(961,503,894)	4,127,846,606
Share of profits/(losses) of associates and joint ventures	-	-	-	2,868,979	42,539,753	(43,314,773)	(47,944)	2,046,015
Profit/(loss) before income tax	134,036,634	2,307,522,867	818,419,623	104,209,365	408,562,545	1,318,693,425	(961,551,838)	4,129,892,621
Segment assets	9,056,021,699	244,331,085,750	140,890,119,192	2,866,750,603	7,852,397,542	135,559,733,300	107,410,297,546	647,966,405,632
Deferred tax assets								2,398,151,715
Total assets								650,364,557,347
Segment liabilities	8,093,046,993	222,893,722,915	123,423,837,758	2,322,731,603	3,211,531,021	118,001,687,621	69,130,232,556	547,076,790,467
Deferred tax liabilities								619,534,452
Total liabilities								547,696,324,919
Other segment information:								
Interest expenses (Note 2)	121,516,750	2,109,435,834	1,688,190,611	71,378,498	124,010,304	952,779,724	266,399,328	5,333,711,049
Depreciation and amortisation expenses	54,508,520	61,628,059	74,990,563	32,001,448	34,849,000	295,336,620	291,884,665	845,198,875
Provision for/(reversal of) impairment losses under ECL model	5,723,718	28,961,782	(20,478,156)	(2,362,336)	(18,597,768)	(1,973,658)	1,030,120	(7,696,298)

6. SEGMENT REPORTING (continued)

(a) Segment results (continued)

	Six months ended 30 June 2022							
	Investment Banking	Equities	FICC	Asset Management	Private Equity	Wealth Management	Others	Total
Segment revenue								
- Fee and commission income (Note 1)	2,282,530,584	1,341,543,227	553,770,306	729,717,745	707,494,515	2,769,560,973	(48,515,225)	8,336,102,125
- Interest income	19,466,074	415,197,461	647,243,696	25,841,013	5,180,585	2,095,487,554	711,926,514	3,920,342,897
- Investment (losses)/income	(557,608,783)	2,967,377,676	2,108,102,222	(7,362,871)	64,158,148	197,939,765	271,937,099	5,044,543,256
- Other income/(losses), net	440,658	(301,225,394)	177,797,568	1,795,295	8,387,379	92,166,452	370,698,435	350,060,393
Segment revenue and other income	1,744,828,533	4,422,892,970	3,486,913,792	749,991,182	785,220,627	5,155,154,744	1,306,046,823	17,651,048,671
Segment expenses	2,038,808,301	1,499,325,820	2,186,860,910	524,738,269	630,156,637	3,717,050,678	2,551,662,066	13,148,602,681
Segment operating (loss)/profit	(293,979,768)	2,923,567,150	1,300,052,882	225,252,913	155,063,990	1,438,104,066	(1,245,615,243)	4,502,445,990
Share of profits/(losses) of associates and joint ventures	-	-	-	16,565,343	41,903,916	(42,466,426)	(41,275)	15,961,558
(Loss)/profit before income tax	(293,979,768)	2,923,567,150	1,300,052,882	241,818,256	196,967,906	1,395,637,640	(1,245,656,518)	4,518,407,548
Segment assets	9,104,842,222	229,479,820,602	143,975,240,785	4,361,842,157	6,918,574,514	141,655,626,179	142,769,778,614	678,265,725,073
Deferred tax assets								1,728,642,572
Total assets								679,994,367,645
Segment liabilities	8,285,038,970	217,904,700,673	128,896,763,441	3,483,441,673	3,552,993,770	126,996,950,640	99,239,019,606	588,358,908,773
Deferred tax liabilities								545,824,487
Total liabilities								588,904,733,260
Other segment information:								
Interest expenses (Note 2)	172,668,384	602,591,794	1,570,801,426	77,894,847	133,905,209	1,087,517,296	646,327,533	4,291,706,489
Depreciation and amortisation expenses	53,459,170	50,868,209	44,424,345	32,512,558	30,048,888	278,638,623	269,550,177	759,501,970
(Reversal of)/provision for impairment losses under ECL model	(12,671,220)	(104,701,854)	71,993,631	1,139,528	12,302,656	(35,383,712)	(946,529)	(68,267,500)

Note 1: Disaggregation of revenue was disclosed in Note 7. Brokerage commission income is mainly generated by Equities and Wealth Management segments; underwriting and sponsoring fees and financial advisory fees are mainly generated by Investment Banking segment; asset management fees are mainly generated by Asset Management, Private Equity and Wealth Management segments.

Note 2: The Group allocates interest expenses across the reportable segments based on the capital used during the reporting period for the purpose of measuring segment operating performance and improving efficiencies of capital management.

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(Expressed in RMB, unless otherwise stated)

6. SEGMENT REPORTING *(continued)*

(b) Geographical information

The following table sets out the Group's revenue and other income from external clients and the Group's non-current assets (excluding financial assets at fair value through profit or loss, reverse REPOS, refundable deposits and deferred tax assets, the same as below) in terms of geographical locations. The geographical locations of external clients from which the revenue and other income are generated are identified based on the locations in which the services or the products are rendered. The geographical locations of the non-current assets are identified based on the place of incorporation of the business units under which the non-current assets are recorded.

	Revenue and other income from external clients Six months ended 30 June	
	2023	2022
Chinese mainland	13,710,166,931	14,694,559,547
Outside Chinese mainland	4,896,486,390	2,956,489,124
Total	18,606,653,321	17,651,048,671

	Non-current assets	
	As at 30 June 2023	As at 31 December 2022
Chinese mainland	7,998,999,472	7,817,387,171
Outside Chinese mainland	1,079,209,129	956,445,332
Total	9,078,208,601	8,773,832,503

6. SEGMENT REPORTING *(continued)*

(b) Geographical information *(continued)*

Reconciliation of segment non-current assets:

	Non-current assets	
	As at 30 June 2023	As at 31 December 2022
Total non-current assets for segments	38,334,987,115	38,030,611,017
Elimination of inter-segment non-current assets	(29,256,778,514)	(29,256,778,514)
Total	9,078,208,601	8,773,832,503

(c) Major clients

The Group's client base is diversified and there was no case in which the revenue recognised from a single client exceeded 10% of the Group's revenue for the six months ended 30 June 2023 and ended 30 June 2022.

7. FEE AND COMMISSION INCOME

	Six months ended 30 June	
	2023	2022
Brokerage commission income	3,092,770,115	3,549,273,318
Underwriting and sponsoring fees	1,873,944,563	2,389,626,638
Asset management fees	1,586,693,539	1,556,498,666
Investment advisory fees	355,501,632	316,204,856
Financial advisory fees	238,359,977	451,831,052
Others	105,824,150	72,667,595
Total	7,253,093,976	8,336,102,125

The remaining performance obligation is recognised as contract liabilities as at 30 June 2023 and 31 December 2022, and disclosed in Note 42. Except as stated in Note 42, there is no significant remaining performance obligation.

Notes to the Condensed Consolidated Financial Statements

(Expressed in RMB, unless otherwise stated)

8. INTEREST INCOME

	Six months ended 30 June	
	2023	2022
Interest income from financial institutions	1,776,001,696	1,344,333,656
Interest income from margin financing and securities lending	1,392,553,357	1,327,423,328
Interest income from financial assets at fair value through other comprehensive income	858,433,444	647,589,578
Interest income from reverse REPOS	414,436,793	497,236,664
Others	472,879,796	103,759,671
 Total	 4,914,305,086	 3,920,342,897

9. INVESTMENT INCOME

	Six months ended 30 June	
	2023	2022
Net (losses)/gains from disposal of financial assets at fair value through other comprehensive income	(156,624,375)	109,299,789
Net gains/(losses) from financial instruments at fair value through profit or loss	11,919,703,566	(7,461,023,475)
Net (losses)/gains from derivative financial instruments	(7,336,483,396)	12,396,266,942
Others	(165)	–
 Total	 4,426,595,630	 5,044,543,256

10. OTHER INCOME, NET

	Six months ended 30 June	
	2023	2022
Refund for tax withholding and remittance	71,084,597	86,463,229
Government grants	99,340,775	33,262,947
Foreign exchange gains from derivatives	2,272,984,941	219,829,848
Others (Note)	(430,751,684)	10,504,369
 Total	 2,012,658,629	 350,060,393

Note: Others mainly consisted of gains and losses due to exchange rate fluctuations arising from foreign currency transactions other than foreign exchange derivative transactions.

11. FEE AND COMMISSION EXPENSES

	Six months ended 30 June	
	2023	2022
Brokerage commission expenses	594,669,505	966,995,298
Underwriting and sponsoring expenses	120,513,827	160,439,868
Asset management expenses	119,472,123	110,981,644
Investment advisory expenses	–	119,367
Others	17,437,149	–
 Total	852,092,604	1,238,536,177

12. INTEREST EXPENSES

	Six months ended 30 June	
	2023	2022
Interest expenses on:		
– Corporate bonds	1,660,350,701	1,909,810,605
– Placements from financial institutions	1,049,964,598	602,243,847
– REPOS	649,844,657	418,646,821
– MTNs	536,985,604	256,486,565
– Subordinated bonds	413,301,491	533,100,956
– Accounts payable to brokerage clients	183,297,824	165,060,155
– Beneficiary certificates	113,147,929	157,792,668
– Lease liabilities	39,750,478	37,041,409
– Structured notes	8,227,334	6,538,367
– Financial bonds	–	42,026,712
– Commercial papers	–	3,912,329
– Others	678,840,433	159,046,055
 Total	5,333,711,049	4,291,706,489

Notes to the Condensed Consolidated Financial Statements

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13. STAFF COSTS

	Six months ended 30 June	
	2023	2022
Salaries, bonus and allowance	4,392,753,006	4,493,704,388
Retirement scheme contributions	428,525,903	354,886,411
Other social welfare	503,995,764	459,510,994
Other benefits	268,849,792	191,694,747
 Total	5,594,124,465	5,499,796,540

The Group is required to participate in pension schemes in Chinese mainland, Hong Kong SAR and other jurisdictions whereby the Group pays annual contributions for its employees at certain ratios of salaries. The Group also provides annuity schemes for employees in Chinese mainland beyond the annual contributions described above. The contributions for annuity schemes are calculated based on a certain percentage of employees' salaries.

14. DEPRECIATION AND AMORTISATION EXPENSES

	Six months ended 30 June	
	2023	2022
Depreciation of right-of-use assets	500,977,836	415,833,547
Depreciation of property and equipment	225,166,418	225,930,996
Amortisation of intangible assets	117,605,077	116,955,543
Others	1,449,544	781,884
 Total	845,198,875	759,501,970

15. OTHER OPERATING EXPENSES AND COSTS

	Six months ended 30 June	
	2023	2022
Business development expenses	517,959,198	461,735,968
Electronic equipment operating expenses	376,830,646	284,073,331
Travelling and transportation expenses	229,542,962	90,591,781
Professional service fees	114,739,875	127,074,768
Information technology expenses	89,175,912	61,612,479
Utilities and maintenance	85,468,236	80,782,043
Securities and futures investor protection funds	47,866,392	48,781,533
Auditors' remuneration	4,300,000	4,100,000
Others	346,589,971	202,642,443
 Total	1,812,473,192	1,361,394,346

16. REVERSAL OF IMPAIRMENT LOSSES UNDER ECL MODEL

	Six months ended 30 June	
	2023	2022
Impairment losses provided/(reversed) for:		
Accounts receivable and other assets	16,678,392	(115,584,437)
Receivable from margin clients	7,494,328	(15,786,643)
Reverse REPOS	(4,775,601)	(7,168,542)
Financial assets at fair value through other comprehensive income	(26,463,443)	70,277,638
Cash and bank balances	(629,974)	(5,516)
 Total	(7,696,298)	(68,267,500)

17. INCOME TAX EXPENSE

(a) Taxation in the condensed consolidated statement of profit or loss:

	Six months ended 30 June	
	2023	2022
Current tax		
– Chinese mainland income tax	75,901,427	320,506,384
– Outside Chinese mainland profits tax	302,346,742	287,029,208
 Subtotal	378,248,169	607,535,592
 Deferred tax	169,984,212	61,337,545
 Total	548,232,381	668,873,137

Notes to the Condensed Consolidated Financial Statements

(Expressed in RMB, unless otherwise stated)

17. INCOME TAX EXPENSE *(continued)*

(b) Reconciliation between income tax expense and accounting profit at applicable tax rates:

The income tax has been provided at the statutory rate of 25% in accordance with the relevant tax laws in Chinese mainland during the period. Taxes on profits assessable outside Chinese mainland have been calculated at the applicable tax rates prevailing in the countries/jurisdictions, in which the Group operates, based on the existing legislation, interpretations and practices. Reconciliation between income tax expense that would have resulted from applying the PRC statutory income tax rate to the Group's profit before income tax and the income tax expense in the condensed consolidated statement of profit or loss is as follows:

	Six months ended 30 June	
	2023	2022
Profit before income tax	4,129,892,621	4,518,407,548
Income tax calculated at the PRC statutory income tax rate	1,032,473,155	1,129,601,887
Effect of non-deductible expenses	12,482,486	14,671,167
Effect of non-taxable income	(298,744,567)	(248,181,478)
Effect of different applicable tax rates of the subsidiaries	(179,029,016)	(119,919,746)
Effect of deductible temporary differences or unused tax losses with no deferred tax asset recognised during the period	78,811,128	40,111,451
Effect of utilisation of the deductible temporary differences or unused tax losses with no deferred tax asset recognised in previous periods	(5,857,952)	(7,762,433)
Others	(91,902,853)	(139,647,711)
Total income tax expense	548,232,381	668,873,137

18. BASIC EARNINGS PER SHARE

	Six months ended 30 June	
	2023	2022
Profit attributable to shareholders of the Company	3,560,643,863	3,841,640,437
Interest for holders of perpetual subordinated bonds for the period	(327,585,205)	(256,520,000)
Total	3,233,058,658	3,585,120,437
Weighted average number of ordinary shares in issue	4,827,256,868	4,827,256,868
Basic earnings per share (in RMB per share)	0.67	0.74

Basic earnings per share was calculated as the profit for the period attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares in issue.

No diluted earnings per share has been presented for the six months ended 30 June 2023 and ended 30 June 2022 as the Company had no potential ordinary shares in issue during the periods.

19. PROPERTY AND EQUIPMENT

	Buildings	Office equipment	Furniture and fixtures	Motor vehicles	Leasehold improvements	Construction in progress	Total
Cost							
As at 31 December 2022	92,721,687	2,228,424,294	161,083,507	9,787,009	1,054,355,566	363,432,440	3,909,804,503
Additions and transfer-in	–	254,549,099	35,462,012	–	137,808,856	85,603,040	513,423,007
Transfer-out	–	–	–	–	–	(11,532,283)	(11,532,283)
Disposals	(645,808)	(97,707,974)	(4,317,627)	(495,000)	(72,350,954)	–	(175,517,363)
Effect of changes in exchange rates	–	7,963,128	924,395	–	8,676,826	–	17,564,349
As at 30 June 2023	92,075,879	2,393,228,547	193,152,287	9,292,009	1,128,490,294	437,503,197	4,253,742,213
Accumulated depreciation							
As at 31 December 2022	(50,386,480)	(1,469,486,642)	(93,448,925)	(8,045,786)	(728,005,471)	–	(2,349,373,304)
Additions	(2,284,427)	(100,907,646)	(17,121,712)	(62,464)	(104,790,169)	–	(225,166,418)
Disposals	645,808	90,124,974	3,981,876	480,152	71,674,790	–	166,907,600
Effect of changes in exchange rates	–	(6,606,755)	(811,267)	–	(6,834,090)	–	(14,252,112)
As at 30 June 2023	(52,025,099)	(1,486,876,069)	(107,400,028)	(7,628,098)	(767,954,940)	–	(2,421,884,234)
Carrying amount							
As at 30 June 2023	40,050,780	906,352,478	85,752,259	1,663,911	360,535,354	437,503,197	1,831,857,979
As at 31 December 2022	42,335,207	758,937,652	67,634,582	1,741,223	326,350,095	363,432,440	1,560,431,199

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(Expressed in RMB, unless otherwise stated)

19. PROPERTY AND EQUIPMENT (continued)

	Buildings	Office equipment	Furniture and fixtures	Motor vehicles	Leasehold improvements	Construction in progress	Total
Cost							
As at 31 December 2021	92,721,687	1,890,744,489	123,413,502	10,395,805	895,039,173	189,436,852	3,201,751,508
Additions and transfer-in	–	471,054,492	52,813,399	–	232,486,012	261,573,016	1,017,926,919
Transfer-out	–	–	–	–	–	(87,577,428)	(87,577,428)
Disposals	–	(147,010,147)	(16,347,995)	(608,796)	(87,216,833)	–	(251,183,771)
Effect of changes in exchange rates	–	13,635,460	1,204,601	–	14,047,214	–	28,887,275
As at 31 December 2022	92,721,687	2,228,424,294	161,083,507	9,787,009	1,054,355,566	363,432,440	3,909,804,503
Accumulated depreciation							
As at 31 December 2021	(45,935,909)	(1,297,117,466)	(85,368,599)	(8,380,397)	(633,081,614)	–	(2,069,883,985)
Additions	(4,450,571)	(297,556,006)	(21,781,162)	(256,329)	(167,717,937)	–	(491,762,005)
Disposals	–	137,386,707	14,860,617	590,940	82,792,403	–	235,630,667
Effect of changes in exchange rates	–	(12,199,877)	(1,159,781)	–	(9,998,323)	–	(23,357,981)
As at 31 December 2022	(50,386,480)	(1,469,486,642)	(93,448,925)	(8,045,786)	(728,005,471)	–	(2,349,373,304)
Carrying amount							
As at 31 December 2022	42,335,207	758,937,652	67,634,582	1,741,223	326,350,095	363,432,440	1,560,431,199
As at 31 December 2021	46,785,778	593,627,023	38,044,903	2,015,408	261,957,559	189,436,852	1,131,867,523

20. RIGHT-OF-USE ASSETS

	Buildings	Leasehold land	Equipment	Total
Cost				
As at 31 December 2022	4,173,036,184	1,266,558,879	791,276	5,440,386,339
Increases	286,910,503	–	–	286,910,503
Decreases	(96,622,788)	–	(79,972)	(96,702,760)
Effect of changes in exchange rates	30,079,724	–	29,676	30,109,400
As at 30 June 2023	4,393,403,623	1,266,558,879	740,980	5,660,703,482
Accumulated depreciation				
As at 31 December 2022	(1,832,040,448)	(250,643,102)	(572,327)	(2,083,255,877)
Increases	(500,900,981)	(16,455,329)	(102,176)	(517,458,486)
Decreases	64,798,858	–	79,972	64,878,830
Effect of changes in exchange rates	(14,421,228)	–	(21,465)	(14,442,693)
As at 30 June 2023	(2,282,563,799)	(267,098,431)	(615,996)	(2,550,278,226)
Carrying amount				
As at 30 June 2023	2,110,839,824	999,460,448	124,984	3,110,425,256
As at 31 December 2022	2,340,995,736	1,015,915,777	218,949	3,357,130,462

Notes to the Condensed Consolidated Financial Statements

(Expressed in RMB, unless otherwise stated)

20. RIGHT-OF-USE ASSETS (continued)

	Buildings	Leasehold land	Equipment	Total
Cost				
As at 31 December 2021	3,232,138,927	1,266,558,879	854,845	4,499,552,651
Increases	1,376,882,442	–	128,101	1,377,010,543
Decreases	(495,264,978)	–	(241,634)	(495,506,612)
Effect of changes in exchange rates	59,279,793	–	49,964	59,329,757
As at 31 December 2022	4,173,036,184	1,266,558,879	791,276	5,440,386,339
Accumulated depreciation				
As at 31 December 2021	(1,286,581,192)	(217,732,444)	(596,472)	(1,504,910,108)
Increases	(880,413,297)	(32,910,658)	(191,347)	(913,515,302)
Decreases	351,142,211	–	241,596	351,383,807
Effect of changes in exchange rates	(16,188,170)	–	(26,104)	(16,214,274)
As at 31 December 2022	(1,832,040,448)	(250,643,102)	(572,327)	(2,083,255,877)
Carrying amount				
As at 31 December 2022	2,340,995,736	1,015,915,777	218,949	3,357,130,462
As at 31 December 2021	1,945,557,735	1,048,826,435	258,373	2,994,642,543

21. GOODWILL

(a) Changes in goodwill

Subsidiaries	As at 1 January		Additions	Disposals	As at 30 June		Less: Impairment loss allowance
	2023	2023			2023	2023	
CICC Wealth Management (Note 1)	1,582,678,646		–	–	1,582,678,646		–
Science & Technology Innovation (Note 2)	39,984,637		–	–	39,984,637		–
Total	1,622,663,283		–	–	1,622,663,283		–

Subsidiaries	As at 1 January		Additions	Disposals	As at 31 December		Less: Impairment loss allowance
	2022	2022			2022	2022	
CICC Wealth Management (Note 1)	1,582,678,646		–	–	1,582,678,646		–
Science & Technology Innovation (Note 2)	39,984,637		–	–	39,984,637		–
Total	1,622,663,283		–	–	1,622,663,283		–

Note 1: The Company acquired China CICC Wealth Management Securities Company Limited ("CICC Wealth Management", "CISC", "CISC WMS" or "CICC WMS") in 2017 and paid, as the cost of the acquisition, the consideration of RMB16,700,695,000 in the form of share issuance. The difference between the consideration and the fair value of the identifiable net assets attributable to the Company amounted to RMB1,582,678,646 and was recognised as goodwill related to the cash-generating unit of Wealth Management.

