

2020 Annual Results Presentation

March 2021



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The financial information relating to 12 months ended by 31 Dec 2020 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.

Overview Page 4

Macroeconomic Environment | Results Summary

Financial Review Page 6

Indicators | Dividends | Revenue Structure | Costs | Balance | Liquidity Management

Position and Outlook Page 15

Milestone | Credit Rating | Position | Segment Results | Outlook

Products and Services Page 20

Private Equity | Wealth Management | Loans and Financing | SSD | DCM | ECM | Asset Management

Company Honors Page 29

Products and Services | Branding and Disclosure

Appendix Page 32

Controlling Shareholders | Risk Management

Shocks in Economy and Financial Markets

- Hang Seng Index **-3.4%**
- 4 **Circuit Breakers** in US Markets
- **VIX** all time high
- IPO deal numbers in Hong Kong **down by 16%** to 154 YOY
- China GDP: **2.3% YOY**
- US GDP - **3.5% YOY** (record low since 1946, and the first negative value since 2009)
- Hong Kong GDP down by **6.1%**
- Unemployment Rate in HK: **7%**, highest in past 17 years

Central Banks' Policies and Responses

- The People's Bank of China has released liquidity through repeated RRR cuts, lowered guided interest rate, open market operations, structural monetary policy tools, etc.
- US Federal Reserve made 2 interest rates cuts to nearly 0 and exalted QE scale
- Hong Kong Monetary Authority made 2 base rate cuts following US Federal Reserve's move. HIBOR and LIBOR (1 month) maintained lowest level among the recent years

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

Results Summary 业绩摘要

Revenue

HK\$4,878 million 

Up 15% YOY

Average Market Conesus HK\$3,833m

Attributable Profit

HK\$1,563 million 

Up 75% YOY

Average Market Conesus HK\$1,181m

ROE

11.8% 

Up 3.7 p.p

Leading among peers

Final Dividend

HK\$ 5.1 cents 

Up 115% YOY

Annual Dividend per share HK\$ 8.1 cents

Strong Business Performance

Brokerage up 22%

Asset management up 321%

Financial products, Market Making and

Investments up 42%

Refined Cost Control

Cost to income ratio lowered by 13 p.p. to 63%

Impairment lowered by 60%

Finance costs lowered by 6%



Wealth Management Grew Efficiently

Revenue up 27% YOY to HK\$ 1,449 million

- ✓ AUC¹ grew by 35% to HK\$206.7 billion
- ✓ Strategically integrated with retail brokerage
- ✓ Brokerage market share continued to climb

Total assets

HK\$121.7 billion 

Up 26% YOY

Enlarged balance sheet with quality assets

Loans and advances to customer

HK\$ 15.6 billion 

Up 33% YOY

Highest among last 3 years

Credit Rating

- ✓ S&P maintained BBB+ Rating (Jul.2020)
- ✓ Moody's maintained Baa2 Rating (Mar.2021)
- ✓ Outlook Stable
- ✓ Leading through its peers

Financial Review

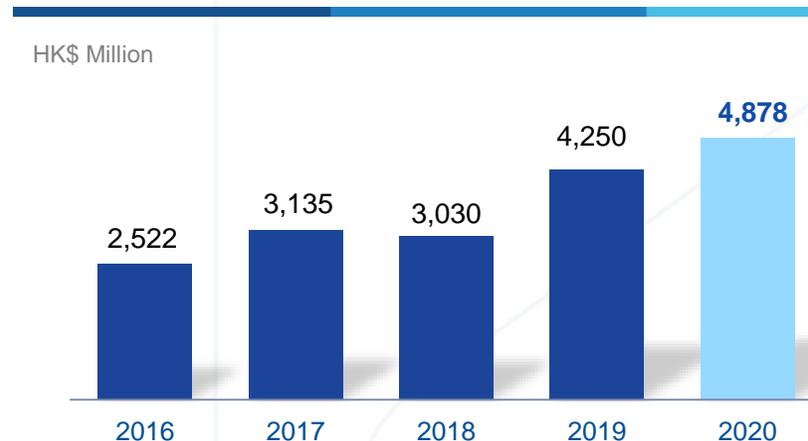
Financials Dividend Revenue Mix Costs Revenue Breakdown Balance Sheet Liquidity Management

P&L extracts	2020	2019	YOY ²
	(HKD'000)	(HKD'000)	
Fee and Commission ¹	1,563,672	1,419,065	10%
Interest ¹	2,650,076	2,361,394	12%
Trading and investment ¹	659,204	465,077	42%
Other income	5,448	4,635	18%
Total Revenue	4,878,400	4,250,171	15%
Total Costs	3,063,721	3,244,728	-6%
- Impairment Charge	363,565	908,714	-60%
- Finance costs	830,256	879,294	-6%
Profit attributable to shareholders	1,562,587	895,303	75%
- Profit attributable to shareholders (2H20)	957,004	256,447	273%
Basic earnings per share (HK cents)	16.9	11.7	44%
Dividend for the year	815,270	513,271	59%
Dividend per share (HK cents)	8.5	6.2	37%
Final dividend (HK cents)	5.1	2.0	155%

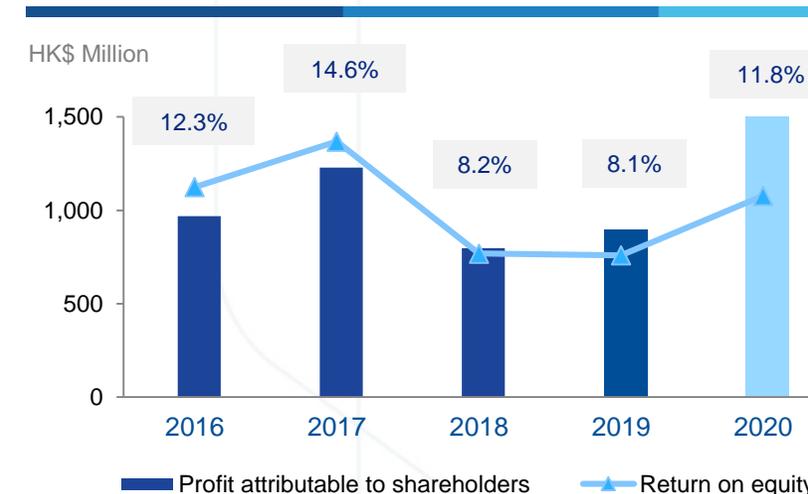
Balance sheet extracts & Ratios	Dec 31 2020	Dec 31 2019	Change ²
Total assets (HK\$ billion)	121.7	96.7	26%
Total liabilities (HK\$ billion)	106.5	85.3	25%
Book value per share ³ (HK\$)	1.58	1.47	7%
Leverage ratio ⁴ excluding Financial Products' position on behalf of clients	4.22	4.12	Up by 0.1
Cost to income ratio	63%	76%	(13 p.p.)
ROE ⁵	11.8%	8.1%	3.7 p.p.

Note: 1) Details shown on page 8; 2) rounded; 3) Calculation based on shares issued as at the end of 2020 minus shares held under share award scheme; 4) Leverage Ratio Calculation: (Total Assets - Accounts Payable to Clients) / Total Equity; 7. Profit Attributable to Shareholders / Net Asset Attribute to Shareholders

Revenue recorded historical high



Industry-leading ROE



Fee and Commission 32%



- ✓ **Risk Level:** Bear no major risk
- ✓ **Income:** HKD 1,564 million, increased by 10% YOY, record high
- ✓ **Composition:** 1) Brokerage, Corporate Finance, Asset Management; 2) fee from Financial Products

Interest 54%

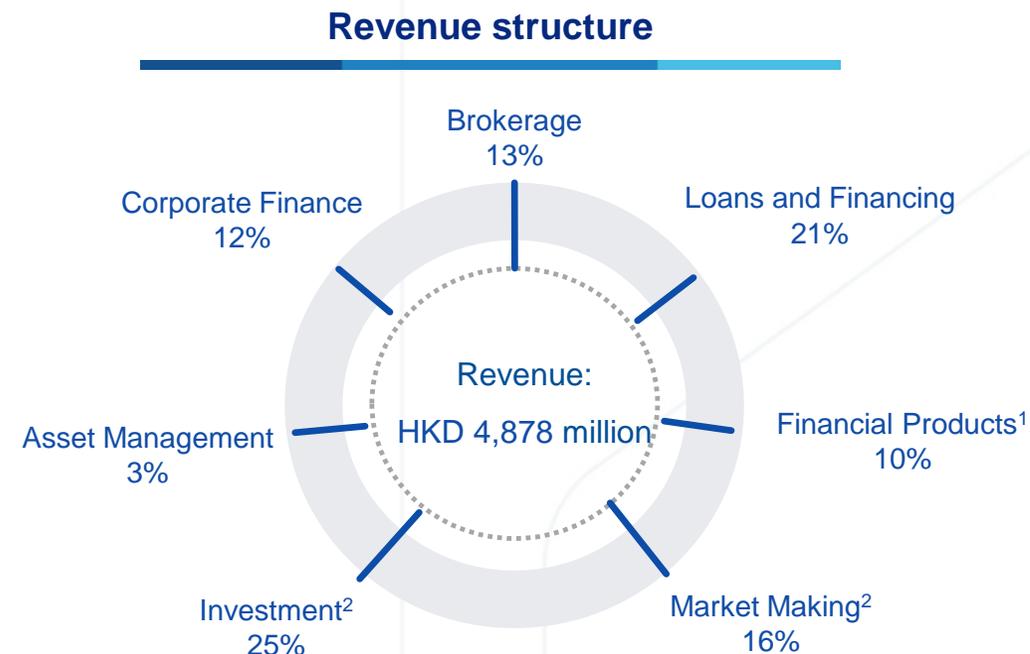


- ✓ **Risk Level:** mainly with credit risk
- ✓ **Income:** HKD 2,650 million, increased by 12% YOY
- ✓ **Composition:** 1) Interest income from Loans and Financing 2) interest income from bank balances of Loans and Financing 3) coupon interest income generated by notes in Financial Products 5) interest income generated by structure financing products from Investment

