

Guotai Junan International 2021 Interim Results

August 2021



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The financial information relating to 6 months ended by 30 June 2021 that is included in this presentation as comparative information does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those financial statements.

Contents

Overview Page 4

Macroeconomic Environment | Results Summary

Financial Review Page 6

Financial Indicators | Revenue Structure | Dividends | Costs | Revenue Breakdown
Balance Sheet | Liquidity Management | Credit Rating | Sustainable Finance

Position and Outlook Page 17

Milestone | Position | Big Wealth Management Era

Products and Services Page 20

Wealth Management | Private Equity | SSD | Corporate Finance and Capital Market
Asset Management

Honors and Branding Page 32

Appendix Page 34

Controlling Shareholders | Risk Management

The Global Economic Recovery in 1H2021

- Hang Seng Index **Up 5.86%**
- Shanghai A Share Index **Up 3.40%**
- U.S. stock market Index Climbed Steadily
- China GDP **Up 12.7% YOY**
- US GDP **Up 6.2% YOY**
- Hong Kong GDP **Up 7.8% YOY**
- IPO deal numbers in Hong Kong down by 28% to 46 YOY
- The total IPO funds raised in the Hong Kong market **Up 108% YOY** to **HK\$482.5 billion**, a record high over the same period
- The U.S. dollar bonds in the primary market **Up 20% to US\$203.6 billion**
- In the secondary market, the price index of investment-grade and high-yield bonds **down by 3.8% and 6.9% respectively**

Global Policies in 1H2021

- The prudent **monetary policy** of People's Bank of China is **flexible, precise,** reasonable and appropriate. A variety of monetary policy tools were comprehensively used to release liquidity, maintain reasonable and sufficient liquidity, and stable operation of money market interest rates
- **The yield of U.S. 10-Year Treasury** rose rapidly. As Fed decided to keep interest rates unchanged in June meeting, and the market expected the Fed to tighten monetary policy early
- The Hong Kong government released the 2021 Budget, proposing to **increase the stamp duty rate to 0.13%, which was effective on August 1**

Looking Forward

Focus on economy recovery, inflation and interest rate

Leverage on market intermediary experience of securities firms while testing risk management foundation

Find opportunities for clients and shareholders during crisis

Interim Results Summary

01 Revenue

- ✓ Increased by 40% to HK\$2,513 million YOY, with increase in brokerage, corporate finance, asset management, financial products and margin financing
- ✓ Fee and commission increased by 60% to HK\$987 million YOY.
- ✓ Wealth management segment increased by 49% to HK\$994 million YOY, a key driver (vs 2020 increased by 27% YOY)

02 Attributable Profit

- ✓ Increased by 55% to HK\$938 million YOY (market estimated: HK\$880 million)
- ✓ Cost-to-income ratio lowered by 5 percentage points YOY to 56%

03 Dividend and ROE

- ✓ Payout Ratio of 51%, as dividend amount increased by 47% YOY
- ✓ Annualized ROE increased by 2.8 p.p. to 12.2% YOY

04 Wealth Management Update

- ✓ Steady client acquisition with continuous AUC growth
- ✓ Brokerage market share continued to climb for 4 reporting periods, total trading volume increased by 70% YOY
- ✓ Annualized Average Revenue per Paying Client (ARPU) reached US\$15,000
- ✓ Established Fin-tech team to facilitate digitalization of financial services

05 Leading Credit Ratings (last updated: July 2021)

- ✓ S&P maintained BBB+ Rating ; Moody's maintained Baa2 Rating
- ✓ Both Outlook as "Stable"

Market Performance

Stock Index &

Short-term Interest Rates

- ✓ HSI rose by 6% to 28,828
- ✓ HIBOR and LIBOR(1 month) declined to 0.11%

HK Market Turnover

- ✓ The ADT of securities market increased 60% to HK\$188.2 billion
- ✓ The ADT of derivative warrants increased 58% to HK\$12.5 billion

US Dollar Bond

- ✓ Asian (ex-Japan) G3 currency bond issuance increased by 20% YOY to HK\$203.6 billion
- ✓ Investment-Grade and High-Yield fell by 3.8% and 6.9% respectively

Financial Review

2021 Interim Results

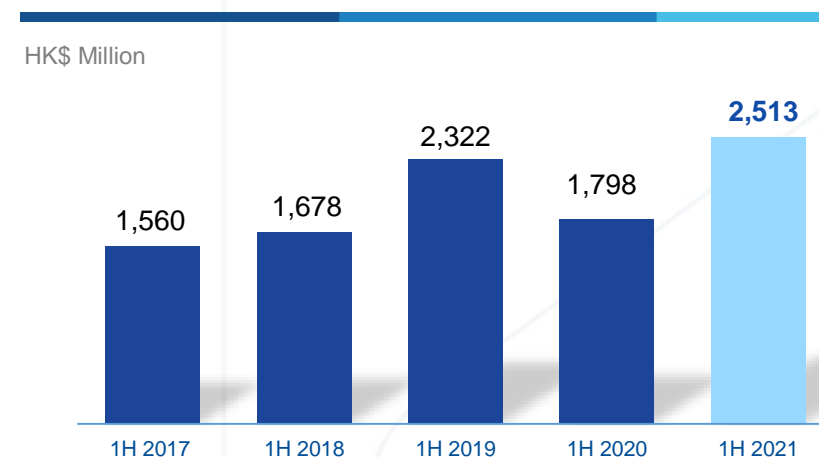
Indicators Revenue Mix Dividends Costs Revenue Breakdown Balance Sheet Liquidity Management
Credit Rating Sustainable Finance

P&L extracts	1H 2021	1H 2020	YOY ¹	HOH ²
	(HKD'000)	(HKD'000)		
Fee and Commission ³	986,852	618,481	60%	4%
- Commission for securities trading	422,311	230,566	83%	30%
Interest ³	1,270,311	1,320,548	(4%)	(4%)
Trading and investment ³	255,855	(141,240)	n/a	(68%)
Revenue	2,513,018	1,797,789	40%	(18%)
Total Costs	1,408,421	1,096,410	28%	(28%)
- Cost-to-income ratio	56%	61%	(5 p.p.)	-
Profit attributable to shareholders	937,604	605,583	55%	(2%)
Dividend	480,069	325,652	47%	-
- EPS (HK cents)	9.77	6.77	44%	-
- DPS (HK cents)	5.0	3.4	47%	Similar

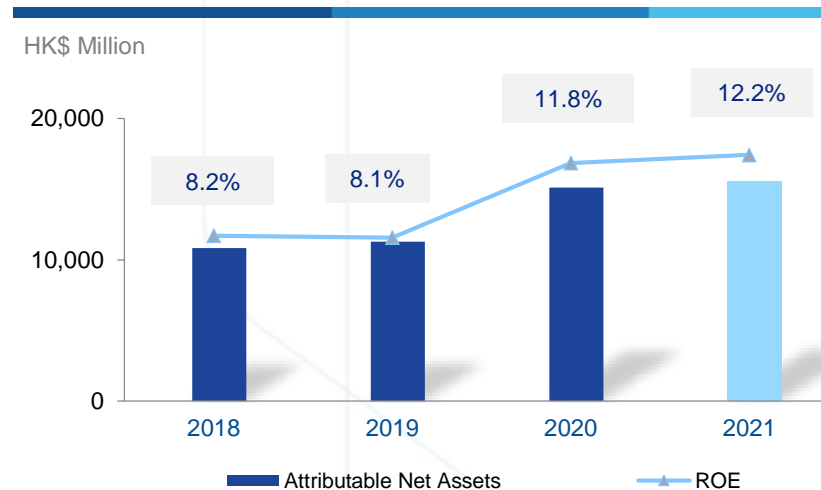
Balance sheet extracts & Ratios	Jun 30 2021	31 Dec 2020	Change ¹
Total assets (HK\$ billion)	1,392	1,217	14%
Total liabilities (HK\$ billion)	1,235	1,065	16%
Book value per share ⁴ (HK\$)	1.62	1.58	3%
Leverage ratio ⁵ excluding Financial Products' position on behalf of clients	5.56	4.22	Up by 1.34
ROE ⁶	12.2%	11.8%	0.4 p.p.

Note: 1) Rounded; 2) Compared with 2nd half of 2020 and rounded; 3) Details shown on page 11; 4) Calculation based on shares issued as at the end of June 2021 minus shares held under share award scheme; 5) Leverage Ratio Calculation: (Total Assets - Accounts Payable to Clients) / Total Equity; 6. Profit Attributable to Shareholders / Net Asset Attribute to Shareholders, annualized

