

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



(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 2022

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, 2022, prepared in accordance with the 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 2022” 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 “华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); the global depository receipts of which have been listed on the London Stock Exchange plc since June 2019 (Symbol: HTSC), unless the context otherwise requires, including its predecessor

“CSRC”	the China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)”	the director(s) of the Company
“GDR”	global depository receipt
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Jiangsu SASAC”	State-owned Assets Supervision and Administration Commission of Jiangsu Provincial Government (江蘇省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, 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, 2022 to March 31, 2022
“Supervisor(s)”	the supervisor(s) of the Company
“Supervisory Committee”	the supervisory committee of the Company
“%”	per cent.

By order of the Board
Zhang Hui
Joint Company Secretary

Jiangsu, the PRC, April 29, 2022

As at the date of this announcement, the Board comprises Mr. Zhang Wei, Mr. Zhou Yi and Mr. Zhu Xuebo as executive Directors; Mr. Ding Feng, Mr. Chen Yongbing, Mr. Ke Xiang and Ms. Hu Xiao as non-executive Directors; and Mr. Chen Chuanming, Ms. Liu Yan, Mr. Chen Zhibin, Mr. Wang Jianwen and Ms. AU King Chi as independent non-executive Directors.

**HUATAI SECURITIES CO., LTD.
FIRST QUARTERLY REPORT OF 2022**

CONTENTS

Important Notice	5
I. Basic Information of the Company	5
II. Information on Shareholders	9
III. Other Reminders	11
IV. Quarterly Financial Statements	11

IMPORTANT NOTICE

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 legal liabilities to the information contained herein.

The officer in charge of the Company, officer in charge of accounting, and 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.

Whether the first quarterly financial statements have been audited

☐ Yes ☒ No

I. BASIC INFORMATION OF THE COMPANY

(I) Key accounting data and financial indicators

Unit: Yuan Currency: RMB

Items	The Reporting Period	Change (%)
		for the Reporting Period as compared to the corresponding period of the previous year
Operating revenue	7,244,375,059.60	-17.57
Net profit attributable to the shareholders of the listed Company	2,214,329,655.76	-33.08
Net profit attributable to shareholders of the listed Company excluding extraordinary gains and losses	2,172,172,527.14	-33.74
Net cash flow generated from operating activities	11,728,028,968.54	310.70
Basic earnings per share (RMB/share)	0.24	-35.14
Diluted earnings per share (RMB/share)	0.24	-35.14
Weighted average return on net assets (%)	1.41	Decreased by 1.13 percentage points

	As of the end of the Reporting Period	As of the end of the previous year	Change (%) as of the end of the Reporting Period as compared to the end of the previous year
Total assets	833,459,630,799.00	806,650,832,690.84	3.32
Owners' equity attributable to shareholders of the listed Company	153,239,034,464.14	148,422,809,917.17	3.24

(II) Items and amount of extraordinary gains and losses

☒ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Items	Amount for the Reporting Period
Gains or losses on disposal of non-current assets	16,523.34
Government grants included in current profit or loss (other than on-going government grants which are closely related to the Company's normal operation, meet the requirements of government policies and are subject to certain limits and conditions)	60,751,065.69
Other non-operating income and expenses apart from the aforesaid items	-4,456,346.01
Less: Effect of income tax	14,148,341.57
Effect of minority interests (after tax)	5,772.83
Total	<u>42,157,128.62</u>

Description of non-recurring gains or losses items as illustrated in the Explanatory Announcement on Information Disclosure for Companies Offering Their Securities to the Public No. 1 – Non-recurring Gains or Losses defined as its recurring gains or losses items

☐ Applicable ☒ Not applicable

(III) Details and reasons for changes in key accounting data and financial indicators

√ Applicable □ Not applicable

Items	Change percentage (%)	Main reasons
Net profit attributable to the shareholders of the listed Company	-33.08	Mainly due to the decrease in operating revenue during the Reporting Period
Net profit attributable to the shareholders of the listed Company excluding extraordinary gains and losses	-33.74	Mainly due to the decrease in operating revenue during the Reporting Period
Net cash flow generated from operating activities	310.70	Mainly due to the increase in placements from other financial institutions
Basic earnings per share (RMB/share)	-35.14	Mainly due to the decrease of the net profit attributable to the shareholders of the listed Company
Diluted earnings per share (RMB/share)	-35.14	Mainly due to the decrease of the net profit attributable to the shareholders of the listed Company

Unit: Yuan Currency: RMB

Balance sheet items	Balance as at the end of the period	Balance as at the end of the previous year	Change (%)	Reasons for change
Clearing settlement funds	28,704,730,482.60	41,590,587,811.66	-30.98	Mainly due to the decrease in settlement funds from customers
Financial assets held under resale agreements	28,435,711,092.75	11,751,970,016.35	141.97	Mainly due to the increase in scale of repurchase
Other assets	3,598,643,723.67	2,404,471,403.98	49.66	Mainly due to the increase of uncredited input VAT
Short-term loans	5,468,130,404.34	8,492,290,086.10	-35.61	Mainly due to the decrease in short-term borrowings of subsidiaries
Placements from other financial institutions	41,776,567,397.64	14,018,720,800.58	198.01	Mainly due to the increase in scale of placements from other financial institutions
Contract liabilities	466,672,351.00	265,637,111.08	75.68	Mainly due to the increase of advance receipts from sales of commodities
Other comprehensive income	-362,100,172.09	-216,821,635.27	N/A	Mainly due to the losses from change in fair value of other debt investments

