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

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

**2022 THIRD QUARTERLY REPORT**

This announcement is made pursuant to Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Set out below is the 2022 third quarterly report (the “**Quarterly Report**”) of Everbright Securities Company Limited (the “**Company**”) and its subsidiaries as of September 30, 2022. The financial report contained herein is prepared under the Chinese Accounting Standards for Business Enterprises and has not been audited.

This report is prepared in both Chinese and English languages. In the event of any inconsistency between these two versions of the Quarterly Report, the Chinese version shall prevail.

By order of the board of directors  
**Everbright Securities Company Limited**  
**Zhao Ling**  
*Chairman*

Shanghai, the PRC  
October 27, 2022

*As at the date of this announcement, the board of directors of the Company comprises Mr. Zhao Ling (Chairman, Executive Director), Mr. Liu Qiuming (Executive Director, President), Mr. Song Bingfang (Non-executive Director), Mr. Fu Jianping (Non-executive Director), Mr. Chan Ming Kin (Non-executive Director), Mr. Tian Wei (Non-executive Director), Mr. Yu Mingxiong (Non-executive Director), Mr. Wang Yong (Independent Non-executive Director), Mr. Po Wai Kwong (Independent Non-executive Director), Mr. Ren Yongping (Independent Non-executive Director), Mr. Yin Junming (Independent Non-executive Director) and Mr. Liu Yunhong (Independent Non-executive Director).*

## **IMPORTANT NOTICE**

The board of directors, the supervisory committee, directors, supervisors and senior management of the Company warrant that the information contained in this Quarterly Report is truthful, accurate and complete and there is no misrepresentation, misleading statement or material omission in this Quarterly Report and accept joint and several responsibilities for the truthfulness, accuracy and completeness of the contents contained herein.

The person-in-charge of the Company, the person-in-charge of the accounting affairs, and the head of the accounting department (accounting head) warrant the truthfulness, accuracy and completeness of the financial information contained in this Quarterly Report.

## **WHETHER THE FINANCIAL STATEMENTS FOR THE THIRD QUARTER HAVE BEEN AUDITED**

☐ Yes    ☒ No

# 1. KEY FINANCIAL DATA

## (I) Key accounting data and financial indicators

Unit: Yuan Currency: RMB

Items	The Reporting Period	Increase/decrease during the Reporting Period as compared to the same period of last year (%)	From the beginning of the year to the end of the Reporting Period	Increase/decrease from the beginning of the year to the end of the Reporting Period as compared to the same period last year (%)
Operating income	3,550,353,974.31	(17.56)	8,923,312,892.49	(27.48)
Net profit attributable to shareholders of the listed company	1,298,366,969.61	30.50	3,405,890,948.71	4.57
Net profit attributable to shareholders of the listed company after deducting non-recurring profit or loss	1,127,359,030.92	13.01	3,137,721,121.30	2.10
Net cash flow generated from operating activities	N/A	N/A	13,699,197,394.29	244.11
Basic earnings per share (Yuan/share)	0.26	30.00	0.68	–
Diluted earnings per share (Yuan/share)	0.26	30.00	0.68	–
Weighted average return on net assets (%)	2.21	Increased by 0.40 percentage point	5.82	Decreased by 0.28 percentage point
				Increase/decrease at the end of the Reporting Period as compared to the end of last year (%)
	The end of the Reporting Period		The end of last year	
Total assets	250,001,518,854.27		239,107,601,376.24	4.56
Equity attributable to shareholders of the listed company	64,313,789,997.42		57,865,594,572.19	11.14

Note: The "Reporting Period" herein refers to the three-month period from the beginning of this quarter to the end of this quarter.

**(II) Non-recurring profit or loss items and amounts***Unit: Yuan    Currency: RMB*

<b>Items</b>	<b>Amount during the Reporting Period</b>	Amount from the beginning of the year to the end of the Reporting Period	<b>Description</b>
Gains or losses from disposal of non-current assets	<b>514,909.26</b>	1,016,481.47	
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	<b>233,785,299.63</b>	362,353,724.85	Fiscal aid
Other non-operating income and expenses except for items above	<b>(4,792,523.38)</b>	4,598,965.56	
Less: effect of income tax	<b>57,229,411.40</b>	92,250,574.71	
Effect of minority interests (net of tax)	<b>1,270,335.52</b>	7,548,769.76	
<b>Total</b>	<b><u>171,007,938.69</u></b>	<b><u>268,169,827.41</u></b>	

**Explanation of the non-recurring profit or loss items listed in the “Explanatory Announcement No. 1 on Information Disclosure of Companies Offering Securities to the Public – Non-recurring Profit or Loss” defined as recurring profit or loss items**

