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中信建投証券股份有限公司 CSC FINANCIAL CO., LTD.

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 6066)

2022 THIRD QUARTERLY RESULTS

This announcement is made pursuant to the disclosure obligations under Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and 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).

Summary of the unaudited results of the Group for the third quarter ended September 30, 2022:

- In the third quarter of 2022, the Group recorded an operating revenue of RMB8,280,649,821.75. The net profit attributable to the equity holders of the Company amounted to RMB2,061,175,547.18.
- This results report was prepared in accordance with the relevant disclosure requirements applicable to quarterly reports of listed companies issued by the China Securities Regulatory Commission.
- The financial information contained in this results report was prepared in accordance with the PRC GAAP.
- Unless otherwise indicated, Renminbi is the recording currency in this report.

The contents of the results report are consistent with the subject matter of the relevant announcement published by CSC Financial Co., Ltd. (the “**Company**”) on the Shanghai Stock Exchange. This announcement is published simultaneously in Hong Kong and Mainland China.

IMPORTANT NOTICE

- (I) The board of directors and the supervisory committee, together with the directors, supervisors and senior management of the Company warrant the truthfulness, accuracy and completeness of this quarterly report and that there is no false representation, misleading statement contained herein or material omission from this quarterly report, and for which they will assume joint and several legal liabilities.
- (II) WANG Changqing, chairman of the Company, and LI Geping, general manager and chief financial officer of the Company, and ZHAO Ming, head of the Company's accounting department (accounting officer), warrant that the financial statements set out in the quarterly report are true, accurate and complete.
- (III) Whether the third quarterly financial statements are audited

☐ Yes ☒ No

1. KEY FINANCIAL DATA

(I) Principal accounting data and financial indicators

In RMB Yuan

Items	The Reporting Period	Change as compared to the same period of last year (%)	From the beginning of the year to the end of the Reporting Period	Change from the beginning of the year to the end of the Reporting Period as compared to the same period of last year (%)
Operating revenue	8,280,649,821.75	-0.05	22,703,156,430.78	10.15
Net profit attributable to equity holders of the Company	2,061,175,547.18	-24.46	6,436,531,334.84	-11.32
Net profit attributable to equity holders of the Company excluding extraordinary gains and losses	2,061,736,820.15	-24.77	6,427,048,721.75	-11.53
Net cash flows from operating activities	N/A	N/A	25,814,066,500.42	29.33
Basic earnings per share (RMB/share)	0.23	-32.35	0.75	-15.73
Diluted earnings per share (RMB/share)	0.23	-32.35	0.75	-15.73
Return on weighted average equity (%)	2.72	Decreased by 1.53 percentage points	8.71	Decreased by 2.67 percentage points
				Change as at the end of the Reporting Period as compared to the end of last year (%)
		As at the end of the Reporting Period	As at the end of last year	
Total assets	469,942,125,694.35	452,791,426,255.57		3.79
Equity attributable to the shareholders of the Company	92,948,271,595.62	79,818,456,610.69		16.45

Note: For the purpose of this announcement, the “Reporting Period” refers to the third quarter of 2022, the period from July to September 2022, the “end of the Reporting Period” refers to September 30, 2022.

(II) Items and amounts of extraordinary gains and losses*In RMB Yuan*

Items	Amount for the Reporting Period	Amount from the beginning of the year to the end of the Reporting Period	Note
Profits and losses from disposal of non-current assets	-216,283.67	169,098.09	—
Government subsidies through profit or loss except for government subsidies closely related to the Company's ordinary business, which are in line with national policies, calculated according to certain standards or continuously granted in fixed amount	11,073,107.97	27,548,596.95	—
Non-operating income/expenses other than the above items	-11,708,428.31	-15,471,280.25	—
Less: effect on income tax	-290,331.04	2,763,801.70	—
Effect on non-controlling interests, after tax	—	—	—
Total	<u>-561,272.97</u>	<u>9,482,613.09</u>	—

Explanation on defining items of extraordinary gains or losses illustrated in “Notice on Explanation of Information Disclosure of Companies Publicly Issuing Securities No. 1 – Extraordinary Gains or Losses” that are defined as items of recurring gains or losses

☐ Applicable ☒ Not applicable

(III) Changes in Major Accounting Data and Financial Indicators and Reasons Therefor

(1) *Changes in major accounting data of the Company and the reasons thereof*

Item	Change as compared to the same period of last year (%)	Main reason
Basic earnings per share(July to September 2022)	-32.35	Mainly due to the decrease in the net profit attributable to equity holders of the Company during the Reporting Period.
Diluted earnings per share (July to September 2022)	-32.35	Mainly due to the decrease in the net profit attributable to equity holders of the Company during the Reporting Period.

(2) *Changes in primary statements of the Company and the reasons thereof*

Item	Amount at the end of the Reporting Period (September 30, 2022)	Amount at the end of last year (December 31, 2021)	Change in percentage (%)	Main reason
Settlement deposits	27,220,609,098.65	20,249,033,010.54	34.43	Mainly due to the increase in deposits held on behalf of customers.
Derivative financial assets	3,982,845,694.86	2,517,941,535.69	58.18	Mainly due to the increase in derivative financial assets formed from equity-type derivatives.
Other investments in equity instruments	68,158,724.66	97,607,050.24	-30.17	Mainly due to the decrease in the changes in fair value of other investments in equity instruments.