Trading & Investment 14%

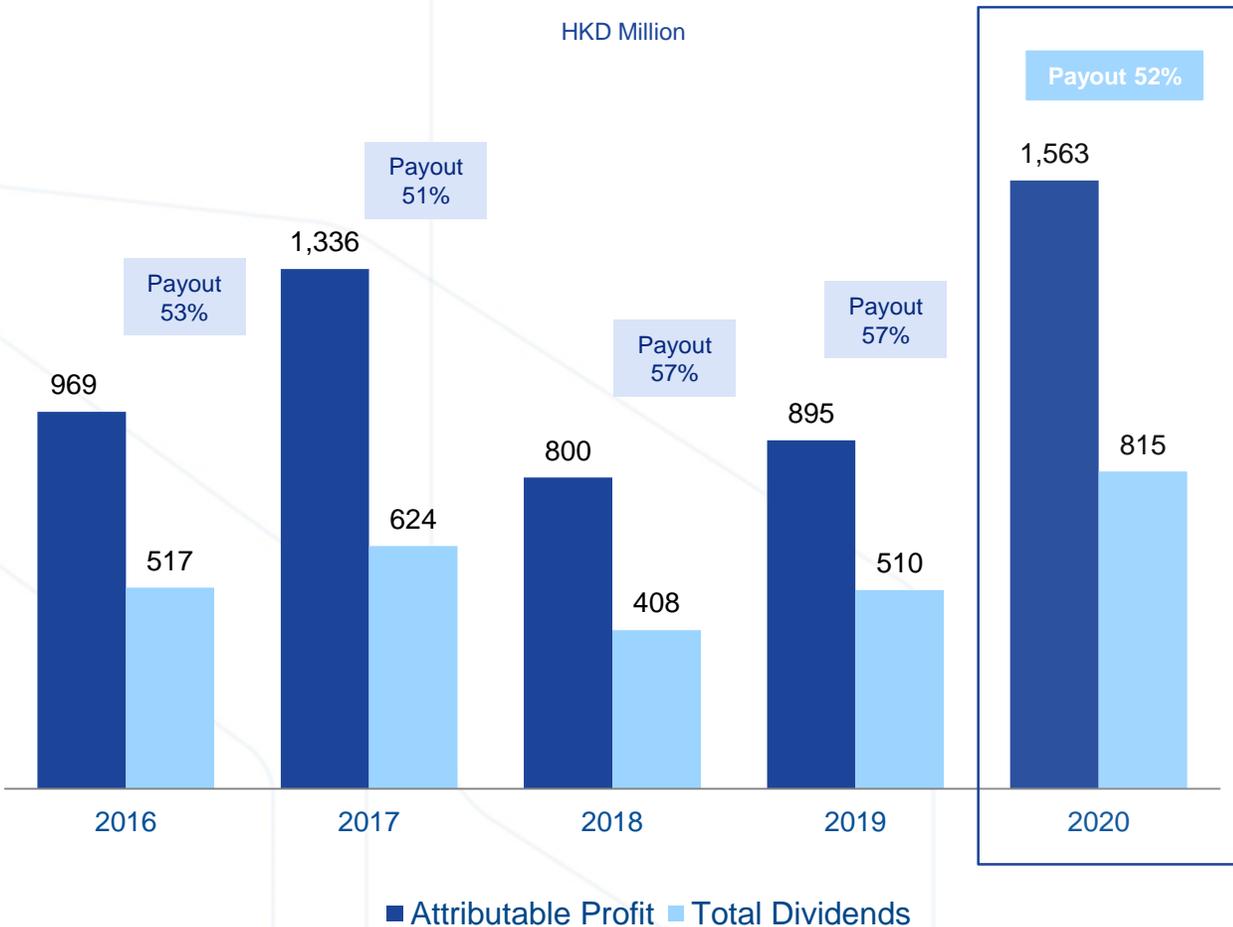


- ✓ **Risk Level:** mainly market risk, booked by mark-to-market
- ✓ **Income:** HKD 659 million
- ✓ **Composition:** 1) Trading income from market making 2) Financial derivatives provided to wealth management. 3) income from seed funding from asset management



Note 1: Financial products income include both fee and interest income; 2) Market making and investments income includes both interest and trading income

Dividend Record



Included in FTSE4Good Index

In Feb 2020, GTJAI was included in FTSE4Good Index by global index provider FTSE Russell, owned by the London Stock Exchange. The index is reviewed in June and December every year.

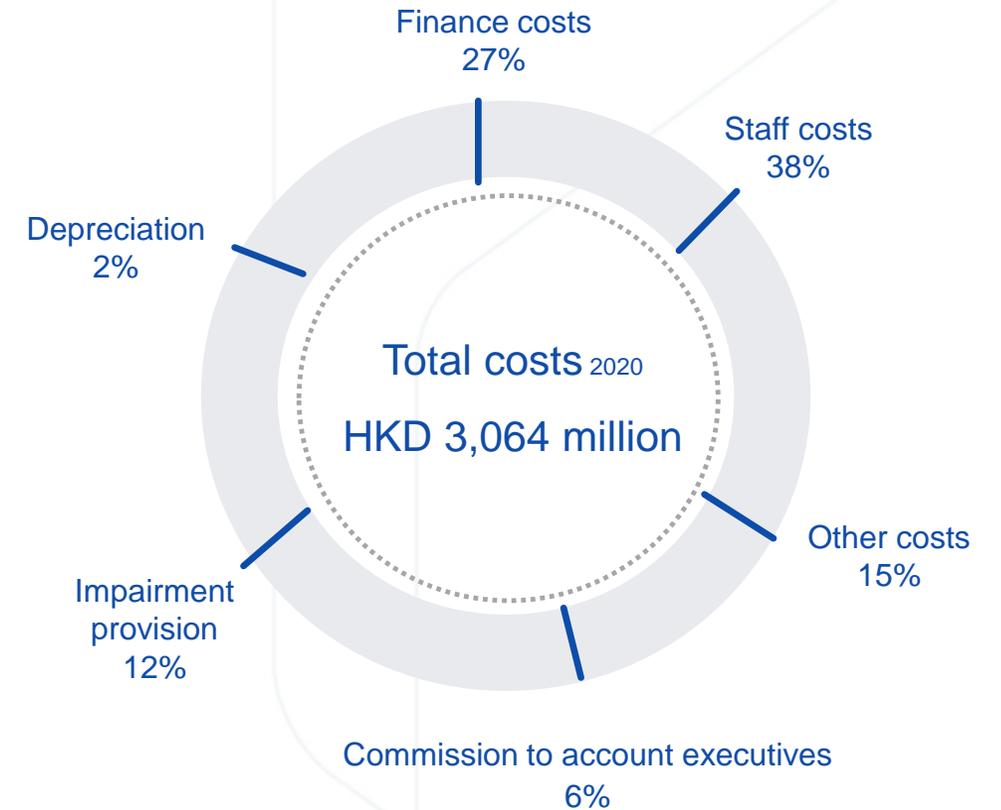
The FTSE4Good Index Series first launched in 2001, is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The Index is a market-leading tool for investors seeking to invest in companies that demonstrate good sustainability practices.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

The Company is one of the constituents of:

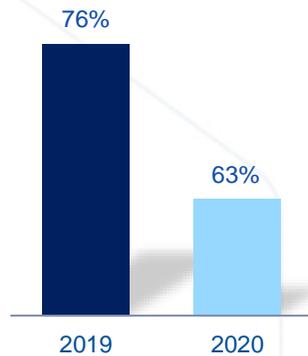
1. Hang Seng Composite Index
2. FTSE HK index
3. FTSE HK ex H share index
4. FTSE4Good Index Series

Cost items	2020	2019	YOY ¹	2H20	YOY ²
	(HKD'000)	(HKD'000)			
Staff costs	1,148,710	842,912	36%	818,791	72%
Commission to account executives	188,382	124,278	52%	113,808	83%
Depreciation	68,859	65,078	6%	34,821	-
Impairment	363,565	908,714	-60%	325,194	-18%
Finance costs	830,256	879,294	-6%	397,515	-10%
Other operating costs	463,949	424,452	9%	294,149	16%
Total costs	3,063,721	3,244,728	-6%	1,984,278	19%
Total Revenue	4,878,400	4,250,171	15%	3,077,648	60%

