中信建投証券股份有限公司
CSC FINANCIAL CO., LTD.

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 6066)

2020 FIRST QUARTERLY RESULTS

This announcement is made pursuant to the disclosure obligations under Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and 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).

Summary of the unaudited results of the Group for the first quarter ended 31 March 2020:

- For the first quarter of 2020, the Group recorded an operating revenue of RMB4,381,718,138.78. The net profit attributable to the equity holders of the Company amounted to RMB1,950,802,866.30.
- This results report was prepared in accordance with the relevant disclosure requirements applicable to quarterly reports of listed companies issued by the CSRC.
- The financial information contained in this results report was prepared in accordance with the PRC GAAP.
- Unless otherwise indicated, Renminbi is the recording currency in this report.

The contents of this results report are consistent with the relevant announcement published by the Company on the Shanghai Stock Exchange. This announcement is published simultaneously in Hong Kong and Mainland China.

I. IMPORTANT NOTICE

1.1 The board of directors and the supervisory committee, together with the directors, supervisors and senior management of CSC Financial Co., Ltd. (the "**Company**") warrant the truthfulness, accuracy and completeness of this quarterly report and that there is no false representation, misleading statement contained herein or material omission from this quarterly report, and for which they will assume joint and several legal liabilities.

1.2 This quarterly report was considered and approved at the 21st meeting of the second session of the board of directors of the Company. All directors of the Company attended the board meeting, and none of the directors raised any objection to this report.

1.3 WANG Changqing, chairman of the Company, and LI Geping, general manager and chief financial officer, and ZHAO Ming, head of the Company's accounting department, warrant that the financial statements set out in this quarterly report are true, accurate and complete.

1.4 The financial information set out in this quarterly report is unaudited.

1.5 "Reporting Period" refers to January to March 2020.

II. BASIC INFORMATION OF THE COMPANY

2.1 Key financial data

In RMB Yuan

	As at the end of the Reporting Period (March 31, 2020)	As at the end of last year (December 31, 2019)	**Increase/decrease as at the end of the Reporting Period as compared to the end of last year** *(%)*
Total assets	**287,013,960,879.13**	285,669,623,807.02	0.47
Equity attributable to equity holders of the Company	**58,616,872,604.84**	56,581,919,227.39	3.60

	From the beginning of the year to the end of the Reporting Period (January to March 2020)	From the beginning of last year to the end of the reporting period of last year (January to March 2019)	**Change as compared to the same period of last year** *(%)*
Net cash flows from operating activities	**-17,838,346,895.87**	20,426,880,538.94	-187.33

	From the beginning of the year to the end of the Reporting Period (January to March 2020)	From the beginning of last year to the end of the reporting period of last year (January to March 2019)	**Change as compared to the same period of last year** (%)
Operating revenue	**4,381,718,138.78**	3,107,663,328.89	41.00
Net profit attributable to equity holders of the Company	**1,950,802,866.30**	1,487,918,070.29	31.11
Net profit attributable to equity holders of the Company excluding extraordinary gains and losses	**1,953,251,785.26**	1,474,232,059.11	32.49
Return on weighted average equity *(%)*	**3.98**	3.43	Increased by 0.55 percentage point
Basic earnings per share *(RMB/share)*	**0.25**	0.19	31.58
Diluted earnings per share *(RMB/share)*	**0.25**	0.19	31.58

Items and amounts of extraordinary gains and losses

☑ Applicable ☐ Not applicable

In RMB Yuan

Items	**Amount for the period**	Explanation
Profits and losses from disposal of non-current assets	**605.39**	–
Government subsidies through profit or loss except for government subsidies closely related to the Company's ordinary business, which are in line with national policies, calculated according to certain standards or continuously granted in fixed amount	**6,577,875.73**	–
Non-operating income/expenses other than the above items	**-10,373,628.23**	–
Effect on non-controlling interests, after tax	**214,329.38**	–
Effect on income tax	**1,131,898.77**	–
Total	**-2,448,918.96**	–

2.2 Total number of shareholders and shareholdings of the top 10 shareholders and top 10 holders of tradable shares (or shareholders whose shares are not subject to trading moratorium) as at the end of the Reporting Period

Unit: Share

Total number of shareholders	125,652 Including 125,582 A shareholders and 70 H shareholders

Shareholdings of the top 10 shareholders

Name of shareholder	Number of shares held at the end of the Reporting Period	Percentage	Number of shares held subject to trading moratorium	Pledged or frozen		Type of shareholder
				Status	Number of shares	
		(%)				
Beijing State-owned Capital Operation and Management Center	2,684,309,017	35.11	2,684,309,017	Nil	–	State-owned legal person
Central Huijin Investment Limited	2,386,052,459	31.21	2,386,052,459	Nil	–	State
Other holding shares of HKSCC Nominees Limited *(Note)*	821,687,009	10.75	–	Nil	–	Foreign legal person
CITIC Securities Co., Ltd.	382,849,268	5.01	–	Nil	–	Domestic non-state-owned legal person
Glasslake Holdings Limited	351,647,000	4.60	–	Nil	–	Foreign legal person
Xizang Tengyun Investment Management Limited	300,000,000	3.92	300,000,000	Nil	–	Domestic non-state-owned legal person
Shanghai Shangyan Investment Center (Limited Partnership)	150,624,815	1.97	150,624,815	Nil	–	Domestic non-state-owned legal person
China Structural Reform Fund Co., Ltd.	112,740,500	1.47	–	Nil	–	State-owned legal person
China Construction Bank Corporation – Guotai CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund (中國建設銀行股份有限公司－國泰中證全指證券公司交易型開放式指數證券投資基金)	5,877,300	0.08	–	Nil	–	Others
Vanguard Investments Australia Limited – Vanguard Emerging Market Index Fund (Stock Exchange) (領航投資澳洲有限公司－領航新興市場股指基金(交易所))	4,149,477	0.05	–	Nil	–	Others