Revenue recorded historical high

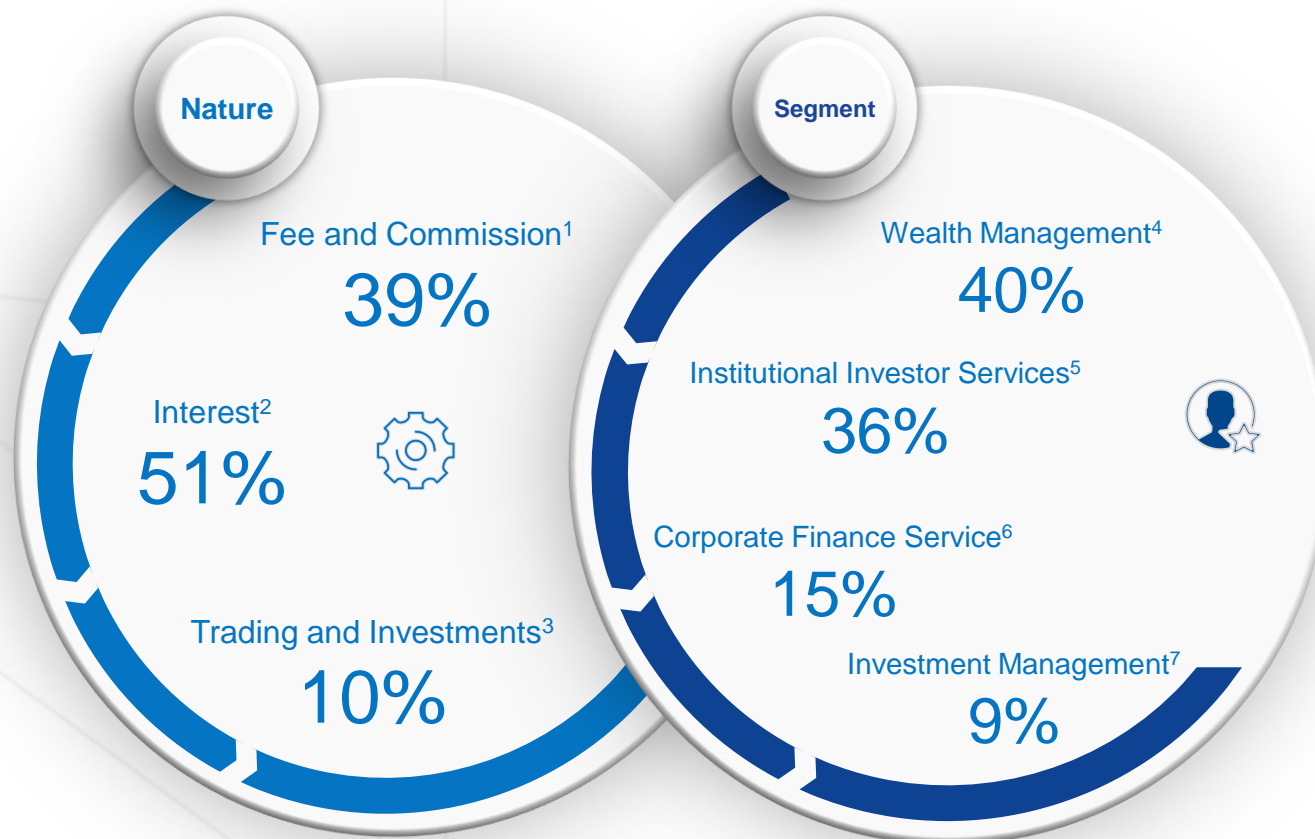


Industry-leading ROE



Revenue Mix:

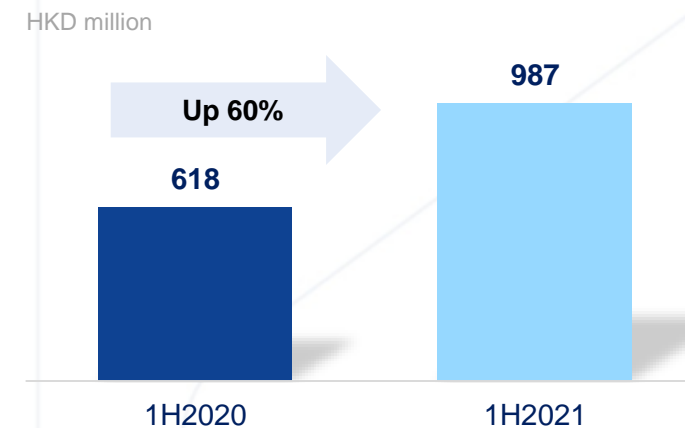
Non-Investment contributed 90% of revenue as WM continued to drive growth



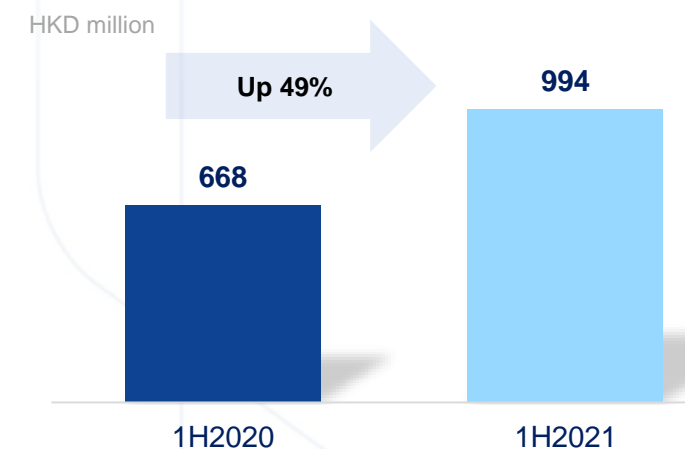
Note:

1. Fee and commission: bear no major risks, including Brokerage, Corporate Finance, Asset Management, and fee from Financial Products
2. Interest: Mainly with credit risk, including Loans and Financing, interests from Financial Products, coupon from market making; interests from investments
3. Trading & Investments: Mainly market risk, including trading income from market making, financial derivatives provided to wealth management, seed funding for Asset Management as well as Private Equity business, etc.
4. The Wealth Management segment mainly comes from Brokerage (wealth management), Loans and Financing (wealth management), financial derivatives provided to wealth management
5. The Institutional Investor Services segment mainly comes from Financial Products (institutions), market making, Brokerage (institutions), Loans and Financing (institutions), Investment (institutions)
6. The Corporate Finance segment mainly comes from debt capital markets, equity capital markets, and consultancy and financial advisory services, providing brokerage services to corporate financing clients
7. The Investment Management segment mainly comes from asset management and private equity management

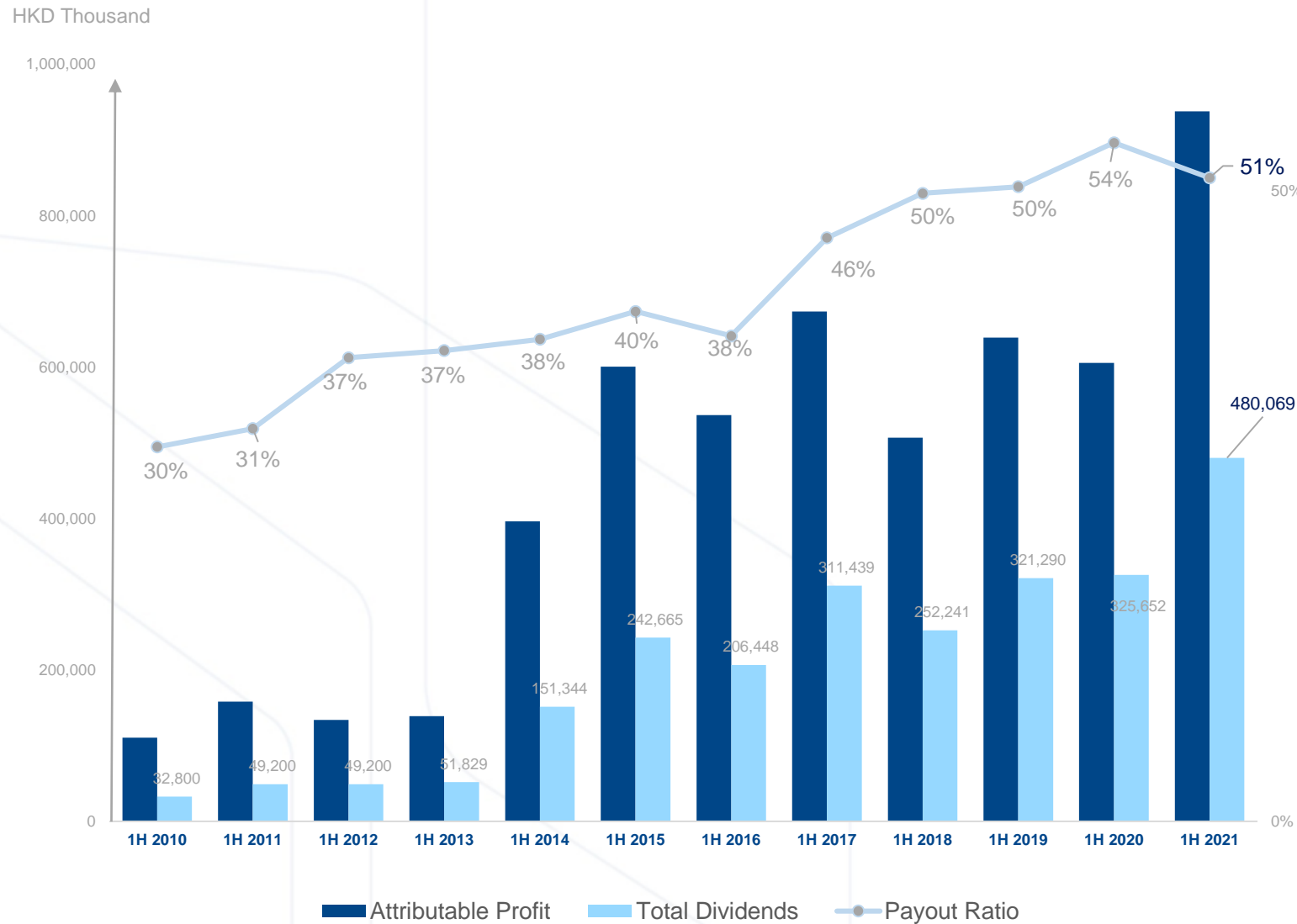
Fee and Commission income with record high again



Wealth Management as the key growth driver



Dividend: Consistent and Stable with Historical High 2021 Interim Dividend

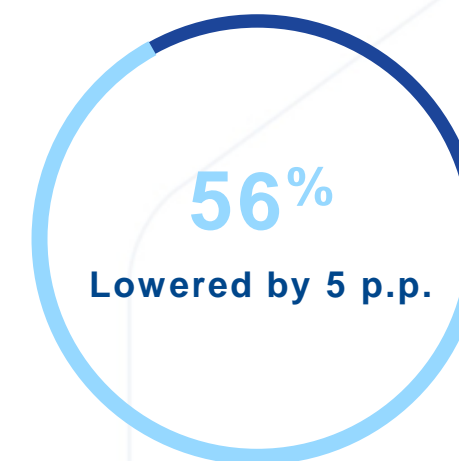


Reaffirmed in FTSE4Good Index

In July 2021, GTJAI was reaffirmed as constituent of FTSE4Good Index by global index provider FTSE Russell, owned by the London Stock Exchange. The index is reviewed in June and December every year.