Item	Amount at the end of the Reporting Period (September 30, 2022)	Amount at the end of last year (December 31, 2021)	Change in percentage (%)	Main reason
Other assets	1,015,774,651.72	774,357,649.79	31.18	Mainly due to the increase in the closing balance of other accounts receivable and the closing balance of bulk commodity inventories of the futures subsidiary.
Short-term financing instruments payable	27,451,450,854.30	18,290,179,387.85	50.09	Mainly due to the increase in the closing balance of short-term commercial papers payable.
Placements from banks and other financial institutions	1,508,020,832.82	8,528,656,388.89	-82.32	Mainly due to the decrease in the closing balance of placements from China Securities Finance Corporation.
Accounts payable to underwriting clients	300,937,232.50	478,080,970.63	-37.05	Mainly due to the decrease in the closing balance of funds payable to stock issuers.
Taxes payable	621,771,007.17	1,486,150,650.89	-58.16	Mainly due to the decrease in the closing balance of corporate income tax payable.
Other equity instruments	24,912,301,886.80	14,937,500,000.01	66.78	Mainly due to the issuing perpetual bonds for the period.
Other comprehensive income	1,162,020,982.93	744,725,137.50	56.03	Mainly due to the increase in foreign currency translation differences for the period.
Non-controlling interests	45,847,474.84	187,828,330.50	-75.59	Mainly due to the decrease in non-controlling interests as a result of the purchase of subsidiaries' equity.

Item	From the beginning of the year to the end of the Reporting Period (January to September 2022)	From the beginning of last year to the end of the reporting period of last year (January to September 2021)	Change in percentage (%)	Main reason
Gains and losses arising from changes in the fair value	-159,289,091.45	715,622,717.32	-122.26	Mainly due to the decrease of floating profit of financial assets held for trading for the period.
Foreign exchange gains and losses	100,820,408.26	-51,631,042.82	N/A	Mainly due to the increase in foreign currency business transactions and exchange rate changes for the period.
Gains from disposal of assets	169,098.09	-	N/A	Mainly due to the gains from disposal of non- current assets for the period.
Other income	76,306,875.72	38,440,807.91	98.50	Mainly due to the increase in individual income tax refund and government subsidies for the period.
Credit impairment losses	178,178,854.36	-86,145,975.54	N/A	Mainly due to making a provision for impairment of financial assets held under resale agreements for the period.
Other operating costs	5,849,012,670.24	4,466,313,759.67	30.96	Mainly due to the increase in the scale of bulk commodity trading of the futures subsidiary for the period.
Non-operating income	2,323,540.53	4,285,245.82	-45.78	Mainly due to the decrease in other non- operating income for the period.

Item	From the beginning of the year to the end of the Reporting Period (January to September 2022)	From the beginning of last year to the end of the reporting period of last year (January to September 2021)	Change in percentage (%)	Main reason
Other comprehensive income, net of tax	417,295,845.43	197,888,697.37	110.87	Mainly due to the increase in foreign currency translation differences for the period.
Net cash flows from investing activities	-12,420,216,858.21	2,102,050,638.01	-690.86	Mainly due to the decrease in net cash flows from investing activities as a result of the increase in cash outflows paid for investments for the period.
Net cash flows from financing activities	-3,841,303,304.03	13,899,880,894.26	-127.64	Mainly due to the decrease in cash inflows from financing activities as a result of the decrease in cash received from issuing bonds for the period.

2. INFORMATION OF SHAREHOLDERS

(I) Total number of shareholders of ordinary shares and preferred shares with voting rights resumed and information on shareholdings of the top 10 shareholders

Unit: shares

Total number of holders of ordinary shares as at the end of the Reporting Period	171,496	Total number of holders of preferred shares with voting rights resumed as at the end of the Reporting Period (if any)	–
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Shareholdings of Top 10 Shareholders

Name of shareholder	Nature of shareholder	Number of shares	Percentage of shares held (%)	Number of shares held subject to trading moratorium	Pledged, tagged or frozen Status	Number
Beijing Financial Holdings Group (北京金融控股集團有限公司)	State-owned legal person	2,684,309,017	34.61	2,684,309,017	Nil	–
Central Huijin Investment Limited (中央匯金投資有限責任公司)	State	2,386,052,459	30.76	–	Nil	–
Other holding shares of HKSCC Nominees Limited (香港中央結算(代理人)有限公司其他代持股份) (Note 1)	Foreign legal person	909,121,118	11.72	–	Unknown	–
CITIC Securities Co., Ltd. (中信證券股份有限公司)	State-owned legal person	382,849,268	4.94	–	Nil	–
Glasslake Holdings Limited (鏡湖控股有限公司)	Foreign legal person	351,647,000	4.53	–	Unknown	–
Xizang Tengyun Investment Management Limited (西藏騰雲投資管理有限公司)	Domestic non-state owned legal person	109,556,553	1.41	–	Pledged	33,360,000
Hong Kong Securities Clearing Company Limited (香港中央結算有限公司) (Note 2)	Foreign legal person	55,647,037	0.72	–	Nil	–
Fujian Gui'an Xintiandi Tourism Culture Investment Co., Ltd. (福建貴安新天地旅遊文化投資有限公司)	Domestic non-state owned legal person	38,861,100	0.50	–	Pledged	18,600,000

Name of shareholder	Nature of shareholder	Number of shares	Percentage of shares held (%)	Number of shares held subject to trading moratorium	Pledged, tagged or frozen Status	Number
China Construction Bank Corporation – Guotai CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund (中國建設銀行股份有限公司 – 國泰中證全指證券公司交易型開放式指數證券投資基金)	Others	27,795,371	0.36	–	Nil	–
China Construction Bank Corporation – Huabao CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund (中國建設銀行股份有限公司 – 華寶中證全指證券公司交易型開放式指數證券投資基金)	Others	20,356,418	0.26	–	Nil	–