Shareholdings of the top 10 shareholders whose shares are not subject to trading moratorium

Name of shareholder	Number of tradable shares not subject to trading moratoriums	Class and number of shares Class	Number
Other holding shares of HKSCC Nominees Limited *(Note)*	821,687,009	Overseas listed foreign shares	796,349,685
		RMB-denominated ordinary shares	25,337,324
CITIC Securities Co., Ltd.	382,849,268	RMB-denominated ordinary shares	382,849,268
Glasslake Holdings Limited	351,647,000	Overseas listed foreign shares	351,647,000
China Structural Reform Fund Co., Ltd.	112,740,500	Overseas listed foreign shares	112,740,500
China Construction Bank Corporation – Guotai CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund (中國建設銀行股份有限公司－國泰中證全指證券公司交易型開放式指數證券投資基金)	5,877,300	RMB-denominated ordinary shares	5,877,300
Vanguard Investments Australia Limited – Vanguard Emerging Market Index Fund (Stock Exchange) (領航投資澳洲有限公司－領航新興市場股指基金(交易所))	4,149,477	RMB-denominated ordinary shares	4,149,477
Ruan Huili	3,729,044	RMB-denominated ordinary shares	3,729,044
Industrial and Commercial Bank of China – Shanghai Stock Exchange 50 open-ended index securities investment fund(中國工商銀行－上證50交易型開放式指數證券投資基金)	3,607,707	RMB-denominated ordinary shares	3,607,707
China Construction Bank Corporation – Huabao CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund (中國建設銀行股份有限公司－華寶中證全指證券公司交易型開放式指數證券投資基金)	3,446,805	RMB-denominated ordinary shares	3,446,805
China Merchants Securities Co., Ltd.	2,534,251	RMB-denominated ordinary shares	2,534,251

Explanation on related relationship or concerted action among the above shareholders	As of the end of the Reporting Period, the related relationship and/or acting-in-concert relationship among shareholders of the Company are as follows: For details of the related relationship between CITIC Securities Co., Ltd. and Glasslake Holdings Limited, please refer to Prospectus of the Initial Public Offering of Shares (A Shares) disclosed by the Company to the public. Saved as the above condition, the Company is not aware of the related relationship among other shareholders or whether they are parties acting in concert as stipulated in the Measures for the Administration of the Takeover of Listed Companies.
Explanation on holders of preferred shares with recovered voting rights and their shareholdings	N/A

Note: The shares held by HKSCC Nominees Limited in the above table are holding shares, including 796,349,685 H shares and 25,337,324 A shares, of which H shares are holding shares other than Glasslake Holdings Limited and China Structural Reform Fund Co., Ltd.

2.3 Total number of holders of preferred shares and shareholdings of the top 10 holders of preferred shares and top 10 holders of preferred shares not subject to trading moratorium as at the end of the Reporting Period

☐ Applicable ☑ Not applicable

III. SIGNIFICANT EVENTS

3.1 Significant changes in major financial statement items and financial indicators of the Company and the reasons thereof

☑ Applicable ☐ Not applicable

3.1.1 Significant changes in the items of statement of financial position of the Company and the reasons thereof

In RMB Yuan

Items	**Amount at the end of the Reporting Period (March 31, 2020)**	Amount at the end of last year (December 31, 2019)	**Increase/ Decrease** *(%)*	**Main reason**
Settlement deposits	**13,314,342,328.32**	9,662,040,500.21	37.80	Mainly due to the increase in settlement deposits held on behalf of customers.
Derivative financial assets	**1,313,010,807.62**	955,450,490.31	37.42	Mainly due to the increase in derivative financial assets formed by equity derivatives.
Accounts receivable	**3,721,726,293.39**	2,136,865,676.12	74.17	Mainly due to the increase in the initial trading deposits of return swaps.
Short-term borrowing	**1,186,717,628.28**	889,011,601.94	33.49	Mainly due to the increase in the amount of the subsidiary's short-term borrowings.
Accounts payable to underwriting clients	**309,168,158.68**	15,069,149,686.88	-97.95	Mainly due to the decrease in funds payable to stock issuers.
Other comprehensive income	**534,094,372.17**	394,012,354.17	35.55	Mainly due to the floating profit of the fair value of other debt investments for the period.