Income statement items	Beginning of the year to the end of the Reporting Period (January to March)	Beginning of the previous year to the end of the reporting period in the previous year (January to March)	Change (%)	Reasons for change
Investment gains	-1,195,888,656.89	2,908,052,172.86	N/A	Mainly due to the losses from investments in financial instruments
Other gains	60,751,065.69	44,348,337.85	36.99	Mainly due to the increase in government grants received
Gains from change in fair value	2,942,453,637.85	1,080,768,658.61	172.26	Mainly due to the gains from change in fair value of financial instruments
Foreign exchange gains	-138,637,845.49	-43,420,349.26	N/A	Mainly due to the fluctuations of foreign exchange rates
Other business income	1,001,671,380.09	367,084,298.30	172.87	Mainly due to the increase in sales revenue of commodities
Gains from disposal of assets	16,523.34	216,984.57	-92.39	Mainly due to the decrease in gains from disposal of fixed assets
Credit impairment loss	-182,606,755.44	328,388,522.33	N/A	Mainly due to the decrease in credit impairment loss on margin loans
Other business costs	977,670,091.28	301,938,694.60	223.80	Mainly due to the increase in sales costs of commodities
Non-operating expenses	4,699,989.63	3,122,192.66	50.53	Mainly due to the increase of charges for retirement of fixed assets

II. INFORMATION ON SHAREHOLDERS

(I) Total number of shareholders of ordinary shares and number of shareholders of preferred shares with voting rights restored and shareholding of the top ten shareholders

Unit: Share

Total number of shareholders of ordinary shares as of the end of the Reporting Period	286,769	Total number of shareholders of preferred shares with voting rights restored as of the end of the Reporting Period (if any)	–
---	---------	---	---

Shareholding of top ten shareholders						
Name of shareholder	Nature of shareholder	Number of shares held	Percentage (%)	Number of shares held subject to selling restrictions	Pledged, marked or frozen shares Status of shares	Number of shares
HKSCC Nominees Limited	Foreign legal person	1,407,123,727	15.50	–	Nil	–
Jiangsu Guoxin Investment Group Limited	State-owned legal person	1,373,481,636	15.13	–	Nil	–
Jiangsu Communications Holding Co., Ltd.	State-owned legal person	489,065,418	5.39	–	Nil	–
Govtor Capital Group Co., Ltd.	State-owned legal person	355,965,006	3.92	–	Nil	–
Hong Kong Securities Clearing Company Limited	Foreign legal person	286,085,443	3.15	–	Nil	–
Alibaba (China) Technology Co., Ltd.	Domestic non-state-owned legal person	268,199,233	2.95	–	Nil	–
Jiangsu SOHO Holdings Group Co., Ltd	State-owned legal person	196,121,699	2.16	–	Nil	–
China Securities Finance Corporation Limited	Unknown	152,906,738	1.68	–	Nil	–
Industrial and Commercial Bank of China Limited – GF Multi-factor Flexible Distribution Hybrid Securities Investment Fund	Unknown	134,494,701	1.48	–	Nil	–
Jiangsu Hiteker High-tech Co., Ltd.	Domestic non-state-owned legal person	123,169,146	1.36	–	Unknown	123,169,146

Shareholding of top ten shareholders not subject to selling restrictions

Name of shareholder	Number of tradable shares held not subject to selling restrictions	Class and number of shares	
		Class of shares	Number
HKSCC Nominees Limited	1,407,123,727	Overseas listed foreign shares	1,407,123,727
Jiangsu Guoxin Investment Group Limited	1,373,481,636	Ordinary shares in RMB	1,271,072,836
		Overseas listed foreign shares	102,408,800
Jiangsu Communications Holding Co., Ltd.	489,065,418	Ordinary shares in RMB	452,065,418
		Overseas listed foreign shares	37,000,000
Govtor Capital Group Co., Ltd.	355,965,006	Ordinary shares in RMB	341,759,806
		Overseas listed foreign shares	14,205,200
Hong Kong Securities Clearing Company Limited	286,085,443	Ordinary shares in RMB	286,085,443
Alibaba (China) Technology Co., Ltd.	268,199,233	Ordinary shares in RMB	268,199,233
Jiangsu SOHO Holdings Group Co., Ltd.	196,121,699	Ordinary shares in RMB	41,245,099
		Overseas listed foreign shares	154,876,600
China Securities Finance Corporation Limited	152,906,738	Ordinary shares in RMB	152,906,738
Industrial and Commercial Bank of China Limited – GF Multi-factor Flexible Distribution Hybrid Securities Investment Fund	134,494,701	Ordinary shares in RMB	134,494,701
Jiangsu Hiteker High-tech Co., Ltd.	123,169,146	Ordinary shares in RMB	123,169,146

Description of the related party relationship or action in concert between the above shareholders

Jiangsu Guoxin Investment Group Limited, Jiangsu Communications Holding Co., Ltd., Govtor Capital Group Co., Ltd. and Jiangsu SOHO Holdings Group Co., Ltd. are wholly-owned by Jiangsu SASAC. Apart from the above, the Company is not aware of any related party relationship among other shareholders or whether such shareholders are parties acting in concert as specified in the Regulations on the Takeover of Listed Companies.

