



## Press Release

# GTJAI Announced 2023 Annual Results

*Dual Driving of Wealth Management and Institutional Services  
Profit Jumped 1.5 Times Against the Market Trend*

### Financial Performance Highlights for FY2023

**Guotai Junan International (“GTJAI”, the “Group” or the “Company”, stock code: 1788.HK):**

- **Revenue Growth:** revenue soared by 39% YoY to HK\$ 3,217m
- **Profit Surge:** profit attributable to ordinary equity holders sharply increased by 150% YOY to HK\$ 201m
- **Dividend Recommendation:** a final dividend HK\$ 0.01 per share recommended, with a dividend payout ratio of 95%

#### **By Business Segment:**

- **Wealth Management:** a 46% increase YoY to HK\$ 1,856m
- **Investment Management:** marked a significant turnaround with a gain of HK\$153m

#### **By Income Nature:**

- **Financial Products:** net income from financial products significantly increased 85% YoY to HK\$ 760m
- **Equity Capital Markets:** underwriting commission income surged by 173% YoY to HK\$ 73.49m
- **Interest income:** A sharp 198% increase YoY to HK\$ 1,166m from banks and others

### Solid Financial Position as of 31 December 2023

- **Asset Growth:** total assets climbed by 14% to HK\$ 107.5b
- **Financial Products:** the asset balance of financial products held on behalf of clients increased by 6% to HK\$ 48.5b
- **Liquidity:** cash and cash equivalents amounted to HK\$ 7.4b, indicating a strong financial condition with abundant liquidity

### Business Highlights

- **Digital and intelligent transformation** empowered the rapid development of wealth management business, launched “Junhong Global” App
- **Cross-border service capabilities** have been further improved, obtained several important business qualifications on the first batch
- **Strategic expansion:** The establishment of a subsidiary in Macao enhanced the strategic layout in Greater Bay Area
- **Credit ratings:** Maintained industry-leading credit ratings, BBB+ by S&P and Baa2 by Moody's with “stable” outlook
- **ESG** performance ranked among the top tiers in the industry, achieved carbon neutrality at operational level. Guotai Junan Securities Co., Ltd., our parent company (including its subsidiary “GTJAI”), became a signatory of PRI

**[Hong Kong, 26 March 2023] Guotai Junan International announced its annual results for the year ended 31 December 2023.** In a year marked by global financial market pressures and a challenging Hong Kong capital market, the Group demonstrated proactive and solid market strategy and robust risk management. This approach **yielded a 39% YOY increase in revenue to HK\$3,217 million and a 150% surge in profit attributable to ordinary equity holders to HK\$201 million.**

The Company is committed to rewarding its investors for their long-term support and recognition, maintaining a high dividend payout ratio. The Board has **recommended a final dividend of HK\$0.01 per share**, together with an interim dividend of HK\$0.01 per share paid in September 2023, brings the total dividend for FY2023 to HK\$0.02 per share, **representing a 95% payout ratio.**

*Dr. YIM Fung, Chairman and Executive Director, stated, "Despite 2023's challenging conditions, our diversified business strategy, focusing on wealth management and institutional services, led to a remarkable 1.5-fold profit increase against market trends. Looking ahead, we will continue to develop wealth management business and client demand-driven business, offering our clients a wider range of products and services, and create a leading comprehensive financial service platform."*

### **Comprehensively upgrading the digital intelligent wealth management platform**

Relying on technology empowerment, the Group comprehensively upgraded its digital intelligent wealth management platform to customize products and services for high-net-worth clients, and precisely identified the needs of retail clients through intelligent means. The launch and upgrade of "Junhong Global", a safe and efficient global investment app, marked a significant milestone in optimizing client experience. The Group has launched HKD/USD money market funds and "Flexi Money", a cash management product, providing clients with more investment options under the high interest rate cycle.

### **Vigorously developing the client demand-driven financial products business**

In 2023, facing the complicated market environment, GTJAI remained committed to its client demand-driven financial products business, enhancing cross-border trading capabilities and providing tailored solutions for clients. During the year, the Group successfully obtained several important business qualifications, becoming one of the first batch overseas qualified participants of "Swap Connect", one of the first batch qualified market makers under the "HKD-RMB Dual Counter Model" and a market maker of the "Southbound Bond Connect", solidifying its industry-leading position.

