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*(A joint stock company incorporated in the People's Republic of China with limited liability under the Chinese corporate name 华泰证券股份有限公司 and carrying on business in Hong Kong as HTSC)*  
**(Stock Code: 6886)**

## **FIRST QUARTERLY REPORT OF 2019**

The Board of Directors of the Company is pleased to announce the unaudited financial information of the Company and its subsidiaries for the first quarter ended March 31, 2019, prepared in accordance with China Accounting Standards for Business Enterprises. This announcement is made pursuant to the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and Rules 13.09(2) and 13.10B of the Listing Rules.

This announcement contains the Chinese original version and English translation of the “Huatai Securities Co., Ltd. First Quarterly Report of 2019” as published on the website of the Shanghai Stock Exchange, and is provided for your reference only. In case of discrepancy between the Chinese version and the English version, the Chinese version shall prevail.

## **DEFINITIONS**

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires.

“Board” or “Board of Directors”                      the board of Directors of the Company

“Company”	a joint stock company incorporated in the People’s Republic of China with limited liability under the corporate name 华泰证券股份有限公司 (Huatai Securities Co., Ltd.), converted from our predecessor 华泰证券有限责任公司 (Huatai Securities Limited Liability Company) on December 7, 2007, carrying on business in Hong Kong as “HTSC”, and was registered as a registered non-Hong Kong company under Part 16 of the Companies Ordinance under the Chinese approved name of “華泰六八八六股份有限公司” and English name of “Huatai Securities Co., Ltd.”; the H shares of which have been listed on the main board of The Stock Exchange of Hong Kong Limited since June 1, 2015 (Stock Code: 6886); the A shares of which have been listed on the Shanghai Stock Exchange since February 26, 2010 (Stock Code: 601688), unless the context otherwise requires, including its predecessor
“Director(s)”	the director(s) of the Company
“Jiangsu SASAC”	State-owned Assets Supervision and Administration Commission of Jiangsu Provincial Government (江蘇省人民政府國有資產監督管理委員會)
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC” or “State”	the People’s Republic of China (excluding, for the purpose of this announcement, Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan)
“RMB”	Renminbi, the lawful currency of the PRC, the basic unit of which is “yuan”
“Reporting Period”	the period from January 1, 2019 to March 31, 2019
“Supervisor(s)”	the supervisor(s) of the Company

“Supervisory  
Committee”

the supervisory committee of the Company

“%”

per cent.

By order of the Board

**Zhou Yi**

*Chairman*

Jiangsu, PRC, April 29, 2019

*As at the date of this announcement, the Board comprises Mr. Zhou Yi and Mr. Zhu Xuebo as executive Directors; Mr. Ding Feng, Mr. Chen Yongbing, Mr. Xu Qing, Ms. Hu Xiao and Ms. Fan Chunyan as non-executive Directors; and Mr. Chen Chuanming, Mr. Liu Hongzhong, Mr. Lee Chi Ming, Ms. Liu Yan and Mr. Chen Zhibin as independent non-executive Directors.*

Company Code: 601688

Abbreviation of Company: HTSC

**HUATAI SECURITIES CO., LTD.  
FIRST QUARTERLY REPORT OF 2019**

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## I. Important Notice

1.1 The Board, the Supervisory Committee, Directors, Supervisors and senior management of the Company warrant that the information in this quarterly report is true, accurate, complete and contains no false record, misleading statement or material omission, and assume individual and joint liabilities to the information contained herein.

1.2 Particulars of absent Director

<b>Name of absent Director</b>	<b>Position of absent Director</b>	<b>Reason for absence</b>	<b>Name of proxy</b>
Chen Yongbing	Director	Business engagement	Ding Feng
Fan Chunyan	Director	Business engagement	Zhou Yi

1.3 Zhou Yi, officer in charge, Shu Ben'e, officer in charge of accounting, and Fei Lei, officer in charge of the accounting office of the Company (head of accounting department), hereby guarantee that the financial statements contained in this quarterly report are true, accurate and complete.

1.4 This first quarterly report of the Company, which is prepared in accordance with China Accounting Standards for Business Enterprises, is unaudited.

## II. Basic Information of the Company

### 2.1 Key Financial Data

Unit: Yuan Currency: RMB

	<b>As of the end of the reporting period</b>	<b>As of the end of the previous year</b>	<b>Change (%) as of the end of the reporting period as compared to the end of the previous year</b>
Total assets	445,581,159,111.37	368,665,874,058.71	20.86
Net assets attributable to shareholders of the listed Company	106,625,540,892.74	103,393,576,924.99	3.13

	<b>Beginning of the year to the end of the reporting period</b>	<b>Beginning of the previous year to the end of the reporting period in the previous year</b>	<b>Change (%) as compared to the corresponding period of the previous year</b>
Net cash flow generated from operating activities	30,486,687,223.62	-249,747,825.82	Not applicable
	<b>Beginning of the year to the end of the reporting period</b>	<b>Beginning of the previous year to the end of the reporting period in the previous year</b>	<b>Change (%) as compared to the corresponding period of the previous year</b>
Operating revenue	6,247,768,951.11	4,289,557,776.25	45.65
Net profit attributable to the shareholders of the listed Company	2,779,612,391.79	1,903,006,658.17	46.06
Net profit after extraordinary profit and loss attributable to shareholders of the listed Company	2,773,464,570.40	1,848,321,864.81	50.05
Weighted average return on net assets (%)	2.66	2.16	Increased by 0.5 percentage point
Basic earnings per share (RMB/share)	0.34	0.27	25.93
Diluted earnings per share (RMB/share)	0.34	0.27	25.93

