

Independent Auditor's Report

Independent auditor's report to the shareholders of CITIC Securities Company Limited

(Incorporated in the People's Republic of China with Limited Liability)

Opinion

We have audited the consolidated financial statements of CITIC Securities Company Limited (the "**Company**") and its subsidiaries (collectively, the "**Group**"), which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes, comprising material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board ("**IASB**") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("**ISAs**"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by International Ethics Standards Board for Accountants ("**IESBA Code**"), as applicable to audits of the financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Goodwill impairment assessment relating to China Asset Management Co., Ltd. (“China AMC”)

Refer to note 3(21), 4(1) and 20 to the consolidated financial statements.

The Key Audit Matter

As at 31 December 2025, the Group’s accumulated impairment of goodwill was RMB3,482 million and the carrying amount of goodwill was RMB8,436 million. The Group’s goodwill is primarily resulted from the acquisition of China AMC with a carrying amount of RMB7,419 million with no impairment recognised.

Management performs goodwill impairment assessment annually. The impairment assessment relies upon the calculation of the recoverable amount for each of the Group’s cash generating units (“**CGUs**”) or groups of CGUs. The recoverable amount of CGUs or groups of CGUs is the higher of its fair value less costs of disposal and its value in use (“**VIU**”).

Management considers China AMC as a separate CGUs. Management referred to the equity transfer pricing of China AMC in 2025 to measure the asset’s fair value less costs of disposal. In addition, management used the VIU approach to assess the recoverable amount of China AMC by applying a discounted cash flow model based on key assumptions and inputs including estimated revenue growth rate, terminal growth rate and discount rate.

We identified goodwill impairment assessment as a key audit matter because of its significance to the financial statements, the significant management judgements and estimates involved, and the fact that these judgements are inherently uncertain and might be affected by management’s bias.

How the matter was addressed in our audit

Our audit procedures to assess goodwill impairment relating to China AMC mainly included:

- understanding and evaluating the effectiveness of the design, implementation and operating effectiveness of key internal controls over the assessment of goodwill impairment;
- based on our understanding on the Group’s business and prevailing accounting standards, assessing management’s identification of each of the CGUs or groups of CGUs, the method in preparing the discounted cash flow forecast and the allocation of goodwill to each CGUs or groups of CGUs;
- with the assistance of KPMG valuation specialists, evaluate the appropriateness of the method and the reasonableness of the assumptions, including discount rate the management used when estimating the discounted cash flows of China AMC;
- assessing the appropriateness of the key assumptions and judgments applied, including estimated revenue growth rate in the forecast period and terminal growth rate adopted in the discounted cash flow forecast of China AMC by comparing with approved budgets and business plan prepared by management and historical data;
- performing sensitivity analyses on the discount rate and other key assumptions adopted by management to assess the impact of the impairment test result arising from the change in key assumptions and whether there is any indication of management bias;
- referencing to the equity transfer pricing of China AMC in 2025, to assess the reasonableness of management’s measurement of the asset’s fair value less costs of disposal; and
- assessing whether the disclosures in the consolidated financial statements in relation to goodwill impairment comply with the requirements of the prevailing accounting standards.

Assessment of fair value of financial instruments held at fair value classified under Level 3 in the fair value hierarchy

Refer to note 3(4)(c), 4(2), 8, 24, 30, 31, 37 and 56(1)(3)(4) to the consolidated financial statements.

Key Audit Matter

The Group's financial instruments included those classified under Level 3 in the fair value hierarchy ("**Level 3 Financial Instruments**"), which were measured using valuation techniques that involve significant inputs that were not based on observable market data ("**unobservable inputs**"). Where unobservable inputs were used in the valuation, estimates need to be developed which can involve significant management judgement.

We identified assessing the carrying amount of Level 3 Financial Instruments as a key audit matter because of the degree of complexity involved in valuing Level 3 Financial Instruments and because of the significant degree of judgement exercised by management in determining the inputs used in the valuation models.

How the matter was addressed in our audit

Our audit procedures to assess the fair value of Level 3 Financial Instruments mainly included:

- understanding and assessing the design, implementation and operating effectiveness of key internal controls over the valuation, independent price verification and valuation model approval, ongoing monitoring and optimisation for financial instruments;
- on a sample basis, reviewing investment agreements for Level 3 financial instruments to understand the relevant investment terms and identify any conditions that were relevant to the valuation of financial instruments;
- involving KPMG valuation specialists to evaluate the appropriateness of valuation models used by management to value the fair value of Level 3 Financial Instruments and to perform, on a sample basis, independent valuations of Level 3 Financial Instruments and compare these valuations with the Group's valuations. This included comparing the Group's valuation models used by management with our knowledge of current market practice, testing inputs and reperforming the calculations; and
- evaluating the reasonableness of the disclosures on fair values of Level 3 Financial Instruments with reference to the requirements of the prevailing accounting standards.

Expected credit impairment allowance of margin accounts and reverse repurchase agreements (“Financing Assets”)

Refer to note 3(4)(e), 4(3), 13, 29, 32 and 57.1(1)(4) to the consolidated financial statements.

Key Audit Matter

The Group applies an expected credit loss (“**ECL**”) model to measure the loss allowance for Financing Assets. For Financing Assets classified under Stages 1 and 2, management assesses credit loss allowances using the risk parameter modelling approach that incorporated key parameters, including exposure at default and loss ratio after taking into consideration forward looking factors. For credit-impaired Financing Assets classified under Stage 3, management assesses the credit loss allowance by estimating the future cash flows.

Management also exercises significant judgement in determining the quantum of loss allowance based on a range of factors, mainly including:

- The appropriateness of selection of models and assumptions;
- Determination of the criteria for significant increase in credit risk, standard of default and credit impairment;
- Determination of the number and relative weightings of forward-looking scenarios.

How the matter was addressed in our audit

Our audit procedures to assess ECL of Financing Assets mainly included:

- understanding and assessing the design, implementation and operating effectiveness of key internal controls of financial reporting over the approval, recording and monitoring the Financial Assets, the credit risk staging process and the measurement of ECL for Financing Assets;
- involving KPMG financial risk management specialists to evaluate the appropriateness of the ECL model in determining loss allowance and the appropriateness of the key parameters and assumptions in the model, including loss ratio and adjustments for forward-looking scenarios, and assessing the appropriateness of related key management judgement;
- assessing the completeness and accuracy of data used in the ECL model. For key parameters derived from internal inputs relating to original agreements, comparing the total balance of Financing Assets and financial investment list used by management to assess the allowance for impairment with the general ledger, on a sample basis, comparing the information of individual financial assets with the underlying agreements and other relevant documents to evaluate the accuracy of compilation of the financial investment list. For key parameters derived from external inputs, we inspect the accuracy of such data by comparing them with public resources, on a sample basis;

Expected credit impairment allowance of margin accounts and reverse repurchase agreements (“Financing Assets”) (Continued)

Key Audit Matter

Loss ratio represents Management’s expectation of the amount of loss on exposure. Management uses historical loss ratio and assesses their appropriateness. Management determines loss ratio based on factors including: the coverage ratio of related loan to underlying collateral value and the volatility of such collateral’s valuation, the realised value of collateral upon forced liquidation taking into account of the estimated volatility over the realisation period.

We identified the measurement of ECL for Financing Assets as a key audit matter because of its significance to the financial statements, and the inherent uncertainty and management judgement involved.

How the matter was addressed in our audit

- Selecting samples and evaluating the reasonableness of loss ratio for credit impaired financial assets; assessing the viability of management recovery plan by evaluating the expected cash flows of collateral and other credit enhancements in this process;
- For forward-looking scenarios, reviewing the basis of determining of the economic variables, number of scenarios and relative weightings; assessing the reasonableness of the economic variables forecasted under the different scenarios and performing sensitivity analysis on economic indicators and relative weightings;
- based on the above, using ECL model for selected samples to review the accuracy of the expected credit impairment allowance for Financing Assets, and
- assessing the reasonableness of disclosures in the financial statements in relation to ECL with reference to the requirements of the prevailing accounting standards.

Information other than the consolidated financial statements and auditor's report thereon

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon as part of our engagement to audit the consolidated financial statements. We have performed an assurance engagement on the *Independent auditor's assurance report on Continuing Connected Transactions* that forms part of the other information and provide a separate assurance practitioner's conclusion thereon that is included within the other information.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated financial statements

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Auditor's responsibilities for the audit of the consolidated financial statements (Continued)

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Chan Siu Tung.



KPMG

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

26 March 2026

Consolidated Statement of Profit or Loss

For the year ended 31 December 2025

(Expressed in thousands of Renminbi, unless otherwise stated)

	Note	2025	2024 (Restated)
Revenue			
Fee and commission income		46,493,527	34,876,612
Interest income	7	20,235,507	19,941,480
Investment income	8	38,604,330	26,435,407
		105,333,364	81,253,499
Other income and (losses)/gains	9	(651,826)	4,636,753
Total revenue and other income		104,681,538	85,890,252
Fee and commission expenses	10	11,645,789	8,794,987
Interest expenses	10	18,605,086	18,857,700
Staff costs	10	21,776,954	21,041,282
Depreciation		1,737,900	1,731,437
Tax and surcharges		483,575	318,623
Expected credit losses/(reversal)	13	837,009	(1,113,515)
Impairment losses on other assets		—	20,976
Other operating expenses and costs	10	10,281,941	7,937,856
Total operating expenses		65,368,254	57,589,346
Operating profit		39,313,284	28,300,906
Share of profits and losses of:			
Associates		492,664	107,707
Joint ventures		16,955	9,862
Profit before income tax		39,822,903	28,418,475
Income tax expense	14	8,816,224	5,829,018
Profit for the year		31,006,679	22,589,457

	Note	2025	2024 (Restated)
Attributable to:			
Owners of the Parent		30,076,101	21,703,697
Non-controlling interests		930,578	885,760
		31,006,679	22,589,457
Earnings per share (in RMB per share):			
Basic	17	1.96	1.41
Diluted	17	1.96	1.41

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2025

(Expressed in thousands of Renminbi, unless otherwise stated)

	2025	2024
Profit for the year	31,006,679	22,589,457
Other comprehensive income		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods		
Net gains on investments in debt instruments measured at fair value through other comprehensive income	49,372	1,996,512
Net losses on debt instruments measured at fair value through other comprehensive income reclassified to profit or loss on disposal	(599,903)	(1,420,049)
Income tax relating to these items	12,973	(506,785)
	(537,558)	69,678
Share of other comprehensive income of associates and joint ventures	(3,292)	19,322
Exchange differences on translation of foreign operations	(401,431)	(643,218)
	(942,281)	(554,218)
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods		
Net gains on investments in equity instruments designated as at fair value through other comprehensive income	(518,795)	709,462
Income tax relating to these items	176,973	(166,179)
	(341,822)	543,283
Share of other comprehensive income of associates and joint ventures	21,748	1,506
Others	341	10,736
	(319,733)	555,525

	2025	2024
Other comprehensive income for the year, net of tax	(1,262,014)	1,307
Total comprehensive income for the year	29,744,665	22,590,764
Attributable to:		
Owners of the Parent	28,824,004	21,702,862
Non-controlling interests	920,661	887,902
	29,744,665	22,590,764

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated Statement of Financial Position

As at 31 December 2025

(Expressed in thousands of Renminbi, unless otherwise stated)

	Note	31 December 2025	31 December 2024
Non-current assets			
Property, plant and equipment	18	8,606,809	8,271,615
Investment properties	19	840,517	870,131
Goodwill	20	8,436,258	8,448,273
Land-use rights and intangible assets	21	3,239,122	3,322,494
Investments in associates	23	9,934,656	9,591,002
Investments in joint ventures	23	18,076	16,512
Financial assets at fair value through other comprehensive income	24	123,736,055	90,667,794
Financial assets at fair value through profit or loss	30	23,416,862	26,678,718
Reverse repurchase agreements	32	11,127,456	8,801,640
Refundable deposits	25	102,518,563	68,215,035
Deferred income tax assets	26	9,592,296	7,755,762
Right-of-use assets	27	2,474,056	2,165,834
Other non-current assets	28	618,295	596,361
Total non-current assets		304,559,021	235,401,171
Current assets			
Fee and commission receivables		3,113,611	2,290,834
Margin accounts	29	207,651,675	138,331,662
Financial assets at fair value through other comprehensive income	24	57,264,892	80,243,127
Financial assets at fair value through profit or loss	30	753,906,739	664,183,476
Derivative financial assets	31	39,594,396	48,997,452
Reverse repurchase agreements	32	43,234,855	35,466,856
Cash held on behalf of customers	33	433,832,060	315,761,280
Cash and bank balances	34	116,567,431	116,494,039
Other current assets	35	122,177,913	73,540,931
Total current assets		1,777,343,572	1,475,309,657

	Note	31 December 2025	31 December 2024
Current liabilities			
Customer brokerage deposits	36	518,683,329	362,448,644
Derivative financial liabilities	31	65,690,066	53,953,628
Financial liabilities at fair value through profit or loss	37	159,943,028	110,912,785
Repurchase agreements	38	404,160,537	389,677,441
Due to banks and other financial institutions	39	27,719,834	45,493,064
Taxes payable	40	6,154,387	3,647,777
Short-term loans	41	26,999,119	14,088,267
Short-term financing instruments payable	42	75,690,563	42,711,433
Lease liabilities	43	768,841	733,188
Other current liabilities	44	345,237,185	274,226,132
Total current liabilities		1,631,046,889	1,297,892,359
Net current assets		146,296,683	177,417,298
Total assets less current liabilities		450,855,704	412,818,469
Non-current liabilities			
Debt instruments issued	45	102,119,577	95,779,317
Deferred income tax liabilities	26	214,793	361,731
Long-term loans	46	9,451	143,714
Financial liabilities at fair value through profit or loss	37	15,191,317	13,473,460
Repurchase agreements	38	3,191,581	491,518
Lease liabilities	43	1,796,522	1,528,889
Other non-current liabilities	47	2,510,079	2,273,168
Total non-current liabilities		125,033,320	114,051,797
Net assets		325,822,384	298,766,672

	Note	31 December 2025	31 December 2024
Equity			
Equity attributable to Owners of the Parent			
Issued share capital	48	14,820,547	14,820,547
Other equity instruments	49	38,261,704	30,761,704
Reserves	50	153,846,338	147,996,097
Retained earnings		113,001,853	99,530,378
		319,930,442	293,108,726
Non-controlling interests		5,891,942	5,657,946
Total equity		325,822,384	298,766,672

The accompanying notes form an integral part of these consolidated financial statements.

Approved and authorised for issue by the Board of Directors on 26 March 2026.

ZHANG Youjun

Chairman

ZOU Yingguang

Executive Director and President

Consolidated Statement of Changes in Equity

For the year ended 31 December 2025

(Expressed in thousands of Renminbi, unless otherwise stated)

	Attributable to Owners of the Parent											
	Note	Reserves							Retained earnings	Subtotal	Non-controlling interests	Total
		Share capital	Other equity instruments	Capital reserve	Surplus reserves	General reserves	Investment revaluation reserve	Foreign currency translation reserve				
As at 1 January 2025		14,820,547	30,761,704	90,796,659	12,072,549	43,809,289	1,330,655	(13,055)	99,530,378	293,108,726	5,657,946	298,766,672
Profit for the year		—	—	—	—	—	—	—	30,076,101	30,076,101	930,578	31,006,679
Other comprehensive income for the year		—	—	—	—	—	(860,583)	(391,514)	—	(1,252,097)	(9,917)	(1,262,014)
Total comprehensive income for the year		—	—	—	—	—	(860,583)	(391,514)	30,076,101	28,824,004	920,661	29,744,665
Capital increase/(decrease)												
— Capital decrease by equity holders		—	—	—	—	—	—	—	—	—	(92,147)	(92,147)
— Capital increase/(decrease) by other equity instrument holders	49	—	7,500,000	(15,110)	—	—	—	—	—	7,484,890	—	7,484,890
— Others		—	—	(129)	—	—	—	—	—	(129)	—	(129)
Appropriation to surplus reserves		—	—	—	606,279	—	—	—	(606,279)	—	—	—
Appropriation to general reserves		—	—	—	—	5,502,188	—	—	(5,502,188)	—	—	—
Dividends	16	—	—	—	—	—	—	—	(8,447,712)	(8,447,712)	—	(8,447,712)
Distribution to other equity instrument holders	16	—	—	—	—	—	—	—	(1,039,337)	(1,039,337)	—	(1,039,337)
Dividends to non-controlling interests		—	—	—	—	—	—	—	—	—	(594,518)	(594,518)
Transfers within the owners' equity												
— Other comprehensive income transferred to retained earnings		—	—	—	—	—	1,009,110	—	(1,009,110)	—	—	—
As at 31 December 2025		14,820,547	38,261,704	90,781,420	12,678,828	49,311,477	1,479,182	(404,569)	113,001,853	319,930,442	5,891,942	325,822,384

Attributable to Owners of the Parent												
	Note	Reserves							Retained earnings	Subtotal	Non-controlling interests	Total
		Share capital	Other equity instruments	Capital reserve	Surplus reserves	General reserves	Investment revaluation reserve	Foreign currency translation reserve				
As at 1 January 2024		14,820,547	16,761,704	90,828,136	11,640,008	40,250,609	456,510	632,307	93,449,787	268,839,608	5,359,600	274,199,208
Profit for the year		—	—	—	—	—	—	—	21,703,697	21,703,697	885,760	22,589,457
Other comprehensive income for the year		—	—	—	—	—	644,527	(645,362)	—	(835)	2,142	1,307
Total comprehensive income for the year		—	—	—	—	—	644,527	(645,362)	21,703,697	21,702,862	887,902	22,590,764
Capital increase/(decrease)												
— Capital decrease by equity holders		—	—	—	—	—	—	—	—	—	(2,000)	(2,000)
— Capital increase/(decrease) by other equity instrument holders	49	—	14,000,000	(28,083)	—	—	—	—	—	13,971,917	—	13,971,917
— Others		—	—	(3,394)	—	—	—	—	—	(3,394)	—	(3,394)
Appropriation to surplus reserves		—	—	—	432,541	—	—	—	(432,541)	—	—	—
Appropriation to general reserves		—	—	—	—	3,558,680	—	—	(3,558,680)	—	—	—
Dividends	16	—	—	—	—	—	—	—	(10,596,691)	(10,596,691)	—	(10,596,691)
Distribution to other equity instrument holders	16	—	—	—	—	—	—	—	(805,576)	(805,576)	—	(805,576)
Dividends to non-controlling interests		—	—	—	—	—	—	—	—	—	(587,556)	(587,556)
Transfers within the owners' equity												
— Other comprehensive income transferred to retained earnings		—	—	—	—	—	229,618	—	(229,618)	—	—	—
As at 31 December 2024		14,820,547	30,761,704	90,796,659	12,072,549	43,809,289	1,330,655	(13,055)	99,530,378	293,108,726	5,657,946	298,766,672

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

For the year ended 31 December 2025

(Expressed in thousands of Renminbi, unless otherwise stated)

	2025	2024 (Restated)
Cash flows from operating activities		
Profit before income tax	39,822,903	28,418,475
Adjustments for:		
Financing interest expense	6,619,770	6,622,251
Share of profits and losses of associates and joint ventures	(509,619)	(117,569)
Interest income and dividend income from financial assets at fair value through other comprehensive income	(5,030,028)	(4,140,355)
Net gains on disposal of debt instruments at fair value through other comprehensive income	(864,045)	(1,921,609)
Net gains on disposal of property, plant and equipment and other assets	(1,960)	(206,028)
Gains on disposal of associates, joint ventures and subsidiaries	32,029	(14,880)
Fair value losses on financial assets and liabilities measured at fair value through profit or loss	1,158,299	6,155,827
Depreciation	1,737,900	1,731,437
Amortisation	436,473	392,649
Expected credit losses/(reversal)	837,009	(1,113,515)
Impairment on other assets	—	20,976
	44,238,731	35,827,659
Net increase in operating assets		
Financial assets at fair value through profit or loss	(64,916,915)	(61,352,814)
Cash held on behalf of customers	(118,070,780)	(76,742,256)
Other assets	(211,852)	(11,812,029)
	(183,199,547)	(149,907,099)
Net increase in operating liabilities		
Customer brokerage deposits	157,023,280	78,498,051
Repurchase agreements	17,183,158	106,822,637
Other liabilities	(70,513,791)	30,000,723
	103,692,647	215,321,411
Net cash (outflow)/inflow from operating activities before tax	(35,268,169)	101,241,971
Income tax paid	(8,698,291)	(5,421,224)
Net cash (outflow)/inflow from operating activities	(43,966,460)	95,820,747

	Note	2025	2024 (Restated)
Cash flows from investing activities			
Net cash flow from purchases and sales of items of property, plant and equipment and other assets		(1,494,547)	(1,293,351)
Net cash flow from investments in associates and joint ventures		(126,405)	164,981
Net cash flow of financial assets at fair value through other comprehensive income		(5,463,665)	(73,896,948)
Net cash flow from other investing activities		95,821	761,522
Net cash outflow from investing activities		(6,988,796)	(74,263,796)
Cash flows from financing activities			
Cash inflows from issuance of perpetual bonds		7,500,000	14,000,000
Cash inflows from borrowing activities		204,407,077	126,109,037
Cash inflows from issuing bonds		319,438,393	241,196,280
Payment of debts		(462,702,709)	(377,214,213)
Dividends and interest expenses paid		(12,235,408)	(18,557,985)
Other cash outflows from financing activities		(1,324,714)	(895,415)
Net cash inflow/(outflow) from financing activities		55,082,639	(15,362,296)
Net increase in cash and cash equivalents			
Cash and cash equivalents at the beginning of the year		106,017,477	99,577,734
Effect of exchange rate changes on cash and cash equivalents		(617,481)	245,088
Cash and cash equivalents at the end of the year	51	109,527,379	106,017,477

The accompanying notes form an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

(Expressed in thousands of Renminbi, unless otherwise stated)

1 CORPORATE INFORMATION

CITIC Securities Company Limited (the “**Company**”) was established in Beijing, the People’s Republic of China (the “**PRC**” or “Chinese Mainland”, which excludes for the purpose of the financial statements, the Hong Kong Special Administrative Region of the PRC or “Hong Kong”, the Macau Special Administrative Region of the PRC or “Macau”, and Taiwan (China)) on 25 October 1995. Pursuant to the approval by the China Securities Regulatory Commission (the “**CSRC**”), the Company was restructured as a joint stock limited company in 1999. The unified social credit code of the Company for its business license is 914403001017814402. The Company’s common stock was listed on the Shanghai Stock Exchange in 2003 and listed on The Stock Exchange of Hong Kong Limited in 2011. The registered office of the Company is located at North Tower, Excellence Times Plaza II, No. 8 Zhongxin San Road, Futian District, Shenzhen, Guangdong Province, the PRC.

The Company and its subsidiaries (collectively referred to as the “**Group**”) conduct the following principal activities:

- Securities and futures brokerage;
- Securities investment fund distribution and introducing brokerage business for futures companies;
- Agency sale of financial products;
- Securities underwriting and sponsorship;
- Investment advisory and consultancy services;
- Proprietary securities activities;
- Asset management and fund management;
- Margin financing and securities lending;
- Stock option market-making; and
- Market making trading of listed securities.

2 BASIS OF PREPARATION

2.1 Basis of Preparation

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards, as issued by the International Accounting Standards Board (“IASB”). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance (Cap. 622) for this financial year and the comparative period.

The consolidated financial statements have been prepared under the historical cost convention, except for certain financial instruments and warehouse receipts that are measured at fair value, as explained in the accounting policies set out below. These financial statements are presented in RMB and all values are rounded to the nearest thousand except when otherwise indicated.

2.2 Change in accounting policy

Considering the practical guidance issued by the relevant regulatory authority, the Group made a change in accounting policy related to physical settlement of contracts to buy or sell bulk commodities that fail the own-use exception. For transactions where the Group frequently sign contracts for buying and selling warehouse receipts in futures trading venues to earn price differences and do not take physical goods corresponding to warehouse receipts, revenue and cost were previously recognised on a gross basis. These are now recognised as investment income based on the difference between the consideration received and the carrying amount of the warehouse receipts sold. For warehouse receipts obtained under the aforementioned contractual arrangements, the Group has elected, upon initial recognition, to measure them at fair value through profit or loss, with changes in fair value recognised in profit or loss for the current period. This accounting policy is applied consistently to all warehouse receipts that meet the selection criteria. Effective on 1 January 2025, the impact of this change in accounting policy has been applied retrospectively, and comparative figures have been adjusted accordingly, which has no material impact on the Group's results of the statement of financial position and the statement of profit or loss of comparative period. Summary of impacts on other accounts is as follows:

	The Group		
	As previously reported	Adjustments	As restated
Income from bulk commodity trading and other income/gains	10,397,330	(5,760,577)	4,636,753
Cost from bulk commodity trading and other operating expenses and costs	13,475,572	(5,537,716)	7,937,856
Investment income	26,345,042	90,365	26,435,407
Impairment losses on other assets	153,472	(132,496)	20,976

2 BASIS OF PREPARATION (Continued)

2.3 Amendments to the accounting standards effective in 2025 and adopted by the Group

The Group has adopted the following amendments to the IFRSs issued by the IASB that are first effective for the financial year ended 31 December 2025:

Amendments to IAS 21: Lack of exchangeability

The amendments specify when a currency is exchangeable into another currency and when it is not, and how an entity determines a spot rate when a currency lacks exchangeability. Under the amendments, entities are required to provide additional disclosures to help users evaluate how a currency's lack of exchangeability affects, or is expected to affect, its financial performance, financial position and cash flows. The adoption of these amendments does not have a significant impact on the financial information of the Group.

2.4 Standards and amendments relevant to the Group that are not yet effective and have not been adopted before their effective dates in 2025

		Effective for annual periods beginning on or after
Amendments to IFRS 7 and IFRS 9	Classification and Measurement of Financial Instruments	1 January 2026
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	The effective date has been deferred indefinitely, but early application is permitted.

(1) Amendments to IFRS 7 and IFRS 9: *Classification and Measurement of Financial Instruments*

The amendments include requirements on: (i) classification of financial assets with environmental, social or governance (“ESG”) targets and similar features; (ii) settlement of financial liabilities through electronic payment systems; and (iii) disclosures regarding investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent feature. The Group anticipates that the adoption of the amendments will not have a significant impact on the Group’s consolidated financial statements.

2 BASIS OF PREPARATION (Continued)

2.4 Standards and amendments relevant to the Group that are not yet effective and have not been adopted before their effective dates in 2025 (Continued)

(2) IFRS 18: *Presentation and Disclosure in Financial Statements*

IFRS 18 will replace IAS 1 and introduce the following key new requirements: (i) entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change; (ii) management-defined performance measures are disclosed in a single note in the financial statements; (iii) enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method. The Group is still in the process of assessing the impact of the new accounting standard, particularly with respect to the structure of the Group's statement of profit or loss, the statement of cash flows and the additional disclosures.

(3) IFRS 19: *Subsidiaries without Public Accountability: Disclosures*

IFRS 19 allows subsidiaries that does not have public accountability and has a parent that produces consolidated accounts under IFRS Accounting Standards can reduce their disclosures. The Group anticipates that the adoption of the amendments will not have a significant impact on the Group's consolidated financial statements.

(4) Amendments to IFRS 10 and IAS 28: *Sale or Contribution of Assets between An Investor and Its Associate or Joint Venture*

These amendments address an inconsistency between IFRS 10 and IAS 28 in the sale and contribution of assets between an investor and its associate or joint venture. A full gain or loss is recognised when a transaction involves a business. A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if those assets are in a subsidiary. The Group anticipates that the adoption of these amendments will not have a significant impact on the Group's consolidated financial statements.

3 MATERIAL ACCOUNTING POLICIES

(1) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries for the year ended 31 December 2025. The financial statements of the subsidiaries are prepared for the same reporting period as the Company (also referred to as the “**Parent**”), using consistent accounting policies.

The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated on consolidation in full.

Total comprehensive income within a subsidiary is attributed to the non-controlling interest even if that results in a deficit balance. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- derecognises the assets (including goodwill) and liabilities of the subsidiary;
- derecognises the carrying amount of any non-controlling interest;
- derecognises the cumulative translation differences recorded in equity;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any resulting surplus or deficit in profit or loss; and
- reclassifies the Group’s share of components previously recognised in other comprehensive income (“**OCI**”) to profit or loss.

Non-controlling interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group and are presented separately in the consolidated statement of profit or loss and within equity in the consolidated statement of financial position separately from the equity attributable to Owners of the Parent. An acquisition of noncontrolling interests is accounted for as an equity transaction.

3 MATERIAL ACCOUNTING POLICIES (Continued)

(2) Cash and cash equivalents

Cash and cash equivalents are short term, highly liquid assets, which are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value. Cash and cash equivalents include cash and assets with original maturity of three months or less under cash and bank balances.

(3) Foreign currency transactions and foreign currency translation

The financial statements are presented in RMB, which is the Company's functional and presentation currency. The recording currency of the Company's subsidiaries is determined based on the primary economic environment in which they operate.

Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the prevailing functional currency exchange rates at the end of the reporting period. All differences are taken to the statement of profit or loss. Non-monetary items denominated in foreign currencies that are measured at historical costs are translated at the balance sheet date using the spot exchange rates at the date of the transactions.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's overseas operations are translated into the presentation currency of the Group at the rate of exchange prevailing at the end of the reporting period, and their income and expenses are translated at exchange rates that approximate the exchange rates of the date of the transaction. The exchange differences resulting from foreign currency financial statement translation of subsidiaries are recognised in OCI and accumulated in the foreign exchange translation reserve. The cash flows of overseas operations are translated at the spot exchange rates on the dates of the cash flows.

The effect of exchange rate changes on cash is presented separately in the cash flow statement.

(4) Financial instruments

(a) Initial recognition, classification and measurement of financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset.

At initial recognition, the Group measures a financial asset or financial liability at its fair value, in the case of a financial asset or financial liability not at fair value through profit or loss, plus or minus transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs of financial assets and financial liabilities carried at fair value through profit or loss are expensed in profit or loss.

3 MATERIAL ACCOUNTING POLICIES (Continued)

(4) Financial instruments (Continued)

(a) Initial recognition, classification and measurement of financial instruments (Continued)

Financial assets

Financial assets are classified on the basis of the Group's business model for managing the asset and the cash flow characteristics of the assets:

- (i) Amortised cost;
- (ii) Fair value through other comprehensive income ("**FVOCI**"); or
- (iii) Fair value through profit or loss ("**FVPL**").

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Business model reflects how the Group manages the assets in order to generate cash flows. That is, whether the Group's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of "other" business model and measured at FVPL. Factors considered by the Group in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Group assesses whether the financial instruments' cash flows represent solely payments of principal and interest ("**SPPI**"). In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic lending arrangement. i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determine whether their cash flows are SPPI.

The classification requirements for debt instruments and equity instruments are described as below:

3 MATERIAL ACCOUNTING POLICIES (Continued)

(4) Financial instruments (Continued)

(a) Initial recognition, classification and measurement of financial instruments (Continued)

Debt Instruments

Debt instruments are those instruments that meet the definition of a financial liability from the issuer's perspective. Classification and subsequent measurement of debt instruments depend on: (i) the Group's business model for managing the asset; and (ii) the cash flow characteristics of asset.

Based on these factors, the Group classifies its debt instruments into one of the following three measurement categories:

- (i) Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent SPPI, and that are not designated at FVPL, are measured at amortised cost.
- (ii) FVOCI: Financial assets that are held for collection of contractual cash flows and for selling the assets, where the assets' cash flows represent SPPI, and that are not designated at FVPL, are measured at FVOCI.
- (iii) FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL.

The Group may also irrevocably designate financial assets at FVPL if doing so significantly reduces or eliminates a mismatch created by assets and liabilities being measured on different bases.

Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets. Examples of equity instruments include basic ordinary shares.

The Group subsequently measures all equity investments at FVPL, except where the Group's management has elected, at initial recognition, to irrevocably designate an equity investment at FVOCI.

Financial liabilities

Financial liabilities are classified as subsequently measured at amortised cost, except for financial liabilities at FVPL, which is applied to derivatives, financial liabilities held for trading (e.g. short positions in the trading books) and other financial liabilities designated as such at initial recognition.

Contingent consideration recognised by an acquirer in a business combination to which IFRS 3 applies. Such contingent consideration shall subsequently be measured at fair value with changes recognised in profit or loss.

3 MATERIAL ACCOUNTING POLICIES (Continued)

(4) Financial instruments (Continued)

(a) Initial recognition, classification and measurement of financial instruments (Continued)

Financial liabilities (Continued)

An entity may, at initial recognition, irrevocably designate a financial liability as measured at fair value through profit or loss: (i) it eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as 'an accounting mismatch'); (ii) a group of financial liabilities or financial assets and financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the Group is provided internally on that basis to the entity's key management personnel.

(b) Reclassification of financial assets

When the Group changes the business model for managing its financial assets, it shall reclassify all affected financial assets, and apply the reclassification prospectively from the reclassification date. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest. Reclassification date is the first day of the first reporting period following the change in business model that results in an entity reclassifying financial assets.

(c) Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The fair values of quoted financial assets and financial liabilities in active markets are based on quoted market prices. If there is no active market, the Group establishes fair value by using valuation techniques. These include the use of market approach, income approach and cost approach. When using valuation techniques, the Group uses observable inputs. The application of valuation techniques includes the use of observable input values and/or unobservable input values, and priority is given to using relevant observable input values whenever possible.

Default Valuation Adjustments are applied to the Group's financial liabilities at fair value through profit or loss, and assumes that Default Valuation Adjustments stay the same before and after the transfer of the liability. Default Valuation Adjustments refer to risk that enterprises fail to perform the obligation, including but not limited to their own credit risk.

3 MATERIAL ACCOUNTING POLICIES (Continued)

(4) Financial instruments (Continued)

(c) Fair value of financial instruments (Continued)

The Group uses the following hierarchy for determining and disclosing the fair values of financial assets and financial liabilities based on the inputs used when determining the fair value:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Valuation technique using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Valuation technique using inputs for the asset or liability that is not based on observable market data (unobservable inputs).

The level of fair value measurement depends on the lowest level of input that is significant to the entire fair value measurement.

(d) Subsequent measurement of financial instruments

Subsequent measurement of financial instruments depends on the categories:

Financial assets and financial liabilities at amortised cost

The amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition: (i) minus the principal repayments; (ii) plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount; and (iii) for financial assets, adjusted for any loss allowance. Interest income from these financial assets is included in "Interest income" using the effective interest rate method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset (i.e. its amortised cost before any impairment allowance) or to the amortised cost of a financial liability. The calculation does not consider expected credit losses ("**ECL**") and includes transaction costs, premiums or discounts and fees and points paid or received that are integral to the effective interest rate. For purchased or originated credit-impaired ("**POCI**") financial assets, the Group calculates the credit-adjusted effective interest rate, which is calculated based on the amortised cost of the financial asset instead of its gross carrying amount and incorporates the impact of expected credit losses in estimated future cash flows.

3 MATERIAL ACCOUNTING POLICIES (Continued)

(4) Financial instruments (Continued)

(d) Subsequent measurement of financial instruments (Continued)

Financial assets and financial liabilities at amortised cost (Continued)

When the Group revises the estimates of future cash flows, the carrying amount of the respective financial asset or financial liability is adjusted to reflect the new estimate discounted using the original effective interest rate. Any changes are recognised in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of financial assets and is included in "Interest income", except for: (i) POCI financial assets, whose interest income is calculated, since initial recognition, by applying the credit-adjusted effective interest rate to their amortised cost; and (ii) financial assets that are not POCI but have subsequently become credit-impaired, whose interest income is calculated by applying the effective interest rate to their amortised cost (i.e. net of the expected credit loss allowance). If, in a subsequent period, the financial assets improve their qualities so that they are no longer credit-impaired and the improvement in credit quality is related objectively to a certain event occurring after the application of the above-mentioned rules, then the interest income is calculated by applying the effective interest rate to their gross carrying amount.

Financial assets at fair value through other comprehensive income

Debt instruments

Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses and interest revenue on the instrument's amortised cost which are recognised in profit or loss. Interest income from these financial assets is included in "interest income" using the effective interest rate method. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in "Investment income".

Equity instruments

The equity instrument investments that are held for purposes other than to generate investment returns are designated as FVOCI. When this election is used, fair value gains and losses are recognised in OCI and are not subsequently reclassified to profit or loss, including on disposal. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, when representing a return on such investments, continue to be recognised in profit or loss as investment income when: (i) the Group's right to receive payments is established, (ii) it is probable that future economic benefits associated with the item will flow to the Group, and (iii) the amounts of the dividends can be measured reliably.

3 MATERIAL ACCOUNTING POLICIES (Continued)

(4) Financial instruments (Continued)

(d) Subsequent measurement of financial instruments (Continued)

Financial assets at fair value through profit or loss

Debt instruments

A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented in the profit or loss statement within "Investment income" in the period in which it arises.

Equity instruments

Gains and losses on equity investments at FVPL are included in the "Investment income" line in the statement of profit or loss.

Financial liabilities at fair value through profit or loss

Financial liabilities at FVPL are measured at fair value with all gains or losses recognised in profit or loss of the current period, except for financial liabilities designated as at fair value through profit or loss, where gains or losses on the financial liabilities are treated as follows:

- (i) changes in fair value of such financial liabilities due to changes in the Group's own credit risk are recognised in other comprehensive income; and
- (ii) other changes in fair value of such financial liabilities are recognised in profit or loss of the current period. If the accounting of changes in the credit risk of the financial liabilities in accordance with (i) will create or enlarge accounting mismatches in profit or loss, the Group recognises all gains or losses on such financial liabilities (including amounts arising from changes in its own credit risk) in the profit or loss of the current period.

When financial liabilities designated as at FVPL are derecognised, fair value gains and losses are subsequently reclassified from other comprehensive income to retained earnings.

(e) Impairment of financial instruments

The Group assesses on a forward-looking basis the ECL associated with its debt instrument assets carried at amortised cost and FVOCI.

ECL is the weighted average of credit losses with the respective risks of a default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for POCI financial assets).

3 MATERIAL ACCOUNTING POLICIES (Continued)

(4) Financial instruments (Continued)

(e) Impairment of financial instruments (Continued)

The Group measures the ECL of a financial instrument reflects:

- (i) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- (ii) the time value of money; and
- (iii) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

For financial instruments whose impairment losses are measured using the ECL model, the Group assesses whether their credit risk has increased significantly since their initial recognition, and applies a three-stage impairment model to calculate their impairment allowance and recognise their ECL, as follows:

- Stage I: The Group measures the loss allowance for a financial instrument at an amount equal to the next 12 months ECL if the credit risk of that financial instrument has not increased significantly since initial recognition.
- Stage II: The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime ECL if the credit risk of that financial instrument has increased significantly since initial recognition, but is not yet deemed to be credit-impaired.
- Stage III: The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime ECL if the financial instrument is credit-impaired.

The Group applies the impairment requirements for the recognition and measurement of loss allowance for debt instruments that are measured at FVOCI. The loss allowance is recognised in OCI and the impairment loss is recognised in profit or loss, and it should not reduce the carrying amount of the financial asset in the statement of financial position.

The Group has measured the loss allowance for a financial instrument at an amount equal to the lifetime ECL in the previous reporting period, but determines to measure it at an amount equal to the next 12 months ECL at the current reporting date since the credit risk of that financial instrument has increased significantly since initial recognition is no longer met, and the amount of ECL reversal is recognised in profit or loss, excluding POCI financial assets.

The inputs, assumptions and estimation techniques the Group used in ECL models for its debt instrument assets carried at amortised cost and FVOCI refer to Note 57.1.

3 MATERIAL ACCOUNTING POLICIES (Continued)

(4) Financial instruments (Continued)

(f) Derecognition of financial instruments

A financial asset is derecognised, when one of the following criteria is satisfied:

- (i) the contractual rights to receive cash flows from the assets have expired; or
- (ii) the Group has transferred its rights to receive cash flows from the asset; or has assumed an obligation to pay them in full without material delay to a third party under a “pass-through” arrangement; and (a) the Group has transferred substantially all the risks and rewards of ownership of the financial asset; or (b) the Group has neither transferred nor retained substantially all the risks and rewards of ownership of the financial asset, but not retain control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability.

When the Group has made substantial modifications to a part of the contract terms of an existing financial liability, the relevant portion of the existing financial liability is derecognised, while the financial liability under modified terms is recognised as a new financial liability.

On derecognition of a financial liability in its entirety or partially, the difference between the carrying amount and the consideration paid (including non-cash assets transferred or new financial liabilities assumed) shall be recognised in profit or loss.

If the Group repurchases a part of a financial liability, the Group shall allocate the previous carrying amount of the financial liability between the part that continues to be recognised and the part that is derecognised based on the relative fair values of those parts on the date of the repurchase. The difference between the carrying amount allocated to the part derecognised and the consideration paid (including any non-cash assets transferred or liabilities assumed) for the part derecognised shall be recognised in profit or loss.

3 MATERIAL ACCOUNTING POLICIES (Continued)

(5) Derivative financial instruments and hedge accounting

Derivative financial instruments

The Group uses derivatives, such as foreign currency contracts, interest rate swaps, contracts of stock index and contracts for difference to economically hedge its foreign currency risk, interest rate risk and stock price risk, respectively. Derivatives financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and valuation techniques, including the discounted cash flow analysis and option pricing models, as appropriate. Credit Valuation Adjustments (CVA) and Debit Valuation Adjustments (DVA) are applied to the Group's over-the-counter derivatives to reflect the credit risk of the counterparties and the Group itself, respectively.

Hedge accounting

At the inception of a hedging relationship, the Group formally designates the hedge instruments and the hedged items, and documents the hedging relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the hedging instrument's effectiveness in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to meet the hedge effectiveness in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to analyse the sources of hedge ineffectiveness which are expected to affect the hedging relationship in remaining hedging period. If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio, but the risk management objective for that designated hedging relationship remains the same, the Group would rebalance the hedging relationship.

The Group designates such hedged items as debt securities issued with floating interest that expose the Group to the risk of variability of its cash flows.

Certain derivative transactions, while providing effective economic hedges under the Group's risk management positions, do not qualify for hedge accounting and are therefore treated as derivatives held for trading with fair value gains or losses recognised in profit or loss. Hedges which meet the strict criteria for hedge accounting are accounted for in accordance with the Group's accounting policy as set out below.

3 MATERIAL ACCOUNTING POLICIES (Continued)

(5) Derivative financial instruments and hedge accounting (Continued)

Fair value hedges

Fair value hedges are hedges of the Group's exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment, or an identified portion of such an asset, liability or unrecognised firm commitment, that is attributable to a particular risk and could affect the profit or loss or other comprehensive income. Among them, the circumstances affecting other comprehensive income are limited to the hedging for the risk exposure from fair value change of non-trading equity investment designated as at FVOCI. For fair value hedges, the carrying amount of the hedged item is adjusted for gains and losses attributable to the risk being hedged, the derivative is remeasured at fair value and the gains and losses from both are taken to profit or loss or other comprehensive income. For hedged items recorded at amortised cost, the difference between the carrying value of the hedged item and the face value is amortised over the remaining term of the original hedge using the effective interest rate method.

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit or loss. The changes in the fair value of the hedging instrument are also recognised in profit or loss.

The Group discontinues fair value hedge accounting when the hedging relationship ceases to meet the qualifying criteria after taking into account any rebalancing of the hedging relationship, including the hedging instrument has expired or has been sold, terminated or exercised. If the hedged items are derecognised, the unamortised fair value is recorded in profit or loss.

(6) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when there is a current legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

(7) Margin financing and securities lending services

Margin financing and securities lending services refer to the lending of funds by the Group to customers for purchase of securities, or lending of securities by the Group to customers, for which the customers provide the Group with collateral.

The Group recognises margin accounts at initial recognition, and recognises interest income accordingly. Securities lent are not derecognised, but still accounted for as the original financial assets, and interest income is recognised accordingly.

Securities trading on behalf of margin financing or securities lending customers are accounted for as securities brokerage business.

3 MATERIAL ACCOUNTING POLICIES (Continued)

(8) Reverse repurchase agreements and repurchase agreements

Financial assets transferred as collateral in connection with repurchase agreements, involving fixed repurchase dates and prices, are not derecognised. They continue to be recorded as original financial assets before transferred. The corresponding liability is included in repurchase agreements.

Consideration paid for financial assets held under agreements to resell are recorded as reverse repurchase agreements, the related collateral accepted is not recognised in the consolidated financial statements.

The difference between the purchase and resale consideration, and that between the sale and repurchase consideration, is amortised over the period of the respective transaction using the effective interest method and is recognised through interest income or expenses.

For impairment of reverse repurchase agreements, refer to Note 3(4)(e) and Note 4(3).

(9) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. When the Group assesses whether it has power over an investee, the Group's voting rights or potential voting rights and other contractual arrangements are considered.

(10) Associates

Associates are all entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The Group's investments in associates are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. The Group's share of the post-acquisition results and reserves of associates is included in the consolidated statement of profit or loss and consolidated reserves, respectively. Unrealised gains and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's investments in the associates.

3 MATERIAL ACCOUNTING POLICIES (Continued)

(11) Joint ventures

Joint ventures are all entities over which the Group has joint control. Joint control, is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investments in joint ventures are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. The Group's share of post-acquisition results and reserves of joint ventures is included in the consolidated statement of profit or loss and reserves, respectively. Unrealised gains and losses resulting from transactions between the Group and its joint ventures are eliminated to the extent of the Group's investments in the joint ventures.

(12) Investment properties

Investment properties comprise real estate properties for the purpose of earning rental income and/or for capital appreciation, including buildings that have been leased out. Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance are expensed as incurred.

The Group's investment properties are accounted for using cost model. The initial recognition and subsequent measurement of buildings and properties that are leased out are accounted for using the same measurement and depreciation methods as those for property, plant and equipment.

When an investment property is transferred to owner-occupied property, it is reclassified to property, plant and equipment with the carrying amount determined at the carrying amount of the investment property at the date of the transfer. When an owner-occupied property is transferred out for earning rentals or for capital appreciation, the property, plant and equipment is transferred to investment properties with the carrying amount determined at the carrying amount at the date of the transfer.

An investment property shall be derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. When an investment property is sold, transferred, retired or damaged, the Group recognises the amount of any proceeds on disposal, net of the carrying amount and related expenses, in the consolidated statement of profit or loss.

3 MATERIAL ACCOUNTING POLICIES (Continued)

(13) Property, plant and equipment

(a) **Recognition criteria for property, plant and equipment**

Property, plant and equipment comprise properties and buildings, transportation vehicles and electronic devices that the Group expects to use for more than one year and other tangible assets that are expected to be used for more than one year and the unit costs of which are greater than RMB2,000.

(b) **Property, plant and equipment initially measured at cost**

Cost of an item of purchased property, plant and equipment comprises purchase price, tax and any costs directly attributable to bringing the asset to the condition necessary for its intended use and it includes transportation costs, installation and assembly costs, and professional service fees. The cost of a self-constructed asset comprises all costs incurred before the asset is ready for its intended use.

Subsequent expenditure incurred for the property and equipment is included in the cost of the property and equipment if it is probable that economic benefits associated with the asset will flow to the Group and the subsequent expenditure can be measured reliably, while the carrying amount of the replaced part is derecognised. Other subsequent expenditure is recognised in the consolidated income statement in the period in which they are incurred.

Depreciation of property, plant and equipment is calculated on the straight-line basis.

Estimated useful life, depreciation rate and estimated residual value of each item of property, plant and equipment which are required by the operation of the Group are as follows:

Types of property, plant and equipment	Estimated useful lives	Monthly depreciation rate	Estimated residual value rate
Properties and buildings	35 years	2.262‰	5%
Electronic devices	2–5 years	1.667%–4.167%	—
Transportation vehicles			
— Leased out	(i)	(i)	(i)
— Others	5 years	1.617%	3%
Communication equipment	5 years	1.617%	3%
Office equipment	3 years	2.778%	—
Security equipment	5 years	1.617%	3%
Others	5 years	1.617%	3%

3 MATERIAL ACCOUNTING POLICIES (Continued)

(13) Property, plant and equipment (Continued)

(b) Property, plant and equipment initially measured at cost (Continued)

- (i) Transportation vehicles that are leased out under operating lease represent aircraft and cargo vessel. The Group determines the useful lives and depreciation method according to conditions of aircraft and cargo vessel. Among transportation vehicles, the estimated useful lives of cargo vessel is 20 years, and the estimated residual value is determined based on the expected residual value; the estimated useful lives of aircraft is 14.25–15.75 years and the estimated residual value rate is 5% of its original cost.

The years that property, plant and equipment were already in use upon purchase were excluded when determining the estimated useful lives of these types of property, plant and equipment. The estimated useful lives, the estimated residual value rate and the depreciation method of each type of property, plant and equipment are reviewed, and adjusted if appropriate, at each financial year end. Gains and losses on disposal of property, plant and equipment, the costs of disposal and taxes in connection with such disposal are considered in the determination of the estimated residual value rate.

(c) Impairment of property, plant and equipment

The Group assesses whether there is any indication that assets are impaired at each financial reporting date. When any such indication exists, the Group estimates the recoverable amount. When recoverable amounts of assets are lower than carrying amounts, the Group decreases the carrying amount to recoverable amount, the decreased amount recognised in the consolidated income statement.

An impairment loss recognised for property, plant and equipment is not reversed in subsequent periods.

(d) Disposal of property, plant and equipment

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from its continued use. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised through profit or loss.

(e) Construction in progress

Costs of construction in progress are determined based on the actual expenditure incurred which include all necessary expenditure incurred during the construction period, borrowing costs eligible for capitalisation and other costs incurred to bring the asset to its intended use.

Items classified as construction in progress are transferred to property, plant and equipment when such assets are ready for their intended use.

3 MATERIAL ACCOUNTING POLICIES (Continued)

(14) Land-use rights and intangible assets

(a) Land-use rights

Land-use rights acquired by the Group are amortised over the period that is confirmed by the land use permit.

(b) Intangible assets

Intangible assets are recognised only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item shall be measured reliably, and measured initially at cost. Intangible assets acquired from business combination and their fair value can be measured reliably are recognised as intangible assets individually and measured at their fair value as at date of combination.

Useful lives of intangible assets are determined as the period that the assets are expected to generate economic benefits for the Group, and when there is no foreseeable limit on the period of time over which the asset is expected to generate economic benefits for the Group, the intangible assets are regarded as having indefinite useful life.

Intangible assets with finite useful lives shall be amortised on a straight-line basis over the useful period. The useful lives and amortisation method of the intangible assets with finite useful lives shall be reviewed by the Group at least at each financial year end, and adjusted as appropriate. The residual value of an intangible asset with a finite useful life shall be assumed to be zero unless there is a commitment by a third party to purchase the asset at the end of its useful life, or there is an active market for the asset, where residual value can be determined by reference to that market; and it is probable that such a market will exist at the end of the asset's useful life. Impairment for intangible assets not readily for use is also assessed annually.

Software acquired from third party shall be amortised over 5 years. The self-developed software, patents, non-patents, trademarks, customer relationships and other intangible assets shall be amortised over their useful lives.

Intangible assets with indefinite useful lives need to be assessed for impairment no matter if there is any impairment evidence. These assets need not to be amortised, and their useful lives shall be reviewed each reporting date. If there is any evidence to support that the useful lives are definite, these intangible assets shall apply the policies of intangible assets with definite useful lives.

3 MATERIAL ACCOUNTING POLICIES (Continued)

(14) Land-use rights and intangible assets (Continued)

(b) Intangible assets (Continued)

Internal research and development expenses are classified as research phase expense and development phase expenses. Expenditure on research phase of an internal project shall be recognised as an expense when it is incurred. Development phase expense can be capitalised only an entity can demonstrate all of the following:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete the intangible asset and use or sell it;
- its ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits. Among other things, the entity can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- its ability to measure reliably the expenditure attributable to the intangible asset during its development.

The development phase expenses that do not meet the above conditions shall be recognised in profit or loss when incurred.

(15) Revenue

Revenue is recognised when control over a service is transferred to the customer at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties.

Where the contract contains a variable consideration, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the promised services to a customer and includes in the transaction price some or all of the variable consideration estimated, such that revenue is only recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

3 MATERIAL ACCOUNTING POLICIES (Continued)

(15) Revenue (Continued)

Where the contract contains a financing component which provides a significant financing benefit to the customer for more than 12 months, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction with the customer, and interest income is accrued separately under the effective interest method. Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognised under that contract includes the interest expense accreted on the contract liability under the effective interest method. The Group takes advantage of the practical expedient of IFRS 15 and does not adjust the consideration for any effects of a significant financing component if the period of financing is 12 months or less.

Further details of the Group's revenue and other income recognition policies are as follows:

- Revenue from the securities brokerage services is recognised on the date of the securities transaction.
- Revenue from asset management services is recognised when management services are provided in accordance with the asset management contract.
- Revenue from underwriting services is recognised when the outcome of the service transaction can be reliably estimated and reasonably confirmed, which is generally recognised when the Group has fulfilled its obligations under the underwriting contract.
- Depending on contract terms, sponsor revenue is recognised either over the course of the Group's performance of its obligations, or at a point in time when the service is completed.
- Dividend income is recognised when the Group's right to receive payment has been established.

When the Group recognises revenue in accordance with the progress of completed services, the part of unconditional receivables that the Group has acquired will be recognised as accounts receivables, and the rest will be recognised as contract assets. The Group identifies loss allowance on the basis of expected credit losses for accounts receivable and contractual assets; if the Group's received consideration or receivable consideration exceed the completed services, the excess part will be recognised as contractual liabilities. The Group's contractual assets and liabilities under the same contract are shown in net.

Interest income of debt investments at amortised costs and FVOCI, is measured by amortised cost and effective interest rate; excluding financial assets credit impaired are measured by amortised cost and credit-adjusted effective interest rate. The net gains of holding period from financial investments at FVTPL is measured as "Investment income".

3 MATERIAL ACCOUNTING POLICIES (Continued)

(16) Income tax

Income tax comprises current tax and deferred income tax. Current tax is the amount of current income tax payable calculated based on current taxable income. Taxable income is calculated based on the adjustment to the current year pre-tax accounting profit according to the applicable tax laws.

For current income tax liabilities or current income tax assets generated from the current and prior periods, the expected income tax payable or the income tax deduction is calculated according to the applicable tax laws.

The Group measures deferred income tax using balance sheet liability method according to the temporary differences between the carrying amount of an asset or liability at the end of the reporting period and its tax base, and the temporary difference between the carrying amount of an item not recognised as an asset or liability at the end of the reporting period and its tax base.

All taxable temporary differences are recognised as deferred income tax liabilities, except:

- (i) The deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable income or deductible expenses; and
- (ii) In respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not be reversed in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, unused tax credits carried forward and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences, unused tax credits carried forward and unused tax losses can be utilised, except that deferred income tax asset relating to deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable income or deductible expenses.

Deferred income tax assets and deferred income tax liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each reporting period and reflect the corresponding tax effect.

3 MATERIAL ACCOUNTING POLICIES (Continued)

(16) Income tax (Continued)

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred income tax asset to be utilised. When it is virtually probable that sufficient taxable income will be available, the reduced amount can be reversed accordingly.

(17) Employee compensation

Employee compensation refers to all forms of consideration and other related expenditure given or incurred by the Group in exchange for services rendered by employees. The benefits payable are recognised as liabilities during the period in which the employees have rendered the services to the Group.

In accordance with the applicable laws and regulations, Chinese Mainland employees of the Group participate in various social insurance schemes including basic pension insurance, medical insurance, unemployment insurance and housing fund schemes administered by the local government authorities. Contributions to these schemes are recognised in profit or loss as incurred.

All eligible employees outside Chinese Mainland participate in the respective local defined contribution schemes. The Group contributes to these defined contribution schemes based on the requirements of the local regulatory bodies. The Group and its employees pay corporate annuities in accordance with the relevant PRC regulations.

(18) Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all the attaching conditions will be complied with. Where the Group receives grants of monetary assets, the grants are recorded at the amount received or receivable. Where the Group receives grants of nonmonetary assets, the grants are recorded at the fair value of the non-monetary assets. When fair value cannot be reliably measured, they are recognised at nominal amount.

Government grants for purchasing, building or other development of long-term assets regulated in government documents are recognised as government grants related to assets. Judgments should be made based on the necessary basic conditions for obtaining the government grants when government documents are unclearly stated. Government grants with purchasing, building or other development of long-term assets as basic condition are recognised as government grants related to assets, and the remaining type of grants are recognised as related to income.

Government grants related to income which are to compensate relevant expenditures or losses in future periods are recognised as deferred income and released to profit or loss during the period when the expense is incurred. Government grants that are to compensate the incurred expenses or losses are recognised into profit or loss directly. Government grants related to assets are recognised as deferred income, and released to profit or loss over the expected useful life of the relevant assets by equal annual instalments. Government grants measured at nominal amount are recorded into profit or loss directly.

3 MATERIAL ACCOUNTING POLICIES (Continued)

(19) Leases

As a lessor

Lease income from operating leases is recognised in income on a straight-line basis over the period of the lease.

As a lessee

(a) Initial measurement of the right-of-use asset and lease liability

Initial measurement of the right-of-use asset

The right-of-use asset is defined as the right of underlying assets in the lease term for the Group as a lessee. The lease term is defined as the non-cancellable period of the lease for the Group as a lessee.

At the commencement date, a lessee shall measure the right-of-use asset at cost. The cost of the right-of-use asset shall comprise:

- (i) the amount of the initial measurement of the lease liability;
- (ii) any lease payments made at or before the commencement date, less any lease incentives received;
- (iii) any initial direct costs incurred by the lessee; and
- (iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Initial direct costs are defined as incremental costs that would not have been incurred if a lease had not been obtained.

Initial measurement of the lease liability

At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date.

The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

3 MATERIAL ACCOUNTING POLICIES (Continued)

(19) Leases (Continued)

(a) Initial measurement of the right-of-use asset and lease liability (Continued)

Initial measurement of the lease liability (Continued)

The lessee uses as the discount rate the interest rate implicit in the lease — this is the rate of interest that causes the present value of lease payments and the unguaranteed residual value to equal the sum of the fair value of the underlying asset and any initial direct costs of the lessor.