Shareholdings of the top 10 shareholders whose shares are not subject to trading moratorium

Name of shareholder	Number of tradable shares not subject to trading moratoriums	Class and number of shares	
		Class	Number
Central Huijin Investment Limited (中央匯金投資有限責任公司)	2,386,052,459	RMB denominated ordinary shares	2,386,052,459
Other holding shares of HKSCC Nominees Limited (香港中央結算 (代理人) 有限公司其他代持股份)	909,121,118	Overseas listed foreign shares	909,121,118
CITIC Securities Co., Ltd. (中信証券股份有限公司)	382,849,268	RMB denominated ordinary shares	382,849,268
Glasslake Holdings Limited (鏡湖控股有限公司)	351,647,000	Overseas listed foreign shares	351,647,000
Xizang Tengyun Investment Management Limited (西藏騰雲投資管理有限公司)	109,556,553	RMB denominated ordinary shares	109,556,553

Name of shareholder	Number of tradable shares not subject to trading moratoriums	Class and number of shares	
		Class	Number
Hong Kong Securities Clearing Company Limited (香港中央結算有限公司)	55,647,037	RMB denominated ordinary shares	55,647,037
Fujian Gui'an Xintiandi Tourism Culture Investment Co., Ltd. (福建貴安新天地旅遊文化投資有限公司)	38,861,100	RMB denominated ordinary shares	38,861,100
China Construction Bank Corporation – Guotai CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund (中國建設銀行股份有限公司－國泰中證全指證券公司交易型開放式指數證券投資基金)	27,795,371	RMB denominated ordinary shares	27,795,371
China Construction Bank Corporation – Huabao CSI All Share Securities Company Trading Index Securities Investment Open-ended Fund (中國建設銀行股份有限公司－華寶中證全指證券公司交易型開放式指數證券投資基金)	20,356,418	RMB denominated ordinary shares	20,356,418
Industrial and Commercial Bank of China – Shanghai Stock Exchange 50 open-ended index securities investment fund (中國工商銀行－上證50交易型開放式指數證券投資基金)	11,844,523	RMB denominated ordinary shares	11,844,523

Explanation on related relationship or concerted action among the above shareholders	<p>As of the end of the Reporting Period, the related relationship and/or acting-in-concert relationship among shareholders of the Company are as follows:</p> <p>Xizang Tengyun Investment Management Limited and Fujian Gui'an Xintiandi Tourism Culture Investment Co., Ltd. are related parties. Saved as the above condition, the Company is not aware of the related relationship as stipulated in the Rules Governing the Listing of Stocks on Shanghai Stock Exchange among other shareholders or whether they are parties acting in concert as stipulated in the Measures for the Administration of the Takeover of Listed Companies.</p> <p>In addition, CITIC Securities Co., Ltd. and Glasslake Holdings Limited have a connected relationship as stipulated in the Hong Kong Listing Rules.</p>
Description of top ten shareholders and top 10 shareholders not subject to selling restrictions participating in margin trading and refinancing business (if any)	<p>As of the end of the Reporting Period, the shareholding account of CITIC Securities Co., Ltd. included its selfrun securities account and refinancing guarantee securities account, and the number of shares held in both accounts remained unchanged from the beginning of the period. The shares of other A Shareholders among the top ten shareholders and top 10 shareholders not subject to selling restrictions were held by ordinary securities accounts.</p>
<i>Note 1:</i>	<p>HKSCC Nominees Limited is the nominee holder of the H Shares held by non-registered shareholders, and the shares indicated in the above table are other H Shares held by HKSCC Nominees Limited other than Glasslake Holdings Limited.</p>
<i>Note 2:</i>	<p>The shares held by Hong Kong Securities Clearing Company Limited are A Shares held by non-registered shareholders of SSE.</p>
<i>Note 3:</i>	<p>The identification of the nature of shareholders is mainly based on the types of holders registered in the Shanghai Branch of China Securities Depository and Clearing Co., Ltd., with reference to other publicly disclosed information.</p>

3. OTHER REMINDERS

Other important information about the Company's operating conditions during the reporting period that investors need to be reminded of and pay attention to

☒ Applicable ☐ Not Applicable

(I) Material litigation and arbitration

In the third quarter of 2022, there were no material litigation and arbitration cases of the Company with an amount involving over RMB10 million and accounting for over 10% of the absolute value of the latest audited net assets of the Company, which were required to be disclosed in accordance with the requirements of the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange.

(II) Punishment and public condemnation

On 3 August 2022, Guangdong Regulatory Bureau of the China Securities Regulatory Commission took administrative supervision measures of issuing warning letter to Qingyuan Qingxin Avenue Securities Business Department of the Company; on 16 August 2022, Yunnan Regulatory Bureau of the China Securities Regulatory Commission took administrative supervision measures of issuing warning letter to Yunnan Branch of the company. For details, please refer to the section headed “Section 4 Significant Events — II. PUNISHMENT DURING THE REPORTING PERIOD OF THE COMPANY” in the Interim Report 2022 of CSC Financial Co., Ltd..