**Non-recurring items and amounts**✓ Applicable    ☐ Not applicable

Unit: Yuan Currency: RMB

<b>Items</b>	<b>Amount for current reporting period</b>
Profit or loss on disposal of non-current assets, including the part offset with the provision for impairment of assets	94,325.96
Government subsidies recognized in profit and loss of the current period, excluding those closely related to the normal operation of the Company and granted on an ongoing basis in standard fixed amount or fixed quota in accordance with government policies and regulations	9,380,561.88
Other non-operating income and expenses other than the above items	-675,444.69
Effect of income tax	-2,267,621.40
Effect of minority interest (net of tax)	-384,000.36
Total	6,147,821.39



## 2.2 Total number of shareholders and shareholding of top ten shareholders and top ten holders of tradable shares (or holders of shares not subject to selling restrictions) as of the end of the Reporting Period

Unit: share

Total number of shareholders					199,656	
Shareholding of top ten shareholders						
Name of shareholder (in full name)	Number of shares held as of the end of the reporting period	Percentage (%)	Number of shares held subject to selling restrictions	Pledged or frozen shares		Class of shareholder
				Status of shares	Numberof shares	
HKSCC Nominees Limited	1,675,047,927	20.30	—	Nil	—	Foreign legal person
Jiangsu Guoxin Investment Group Limited	1,286,272,836	15.59	—	Nil	—	State-owned legal person
Jiangsu Communications Holding Company Limited	463,848,418	5.62	—	Nil	—	State-owned legal person
Govtor Capital Group Co., Ltd.	351,678,006	4.26	—	Nil	—	State-owned legal person
Alibaba (China) Technology Co., Ltd.	268,199,233	3.25	268,199,233	Nil	—	Domestic non-state- owned legal person
Suning.Com Co., Ltd.	260,536,398	3.16	260,536,398	Unknown	258,000,000	Domestic non-state- owned legal person
Essence Securities —China Merchants Bank— Essence Securities Dingzengbao No. 1 Collective Asset Management Program	247,545,593	3.00	247,545,593	Nil	—	Unknown
China Securities Finance Corporation Limited	246,720,811	2.99	—	Nil	—	Unknown
China Structural Reform Fund Corporation Limited	153,256,704	1.86	153,256,704	Nil	—	State-owned legal person
Jiangsu SOHO Holdings Group Co., Ltd.	133,107,554	1.61	—	Nil	—	State-owned legal person

<b>Shareholding of top ten shareholders not subject to selling restrictions</b>			
<b>Name of shareholder</b>	<b>Number of tradable shares not subject to selling restrictions</b>	<b>Class and number of shares</b>	
		<b>Class</b>	<b>Number</b>
HKSCC Nominees Limited	1,675,047,927	Overseas listed foreign shares	1,675,047,927
Jiangsu Guoxin Investment Group Limited	1,286,272,836	Ordinary shares in RMB	1,271,072,836
		Overseas listed foreign shares	15,200,000
Jiangsu Communications Holding Company Limited	463,848,418	Ordinary shares in RMB	448,467,218
		Overseas listed foreign shares	15,381,200
Govtor Capital Group Co., Ltd.	351,678,006	Ordinary shares in RMB	342,028,006
		Overseas listed foreign shares	9,650,000
China Securities Finance Corporation Limited	246,720,811	Ordinary shares in RMB	246,720,811
Jiangsu SOHO Holdings Group Co., Ltd.	133,107,554	Ordinary shares in RMB	133,107,554
Jiangsu Hiteker High-tech Co., Ltd.	123,169,146	Ordinary shares in RMB	123,169,146
Central Huijin Assets Management Co., Ltd.	98,222,400	Ordinary shares in RMB	98,222,400
Hong Kong Securities Clearing Company Limited	96,996,070	Ordinary shares in RMB	96,996,070
Jincheng Group Co., Ltd.	82,253,007	Ordinary shares in RMB	82,253,007

Description of the connected relationship or action in concert between the above shareholders	Jiangsu Guoxin Investment Group Limited, Jiangsu Communications Holding Company Limited, Govtor Capital Group Co., Ltd. and Jiangsu SOHO Holdings Group Co., Ltd. are wholly-owned by Jiangsu SASAC. Both Taobao (China) Software Co., Ltd., a shareholder with over 5% shareholding in Suning.Com Co., Ltd., and Alibaba (China) Technology Co., Ltd. are wholly-owned subsidiaries of Alibaba Group Holding Ltd. Apart from the above, it is not known if there is any connection between other shareholders or whether such shareholders are parties acting in concert as stipulated under the Measures for the Administration of the Takeover of Listed Companies.
Explanation on restored voting rights by shareholders of preference shares and number of shares held	The Company has no shareholders of preference shares.

- Notes:*
1. The shareholders of ordinary shares in RMB (A shares) refer to the shareholders who are holders of accounts registered with Shanghai Branch of China Securities Depository and Clearing Corporation Limited in terms of their nature.
  2. Among shareholders of overseas listed foreign shares (H shares) of the Company, shares of non-registered shareholders are held by HKSCC Nominees Limited on their behalf. As at the end of the Reporting Period, Jiangsu Guoxin Investment Group Limited, Jiangsu Communications Holding Company Limited and Govtor Capital Group Co., Ltd. acquired, via Stock Connect's Southbound trading, 15,200,000 shares, 15,381,200 shares and 9,650,000 shares of the Company's H Shares, respectively, which are also being held by HKSCC Nominees Limited. These shareholdings are specifically listed separately at the time of the disclosure of this report; should such shares be included, the actual number of shares held by HKSCC Nominees Limited on their behalf would have been 1,715,279,127 shares, representing 20.79% of the total share capital of the Company.
  3. Hong Kong Securities Clearing Company Limited is a nominal holder of A Shares of the companies held by the investors at Shanghai-Hong Kong Stock Connect.

