HTSC

(A joint stock company incorporated in the People's Republic of China with limited liability under the Chinese corporate name 华泰证券股份有限公司 and carrying on business in Hong Kong as HTSC)

(Stock Code: 6886)

THIRD QUARTERLY REPORT OF 2019

The Board of Directors of the Company is pleased to announce the unaudited financial information of the Company and its subsidiaries for the third quarter ended September 30, 2019, prepared in accordance with China Accounting Standards for Business Enterprises. This announcement is made pursuant to the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and Rules 13.09(2) and 13.10B of the Listing Rules.

This announcement contains the Chinese original version and English translation of the "Huatai Securities Co., Ltd. Third Quarterly Report of 2019" as published on the website of the Shanghai Stock Exchange, and is provided for your reference only. In case of discrepancy between the Chinese version and the English version, the Chinese version shall prevail.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires.

"Board" or "Board of Directors"	the board of Directors of the Company
"Company"	a joint stock company incorporated in the People's Republic of China with limited liability under the corporate name 华泰证券股份有限公司 (Huatai Securities Co., Ltd.), converted from our predecessor 华泰证券有限责任公司 (Huatai Securities Limited Liability Company) on December 7, 2007, carrying on business in Hong Kong as "HTSC", and was registered as a registered non-Hong Kong company under Part 16 of the Companies Ordinance under the Chinese approved name of "華泰六八八六股份有限公司" and English name of "Huatai Securities Co., Ltd."; the H shares of which have been listed on the Main Board of The Stock Exchange of Hong Kong Limited since June 1, 2015 (Stock Code: 6886); the A shares of which have been listed on the Shanghai Stock Exchange since February 26, 2010 (Stock Code: 601688); the global depository receipts of which have been listed on the London Stock Exchange plc since June 2019 (Symbol: HTSC), unless the context otherwise requires, including its predecessor

"Director(s)"	director(s) of the Company
"GDR"	global depository receipt
"Jiangsu SASAC"	State-owned Assets Supervision and Administration Commission of Jiangsu Provincial Government (江蘇省人民政府國有資產監督管理委員會)
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Reporting Period"	the period from July 1, 2019 to September 30, 2019
"Supervisor(s)"	supervisor(s) of the Company
"Supervisory Committee"	the supervisory committee of the Company
"%"	per cent.

By order of the Board
Zhou Yi
Chairman

Jiangsu, the PRC, October 29, 2019

As at the date of this announcement, the Board comprises Mr. Zhou Yi and Mr. Zhu Xuebo as executive Directors; Mr. Ding Feng, Mr. Chen Yongbing, Mr. Xu Qing, Ms. Hu Xiao and Ms. Fan Chunyan as non-executive Directors; and Mr. Chen Chuanming, Mr. Liu Hongzhong, Mr. Lee Chi Ming, Ms. Liu Yan and Mr. Chen Zhibin as independent non-executive Directors.

HUATAI SECURITIES CO., LTD.
THIRD QUARTERLY REPORT OF 2019

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I. Important Notice

1.1 The Board, the Supervisory Committee, Directors, Supervisors and senior management of the Company warrant that the information in this quarterly report is true, accurate, complete and contains no false record, misleading statement or material omission, and assume individual and joint liabilities to the information contained herein.

1.2 Director(s) absent from the meeting

Name of absent Director	Position of absent Director	Reason for absence	Name of proxy
Liu Hongzhong	Independent Director	Business engagement	Chen Chuanming
Chen Zhibin	Independent Director	Business engagement	Chen Chuanming

1.3 Zhou Yi, officer in charge, Shu Ben'e, officer in charge of accounting, and Fei Lei, officer in charge of the accounting office of the Company (head of accounting department), hereby guarantee that the financial statements contained in this quarterly report are true, accurate and complete.

1.4 This third quarterly report of the Company, which is prepared in accordance with China Accounting Standards for Business Enterprises, is unaudited.

II. Basic Information of the Company

2.1 Key Financial Data

Unit: Yuan Currency: RMB

	As of the end of the reporting period	As of the end of the previous year	Change (%) as of the end of the reporting period as compared to the end of the previous year
Total assets	510,450,145,847.51	368,665,874,058.71	38.46
Net assets attributable to shareholders of the listed Company	119,946,230,962.16	103,393,576,924.99	16.01
	Beginning of the year to the end of the reporting period (January-September)	**Beginning of the previous year to the end of the reporting period in the previous year (January-September)**	**Change (%) as compared to the corresponding period of the previous year**
Net cash flow generated from operating activities	8,945,089,187.95	26,304,596,957.90	-65.99
	Beginning of the year to the end of the reporting period (January-September)	**Beginning of the previous year to the end of the reporting period in the previous year (January-September)**	**Change (%) as compared to the corresponding period of the previous year**
Operating revenue	17,749,900,364.96	12,519,243,640.36	41.78
Net profit attributable to the shareholders of the listed Company	6,440,723,943.13	4,479,803,439.20	43.77
Net profit after extraordinary profit and loss attributable to shareholders of the listed Company	6,302,824,326.95	4,371,269,255.20	44.19
Weighted average return on net assets (%)	5.83	4.88	Increased by 0.95 percentage point
Basic earnings per share (RMB/share)	0.75	0.61	22.95
Diluted earnings per share (RMB/share)	0.75	0.61	22.95

Non-recurring items and amounts

√ Applicable □ Not applicable

Unit: Yuan Currency: RMB

Items	Amount for current reporting period (July-September)	Amount for beginning of the year to the end of the reporting period (January-September)
Profit or loss on disposal of non-current assets	575,268.71	443,520.72
Government subsidies recognized in profit and loss of the current period, excluding those closely related to the normal operation of the Company and granted on an ongoing basis in standard fixed amount or fixed quota in accordance with government policies and regulations	169,617,317.48	187,396,054.77
Other non-operating income and expenses other than the above items	-4,007,894.06	-1,051,416.95
Effect of minority interest (net of tax)	-165,105.89	-2,093,906.80
Effect of income tax	-41,519,228.13	-46,794,635.56
Total	124,500,358.11	137,899,616.18

2.2 Total number of shareholders and shareholding of top ten shareholders and top ten holders of tradable shares (or holders of shares not subject to selling restrictions) as of the end of the Reporting Period

Unit: share

Total number of shareholders						234,824
Shareholding of top ten shareholders						
				Pledged or frozen shares		
Name of shareholder (in full name)	**Number of shares held as of the end of the Reporting Period**	**Percentage (%)**	**Number of shares held subject to selling restrictions**	**Status of shares**	**Number of shares**	**Class of shareholder**
HKSCC Nominees Limited	1,587,514,727	17.49	–	Nil	–	Foreign legal person
Jiangsu Guoxin Investment Group Limited	1,329,224,036	14.64	–	Nil	–	State-owned legal person
Citibank, National Association	825,150,000	9.09	–	Nil	–	Foreign legal person
Jiangsu Communications Holding Company Limited	488,965,418	5.39	–	Nil	–	State-owned legal person
Govtor Capital Group Co., Ltd.	355,770,606	3.92	–	Nil	–	State-owned legal person
Alibaba (China) Technology Co., Ltd.	268,199,233	2.95	–	Nil	–	Domestic non-state-owned legal person
Essence Securities—China Merchants Bank—Essence Securities Dingzengbao No. 1 Collective Asset Management Program	247,545,593	2.73	–	Nil	–	Unknown
China Securities Finance Corporation Limited	246,720,811	2.72	–	Nil	–	Unknown
Suning.com Co., Ltd.	178,144,246	1.96	–	Unknown	122,860,000	Domestic non-state-owned legal person
Jiangsu SOHO Holdings Group Co., Ltd.	152,327,863	1.68	–	Nil	–	State-owned legal person

