申 萬 宏 源 集 團 股 份 有 限 公 司
SHENWAN HONGYUAN GROUP CO., LTD.

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 6806)

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 Shenwan Hongyuan Group Co., Ltd. (the "**Company**") and its subsidiaries (the "**Group**") as of 31 March 2020. The financial report contained therein is prepared pursuant to the China Accounting Standards for Business Enterprises 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
Shenwan Hongyuan Group Co., Ltd.
Chu Xiaoming
Chairman

Beijing, the PRC
29 April 2020

As at the date of this announcement, the board of directors comprises Mr. Chu Xiaoming and Mr. Yang Wenqing as Executive Directors; Mr. Chen Jianmin, Mr. Wang Honggang, Mr. Wang Fengchao, Ms. Ge Rongrong and Mr. Ren Xiaotao as Non-executive Directors; Ms. Ye Mei, Mr. Xie Rong, Ms. Huang Danhan and Ms. Yang Qiumei as Independent Non-executive Directors.

Shenwan Hongyuan Group Co., Ltd.
2020 First Quarterly Report

Section I Important Notice

1. The Board of Directors, the board of supervisors and the directors, supervisors and senior management of the Company guarantee that there are no misstatements, misleading representations or material omission in the information contained herein this quarterly report, and are severally and jointly liable for the truthfulness, accuracy and completeness of the content herein.

2. No directors, supervisors or senior management of the Company declares the inability to warrant or disagreement with the truthfulness, accuracy and completeness of the content herein this quarterly report.

3. This quarterly report was considered and approved at the 51st meeting of the fourth session of the Board. 11 directors shall participate in the poll of the meeting and the actual number of directors participated was 11.

4. The Company's financial statements of this quarter are unaudited.

5. Mr. Xu Zhibin, the Company's representative and general manager, Mr. Yang Changyun, the chief financial officer, and Ms. Zhang Yan, the person in charge of the planning and finance department, have declared that they warrant the truthfulness, accuracy and completeness of the financial statements in this quarterly report.

Section II General Information of the Company

1. Key accounting data and financial indicators

Unit: RMB

Items	The reporting period	Comparative period	Increase/decrease as compared with the corresponding period of the last year (%)
Operating income	7,697,085,479.74	5,456,923,622.68	41.05
Net profit attributable to shareholders of the Company	1,987,384,589.49	1,862,235,397.63	6.72
Net profit attributable to shareholders of the Company, net of non-recurring items	1,974,079,120.39	1,845,576,581.08	6.96
Net cash flows from operating activities	19,638,354,003.46	16,361,892,923.70	20.02
Basic earnings per share (RMB/share)	0.08	0.08	—
Diluted earnings per share (RMB/share)	0.08	0.08	—
Weighted average return on net asset (%)	2.36	2.63	Decreased by 0.27 percentage point
Items	**As at the end of the reporting period**	**As at the end of last year**	**Increase/decrease as compared with the end of the last year (%)**
Total assets	416,188,402,779.67	388,537,264,595.61	7.12
Net assets attributable to shareholders of the Company	84,866,440,625.95	83,206,189,813.84	2.00

Total share capital of the Company as of the trading day prior to the disclosure:

Total share capital of the Company as of the trading day prior to the disclosure (shares)	25,039,944,560

Fully diluted earnings per share calculated with reference to the latest share capital:

Dividend paid for preferred shares	N/A
Fully diluted earnings per share calculated with reference to the latest share capital (RMB/share)	0.08

Items and amounts of the non-recurring profit or loss

Unit: RMB

Items	Amount from the beginning of the year to the end of the reporting period	Explanation
Government grants attributable to profit or loss for the period (excluding those closely related to operating activities and granted in a fixed amount or fixed quota according to the national unified standards)	23,599,051.26	Mainly grants of financial support
Other non-operating income and expenses other than the above items	-3,227,306.47	—
Less: Effect of income tax	5,285,568.19	—
Effect of non-controlling interest (net of tax)	1,780,707.50	—
Total	13,305,469.10	—

