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GF SECURITIES CO., LTD.

廣發證券股份有限公司

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

(Stock Code: 1776)

2021 FIRST QUARTERLY REPORT

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

Set out below is the 2021 first quarterly report of GF Securities Co., Ltd. (the “**Company**”) and its subsidiaries as of March 31, 2021. The financial report contained herein is prepared in accordance with the China Accounting Standards for Business Enterprises and has not been audited.

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

By order of the Board of Directors
GF Securities Co., Ltd.
Sun Shuming
Chairman

Guangzhou, the PRC
April 28, 2021

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

GF SECURITIES CO., LTD.
2021 FIRST QUARTERLY REPORT

Section I Important Notice

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

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

Mr. Sun Shuming, the legal representative of the Company, Ms. Sun Xiaoyan, the person-in-charge of accounting affairs, and Ms. Wang Ying, the head of the accounting department (person-in-charge of accounting) hereby declare that the financial statements contained in this quarterly report are true, accurate and complete.

Section II Basic Information of the Company

I. Key Financial Data and Financial Indicators (Consolidated Statements)

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

No

	The reporting period	Corresponding period of last year	Increase/decrease for the reporting period as compared with the corresponding period of last year
Total operating revenue (RMB)	8,320,810,818.85	5,387,563,293.80	54.44%
Net profit attributable to owners of the Company (RMB)	2,540,842,175.39	2,070,542,242.31	22.71%
Net profit attributable to owners of the Company excluding extraordinary gains and losses (RMB)	2,467,632,939.10	2,075,970,929.09	18.87%
Net cash flows from operating activities (RMB)	-3,014,542,853.79	-6,162,945,974.55	–
Basic earnings per share (RMB/share)	0.33	0.27	22.22%
Diluted earnings per share (RMB/share)	0.33	0.27	22.22%
Return on weighted average net assets	2.56%	2.25%	Increased by 0.31 percentage point

	As at the end of the reporting period	As at the end of last year	Increase/decrease at the end of the reporting period as compared with the end of last year
Total assets (RMB)	499,279,578,551.08	457,463,686,260.80	9.14%
Net assets attributable to owners of the Company (RMB)	100,338,744,819.10	98,162,197,088.84	2.22%

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

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

Fully-diluted earnings per share based on the latest share capital (RMB/share)	0.33
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Extraordinary gain and loss items and amounts

Unit: RMB

Items	For the three months ended March 31, 2021	Note
Profits and losses from disposal of non-current assets (including write-offs of asset impairment provisions)	265,569.76	
Government subsidies recorded under profit and loss of the current period (except for those closely related to the business of the Company, and in a fixed or quantifiable amount in conformity with the common standards of the State)	66,246,468.96	Mainly include fiscal incentives.
Other non-operating income and expenses other than the above items	46,713,817.55	
Other profit or loss items falling within the definition of extraordinary gains and losses	-12,501,450.08	
Less: Income tax effect	25,198,832.88	
Impact on non-controlling interests (after tax)	2,316,337.02	
Total	73,209,236.29	—

Reasons for the Company's extraordinary gain and loss items as defined in the "Explanatory Announcement on Information Disclosure by Companies Offering Securities to the Public No.1 – Extraordinary Gains and Losses" and for the extraordinary gain and loss items as enumerated in the "Explanatory Announcement on Information Disclosure by Companies Offering Securities to the Public No.1 – Extraordinary Gains and Losses" to be recorded as its recurring gain and loss items.

Applicable Not applicable

The Group's gains and losses from changes in fair value of financial instruments held for trading and derivative financial instruments, the gains of financial assets held for trading, debt investments, other debt investments and other equity instrument investments during the periods, and the investment gains from disposal of other debt investments, financial instruments held for trading and derivative financial instruments have been defined as recurring gain and loss items rather than extraordinary gain and loss items, the reason for which is that such business is in the ordinary course of business of the Group as a securities firm.

The investment gains from holding and disposal of the long-term equity investments of GF Xinde Investment Management Co., Ltd. (廣發信德投資管理有限公司) and GF Qianhe Investment Co., Ltd. (廣發乾和投資有限公司), both of which are subsidiaries of the Company, have been defined as recurring gain and loss items rather than extraordinary gain and loss items. The reason is that the principal business of GF Xinde Investment Management Co., Ltd. includes equity investment and that of GF Qianhe Investment Co., Ltd. includes project investment and investment management, all of which are in the ordinary course of business.