3.1.2 Significant changes in the items of income statement and statement of cash flows of the Company and the reasons thereof

In RMB Yuan

Items	From the beginning of the year to the end of the Reporting Period (January to March 2020)	From the beginning of last year to the end of the reporting period of last year (January to March 2019)	Increase/ Decrease *(%)*	Main reason
Net fee and commission income	**2,103,496,040.96**	1,587,133,281.97	32.53	Mainly due to the increase in net income from brokerage fees for the period.
Investment income	**1,633,801,850.35**	678,908,510.55	140.65	Mainly due to the increase in investment income of financial assets held for trading.
Gains and losses arising from changes in fair value	**247,829,645.72**	442,038,834.12	-43.93	Mainly due to the decrease of floating profit and loss of financial assets held for trading.
Foreign exchange gains and losses	**5,446,640.29**	-2,646,540.18	N/A	Mainly due to change in the exchange rate for the period.
Other operating income	**54,697,051.86**	3,340,693.36	1,537.30	Mainly due to the increase in revenue from commodity sales of the futures subsidiary.
Other income	**3,754,145.85**	17,771,563.48	-78.88	Mainly due to the decrease in government subsidies for the period.
Taxes and surcharges	**27,341,678.77**	19,178,977.19	42.56	Mainly due to the increase of city maintenance and construction tax for the period.
Credit impairment losses	**107,803,691.75**	-423,805,557.25	N/A	Mainly due to the impairment losses of the stock pledge repurchase business and margin accounts for the period.
Other operating costs	**50,295,558.65**	489,674.43	10,171.22	Mainly due to the increase in the cost of commodity sales operations of the futures subsidiary.

Items	**From the beginning of the year to the end of the Reporting Period (January to March 2020)**	From the beginning of last year to the end of the reporting period of last year (January to March 2019)	**Increase/ Decrease** *(%)*	**Main reason**
Non-operating income	**3,601,826.21**	10,734,731.45	-66.45	Mainly due to the decrease in the receipt of rewards for the period.
Non-operating expenses	**10,974,849.05**	2,530,651.11	333.68	Mainly due to the increase in donor expenditure for the period.
Other comprehensive income, net of tax	**140,082,018.00**	215,183,867.29	-34.90	Mainly due to the decrease in the fair value of other investments in equity instruments for the period.
Net cash flows from operating activities	**-17,838,346,895.87**	20,426,880,538.94	-187.33	Mainly due to the decrease of cash received from accounts payable to brokerage clients and the Repo Business and the increase of cash outflow from accounts payable to underwriting clients.
Net cash flows from investing activities	**3,180,323,687.06**	-1,466,434,399.25	N/A	Mainly due to the increase in cash received from investments.
Net cash flows from financing activities	**3,898,018,495.62**	786,275,205.46	395.76	Mainly due to the increase in cash inflows from issuing short-term financing instruments.

3.2 Analysis and explanations of the progress of significant events and their impacts and solutions

☑ Applicable ☐ Not applicable

3.2.1 Material litigation and arbitration

In the first quarter of 2020, there were no material litigation and arbitration cases of the Company with an amount involving over RMB10 million and accounting for over 10% of the absolute value of the latest audited net assets of the Company, which were required to be disclosed in accordance with the requirements of the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange. For details of the litigation and arbitration involved as issued by the Company, as the issuer of bonds, in the bond zone on the website of the Shanghai Stock Exchange in relation to litigation and arbitration during the Reporting Period, please refer to the 2019 annual report of the Company.

3.2.2 Issuance of corporate bonds

During the Reporting Period, the Company has completed the issuance of four tranches of short-term financing bonds, one tranche of corporate bonds and one tranche of perpetual subordinated bonds, with a total size of RMB27 billion. On January 6, 2020, the issuance of the first tranche of short-term financing bonds for 2020 was completed, with an issuance size of RMB4 billion and a term of 88 days at a coupon rate of 2.79%. On January 20, 2020, the issuance of the second tranche of short-term financing bonds for 2020 was completed, with an issuance size of RMB4 billion and a term of 88 days at a coupon rate of 2.79%. On February 19, 2020, the issuance of the third tranche of short-term financing bonds for 2020 was completed, with an issuance size of RMB4 billion and a term of 83 days at a coupon rate of 2.52% On March 4, 2020, the issuance of the fourth tranche of the 2020 short-term financing bonds was completed, with an issuance size of RMB4 billion and a term of 91 days at a coupon rate of 2.42%. On March 11, 2020, the issuance of the 2020 public corporate bonds (first tranche) was completed, with the total issuance size of RMB6 billion, including RMB5 billion of variety 1 "20 Xintou G1" with a term of 3 years at a coupon rate of 2.94%, and RMB1 billion of variety 2 "20 Xintou G2" with a term of 5 years at coupon rate of 3.13%. On March 30, 2020, the issuance of the 2020 perpetual subordinated bonds (the first tranche) was completed, with an issuance size of RMB5 billion, with a repricing cycle of one for every five interest-bearing years. At the end of each repricing cycle, the Company is entitled to extend the maturity of the issue by one repricing cycle (i.e., by five years) or to pay the full amount of the bond at a coupon rate of 3.90% for the first repricing cycle (the first five interest-bearing years). If the Company exercises the option of renewal, the coupon rate will be reset every five years starting from the sixth interest-bearing year.