Shareholding of top ten shareholders not subject to selling restrictions			
Name of shareholder	Number of tradable shares not subject to selling restrictions	Class and number of shares	
		Class	Number
HKSCC Nominees Limited	1,587,514,727	Overseas listed foreign shares	1,587,514,727
Jiangsu Guoxin Investment Group Limited	1,329,224,036	Ordinary shares in RMB	1,271,072,836
		Overseas listed foreign shares	58,151,200
Citibank, National Association	825,150,000	Ordinary shares in RMB	825,150,000
Jiangsu Communications Holding Company Limited	488,965,418	Ordinary shares in RMB	451,965,418
		Overseas listed foreign shares	37,000,000
Govtor Capital Group Co., Ltd.	355,770,606	Ordinary shares in RMB	342,028,006
		Overseas listed foreign shares	13,742,600
Alibaba (China) Technology Co., Ltd.	268,199,233	Ordinary shares in RMB	268,199,233
Essence Securities-China Merchants Bank-Essence Securities Dingzengbao No. 1 Collective Asset Management Program	247,545,593	Ordinary shares in RMB	247,545,593
China Securities Finance Corporation Limited	246,720,811	Ordinary shares in RMB	246,720,811
Suning.com Co., Ltd.	178,144,246	Ordinary shares in RMB	178,144,246
Jiangsu SOHO Holdings Group Co., Ltd.	152,327,863	Ordinary shares in RMB	133,427,863
		Overseas listed foreign shares	18,900,000
Description of the connected relationship or action in concert between the above shareholders	Jiangsu Guoxin Investment Group Limited, Jiangsu Communications Holding Company Limited, Govtor Capital Group Co., Ltd. and Jiangsu SOHO Holdings Group Co., Ltd. are wholly owned by Jiangsu SASAC. Taobao (China) Software Co., Ltd. (淘寶（中國）軟件有限公司), which holds more than 5% shares of Suning.com Co., Ltd., and Alibaba (China) Technology Co., Ltd. are wholly-owned subsidiaries of Alibaba Group Holding Ltd. Apart from the above, it is not known if there is any connection between other shareholders or whether such shareholders are parties acting in concert as stipulated under the Measures for the Administration of the Takeover of Listed Companies.		
Explanation on restored voting rights by shareholders of preference shares and number of shares held	The Company has no shareholders of preference shares.		

Notes: 1. The shareholders of ordinary shares in RMB (A shares) refer to the shareholders who are holders of accounts registered with Shanghai Branch of China Securities Depository and Clearing Corporation Limited in terms of their nature.

2. Among shareholders of overseas listed foreign shares (H shares) of the Company, shares of non-registered shareholders are held by HKSCC Nominees Limited on their behalf. As of the end of the Reporting Period, Jiangsu Guoxin Investment Group Limited, Jiangsu Communications Holding Co., Ltd., Govtor Capital Group Co., Ltd. and Jiangsu SOHO Holdings Group Co., Ltd. acquired, via Southbound Trading, 58,151,200 shares, 37,000,000 shares, 13,742,600 shares and 18,900,000 shares of the Company's H Shares, respectively, which are also being held by HKSCC Nominees Limited. These shares are specifically and separately listed at the time of disclosure of this report; should such shares be included, the actual number of shares held by HKSCC Nominees Limited on their behalf would have been 1,715,308,527 shares, representing 18.90% of the Company's total shares.

3. Citibank, National Association is the depositary of the Company's GDRs, and the domestic underlying A shares represented by the GDRs are legally registered under its name; the GDRs under the issuance and over-allotment of the Company shall not be converted into A shares from June 20, 2019 (London time) to October 17, 2019 (London time).

4. As of the end of the Reporting Period, 100,000 A Shares held by Jiangsu Communications Holding Co., Ltd. remained outstanding due to refinancing. When fully returned, the actual shareholding of it in the Company will be 452,065,418 A Shares and 37,000,000 H Shares, representing 5.39% of the Company's total shares.

5. Except for the 178,144,246 A shares of the Company held by Suning.com Group Co., Ltd., its wholly-owned foreign subsidiary Suning International Group Co., Limited also held 2,439,000 GDRs (representing 24,390,000 A shares of the Company), which led to a total equity ratio of 2.23% held by Suning.com Group Co., Ltd. and its wholly-owned foreign subsidiary Suning International Group Co., Limited.

6. Among the total number of shareholders of ordinary shares as at the end of the Reporting Period, there were 226,573 shareholders of A shares and 8,251 registered shareholders of H shares.

2.3 Total number of shareholders of preference shares, shareholdings of the top ten shareholders of preference shares and shareholdings of the top ten shareholders of preference shares not subject to selling restrictions as of the end of the Reporting Period

☐ Applicable √ Not applicable

III. Major Events

3.1 Details and reasons for material changes in key accounting statement items and financial indicators of the Company

√ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Balance sheet items	Balance as at the end of the period	Balance as at the end of the previous year	Change	Reason for change
Cash and cash equivalents	103,599,223,958.49	71,102,643,314.51	45.70%	Issuance of GDRs and increase in funds from customers
Clearing settlement funds	29,166,855,113.03	19,068,365,339.98	52.96%	Increase in clearing settlement funds from customers
Margin loans	60,649,471,101.40	46,188,884,860.29	31.31%	Increase in scale of margin loans
Refundable deposits	10,524,083,224.34	7,836,506,104.91	34.30%	Increase in deposits of futures
Receivables	4,306,543,737.74	3,090,165,422.15	39.36%	Increase in settlement receivable
Financial assets held under resale agreements	17,685,400,201.89	43,556,564,734.21	-59.40%	Decrease in reverse repurchase
Financial investments	250,265,764,299.98	148,975,237,504.15	67.99%	Increase in proprietary investment
Construction in progress	83,940,331.91	49,025,690.37	71.22%	Increase in construction in progress
Right-of-use assets	817,272,139.27	—	N/A	Implementation of new standard for lease
Other assets	4,372,814,550.57	1,814,841,287.81	140.95%	Increase in prepayments
Short-term loans	1,947,056,820.97	3,015,790,687.57	-35.44%	Repayment of loans
Short-term margin loans	30,451,412,593.05	21,123,999,727.58	44.16%	Increase in short-term margins
Placements from other financial institutions	8,550,960,504.07	5,813,487,101.88	47.09%	Increase in placement from banks
Financial assets sold under repurchase agreements	98,472,620,937.71	40,095,053,613.01	145.60%	Increase in scale of repurchase
Securities brokerage services	82,932,010,398.14	59,492,175,533.47	39.40%	Increase in funds from customers
Securities underwriting services	9,564,549.99	1,813,300.00	427.47%	Increase in underwriting settlements
Tax payables	1,209,942,023.76	846,735,501.48	42.89%	Increase in income tax payables
Payables	10,812,449,922.64	7,476,963,437.89	44.61%	Increase in settlement payable
Contract liabilities	11,603,505.79	7,441,733.86	55.92%	Increase in management fees of funds
Long-term loans	862,421,338.42	1,698,768,893.25	-49.23%	Payment for credit borrowings
Lease liabilities	800,087,452.70	—	N/A	Implementation of new standard for lease
Other comprehensive income	814,348,988.48	179,338,036.95	354.09%	Increase in fair values of other equity investment
Minority interest	3,104,706,345.20	1,356,027,004.52	128.96%	Increase in minority interest