Note 2: In 2021, CICC Capital Management Co., Ltd. ("CICC Capital"), a subsidiary of the Company, made a capital injection in cash of RMB220,129,947 into Beijing Science & Technology Innovation Investment Management Co., Ltd. ("Science & Technology Innovation") and acquired 51% equity interests of Science & Technology Innovation. The difference between the cash injection and the fair value of the identifiable net assets attributable to CICC Capital amounted to RMB39,984,637 and was recognised as goodwill.

(b) Impairment test

As at 30 June 2023, no indications of impairment came to attention of the management.

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22. INTANGIBLE ASSETS

	Securities trading seat rights	Others (Note)	Total
Cost			
As at 31 December 2022	163,112,847	1,514,718,874	1,677,831,721
Additions	–	147,108,048	147,108,048
Disposals	–	(453,896)	(453,896)
Effect of changes in exchange rates	–	511,220	511,220
As at 30 June 2023	163,112,847	1,661,884,246	1,824,997,093
Accumulated amortisation			
As at 31 December 2022	(126,647,844)	(747,317,088)	(873,964,932)
Additions	(4,290,000)	(113,315,077)	(117,605,077)
Disposals	–	425,890	425,890
Effect of changes in exchange rates	–	(260,929)	(260,929)
As at 30 June 2023	(130,937,844)	(860,467,204)	(991,405,048)
Carrying amount			
As at 30 June 2023	32,175,003	801,417,042	833,592,045
As at 31 December 2022	36,465,003	767,401,786	803,866,789

22. INTANGIBLE ASSETS *(continued)*

	Securities trading seat rights	Others (Note)	Total
Cost			
As at 31 December 2021	163,100,827	874,188,395	1,037,289,222
Additions	–	641,437,163	641,437,163
Disposals	–	(1,655,445)	(1,655,445)
Effect of changes in exchange rates	12,020	748,761	760,781
As at 31 December 2022	163,112,847	1,514,718,874	1,677,831,721
Accumulated amortisation			
As at 31 December 2021	(118,067,844)	(486,478,666)	(604,546,510)
Additions	(8,580,000)	(262,257,451)	(270,837,451)
Disposals	–	1,610,378	1,610,378
Effect of changes in exchange rates	–	(191,349)	(191,349)
As at 31 December 2022	(126,647,844)	(747,317,088)	(873,964,932)
Carrying amount			
As at 31 December 2022	36,465,003	767,401,786	803,866,789
As at 31 December 2021	45,032,983	387,709,729	432,742,712

Note: As at 30 June 2023 and 31 December 2022, others mainly included computer software used by the Group.

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(Expressed in RMB, unless otherwise stated)

23. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Non-current

	As at 30 June 2023	As at 31 December 2022
Equity securities	10,699,910,927	10,151,094,560
Funds and other investments	79,421,006	60,201,847
Total	10,779,331,933	10,211,296,407

Current

	As at 30 June 2023	As at 31 December 2022
Equity securities	138,286,065,952	114,998,892,630
Debt securities (Note)	87,589,819,888	81,519,145,732
Funds and other investments	50,004,918,791	62,667,646,790
Total	275,880,804,631	259,185,685,152

Note: As at 30 June 2023, the perpetual bonds included in debt securities amounted to RMB14,496,450,009 (31 December 2022: RMB9,344,567,046).

24. FINANCIAL ASSETS HELD UNDER RESALE AGREEMENTS ("REVERSE REPOS")

(a) Analysed by collateral type:

Non-current

	As at 30 June 2023	As at 31 December 2022
Stocks	1,789,741	3,347,199
Accrued interests	23,965	150,662
Total	1,813,706	3,497,861

Current

	As at 30 June 2023	As at 31 December 2022
Stocks	4,676,661,791	5,406,022,435
Debt securities	19,833,932,917	21,636,860,479
Funds	800,000	–
Subtotal	24,511,394,708	27,042,882,914
Accrued interests	129,341,953	145,968,974
Less: Impairment loss allowance	(51,772,101)	(56,547,702)
Total	24,588,964,560	27,132,304,186

Notes to the Condensed Consolidated Financial Statements

(Expressed in RMB, unless otherwise stated)

24. FINANCIAL ASSETS HELD UNDER RESALE AGREEMENTS ("REVERSE REPOS") (continued)

(b) Analysed by market:

Non-current

	As at 30 June 2023	As at 31 December 2022
Over-the-counter market	1,813,706	3,497,861

Current

	As at 30 June 2023	As at 31 December 2022
Stock exchanges	12,270,295,706	14,161,084,252
Inter-bank market	6,963,703,627	8,113,368,183
Over-the-counter market	5,354,965,227	4,857,851,751
 Total	 24,588,964,560	 27,132,304,186

The Group receives securities as collaterals in connection with reverse REPO business. The Group is allowed to sell or re-pledge the collaterals held in connection with bond outright REPO business in the absence of default of its counterparties. If the securities depreciate in value, the Group may, in certain circumstances, require additional collaterals. The Group has an obligation to return the collaterals to its counterparties at the expiration of the agreements.

As at 30 June 2023, the collaterals received by the Group in connection with reverse REPO business amounted to RMB37,458,927,293 (31 December 2022: RMB40,832,263,654).

24. FINANCIAL ASSETS HELD UNDER RESALE AGREEMENTS ("REVERSE REPOS") (continued)

(c) Analysis of the movement in impairment loss allowance:

	Six months ended 30 June 2023	Year ended 31 December 2022
At the beginning of the period/year	56,547,702	69,453,349
Provided for the period/year	4,199,272	7,552,581
Reversed for the period/year	(8,974,873)	(20,458,228)
At the end of the period/year	51,772,101	56,547,702

	As at 30 June 2023			
	Lifetime ECL—not 12-month ECL	Lifetime ECL—credit impaired	Lifetime ECL—credit impaired	Total
Impairment loss allowance	23,557,915	–	28,214,186	51,772,101

	As at 31 December 2022			
	Lifetime ECL—not 12-month ECL	Lifetime ECL—credit impaired	Lifetime ECL—credit impaired	Total
Impairment loss allowance	28,298,453	–	28,249,249	56,547,702

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25. REFUNDABLE DEPOSITS

	As at 30 June 2023	As at 31 December 2022
Trading deposits	11,719,687,786	12,199,625,163
Performance bonds	308,984,253	332,141,692
Credit deposits	68,445,495	67,951,747
Subtotal	12,097,117,534	12,599,718,602
Accrued interests	118,116	388,084
Total	12,097,235,650	12,600,106,686

Refundable deposits are mainly placed at stock exchanges and clearinghouses, futures and commodity exchanges, China Securities Finance Corporation Limited, Shanghai Clearing House, futures companies and other institutions.

26. DEFERRED TAX ASSETS/(LIABILITIES)

(a) Deferred tax assets and liabilities recognised

The components and the movement during the period/year of the deferred tax assets/(liabilities) recognised in the condensed consolidated statement of financial position are as follows:

	As at 1 January 2023	(Charged)/ credited to profit or loss	(Charged)/ credited to equity	Effect of		As at 30 June 2023		
				changes in exchange rates	Deferred tax, net	Deferred tax assets	Deferred tax liabilities	
Deferred tax assets/(liabilities) before set-off:								
Staff cost	1,616,035,470	(414,811,883)		-	251,800	1,201,475,387	1,201,475,387	-
Unused tax losses	30,012,969	1,877,554,632		-	1,343,363	1,908,910,964	1,908,910,964	-
Depreciation and amortisation	(93,305,632)	(42,780,828)		-	(294,924)	(136,381,384)	59,853	(136,441,237)
Changes in fair values of financial instruments at fair value through profit or loss	73,654,451	(1,672,118,813)		-	-	(1,598,464,362)	119,213,712	(1,717,678,074)
Changes in fair values of financial assets at fair value through other comprehensive income	40,555,022		-	(89,552,453)	56,733	(48,940,698)	12,893,992	(61,834,690)
Impairment loss allowance	107,968,258	(7,880,891)	4,826,940	555,288	105,469,595	105,469,595		-
Fair value adjustment arising from acquisition of subsidiaries	(161,230,995)	1,273,416		-	-	(159,957,579)	-	(159,957,579)
Others	417,733,693	88,780,155		-	(8,508)	506,505,340	506,505,340	-
Subtotal	2,031,423,236	(169,984,212)	(84,725,513)	1,903,752	1,778,617,263	3,854,528,843	(2,075,911,580)	
Set off							(1,456,377,128)	1,456,377,128
Deferred tax assets/(liabilities) recognised in the condensed consolidated statement of financial position							2,398,151,715	(619,534,452)

Notes to the Condensed Consolidated Financial Statements

(Expressed in RMB, unless otherwise stated)

26. DEFERRED TAX ASSETS/(LIABILITIES) (continued)

(a) Deferred tax assets and liabilities recognised (continued)

	As at 1 January 2022	(Charged)/ credited to profit or loss	Credited/ (charged) to equity	Effect of changes in exchange rates	As at 31 December 2022	
				Deferred tax, net	Deferred tax assets	Deferred tax liabilities
Deferred tax assets/(liabilities) before set-off:						
Staff cost	1,761,498,689	(146,312,878)	-	849,659	1,616,035,470	1,616,035,470
Unused tax losses	23,774,576	6,304,335	-	(65,942)	30,012,969	30,012,969
Depreciation and amortisation	(64,417,337)	(28,929,843)	-	41,548	(93,305,632)	151,618
Changes in fair values of financial instruments at fair value through profit or loss	(795,536,477)	869,388,792	-	(197,864)	73,654,451	744,313,835
Changes in fair values of financial assets at fair value through other comprehensive income	(46,804,645)	-	82,123,963	5,235,704	40,555,022	54,909,885
Impairment loss allowance	121,941,266	(1,977,063)	(12,368,727)	372,782	107,968,258	107,968,258
Fair value adjustment arising from acquisition of subsidiaries	(163,989,062)	2,758,067	-	-	(161,230,995)	-
Others	360,517,148	57,209,031	-	7,514	417,733,693	417,928,052
Subtotal	1,196,984,158	758,440,441	69,755,236	6,243,401	2,031,423,236	2,971,320,087
Set off					(221,131,786)	221,131,786
Deferred tax assets/(liabilities) recognised in the condensed consolidated statement of financial position					2,750,188,301	(718,765,065)

(b) Deferred tax assets not recognised

As at 30 June 2023, the accumulated deductible temporary differences and unused tax losses with no deferred tax asset recognised of the Group amounted to RMB1,919 million (31 December 2022: RMB1,496 million).

Deferred tax assets not recognised in respect of cumulative tax losses are mainly attributable to certain overseas subsidiaries of the Group which were set up to strengthen the Group's cross-border service capabilities.

27. OTHER NON-CURRENT ASSETS

	As at 30 June 2023	As at 31 December 2022
Rental and other deposits	336,372,881	323,390,154
Others	315,178,186	90,770,500
Total	651,551,067	414,160,654

28. ACCOUNTS RECEIVABLE

(a) Analysed by nature:

	As at 30 June 2023	As at 31 December 2022
Trade receivable (Note)	39,193,884,797	39,443,210,298
Asset management fees receivable	1,365,787,875	1,175,179,962
Underwriting and advisory fees receivable	995,128,209	1,198,056,753
Trading seat rental fees receivable	296,292,033	257,940,035
Others	192,245,074	217,430,264
Subtotal	42,043,337,988	42,291,817,312
Less: Impairment loss allowance	(540,445,260)	(522,324,087)
Total	41,502,892,728	41,769,493,225

Note: Trade receivable mainly consisted of receivables from brokers and clearinghouses for trade settlements and from counterparties in derivative transactions.

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(Expressed in RMB, unless otherwise stated)

28. ACCOUNTS RECEIVABLE *(continued)*

(b) Analysed by aging:

	As at 30 June 2023			
	Gross amount		Impairment loss allowance	
	Amount	%	Amount	%
Within 1 year (inclusive)	40,916,552,820	97.32%	(130,560,799)	24.16%
1 – 2 years (inclusive)	433,890,556	1.03%	(57,185,455)	10.58%
2 – 3 years (inclusive)	218,191,414	0.52%	(50,063,164)	9.26%
More than 3 years	474,703,198	1.13%	(302,635,842)	56.00%
Total	42,043,337,988	100.00%	(540,445,260)	100.00%

	As at 31 December 2022			
	Gross amount		Impairment loss allowance	
	Amount	%	Amount	%
Within 1 year (inclusive)	41,266,496,575	97.57%	(113,741,294)	21.78%
1 – 2 years (inclusive)	366,056,402	0.87%	(61,513,367)	11.78%
2 – 3 years (inclusive)	225,157,237	0.53%	(55,650,414)	10.65%
More than 3 years	434,107,098	1.03%	(291,419,012)	55.79%
Total	42,291,817,312	100.00%	(522,324,087)	100.00%

28. ACCOUNTS RECEIVABLE *(continued)*

(c) Analysis of the movement in impairment loss allowance:

	Six months ended 30 June 2023	Year ended 31 December 2022
At the beginning of the period/year	522,324,087	577,721,275
Provided for the period/year	118,477,994	197,862,810
Reversed for the period/year	(103,683,694)	(236,474,376)
Write-offs for the period/year	–	(19,998,098)
Effect of changes in exchange rates and others	3,326,873	3,212,476
At the end of the period/year	540,445,260	522,324,087

	As at 30 June 2023				
	Lifetime		Lifetime		
	12-month	ECL-not	ECL-credit	impaired	Total
Impairment loss allowance	142,870,219	86,607,977	310,967,064	540,445,260	

	As at 31 December 2022				
	Lifetime		Lifetime		
	12-month	ECL-not	ECL-credit	impaired	Total
Impairment loss allowance	120,166,428	79,345,162	322,812,497	522,324,087	

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(Expressed in RMB, unless otherwise stated)

29. RECEIVABLE FROM MARGIN CLIENTS

(a) Analysed by nature:

	As at 30 June 2023	As at 31 December 2022
Individuals	27,762,227,590	26,702,766,101
Institutions	5,275,572,128	4,058,477,725
Subtotal	33,037,799,718	30,761,243,826
Accrued interests	1,104,893,324	1,007,490,532
Less: Impairment loss allowance	(150,317,487)	(142,543,897)
Total	33,992,375,555	31,626,190,461

(b) Analysed by fair value of collaterals of margin financing and securities lending business:

	As at 30 June 2023	As at 31 December 2022
Stocks	101,398,081,746	89,832,203,207
Funds	11,022,169,944	11,485,400,682
Cash	4,973,408,997	6,492,544,179
Debt securities	135,452,525	796,696,496
Total	117,529,113,212	108,606,844,564

29. RECEIVABLE FROM MARGIN CLIENTS (continued)

(c) Analysis of the movement in impairment loss allowance:

	Six months ended 30 June 2023	Year ended 31 December 2022
At the beginning of the period/year	142,543,897	161,966,115
Provided for the period/year	42,355,963	48,987,271
Reversed for the period/year	(34,861,635)	(69,225,423)
Effect of changes in exchange rates and others	279,262	815,934
At the end of the period/year	150,317,487	142,543,897

	As at 30 June 2023			
	12-month ECL	Lifetime ECL—not credit impaired	Lifetime ECL—credit impaired	Total
Impairment loss allowance	150,317,487	–	–	150,317,487

	As at 31 December 2022			
	12-month ECL	Lifetime credit impaired	Lifetime impaired	Total
Impairment loss allowance	142,095,663	448,234	–	142,543,897

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30. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

(a) Analysed by type:

	As at 30 June 2023	As at 31 December 2022
Debt securities	56,998,298,693	66,689,432,031

(b) Analysed by listing status:

	As at 30 June 2023	As at 31 December 2022
Listed – In Hong Kong, China – Outside Hong Kong, China	3,152,389,080 53,845,909,613	6,468,364,761 60,221,067,270
Total	56,998,298,693	66,689,432,031

(c) Analysis of the movement in impairment loss allowance:

	Six months ended 30 June 2023	Year ended 31 December 2022
At the beginning of the period/year	72,118,572	18,775,037
Provided for the period/year	33,245,010	64,431,706
Reversed for the period/year	(59,708,453)	(11,414,055)
Effect of changes in exchange rates and others	–	325,884
At the end of the period/year	45,655,129	72,118,572

30. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

(continued)

(c) Analysis of the movement in impairment loss allowance: (continued)

	As at 30 June 2023				
	12-month ECL	Lifetime ECL—not credit impaired		Lifetime ECL—credit impaired	Total
Impairment loss allowance		45,655,129		–	45,655,129

	As at 31 December 2022				
	12-month ECL	Lifetime ECL—not credit impaired		Lifetime ECL—credit impaired	Total
Impairment loss allowance		59,605,095	379,607	12,133,870	72,118,572

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31. DERIVATIVE FINANCIAL ASSETS/(LIABILITIES)

	As at 30 June 2023		
	Fair value		
	Notional amount	Assets	Liabilities
Hedging instruments (a)			
– Interest rate contracts	14,729,020,000	15,246,740	(141,474,628)
– Currency contracts	651,437,200	–	(12,246,880)
Non-hedging instruments			
– Interest rate contracts	337,784,935,901	1,594,513,049	(1,602,104,443)
– Currency contracts	229,884,814,299	3,507,230,776	(2,366,748,259)
– Equity contracts	396,932,036,863	12,960,681,216	(6,093,684,714)
– Credit contracts	12,919,592,699	133,000,829	(765,685)
– Other contracts (Note)	101,009,749,321	844,214,707	(908,063,989)
Total	1,093,911,586,283	19,054,887,317	(11,125,088,598)
As at 31 December 2022			
	Fair value		
	Notional amount	Assets	Liabilities
Hedging instruments (a)			
– Interest rate contracts	6,446,990,000	20,242,029	(18,923,185)
– Currency contracts	300,168,756	205,624	(6,455,102)
Non-hedging instruments			
– Interest rate contracts	307,349,542,866	946,604,138	(876,483,055)
– Currency contracts	280,398,800,779	2,435,675,338	(2,943,822,632)
– Equity contracts	345,281,312,153	13,772,752,581	(6,584,415,778)
– Credit contracts	10,178,039,800	180,067,812	(62,945,885)
– Other contracts (Note)	67,380,025,793	435,807,741	(855,081,860)
Total	1,017,334,880,147	17,791,355,263	(11,348,127,497)

Note: Other contracts mainly include commodity options and commodity futures.

Under a daily mark-to-market settlement arrangement, any gains or losses of the Group's positions in futures contracts in Chinese mainland are settled on a daily basis. As at 30 June 2023, the fair value of those mainland unexpired daily settled future contracts was RMB358,062,384 (31 December 2022: RMB860,305,806).

31. DERIVATIVE FINANCIAL ASSETS/(LIABILITIES) *(continued)*

(a) Hedging instruments

(i) Fair value hedges

Fair value hedges are used by the Group to protect against changes in the fair value of financial liabilities due to movements in market interest rates. Interest rate swaps are used to hedge the interest rate risk of the selected long-term debt securities issued.