II. Statement of the Total Number of Shareholders and the Shareholdings of the Top 10 Shareholders at the End of the Reporting Period

1. Total number of shareholders of ordinary shares and shareholders of preference shares with restored voting rights and the shareholdings of the top 10 shareholders

Unit: share

Total number of shareholders of ordinary shares as at the end of the reporting period	203,107, of which there were 201,502 holders of A Shares and 1,605 registered shareholders of H Shares	Total number of shareholders of preference shares with restored voting right as at the end of the reporting period (if any)	0
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Shareholdings of the top 10 ordinary shareholders						
Name of shareholder	Nature of shareholder	Percentage of shareholding	Number of shares held	Number of shares held subject to trading moratorium	Pledged or frozen	
					Status of shares	Number of shares
HKSCC Nominees Limited	Overseas legal entity	22.31%	1,700,064,660	0		
Jilin Aodong Pharmaceutical Group Co., Ltd.	Domestic general legal entity	16.43%	1,252,297,867	0		
Liaoning Cheng Da Co., Ltd.	State-owned legal entity	16.40%	1,250,154,088	0		
Zhongshan Public Utilities Group Co., Ltd.	State-owned legal entity	9.01%	686,754,216	0		
China Securities Finance Corporation Limited	Domestic general legal entity	2.99%	227,870,638	0		
Puning Xinhong Industrial Investment Co., Ltd.	Domestic general legal entity	1.89%	144,000,000	0	Pledged	144,000,000
Hong Kong Securities Clearing Company Limited	Overseas legal entity	1.09%	83,184,977	0		
China Construction Bank Corporation – Guotai CSI All Share Securities Companies Exchange-Traded Fund (中國建設銀行股份有限公司 – 國泰中證全指證券公司交易型開放式指數證券投資基金)	Fund and wealth management products, etc.	0.80%	60,610,954	0		
China Construction Bank Corporation – Huabao CSI All Share Securities Companies Exchange-Traded Fund (中國建設銀行股份有限公司 – 華寶中證全指證券公司交易型開放式指數證券投資基金)	Fund and wealth management products, etc.	0.51%	39,149,092	0		
Heungkong Group Limited	Domestic general legal entity	0.51%	38,623,278	0	Pledged	38,600,000

Shareholdings of the top 10 ordinary shareholders not subject to trading moratorium			
Name of shareholder	Number of shares held not subject to trading moratorium	Class of shares	
		Class of shares	Number of shares
HKSCC Nominees Limited	1,700,064,660	Overseas listed foreign shares	1,700,064,660
Jilin Aodong Pharmaceutical Group Co., Ltd.	1,252,297,867	RMB-denominated ordinary shares	1,252,297,867
Liaoning Cheng Da Co., Ltd.	1,250,154,088	RMB-denominated ordinary shares	1,250,154,088
Zhongshan Public Utilities Group Co., Ltd.	686,754,216	RMB-denominated ordinary shares	686,754,216
China Securities Finance Corporation Limited	227,870,638	RMB-denominated ordinary shares	227,870,638
Puning Xinhong Industrial Investment Co., Ltd.	144,000,000	RMB-denominated ordinary shares	144,000,000
Hong Kong Securities Clearing Company Limited	83,184,977	RMB-denominated ordinary shares	83,184,977
China Construction Bank Corporation – Guotai CSI All Share Securities Companies Exchange-Traded Fund (中國建設銀行股份有限公司 – 國泰中證全指證券公司交易型開放式指數證券投資基金)	60,610,954	RMB-denominated ordinary shares	60,610,954
China Construction Bank Corporation – Huabao CSI All Share Securities Companies Exchange-Traded Fund (中國建設銀行股份有限公司 – 華寶中證全指證券公司交易型開放式指數證券投資基金)	39,149,092	RMB-denominated ordinary shares	39,149,092
Heungkong Group Limited	38,623,278	RMB-denominated ordinary shares	38,623,278

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

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

Note 3: According to the information provided by Jilin Aodong Pharmaceutical Group Co., Ltd. (“**Jilin Aodong**”), Liaoning Cheng Da Co., Ltd. (“**Liaoning Cheng Da**”) and Zhongshan Public Utilities Group Co., Ltd. (“**Zhongshan Public Utilities**”), as of March 31, 2021, Jilin Aodong held 87,124,600 H Shares of the Company by itself and 36,868,800 H Shares of the Company through its wholly-owned subsidiary, Aodong International (Hong Kong) Industrials Co., Limited, totaling 123,993,400 H Shares, representing 1.63% of the total share capital of the Company; Liaoning Cheng Da held 115,300,000 H Shares of the Company by itself and 1,473,600 H Shares of the Company through Chengda Steel HongKong Co., Limited, a wholly-owned subsidiary of Liaoning Cheng Da Steel Co., Ltd. which was in turn a wholly-owned subsidiary of Liaoning Cheng Da, totaling 116,773,600 H Shares, representing 1.53% of the total share capital of the Company; and Zhongshan Public Utilities held 100,904,000 H Shares of the Company through its wholly-owned subsidiary, Public Utilities International (Hong Kong) Investment Company Limited, representing 1.32% of the total share capital of the Company. As of March 31, 2021, the shareholding percentages of Jilin Aodong and its parties acting in concert, Liaoning Cheng Da and its parties acting in concert and Zhongshan Public Utilities and its parties acting in concert in the A Shares and H Shares of the Company were 18.06%, 17.94% and 10.34%, respectively, of the total share capital of the Company;

Note 4: The number of shares held by Liaoning Cheng Da at the end of the reporting period increased by 12,337,000 shares compared with the end of December 2020, mainly due to the participation of Liaoning Cheng Da in the margin refinancing and securities refinancing;

Note 5: According to the public disclosure information on the HKExnews website of The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**"), as of March 31, 2021, the shareholders holding 5% or more of the H shares of the Company (except for the content disclosed in Note 3) were as follows: On January 31, 2020, the Labor Union Committee of GF Securities Co., Ltd. held a total of 272,500,600 H Shares (Long position) of the Company, representing 16.01% of the H Share capital of the Company. The above shares are held by HKSCC Nominees Limited on their behalf;

Note 6: As at the end of the reporting period, none of the above shareholders of A Shares held the shares of the Company through credit securities accounts;

Note 7: As at the end of the reporting period, none of the above shareholders of A Shares had conducted any agreed repurchase transactions.