Income statement items	Beginning of the year to the end of the Reporting Period (January to September)	Beginning of the previous year to the end of the Reporting Period (January to September)	Change	Reason for change
Investment gains	5,922,367,862.82	2,118,898,378.51	179.50%	Increases in investment gains from financial instruments and joint ventures
Foreign exchange gains	70,574,910.92	31,896,537.20	121.26%	Increase in foreign exchange gains
Other business income	868,041,771.68	427,083,988.15	103.25%	Increase in sales revenue of subsidiaries
Credit impairment loss	594,392,207.18	229,156,633.78	159.38%	Increase in provision for impairment
Other business expenses	783,092,266.53	318,737,685.46	145.69%	Increase in cost of sale of subsidiaries
Income tax expenses	1,960,153,840.94	1,211,176,204.11	61.84%	Increase in taxable revenue
Other comprehensive income, net of tax	707,574,669.24	377,733,719.59	87.32%	Increase in fair values of other equity investment

3.2 Analysis and explanation on the progress of major events and their effects and solutions

√ Applicable □ Not applicable

1. Huatai Purple Gold Investment

   1) During the Reporting Period, as a promoter, Huatai Purple Gold Investment Co., Ltd. ("Huatai Purple Gold Investment"), a wholly-owned subsidiary of the Company, established the Huatai Ruikun Contracted Private Equity FOF Fund (華泰瑞坤契約型私募股權FOF基金).

   2) During the Reporting Period, Huatai Purple Gold Investment was converted from a limited partner Jiangsu Industry and Information Industry Investment Fund (Limited partnership) (江蘇工業和信息產業投資基金(有限合夥)) to a general partner, and served as its fund manager.

   3) During the Reporting Period, Huatai Purple Gold Investment became a general partner of Jiangsu Huatai Strategy Emerging Industry Investment Fund (Limited partnership) (江蘇華泰戰略新興產業投資基金(有限合夥)) and Jiangsu Huatai Strategy Internet Industry Investment Fund (Limited partnership) (江蘇華泰互聯網產業投資基金(有限合夥)) through transfer of fund units, and acted as its fund manager.

2. Huatai International

   1) During the Reporting Period, AssetMark Holdings LLC, a company incorporated in the State of Delware, U.S. and a subsidiary of Huatai International Financial Holdings Company Limited ("Huatai International"), a wholly-subsidiary of the Company, was liquidated on July 17, 2019.

2) During the Reporting Period, Mr. Jiang Jian ceased to be a director of Huatai Financial Holdings (Hong Kong) Limited, a wholly-owned subsidiary of Huatai International.

3. During the Reporting Period, the chairman of Huatai Innovative Investment Co., Ltd. a wholly-owned subsidiary of the Company, was changed from Mr. Wang Lei to Ms. Sun Ying.

4. During the Reporting Period, the chairman of Huatai United Securities Co., Ltd., a wholly-owned subsidiary of the Company, was changed from Ms. Liu Xiaodan to Mr. Jiang Yu, and its president was changed from Mr. Jiang Yu to Mr. Ma Xiao.

5. During the Reporting Period, Huatai Great Wall Investment Management Co., Ltd., a subsidiary of Huatai Futures Co., Ltd., a holding subsidiary of the Company increased the capital of Huatai Great Wall International Trading Co., Ltd. by RMB50 million. Upon the capital increase, the paid-up capital of Huatai Great Wall International Trading Co., Ltd. was RMB150 million.

3.3 Overdue and unfulfilled undertakings of the Company during the Reporting Period

□ Applicable √ Not applicable

3.4 Warning and reasons for cumulative net loss expected to be recorded for the period from the beginning of the year to the end of the next reporting period or material changes of cumulative net profit as compared to the corresponding period of the previous year

□ Applicable √ Not applicable

Name of Company	Huatai Securities Co., Ltd.
Legal representative	Zhou Yi
Date	October 29, 2019

IV. Appendix

4.1 Financial Statements

Consolidated Balance Sheet

September 30, 2019

Prepared by: Huatai Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	September 30, 2019	December 31, 2018
Assets:		
Monetary capital	103,599,223,958.49	71,102,643,314.51
Of which: Customer fund deposits	57,146,395,290.72	42,902,018,376.63
Clearing settlement funds	29,166,855,113.03	19,068,365,339.98
Of which: Settlement funds from customers	22,211,554,198.75	16,044,994,914.66
Precious metal	—	—
Placements with other financial institutions	—	—
Margin loans	60,649,471,101.40	46,188,884,860.29
Derivative financial assets	1,470,008,876.40	1,933,958,476.40
Refundable deposits	10,524,083,224.34	7,836,506,104.91
Receivables	4,306,543,737.74	3,090,165,422.15
Receivables financing	—	—
Contractual assets	—	—
Financial assets held under resale agreements	17,685,400,201.89	43,556,564,734.21
Assets held for sale	—	—
Financial Investment:	250,265,764,299.98	148,975,237,504.15
Financial assets at fair value through profit or loss	—	—
Trading financial assets	220,144,381,185.96	122,244,331,499.24
Debt investments	18,227,147,562.90	16,274,163,775.43
Available-for-sale financial assets	—	—

Items	September 30, 2019	December 31, 2018
Other debt investments	1,505,739,740.63	606,809,484.07
Other equity instrument investments	10,388,495,810.49	9,849,932,745.41
Held-to-maturity investments	—	—
Long-term equity investments	15,185,992,460.82	13,177,660,861.27
Investment properties	519,697,972.54	586,333,637.71
Fixed assets	3,590,937,659.43	3,499,127,756.91
Construction in progress	83,940,331.91	49,025,690.37
Right-of-use assets	817,272,139.27	—
Intangible assets	5,686,310,097.43	5,462,012,108.36
Goodwill	2,352,553,954.28	2,099,412,099.41
Deferred income tax assets	173,276,167.99	225,134,860.27
Other assets	4,372,814,550.57	1,814,841,287.81
Total assets	510,450,145,847.51	368,665,874,058.71
Liabilities:		
Short-term loans	1,947,056,820.97	3,015,790,687.57
Short-term margin loans	30,451,412,593.05	21,123,999,727.58
Placements from other financial institutions	8,550,960,504.07	5,813,487,101.88
Held-for-trading financial liabilities	5,730,432,002.88	5,199,989,703.32
Financial liabilities at fair value through profit or loss	—	—
Derivative financial liabilities	718,572,676.63	776,102,030.87
Financial assets sold under repurchase agreements	98,472,620,937.71	40,095,053,613.01
Securities brokerage services	82,932,010,398.14	59,492,175,533.47
Securities underwriting services	9,564,549.99	1,813,300.00
Employee benefits payables	7,976,368,935.72	7,915,032,953.00
Tax payables	1,209,942,023.76	846,735,501.48
Payables	10,812,449,922.64	7,476,963,437.89
Contract liabilities	11,603,505.79	7,441,733.86
Liabilities classified as held for sale	—	—
Provision	101,047.62	—
Long-term loans	862,421,338.42	1,698,768,893.25
Bonds payables	77,559,841,002.51	62,890,730,583.32