Subsequent event:

The Company completed the issuance of the fifth tranche of short-term financing bonds for the year 2020 on April 7, 2020 with an issuance size of RMB4 billion, a term of 78 days and a coupon rate at 1.50%. On April 15, 2020, the issuance of the 2020 public corporate bonds (the second tranche) was completed with an issuance size of RMB3 billion and a term of three years at a coupon rate of 2.56%. On April 21, 2020, the issuance of the sixth session of the 2020 short-term financing bonds was completed with an issuance size of RMB4 billion and a term of 87 days at a coupon rate of 1.38%.

3.3 Overdue undertakings of the Company during the Reporting Period

☐ Applicable ☑ Not applicable

3.4 Warning and explanation on reasons for accumulated net loss expected to be recorded from the beginning of the year to the end of the next reporting period or material change as compared to those of the same period last year

☐ Applicable ☑ Not applicable

Name of the Company	**CSC Financial Co., Ltd.**
Legal Representative	**WANG Changqing**
Date	April 24, 2020

IV. APPENDIX

4.1 Financial Statements

Consolidated Statement of Financial Position
March 31, 2020

Prepared by: CSC Financial Co., Ltd.

In RMB Yuan (unaudited)

Items	March 31, 2020	December 31, 2019
ASSETS:		
Cash and bank balances	**75,934,659,139.16**	90,254,671,089.38
Including: cash held on behalf of customers	**51,430,718,042.62**	47,315,066,799.97
Settlement deposits	**13,314,342,328.32**	9,662,040,500.21
Including: deposits held on behalf of customers	**8,828,302,239.25**	5,380,589,645.91
Margin accounts	**29,296,592,090.93**	27,806,140,146.37
Derivative financial assets	**1,313,010,807.62**	955,450,490.31
Financial assets held under resale agreements	**20,723,906,935.10**	21,118,755,795.70
Accounts receivable	**3,721,726,293.39**	2,136,865,676.12
Refundable deposits	**3,397,439,850.06**	2,793,611,446.14
FINANCIAL INVESTMENT		
Financial assets held for trading	**102,496,756,739.86**	91,755,932,945.80
Other debt investments	**30,009,879,810.71**	32,430,034,571.88
Other investments in equity instruments	**3,069,393,148.40**	3,213,800,038.12
Long-term equity investment	**268,147,386.53**	269,512,205.24
Investment properties	**58,207,113.67**	49,438,121.53
Property, plant and equipment	**470,277,513.65**	503,438,392.01
Intangible assets	**223,598,614.82**	235,918,299.11
Right-of-use assets	**1,055,004,100.29**	1,102,008,436.91
Deferred tax assets	**1,133,836,010.67**	963,865,146.65
Other assets	**527,182,995.95**	418,140,505.54
Total assets	**287,013,960,879.13**	285,669,623,807.02

Items	**March 31, 2020**	December 31, 2019
LIABILITIES:		
Short-term borrowings	**1,186,717,628.28**	889,011,601.94
Short-term financing instruments payable	**20,065,359,714.67**	17,495,952,866.86
Placements from banks and other financial institutions	**11,947,539,986.11**	9,263,544,694.50
Financial liabilities held for trading	**914,949,925.26**	1,126,344,205.27
Derivative financial liabilities	**639,287,273.45**	761,571,874.65
Financial assets sold under repurchase agreements	**53,093,145,494.11**	55,532,975,398.89
Accounts payable to brokerage clients	**62,292,642,327.55**	54,625,735,590.58
Accounts payable to underwriting clients	**309,168,158.68**	15,069,149,686.88
Salaries, bonuses and allowances payable	**3,253,952,513.16**	2,703,648,312.66
Taxes payable	**666,872,253.32**	600,594,040.59
Accounts payable	**5,099,265,398.67**	4,108,554,831.39
Provision	**54,204,180.00**	54,197,180.00
Bonds payable	**59,205,439,338.29**	56,884,569,243.27
Lease liabilities	**998,676,458.26**	1,075,262,150.49
Deferred tax liabilities	**783,995,107.80**	660,873,590.04
Other liabilities	**7,565,739,721.43**	7,922,904,686.84
Total liabilities	**228,076,955,479.04**	228,774,889,954.85

Items	**March 31, 2020**	December 31, 2019
Owners' equity (or shareholders' equity):		
Paid-in capital (or share capital)	**7,646,385,238.00**	7,646,385,238.00
Other equity instruments	**9,980,698,113.21**	9,980,698,113.21
Including: perpetual bonds	**9,980,698,113.21**	9,980,698,113.21
Capital reserve	**8,753,212,699.52**	8,753,212,699.52
Other comprehensive income	**534,094,372.17**	394,012,354.17
Surplus reserves	**3,573,327,464.53**	3,573,327,464.53
General risk reserve	**8,701,277,231.06**	8,691,509,096.70
Retained earnings	**19,427,877,486.35**	17,542,774,261.26
Equity attributable to the owners (or shareholders) of the Company	**58,616,872,604.84**	56,581,919,227.39
Non-controlling interests	**320,132,795.25**	312,814,624.78
Total equity of the owners (or shareholders)	**58,937,005,400.09**	56,894,733,852.17
Liabilities and total equity of the owners (or shareholders)	**287,013,960,879.13**	285,669,623,807.02

Legal Representative: **WANG Changqing**

Chief Financial Officer: **LI Geping**

Person-in-charge of accounting department: **ZHAO Ming**

Statement of Financial Position of the Parent Company
March 31, 2020

Prepared by: CSC Financial Co., Ltd.

