光大证券
EVERBRIGHT SECURITIES

光大證券股份有限公司
Everbright Securities Company Limited

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 6178)

2020 THIRD 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 third quarterly report of Everbright Securities Company Limited (the "**Company**") and its subsidiaries as of September 30, 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 of directors
Everbright Securities Company Limited
Yan Jun
Chairman

Shanghai, the PRC
October 28, 2020

As at the date of this announcement, the board of directors 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. 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).

1. 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, Mr. Liu Qiuming, the person-in-charge of the accounting affairs, and Mr. He Mannian, the head of the accounting department (accounting head), warrant the truthfulness, accuracy and completeness of the financial statements contained in this quarterly report.

1.4 This third quarterly report of the Company has not been audited.

2. BASIC INFORMATION OF THE COMPANY

2.1 Key financial data

Unit: Yuan Currency: RMB

	As at September 30, 2020	As at December 31, 2019	Variance as compared to the end of last year (%)
Total assets	**229,465,345,789.70**	204,090,346,890.27	12.43
Net assets attributable to shareholders of the listed company	**52,501,428,742.30**	47,444,724,840.21	10.66

	January to September 2020	January to September 2019	Variance as compared to the corresponding period of last year (%)
Net cash flow generated from operating activities	**6,063,024,222.18**	40,425,249,188.25	(85.00)
Operating income	**10,671,038,234.13**	8,452,503,344.61	26.25
Net profit attributable to shareholders of the listed company	**3,310,001,215.27**	2,267,122,981.68	46.00
Net profit attributable to shareholders of the listed company after deducting non-recurring profit or loss	**3,150,030,228.66**	2,411,087,206.28	30.65
Weighted average returns on net assets (%)	**6.76**	4.70	Increase by 2.06 percentage points
Basic earnings per share *(Yuan/share)*	**0.72**	0.49	46.00
Diluted earnings per share *(Yuan/share)*	**0.72**	0.49	46.00

Non-recurring profit or loss items and amounts

√Applicable □Not Applicable

Unit: Yuan Currency: RMB

Items	July to September 2020	January to September 2020	Description
Gains or losses from disposal of non-current assets	**27,580.47**	105,376.35	
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	**16,710,902.13**	216,620,112.51	Fiscal aid
Gain from the excess of the fair value of the identifiable net assets over the cost on acquisition of the investment in the Company's subsidiaries, associates and joint ventures	**1,718,237.07**	1,718,237.07	
Other non-operating income and expenses except for items above	**(729,744.12)**	3,159,149.07	
Effect of minority interests (net of tax)	**(339,511.60)**	(7,262,489.81)	
Effect of income tax	**(3,417,229.52)**	(54,369,398.58)	
Total	**13,970,234.43**	159,970,986.61	

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	252,163, among which 251,987 are A shareholders and 176 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	960,467,000	20.83%	–	none	–	Foreign legal person
HKSCC Nominees Limited	703,678,100	15.26%	–	unknown	–	unknown
China Securities Finance Corporation Limited	137,863,472	2.99%	–	none	–	Others
Pingan Dahua Fund – Pingan Bank – Ping An Bank Company Limited	70,973,145	1.54%	–	none	–	Others
Hong Kong Securities Clearing Company Limited	47,241,939	1.02%	–	none	–	Others
China Construction Bank Corporation – Guotai CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	39,416,535	0.85%	–	none	–	Others
Central Huijin Asset Management Ltd.	37,568,900	0.81%	–	none	–	State-owned legal person
ICBC Credit Suisse Fund – Agricultural Bank of China – ICBC Credit Suisse CSI Financial Assets Management Plan	24,431,977	0.53%	–	none	–	Others
E Fund – Agricultural Bank of China – E Fund CSI Financial Asset Management Plan	23,174,586	0.50%	–	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	960,467,000	RMB ordinary shares	960,467,000
HKSCC Nominees Limited	703,678,100	Overseas listed foreign shares	703,678,100
China Securities Finance Corporation Limited	137,863,472	RMB ordinary shares	137,863,472
Pingan Dahua Fund – Pingan Bank – Ping An Bank Company Limited	70,973,145	RMB ordinary shares	70,973,145
Hong Kong Securities Clearing Company Limited	47,241,939	RMB ordinary shares	47,241,939
China Construction Bank Corporation – Guotai CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	39,416,535	RMB ordinary shares	39,416,535
Central Huijin Asset Management Ltd.	37,568,900	RMB ordinary shares	37,568,900
ICBC Credit Suisse Fund – Agricultural Bank of China – ICBC Credit Suisse CSI Financial Assets Management Plan	24,431,977	RMB ordinary shares	24,431,977
E Fund – Agricultural Bank of China – E Fund CSI Financial Asset Management Plan	23,174,586	RMB ordinary shares	23,174,586

