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海通证券股份有限公司
HAITONG SECURITIES CO., LTD.*

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 6837)

THE FIRST QUARTERLY REPORT FOR THE YEAR 2023

The board of directors (the “**Board**”) of Haitong Securities Co., Ltd. (the “**Company**”) is pleased to announce the unaudited results of the Company and its subsidiaries (collectively the “**Group**”) for the first quarter ended 31 March 2023, prepared under the General Accepted Accounting Principles of the People’s Republic of China. This announcement is made pursuant to the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong) (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) (the “**Listing Rules**”)) and Rule 13.09(2) and Rule 13.10B of the Listing Rules.

IMPORTANT NOTICE

The Board, the supervisory committee (the “**Supervisory Committee**”) of the Company and its directors (the “**Director(s)**”), supervisors (the “**Supervisor(s)**”) and senior management warrant the truthfulness, accuracy and completeness of the contents of this quarterly report and that there is no false representation, misleading statement contained herein or material omission from this quarterly report, for which they will assume joint and several liabilities.

Mr. Zhou Jie, the head of the Company, Mr. Zhang Xinjun, the Chief Financial Officer, and Mr. Ma Zhong, the head of the accounting department warrant the truthfulness, accuracy and completeness of the financial report contained in the quarterly report. All financial data in this report are denominated in Renminbi unless otherwise indicated.

The 2023 first quarterly financial statements have not been audited.

I. KEY FINANCIAL DATA

(I) Key accounting data and financial indicators

Unit: Yuan Currency: RMB

Items	Reporting period	The corresponding period of the previous year		Increase/decrease recorded at the reporting period as compared to the corresponding period of the previous year (%)
		Before adjustment	After adjustment	After adjustment
Operating income	8,520,170,580.48	4,131,020,444.53	4,131,020,444.53	106.25
Net profit attributable to shareholders of the Company	2,433,770,742.35	1,500,080,164.17	1,500,080,164.17	62.24
Net profit attributable to shareholders of the Company after deducting non-recurring gains or losses	1,852,525,794.60	1,005,961,344.63	1,005,961,344.63	84.15
Net cash (outflow)/inflow from operating activities	-377,112,384.85	436,192,762.78	436,192,762.78	-186.46
Basic earnings per share (RMB/share)	0.19	0.11	0.11	72.73
Diluted earnings per share (RMB/share)	0.19	0.11	0.11	72.73
Weighted average return on net assets (%)	1.47	0.92	0.92	Increased by 0.55 percentage point
				Increase/decrease recorded at the end of the reporting period as compared to the end of the previous year (%)
	As at the end of the reporting period	As at the end of the previous year	As at the end of the previous year	After adjustment
		Before adjustment	After adjustment	
Total assets	775,362,254,395.86	753,607,577,129.57	753,609,304,959.17	2.89
Equity attributable to owners of the Company	167,459,752,440.29	164,591,956,430.25	164,591,956,430.25	1.74

Explanation of the reasons for retrospective adjustment or restatement

In November 2022, the Ministry of Finance issued the Notice on Issuing the Interpretation No. 16 of the Accounting Standards for Business Enterprises (hereinafter referred to as “Interpretation No. 16”), which stipulates the accounting treatment of “initial recognition exemption is not applicable to deferred income tax related to assets and liabilities arising from a single transaction”. In accordance with the Interpretation No. 16, the Company made changes to its accounting policies, which will be effective from 1 January 2023, and adjusted the earliest period related financial statement items in the financial statements based on the accumulative impact amount.

(II) Non-recurring items and amounts

Unit: Yuan Currency: RMB

Items	Amount for the period	Explanation
Gains or losses on disposals of non-current assets	556,943.70	
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	748,187,821.91	Mainly due to government grants
Gains or losses from other contingencies which are not related to the Company's normal operations	–	
Other operating income and expenses other than the items above	67,622,593.95	
Less: Effect of income tax	198,877,234.43	
Effect of non-controlling interests (net of tax)	<u>36,245,177.38</u>	
Total	<u><u>581,244,947.75</u></u>	

Explanation of the circumstances in which the non-recurring gain or loss items listed in the Explanatory Announcement No. 1 for Information Disclosure by Public Issuers of Securities – Non-recurring Gain or Loss Items (《公開發行證券的公司信息披露解釋性公告第 1 號 – 非經常性損益》) are defined as recurring gain or loss items

Applicable Not Applicable

(III) Changes in major accounting data and financial indicators and the reasons for such changes

Name of item	Percentage change (%)	Major reason
Operating income for the reporting period	106.25	Mainly due to a increase in revenue including investment income, gains from fair value changes and other operating income
Net profit attributable to shareholders of the Company for the reporting period	62.24	
Net profit attributable to shareholders of the Company after deducting non-recurring gains or losses for the reporting period	84.15	
Net cash flows from operating activities for the reporting period	-186.46	Mainly due to a decrease in cash flow from operating activities
Basic earnings per share (RMB/share) for the reporting period	72.73	Mainly due to a increase in net profit attributable to shareholders of the Company
Diluted earnings per share (RMB/share) for the reporting period	72.73	