Description of the participation of the top ten shareholders and the top ten shareholders not subject to selling restrictions in the margin financing and securities lending and refinancing businesses (if any)

As of the end of the Reporting Period, 268,200 A Shares held by Govtor Capital Group Co., Ltd. remained outstanding due to refinancing. When fully repaid, it's actual shareholding in the Company will be 342,028,006 A Shares and 14,205,200 H Shares, representing 3.92% of the total share capital of the Company.

Notes: 1. The class of shareholders of ordinary shares in RMB (A Shares) represents the class of accounts held by shareholders registered with Shanghai Branch of China Securities Depository and Clearing Corporation Limited.

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 Co., Ltd., Govtor Capital Group Co., Ltd. and Jiangsu SOHO Holdings Group Co., Ltd. acquired, via Stock Connect's Southbound Trading, 102,408,800 shares, 37,000,000 shares, 14,205,200 shares and 154,876,600 shares of the Company's H Shares, respectively, which are also being held by HKSCC Nominees Limited. These shares 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 1,715,614,327 shares, representing 18.90% of the total share capital of the Company.

3. Hong Kong Securities Clearing Company Limited is a nominal holder of A Shares of the Company held by the investors in Northbound Trading under Shanghai-Hong Kong Stock Connect.
4. According to the statistics provided by the Citibank, National Association, the depository of the Company's GDRs, the Company had a total of 160,348 GDRs in the duration period as of the end of the Reporting Period, accounting for 0.19% of the approved number of issuance by the CSRC.
5. Among the total number of shareholders of ordinary shares as at the end of the Reporting Period, the number of shareholders of A Shares amounted to 279,463 and the number of registered shareholders of H Shares amounted to 7,306.

III. OTHER REMINDERS

Other important information about the Company's operating conditions during the Reporting Period which needs to be brought to the attention of investors

☒ Applicable ☐ Not applicable

1. During the Reporting Period, total fund subscription amount of Nanjing Huatai Purple Gold Emerging Industry Fund Partnership (Limited Partnership) (南京華泰紫金新興產業基金合夥企業(有限合夥)), which was established through promotion by Huatai Purple Gold Investment Co., Ltd. (hereinafter referred to as "Huatai Purple Gold Investment"), a wholly-owned subsidiary of the Company, increased to RMB1,781.125 million from RMB768.625 million. The amount contributed by Huatai Purple Gold Investment, as a fund manager, an executive partner and a general partner increased to RMB356.225 million from RMB153.725 million. During the Reporting Period, Huatai Purple Gold Investment has contributed additional RMB40.50 million. As of the end of the Reporting Period, Huatai Purple Gold Investment had aggregate paid-in capital of RMB71.245 million.
2. During the Reporting Period, AssetMark Financial Holdings, Inc., a subsidiary of Huatai International Financial Holdings Company Limited, which in turn is a wholly-owned subsidiary of the Company, completed the merger through absorption of its subsidiary AssetMark Financial, Inc. and deregistered.
3. During the Reporting Period, the Company had paid-in capital of RMB300 million in Huatai Innovative Investment Co., Ltd. (hereinafter referred to as "Huatai Innovative Investment"), a wholly-owned subsidiary of the Company, the paid-in capital of Huatai Innovative Investment increased to RMB2,600 million from RMB2,300 million.

IV. QUARTERLY FINANCIAL STATEMENTS

(I) Type of audit opinions

☐ Applicable ☒ Not applicable

(II) Financial statements

Consolidated Balance Sheet

March 31, 2022

Prepared by: Huatai Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	March 31, 2022	December 31, 2021
Assets:		
Monetary capital	159,803,597,228.79	147,868,417,148.38
Of which: Customer fund deposits	110,970,923,689.26	110,630,616,469.61
Clearing settlement funds	28,704,730,482.60	41,590,587,811.66
Of which: Settlement funds from customers	19,880,220,747.33	33,009,646,957.22
Precious metal	—	—
Placements with other financial institutions	—	—
Margin loans	107,922,969,709.12	116,942,244,715.86
Derivative financial assets	18,295,590,663.12	15,247,804,557.63
Refundable deposits	31,172,950,731.11	27,627,128,576.48
Receivables	10,028,854,293.13	10,287,173,834.91
Receivables financing	—	—
Contract assets	—	—
Financial assets held under resale agreements	28,435,711,092.75	11,751,970,016.35
Held-for-sale assets	—	—