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 of 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 30 September, 2020	As at 31 December, 2019	Increase/ Decrease (%)	Major reasons for the change
Clearing settlement funds	**702,890**	368,857	91	Increase in clearing settlement funds held on behalf of brokerage clients
Margin accounts receivable	**5,764,101**	3,411,866	69	Increase in scale of securities margin trading and margin business
Derivative financial assets	**5,870**	924	535	Increase in equity derivatives instruments
Refundable deposits	**668,650**	441,553	51	Increase in deposits with futures exchanges
Financial assets held under resale agreements	**370,577**	828,581	(55)	Decrease in scales of stocks collateralized and bond reverse-repurchase
Debt investments	**478,706**	720,587	(34)	Decrease in scale of held-to-maturity bonds
Intangible assets	**21,267**	31,406	(32)	Amortization of intangible assets
Short-term borrowings	**1,500,579**	542,495	177	Increase in short-term borrowings of subsidiaries
Short-term debt instruments	**1,183,795**	448,938	164	Newly issued short-term debt
Placements from other institutions	**838,447**	606,371	38	Increase in placements from banks
Financial liabilities held for trading	**50,926**	89,322	(43)	Changes in the liabilities to other investors of structured entities
Derivative financial liabilities	**31,931**	10,368	208	Increase in equity derivative instruments
Long-term borrowings	**173,167**	625,525	(72)	Partial repayment of long-term borrowings by subsidiaries
Deferred income tax liabilities	**2,753**	12,846	(79)	Decrease in temporary differences of tax payable

Items	**January to September 2020**	January to September 2019	Increase/ Decrease (%)	Major reasons for the change
Investment gains	**208,243**	138,045	51	Increase in the investment gains of proprietary businesses
Other income	**22,075**	14,222	55	Increase in fiscal aid received
Gain arising from fair value changes	**(40,154)**	111,766	N/A	Variable losses in some investment projects
Foreign exchange gains	**(613)**	918	N/A	Change in foreign exchange exposures
Other operating income	**140,450**	5,157	2,623	Increase in income of futures warehouse receipts business
Tax and surcharges	**6,247**	4,614	35	Increase in taxable income
Credit impairment losses	**26,688**	49,106	(46)	Decrease in provisions for impairment losses on bond investments
Impairment losses on other assets	**541**	–	N/A	Provisions for decline in value of inventories made by subsidiaries of Everbright Futures
Other operating cost	**135,147**	2,649	5,002	Increase in cost of futures warehouse receipts business
Non-operating income	**1,942**	100	1,842	Increase in government rewards received
Non-operating expenses	**1,857**	32,397	(94)	Estimated liabilities of MPS project accrued last year
Income tax expense	**116,890**	73,616	59	Increase in taxable profits
Other comprehensive income, net of tax	**(10,572)**	32,598	N/A	Changes in fair value of other debt investment