Items	September 30, 2019	December 31, 2018
Including: Preference shares	—	—
Perpetual bonds	—	—
Lease liabilities	800,087,452.70	—
Deferred income	—	—
Deferred income tax liabilities	1,837,379,536.63	1,810,175,478.47
Other liabilities	57,516,383,290.92	45,752,009,850.23
Total liabilities	387,399,208,540.15	263,916,270,129.20
Owners' equity (or equity of shareholders):		
Paid up capital (or share capital)	9,076,650,000.00	8,251,500,000.00
Other equity instruments	—	—
Including: Preference shares	—	—
Perpetual bonds	—	—
Capital reserve	70,234,624,039.26	58,859,859,896.75
Less: treasury shares	—	—
Other comprehensive income	814,348,988.48	179,338,036.95
Surplus reserve	4,489,830,174.82	4,489,830,174.82
General risk provision	12,456,735,115.31	12,196,945,015.12
Undistributed profits	22,874,042,644.29	19,416,103,801.35
Total equity attributable to the owners (or equity of shareholders) of the parent company	119,946,230,962.16	103,393,576,924.99
Minority interest	3,104,706,345.20	1,356,027,004.52
Total owners' equity (or equity of shareholders)	123,050,937,307.36	104,749,603,929.51
Total liabilities and owners' equity (or equity of shareholders)	510,450,145,847.51	368,665,874,058.71

Legal representative: Zhou Yi

Officer in charge of accounting: Shu Ben'e

Head of accounting department: Fei Lei

Balance Sheet of the Parent Company

September 30, 2019

Prepared by: Huatai Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	September 30, 2019	December 31, 2018
Assets:		
Monetary capital	68,268,110,712.24	42,413,315,457.84
Of which: Customer fund deposits	47,228,811,963.56	31,760,855,525.90
Clearing settlement funds	29,690,117,376.86	20,259,533,365.50
Of which: Settlement funds from customers	23,019,640,908.95	16,038,610,231.94
Precious metal	—	—
Placements with other financial institutions	—	—
Margin loans	59,785,573,864.40	45,387,682,848.93
Derivative financial assets	1,260,650,804.38	1,663,164,165.24
Refundable deposits	3,448,096,788.04	2,669,162,811.81
Receivables	2,667,079,319.28	1,609,776,988.71
Receivables financing	—	—
Contractual assets	—	—
Financial assets held under resale agreements	15,586,358,192.37	34,729,163,046.28
Assets held for sale	—	—
Financial Investment:	181,460,449,352.36	95,912,248,595.42
Financial assets at fair value through profit or loss	—	—
Trading financial assets	154,902,605,450.00	71,413,963,799.21
Debt investments	16,199,048,091.87	14,677,952,050.80
Available-for-sale financial assets	—	—
Other debt investment	—	—
Other equity instrument investments	10,358,795,810.49	9,820,332,745.41
Held-to-maturity investments	—	—
Long-term equity investments	28,544,713,171.17	26,437,213,803.79
Investment properties	1,374,656,488.21	1,426,027,913.71
Fixed assets	2,512,082,611.02	2,444,069,885.86

Items	September 30, 2019	December 31, 2018
Construction in progress	82,953,628.89	48,965,850.37
Right-of-use assets	394,138,313.98	—
Intangible assets	541,051,421.07	526,962,846.50
Goodwill	—	—
Deferred income tax assets	—	—
Other assets	845,817,159.41	1,203,876,938.88
Total assets	396,461,849,203.68	276,731,164,518.84
Liabilities:		
Short-term loans	—	—
Short-term margin loans	30,541,941,188.18	20,927,044,004.58
Placements from other financial institutions	8,550,960,504.07	5,813,487,101.88
Held-for-trading financial liabilities	701,835,336.23	1,436,004,566.67
Financial liabilities at fair value through profit or loss	—	—
Derivative financial liabilities	640,908,957.40	603,694,554.69
Financial assets sold under repurchase agreements	91,784,492,510.28	34,794,768,684.66
Securities brokerage services	66,306,262,579.23	44,673,270,293.49
Securities underwriting services	9,564,549.99	1,813,300.00
Employee benefit payables	6,137,767,571.82	5,751,455,877.68
Tax payables	1,161,086,100.64	213,347,683.65
Payables	8,822,577,230.04	5,445,646,960.08
Contract liabilities	—	—
Liabilities classified as held for sale	—	—
Provision	101,047.62	—
Long-term loans	—	—
Bonds payables	71,000,581,776.33	60,123,324,566.77
Including: Preference shares	—	—
Perpetual bonds	—	—
Lease liabilities	377,964,583.68	—
Deferred income	—	—
Deferred income tax liabilities	181,664,623.69	580,364,965.24
Other liabilities	1,728,824,000.27	1,569,854,635.84
Total liabilities	287,946,532,559.47	181,934,077,195.23

Items	September 30, 2019	December 31, 2018
Owners' equity (or equity of shareholders):		
Paid up capital (or share capital)	9,076,650,000.00	8,251,500,000.00
Other equity instruments	—	—
Including: Preference shares	—	—
Perpetual bonds	—	—
Capital reserve	69,224,038,842.15	58,621,922,798.33
Less: treasury shares	—	—
Other comprehensive income	201,013,249.94	-238,269,630.14
Surplus reserve	4,489,830,174.82	4,489,830,174.82
General risk provision	9,191,569,164.13	9,191,569,164.13
Undistributed profits	16,332,215,213.17	14,480,534,816.47
Total owners' equity (or equity of shareholders)	108,515,316,644.21	94,797,087,323.61
Total liabilities and owners' equity (or equity of shareholders)	396,461,849,203.68	276,731,164,518.84

Legal representative: Zhou Yi

Officer in charge of accounting: Shu Ben'e

Head of accounting department: Fei Lei

Consolidated Income Statement

January to September 2019

Prepared by: Huatai Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	Third quarter of 2019 (July to September)	Third quarter of 2018 (July to September)	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
I. Operating income	6,643,177,750.41	4,303,106,958.64	17,749,900,364.96	12,519,243,640.36
Net interest income	387,344,435.28	687,117,990.69	1,655,280,854.97	1,996,692,349.16
Of which: Interest income	2,184,673,013.55	2,236,138,751.64	6,401,282,028.33	7,075,839,330.43
Interest expense	1,797,328,578.27	1,549,020,760.95	4,746,001,173.36	5,079,146,981.27
Net fee and commission income	2,403,842,801.07	1,905,181,089.38	6,866,593,312.58	5,801,824,045.29
Of which: Net fee income from brokerage business	974,576,805.89	779,672,292.15	3,217,104,454.49	2,639,771,626.99
Net fee income from investment banking business	596,465,616.69	447,678,086.31	1,200,397,710.43	1,255,367,467.15
Net fee income from asset management business	788,702,418.68	662,719,749.07	2,188,081,059.52	1,841,632,652.96
Investment gains ("-" indicating losses)	2,750,053,671.62	-65,470,716.48	5,922,367,862.82	2,118,898,378.51
Of which: Gains from investments in associates and joint ventures	868,821,944.21	218,121,746.03	2,148,966,267.34	1,185,475,433.39
Gains on derecognition of financial assets measured at amortized cost ("-" indicating losses)	—	—	980,210.99	—
Net exposure hedging gains ("-" indicating losses)	—	—	—	—
Other gains	169,617,317.48	12,303,957.57	187,396,054.77	159,984,872.78
Gains from change in fair value ("-" indicating losses)	639,971,814.28	1,637,430,019.44	2,179,202,076.50	1,982,239,713.58
Foreign exchange gains ("-" indicating losses)	15,504,325.81	35,861,557.58	70,574,910.92	31,896,537.20