Accounting data of major items in the consolidated financial statements*Unit: Yuan Currency: RMB*

Items	As at 31 March 2023	As at 31 December 2022	Percentage change (%)	Major reason
Derivative financial assets	755,818,584.22	1,477,167,315.05	-48.83	Mainly due to a decrease in derivative financial assets
Financial assets held under resale agreements	42,620,406,256.68	32,645,149,033.49	30.56	Mainly due to an increase in financial assets held under resale agreements
Placements from banks and other financial institutions	8,685,282,440.54	6,276,101,144.00	38.39	Mainly due to an increase in placements from banks and other financial institutions
Derivative financial liabilities	517,789,362.07	898,418,550.84	-42.37	Mainly due to a decrease in derivative financial liabilities
Funds payable to securities issuers	82,450,000.00	13,500,000.00	510.74	Mainly due to an increase in funds payable to securities issuers
Taxes payable	1,513,281,035.15	2,197,807,712.24	-31.15	Mainly due to a decrease in enterprise income tax payable
Accounts payable	17,407,976,225.17	11,490,826,596.82	51.49	Mainly due to an increase in settlement payables

Items	January to March 2023	January to March 2022	Percentage change (%)	Major reason
Net fee and commission income	2,312,637,342.47	3,753,639,789.69	-38.39	Mainly due to a decrease in fee income of investment banking business and brokerage business
Net interest income	1,075,632,569.00	1,663,330,729.00	-35.33	Mainly due to an increase in interest expenses
Investment income (losses are denoted by “-”)	2,078,916,517.40	-1,510,558,720.15	-	Mainly due to an increase in investment income from financial instruments
Gains from changes in fair value (losses are denoted by “-”)	150,960,545.27	-1,043,622,388.10	-	Mainly due to an increase in the gains from changes in fair value
Other operating income	2,325,735,046.45	715,044,734.67	225.26	Mainly due to an increase in the sales revenue of a subsidiary
Business and management expenses	2,843,578,474.12	2,061,420,852.71	37.94	Mainly due to an increase in labor costs and investment in science and technology
Credit impairment losses	391,316,647.36	120,043,097.58	225.98	Mainly due to an increase in the impairment losses on financial assets held under resale agreements
Other operating cost	1,958,796,254.18	265,218,205.60	638.56	Mainly due to an increase in the cost of sales of a subsidiary
Income tax expense	726,414,003.98	93,620,321.79	675.91	Mainly due to an increase in taxable income
Net cash (outflow)/ inflow from operating activities	-377,112,384.85	436,192,762.78	-186.46	Mainly due to a decrease in cash flow from operating activities

II. SHAREHOLDER INFORMATION

(I) Number of ordinary shareholders and the preference shareholders with voting rights restored and shareholdings of the top ten shareholders

Unit: Share

Total number of ordinary shareholders as at the end of the reporting period	273,175 shareholders, among whom 273,028 were holders of A Shares and 147 were holders of H Shares	Total number of preference shareholders with voting rights restored as at the end of the reporting period (if any)	Nil
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Shareholdings of the top ten shareholders

Name of shareholder	Nature of shareholder	Number of Shares held	Percentage of shareholding (%)	Number of shares held subject to selling restrictions	Shares pledged, marked or frozen	
					Status of shares	Number
HKSCC Nominees Limited	Foreign legal person	3,408,724,695	26.09	0	Unknown	-
Shanghai Guosheng (Group) Co., Ltd.	State-owned legal person	862,489,059	6.60	781,250,000	Nil	0
Shanghai Haiyan Investment Management Company Limited	State-owned legal person	635,084,623	4.86	0	Nil	0
Bright Food (Group) Co., Ltd.	State-owned legal person	480,275,000	3.68	0	Nil	0
Shanghai Electric Holdings Group Co., Ltd.	State	344,429,518	2.64	0	Nil	0
Shenergy Group Company Limited	State-owned legal person	322,162,086	2.47	0	Nil	0
China Securities Finance Corporation Limited	Other	258,104,024	1.98	0	Nil	0
Shanghai Guosheng Group Assets Co., Ltd.	State-owned legal person	238,382,008	1.82	0	Nil	0
Shanghai Jiushi (Group) Co., Ltd.	State-owned legal person	235,247,280	1.80	0	Nil	0
Shanghai Bailian Group Co., Ltd.	State-owned legal person	214,471,652	1.64	0	Nil	0