(III) Issuance of bonds

In the third quarter of 2022, the Company has completed the issuance of two tranches of short-term corporate bonds, one tranche of perpetual subordinated bond and one tranche of private placement corporate bonds with a total size of RMB10.0 billion. The issuance is as follows:

1. In July 2022, the Company publicly issued a 91-day short-term corporate bonds with a face value of RMB1 billion at coupon rate of 1.78% (“**22 Xintou S1**”). The bond applies the fixed interest rate and pays the principal and interest one-off upon maturity and is not guaranteed.

2. In August 2022, the Company publicly issued a perpetual subordinated bond with a face value of RMB2 billion (“**22 Xintou Y3**”). The bond is repriced every 5 interest-accruing years and at the end of the repricing cycle, the Company has the option to extend the bond for another repricing cycle (another five years) or redeem it in full. The coupon rate of the bond at the first repricing period is 3.20%. The coupon rate will be reset for every five years starting from the 6th interest-accruing year if the Company elect to exercise renewal option.
3. In September 2022, the Company publicly issued a 91-day short-term corporate bonds with a face value of RMB1 billion at coupon rate of 1.70% (“**22 Xintou S2**”). The bond applies the fixed interest rate and pays the principal and interest upon maturity and is not guaranteed.
4. In September 2022, the Company privately issued corporate bond with a face value of RMB6 billion, including RMB1 billion of variety 1 “**22 Xintou F1**” with a term of 5 years at coupon rate of 2.65%, and at the end of the third year, the issuer has the option to adjust the coupon rate and the investor has redemption option, and RMB5 billion of variety 2 “**22 Xintou F2**” with a term of 7 years at coupon rate of 3.02%, and at the end of the fifth year, the issuer has the option to adjust the coupon rate and the investor has redemption option. The bond applies the fixed interest rate and its simple interest is calculated on an annual basis with interest repayment per annum and it is not guaranteed.

4. QUARTERLY FINANCIAL STATEMENTS

(I) Type of Audit Opinion

☐ Applicable ☒ Not applicable

(II) Financial Statements

Consolidated Statement of Financial Position

September 30, 2022

Prepared by: CSC Financial Co., Ltd.

In RMB Yuan (unaudited)

Items	September 30, 2022	December 31, 2021
ASSETS:		
Cash and bank balances	106,356,681,697.05	103,872,438,427.50
Including: cash held on behalf of customers	72,065,612,133.93	74,365,937,288.74
Settlement deposits	27,220,609,098.65	20,249,033,010.54
Including: deposits held on behalf of customers	20,653,018,274.52	13,752,818,025.24
Margin accounts	51,442,709,075.19	57,808,146,392.95
Derivative financial assets	3,982,845,694.86	2,517,941,535.69
Financial assets held under resale agreements	16,065,541,881.43	19,021,753,830.45
Accounts receivable	23,273,913,821.85	23,075,171,660.18
Refundable deposits	11,235,816,302.51	10,395,629,218.62
FINANCIAL INVESTMENT:		
Financial assets held for trading	161,608,832,375.48	161,547,916,012.96
Other debt investments	62,473,436,632.78	48,260,538,595.44
Other investments in equity instruments	68,158,724.66	97,607,050.24
Long-term equity investment	112,250,128.30	111,001,851.19
Investment properties	38,574,447.96	49,145,613.36
Property, plant and equipment	640,100,988.08	701,007,871.70
Intangible assets	550,179,478.31	519,132,549.39
Right-of-use assets	1,961,948,348.17	1,822,760,526.62
Deferred tax assets	1,894,752,347.35	1,967,844,458.95
Other assets	1,015,774,651.72	774,357,649.79
Total assets	<u>469,942,125,694.35</u>	<u>452,791,426,255.57</u>

Items	September 30, 2022	December 31, 2021
LIABILITIES:		
Short-term borrowings	1,031,556,575.67	987,373,643.64
Short-term financing instruments payable	27,451,450,854.30	18,290,179,387.85
Placements from banks and other financial institutions	1,508,020,832.82	8,528,656,388.89
Financial liabilities held for trading	9,632,171,122.11	7,799,889,272.39
Derivative financial liabilities	3,137,173,765.29	4,295,325,806.07
Financial assets sold under repurchase agreements	110,708,233,190.27	99,595,667,301.26
Accounts payable to brokerage clients	98,818,113,875.64	93,082,812,449.05
Accounts payable to underwriting clients	300,937,232.50	478,080,970.63
Salaries, bonuses and allowances payable	4,844,037,350.82	4,705,289,939.88
Taxes payable	621,771,007.17	1,486,150,650.89
Accounts payable	20,755,434,736.29	21,370,984,089.23
Provision	51,498,600.00	59,545,648.00
Bonds payable	89,195,153,401.27	104,313,984,506.30
Lease liabilities	1,939,741,604.70	1,803,310,728.17
Deferred tax liabilities	1,615,846,389.29	1,525,315,856.09
Other liabilities	5,336,866,085.75	4,462,574,676.04
Total liabilities	<u>376,948,006,623.89</u>	<u>372,785,141,314.38</u>