In RMB Yuan (unaudited)

Item	March 31, 2020	December 31, 2019
ASSETS:		
Cash and bank balances	**68,555,299,481.47**	84,403,478,129.76
Including: cash held on behalf of customers	**46,035,847,204.14**	43,520,843,808.26
Settlement deposits	**12,354,889,657.48**	8,367,122,758.43
Including: deposits held on behalf of customers	**8,054,642,159.88**	4,332,852,003.39
Margin accounts	**29,246,188,543.66**	27,752,838,305.73
Derivative financial assets	**1,312,727,550.17**	955,450,490.31
Financial assets held under resale agreements	**20,593,432,545.77**	20,899,601,844.09
Accounts receivable	**3,286,319,840.20**	1,977,201,496.83
Refundable deposits	**1,493,283,917.38**	960,075,318.40
FINANCIAL INVESTMENT:		
Financial assets held for trading	**87,786,855,210.98**	78,664,434,626.89
Other debt investments	**28,872,134,279.30**	31,436,516,638.73
Other investments in equity instruments	**3,012,467,180.55**	3,153,311,893.45
Long-term equity investment	**5,928,743,799.21**	5,378,947,517.12
Investment properties	**58,207,113.67**	49,438,121.53
Property, plant and equipment	**457,652,705.62**	490,054,021.22
Intangible assets	**198,360,571.53**	209,077,255.02
Right-of-use assets	**797,852,974.55**	833,700,804.31
Deferred tax assets	**1,044,502,958.48**	864,274,315.74
Other assets	**317,698,797.35**	260,796,988.30
Total assets	**265,316,617,127.37**	266,656,320,525.86

Item	**March 31, 2020**	December 31, 2019
LIABILITIES:		
Short-term financing instruments payable	**20,065,359,714.67**	17,495,952,866.86
Placements from banks and other financial institutions	**11,947,539,986.11**	9,263,544,694.50
Financial liabilities held for trading	**914,949,925.26**	1,126,344,205.27
Derivative financial liabilities	**653,997,973.23**	763,495,273.54
Financial assets sold under repurchase agreements	**52,038,342,216.55**	54,928,625,810.94
Accounts payable to brokerage clients	**54,228,724,776.65**	47,967,794,897.06
Accounts payable to underwriting clients	**309,168,158.68**	15,069,149,686.88
Salaries, bonuses and allowances payable	**3,093,237,998.13**	2,518,464,026.34
Taxes payable	**604,324,929.65**	529,492,045.23
Accounts payable	**4,558,358,354.65**	4,031,056,873.60
Provision	**54,204,180.00**	54,197,180.00
Bonds payable	**57,787,455,436.23**	55,603,162,165.43
Lease liabilities	**743,058,537.44**	805,181,713.84
Deferred tax liabilities	**762,917,507.86**	639,291,598.03
Other liabilities	**697,487,346.80**	959,305,721.44
Total liabilities	**208,459,127,041.91**	211,755,058,758.96
Owners' equity (or shareholders' equity):		
Paid-in capital (or share capital)	**7,646,385,238.00**	7,646,385,238.00
Other equity instruments	**9,980,698,113.21**	9,980,698,113.21
Including: perpetual bonds	**9,980,698,113.21**	9,980,698,113.21
Capital reserve	**8,690,960,420.09**	8,690,960,420.09
Other comprehensive income	**342,474,249.55**	221,199,126.95
Surplus reserves	**3,416,707,095.36**	3,416,707,095.36
General risk reserve	**8,531,659,672.60**	8,530,040,259.56
Retained earnings	**18,248,605,296.65**	16,415,271,513.73
Total equity of the owners (or shareholders)	**56,857,490,085.46**	54,901,261,766.90
Liabilities and total equity of the owners (or shareholders)	**265,316,617,127.37**	266,656,320,525.86

Legal Representative:	*Chief Financial Officer:*	*Person-in-charge of accounting department:*
WANG Changqing	**LI Geping**	**ZHAO Ming**

Consolidated Income Statement
From January to March 2020

Prepared by: CSC Financial Co., Ltd.

In RMB Yuan (unaudited)

Item	First quarter of 2020	First quarter of 2019
I. Total operating revenue	**4,381,718,138.78**	3,107,663,328.89
Net fee and commission income	**2,103,496,040.96**	1,587,133,281.97
Including: Net fee income from brokerage business	**1,077,276,731.22**	723,202,987.16
Net fee income from investment banking business	**738,262,097.99**	655,966,945.71
Net fee income from asset management business	**156,333,294.57**	157,918,916.38
Net interest income	**332,692,763.75**	381,116,985.59
Including: Interest income	**1,606,215,464.67**	1,434,746,848.40
Interest expenses	**1,273,522,700.92**	1,053,629,862.81
Investment income (loss denoted by "-")	**1,633,801,850.35**	678,908,510.55
Including: Investment income from associates and joint ventures	**(203,717.91)**	(1,528,732.36)
Income from derecognition of financial assets at amortized cost (loss denoted by "-")	**–**	2,001,252.32
Gains and losses arising from changes in the fair value (loss denoted by "-")	**247,829,645.72**	442,038,834.12
Foreign exchange gains and losses (loss denoted by "-")	**5,446,640.29**	(2,646,540.18)
Other operating income	**54,697,051.86**	3,340,693.36
Other income	**3,754,145.85**	17,771,563.48
II. Total operating expenses	**1,880,397,030.95**	1,121,777,909.83
Tax and surcharges	**27,341,678.77**	19,178,977.19
Operating and administrative expenses	**1,694,956,101.78**	1,525,914,815.46
Credit impairment losses	**107,803,691.75**	(423,805,557.25)
Other operating costs	**50,295,558.65**	489,674.43