Shareholdings of the top ten shareholders not subject to selling restrictions

Name of shareholder	Number of circulating shares held not subject to selling restrictions	Type and number of shares	
		Type of shares	Number
HKSCC Nominees Limited	3,408,724,695	Overseas listed foreign shares	3,408,724,695
Shanghai Haiyan Investment Management Company Limited	635,084,623	RMB denominated ordinary shares	635,084,623
Bright Food (Group) Co., Ltd.	480,275,000	RMB denominated ordinary shares	480,275,000
Shanghai Electric Holdings Group Co., Ltd.	344,429,518	RMB denominated ordinary shares	344,429,518
Shenergy Group Company Limited	322,162,086	RMB denominated ordinary shares	322,162,086
China Securities Finance Corporation Limited	258,104,024	RMB denominated ordinary shares	258,104,024
Shanghai Guosheng Group Assets Co., Ltd.	238,382,008	RMB denominated ordinary shares	238,382,008
Shanghai Jiushi (Group) Co., Ltd.	235,247,280	RMB denominated ordinary shares	235,247,280
Shanghai Bailian Group Co., Ltd.	214,471,652	RMB denominated ordinary shares	214,471,652
China Construction Bank Corporation – Guotai CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	208,554,086	RMB denominated ordinary shares	208,554,086

Explanation on the related relationship or concerted action of the above-mentioned shareholders

Shanghai Guosheng Group Assets Co., Ltd. is a wholly owned subsidiary of Shanghai Guosheng (Group) Co., Ltd. Moreover, the Company is not aware of any related relationship among other shareholders or whether they are parties acting in concert as stipulated in the Measures for the Administration of the Takeover of Listed Companies (《上市公司收購管理辦法》).

Explanation on the top ten shareholders and the top ten shareholders not subject to selling restrictions participating in margin financing and securities lending and refinancing businesses (if any)

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- Notes:* 1. The nature of shareholders of the Company's RMB denominated ordinary shares (A Shares) represents that of accounts registered by such shareholders in Shanghai branch of China Securities Depository and Clearing Corporation Limited.
2. In the table above, overseas listed foreign shares are H Shares. Among the H shareholders of the Company, HKSCC Nominees Limited held the H Shares on behalf of the non-registered shareholders.
3. Shanghai Guosheng (Group) Co., Ltd. and its wholly-owned subsidiary, Shanghai Guosheng Group Assets Co., Ltd., hold a total of 1,356,327.5 thousand A Shares and H Shares of the Company, representing 10.38% of the total share capital of the Company; Shanghai Electric Holdings Group Co., Ltd. holds a total of 647,091.9 thousand A Shares and H Shares of the Company, representing 4.95% of the total share capital of the Company.
4. As the shares of the Company are subject of margin financing and securities lending, the number of shares held by a shareholder is calculated based on the aggregated number of shares and interests held by such shareholder through ordinary securities accounts and credit securities accounts.

II. OTHER REMINDERS

Other important information about the Company's operating conditions as at the reporting period that need to be brought to the attention of investors

Applicable Not Applicable

III. QUARTERLY FINANCIAL STATEMENTS

(I) Type of audit opinion

Applicable Not Applicable

(II) Financial statements

CONSOLIDATED BALANCE SHEET

31 March 2023

Prepared by: Haitong Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	As at 31 March 2023	As at 31 December 2022
Assets:		
Bank balances and cash	164,733,375,110.93	158,580,169,366.67
Including: Cash held on behalf of customers	96,225,105,034.07	98,970,479,371.57
Clearing settlement funds	19,598,026,885.04	21,380,695,420.73
Including: Settlement funds held on behalf of customers	11,685,524,857.49	10,476,841,294.70
Placements to banks and other financial institutions	213,072,327.23	274,444,523.06
Margin loan	69,705,744,929.70	67,843,870,816.38
Derivative financial assets	755,818,584.22	1,477,167,315.05
Refundable deposits	23,060,383,252.30	22,864,574,405.46
Accounts receivables	8,783,943,451.27	10,394,514,867.70
Contract assets		
Financial assets held under resale agreement	42,620,406,256.68	32,645,149,033.49
Assets held for sale		
Financial investment:		
Financial assets held for trading	216,888,853,610.26	209,598,729,439.75
Debt investments	6,267,191,665.98	5,806,156,944.34
Other debt investments	55,302,761,765.84	52,851,898,948.27
Investments in other equity instruments	6,292,929,116.96	6,096,318,840.12
Finance lease receivables	16,989,628,647.75	19,458,452,903.05
Long-term receivables	86,200,445,983.09	84,549,952,480.38
Long-term equity investments	7,181,870,396.48	7,013,713,624.88
Investment properties	2,565,864,684.53	2,641,589,533.64
Fixed assets	15,873,997,816.25	16,098,669,846.45
Construction in progress	476,164,813.95	465,704,960.23
Right-of-use assets	940,134,879.17	984,539,724.88
Intangible assets	1,267,802,535.21	1,270,854,646.95
Goodwill	3,602,846,591.51	3,676,231,096.22
Deferred tax assets	4,480,549,074.56	4,711,680,014.57
Other assets	21,560,442,016.95	22,924,226,206.90
Total assets	775,362,254,395.86	753,609,304,959.17