The FTSE4Good Index Series first launched in 2001, it is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The Index is a market-leading tool for investors seeking to invest in companies that demonstrate good sustainability practices. It also supports and guides investors that wish to encourage positive change in corporate behavior and align their portfolios with their ESG values.

Cost items	1H 2021	1H 2020	YOY ¹	2H 2020	HOH ²
	(HKD'000)	(HKD'000)			
Staff Costs	424,539	329,919	29%	818,791	(48)%
Commission to account executives	143,684	74,574	93%	113,808	26%
Other commission expenses	20,619	16,967	22%	28,404	(27)%
Depreciation	38,376	34,038	13%	34,821	10%
Loss allowances	80,209	38,371	109%	325,194	(75)%
Other operating expenses	250,885	169,800	48%	248,778	1%
Finance costs	449,929	432,741	4%	397,515	13%
Total costs	1,408,241	1,096,410	28%	1,967,311	(28)%
Total revenue	2,513,018	1,797,789	40%	3,075,163	(18)%



Cost-to-Income Ratio

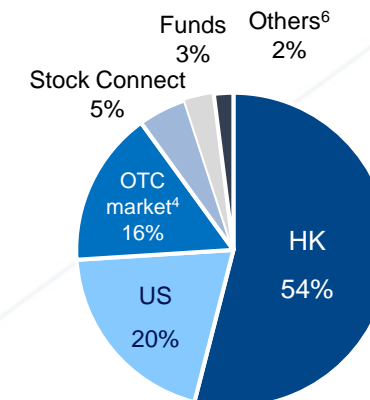
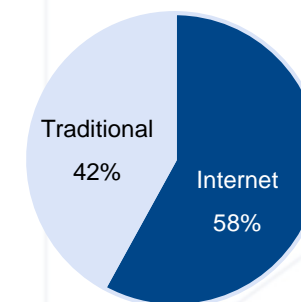
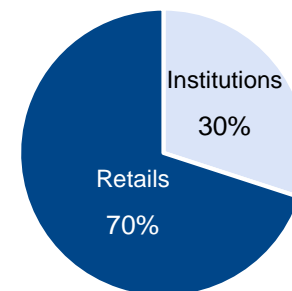
Note: 1. Rounded, 2. Rounded, as compared with 2H20

Revenue Breakdown (Nature)

Fee and Commission

HKD'000	1H2021	1H2020	YOY ¹	2H2020	HOH ²
Brokerage	463,086	276,450	68%	373,021	24%
- Commission for securities trading	422,311	230,566	83%	324,173	30%
Corporate finance	368,320	242,779	52%	349,093	6%
- Debt capital market	266,791	204,764	30%	256,973	4%
- Equity capital market	70,477	20,545	243%	64,510	9%
- Consultancy and advisory	31,052	17,470	78%	27,610	12%
Asset management	84,131	23,935	251%	129,573	(35%)
Financial products (Handling fee)	71,315	75,317	(5%)	93,504	(24%)
Total	986,852	618,481	60%	945,191	4%

Securities Breakdown³



Interest

HKD'000	1H2021	1H2020	YOY ¹	2H2020	HOH ²
Loans & financing	473,351	518,275	(9%)	489,380	(3%)
- Customers and counterparty financing	430,196	356,767	21%	400,710	7%
- Banks and others	43,155	161,508	(73%)	88,670	(51%)
Market making (Interest)	319,433	455,000	(30%)	364,032	(12%)
Financial products (Interest)	172,032	92,601	86%	203,505	(15%)
Fixed income securities investment (Interest)	305,495	254,672	20%	274,610	11%
Total	1,270,311	1,320,548	(4%)	1,331,527	(5%)

Trading and Investment

HKD'000	1H2021	1H2020	YOY ¹	2H2020	HOH ²
Market making (according to market value)	(69,556)	(55,406)	26%	(35,426)	96%
Investment securities ⁵ (according to market value)	325,411	(85,834)	NA	793,869	(59%)
Total	255,855	(141,240)	NA	758,443	(66%)

Note: 1. Rounded; 2. Rounded, Compared with 2H2020; 3. Breakdown chart was from "securities trading" of brokerage income; 4. Mainly from fixed income securities; 5. Other Investments securities included seed funding for asset management, private equity funds, providing financial derivatives and OTC product issuance and market making services for wealth management clients, and other equity investments; 6. "Others" include commission from A shares, B shares, South Korea, Japan, Germany, Singapore, Australia, Canada and other markets.

Individual Finance 40%



Mainly comes from wealth management and retail brokerage clients, including:

- 1) Brokerage (wealth management);
- 2) Loans and financing (wealth management);
- 3) In the investment income, the issuance of structured derivative products (such as warrants and other products).

A total of HK\$994 million, up 49% YOY

Institutional Finance 51%



Divided into two parts: **institutional investors and corporate finance** service, of which:

- 1) Corporate finance services include income from underwriting and brokerage businesses;
- 2) Institutional investor service income includes business such as market making, financial products, structured financing, institutional trading and financing.

A total of HK\$1.294 billion, up 16% YOY

Investment Management 9%



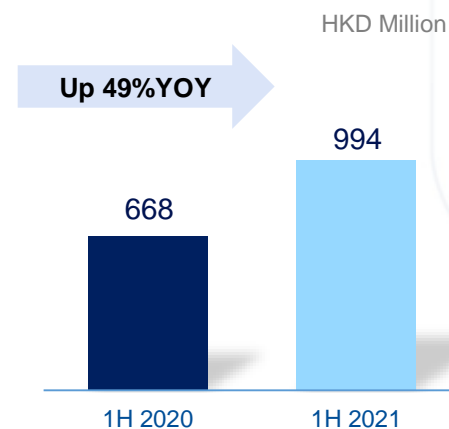
- 1) Performance fee and management fee from asset management business;
- 2) Proprietary investment, including investment income from asset management seed funding and other businesses such as private equity.

A total of HKD\$225 million, increased 12 times

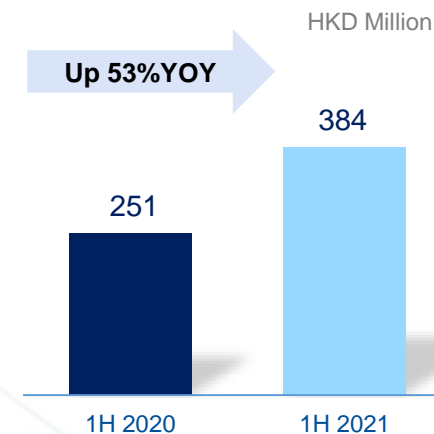
2021 Segment Results Matrix

Revenue Nature /Segment	Wealth management	Corporate finance services	Institutional Investor	Investment management	Others	HKD'000
- Fee and commission	396,419	384,255	130,597	75,581	-	986,852
- Interest	352,112		798,670	119,529	-	1,270,311
- Trading & Investment	245,659		(19,253)	29,449		255,855
- others	-	-	-	-	2,308	2,308
Total Revenue	994,190	384,255	910,014	224,559	2,308	2,515,326
Profit before tax	400,332	247,327	445,079	14,347	-	1,107,085
Tax						(163,576)
Attributable Profits						943,509

Wealth management segment



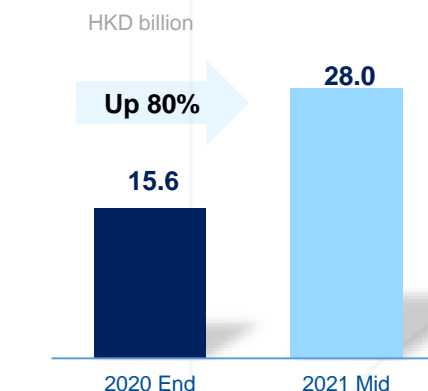
Corporate finance segment



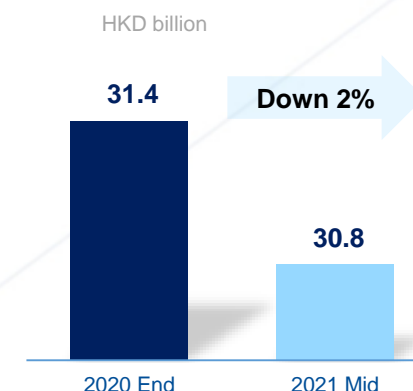
Balance Sheet: Increase driven by loans, A/R and other client's assets