The gains of fair value hedges are presented as follows:

	Six months ended 30 June	
	2023	2022
Gains arising from fair value hedges, net:		
Interest rate contracts	(131,656,292)	(1,141,874)
Hedged items attributable to the hedged risk	117,619,272	12,336,707
Total	(14,037,020)	11,194,833

The analysis on notional amounts of the items designated as hedging instruments in fair value hedges by tenure is presented as follows:

	As at 30 June 2023				
	Less than	6 months to	12 months	More than	Total
	6 months	(inclusive)	(inclusive)	12 months	
Hedging instruments-interest rate contracts	–	500,000,000	14,229,020,000	14,729,020,000	

	As at 31 December 2022			
	Less than 6 months (inclusive)	6 months to 12 months (inclusive)	More than 12 months	Total
Hedging instruments-interest rate contracts	920,000,000	–	5,526,990,000	6,446,990,000

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31. DERIVATIVE FINANCIAL ASSETS/(LIABILITIES) *(continued)*

(a) Hedging instruments *(continued)*

(i) Fair value hedges *(continued)*

Details of the Group's hedged risk exposure in fair value hedges strategy are set out below:

Long-term debt securities issued	As at 30 June	As at 31 December 2022
	2023	
Carrying amount of hedged items	14,796,582,376	6,546,764,966
Accumulated adjustments to the fair value of hedged items	(111,733,904)	18,341,250

(ii) Hedges of net investments in foreign operations

The Group's consolidated financial position is affected by the gain or loss through currency fluctuations as the Company and its subsidiaries have different functional currencies. The Group hedges such foreign exchange exposure in limited circumstances. The Group hedges exchange exposures using foreign exchange forward contracts for certain net investments in foreign operations. Under the hedging relationships, the Group separates the forward element and the spot element of a forward contract and designates only the change in the value of the spot element of the forward contract as the hedging instrument. There was no hedge ineffectiveness for the six months ended 30 June 2023 and ended 30 June 2022.

For the six months ended 30 June 2023, the net gains from the hedging instruments recognised in other comprehensive income amounted to RMB3,391,000 (Six months ended 30 June 2022: RMB4,198,631). For the six months ended 30 June 2023, the net losses associated with forward elements of forward contracts recognised in profit or loss were RMB665,328 (Six months ended 30 June 2022: Gains of RMB189,396).

As at 30 June 2023, the notional amount of hedging instruments designated as hedges of net investments in foreign operations by the Group was RMB651,437,200 (31 December 2022: RMB300,168,756), and the tenure is within one year (31 December 2022: within 6 months).

32. CASH HELD ON BEHALF OF CLIENTS

The Group maintains segregated deposit accounts with banks and authorised institutions to hold client monies arising from its ordinary course of business. The Group has classified their client monies as cash held on behalf of clients under current assets of the condensed consolidated statement of financial position and recognised the corresponding current liabilities, in particular, accounts payable to brokerage clients and accounts payable to underwriting clients, on the grounds that the Group is liable for any misappropriation of their clients' monies. In Chinese mainland, clients' monies are restricted and governed by relevant third-party deposit regulations issued by the China Securities Regulatory Commission (the "CSRC"). In Hong Kong SAR, clients' monies are restricted and governed by the *Securities and Futures (Client Money) Rules under the Securities and Futures Ordinance*.

33. CASH AND BANK BALANCES

	As at 30 June 2023	As at 31 December 2022
Cash on hand	124,612	134,435
Deposits with banks	62,908,594,395	75,437,843,953
Deposits with clearinghouses	10,562,140,186	10,198,036,303
Subtotal	73,470,859,193	85,636,014,691
Accrued interests	190,811,056	154,353,340
Less: Impairment loss allowance	(482,177)	(1,110,402)
Total	73,661,188,072	85,789,257,629

34. CASH AND CASH EQUIVALENTS

	As at 30 June 2023	As at 31 December 2022
Cash on hand	124,612	134,435
Deposits with banks	62,908,594,395	75,437,843,953
Deposits with clearinghouses	10,562,140,186	10,198,036,303
Subtotal	73,470,859,193	85,636,014,691
Less: Restricted bank deposits	(1,029,108,618)	(957,763,297)
Total	72,441,750,575	84,678,251,394

The restricted bank deposits mainly include the risk reserve deposits held for asset management business and temporary deposits held on behalf of non-brokerage clients.

Notes to the Condensed Consolidated Financial Statements

(Expressed in RMB, unless otherwise stated)

35. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 June 2023		
	Financial liabilities		
	Financial liabilities held for trading	designated as at fair value through profit or loss	Total
Equity securities	2,784,435,627	41,703,618,182	44,488,053,809
Debt securities	974,500,381	2,317,200,921	3,291,701,302
Funds and others	96,350,743	–	96,350,743
Total	3,855,286,751	44,020,819,103	47,876,105,854

	As at 31 December 2022		
	Financial liabilities		
	Financial liabilities held for trading	designated as at fair value through profit or loss	Total
Equity securities	2,629,192,263	39,235,363,199	41,864,555,462
Debt securities	1,249,823,154	2,037,071,933	3,286,895,087
Funds and others	51,841,228	–	51,841,228
Total	3,930,856,645	41,272,435,132	45,203,291,777

Note 1: As at 30 June 2023 and 31 December 2022, there were no significant changes in fair values of financial liabilities designated as at fair value through profit or loss as a result of changes in the credit risk of the Group.

Note 2: The Group's financial liabilities designated at fair value through profit or loss are mainly equity-linked instruments, and their fair values are linked to stocks, indices, etc.

36. ACCOUNTS PAYABLE TO BROKERAGE CLIENTS

	As at 30 June 2023	As at 31 December 2022
Client deposits for brokerage trading	90,456,949,777	82,100,532,800
Client deposits for margin financing and securities lending	8,238,579,321	9,985,098,403
Subtotal	98,695,529,098	92,085,631,203
Accrued interests	12,884,079	14,325,126
Total	98,708,413,177	92,099,956,329

Accounts payable to brokerage clients represent the monies received from and repayable to brokerage clients, which are mainly held at banks and clearinghouses. Accounts payable to brokerage clients are interest-bearing at the prevailing interest rate.

The balance of the accounts payable includes certain margin deposits and cash collaterals received from clients for their margin financing and securities lending activities under ordinary course of business. Only the amounts in excess of the required amount of margin deposits and cash collaterals are repayable on demand.

Notes to the Condensed Consolidated Financial Statements

(Expressed in RMB, unless otherwise stated)

37. PLACEMENTS FROM FINANCIAL INSTITUTIONS

(a) Analysed by funding source:

	As at 30 June 2023	As at 31 December 2022
Placements from banks	44,418,160,400	60,019,982,479
Placements from China Securities Finance Corporation Limited	500,000,000	500,000,000
Subtotal	44,918,160,400	60,519,982,479
Accrued interests	256,973,094	326,036,235
Total	45,175,133,494	60,846,018,714

(b) Analysed by residual maturity:

	As at 30 June 2023		As at 31 December 2022	
	Book value	Range of interest rate	Book value	Range of interest rate
Within 1 month (inclusive)	29,786,002,864	1.48% – 5.95%	42,249,812,576	0.42% – 6.15%
1 – 3 months (inclusive)	5,278,941,930	2.10% – 6.00%	9,837,911,541	2.09% – 6.20%
3 months – 1 year (inclusive)	10,110,188,700	2.26% – 6.12%	8,758,294,597	2.09% – 6.35%
Total	45,175,133,494		60,846,018,714	

38. SHORT-TERM DEBT SECURITIES ISSUED

	Notes	As at 30 June	As at 31 December
		2023	2022
Beneficiary certificates	(a)	13,717,040,225	15,660,243,596
Short-term corporate bonds	(b)	5,000,000,000	2,000,000,000
Structured notes	(c)	401,348,598	802,860,586
Subtotal		19,118,388,823	18,463,104,182
Accrued interests:			
Beneficiary certificates	(a)	72,579,609	64,717,760
Short-term corporate bonds	(b)	45,097,276	14,722,316
Structured notes	(c)	3,150,754	9,447,699
Total		19,239,216,462	18,551,991,957

(a) Beneficiary certificates:

Name	Book value as at	Increase	Decrease	Book value as at
	1 January 2023			30 June 2023
Beneficiary certificates	15,724,961,356	20,770,403,558	(22,705,745,080)	13,789,619,834

Name	Book value as at	Increase	Decrease	Book value as at
	1 January 2022			31 December 2022
Beneficiary certificates	15,172,900,643	77,090,692,780	(76,538,632,067)	15,724,961,356

The Group has issued beneficiary certificates bearing nominal interest at:

- fixed rates, ranging from 1.38% to 7.70% per annum;
- a fixed rate plus a floating rate; or
- a floating rate.

The floating interest rate is calculated based on stock indices such as Shanghai & Shenzhen 300 Index and China Securities Index 500, individual stocks, prices of commodity products or United States dollar ("USD") index.

Notes to the Condensed Consolidated Financial Statements

(Expressed in RMB, unless otherwise stated)

38. SHORT-TERM DEBT SECURITIES ISSUED (continued)

(b) Short-term corporate bonds:

Name	Interest						Book value as at	
	commencement		Principal	Nominal interest rate	Book value as at 1		30 June	
	Date	Maturity date			January 2023	Increase	Decrease	2023
22 CICC WMS S1	11/08/2022	11/08/2023	2,000,000,000	2.04%	2,014,722,316	21,261,535	-	2,035,983,851
23 CICC WMS S1	18/05/2023	18/05/2024	3,000,000,000	2.52%	-	3,009,141,727	(28,302)	3,009,113,425
Total					2,014,722,316	3,030,403,262	(28,302)	5,045,097,276

Name	Interest						Book value as at	
	commencement		Principal	Nominal interest rate	Book value as at		Book value as at	
	Date	Maturity date			1 January 2022	Increase	Decrease	31 December 2022
21 CICC WMS S1	09/08/2021	09/08/2022	2,000,000,000	2.68%	2,020,042,181	33,557,819	(2,053,600,000)	-
21 CICC WMS S2	24/09/2021	24/09/2022	3,000,000,000	2.85%	3,020,921,608	64,578,392	(3,085,500,000)	-
22 CICC WMS S1	11/08/2022	11/08/2023	2,000,000,000	2.04%	-	2,016,797,788	(2,075,472)	2,014,722,316
Total					5,040,963,789	2,114,933,999	(5,141,175,472)	2,014,722,316

(c) Structured notes:

Name	Book value as at			Book value as at	
	1 January 2023	Increase	Decrease	30 June 2023	
Structured notes (i)	812,308,285	932,369,508	(1,340,178,441)	404,499,352	

Name	Book value as at 1			Book value as at 31	
	January 2022	Increase	Decrease	December 2022	
Structured notes (i)	1,773,757,441	1,710,167,971	(2,671,617,127)	812,308,285	

(i) The notes were issued bearing nominal interest rates ranging from 0.21% to 5.60% per annum. The notes are for maturities of 3 days to 365 days.

39. FINANCIAL ASSETS SOLD UNDER REPURCHASE AGREEMENTS ("REPOS")

(a) Analysed by collateral type:

	As at 30 June 2023	As at 31 December 2022
Stocks	5,344,701,546	7,007,276,773
Debt securities	40,258,396,362	32,770,610,436
Others	3,560,984,399	3,314,669,811
Subtotal	49,164,082,307	43,092,557,020
Accrued interests	33,118,490	64,141,528
Total	49,197,200,797	43,156,698,548

(b) Analysed by market:

	As at 30 June 2023	As at 31 December 2022
Inter-bank market	38,882,522,694	28,871,469,503
Stock exchanges	3,800,778,361	4,799,719,735
Over-the-counter market	6,513,899,742	9,485,509,310
Total	49,197,200,797	43,156,698,548

As at 30 June 2023, the Group's pledged collateral in connection with its repurchase financing business amounted to RMB49,524,106,963 (31 December 2022: RMB46,989,749,152).

Notes to the Condensed Consolidated Financial Statements

(Expressed in RMB, unless otherwise stated)

40. OTHER CURRENT LIABILITIES

	As at 30 June 2023	As at 31 December 2022
Trade payable	117,883,499,750	109,074,055,056
Dividends payable (Note 1)	1,529,506,236	294,600,000
Accrued expenses	1,442,810,509	1,218,165,749
Accounts payable to underwriting clients	922,609,350	–
Sundry tax payable	419,330,799	598,482,036
Provisions	76,134,807	4,000,000
Payables to other investors of consolidated structured entities (Note 2)	39,647,315	38,109,053
Others	966,772,921	1,062,929,921
 Total	123,280,311,687	112,290,341,815

Note 1: As at 30 June 2023, dividends payable included distribution to holders of perpetual subordinated bonds of RMB660,600,000 (31 December 2022: RMB294,600,000). As at 30 June 2023, dividends payable to ordinary shareholders was RMB868,906,236.

Note 2: For each reporting period, the consolidation scope of structured entities varies due to the addition of structured entities which meet the consolidation criteria or due to the liquidation of the consolidated structured entities or changes in the Group's interests therein.

41. LONG-TERM DEBT SECURITIES ISSUED

Notes	As at 30 June 2023	As at 31 December 2022
Due within one year		
– Corporate bonds	(a) 44,493,337,287	52,311,520,013
– MTNs	(b) 10,833,777,814	10,442,087,259
– Subordinated bonds	(c) 4,003,033,103	1,018,796,919
Subtotal	59,330,148,204	63,772,404,191
Due after one year		
– Corporate bonds	(a) 43,691,421,871	49,216,013,414
– MTNs	(b) 21,499,615,648	19,085,790,325
– Subordinated bonds	(c) 16,509,425,369	17,527,181,193
Subtotal	81,700,462,888	85,828,984,932
Accrued interests:		
– Corporate bonds	(a) 1,598,904,825	1,747,857,316
– MTNs	(b) 339,240,913	213,506,700
– Subordinated bonds	(c) 308,705,110	421,212,323
Subtotal	2,246,850,848	2,382,576,339
Total	143,277,461,940	151,983,965,462
Fair value	143,610,519,633	151,599,741,440

Notes to the Condensed Consolidated Financial Statements

(Expressed in RMB, unless otherwise stated)

41. LONG-TERM DEBT SECURITIES ISSUED (continued)

(a) Corporate bonds:

Name	Book value							
	Interest		Nominal	Book value as at	as at			
	commencement	Interest			Principal	1 January 2023	30 June	
	date	Maturity date	payment	interest rate				2023
20 CICC F1 (ii)	26/02/2020	26/02/2025	Annually	4,000,000,000	3.20%	4,108,010,959	19,989,041	(4,128,000,000)
20 CICC G1 (iii)	03/04/2020	03/04/2026	Annually	1,500,000,000	2.89%	1,532,304,658	11,045,342	(1,543,350,000)
20 CICC G2 (iv)	03/04/2020	03/04/2027	Annually	1,000,000,000	3.25%	1,024,219,178	16,095,030	(32,500,000)
20 CICC G3 (v)	06/05/2020	06/05/2026	Annually	3,300,000,000	2.37%	3,351,211,479	26,998,521	(3,378,210,000)
20 CICC G4 (vi)	06/05/2020	06/05/2027	Annually	700,000,000	2.88%	713,200,658	9,988,851	(20,160,000)
20 CICC F2 (vii)	28/05/2020	28/05/2025	Annually	3,000,000,000	2.95%	3,052,615,069	35,884,931	(3,088,500,000)
20 CICC G5 (viii)	22/06/2020	22/06/2026	Annually	1,500,000,000	3.10%	1,524,460,274	22,039,726	(1,546,500,000)
20 CICC F3 (ix)	24/07/2020	24/07/2025	Annually	3,000,000,000	3.80%	3,049,972,603	56,531,502	-
20 CICC 07 (x)	10/09/2020	10/09/2025	Annually	5,000,000,000	3.78%	5,057,994,520	93,723,288	-
20 CICC 09 (xi)	23/09/2020	23/09/2025	Annually	5,000,000,000	3.80%	5,051,534,247	94,219,178	-
20 CICC 12 (xiii)	19/10/2020	19/10/2025	Annually	2,500,000,000	3.74%	2,518,700,000	46,365,753	-
20 CICC 14 (xv)	28/10/2020	28/10/2025	Annually	3,000,000,000	3.68%	3,019,357,808	54,746,301	-
20 CICC F5 (xvii)	14/12/2020	14/12/2025	Annually	2,500,000,000	4.09%	2,504,762,329	50,704,795	-
21 CICC F1 (xviii)	18/01/2021	18/01/2024	Annually	2,500,000,000	3.55%	2,584,373,288	4,376,712	(2,588,750,000)
21 CICC F2 (xix)	18/01/2021	18/01/2026	Annually	2,500,000,000	3.75%	2,589,126,712	46,489,726	(93,750,000)
21 CICC F3 (xx)	04/03/2021	04/03/2024	Annually	1,500,000,000	3.60%	1,544,679,452	9,320,548	(1,554,000,000)
21 CICC F4 (xxi)	04/03/2021	04/03/2026	Annually	2,000,000,000	3.82%	2,063,213,151	37,818,543	(76,400,000)
21 CICC G1 (xxii)	16/03/2021	16/03/2026	Annually	2,000,000,000	3.58%	2,056,887,671	35,448,941	(71,600,000)
21 CICC G2	16/03/2021	16/03/2031	Annually	2,000,000,000	4.10%	2,065,150,685	40,597,949	(82,000,000)
21 CICC G3 (xxiii)	25/03/2021	25/03/2026	Annually	1,500,000,000	3.51%	1,540,533,288	26,070,401	(52,650,000)
21 CICC G4	25/03/2021	25/03/2031	Annually	2,500,000,000	4.07%	2,578,333,562	50,382,968	(101,750,000)
21 CICC F5 (xxiv)	13/04/2021	13/04/2024	Annually	1,000,000,000	3.43%	1,024,620,822	9,679,178	(1,034,300,000)
21 CICC F6 (xxv)	13/04/2021	13/04/2026	Annually	3,500,000,000	3.70%	3,592,956,164	64,142,196	(129,500,000)
21 CICC G5 (xxvi)	16/08/2021	16/08/2026	Annually	1,000,000,000	3.04%	1,011,410,411	15,075,069	-
21 CICC G6 (xxvii)	16/08/2021	16/08/2028	Annually	1,500,000,000	3.39%	1,519,086,164	25,216,027	-
21 CICC G7	08/12/2021	08/12/2024	Annually	2,500,000,000	2.97%	2,504,678,767	36,819,868	-
21 CICC G8	08/12/2021	08/12/2031	Annually	1,000,000,000	3.68%	1,002,318,904	18,248,767	-
22 CICC G1 (xxviii)	29/11/2022	29/11/2027	Annually	2,500,000,000	2.94%	2,506,443,835	36,447,945	-
22 CICC G2	29/11/2022	29/11/2032	Annually	2,000,000,000	3.52%	2,006,172,054	34,910,685	-
22 CICC G3 (xxix)	16/12/2022	16/12/2025	Annually	1,000,000,000	3.36%	1,001,380,822	16,661,918	-
23 CICC G1 (xli)	17/01/2023	17/01/2026	Annually	1,000,000,000	3.00%	-	1,013,479,452	-
23 CICC G2 (xlii)	17/01/2023	17/01/2028	Annually	3,000,000,000	3.18%	-	3,042,864,658	-
23 CICC G3 (xliii)	06/06/2023	06/06/2028	Annually	5,000,000,000	2.87%	-	5,009,409,836	-