Item	First quarter of 2020	First quarter of 2019
III. Operating profit (loss denoted by "-")	**2,501,321,107.83**	1,985,885,419.06
Add: Non-operating income	**3,601,826.21**	10,734,731.45
Less: Non-operating expenses	**10,974,849.05**	2,530,651.11
IV. Profit before income tax (gross loss denoted by "-")	**2,493,948,084.99**	1,994,089,499.40
Less: Income tax expenses	**535,827,048.22**	496,247,256.11
V. Net profit (net loss denoted by "-")	**1,958,121,036.77**	1,497,842,243.29
(1) Classified by business continuity		
1. Net profit from continuing operations (net loss denoted by "-")	**1,958,121,036.77**	1,497,842,243.29
2. Net profit from discontinued operations (net loss denoted by "-")	**–**	–
(2) Classified by ownership		
1. Net profit attributable to equity holders of the Company(net loss denoted by "-")	**1,950,802,866.30**	1,487,918,070.29
2. Non-controlling interests(net loss denoted by "-")	**7,318,170.47**	9,924,173.00
VI. Other comprehensive income, net of tax	**140,082,018.00**	215,183,867.29
Other comprehensive income attributable to owners of the parent, net of tax	**140,082,018.00**	215,183,867.29
(1) Other comprehensive income not to be reclassified to profit or loss	**(110,331,239.58)**	184,717,103.92
1. Changes in fair value of other investments in equity instruments	**(110,331,239.58)**	184,717,103.92
(2) Other comprehensive income to be reclassified to profit or loss	**250,413,257.58**	30,466,763.37
1. Changes in fair value of other debt investments	**203,537,952.65**	63,881,268.08
2. Credit impairment provisions for other debt investments	**17,727,337.02**	3,228,906.83
3. Foreign currency translation differences	**29,147,967.91**	(36,643,411.54)
Other comprehensive income attributable to non-controlling interests, net of tax	**–**	–

Item	**First quarter of 2020**	First quarter of 2019
VII. Total comprehensive income	**2,098,203,054.77**	1,713,026,110.58
Comprehensive income attributable to the owners of the Company	**2,090,884,884.30**	1,703,101,937.58
Comprehensive income attributable to non-controlling interests	**7,318,170.47**	9,924,173.00
VIII. Earnings per share		
(1) Basic earnings per share *(RMB/share)*	**0.25**	0.19
(2) Diluted earnings per share *(RMB/share)*	**0.25**	0.19

Legal Representative：	*Chief Financial Officer:*	*Person-in-charge of accounting department:*
WANG Changqing	**LI Geping**	**ZHAO Ming**

Income Statement of the Parent Company
From January to March 2020

Prepared by: CSC Financial Co., Ltd.

In RMB Yuan (unaudited)

Items	First quarter of 2020	First quarter of 2019
I. Total operating revenue	**4,049,237,576.82**	2,899,945,356.93
Net fee and commission income	**1,933,141,619.01**	1,478,032,569.59
Including: Net fee income from brokerage business	**1,009,509,049.47**	677,535,347.82
Net fee income from investment banking business	**730,567,578.95**	644,238,547.25
Net fee income from asset management business	**162,380,320.62**	165,229,294.91
Net interest income	**305,677,373.89**	337,466,291.19
Including: Interest income	**1,542,484,182.14**	1,360,476,792.68
Interest expenses	**1,236,806,808.25**	1,023,010,501.49
Investment income (loss denoted by "-")	**1,524,889,609.09**	764,619,752.09
Including: Investment income from associates and joint ventures	**(203,717.91)**	(800,111.25)
Gains and losses arising from changes in the fair value (loss denoted by "-")	**274,577,531.46**	322,644,634.57
Foreign exchange gains and losses (loss denoted by "-")	**4,968,200.86**	(7,274,178.13)
Other operating income	**5,242,173.42**	3,324,536.14
Other income	**741,069.09**	1,131,751.48
II. Total operating expenses	**1,639,825,624.30**	976,597,375.64
Tax and surcharges	**25,835,300.12**	18,218,321.11
Operating and administrative expenses	**1,508,489,715.48**	1,375,386,305.64
Credit impairment losses	**104,901,862.50**	(417,496,925.54)
Other operating income	**598,746.20**	489,674.43