The incremental borrowing rate is defined as the rate of interest that a lessee would have to pay to borrow, over a similar term and with a similar security, the funds necessary to obtain an asset of a similar value to the cost of the right-of-use asset in a similar economic environment.

(b) Subsequent measurement of the right-of-use asset and lease liability

Subsequent measurement of the right-of-use asset

At the commencement date, the Group as a lessee shall measure the right-of-use asset at cost and apply the depreciation requirements in IAS 16 *Property, Plant and Equipment* in depreciating the right-of-use asset. If the lease transfers ownership of the underlying asset to the lessee by the end of the lease term, the lessee shall depreciate the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the lessee shall depreciate the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. When the recoverable amount is less than the book value of the right-to-use assets, the Group shall write down its book value to the recoverable amount.

Subsequent measurement of the lease liability

After the commencement date, the Group shall recognise interest on the lease liability in profit or loss. Interest on the lease liability in each period during the lease term shall be the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability.

(c) Recognition of short-term leases and leases for which the underlying asset is of low value

Short-term leases are defined as leases with a lease term of less than 12 months from the commencement date. Leases for which the underlying asset is of low value are defined as underlying assets of low value when new. The right-of-use asset and lease liability are not recognised by the Group for short-term leases and leases for which the underlying asset is of low value. The lessee shall recognise the lease payments associated with those leases as an expense.

3 MATERIAL ACCOUNTING POLICIES (Continued)

(20) Inventory and warehouse receipts designated at fair value through profit or loss

In accordance with financial instruments recognition and measurement standards, the Group accounts for contracts involving the frequent purchase and sale of warehouse receipts in futures markets, entered for the purpose of earning price differentials without taking delivery of the underlying commodities, as financial instruments. Gains or losses arising from the resale of such warehouse receipts are recognised in investment income based on the difference between the consideration received and their carrying amounts, while unsold balances at the end of the reporting period are presented as other current assets. Where this treatment eliminates or significantly reduces an accounting mismatch, the Group may, at initial recognition, designate such warehouse receipts at FVTPL, and such designation is applied consistently and is irrevocable.

Except for the circumstances described above, other inventories held by the Group are recognised at cost for initial recognition. The cost of inventories comprises all costs of purchase, costs of conversion and other costs. At the balance sheet date, inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion, the estimated costs necessary to make the sale and related taxes.

The Group adopts the perpetual inventory system.

(21) Impairment of goodwill

The Group assesses goodwill acquired from business combination, no matter there is objective evidence of impairment or not, impairment should be assessed at each annual financial reporting date.

The recoverable amount is the higher of an asset's fair value less costs of disposal and the present value of the estimated future cash flow expected to be derived from the asset. The Group estimates the recoverable amount on the basis of individual asset. When it is difficult to estimate the recoverable amount individually, the recoverable value of the cash generating units to which the asset belongs will be estimated. The recognition of a group of assets shall base on whether the main cash flow generated by the Group of assets is independent from those generated by other assets or groups of assets.

When recoverable amounts of assets or groups of assets are lower than their carrying amounts, the Group decreases their carrying amount to recoverable amount. The decreased amounts are recognised in profit or loss and corresponding allowances are made.

For impairment test of goodwill, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units when being unable to be allocated to each of the cash-generating units. Cash-generating units or groups of cash-generating units refer to those that can benefit from the synergies of the combination and are not larger than the reportable segment determined by the Group.

3 MATERIAL ACCOUNTING POLICIES (Continued)

(21) Impairment of goodwill (Continued)

When performing impairment test for the (groups of) cash-generating unit to which goodwill is allocated, the Group firstly tests the (groups of) cash-generating unit excluding goodwill, calculates the recoverable amount and recognises relevant impairment losses. The Group then tests the (groups of) cash-generating units including goodwill, and compares the carrying amount and recoverable amount. If the carrying amount exceeds the recoverable amount, the amount of impairment loss is firstly deducted from the carrying amount of goodwill allocated to the (groups of) cash-generating unit, and then from the carrying amount of each of other assets (other than goodwill) within the (groups of) cash-generating unit, on a pro rata basis. An impairment loss recognised for goodwill cannot be reversed in subsequent periods.

(22) Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close family member of that person and that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group; or
- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a); or
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

3 MATERIAL ACCOUNTING POLICIES (Continued)

(23) Provisions and contingencies

The obligation pertinent to contingencies shall be recognised as provisions when the following conditions are satisfied concurrently:

- (i) the obligation is a present obligation of the Group;
- (ii) the obligation is probable to cause a future outflow of resources from the Group as a result of performance of the obligation; and
- (iii) the amount of the obligation can be reliably measured.

The amount of a provision is initially measured in accordance with the best estimate of the necessary expenses for the performance of the current obligation. To determine the best estimate, the Group takes into full consideration of risks, uncertainty, time value of money and other factors pertinent to the contingencies. The Group reviews the book value of the provisions at the end of the reporting period. If there is substantial evidence that the amount of provisions cannot actually reflect the current best estimate, the Group will adjust the amount in accordance with the current best estimate.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or, a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

(24) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, and non-current assets are not depreciated or amortised. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the noncurrent asset is recognised at the date of derecognition.

3 MATERIAL ACCOUNTING POLICIES (Continued)

(25) Perpetual bonds

Perpetual bonds issued by the Group, which satisfied with the following criteria are classified as equity instruments:

- Financial instruments exclude those are settled on a net basis in cash (or other financial assets);
- Financial instruments must or can be settled on own equity: (a) For non-derivative contracts, they exclude those are settled gross by delivery of a variable number of own shares; (b) Derivative contracts that result in the delivery of a fixed amount of cash or other financial assets for a fixed number of an entity's own equity instruments.

Dividends for the perpetual bonds, which are classified as equity instruments, are accounted for as profit distribution.

(26) Profit distribution

After-tax profit for the year is firstly applied to make up for the losses of previous years. Secondly, the Company sets aside 10% of after-tax profit for a statutory reserve under surplus reserves, 10% of after-tax profit for a general risk reserve under general reserves, and according to the requirements of the CSRC, sets aside 10% of after-tax profit for a transaction risk reserve under general reserves. In addition, with the approval from the General Meetings, the Company may set aside a discretionary reserve after setting aside the funds for the various statutory reserves. The remaining after-tax profit is distributed according to the resolution approved at the Annual General Meeting. If the aggregate balance of the statutory reserve has reached 50% of the Company's registered capital, appropriation for the statutory reserve is no longer mandatory.

General reserves set aside by the Company are used to make up for any losses arising from securities transactions. The Company's surplus reserves are used to make up for any losses of the Company or as additional capital of the Company. When the statutory reserve are converted to capital, the balance of the statutory reserve cannot be less than 25% of the Company's registered capital.

Dividends proposed by the directors are not deducted from equity, until they have been approved by the ordinary equity holders in the Annual General Meeting. When these dividends have been approved by the ordinary equity holders, they are recognised as a liability.

4 MATERIAL ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingent liabilities. However, actual results may differ from these estimates. The Group makes ongoing evaluation towards their judgments on critical assumptions and uncertain factors regarding estimates. The impacts of changes in accounting estimates are recognised in the period in which the changes are made and in future periods.

(1) Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis, which requires significant judgement. This involves an estimation of the recoverable amount of the cash-generating units to which the goodwill is allocated, and selecting an appropriate discount rate to determine the present value of future cash flows. The recoverable amount is the higher of a cash-generating unit's fair value less costs to sell and its value in use.

(2) Fair value of financial instruments

If the market for a financial instrument is not active, the Group estimates fair value by using a valuation technique. Valuation techniques include using recent prices in arm's length market transactions between knowledgeable and willing parties, if available, reference to the current fair value of another instrument that is substantially the same, or discounted cash flow analyses and option pricing models. To the extent practicable, valuation technique makes the maximum use of observable market inputs. However, where observable market inputs are not available, management needs to make estimates and use alternatives on such unobservable market inputs.

(3) Measurement of the expected credit loss allowance

Expected credit loss measurement

The measurement of the expected credit loss allowance for debt instruments measured at amortised cost and FVOCI is an area that requires the use of models and assumptions about future economic conditions and credit behaviour of the client (such as the likelihood of customers defaulting and the resulting losses).

A number of significant judgements are also required in applying the accounting requirements for measuring expected credit losses (ECL), such as:

- Determining criteria for significant increase in credit risk, definition of default and credit impairment;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Projection of macroeconomic variables for forward-looking scenarios.

4 MATERIAL ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

(3) Measurement of the expected credit loss allowance (Continued)

Inputs, assumptions and estimation techniques

The Group assesses ECL after taking into consideration of forward looking factors. For debt securities investments, ECL are the discounted product of the Probability of Default (“**PD**”), Exposure at Default (“**EAD**”), and Loss Given Default (“**LGD**”). For margin accounts, stock-pledged repo under reverse repurchase agreements, ECL are the product of the EAD and Loss Ratio (“**LR**”).

Forward-looking measurement

The assessment of SICR and the calculation of ECL both incorporated forward-looking information. The Group has performed historical data and identified the key economic variables impacting credit risk and ECL for each financial instrument portfolio. These economic variables and their associated impact on the PD vary by product type. The impact of these economic variables on the PD has been determined by performing statistical regression analysis to measure the impact changes in these variables have had historically on default rates.

Details of the significant accounting judgements and estimates above please refer to Note 57.1.

(4) Income tax

Determining provisions for income tax requires the Group to estimate the future tax treatment of certain transactions. The Group carefully evaluates tax implications of transactions in accordance with prevailing tax regulations and provides for taxes accordingly. In addition, deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised. This requires significant judgement of the tax treatments of certain transactions and also significant estimation of the probability that adequate future taxable profits will be available for the deferred income tax assets to be recovered.

(5) Consolidation of structured entities

Management makes significant judgment on whether the Group controls and therefore is required to consolidate its structured entities. The decision outcome impacts the financial and operational results of the Group.

When assessing control, the Group considers: 1) the level of power of the Group over the investee; 2) variable returns gained through participation of relevant activities of the investee; and 3) the ability of the Group in using its power over the investee to affect its return.

4 MATERIAL ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

(5) Consolidation of structured entities (Continued)

When assessing the level of power over the structured entities, the Group considers the followings:

- the degree of participation when establishing the structured entities;
- contractual arrangements;
- activities that take place only at special occasions or events;
- commitments made to the investee from the Group.

When assessing whether there is control over the structured entities, the Group also considers whether it's acting as a principal or as an agent. Aspects of considerations normally include the decision making power over the structured entities, substantive rights enjoyed by the other third parties, level of reward to the Group, and exposure to variable risks and returns from owning other benefits of the structured entities.

(6) Classification of financial assets

When the Group determines the classification of financial assets, judgements in the business model and the contractual cash flow characteristics of the financial assets are required.

Factors considered by the Group in determining the business model for a group of financial assets include past experience on how the cash flows for these assets were collected, how the asset's performance is evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated.

When the Group assesses whether the contractual cash flows of the financial assets are consistent with basic lending arrangements, the main judgements are described as below: whether the principal amount may change over the life of the financial asset (for example, if there are prepayments); whether the interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin and cost, associated with holding the financial asset for a particular period of time.

5 TAXATION

According to relevant tax policies, the Group's main applicable taxes are as follows:

(1) Income tax

The Company adopts the "Enterprise Income Tax Law of the PRC" and the "Regulations on the Implementation of Enterprise Income Tax Law of the PRC". Income tax computation and payment are governed by the "Announcement of the State Administration of Taxation on Printing and Distributing Administrative Measures for Collection of Consolidated Payments of Enterprise Income Tax by Enterprises with Multi-Location Operations" (Public Notice of the State Administration of Taxation [2012] No. 57). The income tax rate applicable to the Company and its major domestic subsidiaries is 25%. Hong Kong and overseas subsidiaries pay taxes according to the applicable tax rate in the territory where their tax residency is located.

(2) Value added tax

Pursuant to the "Circular regarding the Comprehensive Implementation of the Pilot Programs for Transformation from Business Taxes to Value-added Taxes (the "VAT Pilot Programs")" (Cai Shui [2016] No. 36), the "Circular regarding Further Clarification of Relevant Policies Applicable to the Financial Sector in the Comprehensive Implementation of the VAT Pilot Programs (Cai Shui [2016] No. 46), the "Supplementary Circular regarding VAT Policies Applicable to Transactions between Financial Institutions" (Cai Shui [2016] No. 70) issued by the Ministry of Finance (the "MOF") and the State Administration of Taxation (the "SAT") of the PRC, effective from 1 May 2016, the Group is subject to value-added taxes on its income from principal businesses at 6%.

In accordance with the "Circular regarding the Value-added Taxes Policies for Financial, Real Estate Development and Education Ancillary and Other Services" (Cai Shui [2016] No. 140), the "Supplementary Circular regarding Issues concerning Value-added Taxes Policies for Asset Management Products" (Cai Shui [2017] No. 2) and the "Circular on the Relevant Issues concerning Value-added Tax Levied on Asset Management Products" (Cai Shui [2017] No. 56), the Group shall pay VAT at rate of 3% for related asset management taxable activities undertaken after 1 January 2018.

(3) Vehicle and vessel taxes, property taxes and stamp duties are levied in accordance with the provisions of the relevant tax laws and regulations.

(4) Urban maintenance and construction taxes, education surcharges and local education surcharges are levied at 5%/7%, 3% and 2%, respectively, of the payable amount of relevant turnover taxes.

5 TAXATION (Continued)

(5) Global minimum top-up tax

The Group is subject to the Pillar Two model rules issued by the Organisation for Economic Co-operation and Development (“**OECD**”). Due to the impact of the domestic minimum top-up tax and the Global Anti-Base Erosion (“**GloBE**”) rules enacted in Hong Kong and other jurisdictions where entities of the Group are located, certain jurisdictions of the Group are subject to top-up tax as the effective tax rate under Pillar Two is below 15%.

The Group has applied the temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax, and accounts for it as a current income tax expense in the consolidated statement of profit during the year.

6 OPERATING SEGMENT INFORMATION

For management purposes, the Group’s operating businesses are structured and managed separately according to the nature of their operations and the services they provide. Each of the Group’s operating segments represents a strategic business engaged in the following activities, which are subject to risks and returns that are different from the other operating segments:

- Investment Banking — Securities placement and underwriting activities, and financial advisory services;
- Brokerage — Securities and futures dealing and brokerage, as well as the sale of financial products as agent;
- Trading — Equity, fixed income and derivatives trading and market-making, margin financing and securities lending and alternative investment activities;
- Asset Management — Asset management services to asset management, plans, fund management and other investment account management; and
- Others — Private equity investment, principal investment, and other financial activities.

Management monitors the results of the Group’s operating segments for the purposes of resource allocation and operating decision-making. Operating segment performance is measured consistently, and on the same basis as, operating profit or loss in the Group’s consolidated financial statements.

Income taxes are managed as a whole and are not allocated to operating segments.

6 OPERATING SEGMENT INFORMATION (Continued)

(1) Segment results, assets and liabilities

2025	Investment banking	Brokerage	Trading	Asset management	Others	Total
Segment revenue and other income						
Fee and commission income	6,298,142	25,641,301	544,070	12,769,888	1,240,126	46,493,527
Interest income	3,224	6,554,597	13,245,291	177,481	254,914	20,235,507
Investment (losses)/income	(38,771)	648,463	32,927,793	1,356,223	3,710,622	38,604,330
Other income and (losses)/gains	6,530	(31,680)	(1,840,652)	178,616	1,035,360	(651,826)
Subtotal	6,269,125	32,812,681	44,876,502	14,482,208	6,241,022	104,681,538
Operating expenses	4,054,433	25,029,034	26,184,394	8,489,095	1,611,298	65,368,254
Including: Finance costs	5,890	1,453,948	16,722,798	37,230	385,220	18,605,086
Expected credit losses/ (reversal)	30,942	112,626	687,496	10,829	(4,884)	837,009
Operating profit	2,214,692	7,783,647	18,692,108	5,993,113	4,629,724	39,313,284
Share of profits and losses of associates and joint ventures	—	—	—	—	509,619	509,619
Profit before income tax	2,214,692	7,783,647	18,692,108	5,993,113	5,139,343	39,822,903
Income tax expenses						8,816,224
Net profit for the year						31,006,679
Other segment information:						
Depreciation and amortisation	85,992	1,000,486	146,654	317,893	623,348	2,174,373
Capital expenditure	494,534	356,964	293,261	122,906	226,882	1,494,547

6 OPERATING SEGMENT INFORMATION (Continued)
(1) Segment results, assets and liabilities (Continued)

2024 (Restated)	Investment banking	Brokerage	Trading	Asset management	Others	Total
Segment revenue and other income						
Fee and commission income	4,222,753	18,493,314	474,573	11,007,710	678,262	34,876,612
Interest income	2,687	6,379,968	13,080,958	228,263	249,604	19,941,480
Investment income	—	584,869	23,615,546	440,315	1,794,677	26,435,407
Other income and gains	2,893	686,474	2,798,596	121,022	1,027,768	4,636,753
Subtotal	4,228,333	26,144,625	39,969,673	11,797,310	3,750,311	85,890,252
Operating expenses	3,445,040	21,211,497	22,990,391	7,248,378	2,694,040	57,589,346
Including: Finance costs	64	1,796,319	15,616,112	134,163	1,311,042	18,857,700
Expected credit losses/ (reversal)	—	26,745	(1,168,628)	2,891	25,477	(1,113,515)
Impairment losses on other assets	—	—	—	—	20,976	20,976
Operating profit	783,293	4,933,128	16,979,282	4,548,932	1,056,271	28,300,906
Share of profits and losses of associates and joint ventures	—	—	—	—	117,569	117,569
Profit before income tax	783,293	4,933,128	16,979,282	4,548,932	1,173,840	28,418,475
Income tax expenses						5,829,018
Net profit for the year						22,589,457
Other segment information:						
Depreciation and amortisation	104,702	1,001,143	114,120	298,667	605,454	2,124,086
Capital expenditure	363,016	348,354	177,736	263,676	140,570	1,293,352

6 OPERATING SEGMENT INFORMATION (Continued)

(2) Geographical segments

Revenue	2025	2024
Chinese Mainland	81,013,697	68,005,415
Outside Chinese Mainland	23,667,841	17,884,837
Total	104,681,538	85,890,252

The geographical locations of the revenue are identified based on the region where the business division is located.

7 INTEREST INCOME

	2025	2024
Interest income on margin and other financing	10,800,917	9,344,125
Interest income on financial institutions	7,935,311	8,608,630
Interest income on debt instruments at fair value through other comprehensive income	1,455,480	1,952,625
Others	43,799	36,100
Total	20,235,507	19,941,480

8 INVESTMENT INCOME

	2025	2024 (Restated)
Net gains from financial assets at fair value through profit or loss (mandatory)	117,877,235	52,545,075
Net gains/(losses) from financial assets at fair value through profit or loss (designated)	1,211,500	(1,136,028)
Dividend income and interest income from financial assets at fair value through other comprehensive income	3,498,248	2,187,730
Net gains from disposal of debt instruments at fair value through other comprehensive income	864,045	1,921,609
Net (losses)/gains from financial liabilities at fair value through profit or loss	(18,706,380)	25,501
Net losses from derivatives and others	(66,140,318)	(29,108,480)
Total	38,604,330	26,435,407

9 OTHER INCOME AND (LOSSES)/GAINS

	2025	2024 (Restated)
Foreign exchange (losses)/gains	(1,568,916)	3,427,891
Government grants	205,637	300,570
Lease income	214,875	211,862
Others	496,578	696,430
Total	(651,826)	4,636,753

10 OPERATING EXPENSES

(1) Fee and commission expenses

	2025	2024
Commission expenses	11,322,086	8,308,079
Others	323,703	486,908
Total	11,645,789	8,794,987

(2) Finance costs

	2025	2024
Due to banks and other financial institutions	9,321,496	9,840,575
Debt instruments issued and short-term financing instruments payable	5,325,284	5,763,869
Customer brokerage deposits	1,373,151	1,617,946
Others	2,585,155	1,635,310
Total	18,605,086	18,857,700

(3) Staff costs (including directors' and senior executives' remuneration)

	2025	2024
Salaries and bonuses	17,219,214	16,591,989
Staff benefits	2,556,131	2,554,433
Contributions to defined contribution schemes (i)	2,001,609	1,894,860
Total	21,776,954	21,041,282

10 OPERATING EXPENSES (Continued)

(3) Staff costs (including directors' and senior executives' remuneration) (Continued)

- (i) Retirement benefits are included herein and their nature is described below:

Full-time employees of the Group in Chinese Mainland are covered by various government-sponsored retirement plans comprised of contributions to basic retirement benefits and enterprise annuity, under which the employees are entitled to a monthly pension. Relevant government agencies determine the amount of pension benefits and are responsible for the related pension liabilities to eligible retired employees. The Group is required to make monthly contributions to the government related to these government-sponsored retirement plans for active employees. The Group has no obligation for post-retirement benefits beyond these contributions, which are expensed as incurred.

In addition, the Group participates in various defined contribution retirement schemes for its qualified employees in certain countries or regions outside of Chinese Mainland according to local labor law.

(4) Other operating expenses and costs

	2025	2024 (Restated)
Fund distribution and administration	2,199,173	1,567,167
Electronic device operating expenditure	1,805,676	1,634,507
Business promotion fee	1,272,602	944,536
Travel expenses	532,397	472,981
Postal and communication	445,885	403,605
Consulting expenses	443,390	318,850
Research and development expenses	398,671	255,191
Rental	358,145	312,468
Exchange Facility Fees	267,369	191,242
Auditors' remuneration (i)	52,843	53,144
Others	2,505,790	1,784,165
Total	10,281,941	7,937,856

- (i) This includes audit service fees of RMB36 million (2024: RMB33 million) paid to the Group's auditors KPMG.

11 DIRECTORS', SUPERVISORS' REMUNERATION

Details of the directors' and supervisors' remuneration before tax, as disclosed pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Hong Kong Companies Ordinance, are as follows:

		For the year ended 31 December 2025					
Name	Position	Discretionary		Fees	Contribution to retirement benefit		Total remuneration before tax
		Salaries	bonuses		schemes	Other benefit	
Zhang Youjun	Executive Director, Chairman	2,291	12	-	411	111	2,825
Zou Yingguang	Executive Director, President and Executive Member	1,450	14	-	411	111	1,986
Zhang Changyi	Executive Director, Former Supervisor and Chairman of the Supervisory Committee	1,450	12	-	411	111	1,984
Li Yi	Non-executive Director	-	-	-	-	-	-
Liang Dan	Non-executive Director	-	-	-	-	-	-
Zhang Xuejun	Non-executive Director	-	-	-	-	-	-
Fu Linfang	Non-executive Director	-	-	-	-	-	-
Zhao Xianxin	Non-executive Director	-	-	-	-	-	-
Wu Yonggao	Non-executive Director	-	-	-	-	-	-
Li Qing	Independent Non-executive Director	-	-	310	-	-	310
Shi Qingchun	Independent Non-executive Director	-	-	305	-	-	305
Zhang Jianhua	Independent Non-executive Director	-	-	310	-	-	310
Liu Qiao	Independent Non-executive Director	-	-	-	-	-	-
Li Lanbing	Independent Non-executive Director	-	-	-	-	-	-
Shi Liang	Employee Director	-	-	-	-	-	-
Zhang Lin	Former Non-executive Director	-	-	-	-	-	-
Wang Shuhui	Former Non-executive Director	-	-	-	-	-	-
Guo Zhao	Former Supervisor	-	-	220	-	-	220
Rao Geping	Former Supervisor	-	-	220	-	-	220
Niu Xuekun	Former Employee Representative Supervisor	870	6	-	366	104	1,346
Yang Liqiang	Former Employee Representative Supervisor	955	12	-	374	111	1,452
		7,016	56	1,365	1,973	548	10,958

11 DIRECTORS', SUPERVISORS' REMUNERATION (Continued)

For the year ended 31 December 2024

Name	Position	Salaries	Discretionary bonuses	Fees	Contribution to retirement benefit		Total remuneration before tax
					schemes	Other benefit	
Zhang Youjun	Executive Director, Chairman	2,291	12	—	370	108	2,781
Zou Yingguang	Executive Director, President and Executive Member	240	—	—	225	16	481
Zhang Lin	Non-executive Director	—	—	—	—	—	—
Fu Linfang	Non-executive Director	—	—	—	—	—	—
Zhao Xianxin	Non-executive Director	—	—	—	—	—	—
Wang Shuhui	Non-executive Director	—	—	—	—	—	—
Li Qing	Independent Non-executive Director	—	—	305	—	—	305
Shi Qingchun	Independent Non-executive Director	—	—	305	—	—	305
Zhang Jianhua	Independent Non-executive Director	—	—	310	—	—	310
Zhang Changyi	Supervisor and Chairman of the Supervisory Committee	1,450	12	—	370	108	1,940
Guo Zhao	Supervisor	—	—	220	—	—	220
Rao Geping	Supervisor	—	—	215	—	—	215
Niu Xuekun	Employee Representative Supervisor	818	5	—	324	100	1,247
Yang Liqiang	Employee Representative Supervisor	955	12	—	337	108	1,412
Yang Minghui	Former Executive Director, President and Executive Member	855	—	—	57	46	958
		6,609	41	1,355	1,683	486	10,174

During the years ended 31 December 2025 and 2024, no special emoluments were paid by the Group to any of the persons who are directors or supervisors as an inducement to join or upon joining the Group or as compensation for loss of office. There were no consideration provided to third parties for making available directors' or supervisor's services.

During the years ended 31 December 2025 and 2024, no directors or supervisors directly or indirectly held significant interests in the significant transaction arrangements directly or indirectly involved in the Group. The Group has not provided any guarantees to any directors, supervisors, or related enterprises in loans, similar loans, or other credit transactions. Except for the disclosed information mentioned above, the directors and supervisors of the Group do not have any other retirement benefits.

11 DIRECTORS', SUPERVISORS' REMUNERATION (Continued)

Other benefits include medical insurance, housing provident fund, and other social insurance programs contributed by the Group to labor and social security authorities in accordance with relevant government regulations. These contributions are calculated based on a defined percentage of employees' salaries and allowances, subject to prescribed statutory contribution ceilings.

12 FIVE HIGHEST PAID EMPLOYEES

The Group's five highest paid employees during the year of 2025 did not include any directors and supervisors (2024: did not include any directors and supervisors). Details of the remuneration of the five (2024: five) non-directors and non-supervisors highest paid employees for the year are as follows:

	2025	2024
Salaries, allowances and other benefits	14,058	13,943
Discretionary bonuses	51,208	48,840
Total	65,266	62,783

The number of these individuals whose remuneration fell within the following bands is set out below:

	Number of employees	
	2025	2024
RMB9,000,001 to RMB11,000,000	2	2
RMB11,000,001 to RMB13,000,000	1	1
RMB13,000,001 to RMB15,000,000	1	1
RMB15,000,001 to RMB19,000,000	1	1
Total	5	5

During the years of 2025 and 2024, the five highest paid employees were local employees engaged by the Group's overseas subsidiaries, whose emoluments paid by the Group were based on the services provided to the Group by these individuals.

13 EXPECTED CREDIT LOSSES/(REVERSAL)

	2025	2024
Margin accounts	833,806	443,643
Financial assets at fair value through other comprehensive income (debt instruments)	251,110	42,707
Reverse repurchase agreements	(249,781)	(1,634,592)
Other assets	20,090	224,311
Others	(18,216)	(189,584)
Total	837,009	(1,113,515)

14 INCOME TAX EXPENSE

(1) Income tax

	2025	2024
Current income tax expense		
— Chinese Mainland	9,076,982	6,104,004
— Outside Chinese Mainland	1,651,154	876,803
Deferred income tax expense	(1,911,912)	(1,151,789)
Total	8,816,224	5,829,018

(2) Reconciliation between income tax and accounting profit

The PRC income tax has been provided at the statutory rate of 25%, in accordance with the relevant tax laws in Chinese Mainland. Taxes on profits assessable elsewhere have been calculated at the applicable rates of tax prevailing in the countries/regions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof. The reconciliation of the income tax expense applicable to profit before tax at the PRC statutory income tax rate to income tax expense at the Group's effective income tax rate is as follows:

14 INCOME TAX EXPENSE (Continued)

(2) Reconciliation between income tax and accounting profit (Continued)

	2025	2024
Profit before income tax	39,822,903	28,418,475
Tax at the PRC statutory income tax rate	9,955,726	7,104,619
Effects of different applicable rates of tax prevailing in various regions	(676,898)	(292,576)
Non-deductible expenses	209,700	148,038
Non-taxable income	(1,203,539)	(1,050,236)
Adjustments in respect of current and deferred income tax of prior years	221,869	(111,897)
Others	309,366	31,070
Tax expense at the Group's effective income tax rate	8,816,224	5,829,018

15 PROFIT ATTRIBUTABLE TO THE COMPANY

The profit attributable to the Company for the year ended 31 December 2025 amounted to RMB22,720 million (2024: RMB13,568 million), which has been dealt with in the financial statements of the Company (Note 59).