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	October 28, 2020

4. APPENDIX

4.1 Financial statements

Consolidated Balance Sheet
September 30, 2020

Prepared by: Everbright Securities Company Limited

Unit: Yuan Currency: RMB Type of Audit: Unaudited

Items	September 30, 2020	December 31, 2019
Assets:		
Cash and bank balances	**58,531,424,997.50**	49,011,813,511.90
Including: Cash deposits from customers	**45,811,003,429.55**	37,971,941,336.33
Clearing settlement funds	**7,028,895,245.81**	3,688,567,655.10
Including: Settlement funds held on behalf of brokerage customers	**6,783,358,193.85**	1,965,549,374.87
Margin accounts receivable	**57,641,008,491.30**	34,118,659,152.14
Derivative financial assets	**58,704,284.73**	9,239,091.67
Refundable deposits	**6,686,497,505.77**	4,415,527,843.67
Accounts receivables	**2,880,303,529.51**	3,077,872,474.26
Financial assets held under resale agreements	**3,705,765,062.40**	8,285,807,368.53
Financial investments:		
Financial assets held for trading	**58,207,707,686.45**	65,403,593,689.97
Debt investments	**4,787,064,187.53**	7,205,865,812.64
Other debt investments	**13,907,891,543.22**	12,552,867,665.11
Other equity instrument investments	**5,154,023,301.68**	5,072,521,594.63
Long-term equity investments	**1,050,734,369.19**	1,039,416,216.45
Fixed assets	**856,540,326.69**	825,705,310.52
Construction in progress	**3,105,418.20**	3,105,418.20
Right-of-use asset	**860,833,595.40**	755,776,122.81
Intangible assets	**212,668,213.45**	314,058,497.22
Goodwill	**1,005,755,302.05**	1,016,192,826.14
Long-term deferred expenses	**72,853,145.75**	100,417,584.03
Deferred income tax assets	**1,579,348,018.72**	1,618,157,266.89
Other assets	**5,234,221,564.35**	5,575,181,788.39
Total assets	**229,465,345,789.70**	204,090,346,890.27

Items	September 30, 2020	December 31, 2019
Liabilities:		
Short-term borrowings	**15,005,793,566.87**	5,424,945,317.15
Short-term debt instruments	**11,837,954,183.25**	4,489,382,551.45
Placements from other financial institutions	**8,384,473,575.88**	6,063,705,400.67
Financial liabilities held for trading	**509,257,540.26**	893,217,959.39
Derivative financial liabilities	**319,306,318.70**	103,677,498.23
Financial assets sold under repurchase agreements	**23,271,302,889.86**	24,636,109,604.48
Accounts payable to brokerage customers	**58,373,647,659.41**	45,379,568,827.57
Employee benefit payable	**1,522,238,412.90**	1,558,272,175.42
Taxes payable	**1,098,909,511.19**	848,014,798.19
Accounts payable	**1,411,252,741.83**	1,355,795,685.22
Contract liabilities	**27,068.86**	64,890.29
Accrued liabilities	**3,002,823,199.79**	3,010,922,390.27
Long-term borrowings	**1,731,665,741.06**	6,255,246,402.77
Bonds payables	**41,543,182,535.98**	47,356,464,737.30
Lease liabilities	**860,853,924.91**	744,847,932.80
Deferred income tax liabilities	**27,533,191.32**	128,461,905.83
Other liabilities	**6,486,043,918.32**	6,822,841,004.99
Total liabilities	**175,386,265,980.39**	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
Other equity instruments	**2,000,000,000.00**	–
Including: Perpetual bonds	**2,000,000,000.00**	–
Capital reserve	**23,296,380,193.36**	23,278,784,166.60
Other comprehensive income	**(159,498,536.55)**	(70,053,654.33)
Surplus reserve	**2,971,443,494.20**	2,971,443,494.20
General risk reserve	**6,959,608,069.36**	6,868,588,464.56
Retained profits	**12,822,707,882.93**	9,785,174,730.18
Total equity attributable to the owners of the parent company or shareholders' equity	**52,501,428,742.30**	47,444,724,840.21
Minority interests	**1,577,651,067.01**	1,574,082,968.04
Total equity or shareholders' equity	**54,079,079,809.31**	49,018,807,808.25
Total liabilities and equity or shareholders' equity	**229,465,345,789.70**	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
September 30, 2020