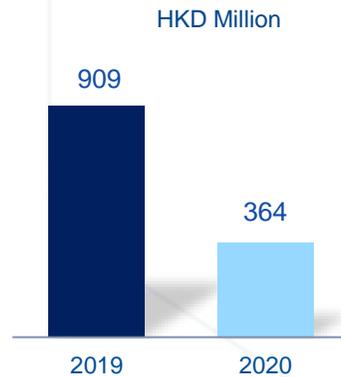
Cost Structure



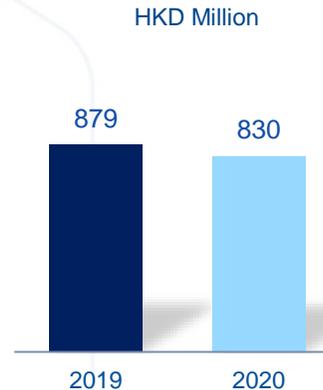
Costs to Income



Impairment



Finance Costs



Brokerage

(HKD'000)	2020	2019	YOY ¹	2H20	vs. 2H19 ²
- Securities	554,739	452,531	23%	324,173	62%
- Futures and options	26,544	17,311	53%	8,860	-1%
- Handling income	60,056	52,688	14%	36,087	43%
- Leveraged foreign exchange	6,779	6,592	3%	3,706	11%
- Insurance	1,353	2,111	-36%	195	-86%
Total Income	649,471	531,233	22%	373,021	56%

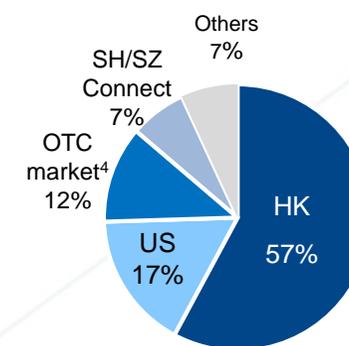
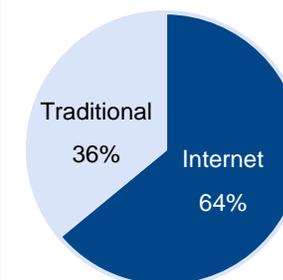
Corporate Finance

(HKD'000)	2020	2019	YOY ¹	2H20	vs. 2H19 ²
Placing, Underwriting and Sub-writing Commission					
- Debt capital markets	461,737	594,446	-22%	256,973	-5%
- Equity capital markets	85,055	136,326	-38%	64,510	48%
Consultancy and financial advisory	45,080	78,275	-42%	27,610	-36%
Total income	591,872	809,047	-27%	349,093	-2%

Asset Management (Fund Level)

(HKD'000)	2020	2019	YOY ¹	2H20	vs. 2H19 ²
Management fee	9,446	12,772	-26%	2,014	-24%
Performance fee	144,062	23,667	509%	127,559	441%
Total income	153,508	36,439	321%	129,573	394%

Securities Breakdown³



Loans and Financing

(HKD'000)	2020	2019	YOY ¹	2H20	vs. 2H19 ²
Customers and counterparty financing	757,477	742,388	2%	407,225	7%
Banks and others	250,178	392,584	-36%	82,155	-58%
Total Income	1,007,655	1,134,972	-11%	489,380	-15%

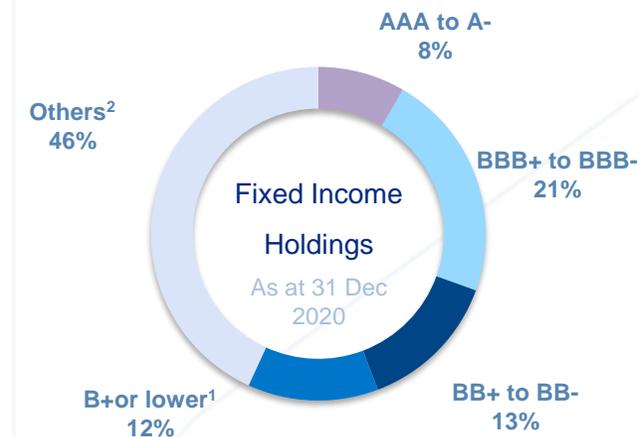
Financial Products, Market Making and Investments

(HK\$'000)	2020	2019	YOY ¹	2H20	vs. 2H19 ²
Financial products	464,927	418,447	11%	241,537	61%
Market making	768,200	649,252	18%	369,412	145%
Investments	1,237,319	666,146	86%	1,123,147	165%
Total	2,470,446	1,733,845	42%	1,734,096	139%

Unit: HK\$ 000	31 Dec 2020	Contribution*	31 Dec 2019	Contribution*
Loans and Advances to Customers	15,604,244	12.8%	11,715,902	12.0%
Receivable from Reverse Repurchase Agreement	3,022,800	2.5%	2,247,913	2.3%
Accounts Receivable	5,638,797	4.6%	4,151,021	4.2%
Prepayments, Deposits and Other Receivables	143,744	0.1%	269,799	0.3%
Financial Products held on behalf of Clients	39,512,089	32.5%	38,110,044	40.0%
Financial Assets (Market Making, Seed Fund & others)	31,507,050	25.9%	20,881,154	21.6%
Derivative Financial Instruments	1,261,354	1.0%	155,652	0.2%
Tax Recoverable	304,435	0.3%	267,552	0.3%
Client Trust Bank Balances	18,707,026	15.4%	11,181,982	11.4%
Cash and Cash Equivalents	5,508,779	4.5%	7,217,287	7.4%
Other Assets	510,423	0.4%	539,851	0.6%
Total Assets	121,720,741	100.0%	96,738,157	100.0%
Accounts payable	22,783,232	21.4%	14,587,372	16.9%
Other Payables and Accrued Liabilities	930,801	0.9%	584,126	0.7%
Derivative Financial Instrument	862,429	0.8%	149,851	0.2%
Bank Borrowings	9,715,836	9.1%	11,201,110	13.0%
Debt Securities in Issue	47,919,872	45.0%	33,499,582	39.9%
- At Amortized Cost	15,347,714	14.4%	6,684,204	7.7%
- Designated as at Fair Value through P&L	32,572,158	30.6%	26,815,378	32.2%
Financial Liabilities at Fair Value through P&L	6,666,260	6.3%	6,810,580	7.9%
Obligations under Repurchase Agreements	17,396,163	16.3%	18,199,226	21.1%
Tax Payable	183,420	0.2%	245,752	0.3%
Others Liabilities	23,561	0.0%	48,771	0.1%
Total Liabilities	106,481,574	100%	85,326,370	100.0%
Ordinary Shareholders' Equity	15,118,118	99.2%	11,295,924	99.0%
Other Equity Instruments and Non-Controlling Interest	121,049	0.8%	115,863	1.0%
Total Equity	15,239,167	100%	11,411,787	100.0%

Note: Rounded Figures

Credit Rating Distributions from Fixed Income¹ Holdings

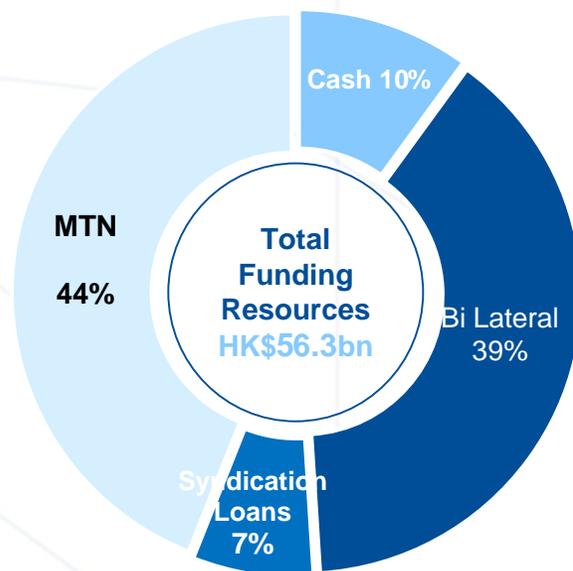


- Fixed Income was mainly from market making for DCM and seed money for asset management, with a diversified portfolio.
- "Others" is mainly from an investment through notes, of which the underlying asset is private debt securities and its parent company is a SOE with credit rating of A+/A1+/A+ from S&P/Moody's/Fitch, respectively

Loans and Advances to Customer:

	31 Dec 2020	31 Dec 2019	Change ¹
Loan Balance	15,604,244	11,715,902	33%
Loan to Value	32.0%	31.0%	1 p.p.

Funding Sources



As at 31 December 2020

Banking facilities

HK\$ million	31 Dec 2020	31 Dec 2019	Change ¹
Total banking facilities	25,964	26,429	-3%
Bank loans utilized	9,716	11,221	-13%
Available outstanding banking facilities	16,248	15,208	7%
Utilization ratio	37%	42%	(5 p.p.)