2. Total number of shareholders and top 10 shareholdings as at the end of the reporting period

Unit: Share

<table>
<tr><td colspan="2">Total number of shareholders of ordinary shares as at the end of the reporting period</td><td colspan="2">294,017 (including 293,946 A shareholders and 71 H shareholders)</td><td colspan="3">Number of shareholders of preference shares with restored voting rights as at the end of the reporting period (if any)</td><td>Nil</td></tr>
<tr><td colspan="8">Shareholdings of the top ten shareholders</td></tr>
<tr><td rowspan="2">Name of shareholders</td><td rowspan="2">Nature of shareholders</td><td rowspan="2">Percentage of shareholdings (%)</td><td rowspan="2">Number of shares held</td><td rowspan="2">Number of shares held subject to lock-up</td><td colspan="3">Pledge or freeze</td></tr>
<tr><td colspan="2">Share status</td><td>Number</td></tr>
<tr><td>China Jianyin Investment Limited</td><td>State-owned legal entity</td><td>26.34</td><td>6,596,306,947</td><td>0</td><td colspan="2">—</td><td>0</td></tr>
<tr><td>Central Huijin Investment Ltd.</td><td>State shares</td><td>20.05</td><td>5,020,606,527</td><td>0</td><td colspan="2">—</td><td>0</td></tr>
<tr><td>HKSCC Nominees Limited</td><td>Overseas legal person</td><td>10.00</td><td>2,503,762,580</td><td>0</td><td colspan="2">N/A</td><td>N/A</td></tr>
<tr><td>Shanghai Jiushi (Group) Co., Ltd.</td><td>State-owned legal entity</td><td>4.84</td><td>1,212,810,389</td><td>0</td><td colspan="2">—</td><td>0</td></tr>
<tr><td>Sichuan Development Holding Co., Ltd.</td><td>State-owned legal entity</td><td>4.49</td><td>1,124,543,633</td><td>0</td><td colspan="2">Pledged</td><td>562,271,816</td></tr>
<tr><td>China Everbright Group Ltd.</td><td>State-owned legal entity</td><td>3.99</td><td>999,000,000</td><td>0</td><td colspan="2">Pledged</td><td>67,500,000</td></tr>
<tr><td>China Securities Finance Corporation Limited</td><td>Onshore general legal entity</td><td>2.54</td><td>635,215,426</td><td>0</td><td colspan="2">—</td><td>0</td></tr>
<tr><td>Xinjiang Financial Investment Co., Ltd.</td><td>State-owned legal entity</td><td>2.28</td><td>570,294,440</td><td>0</td><td colspan="2">Pledged</td><td>309,917,355</td></tr>
<tr><td>China Life Insurance Company Ltd. — traditional — ordinary insurance product-005L-CT001Shen (中國人壽保險股份有限公司－傳統－普通保險產品－005L-CT001深)</td><td>Other</td><td>0.99</td><td>248,720,000</td><td>0</td><td colspan="2">—</td><td>0</td></tr>
<tr><td>Central Huijin Asset Management Ltd.</td><td>State-owned legal entity</td><td>0.79</td><td>197,390,385</td><td>0</td><td colspan="2">—</td><td>0</td></tr>
</table>

<table>
<tr><th colspan="4">Shareholdings of top ten ordinary shareholders without selling restrictions</th></tr>
<tr><th rowspan="2">Name of shareholders</th><th rowspan="2">Number of ordinary shares without selling restrictions</th><th colspan="2">Type of shares</th></tr>
<tr><th>Type of shares</th><th>Numbers</th></tr>
<tr><td>China Jianyin Investment Limited</td><td>6,596,306,947</td><td>RMB-denominated ordinary shares</td><td>6,596,306,947</td></tr>
<tr><td>Central Huijin Investment Ltd.</td><td>5,020,606,527</td><td>RMB-denominated ordinary shares</td><td>5,020,606,527</td></tr>
<tr><td>HKSCC Nominees Limited</td><td>2,503,762,580</td><td>Overseas listed foreign shares</td><td>2,503,762,580</td></tr>
<tr><td>Shanghai Jiushi (Group) Co., Ltd.</td><td>1,212,810,389</td><td>RMB-denominated ordinary shares</td><td>1,212,810,389</td></tr>
<tr><td>Sichuan Development Holding Co., Ltd.</td><td>1,124,543,633</td><td>RMB-denominated ordinary shares</td><td>1,124,543,633</td></tr>
<tr><td>China Everbright Group Ltd.</td><td>999,000,000</td><td>RMB-denominated ordinary shares</td><td>999,000,000</td></tr>
<tr><td>China Securities Finance Corporation Limited</td><td>635,215,426</td><td>RMB-denominated ordinary shares</td><td>635,215,426</td></tr>
<tr><td>Xinjiang Financial Investment Co., Ltd.</td><td>570,294,440</td><td>RMB-denominated ordinary shares</td><td>570,294,440</td></tr>
<tr><td>China Life Insurance Company Ltd. — traditional — ordinary insurance product — 005L — CT001Shen (中國人壽保險股份有限公司－傳統－普通保險產品－005L－CT001深)</td><td>248,720,000</td><td>RMB-denominated ordinary shares</td><td>248,720,000</td></tr>
<tr><td>Central Huijin Asset Management Ltd.</td><td>197,390,385</td><td>RMB-denominated ordinary shares</td><td>197,390,385</td></tr>
<tr><td>Description on the related relationship or parties acting-in-concert among the top ten ordinary shareholders without selling restrictions and between the top ten ordinary shareholders without selling restrictions and the top ten ordinary shareholders</td><td colspan="3">Central Huijin Investment Ltd. holds the entire equity interest in China Jianyin Investment Limited, the entire equity interest in Central Huijin Asset Management Ltd. and 55.67% of equity interest in China Everbright Group Ltd.</td></tr>
<tr><td>Description on any of the top ten ordinary shareholders participating in the margin financing and securities lending business</td><td colspan="3">Nil</td></tr>
</table>

Notes: 1. Among the H shareholders of the Company, HKSCC Nominees Limited holds the H Shares on behalf of the non-registered shareholders;

2. In the above table, the shares held by HKSCC Nominees Limited are overseas listed foreign shares (H shares) and shares held by other shareholders are RMB-denominated ordinary shares (A shares).