Items	March 31, 2022	December 31, 2021
Financial investments:	410,711,565,786.43	397,981,814,617.47
Trading financial assets	370,775,142,057.44	356,082,460,293.03
Debt investments	31,736,675,880.82	32,421,516,638.15
Other debt investments	8,058,611,198.86	9,314,699,433.80
Other equity instrument investments	141,136,649.31	163,138,252.49
Long-term equity investments	19,145,497,940.56	19,195,235,227.79
Investment properties	237,402,752.61	294,008,001.87
Fixed assets	3,939,220,177.53	3,949,721,258.63
Construction in progress	116,012,358.70	96,059,397.58
Right-of-use assets	1,100,074,990.32	1,132,441,761.21
Intangible assets	6,767,138,191.34	6,790,673,483.49
Goodwill	2,824,787,324.23	2,836,429,475.19
Deferred income tax assets	654,883,352.99	654,651,402.36
Other assets	3,598,643,723.67	2,404,471,403.98
	<hr/>	<hr/>
Total assets	<u>833,459,630,799.00</u>	<u>806,650,832,690.84</u>

Items	March 31, 2022	December 31, 2021
Liabilities:		
Short-term loans	5,468,130,404.34	8,492,290,086.10
Short-term margin loans	53,274,436,447.87	53,598,658,159.21
Placements from other financial institutions	41,776,567,397.64	14,018,720,800.58
Trading financial liabilities	36,073,245,727.57	31,122,917,964.48
Derivative financial liabilities	9,531,412,841.96	10,643,222,088.77
Financial assets sold under repurchase agreements	135,178,960,802.80	130,710,001,119.81
Securities brokerage services	141,382,006,949.89	147,501,833,283.31
Securities underwriting services	49,480,200.00	38,747,188.38
Employee benefits payables	13,526,756,555.85	12,814,936,611.77
Tax payables	1,296,585,522.27	2,035,820,163.42
Payables	94,274,975,949.76	103,636,913,053.56
Contract liabilities	466,672,351.00	265,637,111.08
Held-for-sale liabilities	—	—
Estimated liabilities	101,047.62	101,047.62
Long-term loans	759,654,890.26	722,815,870.97
Bonds payables	137,770,666,915.34	133,338,427,034.94
Of which: Preference shares	—	—
Perpetual bonds	—	—
Lease liabilities	1,193,910,385.26	1,230,555,734.44
Deferred income	—	—
Deferred income tax liabilities	2,739,637,242.92	2,619,160,783.01
Other liabilities	1,760,048,454.63	1,824,290,637.72
Total liabilities	<u>676,523,250,086.98</u>	<u>654,615,048,739.17</u>

Items	March 31, 2022	December 31, 2021
Owners' equity (or equity of shareholders):		
Paid up capital (or share capital)	9,076,650,000.00	9,076,650,000.00
Other equity instruments	12,693,460,641.49	9,996,424,528.28
Of which: Preference shares	—	—
Perpetual bonds	12,693,460,641.49	9,996,424,528.28
Capital reserve	70,612,496,835.50	70,562,359,520.68
Less: Treasury shares	1,231,547,029.10	1,231,547,029.10
Other comprehensive income	-362,100,172.09	-216,821,635.27
Surplus reserve	6,569,922,031.25	6,569,922,031.25
General risk provision	18,126,336,782.23	18,106,043,631.71
Undistributed profits	37,753,815,374.86	35,559,778,869.62
Total equity attributable to the owners (or equity of shareholders) of the parent company	153,239,034,464.14	148,422,809,917.17
Minority interest	3,697,346,247.88	3,612,974,034.50
Total owners' equity (or equity of shareholders)	<u>156,936,380,712.02</u>	<u>152,035,783,951.67</u>
 Total liabilities and owners' equity (or equity of shareholders)	 <u>833,459,630,799.00</u>	 <u>806,650,832,690.84</u>
 Officer in charge of the Company: Zhang Wei	 Officer in charge of accounting: Jiao Xiaoning	 Head of accounting department: Fei Lei

Consolidated Income Statement

January to March 2022

Prepared by: Huatai Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	First quarter of 2022	First quarter of 2021
I. Total operating income	7,244,375,059.60	8,788,102,984.35
Net interest income	806,077,987.46	945,312,607.09
Of which: Interest income	3,498,150,690.36	3,511,413,269.92
Interest expenses	2,692,072,702.90	2,566,100,662.83
Net fee and commission income	3,767,930,967.55	3,485,740,274.33
Of which: Net fee income from brokerage business	1,778,986,722.97	1,785,948,637.99
Net fee income from investment banking business	913,624,899.55	939,719,223.10
Net fee income from asset management business	979,079,834.70	700,640,193.44
Investment gains (“-” indicating losses)	-1,195,888,656.89	2,908,052,172.86
Of which: Gains from investments in associates and joint ventures	-90,193,465.73	437,635,976.43
Gains from derecognition of financial assets measured at amortised cost (“-” indicating losses)	-37,587,409.15	30,814,647.41
Net exposure hedging gains (“-” indicating losses)	—	—
Other gains	60,751,065.69	44,348,337.85
Gains from change in fair value (“-” indicating losses)	2,942,453,637.85	1,080,768,658.61
Foreign exchange gains (“-” indicating losses)	-138,637,845.49	-43,420,349.26
Other business income	1,001,671,380.09	367,084,298.30
Gain from disposal of assets (“-” indicating losses)	16,523.34	216,984.57
II. Total operating expenses	4,478,898,221.21	4,581,723,319.25
Tax and surcharges	49,503,186.90	56,063,930.53
Business and administrative expenses	3,634,331,698.47	3,895,332,808.78
Credit impairment loss	-182,606,755.44	328,388,522.33
Other asset impairment loss	—	-636.99
Other business costs	977,670,091.28	301,938,694.60

