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)

2020 FIRST QUARTERLY REPORT

This announcement is made pursuant to Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Set out below is the 2020 first quarterly report of Everbright Securities Company Limited (the "**Company**") and its subsidiaries as of March 31, 2020. The financial report contained herein is prepared under the General Accepted Accounting Principles of the People's Republic of China and has not been audited.

This report is prepared in both Chinese and English languages. In the event of any inconsistency between these two versions, the Chinese version shall prevail.

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

Shanghai, the PRC
April 28, 2020

As at the date of this announcement, the Board of the Company comprises Mr. Yan Jun (Chairman, Executive Director), Mr. Liu Qiuming (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).

I. IMPORTANT NOTICE

1.1 The board of directors, the supervisory committee, directors, supervisors and senior management of the Company warrant the truthfulness, accuracy and completeness of the contents in this quarterly report and there is no misrepresentation, misleading statement or material omission from this quarterly report and accept joint and several responsibilities for the truthfulness, accuracy and completeness of the contents contained herein.

1.2 All directors of the Company attended the Board meeting to review the quarterly report.

1.3 Mr. Yan Jun, the person-in-charge of the Company and Mr. Liu Qiuming, the person-in-charge of accounting affairs, and Mr. He Mannian, the head of accounting department (accounting head), declare that they warrant the truthfulness, accuracy and completeness of the financial statements contained in this quarterly report.

1.4 The first quarterly report of the Company has not been audited.

II. BASIC INFORMATION OF THE COMPANY

2.1 Key Financial data

Unit: Yuan Currency: RMB

	As at March 31, 2020	**As at December 31, 2019**	**Variance as Compared to the end of last year (%)**
Total assets	**216,269,713,092.33**	204,090,346,890.27	5.97
Net assets attributable to shareholders of the listed company	**48,458,814,785.01**	47,444,724,840.21	2.14

	January to March 2020	**January to March 2019**	**Variance as compared to the corresponding period of last year (%)**
Net cash flow generated from operating activities	**23,283,803,730.02**	24,929,118,469.53	(6.60)

	January to March 2020	January to March 2019	Variance as compared to the corresponding period of last year (%)
Operating income	**2,818,272,421.03**	3,421,048,826.60	(17.62)
Net profit attributable to shareholders of the listed company	**1,103,792,187.00**	1,317,249,830.09	(16.20)
Net profit attributable to shareholders of the listed company after deducting non-recurring profit or loss	**970,925,446.94**	1,230,631,433.52	(21.10)
Weighted average returns on net assets (%)	**2.30**	2.75	Decreased by 0.45 percentages points
Basic earnings per share *(Yuan/share)*	**0.24**	0.29	(16.20)
Diluted earnings per share *(Yuan/share)*	**0.24**	0.29	(16.20)

Non-recurring profit or loss items and amounts

√ Applicable □ Not Applicable

Unit: Yuan Currency: RMB

Items	January to March 2020	Description
Gains or losses from disposal of non-current assets	**72,505.28**	
Government grants recognized in current profit or loss, excluding those closely related to the Company's normal operations and granted on an ongoing basis under the state's policies according to certain quota of amount or volume	**190,528,580.65**	Fiscal aid mainly
Other non-operating income and expenses except items above	**(4,972,205.53)**	
Effect of minority interests (net of tax)	**(6,354,538.37)**	
Effect of income tax	**(46,407,601.97)**	
Total	**132,866,740.06**	

2.2 Total number of shareholders and shareholding of top ten shareholders and top ten shareholders of tradable shares (or shareholders holding shares without selling restrictions) as of the end of the reporting period

Unit: share

Total number of shareholders	104,052, among which 103,869 are A shareholders and 183 are registered H shareholders