4. As at the end of the Report Period, 3,598,200 A Shares held by Jiangsu Communications Holding Company Limited remained outstanding due to refinancing. When fully returned, it's actual shareholding in the Company will be 452,065,418 A Shares and 15,381,200 H Shares, representing 5.66% of the total share capital of the Company.
5. Among the total number of shareholders of ordinary shares as at the end of the Reporting Period, there were 191,278 shareholders of A shares and 8,378 registered shareholders of H shares.

**2.3 Total number of shareholders of preference shares, shareholdings of the top ten shareholders of preference shares and shareholdings of the top ten shareholders of preference shares not subject to selling restrictions as of the end of the Reporting Period**

☐ Applicable    ☒ Not applicable

### III. Major Events

#### 3.1 Details and reasons for material changes in key accounting statement items and financial indicators of the Company

✓ Applicable    ☐ Not applicable

Unit: Yuan Currency: RMB

Balance sheet items	Balance as at the end of the period	Balance as at the end of the previous year	% of change	Reason for change
Cash and cash equivalents	102,697,522,598.76	71,102,643,314.51	44.44%	Increase in funds from customers
Derivative financial assets	950,156,161.00	1,933,958,476.40	-50.87%	Change in fair value of equity derivative instruments
Receivables	5,168,529,964.92	3,090,165,422.15	67.26%	Increase in charge receivable for OTC options
Right-of-use assets	615,931,635.21	—	N/A	Implementation of new standard for lease
Other assets	1,081,529,666.96	1,814,841,287.81	-40.41%	Decrease in withholding income tax
Short-term loans	1,475,240,356.07	3,015,790,687.57	-51.08%	Reduction in scale of short-term loans
Placements from financial institutions	3,178,979,966.79	5,813,487,101.88	-45.32%	Payment due for placements from financial institutions through refinancing
Derivative financial liabilities	1,856,308,196.06	776,102,030.87	139.18%	Increase in scale of OTC options
Financial assets sold under repurchase agreements	55,968,515,115.26	40,095,053,613.01	39.59%	Increase in scale of buybacks
Securities brokerage services	90,210,441,664.48	59,492,175,533.47	51.63%	Increase in amount payable to customers
Securities underwriting services	8,298,000.00	1,813,300.00	357.62%	Increase in underwriting settlement payable to customers
Lease liabilities	596,883,597.34	—	N/A	Implementation of new standard for lease
Other liabilities	68,230,027,206.60	45,752,009,850.23	49.13%	Increase in scale of consolidation of structured products
Other comprehensive income	631,689,612.91	179,338,036.95	252.23%	Increase in change in fair value of other equity instrument investment

Income statement items	Amount for the period	Amount for the previous period	% of change	Reason of change
Investment gains (“-” indicating losses)	2,606,878,167.72	1,350,111,953.06	93.09%	Increases in investment gains from financial instruments and investment gains from joint ventures
Other gains	9,380,561.88	70,859,325.13	-86.76%	Decrease in government grants
Gains from change in fair value (“-” indicating losses)	764,789,932.88	116,669,989.34	555.52%	Unrealized gains from trading financial instrument
Foreign exchange gains (“-” indicating losses)	17,028,215.37	6,468,708.02	163.24%	Increase in foreign exchange gains
Other business income	206,214,947.75	63,408,930.64	225.21%	Increase in physical sales revenue of subsidiaries
Credit impairment loss	6,208,453.21	-52,901,925.07	N/A	Provision for the financing impairment
Other asset impairment loss	-2,734,416.43	768,602.63	-455.76%	Reversal of the provision for the other asset impairment
Other business expenses	192,991,413.42	30,513,093.89	532.49%	Increase in physical cost of sale of subsidiaries
Non-operating income	2,532,327.82	671,657.29	277.03%	Increase in donation expense
Income tax expenses	846,807,720.45	483,253,618.85	75.23%	Increase in taxable profit
Other comprehensive income after tax, net	451,576,063.07	-230,137,979.48	N/A	Increase in change in fair value of other equity instrument investment
Net cash flow from operating activities	30,486,687,223.62	-249,747,825.82	N/A	Mainly related to the increase in the net cash received from securities brokerage services and net increase in cash from repurchase business
Cash flows from financing activities	6,401,325,882.20	-2,398,778,597.26	N/A	Mainly related to the increase in the proceeds from issuance of bonds

### 3.2 Analysis and explanation on the progress of major events and their effects and solutions

☒ Applicable    ☐ Not applicable

- During the Reporting Period, Huatai Purple Gold Investment Co., Ltd. (“Huatai Purple Gold Investment”), a wholly-owned subsidiary of the Company, was assigned with part of the contribution from Beijing Huatai Ruilian M&A Fund (Limited Partnership) (北京華泰瑞聯併購基金中心(有限合夥)), Jiangsu Huatai Ruilian M&A Fund (Limited Partnership) (江蘇華泰瑞聯併購基金(有限合夥)), Nanjing Huatai Ruilian Merger and Acquisition Fund No.1 (Limited Partnership) (南京華泰瑞聯併購基金一號