Items	First quarter of 2022	First quarter of 2021
III. Operating profit (“-” indicating losses)	2,765,476,838.39	4,206,379,665.10
Add: Non-operating income	243,643.62	490,141.38
Less: Non-operating expenses	4,699,989.63	3,122,192.66
IV. Total profit (“-” indicating total losses)	2,761,020,492.38	4,203,747,613.82
Less: Income tax expenses	462,658,984.01	841,834,950.40
V. Net profit (“-” indicating net losses)	2,298,361,508.37	3,361,912,663.42
(I) Classified by continuity of operations		
1. Net profit from continuing operations (“-” indicating net losses)	2,298,361,508.37	3,361,912,663.42
2. Net profit from discontinued operations (“-” indicating net losses)	—	—
(II) Classified by ownership of equity		
1. Net profit attributable to shareholders of the parent company (“-” indicating net losses)	2,214,329,655.76	3,309,029,023.41
2. Profit or loss of minority interest (“-” indicating net losses)	84,031,852.61	52,883,640.01
VI. Other comprehensive income, net of tax	-155,536,098.19	-341,479,232.34
Other comprehensive income attributable to owners of the parent company, net of tax	-145,278,536.82	-354,018,865.82
(I) Other comprehensive income that will not be reclassified to profit and loss	—	-366,205,775.59
1. Changes in amount of re-measurement of defined benefit plan	—	—
2. Other comprehensive income that will not be transferred to profit and loss under the equity method	—	—
3. Change in fair value of other equity instrument investments	—	-366,205,775.59
4. Change in fair value of the enterprise’s own credit risk	—	—

Items	First quarter of 2022	First quarter of 2021
(II) Other comprehensive income that will be reclassified to profit and loss	-145,278,536.82	12,186,909.77
1. Other comprehensive income that will be transferred to profit and loss under the equity method	—	575,054.00
2. Change in fair value of other debt investments	-102,047,125.78	-72,417,413.30
3. Amount of financial assets reclassified to other comprehensive income	—	—
4. Provision for credit losses of other debt investments	-109,393.82	142,951.97
5. Reserve for hedge against cash flow	15,676,339.62	5,549,680.75
6. Exchange differences from translation of financial statements denominated in foreign currencies	-58,798,356.84	78,336,636.35
7. Other	—	—
Other comprehensive income attributable to minority interest, net of tax	-10,257,561.37	12,539,633.48
VII. Total comprehensive income	2,142,825,410.18	3,020,433,431.08
Total comprehensive income attributable to owners of the parent company	2,069,051,118.94	2,955,010,157.59
Total comprehensive income attributable to minority interest	73,774,291.24	65,423,273.49
VIII. Earnings per share:		
(I) Basic earnings per share (RMB/share)	0.24	0.37
(II) Diluted earnings per share (RMB/share)	0.24	0.37
Officer in charge of the Company: Zhang Wei	Officer in charge of accounting: Jiao Xiaoning	Head of accounting department: Fei Lei

Consolidated Cash Flow Statement

January to March 2022

Prepared by: Huatai Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	First quarter of 2022	First quarter of 2021
I. Cash flows from operating activities:		
Cash from sale of products and provision of services	—	—
Net increase in placements from other financial institutions	—	—
Net increase in disposal of trading financial assets	—	21,095,372,140.43
Cash received from interest, fees and commissions	8,717,543,547.64	7,912,895,829.52
Net increase in placements from other financial institutions	27,749,070,609.89	3,513,076,100.00
Net increase in cash from repurchase business	6,672,884,019.52	—
Net decrease in margin loans	9,569,907,670.88	—
Net cash received from securities brokerage services	—	1,678,641,676.75
Cash received relating to other operating activities	5,332,402,789.28	2,290,257,907.60
Subtotal of cash inflows from operating activities	58,041,808,637.21	36,490,243,654.30
Net increase in financial assets held for trading purpose	12,968,569,549.05	—
Net increase in placements with other financial institutions	—	—
Net increase in financial assets purchased under resale agreements	—	—
Net increase in margin loans	—	9,645,561,641.89
Net decrease in cash from repurchase business	—	11,836,347,001.16
Net cash paid for securities brokerage services	6,085,817,051.56	—
Cash paid for interest, fees and commissions	2,627,774,492.42	3,619,458,213.92
Cash paid to and paid for employees	1,759,612,939.02	2,370,855,798.38
Taxes paid	1,386,589,649.37	1,044,113,726.82
Cash paid relating to other operating activities	21,485,415,987.25	5,118,281,870.66
Subtotal of cash outflows from operating activities	46,313,779,668.67	33,634,618,252.83
Net cash flow from operating activities	11,728,028,968.54	2,855,625,401.47
II. Cash flows from investing activities:		
Cash received from disposal of investments	3,833,134,424.48	10,929,018,368.93
Cash received from investment returns	250,022,950.52	921,285,085.47
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	—	309,225.66
Net cash received from disposal of subsidiaries and other business units	—	—
Cash received relating to other investing activities	1,248,045.97	1,023,607.76
Subtotal of cash inflows from investing activities	4,084,405,420.97	11,851,636,287.82
Cash paid for investments	1,960,500,000.00	3,494,641,642.36
Cash paid for purchase of fixed assets, intangible assets and other long-term assets	151,793,072.52	275,331,927.64
Net cash paid for acquisition of subsidiaries and other business units	—	—
Cash paid relating to other investing activities	—	—
Subtotal of cash outflows from investing activities	2,112,293,072.52	3,769,973,570.00
Net cash flow from investing activities	1,972,112,348.45	8,081,662,717.82