Section III Significant Events

I. Changes of major financial information, financial indicators of the Company and reasons for changes during the reporting period

Unit: RMB

Items	As at March 31, 2020	As at December 31, 2019	Percentage of change	Reason for changes
Derivative financial assets	928,517,736.63	481,834,515.15	92.70%	Increase in the size of investment in options business
Accounts receivable	4,029,106,415.31	1,968,152,225.90	104.72%	Increase in receivables from settlement of securities
Short-term borrowings	2,245,570,183.90	1,160,306,944.00	93.53%	Increase in short-term borrowings of subsidiaries from banks
Financial liabilities at fair value through profit or loss	2,878,075,829.32	384,169,663.92	649.17%	Increase in bond lending business
Other comprehensive income	-658,648,391.86	-331,514,614.48	N/A	Decrease in fair value of equity securities not held for trading
Items	**January to March 2020**	**January to March 2019**	**Percentage of change**	**Reason for changes**
Net interest income	845,463,362.91	530,279,056.44	59.44%	Increase in interest income from debt securities at fair value through other comprehensive income
Investment income	981,616,169.19	1,417,632,147.76	-30.76%	Decrease in investment income from financial assets held for trading
Other business income	3,321,758,044.39	1,013,978,052.62	227.60%	Increase in income from commodity sales of subsidiaries
Other impairment loss	244,787,656.77	-35,036,169.54	N/A	Due to the provision for falling price of inventories by subsidiaries. The matter hedged against gains from futures and did not incur actual losses.
Other business costs	3,098,908,114.68	1,015,232,409.20	205.24%	Increase in commodity sales costs of subsidiaries
Other comprehensive income, net of tax	-302,932,723.27	1,120,695,191.83	-127.03%	Decrease in fair value of equity securities not held for trading

II. Analysis on and description of the progress of significant events and their effects and solutions

On November 29, 2019, the Resolution Regarding the Appointment of the General Manager of the Company was considered and approved at the 47th meeting of the fourth session of the Board of Directors of Shenwan Hongyuan Group Co., Ltd., pursuant to which Mr. Xu Zhibin was appointed as the general manager of the Company. Pursuant to the Articles of Association, the general manager is the legal representative of the Company. On January 20, 2020, the Company completed the procedures for industrial and commercial registration of the change of the legal representative, and the legal representative after the changes is Mr. Xu Zhibin. (For details, please refer to the relevant announcements of the Company published on China Securities Journal, Securities Times, Shanghai Securities News and the Cninfo website (www.cninfo.com.cn) on November 30, 2019 and January 22, 2020 and the relevant announcements of the Company published on the website of the Stock Exchange of Hong Kong Limited (www.hkexnews.hk) on November 29, 2019 and January 21, 2020)

III. Outstanding undertaking that exceeded the time limit and unaccomplished by the actual controller, shareholders, related parties, acquirers and the Company and other related parties during the reporting period

During the reporting period, there was no undertaking that exceeded the time limit and unaccomplished by the actual controller, shareholders, related parties, acquirers and the Company and other related parties during the reporting period.

IV. Estimation on operating results for January to June, 2020

Currently, Shenwan Hongyuan Group Holdings Limited conducts its securities business through its subsidiary Shenwan Hongyuan Securities Co., Ltd. and the subsidiaries thereof Shenwan Hongyuan Securities (Western) Co., Ltd. and Shenwan Hongyuan Financing Services Co., Ltd. Since the securities business is to a larger extent affected by the market, it is therefore not possible to conduct an accurate estimation on the operating results for January to June, 2020 of the Company. The Company will disclose such results pursuant to the regulations upon the completion of the first half of 2020.

V. Investments in securities

Unit: RMB'0,000

Security type	Security code	Security abbreviation	Initial investment cost	Accounting measurement model	Beginning book value	Gains and losses from changes in fair value during the period	Accumulated fair value changes included in equity	Current purchase amount	Current sales amount	Profit and loss during the Reporting Period	Closing book value	Accounting item	Sources of funds
Wealth management account	HH0001	Income Swap Product No. 1	639,000.00	Fair value	655,273.59	—	-29,268.22	—	—	—	626,005.38	Financial assets at fair value through other comprehensive income	Self-owned funds
Bonds	190015	19 Interest-bearing Government Bonds 15 (19附息國債15)	—	Fair value	—	8.59	1,005.30	568,831.06	86,863.81	1,342.71	483,310.20	Financial assets at fair value through profit or loss/ Debt securities at fair value through other comprehensive income	Self-owned funds
Bonds	010007	01 Treasury Bonds 7	184,551.77	Fair value	184,679.52	900.34	—	60,022.42	30,181.28	3,047.16	213,811.77	Financial assets at fair value through profit or loss	Self-owned funds
Bonds	117125	19 Zhaoshang EB	239,000.00	Fair value	257,407.86	-8,414.48	—	—	—	-8,363.09	248,903.34	Financial assets at fair value through profit or loss	Self-owned funds
Bonds	147695	18 Hebei 26	201,583.37	Fair value	207,165.88	753.75	—	—	—	2,602.95	209,768.83	Debt securities at fair value through other comprehensive income	Self-owned funds
Bonds	147525	18 Shandong 15	126,368.72	Fair value	123,608.18	309.96	298.33	5,122.36	15,442.37	1,330.51	128,613.67	Financial assets at fair value through profit or loss/ Debt securities at fair value through other comprehensive income	Self-owned funds
Bonds	147096	17 Jiangsu 25	120,178.74	Fair value	116,748.15	4,965.38	—	—	—	6,114.06	122,862.21	Financial assets at fair value through profit or loss	Self-owned funds
Bonds	1805101	18 Shandong Bonds 07	104,502.30	Fair value	104,584.80	1,653.80	—	—	—	2,588.60	107,173.40	Financial assets at fair value through profit or loss	Self-owned funds