(有限合夥)), Nanjing Huatai Ruilian Merger and Acquisition Fund No.2 (Limited Partnership) (南京華泰瑞聯併購基金二號(有限合夥)), Nanjing Huatai Ruilian Merger and Acquisition Fund No.4 (Limited Partnership) (南京華泰瑞聯併購基金四號(有限合夥)), Shenzhen Qianhai Ruilian Investment No.1 (Limited Partnership) (深圳前海瑞聯一號投資中心(有限合夥)), Shenzhen Qianhai Ruilian Investment No.7 (Limited Partnership) (深圳前海瑞聯七號投資中心(有限合夥)), Shanghai Jingrui Investment (Limited Partnership) (上海京瑞投資中心(有限合夥)), Nanjing Ruilian Investment No.1 (Limited Partnership) (南京瑞聯一號投資中心(有限合夥)), Nanjing Ruilian Investment No.2 (Limited Partnership) (南京瑞聯二號投資中心(有限合夥)), Nanjing Ruilian Investment No.3 (Limited Partnership) (南京瑞聯三號投資中心(有限合夥)) and Beijing Ruilian Jingshen Investment (Limited Partnership) (北京瑞聯京深投資中心(有限合夥)), all of which are held by Huatai Ruilian Fund Management Co., Ltd. or its holding entity, and became a general partner of the above joint ventures.

2. During the Reporting Period, Huatai Purple Gold Investment was converted from a limited partner of Yili Suxin Investment Fund (Limited Partnership) (伊犁蘇新投資基金合夥企業(有限合夥)) to a general partner, and served as an executive director partner and manager.
3. During the Reporting Period, Huatai Capital Management (Hong Kong) Limited (華泰資本管理(香港)有限公司), an overseas subsidiary of Huatai Futures Co., Ltd., a holding subsidiary of the Company increased the capital of Huatai (Hong Kong) Futures Limited and Huatai Financial USA, Inc. by HK\$66 million and US\$3.2 million, respectively. Upon the capital increase, the paid up capital of Huatai (Hong Kong) Futures Limited was HK\$120.456 million while that of Huatai Financial USA, Inc. was US\$8.3 million.

### **3.3 Overdue and unfulfilled undertakings of the Company during the Reporting Period**

☐ Applicable    ☒ Not applicable

### **3.4 Warning and reasons for cumulative net loss expected to be recorded for the period from the beginning of the year to the end of the next reporting period or material changes of cumulative net profit as compared to the corresponding period of the previous year**

☐ Applicable    ☒ Not applicable

Name of Company	Huatai Securities Co., Ltd.
Legal representative	Zhou Yi
Date	April 29, 2019

## IV. Appendix

### 4.1 Financial Statements

#### Consolidated Balance Sheet

March 31, 2019

Prepared by: Huatai Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	March 31, 2019	December 31, 2018
<b>Assets:</b>		
Monetary capital	102,697,522,598.76	71,102,643,314.51
Of which: Customer fund deposits	68,870,835,740.44	42,902,018,376.63
Clearing settlement funds	20,809,398,790.48	19,068,365,339.98
Of which: Settlement funds from customers	17,267,707,304.10	16,044,994,914.66
Precious metal	—	—
Placements with other financial institutions	—	—
Margin loans	57,933,519,996.35	46,188,884,860.29
Derivative financial assets	950,156,161.00	1,933,958,476.40
Refundable deposits	8,571,374,505.17	7,836,506,104.91
Receivables	5,168,529,964.92	3,090,165,422.15
Financial assets held under resale agreements	43,535,479,150.06	43,556,564,734.21
Contract assets	—	—
<b>Financial investments:</b>	177,999,523,116.78	148,975,237,504.15
Trading financial assets	149,857,612,745.88	122,244,331,499.24
Debt investments	16,753,427,830.19	16,274,163,775.43
Other debt investments	770,798,283.46	606,809,484.07
Other equity instrument investments	10,617,684,257.25	9,849,932,745.41
Held-to-maturity investments	—	—
Available-for-sale financial assets	—	—
Long-term equity investments	14,167,906,812.63	13,177,660,861.27
Investment properties	573,337,470.12	586,333,637.71
Fixed assets	3,743,510,785.00	3,499,127,756.91
Right-of-use assets	615,931,635.21	—
Construction in progress	61,795,251.45	49,025,690.37
Intangible assets	5,327,978,559.76	5,462,012,108.36
Goodwill	2,057,421,653.54	2,099,412,099.41
Deferred income tax assets	286,242,993.18	225,134,860.27
Other assets	1,081,529,666.96	1,814,841,287.81
Total assets	445,581,159,111.37	368,665,874,058.71



Items	March 31, 2019	December 31, 2018
<b>Liabilities:</b>		
Short-term loans	1,475,240,356.07	3,015,790,687.57
Short-term margin loans	25,587,385,435.78	21,123,999,727.58
Placements from other financial institutions	3,178,979,966.79	5,813,487,101.88
Trading financial liabilities	4,430,847,634.83	5,199,989,703.32
Derivative financial liabilities	1,856,308,196.06	776,102,030.87
Financial assets sold under repurchase agreements	55,968,515,115.26	40,095,053,613.01
Securities brokerage services	90,210,441,664.48	59,492,175,533.47
Securities underwriting services	8,298,000.00	1,813,300.00
Employee benefits payables	7,868,053,672.00	7,915,032,953.00
Tax payables	920,497,169.53	846,735,501.48
Payables	6,431,765,346.86	7,476,963,437.89
Contract liabilities	7,094,132.89	7,441,733.86
Estimated liabilities	101,047.62	—
Long-term loans	1,662,279,962.82	1,698,768,893.25
Bonds payables	67,138,202,198.71	62,890,730,583.32
Of which: Preference shares	—	—
Perpetual bonds	—	—
Deferred income	—	—
Deferred income tax liabilities	2,004,925,218.48	1,810,175,478.47
Lease liabilities	596,883,597.34	—
Other liabilities	68,230,027,206.60	45,752,009,850.23
Total liabilities	337,575,845,922.12	263,916,270,129.20
<b>Owners' equity (or equity of shareholders):</b>		
Paid up capital (or share capital)	8,251,500,000.00	8,251,500,000.00
Other equity instrument	—	—
Of which: Preference shares	—	—
Perpetual bonds	—	—
Capital reserve	58,859,859,896.75	58,859,859,896.75
Less: treasury shares	—	—
Other comprehensive income	631,689,612.91	179,338,036.95
Surplus reserve	4,489,830,174.82	4,489,830,174.82
General risk provision	12,386,395,869.25	12,196,945,015.12
Undistributed profits	22,006,265,339.01	19,416,103,801.35
Total equity attributable to the owners (or equity of shareholders) of the parent company	106,625,540,892.74	103,393,576,924.99