☐ Applicable    ☒ Not Applicable

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

√ Applicable    □ Not Applicable

Item name	Ratio of change (%)	Major reasons
<b>1. Key accounting data and financial indicators</b>		
Net cash flows generated from operating activities	244.11	Mainly due to the increase in net cash inflows from financing and repurchase business, which was partially offset by net cash outflows from the purchase of financial assets held for trading.
<b>2. Items of the Balance Sheet</b>		
Derivative financial assets	154.68	Increase in scale of equity swaps and over-the-counter options
Financial assets held under resale agreements	(95.39)	Decrease in bond reverse repurchase
Other equity instrument investments	342.75	Increase in equity investments included in such account
Short-term financing bill payables	(55.29)	Maturity of short-term financing bills
Placements from other financial institutions	(33.91)	Decrease in scale of inter-bank and precious metal borrowing
Financial liabilities held for trading	(56.63)	Decrease in size of consolidated structured entities
Derivative financial liabilities	214.96	Increase in scale of equity swaps and over-the-counter options
Financial assets sold under repurchase agreements	40.32	Increase in positive bond repurchase
Employee compensation payable	(33.98)	Payment of previously accrued remuneration
Taxes payable	(76.48)	Decrease in corporate income tax and value-added tax payables
Long-term borrowings	(33.67)	Decrease in long-term borrowings of subsidiaries
Other liabilities	191.42	Increase in margin for derivatives
Other equity instruments	90.01	Issuance of perpetual bonds during the current period

Item name	Ratio of change (%)	Major reasons
<b>3. Items of Income Statement</b>		
Other gains	44.62	Increase in government grants received
Gains arising from fair value changes (loss expressed with “()”)	50.14	Decrease in floating losses on trading financial assets during the current period
Foreign exchange gains (loss expressed with “()”)	244.10	Changes in exchange rates
Other operating income	(77.82)	Decrease in revenue from bulk commodity basis trading
Gains on disposal of assets (loss expressed with “()”)	3,684.08	Increase in gains on disposal of non-current assets
Credit impairment losses (reversal expressed with “()”)	(253.15)	Reversal of credit impairment losses due to asset recovery during the current period
Impairment losses on other assets	2,364.25	Provision for goodwill impairment by subsidiaries
Other operating cost	(78.08)	Decrease in buck commodity basis trading costs
Other comprehensive income, net of tax	90.10	Mainly due to changes in fair value of investments in other equity instruments
<b>4. Items of Cash Flow Statement</b>		
Net cash flows generated from investing activities	(198.25)	Mainly due to the decrease in cash received from recovering investments
Net cash flows generated from financing activities	(178.89)	Mainly due to the decrease in cash received from issuance of bonds

*Note: The ratio of changes in balance sheet items refers to the changes at the end of the Reporting Period as compared to the end of the previous year, and the ratio of changes in the income statement and cash flow statement refer to the changes from the beginning of the year to the end of the Reporting Period as compared with the same period of the previous year.*

## 2. SHAREHOLDER INFORMATION

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

Unit: share

Total number of shareholders of ordinary shares at the end of the Reporting Period	241,693	Total number of shareholders of preference shares with voting rights restored at the end of the Reporting Period (if any)	N/A
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#### Shareholding of top ten shareholders

Name of shareholder	Nature of shareholder	Number of shares	Shareholding (%)	Number of shares held subject to selling restrictions	Pledged, marked or frozen	
					Share state	Number
China Everbright Group Ltd.	State-owned legal person	1,159,456,183	25.15	– None		–
China Everbright Limited	Foreign legal person	956,017,000	20.73	– Frozen		5,620,000
HKSCC Nominees Limited	Unknown	703,688,900	15.26	– Unknown		–
China Securities Finance Corporation Limited	Others	130,090,372	2.82	– None		–
Hong Kong Securities Clearing Company Limited	Others	70,679,486	1.53	– None		–
China Construction Bank Corporation – Guotai CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	Others	39,666,765	0.86	– None		–
China Construction Bank Corporation – Huabao CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	Others	29,451,738	0.64	– None		–
ICBC Credit Suisse Fund – Agricultural Bank of China – ICBC Credit Suisse CSI Financial Asset Management Plan	Others	24,431,977	0.53	– None		–
E Fund – Agricultural Bank of China – E Fund CSI Financial Asset Management Plan	Others	23,174,586	0.50	– None		–
Bosera Fund – Agricultural Bank of China – Bosera CSI Financial Asset Management Plan	Others	22,716,500	0.49	– None		–
Dacheng Fund – Agricultural Bank of China – Dacheng CSI Financial Asset Management Plan	Others	22,716,500	0.49	– None		–
Harvest Fund – Agricultural Bank of China – Harvest CSI Financial Asset Management Plan	Others	22,716,500	0.49	– None		–

### Shareholding of top ten shareholders

Name of shareholder	Nature of shareholder	Number of shares	Shareholding (%)	Number of shares held subject to selling restrictions	Pledged, marked or frozen	
					Share state	Number
GF Fund – Agricultural Bank of China – GF CSI Financial Asset Management Plan	Others	22,716,500	0.49	–	None	–
Zhong'ou Asset – Agricultural Bank of China – Zhong'ou CSI Financial Asset Management Plan	Others	22,716,500	0.49	–	None	–
China AMC – Agricultural Bank of China – China AMC CSI Financial Asset Management Plan	Others	22,716,500	0.49	–	None	–
Yinhua Fund – Agricultural Bank of China – Yinhua CSI Financial Asset Management Plan	Others	22,716,500	0.49	–	None	–
China Southern Asset Management – Agricultural Bank of China – China Southern CSI Financial Asset Management Plan	Others	22,716,500	0.49	–	None	–