2. Statement of the total number of preference shareholders and the shareholdings of the top 10 preference shareholders

Not applicable

Section III Significant Events

I. Changes in Major Financial Data and Financial Indicators and Reasons for Changes During the Reporting Period (Consolidated Statements)

Unit: RMB

Items	As at March 31, 2021	As at December 31, 2020	Increase/ Decrease	Main reasons for changes
Financial assets held for trading	100,466,159,936.34	67,742,658,988.28	48.31%	The investment scale increased as at the end of the period.
Derivative financial assets	507,392,674.80	203,365,893.79	149.50%	The scale of derivative financial instruments increased as at the end of the period.
Accounts receivable	4,667,994,351.36	3,404,173,075.26	37.13%	The deposits of business and clearing increased as at the end of the period.
Debt investments	266,666,102.71	462,314,931.30	-42.32%	The investment scale of bonds decreased as at the end of the period.
Other equity instrument investments	787,337,163.79	11,625,077,914.86	-93.23%	The investment scale of other equity instruments decreased as at the end of the period.
Financial liabilities held for trading	8,984,181,464.69	5,565,326,695.14	61.43%	The liability scale of structured notes increased as at the end of the period.
Derivative financial liabilities	827,879,641.77	214,987,397.85	285.08%	The scale of derivative financial instruments increased as at the end of the period.
Accounts payable	3,555,713,321.22	2,605,234,720.49	36.48%	Deposits of business increased as at the end of the period.
Other comprehensive income	724,079,985.75	1,106,197,716.99	-34.54%	Fair value changes of financial assets at fair value through other comprehensive income decreased as at the end of the period.

Items	Three months ended March 31, 2021	Three months ended March 31, 2020	Increase/ Decrease	Main reasons for changes
Net fee and commission income	4,418,961,253.47	3,177,943,093.85	39.05%	Increase in income from fund management business during the period.
Net interest income	1,172,376,642.34	889,709,185.38	31.77%	Increase in interest income from margin financing and securities lending during the period.
Investment gains	2,383,267,699.29	1,340,318,394.77	77.81%	Increase in investment gains from financial instruments during the period.
Gains from changes in fair value	-496,867,865.13	-170,757,123.10	-	Disposals and valuation fluctuations of financial assets held for trading during the period.
Foreign exchange gains	-5,365,970.09	15,776,499.66	-	Exchange rate fluctuations during the period.
Other operating income	734,787,754.23	121,084,575.61	506.84%	Increase in trading business income during the period.
Gains from disposal of assets	265,569.76	32,830.26	708.92%	Increase in gains from disposal of assets during the period.
Other gains	113,385,734.98	13,455,837.37	742.65%	Increase in government subsidies and in income from handling fees of withholding and payment of taxes during the period.
Tax and surcharges	54,718,531.69	34,811,068.74	57.19%	Increase in taxable income during the period.
Impairment loss on other assets	648,644.02	4,736,684.67	-86.31%	Decrease in loss from declining price of inventories during the period.
Impairment loss on credit	116,990,344.40	85,126,265.78	37.43%	Increase in impairment loss of financial instruments during the period.
General and administrative expenses	3,882,891,282.53	2,385,731,696.67	62.75%	Increase in expenses during the period.
Other operating expenses	729,248,214.92	118,807,463.35	513.81%	Increase in trading business costs during the period.
Non-operating income	547,502.92	3,918,778.35	-86.03%	Increase in default payment received during the last period.
Non-operating expenses	972,951.39	15,290,282.76	-93.64%	Decrease in donation expenses during the period.
Other comprehensive income, net of tax	-381,350,197.36	-182,100,079.43	-	Decrease in change of fair value of other debt investments during the period.
Net cash flows from operating activities	-3,014,542,853.79	-6,162,945,974.55	-	Increase in net cash inflow from repurchase businesses during the period.
Net cash flows from investing activities	13,418,850,608.19	1,189,672,562.34	1,027.94%	Increase in cash inflow from divestment during the period.
Net cash flows from financing activities	9,514,686,192.72	22,890,323,547.11	-58.43%	Decrease in cash inflow from bond issuance during the period.

II. Progress of Significant Events and their Effects as well as Analysis of Solutions thereon

1. Relocation of brokerage branches

As of March 31, 2021, the Company had 20 branch companies and 282 securities brokerage branches located in 31 provinces, municipalities directly under the central government and autonomous regions in China.

During the reporting period, the relocation of 5 securities brokerage branches of the Company in their respective same city has been completed.