Items	September 30, 2022	December 31, 2021
Owners' equity (or shareholders' equity):		
Paid-in capital (or share capital)	7,756,694,797.00	7,756,694,797.00
Other equity instruments	24,912,301,886.80	14,937,500,000.01
Including: perpetual bonds	24,912,301,886.80	14,937,500,000.01
Capital reserve	12,416,999,532.67	12,447,626,019.28
Other comprehensive income	1,162,020,982.93	744,725,137.50
Surplus reserves	5,616,760,889.56	5,616,760,889.56
General risk reserve	12,562,020,271.19	12,514,174,283.48
Retained earnings	28,521,473,235.47	25,800,975,483.86
	<u>92,948,271,595.62</u>	<u>79,818,456,610.69</u>
Equity attributable to the owners (or shareholders) of the Company		
	<u>45,847,474.84</u>	<u>187,828,330.50</u>
Non-controlling interests		
	<u>92,994,119,070.46</u>	<u>80,006,284,941.19</u>
Total equity of the owners (or shareholders)		
	<u>469,942,125,694.35</u>	<u>452,791,426,255.57</u>
Liabilities and total equity of the owners (or shareholders)		
	<u>469,942,125,694.35</u>	<u>452,791,426,255.57</u>
<i>Person-in-charge of the Company:</i>	<i>Chief Financial Officer:</i>	<i>Person-in-charge of accounting department:</i>
WANG Changqing	LI Geping	ZHAO Ming

Consolidated Income Statement
From January to September 2022

Prepared by: CSC Financial Co., Ltd.

In RMB Yuan (unaudited)

Item	First three quarters of 2022 (From January to September)	First three quarters of 2021 (From January to September)
I. Total operating revenue	22,703,156,430.78	20,610,694,485.20
Net fee and commission income	10,563,407,177.08	9,112,417,720.85
Including: Net fee income from brokerage business	4,574,052,518.73	4,576,981,231.00
Net fee income from investment banking business	4,566,275,472.77	3,469,327,647.52
Net fee income from asset management business	731,402,951.19	719,424,756.63
Net interest income	1,780,456,775.49	1,438,374,534.14
Including: Interest income	7,038,961,402.01	6,684,022,766.97
Interest expenses	5,258,504,626.52	5,245,648,232.83
Investment income (loss denoted by “-”)	4,484,141,047.99	4,847,115,174.69
Including: Investment income from associates and joint ventures	9,998,349.88	1,804,636.25
Gains and losses arising from changes in the fair value (loss denoted by “-”)	-159,289,091.45	715,622,717.32
Foreign exchange gains and losses (loss denoted by “-”)	100,820,408.26	-51,631,042.82
Other operating income	5,857,144,139.60	4,510,354,573.11
Gains from disposal of assets (loss denoted by “-”)	169,098.09	—
Other income	76,306,875.72	38,440,807.91
II. Total operating expenses	14,472,653,922.74	11,431,033,955.80
Tax and surcharges	116,703,172.10	116,600,269.53
Operating and administrative expenses	8,303,257,064.24	6,913,061,912.80
Credit impairment losses	178,178,854.36	-86,145,975.54
Impairment losses on other assets	25,502,161.80	21,203,989.34
Other operating costs	5,849,012,670.24	4,466,313,759.67

Item	First three quarters of 2022 (From January to September)	First three quarters of 2021 (From January to September)
III. Operating profit (loss denoted by “-”)	8,230,502,508.04	9,179,660,529.40
Add: Non-operating income	2,323,540.53	4,285,245.82
Less: Non-operating expenses	17,794,820.78	20,201,124.61
IV. Profit before income tax (gross loss denoted by “-”)	8,215,031,227.79	9,163,744,650.61
Less: Income tax expenses	1,769,773,801.86	1,939,457,098.43
V. Net profit (net loss denoted by “-”)	6,445,257,425.93	7,224,287,552.18
(1) Classified by business continuity		
1. Net profit from continuing operations (net loss denoted by “-”)	6,445,257,425.93	7,224,287,552.18
2. Net profit from discontinued operations (net loss denoted by “-”)	–	–
(2) Classified by ownership		
1. Net profit attributable to equity holders of the Company (net loss denoted by “-”)	6,436,531,334.84	7,257,854,074.29
2. Non-controlling interests (net loss denoted by “-”)	8,726,091.09	-33,566,522.11
VI. Other comprehensive income, net of tax	417,295,845.43	197,888,697.37
Other comprehensive income attributable to owners of the parent, net of tax	417,295,845.43	197,888,697.37
(1) Other comprehensive income not to be reclassified to profit or loss	-37,307,349.37	-96,142,397.95
Changes in fair value of other investments in equity instruments	-37,307,349.37	-96,142,397.95
(2) Other comprehensive income to be reclassified to profit or loss	454,603,194.80	294,031,095.32
1. Other comprehensive income that can be transferred to profit or loss under equity method	-50,072.77	24,902.02
2. Changes in fair value of other debt investments	60,754,552.75	260,205,855.74
3. Credit impairment provisions for other debt investments	47,312,187.12	50,994,883.16
4. Foreign currency translation differences	346,586,527.70	-17,194,545.60
Other comprehensive income attributable to non-controlling interests, net of tax	–	–

Item	First three quarters of 2022 (From January to September)	First three quarters of 2021 (From January to September)
VII. Total comprehensive income	6,862,553,271.36	7,422,176,249.55
Comprehensive income attributable to the owners of the Company	6,853,827,180.27	7,455,742,771.66
Comprehensive income attributable to non- controlling interests	8,726,091.09	-33,566,522.11
VIII. Earnings per share		
(1) Basic earnings per share (RMB/share)	0.75	0.89
(2) Diluted earnings per share (RMB/share)	0.75	0.89
<i>Person-in-charge of the Company:</i> WANG Changqing	<i>Chief Financial Officer:</i> LI Geping	<i>Person-in-charge of accounting department:</i> ZHAO Ming

Consolidated Cash Flow Statement
From January to September 2022

Prepared by: CSC Financial Co., Ltd.