Security type	Security code	Security abbreviation	Initial investment cost	Accounting measurement model	Beginning book value	Gains and losses from changes in fair value during the period	Accumulated fair value changes included in equity	Current purchase amount	Current sales amount	Profit and loss during the Reporting Period	Closing book value	Accounting item	Sources of funds
Private equity fund	N/A	Sichuan Capital Market Bailout Development Securities Investment Fund Partnership (Limited Partnership)	100,000.00	Fair value	100,000.00	-200.00	—	—	—	-200.00	99,800.00	Financial assets at fair value through profit or loss	Self-owned funds
Private equity fund	N/A	Chengdu Shenwan Hongyuan Chantou Credit Investment Equity Investment Fund Partnership (Limited Partnership)	99,800.00	Measurement at amortised cost	99,757.63	—	—	—	—	1,846.88	99,771.97	Financial assets measured at amortized cost	Self-owned funds
Other securities investments held at the end of the period			15,194,767.54	—	15,752,321.73	64,964.77	78,606.04	37,315,810.20	36,440,506.88	244,521.00	16,753,901.82	—	—
Total			17,009,752.44	—	17,601,547.34	64,942.11	50,641.45	37,949,786.04	36,572,994.34	254,830.78	19,093,922.59	—	—

VI. Investments in derivatives

(I) Investments in derivatives

Risk analysis and description of control measures on derivative positions during the reporting period (including but not limited to market risks, liquidity risks, credit risks, operation risks and legal risks)	The subsidiaries of the Company have obtained relevant business qualifications. Proprietary business on derivative products mainly involves in proprietary businesses such as arbitrage, hedging and speculation of stock index futures and treasury bond futures and broker OTC business. During the reporting period, the investment business in derivative products undertaken by the Company fully complied with the requirements and regulations on operation of the CSRC, the Securities Association of China and CFFEX. The Company has not breached any regulation during operation and the risks are under control. In order to ensure standard operation of the proprietary business on derivatives and avoid business risks, the Company adopted rules and regulations such as relevant business administration measures as standards, followed business plans and commenced the business through analyzing and controlling market risks, liquidity risks, credit risks, operation risks and legal risks.
The market price of derivatives invested or the change of fair value of products during the reporting period. Specific usage and settings of relevant assumptions and parameters of the analysis on the fair value of derivatives shall be disclosed	As of the end of the reporting period, the gain or losses on the fair value change of sovereign futures contract held was RMB49.6262 million; the gain or losses on the fair value change of interest rate swap was RMB-76.8261 million; the gain or losses on the fair value change of stock index futures was RMB-84.3293 million; the gain or losses on the fair value change of precious metal futures was RMB1.6008 million and the fair value change of commodity futures was RMB7.4166 million. Derivative financial instruments were initially recognized at fair value as at the execution date of derivatives transaction contract and subsequently measured at its fair value. Derivative financial instruments are carried as assets when the fair value is positive and as liabilities when the fair value is negative. The fair value change of derivative financial instruments was directly credited into profit or loss. The fair value of ordinary derivative financial instruments was measured based on the valuation method generally adopted in the market. Observable data was mostly taken as the data of valuation models. The fair value of the complex structured derivative financial instruments was mainly sourced from quotations of dealers.
Description on whether the accounting policies and principles of audit on derivatives of the Company have any significant changes when compared with the previous reporting period	No significant changes

Non-executive directors' opinions on the Company's derivative investment and risk control	The subsidiaries of the Company have obtained relevant business qualifications and are eligible to conduct relevant businesses. During the reporting period, the business of investment in derivative products conducted by the subsidiaries of the Company was in compliance with the requirements and regulations on operation of the CSRC, the SAC and CFFEX. As of the end of the reporting period, the value of interest derivative instrument contract held was RMB106,006.4788 million, representing 124.91% of the net assets of the Company as at the end of the reporting period; the value of equity derivative instrument contract held was RMB30,570.3360 million, representing 36.02% of the net assets of the Company as at the end of the reporting period; the value of other derivative instrument contract held was RMB63,093.2342 million, representing 74.34% of the net assets of the Company as at the end of the reporting period. The development of the derivatives investment by subsidiaries of the Company is in line with regulatory requirements and the risks are controllable. Such businesses are not detrimental to the interests of the Company and its shareholders as a whole.