<b>Items</b>	<b>March 31, 2019</b>	<b>December 31, 2018</b>
Minority interest	1,379,772,296.51	1,356,027,004.52
Total owners' equity (or equity of shareholders)	108,005,313,189.25	104,749,603,929.51
Total liabilities and owners' equity (or equity of shareholders)	445,581,159,111.37	368,665,874,058.71

Legal representative: Zhou Yi      Officer in charge of accounting: Shu Ben'e      Head of accounting department: Fei Lei

## Balance Sheet of the Parent Company

March 31, 2019

Prepared by: Huatai Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	March 31, 2019	December 31, 2018
<b>Assets:</b>		
Monetary capital	71,304,216,397.48	42,413,315,457.84
Of which: Customer fund deposits	58,202,237,666.52	31,760,855,525.90
Clearing settlement funds	21,742,069,503.59	20,259,533,365.50
Of which: Settlement funds from customers	18,703,152,380.20	16,038,610,231.94
Precious metal	—	—
Placements with other financial institutions	—	—
Margin loans	57,295,119,475.92	45,387,682,848.93
Derivative financial assets	686,747,277.03	1,663,164,165.24
Refundable deposits	1,442,582,856.31	2,669,162,811.81
Receivables	3,287,266,237.61	1,609,776,988.71
Contract assets	—	—
Financial assets held under resale agreements	26,173,201,444.37	34,729,163,046.28
Held-for-sale assets	—	—
<b>Financial investments:</b>	118,677,993,298.33	95,912,248,595.42
Trading financial assets	93,663,926,039.13	71,413,963,799.21
Debt investments	14,425,983,001.95	14,677,952,050.80
Other debt investments	—	—
Other equity instrument investments	10,588,084,257.25	9,820,332,745.41
Available-for-sale financial assets	—	—
Held-to-maturity investments	—	—
Long-term equity investments	26,752,367,723.12	26,437,213,803.79
Investment properties	1,413,813,967.16	1,426,027,913.71
Fixed assets	2,469,463,895.41	2,444,069,885.86
Right-of-use assets	409,645,326.19	—
Construction in progress	61,710,548.43	48,965,850.37
Intangible assets	499,209,475.34	526,962,846.50
Goodwill	—	—
Deferred income tax assets	—	—
Other assets	589,147,573.05	1,203,876,938.88
Total assets	332,804,554,999.34	276,731,164,518.84
<b>Liabilities:</b>		
Short-term loans	—	—
Short-term margin loans	25,361,376,263.56	20,927,044,004.58

Items	March 31, 2019	December 31, 2018
Placements from other financial institutions	3,178,979,966.79	5,813,487,101.88
Trading financial liabilities	71,499,040.00	1,436,004,566.67
Derivative financial liabilities	1,637,130,413.24	603,694,554.69
Financial assets sold under repurchase agreements	50,364,705,478.39	34,794,768,684.66
Securities brokerage services	75,101,262,581.06	44,673,270,293.49
Securities underwriting services	8,298,000.00	1,813,300.00
Employee benefits payables	6,244,338,077.15	5,751,455,877.68
Tax payables	557,548,814.64	213,347,683.65
Payables	5,399,061,894.99	5,445,646,960.08
Contract liabilities	—	—
Held-for-sale liabilities	—	—
Estimated liabilities	101,047.62	—
Long-term loans	—	—
Bonds payables	64,446,532,258.66	60,123,324,566.77
Of which: Preference shares	—	—
Perpetual bonds	—	—
Deferred income	—	—
Deferred income tax liabilities	579,004,187.52	580,364,965.24
Lease liabilities	393,583,421.82	—
Other liabilities	1,705,285,426.82	1,569,854,635.84
Total liabilities	235,048,706,872.26	181,934,077,195.23
<b>Owners' equity (or equity of shareholders):</b>		
Paid up capital (or share capital)	8,251,500,000.00	8,251,500,000.00
Other equity instruments	—	—
Of which: Preference shares	—	—
Perpetual bonds	—	—
Capital reserve	58,621,922,798.33	58,621,922,798.33
Less: treasury shares	—	—
Other comprehensive income	363,317,753.03	-238,269,630.14
Surplus reserve	4,489,830,174.82	4,489,830,174.82
General risk provision	9,191,569,164.13	9,191,569,164.13
Undistributed profits	16,837,708,236.77	14,480,534,816.47
Total owners' equity (or equity of shareholders)	97,755,848,127.08	94,797,087,323.61
Total liabilities and owners' equity (or equity of shareholders)	332,804,554,999.34	276,731,164,518.84

Legal representative:      Officer in charge of accounting:      Head of accounting department:  
Zhou Yi                      Shu Ben'e                      Fei Lei

