

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company 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 “东方证券股份有限公司” and carrying on business in Hong Kong as “東方證券” (in Chinese) and “DFZQ” (in English))

(Stock Code: 03958)

ANNOUNCEMENT ON PRELIMINARY FINANCIAL DATA FOR THE YEAR OF 2018

This announcement is made by 東方證券股份有限公司 (the “**Company**”) pursuant to the Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) (the “**Listing Rules**”) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and Rule 13.09 of the Listing Rules.

The major financial data for the year of 2018 as set out in this announcement is preliminary accounting data under the China Accounting Standards for Business Enterprises, which has not been audited by an accounting firm. The specific data should be those to be disclosed in the 2018 annual report of the Company (the “**2018 Annual Report**”). Investors are advised to pay attention to such investment risks involved.

I. MAJOR FINANCIAL DATA AND INDICATORS FOR THE YEAR OF 2018 (CONSOLIDATED)

Currency: RMB Units: '0,000

Item	The reporting period	The corresponding period of previous year	Increase or decrease (%)
Total operating revenue	1,030,119.45	1,053,151.13	-2.19
Operating profit	126,081.35	410,483.78	-69.28
Total profit	133,460.80	438,851.22	-69.59
Net profit attributable to the shareholders of the listed company	123,913.44	355,362.64	-65.13
Net profit after non-recurring profit or loss attributable to the shareholders of the listed company	118,351.07	335,029.80	-64.67
Basic earnings per share (RMB)	0.18	0.57	-68.42
Weighted average return on net assets (%)	2.37	8.62	Decreased by 6.25 percentage points

	As at the end of the reporting period	As at the end of previous year	Increase or decrease (%)
Total assets	22,694,968.51	23,185,998.83	-2.12
Equity attributable to the shareholders of the listed company	5,180,160.78	5,298,550.14	-2.23
Share capital	699,365.58	699,365.58	0.00
Net assets per share attributable to the shareholders of the listed company (RMB)	7.41	7.58	-2.24

II. DETAILS OF OPERATING RESULTS AND FINANCIAL POSITIONS

In 2018, the A share market fell sharply and the trading volume of the two securities markets further shrank. Affected by certain unfavourable factors, the Company achieved operating income of RMB10.301 billion and net profit attributable to the shareholders of the listed company of RMB1.239 billion in 2018, representing a decrease of 2.19% and 65.13% respectively compared with the corresponding period of previous year.

In addition to the impact of large base of the corresponding period of previous year, the major reasons for the changes in the operating income and net profit of the Company in 2018 were as follows: the gains from the Company's proprietary equity investments fell sharply under the influence of the market, resulting in a decrease in net profit of the Company compared with the corresponding period of previous year; with the implementation of the new financial instruments standards, the price fluctuations of equity instruments held by the Company were directly reflected in the profits, and the performance of the Company was increasingly affected by market fluctuations; the revenue and cost of the commodity business of the subsidiaries of the Company increased significantly compared with the corresponding period of previous year.

III. RISK WARNINGS

The major financial data for the year of 2018 as set out in this announcement, which is preliminary accounting data, may be different from the data to be disclosed in the 2018 Annual Report, but it is expected that the abovementioned difference would not exceed 10%. Investors are advised to pay attention to such investment risks involved.

IV. DOCUMENTS AVAILABLE FOR INSPECTION

The comparative balance sheet and income statement are signed and sealed by Mr. Pan Xinjun, the current legal representative of the Company, Mr. Zhang Jianhui, the accounting chief and person-in-charge of the accounting department of the Company.

By order of the Board of Directors

PAN Xinjun

Chairman

Shanghai, PRC
January 25, 2019

As at the date of this announcement, the Board of Directors comprises Mr. PAN Xinjun and Mr. JIN Wenzhong as executive Directors; Mr. LIU Wei, Mr. WU Junhao, Mr. CHEN Bin, Mr. LI Xiang, Ms. XIA Jinghan, Mr. XU Jianguo and Mr. DU Weihua as non-executive Directors; and Mr. XU Guoxiang, Mr. TAO Xiuming, Mr. WEI Anning, Mr. XU Zhiming and Mr. JIN Qinglu as independent non-executive Directors.