Items	Third quarter of 2019 (July to September)	Third quarter of 2018 (July to September)	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
Other business income	276,268,116.16	90,625,626.72	868,041,771.68	427,083,988.15
Gains from disposal of assets ("-" indicating losses)	575,268.71	57,433.74	443,520.72	623,755.69
II. Total operating expenses	3,608,917,431.06	2,502,787,556.26	9,300,554,523.46	6,698,783,872.25
Tax and surcharges	37,101,184.18	35,297,928.76	114,152,591.62	107,908,573.89
Business and administrative expenses	2,886,472,584.79	2,239,618,935.77	7,808,558,147.15	6,042,837,375.52
Asset impairment loss	—	—	—	—
Credit impairment loss	447,671,305.78	168,648,099.41	594,392,207.18	229,156,633.78
Impairment losses on other assets	2,426,753.82	-1,889,476.65	359,310.98	143,603.60
Other business costs	235,245,602.49	61,112,068.97	783,092,266.53	318,737,685.46
III. Operating profit ("-" indicating loss)	3,034,260,319.35	1,800,319,402.38	8,449,345,841.50	5,820,459,768.11
Add: Non-operating income	2,755,022.58	-1,986,411.26	15,206,686.41	3,415,106.30
Less: Non-operating expenses	6,762,916.64	14,674,439.80	16,258,103.36	19,735,381.19
IV. Total profit ("-" indicating loss)	3,030,252,425.29	1,783,658,551.32	8,448,294,424.55	5,804,139,493.22
Less: Income tax expenses	642,212,620.21	397,180,843.17	1,960,153,840.94	1,211,176,204.11
V. Net profit ("-" indicating loss)	2,388,039,805.08	1,386,477,708.15	6,488,140,583.61	4,592,963,289.11
(I) Classified by continuity of operations	2,388,039,805.08	1,386,477,708.15	6,488,140,583.61	4,592,963,289.11
1. Net profit from continuing operations ("-" indicating losses)	2,388,039,805.08	1,386,477,708.15	6,488,140,583.61	4,592,963,289.11
2. Net profit from discontinued operations ("-" indicating losses)	—	—	—	—
(II) Classified by ownership of equity	2,388,039,805.08	1,386,477,708.15	6,488,140,583.61	4,592,963,289.11
1. Net profit attributable to owners of the parent company ("-" indicating losses)	2,383,792,165.63	1,320,905,036.15	6,440,723,943.13	4,479,803,439.20
2. Profit or loss of minority interest ("-" indicating losses)	4,247,639.45	65,572,672.00	47,416,640.48	113,159,849.91
VI. Other comprehensive income, net of tax	59,866,983.04	626,962,976.05	707,574,669.24	377,733,719.59
Other comprehensive income after tax attributable to owners of the parent company, net	-32,330,381.61	623,393,073.55	635,010,951.53	374,237,926.19
(I) Other comprehensive income that cannot be reclassified to profit and loss	-103,336,605.92	217,116,037.06	403,847,298.79	-114,342,073.01
1. Changes in amount of re-measurement of defined benefit plan	—	—	—	—
2. Other comprehensive income that cannot be transferred to profit or loss under equity method	—	—	—	—

Items	Third quarter of 2019 (July to September)	Third quarter of 2018 (July to September)	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
3. Changes in fair value of investments in other equity instruments	-103,336,605.92	217,116,037.06	403,847,298.79	-114,342,073.01
4. Change in fair value of the enterprise's own credit risk	—	—	—	—
(II) Other comprehensive income that cannot be reclassified to profit and loss	71,006,224.31	406,277,036.49	231,163,652.74	488,579,999.20
1. Other comprehensive income that cannot be transferred to profit and loss under equity method	-60,844,963.59	10,131,504.91	35,435,581.29	12,228,616.43
2. Changes in fair value of other debt investments	-10,392,756.79	—	18,187,652.33	—
3. Gains and losses from changes in fair value of available-for-sale financial assets	—	—	—	—
4. Amounts included in other comprehensive income on reclassification of financial assets	—	—	—	—
5. Gains or losses on re-classification of held-to-maturity investment into available-for-sale financial assets	—	—	—	—
6. Provision for credit losses of other debt investments	-744,195.60	—	—	—

Items	Third quarter of 2019 (July to September)	Third quarter of 2018 (July to September)	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
7. Reserve for hedge against cash flow (effective part of profit or loss from hedge against cash flow)	—	—	—	—
8. Exchange differences from translation of financial statements denominated in foreign currencies	142,988,140.29	396,145,531.58	177,540,419.12	476,351,382.77
9. Others	—	—	—	—
Other comprehensive income after tax attributable to minority interest, net	92,197,364.65	3,569,902.50	72,563,717.71	3,495,793.40
VII. Total comprehensive income	2,447,906,788.12	2,013,440,684.20	7,195,715,252.85	4,970,697,008.70
Total comprehensive income attributable to owners of the parent company	2,351,461,784.02	1,944,298,109.70	7,075,734,894.66	4,854,041,365.39
Total comprehensive income attributable to minority interest	96,445,004.10	69,142,574.50	119,980,358.19	116,655,643.31
VIII. Earnings per share:				
(I) Basic earnings per share (RMB/share)	0.26	0.17	0.75	0.61
(II) Diluted earnings per share (RMB/share)	0.26	0.17	0.75	0.61

Legal representative: Zhou Yi   Officer in charge of accounting: Shu Ben'e   Head of accounting department: Fei Lei

Income Statement of the Parent Company

January to September 2019

Prepared by: Huatai Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	Third quarter of 2019 (July to September)	Third quarter of 2018 (July to September)	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
I. Operating income	3,408,884,207.32	2,548,115,232.30	10,322,116,685.15	8,075,968,290.12
Net interest income	210,592,919.90	466,660,006.47	1,125,752,269.79	1,426,233,301.96
Of which: Interest income	1,840,214,224.85	1,902,466,514.52	5,382,419,035.12	6,189,109,205.09
Interest expenses	1,629,621,304.95	1,435,806,508.05	4,256,666,765.33	4,762,875,903.13
Net fee and commission income	966,243,458.67	752,372,097.33	3,286,665,634.11	2,557,522,189.42
Of which: Net fee income from brokerage business	863,807,460.88	663,647,478.82	2,982,822,508.82	2,380,859,055.78
Net fee income from investment banking business	84,449,367.23	76,463,516.20	243,837,464.86	118,720,657.66
Net fee income from asset management business	—	—	—	—
Investment gains ("-" indicating losses)	1,760,532,596.25	-42,184,280.66	4,327,668,895.04	2,394,772,971.48
Of which: Gains from investments in associates and joint ventures	348,321,873.64	312,294,495.72	823,582,101.09	944,862,999.11
Gains on derecognition of financial assets measured at amortized cost ("-" indicating losses)	—	—	980,210.99	—
Net exposure hedging gains ("-" indicating losses)	—	—	—	—
Other gains	6,817,546.33	5,250,665.81	15,588,139.84	26,069,223.27
Gains from change in fair value ("-" indicating losses)	403,444,572.47	1,292,304,951.53	1,424,224,301.88	1,536,260,035.78