**Consolidated Income Statement**  
**January to March 2019**

Prepared by: Huatai Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	First quarter of 2019	First quarter of 2018
<b>I. Total Operating income</b>	6,247,768,951.11	4,289,557,776.25
Net fee and commission income	2,140,767,407.49	1,984,356,709.01
Of which: Net fee income from brokerage business	1,124,281,762.33	985,797,707.36
Net fee income from investment banking business	247,997,199.09	407,287,808.60
Net fee income from asset management business	712,218,565.37	540,301,294.70
Net interest income	502,615,392.06	697,575,292.56
Of which: Interest income	1,880,822,678.54	2,414,536,830.36
Interest expenses	1,378,207,286.48	1,716,961,537.80
Investment gains (“-” indicating losses)	2,606,878,167.72	1,350,111,953.06
Of which: Gains from investments in associates and joint ventures	1,167,501,518.72	580,299,432.76
Gains from derecognition of financial assets measured at amortised cost (“-” indicating losses)	980,210.99	—
Other gains	9,380,561.88	70,859,325.13
Gains from change in fair value (“-” indicating losses)	764,789,932.88	116,669,989.34
Foreign exchange gains (“-” indicating losses)	17,028,215.37	6,468,708.02
Other business income	206,214,947.75	63,408,930.64
Gain from disposal of assets (“-” indicating losses)	94,325.96	106,868.49
<b>II. Total operating expenses</b>	2,595,504,589.30	1,887,964,740.80
Tax and surcharges	39,562,402.45	34,165,880.79
Business and administrative expenses	2,359,476,736.65	1,875,419,088.56
Credit impairment loss	6,208,453.21	52,901,925.07
Other asset impairment loss	-2,734,416.43	768,602.63
Other business costs	192,991,413.42	30,513,093.89

Items	First quarter of 2019	First quarter of 2018
<b>III. Operating profit (“-” indicating loss)</b>	3,652,264,361.81	2,401,593,035.45
Add: Non-operating income	1,856,883.13	2,843,841.02
Less: Non-operating expenses	2,532,327.82	671,657.29
<b>IV. Total profit (“-” indicating total loss)</b>	3,651,588,917.12	2,403,765,219.18
Less: Income tax expenses	846,807,720.45	483,253,618.85
<b>V. Net profit (“-” indicating net loss)</b>	2,804,781,196.67	1,920,511,600.33
(I) Classified by continuity of operations	2,804,781,196.67	1,920,511,600.33
1. Net profit from continuing operations (“-” indicating net losses)	2,804,781,196.67	1,920,511,600.33
2. Net profit from discontinued operations (“-” indicating net losses)	—	—
(II) Classified by ownership of equity	2,804,781,196.67	1,920,511,600.33
1. Net profit attributable to shareholders of the parent company	2,779,612,391.79	1,903,006,658.17
2. Profit or loss of minority interest	25,168,804.88	17,504,942.16
<b>VI. Other comprehensive income after tax, net</b>	451,576,063.07	-230,137,979.48
Other comprehensive income after tax attributable to owners of the parent company, net	452,351,575.96	-230,173,705.53
(I) Other comprehensive income that will not be reclassified to profit and loss	575,813,633.88	-5,667,814.31
1. Changes in amount of re-measurement of defined benefit plan	—	—
2. Other comprehensive income that will not transfer to profit and loss under the equity method	—	—
3. Change in fair value of other equity instrument investments	575,813,633.88	5,667,814.31
4. Change in fair value of the enterprise’s own credit risk	—	—

Items	First quarter of 2019	First quarter of 2018
(II) Other comprehensive income that will be reclassified to profit and loss	-123,462,057.92	-224,505,891.22
1. Other comprehensive income that will be transferred to profit and loss under equity method	25,773,749.29	-8,594,013.38
2. Change in fair value of other debt investments	—	—
3. Amount of financial assets reclassified to other comprehensive income	—	—
4. Provision for credit impairment of other debt investments	—	—
5. Reserve for hedge against cash flow (effective part of profit and loss from hedge against cash flow)	—	—
6. Exchange differences from translation of financial statements denominated in foreign currencies	-149,235,807.21	-215,911,877.84
7. Other	—	—
Other comprehensive income attributable to minority interest, net of taxes	-775,512.89	35,726.05
<b>VII. Total comprehensive income</b>	<b>3,256,357,259.74</b>	<b>1,690,373,620.85</b>
Total comprehensive income attributable to owners of the parent company	3,231,963,967.75	1,672,832,952.64
Total comprehensive income attributable to minority interest	24,393,291.99	17,540,668.21
<b>VIII. Earnings per share:</b>		
(I) Basic earnings per share (RMB/share)	0.34	0.27
(II) Diluted earnings per share (RMB/share)	0.34	0.27

Legal representative: Zhou Yi      Officer in charge of accounting: Shu Ben'e      Head of accounting department: Fei Lei

## Income Statement of the Parent Company

January to March 2019

Prepared by: Huatai Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	First Quarter of 2019	First Quarter of 2018
<b>I. Total Operating income</b>	4,241,376,265.78	3,703,341,841.61
Net fee and commission income	1,167,900,638.85	940,781,746.77
Of which: Net fee income from brokerage business	1,061,915,513.45	917,248,014.49
Net fee income from investment banking business	86,851,849.81	-1,266,767.85
Net fee income from asset management business	—	—
Net interest income	326,652,897.88	492,425,802.41
Of which: Interest income	1,553,636,998.30	2,134,128,454.42
Interest expenses	1,226,984,100.42	1,641,702,652.01
Investment gains (“-” indicating losses)	2,239,112,985.37	2,216,348,896.19
Of which: Gains from investments in associates and joint ventures	289,380,170.04	288,158,000.00
Gains from derecognition of financial assets measured at amortised cost (“-” indicating losses)	980,210.99	—
Net exposure hedging gains and losses (“-” indicating losses)	—	—
Other gains	1,454,705.58	6,031,931.33
Gains from change in fair value (“-” indicating losses)	485,096,527.37	20,155,638.04
Foreign exchange gains (“-” indicating losses)	—	-1,976.20
Other business income	21,045,948.38	27,531,538.16
Gain from disposal of assets (“-” indicating losses)	112,562.35	68,264.91
<b>II. Total operating expenses</b>	1,461,303,332.93	914,326,998.25
Tax and surcharges	36,701,701.93	28,289,904.59
Business and administrative expenses	1,408,119,310.12	923,312,822.72