Shareholding of top ten shareholders

Name of shareholder (full name)	Shareholding at the end of the period	Shareholding (%)	Number of shares held subject to selling restrictions	Pledged or frozen: Share state	Pledged or frozen: Number	Nature of shareholder
China Everbright Group Corporation Limited	1,159,456,183	25.15	–	none	–	State-owned legal person
China Everbright Limited	982,250,000	21.30	–	none	–	Foreign legal person
HKSCC Nominees Limited	703,639,100	15.26	–	unknown	–	unknown
Pingan Dahua Fund – Pingan Bank – Ping An Bank Company Limited	147,518,447	3.20	–	none	–	Others
China Securities Finance Corporation Limited	137,863,472	2.99	–	none	–	Others
Hong Kong Securities Clearing Company Limited	72,215,537	1.57	–	none	–	Others
China Great Wall Asset Management Co., Ltd.	54,978,619	1.19	–	none	–	State-owned legal person
Central Huijin Asset Management Ltd.	37,568,900	0.81	–	none	–	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)	29,385,594	0.64	–	None	–	Others
ICBC Credit Suisse Fund – Agricultural Bank – ICBC Credit Suisse CSI Financial Assets Management Scheme	24,431,977	0.53	–	none	–	Others

Shareholding of top ten shareholders holding shares without selling restrictions

Name of shareholder	Number of tradable shares held without selling restrictions	Class and number of shares: Class	Number
China Everbright Group Corporation Limited	1,159,456,183	RMB ordinary shares	1,159,456,183
China Everbright Limited	982,250,000	RMB ordinary shares	982,250,000
HKSCC Nominees Limited	703,639,100	Overseas listed foreign shares	703,639,100
Pingan Dahua Fund – Pingan Bank – Ping An Bank Company Limited	147,518,447	RMB ordinary shares	147,518,447
China Securities Finance Corporation Limited	137,863,472	RMB ordinary shares	137,863,472
Hong Kong Securities Clearing Company Limited	72,215,537	RMB ordinary shares	72,215,537
China Great Wall Asset Management Co., Ltd.	54,978,619	RMB ordinary shares	54,978,619
Central Huijin Asset Management Ltd.	37,568,900	RMB ordinary shares	37,568,900
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)	29,385,594	RMB ordinary shares	29,385,594
ICBC Credit Suisse Fund – Agricultural Bank – ICBC Credit Suisse CSI Financial Assets Management Scheme	24,431,977	RMB ordinary shares	24,431,977

Description of the connected relationships or actions in concert of the above shareholders	Central Huijin Asset Management Ltd. is a wholly-owned subsidiary of Central Huijin Investment Ltd., which holds 55.67% shares in China Everbright Group Corporation Limited. China Everbright Limited is a controlled subsidiary of China Everbright Holdings Company Limited, a wholly-owned subsidiary of China Everbright Group Corporation Limited. Save for the above, the Company is unaware of whether the above shareholders are connected to each other or are parties acting in concert.

Note 1: HKSCC Nominees Limited is the nominee holder for the shares of the non-registered H shareholders of the Company.

Note 2: Hong Kong Securities Clearing Company Limited is the nominal holder of the SSE securities of the Company.

2.3 Total number of shareholders of preference shares and shareholding of top ten shareholders of preference shares and top ten shareholders of preference shares not subject to selling restrictions as at the end of the reporting period

□ Applicable √Not Applicable

3. MAJOR EVENTS

3.1 Substantial changes in major accounting statement items and financial indicators of the Company and the reasons for such changes

√Applicable ☐Not Applicable

Unit: '0,000 Currency: RMB

Items	As at March 31, 2020	As at December 31, 2019	Increase/ Decrease (%)	Major reasons for the change
Cash and bank balances	**6,666,691**	4,901,181	36.0	Increase in cash deposits from customers
Clearing settlement funds	**636,654**	368,857	72.6	Increase in clearing settlement funds held on behalf of brokerage clients
Financial assets held under resale agreements	**467,991**	828,581	(43.5)	Decrease in scales of the bond repurchase
Short-term debt instruments	**833,526**	448,938	85.7	Increase in balance of short-term debt
Placements from other institutions	**924,613**	606,371	52.5	Increase in placements from banks
Derivative financial liabilities	**20,749**	10,368	100.1	Increase in equity derivatives liabilities