(II) Positions of derivative investment during the Reporting Period

Unit: RMB'0,000

Operator of derivative investment	Related party relationship	Related party transaction	Type of derivative investment	Initial investment amount of derivative investment	Commencement date	Termination date	Investment amount at the beginning of period	Amount purchased during the reporting period	Amount sold during the reporting period	Investment amount at the end of period	Proportion of investment at the end of period to net assets of the Company during the period	Actual profit or losses during the reporting period
Open market	N/A	No	Interest rate derivative instrument	8,596,474.85	2020/1/1	2023/6/29	8,596,474.85	14,959,537.31	12,955,364.28	10,600,647.88	124.91%	-25,598.68
Banks, private equity funds, open market	N/A	No	Equity derivative instruments	8,192,353.48	2020/1/1	2022/3/9	8,192,353.48	2,915,539.49	8,050,859.37	3,057,033.60	36.02%	15,620.52
Open market, banks, trading companies, etc	N/A	No	Commodity derivative instruments	1,086,614.79	2020/1/1	2020/12/31	1,086,614.79	7,325,030.04	2,102,321.41	6,309,323.42	74.34%	-16,085.51
Total				**17,875,443.12**	**–**	**–**	**17,875,443.12**	**25,200,106.84**	**23,108,545.06**	**19,967,004.90**	**235.27%**	**-26,063.67**

VII. Reception of activities such as research, communication and interview during the reporting period

Reception time	Reception method	Type of reception object	Index of basic information on research
January 7, 2020	Field research	Institution (Guotai Junan Securities Co., Ltd., CCB Principal Asset Management Co., Ltd.)	https://view.officeapps.live.com/op/view.aspx?src=http%3A%2F%2Fstatic.cninfo.com.cn%2Ffinalpage%2F2020-01-09%2F1207238239.doc
January 14, 2020	Telephone	Institution (ICBC International Research Limited)	https://view.officeapps.live.com/op/view.aspx?src=http%3A%2F%2Fstatic.cninfo.com.cn%2Ffinalpage%2F2020-01-16%2F1207256406.doc
March 31, 2020	Telephone	Institution (analysts and investors invited for the 2019 annual results presentation of the Company)	https://view.officeapps.live.com/op/view.aspx?src=http%3A%2F%2Fstatic.cninfo.com.cn%2Ffinalpage%2F2020-04-02%2F1207454146.doc

VIII. Information on illegal external guarantees

During the reporting period, the Company did not provide any illegal external guarantees.

IX. Information on the non-operating use of funds of the Company by the controlling shareholder and its related parties

During the reporting period, there was no non-operating use of funds of the Company by the controlling shareholder and its related parties.