Prepared by: Everbright Securities Company Limited

Unit: Yuan Currency: RMB Type of Audit: Unaudited

Items	September 30, 2020	December 31, 2019
Assets:		
Cash and bank balances	**37,745,797,750.10**	28,475,977,038.67
Including: Cash deposits from customers	**28,882,776,246.24**	23,807,749,535.46
Clearing settlement funds	**7,260,112,296.90**	5,220,663,566.39
Including: Settlement funds held on behalf of brokerage clients	**6,783,358,193.85**	3,525,230,404.57
Margin accounts receivable	**40,153,583,497.62**	27,424,757,226.61
Derivative financial assets	**9,409,360.55**	18,544.94
Refundable deposits	**786,448,362.46**	475,700,307.38
Accounts receivables	**564,618,501.29**	429,119,629.68
Financial assets held under resale agreements	**3,339,765,062.40**	7,795,745,333.69
Financial investments:		
Financial assets held for trading	**49,351,917,932.87**	54,281,984,640.31
Debt investments	**4,635,434,682.24**	7,006,225,172.62
Other debt investments	**13,928,723,243.22**	12,573,976,642.10
Other equity instrument investments	**5,066,473,096.28**	4,984,971,389.23
Long-term equity investments	**9,229,054,339.27**	7,136,427,918.50
Fixed assets	**716,041,732.14**	678,822,649.21
Construction in progress	**3,105,418.20**	3,105,418.20
Right-of-use asset	**565,003,256.05**	604,784,880.86
Intangible assets	**97,173,426.00**	85,292,321.88
Long-term deferred expenses	**68,731,615.24**	85,835,921.95
Deferred income tax assets	**1,372,052,756.23**	1,357,472,744.04
Other assets	**1,666,406,462.42**	1,253,445,169.16
Total assets	**176,559,852,791.48**	159,874,326,515.42

Items	**September 30, 2020**	December 31, 2019
Liabilities:		
Short-term debt instruments issued	**11,837,954,183.25**	4,489,382,551.45
Placements from other financial institutions	**8,384,473,575.88**	6,063,705,400.67
Derivative financial liabilities	**71,624,123.79**	62,562,289.79
Financial assets sold under repurchase agreements	**22,616,248,667.10**	23,744,699,470.31
Accounts payable to brokerage customers	**33,932,389,864.94**	26,726,954,546.19
Employee benefit payable	**893,343,117.08**	939,242,743.11
Taxes payable	**929,528,091.17**	606,376,580.54
Accounts payable	**477,232,142.97**	408,275,851.25
Contract liabilities	**27,068.86**	64,890.29
Bonds payables	**39,970,689,940.93**	44,939,489,518.46
Lease liabilities	**558,762,613.67**	592,648,661.12
Other liabilities	**3,282,425,484.43**	3,160,103,739.20
Total liabilities	**122,954,698,874.07**	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
Other equity instruments	**2,000,000,000.00**	–
Including: Perpetual bonds	**2,000,000,000.00**	–
Capital reserve	**25,138,970,656.74**	25,138,970,656.74
Other comprehensive income	**117,904,312.67**	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	**12,944,127,366.80**	9,446,259,534.61
Total equity or shareholders' equity	**53,605,153,917.41**	48,140,820,273.04
Total liabilities and equity or shareholders' equity	**176,559,852,791.48**	159,874,326,515.42