Unit: HK\$ 000	30 June 2021	Contribution ¹	31 Dec 2020	Contribution ¹
Assets				
Loans and Advances to Customers	28,047,113	20%	15,604,244	12.8%
Receivable from Reverse Repurchase Agreement	4,241,292	3%	3,022,800	2.5%
Accounts Receivable	14,247,817	10%	5,638,797	4.6%
Prepayments, Deposits and Other Receivables	263,321	0%	143,744	0.1%
Financial Products held on behalf of Clients	33,461,167	24%	39,512,089	32.5%
Financial Assets (Market Making, Seed Fund & others)	30,762,233	22%	31,507,050	25.9%
Derivative Financial Instruments	2,735,920	2%	1,261,354	1.0%
Tax Recoverable	185,840	0%	304,435	0.3%
Client Trust Bank Balances	19,349,190	14%	18,707,026	15.4%
Cash and Cash Equivalents	5,161,495	4%	5,508,779	4.5%
Other Assets	698,322	1%	510,423	0.4%
Total Assets	139,153,710	100%	121,720,741	100.0%
Liabilities				
Accounts payable	29,485,441	24%	22,783,232	21.4%
Other Payables and Accrued Liabilities	662,153	1%	930,801	0.9%
Derivative Financial Instrument	2,680,285	2%	862,429	0.8%
Bank Borrowings	18,082,106	15%	9,715,836	9.1%
Debt Securities in Issue	49,526,068	39%	47,919,872	45.0%
- At Amortized Cost	22,854,124	19%	15,347,714	14.4%
- Designated as at Fair Value through P&L	26,671,944	22%	32,572,158	30.6%
Financial Liabilities at Fair Value through P&L	8,617,594	7%	6,666,260	6.3%
Obligations under Repurchase Agreements	14,202,194	12%	17,396,163	16.3%
Tax Payable	188,287	0%	183,420	0.2%
Other Liabilities	30,299	0%	23,561	0.0%
Total Liabilities	123,474,427	100%	106,481,574	100%
Ordinary Shareholders' Equity	15,552,330	99%	15,118,118	99.2%
Other Equity Instruments and Non-Controlling Interest	126,953	1%	121,049	0.8%
Total Equity	15,679,283	100%	15,239,167	100%

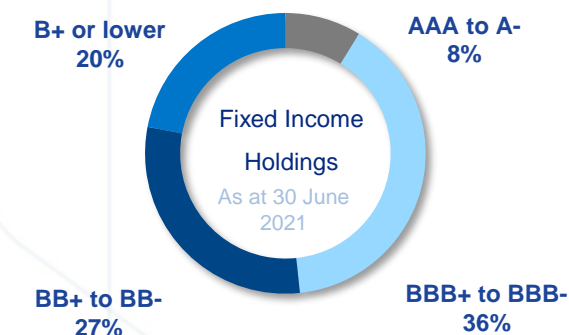
Loans and Advances to Customer



Financial Assets

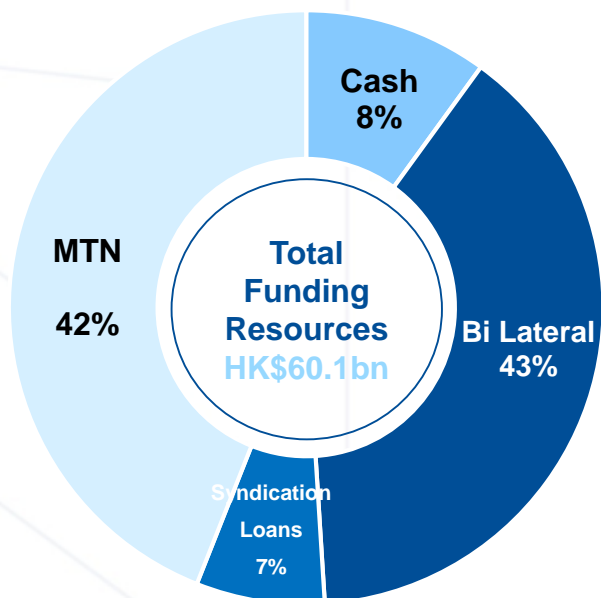


Credit Rating Distributions from Listed Fixed Income² Holdings



Note : 1. Rounded figures; 2. Fixed Income was mainly from market making for DCM and seed funding for asset management, with a diversified portfolio.

Funding Sources



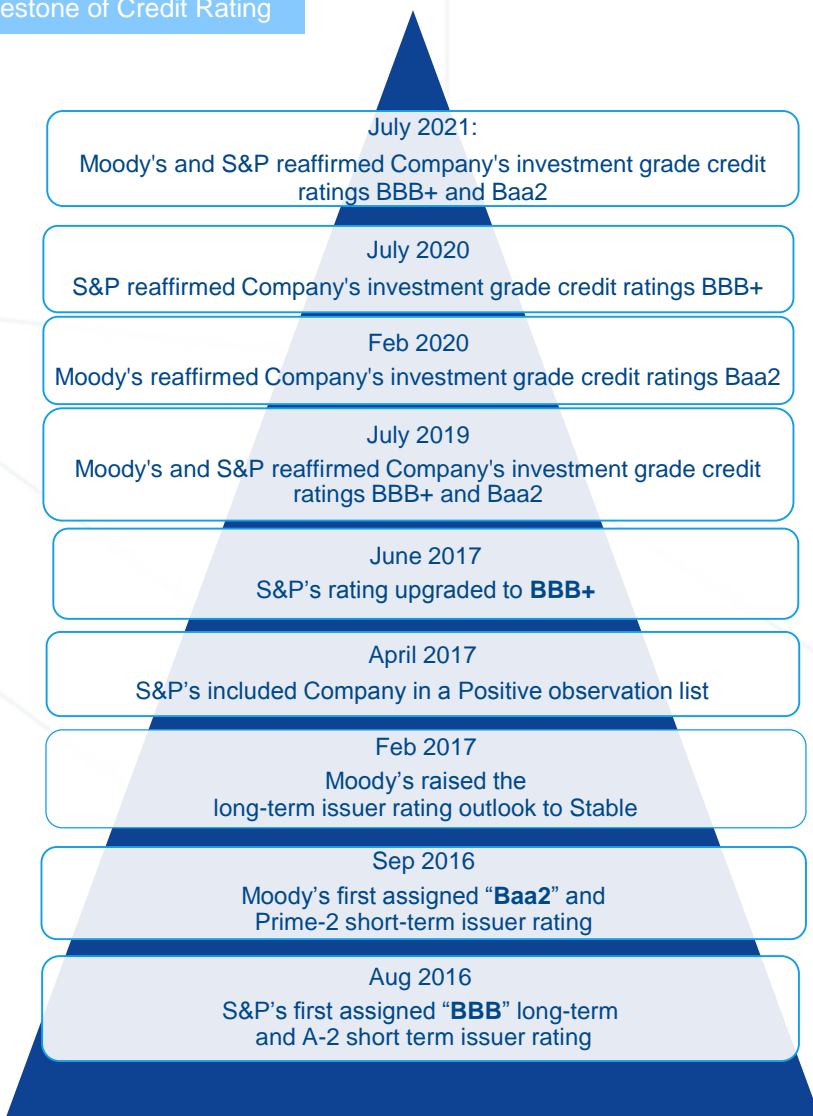
As at 30 June 2021

Banking facilities

HK\$ million	30 June 2021	31 Dec 2020	Change ¹
Total banking facilities	30,018	25,964	16%
Bank loans utilized	12,082	9,716	24%
Available outstanding banking facilities	17,937	16,248	10%
Utilization ratio	40%	37%	3 p.p.

Note 1: Rounded Figures

Milestone of Credit Rating



Moody's STANDARD & POOR'S RATINGS SERVICES

STANDARD & POOR'S RATINGS SERVICES

Moody's

Moody's STANDARD & POOR'S RATINGS SERVICES

STANDARD & POOR'S RATINGS SERVICES

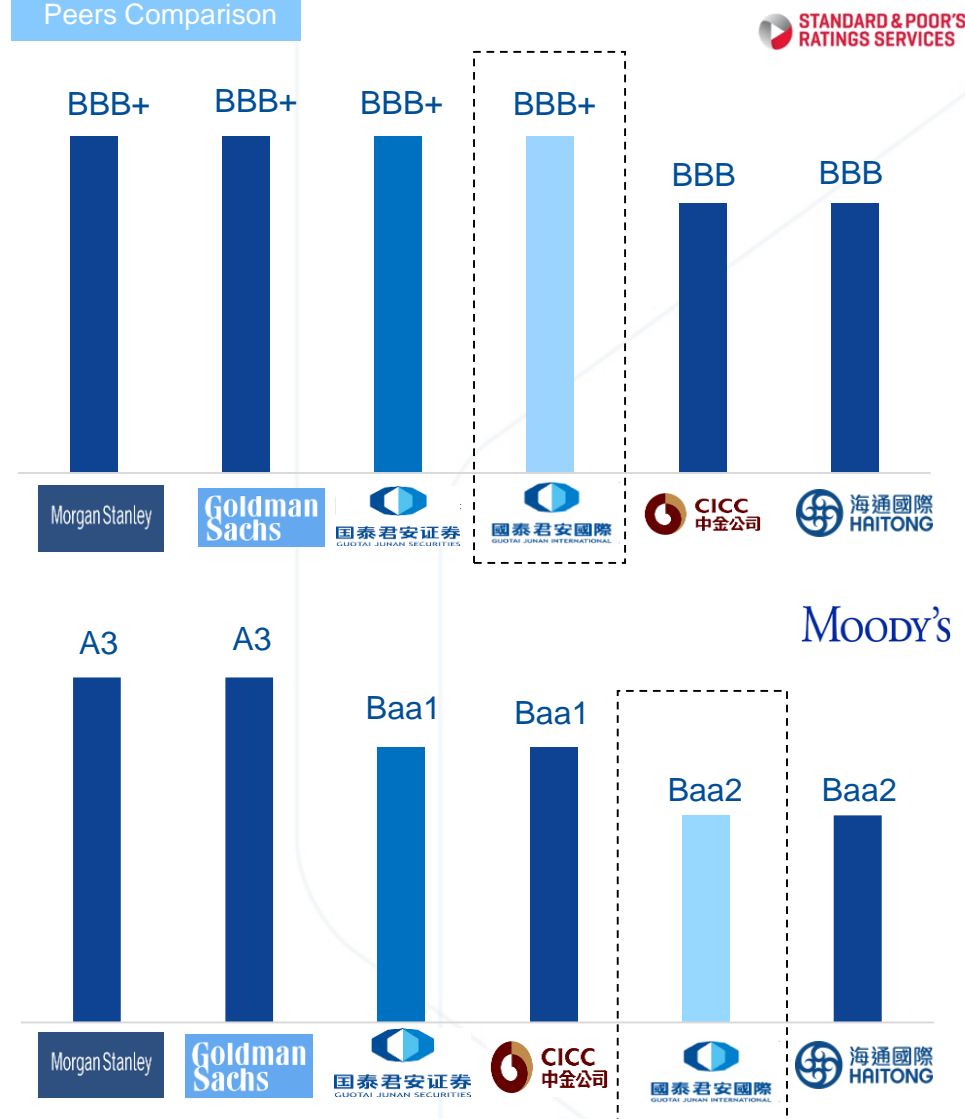
STANDARD & POOR'S RATINGS SERVICES

Moody's

Moody's

STANDARD & POOR'S RATINGS SERVICES

Peers Comparison



STANDARD & POOR'S RATINGS SERVICES

Moody's



Sustainable Finance

1H2021: exceeds **70 billion+**

04

CORPORATE ESG

01 Green Bonds Underwriting

HK\$ **37.2 billion**

- ✓ The debt capital market team assisted the corporate clients to raise a total of HK\$37.2 billion through green bonds, an increase of 464% year-on-year

02 Green Equity Underwriting

HK\$ **33.1 billion**

- ✓ The equity capital market team assisted corporate clients to complete green equity projects and raise funds amounted to HK\$33.1 billion, an increase of 52 times year-on-year, including China's Carbon Neutral Development, Wuling Motors, AiHuiShou etc.