Section IV Financial Statements

I. Financial Statements

1. Consolidated and the Company's statements of financial position

Prepared by: Shenwan Hongyuan Group Co., Ltd. Unit: RMB

	Consolidated		The Company	
	March 31, 2020	December 31, 2019	**March 31, 2020**	December 31, 2019
Assets:				
Cash and bank balances	**94,755,736,549.04**	87,543,772,815.53	**6,935,248,249.58**	7,315,184,032.99
including: Cash held on behalf of brokerage clients	**70,995,459,265.46**	62,487,606,147.11	**—**	—
Clearing settlement funds	**15,083,504,751.72**	11,940,567,051.79	**—**	—
including: Cash held on behalf of brokerage clients	**11,128,504,233.99**	8,709,706,176.30	**—**	—
Margin accounts receivable	**56,173,323,160.97**	53,048,414,310.76	**—**	—
Derivative financial assets	**928,517,736.63**	481,834,515.15	**—**	—
Refundable deposits	**9,418,353,899.42**	8,878,240,894.20	**—**	—
Accounts receivable	**4,029,106,415.31**	1,968,152,225.90	**—**	—
Financial assets held under resale agreements	**35,710,075,523.88**	39,250,938,691.72	**—**	—
Financial investment:				
Financial assets at fair value through profit or loss	**116,831,546,497.52**	115,228,227,062.80	**8,620,399,576.24**	7,662,095,247.78
Financial assets measured at amortized cost	**8,606,400,942.43**	7,312,724,764.82	**3,097,838,702.14**	3,697,299,283.24
Debt securities at fair value through other comprehensive income	**56,667,979,401.92**	44,029,179,919.64	**—**	—
Equity securities not held for trading	**8,833,299,105.96**	9,445,341,611.23	**—**	—
Interest in subsidiaries and associates and joint ventures	**2,569,711,131.24**	2,489,250,220.61	**56,545,413,731.55**	56,541,176,360.21
Investment properties	**60,315,684.49**	99,724,140.11	**155,179,756.58**	157,074,105.49
Property and equipment	**1,155,531,277.17**	1,135,225,103.78	**350,007,507.93**	353,660,635.30
Construction in progress	**152,450,095.80**	144,165,661.76	**—**	—
Right-of-use assets	**757,725,294.02**	793,824,530.82	**—**	—
Intangible assets	**136,512,074.66**	143,715,460.10	**1,527,223.38**	1,738,709.10
Deferred tax assets	**1,797,221,673.21**	1,833,394,995.29	**72,791,922.60**	62,660,516.14
Other assets	**2,521,091,564.28**	2,770,570,619.60	**9,065,076,050.99**	8,892,187,445.81
Total assets	**416,188,402,779.67**	388,537,264,595.61	**84,843,482,720.99**	84,683,076,336.06
Liabilities:				
Short-term borrowings	**2,245,570,183.90**	1,160,306,944.00	**—**	—
Short-term debt instruments issued	**14,162,348,796.35**	17,065,153,234.14	**—**	—
Placements from banks and other financial institutions	**11,583,487,003.73**	10,951,073,811.81	**—**	—
Financial liabilities at fair value through profit or loss	**2,878,075,829.32**	384,169,663.92	**—**	—
Derivative financial liabilities	**794,872,437.14**	614,656,089.37	**—**	—
Financial assets sold under repurchase agreements	**87,302,540,984.69**	83,943,833,548.85	**502,147,395.83**	506,927,083.33
Accounts payable to brokerage clients	**88,968,463,348.11**	77,053,334,922.59	**—**	—
Employee benefits payable	**4,063,495,192.01**	3,676,788,139.02	**121,801,883.64**	123,499,862.30
Tax liabilities	**1,074,450,204.49**	1,363,800,780.49	**22,093,192.54**	71,843,635.37
Accounts payable	**2,726,313,010.70**	2,343,558,732.05	**22,427,315.05**	22,055,761.11
Long-term borrowings	**301,426,849.33**	301,426,849.32	**301,426,849.32**	301,426,849.32
Long-term bonds	**98,820,154,376.33**	91,735,203,239.89	**25,141,378,179.20**	24,933,639,980.58
Lease liabilities	**724,451,942.79**	779,730,323.96	**—**	—
Deferred tax liabilities	**3,158,442.18**	2,557,994.93	**—**	—
Contract liabilities	**162,982,046.54**	115,368,567.04	**—**	—
Other liabilities	**13,854,877,794.21**	12,214,894,860.61	**36,662,888.48**	1,932,077.80
Total liabilities	**329,666,668,441.82**	303,705,857,701.99	**26,147,937,704.06**	25,961,325,249.81
Shareholders' equity:				
Share capital	**25,039,944,560.00**	25,039,944,560.00	**25,039,944,560.00**	25,039,944,560.00
Capital reserve	**19,367,146,136.46**	19,367,146,136.46	**23,811,448,219.46**	23,811,448,219.46
Other comprehensive income	**-658,648,391.86**	-331,514,614.48	**—**	—
Surplus reserve	**3,390,426,172.88**	3,390,426,172.88	**2,799,954,570.45**	2,799,954,570.45
General reserve	**12,292,056,359.67**	12,276,012,428.59	**3,849,860,528.88**	3,849,860,528.88
Retained profits	**25,435,515,788.80**	23,464,175,130.39	**3,194,337,138.14**	3,220,543,207.46
Total equity attributable to shareholders of the Company	**84,866,440,625.95**	83,206,189,813.84	**58,695,545,016.93**	58,721,751,086.25
Non-controlling interests	**1,655,293,711.90**	1,625,217,079.78	**—**	—
Total shareholders' equity	**86,521,734,337.85**	84,831,406,893.62	**58,695,545,016.93**	58,721,751,086.25
Total liabilities and shareholders' equity	**416,188,402,779.67**	388,537,264,595.61	**84,843,482,720.99**	84,683,076,336.06