16 DIVIDENDS

	2025	2024
Dividends on ordinary shares proposed	6,076,424	4,149,753
Dividends on ordinary shares paid	8,447,712	10,596,691
— Dividends of the prior year	4,149,753	7,039,760
— Dividends of the interim	4,297,959	3,556,931
Distribution to other equity instrument holders (Note 17(1))	1,039,337	805,576

Dividends per share for the year ended 31 December 2025 includes the distributed interim dividend of RMB0.29 per share for 2025, and the proposed final dividend of RMB0.41 per share for 2025 (2024: RMB0.52 yuan per share).

Dividends proposed by the directors are not deducted from equity, until they have been approved by the shareholders in the general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

17 EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT

The calculations of basic and diluted earnings per share are based on:

	2025	2024
Earnings:		
Profit for the year attributable to Owners of the Parent	30,076,101	21,703,697
Less: Profit for the year attributable to other equity holders of the Company ⁽¹⁾	1,039,337	805,576
Profit attributable to ordinary share holders of the Company	29,036,764	20,898,121
Shares:		
Weighted average number of ordinary shares in issue (thousand)	14,820,547	14,820,547
Basic and diluted earnings per share (in RMB yuan)	1.96	1.41

Basic earnings per share was calculated by dividing profit for the year attributable to holders of ordinary shares by the weighted average number of ordinary shares outstanding.

There were no dilutive shares during the year ended 31 December 2025 (2024: None).

- (1) As at 31 December 2025, there were thirteen tranches of perpetual subordinated bonds existed under the terms and conditions as detailed in Note 49 Other Equity Instruments. For the purpose of calculating basic earnings per ordinary share, profit attributable to other equity holders was deducted from the profit attributable to Owners of the Parent.

18 PROPERTY, PLANT AND EQUIPMENT

	Properties and buildings	Communication equipment	Office equipment	Vehicles	Security equipment	Electronic devices	Others	Subtotal	Construction in progress	Total
2025										
Cost										
Opening balance	5,987,726	77,900	362,684	1,790,361	10,349	3,923,735	19,102	12,171,857	2,302,044	14,473,901
Increases	218	1,623	25,864	2,503	167	563,882	—	594,257	861,991	1,456,248
Decreases	—	11,034	29,408	2,560	920	134,883	129	178,934	204,027	382,961
Effect of exchange rate changes	—	(1,390)	(1,241)	(36,101)	—	(33,677)	—	(72,409)	—	(72,409)
Ending balance	5,987,944	67,099	357,899	1,754,203	9,596	4,319,057	18,973	12,514,771	2,960,008	15,474,779
Accumulated depreciation										
Opening balance	1,917,870	64,234	292,899	803,652	8,514	2,984,027	18,311	6,089,507	—	6,089,507
Increases	160,349	4,794	40,017	158,420	507	525,680	22	889,789	—	889,789
Decreases	—	10,960	28,599	2,493	784	127,414	125	170,375	—	170,375
Effect of exchange rate changes	—	(1,299)	(1,233)	(18,183)	—	(30,545)	—	(51,260)	—	(51,260)
Ending balance	2,078,219	56,769	303,084	941,396	8,237	3,351,748	18,208	6,757,661	—	6,757,661
Allowances for impairment										
Opening balance	1,525	—	—	111,254	—	—	—	112,779	—	112,779
Increases	—	—	—	—	—	—	—	—	—	—
Decreases	—	—	—	—	—	—	—	—	—	—
Effect of exchange rate changes	—	—	—	(2,470)	—	—	—	(2,470)	—	(2,470)
Ending balance	1,525	—	—	108,784	—	—	—	110,309	—	110,309
Net carrying amount										
Ending balance	3,908,200	10,330	54,815	704,023	1,359	967,309	765	5,646,801	2,960,008	8,606,809
Opening balance	4,068,331	13,666	69,785	875,455	1,835	939,708	791	5,969,571	2,302,044	8,271,615

18 PROPERTY, PLANT AND EQUIPMENT (Continued)

	Properties and buildings	Communication equipment	Office equipment	Vehicles	Security equipment	Electronic devices	Others	Subtotal	Construction in progress	Total
2024										
Cost										
Opening balance	5,987,689	81,298	340,217	2,578,141	10,229	3,592,100	22,209	12,611,883	2,050,751	14,662,634
Increases	37	2,119	36,536	340	701	502,380	—	542,113	507,868	1,049,981
Decreases	—	5,877	14,383	824,132	581	185,290	3,107	1,033,370	256,575	1,289,945
Effect of exchange rate changes	—	360	314	36,012	—	14,545	—	51,231	—	51,231
Ending balance	5,987,726	77,900	362,684	1,790,361	10,349	3,923,735	19,102	12,171,857	2,302,044	14,473,901
Accumulated depreciation										
Opening balance	1,757,123	64,959	266,112	978,918	8,648	2,667,382	21,299	5,764,441	—	5,764,441
Increases	160,747	4,729	38,159	167,560	431	480,087	89	851,802	—	851,802
Decreases	—	5,784	11,958	357,436	565	176,416	3,077	555,236	—	555,236
Effect of exchange rate changes	—	330	586	14,610	—	12,974	—	28,500	—	28,500
Ending balance	1,917,870	64,234	292,899	803,652	8,514	2,984,027	18,311	6,089,507	—	6,089,507
Allowances for impairment										
Opening balance	1,525	—	—	88,951	—	—	—	90,476	—	90,476
Increases	—	—	—	20,976	—	—	—	20,976	—	20,976
Decreases	—	—	—	—	—	—	—	—	—	—
Effect of exchange rate changes	—	—	—	1,327	—	—	—	1,327	—	1,327
Ending balance	1,525	—	—	111,254	—	—	—	112,779	—	112,779
Net carrying amount										
Ending balance	4,068,331	13,666	69,785	875,455	1,835	939,708	791	5,969,571	2,302,044	8,271,615
Opening balance	4,229,041	16,339	74,105	1,510,272	1,581	924,718	910	6,756,966	2,050,751	8,807,717

19 INVESTMENT PROPERTIES

	Properties and Buildings	
	2025	2024
Cost		
Opening balance	1,345,790	1,345,177
Increases	—	—
Decreases	—	—
Effect of exchange rate changes	11,575	613
Ending balance	1,357,365	1,345,790
Accumulated depreciation		
Opening balance	389,537	354,767
Increases	35,570	35,163
Decreases	—	403
Effect of exchange rate changes	1,533	10
Ending balance	426,640	389,537
Allowances for impairment		
Opening balance	86,122	85,905
Increases	—	—
Decreases	—	—
Effect of exchange rate changes	4,086	217
Ending balance	90,208	86,122
Net carrying amount		
Ending balance	840,517	870,131
Opening balance	870,131	904,505

20 GOODWILL

	2025	2024
Carrying amount at the beginning of the year:		
Cost	11,980,076	11,935,917
Less: Accumulated impairment	3,531,803	3,496,393
Net carrying amount	8,448,273	8,439,524
Movements during the year:		
Additions and effect of exchange rate changes	(62,239)	44,159
Impairment and effect of exchange rate changes	50,224	(35,410)
Carrying amount at the end of the year:		
Cost	11,917,837	11,980,076
Less: Accumulated impairment	3,481,579	3,531,803
Net carrying amount	8,436,258	8,448,273
	2025	2024
China Asset Management Co., Ltd. (" China AMC ")	7,418,587	7,418,587
CITIC Securities International Company Limited (" CSI ")	599,945	611,960
CITIC Futures Co., Ltd. (" CITIC Futures ")	193,826	193,826
CITIC Securities South China Company Limited (" CITIC Securities South China ")	91,725	91,725
CITIC Securities (Shandong) Co., Ltd.	88,675	88,675
CITIC Securities Company Limited	43,500	43,500
Total	8,436,258	8,448,273

20 GOODWILL (Continued)

As at 31 December 2025, the net carrying amount of goodwill decreased by RMB12 million due to exchange rate changes (31 December 2024: increased by RMB9 million).

As at 31 December 2025, the Group's carrying amount of goodwill was RMB8,436 million (31 December 2024: RMB8,448 million), primarily resulted from the acquisition of China AMC and the acquisition of CLSA B.V. through CSI.

In terms of the goodwill acquired from business combination, impairment should be assessed by the Group at each annual financial reporting date.

The Group recognises a CGUs or a Group of CGUs on whether the cash flows of the business output units are independent. For China AMC, CITIC Futures and CITIC Securities South China, etc., the Group considers that the cash flows generated by each of the above subsidiaries are independent, and therefore each of the acquired subsidiaries is a separate CGU and is tested separately for impairment testing. For CSI, the Group allocated the goodwill to the groups of CGUs including Equity Derivatives, Fixed Income, Investment Banking, etc., and tested each group of CGUs' impairment separately.

The recoverable amount of each of the above-mentioned CGUs or groups of CGUs is determined based on the higher of a CGUs or a Group of CGUs' fair value less costs of disposal and VIU. Among them, VIU is calculated through a discounted cash flow model based on approved operating plans and a discount rate that reflects the risks specific to the underlying groups of CGUs. The cash flow after the forecast period is extrapolated according to a stable growth rate and a terminal value.

As at 31 December 2025, the Group considered the actual operations of China AMC in 2025 and its future business plan to assess the impairment. The CGUs' fair value less costs of disposal referred to the equity transfer pricing of China AMC in 2025. Regarding the VIU of the CGUs, the forecast period applied by the Group was from 2026 to 2030. The average income growth rate in forecast period was ranging from 1.00% to 6.00%. The profit margins in forecast period was 25.33%. The discount rate was 14.47%. The terminal value growth rate was 2.00%. The VIU was RMB38,790 million (31 December 2024: -7.90% to 1.00%, 27.12%, 15.20%, 2.00% and RMB27,731 million respectively), when performing the goodwill impairment test.

20 GOODWILL (Continued)

As at 31 December 2025, taking into consideration the actual operations of CSI in 2025 and its future business plan, the Group used the VIU and determined the recoverable amount by applying a discounted cash flow model to assess the impairment. The Group applied the forecast period from 2026 to 2030. The average income growth rate in forecast period was ranging from -14.00% to 16.00%. The profit margins in forecast period was ranging from 22.00% to 43.00%. The discount rate in forecast period was ranging from 16.50% to 18.70%. The terminal value growth rate was 2.50%. The VIU was RMB19,106 million (31 December 2024:-1.00% to 25.00%, 25.00% to 39.00%, 17.30% to 19.90%, 2.00% and RMB17,425 million respectively), when performing the goodwill impairment test.

As at 31 December 2025, according to the actual operations of CITIC Futures and CITIC Securities South China, as well as their future business plans during 2026 to 2030, and the applicable discount rate, the Group estimated the present value of future cash flows of the above asset groups respectively. The cash flows for the periods beyond the forecast period were calculated based on an appropriate stable growth rate, which did not exceed the long-term average growth rate of the business involved in the asset group. On 31 December 2025, CITIC Futures and CITIC Securities South China applied income growth rate in forecast period ranging from 4.00% to 10.00%, profit margin in forecast period ranging from 32.41% to 53.93%, discount rate ranging from 9.70% to 16.58%, and terminal value growth rate was 2.00% (31 December 2024:-2.00% to 33.95%, 31.22% to 46.93%, 9.70% to 16.53% and 2.00% respectively).

As at 31 December 2025 and 31 December 2024, the above mentioned recoverable amount of each group of CGU or CGUs was higher than their respective carrying amount.

21 LAND-USE RIGHTS AND INTANGIBLE ASSETS

	Intangible assets						Total
	Seats on stock exchanges	Software	Customer relationships	Trademarks	Data resources	Land-use rights	
2025							
Cost							
Opening balance	129,166	2,394,305	1,470,057	306,105	—	3,690,300	7,989,933
Increases	—	188,797	—	—	6,135	—	194,932
Decreases	—	577	100,875	—	—	—	101,452
Effect of exchange rate changes	(1,195)	(9,348)	(30,586)	(6,962)	—	—	(48,091)
Ending balance	127,971	2,573,177	1,338,596	299,143	6,135	3,690,300	8,035,322
Accumulated amortisation							
Opening balance	102,248	1,838,360	1,456,817	—	—	952,226	4,349,651
Increases	92	186,270	429	—	1,214	94,535	282,540
Decreases	—	577	100,875	—	—	—	101,452
Effect of exchange rate changes	(568)	(14,231)	(30,291)	—	—	—	(45,090)
Ending balance	101,772	2,009,822	1,326,080	—	1,214	1,046,761	4,485,649
Allowance for impairment							
Opening balance	127	—	11,941	305,720	—	—	317,788
Increases	—	—	—	—	—	—	—
Decreases	—	—	—	—	—	—	—
Effect of exchange rate changes	(3)	—	(272)	(6,962)	—	—	(7,237)
Ending balance	124	—	11,669	298,758	—	—	310,551
Net carrying amount							
Ending balance	26,075	563,355	847	385	4,921	2,643,539	3,239,122
Opening balance	26,791	555,945	1,299	385	—	2,738,074	3,322,494

21 LAND-USE RIGHTS AND INTANGIBLE ASSETS (Continued)

	Intangible assets					Total
	Seats on stock exchanges	Software	Customer relationships	Trademarks	Land-use rights	
2024						
Cost						
Opening balance	128,508	2,147,782	1,448,493	301,197	3,690,300	7,716,280
Increases	—	238,264	—	—	—	238,264
Decreases	—	1,913	—	—	—	1,913
Effect of exchange rate changes	658	10,172	21,564	4,908	—	37,302
Ending balance	129,166	2,394,305	1,470,057	306,105	3,690,300	7,989,933
Accumulated amortisation						
Opening balance	101,755	1,669,760	1,422,349	—	857,691	4,051,555
Increases	222	160,460	13,119	—	94,535	268,336
Decreases	—	1,913	—	—	—	1,913
Effect of exchange rate changes	271	10,053	21,349	—	—	31,673
Ending balance	102,248	1,838,360	1,456,817	—	952,226	4,349,651
Allowance for impairment						
Opening balance	125	—	11,749	300,812	—	312,686
Increases	—	—	—	—	—	—
Decreases	—	—	—	—	—	—
Effect of exchange rate changes	2	—	192	4,908	—	5,102
Ending balance	127	—	11,941	305,720	—	317,788
Net carrying amount						
Ending balance	26,791	555,945	1,299	385	2,738,074	3,322,494
Opening balance	26,628	478,022	14,395	385	2,832,609	3,352,039

22 INVESTMENTS IN SUBSIDIARIES

The Company

	31 December 2025	31 December 2024
Unlisted shares, at cost	49,107,723	53,580,820

Particulars of the Company's principal subsidiaries at the end of the reporting period are as follows:

(1) Principal subsidiaries acquired through establishment or investment

Name of subsidiaries	Place of incorporation/ registration and operations (kind of legal entity)	Registered share capital	Principal activities	Amount invested by the Company	Attributable equity interest	
					Direct	Indirect
CITIC Goldstone Investment Co., Ltd. (中信金石投資有限公司) ⁽¹⁾	Chinese Mainland (Limited liability company)	RMB2.1 billion	Industrial investment, investment advisory and management	RMB800 million	100%	—
CITIC Securities International Co., Ltd. (中信證券國際有限公司)	Hong Kong	Not applicable	Holding company	HKD11,516 million and USD277 million	100%	—
CITIC Securities Investment Ltd. (中信証券投資有限公司)	Chinese Mainland (Limited liability company)	RMB13 billion	Financial product investment, securities investment, equity investment	RMB13 billion	100%	—
CITIC Securities Asset Management Company Limited (中信証券資產管理有限公司)	Chinese Mainland (Limited liability company)	RMB1 billion	Asset Management	RMB1 billion	100%	—
CITIC Securities Finance 2013 Co., Ltd.	The British Virgin Islands	Not applicable	Bond issuance	USD1	—	100%
CITIC Securities Finance MTN Co., Ltd.	The British Virgin Islands	Not applicable	Bond issuance	USD1	—	100%
CS Regal Holding Limited	The British Virgin Islands	Not applicable	Holding company	USD1	—	100%

22 INVESTMENTS IN SUBSIDIARIES (Continued)

The Company (Continued)

(1) Principal subsidiaries acquired through establishment or investment (Continued)

Name of subsidiaries	Place of incorporation/ registration and operations (kind of legal entity)	Registered share capital	Principal activities	Amount invested by the Company	Attributable equity interest	
					Direct	Indirect
CITIC Securities Information and Quantitative Service (Shenzhen) Co., Ltd. (中信証券信息與量化服務(深圳) 有限責任公司)	Chinese Mainland (Limited liability company)	RMB10 million	Information technology development, technical consulting, technical services, system integration and sales, data processing	RMB10 million	100%	—
Jintong Securities Co., Ltd. (金通證券有限責任公司)	Chinese Mainland (Limited liability company)	RMB135 million	Securities brokerage	RMB35 million	100%	—
CITICS Investment Services Company Limited (中信中證投資服務有限責任公司)	Chinese Mainland (Limited liability company)	RMB100 million	Investment management, advisory service, finance outsourcing service	RMB100 million	100%	—
Qingdao Goldstone Storm Investment Consulting Company Limited (青島金石暴風投資諮詢有限公司)	Chinese Mainland (Limited liability company)	RMB50.10 million	Information consulting services, investment with self-owned capital	RMB50 million	—	100%
Qingdao Goldstone Runhui Investment Management Company Limited (青島金石潤匯投資管理有限公司)	Chinese Mainland (Limited liability company)	RMB10.10 million	Investment with self- owned capital, information consulting services	RMB10 million	—	100%
Qingdao Goldstone Haorui Investment Company Limited (青島金石灑納投資有限公司)	Chinese Mainland (Limited liability company)	RMB805 million	External investment and management of own funds and investment advisory services	RMB1 billion	—	100%
Jinjin Investment (Tianjin) Co., Ltd. (金津投資(天津)有限公司)	Chinese Mainland (Limited liability company)	RMB100 million	Investment	RMB100 million	—	100%
CITIC Goldstone Fund Management Company Limited (中信金石基金管理有限公司)	Chinese Mainland (Limited liability company)	RMB100 million	Investment management and related consulting	RMB100 million	—	100%

22 INVESTMENTS IN SUBSIDIARIES (Continued)

The Company (Continued)

(1) Principal subsidiaries acquired through establishment or investment (Continued)

Name of subsidiaries	Place of incorporation/ registration and operations (kind of legal entity)	Registered share capital	Principal activities	Amount invested by the Company	Attributable equity interest	
					Direct	Indirect
Goldstone ZeXin Investment Management Co., Ltd. (金石澤信投資管理有限公司)	Chinese Mainland (Limited liability company)	RMB1 billion	Investment management, investment consulting, investment advising, entrusted management of equity investment funds, venture capital, venture capital consulting, property management, hotel management, property service evaluation, enterprise management, information consulting services, etc.	RMB1 billion	—	100%
CITIC Buyout Fund Management Company Limited (中信併購基金管理有限公司)	Chinese Mainland (Limited liability company)	RMB100 million	Investment management, advisory services	RMB100 million	—	100%
Changxia Jinshi (Wuhan) Investment Management Company limited (長峽金石(武漢)私募基金管理有限公司)	Chinese Mainland (Limited liability company)	RMB100 million	Investment management	RMB60 million	—	60%
Jinshi Fengrui Investment Management (Hangzhou) Co., Ltd. (金石豐潤投資管理(杭州)有限公司)	Chinese Mainland (Limited liability company)	RMB30 million	Investment management	—	—	100%
Anhui Transport Control Jinshi Private Fund Management Co., Ltd. (安徽交控金石私募基金管理有限公司)	Chinese Mainland (Limited liability company)	RMB30 million	Investment fund management	RMB21 million	—	70%

22 INVESTMENTS IN SUBSIDIARIES (Continued)

The Company (Continued)

(1) Principal subsidiaries acquired through establishment or investment (Continued)

Name of subsidiaries	Place of incorporation/ registration and operations (kind of legal entity)	Registered share capital	Principal activities	Amount invested by the Company	Attributable equity interest	
					Direct	Indirect
Anhui Xinan M&A Private Fund Management Co., Ltd. (安徽信安併購私募基金管理 有限公司)	Chinese Mainland (Limited liability company)	RMB20 million	Investment management	RMB16 million	—	80%
CITIC Securities Capital Management Co., Ltd. (中信中證資本管理有限公司)	Chinese Mainland (Limited liability company)	RMB2 billion	Investment and asset management	RMB1 billion	—	100%
CITIC Global Trade Company Limited (中信寰球商貿有限公司)	Chinese Mainland (Limited liability company)	RMB1 billion	Commodity trading Warehousing and Transportation Service Agents	RMB1 billion	—	100%
CF International Financial Holding Company Limited (信期國際金融控股有限公司)	Hong Kong	Not applicable	Holding company	RMB500 million	—	100%
CLSA Europe B.V.	Netherlands	Not applicable	Investment banking, securities brokerage business	EUR2 million	—	100%
CITIC Securities Brokerage (HK) Limited (中信証券經紀(香港) 有限公司)	Hong Kong	Not applicable	Financial sector	HKD6 billion	—	100%
CITIC Securities Futures (HK) Limited (中信証券期貨(香港)有限公司)	Hong Kong	Not applicable	Financial sector	HKD276 million	—	100%
CITIC Securities Fund Services (Asia) Limited (中信証券基金服務(亞洲)有限公司)	Hong Kong	Not applicable	Financial sector	HKD1	—	100%
CLSA Global Investments Management Limited	The British Virgin Islands	Not applicable	Financial sector	HKD644 million	—	100%

22 INVESTMENTS IN SUBSIDIARIES (Continued)

The Company (Continued)

(1) Principal subsidiaries acquired through establishment or investment (Continued)

Name of subsidiaries	Place of incorporation/ registration and operations (kind of legal entity)	Registered share capital	Principal activities	Amount invested by the Company	Attributable equity interest	
					Direct	Indirect
Shanghai Wealth Management Company Limited (上海華夏財富投資管理有限公司)	Chinese Mainland (Limited liability company)	RMB300 million	Fund Sales	RMB300 million	—	62.20%
CSI Global Markets Holdings Limited	The British Virgin Islands	USD100 million	Financial sector	USD510 million	—	100%
CLSA Americas Holdings, Inc.	America	USD1,000	Financial sector	USD132 million	—	100%
China Equity Fund Management (Beijing) Co., Ltd. (華夏股權投資基金管理(北京) 有限公司)	Chinese Mainland (Limited liability company)	RMB500 million	Asset Management	RMB500 million	—	62.20%
Beijing Huaxia Jinko Information Service Co., Ltd. (北京華夏金科信息服務有限公司)	Chinese Mainland (Limited liability company)	RMB100 million	Operations Outsourcing services	RMB100 million	—	62.20%
CLSA Fund Services Limited	Hong Kong	Not applicable	Financial sector	HKD1	—	100%

(i) In March 2025, Goldstone Investment Co., Ltd. renamed as CITIC Goldstone Investment Co., Ltd.

22 INVESTMENTS IN SUBSIDIARIES (Continued)

The Company (Continued)

(2) Principal subsidiaries acquired from business combination

Name of subsidiaries	Place of incorporation/ registration and operations (kind of legal entity)	Registered share capital	Principal activities	Amount invested by the Company	Attributable equity interest	
					Direct	Indirect
CITIC Securities (Shandong) Co., Ltd. (中信証券(山東)有限責任公司)	Chinese Mainland (Limited liability company)	RMB2,493.8 million	Securities business	RMB1,146 million	100%	—
CITIC Futures Co., Ltd. (中信期貨有限公司)	Chinese Mainland (Limited liability company)	RMB7,600 million	Futures brokerage, asset management, fund distribution	RMB7,949 million	100%	—
China Asset Management Co., Ltd. (華夏基金管理有限公司)	Chinese Mainland (Sino-foreign joint stock limited company)	RMB238 million	Asset management	RMB2,664 million	62.20%	—
Tianjin Jingzheng Property Services Co., Limited (天津京證物業服務有限公司)	Chinese Mainland (Limited liability company)	RMB0.3 million	Property management	RMB337 million	100%	—
Tianjin Shenzheng Property Services Co., Limited (天津深證物業服務有限公司)	Chinese Mainland (Limited liability company)	RMB0.3 million	Property management	RMB245 million	100%	—
CITIC Securities South China Company Limited (中信証券華南股份有限公司)	Chinese Mainland (Joint stock limited company)	RMB5,091.14 million	Securities business	RMB7,160 million	100%	—
Guangzhou Securities Lingxiu Investment company limited (廣證領秀投資有限公司)	Chinese Mainland (Limited liability company)	RMB680 million	Capital Market Services	RMB470 million	100%	—
Guangzhou Securities Innovation Investment Management Co., Ltd. (廣州證券創新投資管理有限公司)	Chinese Mainland (Limited liability company)	RMB140 million	Investment and Asset Management	RMB135 million	—	100%
Jinshang (Tianjin) Investment Management Co., Ltd. (金尚(天津)投資管理有限公司)	Chinese Mainland (Limited liability company)	RMB12.5 million	Investment management	RMB19 million	—	100%
China Asset Management (Hong Kong) Limited (華夏基金(香港)有限公司)	Hong Kong	Not applicable	Asset management	HKD600 million	—	62.20%

22 INVESTMENTS IN SUBSIDIARIES (Continued)

The Company (Continued)

(2) Principal subsidiaries acquired from business combination (Continued)

Name of subsidiaries	Place of incorporation/ registration and operations (kind of legal entity)	Registered share capital	Principal activities	Amount invested by the Company	Attributable equity interest	
					Direct	Indirect
China AMC Capital Management Limited (華夏資本管理有限公司)	Chinese Mainland (Limited liability company)	RMB350 million	Asset management	RMB350 million	—	62.20%
CLSA B.V.	Netherlands	Not applicable	Investment holding	USD851 million	—	100%
CLSA Australia Holdings Pty Ltd.	Australia	AUD105.03 million	Financial sector	AUD16 million	—	100%
CITIC Securities (HK) Limited (中信證券(香港)有限公司)	Hong Kong	Not applicable	Financial sector	HKD160 million	—	100%
CITIC CLSA Capital Partners Limited	Hong Kong	Not applicable	Financial sector	USD18 million	—	100%
CLSA Investments Ltd.	Cayman Islands	USD0.05 million	Financial sector	USD12 million	—	100%
CITIC Securities Finance (HK) Limited	Hong Kong	Not applicable	Financial sector	HKD680 million	—	100%
XinZheng Operation Management Limited (深圳信證運營服務有限責任公司)	Chinese Mainland (Limited liability company)	RMB10 million	Financial sector	RMB10 million	—	100%
SetClear Pte.Ltd.	Singapore	Not applicable	Financial sector	USD20 million	—	100%
CSI Capricornus Limited	The British Virgin Islands	USD0.05 million	Equity investment	—	—	100%

(3) Structured entities included in the consolidated financial statement

The Group acts as asset manager for or invested in a number of structured entities. Management makes significant judgment on whether the Group controls and therefore should consolidate these structured entities.

Management has determined that the Group had control of certain structured entities based on their assessment of the Group's power over, its exposure to variable returns from its involvement with, and its ability to use its power to affect the amount of its returns from these structured entities. 24 of the structured entities have been consolidated as at 31 December 2025 (31 December 2024: 21 of the structured entities), considering the variable returns to which the Group is entitled.

As at 31 December 2025, the fair value of total assets of the consolidated structured entities was RMB134,579 million (31 December 2024: RMB83,426 million).

22 INVESTMENTS IN SUBSIDIARIES (Continued)

The Company (Continued)

(4) Details of the subsidiary with material non-controlling interests is set out below:

China AMC

	2025	2024
Percentage of equity interest held by non-controlling interests	37.80%	37.80%
Dividends paid to non-controlling interests	455,720	529,200
Ending balances of non-controlling interests	5,705,894	5,266,614
Profit for the year attributable to non-controlling interests	905,548	815,716

The following tables illustrate the summarised financial information of the above subsidiary:

	2025	2024
Revenue	9,648,825	8,063,890
Profit from continuing operations	2,395,630	2,157,978
Total comprehensive income for the year	2,367,725	2,180,844
Net cash flows from operating activities	1,346,132	1,990,083
Net cash flows from investing activities	(131,170)	(231,520)
Net cash flows used in financing activities	(1,345,859)	(1,535,805)
Net increase in cash and cash equivalents	(144,601)	230,680
	31 December	31 December
	2025	2024
Current assets	19,327,371	17,246,669
Non-current assets	2,918,924	2,987,686
Current liabilities	5,617,837	4,775,195
Non-current liabilities	1,533,501	1,526,319

As at 31 December 2025 and 31 December 2024, there were no significant restrictions on the ability of the Group to access or use the assets and settle the liabilities of the Group's subsidiary above.