### Shareholding of top ten shareholders without selling restrictions

Name of shareholder	Number of tradable shares held without selling restrictions	Class and number of shares	
		Class of shares	Number
China Everbright Group Ltd.	1,159,456,183	RMB ordinary shares	1,159,456,183
China Everbright Limited	956,017,000	RMB ordinary shares	956,017,000
HKSCC Nominees Limited	703,688,900	Overseas listed foreign shares	703,688,900
China Securities Finance Corporation Limited	130,090,372	RMB ordinary shares	130,090,372
Hong Kong Securities Clearing Company Limited	70,679,486	RMB ordinary shares	70,679,486
China Construction Bank Corporation – Guotai CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	39,666,765	RMB ordinary shares	39,666,765
China Construction Bank Corporation – Huabao CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund	29,451,738	RMB ordinary shares	29,451,738
ICBC Credit Suisse Fund – Agricultural Bank of China – ICBC Credit Suisse CSI Financial Asset Management Plan	24,431,977	RMB ordinary shares	24,431,977
E Fund – Agricultural Bank of China – E Fund CSI Financial Asset Management Plan	23,174,586	RMB ordinary shares	23,174,586
Bosera Fund – Agricultural Bank of China – Bosera CSI Financial Asset Management Plan	22,716,500	RMB ordinary shares	22,716,500
Dacheng Fund – Agricultural Bank of China – Dacheng CSI Financial Asset Management Plan	22,716,500	RMB ordinary shares	22,716,500



### Shareholding of top ten shareholders without selling restrictions

Name of shareholder	Number of tradable shares held without selling restrictions	Class and number of shares	
		Class of shares	Number
Harvest Fund – Agricultural Bank of China – Harvest CSI Financial Asset Management Plan	22,716,500	RMB ordinary shares	22,716,500
GF Fund – Agricultural Bank of China – GF CSI Financial Asset Management Plan	22,716,500	RMB ordinary shares	22,716,500
Zhong'ou Asset – Agricultural Bank of China – Zhong'ou CSI Financial Asset Management Plan	22,716,500	RMB ordinary shares	22,716,500
China AMC – Agricultural Bank of China – China AMC CSI Financial Asset Management Plan	22,716,500	RMB ordinary shares	22,716,500
Yinhua Fund – Agricultural Bank of China – Yinhua CSI Financial Asset Management Plan	22,716,500	RMB ordinary shares	22,716,500
China Southern Asset Management – Agricultural Bank of China – China Southern CSI Financial Asset Management Plan	22,716,500	RMB ordinary shares	22,716,500

Description of the connected relationships or action in concert between the above shareholders

China Everbright Limited is a controlled subsidiary of China Everbright Holdings Company Limited, a wholly-owned subsidiary of China Everbright Group Ltd.

Save for the above, the Company is unaware of any connected relationships or action in concert between the above shareholders.

Top 10 shareholders and top 10 shareholders not subject to selling restrictions engaging in margin financing and securities lending, and refinancing (if any)

At the end of the Reporting Period, the number of securities held in the credit securities account of the top 10 shareholders and the top 10 shareholders of A shares without selling restrictions was 0. Apart from the above, the Company was not aware of any other involvement of the top 10 shareholders and the top 10 shareholders without selling restrictions in margin financing and securities lending, and refinancing.

*Note 1:* As at the end of the Reporting Period, there were a total of 241,693 ordinary shareholders, which included 241,529 A shareholders and 164 registered H shareholders.

*Note 2:* HKSCC Nominees Limited holds the H Shares as a nominee holder on behalf of the non-registered H shareholders of the Company.

*Note 3:* Hong Kong Securities Clearing Company Limited is the nominee holder of the Shanghai-Hong Kong Stock Connect shares.

*Note 4:* Eight shareholders, including Bosera Fund – Agricultural Bank of China – Bosera CSI Financial Asset Management Plan, hold the same number of shares and are tied for the tenth place.

### 3. OTHERS

Other important information regarding the Company's business operation during the Reporting Period that requires the attention of investors

☐ Applicable    ☒ Not Applicable

#### 4. QUARTERLY FINANCIAL STATEMENTS

##### (I) Audit opinion type

☐ Applicable    ☒ Not Applicable

##### (II) Financial statements

###### Consolidated Balance Sheet

September 30, 2022

Prepared by: Everbright Securities Company Limited

Unit: Yuan    Currency: RMB    Type of Audit: Unaudited

Items	September 30, 2022	December 31, 2021
<b>Assets:</b>		
Cash and bank balances	68,785,777,344.97	67,605,143,355.12
Including: Cash deposits from customers	56,201,694,603.51	55,369,863,817.83
Clearing settlement funds	8,804,423,724.44	7,167,716,237.59
Including: Settlement funds held on behalf of brokerage customers	9,126,885,659.12	6,764,401,246.47
Margin accounts receivable	37,364,672,479.24	48,445,767,652.25
Derivative financial assets	1,393,962,130.39	547,338,248.14
Refundable deposits	11,253,635,280.56	10,245,461,698.39
Accounts receivable	1,994,897,820.11	1,939,085,407.80
Financial assets held under resale agreements	312,841,697.00	6,792,386,886.54
<b>Financial investments:</b>		
Financial assets held for trading	87,669,439,302.77	68,750,196,803.69
Debt investments	4,042,255,807.48	4,136,619,307.08
Other debt investments	15,908,665,924.93	13,098,078,717.30
Other equity instrument investments	2,477,460,986.13	559,564,059.19
Long-term equity investments	1,053,381,013.68	1,004,203,770.13
Investment properties	12,330,962.67	—
Fixed assets	804,397,177.10	836,035,275.27
Construction in progress	158,511.50	859,128.54
Right-of-use asset	644,710,330.18	696,901,364.21
Intangible assets	213,424,768.24	257,413,334.25
Goodwill	845,038,242.20	928,322,333.37
Deferred income tax assets	2,234,029,182.71	2,156,068,892.81
Long-term deferred expenses	49,435,918.09	62,058,049.13
Other assets	4,136,580,249.88	3,878,380,855.44
<b>Total assets</b>	<b>250,001,518,854.27</b>	<b>239,107,601,376.24</b>