Legal representative: Xu Zhibin

Person in charge of the accounting affairs: Yang Changyun

Person in charge of the accounting department: Zhang Yan

2. Consolidated and the Company's statements of profit or loss

Prepared by: Shenwan Hongyuan Group Co., Ltd. Unit: RMB

	Consolidated		**The Company**	
	January–March 2020	January–March 2019	**January–March 2020**	January–March 2019
I. Operating income	**7,697,085,479.74**	5,456,923,622.68	**-8,987,284.23**	147,730,820.98
Net income from fee and commission	**1,787,945,535.90**	1,724,417,674.06	**—**	—
Including: Net income from brokerage business	**1,289,545,785.24**	1,030,785,620.82	**—**	—
Net income from underwriting and sponsorship business	**192,865,159.61**	277,948,628.01	**—**	—
Net income from asset management business	**287,963,153.75**	322,305,786.87	**—**	—
Net Interest Income	**845,463,362.91**	530,279,056.44	**-75,718,282.07**	-61,597.97
Including: Interest income	**2,788,926,188.94**	2,621,453,305.33	**185,116,013.87**	202,648,784.00
Interest expenses	**1,943,462,826.03**	2,091,174,248.89	**260,834,295.94**	202,710,381.97
Other revenue	**23,599,051.26**	20,481,091.85	**—**	400,000.00
Investment income ("-" for losses)	**981,616,169.19**	1,417,632,147.76	**50,032,095.37**	148,850,773.88
Including: Investment income in associates and joint ventures	**94,201,148.63**	50,361,305.92	**4,237,371.34**	-3,523,374.51
Gains from changes in fair value ("-" for losses)	**707,912,262.85**	750,215,496.54	**-30,048,520.67**	-21,138,969.82
Gains from asset disposals ("-" for losses)	**—**	17,086.90	**—**	—
Foreign exchange gains ("-" for losses)	**28,791,053.24**	-96,983.49	**34,244,491.25**	—
Other business income	**3,321,758,044.39**	1,013,978,052.62	**12,502,931.89**	19,680,614.89
II. Operating expenses	**5,228,721,728.28**	3,043,608,556.20	**27,350,191.55**	45,890,248.65
Tax and surcharges	**31,805,950.45**	32,463,710.66	**1,481,825.62**	913,685.19
Staff cost, general and administrative expenses	**1,818,402,293.05**	2,015,546,047.54	**28,831,421.78**	41,186,529.77
Credit impairment loss	**34,817,713.33**	15,402,558.34	**-4,857,404.76**	660,065.35
Other impairment loss	**244,787,656.77**	-35,036,169.54	**—**	—
Other business costs	**3,098,908,114.68**	1,015,232,409.20	**1,894,348.91**	3,129,968.34
III. Operating profit ("-" for losses)	**2,468,363,751.46**	2,413,315,066.48	**-36,337,475.78**	101,840,572.33
Add: Non-operating income	**402,388.71**	4,090,560.83	**—**	120.56
Less: Non-operating expenses	**3,629,695.18**	331,211.74	**—**	2,958.83
IV. Total profit ("-" for total losses)	**2,465,136,444.99**	2,417,074,415.57	**-36,337,475.78**	101,837,734.06
Less: Income tax expense	**465,980,611.26**	538,137,099.91	**-10,131,406.46**	459,433.52
V. Net profit ("-" for losses)	**1,999,155,833.73**	1,878,937,315.66	**-26,206,069.32**	101,378,300.54
(I) Net profit classified by continuity of operations				
Net profit from continuing operations ("-" for net losses)	**1,999,155,833.73**	1,878,937,315.66	**-26,206,069.32**	101,378,300.54
Net profit from discontinued operations ("-" for net losses)	**—**	—	**—**	—
(II) Net profit classified by ownership				
Shareholders of the Company	**1,987,384,589.49**	1,862,235,397.63	**-26,206,069.32**	101,378,300.54
Non-controlling interests	**11,771,244.24**	16,701,918.03	**—**	—

Prepared by: Shenwan Hongyuan Group Co., Ltd. Unit: RMB

	Consolidated		The Company	
	January–March 2020	January–March 2019	**January–March 2020**	January–March 2019
VI. Other comprehensive income, net of tax	**-302,932,723.27**	1,120,695,191.83	**—**	—
Other comprehensive income (net of tax) attributable to shareholders of the Company	**-327,133,777.38**	1,150,205,660.03	**—**	—
(I) Items that will not be reclassified to profit or loss:	**-459,031,878.95**	1,138,158,115.34	**—**	—
1. Re-measurement of amount of changes in defined benefit scheme	**—**	—	**—**	—
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method	**—**	—	**—**	—
3. Changes in fair value of Equity securities not held for trading	**-459,031,878.95**	1,138,158,115.34	**—**	—
4. Changes in the fair value of the Company's own credit risk	**—**		**—**	—
(II) Items that may be reclassified to profit or loss	**131,898,101.57**	12,047,544.69	**—**	—
1. Other comprehensive income that can be transferred to profit or loss under the equity method	**-7,312,896.98**	5,505,275.49	**—**	—
2. Changes in fair value of available-for-sale financial assets	**—**	—	**—**	—
3. Changes in fair value of debt securities at fair value through other comprehensive income	**79,221,025.33**	27,930,175.96	**—**	—
4. Financial assets reclassified into other comprehensive income	**—**	—	**—**	—
5. Credit impairment provisions of Debt securities at fair value through other comprehensive income	**5,454,124.00**	26,895,266.99	**—**	—
6. Cashflow hedging reserve	**—**		**—**	—
7. Exchange differences on translation of financial statements in foreign currencies	**54,535,849.22**	-48,283,173.75	**—**	—
Other comprehensive income (net of tax) attributable to non-controlling interests	**24,201,054.11**	-29,510,468.20	**—**	—
VII. Total comprehensive income	**1,696,223,110.46**	2,999,632,507.49	**-26,206,069.32**	101,378,300.54
Attributable to: Shareholders of the Company	**1,660,250,812.11**	3,012,441,057.66	**-26,206,069.32**	101,378,300.54
Non-controlling interests	**35,972,298.35**	-12,808,550.17		
VIII. Earnings per share:				
(I) Basic earnings per share	**0.08**	0.08		
(II) Diluted earnings per share	**0.08**	0.08		

