Everbright Securities Company Limited
光大證券股份有限公司
(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 6178)

ANNOUNCEMENT ON EXPECTED INCREASE IN ANNUAL RESULTS FOR 2019

This announcement is made by Everbright Securities Company Limited (the "**Company**") pursuant to the Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")) under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and Rule 13.09 and Rule 13.10B of the Listing Rules.

The key financial data and indicators of the Company for 2019 as set out in this announcement are prepared in accordance with the PRC Accounting Standards for Business Enterprises, which are preliminary accounting data and have not been audited. The final data should be those to be disclosed in the 2019 annual report of the Company. Investors are reminded of the investment risks.

I. PRELIMINARY RESULTS FOR THE PERIOD

1. Period of Preliminary Results

January 1, 2019 to December 31, 2019.

2. Key Financial Data and Indicators for 2019 (Consolidated)

Unit: RMB' 0,000

Items	2019	2018	Increase/Decrease (%)
Operating income	997,622	771,228	29.36
Operating profit	284,344	172,343	64.99
Total profit	125,417	30,544	310.61
Net profit attributable to shareholders of the listed company	55,353	10,332	435.74
Net profit attributable to shareholders of the listed company after deducting non-recurring profit or loss	196,615	100,572	95.50
Basic earnings per share (RMB/share)	0.12	0.02	435.74
Weighted average return on net assets (%)	1.17	0.21	Increase by 0.96 percentage point

	December 31, 2019	December 31, 2018	Increase/Decrease (%)
Total assets	20,379,251	20,577,904	-0.97
Net assets attributable to shareholders of the listed company	4,742,498	4,720,303	0.47
Share capital	461,079	461,079	–
Net assets per share attributable to shareholders of the listed company (RMB/share)	10.29	10.24	0.47

II. MAJOR REASONS FOR EXPECTED INCREASE IN ANNUAL RESULTS FOR THE PERIOD

1. In 2019, the economy remained generally stable, the capital market reform continued while the securities market witnessed a rebound. The Company actively grasped market opportunities, adhered to value investments, enhanced its active management and was dedicated to serve the real economy. The revenues generated from securities investment, asset management and investment banking and other businesses achieved a relatively significant increase.

2. In order to truthfully and fairly reflect the financial condition of the Company and its operating results, the Company carried out an assessment to MPS event involved by the Company's wholly-owned subsidiary, Everbright Capital Investment Co., Ltd. (光大資本投資有限公司) ("**Everbright Capital**") and its progress. The Company has made provisions of RMB1,602 million in 2019 as announced in the announcements Lin 2019-051 and Lin 2020-015. In addition, the Company assessed collateralized stock repurchase, bond reverse-repurchase business, goodwill, debt and other business and assets within the scope of consolidation, after taking into account the repayment ability of the financier in repurchase business, the value of the pledged property and other credit enhancement measures, and the recoverable amount of the corresponding asset portfolio of the goodwill, the bond issuer's credit status and the recoverability of the creditor's rights, made provisions for the individual significant asset impairments of RMB1,406 million in 2019 as disclosed in the announcements Lin 2019-051, Lin 2020-004 and Lin 2020-015. The abovementioned provisions had a certain impact on the Company's operating results in 2019.

3. The net profit attributable to shareholders of the listed company after deducting non-recurring profit or loss for the year ended December 31, 2019 is expected to be RMB1,966 million. The non-recurring profit or loss of the listed company decreased by RMB1,602 million due to the provision made for the expected liabilities of MPS event and influence of other consolidated non-recurring items. The net profit attributable to shareholders of the listed company is expected to be RMB554 million.

III. RISK WARNING

The key financial data for 2019 as set out in this announcement are preliminary accounting data and the key indicators such as the net profit attributable to shareholders of the Company may differ from those to be disclosed in the 2019 annual report of the Company. Investors are reminded of the investment risks.

IV. OTHERS

The preliminary data above have not been audited. The final financial data should be those to be disclosed in the audited 2019 annual report of the Company. Investors are reminded of the investment risks.

By order of the Board
Everbright Securities Company Limited
Yan Jun
Chairman

Shanghai, the PRC
January 22, 2020

As at the date of this announcement, the Board of the Company comprises Mr. Yan Jun (Chairman, Executive Director), Mr. Song Bingfang (Non-executive Director), Mr. Yin Lianchen (Non-executive Director), Mr. Chan Ming Kin (Non-executive Director), Mr. Xue Keqing (Non-executive Director), Mr. Meng Xiangkai (Non-executive Director), Mr. Xu Jingchang (Independent Non-executive Director), Mr. Xiong Yan (Independent Non-executive Director), Mr. Li Zheping (Independent Non-executive Director), Mr. Au Sing Kun (Independent Non-executive Director) and Mr. Wang Yong (Independent Non-executive Director).