Note: 1. Rounded Figures

Position and Outlook

Milestone

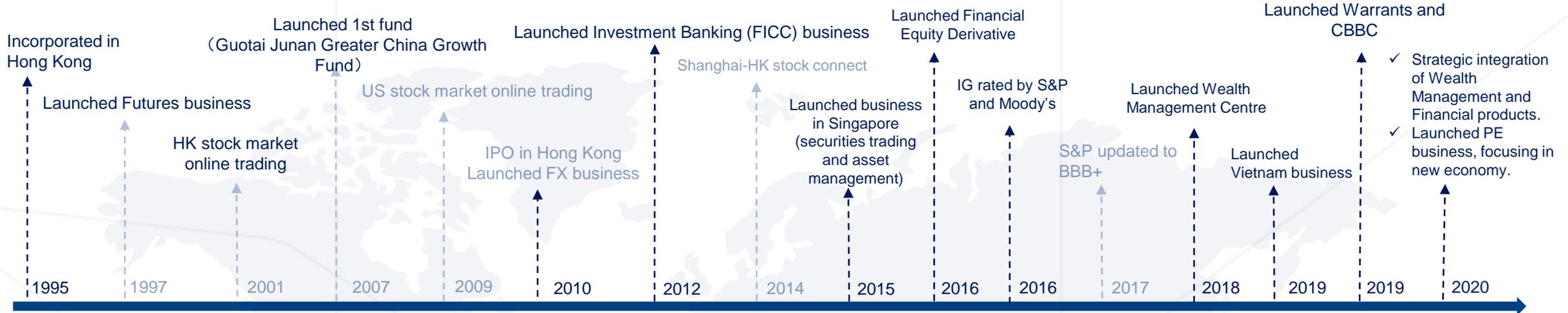
Credit Rating

Position and Evolution

Segment Results

Outlook

Milestone: Seized the opportunities and created values for shareholders



Started from Solid Brokerage

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

Strong Corporate Finance

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

Risk Management Creates Value

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

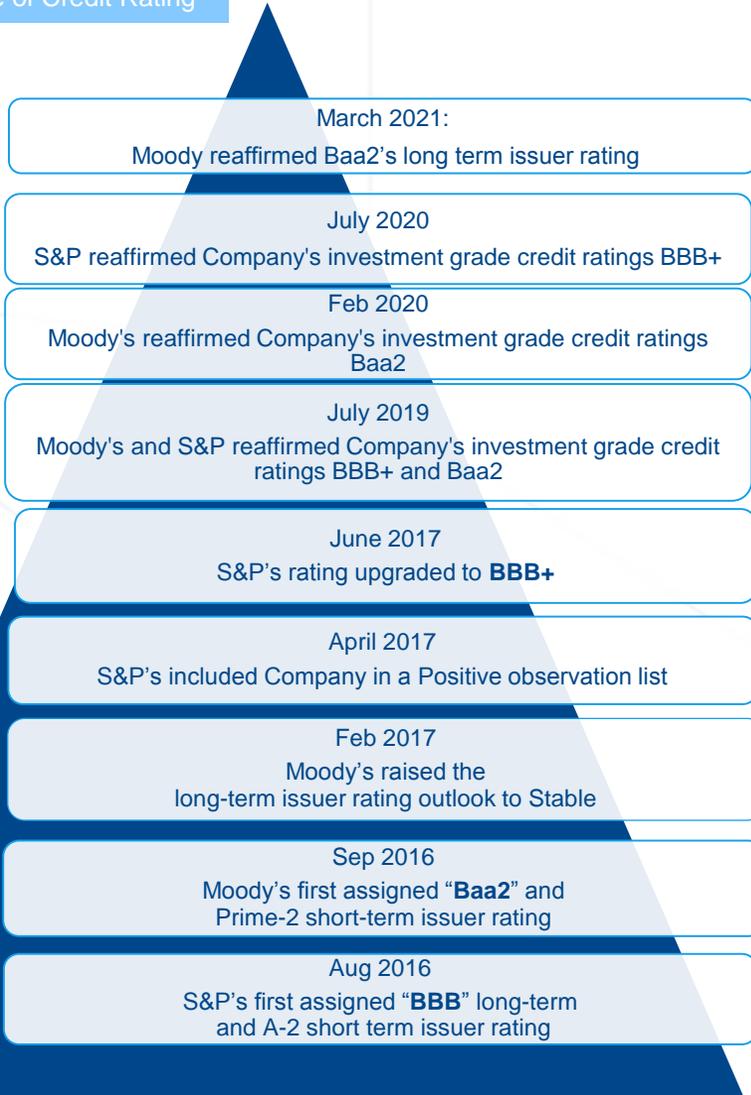
Wealth Management Era

- AUM increased significantly
- High quality clients to trade high quality asset.

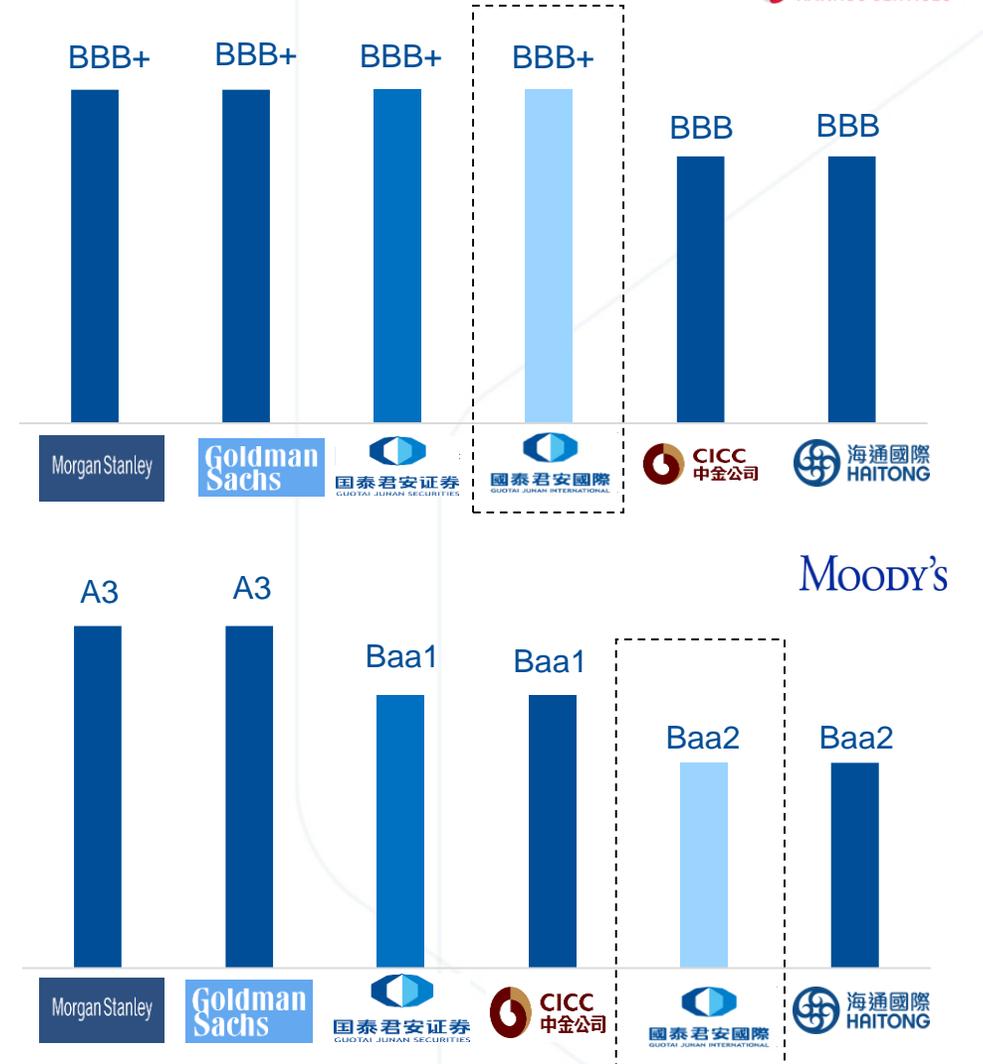
1995
Registered capital amount
HK\$ 31.98 million

31 Dec 2020
Attributable net asset
HK\$ 15.1 billion

Milestone of Credit Rating



Peers Comparison





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 initiative 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 securities company. Its revenue is diversified, risks are relatively increased, and return on equity (ROE) is stable



High Net worth Client
Brokerage, Margin Financing and Financial derivatives

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

Risk Management Capabilities
Strictly manages its balance sheet

Institutional Finance 57%



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\$ 2,779 million, up 7% YOY

Individual Finance 30%



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

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

A total of HK\$1,449 million, up 27% YoY

Investment Management 13%



- 1) Performance fee and management fee for asset management business;
- 2) Proprietary investment, including investment income from asset management seed funds and other businesses.

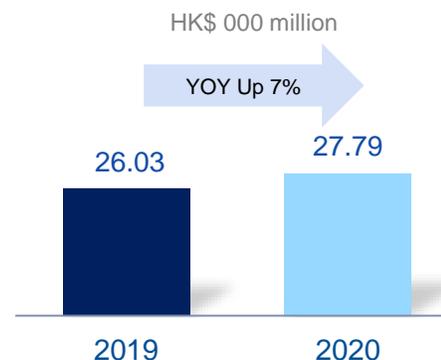
A total of HK\$645 million

2020 Segment Results

2020	Institutional Finance		Individual Finance	HK\$ 000		
	Corporate Finance	Institutional Investor Service	Wealth Management	Investment Management	Others	Total
- Fee & Commission	609,281	227,304	571,176	155,911	-	1,563,672
- Interest	-	1,802,419	651,218	196,439	-	2,650,076
- Trading & Investment	1,200	138,765	226,822	292,417	-	659,204
- others	-	-	-	-	5,448	5,448
Total Revenue	610,481	2,168,488	1,449,216	644,767	5,448	4,878,400
Profit before tax	278,859	790,432	391,340	354,048	-	1,814,679
Tax	-	-	-	-	-	(246,907)
Attributable Profits	-	-	-	-	-	1,567,772

Institutional Finance Revenue

Institutional Investor Service + Corporate Finance



Individual Finance Revenue

(Wealth Management)



1995 2003 2007 2010 2012 2013 2015 2017 2018 2019

2021 and Going forward

Achievements:

- ✓ Combines the brand value of “Guotai Junan” of over 20 years in HK, our experience in cross-border financial services with strong client base to attract high-net-worth clients.
- ✓ Transformed to A unique Chinese investment bank with leading position in debt capital market.
- ✓ Provided competitive financial derivative product business, which is well received.
- ✓ S&P rated “BBB+” with “stable” outlook, Moody’s rated “Baa2” with “stable” outlook – leading credit ratings among Chinese financial institutions in Hong Kong.
- ✓ Continuously optimized finance costs and became an industry leader.
- ✓ Conducted Solid risk management system, implemented Margin Calculation by Stock mechanism to increase asset quality.
- ✓ Expanded in Southeast Asia market to further global development

Prospects:

- More investment in Fin-tech technology
- More diversified investment products.
- A broader sales network and more specialized investment consultants.
- More comprehensive wealth management platform
- Attract quality clients and invest in quality assets.
- Increase commission and fee based income.
- Further improve the stability of the Group's earnings.
- Provide more attractive returns to shareholders.