41. LONG-TERM DEBT SECURITIES ISSUED *(continued)*

(a) Corporate bonds: *(continued)*

Name	Interest								Book value as at 30 June 2023	
	commencement		Interest payment	Principal	Nominal interest rate	Book value as at				
	Date	Maturity date				1 January 2023	Increase	Decrease		
20 CICC WMS G1 (xxx)	16/01/2020	16/01/2025	Annually	2,000,000,000	3.44%	2,064,960,293	3,937,292	(2,068,897,585)	-	
20 CICC WMS F1 (xxii)	09/04/2020	09/04/2025	Annually	3,000,000,000	3.17%	3,068,226,259	27,019,736	(3,095,245,995)	-	
20 CICC WMS F2	28/07/2020	28/07/2023	Annually	2,000,000,000	3.80%	2,032,315,136	38,014,662	-	2,070,329,798	
20 CICC WMS G2 (xxxiii)	21/10/2020	21/10/2025	Annually	2,000,000,000	3.77%	2,013,913,624	37,554,587	-	2,051,468,211	
20 CICC WMS G3	21/10/2020	21/10/2025	Annually	1,000,000,000	4.20%	1,007,802,912	20,909,719	-	1,028,712,631	
20 CICC WMS G5 (xxxiv)	24/11/2020	24/11/2025	Annually	1,000,000,000	3.98%	1,003,688,209	19,811,771	-	1,023,499,980	
20 CICC WMS G6 (xxxv)	15/12/2020	15/12/2025	Annually	1,000,000,000	3.85%	1,001,329,857	19,166,949	-	1,020,496,806	
21 CICC WMS G1 (xxxvi)	26/03/2021	26/03/2024	Annually	2,000,000,000	3.44%	2,051,730,271	17,167,314	(2,068,897,585)	-	
21 CICC WMS G2 (xxxvii)	26/03/2021	26/03/2026	Annually	3,000,000,000	3.65%	3,083,262,169	55,678,780	(112,335,354)	3,026,605,595	
21 CICC WMS G3 (xxxviii)	22/04/2021	22/04/2026	Annually	3,000,000,000	3.55%	3,073,052,988	54,150,357	(109,335,212)	3,017,868,133	
21 CICC WMS G4	22/04/2021	22/04/2026	Annually	2,000,000,000	3.84%	2,051,449,139	38,374,037	(76,803,623)	2,013,019,553	
21 CICC WMS G5 (xxxix)	09/12/2021	09/12/2026	Annually	3,000,000,000	3.06%	3,004,539,314	46,511,446	(2,830,189)	3,048,220,571	
22 CICC WMS G1	08/03/2022	08/03/2025	Annually	1,500,000,000	3.07%	1,537,115,285	23,577,617	(47,438,965)	1,513,253,937	
22 CICC WMS G2	08/03/2022	08/03/2027	Annually	500,000,000	3.49%	514,074,684	8,785,827	(17,913,087)	504,947,424	
22 CICC WMS G3	18/07/2022	18/07/2025	Annually	2,000,000,000	2.83%	2,025,306,358	28,179,388	-	2,053,485,746	
22 CICC WMS G4	18/07/2022	18/07/2027	Annually	1,000,000,000	3.20%	1,014,324,586	15,900,953	-	1,030,225,539	
22 CICC WMS G5	29/08/2022	29/08/2025	Annually	1,500,000,000	2.69%	1,513,356,755	20,093,198	-	1,533,449,953	
22 CICC WMS G6	29/08/2022	29/08/2027	Annually	1,500,000,000	3.06%	1,515,233,370	22,810,132	-	1,538,043,502	
23 CICC WMS G1	13/04/2023	13/04/2026	Annually	1,500,000,000	3.02%	-	1,509,832,959	(28,302)	1,509,804,657	
23 CICC WMS G2	13/04/2023	13/04/2028	Annually	1,500,000,000	3.28%	-	1,510,677,069	(28,302)	1,510,648,767	
Total						103,275,390,743	13,629,947,439	(27,121,674,199)	89,783,663,983	

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41. LONG-TERM DEBT SECURITIES ISSUED (continued)

(a) Corporate bonds: (continued)

Name	Interest						Book value		
	commencement			Nominal	Book value as at	as at			31 December
	date	Maturity date	Interest payment			1 January 2022	Increase	Decrease	
17 CICC 03	08/05/2017	08/05/2022	Annually	1,000,000,000	5.19%	1,030,720,703	39,768,793	(1,070,489,496)	-
19 CICC 04 (i)	21/11/2019	21/11/2025	Annually	1,500,000,000	3.52%	1,505,930,959	46,869,041	(1,552,800,000)	-
20 CICC F1 (ii)	26/02/2020	26/02/2025	Annually	4,000,000,000	3.20%	4,108,361,644	127,649,315	(128,000,000)	4,108,010,959
20 CICC G1 (iii)	03/04/2020	03/04/2026	Annually	1,500,000,000	2.89%	1,532,304,658	43,350,000	(43,350,000)	1,532,304,658
20 CICC G2 (iv)	03/04/2020	03/04/2027	Annually	1,000,000,000	3.25%	1,024,219,178	32,500,000	(32,500,000)	1,024,219,178
20 CICC G3 (v)	06/05/2020	06/05/2026	Annually	3,300,000,000	2.37%	3,351,211,479	78,210,000	(78,210,000)	3,351,211,479
20 CICC G4 (vi)	06/05/2020	06/05/2027	Annually	700,000,000	2.88%	713,200,658	20,160,000	(20,160,000)	713,200,658
20 CICC F2 (vii)	28/05/2020	28/05/2025	Annually	3,000,000,000	2.95%	3,052,615,069	88,500,000	(88,500,000)	3,052,615,069
20 CICC G5 (viii)	22/06/2020	22/06/2026	Annually	1,500,000,000	3.10%	1,524,460,274	46,500,000	(46,500,000)	1,524,460,274
20 CICC F3 (ix)	24/07/2020	24/07/2025	Annually	3,000,000,000	3.80%	3,049,972,603	114,000,000	(114,000,000)	3,049,972,603
20 CICC 07 (x)	10/09/2020	10/09/2025	Annually	5,000,000,000	3.78%	5,057,476,712	189,517,808	(189,000,000)	5,057,994,520
20 CICC 09 (xi)	23/09/2020	23/09/2025	Annually	5,000,000,000	3.80%	5,051,013,699	190,520,548	(190,000,000)	5,051,534,247
20 CICC 11 (xii)	19/10/2020	19/10/2023	Annually	2,500,000,000	3.50%	2,517,500,000	70,000,000	(2,587,500,000)	-
20 CICC 12 (xiii)	19/10/2020	19/10/2025	Annually	2,500,000,000	3.74%	2,518,700,000	93,500,000	(93,500,000)	2,518,700,000
20 CICC 13 (xiv)	28/10/2020	28/10/2023	Annually	2,000,000,000	3.48%	2,012,203,836	57,396,164	(2,069,600,000)	-
20 CICC 14 (xv)	28/10/2020	28/10/2025	Annually	3,000,000,000	3.68%	3,019,357,808	110,400,000	(110,400,000)	3,019,357,808
20 CICC F4 (xvi)	14/12/2020	14/12/2023	Annually	2,500,000,000	3.85%	2,504,482,877	91,767,123	(2,596,250,000)	-
20 CICC F5 (xvii)	14/12/2020	14/12/2025	Annually	2,500,000,000	4.09%	2,504,762,329	102,250,000	(102,250,000)	2,504,762,329
21 CICC F1 (xviii)	18/01/2021	18/01/2024	Annually	2,500,000,000	3.55%	2,584,373,288	88,750,000	(88,750,000)	2,584,373,288
21 CICC F2 (xix)	18/01/2021	18/01/2026	Annually	2,500,000,000	3.75%	2,589,126,712	93,750,000	(93,750,000)	2,589,126,712
21 CICC F3 (xx)	04/03/2021	04/03/2024	Annually	1,500,000,000	3.60%	1,544,679,452	54,000,000	(54,000,000)	1,544,679,452
21 CICC F4 (xxi)	04/03/2021	04/03/2026	Annually	2,000,000,000	3.82%	2,063,213,151	76,400,000	(76,400,000)	2,063,213,151
21 CICC G1 (xxii)	16/03/2021	16/03/2026	Annually	2,000,000,000	3.58%	2,056,887,671	71,600,000	(71,600,000)	2,056,887,671
21 CICC G2	16/03/2021	16/03/2031	Annually	2,000,000,000	4.10%	2,065,150,685	82,000,000	(82,000,000)	2,065,150,685
21 CICC G3 (xxiii)	25/03/2021	25/03/2026	Annually	1,500,000,000	3.51%	1,540,533,288	52,650,000	(52,650,000)	1,540,533,288
21 CICC G4	25/03/2021	25/03/2031	Annually	2,500,000,000	4.07%	2,578,333,562	101,750,000	(101,750,000)	2,578,333,562
21 CICC F5 (xxiv)	13/04/2021	13/04/2024	Annually	1,000,000,000	3.43%	1,024,620,822	34,300,000	(34,300,000)	1,024,620,822
21 CICC F6 (xxv)	13/04/2021	13/04/2026	Annually	3,500,000,000	3.70%	3,592,601,370	129,854,794	(129,500,000)	3,592,956,164
21 CICC G5 (xxvi)	16/08/2021	16/08/2026	Annually	1,000,000,000	3.04%	1,011,410,411	30,400,000	(30,400,000)	1,011,410,411
21 CICC G6 (xxvii)	16/08/2021	16/08/2028	Annually	1,500,000,000	3.39%	1,519,086,164	50,850,000	(50,850,000)	1,519,086,164
21 CICC G7	08/12/2021	08/12/2024	Annually	2,500,000,000	2.97%	2,504,678,767	74,250,000	(74,250,000)	2,504,678,767

41. LONG-TERM DEBT SECURITIES ISSUED *(continued)*

(a) Corporate bonds: *(continued)*

Name	Interest					Nominal	Book value as at 1 January 2022	Book value as at 31 December			
	commencement		Interest payment	Principal	interest rate			Increase	Decrease		
	Date	Maturity date									
21 CICC G8	08/12/2021	08/12/2031	Annually	1,000,000,000	3.68%	1,002,318,904	36,800,000	(36,800,000)	1,002,318,904		
22 CICC G1 (xxvii)	29/11/2022	29/11/2027	Annually	2,500,000,000	2.94%	-	2,506,443,835	-	2,506,443,835		
22 CICC G2	29/11/2022	29/11/2032	Annually	2,000,000,000	3.52%	-	2,006,172,054	-	2,006,172,054		
22 CICC G3 (xxix)	16/12/2022	16/12/2025	Annually	1,000,000,000	3.36%	-	1,001,380,822	-	1,001,380,822		
17 CISC F2	18/07/2017	18/07/2022	Annually	1,000,000,000	5.10%	1,023,334,247	27,665,753	(1,051,000,000)	-		
19 CISC 01	22/04/2019	22/04/2022	Annually	2,000,000,000	4.22%	2,058,692,682	25,707,318	(2,084,400,000)	-		
19 CICC WMS 01 (xxx)	16/10/2019	16/10/2024	Annually	3,000,000,000	3.58%	3,020,468,577	86,931,423	(3,107,400,000)	-		
20 CICC WMS G1 (xxxi)	16/01/2020	16/01/2025	Annually	2,000,000,000	3.44%	2,064,489,835	69,273,703	(68,803,245)	2,064,960,293		
20 CICC WMS F1 (xxxii)	09/04/2020	09/04/2025	Annually	3,000,000,000	3.17%	3,067,665,617	95,660,642	(95,100,000)	3,068,226,259		
20 CICC WMS F2	28/07/2020	28/07/2023	Annually	2,000,000,000	3.80%	2,031,676,085	76,639,051	(76,000,000)	2,032,315,136		
20 CICC WMS G2 (xxxiii)	21/10/2020	21/10/2025	Annually	2,000,000,000	3.77%	2,013,595,069	75,718,555	(75,400,000)	2,013,913,624		
20 CICC WMS G3	21/10/2020	21/10/2025	Annually	1,000,000,000	4.20%	1,007,644,244	42,158,668	(42,000,000)	1,007,802,912		
20 CICC WMS G5 (xxxiv)	24/11/2020	24/11/2025	Annually	1,000,000,000	3.98%	1,003,542,799	39,945,410	(39,800,000)	1,003,688,209		
20 CICC WMS G6 (xxxv)	15/12/2020	15/12/2025	Annually	1,000,000,000	3.85%	1,001,184,587	38,645,270	(38,500,000)	1,001,329,857		
21 CICC WMS G1 (xxxvi)	26/03/2021	26/03/2024	Annually	2,000,000,000	3.44%	2,050,763,623	69,766,648	(68,800,000)	2,051,730,271		
21 CICC WMS G2 (xxxvii)	26/03/2021	26/03/2026	Annually	3,000,000,000	3.65%	3,082,964,938	109,797,231	(109,500,000)	3,083,262,169		
21 CICC WMS G3 (xxxviii)	22/04/2021	22/04/2026	Annually	3,000,000,000	3.55%	3,072,756,153	106,796,835	(106,500,000)	3,073,052,988		
21 CICC WMS G4	22/04/2021	22/04/2026	Annually	2,000,000,000	3.84%	2,050,893,827	77,355,312	(76,800,000)	2,051,449,139		
21 CICC WMS G5 (xxxix)	09/12/2021	09/12/2026	Annually	3,000,000,000	3.06%	3,004,246,228	92,093,086	(91,800,000)	3,004,539,314		
22 CICC WMS G1	08/03/2022	08/03/2025	Annually	1,500,000,000	3.07%	-	1,537,921,889	(806,604)	1,537,115,285		
22 CICC WMS G2	08/03/2022	08/03/2027	Annually	500,000,000	3.49%	-	514,343,552	(268,868)	514,074,684		
22 CICC WMS G3	18/07/2022	18/07/2025	Annually	2,000,000,000	2.83%	-	2,025,998,182	(691,824)	2,025,306,358		
22 CICC WMS G4	18/07/2022	18/07/2027	Annually	1,000,000,000	3.20%	-	1,014,670,498	(345,912)	1,014,324,586		
22 CICC WMS G5	29/08/2022	29/08/2025	Annually	1,500,000,000	2.69%	-	1,513,875,623	(518,868)	1,513,356,755		
22 CICC WMS G6	29/08/2022	29/08/2027	Annually	1,500,000,000	3.06%	-	1,515,752,238	(518,868)	1,515,233,370		
Total						105,309,427,244	17,190,927,184	(19,224,963,685)	103,275,390,743		

Notes to the Condensed Consolidated Financial Statements

(Expressed in RMB, unless otherwise stated)

41. LONG-TERM DEBT SECURITIES ISSUED *(continued)*

(a) Corporate bonds: *(continued)*

- (i) As the investor exercised the put option of fully redemption, the Company repaid the principal and the corresponding interest on 21 November 2022.
- (ii) The Company has an option to adjust the nominal interest rate on 26 February 2023, and an obligation to redeem the bonds when requested by the investors as a result of the nominal interest rate adjustment. After the Company announced the adjustment of the nominal interest rate on 30 January 2023, the investor exercised the put option, resulting in a full redemption of the bonds. The Company repaid the principal and the corresponding interest on 27 February 2023.
- (iii) The Company has an option to adjust the nominal interest rate on 3 April 2023, and an obligation to redeem the bonds when requested by the investors as a result of the nominal interest rate adjustment. After the Company announced the adjustment of the nominal interest rate on 6 March 2023, the investor exercised the put option, resulting in a full redemption of the bonds. The Company repaid the principal and the corresponding interest on 3 April 2023.
- (iv) The Company has an option to adjust the nominal interest rate on 3 April 2025 and an obligation to redeem the bonds when requested by the investors accordingly.
- (v) The Company has an option to adjust the nominal interest rate on 6 May 2023, and an obligation to redeem the bonds when requested by the investors as a result of the nominal interest rate adjustment. After the Company announced the adjustment of the nominal interest rate on 4 April 2023, the investor exercised the put option, resulting in a full redemption of the bonds. The Company repaid the principal and the corresponding interest on 8 May 2023.
- (vi) The Company has an option to adjust the nominal interest rate on 6 May 2025 and an obligation to redeem the bonds when requested by the investors accordingly.
- (vii) The Company has an option to adjust the nominal interest rate on 28 May 2023, and an obligation to redeem the bonds when requested by the investors as a result of the nominal interest rate adjustment. After the Company announced the adjustment of the nominal interest rate on 26 April 2023, the investor exercised the put option, resulting in a full redemption of the bonds. The Company repaid the principal and the corresponding interest on 29 May 2023.
- (viii) The Company has an option to adjust the nominal interest rate on 22 June 2023, and an obligation to redeem the bonds when requested by the investors as a result of the nominal interest rate adjustment. After the Company announced the adjustment of the nominal interest rate on 25 May 2023, the investor exercised the put option, resulting in a full redemption of the bonds. The Company repaid the principal and the corresponding interest on 26 June 2023.

41. LONG-TERM DEBT SECURITIES ISSUED *(continued)*

(a) Corporate bonds: *(continued)*

- (ix) The Company has an option to adjust the nominal interest rate on 24 July 2023 and an obligation to redeem the bonds when requested by the investors accordingly.
- (x) The Company has an option to adjust the nominal interest rate on 10 September 2023 and an obligation to redeem the bonds when requested by the investors accordingly.
- (xi) The Company has an option to adjust the nominal interest rate on 23 September 2023 and an obligation to redeem the bonds when requested by the investors accordingly.
- (xii) As the investor exercised the put option of fully redemption, the Company repaid the principal and the corresponding interest on 19 October 2022.
- (xiii) The Company has an option to adjust the nominal interest rate on 19 October 2023 and an obligation to redeem the bonds when requested by the investors accordingly.
- (xiv) As the investor exercised the put option of fully redemption, the Company repaid the principal and the corresponding interest on 28 October 2022.
- (xv) The Company has an option to adjust the nominal interest rate on 28 October 2023 and an obligation to redeem the bonds when requested by the investors accordingly.
- (xvi) As the investor exercised the put option of fully redemption, the Company repaid the principal and the corresponding interest on 14 December 2022.
- (xvii) The Company has an option to adjust the nominal interest rate on 14 December 2023 and an obligation to redeem the bonds when requested by the investors accordingly.

Notes to the Condensed Consolidated Financial Statements

(Expressed in RMB, unless otherwise stated)

41. LONG-TERM DEBT SECURITIES ISSUED *(continued)*

(a) Corporate bonds: *(continued)*

- (xviii) The Company has an option to adjust the nominal interest rate on 18 January 2023, and an obligation to redeem the bonds when requested by the investors as a result of the nominal interest rate adjustment. After the Company announced the adjustment of the nominal interest rate on 20 December 2022, the investor exercised the put option, resulting in a full redemption of the bonds. The Company repaid the principal and the corresponding interest on 18 January 2023.
- (xix) The Company has an option to adjust the nominal interest rate on 18 January 2024 and an obligation to redeem the bonds when requested by the investors accordingly.
- (xx) The Company has an option to adjust the nominal interest rate on 4 March 2023, and an obligation to redeem the bonds when requested by the investors as a result of the nominal interest rate adjustment. After the Company announced the adjustment of the nominal interest rate on 6 February 2023, the investor exercised the put option, resulting in a full redemption of the bonds. The Company repaid the principal and the corresponding interest on 6 March 2023.
- (xxi) The Company has an option to adjust the nominal interest rate on 4 March 2024 and an obligation to redeem the bonds when requested by the investors accordingly.
- (xxii) The Company has an option to adjust the nominal interest rate on 16 March 2024 and an obligation to redeem the bonds when requested by the investors accordingly.
- (xxiii) The Company has an option to adjust the nominal interest rate on 25 March 2024 and an obligation to redeem the bonds when requested by the investors accordingly.
- (xxiv) The Company has an option to adjust the nominal interest rate on 13 April 2023, and an obligation to redeem the bonds when requested by the investors as a result of the nominal interest rate adjustment. After the Company announced the adjustment of the nominal interest rate on 15 March 2023, the investor exercised the put option, resulting in a full redemption of the bonds. The Company repaid the principal and the corresponding interest on 13 April 2023.
- (xxv) The Company has an option to adjust the nominal interest rate on 13 April 2024 and an obligation to redeem the bonds when requested by the investors accordingly.
- (xxvi) The Company has an option to adjust the nominal interest rate on 16 August 2024 and an obligation to redeem the bonds when requested by the investors accordingly.

41. LONG-TERM DEBT SECURITIES ISSUED *(continued)*

(a) Corporate bonds: *(continued)*

- (xxvii) The Company has an option to adjust the nominal interest rate on 16 August 2026 and an obligation to redeem the bonds when requested by the investors accordingly.
- (xxviii) The Company has an option to adjust the nominal interest rate on 29 November 2025 and an obligation to redeem the bonds when requested by the investors accordingly.
- (xxix) The Company has an option to adjust the nominal interest rate on 16 December 2024 and an obligation to redeem the bonds when requested by the investors accordingly.
- (xxx) As CICC Wealth Management exercised redemption option, CICC Wealth Management redeemed the bonds on 17 October 2022.
- (xxxi) CICC Wealth Management has an option to redeem the bonds on 16 January 2023. If the redemption option is not exercised, CICC Wealth Management will have an option to adjust the nominal interest rate and an obligation to redeem the bonds when requested by the investors accordingly. CICC Wealth Management redeemed the bonds on 16 January 2023.
- (xxxii) CICC Wealth Management has an option to adjust the nominal interest rate on 9 April 2023, and an obligation to redeem the bonds when requested by the investors as a result of the nominal interest rate adjustment. After CICC Wealth Management announced the adjustment of the nominal interest rate on 10 March 2023, the investor exercised the put option, resulting in a full redemption of the bonds. CICC Wealth Management repaid the principal and the corresponding interest on 10 April 2023.
- (xxxiii) CICC Wealth Management has an option to adjust the nominal interest rate on 21 October 2023 and an obligation to redeem the bonds when requested by the investors accordingly.
- (xxxiv) CICC Wealth Management has an option to adjust the nominal interest rate on 24 November 2023 and an obligation to redeem the bonds when requested by the investors accordingly.
- (xxxv) CICC Wealth Management has an option to adjust the nominal interest rate on 15 December 2023 and an obligation to redeem the bonds when requested by the investors accordingly.