Items	Third quarter of 2019 (July to September)	Third quarter of 2018 (July to September)	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
Foreign exchange gains ("-" indicating losses)	15,318,719.05	36,246,463.49	60,629,898.15	42,421,539.32
Other business income	45,339,656.32	37,458,355.09	81,201,991.16	92,011,626.92
Gains from disposal of assets ("-" indicating losses)	594,738.33	6,973.24	385,555.18	677,401.97
II. Total operating expenses	1,864,603,959.66	1,314,630,165.55	4,751,455,705.33	3,260,151,643.77
Tax and surcharges	31,338,840.89	28,689,182.86	101,025,760.88	90,456,761.54
Business and administrative expenses	1,507,958,429.90	1,098,983,902.59	4,154,355,955.23	2,882,262,818.95
Asset impairment loss	—	—	—	—
Credit impairment loss	313,091,008.09	173,023,413.88	459,185,813.77	243,797,893.29
Impairment losses on other assets	—	—	—	—
Other business costs	12,215,680.78	13,933,666.22	36,888,175.45	43,634,169.99
III. Operating profit ("-" indicating loss)	1,544,280,247.66	1,233,485,066.75	5,570,660,979.82	4,815,816,646.35
Add: Non-operating income	1,629,195.19	-2,447,270.94	8,778,062.73	2,801,127.35
Less: Non-operating expenses	4,946,022.68	6,385,699.07	7,780,494.92	10,207,044.58
IV. Total profit ("-" indicating loss)	1,540,963,420.17	1,224,652,096.74	5,571,658,547.63	4,808,410,729.12
Less: Income tax expenses	298,159,038.86	224,014,400.24	996,983,150.93	597,497,851.70
V. Net profit ("-" indicating loss)	1,242,804,381.31	1,000,637,696.50	4,574,675,396.70	4,210,912,877.42
(I) Net profit from continuing operations ("-" indicating losses)	1,242,804,381.31	1,000,637,696.50	4,574,675,396.70	4,210,912,877.42
(II) Net profit from discontinued operations ("-" indicating losses)	—	—	—	—

Items	Third quarter of 2019 (July to September)	Third quarter of 2018 (July to September)	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
VI. Other comprehensive income net of tax	-164,181,569.51	227,247,541.97	439,282,880.08	-114,338,456.58
(I) Other comprehensive income that cannot be reclassified to profit and loss	-103,336,605.92	217,116,037.06	403,847,298.79	-126,567,073.01
1. Changes in re-measurement of defined benefit plans	—	—	—	—
2. Other comprehensive income that cannot be transferred to profit or loss under equity method	—	—	—	—
3. Changes in fair value of investments in other equity instruments	-103,336,605.92	217,116,037.06	403,847,298.79	-126,567,073.01
4. Changes in fair value of own credit risk	—	—	—	—
(II) Other comprehensive income that cannot be reclassified to profit and loss	-60,844,963.59	10,131,504.91	35,435,581.29	12,228,616.43
1. Other comprehensive income that will be transferred to profit or loss under equity method	-60,844,963.59	10,131,504.91	35,435,581.29	12,228,616.43
2. Change in fair value of other debt investments	—	—	—	—
3. Gains and losses from changes in fair value of available-for-sale financial assets	—	—	—	—
4. Amounts included in other comprehensive income on reclassification of financial assets	—	—	—	—
5. Gains or losses on re-classification of held-to-maturity investment into available-for-sale financial assets	—	—	—	—
6. Provision for credit loss of other debt investments	—	—	—	—

Items	Third quarter of 2019 (July to September)	Third quarter of 2018 (July to September)	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
7. Reserve for hedge against cash flow (effective part of profit and loss from hedge against cash flow)	—	—	—	—
8. Exchange differences from translation of financial statements denominated in foreign currencies	—	—	—	—
9. Others	—	—	—	—
VII. Total comprehensive income	1,078,622,811.80	1,227,885,238.47	5,013,958,276.78	4,096,574,420.84
VIII. Earnings per share:				
(I) Basic earnings per share (RMB/share)	—	—	—	—
(II) Diluted earnings per share (RMB/share)	—	—	—	—

Legal representative: Zhou Yi

Officer in charge of accounting: Shu Ben'e

Head of accounting department: Fei Lei

Consolidated Cash Flow Statement

January to September 2019

Prepared by: Huatai Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
I. Cash flows from operating activities:		
Cash received from sale of goods or rendering of services	–	–
Net increase in placements from other financial institutions	–	–
Cash received from interest, fees and commissions	17,439,894,141.36	13,712,584,906.48
Net increase in placements	2,754,576,163.10	1,838,408,919.20
Net decrease in margin accounts	–	13,153,293,772.19
Net increase in cash from repurchase business	74,776,609,988.77	28,174,357,600.61
Net cash received from securities brokerage services	23,435,462,675.59	–
Cash received relating to other operating activities	23,642,356,044.61	3,325,979,061.28
Subtotal of cash inflows from operating activities	142,048,899,013.43	60,204,624,259.76
Net increase in margin accounts	14,251,943,586.29	–
Net increase in financial assets held for trading purposes	95,487,947,053.35	7,391,077,833.99
Net increase in placements with other financial institutions	–	–
Net increase in financial assets purchased under resale agreements	–	–
Net cash paid for securities brokerage services	–	6,605,074,201.98
Cash paid for interest, fees and commissions	3,967,337,742.88	4,534,506,251.87
Cash paid to and paid for employees	5,133,656,327.94	4,988,749,815.26
Taxes paid	1,874,529,006.23	1,508,896,499.11
Cash paid relating to other operating activities	12,388,396,108.79	8,871,722,699.65
Subtotal of cash outflows from operating activities	133,103,809,825.48	33,900,027,301.86
Net cash flow from operating activities	8,945,089,187.95	26,304,596,957.90
II. Cash flows from investing activities:		
Cash received from disposal of investments	174,100,830.15	–
Cash received from investment returns	589,682,411.46	511,721,489.03

Items	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	–	–
Net cash received from disposal of subsidiaries and other business units	–	–
Cash received relating to other investing activities	1,452,794.78	171,372,208.89
Subtotal of cash inflows from investing activities	765,236,036.39	683,093,697.92
Cash paid for investments	1,942,876,768.72	14,636,995,178.96
Cash paid for purchase of fixed assets, intangible assets and other long-term assets	1,033,802,133.39	610,236,485.98
Net cash paid for acquisition of subsidiaries and other business units	646,354,013.52	18,150,000.00
Cash paid relating to other investing activities	207,715,132.00	2,686,624.20
Subtotal of cash outflows from investing activities	3,830,748,047.63	15,268,068,289.14
Net cash flow from investing activities	-3,065,512,011.24	-14,584,974,591.22
III. Cash flows from financing activities:		
Proceeds from investments	13,620,372,744.40	14,207,942,160.00
Of which: Cash contribution from minority interest to subsidiaries	2,033,711,336.44	–
Proceeds from borrowings	–	1,224,754,007.75
Proceeds from issuance of bonds	87,537,661,096.53	36,999,220,000.00
Cash received relating to other financing activities	–	–
Subtotal of cash inflows from financing activities	101,158,033,840.93	52,431,916,167.75
Cash repayments of borrowings	66,665,223,646.42	57,562,260,000.00
Cash paid for dividends, profits or interest	5,066,772,991.72	3,339,549,353.42
Of which: Dividends and profits paid to minority interest by subsidiaries	648,000.00	–
Cash paid relating to other financing activities	176,736,497.14	74,736,488.79
Subtotal of cash outflows from financing activities	71,908,733,135.28	60,976,545,842.21
Net cash flow from financing activities	29,249,300,705.65	-8,544,629,674.46
IV. Effect of exchange rate changes on cash and cash equivalents	305,384,762.56	147,589,482.89
V. Net increase in cash and cash equivalents	35,434,262,644.92	3,322,582,175.11
Add: Balance of cash and cash equivalents at the beginning of the period	99,628,861,431.84	96,682,132,974.24
VI.Balance of cash and cash equivalents at the end of the period	135,063,124,076.76	100,004,715,149.35