Products and Services

Private Equity Wealth Management Loans and Financing Structured Solution and Derivatives DCM ECM Asset Management



Innovation becomes promising

Deep integration of innovative technology, artificial intelligence and real economy

Tech changing lifestyle accelerated in pandemic



Growth of the market

Low interest rate environment around the world drives technology development

Essential practice of sustainable finance

Performance of STAR market, HSTECH and NASDAQ Indexes

Jan-Feb 2021

Invested 10 million USD. DiDi Voyager is an independent subsidiary of DiDi. Didi has built a team of R&D for self-driving technology since 2016, dedicated to location, environment detection, route planning, etc.

Invested 20 million USD. Didi Freight started operation in May 2020. As of Q3 2020, it has stepped into 8 cities such as Hangzhou, Chengdu and Shanghai, etc

Jan 2021

Invested 25 million USD. Based in Xi'an, VSPN was co-founded by 3 E-sports leaders, namely 英雄體育, Nice TV and PLU, with their major competition resources in 2016, focusing on coordinating e-sports competitions and commercialising e-sports for domestic and international game developers and operators.

Aug 2020



Invested RMB 200 million. NIO Inc. develops new energy vehicles under a model of 'Car-and-Battery Separation' and, on top of this, has launched BaaS (Battery as a Service). Leveraging NIO's brand, such service will be expanded to all electrical vehicle brands.



Oct 2020



Invested 20 million USD. Plus is a fast-growing technology company driven by AI and centring on self-driving. The company was founded in 2016 and based in Silicon Valley. It focuses on the development of all-round self-driving technology and autopilots, which save fuel for vehicles, to develop scale-up freight cars.

Sep 2020

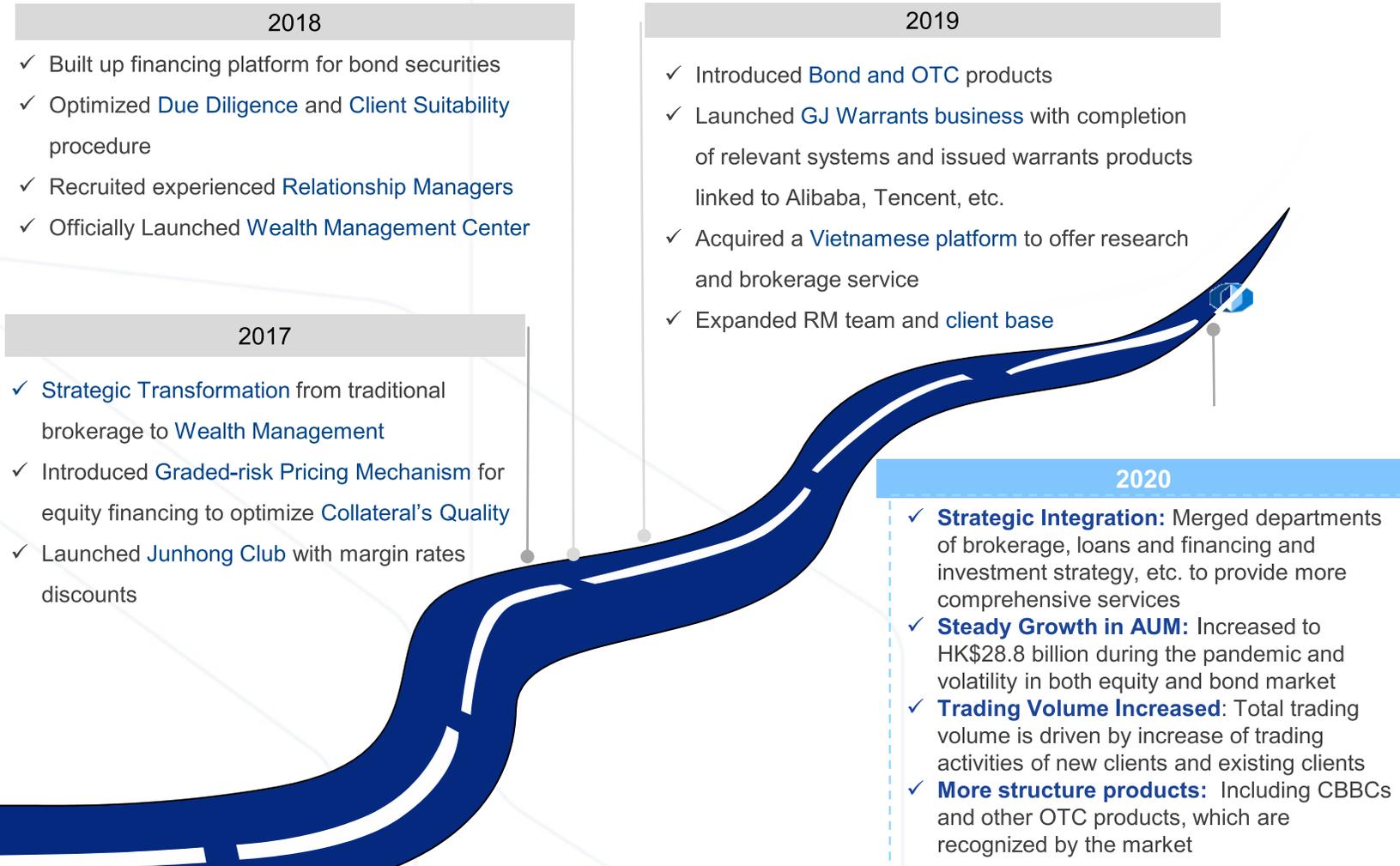


Invested 25 million USD. Aihuishou is the second largest platform for recycling and trading used mobiles in the world, which integrates the entire chain from C2B recycling, B2B wholesaling to B2C retailing, thus reducing middle terms. It also provides quality and publicly searchable inspection reports through its proprietary automatic inspection system, to tackle information asymmetry and lift the industry's efficiency.

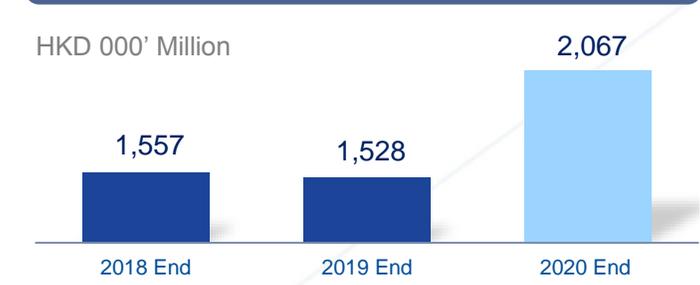
Oct 2020



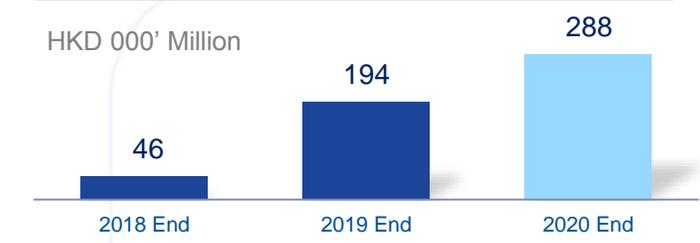
Invested 20 million USD. Horizon Robotics, established in 2015 and based in Beijing, focuses on Edge AI chips and algorithms for intelligent driving and AIoT, and it also provides software, hardware and solutions. As of now, Horizon Robotics is the only corporation from mainland China which has realised mass production of factory-installed certified chips.