23 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

	31 December 2025	31 December 2024
Associates	9,949,622	9,615,539
Joint ventures	18,076	16,512
Less: Allowance for impairment	14,966	24,537
Total	9,952,732	9,607,514

(1) Particulars of the Group's principal associates and joint ventures are as follows:

Name	Place of incorporation/ registration (kind of legal entity)	Registered share capital	Principal activities	Percentage of equity interest	Percentage of voting rights
Associates:					
CSC Financial Co., Ltd. (中信建投證券股份有限公司)	Chinese Mainland (Joint stock limited company)	RMB7,756.69 million	Securities brokerage, financial consulting related to securities trading and securities investment activities, securities underwriting and sponsorship, securities self-management, securities asset management, securities investment fund distribution	4.9357%	4.9357%
Sichuan Xingjun Industrial Investment Private Equity Fund Management Co., Ltd. (四川星鈞產業投資私募基金管理有限公司)	Chinese Mainland (Limited liability company)	RMB1.8 billion	Investment fund management	35%	35%
Qingdao Blue Ocean Equity Exchange Center Co., Ltd. (青島藍海股權交易中心有限責任公司)	Chinese Mainland (Limited liability company)	RMB100 million	Equity trading	40%	40%
Xinjiang Equity Trading Center Co., Ltd. (新疆股權交易中心有限公司)	Chinese Mainland (Limited liability company)	RMB110 million	Finance sector	16.23%	16.23%

23 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (Continued)

(1) Particulars of the Group's principal associates and joint ventures are as follows: (Continued)

Name	Place of incorporation/ registration (kind of legal entity)	Registered share capital	Principal activities	Percentage of equity interest	Percentage of voting rights
Shandong Kunxin Management Co., Ltd. (山東坤信企業管理有限 公司)	Chinese Mainland (Limited liability company)	RMB110 million	Enterprise management, enterprise management consulting, information consulting services (not include license-based information consulting), market research (not include foreign-related investigations), financial consulting, corporate image planning, marketing planning, technical services, technology development, technology consulting, technology exchange, technology transfer, technology promotion	13.18%	13.18%
Shenzhen Qianhai Infrastructure Investments Fund Management Co., Ltd. (深圳前海基礎設施投資 基金管理有限公司)	Chinese Mainland (Limited liability company)	RMB300 million	Entrusted to manage equity investment funds (not allowed to publicly offer and issue funds and to engage in public offering and fund management business); equity investment, investment management, investment advising, investment consulting (except for projects prohibited by laws, administrative regulations, and decisions of the State Council, restricted projects can only be operated after obtaining a license)	11.67%	Not applicable ⁰
Tibet Xinsheng Equity Investment Partnership (limited partnership) (西藏信昇股權投資合夥 企業(有限合夥))	Chinese Mainland (Limited Joint Ventures)	RMB5,108.10 million	Private equity investment	9.79%	9.79%

23 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (Continued)

(1) Particulars of the Group's principal associates and joint ventures are as follows: (Continued)

Name	Place of incorporation/ registration (kind of legal entity)	Registered share capital	Principal activities	Percentage of equity interest	Percentage of voting rights
Taifu Goldstone (Tianjin) Fund Management Co., Ltd. (泰富金石(天津)基金管理有限公司)	Chinese Mainland (Limited liability company)	RMB50 million	Entrusted management of equity investment entities, investment management and relevant consulting services	40%	40%
Sailing Capital International Investment Fund (Shanghai) Co., Ltd. (賽領國際投資基金(上海)有限公司)	Chinese Mainland (Limited liability company)	RMB2,660 million	Investment, investment management and investment consulting	11.10%	Not applicable ⁽ⁱ⁾
Sailing Capital Management Co., Ltd. (賽領資本管理有限公司)	Chinese Mainland (Limited liability company)	RMB280.50 million	Equity investment management, equity investment, investment management and investment consulting	9.09%	Not applicable ⁽ⁱ⁾
CITIC POLY (Guangzhou) Private Fund Management Co., Ltd. (信保(廣州)私募基金管理有限公司)	Chinese Mainland (Limited liability company)	RMB100 million	Private equity investment fund management, venture capital fund management services	33%	33%
Tongfang Laishi Pharmaceutical Industry Investment (Guangdong) Co., Ltd. (同方萊士醫藥產業投資(廣東)有限公司)	Chinese Mainland (Limited liability company)	RMB2,000 million	Investment of enterprise's own capital, investment advisory services, biomedicine technology investment	30%	30%
Huaxia Chenxing No.1 Venture Capital Fund (Beijing) Partnership Enterprise (Limited Partnership) (華夏辰星一號創業投資基金(北京)合夥企業(有限合夥))	Chinese Mainland (Limited liability company)	RMB300 million	Private equity investment fund management, venture capital fund management services, investment management, asset management	31.10%	31.10%
Huaxia Zhiyuan Venture Capital Fund (Beijing) Partnership Enterprise (Limited Partnership) (華夏致遠創業投資基金(北京)合夥企業(有限合夥))	Chinese Mainland (Limited liability company)	RMB35 million	Private equity investment fund management, venture capital fund management services, investment management, asset management	8.17%	8.17%

23 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (Continued)

(1) Particulars of the Group's principal associates and joint ventures are as follows: (Continued)

Name	Place of incorporation/ registration (kind of legal entity)	Registered share capital	Principal activities	Percentage of equity interest	Percentage of voting rights
Huaxia Zhuozhi Venture Capital Fund (Beijing) Partnership Enterprise (Limited Partnership) (華夏卓智創業投資基金(北京)合夥企業(有限合夥))	Chinese Mainland (Limited liability company)	RMB85.5 million	Private equity investment fund management, venture capital fund management services, investment management, asset management	4.00%	4.00%
Runying Huaxia (Nanjing) Commercial Investment Partnership Enterprise (Limited Partnership) (潤盈華夏(南京)商業投資合夥企業(有限合夥))	Chinese Mainland (Limited liability company)	RMB300 million	Private equity investment fund management, venture capital fund management services, investment management, asset management	2.07%	2.07%
Top Eminent Healthcare Group Limited (卓著健康集團有限公司)	Cayman Islands	HKD4 billion	Investment holding	19.03%	19.03%
Aria Investment Partners IV, L.P.	Cayman Islands	Not applicable	Private equity fund	39.14%	Not applicable ⁽¹⁾
Aria Investment Partners V, L.P.	Cayman Islands	Not applicable	Private equity fund	45.45%	Not applicable ⁽¹⁾
Clean Resources Asia Growth Fund L.P.	Cayman Islands	Not applicable	Private equity fund	3.00%	Not applicable ⁽¹⁾
Sunrise Capital II, L.P.	Cayman Islands	Not applicable	Private equity fund	23.99%	Not applicable ⁽¹⁾
Sunrise Capital III, L.P.	Cayman Islands	Not applicable	Private equity fund	6.08%	Not applicable ⁽¹⁾
Sunrise Capital IV, L.P.	Cayman Islands	Not applicable	Private equity fund	5.49%	Not applicable ⁽¹⁾
Sunrise Capital V (JPY), L.P.	Cayman Islands	Not applicable	Private equity fund	6.64%	Not applicable ⁽¹⁾
CLSA Aviation Private Equity Fund II	Korea	Not applicable	Direct investment fund	0.08%	Not applicable ⁽¹⁾
CLSA Aviation II Investments (Cayman) Limited	Cayman Islands	USD0.05 million	Direct investment fund	12.39%	Not applicable ⁽¹⁾
CT Smith Holdings Limited	Sri Lanka	Not applicable	Investment and holdings	25%	25%
CLSA Infrastructure Private Equity Fund I	Korea	Not applicable	Private equity fund	0.14%	Not applicable ⁽¹⁾
CSOBOR Fund L.P.	Cayman Islands	Not applicable	Asset management	24.51%	60%
Holisol Logistics Private Limited	India	INR10.80 million	Asset management	20.29%	20.29%
Citron PE Holdings Limited	The British Virgin Island	Not applicable	Asset management	35%	Not applicable ⁽¹⁾
Lending Ark Asia Secured Private Debt Fund I (Non-US), LP	Cayman Islands	Not applicable	Asset management	22.16%	30%

23 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (Continued)

(1) Particulars of the Group's principal associates and joint ventures are as follows: (Continued)

Name	Place of incorporation/ registration (kind of legal entity)	Registered share capital	Principal activities	Percentage of equity interest	Percentage of voting rights
Lending Ark Asia Secured Private Debt Holdings Limited	Cayman Islands	USD0.05 million	Asset management	30%	30%
CLSA Asia Growth Fund, L.P.	Cayman Islands	Not applicable	Private equity fund	29.24%	Not applicable ⁽ⁱ⁾
CLSA Korea Private Equity Fund I	Korea	Not applicable	Private equity fund	19.61%	Not applicable ⁽ⁱ⁾
Joint ventures:					
Beijing Ruishu Information Service Co., Ltd. (北京睿樞信息服務有限公司)	Chinese Mainland (Sino-foreign joint stock limited company)	USD1 million	Financial services	50%	50%
Double Nitrogen Fund GP, Limited	Cayman Islands	USD0.05 million	Asset management	48%	50% ⁽ⁱⁱ⁾
Sino-Ocean Land Logistics Investment Management Limited	Cayman Islands	USD0.05 million	Asset management	50%	33.33%
CSOBOR Fund GP Limited	Cayman Islands	USD0.05 million	Asset management	49%	60%
Bright Lee Capital Limited	The British Virgin Island	USD0.05 million	Asset management	48%	50%
Sunrise Capital Holdings IV Limited	Cayman Islands	USD0.05 million	Asset management	50%	50%
Sunrise Capital Holdings V Limited	Cayman Islands	USD0.05 million	Asset management	25%	50%

- (i) The Group has a significant influence over these funds as it acts as the fund manager of these funds.
- (ii) The Group has joint control over this entity with other parties through contractual arrangement.
- (iii) In 2025, CITIC Private Equity Funds Management Co., Ltd. was renamed Sichuan Xingjun Industrial Investment Private Equity Fund Management Co., Ltd. CT CLSA Holdings Limited was renamed CT Smith Holdings Limited. CITIC Standard and Poor's Information Service (Beijing) Co., Ltd. was renamed Beijing Ruishu Information Service Co., Ltd.

23 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES (Continued)

(2) The summarised financial information of the Group's material associates

- (i) CSC Financial Co., Ltd. as a major associate of the Company, is primarily engaged in securities brokerage and investment consulting, and is accounted for using the equity method. According to the unaudited financial data as at and for the year ended 31 December 2025 provided by the management of CSC Financial Co., Ltd., the Group calculated its share of net assets based on its shareholding ratio.
- (ii) CITIC POLY (Guangzhou) Private Equity Fund Management Co., Ltd., as a major associate of the Company, is primarily engaged in private equity investment fund management, venture capital fund management and other related services, and is accounted for using the equity method. The relevant unaudited financial information is as follows:

	2025	2024
Revenue	49,638	146,412
Profit from continuing operations	14,373	90,920
Total comprehensive income	14,373	90,920
Dividends received	43,115	—

	31 December 2025	31 December 2024
Current assets	1,210,609	1,561,179
Non-current assets	4,902,052	4,813,998
Current liabilities	1,520,235	1,686,949
Non-current liabilities	89,254	87,894

(3) The following table illustrates the summarised financial information of the Group's other associates and joint venture companies:

	2025	2024
Profit/(loss) from continuing operations	1,412,199	(1,620,257)
Other comprehensive income	—	(3,267)
Total comprehensive income	1,412,199	(1,623,524)

- (4) As at December 31 2025 and December 31 2024, the Group had no commitments to joint ventures.

24 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	31 December 2025	
	Current	Non-current
Debt instruments	57,264,892	—
Equity instruments (designated)		
Non-tradable equity instruments	—	123,736,055
Total	57,264,892	123,736,055
Loss allowance	689,988	—
Analysed into:		
Listed	40,947,538	117,828,592
Unlisted	16,317,354	5,907,463
Total	57,264,892	123,736,055
	31 December 2024	
	Current	Non-current
Debt instruments	80,243,127	—
Equity instruments (designated)		
Non-tradable equity instruments	—	90,667,794
Total	80,243,127	90,667,794
Loss allowance	726,640	—
Analysed into:		
Listed	65,003,241	85,882,977
Unlisted	15,239,886	4,784,817
Total	80,243,127	90,667,794

24 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

(Continued)

As at 31 December 2025, the carrying amount of financial assets at fair value through other comprehensive income with restricted sales period or commitment conditions was RMB115,980 million (31 December 2024: RMB131,868 million).

25 REFUNDABLE DEPOSITS

	31 December 2025	31 December 2024
Trading deposits	96,134,734	62,418,452
Credit deposits	257,710	171,649
Performance deposits	6,126,119	5,624,934
Total	102,518,563	68,215,035

26 DEFERRED INCOME TAX ASSETS/LIABILITIES

(1) Reconciliation to the consolidated statements of financial position

	31 December 2025	31 December 2024
Deferred income tax assets	9,592,296	7,755,762
Deferred income tax liabilities	214,793	361,731
Net	9,377,503	7,394,031

26 DEFERRED INCOME TAX ASSETS/LIABILITIES (Continued)

(2) The components of deferred tax assets/(liabilities) recognised in the consolidated statements of financial position and the movements during the year are as follows:

Deferred tax arising from: (Restated)	Fair value changes of financial instruments	Allowance for impairment losses	Salaries, bonuses, and allowances payable	Others	Total
1 January 2025	438,433	2,118,298	5,294,651	(457,351)	7,394,031
Credited/(debited) to profit or loss	1,580,272	25,052	443,821	(137,233)	1,911,912
Credited/(debited) to other comprehensive income	390,078	—	(40,696)	59,291	408,673
Others	(336,992)	(164)	—	43	(337,113)
31 December 2025	2,071,791	2,143,186	5,697,776	(535,250)	9,377,503
1 January 2024	(326,790)	2,525,854	4,613,340	(288,814)	6,523,590
Credited/(debited) to profit or loss	1,043,249	(407,556)	679,417	(163,321)	1,151,789
Credited/(debited) to other comprehensive income	(200,273)	—	1,894	(5,216)	(203,595)
Others	(77,753)	—	—	—	(77,753)
31 December 2024	438,433	2,118,298	5,294,651	(457,351)	7,394,031

27 RIGHT-OF-USE ASSETS

2025	Properties and Buildings	Transportation Vehicles	Electronic Devices	Others	Total
Cost					
Opening balance	2,694,510	1,045	2,926	1,042	2,699,523
Increases	1,382,227	576	3,617	—	1,386,420
Decreases	766,894	67	—	19	766,980
Effect of exchange rate change	(23,871)	(4)	(2)	—	(23,877)
Ending balance	3,285,972	1,550	6,541	1,023	3,295,086
Accumulated depreciation					
Opening balance	532,187	382	711	409	533,689
Increases	830,517	406	1,845	207	832,975
Decreases	527,320	67	—	19	527,406
Effect of exchange rate change	(18,198)	(17)	(13)	—	(18,228)
Ending balance	817,186	704	2,543	597	821,030
Net carrying amount					
Ending balance	2,468,786	846	3,998	426	2,474,056
Opening balance	2,162,323	663	2,215	633	2,165,834

27 RIGHT-OF-USE ASSETS (Continued)

2024	Properties and Buildings	Transportation Vehicles	Electronic Devices	Others	Total
Cost					
Opening balance	4,601,756	1,229	560	1,718	4,605,263
Increases	735,169	—	2,425	145	737,739
Decreases	2,658,047	58	—	821	2,658,926
Effect of exchange rate change	15,632	(126)	(59)	—	15,447
Ending balance	2,694,510	1,045	2,926	1,042	2,699,523
Accumulated depreciation					
Opening balance	2,210,276	224	163	970	2,211,633
Increases	861,782	256	575	260	862,873
Decreases	2,552,923	58	—	821	2,553,802
Effect of exchange rate change	13,052	(40)	(27)	—	12,985
Ending balance	532,187	382	711	409	533,689
Net carrying amount					
Ending balance	2,162,323	663	2,215	633	2,165,834
Opening balance	2,391,480	1,005	397	748	2,393,630

28 OTHER NON-CURRENT ASSETS

	31 December 2025	31 December 2024
Receivables and others	618,295	596,361

29 MARGIN ACCOUNTS

	31 December 2025	31 December 2024
Margin accounts	210,776,934	140,625,841
Less: loss allowance	3,125,259	2,294,179
Total	207,651,675	138,331,662

Margin accounts are funds that the Group lends to its customers for margin financing business.

As at 31 December 2025, the Group received collateral with fair value amounted to RMB646,457 million (31 December 2024: RMB411,308 million), in connection with its margin financing business.

30 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	31 December 2025	
	Current	Non-current
Mandatory:		
Debt instruments	316,237,174	—
Equity instruments	350,546,681	18,390,758
Others	83,045,419	352,953
Subtotal	749,829,274	18,743,711
Designated:		
Debt instruments	208,738	—
Equity instruments	3,868,727	4,673,151
Subtotal	4,077,465	4,673,151
Total	753,906,739	23,416,862
Analysed into:		
Mandatory:		
Listed	580,740,321	3,226,968
Unlisted	169,088,953	15,516,743
Subtotal	749,829,274	18,743,711
Designated:		
Listed	3,719,197	167,617
Unlisted	358,268	4,505,534
Subtotal	4,077,465	4,673,151
Total	753,906,739	23,416,862

30 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

31 December 2024

	Current	Non-current
Mandatory:		
Debt instruments	375,321,505	—
Equity instruments	260,785,925	18,070,467
Others	23,806,642	4,420,884
Subtotal	659,914,072	22,491,351
Designated:		
Debt instruments	213,354	—
Equity instruments	4,055,608	4,118,401
Others	442	68,966
Subtotal	4,269,404	4,187,367
Total	664,183,476	26,678,718
Analysed into:		
Mandatory:		
Listed	505,727,652	2,461,257
Unlisted	154,186,420	20,030,094
Subtotal	659,914,072	22,491,351
Designated:		
Listed	4,056,050	192,371
Unlisted	213,354	3,994,996
Subtotal	4,269,404	4,187,367
Total	664,183,476	26,678,718

As at 31 December 2025, the carrying amount of financial assets at fair value through profit or loss with restricted sales period or commitment conditions was RMB318,536 million (31 December 2024: RMB284,831 million).

31 DERIVATIVE FINANCIAL INSTRUMENTS

	31 December 2025					
	Hedging instruments			Non-hedging instruments		
	Notional amounts	Fair value		Notional amounts	Fair value	
		Assets	Liabilities		Assets	Liabilities
Interest rate derivatives	4,500,000	175,723	—	4,402,474,514	11,968,563	12,721,240
Currency derivatives	—	—	—	431,223,279	3,167,228	3,741,940
Equity derivatives	—	—	—	697,674,282	15,371,964	39,365,591
Credit derivatives	—	—	—	10,017,542	50,863	15,806
Others	—	—	—	1,243,884,499	8,860,055	9,845,489
Total	4,500,000	175,723	—	6,785,274,116	39,418,673	65,690,066

	31 December 2024					
	Hedging instruments			Non-hedging instruments		
	Notional amounts	Fair value		Notional amounts	Fair value	
		Assets	Liabilities		Assets	Liabilities
Interest rate derivatives	4,500,000	276,573	—	2,844,447,428	18,372,430	20,513,256
Currency derivatives	—	—	—	551,868,128	9,350,559	8,573,289
Equity derivatives	—	—	—	541,205,332	17,201,066	19,953,532
Credit derivatives	—	—	—	18,194,616	22,345	66,875
Others	—	—	—	784,475,333	3,774,479	4,846,676
Total	4,500,000	276,573	—	4,740,190,837	48,720,879	53,953,628

Under the daily mark-to-market and settlement arrangement, the Group's future contracts were settled on a daily basis and the amount of mark-to-market gain or loss of those unexpired future contracts is reflected in profit or loss and not included in derivative financial instruments above. As at 31 December 2025, the fair value of those unexpired daily settled future contracts was a loss of RMB2,055 million (31 December 2024: loss of RMB827 million).

31 DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

(1) Fair value hedges

The designated fair value hedging instruments are set out as below:

	31 December 2025			31 December 2024		
	Notional amounts	Assets	Liabilities	Notional amounts	Assets	Liabilities
Interest swap	4,500,000	175,723	—	4,500,000	276,573	—

The Group uses fair value hedging to mitigate the impact of changes in the fair value of financial liabilities caused by market interest rate fluctuations, and uses interest rate swap contracts as hedging tools for the interest rate risk of some issued long-term debt instruments.

The Group's net (losses)/gains on fair value hedges are as follow:

	2025	2024
Net (losses)/gains		
Hedging instrument	(100,850)	131,944
Hedged item	102,939	(130,801)

The gain and loss arising from the ineffective portion recognised in net trading gains were immaterial during the years ended 31 December 2025 and 2024.

31 DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

(1) Fair value hedges (Continued)

The following table shows maturity details with notional amount of hedging instruments disclosed above:

Fair value hedging	3 months					Total
	Within 1 month	1 to 3 months	to 12 months	1 to 5 years	Over 5 years	
31 December 2025	—	—	—	4,500,000	—	4,500,000

Fair value hedging	3 months					Total
	Within 1 month	1 to 3 months	to 12 months	1 to 5 years	Over 5 years	
31 December 2024	—	—	—	4,500,000	—	4,500,000

The following table sets out the details of the hedged items covered by the Group's fair value hedging strategies:

	31 December 2025				
	Accumulated amount of fair value adjustments on the hedged items				
	Carrying amount of hedged items		Adjustments on the hedged items		Balance Sheet Items
	Assets	Liabilities	Assets	Liabilities	
Fixed coupon bonds	—	(4,768,703)	—	(163,346)	Debt instruments issued

	31 December 2024				
	Accumulated amount of fair value adjustments on the hedged items				
	Carrying amount of hedged items		Adjustments on the hedged items		Balance Sheet Items
	Assets	Liabilities	Assets	Liabilities	
Fixed coupon bonds	—	(4,869,990)	—	(266,284)	Debt instruments issued

32 REVERSE REPURCHASE AGREEMENTS

	31 December 2025	
	Current	Non-current
Analysed by collateral:		
Stocks	34,040,468	11,377,906
Debts	7,764,941	—
Others	5,009,254	—
Subtotal	46,814,663	11,377,906
Less: loss allowance	3,579,808	250,450
Total	43,234,855	11,127,456
Analysed by business:		
Pledged repo	40,050,878	11,377,906
Debt securities outright repo	1,754,531	—
Others	5,009,254	—
Subtotal	46,814,663	11,377,906
Less: loss allowance	3,579,808	250,450
Total	43,234,855	11,127,456
Analysed by counterparty:		
Banks	5,544,263	—
Non-bank financial institutions	6,849,872	—
Others	34,420,528	11,377,906
Subtotal	46,814,663	11,377,906
Less: loss allowance	3,579,808	250,450
Total	43,234,855	11,127,456

32 REVERSE REPURCHASE AGREEMENTS (Continued)

	31 December 2024	
	Current	Non-current
Analysed by collateral:		
Stocks	32,370,175	8,982,835
Debts	3,982,548	—
Others	3,012,977	—
Subtotal	39,365,700	8,982,835
Less: loss allowance	3,898,844	181,195
Total	35,466,856	8,801,640
Analysed by business:		
Pledged repo	34,337,070	8,982,835
Debt securities outright repo	2,015,653	—
Others	3,012,977	—
Subtotal	39,365,700	8,982,835
Less: loss allowance	3,898,844	181,195
Total	35,466,856	8,801,640
Analysed by counterparty:		
Banks	3,394,278	—
Non-bank financial institutions	3,132,274	—
Others	32,839,148	8,982,835
Subtotal	39,365,700	8,982,835
Less: loss allowance	3,898,844	181,195
Total	35,466,856	8,801,640

32 REVERSE REPURCHASE AGREEMENTS (Continued)

As at 31 December 2025, stock-pledged repo under reverse repurchase agreements totaled RMB45,418 million (31 December 2024: RMB41,353 million) with credit impairment loss allowance of RMB3,830 million (31 December 2024: RMB4,080 million).

As at 31 December 2025, the Group received collateral amounted to RMB154,202 million (31 December 2024: RMB112,610 million), in connection with its reverse repurchase agreements.

As part of the reverse repurchase agreements, the Group received securities allowed to be re-pledged in the absence of default by counterparties. If the collateral received declines in value, the Group may, in certain circumstances, require additional collateral. The Group had an obligation to return the collateral to its counterparties at the maturity of the contracts.

As at 31 December 2025, the amount of the above collateral allowed to be re-pledged was RMB6,887 million (31 December 2024: RMB6,140 million), and the amount of the collateral re-pledged was RMB2,185 million (31 December 2024: RMB2,887 million).

33 CASH HELD ON BEHALF OF CUSTOMERS

The Group maintains segregated deposit accounts with banks and authorised institutions to hold cash on behalf of customers arising from its normal course of business. The Group has recorded the related amounts as cash held on behalf of customers and the corresponding liabilities as customer brokerage deposits (Note 36). In the PRC, the use of cash held on behalf of customers for security and the settlement of their transactions is restricted and governed by relevant third-party deposit regulations issued by the CSRC. In Hong Kong, the “Securities and Futures (Client Money) Rules” together with the related provisions of the Securities and Futures Ordinance impose similar restrictions. In other countries and regions, cash held on behalf of customers is supervised by relevant institutions.

34 CASH AND BANK BALANCES

	31 December 2025	31 December 2024
Cash on hand	198	215
Deposits in banks	116,567,233	116,493,824
Total	116,567,431	116,494,039

As at 31 December 2025, the Group had deposits in banks with restrictions of RMB10,835 million (31 December 2024: RMB9,499 million).

35 OTHER CURRENT ASSETS

	31 December 2025	31 December 2024 (Restated)
Accounts due from brokers	34,744,924	28,128,328
Settlement deposits receivable	46,942,592	21,951,371
Brokerage accounts due from clients	15,953,203	9,425,630
Inventory and warehouse receipts designated at fair value through profit or loss ⁽¹⁾	3,900,653	1,460,687
Interest receivable	100,611	127,701
Dividends receivable	51,469	20,592
Others	22,965,073	14,932,782
Subtotal	124,658,525	76,047,091
Less: Impairment allowance	2,480,612	2,506,160
Total	122,177,913	73,540,931

(1) As at 31 December 2025, warehouse receipts designated at fair value through profit or loss were classified as Level 2 in the fair value hierarchy, with a fair value of RMB3,900 million (31 December 2024: RMB1,460 million).

36 CUSTOMER BROKERAGE DEPOSITS

	31 December 2025	31 December 2024
Customer brokerage deposits	518,683,329	362,448,644

Customer brokerage deposits represent the amount received from and repayable to clients arising from the ordinary course of the Group's securities brokerage activities. For more details, please refer to Note 33 "Cash held on behalf of customers".

37 FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	31 December 2025	
	Current	Non-current
Mandatory:		
Equity instruments	18,119,142	—
Debt instruments	11,300,039	—
Others	1,197,276	—
Subtotal	30,616,457	—
Designated:		
Beneficiary certificates and structured notes	128,855,920	12,246,245
Minority interests in consolidated structured entities and others	470,651	2,945,072
Subtotal	129,326,571	15,191,317
Total	159,943,028	15,191,317
	31 December 2024	
	Current	Non-current
Mandatory:		
Debt instruments	9,528,142	—
Equity instruments	24,158,221	—
Others	463,560	—
Subtotal	34,149,923	—
Designated:		
Beneficiary certificates and structured notes	76,315,574	10,072,921
Minority interests in consolidated structured entities and others	447,288	3,400,539
Subtotal	76,762,862	13,473,460
Total	110,912,785	13,473,460

As at 31 December 2025 and 31 December 2024, there were no significance fair value changes related to the changes in the credit risk of the Group.

38 REPURCHASE AGREEMENTS

	31 December 2025		31 December 2024	
	Current	Non-current	Current	Non-current
Analysed by collateral:				
Equity	36,698,326	—	46,492,668	—
Debts	249,696,343	187,754	278,128,536	485,428
Precious metal	27,766,583	3,003,827	13,517,453	6,090
Others	89,999,285	—	51,538,784	—
Total	404,160,537	3,191,581	389,677,441	491,518
Analysed by counterparty:				
Banks	136,999,560	3,003,827	127,228,217	491,518
Non-bank financial institutions	197,291,164	187,754	171,223,704	—
Others	69,869,813	—	91,225,520	—
Total	404,160,537	3,191,581	389,677,441	491,518

As at 31 December 2025, the Group's pledged collateral in connection with its repurchase financing business amounted to RMB471,370 million (31 December 2024: RMB443,607 million).

39 DUE TO BANKS AND OTHER FINANCIAL INSTITUTIONS

	31 December 2025	31 December 2024
Due to banks	27,719,834	44,990,090
Due to China Securities Finance Corporation Limited	—	502,974
Total	27,719,834	45,493,064

40 TAXES PAYABLE

	31 December 2025	31 December 2024
Corporate income tax	5,056,524	2,953,834
Individual income tax	610,150	442,285
Value added tax	295,007	146,970
Others	192,706	104,688
Total	6,154,387	3,647,777

41 SHORT-TERM LOANS

	31 December 2025	31 December 2024
Analysed by nature:		
Credit loans	26,999,119	14,083,737
Collateralised loans	—	4,530
Total	26,999,119	14,088,267
Analysed by maturity:		
Maturity within one year	26,999,119	14,088,267

As at 31 December 2025, the annual interest rates on the short-term loans were in the range of 0.00% to 6.50% (31 December 2024: 0.00% to 6.50%). As at 31 December 2025, there was no collateral (31 December 2024: RMB4,302 million).

As at 31 December 2025, the maturity of short-term loans was within one year, there was no default related to any short-term loans (31 December 2024: Nil).