CONSOLIDATED BALANCE SHEET (Continued)

Items	As at 31 March 2023	As at 31 December 2022
Liabilities:		
Short-term borrowings	37,037,484,374.83	34,858,042,732.67
Short-term financing bills payables	15,953,129,187.54	16,159,094,370.29
Placements from banks and other financial institutions	8,685,282,440.54	6,276,101,144.00
Financial liabilities held for trading	20,308,379,603.97	22,888,479,844.59
Derivative financial liabilities	517,789,362.07	898,418,550.84
Financial assets sold under repurchase agreements	109,306,290,287.82	101,694,356,537.25
Accounts payable to brokerage clients	112,393,264,173.58	115,513,463,366.21
Funds payable to securities issuers	82,450,000.00	13,500,000.00
Payroll payable	4,121,853,782.74	4,485,010,758.39
Taxes payable	1,513,281,035.15	2,197,807,712.24
Accounts payable	17,407,976,225.17	11,490,826,596.82
Contract liabilities	183,035,998.65	25,968,623.86
Liabilities held for sale		
Provisions	196,882,963.35	201,705,446.68
Long-term borrowings	56,295,305,935.38	55,958,202,723.56
Bonds payables	190,198,782,336.73	181,830,917,563.00
Including: Preferred shares		
Perpetual bond		
Lease liabilities	970,110,620.57	1,015,700,455.81
Deferred tax liabilities	945,903,283.05	909,458,907.22
Other liabilities	17,858,245,958.93	19,570,192,008.60
Total liabilities	593,975,447,570.07	575,987,247,342.03
Equity (or shareholders' equity):		
Paid-in capital (or share capital)	13,064,200,000.00	13,064,200,000.00
Other equity instruments		
Including: Preferred shares		
Perpetual bond		
Capital reserve	75,007,558,592.52	75,007,558,592.52
Less: treasury shares		
Other comprehensive income	-1,182,110,165.78	-1,617,313,221.53
Surplus reserve	9,656,101,246.57	9,656,101,246.57
General risk reserve	21,802,115,624.15	21,782,272,819.21
Retained profits	49,111,887,142.83	46,699,136,993.48
Total equity (or shareholders' equity) attributable to the owners of the parent company	167,459,752,440.29	164,591,956,430.25
Non-controlling interests	13,927,054,385.50	13,030,101,186.89
Total equity (or shareholders' equity)	181,386,806,825.79	177,622,057,617.14
Total liabilities and equity (or shareholders' equity)	775,362,254,395.86	753,609,304,959.17

Person in charge of the
Company: Zhou Jie

Chief Financial Officer:
Zhang Xinjun

Person responsible for the
accounting affairs: Ma Zhong

CONSOLIDATED INCOME STATEMENT

January to March 2023

Prepared by: Haitong Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	First quarter of 2023	First quarter of 2022
I. Total operating income	8,520,170,580.48	4,131,020,444.53
Net fee and commission income	2,312,637,342.47	3,753,639,789.69
Including: Net income from brokerage business	914,302,134.46	1,339,125,149.16
Net income from investment banking business	905,629,917.06	1,779,485,412.75
Net income from asset management business	471,645,790.56	540,152,768.24
Net interest income	1,075,632,569.00	1,663,330,729.00
Including: Interest income from financial assets	4,591,375,353.33	4,210,517,953.44
Finance lease income	381,586,990.79	704,943,094.25
Interest expenses	-3,897,329,775.12	-3,252,130,318.69
Investment gains (losses are denoted by "-")	2,078,916,517.40	-1,510,558,720.15
Including: Gains attributable to investment in associates and joint ventures	216,418,958.31	75,146,653.73
Income from net exposure hedging (losses are denoted by "-")		
Other income	742,726,220.40	689,930,330.96
Gains arising from fair value changes (losses are denoted by "-")	150,960,545.27	-1,043,622,388.10
Foreign exchange gains (losses are denoted by "-")	-166,490,556.01	-130,350,177.13
Other operating income	2,325,735,046.45	715,044,734.67
Gains from disposal of assets (losses are denoted by "-")	52,895.50	-6,393,854.41
II. Total operating expenses	5,247,742,480.11	2,541,933,621.31
Tax and surcharges	64,368,420.88	85,681,797.35
Business and management expenses	2,843,578,474.12	2,061,420,852.71
Credit impairment loss	391,316,647.36	120,043,097.58
Impairment losses on other assets	-10,317,316.43	9,569,668.07
Other operating cost	1,958,796,254.18	265,218,205.60
III. Operating profit (losses are denoted by "-")	3,272,428,100.37	1,589,086,823.22
Add: Non-operating income	79,013,072.86	13,975,708.02
Less: Non-operating expenses	5,424,829.20	5,641,017.28
IV. Profit before income tax (total losses are denoted by "-")	3,346,016,344.03	1,597,421,513.96
Less: Income tax expense	726,414,003.98	93,620,321.79