Items	January to March 2020	January to March 2019	Increase/ Decrease (%)	Major reasons for the change
Net fee and commission income	**192,133**	146,203	31.4	Increase in net fee income from brokerage business, investment banking business and asset management business
Investment gains	**46,503**	30,644	51.8	Increase in investment gains of financial assets
Other income	**19,146**	12,566	52.4	Increase in fiscal aid
Gain arising from fair value changes	**(13,897)**	108,867	N/A	Decrease in gains arising from fair value changes of financial assets
Foreign exchange gains	**(427)**	(77)	N/A	Change in foreign exchange exposures
Credit impairment losses	**(1,240)**	3,673	N/A	Reversal of impairment losses on bond investments
Impairment losses on other assets	**539**	–	N/A	Provisions for decline in value of inventories made by subsidiaries of Everbright Futures
Other operating cost	**1,297**	852	52.3	Increase in cost of futures warehouse receipts business
Non-operating expenses	**673**	8	8,312.5	Increase in donation costs

3.2 Progress of major events and analysis on their impact and solutions

☐Applicable √Not Applicable

3.3 Commitments not fulfilled during the reporting period

☐Applicable √Not Applicable

3.4 Warnings on any potential loss in accumulated net profit for the period from the beginning of the year to the end of the next reporting period or any material changes from the corresponding period last year and the reasons thereof

☐Applicable √Not Applicable

Name of the Company	**Everbright Securities Company Limited**
Legal representative	**Liu Qiuming**
Date	April 28, 2020

4. APPENDIX

4.1 Financial statements

Consolidated Balance Sheet
March 31, 2020

Prepared by: Everbright Securities Company Limited

Unit: Yuan Currency: RMB Type of Audit: Unaudited

Items	March 31, 2020	December 31, 2019
Assets:		
Cash and bank balances	**66,666,911,496.75**	49,011,813,511.90
Including: Cash deposits from customers	**42,810,722,412.69**	37,971,941,336.33
Clearing settlement funds	**6,366,544,288.94**	3,688,567,655.10
Including: Settlement funds held on behalf of brokerage customers	**5,725,089,564.13**	1,965,549,374.87
Margin accounts receivable	**34,838,575,836.96**	34,118,659,152.14
Derivative financial assets	**11,907,492.62**	9,239,091.67
Refundable deposits	**4,492,286,044.93**	4,415,527,843.67
Accounts receivables	**3,123,199,031.61**	3,077,872,474.26
Financial assets held under resale agreements	**4,679,913,429.73**	8,285,807,368.53
Financial investments:		
Financial assets held for trading	**59,642,597,274.32**	65,403,593,689.97
Debt investments	**6,912,214,990.30**	7,205,865,812.64
Other debt investments	**13,637,873,212.03**	12,552,867,665.11
Other equity instrument investments	**4,897,416,410.03**	5,072,521,594.63
Long-term equity investments	**1,050,081,996.81**	1,039,416,216.45
Fixed assets	**829,340,379.56**	825,705,310.52
Construction in progress	**3,105,418.20**	3,105,418.20
Right-of-use asset	**687,107,994.87**	755,776,122.81
Intangible assets	**274,749,868.52**	314,058,497.22
Goodwill	**1,045,418,914.49**	1,016,192,826.14
Long-term deferred expenses	**84,511,532.77**	100,417,584.03
Deferred income tax assets	**1,656,065,347.95**	1,618,157,266.89
Other assets	**5,369,892,130.94**	5,575,181,788.39
Total assets	**216,269,713,092.33**	204,090,346,890.27