Legal representative: Xu Zhibin

Person in charge of the accounting affairs: Yang Changyun

Person in charge of the accounting department: Zhang Yan

3. Consolidated and the Company's Statement of Cashflow

Prepared by: Shenwan Hongyuan Group Co., Ltd. Unit: RMB

	Consolidated		The Company	
	January–March 2020	January–March 2019	**January–March 2020**	January–March 2019
I. Cashflow from operating activities:				
Decrease in financial instruments at fair value through profit or loss	**5,144,357,394.62**	1,138,566,296.90	**—**	—
Proceeds from interest income, fee and commission income	**4,419,538,756.43**	4,161,352,397.92	**128,573,734.29**	101,478,092.61
Increase in placements from other financial institutions	**621,044,412.98**		**—**	—
Increase in repurchases businesses	**6,379,054,046.64**	933,418,217.82	**—**	—
Decrease in cash held on behalf of brokerage clients	**10,631,649,632.88**	21,715,491,746.01	**—**	—
Proceeds from other operating activities	**1,263,115,619.72**	1,357,142,044.26	**51,170,721.95**	15,958,970.36
Sub-total of cash inflow from operating activities	**28,458,759,863.27**	29,305,970,702.91	**179,744,456.24**	117,437,062.97
Increase in financial instruments at fair value through profit or loss	**—**	—	**719,392,928.87**	15,282,520.81
Decrease in placements from other financial institutions	**—**	1,301,044,412.98	**—**	—
Increase in margin accounts receivable	**3,374,730,583.81**	8,231,601,752.65	**—**	—
Payment for interest expenses, fee and commission expenses	**1,148,054,895.82**	718,875,790.46	**11,887,291.67**	—
Payment of employee benefits	**1,037,742,439.41**	1,053,481,831.40	**26,728,311.88**	31,294,539.10
Payment of various taxes	**842,613,627.03**	860,116,044.28	**60,519,997.24**	213,530,706.75
Payment for other operating activities	**2,417,264,313.74**	778,957,947.44	**2,378,839.70**	2,898,108.12
Sub-total of cash outflow from operating activities	**8,820,405,859.81**	12,944,077,779.21	**820,907,369.36**	263,005,874.78
Net cash generated from operating activities	**19,638,354,003.46**	16,361,892,923.70	**-641,162,913.12**	-145,568,811.81
II. Cashflow from investing activities:				
Proceeds from disposal of investments	**—**	693,034,655.81	**144,499,999.98**	—
Investment returns received	**550,311,837.58**	559,851,239.84	**93,459,602.84**	99,186,351.08
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	**6,975,743.76**	—	**—**	—
Proceeds from other investing activities	**28,293,575.30**		**28,293,575.30**	—
Sub-total of cash inflow from investing activities	**585,581,156.64**	1,252,885,895.65	**266,253,178.12**	99,186,351.08
Payment for acquisition of investments	**13,116,541,264.51**			**533,695,166.42**
Payment for acquisition of fixed assets, intangible assets and other long-term assets	**47,559,497.03**	46,796,923.31	**361,190.12**	3,362,969.04
Payment for other investing activities	**13,164,100,761.54**	46,796,923.31	**361,190.12**	537,058,135.46
Net cash generated from investing activities	**-12,578,519,604.90**	1,206,088,972.34	**265,891,988.00**	-437,871,784.38
III. Cashflow from financing activities:				
Proceeds from loans and borrowings	**1,084,315,133.87**	—	**—**	—
Proceeds from issuance of bonds and debt instruments	**23,223,843,000.00**	14,144,287,000.00	**—**	998,800,000.00
Sub-total of cash inflow from financing activities	**24,308,158,133.87**	14,144,287,000.00	**—**	998,800,000.00
Loans, bonds and debt instruments repaid	**19,243,671,606.75**	23,403,715,694.00	**—**	1,000,000.00
Dividends and interest for loans, bonds and debt instruments paid	**931,427,786.61**	1,168,757,509.37	**45,988,493.15**	21,594,448.22
Payment for lease liabilities	**114,194,037.29**			
Payment for other financing activities	**5,880,000.00**	9,006,000.00	**—**	9,006,000.00
Sub-total of cash outflow from financing activities	**20,295,173,430.65**	24,581,479,203.37	**45,988,493.15**	31,600,448.22
Net cash generated from financing activities	**4,012,984,703.22**	-10,437,192,203.37	**-45,988,493.15**	967,199,551.78
IV. Effect of foreign exchange differences	**29,161,211.72**	-96,983.49	**34,614,652.64**	—
V. Net increase in cash and cash equivalents	**11,101,980,313.50**	7,130,692,709.18	**-386,644,765.63**	383,758,955.59
Cash and cash equivalents at the beginning of the period	**107,590,413,620.82**	97,308,344,181.53	**7,314,239,188.35**	159,170,338.58
VI. Cash and cash equivalents at the end of the period	**118,692,393,934.32**	104,439,036,890.71	**6,927,594,422.72**	542,929,294.17

Legal representative: Xu Zhibin

Person in charge of the accounting affairs: Yang Changyun

Person in charge of the accounting department: Zhang Yan

II. Explanation on Adjustments to the Financial Statements

1. Adjustment to relevant items in the financial statements at the beginning of the year in which the new standards on revenue and new standards on lease are initially implemented since 2020

□ Applicable √ Not applicable

2. Retrospective adjustments to comparative figures for the previous period due to the initial implementation of the new standards on revenue and new standards on lease since 2020

□ Applicable √ Not applicable

III. Audit Report

Whether the first quarterly report is audited

□ Yes √ No

The board of directors
Shenwan Hongyuan Group Co., Ltd.
Chu Xiaoming
Chairman
April 29, 2020