CONSOLIDATED INCOME STATEMENT (Continued)

Items	First quarter of 2023	First quarter of 2022
V. Net profit (net losses are denoted by “-”)	2,619,602,340.05	1,503,801,192.17
(I) Classified based on continuing operation		
1. Net profit from continuing operation (net losses are denoted by “-”)	2,619,602,340.05	1,503,801,192.17
2. Net profit from discontinued operation (net losses are denoted by “-”)		
(II) Classified based on the nature of ownership		
1. Net profit attributable to shareholders of the parent company (net losses are denoted by “-”)	2,433,770,742.35	1,500,080,164.17
2. Profit or loss attributable to non-controlling interests (net losses are denoted by “-”)	185,831,597.70	3,721,028.00
VI. Other comprehensive income, net of tax	346,899,668.99	-617,159,417.00
Other comprehensive income, net of tax, attributable to owners of the parent company	435,386,176.51	-518,363,788.38
(I) Other comprehensive income that will not be reclassified to profit or loss	231,657,200.92	-685,707,345.44
1. Changes arising from re-measurement of defined benefit obligations	-60,684.19	-45,262.53
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method		
3. Changes in fair value of investments in other equity instruments	231,717,885.11	-685,662,082.91
4. Changes in the fair value of the Company’s own credit risk		
(II) Other comprehensive income that will be reclassified to profit or loss	203,728,975.59	167,343,557.06
1. Other comprehensive income that can be transferred to profit or loss under the equity method	-1,909,705.68	-12,846,983.53
2. Changes in fair value of other debt investments	144,979,507.49	10,018,071.51
3. Financial assets reclassified to other comprehensive income		
4. Credit impairment provisions of other debt investments	14,150,146.13	-1,252,112.40
5. Reserve for cash flow hedging	34,695,113.75	52,629,720.23
6. Exchange differences from translation of financial statements denominated in foreign currencies	11,813,913.90	118,794,861.25
7. Other		
Other comprehensive income, net of tax, attributable to the non-controlling interests	-88,486,507.52	-98,795,628.62
VII. Total comprehensive income	2,966,502,009.04	886,641,775.17
Total comprehensive income attributable to owners of the parent company	2,869,156,918.86	981,716,375.79
Total comprehensive income attributable to the non-controlling interests	97,345,090.18	-95,074,600.62
VIII. Earnings per share:		
(I) Basic earnings per share (RMB/Share)	0.19	0.11
(II) Diluted earnings per share (RMB/Share)	0.19	0.11

Person in charge of the
Company: Zhou Jie

Chief Financial Officer:
Zhang Xinjun

Person responsible for the
accounting affairs: Ma Zhong

CONSOLIDATED STATEMENT OF CASH FLOWS

January to March 2023

Prepared by: Haitong Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	First quarter of 2023	First quarter of 2022
I. Cash flows from operating activities:		
Net decrease in financial assets held for trading	1,163,983,549.57	5,330,577,292.79
Cash received from interests, fees and commission	5,574,794,257.10	9,037,294,922.82
Net increase in placements from banks and other financial institutions	2,415,337,546.54	
Net increase in cash from repurchase business		1,910,257,793.60
Net decrease in margin loan		4,044,281,808.74
Cash received relating to other operating activities	9,004,758,724.45	15,620,392,850.61
Sub-total of cash inflows from operating activities	18,158,874,077.66	35,942,804,668.56
Net increase in financial assets held for trading		
Net decrease in placements from banks and other financial institutions		1,862,372,420.65
Net decrease in cash from repurchase business	2,323,740,021.45	
Net increase in margin loan	1,719,772,560.41	
Net cash paid for securities trading agency services	3,120,783,507.08	5,023,982,498.47
Cash payment of interest, fees and commissions	1,814,747,021.44	1,978,499,007.03
Cash paid to and on behalf of employee	2,267,190,865.68	2,251,640,709.89
Payment for taxes and levies	1,284,591,715.26	1,826,447,134.85
Cash paid relating to other operating activities	6,005,160,771.19	22,563,670,134.89
Sub-total of cash outflows from operating activities	18,535,986,462.51	35,506,611,905.78
Net cash (outflow)/inflow from operating activities	-377,112,384.85	436,192,762.78
II. Cash flows from investing activities:		
Cash received from sales of investments	5,434,048,035.81	6,063,682,146.02
Cash received from return on investment	292,728,456.82	474,375,946.11
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	3,359,048.06	1,203,145.39
Net cash received from disposal of subsidiaries and other operating business units		87,013,126.25
Cash received relating to other investing activities		
Sub-total of cash inflows from investing activities	5,730,135,540.69	6,626,274,363.77
Cash paid for investments	8,076,355,056.15	8,950,780,627.27
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	151,295,060.10	252,785,371.06
Net cash payments for acquisition of subsidiaries and other operating business units		
Cash paid relating to other investing activities		
Sub-total of cash outflows from investing activities	8,227,650,116.25	9,203,565,998.33
Net cash outflow from investing activities	-2,497,514,575.56	-2,577,291,634.56

CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

Items	First quarter of 2023	First quarter of 2022
III. Cash flows from financing activities:		
Cash received from capital injection	431,601.96	
Including: Cash received from capital injection of non-controlling interests in subsidiaries	431,601.96	
Cash received from borrowings	35,733,739,632.80	29,975,636,909.67
Cash received from bond issued	31,447,295,531.71	31,074,398,329.29
Cash received relating to other financing activities		
Sub-total of cash inflows from financing activities	67,181,466,766.47	61,050,035,238.96
Cash repayment of borrowings	56,628,637,063.37	49,417,058,365.65
Cash paid for distribution of dividends or profit, or for interest expenses	2,746,149,007.47	1,683,225,260.34
Including: Dividends and profits paid to non-controlling interests by subsidiaries		73,718,512.67
Cash paid relating to other financing activities	58,410,420.48	119,838,304.70
Sub-total of cash outflows from financing activities	59,433,196,491.32	51,220,121,930.69
Net cash flows inflow from financing activities	7,748,270,275.15	9,829,913,308.27
IV. Effects of changes in foreign exchange rates on cash and cash equivalents		
	-236,711,496.04	-214,717,939.75
V. Net increase in cash and cash equivalents		
Add: Cash and cash equivalents at the beginning of the period	176,699,519,071.53	175,257,907,676.68
VI. Cash and cash equivalents at the end of the period		
	181,336,450,890.23	182,732,004,173.42

Person in charge of the
Company: Zhou Jie

Chief Financial Officer:
Zhang Xinjun

Person responsible for the
accounting affairs: Ma Zhong

BALANCE SHEET OF THE PARENT COMPANY

31 March 2023

Prepared by: Haitong Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	As at 31 March 2023	As at 31 December 2022
Assets:		
Bank balances and cash	99,992,584,119.35	94,195,714,055.50
Including: Cash held on behalf of customers	59,217,677,674.27	57,609,295,872.92
Clearing settlement funds	29,634,237,062.17	31,643,792,015.11
Including: Settlement funds held on behalf of customers	10,048,806,306.07	9,265,947,457.08
Placements to banks and other financial institutions		
Margin loan	59,002,511,267.82	56,840,361,604.00
Derivative financial assets	88,988,997.40	869,903,399.60
Refundable deposits	5,779,587,938.22	6,187,577,011.98
Accounts receivables	2,312,784,389.77	4,490,816,958.87
Contract assets		
Financial assets held under resale agreement	36,869,732,012.74	26,639,893,553.23
Assets held for sale		
Financial investment:		
Financial assets held for trading	149,109,894,637.79	139,953,515,347.47
Debt investments		
Other debt investments	52,919,006,714.13	50,658,485,366.14
Investments in other equity instruments	5,632,264,448.42	5,361,534,796.02
Long-term equity investments	39,974,486,375.80	39,799,909,184.68
Investment properties	12,812,670.07	13,081,299.31
Fixed assets	7,460,311,389.61	7,512,856,147.29
Construction in progress	352,518,217.83	347,796,396.75
Right-of-use assets	495,221,063.63	492,977,773.78
Intangible assets	374,866,422.31	363,429,650.20
Deferred tax assets	1,489,264,303.87	1,640,204,084.93
Other assets	3,261,142,359.67	4,993,842,280.00
Total assets	494,762,214,390.60	472,005,690,924.86

BALANCE SHEET OF THE PARENT COMPANY (Continued)