42 SHORT-TERM FINANCING INSTRUMENTS PAYABLE

	Coupon Rate	1 January 2025	Increase	Decrease	31 December 2025
Short-term corporate bonds	1.66%-1.96%	20,393,683	50,534,968	26,682,382	44,246,269
Medium-term notes	0.00%-4.50%	1,861,370	22,232,603	20,213,794	3,880,179
European Commercial Paper	0.00%	1,800,390	3,799,432	3,090,180	2,509,642
Beneficiary certificates	1.40%-2.50%	18,655,990	182,992,043	176,593,560	25,054,473
Total		42,711,433	259,559,046	226,579,916	75,690,563

	Coupon Rate	1 January 2024	Increase	Decrease	31 December 2024
Short-term corporate bonds	1.89%-2.53%	34,175,191	20,997,901	34,779,409	20,393,683
Medium-term notes	0.00%-5.34%	965,483	7,322,392	6,426,505	1,861,370
European Commercial Paper	0.00%-4.90%	841,331	2,703,023	1,743,964	,800,390
Beneficiary certificates	1.68%-2.52%	21,425,007	178,145,980	180,914,997	18,655,990
Total		57,407,012	209,169,296	223,864,875	42,711,433

- (1) As at 31 December 2025 and 31 December 2024, short-term financing instruments payable comprised of short-term corporate bonds and beneficiary certificates with an original tenure of less than one year.
- (2) Short-term financing payables include outstanding short-term corporate bonds, short-term financing notes, and beneficiary certificates with an original maturity of within one year. As at 31 December 2025 and 31 December 2024, there were no defaults in the payment of principal, interest, or redemption amounts on the short-term corporate bonds, short-term financing notes, or beneficiary certificates with an original maturity of within one year issued by the Group.

43 LEASE LIABILITIES

	31 December 2025		31 December 2024	
	Current	Non-current	Current	Non-current
Lease liabilities	768,841	1,796,522	733,188	1,528,889

As at 31 December 2025, the future cash flows of lease contracts signed by the Group but lease not yet commenced are shown as follows:

	31 December 2025	31 December 2024
Lease term:		
Within one year	8,980	21,432
One to two years	9,599	16,387
Two to five years	7,825	14,051
Total	26,404	51,870

44 OTHER CURRENT LIABILITIES

	31 December 2025	31 December 2024
Client deposits payable	152,029,816	134,309,689
Debt instruments issued due within one year and others	54,544,312	46,930,013
Settlement deposits payable	48,416,249	30,860,267
Amounts due to brokers	38,054,610	24,039,282
Salaries, bonuses and allowances payable	24,545,057	22,332,424
Dividends payable	4,861,511	479,233
Fee and commissions payable	1,312,777	763,415
Accrued liabilities	1,160,653	800,228
Funds payable to securities holders	167,276	167,568
Interest payable	143,634	88,341
Funds payable to securities issuers	—	1,063,310
Others	20,001,290	12,392,362
Total	345,237,185	274,226,132

45 DEBT INSTRUMENTS ISSUED

(1) Debt instruments issued

By category	31 December 2025	31 December 2024
Bonds and medium term notes issued	101,944,242	95,779,317
Beneficiary certificates issued	175,335	—
Total	102,119,577	95,779,317

By maturity	31 December 2025	31 December 2024
Maturity within five years	77,420,788	71,385,311
Maturity over five years	24,698,789	24,394,006
Total	102,119,577	95,779,317

As at 31 December 2025 and 31 December 2024, there were no defaults in the payment of principal, interest, or redemption amounts on the debt instruments issued by the Group.

(2) Debt instruments issued list

Name	Par value RMB thousand	Issue date	Term	Nominal Coupon rate	31 December 2025 RMB thousand	31 December 2024 RMB thousand
Corporate bonds						
20 CS 20	800,000	11/09/2020	10 years	4.20%	809,149	808,930
20 CS 24	900,000	28/10/2020	10 years	4.27%	905,503	905,258
21 CS 03	3,200,000	25/01/2021	10 years	4.10%	3,317,590	3,316,724
21 CS 05	3,000,000	01/03/2021	10 years	4.10%	3,098,363	3,097,554
21 CS 06	2,500,000	19/03/2021	10 years	4.10%	2,576,864	2,576,188
21 CS 07	1,400,000	13/04/2021	10 years	4.04%	1,438,419	1,438,031
21 CS 08 (i)	1,000,000	11/06/2021	5 years	3.70%	—	1,019,827
21 CS 09	2,500,000	11/06/2021	10 years	4.03%	2,552,152	2,551,483
21 CS 10 (i)	1,500,000	09/07/2021	5 years	3.62%	—	1,524,833
21 CS 11	1,500,000	09/07/2021	10 years	3.92%	1,525,828	1,525,427
21 CS 13 (i)	1,000,000	23/08/2021	5 years	3.34%	—	1,011,041
21 CS 17 (i)	1,800,000	28/09/2021	5 years	3.47%	—	1,814,450
21 CS 19 (i)	2,000,000	19/10/2021	5 years	3.59%	—	2,012,483

45 DEBT INSTRUMENTS ISSUED (Continued)

(2) Debt instruments issued list (Continued)

Name	Par value RMB thousand	Issue date	Term	Nominal Coupon rate	31 December	31 December
					2025 RMB thousand	2024 RMB thousand
22 CS 01	500,000	16/02/2022	5 years	3.20%	513,723	513,490
22 CS 02	1,000,000	16/02/2022	10 years	3.69%	1,031,021	1,030,845
22 CS 04	500,000	11/03/2022	5 years	3.40%	513,437	513,154
23 CS 10 (i)	2,000,000	30/05/2023	3 years	2.89%	—	2,032,426
23 CS 12 (i)	2,500,000	13/06/2023	3 years	2.80%	—	2,536,453
23 CS 14 (i)	500,000	07/07/2023	3 years	2.75%	—	506,227
23 CS 16 (i)	2,000,000	14/08/2023	3 years	2.72%	—	2,018,818
23 CS 18 (i)	2,000,000	30/08/2023	3 years	2.70%	—	2,016,241
23 CS 20 (i)	2,500,000	12/09/2023	3 years	2.93%	—	2,519,579
23 CS 21 (i)	1,800,000	20/09/2023	3 years	2.86%	—	1,812,554
23 CS 22	2,200,000	20/09/2023	5 years	3.10%	2,216,933	2,216,131
23 CS 24 (i)	2,700,000	19/10/2023	3 years	2.90%	—	2,712,804
23 CS 26	3,500,000	07/11/2023	5 years	3.10%	3,512,495	3,511,223
23 CS 28 (i)	2,500,000	21/11/2023	3 years	2.87%	—	2,505,053
23 CS 30 (i)	4,000,000	20/12/2023	3 years	2.90%	—	3,998,833
23 CS G3 (i)	3,000,000	21/02/2023	3 years	3.06%	—	3,076,810
23 CS G5	2,000,000	13/03/2023	5 years	3.32%	2,126,329	2,172,732
23 CS G7	2,500,000	19/04/2023	5 years	3.17%	2,642,374	2,697,259
23 CS G9 (i)	3,500,000	15/05/2023	3 years	2.90%	—	3,561,217
24 CS G1 (i)	1,500,000	19/01/2024	2 years	2.68%	—	1,536,707
24 CS G2	2,300,000	19/01/2024	3 years	2.74%	2,358,361	2,356,924
24 CS G3	3,000,000	28/02/2024	10 years	2.75%	3,064,558	3,064,036
24 CS G4	4,000,000	12/03/2024	10 years	2.69%	4,080,251	4,079,530
24 CS G5	3,600,000	27/03/2024	3 years	2.54%	3,667,173	3,664,830
24 CS G7	1,000,000	27/12/2024	3 years	1.82%	998,943	998,303
25 CS G1	4,000,000	06/03/2025	3 years	2.03%	4,068,491	—
25 CS K1	1,000,000	14/05/2025	2 years	1.67%	1,009,242	—
25 CS K2	1,000,000	14/05/2025	3 years	1.71%	1,009,319	—
25 CS G2	2,000,000	07/08/2025	3 years	1.75%	2,010,697	—
25 CS G3	500,000	19/08/2025	2 years	1.78%	502,492	—
25 CS G4 (i)	3,000,000	24/09/2025	1 years	1.76%	—	—
25 CS G5	4,000,000	24/09/2025	3 years	1.98%	4,011,155	—
25 CS G6 (i)	5,000,000	14/10/2025	1 years	1.75%	—	—
25 CS G7	3,000,000	14/10/2025	3 years	2.02%	3,007,660	—
25 CS G8	4,000,000	20/10/2025	2 years	1.90%	4,008,149	—
25 CS G9	2,000,000	20/10/2025	3 years	1.98%	2,004,262	—
25 CS 10 (i)	4,000,000	27/10/2025	1 years	1.75%	—	—
25 CS 11	4,000,000	27/10/2025	3 years	1.96%	4,003,518	—
25 CS 12	3,000,000	07/11/2025	2 years	1.80%	3,002,707	—
25 CS 13	2,000,000	07/11/2025	5 years	1.98%	2,002,164	—
25 CS 14	8,000,000	22/12/2025	1 years	1.74%	7,981,239	—
25 CT 01	2,700,000	10/09/2025	5 years	1.85%	2,714,212	—
Subtotal					84,284,773	81,254,408

45 DEBT INSTRUMENTS ISSUED (Continued)

(2) Debt instruments issued list (Continued)

Name	Par value RMB thousand	Issue date	Term	Nominal Coupon rate	31 December 2025 RMB thousand	31 December 2024 RMB thousand
Subordinated bond						
23 CS C2 (i)	1,000,000	14/11/2023	3 years	3.10%	—	1,002,896
24 CS C2	700,000	31/10/2024	3 years	2.35%	701,947	701,500
24 CS C4	1,000,000	12/11/2024	3 years	2.26%	1,001,865	1,001,226
25 CF C1	2,000,000	08/09/2025	6 years	2.2%&5.2%	2,013,742	—
Subtotal					3,717,554	2,705,622
Medium term note						
HK0000936960 (i)	695,444	14/06/2023	3 years	2.90%	—	693,728
CSI MTN N2607-R (i)	2,443,423	13/07/2023	3 years	3.10%	—	2,481,344
XS2729757109	652,293	25/01/2024	3 years	1.00%	661,169	674,131
CSI MTN N2804	3,596,716	22/10/2024	3.5 years	4.38%	3,522,962	3,596,391
CSI MTN N2710	3,596,716	22/10/2024	3 years	SOFR +0.73%	3,548,569	3,637,771
HK0001092177	735,284	18/12/2024	3 years	2.65%	754,846	735,922
CSI MTN N2807	4,217,775	16/07/2025	3 years	SOFR +0.6%	4,249,153	—
CSI MTN N2807	1,195,036	04/12/2025	2.6 years	SOFR +0.6%	1,205,216	—
Subtotal					13,941,915	11,819,287
Beneficiary certificates (ii)					175,335	—
Total					102,119,577	95,779,317

(i) As at 31 December 2025 and 31 December 2024, issued debt instruments with a balance of nil are classified as current liabilities maturing within one year.

(ii) As at 31 December 2025, the unexpired beneficiary certificates with an original tenure of more than one year issued by the Company amounted to RMB175 million and coupon rates ranging from 1.55% to 1.99% (31 December 2024: not issued).

46 LONG-TERM LOANS

	31 December 2025	31 December 2024
Analysed by nature:		
Collateralised loans	—	132,254
Credit loans	9,451	11,460
Total	9,451	143,714
Analysed by maturity:		
Maturity within five years	9,451	143,714

As at 31 December 2025, the interest rate on the long-term loans was 0.31% (31 December 2024: 0.31% to 6.50%).

As at 31 December 2025, there was no collateral for the above loans (31 December 2024: RMB1,026 million).

47 OTHER NON-CURRENT LIABILITIES

	31 December 2025	31 December 2024
Regulatory risk provision	2,084,199	1,847,288
Others	425,880	425,880
Total	2,510,079	2,273,168

48 ISSUED SHARE CAPITAL

Ordinary Shares	31 December 2025		31 December 2024	
	Number of shares (Thousand)	Nominal value	Number of shares (Thousand)	Nominal value
Registered, issued and fully paid:				
A shares of RMB1 each	12,200,470	12,200,470	12,200,470	12,200,470
H shares of RMB1 each	2,620,077	2,620,077	2,620,077	2,620,077
Total	14,820,547	14,820,547	14,820,547	14,820,547

49 OTHER EQUITY INSTRUMENTS

Other equity instruments of the Group are as follows:

Name	Issue date	Par value
Perpetual Subordinated Bonds of 2021 (First Tranche)	July 2021	3,300,000
Perpetual Subordinated Bonds of 2021 (Second Tranche)	August 2021	6,000,000
Perpetual Subordinated Bonds of 2021 (Third Tranche)	August 2021	1,500,000
Perpetual Subordinated Bonds of 2022 (First Tranche)	January 2022	3,000,000
Perpetual Subordinated Bonds of 2023 (First Tranche)	October 2023	3,000,000
Perpetual Subordinated Bonds of 2024 (First Tranche)	January 2024	3,000,000
Perpetual Subordinated Bonds of 2024 (Second Tranche)	March 2024	4,000,000
Perpetual Subordinated Bonds of 2024 (Third Tranche)	August 2024	2,000,000
Perpetual Subordinated Bonds of 2024 (Fourth Tranche)	December 2024	5,000,000
Perpetual Subordinated Bonds of 2025 (First Tranche)	January 2025	3,000,000
Perpetual Subordinated Bonds of 2025 (Second Tranche)	September 2025	1,000,000
Perpetual Subordinated Bonds of 2025 (Third Tranche)	November 2025	2,000,000
Perpetual Subordinated Bonds of 2025 (Fourth Tranche)	November 2025	1,500,000

Key terms and conditions relating to the equity instruments that exist as at 31 December 2025 and 31 December 2024 are as follows:

- The bonds are repriced every 5 interest-accruing years, and at the end of the repricing cycle, the issuer has the option to extend the bonds for another repricing cycle (another five years) or redeem them in full;
- The bonds offer no redemption option to the investors so that investors cannot require the issuer to redeem their bonds during the duration of the bonds; The Company has the 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 the interest payment to the next payment date for current period as well as all interests and accreted interests already deferred according to the related terms, without any limitation with respect to the number of deferrals. Mandatory interest payment events are limited to dividend distributions to ordinary equity holders and reductions of registered capital;
- The priority over repayment of these perpetual subordinated bonds mentioned above is subordinated to the Group's general debts and subordinated bonds, unless in the event of liquidation of the Group, investors of these bonds cannot require the Group to accelerate payment of bonds' principals.

The perpetual subordinated bonds issued by the Company are classified as equity instruments in the consolidated statement of changes in equity.

50 RESERVES

The amounts of the Group's reserves and the related movements are presented in the consolidated statement of changes in equity.

(1) Capital reserve

Capital reserve primarily includes share premium arising from the issuance of new shares at prices in excess of par value.

(2) Surplus reserves

(i) Statutory surplus reserve

Pursuant to the Company Law of the PRC, the Company is required to appropriate 10% of its profit for the year for 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, if any, and may also be converted into capital of the Company, provided that the balance of the statutory surplus reserve after this capitalisation is not less than 25% of the registered capital immediately before capitalisation.

(ii) Discretionary surplus reserve

After making the appropriation to the statutory surplus reserve, the Company may also appropriate its after-tax profit for the year to its discretionary surplus reserve upon approval by the General Shareholders' Meeting. Subject to the approval of General Shareholders' Meeting, the discretionary surplus reserve may be used to offset accumulated losses, if any, and may be converted into share capital.

(3) General reserves

Pursuant to the requirements of regulatory authorities, including the Ministry of Finance and the CSRC, the Company is required to appropriate 10% of its after-tax profit for the year for the general risk reserve and 10% for trading risk reserve. These reserves may be used to offset accumulated losses of the Company but shall not be announced as dividends or converted into share capital. General reserves also include reserves that are established by subsidiaries and branches in certain countries or jurisdictions outside of the Chinese Mainland in accordance with the regulatory requirements in their respective territories are also included herein. These regulatory reserves are not available for distribution.

(4) Investment revaluation reserve

Investment revaluation reserve represents reserve arising from the fair value changes of financial assets at fair value through other comprehensive income.

(5) Foreign currency translation reserve

Foreign currency translation reserve represents the exchange difference arising from the translation of the financial statements of the subsidiaries incorporated outside Chinese Mainland with functional currencies other than RMB.

(6) Distributable profits

The Company's distributable profits are based on the retained earnings of the Company as determined under China Accounting Standards and IFRSs, whichever is lower.

51 SUPPLEMENTARY INFORMATION TO THE CONSOLIDATED CASH FLOW STATEMENT

(1) Cash and cash equivalents

	31 December 2025	31 December 2024
Cash and bank balances	116,567,431	116,494,039
Cash equivalents	4,996,347	—
Less: Restricted funds	10,835,339	9,498,658
Interests receivable	1,139,060	917,904
Deposits with original maturity of more than three months	62,000	60,000
Cash and cash equivalents	109,527,379	106,017,477

(2) Reconciliation of major liabilities arising from financing activities

Items	1 January	Increase for the year		Decrease for the year		31 December
	2025	Cash	Non-cash	Cash	Non-cash	2025
Short-term loans	14,088,267	204,407,077	809,274	191,957,235	348,264	26,999,119
Short-term financing instruments payable	42,711,433	258,322,490	233,462	226,419,486	(842,664)	75,690,563
Debt instruments issued long-term loans, and debt instruments issued due within one year and others	142,853,044	61,115,903	3,121,214	50,895,022	(478,201)	156,673,340
Lease liabilities	2,262,077	—	1,274,618	905,689	65,643	2,565,363
Total	201,914,821	523,845,470	5,438,568	470,177,432	(906,958)	261,928,385

Items	1 January	Increase for the year		Decrease for the year		31 December
	2024	Cash	Non-cash	Cash	Non-cash	2024
Short-term loans	7,613,934	126,109,037	26,574	119,661,878	(600)	14,088,267
Short-term financing instruments payable	57,407,012	207,359,075	134,059	221,800,973	387,740	42,711,433
Debt instruments issued, long-term loans, and debt instruments issued due within one year and others	144,269,928	33,837,205	3,429,036	35,751,362	2,931,763	142,853,044
Lease liabilities	2,428,597	—	729,670	879,571	16,619	2,262,077
Total	211,719,471	367,305,317	4,319,339	378,093,784	3,335,522	201,914,821

52 INTERESTS IN THE UNCONSOLIDATED STRUCTURED ENTITIES

The Group is involved with structured entities primarily through investments and asset management business. The Group determines whether to consolidate these structured entities depending on whether the Group has control over them. The interests held by the Group in these unconsolidated structured entities are set out as below:

(1) Structured entities sponsored by the Group

Unconsolidated structured entities sponsored by the Group mainly include investment funds and asset management plans sponsored by the Group. The nature and objective of the structured entities is to manage investors' assets and collect management fees. Financing is sustained through investment products issued to investors. The interests held by the Group in these unconsolidated structured entities mainly involve management fees and performance fees collected from managed structured entities.

The maximum exposure and the book value of relevant balance sheet items of the Group arising from these unconsolidated structured entities sponsored by the Group were set out as below:

	31 December 2025	
	Carrying amount	Maximum exposure
Financial assets at fair value through profit or loss (mandatory)	5,845,736	5,845,736
	31 December 2024	
	Carrying amount	Carrying amount
Financial assets at fair value through profit or loss (mandatory)	13,388,140	13,388,140

In 2025, the Group obtained management fee, commission and performance fee amounting to RMB8,531 million from the unconsolidated structured entities sponsored by the Group, for which the Group held no investment as at 31 December 2025 (2024: RMB8,333 million).

52 INTERESTS IN THE UNCONSOLIDATED STRUCTURED ENTITIES (Continued)

(2) Structured entities sponsored by third party financial institutions

The maximum exposure and the book value of relevant balance sheet items of the Group arising from the interest held in directly invested structured entities such as asset backed securities, asset management plan and trust plan that are sponsored by third party financial institutions were set out as below:

	31 December 2025	
	Carrying amount	Maximum exposure
Financial assets at fair value through profit or loss (mandatory)	128,357,189	128,357,189

	31 December 2024	
	Carrying amount	Maximum exposure
Financial assets at fair value through profit or loss (mandatory)	121,114,956	121,114,956

53 TRANSFERRED FINANCIAL ASSETS

The Group enters into transactions in the normal course of business by which it transfers recognised financial assets to third parties or customers. In some cases where these transfers may give rise to full or partial derecognition of the financial assets concerned. In other cases where the Group has retained substantially all the risks and rewards of these assets, the Group continues to recognise the transferred assets.

(1) Repurchase transactions

Transferred financial assets that do not qualify for derecognition include debt securities held by counterparties as collateral under repurchase agreements. The counterparties are allowed to repledge those securities sold under repurchase agreements in the absence of default by the Group, but has an obligation to return the securities at the maturity of the contract. If the securities increase or decrease in value, the Group may in certain circumstances require counterparties to return a portion of the collateral or be required to place additional collateral. The Group has determined that it retains substantially all the risks and rewards of these securities and therefore does not derecognise them. A financial liability is recognised for cash received.

53 TRANSFERRED FINANCIAL ASSETS (Continued)

(2) Securities lending arrangements

Transferred financial assets that do not qualify for derecognition include securities lent to customers for securities selling transactions, for which the customers provide the Group with collateral that could fully cover the credit risk exposure of the securities lent. The customers have an obligation to return the securities according to the contracts. If the securities increase or decrease in value, the Group may in certain circumstances require customers to place additional collateral or return a portion of the collateral to customers. The Group has determined that it retains substantially all the risks and rewards of these securities and therefore does not derecognise them.

The following table analyses the carrying amount of the above-mentioned financial assets transferred to third parties or customers that did not qualify for derecognition and their associated financial liabilities:

	31 December 2025		31 December 2024	
	Carrying amount of transferred assets	Carrying amount of related liabilities	Carrying amount of transferred assets	Carrying amount of related liabilities
Repurchase agreements	94,174,292	85,238,903	129,440,418	114,017,110
Securities lending	3,136,280	—	1,647,090	—
Total	97,310,572	85,238,903	131,087,508	114,017,110

54 COMMITMENTS AND CONTINGENT LIABILITIES

(1) Capital commitments

	31 December 2025	31 December 2024
Contracted, but not provided for	3,325,582	3,658,585

The above-mentioned capital commitments are mainly in respect of the construction of properties and purchase of equipment of the Group.

54 COMMITMENTS AND CONTINGENT LIABILITIES (Continued)

(2) Lease commitments as a lessor

The undiscounted amount of lease payments payable to the Group as lessor upon the balance sheet date is summarised as follows:

	31 December 2025	31 December 2024
Within one year	133,090	222,311
After one year but not more than two years	103,971	127,931
After two years but not more than three years	77,614	100,950
After three years but not more than four years	76,547	74,412
After four years but not more than five years	73,291	73,419
After five years	221,811	293,200
Total	686,324	892,223

(3) Legal proceedings

In the ordinary course of business, the Group is subject to claims and are parties to legal and regulatory proceedings. As at 31 December 2025 and 2024, the Group was not involved in any material legal, or arbitration that if adversely determined, would materially and adversely affect the Group's financial position or results of operations.

55 RELATED PARTY DISCLOSURES

(1) China CITIC Financial Holdings Co., Ltd

China CITIC Financial Holdings Co., Ltd ("CITIC Financial Holdings") was initiated and established by CITIC Corporation Limited on 24 March 2022, with its registered office located in Beijing and registered capital of RMB42 billion. CITIC Corporation Limited holds 100% equity interest in CITIC Financial Holdings.

As a consolidated subsidiary of CITIC Financial Holdings since August 2023, the operating performance and financial position of the Group were consolidated into the financial statements of CITIC Financial Holdings.

Name of the shareholder	Enterprise type	Place of registration	Principal activities	Registered share capital	Percentage of equity interest	Voting rights	Uniform Social Credit Code
CITIC Financial Holdings	State-controlled	Beijing	Financial services	RMB42 billion	19.84%	19.84%	91110105MA7K30YL2P

55 RELATED PARTY DISCLOSURES (Continued)

(2) Related party transactions

(i) Related party transactions with CITIC Financial Holdings and its major related parties

Transactions during the year

	2025	2024 (Restated)
Interest income	570,213	681,505
Income from providing services	98,787	90,820
Investment-related gains/(losses)	33,616	(79,830)
Leasing income	32,497	35,192
Interest expenses	132,594	116,236
Expense from receiving services	546,224	387,467
Lease payment	58,044	56,223

Balances at the end of the year

	31 December 2025	31 December 2024
Cash held on behalf of customers (a)	48,529,410	30,908,603
Cash and bank balances (a)	5,726,618	5,682,010
Refundable deposits	49	13
Other current assets	115,421	106,597
Property, plant and equipment	1,605,884	1,067,466
Right-of-use assets	67,580	82,686
Repurchase agreements	499,996	898,933
Short-term financing instruments payable	2,141,986	2,142,801
Bonds payable	740,000	600,000
Other current liabilities	143,839	208,350
Lease liabilities	70,043	84,150
Short-term loans	3,050,988	1,440,102

(a) Represented deposits placed with financial institution subsidiaries of CITIC Financial Holdings.

55 RELATED PARTY DISCLOSURES (Continued)

(2) Related party transactions (Continued)

(ii) Related party transactions with subsidiaries

Transactions during the period

	2025	2024
Interest income	621,330	533,734
Income from providing services	681,240	356,231
Lease income	10,923	13,151
Investment-related losses	(174,268)	(174,636)
Interest expenses	126,143	133,421
Expense from receiving services	1,188	—

Balances at the end of the year

	31 December 2025	31 December 2024
Other current assets	62,836,651	50,188,327
Deposits for investments-stock index futures	5,604,728	5,369,740
Derivative financial assets	5,253,829	3,342,371
Refundable deposits	8,717,414	5,563,965
Financial assets at fair value through profit or loss (mandatory)	32,272,601	40,131,537
Right-of-use assets	799,408	—
Other current liabilities	2,456,853	3,002,758
Derivative financial liabilities	2,526,416	6,935,789
Customer brokerage deposits	469,640	655,088
Short-term financing instruments payable	—	41,555
Debt instruments issued	195,771	4,125,455
Lease liabilities	724,721	—

Significant balances and transactions between the Parent and subsidiaries set out above have been eliminated in the consolidated financial statements.

As at 31 December 2025, the collective assets management plans managed by the Group and held by the Company and its subsidiaries amounted to RMB596 million (31 December 2024: RMB686 million).

55 RELATED PARTY DISCLOSURES (Continued)

(2) Related party transactions (Continued)

(iii) **Related party transactions with shareholders who directly and indirectly holds more than 5% shares of the Company.**

These shareholders mainly included Guangzhou Yuexiu Capital Holdings Group Co., Ltd., and its parties acting in concert, Guangzhou Yuexiu Capital Holdings Co., Ltd., and Yuexiu Financial International Holding Limited.

Transactions during the year

	2025	2024
Investment-related losses (a)	(1,168)	(9,108)
Income from providing services	2,094	2,505
Interest expenses	406	17

Balances at the end of the year

	31 December 2025	31 December 2024
Short-term financing instruments payable	50,163	–
Other current liabilities	3,665	3,628

(a) As of 31 December 2025, investment-related loss received by the Company from shareholders directly or indirectly holding 5% or more shares of the Company are compensations under the Asset Protection Agreement related to issuance of shares to purchase assets.

(iv) **Related party transactions with associates**

Transactions during the year

	2025	2024
Interest income	2,295	11,120
Investment-related gains/(losses)	24,151	(18,701)
Income from providing services	6,459	15,155
Expense from receiving services	84,027	14,080
Interest expenses	15,026	485

55 RELATED PARTY DISCLOSURES (Continued)

(2) Related party transactions (Continued)

(iv) Related party transactions with associates (Continued)

Balances at the end of the year

	31 December 2025	31 December 2024
Refundable deposits and others	2,932	2,882
Short-term financing instruments payable	1,239,045	24,249
Other current assets	357	374
Other current liabilities	17,701	152,682
Reverse repurchase agreements	—	100,267

(v) Others

In 2025, please refer to Note 11 to the financial report for the pre-tax remuneration the Company paid to the Directors and Supervisors of the Company, and the Company paid pre-tax remuneration to the Senior Management amounting to RMB29.7202 million. The key management personnel's final emoluments for the year ended 31 December 2025 have not been finalised. The final compensation will be disclosed in a separate announcement when determined (2024: the pre-tax remuneration paid to the Senior Management of the Company was RMB28.0934 million).

56 FAIR VALUE AND FAIR VALUE HIERARCHY

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique.

Fair value hierarchy

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

Level 1: Quoted prices (unadjusted) in active markets, in which the Group principally trades, for identical financial assets or financial liabilities at the measurement date.

Level 2: Valuation techniques using inputs other than quoted prices included within level 1 that are observable for the financial asset or financial liability, either directly or indirectly.

Level 3: Valuation techniques using inputs for the financial asset or financial liability that are not based on observable market data (unobservable inputs).