Items	**First quarter of 2020**	First quarter of 2019
III. Operating profit (loss denoted by "-")	**2,409,411,952.52**	1,923,347,981.29
Add: Non-operating income	**3,597,625.01**	10,496,748.03
Less: Non-operating expenses	**9,153,491.00**	2,378,924.83
IV. Profit before income tax (gross loss denoted by "-")	**2,403,856,086.53**	1,931,465,804.49
Less: Income tax expense	**512,971,383.72**	482,866,451.13
V. Net profit (net loss denoted by "-")	**1,890,884,702.81**	1,448,599,353.36
(1) Net profit from continuing operations (net loss denoted by "-")	**1,890,884,702.81**	1,448,599,353.36
(2) Net profit from discontinued operations (net loss denoted by "-")	**–**	–
VI. Other comprehensive income, net of tax	**121,275,122.60**	241,194,409.99
(1) Other comprehensive income not to be reclassified to profit or loss	**(105,633,534.68)**	177,062,692.42
1. Changes in fair value of other investments in equity instruments	**(105,633,534.68)**	177,062,692.42
(2) Other comprehensive income to be reclassified to profit or loss	**226,908,657.28**	64,131,717.57
1. Changes in fair value of other debt investments	**211,660,449.22**	60,789,921.87
2. Credit impairment provisions for other debt investments	**15,248,208.06**	3,341,795.70
VII. Total comprehensive income	**2,012,159,825.41**	1,689,793,763.35

Legal Representative:	*Chief Financial Officer:*	*Person-in-charge of accounting department:*
WANG Changqing	**LI Geping**	**ZHAO Ming**

Consolidated Cash Flow Statement
From January to March 2020

Prepared by: CSC Financial Co., Ltd.

In RMB Yuan (unaudited)

Items	First quarter of 2020	First quarter of 2019
I. Cash flows from operating activities:		
Net increase in placements from banks and other financial institutions	**2,670,000,000.00**	800,000,000.00
Net increase in funds from repurchase business	**–**	12,191,879,644.85
Net cash received from accounts payable to brokerage clients	**7,666,906,736.97**	19,028,650,513.21
Cash received from interest, fee and commission	**4,306,537,764.77**	3,521,110,496.50
Cash received from other operating activities	**1,101,403,918.73**	1,161,816,608.92
Sub-total of cash inflows from operating activities	**15,744,848,420.47**	36,703,457,263.48
Net increase in financial assets held for trading	**10,038,460,503.48**	9,056,382,559.41
Net increase in margin accounts	**1,527,097,291.15**	3,727,496,788.01
Net decrease in funds from repurchase business	**2,062,758,288.25**	–
Cash payment of interests, fees and commissions	**849,334,587.15**	675,893,222.69
Cash paid to and on behalf of employees	**782,297,734.06**	759,165,137.09
Cash payments of taxes and rates	**794,117,015.89**	277,197,690.58
Cash paid for other operating activities	**17,529,129,896.36**	1,780,441,326.76
Sub-total of cash outflows from operating activities	**33,583,195,316.34**	16,276,576,724.54
Net cash (outflows)/inflows from operating activities	**(17,838,346,895.87)**	20,426,880,538.94

Items	First quarter of 2020	First quarter of 2019
II. Cash flows from investing activities:		
Cash received from investments	**3,198,189,248.36**	28,206,800.00
Dividends received from investments	**–**	2,812,238.42
Cash received from other investing activities	**130,315.46**	120,801,597.35
Sub-total of cash inflows from investing activities	**3,198,319,563.82**	151,820,635.77
Cash paid for investments	**–**	1,596,291,211.44
Cash paid for purchase of property, plant and equipment, intangible assets and other long term assets	**17,995,876.76**	21,963,823.58
Sub-total of cash outflows from investing activities	**17,995,876.76**	1,618,255,035.02
Net cash inflows/(outflows) from investing activities	**3,180,323,687.06**	(1,466,434,399.25)
III. Cash flows from financing activities:		
Cash received from capital injection	**5,000,000,000.00**	1,000,000.00
Including: Cash received from issuing perpetual bonds	**5,000,000,000.00**	–
Cash received from capital injected by non-controlling interests	**–**	1,000,000.00
Cash received from borrowing activities	**2,724,801,038.39**	12,600,000,000.00
Cash received from issuing bonds	**25,220,175,000.00**	15,087,733,000.00
Sub-total of cash inflows from financing activities	**32,944,976,038.39**	27,688,733,000.00

Items	**First quarter of 2020**	First quarter of 2019
Payments of debts	**22,992,222,012.05**	26,008,930,147.79
Cash paid to redeem the perpetual bond	**5,000,000,000.00**	–
Cash outflows due to payment of dividends, profit or interests	**921,571,878.80**	893,527,646.75
Including: Distribution to other equity instrument holders	**294,000,000.00**	294,000,000.00
Dividends and profits paid by a subsidiary to minority shareholders	**–**	2,000,000.00
Cash paid for other financing activities	**133,163,651.92**	–
Sub-total of cash outflows from financing activities	**29,046,957,542.77**	26,902,457,794.54
Net cash inflows from financing activities	**3,898,018,495.62**	786,275,205.46
IV. Effect of exchange rate changes on cash and cash equivalents	**67,418,333.28**	(67,125,350.44)
V. Net increase in cash and cash equivalents	**(10,692,586,379.91)**	19,679,595,994.71
Add: cash and cash equivalent balance at the beginning of the period	**99,618,730,994.50**	50,525,772,232.63
VI. Cash and cash equivalents at the end of the period	**88,926,144,614.59**	70,205,368,227.34

Legal Representative: **WANG Changqing**　*Chief Financial Officer:* **LI Geping**　*Person-in-charge of accounting department:* **ZHAO Ming**

Statement of Cash Flows of the Parent Company
From January to March 2020

Prepared by: CSC Financial Co., Ltd.