Items	As at 31 March 2023	As at 31 December 2022
Liabilities:		
Short-term borrowings		
Short-term financing bills payables	7,288,053,957.97	7,211,239,604.08
Placements from banks and other financial institutions	6,525,302,083.33	3,031,458,333.33
Financial liabilities held for trading	15,738,339,082.20	18,834,648,459.91
Derivative financial liabilities	402,273,581.25	738,107,811.95
Financial assets sold under repurchase agreements	99,738,990,200.47	93,412,806,373.46
Accounts payable to brokerage clients	69,920,829,999.93	69,201,352,190.36
Funds payable to securities issuers	182,450,000.00	13,500,000.00
Payroll payable	2,096,982,483.96	2,351,788,209.09
Taxes payable	55,307,650.95	205,281,487.65
Accounts payable	12,594,166,812.55	5,895,153,043.63
Contract liabilities		
Liabilities held for sale		
Provisions		
Long-term borrowings		
Bonds payables	128,000,249,944.93	121,049,533,559.49
Including: Preferred shares		
Perpetual bond		
Lease liabilities	488,255,812.73	486,734,503.30
Deferred tax liabilities		
Other liabilities	459,136,691.59	528,304,450.41
Total liabilities	343,490,338,301.86	322,959,908,026.66
Equity (or shareholders' equity):		
Paid-in capital (or share capital)	13,064,200,000.00	13,064,200,000.00
Other equity instruments		
Including: Preferred shares		
Perpetual bond		
Capital reserve	74,709,020,563.14	74,709,020,563.14
Less: treasury shares		
Other comprehensive income	-36,731,246.33	-393,603,061.50
Surplus reserve	9,656,101,246.57	9,656,101,246.57
General risk reserve	19,312,202,493.14	19,312,202,493.14
Retained profits	34,567,083,032.22	32,697,861,656.85
Total equity (or shareholders' equity)	151,271,876,088.74	149,045,782,898.20
Total liabilities and equity (or shareholders' equity)	494,762,214,390.60	472,005,690,924.86

Person in charge of the
Company: Zhou Jie

Chief Financial Officer:
Zhang Xinjun

Person responsible for the
accounting affairs: Ma Zhong

INCOME STATEMENT OF THE PARENT COMPANY

January to March 2023

Prepared by: Haitong Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	First quarter of 2023	First quarter of 2022
I. Total operating income	3,862,239,344.61	3,040,377,257.91
Net fee and commission income	1,656,968,234.12	2,851,732,331.90
Including: Net income from brokerage business	805,884,666.38	1,101,270,148.20
Net income from investment banking business	817,251,766.78	1,671,244,898.47
Net income from asset management business		
Net interest income	623,530,078.45	602,088,748.79
Including: Interest income	2,379,094,097.49	2,415,389,492.96
Interest expenses	-1,755,564,019.04	-1,813,300,744.17
Investment gains (losses are denoted by “-”)	1,406,018,177.28	-1,207,485,611.78
Including: Gains attributable to investment in associates and joint ventures	176,486,896.80	147,932,727.23
Income from net exposure hedging (losses are denoted by “-”)		
Other income	402,707,781.79	461,102,844.38
Gains arising from fair value changes (losses are denoted by “-”)	-238,944,371.09	291,102,965.85
Foreign exchange gains (losses are denoted by “-”)	9,965,143.19	39,332,179.48
Other operating income	1,903,902.79	2,501,443.04
Gains from disposal of assets (losses are denoted by “-”)	90,398.08	2,356.25
II. Total operating expenses	1,619,907,674.62	733,231,747.70
Tax and surcharges	41,874,247.28	48,574,047.64
Business and management expenses	1,564,689,491.29	978,997,557.56
Credit impairment loss	13,075,306.81	-294,608,486.74
Impairment losses on other assets		
Other operating cost	268,629.24	268,629.24

INCOME STATEMENT OF THE PARENT COMPANY (Continued)

Items	First quarter of 2023	First quarter of 2022
III. Operating profit (losses are denoted by “-”)	2,242,331,669.99	2,307,145,510.21
Add: Non-operating income	7,843,135.14	8,734,092.63
Less: Non-operating expenses	3,941,779.28	4,240,242.57
IV. Profit before income tax (total losses are denoted by “-”)	2,246,233,025.85	2,311,639,360.27
Less: Income tax expense	377,194,771.24	401,789,222.96
V. Net profit (net losses are denoted by “-”)	1,869,038,254.61	1,909,850,137.31
(I) Net profit from continuing operation (net losses are denoted by “-”)	1,869,038,254.61	1,909,850,137.31
(II) Net profit from discontinued operation (net losses are denoted by “-”)		
VI. Other comprehensive income, net of tax	357,054,935.93	-650,745,458.88
(I) Other comprehensive income that will not be reclassified subsequently to profit or loss	204,289,585.06	-683,954,482.23
1. Changes arising from re-measurement of defined benefit obligations		
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method		
3. Changes in fair value of investments in other equity instruments	204,289,585.06	-683,954,482.23
4. Changes in the fair value of the Company’s own credit risk		
(II) Other comprehensive income that will be reclassified to profit or loss	152,765,350.87	33,209,023.35
1. Other comprehensive income that can be transferred to profit or loss under the equity method	-1,909,705.68	-756,716.41
2. Changes in fair value of other debt investments	143,982,750.87	29,775,677.49
3. Financial assets reclassified to other comprehensive income		
4. Credit impairment provisions of other debt investments	10,692,305.68	4,190,062.27
5. Reserve for cash flow hedging		
6. Exchange differences from translation of financial statements denominated in foreign currencies		
7. Other		
VII. Total comprehensive income	2,226,093,190.54	1,259,104,678.43