In RMB Yuan (unaudited)

Items	First three quarters of 2022 (From January to September)	First three quarters of 2021 (From January to September)
I. Cash flows from operating activities:		
Net decrease in financial assets held for trading	2,325,321,828.39	3,908,889,473.08
Cash received from interests, fees and commissions	20,242,484,569.05	18,820,890,821.75
Net decrease in margin accounts	6,560,075,152.56	–
Net increase in funds from repurchase business	13,700,065,007.62	7,593,819,403.54
Net cash received from accounts payable to brokerage clients	4,849,569,544.60	18,273,968,746.12
Cash received from other operating activities	10,336,457,426.88	19,696,540,244.03
Sub-total of cash inflows from operating activities	58,013,973,529.10	68,294,108,688.52
Net increase in margin accounts	–	9,417,604,502.26
Net decrease in placements from banks and other financial institutions	7,000,000,000.00	–
Cash payment of interests, fees and commissions	3,948,470,618.06	3,783,563,579.84
Cash paid to and on behalf of employees	6,049,383,174.34	5,086,300,501.88
Cash payments of taxes and rates	3,407,675,724.99	3,353,521,036.92
Cash paid for other operating activities	11,794,377,511.29	26,692,711,313.89
Sub-total of cash outflows from operating activities	32,199,907,028.68	48,333,700,934.79
Net cash flows from operating activities	25,814,066,500.42	19,960,407,753.73

Items	First three quarters of 2022 (From January to September)	First three quarters of 2021 (From January to September)
II. Cash flows from investing activities:		
Cash received from investments	–	2,379,482,984.84
Cash received from investment income	8,700,000.00	–
Cash received from other investing activities	607,297.91	1,036,479.84
	<hr/>	<hr/>
Sub-total of cash inflows from investing activities	9,307,297.91	2,380,519,464.68
	<hr/>	<hr/>
Cash paid for investments	12,156,878,209.61	–
Cash paid for purchase of property, plant and equipment, intangible assets and other long term assets	272,645,946.51	278,468,826.67
	<hr/>	<hr/>
Sub-total of cash outflows from investing activities	12,429,524,156.12	278,468,826.67
	<hr/>	<hr/>
Net cash flows from investing activities	<u>-12,420,216,858.21</u>	<u>2,102,050,638.01</u>
III. Cash flows from financing activities:		
Cash received from capital injection	10,006,000,000.00	5,000,000,000.00
Including: Cash received from issuing perpetual bonds	10,000,000,000.00	5,000,000,000.00
Cash received by subsidiaries from investments by minority shareholders	6,000,000.00	–
Cash received from borrowing activities	5,943,522,896.28	25,641,427,151.55
Cash received from issuing bonds	65,708,360,600.00	125,065,690,457.35
	<hr/>	<hr/>
Sub-total of cash inflows from financing activities	81,657,883,496.28	155,707,117,608.90
	<hr/>	<hr/>

Items	First three quarters of 2022 (From January to September)	First three quarters of 2021 (From January to September)
Payments of debts	78,312,544,189.01	135,187,384,678.00
Cash outflows due to payment of dividends, profit or interests	6,486,777,430.66	5,999,634,587.19
Including: Profit distribution to holders of ordinary shares	3,063,894,444.82	2,908,760,548.88
Distribution to other equity instrument holders	625,000,000.00	417,500,000.00
Dividends and profits paid by subsidiaries to minority shareholders	3,773,187.08	–
Cash paid for other financing activities	699,865,180.64	620,217,449.45
Sub-total of cash outflows from financing activities	85,499,186,800.31	141,807,236,714.64
Net cash flows from financing activities	<u>-3,841,303,304.03</u>	<u>13,899,880,894.26</u>
IV. Effect of exchange rate changes on cash and cash equivalents	214,651,877.19	-92,962,412.53
V. Net increase in cash and cash equivalents	9,767,198,215.37	35,869,376,873.47
Add: cash and cash equivalent balance at the beginning of the period	123,244,246,395.04	98,000,125,245.33
VI. Cash and cash equivalents at the end of the period	<u>133,011,444,610.41</u>	<u>133,869,502,118.80</u>
<i>Person-in-charge of the Company:</i> WANG Changqing	<i>Chief Financial Officer:</i> LI Geping	<i>Person-in-charge of accounting department:</i> ZHAO Ming

Statement of Financial Position of the Parent Company
September 30, 2022

Prepared by: CSC Financial Co., Ltd.

In RMB Yuan (unaudited)

Items	September 30, 2022	December 31, 2021
ASSETS:		
Cash and bank balances	87,273,351,033.72	90,562,092,369.97
Including: cash held on behalf of customers	55,014,711,518.92	63,724,995,872.74
Settlement deposits	25,559,506,857.53	19,065,260,486.54
Including: deposits held on behalf of customers	19,650,607,607.15	12,887,160,861.56
Margin accounts	51,154,851,379.39	57,669,166,602.11
Derivative financial assets	3,873,513,288.71	2,505,062,670.00
Financial assets held under resale agreements	15,945,197,986.86	18,952,749,528.74
Accounts receivable	22,227,691,993.38	22,575,104,745.17
Refundable deposits	5,606,936,235.22	5,635,199,934.73
FINANCIAL INVESTMENT:		
Financial assets held for trading	138,778,962,002.63	144,280,672,080.20
Other debt investments	56,756,631,874.52	45,182,441,512.82
Long-term equity investment	10,805,979,949.18	9,317,201,740.32
Investment properties	38,574,447.96	49,145,613.36
Property, plant and equipment	626,310,081.66	686,132,660.14
Intangible assets	519,430,762.77	488,614,398.81
Right-of-use assets	1,826,917,290.34	1,615,934,786.67
Deferred tax assets	1,729,132,087.44	1,827,819,579.62
Other assets	1,063,295,978.38	1,251,613,108.24
Total assets	423,786,283,249.69	421,664,211,817.44