Items	First quarter of 2022	First quarter of 2021
III. Cash flows from financing activities:		
Proceeds from investments	2,697,036,113.21	—
Of which: Cash contribution from minority interest to subsidiaries	—	—
Proceeds from borrowings	73,885,065.93	6,846,157,126.91
Proceeds from issuance of bonds	30,924,160,912.03	43,875,810,892.74
Cash received relating to other financing activities	—	413,940,800.00
Subtotal of cash inflows from financing activities	33,695,082,091.17	51,135,908,819.65
Cash repayments of borrowings	29,464,947,321.64	30,222,136,000.00
Cash paid for dividends, profits or interest	1,180,951,043.70	698,466,834.52
Of which: Dividends and profits paid to minority interest by subsidiaries	—	—
Cash repayments of lease liabilities	121,162,731.33	103,445,027.40
Cash paid relating to other financing activities	—	48,963,487.30
Subtotal of cash outflows from financing activities	30,767,061,096.67	31,073,011,349.22
Net cash flow from financing activities	2,928,020,994.50	20,062,897,470.43
IV. Effect of exchange rate changes on cash and cash equivalents	13,604,731.68	78,721,575.41
V. Net increase in cash and cash equivalents	16,641,767,043.17	31,078,907,165.13
Add: Balance of cash and cash equivalents at the beginning of the period	189,399,437,061.37	190,449,812,345.46
VI. Balance of cash and cash equivalents at the end of the period	206,041,204,104.54	221,528,719,510.59
Officer in charge of the Company: Zhang Wei	Officer in charge of accounting: Jiao Xiaoning	Head of accounting department: Fei Lei

Balance Sheet of the Parent Company

March 31, 2022

Prepared by: Huatai Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	March 31, 2022	December 31, 2021
Assets:		
Monetary capital	99,176,301,188.17	94,160,010,855.62
Of which: Customer fund deposits	79,393,990,915.76	80,985,791,377.60
Clearing settlement funds	34,569,640,321.75	45,171,687,340.56
Of which: Settlement funds from customers	19,880,220,747.33	33,009,646,957.22
Precious metal	—	—
Placements with other financial institutions	—	—
Margin loans	106,397,145,268.63	115,449,651,833.48
Derivative financial assets	16,535,547,367.00	12,156,184,544.51
Refundable deposits	8,938,285,952.77	11,592,544,807.80
Receivables	8,572,629,704.34	11,111,191,631.90
Receivables financing	—	—
Contract assets	—	—
Financial assets held under resale agreements	24,109,463,749.32	7,626,638,329.27
Held-for-sale assets	—	—
Financial investments:	299,023,995,418.05	282,650,626,416.56
Trading financial assets	262,123,412,501.84	244,737,034,905.69
Debt investments	31,509,998,838.86	32,192,280,805.09
Other debt investments	5,337,890,217.32	5,668,616,845.75
Other equity instrument investments	52,693,860.03	52,693,860.03
Long-term equity investments	34,476,984,108.50	33,715,501,325.88
Investment properties	1,012,983,943.84	1,076,055,887.00
Fixed assets	2,860,465,920.83	2,869,704,740.58
Construction in progress	114,406,152.92	95,777,921.59
Right-of-use assets	620,784,811.46	650,022,673.45
Intangible assets	704,464,399.57	703,869,986.38
Goodwill	—	—
Deferred income tax assets	—	95,544,619.73
Other assets	10,760,209,374.21	7,044,967,807.53
Total assets	647,873,307,681.36	626,169,980,721.84