2. On January 6, 2021, Mr. Lin Chuanhui was elected as an executive director of the tenth session of the board of directors of the Company at the 2021 first extraordinary general meeting of the Company. On the same day, the Company held the 12th meeting of the tenth session of the board of directors at which Mr. Lin Chuanhui was elected as a member of the Strategy Committee of the tenth session of the board of directors of the Company. For details, please refer to the relevant announcement of the Company disclosed on the website of CNINFO (www.cninfo.com.cn) and the HKEXnews website of the Hong Kong Stock Exchange (www.hkexnews.hk) on January 7, 2021.
3. On February 5, 2021, GF Holdings (Hong Kong) Corporation Limited, a wholly-owned subsidiary of the Company, passed a resolution at the general meeting, pursuant to which it agreed to provide performance guarantee to its wholly-owned subsidiary, GF Global Capital Limited, in respect of the issue of structured notes with a total size of no more than US\$1 billion (or its equivalent in other currencies) to ensure the performance of the notes contract by GF Global Capital Limited in accordance with the terms of the notes, subject to a guarantee amount of no more than US\$1 billion (or its equivalent in other currencies). For details, please refer to the relevant announcement of the Company disclosed on the website of CNINFO (www.cninfo.com.cn) and the HKEXnews website of the Hong Kong Stock Exchange (www.hkexnews.hk) on February 6, 2021.
4. On March 29, 2021, “The Resolution on Providing Guarantees for Foreign Loans for GF Financial Markets (UK) Limited” was considered and approved at the 13th meeting of the 10th session of the Board of Directors, approving the Company to apply to domestic commercial banks for the issuance of letters of guarantees (or standby letters of credit) with a cumulative balance of not more than US\$140 million for a period not exceeding 4 years in order to provide guarantee for GF Financial Markets (UK) Limited, a wholly-owned subsidiary of GF Futures (Hong Kong) Co., Limited which is in turn wholly-owned by the subsidiary of the Company, GF Futures Co., Ltd., in its application to foreign commercial banks for loans with a balance of not more than the corresponding amount to be used as working capital. The Company will bear liability for the guarantees to the extent of the final amount of the letters of guarantees (or standby letters of credit) actually issued. For details, please refer to the relevant announcement of the Company disclosed on the website of CNINFO (www.cninfo.com.cn) and the HKEXnews website of the Hong Kong Stock Exchange (www.hkexnews.hk) on March 30, 2021.

III. Undertakings Overdue and Not Yet Performed during the Reporting Period by the De Facto Controller of the Company, Shareholders, Related Parties, Purchasers, the Company and Other Related Parties of Undertakings of the Company

Causes of Undertakings	Undertaking Parties	Types of Undertakings	Details of Undertakings	Dates of Undertakings	Terms of Undertakings	Performance
Share conversion undertakings/ undertakings made in acquisition report or equity changes report/ undertakings made in asset restructuring	The Company and its shareholders, directors, supervisors and senior management	Others	<p>1. GF Securities and its Directors, Supervisors and senior management have made undertakings that upon completion of this transaction, GF Securities, as a public company, will strictly perform its obligations in information disclosure and investor education. After listing, in addition to meeting the requirements for information disclosure by listed companies in general, GF Securities will make sufficient disclosure in regular reports on information regarding customer asset protection, risk control, compliance inspection, commencement of innovative business and risk management according to its own characteristics to enhance the unveiling of risks for investors.</p> <p>2. GF Securities and its Directors, Supervisors and senior management have made undertakings that they will strictly comply with the requirements of the “Administrative Measures for Risk Control Indicators of Securities Companies” (《證券公司風險控制指標管理辦法》), enhance the risk management system, improve the risk monitoring mechanism, establish a real-time risk monitoring system, strengthen dynamic monitoring of risks and enhance capabilities in identifying, measuring and controlling risks to enhance the level of risk management.</p>	February 6, 2010	Nil	All undertaking parties have strictly performed the undertakings.

Causes of Undertakings	Undertaking Parties	Types of Undertakings	Details of Undertakings	Dates of Undertakings	Terms of Undertakings	Performance
			<p>3. To avoid peer competition with the surviving company after share conversion and merger by absorption and regulate possible related transactions, Liaoning Cheng Da and Jilin Aodong have made the following undertakings: ① being the largest and second largest shareholders of the surviving company after share conversion and merger by absorption, they have undertaken not to operate the same business as that operated by the surviving company, and not to indirectly operate or participate in the investment of enterprises which compete or may compete with the business of the surviving company. At the same time, they have also warranted that they will not use their capacity as shareholders to harm the proper interest of the surviving company and other shareholders. In addition, they will procure their wholly-owned subsidiaries or subsidiaries in which they have more than 50% equity interest or relative controlling interest to comply with the above undertakings. ② with respect to related transactions conducted by Liaoning Cheng Da and Jilin Aodong and their respective related parties with the surviving company in future, the decision-making procedure for related transactions of listed companies will be strictly performed and the market pricing principles will be observed to ensure fairness, impartiality and equity and the legitimate interest of minority shareholders will not be prejudiced.</p> <p>4. Liaoning Cheng Da and Jilin Aodong have issued the Undertakings on Maintaining the Independence of the Yan Bian Road Construction Co., Ltd. (《關於保持延邊公路建設股份有限公司獨立性的承諾》) respectively and warranted to realize staff independence, asset independence, business independence, financial independence and organization independence with the Company.</p>			