Legal representative: **Liu Qiuming**

Person-in-charge of accounting affairs: **Liu Qiuming**

Head of accounting department: **He Mannian**

Consolidated Income Statement

January to September 2020

Prepared by: Everbright Securities Company Limited

Unit: Yuan Currency: RMB Type of Audit: Unaudited

Items	Third quarter of 2020 (July-September)	Third quarter of 2019 (July-September)	First three quarters of 2020 (January-September)	First three quarters of 2019 (January-September)
I. Operating income	**4,355,977,442.83**	2,591,470,067.33	**10,671,038,234.13**	8,452,503,344.61
Net interest income	**542,228,596.35**	408,827,297.32	**1,346,546,035.54**	1,185,935,457.53
Including: Interest income	**1,435,869,241.31**	1,425,404,289.60	**4,247,937,887.06**	4,465,260,501.69
Interest expenses	**893,640,644.96**	1,016,576,992.28	**2,901,391,851.52**	3,279,325,044.16
Net fee and commission income	**2,360,666,315.69**	1,693,627,890.68	**6,024,490,008.03**	4,565,467,955.70
Including: Net fee income from brokerage business	**1,212,903,700.44**	623,135,485.14	**2,809,305,674.09**	2,001,159,435.11
Net fee income from investment banking business	**533,402,172.99**	374,945,909.78	**1,694,306,578.71**	1,174,419,870.23
Net fee income from asset management business	**474,251,153.58**	556,562,177.61	**1,108,888,182.34**	959,002,276.93
Investment gains	**947,330,829.46**	367,213,557.04	**2,082,428,385.77**	1,380,453,598.91
Including: Gains attributable to investment in associates and joint ventures	**21,316,389.02**	10,421,980.09	**65,657,128.06**	32,156,283.11
Gains arising from derecognition of financial assets carried at amortised cost	**2,041,646.21**	2,823,023.21	**3,253,467.93**	(6,491,219.97)
Other income	**4,146,463.47**	3,601,740.20	**220,745,679.28**	142,221,261.54
Gains arising from fair value changes	**(721,295,112.33)**	118,963,015.12	**(401,541,453.28)**	1,117,655,764.70
Foreign exchange gains	**(4,935,917.74)**	6,894,256.34	**(6,130,614.35)**	9,183,627.86
Other operating income	**1,227,836,267.93**	(7,672,551.96)	**1,404,497,993.14**	51,570,815.78
Gains from disposal of assets	**–**	14,862.59	**2,200.00**	14,862.59
II. Operating expenses	**2,768,613,614.78**	1,705,976,276.20	**6,084,842,078.97**	5,026,374,982.28
Tax and surcharges	**24,648,631.63**	14,763,598.68	**62,466,368.22**	46,137,232.31
General and administrative expenses	**1,444,905,303.77**	1,544,460,052.40	**4,398,607,079.98**	4,462,684,880.11
Credit impairment losses	**83,841,151.53**	137,443,759.20	**266,880,930.25**	491,064,648.14
Impairment losses on other assets	**5,414,526.18**	–	**5,414,526.18**	–
Other operating cost	**1,209,804,001.67**	9,308,865.92	**1,351,473,174.34**	26,488,221.72
III. Operating profit	**1,587,363,828.05**	885,493,791.13	**4,586,196,155.16**	3,426,128,362.33
Add: Non-operating income	**17,004,422.51**	236,857.22	**19,420,333.39**	1,001,344.96
Less: Non-operating expenses	**3,423,910.43**	16,850,777.07	**18,565,337.67**	323,967,410.66
IV. Gross profit	**1,600,944,340.13**	868,879,871.28	**4,587,051,150.88**	3,103,162,296.63
Less: Income tax expense	**405,206,859.92**	183,996,205.43	**1,168,899,185.61**	736,159,954.79

Items	**Third quarter of 2020 (July-September)**	Third quarter of 2019 (July-September)	**First three quarters of 2020 (January-September)**	First three quarters of 2019 (January-September)
V. Net profit	**1,195,737,480.21**	684,883,665.85	**3,418,151,965.27**	2,367,002,341.84
(I) Classified by continuity of operation				
1. Net profit from continued operation	**1,195,737,480.21**	684,883,665.85	**3,418,151,965.27**	2,367,002,341.84
(II) Classified by ownership				
1. Net profit attributable to shareholders of the parent company	**1,158,110,759.11**	658,058,053.12	**3,310,001,215.27**	2,267,122,981.68
2. Gain/loss attributable to minority interests	37,626,721.10	**26,825,612.73**	108,150,750.00	99,879,360.16
VI. Other comprehensive income, net of tax	**(87,312,418.57)**	127,396,203.34	**(105,718,093.25)**	325,978,667.69
Other comprehensive income, net of tax, attributable to owners of the parent company	**(51,985,161.87)**	105,451,440.23	**(89,444,882.22)**	299,910,713.16
(I) Other comprehensive income that may not be reclassified to profit or loss	**106,401,209.12**	6,736,696.30	**59,152,278.62**	200,864,189.45
1. Changes in fair value of other equity instruments investment	**106,401,209.12**	6,736,696.30	**59,152,278.62**	200,864,189.45
(II) Other comprehensive income that may be reclassified to profit or loss	**(158,386,370.99)**	98,714,743.93	**(148,597,160.84)**	99,046,523.71
1. Other comprehensive income under equity method that may be reclassified to profit and loss	**(1,672,621.62)**	2,347,777.47	**(2,041,453.09)**	9,550,326.14
2. Change in fair value of other debt investments	**(78,988,935.52)**	48,662,129.77	**(78,066,029.86)**	(5,471,764.51)
3. Credit loss provisions for other debt investments	**(2,336,549.14)**	14,133,895.20	**(10,242,249.01)**	56,181,590.74
4. Currency translation difference	**(75,388,264.71)**	33,570,941.49	**(58,247,428.88)**	38,786,371.34
Other comprehensive income, net of tax, attributable to the minority interests	**(35,327,256.70)**	21,944,763.11	**(16,273,211.03)**	26,067,954.53
VII. Total comprehensive income	**1,108,425,061.64**	812,279,869.19	**3,312,433,872.02**	2,692,981,009.53
Total comprehensive income attributable to owners of the parent company	**1,106,125,597.24**	763,509,493.35	**3,220,556,333.05**	2,567,033,694.84
Total comprehensive income attributable to the minority interests	**2,299,464.40**	48,770,375.84	**91,877,538.97**	125,947,314.69
VIII. Earnings per share:				
(I) Basic earnings per share *(Yuan/share)*	**0.25**	0.14	**0.72**	0.49
(II) Diluted earnings per share *(Yuan/share)*	**0.25**	0.14	**0.72**	0.49