Items	September 30, 2022	December 31, 2021
<b>Liabilities:</b>		
Short-term borrowings	3,860,318,336.55	3,790,856,459.67
Short-term debt instruments	3,239,200,886.39	7,244,955,835.27
Placements from other financial institutions	9,049,794,768.04	13,692,414,901.75
Financial liabilities held for trading	148,505,956.73	342,424,526.06
Derivative financial liabilities	1,612,740,876.80	512,045,561.35
Financial assets sold under repurchase agreements	27,872,405,946.81	19,863,912,094.20
Accounts payable to brokerage customers	72,855,912,030.22	69,803,417,762.41
Employee benefit payable	1,203,355,890.26	1,822,758,782.41
Taxes payable	296,775,876.03	1,262,054,800.88
Accounts payable	931,506,446.83	876,619,031.15
Contract liabilities	44,942,933.18	50,851,210.49
Accrued liabilities	5,284,293,318.32	5,284,293,318.32
Long-term borrowings	2,628,738,185.30	3,963,149,409.15
Bonds payables	45,151,313,019.93	47,826,703,516.86
Lease liabilities	666,488,968.54	710,892,361.55
Deferred income tax liabilities	18,637,411.97	18,102,801.62
Other liabilities	10,044,909,135.73	3,446,886,864.28
<b>Total liabilities</b>	<b>184,909,839,987.63</b>	<b>180,512,339,237.42</b>
<b>Equity or shareholders' equity:</b>		
Paid-in capital or share capital	4,610,787,639.00	4,610,787,639.00
Other equity instruments	9,498,943,396.22	4,999,056,603.77
Including: Perpetual bonds	9,498,943,396.22	4,999,056,603.77
Capital reserve	24,198,179,990.74	24,198,686,523.37
Other comprehensive income	(320,147,218.24)	(303,881,039.62)
Surplus reserve	3,748,566,127.45	3,748,566,127.45
General risk reserve	9,059,922,692.35	8,975,098,959.09
Retained profits	13,517,537,369.90	11,637,279,759.13
<b>Total equity attributable to the owners of the parent company or shareholders' equity</b>	<b>64,313,789,997.42</b>	<b>57,865,594,572.19</b>
Minority interests	777,888,869.22	729,667,566.63
<b>Total equity or shareholders' equity</b>	<b>65,091,678,866.64</b>	<b>58,595,262,138.82</b>
<b>Total liabilities and equity or shareholders' equity</b>	<b>250,001,518,854.27</b>	<b>239,107,601,376.24</b>
<i>Person-in-charge of the Company:</i> <b>Zhao Ling</b>	<i>Person-in-charge of the accounting affairs:</i> <b>Liu Qiuming</b>	<i>Head of the accounting department:</i> <b>Mou Haixia</b>

**Consolidated Income Statement***January to September 2022*

Prepared by: Everbright Securities Company Limited

*Unit: Yuan    Currency: RMB    Type of Audit: Unaudited*

Items	First three quarter of 2022 (January to September)	First three quarter of 2021 (January to September)
<b>I. Operating income</b>	<b>8,923,312,892.49</b>	<b>12,305,458,099.51</b>
Net interest income	1,684,513,633.98	1,904,288,345.35
Including: Interest income	4,127,650,150.31	4,779,370,427.32
Interest expenses	2,443,136,516.33	2,875,082,081.97
Net fee and commission income	4,937,146,874.57	5,945,088,585.89
Including: Net fee income from brokerage business	2,621,292,346.99	3,351,006,748.04
Net fee income from investment banking business	1,025,995,450.55	1,455,591,984.74
Net fee income from asset management business and fund management business	1,224,074,119.29	1,062,202,758.04
Investment gains (loss expressed with “()”)	1,750,803,707.61	1,850,748,551.32
Including: Gains attributable to investment in associates and joint ventures	92,791,922.17	78,103,412.09
Gains arising from derecognition of financial assets carried at amortised cost (loss expressed with “()”)	2,457,401.61	1,878,367.53
Other income	375,835,683.82	259,878,949.63
Gains arising from fair value changes (loss expressed with “()”)	(627,097,797.89)	(1,257,687,627.37)
Foreign exchange gains (loss expressed with “()”)	2,188,639.38	(1,518,853.81)
Other operating income	799,651,362.39	3,604,667,703.81
Gains from disposal of assets (loss expressed with “()”)	270,788.63	(7,555.31)
<b>II. Operating expenses</b>	<b>4,638,242,535.98</b>	<b>8,064,675,941.79</b>
Tax and surcharges	52,007,780.60	62,259,618.58
General and administrative expenses	3,915,546,603.18	4,222,308,215.56
Credit impairment losses (reversal expressed with “()”)	(284,555,347.20)	185,807,188.66
Impairment losses on other assets	168,896,000.00	6,853,861.92
Other operating cost	786,347,499.40	3,587,447,057.07
<b>III. Operating profit (loss expressed with “()”)</b>	<b>4,285,070,356.51</b>	<b>4,240,782,157.72</b>
Add: Non-operating income	3,064,953.83	3,951,198.09
Less: Non-operating expenses	11,202,254.40	8,733,014.99