In RMB Yuan (unaudited)

Items	**First quarter of 2020**	First quarter of 2019
I. Cash flows from operating activities:		
Net increase in placements from banks and other financial institutions	**2,670,000,000.00**	800,000,000.00
Net increase in funds from repurchase business	**–**	11,006,095,439.84
Net cash received from accounts payable to brokerage clients	**6,260,929,879.59**	18,582,754,777.47
Cash received of interest, fees and commissions	**4,045,404,785.49**	3,198,364,196.58
Cash received from other operating activities	**536,944,441.24**	662,185,145.62
Sub-total of cash inflows from operating activities	**13,513,279,106.32**	34,249,399,559.51
Net increase in financial assets held for trading	**8,503,677,516.52**	8,511,377,931.19
Net increase in margin accounts	**1,521,467,707.94**	3,922,591,068.01
Net decrease in funds from repurchase business	**2,603,515,509.56**	–
Cash payment of interests, fees and commissions	**823,163,987.65**	557,124,120.16
Cash paid to and on behalf of employees	**670,155,150.38**	625,548,464.26
Cash payments of taxes and rates	**753,125,488.42**	240,980,225.53
Cash paid for other operating activities	**16,861,999,477.39**	1,098,587,900.55
Sub-total of cash outflows from operating activities	**31,737,104,837.86**	14,956,209,709.70
Net cash (outflows)/inflows from operating activities	**(18,223,825,731.54)**	19,293,189,849.81

Items	First quarter of 2020	First quarter of 2019
II. Cash flows from investing activities:		
Cash received from investments	**3,325,504,698.31**	–
Cash received from other investing activities	**130,315.46**	78,456.94
Sub-total of cash inflows from investing activities	**3,325,635,013.77**	78,456.94
Cash paid for investments	**550,000,000.00**	1,297,031,937.92
Cash paid for purchase of property, plant and equipment, intangible assets and other long-term assets	**15,825,222.49**	15,926,238.73
Sub-total of cash outflows from investing activities	**565,825,222.49**	1,312,958,176.65
Net cash inflows/(outflows) from investing activities	**2,759,809,791.28**	(1,312,879,719.71)
III. Cash flows from financing activities:		
Cash received from capital injection	**5,000,000,000.00**	–
Including: cash received from issuing perpetual bonds	**5,000,000,000.00**	–
Cash received from issuing bonds	**25,220,175,000.00**	15,087,733,000.00
Sub-total of cash inflows from financing activities	**30,220,175,000.00**	15,087,733,000.00
Payments of debts	**20,665,127,000.00**	13,328,883,000.00
Cash paid to redeem the perpetual bond	**5,000,000,000.00**	–
Cash outflows due to payment of dividends, profit or interests	**848,671,431.63**	798,299,029.59
Including: Distribution to other equity instrument holders	**294,000,000.00**	294,000,000.00
Cash paid for other financing activities	**112,183,845.73**	–
Sub-total of cash outflows from financing activities	**26,625,982,277.36**	14,127,182,029.59
Net cash inflows from financing activities	**3,594,192,722.64**	960,550,970.41

Items	**First quarter of 2020**	First quarter of 2019
IV. Effect of exchange rate changes on cash and cash equivalents	**4,968,200.86**	(7,274,178.13)
V. Net increase in cash and cash equivalents	**(11,864,855,016.76)**	18,933,586,922.38
Add: cash and cash equivalent balance at the beginning of the period	**92,738,172,133.87**	44,132,491,278.32
VI. Cash and cash equivalents at the end of the period	**80,873,317,117.11**	63,066,078,200.70

Legal Representative: **WANG Changqing**

Chief Financial Officer: **LI Geping**

Person-in-charge of accounting department: **ZHAO Ming**

4.2 Adjustments of the opening balance of the relevant information in financial statements at the beginning of the year in which new revenue standards and new lease standards were firstly implemented since 2020.

☐ Applicable ☑ Not applicable

4.3 Notes on the previous comparative data subject to the retroactive adjustments during the first implementation of new revenue standards and new lease standards since 2020.

☐ Applicable ☑ Not applicable

4.4 Audit reports

☐ Applicable ☑ Not applicable

By order of the Board
CSC Financial Co., Ltd.
Wang Changqing
Chairman

Beijing, the PRC
April 24, 2020

As at the date of this announcement, the executive Directors of the Company are Mr. Wang Changqing and Mr. Li Geping; the non-executive Directors of the Company are Mr. Yu Zhongfu, Ms. Zhang Qin, Ms. Zhu Jia, Mr. Wang Hao, Mr. Wang Bo and Mr. Xu Gang; and the independent non-executive Directors of the Company are Mr. Feng Genfu, Ms. Zhu Shengqin, Mr. Dai Deming, Mr. Bai Jianjun and Mr. Liu Qiao.