03 Investment Management & Structured Notes

HK\$ **2.8 billion**

- ✓ Private Equity Funds, Asset Management, and Structured Derivative Products held or provided a total of HK\$2.8 billion in note products
- ✓ Relevant notes of structured derivatives mainly from the Environmental Protection industry
- ✓ The ESG-related industries under Private Equity and Asset Management are mainly new energy (new energy vehicles, wind energy, hydrogen energy), circular economy and other new economic industries

- ✓ Established the ESG Committee under the Board of Directors at the end of 2020
- ✓ Completed large-scale tree planting activity in May 2021
- ✓ Continued to be selected as a member of the FTSE ESG Index in June 2021
- ✓ Officially joined the agreement of the United Nations Global Compact in July 2021

Position & Outlook

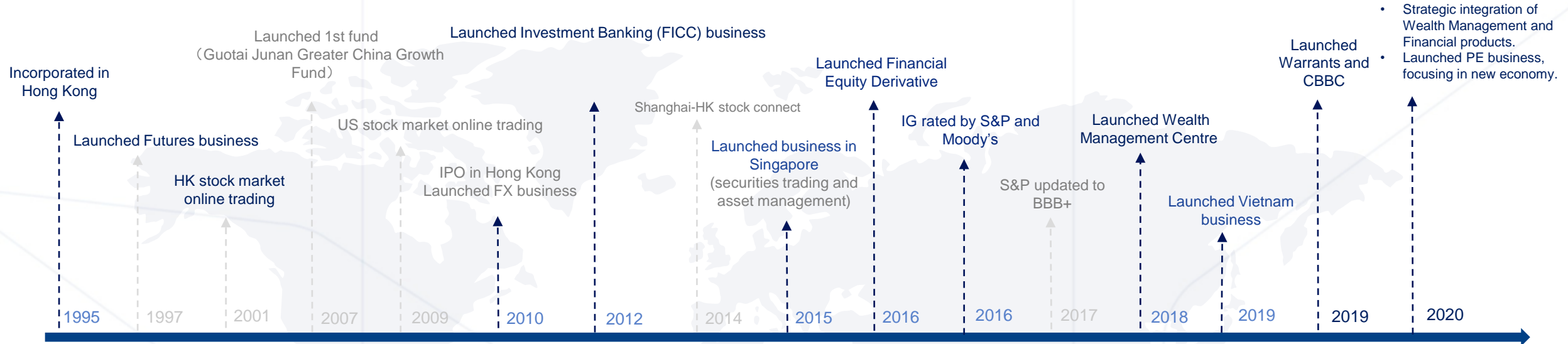
2021 Interim Results

Milestone

Position and Evolution

Big Wealth Management Era

Milestone: Seized the opportunities and created values for shareholders



Phase I: Started from Solid Brokerage

- Leading position in online trading for HK and US stock market
- One single account to trade on global stock market

Phase II: Strong Corporate Finance

- Competitive in the China offshore U.S. dollar bonds underwriting and market making
- Prudent risk appetite

Phase III: Risk Management Creates Value

- Target on risk adjusted return
- Quality balance sheet with healthy leverage ratio to achieve higher ROE

Phase IV: Era of Wealth Management

- AUM increased significantly
- High quality clients to trade high quality asset.
- Enhance cross-selling between existing business and wealth management clients

1995
Registered capital amount
HK\$ 31.98 million

30 June 2021 :
Attributable net asset
HK\$ 15.6 billion



Concentrated and Volatile Revenue

Focus on the brokerage business, create differentiated services based on **low commission rates**, achieve income diversification, and emphasize low-cost and efficient operations. The result of its operations may be **low profit margins, large profit volatility, and low risk**.



Diversified Revenue Stabilized ROE

Obtain the initiatives in the market through innovation, and become a **market organizer, liquidity provider, product and service creator and seller, transaction counterparty, wealth manager** and other multiple roles, that is, an all-round financial institution, with diversified revenue, prudent risk management and stable return on equity (ROE).

Key Focus

关键能力

High Net worth Client

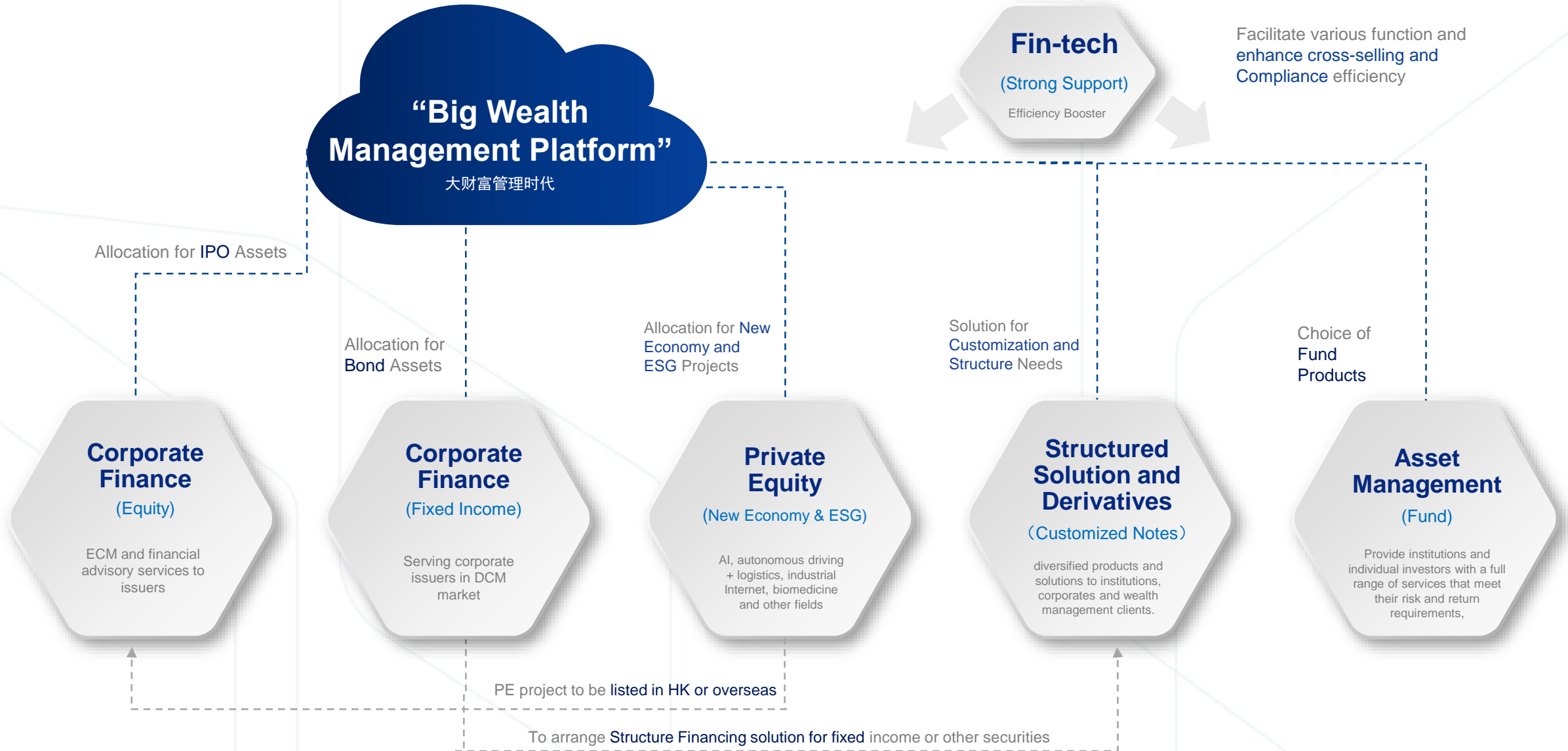
Brokerage, margin financing and financial products

Corporate Issuers and Institutions

Corporate finance, underwriting, financial products, structured financing and market making