Notes to the Condensed Consolidated Financial Statements

(Expressed in RMB, unless otherwise stated)

41. LONG-TERM DEBT SECURITIES ISSUED *(continued)*

(a) Corporate bonds: *(continued)*

(xxxvi) CICC Wealth Management has an option to adjust the nominal interest rate on 26 March 2023, and an obligation to redeem the bonds when requested by the investors as a result of the nominal interest rate adjustment. After CICC Wealth Management announced the adjustment of the nominal interest rate on 27 February 2023, the investor exercised the put option, resulting in a full redemption of the bonds. CICC Wealth Management repaid the principal and the corresponding interest on 27 March 2023.

(xxxvii) CICC Wealth Management has an option to adjust the nominal interest rate on 26 March 2024 and an obligation to redeem the bonds when requested by the investors accordingly.

(xxxviii) CICC Wealth Management has an option to adjust the nominal interest rate on 22 April 2024 and an obligation to redeem the bonds when requested by the investors accordingly.

(xxxix) CICC Wealth Management has an option to adjust the nominal interest rate on 9 December 2024 and an obligation to redeem the bonds when requested by the investors accordingly.

(xl) The Company has an option to adjust the nominal interest rate on 17 January 2025 and an obligation to redeem the bonds when requested by the investors accordingly.

(xli) The Company has an option to adjust the nominal interest rate on 17 January 2026 and an obligation to redeem the bonds when requested by the investors accordingly.

(xlii) The Company has an option to adjust the nominal interest rate on 6 June 2026 and an obligation to redeem the bonds when requested by the investors accordingly.

41. LONG-TERM DEBT SECURITIES ISSUED *(continued)*

(b) MTNs:

Name	Interest					Book value			Book value
	commencement		Interest	Nominal	1 January	as at		as at	
	Date	Maturity date	payment			2023	Increase	Decrease	30 June
3M LIBOR plus									
MTN	18/02/2020	18/02/2023	Quarterly	USD1,000 million	0.90%	7,011,174,157	53,613,347	(7,064,787,504)	-
MTN	10/08/2020	10/08/2023	Semi-annually	USD500 million	1.75%	3,502,673,245	164,630,463	(29,708,438)	3,637,595,270
MTN	26/01/2021	26/01/2024	Semi-annually	USD1,000 million	1.625%	7,007,124,402	320,095,816	(54,985,125)	7,272,235,093
MTN	26/01/2021	26/01/2026	Semi-annually	USD500 million	2.00%	3,506,173,593	166,659,596	(33,837,000)	3,638,996,189
MTN	21/03/2022	21/03/2025	Semi-annually	USD600 million	2.875%	4,188,030,316	222,123,903	(59,248,575)	4,350,905,644
MTN	22/11/2022	22/11/2025	Semi-annually	USD650 million	5.42%	4,526,208,571	234,965,013	(123,932,094)	4,637,241,490
MTN	01/03/2023	01/03/2026	Semi-annually	USD1,200 million	5.493%	-	9,135,660,689	-	9,135,660,689
Total						29,741,384,284	10,297,748,827	(7,366,498,736)	32,672,634,375
Name	Interest					Book value			Book value
	commencement		Interest	Nominal	1 January	as at		as at	
	Date	Maturity date	payment			2022	Increase	Decrease	31 December
3M LIBOR plus									
MTN	03/05/2019	03/05/2022	Quarterly	USD700 million	1.175%	4,469,976,363	158,796,849	(4,628,773,212)	-
MTN	03/05/2019	03/05/2022	Semi-annually	USD300 million	3.375%	1,921,749,977	81,590,801	(2,003,340,778)	-
3M LIBOR plus									
MTN	18/02/2020	18/02/2023	Quarterly	USD1,000 million	0.90%	6,376,848,366	785,600,768	(151,274,977)	7,011,174,157
MTN	10/08/2020	10/08/2023	Semi-annually	USD500 million	1.75%	3,200,440,688	359,637,370	(57,404,813)	3,502,673,245
MTN	26/01/2021	26/01/2024	Semi-annually	USD1,000 million	1.625%	6,406,973,741	706,416,724	(106,266,063)	7,007,124,402
MTN	26/01/2021	26/01/2026	Semi-annually	USD500 million	2.00%	3,207,035,677	364,532,416	(65,394,500)	3,506,173,593
MTN	21/03/2022	21/03/2025	Semi-annually	USD600 million	2.875%	-	4,248,005,116	(59,974,800)	4,188,030,316
MTN	22/11/2022	22/11/2025	Semi-annually	USD650 million	5.42%	-	4,685,617,540	(159,408,969)	4,526,208,571
Total						25,583,024,812	11,390,197,584	(7,231,838,112)	29,741,384,284

(i) The maturity date of floating-rate MTN is the interest payment date falling on or nearest to the date listed above.

Notes to the Condensed Consolidated Financial Statements

(Expressed in RMB, unless otherwise stated)

41. LONG-TERM DEBT SECURITIES ISSUED (continued)

(c) Subordinated bonds:

Name							Book value		Book value	
	Interest		as at				as at			
	commencement	Interest	Principal	Nominal	1 January	2023	Increase	Decrease	30 June	2023
	date	Maturity date	payment							
18 CICC C1	20/04/2018	20/04/2023	Annually	1,000,000,000	5.30%	1,036,236,281	35,560,638	(1,071,796,919)	-	-
19 CICC C3	14/10/2019	14/10/2024	Annually	1,500,000,000	4.09%	1,513,110,411	30,422,874	-	1,543,533,285	
19 CICC C4	11/11/2019	11/11/2024	Annually	1,500,000,000	4.12%	1,508,465,753	30,646,027	-	1,539,111,780	
19 CICC C5	05/12/2019	05/12/2024	Annually	2,000,000,000	4.20%	2,005,983,562	41,654,795	-	2,047,638,357	
20 CICC C1	17/02/2020	17/02/2025	Annually	1,500,000,000	3.85%	1,550,155,479	28,637,671	(57,750,000)	1,521,043,150	
21 CICC C1	08/02/2021	08/02/2024	Annually	1,000,000,000	3.90%	1,038,593,318	19,500,525	(43,112,714)	1,014,981,129	
21 CICC C2	08/02/2021	08/02/2026	Annually	1,000,000,000	4.49%	1,048,300,080	21,619,264	(44,900,000)	1,025,019,344	
20 CICC WMS C1	17/04/2020	17/04/2025	Annually	2,000,000,000	3.80%	2,052,837,833	37,921,458	(76,003,585)	2,014,755,706	
21 CICC WMS C1	09/03/2021	09/03/2024	Annually	1,000,000,000	3.98%	1,032,069,865	19,915,089	(39,801,877)	1,012,183,077	
21 CICC WMS C2	09/03/2021	09/03/2026	Annually	1,000,000,000	4.58%	1,036,704,882	22,816,023	(45,802,160)	1,013,718,745	
21 CICC WMS C3	09/04/2021	09/04/2024	Annually	2,000,000,000	3.94%	2,057,188,895	40,637,051	(80,690,509)	2,017,135,437	
21 CICC WMS C4	09/04/2021	09/04/2026	Annually	1,000,000,000	4.50%	1,032,565,566	22,763,088	(45,945,519)	1,009,383,135	
22 CICC WMS C1	24/03/2022	24/03/2025	Annually	1,500,000,000	3.50%	1,540,120,537	26,164,027	(52,502,476)	1,513,782,088	
22 CICC WMS C2	24/03/2022	24/03/2027	Annually	500,000,000	3.89%	514,857,973	9,670,471	(19,450,917)	505,077,527	
23 CICC WMS C1	13/02/2023	13/02/2026	Annually	2,500,000,000	3.80%	-	2,535,964,978	(47,170)	2,535,917,808	
23 CICC WMS C2	13/02/2023	13/02/2028	Annually	500,000,000	4.17%	-	507,892,448	(9,434)	507,883,014	
Total						18,967,190,435	3,431,786,427	(1,577,813,280)	20,821,163,582	

41. LONG-TERM DEBT SECURITIES ISSUED *(continued)*

(c) Subordinated bonds: *(continued)*

Name	Interest date	Maturity date	Interest payment	Principal	Nominal interest rate	Book value		Book value	
						as at		as at	
						1 January	2022	Increase	Decrease
17 CICC C1	22/05/2017	22/05/2022	Annually	600,000,000	5.39%	618,319,699	25,597,447	(643,917,146)	-
17 CICC C2	24/07/2017	24/07/2022	Annually	1,500,000,000	4.98%	1,528,932,820	68,186,690	(1,597,119,510)	-
17 CICC C3	16/11/2017	16/11/2022	Annually	1,500,000,000	5.50%	1,496,418,005	113,486,622	(1,609,904,627)	-
18 CICC C1	20/04/2018	20/04/2023	Annually	1,000,000,000	5.30%	1,044,136,555	53,615,431	(61,515,705)	1,036,236,281
19 CICC C1	19/04/2019	19/04/2022	Annually	1,500,000,000	4.20%	1,544,358,904	18,641,096	(1,563,000,000)	-
19 CICC C3	14/10/2019	14/10/2024	Annually	1,500,000,000	4.09%	1,513,110,411	61,350,000	(61,350,000)	1,513,110,411
19 CICC C4	11/11/2019	11/11/2024	Annually	1,500,000,000	4.12%	1,508,465,753	61,800,000	(61,800,000)	1,508,465,753
19 CICC C5	05/12/2019	05/12/2024	Annually	2,000,000,000	4.20%	2,005,983,562	84,000,000	(84,000,000)	2,005,983,562
20 CICC C1	17/02/2020	17/02/2025	Annually	1,500,000,000	3.85%	1,550,155,479	57,750,000	(57,750,000)	1,550,155,479
21 CICC C1	08/02/2021	08/02/2024	Annually	1,000,000,000	3.90%	1,042,432,613	35,806,474	(39,645,769)	1,038,593,318
21 CICC C2	08/02/2021	08/02/2026	Annually	1,000,000,000	4.49%	1,053,681,347	41,905,129	(47,286,396)	1,048,300,080
17 CISC 02	23/02/2017	23/02/2022	Annually	1,800,000,000	5.00%	1,876,820,331	13,268,820	(1,890,089,151)	-
19 CISC C1	25/04/2019	25/04/2022	Annually	3,000,000,000	4.50%	3,092,460,087	42,539,913	(3,135,000,000)	-
20 CICC WMS C1	17/04/2020	17/04/2025	Annually	2,000,000,000	3.80%	2,052,390,656	76,447,177	(76,000,000)	2,052,837,833
21 CICC WMS C1	09/03/2021	09/03/2024	Annually	1,000,000,000	3.98%	1,031,726,681	40,145,061	(39,801,877)	1,032,069,865
21 CICC WMS C2	09/03/2021	09/03/2026	Annually	1,000,000,000	4.58%	1,036,508,737	45,998,305	(45,802,160)	1,036,704,882
21 CICC WMS C3	09/04/2021	09/04/2024	Annually	2,000,000,000	3.94%	2,056,846,818	79,142,077	(78,800,000)	2,057,188,895
21 CICC WMS C4	09/04/2021	09/04/2026	Annually	1,000,000,000	4.50%	1,032,467,754	45,097,812	(45,000,000)	1,032,565,566
22 CICC WMS C1	24/03/2022	24/03/2025	Annually	1,500,000,000	3.50%	-	1,540,898,839	(778,302)	1,540,120,537
22 CICC WMS C2	24/03/2022	24/03/2027	Annually	500,000,000	3.89%	-	515,117,407	(259,434)	514,857,973
Total						27,085,216,212	3,020,794,300	(11,138,820,077)	18,967,190,435

Notes to the Condensed Consolidated Financial Statements

(Expressed in RMB, unless otherwise stated)

42. CONTRACT LIABILITIES

	As at 30 June 2023	As at 31 December 2022
Advance fee and commission	478,463,847	407,792,261

43. CAPITAL, RESERVES AND DIVIDENDS

(a) Share capital

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

	As at 30 June 2023	As at 31 December 2022
Ordinary shares of RMB1 each, issued and fully paid		
A shares	2,923,542,440	2,923,542,440
H shares	1,903,714,428	1,903,714,428
 Total	4,827,256,868	4,827,256,868
 Share capital		
A shares	2,923,542,440	2,923,542,440
H shares	1,903,714,428	1,903,714,428
 Total	4,827,256,868	4,827,256,868

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares in issue confer identical rights in respect of the Company's residual assets.

43. CAPITAL, RESERVES AND DIVIDENDS *(continued)*

(b) Reserves

(i) Capital reserve

	As at 30 June 2023	As at 31 December 2022
Share premium (Note)	39,469,868,340	39,469,868,340
Others	45,348,374	45,348,374
Total	39,515,216,714	39,515,216,714

Note: The premium arising from the Company's share issuance (see Note 43(a)), net of expenses which met the capitalisation criteria and by underwriting fees arising from the issuance of perpetual subordinated bonds classified as equity instruments (see Note 44), was recorded in share premium.

(ii) Surplus reserve

The surplus reserve represents statutory surplus reserve. According to the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the People's Republic of China ("MOF") and other relevant requirements, the Company is required to appropriate 10% of its net profit, after offsetting prior year's accumulated losses, to the statutory surplus reserve until the reserve balance reaches 50% of its registered capital. Subject to the approval of the shareholders, the statutory surplus reserve may be used to offset accumulated losses, or converted into capital of the Company provided that the balance of the statutory surplus reserve after such capitalisation is not less than 25% of the registered capital immediately before the capitalisation.

The Company makes the appropriation to surplus reserve at the end of each year.

Notes to the Condensed Consolidated Financial Statements

(Expressed in RMB, unless otherwise stated)

43. CAPITAL, RESERVES AND DIVIDENDS *(continued)*

(b) Reserves *(continued)*

(iii) General reserves

General reserves include general risk reserve and trading risk reserve.

In accordance with the Financial Rules for Financial Enterprises (Order of the MOF No. 42) and the application guidance (Cai Jin [2007] No. 23) issued by the MOF, and the Guideline of Supervision of Annual Report of Securities Companies issued by the CSRC, the Company is required to appropriate an amount equivalent to 10% of the net profit to the general risk reserve.

In addition, the Company as the mutual fund custodian shall accrue general risk reserve at a proportion of no less than 2.5% of custodian fee income. The accrual could be suspended on condition that the ending balance of risk reserve reached 0.25% of the aggregate of net asset values of the mutual funds under custody at the end of last quarter.

In accordance with the Guideline of Supervision of Annual Report of Securities Companies issued by the CSRC, the Company is required to appropriate an amount equivalent to 10% of the net profit to the trading risk reserve.

In accordance with the Guidelines for the Large Collective Asset Management Business of Securities Companies on implementing the Guiding Opinions for Regulating the Asset Management Business of Financial Institutions, securities companies shall be analogically governed by relevant laws and requirements of mutual funds to manage and operate large collective products. Accordingly, the Company accrued general risk reserves for large collective asset management business in accordance with relevant regulations on mutual funds.

General reserves for the Company's subsidiaries are appropriated if relevant requirements are in place.

(iv) Investment revaluation reserve

The investment revaluation reserve mainly represents the fair value changes of financial assets at fair value through other comprehensive income ("FVTOCI").

(v) Foreign currency translation reserve

The foreign currency translation reserve comprises foreign exchange differences arising from translation of the financial statements of the Group entities from their respective reporting currencies to RMB.

43. CAPITAL, RESERVES AND DIVIDENDS *(continued)*

(b) Reserves *(continued)*

(vi) Other reserve

Other reserve represents the costs of hedging of the Group's hedges of net investments in foreign operations.

(c) Dividends

Upon the approval of the Annual General Meeting on 30 June 2023, the Company declared the payment of cash dividends for its 2022 profit distribution. The amount of cash dividends was RMB868,906,236, tax inclusive (or RMB1.80 for every ten shares, tax inclusive).

Upon the approval of the Annual General Meeting on 23 June 2022, the Company declared the payment of cash dividends for its 2021 profit distribution. The amount of cash dividends was RMB1,448,177,060, tax inclusive (or RMB3.00 for every ten shares, tax inclusive).

44. OTHER EQUITY INSTRUMENTS

At initial recognition, the Group classifies perpetual subordinated bonds issued as financial liabilities or equity instruments based on their contractual terms and their economic substance after considering the definition of financial liabilities and equity instruments.

Perpetual subordinated bonds issued that should be classified as equity instruments are recognised in equity at the actual amount received. Any distribution of dividends or interests during the instruments' duration is treated as profit distribution. When the perpetual subordinated bonds are redeemed pursuant to the contractual terms, the redemption price is charged to equity.

Notes to the Condensed Consolidated Financial Statements

(Expressed in RMB, unless otherwise stated)

44. OTHER EQUITY INSTRUMENTS *(continued)*

Contractual terms related to the above perpetual subordinated bonds are as follows:

- The bonds bear interest at a fixed rate;
- The nominal interest rate of the first five interest-bearing years is determined by book building and remains unchanged. The nominal interest rate resets every five years since the sixth interest-bearing year;
- The Company has an option to defer interest payment, except in the event of mandatory interest payments, so that at each interest payment date, the issuer may choose to defer to the next interest payment date the payment for the interest for the current period as well as all interests and accrued interests as a result of exercising the interest payment deferral option. There is no limitation on number of times that the Company exercises the deferral option. Exercising the interest payment deferral option shall not be deemed as the issuer's failure to pay the interest in full as agreed. Mandatory interest payment events are limited to dividend distributions to ordinary shareholders and reductions of registered capital in the 12 months before the interest payment date.

The Company does not have any contractual obligation to deliver cash or other financial assets to redeem the above issued perpetual subordinated bonds. The redemption of the perpetual subordinated bonds is solely at the discretion of the Company.

- (a) The Company issued 20 CICC Y1 with an aggregate principal amount of RMB5.0 billion and the interest commencement date is 28 August 2020, with the nominal interest rate of 4.64%.
- (b) The Company issued 21 CICC Y1 with an aggregate principal amount of RMB1.5 billion and the interest commencement date is 29 January 2021, with the nominal interest rate of 4.68% and issued 21 CICC Y2 with an aggregate principal amount of RMB2.0 billion and the interest commencement date is 26 April 2021, with the nominal interest rate of 4.20%.
- (c) The Company issued 22 CICC Y1 with an aggregate principal amount of RMB3.9 billion and the interest commencement date is 13 January 2022, with the nominal interest rate of 3.60% and issued 22 CICC Y2 with an aggregate principal amount of RMB4.0 billion and the interest commencement date is 10 October 2022, with the nominal interest rate of 3.35%.

45. COMMITMENT

(a) Capital commitments

As at 30 June 2023 and 31 December 2022, the capital commitments contracted but not provided for in the condensed consolidated financial statements were as follows:

	As at 30 June 2023	As at 31 December 2022
Contracted, but not provided for	4,476,955,537	4,748,772,645

(b) Underwriting commitments

According to the relevant tendering documents, the underwriting commitments taken but not provided for at 30 June 2023 were RMB1,186,373,483 for the Group (31 December 2022: RMB nil).

46. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

(a) The controlling shareholder of the Company – Central Huijin Investment Ltd. (“Huijin”)

As at 30 June 2023 and 31 December 2022, Huijin owned 40.17% of the equity interest of the Company directly and indirectly.

Huijin does not carry out any other commercial business activities, nor does it interfere with the daily operations of the state-owned key financial enterprises it controls. The Group's daily business transactions with Huijin and Huijin's affiliates are conducted on normal commercial terms.

Notes to the Condensed Consolidated Financial Statements

(Expressed in RMB, unless otherwise stated)

46. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS *(continued)*

(a) The controlling shareholder of the Company – Central Huijin Investment Ltd. (“Huijin”)

(continued)

(i) Related party transactions with Huijin and Huijin’s affiliates

	Six months ended 30 June	
	2023	2022
Brokerage commission income	8,303,777	7,860,176
Underwriting and sponsoring fees	92,195,927	13,064,776
Asset management fees	6,843,527	5,141,790
Investment advisory fees	119,059	–
Interest income	1,009,591,418	607,005,200
Net gains/(losses)from financial instruments at fair value through profit or loss	54,992,235	(298,389,611)
Net gains/(losses) from derivative financial instruments	114,984,546	(65,837,838)
Other income, net	108,128,949	42,187,460
Brokerage commission expenses	31,816,729	32,806,264
Underwriting and sponsoring expenses	–	557,250
Asset management expenses	10,004,201	15,512,239
Interest expenses	406,342,997	237,832,715
Depreciation and amortisation expenses	2,872,895	1,491,214
Other operating expenses and costs	8,176,371	1,797,240
(Reversal of)/provision for impairment losses under ECL model	(56,000)	56,000

46. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS *(continued)*

(a) The controlling shareholder of the Company – Central Huijin Investment Ltd. (“Huijin”) *(continued)*

(ii) The balances of transactions with Huijin and Huijin’s affiliates

	As at 30 June 2023	As at 31 December 2022
Right-of-use assets	11,997,420	14,870,314
Accounts receivable	566,850,638	773,576,853
Financial assets at fair value through other comprehensive income	10,433,703,092	10,670,507,867
Financial assets at fair value through profit or loss	9,111,090,886	10,355,449,141
Reverse REPOS	200,052,603	–
Refundable deposits	56,982,648	49,135,470
Derivative financial assets	1,013,298,575	735,881,955
Cash and bank balances (Note)	77,634,903,361	75,302,944,391
Other non-current assets	–	1,655,188
Other current assets	1,899,363	–
Financial liabilities at fair value through profit or loss	70,849,417	76,386,224
Derivative financial liabilities	816,129,121	749,968,830
Accounts payable to brokerage clients	125,134,786	6,624,108
Placements from financial institutions	9,388,252,141	13,562,299,014
REPOS	34,721,800,400	14,561,941,740
Long-term debt securities issued	3,329,091,752	1,661,883,806
Lease Liabilities	12,329,293	14,603,714
Other current liabilities	341,779,959	382,329,337

Note: Balances of deposits at Huijin’s affiliates include self-owned cash and bank balances and cash held on behalf of clients.