Legal representative: Zhou Yi   Officer in charge of accounting: Shu Ben'e   Head of accounting department: Fei Lei

Cash Flow Statement of the Parent Company

January to September 2019

Prepared by: Huatai Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
I. Cash flows from operating activities:		
Cash received from sale of goods or rendering of services	–	–
Net increase in placements from other financial institutions	–	–
Cash received from interest, fees and commissions	11,630,524,458.32	9,385,600,815.33
Net increase in placements	2,754,576,163.10	1,838,408,919.20
Net decrease in margin accounts	–	13,530,235,885.65
Net increase in cash from repurchase business	73,294,823,009.53	21,972,947,336.18
Net cash received from securities brokerage services	21,633,921,818.04	–
Cash received relating to other operating activities	4,389,579,112.08	1,630,258,677.42
Subtotal of cash inflows from operating activities	113,703,424,561.07	48,357,451,633.78
Net increase in margin accounts	14,251,943,586.29	–
Net increase in financial assets held for trading purposes	80,037,880,701.51	11,819,717,005.14
Net increase in placements with other financial institutions	–	–
Net increase in financial assets purchased under resale agreements	–	–
Net cash paid for securities brokerage services	–	3,171,962,325.62
Cash paid for interest, fees and commissions	3,313,389,725.24	2,938,426,869.15
Cash paid to and paid for employees	2,472,951,616.85	2,532,070,549.63
Taxes paid	849,220,833.68	911,212,393.72
Cash paid relating to other operating activities	2,723,186,241.72	3,405,922,775.44
Subtotal of cash outflows from operating activities	103,648,572,705.29	24,779,311,918.70
Net cash flow from operating activities	10,054,851,855.78	23,578,139,715.08
II. Cash flows from investing activities:		
Cash received from disposal of investments	–	25,425,000.00
Cash received from investment returns	1,190,206,378.21	1,974,095,489.03

Items	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	–	–
Cash received relating to other investing activities	1,243,272.60	3,522,527.66
Subtotal of cash inflows from investing activities	1,191,449,650.81	2,003,043,016.69
Cash paid for investments	1,584,011,053.84	14,636,995,178.96
Cash paid for purchase of fixed assets, intangible assets and other long-term assets	488,807,908.48	492,566,340.19
Net Cash received from disposal of subsidiaries and other business units	1,526,622,240.00	513,330,201.89
Cash paid relating to other investing activities	–	–
Subtotal of cash outflows from investing activities	3,599,441,202.32	15,642,891,721.04
Net cash flow from investing activities	-2,407,991,551.51	-13,639,848,704.35
III. Cash flows from financing activities:		
Proceeds from investments	11,586,661,407.96	14,207,942,160.00
Proceeds from borrowings	–	–
Proceeds from issuance of bonds	84,666,990,000.00	37,049,220,000.00
Cash received relating to other financing activities	–	–
Subtotal of cash inflows from financing activities	96,253,651,407.96	51,257,162,160.00
Cash repayments of borrowings	65,367,384,000.00	57,562,260,000.00
Cash paid for dividends, profits or interest	4,887,363,031.67	3,250,111,926.17
Cash paid relating to other financing activities	134,295,836.45	74,736,488.79
Subtotal of cash outflows from financing activities	70,389,042,868.12	60,887,108,414.96
Net cash flow from financing activities	25,864,608,539.84	-9,629,946,254.96
IV. Effect of exchange rate changes on cash and cash equivalents	60,629,898.15	-1,813,198.69
V. Net increase in cash and cash equivalents	33,572,098,742.26	306,531,557.08
Add: Balance of cash and cash equivalents at the beginning of the period	70,528,807,525.75	70,167,178,730.22
VI. Balance of cash and cash equivalents at the end of the period	104,100,906,268.01	70,473,710,287.30

Legal representative: Zhou Yi   Officer in charge of accounting: Shu Ben’e   Head of accounting department: Fei Lei

4.2 Information on the adjustment to the relevant items in financial statements as at the beginning of the year as a result of the initial adoption of the new standards for financial instruments, the new standards for revenue and the new standards for lease

☐ Applicable √ Not applicable

Consolidated Balance Sheet

Prepared by: Huatai Securities Co., Ltd.

Unit: Yuan Currency: RMB

Item	December 31, 2018	January 1, 2019	Adjusted amounts
Assets:			
Monetary capital	71,102,643,314.51	71,102,643,314.51	—
Of which: Customer fund deposits	42,902,018,376.63	42,902,018,376.63	—
Clearing settlement funds	19,068,365,339.98	19,068,365,339.98	—
Of which: Settlement funds from customers	16,044,994,914.66	16,044,994,914.66	—
Precious metal	—	—	—
Placements with other financial institutions	—	—	—
Margin loans	46,188,884,860.29	46,188,884,860.29	—
Derivative financial assets	1,933,958,476.40	1,933,958,476.40	—
Refundable deposits	7,836,506,104.91	7,836,506,104.91	—
Receivables	3,090,165,422.15	3,090,165,422.15	—
Receivable financing	—	—	—
Contract assets	—	—	—
Financial assets held under resale agreements	43,556,564,734.21	43,556,564,734.21	—
Assets held for sale	—	—	—
Financial investments:	148,975,237,504.15	148,975,237,504.15	—
Financial assets at fair value through profit or loss	—	—	—
Trading financial assets	122,244,331,499.24	122,244,331,499.24	—
Debt investments	16,274,163,775.43	16,274,163,775.43	—
Available-for-sale financial assets	—	—	—
Other debt investments	606,809,484.07	606,809,484.07	—
Other equity instrument investments	9,849,932,745.41	9,849,932,745.41	—
Held-to-maturity investments	—	—	—
Long-term equity investments	13,177,660,861.27	13,177,660,861.27	—
Investment properties	586,333,637.71	586,333,637.71	—

Item	December 31, 2018	January 1, 2019	Adjusted amounts
Fixed assets	3,499,127,756.91	3,499,127,756.91	—
Construction in progress	49,025,690.37	49,025,690.37	—
Right-of-use assets	—	725,265,299.88	725,265,299.88
Intangible assets	5,462,012,108.36	5,462,012,108.36	—
Goodwill	2,099,412,099.41	2,099,412,099.41	—
Deferred income tax assets	225,134,860.27	225,134,860.27	—
Other assets	1,814,841,287.81	1,796,900,620.26	-17,940,667.55
Total assets	368,665,874,058.71	369,373,198,691.04	707,324,632.33
Liabilities:			
Short-term loans	3,015,790,687.57	3,015,790,687.57	—
Short-term margin loans	21,123,999,727.58	21,123,999,727.58	—
Placements from other financial institutions	5,813,487,101.88	5,813,487,101.88	—
Trading financial liabilities	5,199,989,703.32	5,199,989,703.32	—
Financial liabilities at fair value through profit or loss	—	—	—
Derivative financial liabilities	776,102,030.87	776,102,030.87	—
Financial assets sold under repurchase agreements	40,095,053,613.01	40,095,053,613.01	—
Securities brokerage services	59,492,175,533.47	59,492,175,533.47	—
Securities underwriting services	1,813,300.00	1,813,300.00	—
Employee benefits payables	7,915,032,953.00	7,915,032,953.00	—
Tax payables	846,735,501.48	846,735,501.48	—
Payables	7,476,963,437.89	7,476,963,437.89	—
Contract liabilities	7,441,733.86	7,441,733.86	—
Assets held for sale	—	—	—
Estimated liabilities	—	101,047.62	101,047.62
Long-term loans	1,698,768,893.25	1,698,768,893.25	—
Bonds payables	62,890,730,583.32	62,890,730,583.32	—
Of which: Preference shares	—	—	—
Perpetual bonds	—	—	—
Lease liabilities	—	707,223,584.71	707,223,584.71
Deferred income	—	—	—