Items	First Quarter of 2019	First Quarter of 2018
Credit impairment loss	4,223,939.03	52,893,997.12
Other asset impairment loss	—	—
Other business costs	12,258,381.85	15,618,268.06
<b>III. Operating profit (“-” indicating loss)</b>	<b>2,780,072,932.85</b>	<b>2,789,014,843.36</b>
Add: Non-operating income	1,588,504.95	2,839,395.47
Less: Non-operating expenses	1,002,267.41	643,152.19
<b>IV. Total profit (“-” indicating total loss)</b>	<b>2,780,659,170.39</b>	<b>2,791,211,086.64</b>
Less: Income tax expenses	423,485,750.09	252,757,021.66
<b>V. Net profit (“-” indicating net loss)</b>	<b>2,357,173,420.30</b>	<b>2,538,454,064.98</b>
(I) Net profit from continuing operations (“-” indicating net losses)	2,357,173,420.30	2,538,454,064.98
(II) Net profit from discontinued operations (“-” indicating net losses)	—	—
<b>VI. Other comprehensive income after tax, net</b>	<b>601,587,383.17</b>	<b>-14,261,827.69</b>
(I) Other comprehensive income that will not be reclassified to profit and loss	575,813,633.88	-5,667,814.31
1. Changes in amount of re-measurement of defined benefit plan	—	—
2. Other comprehensive income that will not transfer to profit and loss under the equity method	—	—
3. Change in fair value of other equity instrument investments	575,813,633.88	-5,667,814.31
4. Change in fair value of the enterprise’s own credit risk	—	—
(II) Other comprehensive income that will be reclassified to profit and loss	25,773,749.29	-8,594,013.38
1. Other comprehensive income that will be transferred to profit and loss under equity method	25,773,749.29	-8,594,013.38
2. Change in fair value of other debt investments	—	—
3. Amount of financial assets reclassified to other comprehensive income	—	—

Items	First Quarter of 2019	First Quarter of 2018
4. Provision for credit impairment of other debt investments	—	—
5. Reserve for hedge against cash flow (effective part of profit and loss from hedge against cash flow)	—	—
6. Exchange differences from translation of financial statements denominated in foreign currencies	—	—
7. Other	—	—
<b>VII. Total comprehensive income</b>	2,958,760,803.47	2,524,192,237.29
<b>VIII. Earnings per share:</b>		
(I) Basic earnings per share (RMB/share)	—	—
(II) Diluted earnings per share (RMB/share)	—	—

Legal representative: Zhou Yi      Officer in charge of accounting: Shu Ben'e      Head of accounting department: Fei Lei

## Consolidated Cash Flow Statement

January to March 2019

Prepared by: Huatai Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	First quarter of 2019	First quarter of 2018
<b>I. Cash flows from operating activities:</b>		
Cash from sale of products and provision of services	—	—
Net increase in placements from other financial institutions	—	—
Cash received from interest, fees and commissions	5,688,374,867.79	6,206,762,013.73
Net increase in placements from other financial institutions		4,500,000,000.00
Net increase in cash from repurchase business	20,955,266,354.76	7,408,160,937.03
Net decrease in margin accounts		2,297,918,909.63
Net cash received from securities brokerage services	30,718,323,746.13	1,029,273,240.18
Cash received relating to other operating activities	22,598,182,899.00	6,045,827,608.08
Subtotal of cash inflows from operating activities	79,960,147,867.68	27,487,942,708.65
Net increase in interbank lending	—	659,028,213.43
Net increase in margin accounts	12,026,794,676.26	—
Net increase in financial assets held for trading purpose	25,683,917,093.41	20,491,923,171.77
Net decrease in placements from other financial institutions	2,630,000,000.00	—
Cash paid for interest, fees and commissions	1,760,976,575.17	1,782,503,365.56
Cash paid to and paid for employees	1,623,936,625.73	1,443,124,593.14
Taxes paid	649,575,526.83	701,704,798.54
Cash paid relating to other operating activities	5,098,260,146.66	2,659,406,392.03
Subtotal of cash outflows from operating activities	49,473,460,644.06	27,737,690,534.47
Net cash flow from operating activities	30,486,687,223.62	-249,747,825.82

Items	First quarter of 2019	First quarter of 2018
<b>II. Cash flows from investing activities:</b>		
Cash received from disposal of investments	—	—
Cash received from investment returns	487,671,251.34	49,964,159.98
Cash received from disposal of fixed assets, intangible assets and long-term assets	56,318.83	—
Cash received relating to other investing activities	929,216.39	3,988,982.24
Subtotal of cash inflows from investing activities	488,656,786.56	53,953,142.22
Cash paid for investments	519,330,488.10	271,019,202.72
Cash paid for purchase of fixed assets, intangible assets and other long-term assets	329,207,933.61	34,584,283.43
Net cash paid for acquisition of subsidiaries and other business units	—	162,890,200.00
Cash paid relating to other investing activities	131,100,000.00	81,480,000.00
Subtotal of cash outflows from investing activities	979,638,421.71	549,973,686.15
Net cash flow from investing activities	-490,981,635.15	-496,020,543.93
<b>III. Cash flows from financing activities:</b>		
Proceeds from borrowings	—	622,596,249.00
Proceeds from issuance of bonds	23,189,620,000.00	7,313,430,000.00
Cash received relating to other financing activities	—	—
Subtotal of cash inflows from financing activities	23,189,620,000.00	7,936,026,249.00
Cash repayments of borrowings	16,376,033,687.32	9,756,630,000.00
Cash paid for dividends, profits or interest	412,260,430.48	578,174,846.26
Of which: Dividends and profits paid to minority interest by subsidiaries	648,000.00	12,715,000.00
Cash paid relating to other financing activities	—	—
Subtotal of cash outflows from financing activities	16,788,294,117.80	10,334,804,846.26