Notes to the Condensed Consolidated Financial Statements

(Expressed in RMB, unless otherwise stated)

46. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS *(continued)*

(b) Related party transactions with key management personnel

The key management personnel are those who have the authority and responsibility to plan, direct and control directly or indirectly, the activities of the Group, including members of the Board of Directors and the supervisory board, and other senior executives. Remuneration for key management personnel of the Group is as follows:

	Six months ended 30 June	
	2023	2022
Salaries, allowances and benefits in kind	15,175,325	16,176,999
Discretionary bonuses (Note)	—	—
Retirement scheme contributions	939,529	918,029
 Total	 16,114,854	 17,095,028

Note: The discretionary bonuses of the Group's key management personnel for the six months ended 30 June 2023 and ended 30 June 2022 have not yet been finalised.

(c) Related party transactions with other shareholders holding 5% or more shares of the Company

Other shareholders holding 5% or more shares of the Company who had related party transactions with the Group are as follows:

Name	Relationship
Haier Group (Qingdao) Jinying Holding Co., Ltd.	Shareholders used to hold 5% or more shares of the Company during the reporting period

46. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS *(continued)*

(c) Related party transactions with other shareholders holding 5% or more shares of the Company *(continued)*

(i) Related party transactions with other shareholders holding 5% or more shares of the Company

	Six months ended 30 June	
	2023	2022
Brokerage commission income	161,011	1,129,523
Investment advisory fees	34,705	—
Interest expenses	769	—

(ii) The balances of transactions with other shareholders holding 5% or more shares of the Company

	As at 30 June	As at 31 December
	2023	2022
Other current assets	—	4,363
Accounts payable to brokerage clients	832	23,536

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(Expressed in RMB, unless otherwise stated)

46. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS *(continued)*

(d) Related party transactions with the Group's associates and joint ventures

(i) Related party transactions with associates and joint ventures and their affiliates

	Six months ended 30 June	
	2023	2022
Brokerage commission income	43,647	6,476,108
Investment advisory fees	6,845,644	7,756,132
Interest income	4,207,719	2,170,016
Interest expenses	91,586	1,950
Other income, net	839,763	—
Other fee and commission income	3,642,541	—
Other operating expenses and costs	1,139,296	—
Provision for impairment losses under ECL model	11,420	—

(ii) The balances of transactions with associates and joint ventures and their affiliates

	As at 30 June	As at 31 December
	2023	2022
Accounts receivable	17,103,097	46,903,260
Financial assets at fair value through profit or loss	—	498,031,820
Other non-current assets	121,483,312	131,127,748
Accounts payable to brokerage clients	7,768,115	8,305
Other current liabilities	9,900,000	14,206,604

Note: In addition to the above transactions, for the six months ended 30 June 2023, the Group's transactions for the purchase of property and equipment, and intangible assets from joint ventures amounted to RMB36,304,139 (Six months ended June 30 2022: nil).

47. FAIR VALUE INFORMATION

The Group uses the following hierarchy for determining and disclosing the fair values of financial instruments:

- Level I: Fair value measured using only Level I inputs (i.e. unadjusted quoted prices in active markets for identical assets or liabilities) at the measurement date.
- Level II: Fair value measured using Level II inputs (i.e. observable inputs which are unqualified as Level I inputs), and no significant unobservable inputs. Unobservable inputs are the inputs for which market data are not available.
- Level III: Fair value measured using significant unobservable inputs.

If there is a reliable market quote for a financial instrument, the fair value of the financial instrument is measured based on quoted market price. If a reliable quoted market price is not available, the fair value of the financial instrument is estimated using valuation techniques. For the fair value of financial instruments categorised within Level II, the valuation techniques applied include discounted cash flow analysis and option pricing models. The significant observable inputs to the valuation techniques used for Level II include future cash flows estimated based on contractual terms, risk-free and benchmark interest rates, credit spreads and foreign exchange rates. For the fair value of financial instruments categorised within Level III, fair values are determined based on the reports on capital account for these instruments obtained by management or determined by using valuation techniques such as discounted cash flow model, market comparable company analysis and recent financing price method.

Notes to the Condensed Consolidated Financial Statements

(Expressed in RMB, unless otherwise stated)

47. FAIR VALUE INFORMATION (continued)

(a) Financial assets and liabilities measured at fair value

The following table presents the analysis of financial assets and liabilities measured at fair value at the end of the reporting period on the basis of the fair value hierarchy:

	As at 30 June 2023			
	Level I	Level II	Level III	Total
Assets				
Financial assets at fair value through profit or loss				
– Equity securities	134,576,980,973	243,941,499	14,165,054,407	148,985,976,879
– Debt securities	877,666,101	86,455,104,798	257,048,989	87,589,819,888
– Funds and other investments	16,400,131,348	32,994,721,068	689,487,381	50,084,339,797
Derivative financial assets	463,628,838	18,268,599,206	322,659,273	19,054,887,317
Financial assets at fair value through other comprehensive income				
– Debt securities	–	56,998,298,693	–	56,998,298,693
Total	152,318,407,260	194,960,665,264	15,434,250,050	362,713,322,574
Liabilities				
Financial liabilities at fair value through profit or loss				
Financial liabilities held for trading				
– Equity securities	(2,776,980,336)	(7,455,291)	–	(2,784,435,627)
– Debt securities	–	(974,500,381)	–	(974,500,381)
– Funds and others	(47,551,136)	(48,799,607)	–	(96,350,743)
Financial liabilities designated as at fair value through profit or loss				
– Equity securities	–	(33,127,403,714)	(8,576,214,468)	(41,703,618,182)
– Debt securities	–	(2,288,184,878)	(29,016,043)	(2,317,200,921)
Derivative financial liabilities	(722,771,198)	(10,326,979,697)	(75,337,703)	(11,125,088,598)
Total	(3,547,302,670)	(46,773,323,568)	(8,680,568,214)	(59,001,194,452)

47. FAIR VALUE INFORMATION *(continued)*

(a) Financial assets and liabilities measured at fair value *(continued)*

	As at 31 December 2022			
	Level I	Level II	Level III	Total
Assets				
Financial assets at fair value through profit or loss				
– Equity securities	111,763,953,576	255,413,381	13,130,620,233	125,149,987,190
– Debt securities	1,816,364,313	79,435,549,123	267,232,296	81,519,145,732
– Funds and other investments	14,228,715,788	47,838,245,952	660,886,897	62,727,848,637
Derivative financial assets	135,403,143	17,638,430,306	17,521,814	17,791,355,263
Financial assets at fair value through other comprehensive income				
– Debt securities	3,039,925,241	63,649,506,790	–	66,689,432,031
Total	130,984,362,061	208,817,145,552	14,076,261,240	353,877,768,853
Liabilities				
Financial liabilities at fair value through profit or loss				
Financial liabilities held for trading				
– Equity securities	(2,604,104,754)	(25,087,509)	–	(2,629,192,263)
– Debt securities	–	(1,249,823,154)	–	(1,249,823,154)
– Funds and others	(47,205,621)	(4,635,607)	–	(51,841,228)
Financial liabilities designated as at fair value through profit or loss				
– Equity securities	–	(37,276,547,523)	(1,958,815,676)	(39,235,363,199)
– Debt securities	–	(2,037,071,933)	–	(2,037,071,933)
Derivative financial liabilities	(160,682,271)	(11,185,564,076)	(1,881,150)	(11,348,127,497)
Total	(2,811,992,646)	(51,778,729,802)	(1,960,696,826)	(56,551,419,274)

Notes to the Condensed Consolidated Financial Statements

(Expressed in RMB, unless otherwise stated)

47. FAIR VALUE INFORMATION *(continued)*

(b) Basis for determining the market value used for fair value measurement categorised within Level I

If there is an active market for a financial instrument at fair value through profit or loss or through other comprehensive income, the quoted market price is used to establish the fair value of the financial instrument at the end of the reporting periods.

(c) Valuation techniques used and the qualitative information of key parameters for fair value measurement categorised within Level II

For debt instruments at fair value through profit or loss and at fair value through other comprehensive income whose value is available on China bond pricing system on the valuation date is measured using the latest valuation results published by China bond pricing system.

For private securities investment funds and asset management products at fair value through profit or loss, the fair value is determined by net asset values provided by managers.

The quoted market price is used to establish the fair value of derivative financial instruments. Based on the contractual terms and maturity dates, the prices are measured by discounted future cash flows using the market interest rates similar to those of derivative financial instruments to verify reasonable prices.

There is no significant change for the Group's applied fair value valuation techniques within Level II for the six months ended 30 June 2023 and the year ended 31 December 2022.

47. FAIR VALUE INFORMATION *(continued)*

(d) Valuation techniques used and the qualitative and quantitative information of key parameters for fair value measurement categorised within Level III

For financial instruments measured at Level III, fair values are determined based on the reports on capital account for these instruments obtained by management or determined by using valuation techniques such as discounted cash flow model, market comparable company analysis and recent financing price method. Key determinant to categorise fair value as Level III is the significance of the unobservable inputs to the overall fair value measurement. The following table presents the valuation techniques and inputs used in the valuation of the major financial instruments measured at Level III. As of 30 June 2023 and 31 December 2022, the fair value of the financial instruments measured at Level III is not significantly sensitive to a reasonable change in these unobservable inputs.

Financial instruments	Fair value hierarchy	Valuation technique(s)	Significant unobservable input(s)	Relationship of unobservable input(s) to fair value
Financial assets at fair value through profit or loss				
– Debt securities	Level III	Discounted cash flow models	Estimated future cash flows, discount rate	The higher the estimated future cash flows, the higher the fair value The higher the discount, the lower the fair value
– Equity securities	Level III	Option pricing models	Volatility	The higher the volatility, the lower the fair value
– Equity securities	Level III	Market approach	Valuation multiples (Such as P/E, P/B, P/S), liquidity discount	The higher the valuation multiples, the higher the fair value The higher the discount, the lower the fair value
Derivative financial instruments				
– OTC options	Level III	Option pricing models	Volatility	The higher the volatility, the greater impact on the fair value
Financial liabilities at fair value through profit or loss				
– Structured products	Level III	Option pricing models	Volatility	The higher the volatility, the greater impact on the fair value

There is no significant change for the Group's applied fair value valuation techniques within Level III for the six months ended 30 June 2023 and the year ended 31 December 2022.

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(Expressed in RMB, unless otherwise stated)

47. FAIR VALUE INFORMATION (continued)

(e) The following table presents reconciliation from the beginning balances to the ending balances of financial assets measured at Level III

	As at 1 January 2023	Gains/ (losses) for the period					Net gains/(losses) for the period		
				Purchases	Issuance	Disposals and settlement	Transfer into Level III	Transfer out of Level III	As at 30 June 2023
Assets									
Financial assets at fair value through profit or loss	14,058,739,426	475,331,785	2,895,229,383		-	(2,182,542,205)	12,266,135	(147,433,747)	15,111,590,777
Derivative financial assets	17,521,814	271,890,216		-	-	33,247,243	-	-	322,659,273
Total	14,076,261,240	747,222,001	2,895,229,383		-	(2,149,294,962)	12,266,135	(147,433,747)	15,434,250,050
Liabilities									
Financial liabilities at fair value through profit or loss									
Financial liabilities designated as at fair value through profit or loss	(1,958,815,676)	131,922,699		-	(8,834,976,892)	2,056,639,358	-	-	(8,605,230,511)
Derivative financial liabilities	(1,881,150)	(79,707,283)		-	-	6,250,730	-	-	(75,337,703)
Total	(1,960,696,826)	52,215,416		-	(8,834,976,892)	2,062,890,088	-	-	(8,680,568,214)
									138,285,013

47. FAIR VALUE INFORMATION *(continued)*

(e) The following table presents reconciliation from the beginning balances to the ending balances of financial assets measured at Level III *(continued)*

	As at 1 January 2022	Gains/ (losses) for the year	Purchases	Issuance	Disposals and settlement	Transfer into Level III	Transfer out of Level III	As at 31 December 2022	Net gains/ (losses) for the year included in profit or loss for assets held
Assets									
Financial assets at fair value through profit or loss									
Derivative financial assets	16,371,312,720	423,081,320	4,556,000,957	-	(7,169,389,791)	54,725,109	(176,990,889)	14,058,739,426	555,018,291
Total	16,371,312,720	440,603,134	4,556,000,957	-	(7,169,389,791)	54,725,109	(176,990,889)	14,076,261,240	572,540,105
Liabilities									
Financial liabilities at fair value through profit or loss									
Financial liabilities designated as at fair value through profit or loss	-	99,770,009	-	(2,058,585,685)	-	-	-	(1,958,815,676)	99,770,009
Derivative financial liabilities	-	(1,881,150)	-	-	-	-	-	(1,881,150)	(1,881,150)
Total	-	97,888,859	-	(2,058,585,685)	-	-	-	(1,960,696,826)	97,888,859

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47. FAIR VALUE INFORMATION *(continued)*

(f) Transfer between levels

For the six months ended 30 June 2023, the Group's investments in suspended stocks of RMB46 million (Year ended 31 December 2022: RMB225 million) were transferred from Level I to Level II, as the quoted prices of these stocks were no longer regularly available.

For the six months ended 30 June 2023, the Group's investments in equity securities of RMB12 million (Year ended 31 December 2022: RMB9 million) were transferred from Level I or II to Level III, as the fair values of these investments were determined with the use of valuation techniques instead of quoted prices, due to events such as delisting, etc.

For the six months ended 30 June 2023, the Group had no investments in fund and other securities transferred from Level II to Level III, as the fair values of these investments were determined with the use of valuation techniques instead of quoted prices, due to events such as potential credit risk in existence, etc. (Year ended 31 December 2022: RMB46 million).

For the six months ended 30 June 2023, the Group's investments at fair value through profit or loss ("FVTPL") of RMB147 million (Year ended 31 December 2022: RMB177 million) were transferred from Level III to Level I, as the fair values of these investments were determined with the use of quoted prices instead of valuation techniques, due to events such as expiration of lock-up period in equity and fund, etc.

In accordance with its accounting policies, the Group recognises transfers among the levels as at the end of the reporting period in which such transfers occur.

(g) Fair value of financial assets and liabilities carried at other than fair value

The financial assets carried at other than fair value mainly include cash and bank balances, cash held on behalf of clients, refundable deposits, receivable from margin clients, accounts receivable and reverse REPOS. The carrying amounts approximate their fair values.

The financial liabilities carried at other than fair value mainly include short-term debt securities issued, placements from financial institutions, repos, accounts payable to brokerage clients, long-term debt securities issued and lease liabilities. The fair values of long-term debt securities issued disclosed in Note 41, the carrying amounts approximate their fair values for other financial liabilities.

48. FINANCIAL RISK MANAGEMENT

The Group's risk management aims to effectively allocate risk-based capital, limit risks to a controllable level, maximise the corporate value and constantly solidify the foundation for a steady and sustainable development of the Group. The Group monitors and controls different types of risk exposures, such as credit risk, liquidity risk and market risk which incurred from Group's holdings on various financial instruments.

(a) Credit risk

Credit risk refers to the risk caused by deterioration in creditworthiness or default losses of counterparties, borrowers and securities issuers.

The exposure to credit risk of the Group arises mainly from: (1) credit risk from default or bankruptcy of debtors, including the loss due to default of intermediary institutions (such as brokers or custodian banks), in which case the risk exposure is the total value of outstanding debts; (2) counterparty risk in terms of failure to fulfill obligations under contracts or deterioration in creditworthiness of counterparties in the over-the-counter ("OTC") derivative transactions (such as forward, swap or option transactions), in which case the risk exposure depends on current exposure and potential future exposure of the derivatives; (3) credit risk caused by the deterioration in creditworthiness or default losses of securities issuers.

At the end of the reporting period, the Group's maximum credit risk exposure is the net carrying amount of financial assets without taking account of any collateral or other credit enhancements.

Notes to the Condensed Consolidated Financial Statements

(Expressed in RMB, unless otherwise stated)

48. FINANCIAL RISK MANAGEMENT *(continued)*

(a) Credit risk *(continued)*

Measurement of ECL

The Group recognises an impairment loss allowance for financial assets measured at amortised cost (including receivable from margin clients, reverse REPOS, etc.) and debt securities measured at FVTOCI via ECL model. The measurement of the ECL is based on the Probability of Default ("PD"), Loss Given Default ("LGD") and Exposure at Default ("EAD").

A default is that a client, a financer or issuer of investment products fails to fulfil the contract. PD is an estimate of the likelihood of default over a given time horizon. The Group estimates the PD based on its internal rating model, integrating factors such as external rating information, macroeconomic environment and changes in quantitative and qualitative indicators of the counterparties or bonds issuers. LGD is an estimate of the loss borne by the Group on the exposure at default. In the determination of LGD, the Group estimates the recoverable cash flow from disposing underlying assets and collaterals by taking their liquidity and relevant historical market data into full consideration, and estimates LGD based on the difference between the recoverable and the contracted cash flows. EAD is the amount that shall be repaid to the Group when a default occurs. When measuring the ECL, the Group classifies the assets into different risk stages based on whether the credit risk of each asset has increased significantly since the initial recognition. Accordingly, the Group measures the loss allowance on either a 12-month or the lifetime basis for the investments at different risk stages.

Provision method of ECL

The Group recognises impairment allowance based on ECL for businesses such as debt securities investment and margin financing. For the financial instruments for which the ECL measurement is used, the Group classifies these financial instruments into different risk stages based on whether the credit risk of each instrument has increased significantly since the initial recognition. The financial instruments with low credit risk on the balance sheet date or of which the credit risk has not increased significantly since the initial recognition will be classified into "Stage 1"; the financial instruments of which the credit risk has increased significantly since the initial recognition will be classified into "Stage 2"; and the financial instruments that have been credit-impaired will be transferred into "Stage 3". The Group measures ECL based on the parameters such as PD, LGD, EAD and forward looking information, and regularly tests and updates ECL models and assumptions.

48. FINANCIAL RISK MANAGEMENT *(continued)*

(a) Credit risk *(continued)*

The criteria of significant increase in credit risk ("SICR")

The Group considers a financial instrument experiencing SICR when one or more of the following quantitative and qualitative criteria have been met: (1) for debt securities investment business: the latest external or internal ratings of the bond issuer or the debt securities per se decline substantially compared with their ratings on the initial recognition, or there are adverse changes in business, financial or external conditions of the bond issuer and these adverse changes are expected to cause a significant decrease in the bond issuer's ability to meet its obligations; (2) for margin financing business: the performance guarantee ratio is lower than or equal to the predetermined liquidation line but above 100%, or when contractual payments are less than or equal to 30 days past due.

The criteria of credit-impaired assets

The Group considers that a financial instrument has been credit-impaired when (1) for debt securities investment business: the circumstances in which a bond issuer can be regarded as in default include failure to perform the payment obligations as agreed, having other bond defaults or having significant financial difficulties; (2) for margin financing business: the performance guarantee ratio is lower than or equal to 100%, or when contractual payments are more than 30 days past due.

Forward-looking information

The Group measures ECL using forward looking information without undue costs or efforts. In order to adjust the default rates to incorporate forward-looking information, the Group, using forecasted year-on-year growth rates on GDP (cumulatively accounted) and broad measure of money supply (M2) as the basis, establishes relationship between the two macroeconomic indicators and default rates with the use of statistical models and sets different scenario weightings. The Group determined the forecasted values of the two macroeconomic indicators to be 5.48% and 10.80% as at 30 June 2023 based on publicly available forecasts of third parties. The tuning parameter was determined with the use of weighted average of the values under optimistic, neutral and pessimistic hypothetical scenarios in combination with qualitative analysis method.