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 September 2020

Prepared by: Everbright Securities Company Limited

Unit: Yuan Currency: RMB Type of Audit: Unaudited

Items	**Third quarter of 2020 (July-September)**	Third quarter of 2019 (July-September)	**First three quarters of 2020 (January-September)**	First three quarters of 2019 (January-September)
I. Operating Income	**2,836,425,512.21**	1,555,490,472.75	**7,750,778,228.31**	5,941,194,374.82
Net interest income	**457,595,000.71**	268,083,060.60	**1,124,727,176.02**	848,003,897.01
Including: Interest income	**1,225,092,736.65**	1,126,198,622.95	**3,505,810,511.06**	3,495,024,538.97
Interest expenses	**767,497,735.94**	858,115,562.35	**2,381,083,335.04**	2,647,020,641.96
Net fee and commission income	**1,476,310,621.65**	802,814,335.43	**3,894,765,885.55**	2,681,418,669.79
Including: Net fee income from brokerage business	**932,954,791.48**	439,941,998.17	**2,191,001,403.24**	1,503,187,559.02
Net fee income from investment banking business	**532,823,072.41**	350,998,094.70	**1,670,718,393.22**	1,134,952,985.05
Investment gains	**1,367,332,609.04**	293,474,286.17	**2,354,702,135.75**	1,066,773,197.72
Including: Gains attributable to investment in associates and joint ventures	**16,588,620.76**	9,535,565.80	**54,289,873.86**	46,640,620.52
Gains arising from derecognition of financial assets carried at amortised cost	**2,041,646.21**	2,823,023.21	**3,253,467.93**	(6,491,219.97)
Other income	**1,136,354.14**	676,202.73	**187,729,449.87**	105,622,987.04
Gain arising from fair value changes	**(460,371,782.99)**	180,998,790.47	**180,690,353.54**	1,220,157,625.55
Foreign exchange gains	**(8,865,713.29)**	6,841,140.79	**(3,642,086.55)**	7,977,189.32
Other operating income	**3,288,422.95**	2,602,656.56	**11,805,314.13**	11,240,808.39
II. Operating expenses	**965,741,017.56**	1,041,003,959.49	**3,148,326,366.83**	3,457,860,977.26
Tax and surcharges	**20,395,582.39**	9,950,861.45	**52,200,172.99**	37,617,344.30
General and administrative expenses	**857,935,944.86**	891,706,784.53	**2,821,283,770.62**	2,783,337,498.72
Credit impairment losses	**81,842,785.39**	137,605,804.33	**263,259,357.62**	371,012,654.46
Impairment losses on other assets	**–**	–	**–**	260,000,000.00
Other operating cost	**5,566,704.92**	1,740,509.18	**11,583,065.60**	5,893,479.78