Items	First three quarter of 2022 (January to September)	First three quarter of 2021 (January to September)
<b>IV. Gross profit (gross loss expressed with “()”)</b>	<b>4,276,933,055.94</b>	4,236,000,340.82
Less: Income tax expense	<b>822,820,804.64</b>	920,063,938.93
<b>V. Net profit (net loss expressed with “()”)</b>	<b>3,454,112,251.30</b>	3,315,936,401.89
(I) Classified by continuity of operation		
1. Net profit from continued operation (net loss expressed with “-”)	<b>3,454,112,251.30</b>	3,315,936,401.89
(II) Classified by ownership		
1. Net profit attributable to shareholders of the parent company (net loss expressed with “()”)	<b>3,405,890,948.71</b>	3,257,187,692.33
2. Gain/loss attributable to minority interests (net loss expressed with “()”)	<b>48,221,302.59</b>	58,748,709.56
<b>VI. Other comprehensive income, net of tax</b>	<b>(16,266,178.62)</b>	(164,313,079.84)
Other comprehensive income, net of tax, attributable to owners of the parent company	<b>(16,266,178.62)</b>	(164,313,079.84)
(I) Other comprehensive income that may not be reclassified to profit or loss	<b>(76,504,111.60)</b>	(150,307,860.73)
1. Changes in fair value of other equity instruments investment	<b>(76,504,111.60)</b>	(150,307,860.73)
(II) Other comprehensive income that may be reclassified to profit or loss	<b>60,237,932.98</b>	(14,005,219.11)
1. Other comprehensive income under equity method that may be reclassified to profit and loss	<b>2,583,293.07</b>	92,410.63
2. Change in fair value of other debt investments	<b>14,748,724.08</b>	97,041,834.39
3. Credit loss provisions for other debt investments	<b>1,015,866.12</b>	(80,735,866.18)
4. Currency translation difference	<b>41,890,049.71</b>	(30,403,597.95)
Other comprehensive income, net of tax, attributable to the minority interests	-	-
<b>VII. Total comprehensive income</b>	<b>3,437,846,072.68</b>	3,151,623,322.05
Total comprehensive income attributable to owners of the parent company	<b>3,389,624,770.09</b>	3,092,874,612.49
Total comprehensive income attributable to the minority interests	<b>48,221,302.59</b>	58,748,709.56
<b>VIII. Earnings per share:</b>		
(I) Basic earnings per share (Yuan/share)	<b>0.68</b>	0.68
(II) Diluted earnings per share (Yuan/share)	<b>0.68</b>	0.68
<i>Person-in-charge of the Company:</i> <b>Zhao Ling</b>	<i>Person-in-charge of the accounting affairs:</i> <b>Liu Qiuming</b>	<i>Head of the accounting department:</i> <b>Mou Haixia</b>

## Consolidated Statement of Cash Flows

January to September 2022

Prepared by: Everbright Securities Company Limited

Unit: Yuan    Currency: RMB    Type of Audit: Unaudited

Items	First three quarter of 2022 (January to September)	First three quarter of 2021 (January to September)
<b>I. Cash flows generated from operating activities:</b>		
Net decrease in margin accounts receivable	10,951,518,374.99	—
Net increase in financial assets sold under repurchase agreements	14,762,790,959.49	—
Net cash received from securities trading agency services	2,827,430,365.71	14,596,176,497.52
Cash received from interests, fees and commissions	9,960,834,939.99	11,551,180,313.07
Decrease in finance lease receivables and sale and leaseback payments	807,375,164.46	679,401,262.17
Cash received relating to other operating activities	9,861,183,271.98	4,983,357,058.70
<b>Sub-total of cash inflows from operating activities</b>	<b>49,171,133,076.62</b>	<b>31,810,115,131.46</b>
Net increase in financial assets held for trading	19,822,402,263.50	7,285,924,359.29
Net decrease in placements from other financial institutions	4,642,620,133.71	2,671,740,762.22
Net increase in margin accounts receivable	—	1,279,529,923.00
Net decrease in financial assets sold under repurchase agreements	—	270,184,306.46
Cash payment of interest, fees and commissions	2,535,919,002.22	2,443,559,980.74
Cash paid to and on behalf of employees	2,530,008,699.12	3,231,067,547.92
Payment for taxes and levies	2,192,372,702.15	2,892,508,247.25
Cash paid relating to other operating activities	3,748,612,881.63	7,754,598,612.11
<b>Sub-total of cash outflows from operating activities</b>	<b>35,471,935,682.33</b>	<b>27,829,113,738.99</b>
<b>Net cash flows generated from operating activities</b>	<b>13,699,197,394.29</b>	<b>3,981,001,392.47</b>
<b>II. Cash flows generated from investing activities:</b>		
Cash received from sales of investments	4,303,192,039.10	14,624,857,739.66
Cash received from return on investments	853,153,725.59	1,198,787,347.71
Net cash recovered from disposal of fixed assets, intangible assets and other long-term assets	12,264,321.75	4,657,434.41
<b>Sub-total of cash inflows from investing activities</b>	<b>5,168,610,086.44</b>	<b>15,828,302,521.78</b>
Cash paid for acquisition of investments	7,868,255,709.06	12,766,037,200.00
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	160,665,292.18	150,983,700.17
<b>Sub-total of cash outflows from investing activities</b>	<b>8,028,921,001.24</b>	<b>12,917,020,900.17</b>
<b>Net cash flows generated from investing activities</b>	<b>(2,860,310,914.80)</b>	<b>2,911,281,621.61</b>