Debt securities (including debt securities measured at FVTPL and at FVTOCI)

The Group emphasizes the diversification level of the fixed income credit products and the credit products invested are those predominantly with relatively high credit ratings. The Group controls its market risk and credit risk exposures by various initiatives, such as setting up limits on investment size, product types, credit ratings and concentrations, and carrying out forward-looking risk assessment, as well as closely monitoring and tracking bond issuers' business performance and credit profiles so as to constantly evaluate and warn any credit deterioration.

Notes to the Condensed Consolidated Financial Statements

(Expressed in RMB, unless otherwise stated)

48. FINANCIAL RISK MANAGEMENT *(continued)*

(a) Credit risk *(continued)*

Debt securities (including debt securities measured at FVTPL and at FVTOCI) *(continued)*

The carrying amount of the Group's debt securities is presented as follows:

	As at 30 June 2023	As at 31 December 2022
Financial assets at fair value through profit or loss	87,589,819,888	81,519,145,732
Financial assets at fair value through other comprehensive income	56,998,298,693	66,689,432,031
Total	144,588,118,581	148,208,577,763

(i) The exposure to credit risk for debt securities at FVTPL and FVTOCI by the location of issuer is presented as follows:

	As at 30 June 2023	As at 31 December 2022
Chinese mainland	141,560,575,628	144,346,405,471
Outside Chinese mainland	3,027,542,953	3,862,172,292
Total	144,588,118,581	148,208,577,763

48. FINANCIAL RISK MANAGEMENT *(continued)*

(a) Credit risk *(continued)*

Debt securities (including debt securities measured at FVTPL and at FVTOCI) *(continued)*

(ii) The following table presents an analysis of credit quality of the debt securities at FVTPL and FVTOCI.

	As at 30 June 2023	As at 31 December 2022
Credit rating		
Outside Chinese mainland (by international rating agencies)		
– AAA	1,149,291,967	1,254,208,081
– AA- to AA+	911,930,276	201,589,170
– A- to A+	5,050,860,076	7,156,805,179
– BBB- to BBB+	2,157,600,508	2,833,636,283
– Below BBB–	836,825,368	107,737,431
– NR	1,301,149,571	1,766,248,798
Subtotal	11,407,657,766	13,320,224,942
Chinese mainland (by domestic rating agencies)		
– AAA	78,020,940,397	78,359,619,764
– AA- to AA+	10,276,813,587	8,910,369,527
– A- to A+	908,379,016	1,113,108,590
– Below A–	395,551,589	543,441,168
Subtotal	89,601,684,589	88,926,539,049
Non-rated I (Note 1)	37,268,800,883	38,325,983,404
Non-rated II (Note 2)	6,309,975,343	7,635,830,368
Total	144,588,118,581	148,208,577,763

Note 1: These non-rated financial assets mainly include government bonds and policy financial bonds.

Note 2: These non-rated financial assets are mainly other debt securities and trading securities with no ratings provided by independent rating agencies.

Notes to the Condensed Consolidated Financial Statements

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48. FINANCIAL RISK MANAGEMENT *(continued)*

(a) Credit risk *(continued)*

Other non-derivative financial investments (other than debt securities)

The Group has adopted the following measures to manage credit risk in capital businesses including margin financing and securities lending business and stock-based lending business: vetting counterparties, determining credit ratings and setting lending limits; managing collaterals (via haircut rates, liquidity and concentration) and closely monitoring margin ratios and/or collateral ratios; establishing and implementing margin call and mandatory liquidation policy.

The exposure to credit risk for financial assets other than debt securities at the reporting date by geographic region was as follows:

	As at 30 June 2023	As at 31 December 2022
Chinese mainland	196,935,007,944	199,484,725,031
Outside Chinese mainland	79,015,702,396	83,406,308,229
Total	275,950,710,340	282,891,033,260

Derivatives

Regarding the counterparty credit risk of the OTC derivatives business, the Group has established a counterparty credit rating system. Through a combination of qualitative and quantitative methods, it comprehensively evaluates counterparty qualifications and determines credit ratings accordingly. On the basis of credit ratings, the Group sets a corresponding limit of credit risk exposure for each counterparty, and manages counterparty credit risk by signing OTC derivatives trading master agreements and performance guarantee agreements, and by requiring performance guarantees. The Group calculates the minimum amount required as collateral and credit risk exposure for an OTC derivative counterparty by establishing dynamic scenarios combined with stress test, and measures and monitors the minimum collateral value and credit risk exposure through the system on a daily basis. In view of this, the Group maintains the credit risk exposure of derivatives transactions within an acceptable range.

48. FINANCIAL RISK MANAGEMENT *(continued)*

(b) Liquidity risk

Liquidity risk refers to the risks arising from the Group's inability to obtain sufficient funds at reasonable costs in a timely manner to settle debts due, fulfill other payment obligations, and satisfy the funding needs in conducting normal business operations.

The Group implements vertical and centralised management on liquidity risks of all domestic and overseas branches and subsidiaries. The Group has adopted the following measures to manage liquidity risk: closely monitoring balance sheets of the Group and its branches and subsidiaries, and managing liquidity gaps between assets and liabilities; setting liquidity risk limits based on the Group's overall situation and regulatory requirement; conducting cash flow forecast and liquidity risk stress test on a regular and irregular basis to analyse and assess the Group's liquidity risk exposure; maintaining adequate high-quality liquid assets and establishing liquidity contingency plan for potential liquidity emergencies.

At the end of the reporting period, the contractual undiscounted cash flows (including the principal and interests) of the Group's non-derivative financial liabilities are analysed according to the maturity dates. The derivative financial liabilities stated at the fair values and presented at the expected maturity dates or possible termination dates are as follows:

	As at 30 June 2023				
	Overdue/		1 – 5 years (inclusive)	More than 5 years	Total
	repayable on demand	Within 1 year (inclusive)			
Financial liabilities					
Financial liabilities at fair value through profit or loss	3,258,519,459	33,630,578,596	10,992,312,739	–	47,881,410,794
Derivative financial liabilities	–	9,620,913,656	1,477,515,508	26,659,434	11,125,088,598
Accounts payable to brokerage clients	98,708,413,177	–	–	–	98,708,413,177
Placements from financial institutions	–	45,359,969,948	–	–	45,359,969,948
Short-term debt securities issued	–	18,537,012,064	847,263,065	–	19,384,275,129
REPOS	–	49,205,369,467	–	–	49,205,369,467
Long-term debt securities issued	–	64,346,789,993	80,401,245,560	8,550,450,000	153,298,485,553
Lease liabilities	–	1,002,849,596	1,267,659,361	99,201,604	2,369,710,561
Others	101,280,605,726	21,727,893,592	5,182,032	136,299	123,013,817,649
Total	203,247,538,362	243,431,376,912	94,991,178,265	8,676,447,337	550,346,540,876

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48. FINANCIAL RISK MANAGEMENT (continued)

(b) Liquidity risk (continued)

	As at 31 December 2022				
	Overdue/ repayable on demand	Within 1 year (inclusive)	1 – 5 years (inclusive)	More than 5 years	Total
Financial liabilities					
Financial liabilities at fair value through profit or loss	–	32,927,293,384	12,289,891,023	–	45,217,184,407
Derivative financial liabilities	–	10,788,110,525	554,698,678	5,318,294	11,348,127,497
Accounts payable to brokerage clients	92,099,956,329	–	–	–	92,099,956,329
Placements from financial institutions	–	61,105,591,236	–	–	61,105,591,236
Short-term debt securities issued	–	17,197,339,150	1,451,940,735	–	18,649,279,885
REPOS	–	43,163,696,612	–	–	43,163,696,612
Long-term debt securities issued	–	68,737,303,607	84,513,906,898	8,734,200,000	161,985,410,505
Lease liabilities	–	1,002,434,782	1,474,245,776	100,436,202	2,577,116,760
Others	98,672,572,220	13,241,169,494	6,592,406	34,518	111,920,368,638
Total	190,772,528,549	248,162,938,790	100,291,275,516	8,839,989,014	548,066,731,869

(c) Market risk

Market risk is the risk of loss of the Group's income and value of financial instruments arising from unfavourable market conditions such as adverse changes in interest rates, stock prices and exchange rates. The objectives of market risk management are to monitor the market risk and control it within the acceptable range and to maximise the risk-adjusted return. The Group conducts stress test on a regular basis and calculates risk control indicators and operating indicators under different scenarios. The Group monitors the market risk for investment portfolios and non-trading portfolios separately.

(i) Market risk of investment portfolios

Investment portfolio includes financial assets at FVTPL and at FVTOCI, derivative financial assets, financial liabilities at FVTPL, derivative financial liabilities. The risk exposures are measured and monitored within limits set by management. The Group adopts various kinds of methods (such as Value-at-Risk ("VaR") analysis, sensitivity limit analysis, investment concentration limit analysis, scenario analysis and stress test) to manage market risk. The VaR analysis is a major tool used by the Group to measure and monitor market risk of the investment portfolios.

48. FINANCIAL RISK MANAGEMENT *(continued)*

(c) Market risk *(continued)*

(i) Market risk of investment portfolios *(continued)*

VaR is a technique with the use of which the Group estimates the potential losses that could incur on its risk position under the unfavourable market condition over a specified time horizon and at a given level of confidence. The independent risk management personnel of the Group computes VaR using historical simulation method and implements relevant controls over the market risk accordingly. The historical simulation method is used to estimate future profit or loss based on observed historical market risk factors movements and sensitivity of the current investment portfolio to those risk factors.

Based on three-year historically observed market risk factors movements, the Group has adopted the historical simulation method at the 95% confidence level to compute its daily VaR. The 95% daily VaR indicates that the expected one-day loss of the Group's portfolio will not exceed this VaR at 95% chance, if the portfolio were held constant for one day. Although VaR is an important tool for measuring market risk, the assumptions on which the model is based do have some limitations, including the following:

- When there is severe market illiquidity for a prolonged period, the realisable value of the Group's investment portfolio in a trade day may vary from the estimate due to the one-day time horizon of VaR;
- The 95% confidence level does not reflect losses that may occur beyond this level. Under the model currently in use, the loss in portfolio value would have been exceeded with a frequency of 5%;
- VaR is calculated on an end-of-day basis and does not take into account intraday trading; and
- Historical changes in market risk factors may not be accurate predictors of future market conditions, especially in terms of fully incorporating the risk of extreme market events.

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48. FINANCIAL RISK MANAGEMENT (continued)

(c) Market risk (continued)

(i) Market risk of investment portfolios (continued)

The following tables set forth the Group computed VaRs by risk categories as of the dates and for the periods:

	As at			
	30 June 2023	Average	Highest	Lowest
Equity prices	119,935,778	121,917,226	138,297,097	109,204,359
Interest rates	50,824,506	57,056,431	74,692,343	45,652,075
Currency rates	13,600,258	46,843,593	58,547,620	10,452,743
Commodity prices	649,428	896,421	1,300,125	541,286
Diversification effect	(40,714,040)	(77,502,908)		
 Total portfolio	 144,295,930	 149,210,763	 176,362,352	 131,808,543

	As at			
	31 December 2022	Average	Highest	Lowest
Equity prices	108,007,525	130,815,489	187,269,394	96,869,449
Interest rates	71,728,794	69,936,712	82,950,114	50,930,928
Currency rates	42,049,313	34,952,518	48,527,145	20,805,584
Commodity prices	698,524	1,080,381	2,673,152	469,105
Diversification effect	(90,401,787)	(87,254,104)		
 Total portfolio	 132,082,369	 149,530,996	 186,055,582	 126,055,341

48. FINANCIAL RISK MANAGEMENT *(continued)*

(c) Market risk *(continued)*

(ii) Market risk of non-trading portfolios

(1) Interest rate risk

The non-trading portfolios of the Group are subject to the risk of interest rate fluctuations. Except for the financial assets and liabilities managed through VaR, the Group's major interest-earning assets in its non-trading portfolios include deposits with banks and with clearinghouses, receivable from margin clients and reverse REPOS; and its interest-bearing liabilities mainly include short-term debt securities issued, placements from financial institutions, REPOS and long-term debt securities issued.

The Group adopts sensitivity analysis to measure the interest rate risk of non-trading portfolios. Assuming all other variables remain constant, interest rate sensitivity analysis is as follows:

Sensitivity of net profit		
Six months ended 30 June		
	2023	2022
Changes in basis points (bps)		
Increase by 50 bps	(317,244,807)	(368,387,903)
Decrease by 50 bps or decrease to 0	317,244,807	378,325,489

Sensitivity of equity		
	As at 30 June 2023	As at 31 December 2022
Changes in bps		
Increase by 50 bps	(317,244,807)	(328,607,802)
Decrease by 50 bps or decrease to 0	317,244,807	381,121,039

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48. FINANCIAL RISK MANAGEMENT *(continued)*

(c) Market risk *(continued)*

(ii) Market risk of non-trading portfolios *(continued)*

(1) Interest rate risk *(continued)*

The sensitivity analysis is based on the static rate risk profile of the Group's assets and liabilities. The sensitivity analysis measures the impact of changes of interest rates in terms of how annualised net profit or loss and equity would have been affected by repricing of the Group's assets and liabilities over the next 12 months. The sensitivity analysis is based on the following assumptions that:

- The 50-bp changes of interest rates at the end of the reporting periods apply to all of the Group's non-trading financial instruments in the next 12 months;
- The shift in the yield curve is parallel with the changes of interest rate;
- There are no changes in the assets and liabilities portfolios;
- Other variables (including exchange rates) remain unchanged; and
- Risk management measures undertaken by the Group are not considered.

As the actual interest rate changes can differ from the above assumptions, the impact of the interest rate changes on the Group's net profit and equity may vary from the estimated results of the sensitivity analysis.

48. FINANCIAL RISK MANAGEMENT *(continued)*

(c) Market risk *(continued)*

(ii) Market risk of non-trading portfolios *(continued)*

(2) Currency risk

Currency risk is the risk arising from fluctuations of foreign exchange rates. The table below presents the exchange rate sensitivity analysis of the Group's major currency risk exposures, which calculates the impact of reasonably possible changes in the foreign exchange rate on equity where all other variables are held constant. This analysis does not take into account any foreign exchange correlations or changes in fair values of financial instruments denominated in foreign currencies, nor does it take into account any measures (for instance use of currency derivatives) that the Group may take to address the adverse impact of foreign exchange exposure on equity.

Currency	Changes in exchange rates	Sensitivity of equity	
		As at 30 June 2023	As at 31 December 2022
USD	1%	(357,726,192)	(282,026,183)
Hong Kong dollar ("HKD")	1%	55,337,288	45,047,240
Others	1%	3,332,380	2,873,905

While the table above indicates the impact on equity of 1% appreciation of USD, HKD and other foreign currencies, there will be an opposite effect with the same amount if the currencies depreciate by the same percentage.

49. CONTINGENCIES

The Group is exposed to the risk of economic benefit outflows due to litigations or arbitrations in the course of operations. The Group assessed and made provisions for any probable outflow of economic benefits in relation to the contingent liabilities in accordance with relevant accounting policies.

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50. SUBSEQUENT EVENTS

(a) Corporate bonds

On 24 July 2023, the Company issued the third tranche of 2023 corporate bonds publicly issued to professional investors, with type I named as "23 CICC G5" and type II named as "23 CICC G6". The total principal amount of 23 CICC G5 is RMB3.0 billion with duration of 5 years and the interest rate is 2.69% per annum, with an issuer's option to adjust the nominal interest rate at the end of third year and an obligation to redeem the bonds when requested by investors. The total principal amount of 23 CICC G6 is RMB2.0 billion with duration of 7 years and the interest rate is 3.03% per annum, with an issuer's option to adjust the nominal interest rate at the end of fifth year and an obligation to redeem the bonds when requested by investors. On 24 August 2023, CICC Wealth Management issued the second tranche of 2023 corporate bonds publicly issued to professional investors, with type I named as "23 CICC WMS G3" and type II named as "23 CICC WMS G4". The total principal amount of 23 CICC WMS G3 is RMB2.0 billion with duration of 3 years and the interest rate is 2.72% per annum. The total principal amount of 23 CICC WMS G4 is RMB1.0 billion with duration of 5 years and the interest rate is 3.08% per annum. On 28 August 2023, the Company issued the first tranche of 2023 corporate bonds non-publicly issued to professional investors, with type I named as "23 CICC F1" and type II named as "23 CICC F2". The total principal amount of 23 CICC F1 is RMB1.0 billion with duration of 5 years and the interest rate is 2.80% per annum, with an issuer's option to adjust the nominal interest rate at the end of third year and an obligation to redeem the bonds when requested by investors. The total principal amount of 23 CICC F2 is RMB4.0 billion with duration of 7 years and the interest rate is 3.06% per annum, with an issuer's option to adjust the nominal interest rate at the end of fifth year and an obligation to redeem the bonds when requested by investors.

The Company completed the fully redemption, as the option writer, of the 20 CICC F3 with an aggregate principal amount of RMB3.0 billion on 24 July 2023. CICC Wealth Management redeemed 20 CICC WMS F2 with an aggregate principal amount of RMB2.0 billion on 28 July 2023 and redeemed 22 CICC WMS S1 with an aggregate principal amount of RMB2.0 billion on 11 August 2023.

(b) MTNs

CICC Hong Kong Finance 2016 MTN Limited issued a tranche of 3-year MTN with an aggregate principal amount of USD0.5 billion on 18 July 2023 and the interest rate is 5.442% per annum.

CICC Hong Kong Finance 2016 MTN Limited redeemed the 3-year MTN with an aggregate principal amount of USD0.5 billion on 10 August 2023.

(c) Profit distribution

The Company's Annual General Meeting approved the 2022 profit distribution plan of RMB868,906,236 on 30 June 2023. The distribution of cash dividends was made in August 2023.

INDEX OF DOCUMENTS FOR INSPECTION

1. Financial statements carrying the signatures of the Company's Chairman of Board and the President (Chief Executive Officer) and the seal of the Company.
2. The original copies of all documents and announcements of the Company made public on the information disclosure medium designated during the Reporting Period.
3. Interim reports published in other securities markets.

INFORMATION DISCLOSURE OF SECURITIES COMPANIES

MAJOR ADMINISTRATIVE APPROVALS OF THE COMPANY:

No.	Recipient of approval	Name of approval document/ business license	No. of approval document/certificate	Approval agency	Date of approval
1	China International Capital Corporation Limited	Approval relating to the Registration of Perpetual Subordinated Corporate Bonds Publicly Issued to Professional Investors of China International Capital Corporation Limited	Zheng Jian Xu Ke [2023] No. 193	CSRC	2023/1/30
2	China International Capital Corporation Limited	Approval relating to the Qualification of Market-making Transactions in Listed Securities Business of China International Capital Corporation Limited	Zheng Jian Xu Ke [2023] No. 795	CSRC	2023/4/14
3	China International Capital Corporation Limited	Approval relating to the Registration of Subordinated Corporate Bonds Publicly Issued to Professional Investors of China International Capital Corporation Limited	Zheng Jian Xu Ke [2023] No. 862	CSRC	2023/4/20
4	China International Capital Corporation Limited	Approval relating to the Registration of Corporate Bonds Publicly Issued to Professional Investors of China International Capital Corporation Limited	Zheng Jian Xu Ke [2023] No. 973	CSRC	2023/4/25
5	China International Capital Corporation Limited	Certificate of Examination and Registration of Foreign Debt Borrowed by Enterprises	Fa Gai Ban Wai Zhai [2023] No. 86	NDRC	2023/5/17

Note: The "Date of approval" in the above table is the date of signing of the respective approval, which may differ from the actual date of receipt by the Company.