Item	December 31, 2018	January 1, 2019	Adjusted amounts
Deferred income tax liabilities	1,810,175,478.47	1,810,175,478.47	—
Other liabilities	45,752,009,850.23	45,752,009,850.23	—
Total liabilities	263,916,270,129.20	264,623,594,761.53	707,324,632.33
Owners' equity (or equity of shareholders):			
Paid up capital (or share capital)	8,251,500,000.00	8,251,500,000.00	—
Other equity instrument	—	—	—
Of which: Preference shares	—	—	—
Perpetual bonds	—	—	—
Capital reserve	58,859,859,896.75	58,859,859,896.75	—
Less: treasury shares	—	—	—
Other comprehensive income	179,338,036.95	179,338,036.95	—
Surplus reserve	4,489,830,174.82	4,489,830,174.82	—
General risk provision	12,196,945,015.12	12,196,945,015.12	—
Undistributed profits	19,416,103,801.35	19,416,103,801.35	—
Total equity attributable to the owners (or equity of shareholders) of the parent company	103,393,576,924.99	103,393,576,924.99	—
Minority interest	1,356,027,004.52	1,356,027,004.52	—
Total owners' equity (or equity of shareholders)	104,749,603,929.51	104,749,603,929.51	—
Total liabilities and owners' equity (or equity of shareholders)	368,665,874,058.71	369,373,198,691.04	707,324,632.33

Description of adjustment of each item:

□ Applicable √ Not applicable

Balance Sheet of the Parent Company

Prepared by: Huatai Securities Co., Ltd.

Unit: Yuan Currency: RMB

Item	December 31, 2018	January 1, 2019	Adjusted amounts
Assets:			
Monetary capital	42,413,315,457.84	42,413,315,457.84	—
Of which: Customer fund deposits	31,760,855,525.90	31,760,855,525.90	—
Clearing settlement funds	20,259,533,365.50	20,259,533,365.50	—
Of which: Settlement funds from customers	16,038,610,231.94	16,038,610,231.94	—
Precious metal	—	—	—
Placements with other financial institutions	—	—	—
Margin loans	45,387,682,848.93	45,387,682,848.93	—
Derivative financial assets	1,663,164,165.24	1,663,164,165.24	—
Refundable deposits	2,669,162,811.81	2,669,162,811.81	—
Receivables	1,609,776,988.71	1,609,776,988.71	—
Receivable financing	—	—	—
Contract assets	—	—	—
Financial assets held under resale agreements	34,729,163,046.28	34,729,163,046.28	—
Assets held for sale	—	—	—
Financial investments:	95,912,248,595.42	95,912,248,595.42	—
Financial assets at fair value through profit or loss	—	—	—
Trading financial assets	71,413,963,799.21	71,413,963,799.21	—
Debt investments	14,677,952,050.80	14,677,952,050.80	—
Available-for-sale financial assets	—	—	—
Other debt investments	—	—	—
Other equity instrument investments	9,820,332,745.41	9,820,332,745.41	—
Held-to-maturity investments	—	—	—
Long-term equity investments	26,437,213,803.79	26,437,213,803.79	—
Investment properties	1,426,027,913.71	1,426,027,913.71	—

Item	December 31, 2018	January 1, 2019	Adjusted amounts
Fixed assets	2,444,069,885.86	2,444,069,885.86	—
Construction in progress	48,965,850.37	48,965,850.37	—
Right-of-use assets	—	438,953,351.46	438,953,351.46
Intangible assets	526,962,846.50	526,962,846.50	—
Goodwill	—	—	—
Deferred income tax assets	—	—	—
Other assets	1,203,876,938.88	1,188,529,343.35	-15,347,595.53
Total assets	276,731,164,518.84	277,154,770,274.77	423,605,755.93
Liabilities:			
Short-term loans	—	—	—
Short-term margin loans	20,927,044,004.58	20,927,044,004.58	—
Placements from other financial institutions	5,813,487,101.88	5,813,487,101.88	—
Trading financial liabilities	1,436,004,566.67	1,436,004,566.67	—
Financial liabilities at fair value through profit or loss	—	—	—
Derivative financial liabilities	603,694,554.69	603,694,554.69	—
Financial assets sold under repurchase agreements	34,794,768,684.66	34,794,768,684.66	—
Securities brokerage services	44,673,270,293.49	44,673,270,293.49	—
Securities underwriting services	1,813,300.00	1,813,300.00	—
Employee benefits payables	5,751,455,877.68	5,751,455,877.68	—
Tax payables	213,347,683.65	213,347,683.65	—
Payables	5,445,646,960.08	5,445,646,960.08	—
Contract liabilities	—	—	—
Assets held for sale	—	—	—
Estimated liabilities	—	101,047.62	101,047.62
Long-term loans	—	—	—
Bonds payables	60,123,324,566.77	60,123,324,566.77	—
Of which: Preference shares	—	—	—
Perpetual bonds	—	—	—
Lease liabilities	—	423,504,708.31	423,504,708.31
Deferred income	—	—	—

Item	December 31, 2018	January 1, 2019	Adjusted amounts
Deferred income tax liabilities	580,364,965.24	580,364,965.24	—
Other liabilities	1,569,854,635.84	1,569,854,635.84	—
Total liabilities	181,934,077,195.23	182,357,682,951.16	423,605,755.93
Owners' equity (or equity of shareholders):			
Paid up capital (or share capital)	8,251,500,000.00	8,251,500,000.00	—
Other equity instrument	—	—	—
Of which: Preference shares	—	—	—
Perpetual bonds	—	—	—
Capital reserve	58,621,922,798.33	58,621,922,798.33	—
Less: treasury shares	—	—	—
Other comprehensive income	-238,269,630.14	-238,269,630.14	—
Surplus reserve	4,489,830,174.82	4,489,830,174.82	—
General risk provision	9,191,569,164.13	9,191,569,164.13	—
Undistributed profits	14,480,534,816.47	14,480,534,816.47	—
Total owners' equity (or equity of shareholders)	94,797,087,323.61	94,797,087,323.61	—
Total liabilities and owners' equity (or equity of shareholders)	276,731,164,518.84	277,154,770,274.77	423,605,755.93

Description of adjustment of each item:

□ Applicable √ Not applicable

4.3 Description of the retrospective adjustments to comparative data for the previous period arising from the initial adoption of the new standards for financial instruments and the new standards of lease

□ Applicable √ Not applicable

4.4 Audit report

□ Applicable √ Not applicable