56 FAIR VALUE AND FAIR VALUE HIERARCHY (Continued)

(1) Financial instruments measured at fair value

	31 December 2025			Total
	Level 1	Level 2	Level 3	
Financial assets				
Financial assets at fair value through profit or loss (mandatory)				
Debt instruments	3,360,040	272,619,586	40,257,548	316,237,174
Equity instruments	342,964,817	8,147,671	17,824,951	368,937,439
Others	5,276,583	78,061,304	60,485	83,398,372
Subtotal	351,601,440	358,828,561	58,142,984	768,572,985
Financial assets at fair value through profit or loss (designated)	10,812	979,316	7,760,488	8,750,616
Derivative financial assets	2,340,681	33,063,675	4,190,040	39,594,396
Financial assets at fair value through other comprehensive income				
Debt instruments	1,899,249	54,735,544	630,099	57,264,892
Equity instruments	16,159,597	82,478,345	25,098,113	123,736,055
Subtotal	18,058,846	137,213,889	25,728,212	181,000,947
Total	372,011,779	530,085,441	95,821,724	997,918,944
Financial liabilities				
Financial liabilities at fair value through profit or loss	20,236,884	136,062,554	18,834,907	175,134,345
Derivative financial liabilities	5,415,489	45,982,425	14,292,152	65,690,066
Total	25,652,373	182,044,979	33,127,059	240,824,411

56 FAIR VALUE AND FAIR VALUE HIERARCHY (Continued)

(1) Financial instruments measured at fair value (Continued)

	31 December 2024			Total
	Level 1	Level 2	Level 3	
Financial assets				
Financial assets at fair value through profit or loss (mandatory)				
Debt instruments	8,785,667	332,235,422	34,300,416	375,321,505
Equity instruments	254,050,175	8,484,295	16,321,922	278,856,392
Others	1,075,024	27,152,502	—	28,227,526
Subtotal	263,910,866	367,872,219	50,622,338	682,405,423
Financial assets at fair value through profit or loss (designated)				
Derivative financial assets	1,002,813	44,023,026	3,971,613	48,997,452
Financial assets at fair value through other comprehensive income				
Debt instruments	2,304,923	71,717,132	6,221,072	80,243,127
Equity instruments	5,058,905	77,170,840	8,438,049	90,667,794
Subtotal	7,363,828	148,887,972	14,659,121	170,910,921
Total	272,283,624	561,651,543	76,835,400	910,770,567
Financial liabilities				
Financial liabilities at fair value through profit or loss				
Derivative financial liabilities	909,219	47,241,095	5,803,314	53,953,628
Total	11,622,876	143,740,494	22,976,503	178,339,873

56 FAIR VALUE AND FAIR VALUE HIERARCHY (Continued)

(2) Valuation techniques used and the qualitative and quantitative information of key parameters for fair value measurement categorised within Level 2

For debt instruments whose value is available on quotation of related bond depository and clearing institution on the valuation date is measured using the latest valuation results published by related bond depository and clearing institution. The pricing inputs used by the bond depository and clearing institution are observable.

For debt instruments, equity instruments and listed stocks with restricted period whose value is not available in public market, the fair value is determined by valuation technique. The inputs of those valuation techniques including but not limited to risk-free interest rate, RMB denominated swap yield curve, implied volatility curve, etc., which are all observable.

For the interest rate forward and swap contracts from derivative financial assets and liabilities, the fair value is determined by discounting future cash flows using market interest rates based on the terms and maturity of each contract. The fair value of the derivatives embedded in the swap contracts is determined by using the returns calculated from the publicly quoted prices in the relevant market. The fair value of options business is determined through the option pricing model, and the volatility of the underlying reflects the observable input value of the corresponding option.

For the year ended 31 December 2025 and 31 December 2024, there were no material changes on the valuation technique used by the Group for the above recurring fair value measurements categorised within Level 2.

(3) Valuation techniques used and the qualitative and quantitative information of key parameters for fair value measurements categorised within Level 3

For unlisted equity investments, Over-the-counter options, etc., the management adopts significant judgements and applies counterparties' quotations and valuation techniques to determine the fair value. Valuation techniques include a discounted cash flow analysis, the market approach, the option pricing model and the monte carlo model etc. The fair value measurement of these financial instruments may involve unobservable inputs such as liquidity discount, volatility, risk adjusted discount rate and market multiples, etc. The fair value of the financial instruments, such as unlisted equity investments and Over-the-counter options, etc., is not significantly sensitive to a reasonable change in these unobservable inputs. The Group has established relevant internal control procedures to monitor the Group's exposure to such financial instruments.

For the year ended 31 December 2025 and 31 December 2024, there were no material changes on the valuation technique used by the Group for the above recurring fair value measurements categorised within Level 3.

56 FAIR VALUE AND FAIR VALUE HIERARCHY (Continued)

(4) Movements in Level 3 financial instruments measured at fair value

The reconciliations of the opening and closing balances of Level 3 financial assets and liabilities which are measured at fair value are presented below:

	As at 1 January 2025	Total gains/ (losses) recorded in profit or loss	Total gains/ (losses) recorded in other comprehensive income	Additions	Decreases	Transfers to Level 3 from Level 1	Transfers to Level 3 from Level 2	Transfers to Level 1 from Level 3	Transfers to Level 2 from Level 3	As at 31 December 2025
Financial assets										
Financial assets at fair value through profit or loss (mandatory)										
Debt instruments	34,300,416	530,968	(63,281)	29,966,008	27,765,549	—	3,974,226	—	685,240	40,257,548
Equity instruments	16,321,922	1,458,991	(36,376)	3,393,810	3,538,398	—	324,253	67,910	31,341	17,824,951
Others	—	373,888	—	—	313,403	—	—	—	—	60,485
Financial assets at fair value through profit or loss (designated)	7,582,328	1,059,086	(7,525)	768,556	1,641,957	—	—	—	—	7,760,488
Derivative financial assets	3,971,613	9,507,731	(284)	848,120	10,216,631	—	79,491	—	—	4,190,040
Financial assets at fair value through other comprehensive income	14,659,121	719,369	(99,096)	18,567,384	8,364,495	—	245,929	—	—	25,728,212
Financial liabilities										
Financial liabilities at fair value through profit or loss	17,173,189	1,883,147	(3,765)	22,529,638	22,747,302	—	—	—	—	18,834,907
Derivative financial liabilities	5,803,314	29,263,987	—	4,301,664	25,355,960	—	279,147	—	—	14,292,152
Total	53,858,897	(17,497,101)	(202,797)	26,712,576	3,737,171	-	4,344,752	67,910	716,581	62,694,665

56 FAIR VALUE AND FAIR VALUE HIERARCHY (Continued)

(4) Movements in Level 3 financial instruments measured at fair value (Continued)

	As at 1 January 2024	Total gains/ (losses) recorded in profit or loss	Total gains/ (losses) recorded in other comprehensive income	Additions	Decreases	Transfers to Level 3 from Level 1	Transfers to Level 3 from Level 2	Transfers to Level 1 from Level 3	Transfers to Level 2 from Level 3	As at 31 December 2024
Financial assets										
Financial assets at fair value through profit or loss (mandatory)										
— Debt instruments	33,756,777	1,526,617	20,603	26,937,015	28,144,279	—	1,142,252	—	938,569	34,300,416
— Equity instruments	18,643,527	(379,823)	22,587	1,989,880	2,819,514	—	37,610	755,268	417,077	16,321,922
Financial assets at fair value through profit or loss (designated)										
	9,401,470	(1,568,575)	9,449	454,543	714,559	—	—	—	—	7,582,328
Derivative financial assets	6,336,555	(3,497,299)	346	1,632,496	500,485	—	—	—	—	3,971,613
Financial assets at fair value through other comprehensive income										
	23,645,418	1,402,105	393,106	3,107,297	16,184,300	—	2,295,495	—	—	14,659,121
Financial liabilities										
Financial liabilities at fair value through profit or loss										
	19,583,606	236,172	1,149	14,552,431	17,200,169	—	—	—	—	17,173,189
Derivative financial liabilities	5,227,707	(2,974,185)	—	4,568,185	1,018,393	—	—	—	—	5,803,314
Total	66,972,434	221,038	444,942	15,000,615	30,144,575	-	3,475,357	755,268	1,355,646	53,858,897

As of December 31, 2025 and December 31, 2024, the unrealized losses recognised in profit or loss from Level 3 financial instruments held by the Group for the year were RMB7.052 billion and RMB7.079 billion, respectively.

56 FAIR VALUE AND FAIR VALUE HIERARCHY (Continued)

(5) Financial instruments not measured at fair value

At the end of the reporting period, the following financial assets and liabilities of the Group are not measured at fair value:

For refundable deposits, reverse repurchase agreements, cash held on behalf of customers, cash and bank balances, fee and commission receivables, margin accounts, due from banks and other financial institutions, customer brokerage deposits, repurchase agreements, short-term loans, debt instruments issued, long-term loans, due to banks and other financial institutions, short-term financing instruments payable and lease liabilities, these financial instruments' fair values approximate their carrying amounts.

The recorded amounts and fair values of debt instruments issued are summarised below:

	Carrying amount		Fair value	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Debt instruments issued	102,119,577	95,779,317	104,565,935	99,460,692

57 FINANCIAL INSTRUMENTS RISK MANAGEMENT OVERVIEW

Overview

The Company has implemented comprehensive risk management mechanism and internal control processes, through which it monitors, evaluates and manages the credit, market, liquidity, operational, compliance, legal risks that it is exposed to in its business activities, and vertically implements integrated risk management of its subsidiaries through different models including business guidance, operational support and decision-making management.

The Company has established a complete and effective governance structure. The Company's general meeting of Shareholders and the Board perform their duties to oversee and manage the operation of the Company based on the Company Law, Securities Law, and the Articles of Association of the Company. By strengthening the relevant internal control arrangements and improving the Company's internal control environment and internal control structures, the Board has incorporated internal control and risk management as essential elements in the Company's decision-making processes.

57 FINANCIAL INSTRUMENTS RISK MANAGEMENT OVERVIEW (Continued)

Overview (Continued)

The Company has established a comprehensive risk management system and three line of defense mechanism in risk management, led by the Chief Risk Officer and spearheaded by the Risk Management Department, with participation from all departments/business lines, branches, subsidiaries, and staff, and continues to optimise such system and mechanism. In 2025, the Company strictly implemented all new regulatory requirements, continued to strengthen institutional frameworks, and revised and refined multiple policies including the Comprehensive Risk Management System and Administrative Measures for Risk Appetite. It reinforced vertical risk management measures for subsidiaries, deepened globally integrated risk management capabilities, built a global management system covering multiple countries and regions, developed a global credit rating hierarchy from an international perspective, and enhanced the professionalism and forward-looking nature of global risk decision-making support. Focusing on risk prevention and control, the Company strengthened forward-looking risk anticipation, intensified risk screening and inspection, and ensured “early identification, early warning, early exposure, and early resolution” of risks, thereby providing strong support for the high-quality development of its business.

In recent years, the Company has continued to increase its research on and resource contributions to information technology regarding compliance and risk control, promoted the construction and optimisation of a globally integrated risk management system and consistently improved the self-research level of the system. The Company strengthened the collection and integration of internal and external risk information, continuously optimised functions such as risk identification, measurement, monitoring, early warning and reporting to ensure effective coverage of domestic and overseas operations under risk management and provide strong support for high-quality risk management efforts.

The Company is also continuously advancing the digitalised construction of its risk management. By leveraging big data components, it continuously refines and improves the risk management data warehouse, and utilises distributed computing, stream computing, and middleware technologies to optimise risk measurement performance. Relying on the Company's artificial intelligence platform, it steadily advances the on-the-ground implementation of more “AI + Risk” applications across multiple scenarios, further enhancing its digital risk control capabilities and the effectiveness of risk management operations.

Structure of Risk Management

The Company has formed a three-level risk management system featuring collective decision by the Board and its relevant specialised committees, the professional committees under the Operation Management, and close cooperation among internal control departments and business departments/business lines/subsidiaries, and managing the risks through review, decision, execution and supervision. At the division and business line level, the Company has established three lines of defense in risk management.

57 FINANCIAL INSTRUMENTS RISK MANAGEMENT OVERVIEW (Continued)

Structure of Risk Management (Continued)

Level 1: The Board

The Board shall take the ultimate responsibility for the effectiveness of comprehensive risk management and consolidated management. Under authorization from the Board, the Risk Management Committee of the Board is principally responsible for supervising the overall risk management of the Company with the aim of controlling risks within an acceptable scope and ensuring the Company's smooth implementation of effective risk management schemes over risks relating to the operating activities, and reviewing and providing opinions on comprehensive risk management and consolidated management-related systems, reports and other matters subject to the Board's review and approval. The Audit Committee of the Board is responsible for supervising comprehensive risk management and consolidated management.

Level 2: Operation Management

The Operation Management shall take the primary responsibility for the effectiveness of the Company's risk management and consolidated management. Its responsibilities include: taking the lead and setting an example in actively practicing financial culture with Chinese characteristics, industry culture and the Company's risk culture; formulating risk management strategies; establishing risk management policies and consolidated management policies; building and refining the Company's comprehensive risk management framework; defining risk appetite, risk tolerance, and major risk limits; regularly assessing the Company's overall risk profile and the management of various material risks; addressing issues identified in risk management and reporting to the Board; establishing a firm-wide performance evaluation system that reflects the effectiveness of risk management; implementing robust IT systems and data quality control mechanisms; and performing other risk management duties.

The professional committees under the Operation Management, including the Assets and Liabilities Management Committee, the Capital Commitment Committee, the Risk Management Committee and the Product Committee, are responsible for relevant management work within the authority delegated by the Board and the Operation Management of the Company, respectively.

Level 3: Division/Business Lines

Being the Company's first line of defense in risk management, front-office business departments/business/subsidiaries lines of the Company bear the first-line responsibility for risk management. These departments are responsible for the establishment of business management systems and risk management systems for various businesses and performing supervision, assessment and reporting on business risks and maintaining such risks within the approved limits.

Internal control departments, such as the Risk Management Department, Compliance Department, Legal Department, and the BOD Office of the Company, are the Company's second line of defense in risk management. They exercise their respective specialised risk management functions within the scope of their responsibilities.

57 FINANCIAL INSTRUMENTS RISK MANAGEMENT OVERVIEW (Continued)

Structure of Risk Management (Continued)

Level 3: Division/Business Lines (Continued)

The Audit Department of the Company is the third line of defense in risk management and has the overall responsibility for internal audit, planning and implementing internal audit of all departments/business lines of the Company, its subsidiaries and branches, monitoring the implementation of internal control systems, preventing various moral and policy risks, and assisting the Company in the investigation of emergency events.

57.1 Credit risk

Credit risk is the risk in respect of loss arising from the failure to perform obligations by a borrower, counterparty or issuer of financial positions held, or the result of whose credit qualifications deteriorate.

The Group continues to maintain strict risk management standards for its securities financing business, and manages its credit risk exposure through timely mark to market.

(1) Expected credit loss (“ECL”) measurement

The measurement of the ECL allowance for financial instruments, including investments in financial assets measured at amortised cost (including margin accounts, reverse repurchase agreements), debt instruments at fair value through other comprehensive income is an area that requires the use of models and assumptions about the future economic conditions and credit behaviour of the clients (such as the likelihood of customers defaulting and the resulting losses).

The Company has applied a ‘three-stage’ impairment model for ECL measurement based on changes in credit quality since the initial recognition of financial instruments as summarised below:

- A financial instrument that is not significant increase in credit risk (“SICR”) on initial recognition is classified as “Stage 1”.
- If a “SICR” since initial recognition is identified, the financial instrument is moved to “Stage 2” but is not yet deemed to be credit-impaired.
- If the financial instrument is credit-impaired, the financial instrument is moved to “Stage 3”.

Stage 1: The Company measures the loss allowance for a financial instrument at an amount equal to the next 12 months ECL. Stage 2 and 3: The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime ECL. Purchased or originated credit-impaired financial assets are those financial assets that are credit-impaired on initial recognition. The ECL is always measured on a lifetime basis.

57 FINANCIAL INSTRUMENTS RISK MANAGEMENT OVERVIEW (Continued)

57.1 Credit risk (Continued)

(1) Expected credit loss (“ECL”) measurement (Continued)

For Stage 1 and Stage 2, the debt securities investments (i.e. debt instruments at fair value through other comprehensive income) and Financing Assets (including margin accounts and stock-pledged repo under reverse repurchase agreements) are used to assess loss allowance with the risk parameter modelling approach that incorporated key parameters by the management, including Probability of Default (“PD”), Loss Given Default (“LGD”), Exposure at Default (“EAD”) and Loss Ratio (“LR”) taking into consideration of forward looking factors. For credit-impaired financial assets classified under Stage 3, the management assesses the credit loss allowance by estimating the cash flows expected to arise from the financial assets after taking into consideration of forward looking factors.

(i) Measuring ECL – inputs, assumptions and estimation techniques

The measurement of ECL adopted by the management, involves judgements, assumptions and estimations, including:

- Selection of the appropriate models and assumptions;
- Determination of the criteria for SICR, definition of default and credit impairment;
- Establishment of the number and relative weightings of forward-looking scenarios for each type of product.

For debt securities investments, ECL is the discounted product of the PD, LGD and EAD after considering the forward-looking impact. For Financing Assets, ECL are the discounted product of the LR and EAD after considering the forward-looking impact:

- PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation. For debt securities investments, the appropriate external and internal credit ratings are taken into consideration.
- LGD represents the Company's expectation of the extent of loss on a defaulted exposure. The Company determines LGD based on the type of the counterparty or the bond issuer.
- EAD is based on the amounts the Company expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD).

57 FINANCIAL INSTRUMENTS RISK MANAGEMENT OVERVIEW (Continued)

57.1 Credit risk (Continued)

(1) Expected credit loss (“ECL”) measurement (Continued)

(i) *Measuring ECL – inputs, assumptions and estimation techniques (Continued)*

- LR represents the Company's expectation of the likelihood of default and extent of loss on exposure. The Company uses historical loss rates and assesses their appropriateness. The Company determines LR based on factors including: the coverage ratio of related loan to underlying collateral value and the volatility of such collateral's valuation, the realised value of collateral upon forced liquidation taking account the estimated volatility over the realisation period.

(ii) *The criteria of SICR*

The Company evaluates the financial instruments at each financial reporting date after considering whether a SICR has occurred since initial recognition. An ECL allowance for financial instruments is recognised according to the stage of ECL, which reflects the reasonable information and evidence available about the SICR and is also forward-looking. The Company considers a financial instrument to have experienced SICR when one or more of the following quantitative, qualitative or backstop criteria have been met.

The Company considers debt securities investments to have experienced a SICR if the latest internal ratings of issuers of debt securities or the debt securities themselves underwent two levels of downward migration or more, compared to their ratings on initial recognition; or if the latest internal ratings of the debt securities or the issuers of the debt securities were under investment grade.

The Company considers Financing Assets to have experienced a SICR if margin calls are triggered when the threshold of relevant collateral to loan ratios are below a force liquidation level.

A backstop is applied to all relevant financial instruments and they are considered to have experienced a SICR if the borrower, the counterparty, the issuer or the debtor is more than 30 days past due on its contractual payments.

Financial instruments are considered to have a low credit risk when the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Company has not used the low credit risk exemption as 31 December 2025 and as 31 December 2024.

57 FINANCIAL INSTRUMENTS RISK MANAGEMENT OVERVIEW (Continued)

57.1 Credit risk (Continued)

(1) Expected credit loss (“ECL”) measurement (Continued)

(iii) Definition of credit-impaired assets

The Company assesses whether a financial instrument is credit-impaired in a manner consistent with its internal credit risk policies for managing financial instruments. The consideration includes quantitative criteria and qualitative criteria. The Company defines a financial instrument as credit-impaired, which is fully aligned with the definition of “in default”, when it meets one or more of the following criteria:

- The borrower is more than 90 days past due on its contractual payments;
- Bonds or other bonds of the same issuer have materially defaulted, or extended or triggered cross-protection clauses;
- For Financing Assets, a forced liquidation of a client’s position is triggered based on a pre-determined threshold of collateral to loan ratios and the collateral valuation falls short of the related loan or repo amounts;
- The latest external ratings of issuers of debt securities or debt securities themselves are in default grade;
- The debtor, issuer, borrower or counterparty is in significant financial difficulty;
- An active market for that financial instrument has disappeared because of financial difficulties;
- Concessions have been made by the Company relating to the debtor, issuer, borrower or counterparty’s financial difficulty;
- It is becoming probable that the debtor, issuer, borrower, or counterparty will enter bankruptcy or undertake a financial restructuring.

When a financial instrument is considered to be credit-impaired, it may be the result of multiple events, not due to a separately identifiable event.

57 FINANCIAL INSTRUMENTS RISK MANAGEMENT OVERVIEW (Continued)

57.1 Credit risk (Continued)

(1) Expected credit loss (“ECL”) measurement (Continued)

(iv) Forward-looking information

The assessment of SICR and the calculation of ECL both incorporate forward-looking information.

For debt securities investments, the Company has performed historical data analysis and identified the key economic variables impacting credit risk and ECL. Key economic variables mainly include the growth rate of Domestic GDP, producer price index and the total retail sales of consumer goods. The Company using the regression analysis method to establish the historical relationship between these economic indicators and PD, EAD and LGD, forward-looking adjustments are finally made to ECL of debt securities investments.

For Financing Assets, based on the analysis of the characteristics of these products, the Company has identified the key economic variables related to the risks of Financing Assets, namely Volatility of Shanghai Composite Index and Shenzhen Composite Index. The Company makes forward looking adjustments to the ECL of Financing Assets by analyzing the impacts of these economic variables.

In addition to the base economic scenario, the Company's expert team also provided other possible scenarios along with scenario weightings. The number of other scenarios used is set based on an analysis of each major product type to ensure non-linearities are captured. The number of scenarios and their attributes are reassessed at each financial reporting date.

The Company concluded that three scenarios namely optimistic, benchmark and pessimistic scenarios, appropriately captured the non-linearities of key economic variables for all portfolios. The scenario weightings are determined by a combination of statistical analysis and expert judgement, taking account of the range of possible outcomes each chosen scenario is representative of. The probability weight of the three scenarios employed by the Company were almost same.

The Company measures ECL as either a probability weighted 12 month ECL (Stage 1), or a probability weighted lifetime ECL (Stages 2 and 3). These probability-weighted ECLs are determined by running each scenario through the relevant ECL model and multiplying it by the appropriate scenario weighting.

As with any economic forecasts, the projections and likelihoods of occurrence are subject to a high degree of inherent uncertainty and therefore the actual outcomes may be significantly different to those projected. The Company considers these forecasts to represent its best estimate of the possible outcomes as at the financial reporting date.

57 FINANCIAL INSTRUMENTS RISK MANAGEMENT OVERVIEW (Continued)

57.1 Credit risk (Continued)

(1) Expected credit loss (“ECL”) measurement (Continued)

(v) Sensitivity analysis

The allowance for credit losses could be sensitive to the inputs used in internally developed models, macroeconomic variables in the forward-looking forecasts, weighting applied to economic scenarios and other factors considered when applying expert judgement. Changes in these inputs, assumptions and judgements are likely to have an impact on the assessment of significant increase in credit risk and the measurement of ECLs. The Company regularly rechecks the model annually and makes appropriate amendments and optimisation to the assumptions and parameters used in the models according to the external economic environment and internal observable data.

A sensitivity analysis is performed on key economic indicators, economic scenarios and weightings assigned used in forward-looking measurement. When the assigned weightings of optimistic scenario and pessimistic scenario change by 10%, the impact on ECL recognised is not significant.

Meanwhile, the Company also uses sensitivity analysis to monitor the impact of changes to the credit risk classification of the financial assets on ECL. As at 31 December 2025 and 31 December 2024, assuming there was no significant increase in credit risk since initial recognition, and all the financial assets in Stage 2 were moved to Stage 1, the decremental impact on ECL recognised in financial statements is not significant.

(vi) Collateral and other credit enhancements

The Company employs a range of policies and credit enhancements to mitigate credit risk exposure to an acceptable level. The most common of these is accepting collateral through funds advanced or guarantees. The Company determines the type and amount of collaterals according to the credit risk evaluation of counterparties. The collateral under Financing Assets are primarily stocks, debt securities, funds etc. Management tests the market value of collateral periodically, and makes margin calls according to related agreements. It also monitors the market value fluctuation of collateral when reviewing the measurement of the loss allowance.

57 FINANCIAL INSTRUMENTS RISK MANAGEMENT OVERVIEW (Continued)

57.1 Credit risk (Continued)

(1) Expected credit loss (“ECL”) measurement (Continued)

(vii) Loss ratio of Financing Assets

Based on the obligors’ credit quality, contract maturity date, the related collateral securities information, which including the sector situation, liquidity discount factor, concentration, volatility and related information, the Company sets differentiated collateral to loan ratios (generally no less than 140%) as triggering margin calls and force liquidation thresholds (collateral to loan ratios generally no less than 130%) against different exposures related to these transactions.

- For Financing Assets exposures with collateral to loan ratios above the force liquidation thresholds and no past due; or those past due for no more than 30 days and exposures with collateral to loan ratios above triggering margin calls are classified under Stage 1.
- For Financing Assets exposures with collateral to loan ratios above triggering margin calls and past due for more than 30 days and within 90 days; or those exposures with collateral to loan ratios between force liquidation thresholds and triggering margin calls and past due within 90 days; or those exposures with collateral to loan ratios between 100% and force liquidation thresholds and no past due or past due with 90 days are considered to be with significant increase in credit risks and are classified under Stage 2.
- For Financing Assets exposures with collateral to loan ratios fall below 100%; or those past due for more than 90 days are considered to be credit-impaired and non-performing. These exposures are classified under Stage 3.

The Company considered the credit risk of the Financing Assets was relatively low. As at 31 December 2025 and 31 December 2024, most of the Financing Assets’ ratio to underlying collateral value was over force liquidation level. As at 31 December 2025 and 31 December 2024, most of the debt securities investments of the Company were rated at investment grade or above.

57 FINANCIAL INSTRUMENTS RISK MANAGEMENT OVERVIEW (Continued)

57.1 Credit risk (Continued)

(1) Expected credit loss (“ECL”) measurement (Continued)

(vii) Loss ratio of Financing Assets (Continued)

Loss ratio applied by the Company on its Financing Assets under the 3 stages were as follows:

Stage 1: 1% to 3% according to different collateral ratios;

Stage 2: No less than 10%;

Stage 3: Discounted cash flow on individual exposure.

(2) The maximum credit risk exposure

The maximum credit risk exposure of the Group after impairment allowance without taking account of any collateral and other credit enhancements is presented below:

	31 December 2025	31 December 2024
Financial assets at fair value through other comprehensive income (debt instruments)	57,264,892	80,243,127
Refundable deposits	102,518,563	68,215,035
Margin accounts	207,651,675	138,331,662
Financial assets at fair value through profit or loss	481,884,919	445,880,366
Derivative financial assets	39,594,396	48,997,452
Reverse repurchase agreements	54,362,311	44,268,496
Cash held on behalf of customers	433,832,060	315,761,280
Bank balances	116,567,233	116,493,823
Others	120,563,054	73,277,497
Total maximum credit risk exposure	1,614,239,103	1,331,468,738

(3) Risk concentrations

Credit risk is often greater when counterparties are concentrated in one single industry or geographic location, or have comparable economic features. Meanwhile, different industrial sectors and geographic areas have their unique characteristics in terms of economic development, and could present different credit risks.

57 FINANCIAL INSTRUMENTS RISK MANAGEMENT OVERVIEW (Continued)

57.1 Credit risk (Continued)

(3) Risk concentrations (Continued)

The breakdown of the Group's maximum credit risk exposure, without taking account of any collateral or other credit enhancements, as categorised by geographical area are summarised below.