Items	March 31, 2020	December 31, 2019
Liabilities:		
Short-term borrowings	**4,722,508,174.93**	5,424,945,317.15
Short-term debt instruments	**8,335,262,255.02**	4,489,382,551.45
Placements from other financial institutions	**9,246,127,521.17**	6,063,705,400.67
Financial liabilities held for trading	**804,296,185.84**	893,217,959.39
Derivative financial liabilities	**207,494,557.70**	103,677,498.23
Financial assets sold under repurchase agreements	**27,256,171,165.01**	24,636,109,604.48
Accounts payable to brokerage customers	**51,481,729,110.82**	45,379,568,827.57
Employee benefit payable	**1,712,706,247.20**	1,558,272,175.42
Taxes payable	**995,576,091.09**	848,014,798.19
Accounts payable	**1,382,073,576.55**	1,355,795,685.22
Contract liabilities	**33,816.13**	64,890.29
Accrued liabilities	**3,003,319,636.98**	3,010,922,390.27
Long-term borrowings	**5,315,687,339.93**	6,255,246,402.77
Bonds payables	**45,909,389,314.11**	47,356,464,737.30
Lease liabilities	**684,010,338.86**	744,847,932.80
Deferred income tax liabilities	**114,056,671.69**	128,461,905.83
Other liabilities	**5,004,385,313.31**	6,822,841,004.99
Total liabilities	**166,174,827,316.34**	155,071,539,082.02
Equity or shareholders' equity:		
Paid-in capital or shares capital	**4,610,787,639.00**	4,610,787,639.00
Capital reserve	**23,192,398,505.41**	23,278,784,166.60
Other comprehensive income	**(73,370,235.34)**	(70,053,654.33)
Surplus reserve	**2,971,443,494.20**	2,971,443,494.20
General risk reserve	**6,897,361,409.18**	6,868,588,464.56
Retained profits	**10,860,193,972.56**	9,785,174,730.18
Total equity attributable to the owners of the parent company or shareholders' equity	**48,458,814,785.01**	47,444,724,840.21
Minority interests	**1,636,070,990.98**	1,574,082,968.04
Total equity or shareholders' equity	**50,094,885,775.99**	49,018,807,808.25
Total liabilities and equity or shareholders' equity	**216,269,713,092.33**	204,090,346,890.27

Legal representative: **Liu Qiuming**   *Person-in-charge of accounting affairs:* **Liu Qiuming**   *Head of accounting department:* **He Mannian**

Balance Sheet of the Parent Company
March 31, 2020

Prepared by: Everbright Securities Company Limited

Unit: Yuan Currency: RMB Type of Audit:: Unaudited

Items	March 31, 2020	December 31, 2019
Assets:		
Cash and bank balances	**44,524,556,753.30**	28,475,977,038.67
Including: Cash deposits from customers	**27,281,421,212.90**	23,807,749,535.46
Clearing settlement funds	**8,591,246,949.14**	5,220,663,566.39
Including: Settlement funds held on behalf of brokerage clients	**5,725,089,564.13**	3,525,230,404.57
Margin accounts receivable	**28,526,120,341.06**	27,424,757,226.61
Derivative financial assets	**4,628,340.00**	18,544.94
Refundable deposits	**530,029,364.79**	475,700,307.38
Accounts receivables	**509,696,560.18**	429,119,629.68
Financial assets held under resale agreements	**4,470,233,429.73**	7,795,745,333.69
Financial investments:		
Financial assets held for trading	**49,521,539,917.80**	54,281,984,640.31
Debt investments	**6,709,354,859.31**	7,006,225,172.62
Other debt investments	**13,658,073,247.77**	12,573,976,642.10
Other equity instrument investments	**4,809,866,204.63**	4,984,971,389.23
Long-term equity investments	**7,150,075,539.68**	7,136,427,918.50
Fixed assets	**681,283,063.03**	678,822,649.21
Construction in progress	**3,105,418.20**	3,105,418.20
Right-of-use asset	**563,161,314.33**	604,784,880.86
Intangible assets	**84,267,212.35**	85,292,321.88
Long-term deferred expenses	**79,597,623.80**	85,835,921.95
Deferred income tax assets	**1,417,329,867.83**	1,357,472,744.04
Other assets	**1,389,352,368.70**	1,253,445,169.16
Total assets	**173,223,518,375.63**	159,874,326,515.42

Items	**March 31, 2020**	December 31, 2019
Liabilities:		
Short-term debt instruments	**8,335,262,255.02**	4,489,382,551.45
Placements from other financial institutions	**9,246,127,521.17**	6,063,705,400.67
Derivative financial liabilities	**63,701,142.23**	62,562,289.79
Financial assets sold under repurchase agreements	**26,747,631,425.53**	23,744,699,470.31
Accounts payable to brokerage customers	**31,644,695,392.53**	26,726,954,546.19
Employee benefit payable	**1,015,262,368.55**	939,242,743.11
Taxes payable	**835,252,046.37**	606,376,580.54
Accounts payable	**386,949,917.04**	408,275,851.25
Contract liabilities	**33,816.13**	64,890.29
Bonds payables	**44,080,160,846.08**	44,939,489,518.46
Lease liabilities	**556,031,575.59**	592,648,661.12
Other liabilities	**1,224,538,371.27**	3,160,103,739.20
Total liabilities	**124,135,646,677.51**	111,733,506,242.38
Equity or shareholders' equity:		
Paid-in capital or shares capital	**4,610,787,639.00**	4,610,787,639.00
Capital reserve	**25,138,970,656.74**	25,138,970,656.74
Other comprehensive income	**130,217,488.24**	151,438,500.49
Surplus reserve	**2,971,443,494.20**	2,971,443,494.20
General risk reserve	**5,821,920,448.00**	5,821,920,448.00
Retained profits	**10,414,531,971.94**	9,446,259,534.61
Total equity or shareholders' equity	**49,087,871,698.12**	48,140,820,273.04
Total liabilities and equity or shareholders' equity	**173,223,518,375.63**	159,874,326,515.42