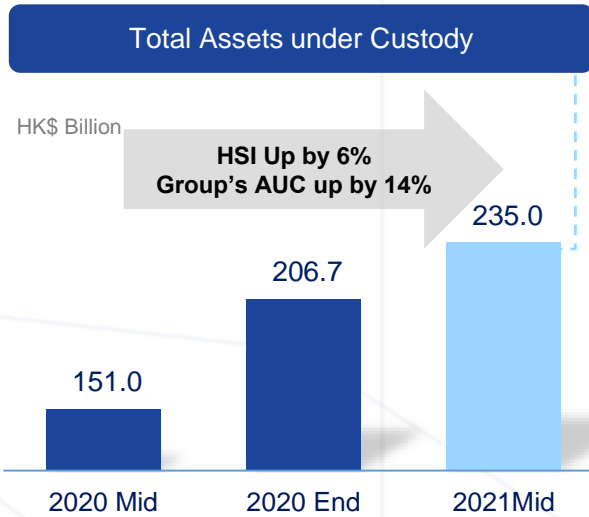
Risk Management Capabilities

Strictly management of balance sheet



Products & Services

2021 Interim Results

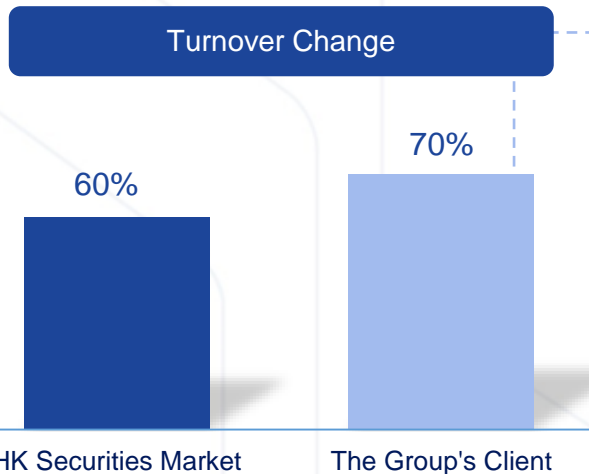


\$ **HK\$ 8 million or above**



HK\$ 100 million or above

HK\$ 100 million or above



Beat the Market



HNW Feature

Positive Correlation with Client's assets scale

- ✓ The proportion in Hong Kong and overseas regions is high.
- ✓ High transaction frequency
- ✓ Stronger risk awareness, more hedging tools demand

Note: 1. The asset under custody (AUC) include client securities and cash, while excluding OTC derivatives. At the same time, investors are requested to pay attention to the data on the day of the financial report deadline. It may NOT reflect the condition within the period and is for reference only.

WM Client's Quality: Meet Clients' needs to enhance revenue stability

GTJAI and peers	Average Revenue per Paying Clients
 General Clients	US\$ 4,370
 Interactive Brokers	US\$ 2,308
 富途證券	US\$ 821
 老虎證券 TIGER BROKERS	US\$ 539
 charles SCHWAB	US\$ 395
 东方财富	US\$ 71

Source: The Average revenue per paying client (ARPU) in the industry comes from a report released by Goldman Sachs Gaohua Research Report in 2021 (forecast for 2022); The Data of GTJAI is the **data annualized** based on the stats from the first half of 2021.

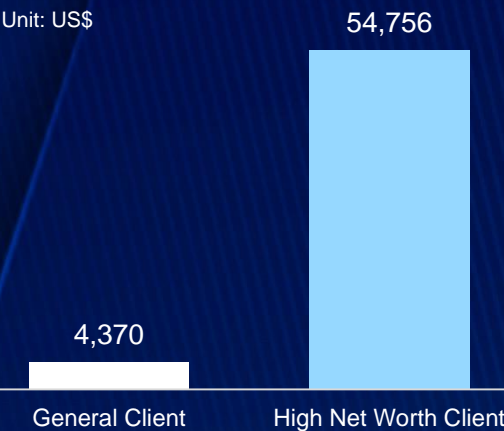
Note: ARPU is a periodical data, which is affected by comprehensive factors such as the market and customer transactions



Annualized ARPU for General & HNW

As at end of June 2021

Unit: US\$



Note: Threshold as at accounts with more or less than HK\$ 8 million



Annualized ARPU for all Clients





2018

- ✓ Constructed **financing platform for bond securities**
- ✓ Optimized **compliance procedures** such as client suitability and due diligence
- ✓ Recruited experienced and competent **Relationship Managers**
- ✓ Officially launched **Wealth Management Center**

2017

- ✓ Officially announced **strategic transformation** from conventional brokerage into **wealth management**
- ✓ Introduced **Graded-risk Pricing Mechanism** for equity financing to optimise **collateral's quality**
- ✓ Launched **Junhong Club** with margin rate discounts

2019

- ✓ Introduced **bonds and OTC products**
- ✓ Shortly built information systems for the launch of **warrants and CBBC businesses**, issuing warrant products linked to Alibaba, Tencent, etc.
- ✓ Acquired a **Vietnamese platform** to offer research and brokerage services
- ✓ Expanded **RM** team to strengthen **client base**

2020

- ✓ **Strategic integration:** Merged departments of brokerage, loans and financing, investment strategy, etc. to offer more comprehensive services
- ✓ **External Asset Management** team was formed
- ✓ **More structured financial products:** CBBC and other OTC products gained recognition in market

1H 2021

- ✓ **Fintech team:** enables quality development of core businesses such as wealth management
- ✓ **EDDA:** Opened convenient services such as eDDA deposit express
- ✓ **More structured financial products:** CBBC and other OTC products gained recognition in market

Lowered interbank offered rates including HIBOR

HIBOR dropped substantially. 1-month HIBOR slid to 0.11% (1H2020: 1.41%) and 1-month LIBOR 0.11% (1H2020: 0.89%).

Loan to Value (LTV): 30%

Down 2 ppts since the end of 2020, mainly attributable to increase in value of collaterals due to new business growth and the market-driven increase in value of collaterals in stock



Controlled credit risk

- ✓ Diversified collaterals
- ✓ High liquidity of collaterals
- ✓ Steadily increasing number of high-net-worth clients

Steadily increasing loan balance

- ✓ Driven by wealth management clients, the Company's total loan balance surged by 80% YoY to HK\$28 billion

Increased client trust bank balance

- ✓ Balance of client trust bank increased by 15% YoY and 3% during the period to HKD19.3 billion

Competitive interest rate

Lower financing cost and higher return thanks to GTJA's premium SOE platform and leading credit rating

Abundant investment choices

Covering a wide range from HK & US stocks, A-shares, Connect Scheme and bonds, etc.

Efficient approval procedures

Auto-approval within certain loan amount

Live update of optimal pricing

The system picks the **best collaterals** for rate & LTV calculations to guarantee optimal financing conditions



Guotai Junan International Private Equity Fund

To establish a strategic layout in the private equity business, in 2020 GTJAI launched its Private Equity Fund which specifically picks, researches and leads technological and innovative PE projects, and participates in strategic M&A. Thanks to technological advance and structural economic changes, technologies and sectors of AI, big data and biotech in China are now at tipping points with explosive growth, where innovative investments are plentiful, rewarding and potential for appreciation. Having spotted the opportunities, GTJAI conducts macroanalysis and rigorously lays out. The PE team's portfolio span fields of (i) AI; (ii) self-driving and freight; (iii) Industrial Internet; and (iv) biotech.

Listed



Listing date: 18 June 2021

Announced Merger with SPAC



Announcement date: 11 May 2021

New projects



PE Fund Size

HKD 1 billion+

As of 30 June 2021

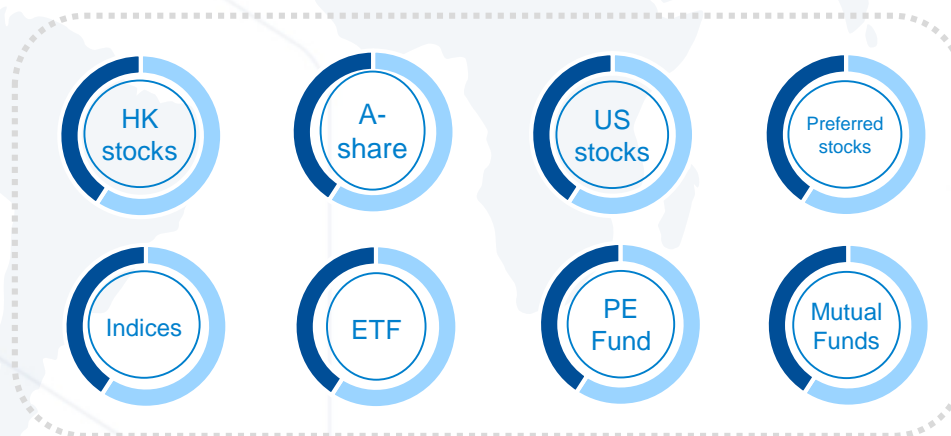
Selected Portfolio





Highly customized solutions

Offer diversified and quality financial solutions to achieve needs from high-net-worth individual, corporate and institutional investors. We are dedicated to assisting clients to make wise decisions amid different market conditions,



In-depth knowledge of Chinese economy

Experienced in global investment banks, the team focuses on providing investment and financing products to Chinese clients on their goals related to Belt and Road Initiative and global expansion, assisting Chinese corporates and financial institutions to integrate into the global capital market.

Note1: To utilize its professional advantages in financial products, the Group integrated and established a structured solution and derivatives business team in the 3rd quarter of 2020.

01 Market Review

- ✓ Primary market: With issuance willingness and progress impacted by the pandemic, Asia (ex-Japan) G3 currency bond issuance increased by **20%** throughout the year.
- ✓ Secondary market: Amid intense volatility, I Index's (IG) and (HY)¹ fell by **3.8% and 6.9%** respectively throughout the year.

02 The Group's Performance

Having underwritten **141 deals** with funds of approx. **HK\$277.7 billion**, the Group maintained its leading position in China USD bond market and ranks **1st** in Asia (ex-Japan) G3 Corporate HY Bond Underwritten League Table.