Causes of Undertakings	Undertaking Parties	Types of Undertakings	Details of Undertakings	Dates of Undertakings	Terms of Undertakings	Performance
Net capital guarantee undertakings provided to GF Securities Asset Management (Guangdong) Co., Ltd. ("GF Asset Management")	GF Securities	Others	In order to support GF Asset Management for its continuous compliance with the regulatory requirements on risk control indicators, the Company has provided GF Asset Management with additional net capital guarantee undertakings of up to RMB3 billion (RMB3 billion inclusive), among which, net capital guarantee undertakings of RMB2.5 billion were provided for a term from the date on which the same was considered and approved by the board of directors until September 30, 2016; and net capital guarantee undertakings of RMB0.5 billion were provided for a term until its net capital was able to satisfy the requirements of the regulatory authority on an ongoing basis.	July 18, 2016	Net capital guarantee undertakings of RMB2.5 billion were provided for a term from the date on which the same was considered and approved by the board of directors until September 30, 2016; and net capital guarantee undertakings of RMB0.5 billion were provided for a term until its net capital was able to satisfy the requirements of the regulatory authority on an ongoing basis.	GF Securities has strictly performed the undertakings.
Whether the undertakings were performed timely ?	Yes					

IV. Financial Asset Investment

1. Security investment

N/A

2. Derivative investment

N/A

V. Progress of Investment Projects with Raised Funds

N/A

VI. Estimation of Operating Results for Period from January to June 2021

N/A

VII. Material Contracts in the Ordinary Course of Business

N/A

VIII. Entrusted Wealth Management

N/A

IX. Information on Non-compliance in External Guarantees

The Company had no non-compliance in external guarantees during the reporting period.

X. Information on the Non-Operating Use of Funds of the Listed Company by the Controlling Shareholders and its Related Parties

N/A

XI. Record of Research, Communication and Interview Activities during the Reporting Period

From January to March 2021, in addition to daily telephone communication with public investors, the Company accepted research interviews and conducted roadshows for totally three times with a total of 80 investors participating. Details are shown in the following table:

Reception time	Reception location	Reception method	Type of participants	Participants	Major research topic
January 1, 2021 to March 31, 2021	–	Telephone communication	Individual	Public investors	Operation and development of the Company
January 14, 2021	–	Telephone communication	Institutional	M&G	Operation and development of the Company
March 30, 2021	–	Results roadshow	Institutional	Analysts and investors invited to 2020 Annual Results Presentation of GF Securities	Strategic and business development of the Company
March 31, 2021	–	Results roadshow	Institutional and individual	Investors participating in 2020 Annual Results Webcast Presentation of GF Securities	Strategic and business development of the Company

Note: The record table of investor relations activities regarding the reception of the above institutional investors by the Company is disclosed on the website of the Shenzhen Stock Exchange (www.szse.cn) and the website of CNINFO (www.cninfo.com.cn).

Section IV Financial Statements

I. Financial Statements

1. Consolidated and the Company's Statements of Financial Position

Name of Enterprise: GF Securities Co., Ltd.

As at March 31, 2021 Unit: RMB Audit Type: Unaudited

Items	As at March 31, 2021		As at December 31, 2020	
	Consolidated	Company	Consolidated	Company
Assets:				
Cash and bank balances	117,518,764,338.88	87,304,318,833.45	102,766,203,793.40	76,971,739,252.40
Including: cash held on behalf of customers	91,403,267,224.17	70,923,192,507.23	80,469,716,671.84	65,694,562,526.39
Clearing settlement funds	25,966,188,593.10	21,192,936,611.25	20,515,405,015.87	17,810,459,659.73
Including: settlement funds held on behalf of customers	20,016,517,667.24	15,196,824,193.08	16,705,044,776.35	13,862,772,728.28
Advances to customers	87,684,949,430.53	84,841,174,800.05	86,152,816,489.88	83,472,356,774.72
Derivative financial assets	507,392,674.80	375,445,193.34	203,365,893.79	157,485,777.60
Refundable deposits	11,679,760,832.43	3,426,089,778.60	11,045,545,569.66	3,135,440,179.25
Accounts receivable	4,667,994,351.36	1,833,659,236.67	3,404,173,075.26	1,217,618,780.43
Financial assets held under resale agreements	14,282,744,498.41	14,207,297,917.15	16,793,849,178.49	16,707,774,462.33
Financial investments:	220,009,513,939.41	190,624,147,434.10	200,012,432,358.05	171,035,419,039.86
Financial assets held for trading	100,466,159,936.34	71,857,963,377.04	67,742,658,988.28	39,837,713,746.66
Debt investments	266,666,102.71	125,279,340.26	462,314,931.30	301,381,895.05
Other debt investments	118,489,350,736.57	117,901,369,732.72	120,182,380,523.61	119,319,241,019.01
Other equity instrument investments	787,337,163.79	739,534,984.08	11,625,077,914.86	11,577,082,379.14
Long-term equity investments	7,637,995,353.38	21,110,472,714.53	7,196,883,172.97	20,910,445,580.70
Investment properties	41,623,467.62	16,159,334.66	42,398,568.93	16,593,398.48
Fixed assets	2,985,871,838.90	2,801,576,468.80	3,046,292,695.42	2,855,766,035.16
Right-of-use assets	721,612,428.02	551,090,310.43	644,569,300.44	527,717,591.28
Intangible assets	1,433,072,038.99	556,496,523.41	1,453,854,036.08	569,848,231.16
Goodwill	2,193,309.42	-	2,183,967.35	-
Deferred tax assets	1,540,680,283.62	1,035,438,081.26	1,323,839,777.48	836,530,321.72
Other assets	2,599,221,172.21	733,969,010.91	2,859,873,367.73	694,320,585.42
Total assets	499,279,578,551.08	430,610,272,248.61	457,463,686,260.80	396,919,515,670.24