Items	Third quarter of 2020 (July-September)	Third quarter of 2019 (July-September)	First three quarters of 2020 (January-September)	First three quarters of 2019 (January-September)
III. Operating profit	**1,870,684,494.65**	514,486,513.26	**4,602,451,861.48**	2,483,333,397.56
Add: Non-operating income	**873,062.83**	76,413.00	**2,516,598.24**	513,210.85
Less: Non-operating expenses	**705,802.55**	230,419.56	**10,705,351.57**	5,550,264.70
IV. Gross profit	**1,870,851,754.93**	514,332,506.70	**4,594,263,108.15**	2,478,296,343.71
Less: Income tax expense	**311,127,392.01**	92,193,321.32	**914,946,818.25**	505,601,919.03
V. Net profit	**1,559,724,362.92**	422,139,185.38	**3,679,316,289.90**	1,972,694,424.68
(I) Net profit from continued operation	**1,559,724,362.92**	422,139,185.38	**3,679,316,289.90**	1,972,694,424.68
VI. Other comprehensive income, net of tax	**21,011,534.46**	72,137,319.57	**(33,534,187.82)**	261,124,341.82
(I) Other comprehensive income that may not be reclassified to profit or loss	**104,064,474.64**	6,736,696.29	**56,815,544.14**	200,864,189.45
1. Changes in fair value of other equity instruments investment	**104,064,474.64**	6,736,696.29	**56,815,544.14**	200,864,189.45
(II) Other comprehensive income that may be reclassified to profit or loss	**(83,052,940.18)**	65,400,623.28	**(90,349,731.96)**	60,260,152.37
1. Other comprehensive income under equity method that may be reclassified to profit and loss	**(1,672,621.62)**	2,347,777.47	**(2,041,453.09)**	9,550,326.14
2. Change in fair value of other debt investments	**(79,046,435.52)**	48,943,389.77	**(78,066,029.86)**	(5,471,764.51)
3. Credit impairment provisions for other debt investments	**(2,333,883.04)**	14,109,456.04	**(10,242,249.01)**	56,181,590.74
VII. Total comprehensive income	**1,580,735,897.38**	494,276,504.95	**3,645,782,102.08**	2,233,818,766.50

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

Consolidated Statement of Cash Flows
January to September 2020

Prepared by: Everbright Securities Company Limited

Unit: Yuan Currency: RMB Type of Audit: Unaudited

Items	First three quarters of 2020 (January-September)	First three quarters of 2019 (January-September)
I. Cash flows generated from operating activities:		
Net increase in disposal of financial assets held for trading	**9,236,665,531.42**	4,311,832,341.00
Net increase in placements from other financial institutions	**2,320,768,175.21**	855,934,292.58
Net increase in financial assets sold under repurchase agreements	**2,938,837,314.27**	29,341,821,293.49
Net cash received from securities trading agency services	**13,135,901,583.64**	10,175,004,429.25
Cash received from interests, fees and commissions	**10,991,000,631.78**	9,501,046,053.76
Decrease in finance lease receivables	**706,996,332.66**	1,546,890,143.81
Cash received relating to other operating activities	**1,495,539,342.80**	488,681,518.03
Sub-total of cash inflows from operating activities	**40,825,708,911.78**	56,221,210,071.92
Net increase in margin accounts receivable	**23,514,523,181.24**	2,604,053,461.89
Cash payment of interest, fees and commissions	**1,963,127,130.46**	1,553,397,756.97
Cash paid to and on behalf of employees	**2,874,002,057.60**	2,576,394,571.76
Payment for taxes and levies	**1,451,618,582.74**	883,222,504.61
Cash paid relating to other operating activities	**4,959,413,737.56**	8,178,892,588.44
Sub-total of cash outflows from operating activities	**34,762,684,689.60**	15,795,960,883.67
Net cash flows generated from operating activities	**6,063,024,222.18**	40,425,249,188.25
II. Cash flows generated from investing activities:		
Cash received from sales of investments	**7,947,813,309.55**	6,327,267,742.00
Cash received from return on investments	**703,933,705.62**	883,874,409.55
Net cash recovered from disposal of fixed assets, intangible assets and other long-term assets	**36,475,907.47**	104,815,286.30
Sub-total of cash inflows from investing activities	**8,688,222,922.64**	7,315,957,437.85
Cash paid for acquisition of investments	**8,928,571,780.00**	9,228,442,668.86
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	**161,637,304.93**	182,566,031.05
Sub-total of cash outflows from investing activities	**9,090,209,084.93**	9,411,008,699.91
Net cash flows generated from investing activities	**(401,986,162.29)**	(2,095,051,262.06)