Legal representative:	*Person-in-charge of accounting affairs:*	*Head of accounting department:*
Liu Qiuming	**Liu Qiuming**	**He Mannian**

Consolidated Income Statement
January to March 2020

Prepared by: Everbright Securities Company Limited

Unit: Yuan Currency: RMB Type of Audit: Unaudited

Items		January to March 2020	January to March 2019
I.	**Total operating income**	**2,818,272,421.03**	3,421,048,826.60
	Net interest income	**352,890,569.90**	406,389,079.21
	Including: Interest income	**1,415,872,311.21**	1,570,741,265.89
	Interest expenses	**1,062,981,741.31**	1,164,352,186.68
	Net fee and commission income	**1,921,329,109.14**	1,462,031,637.23
	Including: Net fee income from brokerage business	**888,230,543.94**	686,344,811.60
	Net fee income from investment banking business	**627,547,506.74**	401,980,009.47
	Net fee income from asset management business	**273,110,634.86**	224,877,006.93
	Investment gains	**465,034,743.14**	306,437,458.24
	Including: Gains attributable to investment in associates and joint ventures	**18,173,874.88**	19,470,920.15
	Gains arising from derecognition of financial assets carried at amortised cost	**316,743.47**	(9,494,511.70)
	Other income	**191,456,362.84**	125,658,553.19
	Gain arising from fair value changes	**(138,966,991.35)**	1,088,669,217.19
	Foreign exchange gains	**(4,265,215.01)**	(767,642.34)
	Other operating income	**30,793,842.37**	32,630,523.88
II.	**Total operating expenses**	**1,318,305,098.38**	1,607,001,277.97
	Tax and surcharges	**18,310,976.10**	14,295,072.30
	General and administrative expenses	**1,294,031,122.53**	1,547,456,198.06
	Credit impairment losses	**(12,403,518.27)**	36,731,646.29
	Impairment losses on other assets	**5,393,487.58**	–
	Other operating cost	**12,973,030.44**	8,518,361.32
III.	**Operating profit**	**1,499,967,322.65**	1,814,047,548.63
	Add: Non-operating income	**901,776.05**	971,653.24
	Less: Non-operating expenses	**6,729,258.49**	78,629.62

Items			January to March 2020	January to March 2019
IV.	**Gross profit**		**1,494,139,840.21**	1,814,940,572.25
	Less: Income tax expense		**347,161,480.73**	457,828,223.80
V.	**Net profit**		**1,146,978,359.48**	1,357,112,348.45
	(I)	Classified by ownership		
		1. Net profit from continued operation	**1,146,978,359.48**	1,357,112,348.45
	(II)	Classified by ownership		
		1. Net profit attributable to shareholders of the listed Company	**1,103,792,187.00**	1,317,249,830.09
		2. Gain/loss attributable to minority interests	**43,186,172.48**	39,862,518.36
VI.	**Other comprehensive income, net of tax**		**15,485,269.45**	216,172,584.39
	Other comprehensive income, net of tax, attributable to owners of the parent company		**(3,316,581.01)**	235,327,326.78
	(I)	Other comprehensive income that will not be reclassified to profit or loss	**(130,729,277.45)**	281,492,730.31
		1. Changes in fair value of other equity instruments investment	**(130,729,277.45)**	281,492,730.31
	(II)	Other comprehensive income that may be reclassified to profit or loss	**127,412,696.44**	(46,165,403.53)
		1. Other comprehensive income under equity method that can be reclassified into profit and loss	**400,432.02**	2,847,489.74
		2. Change in fair value of other debt investments	**120,482,195.68**	(21,725,301.10)
		3. The financial assets reclassified into other comprehensive income	**–**	5,755,197.99
		4. Credit impairment provisions for other debt investments	**(11,374,362.50)**	12,800,417.54
		5. Currency translation difference	**17,904,431.24**	(45,843,207.70)
	Other comprehensive income, net of tax, attributable to the minority interests		**18,801,850.46**	(19,154,742.39)
VII.	**Total comprehensive income**		**1,162,463,628.93**	1,573,284,932.84
	Total comprehensive income attributable to owners of the listed company		**1,100,475,605.99**	1,552,577,156.87
	Total comprehensive income attributable to the minority interests		**61,988,022.94**	20,707,775.97
VIII.	**Earnings per share:**			
	(I)	Basic earnings per share *(Yuan/share)*	**0.24**	0.29
	(II)	Diluted earnings per share *(Yuan/share)*	**0.24**	0.29