Items	March 31, 2022	December 31, 2021
Liabilities:		
Short-term loans	—	—
Short-term margin loans	48,098,669,454.45	51,885,569,580.02
Placements from other financial institutions	41,413,714,537.75	14,018,720,800.58
Trading financial liabilities	5,572,605,622.33	3,345,837,029.85
Derivative financial liabilities	14,905,449,613.69	11,156,741,141.96
Financial assets sold under repurchase agreements	108,500,585,388.97	102,461,713,522.07
Securities brokerage services	99,919,114,380.28	109,926,597,420.67
Securities underwriting services	9,300,200.00	10,747,200.00
Employee benefits payables	8,186,507,395.62	7,898,053,722.13
Tax payables	370,735,789.87	786,753,292.69
Payables	68,696,871,597.46	75,115,406,154.95
Contract liabilities	—	—
Held-for-sale liabilities	—	—
Estimated liabilities	101,047.62	101,047.62
Long-term loans	—	—
Bonds payables	116,717,399,162.54	118,631,085,459.93
Of which: Preference shares	—	—
Perpetual bonds	—	—
Lease liabilities	642,150,025.41	668,654,742.73
Deferred income	—	—
Deferred income tax liabilities	493,096,689.61	—
Other liabilities	2,923,775,507.23	3,561,917,781.77
Total liabilities	<u>516,450,076,412.83</u>	<u>499,467,898,896.97</u>
Owners' equity (or equity of shareholders):		
Paid up capital (or share capital)	9,076,650,000.00	9,076,650,000.00
Other equity instruments	12,686,092,716.97	9,989,056,603.76
Of which: Preference shares	—	—
Perpetual bonds	12,686,092,716.97	9,989,056,603.76
Capital reserve	68,933,489,010.16	68,902,889,053.54
Less: Treasury shares	1,231,547,029.10	1,231,547,029.10
Other comprehensive income	36,938,127.92	39,119,068.75
Surplus reserve	6,569,922,031.25	6,569,922,031.25
General risk provision	13,352,581,102.39	13,352,459,851.82
Undistributed profits	21,999,105,308.94	20,003,532,244.85
Total owners' equity (or equity of shareholders)	131,423,231,268.53	126,702,081,824.87
Total liabilities and owners' equity (or equity of shareholders)	<u>647,873,307,681.36</u>	<u>626,169,980,721.84</u>
Officer in charge of the Company: Zhang Wei	Officer in charge of accounting: Jiao Xiaoning	Head of accounting department: Fei Lei

Income Statement of the Parent Company

January to March 2022

Prepared by: Huatai Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	First quarter of 2022	First quarter of 2021
I. Total operating income	4,036,068,507.40	5,524,460,183.66
Net interest income	667,538,311.79	689,580,513.50
Of which: Interest income	3,129,718,388.72	3,102,297,873.79
Interest expenses	2,462,180,076.93	2,412,717,360.29
Net fee and commission income	1,750,818,998.14	1,723,465,204.11
Of which: Net fee income from brokerage business	1,591,433,320.13	1,612,520,665.55
Net fee income from investment banking business	102,919,607.38	75,231,746.77
Net fee income from asset management business	—	—
Investment gains (“-” indicating losses)	-1,260,907,556.77	2,086,257,021.46
Of which: Gains from investments in associates and joint ventures	452,345,986.10	409,160,962.36
Gains from derecognition of financial assets measured at amortised cost (“-” indicating losses)	—	16,221,143.13
Net exposure hedging gains (“-” indicating losses)	—	—
Other gains	47,804,503.04	41,743,970.77
Gains from change in fair value (“-” indicating losses)	2,746,917,722.24	951,899,771.78
Foreign exchange gains (“-” indicating losses)	57,981,614.72	-6,906,934.89
Other business income	25,894,693.47	38,420,627.22
Gains from disposal of assets (“-” indicating losses)	20,220.77	9.71
II. Total operating expenses	1,523,334,557.62	2,603,511,206.62
Tax and surcharges	37,117,786.78	45,714,806.54
Business and administrative expenses	1,730,715,974.02	2,205,342,031.47
Credit impairment loss	-254,376,804.21	342,078,965.48
Other asset impairment loss	—	—
Other business costs	9,877,601.03	10,375,403.13
III. Operating profit (“-” indicating loss)	2,512,733,949.78	2,920,948,977.04
Add: Non-operating income	238,643.75	37,441.42
Less: Non-operating expenses	2,828,836.01	1,273,002.09
IV. Total profit (“-” indicating total loss)	2,510,143,757.52	2,919,713,416.37
Less: Income tax expenses	514,449,442.86	627,638,113.51

Items	First quarter of 2022	First quarter of 2021
V. Net profit (“-” indicating net loss)	1,995,694,314.66	2,292,075,302.86
(I) Net profit from continuing operations (“-” indicating net losses)	1,995,694,314.66	2,292,075,302.86
(II) Net profit from discontinued operations (“-” indicating net losses)	—	—
VI. Other comprehensive income, net of tax	-2,180,940.83	-364,024,524.17
(I) Other comprehensive income that will not be reclassified to profit and loss	—	-366,205,775.59
1. Changes in amount of re-measurement of defined benefit plan	—	—
2. Other comprehensive income that will not be transferred to profit and loss under the equity method	—	—
3. Change in fair value of other equity instrument investments	—	-366,205,775.59
4. Change in fair value of the enterprise’s own credit risk	—	—
(II) Other comprehensive income that will be reclassified to profit and loss	-2,180,940.83	2,181,251.42
1. Other comprehensive income that will be transferred to profit and loss under equity method	—	575,054.00
2. Change in fair value of other debt investments	-2,071,547.01	1,463,245.45
3. Amount of financial assets reclassified to other comprehensive income	—	—
4. Provision for credit losses of other debt investments	-109,393.82	142,951.97
5. Reserve for hedge against cash flow	—	—
6. Exchange differences from translation of financial statements denominated in foreign currencies	—	—
7. Other	—	—
VII. Total comprehensive income	1,993,513,373.83	1,928,050,778.69
VIII. Earnings per share:		
(I) Basic earnings per share (RMB/share)	—	—
(II) Diluted earnings per share (RMB/share)	—	—
Officer in charge of the Company: Zhang Wei	Officer in charge of accounting: Jiao Xiaoning	Head of accounting department: Fei Lei