### **Building an extensive and full-cycle corporate finance service chain**

In 2023, under the market environment where fund raising amounts in equity and debt markets were both declining, GTJAI leveraged its cooperation with its parent company to provide full-cycle corporate finance services, completed 4 IPO sponsor projects in Hong Kong, ranking at the forefront among the Chinese peers in terms of number of projects and fund raising amounts, including the listing of

SinoHytec, the first China's hydrogen energy A+H stock, and UBTECH Robotics, the first humanoid robot stock, and assisted 26 enterprises in raising funds in the stock markets as an underwriter.

### **Risk management safeguards the long-term business development**

GTJAI continues to prioritize risk management as a cornerstone of its operations. During the year, the Company maintained a long-term issuer rating of “BBB+” by S&P and “Baa2” by Moody's with the outlook being “stable”, keeping a leading position among its Chinese peers in Hong Kong.

### **Building a sustainable & green financial services platform**

The Group has actively supported the sustainable economy, sponsoring the listing of new energy companies, such as Sinohytec, and issuing 35 ESG-related bonds for clients, with a total issuance scale of the sustainable finance projects exceeding HK\$80 billion. In 2023, the Group achieved carbon neutrality at operational level for the first time through the subscription of carbon credit assets following the continuous decreasing in total greenhouse gas emissions at operational level for three consecutive years. The Company has been highly recognized by international ESG rating agencies, following an upgrade of the Company's ESG rating by MSCI Inc., S&P raised the Company's ESG scoring in 2023, ahead nearly 80% of its global peers.

### **Outlook for 2024**

GTJAI is set for steady growth in 2024, focusing on expanding wealth management services and client demand-driven business, and enhancing cross-border financial services, thereby expanding client resources and diversifying income sources. The Group will continue its digital transformation and leverage regional synergies to extend its reach in Southeast Asia and the global markets, providing comprehensive financial services and solutions to meet clients' overseas asset allocation needs.

- END -

For the full announcement, please visit:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0326/2024032600403.pdf>

**Disclaimer:**

This presentation does not constitute an offer or invitation to purchase or subscribe for any securities or financial instruments or the provision of any investment advice, and no part of it shall form the basis of or be relied upon in connection with any contract, commitment or investment decision in relation thereto, nor does this presentation constitute a recommendation regarding the securities or financial instruments of the Company.

This presentation contains certain forward-looking statements with respect to the financial conditions, results of the operations and business of the Company and certain plans and objectives of the management of the Company. Such forward-looking statements involve known and unknown risks, uncertainties, and other factors which may cause the actual results or performance of the Company to be materially different from any future results or performance expressed or implied by such forward-looking statements. Such forward-looking statements were based on assumptions regarding the Company's present and future strategies and the political and economic environment in which the Company will operate in the future. Reliance should not be placed on these forward-looking statements, which reflect the view of the Company's management as of the date of this presentation only. There can be no assurance that future results or events will be consistent with any such forward-looking statements.

**About Guotai Junan International**

**Guotai Junan International Holdings Limited ("GTJAI", Stock Code: 1788.HK)** is the market leader and first mover for internationalization of Chinese Securities Company as well as the first Chinese securities broker listed on the Main Board of The Hong Kong Stock Exchange through initial public offering. GTJAI is based in Hong Kong and has set up subsidiaries in Singapore, Vietnam and Macao to provide comprehensive, diversified and high-quality integrated financial services. Core businesses includes brokerage, corporate finance, asset management, loans and finance, financial products, which cover three dimensions including individual finance (wealth management), institutional finance (institutional investor services and corporate finance services) and investment management. GTJAI has been assigned "Baa2" and "BBB+" long term issuer rating from Moody's and S&P respectively, and MSCI ESG BBB rating. Meanwhile, the Company's S&P Dow Jones Index ESG score leads nearly 80% of its global peers. The controlling shareholder, **Guotai Junan Securities Company Limited (Stock Code: 601211.SH; 2611.HK)**, is the comprehensive financial provider with a long-term, sustainable and overall leading position in the Chinese securities industry. For more information about GTJAI, please visit <http://www.gtjai.com>