Legal representative: **Liu Qiuming** *Person-in-charge of accounting affairs:* **Liu Qiuming** *Head of accounting department:* **He Mannian**

Income Statement of the Parent Company
January to March 2020

Prepared by: Everbright Securities Company Limited

Unit: Yuan Currency: RMB Type of Audit: Unaudited

Items		January to March 2020	January to March 2019
I.	**Total Operating Income**	**2,042,103,779.86**	2,561,332,267.77
	Net interest income	**287,766,329.95**	232,005,096.90
	Including: Interest income	**1,143,951,952.52**	1,151,310,155.03
	Interest expenses	**856,185,622.57**	919,305,058.13
	Net fee and commission income	**1,336,488,143.85**	938,419,698.75
	Including: Net fee income from brokerage business	**708,987,908.23**	534,504,245.27
	Net fee income from investment banking business	**614,427,536.13**	389,552,779.14
	Investment gains	**457,695,059.35**	239,589,065.01
	Including: Gains attributable to investment in associates and joint ventures	**13,247,189.16**	8,824,906.99
	Gains arising from derecognition of financial assets carried at amortised cost	**316,743.47**	(9,494,511.70)
	Other income	**170,557,445.62**	101,058,553.19
	Gain arising from fair value changes	**(227,367,242.92)**	1,038,044,713.90
	Foreign exchange gains	**5,288,501.48**	(5,546,617.71)
	Other operating income	**11,675,542.53**	17,761,757.73
II.	**Total operating expenses**	**799,558,408.64**	1,009,756,787.02
	Tax and surcharges	**15,360,807.98**	12,355,082.98
	General and administrative expenses	**794,556,383.15**	957,069,809.21
	Credit impairment losses	**(12,400,435.49)**	37,999,356.83
	Other operating cost	**2,041,653.00**	2,332,538.00
III.	**Operating profit**	**1,242,545,371.22**	1,551,575,480.75
	Add: Non-operating income	**865,015.57**	652,406.90
	Less: Non-operating expenses	**1,599,745.14**	6,746.58

Items	January to March 2020	January to March 2019
IV. Gross profit	**1,241,810,641.65**	1,552,221,141.07
Less: Income tax expense	**273,538,204.32**	376,634,300.66
V. Net profit	**968,272,437.33**	1,175,586,840.41
(I) Net profit from continued operation	**968,272,437.33**	1,175,586,840.41
VI. Other comprehensive income, net of tax	**(21,221,012.25)**	281,170,534.48
(I) Other comprehensive income that will not be reclassified to profit or loss	**(130,729,277.45)**	281,492,730.31
1. Changes in fair value of other equity instruments investment	**(130,729,277.45)**	281,492,730.31
(II) Other comprehensive income that may be reclassified to profit or loss	**109,508,265.20**	(322,195.83)
1. Other comprehensive income under equity method that can be reclassified into profit and loss	**400,432.02**	2,847,489.74
2. Change in fair value of other debt investments	**120,482,195.68**	(21,725,301.10)
3. The financial assets reclassified into other comprehensive income	**–**	5,755,197.99
4. Credit impairment provisions for other debt investments	**(11,374,362.50)**	12,800,417.54
VII. Total comprehensive income	**947,051,425.08**	1,456,757,374.89