Total AUC¹ excluding OTC Derivatives



AUC¹ of Wealth Management Clients



Loan and Advance to Customers



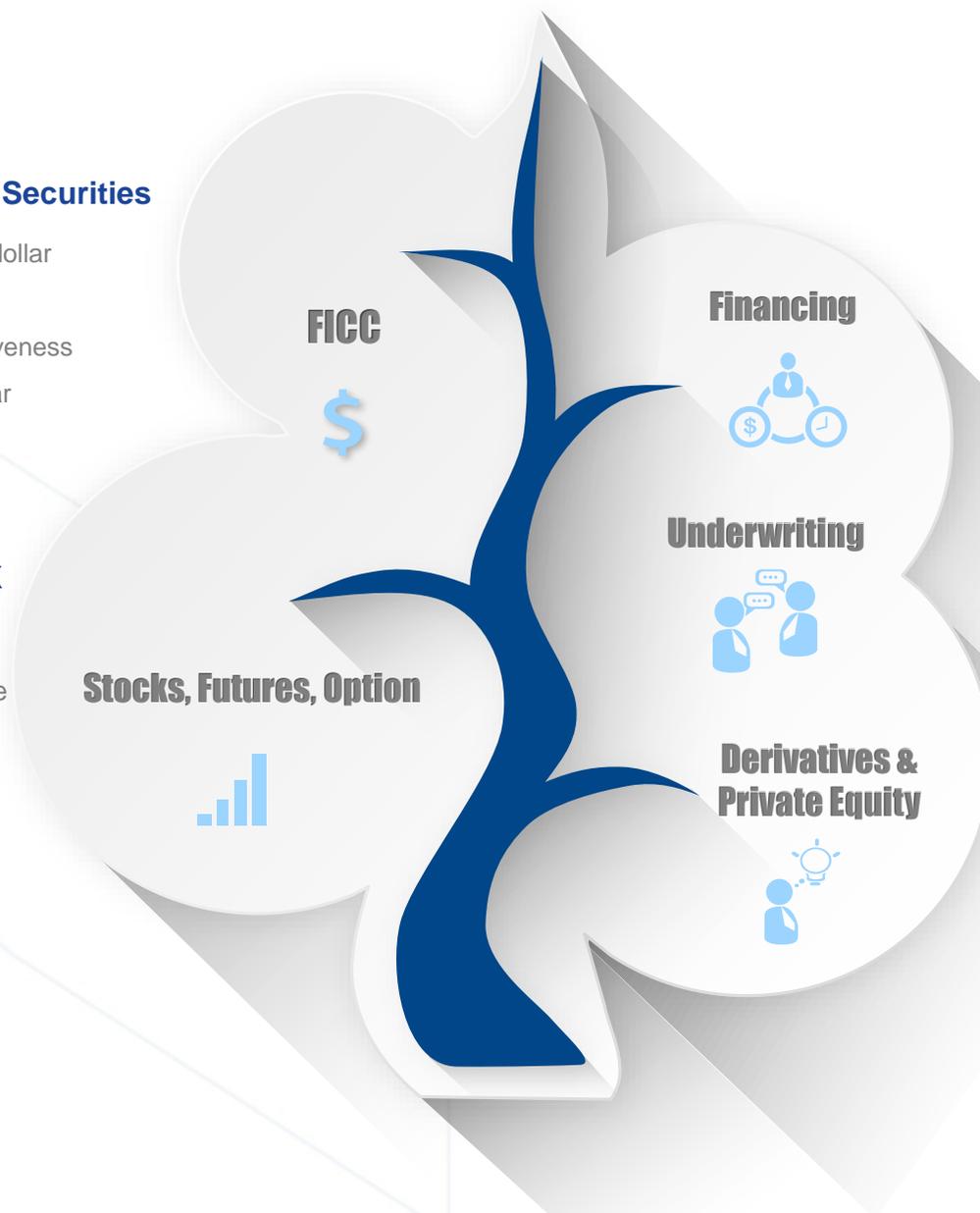
Notes: 1. Total (Assets under Custody) AUC include **Cash and Securities** from clients. Figures were for reference only as at 31 Dec 2020.

Bonds and Other Fixed Income Securities

- ✓ In recent years, the Chinese-issued US dollar bond market has been booming, and low interest rates have increased the attractiveness of investment in Chinese-issued US dollar bonds and other securities, etc.

Global Stock, Futures, Option, FX Markets

- ✓ Online trading platform including mobile App, now support **8 major global stock markets** (HK stock, US stock, Stock Connect, etc.) and **over 20 futures and options markets**, as well as leveraged FX trading in nine major currency pairs and 29 related combinations.



Margin Finance and Short Selling

- ✓ We offer high-net-worth clients financing products with leading interest rate, including Margin, IPO loans, Leveraged Notes, Total Return Swap (“TRS”), etc.
- ✓ A wide range of choices including equity, bond and structure notes, etc.

Corporate Finance and Underwriting

- ✓ The deep experience in Chinese-issued US dollar bond market and Hong Kong stock underwriting market of DCM and ECM team brings valuable investment advice and insights to the clients.

Derivatives and Private Equity Deals

- ✓ Aside from leverage notes and TRS (PI clients only), the company launched **GJ warrants** which also available for non-PI clients.
- ✓ Wealth Management platform also provided **private equity** deals to high-net-worth clients to enrich their portfolio.

Lowered Interbank offered rates including HIBOR

- ✓ US. Federal Reserve and other central banks lowered the benchmark interest rate to mitigate the negative impact on the economy caused by the pandemic. HIBOR dropped substantially YOY.

Loan to Value 32%

- ✓ LTV increased by 1 p.p due to the proportion of large-cap stocks and US dollar bonds as collaterals increased.



Controlled Credit Risk

- ✓ Diversified Collaterals
- ✓ Collaterals with High Liquidity
- ✓ Increased amount of HNW clients

Loan balance increased steadily

- ✓ Driven by the clients of wealth management, the total loan balance increased by 33% to HK\$15.6 billion

Client Bank Balance Increased

- ✓ Client trust bank balance increased by 67% to HK\$18.7 billion

Competitive Interest rate

Lowered finance cost and higher return by leveraging on SOE platform of GTJA and leading its Credit Rating.

Multiple Investment Choices

Covering wide range of securities including HK, US stocks, A-shares, Stock Connect, Bonds, etc.

Effective Approval Process

Auto-approved within certain loan amount

Constantly Refined Pricing

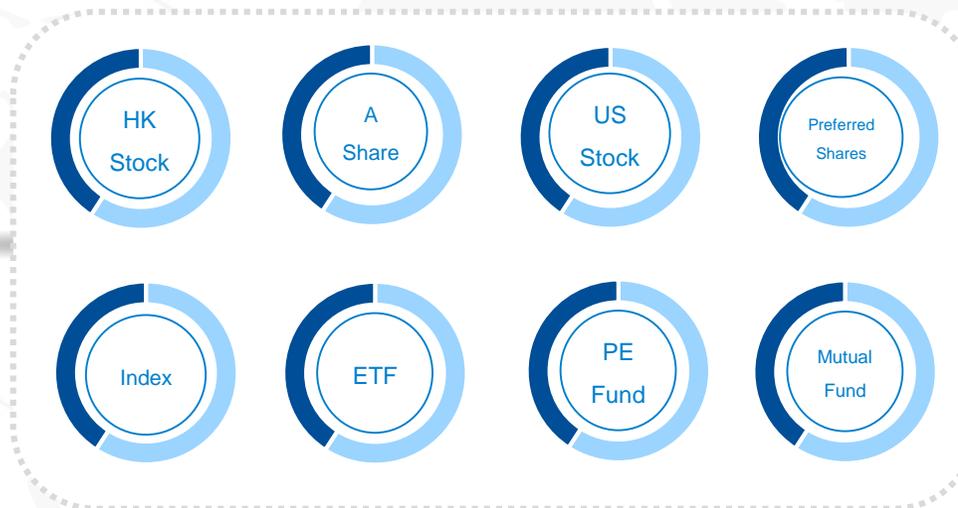
The system automatically selected Quality Collateral to calculate the rate





Highly Customized Solutions

Offer various and quality financial solutions to achieve needs from **high-net-worth, corporate and institutional clients**. And committed to assisting clients to make the right investment decisions in different market conditions.



In-depth Knowledge in Chinese Economy

With the deep experience gained in global investment banks, the team focus 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** with integration into global capital market.

Note 1: To leverage on 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

- ✓ For primary market, due to the pandemic, Asia (ex-Japan) G3 currency bond issuance increased by 3% YOY.
- ✓ For secondary market, with risk-averse sentiment, the ICE BofA Asian China Issuers Index's (HY) ¹ increased 0.7%

02 Performance

- ✓ The Group maintained its leading position in Chinese-issued US dollar bond market and completed **221 deals**. It ranked **2nd** in Bloomberg's Asia (ex-Japan) G3 Corporate HY Bond Underwritten League Table in terms of underwriting volume, assisting clients with funds of nearly **HK\$464.3 billion**.



04 Introduction

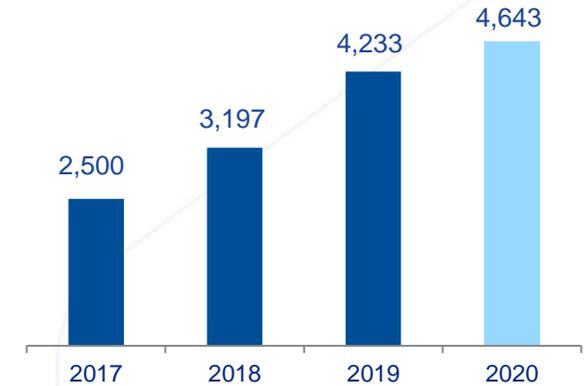
- ✓ Established in 2012, our DCM team has participated in more than **740 deals** by the end of 2020, among which, have worked as the global coordinator to lead **70%** the projects.
- ✓ There are currently more than **80 employees** in the team, most of the core team members were in senior position with global investment banks previously. And more than half of the team are from mainland China, indicating a deeper understanding of Chinese market.
- ✓ Integrate multiple competitive resources within Guotai Junan

03 Outlook

- ✓ Chinese-issued US dollar-denominated bonds market is expected to face certain challenges in 2021. The Group has the strength to seize the financing cycle of the FI market and further expand bond underwriting business.