Cash Flow Statement of the Parent Company
January to March 2022

Prepared by: Huatai Securities Co., Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	First quarter of 2022	First quarter of 2021
I. Cash flows from operating activities:		
Cash from sale of products and provision of services	—	—
Net increase in placements from other financial institutions	—	—
Net increase in disposal of trading financial assets	—	9,619,811,490.85
Cash received from interest, fees and commissions	5,365,788,069.69	5,235,046,270.66
Net increase in placements from other financial institutions	27,386,217,750.00	3,513,076,100.00
Net increase in cash from repurchase business	5,994,977,747.19	—
Net decrease in margin loans	9,590,926,060.69	—
Net cash received from securities brokerage services	—	1,329,375,231.19
Cash received relating to other operating activities	642,521,310.25	3,814,443,528.37
Subtotal of cash inflows from operating activities	48,980,430,937.82	23,511,752,621.07
Net increase in financial assets held for trading purpose	15,740,216,596.74	—
Net increase in margin loans	—	3,203,014,352.91
Net decrease in cash from repurchase business	—	8,581,621,102.80
Net increase in placements with other financial institutions	—	—
Net increase in financial assets purchased under resale agreements	—	—
Net cash paid for securities brokerage services	9,929,675,713.36	—
Cash paid for interest, fees and commissions	1,969,391,383.82	3,354,647,768.89
Cash paid to and paid for employees	845,541,354.66	811,599,838.07
Taxes paid	766,865,085.63	674,375,957.91
Cash paid relating to other operating activities	6,383,045,342.66	4,109,346,641.71
Subtotal of cash outflows from operating activities	35,634,735,476.87	20,734,605,662.29
Net cash flow from operating activities	13,345,695,460.95	2,777,146,958.78

Items	First quarter of 2022	First quarter of 2021
II. Cash flows from investing activities:		
Cash received from disposal of investments	3,001,495,737.34	10,000,000,000.00
Cash received from investment returns	207,606,081.83	857,873,043.24
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	—	—
Cash received relating to other investing activities	1,248,045.97	1,023,607.76
Subtotal of cash inflows from investing activities	3,210,349,865.14	10,858,896,651.00
Cash paid for investments	1,920,000,000.00	3,494,641,642.36
Cash paid for purchase of fixed assets, intangible assets and other long-term assets	71,563,396.32	197,756,495.92
Net cash paid for acquisition of subsidiaries and other business units	300,000,000.00	—
Cash paid relating to other investing activities	—	—
Subtotal of cash outflows from investing activities	2,291,563,396.32	3,692,398,138.28
Net cash flow from investing activities	918,786,468.82	7,166,498,512.72
III. Cash flows from financing activities:		
Proceeds from investments	2,697,036,113.21	—
Proceeds from borrowings	—	—
Proceeds from issuance of bonds	20,030,495,713.29	42,699,668,083.11
Cash received relating to other financing activities	—	413,940,800.00
Subtotal of cash inflows from financing activities	22,727,531,826.50	43,113,608,883.11
Cash paid for repayments of borrowings	25,916,504,423.00	30,314,656,000.00
Cash paid for dividends, profits or interest	1,157,337,195.56	625,844,520.06
Cash paid for repayments of lease liabilities	61,968,941.03	51,847,790.74
Cash paid relating to other financing activities	—	48,963,487.30
Subtotal of cash outflows from financing activities	27,135,810,559.59	31,041,311,798.10
Net cash flow from financing activities	-4,408,278,733.09	12,072,297,085.01
IV. Effect of exchange rate changes on cash and cash equivalents	117,784,913.67	-8,986,778.44
V. Net increase in cash and cash equivalents	9,973,988,110.35	22,006,955,778.07
Add: Balance of cash and cash equivalents at the beginning of the period	144,839,881,529.95	128,124,401,656.13
VI. Balance of cash and cash equivalents at the end of the period	154,813,869,640.30	150,131,357,434.20

Officer in charge
of the Company:
Zhang Wei

Officer in charge
of accounting:
Jiao Xiaoning

Head of accounting
department:
Fei Lei

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 accounting standards since 2022

☐ Applicable ☒ Not applicable

Announcement is hereby given.

The Board of Huatai Securities Co., Ltd.
April 29, 2022