Items	**First three quarters of 2020 (January-September)**	First three quarters of 2019 (January-September)
III. Cash flows generated from financing activities:		
Cash receipts from receiving investments	**2,000,000,000.00**	–
Cash received from borrowings	**21,332,531,126.58**	5,410,731,667.98
Cash received from issuance of bonds	**50,154,310,000.00**	34,486,630,000.00
Sub-total of cash inflows from financing activities	**73,486,841,126.58**	39,897,361,667.98
Cash paid for repayment of debts	**50,680,282,201.32**	46,230,622,328.97
Cash paid for repayment of borrowings	**14,214,001,906.77**	8,106,674,713.94
Cash paid for distribution of dividends, or profits or for interest expenses	**2,234,095,927.75**	2,942,960,617.68
Including: Dividends and profits paid by subsidiaries to minority interests	**88,309,440.00**	86,626,828.41
Cash paid for repayment of lease principal and interest	**272,419,417.14**	230,460,891.95
Sub-total of cash outflows from financing activities	**67,400,799,452.98**	57,510,718,552.54
Net cash flows generated from financing activities	**6,086,041,673.60**	(17,613,356,884.56)
IV. Effects of changes in foreign exchange rates on cash and cash equivalents	**(6,130,614.35)**	9,183,627.86
V. Net increase in cash and cash equivalents	**11,740,949,119.14**	20,726,024,669.49
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	**59,868,704,139.71**	59,663,030,747.02

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 September 2020

Prepared by: Everbright Securities Company Limited

Unit: Yuan Currency: RMB Type of Audit: Unaudited

Items	First three quarters of 2020 (January – September)	First three quarters of 2019 (January – September)
I. Cash flows generated from operating activities:		
Net increase in disposal of financial assets held for trading	**6,816,194,412.54**	3,074,592,237.44
Net increase in placements from other financial institutions	**2,320,768,175.21**	855,934,292.58
Net increase in financial assets sold under repurchase agreements	**3,051,131,190.84**	25,715,956,541.80
Net cash received from securities trading agency services	**6,943,154,922.11**	7,923,205,301.47
Cash received from interests, fees and commissions	**7,905,456,950.40**	6,394,462,971.33
Cash received relating to other operating activities	**569,972,177.76**	502,772,656.47
Sub-total of cash inflows from operating activities	**27,606,677,828.86**	44,466,924,001.09
Net increase in margin accounts receivable	**12,717,351,358.54**	3,925,077,921.75
Cash payment of interest, fees and commissions	**1,581,838,466.15**	1,029,325,695.93
Cash paid to and on behalf of employees	**2,062,676,657.93**	1,735,052,112.83
Payment for taxes and levies	**998,281,536.97**	625,101,564.82
Cash paid relating to other operating activities	**628,968,322.51**	777,535,100.74
Sub-total of cash outflows from operating activities	**17,989,116,342.10**	8,092,092,396.07
Net cash flows generated from operating activities	**9,617,561,486.76**	36,374,831,605.02
II. Cash flows generated from investing activities:		
Cash received from sales of investments	**9,864,870,378.24**	6,031,413,968.59
Cash received from return on investments	**1,264,070,300.95**	712,187,474.31
Net cash recovered from disposal of fixed assets, intangible assets and other long-term assets	**36,380,613.87**	27,368,038.73
Sub-total of cash inflows from investing activities	**11,165,321,293.06**	6,770,969,481.63
Cash paid for acquisition of investments	**10,993,031,480.00**	9,241,516,404.46
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	**160,036,778.18**	77,052,819.34
Sub-total of cash outflows from investing activities	**11,153,068,258.18**	9,318,569,223.80
Net cash flows generated from investing activities	**12,253,034.88**	(2,547,599,742.17)

Items	**First three quarters of 2020 (January – September)**	First three quarters of 2019 (January – September)
III. Cash flows generated from financing activities:		
Cash receipts from receiving investments	**2,000,000,000.00**	–
Cash received from borrowings	**2,000,000,000.00**	100,000,000.00
Cash received from issuance of bonds	**50,154,310,000.00**	34,486,630,000.00
Sub-total of cash inflows from financing activities	**54,154,310,000.00**	34,586,630,000.00
Cash paid for repayment of debts	**49,467,000,000.00**	45,912,950,000.00
Cash paid for distribution of dividends, or profits or for interest expenses	**2,066,477,709.94**	2,914,650,999.53
Cash paid for repayment of lease principal and interest	**172,232,318.14**	148,838,476.57
Sub-total of cash outflows from financing activities	**51,705,710,028.08**	48,976,439,476.10
Net cash flows generated from financing activities	**2,448,599,971.92**	(14,389,809,476.10)
IV. Effects of changes in foreign exchange rates on cash and cash equivalents	**(3,642,086.55)**	7,977,189.32
V. Net increase in cash and cash equivalents	**12,074,772,407.01**	19,445,399,576.07
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	**45,005,900,944.67**	44,667,123,648.11

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