Legal representative:	*Person-in-charge of accounting affairs:*	*Head of accounting department:*
Liu Qiuming	**Liu Qiuming**	**He Mannian**

Consolidated Statement of Cash Flows
January to March 2020

Prepared by: Everbright Securities Company Limited

Unit: Yuan Currency: RMB Type of Audit: Unaudited

Items		January to March 2020	January to March 2019
I.	**Cash flows generated from operating activities:**		
	Cash received from interests, fees and commissions	**3,402,928,097.88**	3,258,912,576.05
	Net increase in placements from other financial institutions	**3,182,422,120.50**	–
	Net increase in disposal of financial assets held for trading	**6,660,162,164.71**	7,797,314,923.79
	Net increase in financial assets sold under repurchase agreements	**6,219,176,334.61**	8,629,436,434.39
	Net cash received from securities trading agency services	**6,157,069,796.12**	13,799,747,960.84
	Decrease in finance lease receivables	**338,134,329.29**	232,444,660.12
	Cash received relating to other operating activities	**218,195,513.30**	800,100,252.36
	Sub-total of cash inflows from operating activities	**26,178,088,356.41**	34,517,956,807.55
	Net increase in margin accounts receivable	**717,411,255.17**	4,488,325,976.33
	Net decrease in placements from other financial institutions	**–**	2,612,182,458.67
	Cash payment of interest, fees and commissions	**647,460,064.60**	192,482,309.14
	Cash paid to and on behalf of employees	**702,335,680.53**	741,612,188.36
	Payment for taxes and levies	**403,656,162.31**	260,636,986.29
	Cash paid relating to other operating activities	**423,421,463.78**	1,293,598,419.23
	Sub-total of cash outflows from operating activities	**2,894,284,626.39**	9,588,838,338.02
	Net cash flows generated from operating activities	**23,283,803,730.02**	24,929,118,469.53
II.	**Cash flows generated from investing activities:**		
	Cash received from sales of investments	**2,009,713,609.65**	4,205,798,696.00
	Cash received from return on investments	**209,476,718.66**	48,424,527.74
	Net cash recovered from disposal of fixed assets, intangible assets and other long-term assets	**17,042,428.05**	3,545.34
	Sub-total of cash inflows from investing activities	**2,236,232,756.36**	4,254,226,769.08
	Cash paid for acquisition of investments	**1,519,302,644.26**	4,473,199,868.86
	Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	**37,171,330.63**	79,812,225.23
	Sub-total of cash outflows from investing activities	**1,556,473,974.89**	4,553,012,094.09
	Net cash flows generated from investing activities	**679,758,781.47**	(298,785,325.01)

Items	January to March 2020	January to March 2019
III. Cash flows generated from financing activities:		
Cash received from borrowings	**3,311,320,000.00**	5,563,760,070.81
Cash received from issuance of bonds	**17,006,300,000.00**	18,515,705,872.00
Sub-total of cash inflows from financing activities	**20,317,620,000.00**	24,079,465,942.81
Cash paid for repayment of debts	**16,504,125,423.19**	19,892,316,032.54
Cash paid for repayment of borrowings	**5,010,590,491.42**	7,276,268,784.12
Cash paid for distribution of dividends, or profits or for interest expenses	**703,340,385.07**	936,217,933.32
Cash paid for repayment of rental principals and interests	**74,371,526.79**	–
Sub-total of cash outflows from financing activities	**22,292,427,826.47**	28,104,802,749.98
Net cash flows generated from financing activities	**(1,974,807,826.47)**	(4,025,336,807.17)
IV. Effects of changes in foreign exchange rates on cash and cash equivalents	**(4,265,215.01)**	(767,642.34)
V. Net increase in cash and cash equivalents	**21,984,489,470.01**	20,604,228,695.01
Add: Balance of cash and cash equivalents at the beginning of the period	**48,127,755,020.57**	38,937,006,077.53
VI. Balance of cash and cash equivalents at the end of the period	**70,112,244,490.58**	59,541,234,772.54

Legal representative: **Liu Qiuming** *Person-in-charge of accounting affairs:* **Liu Qiuming** *Head of accounting department:* **He Mannian**