Items	First three quarter of 2022 (January to September)	First three quarter of 2021 (January to September)
<b>III. Cash flows generated from financing activities:</b>		
Cash received from issuance of perpetual bonds	4,499,886,792.45	3,000,000,000.00
Cash received from borrowings	13,803,725,785.33	14,123,159,892.01
Cash received from issuance of bonds	26,617,759,100.00	45,738,366,600.00
<b>Sub-total of cash inflows from financing activities</b>	<b>44,921,371,677.78</b>	<b>62,861,526,492.01</b>
Cash paid for repayment of debts	33,113,100,000.00	38,032,980,000.00
Cash paid for repayment of borrowings	15,102,692,439.71	12,837,825,616.70
Cash paid for distribution of dividends, or profits or for interest expenses	2,866,350,039.08	2,599,096,236.26
Including: Dividends and profits paid by subsidiaries to minority interests	–	41,791,883.35
Cash paid for leases	239,732,056.50	238,026,008.89
Cash paid for repurchase of shares from minority interests	–	1,040,824,124.20
<b>Sub-total of cash outflows from financing activities</b>	<b>51,321,874,535.29</b>	<b>54,748,751,986.05</b>
<b>Net cash flows generated from financing activities</b>	<b>(6,400,502,857.51)</b>	<b>8,112,774,505.96</b>
<b>IV. Effects of changes in foreign exchange rates on cash and cash equivalents</b>	<b>2,188,639.38</b>	<b>(1,518,853.81)</b>
<b>V. Net increase in cash and cash equivalents</b>	<b>4,440,572,261.36</b>	<b>15,003,538,666.23</b>
Add: Balance of cash and cash equivalents at the beginning of the period	63,291,279,738.98	61,933,204,224.22
<b>VI. Balance of cash and cash equivalents at the end of the period</b>	<b>67,731,852,000.34</b>	<b>76,936,742,890.45</b>
<i>Person-in-charge of the Company:</i> <b>Zhao Ling</b>	<i>Person-in-charge of the accounting affairs:</i> <b>Liu Qiuming</b>	<i>Head of the accounting department:</i> <b>Mou Haixia</b>



**Balance Sheet of the Parent***September 30, 2022*

Prepared by: Everbright Securities Company Limited

*Unit: Yuan    Currency: RMB    Type of Audit: Unaudited*

Items	September 30, 2022	December 31, 2021
<b>Assets:</b>		
Cash and bank balances	30,466,875,116.89	37,028,901,483.31
Including: Cash deposits from customers	25,441,684,620.17	32,647,251,748.42
Clearing settlement funds	11,395,513,668.73	10,317,745,352.99
Including: Settlement funds held on behalf of brokerage customers	9,126,885,659.12	6,764,401,246.47
Margin accounts receivable	33,836,499,844.72	43,970,593,062.39
Derivative financial assets	1,371,314,489.50	418,834,948.57
Refundable deposits	1,770,411,831.33	1,226,605,453.61
Accounts receivable	627,908,746.09	480,970,719.73
Financial assets held under resale agreements	297,541,289.47	6,622,622,572.79
<b>Financial investments:</b>		
Financial assets held for trading	79,120,510,525.41	60,220,933,981.71
Debt investments	3,937,057,995.59	3,979,001,452.13
Other debt investments	15,908,665,924.93	13,098,078,717.30
Other equity instrument investments	2,390,564,913.31	472,667,986.37
Long-term equity investments	9,385,580,437.49	9,325,874,758.28
Investment properties	12,330,962.67	—
Fixed assets	677,083,145.85	698,797,270.97
Right-of-use asset	508,004,347.67	493,324,425.02
Intangible assets	132,028,339.46	157,329,956.18
Deferred income tax assets	1,799,616,125.83	1,836,093,673.71
Long-term deferred expenses	45,966,646.79	59,325,235.32
Other assets	3,027,388,567.11	1,737,063,509.18
<b>Total assets</b>	<b>196,710,862,918.84</b>	<b>192,144,764,559.56</b>