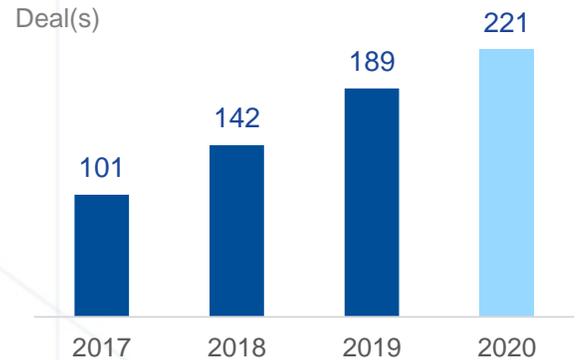
Total Fundraising Amount

HK\$ 000' million



Number of Deals Completed

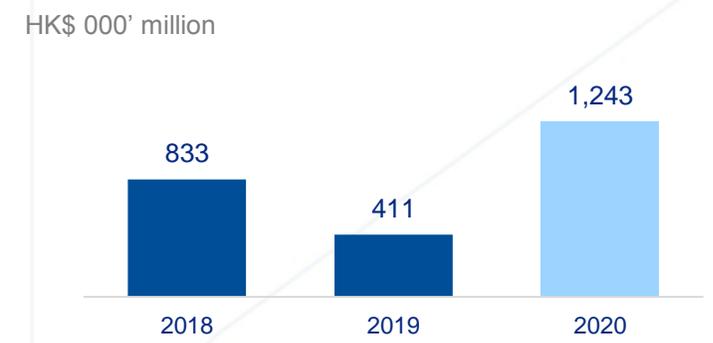
Deal(s)



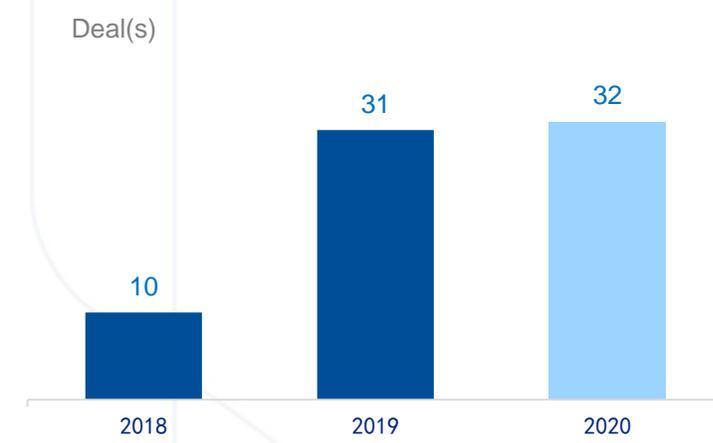
Note: 1. ICE BofA Asian China Issuers Index's (High Yield) is a Coupon-Bearing index. Bloomberg Ticker: **ACYC**; Its Investment Grade Ticker is **ACGC** in Bloomberg

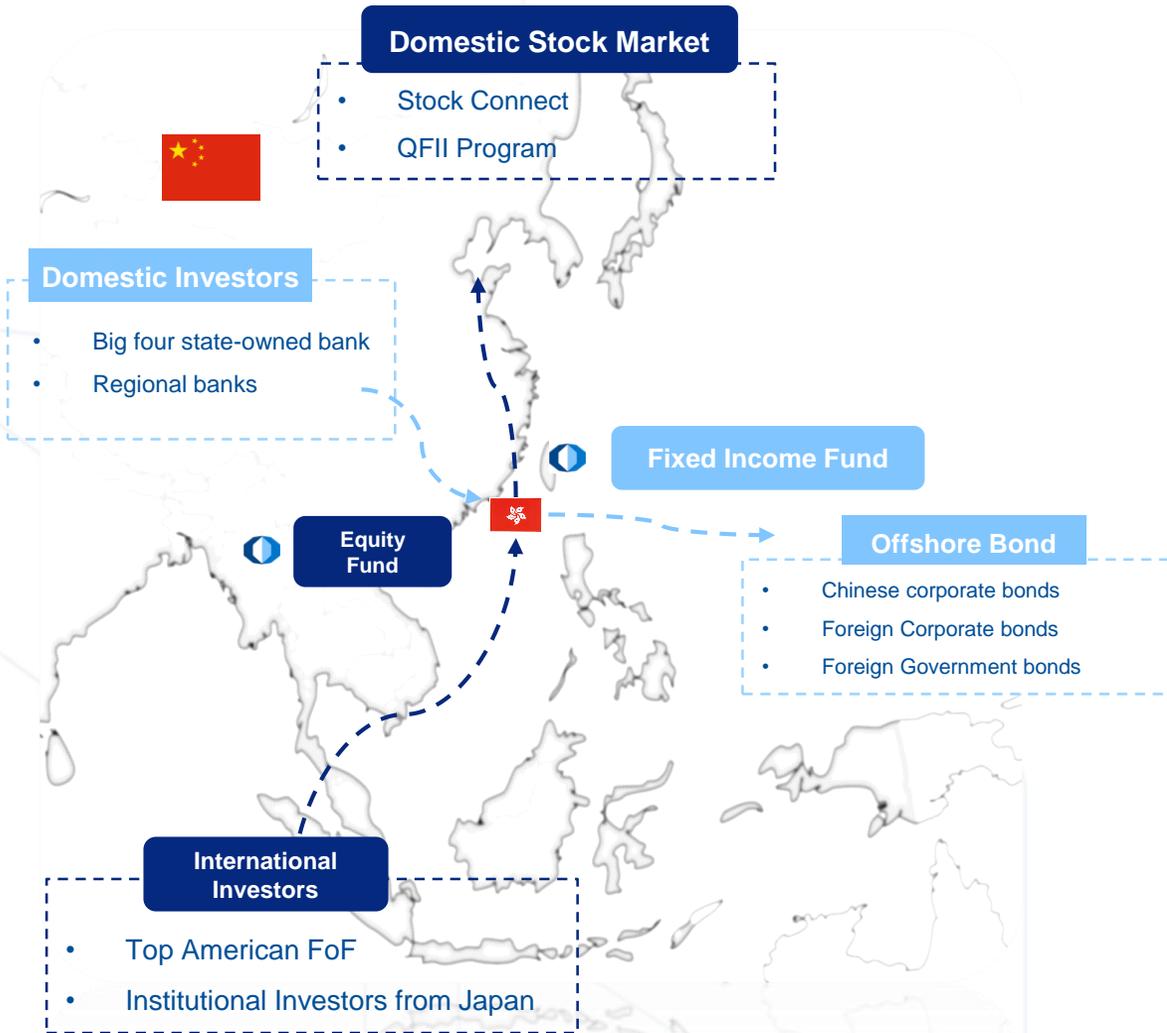


Fundraising from Primary and Secondary Equity Market



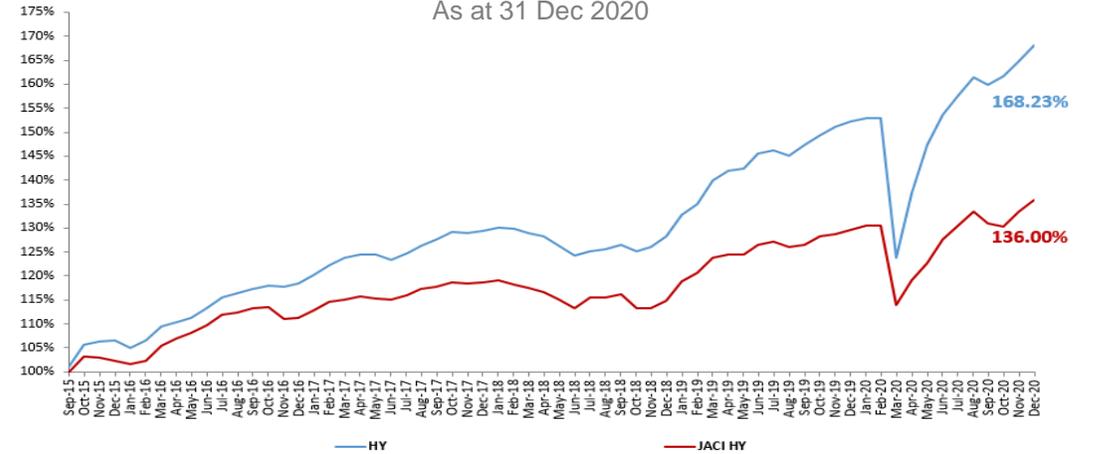
Equity Underwriting Deal Number



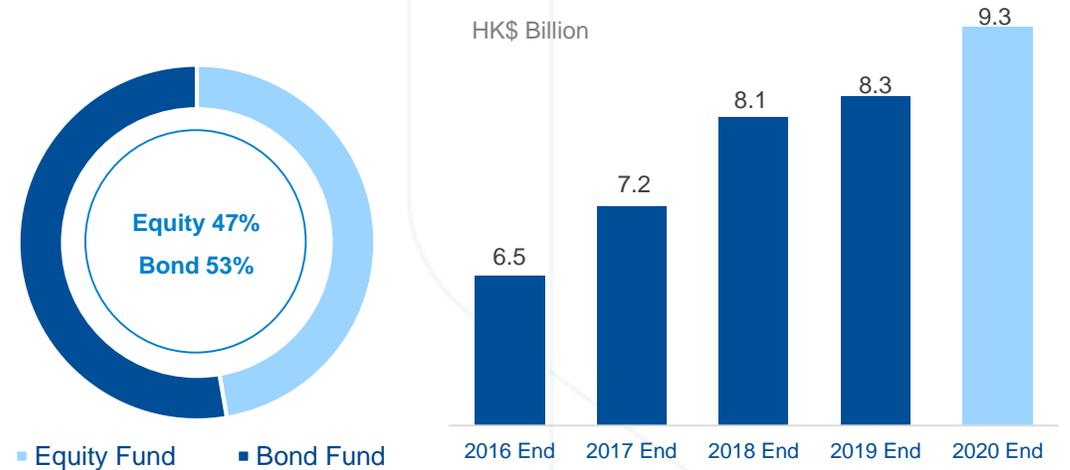


Guotai Junan Asia High Income Fund Performance

As at 31 Dec 2020



AUM and Asset Allocation



Company Honors

Products & Services

Branding & Disclosure

Jan 2021	<ul style="list-style-type: none"> Best Stock Commentator 	Asiamoney	
Dec 2020	<p>2020 Offshore China Fund Awards:</p> <ul style="list-style-type: none"> Private Fund: Greater China Fixed Income (1 year) Private Fund: Greater China Fixed Income (3 year) Best ETF Participating Dealer 	China Asset Management Association of Hong Kong (CAMAHK) and Bloomberg	
Oct 2020	<ul style="list-style-type: none"> Best Bank for Investment Solutions, Equity Best Structured Investment and Financing Solutions, Financing – SWAP Transaction Restructuring for Financing Purpose, Hong Kong 	The Asset	
Jul 2020	<ul style="list-style-type: none"> Best Asset Management Company Hong Kong 2020 Best Investment Bank Hong Kong 2020 	International Business Magazine	
Jul 2020	<p>Sina Finance Hong Kong Financial Institutions Awards 2020:</p> <ul style="list-style-type: none"> The Best IPO Advisors 	Sina Finance	
Jul 2020	<p>Financial Institution Awards 2020:</p> <ul style="list-style-type: none"> Excellence Service Award in Risk Management Excellence Service Award in IPO Sponsors Excellence Service Award in FICC 	Bloomberg Businessweek Magazine	