<b>Items</b>	<b>First quarter of 2019</b>	<b>First quarter of 2018</b>
Net cash flow from financing activities	6,401,325,882.20	-2,398,778,597.26
<b>IV. Effect of exchange rate changes on cash and cash equivalents</b>	73,580,008.06	-57,852,854.10
<b>V. Net increase in cash and cash equivalents</b>	36,470,611,478.73	-3,202,399,821.11
Add: Balance of cash and cash equivalents at the beginning of the period	99,628,861,431.84	96,682,132,974.24
<b>VI. Balance of cash and cash equivalents at the end of the period</b>	136,099,472,910.57	93,479,733,153.13

Legal representative:      Officer in charge of accounting:      Head of accounting department:  
Zhou Yi                      Shu Ben'e                      Fei Lei

## Cash Flow Statement of the Parent Company

January to March 2019

Prepared by: Huatai Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	First quarter of 2019	First quarter of 2018
<b>I. Cash flows from operating activities:</b>		
Cash from sale of products and provision of services	—	—
Net increase in placements from other financial institutions	—	—
Cash received from interest, fees and commissions	3,883,717,297.63	3,849,057,081.38
Net increase in placements from other financial institutions	—	4,500,000,000.00
Net increase in cash from repurchase business	20,279,954,414.32	5,452,929,037.71
Net decrease in margin accounts	—	2,401,111,600.52
Net cash received from securities brokerage services	30,428,049,902.70	6,048,349,330.44
Cash received relating to other operating activities	1,672,437,546.00	2,644,505,718.14
Subtotal of cash inflows from operating activities	56,264,159,160.65	24,895,952,768.19
Net increase in margin accounts	12,189,596,167.19	—
Net increase in financial assets held for trading purpose	21,085,625,074.64	15,925,902,076.53
Net increase in interbank lending	—	—
Net decrease in cash from repurchase business	—	—
Net decrease in placements from other financial institutions	2,630,000,000.00	—
Cash paid for interest, fees and commissions	1,521,573,388.00	1,525,742,751.38
Cash paid to and paid for employees	580,724,033.47	590,742,345.39
Taxes paid	216,599,980.15	294,837,360.08
Cash paid relating to other operating activities	275,153,145.55	1,063,376,035.00
Subtotal of cash outflows from operating activities	38,499,271,789.00	19,400,600,568.38

Items	First quarter of 2019	First quarter of 2018
Net cash flow from operating activities	17,764,887,371.65	5,495,352,199.81
<b>II. Cash flows from investing activities:</b>		
Cash received from investment returns	1,096,474,080.21	1,492,005,000.00
Cash received from disposal of investments	—	—
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	—	—
Cash received relating to other investing activities	929,216.41	3,893,346.03
Subtotal of cash inflows from investing activities	1,097,403,296.62	1,495,898,346.03
Cash paid for purchase of fixed assets, intangible assets and other long-term assets	217,082,497.45	285,817,694.91
Net cash paid for acquisition of subsidiaries and other business units	—	13,140,200.00
Cash paid relating to other investing activities	—	—
Subtotal of cash outflows from investing activities	217,082,497.45	298,957,894.91
Net cash flow from investing activities	880,320,799.17	1,196,940,451.12
<b>III. Cash flows from financing activities:</b>		
Proceeds from investments	—	—
Proceeds from borrowings	—	—
Proceeds from issuance of bonds	23,189,620,000.00	7,313,430,000.00
Cash received relating to other financing activities	—	—
Subtotal of cash inflows from financing activities	23,189,620,000.00	7,313,430,000.00
Cash repayments of borrowings	14,804,087,066.19	9,756,630,000.00
Cash paid for dividends, profits or interest	411,612,430.48	565,459,846.26
Cash paid relating to other financing activities	—	—

Items	First quarter of 2019	First quarter of 2018
Subtotal of cash outflows from financing activities	15,215,699,496.67	10,322,089,846.26
Net cash flow from financing activities	7,973,920,503.33	-3,008,659,846.26
<b>IV. Effect of exchange rate changes on cash and cash equivalents</b>	—	-1,976.20
<b>V. Net increase in cash and cash equivalents</b>	26,619,128,674.15	3,683,630,828.47
Add: Balance of cash and cash equivalents at the beginning of the period	70,528,807,525.75	70,167,178,730.22
<b>VI. Balance of cash and cash equivalents at the end of the period</b>	97,147,936,199.90	73,850,809,558.69

Legal representative:      Officer in charge of accounting:      Head of accounting department:  
Zhou Yi                      Shu Ben'e                      Fei Lei

**4.2 Information on the adjustment to the relevant items in financial statements as at the beginning of the year as a result of the initial adoption of the new standards for financial instruments or the new standards for revenue**

☐ Applicable    ☒ Not applicable

**4.3 Description of the retrospective adjustments to comparative data for the previous period arising from the initial adoption of the new standards for financial instruments**

☐ Applicable    ☒ Not applicable

**4.4 Audit Report**

☐ Applicable    ☒ Not applicable