Items	September 30, 2022	December 31, 2021
<b>Liabilities:</b>		
Short-term debt instruments	3,239,200,886.39	7,244,955,835.27
Placements from other financial institutions	9,049,794,768.04	13,692,414,901.75
Derivative financial liabilities	1,565,315,448.02	349,208,876.47
Financial assets sold under repurchase agreements	27,017,576,121.17	19,342,985,402.22
Accounts payable to brokerage customers	33,213,095,094.94	38,024,725,562.40
Employee benefit payable	641,408,544.44	1,132,710,109.13
Taxes payable	118,086,216.98	831,396,041.99
Accounts payable	435,401,077.99	524,511,525.86
Contract liabilities	34,915,856.61	25,075,479.26
Bonds payables	45,151,313,019.93	47,826,703,516.86
Lease liabilities	515,605,406.26	499,536,243.31
Other liabilities	10,010,380,751.58	2,891,208,119.18
<b>Total liabilities</b>	<b>130,992,093,192.35</b>	<b>132,385,431,613.70</b>
<b>Equity or shareholders' equity:</b>		
Paid-in capital or share capital	4,610,787,639.00	4,610,787,639.00
Other equity instruments	9,498,943,396.22	4,999,056,603.77
Including: Perpetual bonds	9,498,943,396.22	4,999,056,603.77
Capital reserve	25,138,970,656.74	25,138,970,656.74
Other comprehensive income	24,183,791.87	82,340,020.20
Surplus reserve	3,748,566,127.45	3,748,566,127.45
General risk reserve	7,376,235,364.75	7,376,189,880.57
Retained profits	15,321,082,750.46	13,803,422,018.13
<b>Total equity or shareholders' equity</b>	<b>65,718,769,726.49</b>	<b>59,759,332,945.86</b>
<b>Total liabilities and equity or shareholders' equity</b>	<b>196,710,862,918.84</b>	<b>192,144,764,559.56</b>
<i>Person-in-charge of the Company:</i> <b>Zhao Ling</b>	<i>Person-in-charge of the accounting affairs:</i> <b>Liu Qiuming</b>	<i>Head of the accounting department:</i> <b>Mou Haixia</b>

**Income Statement of the Parent**  
*January to September 2022*

Prepared by: Everbright Securities Company Limited

*Unit: Yuan    Currency: RMB    Type of Audit: Unaudited*

Items	First three quarters of 2022 (January – September)	First three quarters of 2021 (January – September)
<b>I. Operating income</b>	<b>5,866,425,215.28</b>	<b>6,080,957,213.96</b>
Net interest income	1,320,181,719.52	1,539,466,994.59
Including: Interest income	3,441,700,425.98	4,201,478,759.98
Interest expenses	2,121,518,706.46	2,662,011,765.39
Net fee and commission income	3,124,017,567.04	3,986,222,198.09
Including: Net fee income from brokerage business	2,062,225,725.04	2,505,307,369.86
Net fee income from investment banking business	1,008,074,738.68	1,432,110,372.94
Investment gains (loss expressed with “()”)	1,134,915,232.71	1,991,978,679.78
Including: Gains attributable to investment in associates and joint ventures	89,122,386.14	67,539,278.38
Gains arising from derecognition of financial assets carried at amortised cost (loss expressed with “()”)	2,457,401.61	1,878,367.53
Other income	338,288,166.78	225,627,402.99
Gains arising from fair value changes (loss expressed with “()”)	(72,074,737.23)	(1,671,948,551.27)
Foreign exchange gains (loss expressed with “()”)	12,123,870.01	(2,709,798.24)
Other operating income	8,973,396.45	12,320,288.02
<b>II. Operating expenses</b>	<b>2,319,564,941.21</b>	<b>3,037,218,988.19</b>
Tax and surcharges	40,817,653.35	51,847,288.61
General and administrative expenses	2,552,887,218.18	2,868,357,760.79
Credit impairment losses (reversal expressed with “()”)	(286,994,609.45)	101,185,433.69
Other operating cost	12,854,679.13	15,828,505.10
<b>III. Operating profit (loss expressed with “()”)</b>	<b>3,546,860,274.07</b>	<b>3,043,738,225.77</b>
Add: Non-operating income	1,196,875.38	1,394,312.46
Less: Non-operating expenses	6,419,348.84	4,937,251.60
<b>IV. Gross profit (gross loss expressed with “()”)</b>	<b>3,541,637,800.61</b>	<b>3,040,195,286.63</b>
Less: Income tax expense	583,121,979.52	578,975,320.62
<b>V. Net profit (net loss expressed with “()”)</b>	<b>2,958,515,821.09</b>	<b>2,461,219,966.01</b>
(I) Net profit from continued operation (net loss expressed with “()”)	2,958,515,821.09	2,461,219,966.01

Items	First three quarters of 2022 (January – September)	First three quarters of 2021 (January – September)
<b>VI. Other comprehensive income, net of tax</b>	<b>(58,156,228.33)</b>	<b>(133,909,481.89)</b>
(I) Other comprehensive income that may not be reclassified to profit or loss	<b>(76,504,111.60)</b>	<b>(150,307,860.73)</b>
1. Changes in fair value of other equity instruments investment	<b>(76,504,111.60)</b>	<b>(150,307,860.73)</b>
(II) Other comprehensive income that may be reclassified to profit or loss	<b>18,347,883.27</b>	<b>16,398,378.84</b>
1. Other comprehensive income under equity method that may be reclassified to profit and loss	<b>2,583,293.07</b>	<b>92,410.63</b>
2. Change in fair value of other debt investments	<b>14,748,724.08</b>	<b>97,041,834.39</b>
3. Credit loss provisions for other debt investments	<b>1,015,866.12</b>	<b>(80,735,866.18)</b>
<b>VII. Total comprehensive income</b>	<b>2,900,359,592.76</b>	<b>2,327,310,484.12</b>
<i>Person-in-charge of the Company:</i> <b>Zhao Ling</b>	<i>Person-in-charge of the accounting affairs:</i> <b>Liu Qiuming</b>	<i>Head of the accounting department:</i> <b>Mou Haixia</b>