Legal representative:
Sun Shuming

Person-in-charge of
accounting affairs:
Sun Xiaoyan

Person-in-charge of
accounting department:
Wang Ying

1. Consolidated and the Company's Statements of Financial Position (Continued)

Name of Enterprise: GF Securities Co., Ltd.

As at March 31, 2021 Unit: RMB Audit Type: Unaudited

Items	As at March 31, 2021		As at December 31, 2020	
	Consolidated	Company	Consolidated	Company
Liabilities:				
Short-term borrowings	2,389,605,634.97	-	2,552,786,232.22	-
Short-term financing payables	39,456,256,319.75	39,456,256,319.75	35,008,179,142.44	35,008,179,142.44
Due to banks and other financial institutions	7,790,290,278.16	6,418,490,666.67	6,121,286,327.28	4,010,666,486.13
Financial liabilities held for trading	8,984,181,464.69	5,420,677,979.53	5,565,326,695.14	2,185,323,508.78
Derivative financial liabilities	827,879,641.77	719,396,782.73	214,987,397.85	204,091,552.93
Financial assets sold under repurchase agreements	99,896,689,596.85	98,399,542,972.50	94,611,621,269.89	92,653,144,048.43
Accounts payable to brokerage clients	118,396,429,350.76	85,671,541,705.40	102,941,104,908.51	77,855,516,190.51
Accrued staff costs	8,775,979,196.97	6,059,737,051.66	8,130,420,712.53	5,248,336,655.25
Taxes payable	1,365,082,760.01	758,060,352.30	1,346,119,814.41	787,562,473.73
Accounts payable	3,555,713,321.22	2,967,542,952.35	2,605,234,720.49	2,307,785,015.64
Contract liabilities	43,033,356.22	38,752,484.11	47,087,112.89	38,752,484.11
Lease liabilities	735,107,797.66	565,280,316.06	653,061,365.78	540,285,069.98
Provisions	417,493,987.11	34,551,300.00	415,058,127.27	34,850,000.00
Long-term loans	1,932,410,388.90	-	2,183,068,699.27	-
Bonds payable	96,665,334,267.13	96,665,334,267.13	89,749,863,546.19	89,749,863,546.19
Deferred tax liabilities	479,366,296.10	-	418,322,975.52	-
Other liabilities	2,885,886,267.31	636,260,088.37	2,626,571,100.57	791,633,864.90
Total liabilities	394,596,739,925.58	343,811,425,238.56	355,190,100,148.25	311,415,990,039.02
Equity:				
Share capital	7,621,087,664.00	7,621,087,664.00	7,621,087,664.00	7,621,087,664.00
Capital reserve	31,217,183,692.34	31,773,022,386.82	31,199,360,406.23	31,773,022,386.82
Other comprehensive income	724,079,985.75	643,933,150.02	1,106,197,716.99	1,070,165,457.76
Surplus reserve	7,078,798,428.69	7,063,468,058.74	7,078,798,428.69	7,063,468,058.74
General risk reserve	17,319,649,431.70	14,375,038,200.63	17,204,170,473.38	14,374,888,439.07
Retained profits	36,377,945,616.62	25,322,297,549.84	33,952,582,399.55	23,600,893,624.83
Equity attributable to owners of the Company	100,338,744,819.10		98,162,197,088.84	
Non-controlling interests	4,344,093,806.40		4,111,389,023.71	
Total equity	104,682,838,625.50	86,798,847,010.05	102,273,586,112.55	85,503,525,631.22
Total liabilities and equity	499,279,578,551.08	430,610,272,248.61	457,463,686,260.80	396,919,515,670.24

Legal representative:
Sun Shuming

Person-in-charge of
accounting affairs:
Sun Xiaoyan

Person-in-charge of
accounting department:
Wang Ying

2. Consolidated and the Company's Statements of Profit or Loss

Name of Enterprise: GF Securities Co., Ltd.