03 Outlook

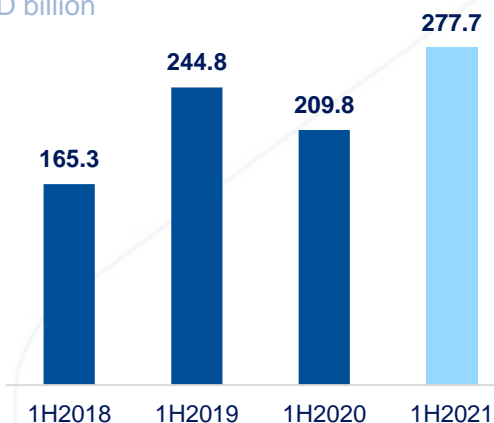
China USD bond market may still face certain challenges in 2021 but the Group is capable of seizing the financial cycle of the debt market to further expand its underwriting business.

04 Introduction

- ✓ Since established in 2012, the DCM team has participated in more than **890 deals**, among which approx. **72%** as led by us as a global coordinator. Currently staffed by **more than 80 employees**. Most core members served in senior positions in global investment banks, and over half of the team are from the mainland, indicating a more thorough understanding of China's economy.
- ✓ Integrated multiple competitive resources within Guotai Junan.

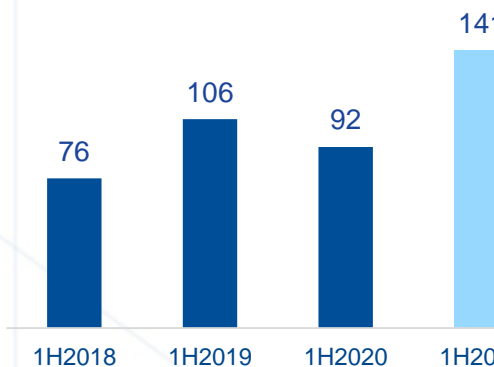
Total Fundraising Amount

HKD billion



Number of Completed Deals

Deal(s)



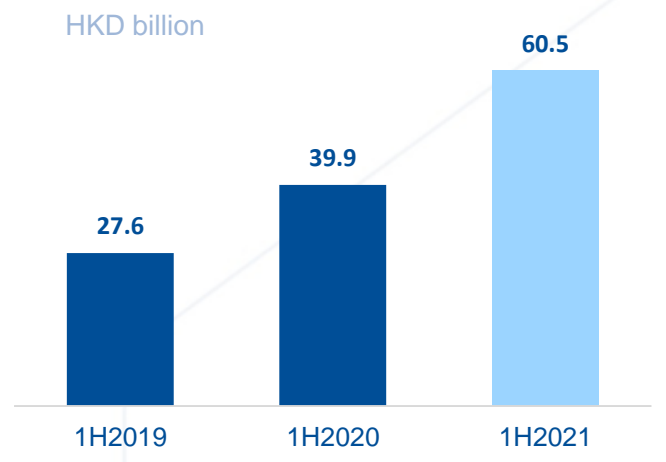
Note: 1. ICE BofA Asian China Issuers Index's (High Yield) is a Coupon-Bearing index. Bloomberg ticker: ACYC; Investment Grade ticker in Bloomberg: ACGC



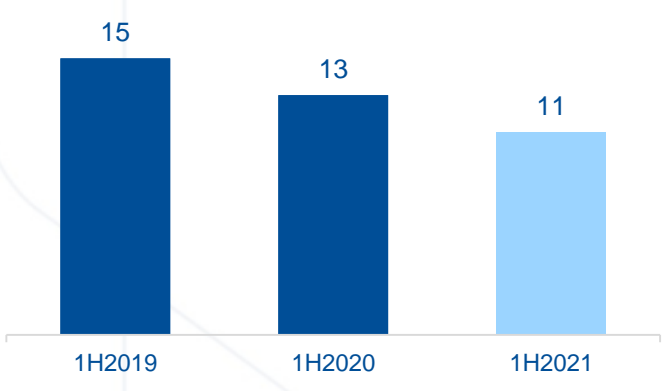
China General Education Group Limited
中国通才教育集团有限公司