**Statement of Cash Flows of the Parent**  
*January to September 2022*

Prepared by: Everbright Securities Company Limited

*Unit: Yuan    Currency: RMB    Type of Audit: Unaudited*

Items	First three quarters of 2022 (January – September)	First three quarters of 2021 (January – September)
<b>I. Cash flows generated from operating activities:</b>		
Net decrease in margin accounts receivable	10,067,015,926.24	–
Net increase in financial assets sold under repurchase agreements	14,274,423,919.61	–
Net cash received from securities trading agency services	–	7,266,392,997.15
Cash received from interests, fees and commissions	7,162,392,042.52	8,746,107,267.36
Cash received relating to other operating activities	6,770,041,359.59	1,455,983,297.62
<b>Sub-total of cash inflows from operating activities</b>	<b>38,273,873,247.96</b>	<b>17,468,483,562.13</b>
Net increase in financial assets held for trading	19,438,102,677.12	6,722,835,055.16
Net decrease in placements from other financial institutions	4,642,620,133.71	2,671,740,762.22
Net increase in margin accounts receivable	–	2,059,141,979.11
Net decrease in financial assets sold under repurchase agreements	–	537,112,186.09
Net cash paid for securities trading agency services	4,911,526,466.54	–
Cash payment of interest, fees and commissions	1,439,624,700.72	1,835,606,181.34
Cash paid to and on behalf of employees	2,241,162,314.46	2,286,082,567.39
Payment for taxes and levies	1,533,365,194.83	2,286,375,743.94
Cash paid relating to other operating activities	567,267,366.73	750,162,600.25
<b>Sub-total of cash outflows from operating activities</b>	<b>34,773,668,854.11</b>	<b>19,149,057,075.50</b>
<b>Net cash flows generated from operating activities</b>	<b>3,500,204,393.85</b>	<b>(1,680,573,513.37)</b>
<b>II. Cash flows generated from investing activities:</b>		
Cash received from sales of investments	4,296,941,866.52	14,789,272,445.58
Cash received from return on investments	836,421,423.15	1,194,032,152.89
Net cash recovered from disposal of fixed assets, intangible assets and other long-term assets	528,997.76	1,091,962.08
<b>Sub-total of cash inflows from investing activities</b>	<b>5,133,892,287.43</b>	<b>15,984,396,560.55</b>
Cash paid for acquisition of investments	9,178,255,709.06	6,596,037,200.00
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	118,747,030.99	120,597,194.91
<b>Sub-total of cash outflows from investing activities</b>	<b>9,297,002,740.05</b>	<b>6,716,634,394.91</b>
<b>Net cash flows generated from investing activities</b>	<b>(4,163,110,452.62)</b>	<b>9,267,762,165.64</b>

Items	First three quarters of 2022 (January – September)	First three quarters of 2021 (January – September)
<b>III. Cash flows generated from financing activities:</b>		
Cash received from issuance of perpetual bonds	4,499,886,792.45	3,000,000,000.00
Cash received from issuance of bonds	26,617,759,100.00	45,738,366,600.00
<b>Sub-total of cash inflows from financing activities</b>	<b>31,117,645,892.45</b>	<b>48,738,366,600.00</b>
Cash paid for repayment of debts	33,113,100,000.00	37,832,980,000.00
Cash paid for distribution of dividends, or profits or for interest expenses	2,751,006,548.91	2,365,369,243.37
Cash paid for leases	150,472,749.94	151,194,138.26
<b>Sub-total of cash outflows from financing activities</b>	<b>36,014,579,298.85</b>	<b>40,349,543,381.63</b>
<b>Net cash flows generated from financing activities</b>	<b>(4,896,933,406.40)</b>	<b>8,388,823,218.37</b>
<b>IV. Effects of changes in foreign exchange rates on cash and cash equivalents</b>	<b>12,123,870.01</b>	<b>(2,709,798.24)</b>
<b>V. Net increase in cash and cash equivalents</b>	<b>(5,547,715,595.16)</b>	<b>15,973,302,072.40</b>
Add: Balance of cash and cash equivalents at the beginning of the period	47,343,055,170.11	45,700,823,634.46
<b>VI. Balance of cash and cash equivalents at the end of the period</b>	<b>41,795,339,574.95</b>	<b>61,674,125,706.86</b>
<i>Person-in-charge of the Company:</i> <b>Zhao Ling</b>	<i>Person-in-charge of the accounting affairs:</i> <b>Liu Qiuming</b>	<i>Head of the accounting department:</i> <b>Mou Haixia</b>

**Adjustments to the financial statements at the beginning of the year against initial application of new accounting standards or interpretation of standards in 2022**

☐ Applicable    ☒ Not Applicable

**The board of directors of Everbright Securities Company Limited**  
October 27, 2022