January to March 2021 Unit: RMB Audit Type: Unaudited

Items	January to March 2021		January to March 2020	
	Consolidated	Company	Consolidated	Company
1. Total operating revenue	8,320,810,818.85	4,446,046,599.32	5,387,563,293.80	3,519,984,477.75
Net interest income	1,172,376,642.34	1,005,688,489.48	889,709,185.38	807,715,727.58
Including: Interest income	3,287,590,537.27	3,026,403,978.10	2,729,305,259.98	2,478,382,612.93
Interest expenses	2,115,213,894.93	2,020,715,488.62	1,839,596,074.60	1,670,666,885.35
Net fee and commission income	4,418,961,253.47	1,901,417,809.85	3,177,943,093.85	1,786,935,790.45
Including: Net fee income from brokerage business	1,832,574,483.15	1,704,985,094.73	1,604,177,077.34	1,489,732,150.94
Net fee income from investment banking business	118,077,817.57	110,287,344.51	270,090,090.17	262,844,494.18
Net fee income from asset management and fund management business	2,370,045,410.70	-	1,243,264,231.21	-
Investment gains	2,383,267,699.29	1,638,543,709.43	1,340,318,394.77	1,081,464,102.85
Including: Gains from investment in associates and joint ventures	187,349,493.72	202,425,048.26	21,207,888.95	124,529,021.83
Other gains	113,385,734.98	44,867,726.85	13,455,837.37	11,253,666.27
Gains from changes in fair value	-496,867,865.13	-163,257,845.39	-170,757,123.10	-185,629,985.02
Foreign exchange gains	-5,365,970.09	1,282,159.57	15,776,499.66	4,674,838.74
Other operating income	734,787,754.23	17,296,595.55	121,084,575.61	13,556,402.13
Gains from disposal of assets	265,569.76	207,953.98	32,830.26	13,934.75
2. Total operating expenses	4,784,497,017.56	2,331,317,798.03	2,629,213,179.21	1,574,640,476.28
Tax and surcharges	54,718,531.69	37,921,840.34	34,811,068.74	30,469,851.95
General and administrative expenses	3,882,891,282.53	2,212,188,932.15	2,385,731,696.67	1,484,102,876.35
Impairment loss on credit	116,990,344.40	80,760,461.71	85,126,265.78	59,621,184.15
Impairment loss on other assets	648,644.02	12,500.01	4,736,684.67	12,500.01
Other operating expenses	729,248,214.92	434,063.82	118,807,463.35	434,063.82
3. Operating profits	3,536,313,801.29	2,114,728,801.29	2,758,350,114.59	1,945,344,001.47
Add: Non-operating income	547,502.92	571,161.11	3,918,778.35	3,681,024.45
Less: Non-operating expenses	972,951.39	500,345.65	15,290,282.76	13,150,953.06
4. Profit before income tax	3,535,888,352.82	2,114,799,616.75	2,746,978,610.18	1,935,874,072.86
Less: Income tax expense	745,167,572.64	393,245,930.18	580,453,530.06	377,375,924.82
5. Net profit for the period	2,790,720,780.18	1,721,553,686.57	2,166,525,080.12	1,558,498,148.04
(1) Classified by continuity of operations				
1. Net profit from continuing operations	2,790,720,780.18	1,721,553,686.57	2,166,525,080.12	1,558,498,148.04
2. Net profit from discontinued operations	-	-	-	-
(2) Classified by ownership of equity				
1. Attributable to owners of the Company	2,540,842,175.39		2,070,542,242.31	
2. Attributable to non-controlling interests	249,878,604.79		95,982,837.81	

Items	January to March 2021		January to March 2020	
	Consolidated	Company	Consolidated	Company
6. Other comprehensive income, net of tax	-381,350,197.36	-426,232,307.74	-182,100,079.43	-220,556,498.67
Other comprehensive income attributable to owners of the Company, net of tax	-382,117,731.24		-182,828,257.47	
(1) Other comprehensive income that will not be reclassified into profits or losses	-395,628,902.28	-395,435,546.29	-378,664,340.56	-378,871,354.01
1. Changes in fair value of other equity instrument investments	-395,628,902.28	-395,435,546.29	-378,664,340.56	-378,871,354.01
(2) Other comprehensive income that will be reclassified into profits or losses	13,511,171.04	-30,796,761.45	195,836,083.09	158,314,855.34
1. Other comprehensive income under equity method that can be reclassified into profits or losses	4,316,112.27	-120,914.43	-28,642,116.89	-24,007,405.36
2. Fair value changes of other debt investments	-2,527,597.35	-15,451,357.50	103,025,571.96	160,717,669.47
3. Credit loss provisions for other debt investments	-15,063,519.67	-15,224,489.52	25,906,442.44	21,604,591.23
4. Translation differences on foreign currency financial statements	26,786,175.79	-	95,546,185.58	-
Other comprehensive income attributable to non-controlling interests, net of tax	767,533.88		728,178.04	
7. Total comprehensive income for the period	2,409,370,582.82	1,295,321,378.83	1,984,425,000.69	1,337,941,649.37
Including: Total comprehensive income attributable to owners of the Company	2,158,724,444.15		1,887,713,984.84	
Total comprehensive income attributable to non-controlling interests	250,646,138.67		96,711,015.85	
8. Earnings per share:				
(1) Basic earnings per share (RMB/share)	0.33		0.27	
(2) Diluted earnings per share (RMB/share)	0.33		0.27	

Legal representative:
Sun Shuming

Person-in-charge of
accounting affairs:
Sun Xiaoyan

Person-in-charge of
accounting department:
Wang Ying

3. Consolidated and the Company's Statement of Cash Flows

Name of Enterprise: GF Securities Co., Ltd.