	31 December 2025		
	Chinese	Outside Chinese	Total
	Mainland	Mainland	
Financial assets at fair value through other comprehensive income (debt instruments)	39,068,666	18,196,226	57,264,892
Refundable deposits	97,192,195	5,326,368	102,518,563
Margin accounts	196,910,915	10,740,760	207,651,675
Financial assets at fair value through profit or loss	371,709,831	110,175,088	481,884,919
Derivative financial assets	20,133,617	19,460,779	39,594,396
Reverse repurchase agreements	52,607,780	1,754,531	54,362,311
Cash held on behalf of customers	407,425,252	26,406,808	433,832,060
Bank balances	95,540,676	21,026,557	116,567,233
Others	10,729,598	109,833,456	120,563,054
Total maximum credit risk exposure	1,291,318,530	322,920,573	1,614,239,103
	31 December 2024		
	Chinese	Outside Chinese	Total
	Mainland	Mainland	
Financial assets at fair value through other comprehensive income (debt instruments)	65,003,241	15,239,886	80,243,127
Refundable deposits	63,751,346	4,463,689	68,215,035
Margin accounts	131,472,654	6,859,008	138,331,662
Financial assets at fair value through profit or loss	323,723,794	122,156,572	445,880,366
Derivative financial assets	33,710,997	15,286,455	48,997,452
Reverse repurchase agreements	42,252,843	2,015,653	44,268,496
Cash held on behalf of customers	299,337,175	16,424,105	315,761,280
Bank balances	96,896,391	19,597,432	116,493,823
Others	10,292,342	62,985,155	73,277,497
Total maximum credit risk exposure	1,066,440,783	265,027,955	1,331,468,738

57 FINANCIAL INSTRUMENTS RISK MANAGEMENT OVERVIEW (Continued)

57.1 Credit risk (Continued)

(4) Stages of ECL allowance

The Group's credit risk exposure of financial instruments for which an ECL allowance is recognised as follows according to the stage of ECL:

31 December 2025	Expected credit loss			Total
	12-month ECL Stage 1	Lifetime ECL Stage 2	Lifetime ECL Stage 3	
Reverse repurchase agreements (i)				
Amortised cost	54,523,310	1,171,207	2,498,052	58,192,569
Loss allowance	937,242	394,964	2,498,052	3,830,258
Book value	53,586,068	776,243	—	54,362,311
Margin accounts (ii)				
Amortised cost	209,341,854	798,121	636,959	210,776,934
Loss allowance	2,276,441	241,942	606,876	3,125,259
Book value	207,065,413	556,179	30,083	207,651,675
Financial assets at fair value through other comprehensive income (debt instruments) (iii)				
Fair value	57,138,062	—	126,830	57,264,892
Loss allowance	233,358	—	456,630	689,988
Others (iv)				
Amortised cost	120,817,959	67,546	1,996,424	122,881,929
Loss allowance	361,725	27,964	1,995,974	2,385,663
Book value	120,456,234	39,582	450	120,496,266

57 FINANCIAL INSTRUMENTS RISK MANAGEMENT OVERVIEW (Continued)

57.1 Credit risk (Continued)

(4) Stages of ECL allowance (Continued)

31 December 2024	Expected credit loss			Total
	12-month ECL Stage 1	Lifetime ECL Stage 2	Stage 3	
Reverse repurchase agreements				
(i)				
Amortised cost	44,761,054	335,091	3,252,390	48,348,535
Loss allowance	777,500	203,982	3,098,557	4,080,039
Book value	43,983,554	131,109	153,833	44,268,496
Margin accounts (ii)				
Amortised cost	138,746,905	1,066,712	812,224	140,625,841
Loss allowance	1,330,881	228,837	734,461	2,294,179
Book value	137,416,024	837,875	77,763	138,331,662
Financial assets at fair value through other comprehensive income (debt instruments) (iii)				
Fair value	79,952,364	129,821	160,942	80,243,127
Loss allowance	263,790	23,511	439,339	726,640
Others (iv)				
Amortised cost	73,501,238	84,634	2,042,739	75,628,611
Loss allowance	314,469	29,718	2,040,644	2,384,831
Book value	73,186,769	54,916	2,095	73,243,780

57 FINANCIAL INSTRUMENTS RISK MANAGEMENT OVERVIEW (Continued)

57.1 Credit risk (Continued)

(4) Stages of ECL allowance (Continued)

(i) Credit loss allowance for reverse repurchase agreements

	Expected credit loss			Total
	12-month ECL	Lifetime ECL		
	Stage 1	Stage 2	Stage 3	
1 January 2025	777,500	203,982	3,098,557	4,080,039
Increases	853,981	206,997	86,293	1,147,271
Reversals	(657,308)	(49,240)	(690,504)	(1,397,052)
Write-offs				
Transfers between stages				
Increase	12,599	45,824	3,706	62,129
Decrease	(49,530)	(12,599)	—	(62,129)
31 December 2025	937,242	394,964	2,498,052	3,830,258
1 January 2024	714,583	255,102	4,743,544	5,713,229
Increases	578,292	58,398	102,294	738,984
Reversals	(512,833)	(88,975)	(1,771,768)	(2,373,576)
Transfers between stages				
Increase	—	2,542	25,580	28,122
Decrease	(2,542)	(25,580)	—	(28,122)
Others	—	2,495	(1,093)	1,402
31 December 2024	777,500	203,982	3,098,557	4,080,039

57 FINANCIAL INSTRUMENTS RISK MANAGEMENT OVERVIEW (Continued)

57.1 Credit risk (Continued)

(4) Stages of ECL allowance (Continued)

(i) Credit loss allowance for reverse repurchase agreements (Continued)

Analysed loss allowance for stock-pledged repo:

	12-month ECL		Expected credit loss		Total
	Stage 1	Stage 2	Stage 3	Lifetime ECL	
31 December 2025					
Book value	41,749,116	1,171,207	2,498,052		45,418,375
Loss allowance	937,242	394,964	2,498,052		3,830,258
Collateral	136,433,060	3,769,665	1,577,710		141,780,435
31 December 2024					
Book value	37,765,529	335,091	3,252,390		41,353,010
Loss allowance	777,500	203,982	3,098,557		4,080,039
Collateral	100,958,076	867,671	3,968,682		105,794,429

57 FINANCIAL INSTRUMENTS RISK MANAGEMENT OVERVIEW (Continued)

57.1 Credit risk (Continued)

(4) Stages of ECL allowance (Continued)

(ii) Credit loss allowance for margin accounts

	Expected credit loss			Total
	12-month ECL	Lifetime ECL		
	Stage 1	Stage 2	Stage 3	
1 January 2025	1,330,881	228,837	734,461	2,294,179
Increases	999,280	21,382	173	1,020,835
Reversals	(52,118)	(8,233)	(126,678)	(187,029)
Transfers between stages				
Increase	42	9	—	51
Decrease	(9)	(42)	—	(51)
Other changes	(1,635)	(11)	(1,080)	(2,726)
31 December 2025	2,276,441	241,942	606,876	3,125,259
1 January 2024	1,189,743	102,924	599,557	1,892,224
Increases	295,504	177,495	180,428	653,427
Reversals	(153,167)	(21,733)	(34,884)	(209,784)
Transfers between stages				
Increase	4,516	5,462	31,057	41,035
Decrease	(5,715)	(35,320)	—	(41,035)
Other changes	—	9	(41,697)	(41,688)
31 December 2024	1,330,881	228,837	734,461	2,294,179

57 FINANCIAL INSTRUMENTS RISK MANAGEMENT OVERVIEW (Continued)

57.1 Credit risk (Continued)

(4) Stages of ECL allowance (Continued)

(iii) Credit loss allowance for financial assets at fair value through other comprehensive income

	Expected credit loss			Total
	12-month ECL	Lifetime ECL		
	Stage 1	Stage 2	Stage 3	
1 January 2025	263,790	23,511	439,339	726,640
Increases	254,163	—	34,292	288,455
Reversals	(36,541)	(804)	—	(37,345)
Write-offs	(245,083)	(22,707)	(9,607)	(277,397)
Transfers between stages				
Increase	—	—	—	—
Decrease	—	—	—	—
Other changes	(2,971)	—	(7,394)	(10,365)
31 December 2025	233,358	—	456,630	689,988
1 January 2024	931,532	14,557	369,833	1,315,922
Increases	191,085	11,283	82,587	284,955
Reversals	(223,957)	(90)	(18,201)	(242,248)
Write-offs	(634,586)	(2,765)	—	(637,351)
Transfers between stages				
Increase	—	526	—	526
Decrease	(526)	—	—	(526)
Other changes	242	—	5,120	5,362
31 December 2024	263,790	23,511	439,339	726,640

57 FINANCIAL INSTRUMENTS RISK MANAGEMENT OVERVIEW (Continued)

57.1 Credit risk (Continued)

(4) Stages of ECL allowance (Continued)

(iv) Credit loss allowance for other financial assets measured at amortised cost

	Expected credit loss			Total
	12-month ECL	Lifetime ECL		
	Stage 1	Stage 2	Stage 3	
1 January 2025	314,469	29,718	2,040,644	2,384,831
Increases	79,356	1,833	12,164	93,353
Reversals	(29,381)	(2,437)	(41,445)	(73,263)
Transfers between stages				
Increase	—	—	1,150	1,150
Decrease	—	(1,150)	—	(1,150)
Other changes	(2,719)	—	(16,539)	(19,258)
31 December 2025	361,725	27,964	1,995,974	2,385,663
1 January 2024	219,459	12,316	1,870,447	2,102,222
Increases	70,053	21,759	166,696	258,508
Reversals	(2,577)	(2,282)	(29,338)	(34,197)
Transfers between stages				
Increase	—	233	35,205	35,438
Decrease	(19,810)	(2,308)	(13,320)	(35,438)
Other changes	47,344	—	10,954	58,298
31 December 2024	314,469	29,718	2,040,644	2,384,831

57 FINANCIAL INSTRUMENTS RISK MANAGEMENT OVERVIEW (Continued)

57.2 Liquidity risk

Liquidity risk refers to the risk that the Company fails to obtain sufficient capital with reasonable cost and in a timely manner to pay its overdue debts, perform other payment obligations or satisfy capital requirements for normal business operations. The responsibilities for centralised management of fund allocation lie within the Company's Treasury Department. In respect of the domestic stock exchanges and interbank market, the Company has a relatively high credit rating, and has secured stable channels for short-term financing, such as borrowing and repurchases. The Company has replenished its long-term working capital through corporate bonds, subordinated bonds, and beneficial certificates, so as to enable the Company to maintain its overall liquidity at a relatively secured level.

The Risk Management Department independently monitors and assesses the asset and debt positions of the Company over a certain period of future time span on a daily basis. It measures the solvency of the Company via the measurement of indicators including the funding gap ratio under stress scenarios. It sets warning threshold values for liquidity risk indicators, and reminds the Risk Management Committee, the management and relevant departments of the Company of any indication of tension, and organises each department to take measures to restore the indicators to a secured level. The Company has established a liquidity reserve pool system, which is managed independently by the Treasury Department from the Business Department, with sufficient high-liquidity assets to meet its emergency liquidity needs.

57 FINANCIAL INSTRUMENTS RISK MANAGEMENT OVERVIEW (Continued)

57.2 Liquidity risk (Continued)

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on their contractual undiscounted payments, is as follows:

	31 December 2025						Total
	Overdue/ repayable on demand	Less than three months	Three months to one year	One to five years	More than five years	Undated	
Non-derivative financial liabilities:							
Customer brokerage deposits	518,683,329	—	—	—	—	—	518,683,329
Financial liabilities at fair value through profit or loss	1,608	60,669,501	54,883,742	33,034,777	5,186,036	22,656,374	176,432,038
Repurchase agreements	33,915,400	351,139,782	19,647,097	3,268,724	—	—	407,971,003
Due to banks and other financial institutions	—	27,725,178	—	—	—	—	27,725,178
Short-term loans	64,150	27,002,024	7,489	—	—	—	27,073,663
Short-term financing instruments payable	—	41,699,683	34,451,502	—	—	—	76,151,185
Debt instruments issued	—	783,754	163,390	86,962,359	25,607,513	—	113,517,016
Long-term loans	—	—	—	9,507	—	—	9,507
Lease liabilities	—	181,385	632,957	1,435,568	608,355	—	2,858,265
Others	249,188,416	19,420,735	50,189,926	1,172,501	—	912,116	320,883,694
Total	801,852,903	528,622,042	159,976,103	125,883,436	31,401,904	23,568,490	1,671,304,878
Cash flows from derivative financial liabilities settled on a net basis	—	12,614,792	17,825,381	18,479,903	15,264,257	—	64,184,333
Gross-settled derivative financial liabilities:							
Contractual amounts receivable	—	(250,202,816)	(96,685,299)	(27,976,893)	(337,092)	—	(375,202,100)
Contractual amounts payable	—	251,571,000	97,453,965	28,979,933	340,549	—	378,345,447
Total	—	1,368,184	768,666	1,003,040	3,457	—	3,143,347

57 FINANCIAL INSTRUMENTS RISK MANAGEMENT OVERVIEW (Continued)

57.2 Liquidity risk (Continued)

	31 December 2024						Total
	Overdue/ repayable on demand	Less than three months	Three months to one year	One to five years	More than five years	Undated	
Non-derivative financial liabilities:							
Customer brokerage deposits	362,448,644	—	—	—	—	—	362,448,644
Financial liabilities at fair value							
through profit or loss	49	49,549,577	31,122,910	26,527,647	5,243,565	13,860,530	126,304,278
Repurchase agreements	55,338,604	320,103,772	14,630,861	535,681	—	—	390,608,918
Due to banks and other financial institutions	—	44,514,751	999,867	—	—	—	45,514,618
Short-term loans	4,880	14,088,608	7,664	—	—	—	14,101,152
Short-term financing instruments payable	—	20,688,761	22,258,151	—	—	—	42,946,912
Debt instruments issued	—	969,560	1,633,530	77,913,119	26,075,353	—	106,591,562
Long-term loans	—	32,370	33,990	85,331	—	—	151,691
Lease liabilities	—	172,176	602,224	1,495,242	224,856	—	2,494,498
Others	199,635,843	16,742,652	34,676,641	1,057,153	—	802,471	252,914,760
Total	617,428,020	466,862,227	105,965,838	107,614,173	31,543,774	14,663,001	1,344,077,033
Cash flows from derivative financial liabilities settled on a net basis	—	8,551,252	14,012,913	18,750,281	7,679,614	—	48,994,060
Gross-settled derivative financial liabilities:							
Contractual amounts receivable	—	(141,992,949)	(146,524,824)	(26,137,498)	—	—	(314,655,271)
Contractual amounts payable	—	145,376,165	148,819,393	26,605,221	—	—	320,800,779
Total	—	3,383,216	2,294,569	467,723	—	—	6,145,508

57 FINANCIAL INSTRUMENTS RISK MANAGEMENT OVERVIEW (Continued)

57.3 Market risk

Market risks represent potential losses due to movement in market prices of financial positions held. Financial positions held are derived from the proprietary investment, market-making business and other investment activities. Movements in the financial positions held primarily originated from instructions received from the customers or the relevant strategies of proprietary investment.

Market risks primarily include equity price risk, interest rate risk, commodity price risk and exchange rate risk.

The Company has established a top-down risk limit management system, which ensures that the overall market risk management of the Company is within an acceptable level by allocating the overall risk limit of the Company to different business departments/business lines, the monitoring and implementation by the internal control department, and by timely assessing and reporting significant risk matters.

During business operations, the front-office business departments/business lines, as the direct bearer of market risks and the frontline risk management team, dynamically manage the market risks arising from its positions held. The Risk Management Department, which is independent from the business departments/business lines, assesses, monitors and manages the risks of each business in a comprehensive manner, and reports and addresses the risk situation.

The Company adopts Value at Risk (VaR) as a major indicator of its overall market risk measurement, and evaluates the possible losses in its proprietary positions arising from extreme situations through a series of stress tests in macro and micro scenarios, compares its risk resistant capacities, and evaluates whether the overall market risk profile of the Company is within an acceptable range.

The Company sets risk limits for its respective business departments/business lines to control market exposures, and conducts daily monitoring, gives timely warning, and makes prompt response.

The Company continues to modify the risk limits system, defines unified limit management measures and a hierarchical authorization mechanism, and adjusts the management measures for the system of risk limit indicators on various levels, such as the Company level, the business departments/business lines level and the business segments/strategies level in accordance with the authorization mechanism.

In respect of foreign assets and assets of subsidiaries, the Company implements centralised management. In respect of foreign currency assets, the Company conducts overall monitoring and management on exchange rate risk, and manages exchange risk exposure through a number of methods such as adjusting foreign currency position, using forward exchange contract/option hedging, currency swap contracts, etc.

57 FINANCIAL INSTRUMENTS RISK MANAGEMENT OVERVIEW (Continued)

57.3 Market risk (Continued)

The Company continues to update market risk limits, enrich the indicator limit system, and promote the research and improvement of risk measurement methods. The Group closely kept track of market and business changes, promptly identified the latest market risk conditions and maintains good communication with regulatory authorities and Shareholders, with a view to manage market risk exposure in a timely manner.

(1) VaR

VaR analysis is a statistical technique that estimates the potential maximum losses that could occur on risk positions due to movements in interest rates, stock prices or currency rates over a specified time period and at a given level of confidence.

The calculation is based on the historical data of the Group's VaR (confidence level of 95% and a holding period of one trading day).

The Group's VaR analysis by risk categories is summarised as follows:

	31 December 2025	31 December 2024
Stock price-sensitive financial instruments	419,405	384,459
Interest rate-sensitive financial instruments	95,786	174,432
Exchange rate-sensitive financial instruments	97,087	99,972
Total portfolio VaR	454,715	395,624

(2) Interest rate risk

The Group's interest rate risk is the risk of fluctuation in the fair value of one or more financial instruments arising from adverse movements in interest rates. The Group's interest rate risk mainly sources from the volatility of fair value of financial instruments held by the Group which are sensitive to the interest rate risk, resulting from market interest rate's negative fluctuation.

The Group uses interest rate sensitivity analysis as the principal tool to monitor interest rate risk. The use of interest rate sensitivity analysis assumes all other variables remain constant, but changes in the fair value of financial instruments held at the end of the measurement period may impact the Group's total income and total equity when interest rates fluctuate reasonably and possibly.

57 FINANCIAL INSTRUMENTS RISK MANAGEMENT OVERVIEW (Continued)

57.3 Market risk (Continued)

(2) Interest rate risk (Continued)

Assuming a parallel shift in the market interest rates and without taking into consideration of the management's activities to reduce interest rate risk, the impact of such a shift on revenue and shareholders' equity based on an interest rate sensitivity analysis of the Group is as follows:

	Sensitivity of revenue		Sensitivity of equity	
	2025	2024	2025	2024
Change in basis points				
+25 basis points	(1,532,493)	(921,376)	(349,017)	(581,595)
-25 basis points	1,574,477	971,553	352,082	595,734

(3) Currency risk

Currency risk is the risk of fluctuation in the fair value of financial instruments or future cash flows arising from adverse movements in foreign exchange rates. The Group's currency risk primarily relates to the Group's operating activities, whose settlements and payments are denominated in foreign currencies different from the Group's functional currency, and its net investment in foreign subsidiaries.

The tables below indicate a sensitivity analysis of exchange rate changes of USD, the currency to which the Group had significant exposure. The analysis calculates the effect of a reasonably possible movement in the currency rates against RMB, with all other variables held constant, on revenue and equity. A negative amount in the table reflects a potential net reduction in revenue or equity, while a positive amount reflects a potential net increase.

Change in exchange rate	Sensitivity of revenue		Sensitivity of equity	
	2025	2024	2025	2024
-3%	1,472,857	686,719	(880,353)	(714,487)

While the table above indicates the effect on revenue and equity of 3% depreciation of USD against RMB, there will be an opposite effect with the same amount if the currencies appreciate by the same percentage.

57 FINANCIAL INSTRUMENTS RISK MANAGEMENT OVERVIEW (Continued)

57.3 Market risk (Continued)

(3) Currency risk (Continued)

The tables below summarise the Group's exposure to foreign currency exchange rate risk as at 31 December 2025 and 31 December 2024. The Group's exposure to RMB is provided in the tables below for comparison purposes. Included in the table are the carrying amounts of the assets and liabilities of the Group in RMB equivalent, categorised by the original currencies.

	Net on-balance sheet position	
	31 December 2025	31 December 2024
RMB	330,985,488	270,572,644
USD in RMB equivalent	(38,495,579)	(7,240,848)
Others in RMB equivalent	33,332,475	35,434,876
Total	325,822,384	298,766,672

(4) Price risk

Price risk is the risk that the fair value of equity instruments decreases due to the variance between the stock index level and individual share values. If this occurs, market price fluctuations of equity instruments at fair value through profit or loss will impact the Group's profit; and market price fluctuations of equity instruments classified as financial assets at fair value through other comprehensive income will impact shareholders' equity for the Group.

As at 31 December 2025, the equity investment accounted for approximately 24.07% of the total assets (31 December 2024: 22.08%).

58 STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	Note	31 December 2025	31 December 2024
Non-current assets			
Property, plant and equipment		2,242,655	1,840,322
Investment properties		104,357	109,715
Goodwill		43,500	43,500
Land-use rights and intangible assets		1,932,927	1,992,409
Investments in subsidiaries	22	49,107,723	53,580,820
Investments in associates		5,879,665	5,548,888
Financial assets at fair value through other comprehensive income		117,828,591	85,882,976
Financial assets at fair value through profit or loss (mandatory)		539,788	633,898
Refundable deposits		15,938,924	11,874,298
Reverse repurchase agreements		11,041,872	8,607,115
Deferred income tax assets		6,385,893	4,476,508
Right-of-use assets		1,676,979	625,072
Other non-current assets		233,263	284,794
Total non-current assets		212,956,137	175,500,315
Current assets			
Fee and commission receivables		615,064	503,631
Margin accounts		162,481,115	105,953,782
Financial assets at fair value through other comprehensive income		40,804,153	67,675,999
Financial assets as at fair value through profit or loss (mandatory)		477,155,693	446,264,031
Derivative financial assets		26,254,836	36,715,335
Reverse repurchase agreements		39,757,900	31,828,702
Other current assets		67,040,594	55,634,451
Cash held on behalf of customers		240,219,797	174,747,885
Cash and bank balances		74,457,863	72,749,088
Total current assets		1,128,787,015	992,072,904

58 STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

	Note	31 December 2025	31 December 2024
Current liabilities			
Customer brokerage deposits		236,339,065	164,787,308
Derivative financial liabilities		45,080,668	43,936,547
Financial liabilities at fair value through profit or loss		43,553,394	43,424,068
Repurchase agreements		317,231,552	290,166,233
Due to banks and other financial institutions		27,719,834	45,291,887
Tax payable		2,961,667	1,066,886
Short-term financing instrument payables		69,300,743	39,091,227
Lease liabilities		689,270	263,286
Other current liabilities		239,525,522	203,508,876
Total current liabilities		982,401,715	831,536,318
Net current assets		146,385,300	160,536,586
Total assets less current liabilities		359,341,437	336,036,901
Non-current liabilities			
Debt instruments issued		86,359,690	88,085,485
Financial liabilities at fair value through profit or loss		11,796,028	9,957,089
Repurchase agreements		3,003,827	6,090
Lease liabilities		877,523	336,126
Other non-current liabilities		790,890	703,930
Total non-current liabilities		102,827,958	99,088,720
Net assets		256,513,479	236,948,181
Equity			
Issued share capital	48	14,820,547	14,820,547
Other equity instruments		38,261,704	30,761,704
Reserves		142,077,985	137,680,744
Retained earnings		61,353,243	53,685,186
Total equity		256,513,479	236,948,181

59 STATEMENT OF CHANGES IN EQUITY OF THE COMPANY

	Note	Reserves							Retained earnings	Total
		Share capital	Other equity instruments	Capital reserve	Surplus reserves	Investment		Sub-total		
						General reserves	revaluation reserve			
At 1 January 2025		14,820,547	30,761,704	91,077,858	7,616,940	37,310,637	1,675,309	137,680,744	53,685,186	236,948,181
Profit for the year		—	—	—	—	—	—	—	22,719,914	22,719,914
Other comprehensive income		—	—	—	—	—	(1,152,328)	(1,152,328)	—	(1,152,328)
Total comprehensive income		—	—	—	—	—	(1,152,328)	(1,152,328)	22,719,914	21,567,586
Capital increase/(decrease) by equity holders										
— Capital injected by other equity instrument holders	49	—	7,500,000	(15,110)	—	—	—	(15,110)	—	7,484,890
— Others		—	—	(129)	—	—	—	(129)	—	(129)
Appropriation to surplus reserves		—	—	—	—	—	—	—	—	—
Appropriation to general reserves		—	—	—	—	4,553,831	—	4,553,831	(4,553,831)	—
Dividend	16	—	—	—	—	—	—	—	(8,447,712)	(8,447,712)
Distribution to other equity instrument holders	16	—	—	—	—	—	—	—	(1,039,337)	(1,039,337)
Transfers within the owners' equity										
— Other comprehensive income transferred to retained earnings		—	—	—	—	—	1,010,977	1,010,977	(1,010,977)	—
At 31 December 2025		14,820,547	38,261,704	91,062,619	7,616,940	41,864,468	1,533,958	142,077,985	61,353,243	256,513,479

59 STATEMENT OF CHANGES IN EQUITY OF THE COMPANY (Continued)

	Note	Reserves							Retained earnings	Total
		Share capital	Other equity instruments	Capital reserve	Surplus reserves	General reserves	Investment revaluation reserve	Sub-total		
At 1 January 2024		14,820,547	16,761,704	91,105,518	7,616,940	34,588,507	1,399,523	134,710,488	54,475,135	220,767,874
Profit for the year		—	—	—	—	—	—	—	13,567,706	13,567,706
Other comprehensive income		—	—	—	—	—	42,528	42,528	—	42,528
Total comprehensive income		—	—	—	—	—	42,528	42,528	13,567,706	13,610,234
Capital increase/(decrease) by equity holders										
— Capital injected by other equity instrument holders	49	—	14,000,000	(28,083)	—	—	—	(28,083)	—	13,971,917
— Others		—	—	423	—	—	—	423	—	423
Appropriation to surplus reserves		—	—	—	—	—	—	—	—	—
Appropriation to general reserves		—	—	—	—	2,722,130	—	2,722,130	(2,722,130)	—
Dividend	16	—	—	—	—	—	—	—	(10,596,691)	(10,596,691)
Distribution to other equity instrument holders	16	—	—	—	—	—	—	—	(805,576)	(805,576)
Transfers within the owners' equity										
— Other comprehensive income transferred to retained earnings		—	—	—	—	—	233,258	233,258	(233,258)	—
At 31 December 2024		14,820,547	30,761,704	91,077,858	7,616,940	37,310,637	1,675,309	137,680,744	53,685,186	236,948,181

60 EVENTS AFTER THE REPORTING PERIOD

(1) Public issuance of short-term corporate bonds

On 29 January 2026, the Company completed the public issuance of short-term corporate bond (the first issuance) in Shanghai Stock Exchange, RMB10 billion, with maturity of 181 days and coupon rate of 1.67%.

On 10 February 2026, the Company completed the public issuance of short-term corporate bond (the second issuance) in Shanghai Stock Exchange, in the total amount of RMB10 billion, with maturity of 274 days and coupon rate of 1.67%.

(2) Public issuance of corporate bonds

On 12 January 2026, the Company completed the public issuance of corporate bonds (the first issuance) in Shanghai Stock Exchange, of which type 1 was in the amount of RMB5 billion, with maturity of 2 years and coupon rate of 1.82%; type 2 was in the amount of RMB3 billion, with maturity of 3 years and coupon rate of 1.88%.

On 21 January 2026, the Company completed the public renewal of corporate bonds (the second issuance) (type 2) for the year of 2025 in Shanghai Stock Exchange, in the total amount of RMB3 billion, with maturity term of 3 years, and coupon rate of 1.75%.

On 26 January 2026, the Company completed the public issuance of corporate bonds (the second issuance) in Shanghai Stock Exchange, of which type 1 was in the amount of RMB2 billion with maturity of 3 years and coupon rate of 1.83%, type 2 was in the amount of RMB2 billion with maturity of 5 years and coupon rate of 1.95%.

On 4 February 2026, the Company completed the second public renewal of corporate bonds (the second issuance) (type 2) for the year of 2025 in Shanghai Stock Exchange, in the total amount of RMB3 billion, with maturity term of 3 years, and coupon rate of 1.75%.

On 6 February 2026, the Company completed the public issuance of science technology innovation corporate bond (the first issuance) in the Shanghai Stock Exchange, in the total amount of RMB4 billion, with maturity of 2 years and coupon rate of 1.79%.

On 11 March 2026, the Company completed the public issuance of corporate bonds in Shanghai Stock Exchange (the third issuance), of which type 1 was in the amount of RMB4.5 billion, with maturity of 2 years, and coupon rate of 1.75%; type 2 was in the amount of RMB3.5 billion, with maturity of 5 years and coupon rate of 1.94%.

On 19 March 2026, the Company completed the public issuance of corporate bonds (the fourth issuance) for the year of 2026 in the Shanghai Stock Exchange, in the total amount of RMB3 billion, with maturity of 3 years and coupon rate of 1.80%.

60 EVENTS AFTER THE REPORTING PERIOD (Continued)

(3) Public issuance of perpetual subordinated bonds

On 28 January 2026, the Company completed the public issuance of perpetual subordinated bond (the first issuance) in Shanghai Stock Exchange, in the amount of RMB4.8 billion, with a maturity of five years and coupon rate of 2.27%.

(4) Issuance of medium term notes

From 1 January 2026 to 26 March 2026, CSI MTN Limited, a subsidiary of the wholly-owned subsidiary of the Company, CITIC Securities International Company Limited ("**CITIC Securities International**"), issued 13 overseas medium term notes in USD amounting to USD773.9 million and was guaranteed by CITIC Securities International.

As at 13 January 2026, CSI MTN Limited, a subsidiary of the wholly-owned subsidiary of the Company, CITIC Securities International Company Limited ("**CITIC Securities International**"), issued an overseas medium term notes in HKD amounting to HKD0.1 billion and was guaranteed by CITIC Securities International.

(5) Profit distribution

According to the board resolution passed in the Board of Directors' meeting of the Company held on 26 March 2026, the Company proposes to adopt cash dividend payment method (cash dividends are denominated and declared in RMB and will be paid in RMB or the equivalent amount in HKD) for its 2025 profit distribution and distribute a dividend of RMB4.10 yuan (tax inclusive) for every 10 shares to all shareholders, and based on the total number of issued shares of the Company at 31 December 2025, i.e. 14,820,546,829 shares, the cash dividend proposed to be distributed totals RMB6,076,424,199.89 yuan (tax inclusive) (the Company distributed the cash dividend totals RMB4,297,958,580.41yuan (tax inclusive) during 2025 interim, the cash dividend for 2025 was proposed to be distributed totaling RMB10,374,382,780.30 yuan (tax inclusive)). In the event of change in total number of issued shares of the Company after the date of the abovementioned Board meeting but before the record date for payment of the cash dividend, the total distribution amount shall remain unchanged while the distribution amount per share will be adjusted accordingly. This proposed dividend is subject to the approval of the General Meeting of Shareholders of the Company.

61 APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 26 March 2026.