Items	September 30, 2022	December 31, 2021
LIABILITIES:		
Short-term financing instruments payable	27,408,738,155.82	18,290,179,387.85
Placements from banks and other financial institutions	1,508,020,832.82	8,528,656,388.89
Financial liabilities held for trading	9,394,172,743.50	7,799,889,272.39
Derivative financial liabilities	3,454,827,894.48	4,294,036,102.98
Financial assets sold under repurchase agreements	103,938,422,421.27	98,157,721,253.00
Accounts payable to brokerage clients	74,893,964,275.04	76,834,652,337.49
Accounts payable to underwriting clients	300,937,232.50	478,080,970.63
Salaries, bonuses and allowances payable	4,453,632,655.35	4,319,398,508.30
Taxes payable	531,993,501.83	1,330,614,177.50
Accounts payable	19,865,544,472.32	21,319,067,895.93
Provision	51,413,600.00	59,545,648.00
Bonds payable	82,097,213,260.66	97,942,602,194.04
Lease liabilities	1,802,920,117.58	1,592,428,242.42
Deferred tax liabilities	1,256,673,356.74	1,184,870,423.30
Other liabilities	3,978,860,318.60	3,091,547,733.32
Total liabilities	334,937,334,838.51	345,223,290,536.04
Owners' equity (or shareholders' equity):		
Paid-in capital (or share capital)	7,756,694,797.00	7,756,694,797.00
Other equity instruments	24,912,301,886.80	14,937,500,000.01
Including: perpetual bonds	24,912,301,886.80	14,937,500,000.01
Capital reserve	12,428,414,615.64	12,428,414,615.64
Other comprehensive income	870,141,652.38	667,026,412.39
Surplus reserves	5,208,016,985.40	5,208,016,985.40
General risk reserve	12,203,602,014.38	12,191,146,553.65
Retained earnings	25,469,776,459.58	23,252,121,917.31
Total equity of the owners (or shareholders)	88,848,948,411.18	76,440,921,281.40
Liabilities and total equity of the owners (or shareholders)	423,786,283,249.69	421,664,211,817.44
<i>Person-in-charge of the Company:</i> WANG Changqing	<i>Chief Financial Officer:</i> LI Geping	<i>Person-in-charge of accounting department:</i> ZHAO Ming

Income Statement of the Parent Company

From January to September 2022

Prepared by: CSC Financial Co., Ltd.

In RMB Yuan (unaudited)

Item	First three quarters of 2022	First three quarters of 2021
I. Total operating revenue	15,183,147,393.94	14,057,892,263.23
Net fee and commission income	9,500,196,921.20	8,249,454,666.99
Including: Net fee income from brokerage business	4,007,975,699.67	4,034,960,057.30
Net fee income from investment banking business	4,442,533,812.83	3,387,047,863.43
Net fee income from asset management business	712,863,437.28	742,055,954.69
Net interest income	1,554,582,556.80	1,178,646,774.81
Including: Interest income	6,526,010,156.63	6,274,031,865.40
Interest expenses	4,971,427,599.83	5,095,385,090.59
Investment income (loss denoted by “-”)	3,245,126,417.84	3,973,764,954.29
Including: Investment income from associates and joint ventures	5,268,035.35	1,813,448.98
Gains and losses arising from changes in the fair value (loss denoted by “-”)	687,603,751.05	657,298,440.09
Foreign exchange gains and losses (loss denoted by “-”)	123,979,894.81	-55,331,105.97
Other operating income	17,599,199.56	21,596,587.33
Gains from disposal of assets (loss denoted by “-”)	153,694.70	–
Other income	53,904,957.98	32,461,945.69
II. Total operating expenses	7,777,055,423.17	6,241,380,015.30
Tax and surcharges	101,520,738.62	103,628,569.84
Operating and administrative expenses	7,506,024,116.89	6,222,016,490.67
Credit impairment losses	167,985,980.42	-86,015,534.34
Other operating costs	1,524,587.24	1,750,489.13

Item	First three quarters of 2022	First three quarters of 2021
III. Operating profit (loss denoted by “-”)	7,406,091,970.77	7,816,512,247.93
Add: Non-operating income	2,318,601.72	4,224,148.15
Less: Non-operating expenses	15,024,248.51	13,898,131.44
IV. Profit before income tax (gross loss denoted by “-”)	7,393,386,323.98	7,806,838,264.64
Less: Income tax expenses	1,495,088,725.46	1,630,141,862.54
V. Net profit (net loss denoted by “-”)	5,898,297,598.52	6,176,696,402.10
(1) Net profit from continuing operations (net loss denoted by “-”)	5,898,297,598.52	6,176,696,402.10
(2) Net profit from discontinued operations (net loss denoted by “-”)	–	–
VI. Other comprehensive income, net of tax	203,115,239.99	189,823,004.15
(1) Other comprehensive income not to be reclassified to profit or loss	–	-112,608,275.99
Changes in fair value of other investments in equity instruments	–	-112,608,275.99
(2) Other comprehensive income to be reclassified to profit or loss	203,115,239.99	302,431,280.14
1. Other comprehensive income that can be transferred to profit or loss under equity method	-50,072.77	24,902.02
2. Changes in fair value of other debt investments	156,084,920.99	248,836,505.33
3. Credit impairment provisions for other debt investments	47,080,391.77	53,569,872.79
VII. Total comprehensive income	6,101,412,838.51	6,366,519,406.25

*Person-in-charge of the
Company:*
WANG Changqing

Chief Financial Officer:
LI Geping

*Person-in-charge of
accounting department:*
ZHAO Ming

Statement of Cash Flows of the Parent Company
From January to September 2022

Prepared by: CSC Financial Co., Ltd.