Cash Flow Statement of Parent Company
January to March 2020

Prepared by: Everbright Securities Company Limited

Unit: Yuan   Currency: RMB Type of Audit: Unaudited

Items		**January to March 2020**	January to March 2019
I.	**Cash flows generated from operating activities:**		
	Cash received from interests, fees and commissions	**2,569,541,359.52**	2,380,672,089.49
	Net increase in placements from other financial institutions	**3,182,422,120.50**	–
	Net increase in disposal of financial assets held for trading	**4,953,553,569.52**	9,901,564,340.04
	Net increase in financial assets sold under repurchase agreements	**6,321,664,694.46**	6,165,223,485.32
	Net cash received from securities trading agency services	**4,823,433,283.99**	12,560,282,387.52
	Cash received relating to other operating activities	**779,050,925.92**	730,085,259.83
	Sub-total of cash inflows from operating activities	**22,629,665,953.91**	31,737,827,562.20
	Net increase in margin accounts receivable	**1,096,404,631.48**	4,852,096,789.89
	Net decrease in placements from other financial institutions	**–**	2,612,182,458.67
	Cash payment of interest, fees and commissions	**514,788,229.18**	301,224,508.45
	Cash paid to and on behalf of employees	**505,489,689.27**	410,749,186.97
	Payment for taxes and levies	**227,418,698.81**	116,360,580.52
	Cash paid relating to other operating activities	**204,901,374.13**	392,446,113.51
	Sub-total of cash outflows from operating activities	**2,549,002,622.87**	8,685,059,638.01
	Net cash flows generated from operating activities	**20,080,663,331.04**	23,052,767,924.19
II.	**Cash flows generated from investing activities:**		
	Cash received from sales of investments	**930,395,713.94**	2,750,896,623.84
	Cash received from return on investments	**271,076,286.64**	30,071,163.57
	Net cash recovered from disposal of fixed assets, intangible assets and other long-term assets	**16,949,334.45**	3,545.34
	Sub-total of cash inflows from investing activities	**1,218,421,335.03**	2,780,971,332.75
	Cash paid for acquisition of investments	**1,519,502,680.00**	4,478,449,868.86
	Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	**35,570,803.88**	19,473,625.86
	Sub-total of cash outflows from investing activities	**1,555,073,483.88**	4,497,923,494.72
	Net cash flows generated from investing activities	**(336,652,148.85)**	(1,716,952,161.97)

Items	January to March 2020	January to March 2019
III. Cash flows generated from financing activities:		
Cash received from issuance of bonds	**17,006,300,000.00**	18,367,070,000.00
Cash received from borrowings	**17,006,300,000.00**	18,367,070,000.00
Cash paid for repayment of debts	**16,057,050,000.00**	19,950,980,000.00
Cash paid for distribution of dividends, or profits or for interest expenses	**463,468,780.45**	605,544,213.39
Cash paid for repayment of rental principals and interests	**61,650,738.44**	–
Sub-total of cash outflows from financing activities	**16,582,169,518.89**	20,556,524,213.39
Net cash flows generated from financing activities	**424,130,481.11**	(2,189,454,213.39)
IV. Effects of changes in foreign exchange rates on cash and cash equivalents	**5,288,501.48**	(5,546,617.71)
V. Net increase in cash and cash equivalents	**20,173,430,164.78**	19,140,814,931.12
Add: Balance of cash and cash equivalents at the beginning of the period	**32,931,128,537.66**	25,221,724,072.04
VI. Balance of cash and cash equivalents at the end of the period	**53,104,558,702.44**	44,362,539,003.16

Legal representative: **Liu Qiuming** *Person-in-charge of accounting affairs:* **Liu Qiuming** *Head of accounting department:* **He Mannian**

4.2 Information on making adjustment on implementation of related items in the financial statement at the beginning of such year for the first time in 2020 against initial application of the new revenue standards and the new lease standards

□ Applicable √Not Applicable

4.3 Description of retrospective adjustment on the comparative figures in the previous period against initial application of the new revenue standards and the new lease standards since 2020

□ Applicable √Not Applicable

4.4 Audit Reports

□ Applicable √Not Applicable