January to March 2021

Unit: RMB Audit Type: Unaudited

Items	January to March 2021		January to March 2020	
	Consolidated	Company	Consolidated	Company
1. Cash flows from operating activities:				
Cash received from interest, fee and commission	6,892,466,005.12	4,303,729,969.59	5,290,998,035.62	3,660,016,728.47
Net increase in due to banks and other financial institutions	1,659,538,571.34	2,400,000,000.00	2,443,969,843.07	2,400,000,000.00
Net cash received from accounts payable to brokerage clients	15,177,979,359.97	7,572,767,599.98	15,358,386,662.27	12,091,468,401.35
Net increase in repurchase businesses	7,800,725,945.16	8,249,968,059.12	1,947,930,287.85	1,970,588,405.03
Cash received from other operating activities	2,477,154,633.95	1,609,558,176.07	903,252,693.70	54,732,297.87
Cash inflow from operating activities, subtotal	34,007,864,515.54	24,136,023,804.76	25,944,537,522.51	20,176,805,832.72
Net increase in advances to customers	1,668,769,195.12	1,478,881,704.14	3,109,550,621.06	2,913,708,669.43
Net decrease in cash from financial instruments held for trading	28,044,724,465.98	28,029,234,119.56	23,479,481,409.50	22,618,331,393.95
Cash payment of interest, fee and commission	992,524,617.17	914,324,571.72	828,153,541.31	770,229,584.34
Net cash paid for accounts payable to underwriting clients	-	-	117,000,000.00	117,000,000.00
Cash payments to and for employees	2,128,934,190.14	1,061,505,868.02	1,569,586,430.99	814,478,164.08
Tax expenses paid	1,230,880,268.86	496,168,697.35	1,043,774,749.63	573,867,135.62
Cash paid for other operating activities	2,956,574,632.06	1,933,506,132.75	1,959,936,744.57	1,031,833,081.65
Cash outflow from operating activities, subtotal	37,022,407,369.33	33,913,621,093.54	32,107,483,497.06	28,839,448,029.07
Net cash flows from operating activities	-3,014,542,853.79	-9,777,597,288.78	-6,162,945,974.55	-8,662,642,196.35
2. Cash flows from investing activities:				
Cash received from divestment	12,284,372,441.50	11,906,439,233.44	1,484,355,493.55	1,048,804,822.23
Cash received from realized investment gains	1,573,154,904.40	1,510,805,167.12	969,078,267.84	925,485,342.97
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	1,301,639.50	1,228,291.67	1,263,041.03	979,116.41
Cash inflow from investing activities, subtotal	13,858,828,985.40	13,418,472,692.23	2,454,696,802.42	1,975,269,281.61
Cash paid for investment	260,373,570.55	-	50,000,000.00	-
Cash paid for the purchase of fixed assets, intangible assets and other long-term assets	179,604,806.66	171,045,349.29	1,215,024,240.08	43,122,041.83
Cash outflow from investing activities, subtotal	439,978,377.21	171,045,349.29	1,265,024,240.08	43,122,041.83
Net cash flows from investing activities	13,418,850,608.19	13,247,427,342.94	1,189,672,562.34	1,932,147,239.78

Items	January to March 2021		January to March 2020	
	Consolidated	Company	Consolidated	Company
3. Cash flows from financing activities:				
Cash received from bond issuance	9,700,000,000.00	9,700,000,000.00	27,300,000,000.00	27,300,000,000.00
Cash received from borrowings	275,873,344.64	–	2,876,243,700.90	–
Cash received from other financing activities	13,193,627,494.45	13,193,463,436.37	2,616,580,000.00	2,616,580,000.00
Cash inflow from financing activities, subtotal	23,169,500,839.09	22,893,463,436.37	32,792,823,700.90	29,916,580,000.00
Cash paid for repayment of debts	3,709,645,564.58	3,000,000,000.00	6,526,743,929.01	6,000,000,000.00
Cash paid for distribution of dividends, profit or interest expenses	1,640,670,671.20	1,574,107,510.35	1,026,124,112.50	952,176,529.37
Including: dividends and profit paid to non-controlling interests by subsidiaries	13,941,355.96	–	–	–
Cash paid for other financing activities	8,304,498,410.59	8,289,246,081.50	2,349,632,112.28	2,295,147,482.08
Cash outflow from financing activities, subtotal	13,654,814,646.37	12,863,353,591.85	9,902,500,153.79	9,247,324,011.45
Net cash flows from financing activities	9,514,686,192.72	10,030,109,844.52	22,890,323,547.11	20,669,255,988.55
4. Effect of foreign exchange rate changes on cash and cash equivalents	36,371,321.82	1,282,159.57	119,050,474.16	4,674,838.74
5. Net increase in cash and cash equivalents	19,955,365,268.94	13,501,222,058.25	18,036,100,609.06	13,943,435,870.72
Add: Cash and cash equivalents at the beginning of the period	116,999,336,888.74	94,612,487,008.17	96,693,724,267.91	82,091,313,111.74
6. Cash and cash equivalents at the end of the period	136,954,702,157.68	108,113,709,066.42	114,729,824,876.97	96,034,748,982.46

Legal representative:
Sun Shuming

Person-in-charge of
accounting affairs:
Sun Xiaoyan

Person-in-charge of
accounting department:
Wang Ying

II. Audit Report

Whether the first quarterly report has been audited

No