In RMB Yuan (unaudited)

Items	First three quarters of 2022	First three quarters of 2021
I. Cash flows from operating activities:		
Net decrease in financial assets held for trading	7,180,436,767.55	2,221,334,706.92
Cash received from interests, fees and commissions	18,634,956,710.30	17,332,469,436.59
Net decrease in margin accounts	6,708,123,860.99	–
Net increase in funds from repurchase business	8,786,097,046.34	8,032,693,601.00
Net cash received from accounts payable to brokerage clients	–	15,240,391,612.96
Cash received from other operating activities	1,706,004,934.95	13,944,685,820.83
Sub-total of cash inflows from operating activities	43,015,619,320.13	56,771,575,178.30
Net decrease in placements from banks and other financial institutions	7,000,000,000.00	–
Net increase in margin accounts	–	9,577,331,645.80
Net cash payable from accounts payable to brokerage clients	1,940,688,062.45	–
Cash payment of interests, fees and commissions	3,728,003,367.04	3,680,011,888.50
Cash paid to and on behalf of employees	5,541,254,232.82	4,691,097,799.40
Cash payments of taxes and rates	2,988,757,266.41	3,098,291,949.54
Cash paid for other operating activities	3,339,454,081.62	16,655,326,805.69
Sub-total of cash outflows from operating activities	24,538,157,010.34	37,702,060,088.93
Net cash flows from operating activities	18,477,462,309.79	19,069,515,089.37

Items	First three quarters of 2022	First three quarters of 2021
II. Cash flows from investing activities:		
Cash received from investment income	370,000,000.00	–
Cash received from investments	–	2,150,703,174.92
Cash received from other investing activities	455,906.00	742,987.87
	<hr/>	<hr/>
Sub-total of cash inflows from investing activities	370,455,906.00	2,151,446,162.79
	<hr/>	<hr/>
Cash paid for investments	11,475,130,149.54	594,560,000.00
Cash paid for purchase of property, plant and equipment, intangible assets and other long term assets	257,200,629.12	256,298,928.76
	<hr/>	<hr/>
Sub-total of cash outflows from investing activities	11,732,330,778.66	850,858,928.76
	<hr/>	<hr/>
Net cash flows from investing activities	<u>-11,361,874,872.66</u>	<u>1,300,587,234.03</u>
III. Cash flows from financing activities:		
Cash received from capital injection	10,000,000,000.00	5,000,000,000.00
Including: Cash received from issuing perpetual bonds	10,000,000,000.00	5,000,000,000.00
Cash received from issuing bonds	65,708,360,600.00	121,856,706,000.00
	<hr/>	<hr/>
Sub-total of cash inflows from financing activities	75,708,360,600.00	126,856,706,000.00
	<hr/>	<hr/>
Payments of debts	72,371,624,000.00	109,946,390,000.00
Cash outflows due to payment of dividends, profit or interests	6,399,629,602.43	5,863,534,767.30
Including: Profit distribution to shareholders of ordinary shares	3,063,894,444.82	2,908,760,548.88
Distribution to other equity instrument holders	625,000,000.00	417,500,000.00
Cash paid for other financing activities	461,134,810.53	421,932,043.91
	<hr/>	<hr/>
Sub-total of cash outflows from financing activities	79,232,388,412.96	116,231,856,811.21
	<hr/>	<hr/>
Net cash flows from financing activities	<u>-3,524,027,812.96</u>	<u>10,624,849,188.79</u>

Items	First three quarters of 2022	First three quarters of 2021
IV. Effect of exchange rate changes on cash and cash equivalents	-6,546,757.36	-55,331,105.97
V. Net increase in cash and cash equivalents	3,585,012,866.81	30,939,620,406.22
Add: cash and cash equivalent balance at the beginning of the period	109,085,387,084.36	88,688,239,439.55
VI. Cash and cash equivalents at the end of the period	<u>112,670,399,951.17</u>	<u>119,627,859,845.77</u>

*Person-in-charge of the
Company:*
WANG Changqing

Chief Financial Officer: accounting department:
LI Geping **ZHAO Ming**

Adjustments of the opening balance in financial statements at the beginning of the year in which new lease standards and the interpretation of the standards were firstly implemented since 2022

☐ Applicable ☒ Not Applicable

By order of the Board
CSC Financial Co., Ltd.
Wang Changqing
Chairman

Beijing, the PRC
October 28, 2022

As at the date of this announcement, the executive Directors of the Company are Mr. WANG Changqing and Mr. LI Geping; the non-executive Directors of the Company are Mr. YU Zhongfu, Mr. WANG Xiaolin, Ms. ZHANG Qin, Ms. ZHU Jia, Ms. ZHANG Wei, Mr. YANG Dong and Ms. WANG Hua; and the independent non-executive Directors of the Company are Mr. PO Wai Kwong, Mr. LAI Guanrong, Mr. ZHOU Chengyue, Mr. ZHANG Zheng and Mr. WU Xi.