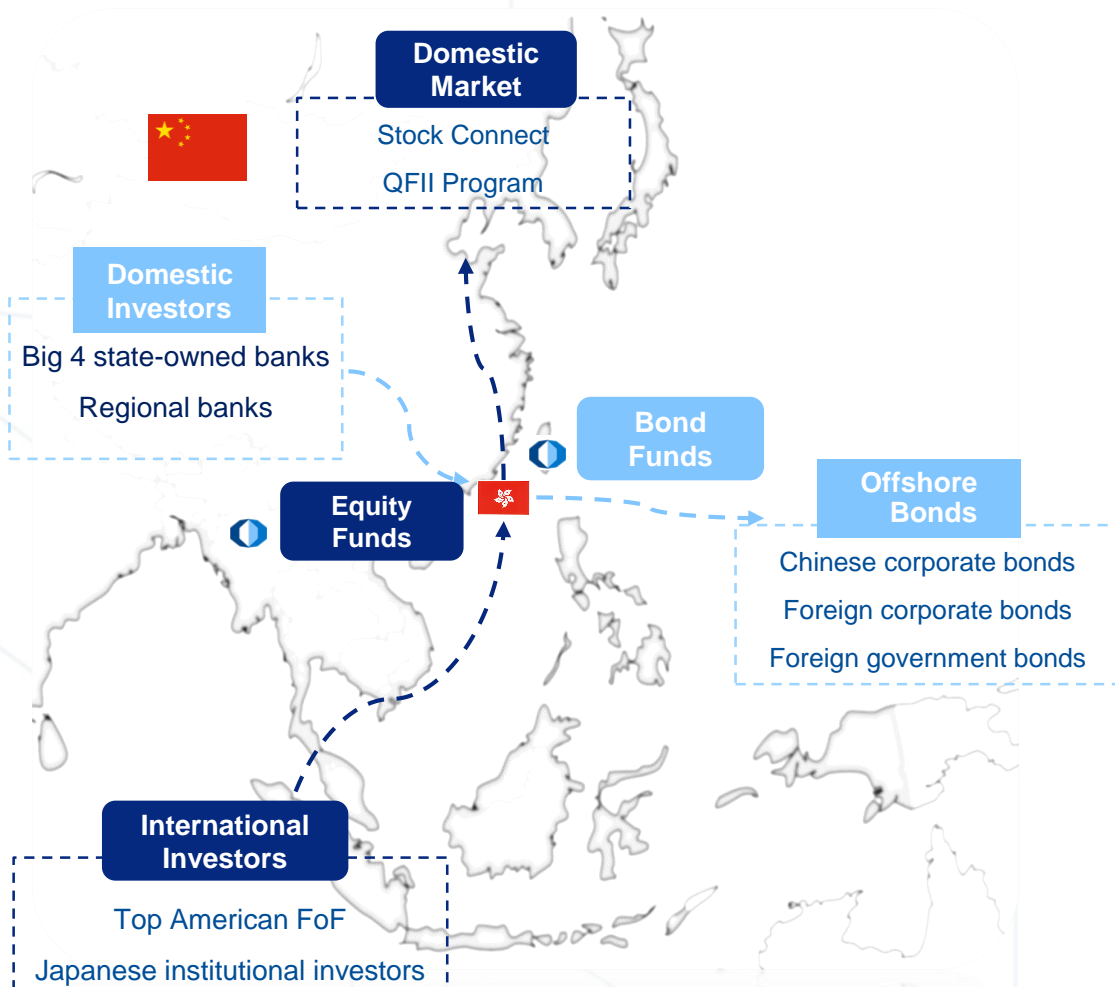
— 10 Deals Submitted for IPO —

Total Fundraising from Primary & Secondary Equity Markets

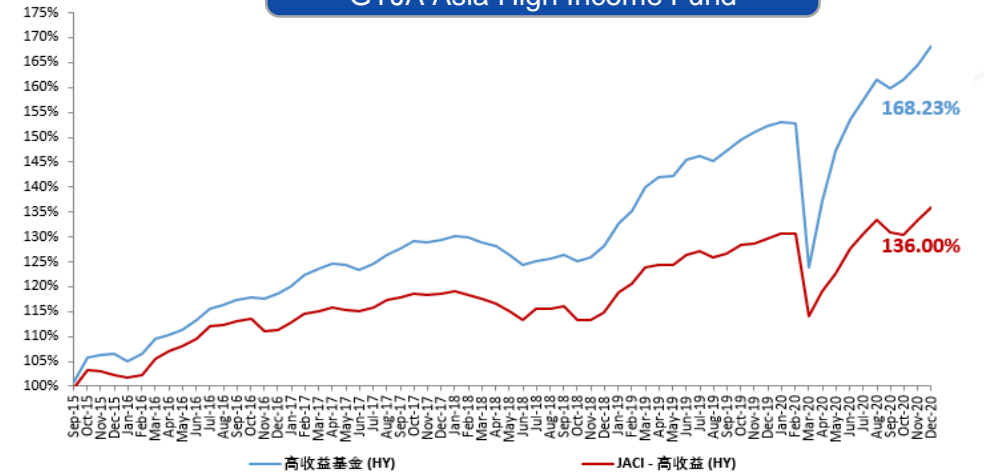


Number of Equity Underwriting Deals from Primary & Secondary Markets

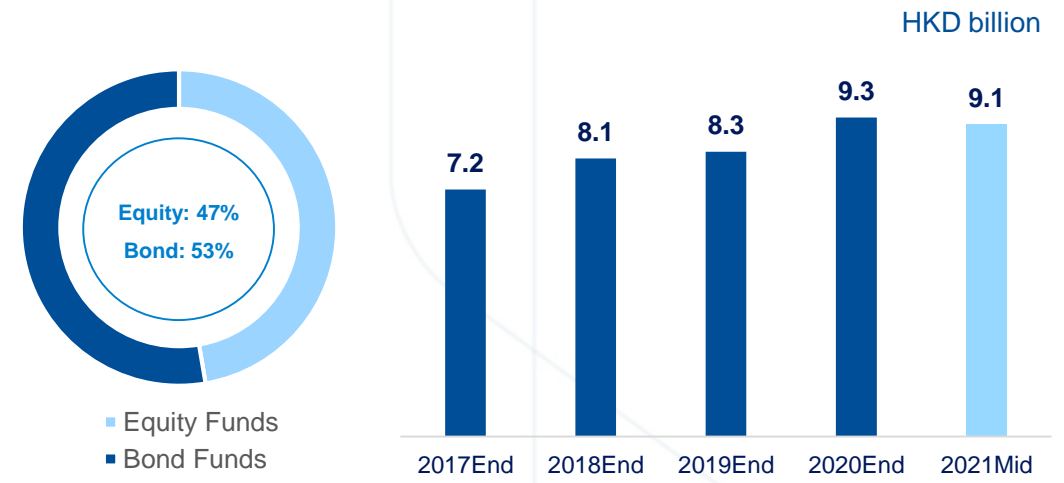




Performance of GTJA Asia High Income Fund



AUM & Asset Allocation





國泰君安國際
GUOTAI JUNAN INTERNATIONAL

Member of FTSE ESG Index

Honors & Branding

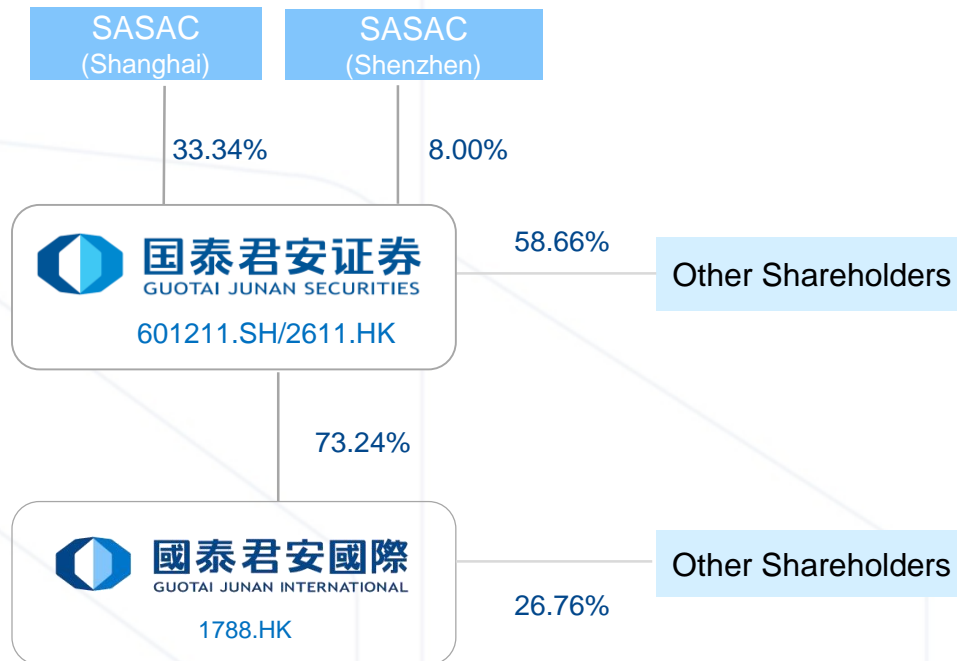
2021 Interim Results

Jun 2021	<ul style="list-style-type: none"> 2nd in Best Investor Relations in China's financial-banking sector (sell-side) Respected Company 	Institutional Investor	
Jun 2021	<ul style="list-style-type: none"> Excellence Award of Securities Company of the Year (the Greater Bay Area) Excellence Award of Risk Management Excellence Award of Wealth Management Platform (the Greater Bay Area) 	Bloomberg Businessweek	
May 2021	<ul style="list-style-type: none"> iFAST Wealth Adviser Awards 	iFAST	
May 2021	<ul style="list-style-type: none"> Emerging PE Investment Institutions in China 	China Venture Institute	
Mar 2021	<ul style="list-style-type: none"> Performance Awards for Asian High Yield Bond Fund 	Insights & Mandate	
Jan 2021	<ul style="list-style-type: none"> Best Analyst/Commentator (HK), Best Retail Broker (HK) 	Asiamoney	
Jan 2021	<ul style="list-style-type: none"> Best Financial Firm, Best Wealth Management, Most All-round Broker 	Zhitong Caijing (智通财经)	

Appendix






2021 Interim Results

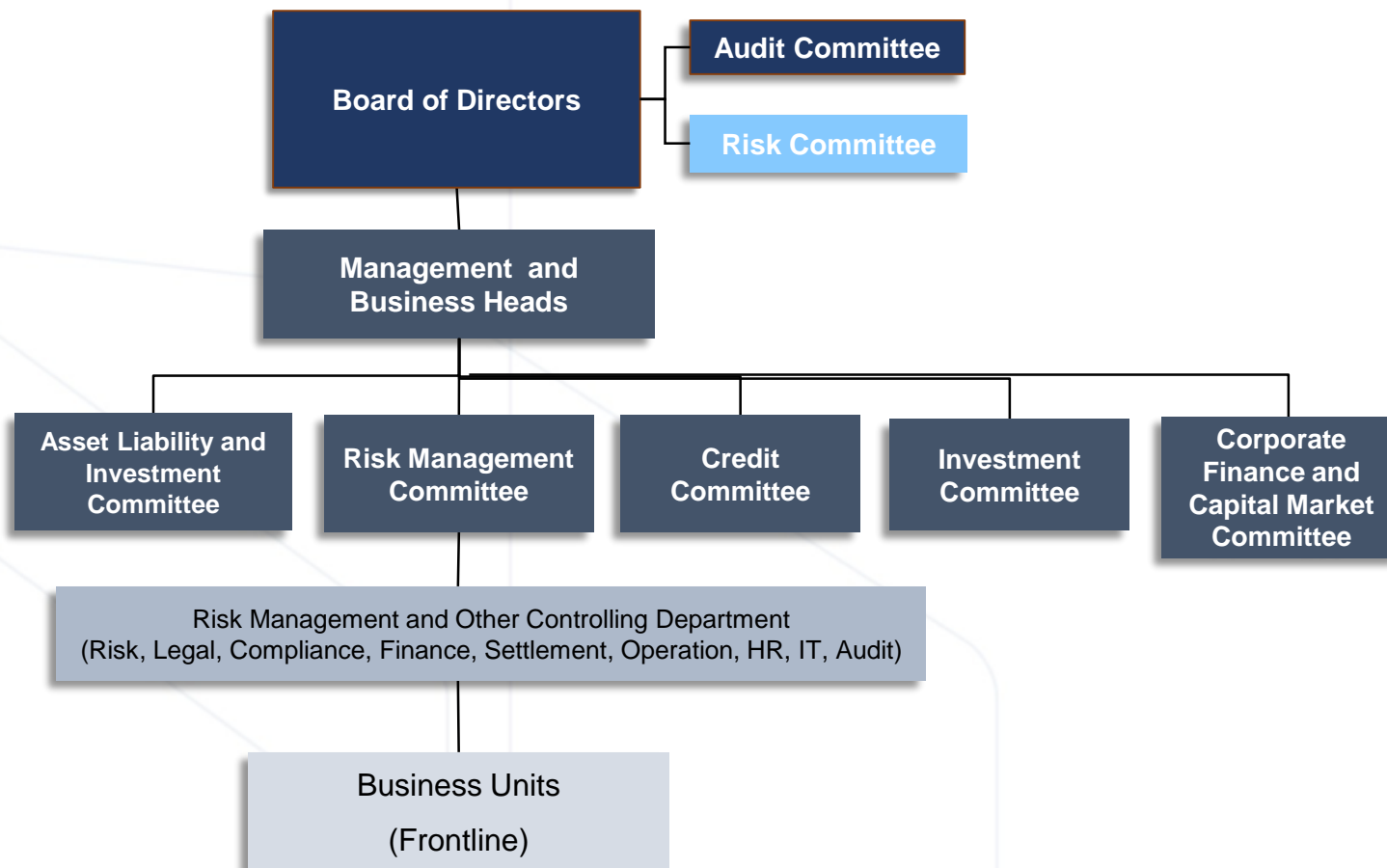
Shareholding Structure




As of 30 June 2021

About Guotai Junan Securities (Parent Company)


-  Comprehensive financial service provider with a long-term, sustainable and overall leading position in the Chinese securities industry
-  In 1H2021, ranked 3rd in total assets, 3rd in net assets, 2nd in net capital, 2nd in operating income and 2nd in net profit (Source: Securities Industry Association)
-  Rated AA Grade of A Class by CSRC for 14 consecutive years till mid-2021, the best rating among Chinese securities firms
-  Listed on HKEX in 2017 (2611.HK)
-  world-class credit ratings: BBB+ (S&P) and Baa1 (Moody's), with "Stable" outlook maintained



-  **Credit Risk:** We manage credit risk for borrowers and their counterparties from different businesses (traditional lending activities, counterparty exposure, issuer exposure, contingent exposure from third party’s credit enhancement, etc.) mainly through policies and procedures setting, limit setting and monitoring, collateral management and internal rating system.

-  **Market Risk:** It is controlled and monitored through an extensive set of limits, including loss, principal and other limits, which ensure operation within our risk appetite. Value at Risk (VAR) is our key measure of our market risk measurement.

-  **Operation Risk:** It must be managed by all employees as part of our day-to-day activities. Our Risk and Control Self Assessment (“RCSA”) and Key Risk Indicator (“KRI”) processes are established as primary means to engage everyone in capturing our individual business and aggregate operational risk exposure.

-  **Liquidity Risk:** We manage our liquidity position through business lines and asset liability management activities as well as through our legal entity funding strategy. We diversify our sources of funding, including short-and-long-term bank loans, perpetual bond issuance, rights issue, MTN program, etc.

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Thanks!

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