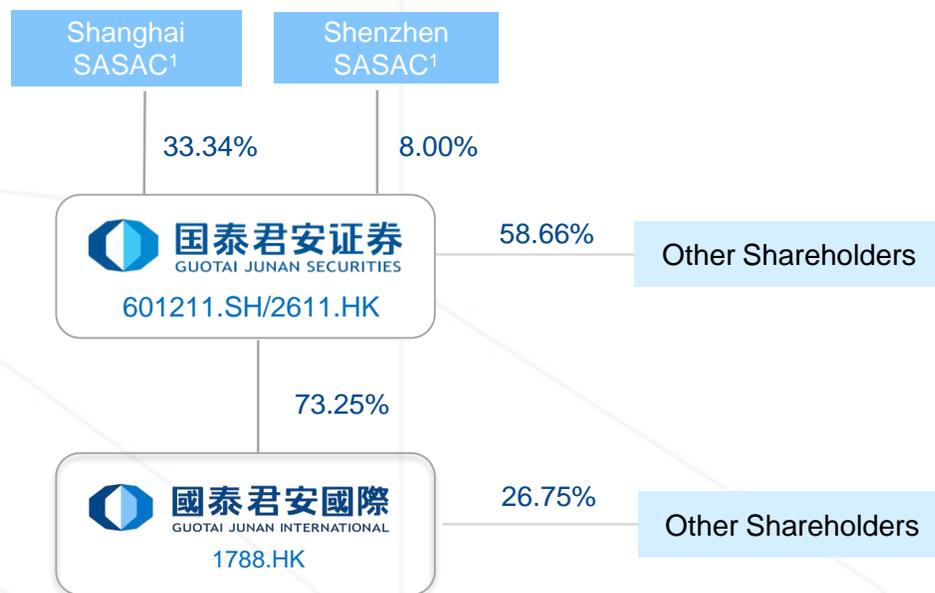
Jan 2021	<ul style="list-style-type: none"> Best Retail Broker (Hong Kong) 	Asiamoney	
Dec 2020	<ul style="list-style-type: none"> Best International House (offshore) 	SRP	
Nov 2020	<p>The Asset ESG Corporate Awards 2020 :</p> <ul style="list-style-type: none"> Gold Award 	The Asset	
Oct 2020	<ul style="list-style-type: none"> Best Securities Brokerage Hong Kong 2020 Best Financial Services Group Hong Kong 2020 Best Corporate Governance Company Hong Kong 2020 	Global Banking & Finance Review	
Sep 2020	<ul style="list-style-type: none"> House of the Year, Hong Kong 	AsiaRisk	
Jun 2020	<ul style="list-style-type: none"> Best Full-Service Broker Hong Kong 2020 	Securities Times	
May 2020	<ul style="list-style-type: none"> The Best Securities House 	International Finance Magazine	
Sep 2020	<ul style="list-style-type: none"> The Most Competitive Wealth Management Platform 	lfeng.com	

Appendix

Controlling Shareholder

Risk Management

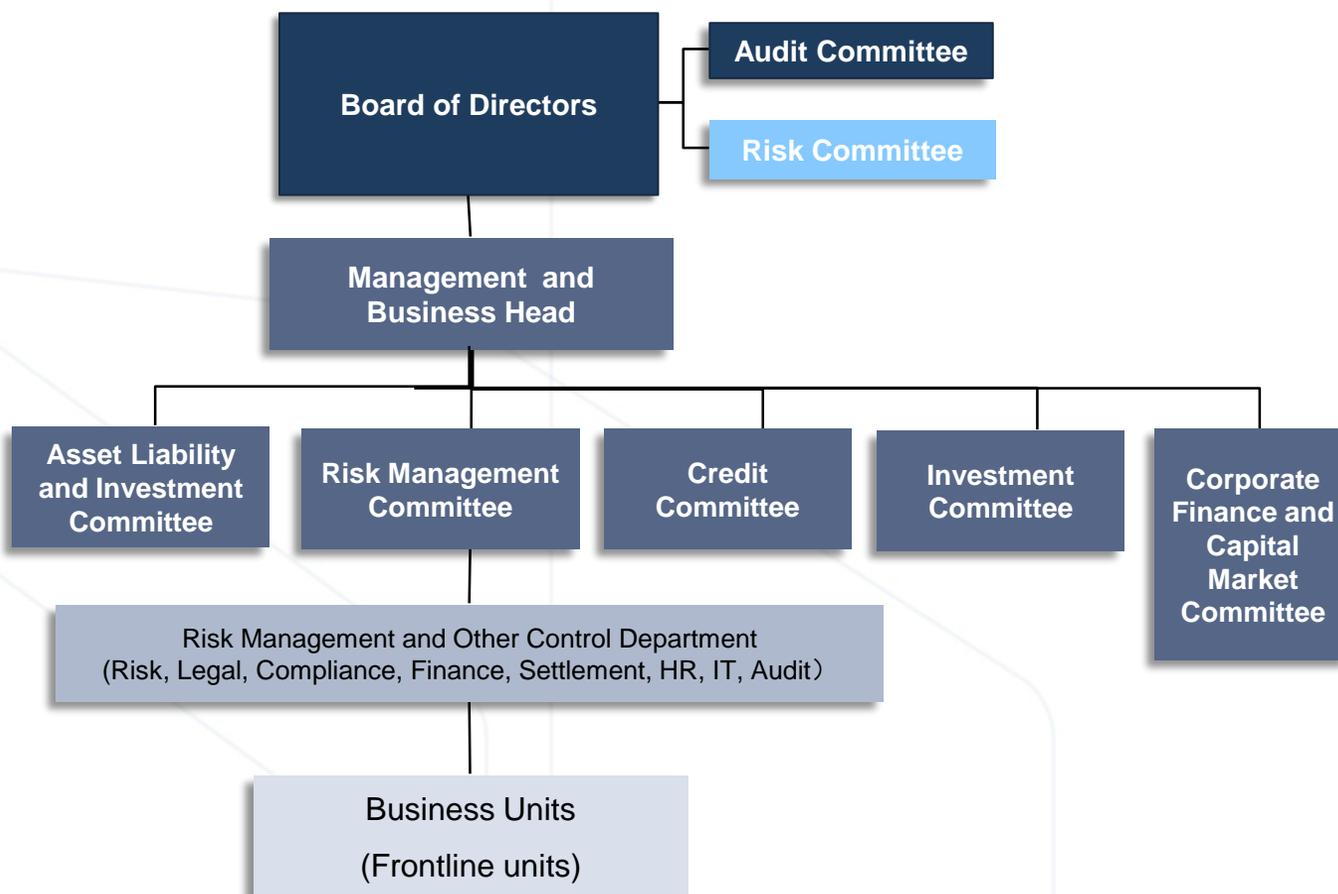
Shareholders Structure



1. State-owned Assets Supervision and Administration Commission
2. The position was as at 31 Dec 2020

About Guotai Junan Securities (Parent Company)

- 
 GTJA has been a comprehensive financial service provider with a long-term, sustainable and overall leading position in the Chinese securities industry.
- 
 According to the statistics of the Securities Industry Association, as at the end of 2020, the parent company is ranked 2nd in operating income, 4th in attributable net profit, 3rd in total assets, 3rd attributable net assets and 1st in net capital.
- 
 As at year 2020, GTJA has been rated as A level of AA class for 13 consecutive years by CSRC, which is the highest rating for Chinese securities companies so far.
- 
 Listed in HKEX in 2017 (2611.HK).
- 
 High level of credit rating - BBB+ from S&P, Baa1 from Moody's.



- 
Credit Risk: We manage credit risk to a borrower or counterparty from different business (traditional lending activities, counterparty exposure, issuer exposure and contingent exposure from third party credit enhancement). We control and monitor credit risk 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. There are a number of types of limits: position, loss, notional and other limits that are timely monitored to ensure we operate within the company's risk appetite. Value at Risk is the key measure of market risk at the company.

- 
Operational 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 lines of businesses and asset liability management activities, as well as through our legal entity funding strategy, on both a forward and current basis. We diversify our sources of funding—short term and long term bank loans, perpetual bonds issuance, rights issue, MTN program etc.

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Thanks!

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