Person in charge of the
Company: Zhou Jie

Chief Financial Officer:
Zhang Xinjun

Person responsible for the
accounting affairs: Ma Zhong

STATEMENT OF CASH FLOWS OF THE PARENT COMPANY

January to March 2023

Prepared by: Haitong Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	First quarter of 2023	First quarter of 2022
I. Cash flows from operating activities:		
Net decrease in financial assets held for trading		2,958,623,943.54
Cash received from interests, fees and commission	3,984,762,167.27	5,406,589,615.18
Net increase in placements from banks and other financial institutions	3,500,000,000.00	500,000,000.00
Net increase in cash from repurchase business		1,195,804,275.59
Net decrease in margin loan		4,516,755,458.10
Net cash received from securities trading agency services	718,893,495.12	
Cash received relating to other operating activities	3,337,935,988.61	3,053,687,165.88
Sub-total of cash inflows from operating activities	11,541,591,651.00	17,631,460,458.29
Net increase in financial assets held for trading	2,896,922,046.49	
Net decrease in cash from repurchase business	3,838,311,882.19	
Net increase in margin loan	2,042,297,766.95	
Net cash paid for securities trading agency services		2,218,031,269.57
Cash paid for interests, fees and commission	1,101,506,979.22	1,232,704,435.35
Cash paid to and on behalf of employee	1,347,673,086.93	962,546,792.18
Payment for taxes and levies	205,212,149.65	775,071,223.56
Cash paid relating to other operating activities	88,158,099.62	9,171,706,844.67
Sub-total of cash outflows from operating activities	11,520,082,011.05	14,360,060,565.33
Net cash inflow from operating activities	21,509,639.95	3,271,399,892.96
II. Cash flows from investing activities:		
Cash received from sales of investments	4,695,353,965.07	4,820,063,464.43
Cash received from return on investment	291,342,162.65	181,075,258.87
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	1,967,036.28	1,189,795.39
Cash received relating to other investing activities		
Sub-total of cash inflows from investing activities	4,988,663,164.00	5,002,328,518.69
Cash paid for investments	6,647,000,000.00	8,388,710,964.77
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	132,810,287.16	228,367,185.18
Cash paid relating to other investing activities		
Sub-total of cash outflows from investing activities	6,779,810,287.16	8,617,078,149.95
Net cash outflow from investing activities	-1,791,147,123.16	-3,614,749,631.26

STATEMENT OF CASH FLOWS OF THE PARENT COMPANY (Continued)

Items	First quarter of 2023	First quarter of 2022
III. Cash flows from financing activities:		
Cash received from capital injection		
Cash received from borrowings		680,000,000.00
Cash received from bond issued	18,397,797,600.00	21,119,423,000.00
Cash received relating to other financing activities		
Sub-total of cash inflows from financing activities	18,397,797,600.00	21,799,423,000.00
Cash repayment of borrowings	11,117,599,500.00	10,448,348,000.00
Cash paid for distribution of dividends or profit, or for interest expenses	1,292,433,845.38	1,301,901,120.51
Cash paid relating to other financing activities	53,736,214.78	45,163,703.46
Sub-total of cash outflows from financing activities	12,463,769,560.16	11,795,412,823.97
Net cash inflow from financing activities	5,934,028,039.84	10,004,010,176.03
IV. Effects of changes in foreign exchange rates on cash and cash equivalents	-19,553,908.45	2,259,956.30
V. Net increase in cash and cash equivalents	4,144,836,648.18	9,662,920,394.03
Add: Cash and cash equivalents at the beginning of the period	125,324,821,911.95	117,262,317,533.08
VI. Cash and cash equivalents at the end of the period	129,469,658,560.13	126,925,237,927.11

Person in charge of the
Company: Zhou Jie

Chief Financial Officer:
Zhang Xinjun

Person responsible for the
accounting affairs: Ma Zhong

(III) Adjustments to financial statements at the beginning of the year upon initial adoption of new accounting standards or interpretation of standards since 2023

Applicable Not applicable

By Order of the Board
Haitong Securities Co., Ltd.
ZHOU JIE
Chairman

Shanghai, the PRC
28 April 2023

As at the date of this announcement, the executive directors of the Company are Mr. ZHOU Jie and Mr. LI Jun; the non-executive directors of the Company are Mr. TU Xuanxuan, Mr. ZHOU Donghui, Ms. YU Liping and Mr. XU Jianguo; and the independent non-executive directors of the Company are Mr. ZHANG Ming, Mr. LAM Lee G., Mr. ZHU Hongchao and Mr. ZHOU Yu.

* For identification purpose only