APPENDIX I: COMPANY'S MAIN BUSINESS QUALIFICATIONS

- (1) In 1995, obtained license for operating foreign exchange business, the State Administration of Foreign Exchange (replaced by license of securities business in foreign currency in 2015)
- (2) In 1996, qualification of member of the Shanghai Stock Exchange, the Shanghai Stock Exchange
- (3) In 1997, qualification of member of the Shenzhen Stock Exchange, the Shenzhen Stock Exchange
- (4) In 1999, qualification for underwriting business, proprietary trading and brokerage business for domestic and overseas government bonds, corporate bonds and enterprise bonds, the CSRC
- (5) In 1999, obtained approval to enter the national interbank market, the PBOC
- (6) In 2000, qualification of member of National Debt Association of China, the National Debt Association of China
- (7) In 2001, qualification for RMB ordinary equities brokerage business, the CSRC
- (8) In 2002, qualification for securities investment advisory business, the CSRC
- (9) In 2002, qualification for entrusted investment management business, the CSRC
- (10) In 2004, obtained approval to become one of the first batch of sponsor institutions, the CSRC
- (11) In 2004, qualification for internet securities entrustment business, the CSRC
- (12) In 2004, qualification of sales agent for open-ended securities investment funds, the CSRC
- (13) In 2004, securities firm engaging in innovative activities, the SAC
- (14) In 2004, qualification of NSSF investment manager, the National Council for Social Security Fund
- (15) In 2005, obtained approval to set up collective asset management plans for CICC's short-term bonds, the CSRC
- (16) In 2005, qualification for underwriting business of commercial papers, the PBOC
- (17) In 2005, qualification for bond forward transactions business in the national interbank bond market, the PBOC
- (18) In 2005, qualification of bilateral market maker for block transactions of bonds, the Shanghai Stock Exchange

Appendix I: Company's Main Business Qualifications

- (19) In 2005, qualification for warrant trading business, the Shanghai Stock Exchange
- (20) In 2005, qualification of corporate annuity fund manager, the Ministry of Human Resources and Social Security of the People's Republic of China
- (21) In 2005, qualification for foreign exchange asset management business, the SAC
- (22) In 2006, qualification of first-class dealer for SSE 180 Trading Open-ended Index Securities Investment Fund (i.e. ETF), the Shanghai Stock Exchange
- (23) In 2006, qualification of NSSF offshore investment manager, the National Council for Social Security Fund
- (24) In 2006, qualification of Participant of China Securities Depository and Clearing Corporation, the China Securities Depository and Clearing Co., Ltd
- (25) In 2007, obtained approval for the proposal of third party custodian for settlement funds of client transactions, the Beijing Office of the CSRC
- (26) In 2007, qualification of dealer on Integrated Electronic Platform of Fixed-income Securities of the Shanghai Stock Exchange, the Shanghai Stock Exchange
- (27) In 2007, engaged in offshore securities investment management business as a QDII, the CSRC
- (28) In 2007, qualification for the business of SSE Fund Connect (上證基金通), the Shanghai Stock Exchange
- (29) In 2007, obtained approval to commence direct investment business (through the promotion and establishment of a wholly-owned direct investment company), the CSRC
- (30) In 2007, qualification to engage in interbank market interest rate swap business, the CSRC
- (31) In 2008, qualification of Class A Clearing Participant of China Securities Depository and Clearing Corporation, the China Securities Depository and Clearing Co., Ltd
- (32) In 2008, qualification for lead underwriting business of commercial papers, the PBOC
- (33) In 2008, obtained approval to set up collective asset management plan for gains from CICC's enhanced bonds, the CSRC

(34) In 2009, qualification of member of the Tianjin Climate Exchange, the Tianjin Climate Exchange

(35) In 2010, qualification to commence RMB ordinary equities proprietary trading, the CSRC

(36) In 2010, qualification to provide introducing brokerage business to futures companies, the CSRC

(37) In 2010, qualification of market maker in the national interbank bond market, the PBOC

(38) In 2010, qualification to commence offshore securities investment specific asset management business, the CSRC

(39) In 2010, qualification of ordinary clearing member of the Interbank Market Clearing House Co., Ltd., the Interbank Market Clearing House Co., Ltd.

(40) In 2010, qualification for margin financing and securities lending business, the CSRC

(41) In 2011, qualification for business of Nominated Advisers & Brokers on the Third Board (Agency Share Transfer System), the SAC

(42) In 2011, obtained approval to increase agency sale institutions for collective asset management plan for gains from CICC's enhanced bonds and collective asset management plans for CICC's selective funds, the Beijing Office of the CSRC

(43) In 2011, qualification of member of book-entry government bond underwriting syndicates from 2012-2014, the Ministry of Finance, the PBOC and the CSRC

(44) In 2011, obtained approval to launch and set up investment funds for strategic emerging industries, the National Development and Reform Commission of China

(45) In 2012, qualification to commence placing business for SME bonds, the SAC

(46) In 2012, qualification for bond pledged quotation and repo transaction, the CSRC

(47) In 2012, qualification of insurance funds investment manager, the China Insurance Regulatory Commission

(48) In 2012, authorization for trading in securities under repurchase agreements, the Shanghai Stock Exchange

Appendix I: Company's Main Business Qualifications

- (49) In 2012, qualification to provide refinancing for margin financing and securities lending business, the China Securities Finance Corporation Limited (CSF)
- (50) In 2012, expanded the financing investment of bond pledged quotation and repo transaction, the Shanghai Stock Exchange
- (51) In 2012, qualification to establish a professional subsidiary for commencing real estate direct investment fund business, the CSRC
- (52) In 2013, qualification for over-the-counter trading business, the SAC
- (53) In 2013, authorization for stock pledged repo transaction, the Shanghai Stock Exchange and the Shenzhen Stock Exchange
- (54) In 2013, qualification for equities swap transaction business, the SAC
- (55) In 2013, qualification for agency business of financial products, the Beijing Office of the CSRC
- (56) In 2013, qualification for sponsor, brokerage business on the National Equities Exchange and Quotations (NEEQ), NEEQ
- (57) In 2013, qualification for witnessing account opening business, the China Securities Depository and Clearing Corporation Limited (CSDC)
- (58) In 2013, qualification for split conversion and merger conversion business of funds, the CSDC
- (59) In 2013, qualification of advisory service for military industry and confidential business (renewed in 2017), the State Administration for Science, Technology and Industry for National Defense
- (60) In 2013, authorization for trading in securities under repurchase agreement, the Shenzhen Stock Exchange
- (61) In 2014, qualification for mutual funds business (through the promotion and establishment of a wholly-owned fund company), the CSRC
- (62) In 2014, business for special institutional customers of insurance institutions, the China Insurance Regulatory Commission
- (63) In 2014, qualification for internet account opening business, the CSDC

- (64) In 2014, qualification for market making business on the National Equities Exchange and Quotations (NEEQ), NEEQ
- (65) In 2014, qualification for Southbound Trading (Shanghai-Hong Kong Stock Connect), the Shanghai Stock Exchange
- (66) In 2014, qualification for over-the-counter issuance of beneficiary certificates business, the China Securities Internet System Co., Ltd.
- (67) In 2015, qualifications for stock options brokerage business and proprietary trading business, the Shanghai Stock Exchange and the Shenzhen Stock Exchange
- (68) In 2015, qualification of internet finance business, the CSRC
- (69) In 2015, qualification of integrated custodian business for private funds, the China Securities Investor Protection Fund Corporation Limited
- (70) In 2015, qualification of security agency business for long-distance pledge and registration, the CSDC
- (71) In 2015, qualifications for spot precious metals agency business and spot gold proprietary trading business and member of the Shanghai Gold Exchange, the CSRC and the Shanghai Gold Exchange
- (72) In 2015, qualification of custodian business for securities investment funds, the CSRC
- (73) In 2016, qualification of standard bond futures centralized settlement business with Shanghai Clearing House, the Interbank Market Clearing House Co., Ltd.
- (74) In 2016, qualification for Southbound Trading (Shenzhen-Hong Kong Stock Connect), the Shenzhen Stock Exchange
- (75) In 2017, qualification for the northbound trading quotation bureau under bond connect granted by the National Interbank Funding Center, the China Foreign Exchange Trade System
- (76) In 2017, replaced the original permit to operate securities business with the permit to operate securities and futures business, the CSRC
- (77) In 2018, qualification for conducting pilot cross-border businesses, the CSRC
- (78) In 2018, qualification of first-class dealer for OTC options, the CSRC

Appendix I: Company's Main Business Qualifications

(79) In 2019, qualification of core dealer for Credit Protection Contract, the Shanghai Stock Exchange

(80) In 2019, pilot qualification of financing business through exercising incentive share options of listed companies, the Shenzhen Stock Exchange

(81) In 2019, qualification of private fund services (including qualifications for quota registration business service and valuation and accounting business service), the Asset Management Association of China

(82) In 2019, qualification of core dealer for Credit Protection Contract, the Shenzhen Stock Exchange

(83) In 2019, qualification for main market maker business of listed funds, the Shanghai Stock Exchange

(84) In 2019, qualification of member of China Banking Association, the China Banking Association

(85) In 2019, qualification for conducting margin financing business on the science and technology innovation board, the CSF

(86) In 2019, qualification for conducting market making business of commodity options, the CSRC

(87) In 2019, authorization for trading in stock options business, the Shenzhen Stock Exchange

(88) In 2019, qualification of the Credit Protection Certificate Creation Agency granted by the Shanghai Stock Exchange, the Shanghai Stock Exchange

(89) In 2020, commenced interest rate option business on a pilot basis, the China Foreign Exchange Trade System

(90) In 2020, pilot qualification of fund investment advisory business, the CSRC

(91) In 2020, qualification of market maker for hot rolled coils futures, the Shanghai Futures Exchange

(92) In 2020, filing of foreign exchange business on behalf of customers (to conduct the settlement and sale of foreign exchange for customers (including themselves) engaged in cross-border investment and financing transactions in compliance with laws and regulations; RMB structured products (QUANTO); foreign exchange trading business on behalf of customers), the State Administration of Foreign Exchange

(93) In 2020, qualification to independently carry out the lead underwriting business for the debt financing instruments of non-financial enterprises, the National Association of Financial Market Institutional Investors

(94) In 2020, qualification to conduct foreign exchange settlement and sales business, the State Administration of Foreign Exchange

(95) In 2020, qualification of member of inter-bank foreign exchange market, the China Foreign Exchange Trade System

(96) In 2020, qualification of the Credit Protection Certificate Creation Agency granted by the Shenzhen Stock Exchange, the Shenzhen Stock Exchange

(97) In 2021, qualification for conducting market making business of commodity futures, the CSRC

(98) In 2021, qualification for the stock options market making business, the CSRC

(99) In 2021, qualification of member of the Beijing Stock Exchange, the Beijing Stock Exchange

(100) In 2021, qualification for conducting southbound trading ("Southbound Trading") business under the bond market connect between the Mainland and Hong Kong, the PBOC

(101) In 2021, qualification for conducting market making business of government bond futures, the CSRC

(102) In 2021, qualification for non-bank financial institutions to carry out the pilot business of the settlement and sale of foreign exchange on behalf of customers, the State Administration of Foreign Exchange

(103) In 2022, qualification of general market maker for the Shenzhen Stock Exchange CSI 300 ETF options, the Shenzhen Stock Exchange

(104) In 2022, qualification of general market maker for the Shanghai Stock Exchange SSE 50 ETF options and CSI 300 ETF options, the Shanghai Stock Exchange

(105) In 2022, qualification of physical delivery business on Shanghai Futures Exchange for special unit customers, the Shanghai Futures Exchange

(106) In 2022, qualification of general market maker for the Shanghai Stock Exchange CSI 500 ETF options, the Shanghai Stock Exchange

(107) In 2022, qualification of market maker for industrial silicon options, the Guangzhou Futures Exchange

(108) In 2023, qualification for stock index options market making business, the CSRC

Appendix I: Company's Main Business Qualifications

- (109) In 2023, qualification for conducting proprietary carbon emission permit trading business, the CSRC
- (110) In 2023, qualification of margin financing and securities lending business of the Beijing Stock Exchange, the Beijing Stock Exchange
- (111) In 2023, business qualification of market-making transactions in listed securities, the CSRC
- (112) In 2023, qualification of market maker of "Swap Connect Northbound", the China Foreign Exchange Trade System
- (113) In 2023, qualification of member of the Guangzhou-based China Emissions Exchange (proprietary), Guangzhou-based China Emissions Exchange
- (114) In 2023, qualification of member of the Shanghai Environment & Energy Exchange (carbon emission trading proprietary member), Shanghai Environment & Energy Exchange

APPENDIX II: CHANGES IN BRANCHES

I. CHANGES IN BRANCHES OF THE COMPANY

(I) Establishment of Branches

During the Reporting Period, the Company did not establish any branch.

(II) Change of Name of Branches

During the Reporting Period, there was no change of name of any branch.

(III) Relocation of Branches

No.	Name of branches before relocation	Name of branches after relocation	New address	Date of relocation
1	CICC Shenzhen Branch	CICC Shenzhen Branch	72/F, 73/F and Unit 0203, 74/F, Ping An Finance Center, No. 5033 Yitian Road, Fu'an Community, Futian Street, Futian District, Shenzhen	2023/3/2
2	CICC Suzhou Branch	CICC Suzhou Branch	Room 06, 22/F, Block D, Suzhou Central Office Building, Block 1, Suzhou Central Plaza, Suzhou Industrial Park, Suzhou Area, China (Jiangsu) Pilot Free Trade Zone	2023/4/3
3	CICC Southwest Branch	CICC Southwest Branch	Rooms 3603 and 3604, 36/F, Building 3, No. 1199, North Section of Tianfu Avenue, Chengdu High-tech Zone, China (Sichuan) Pilot Free Trade Zone	2023/4/14
4	CICC Xiamen Branch	CICC Xiamen Branch	Rooms 0401-0403, Office Building, Paragon Center, No. 1 Lianyue Road, Siming District, Xiamen (Address for service of process)	2023/5/17

(IV) Cancellation of Branches

During the Reporting Period, there was no cancellation of any branch.

(V) Transfer of Branches

During the Reporting Period, there was no transfer of any branch.

II. CHANGES IN SECURITIES BUSINESS OFFICES OF THE GROUP

(I) Newly-established Securities Business Offices

No.	Name of the newly-established securities business offices	Address of the newly-established securities business offices	Date of establishment
1	Chaozhou Dongxing South Road Securities Business Office of CICC Wealth Management Securities	Rooms 1601, 1602, 1614 and 1615, Building A Complex Building, Tengrui · Bund Bay Tengrui Center, East of Dongxing South Road and North of Dongshan Road, Qiaodong Street, Xiangqiao District, Chaozhou City, Guangdong	2023/2/16
2	Shantou Dongxia Road Securities Business Office of CICC Wealth Management Securities	Rooms 605, 606 and 607, Building 6, Century Coast Garden, No. 1 Dongxia Road, Jinping District, Shantou, Guangdong	2023/2/17
3	Urumchi Hong Guang Shan Road Securities Business Office of CICC Wealth Management Securities	Room 3001, 30/F, Block 1B Greentown Plaza, No. 888 Hong Guang Shan Road, Shuimogou District, Urumqi, Xinjiang Uygur Autonomous Region	2023/3/3
4	Baoding Chaoyang North Street Securities Business Office of CICC Wealth Management Securities	Rooms 204, 205, 206 and 207, 2/F, Dianguyuansheng Plaza, No. 1898 Chaoyang North Street, Gaokai District, Baoding, Hebei	2023/4/13

(II) Change of Name of Securities Business Offices

No.	Name of securities business offices before name change	Name of securities business offices after name change	Date of name change
1	Kunming Huancheng West Road Securities Business Office of CICC Wealth Management Securities	Kunming Dongfeng East Road Securities Business Office of CICC Wealth Management Securities	2023/1/17
2	Ma'anshan Yinshan Road Securities Business Office of CICC Wealth Management Securities	Ma'anshan Taibai Avenue Securities Business Office of CICC Wealth Management Securities	2023/3/14
3	Hanzhong South Tuanjie Street Securities Business Office of CICC Wealth Management Securities	Hanzhong Xingyuan Road Securities Business Office of CICC Wealth Management Securities	2023/3/16
4	Dongguan International Trade Center Securities Business Office of CICC Wealth Management Securities	CICC Wealth Management Securities Dongguan Branch	2023/4/26
5	Suzhou Ganjiang West Road Securities Business Office of CICC Wealth Management Securities	Suzhou Suxiu Road Securities Business Office of CICC Wealth Management Securities	2023/5/26

(III) Relocation of Securities Business Offices

No.	Name of securities business offices before relocation	Name of securities business offices after relocation	New address	Date of relocation
1	Nanjing Hanzhong Road Securities Business Office of CICC Wealth Management Securities	Nanjing Hanzhong Road Securities Business Office of CICC Wealth Management Securities	28/F, Asia Pacific Business Building, No. 2 Hanzhong Road, Gulou District, Nanjing	2023/1/3
2	Kunming Huancheng West Road Securities Business Office of CICC Wealth Management Securities	Kunming Dongfeng East Road Securities Business Office of CICC Wealth Management Securities	Units 2507, 2508 and 2509, 25/F, Office Building, Spring City 66, No. 23 Dongfeng East Road, Panlong District, Kunming, Yunnan	2023/1/17
3	Ningbo Shizi Street Securities Business Office of CICC Wealth Management Securities	Ningbo Shizi Street Securities Business Office of CICC Wealth Management Securities	Rooms 803, 804 and 1003, No. 777 Lingqiao Road, Haishu District, Ningbo, Zhejiang	2023/1/17
4	Beijing Chaoyang Road Securities Business Office of CICC Wealth Management Securities	Beijing Chaoyang Road Securities Business Office of CICC Wealth Management Securities	Room 316, 3/F, and Room 412, 4/F, Building 2, No. 3 Yanjingli Middle Street, Chaoyang District, Beijing	2023/1/17
5	Qingdao Hong Kong Middle Road Securities Business Office of CICC Wealth Management Securities	Qingdao Hong Kong Middle Road Securities Business Office of CICC Wealth Management Securities	Room 903, 12/F, Shangri-La Office Building Center, No. 9 Hong Kong Middle Road, Shinan District, Qingdao, Shandong	2023/2/20
6	Ma'anshan Yinshan Road Securities Business Office of CICC Wealth Management Securities	Ma'anshan Taibai Avenue Securities Business Office of CICC Wealth Management Securities	Room 3-2403, Wanda Plaza, No. 3200 Taibai Avenue, Yushan District, Ma'anshan, Anhui	2023/3/14

No.	Name of securities business offices before relocation	Name of securities business offices after relocation	New address	Date of relocation
7	Hanzhong South Tuanjie Street Securities Business Office of CICC Wealth Management Securities	Hanzhong Xingyuan Road Securities Business Office of CICC Wealth Management Securities	Rooms 2-1-3, 2-2-3 and 2-2-4, NEWth THE TIMES, No. 789, Laodong West Road, Hantai District, Hanzhong, Shaanxi	2023/3/16
8	Chengdu Binjiang East Road Securities Business Office of CICC Wealth Management Securities	Chengdu Binjiang East Road Securities Business Office of CICC Wealth Management Securities	Rooms 1602-1605, Shangri-La Office Building, No. 9 Binjiang East Road, Jinjiang District, Chengdu, Sichuan	2023/3/24
9	Beijing Jianguomenwai Avenue Securities Business Office of CICC	Beijing Jianguomenwai Avenue Securities Business Office of CICC	Units 03-18, 11th Floor, 1 Jianguomenwai Avenue (Phase II), Chaoyang District, Beijing	2023/3/31
10	Shanghai Pudong New District Minsheng Road Securities Business Office of CICC Wealth Management Securities	Shanghai Pudong New District Minsheng Road Securities Business Office of CICC Wealth Management Securities	Rooms 1002, 1003 and 1004, No. 1188 Minsheng Road, Pudong New District, Shanghai	2023/4/12
11	Guangzhou Panyu Qiaonan Road Securities Business Office of CICC Wealth Management Securities	Guangzhou Panyu Qiaonan Road Securities Business Office of CICC Wealth Management Securities	Part 01 of Shop 301, No. 228 Qiaonan Road, Nanjiao Village, South Street, Panyu District, Guangzhou	2023/4/13
12	Suzhou Center Securities Business Office of CICC Wealth Management Securities	Suzhou Center Securities Business Office of CICC Wealth Management Securities	Rooms 01, 02, 03, 05, 07 and 08, 22/F, Block D, Suzhou Central Office Building, Suzhou Area, China (Jiangsu) Pilot Free Trade Zone	2023/4/21

No.	Name of securities business offices before relocation	Name of securities business offices after relocation	New address	Date of relocation
13	Dongguan International Trade Center Securities Business Office of CICC Wealth Management Securities	CICC Wealth Management Securities Dongguan Branch	Rooms 2801-2804 and 2807, Building 2, International Trade Center, No. 1 Hongfu East Road, Dongcheng Street, Dongguan, Guangdong	2023/4/26
14	Suzhou Ganjiang West Road Securities Business Office of CICC Wealth Management Securities	Suzhou Suxiu Road Securities Business Office of CICC Wealth Management Securities	Rooms 02 and 03, 11/F, Block B, Building 88, Suzhou Center Plaza, Suzhou Industrial Park, Suzhou Area, China (Jiangsu) Pilot Free Trade Zone	2023/5/26

(IV) Cancellation of Securities Business Offices

During the Reporting Period, there was no cancellation of any securities business office.

(V) Transfer of Securities Business Offices

During the Reporting Period, there was no transfer of any securities business office.

