

Shenzhen International Enterprise Co., Ltd.

Report for the First Quarter of 2014

Apr. 2014

Section I. Important Reminders

The Board of Directors, the Supervisory Committee as well as all directors, supervisors and senior management staff of Shenzhen International Enterprise Co., Ltd. (hereinafter referred to as “the Company”) warrant that this report is factual, accurate and complete without any false record, misleading statement or material omission. And they shall be jointly and severally liable for that.

All directors attended the board session for reviewing this report.

Zheng Kanghao, chairman of the Board and the company principal, Chen Xiaohai, chief of the accounting work, and Xu Xiaoyun, chief of the accounting organ (chief of accounting), hereby confirm that the financial statements enclosed in this report are factual, accurate and complete.

This report is prepared in both Chinese and English. Should there be any discrepancy between the two versions, the Chinese version shall prevail.

Section II. Financial Highlights & Change of Shareholders

I. Major accounting data and financial indexes

Does the Company adjust retrospectively or restate accounting data of previous years due to change of the accounting policy or correction of any accounting error?

☐ Yes ☒ No

	Jan.-Mar. 2014	Jan.-Mar. 2013	YoY increase/decrease (%)
Operating revenues (RMB Yuan)	19,087,924.37	7,674,875.64	148.71%
Net profit attributable to shareholders of the Company (RMB Yuan)	-38,325,384.06	-18,963,664.06	
Net profit attributable to shareholders of the Company after extraordinary gains and losses (RMB Yuan)	-36,183,154.65	-18,944,164.97	
Net cash flows from operating activities (RMB Yuan)	-241,465,725.86	-54,479,886.26	
Basic EPS (RMB Yuan/share)	-0.17	-0.09	
Diluted EPS (RMB Yuan/share)	-0.17	-0.09	
	31 Mar. 2014	31 Dec. 2013	Increase/decrease (%)
Total assets (RMB Yuan)	9,053,896,739.98	7,803,283,696.00	16.03%
Net assets attributable to shareholders of the Company (RMB Yuan)	2,198,483,470.00	2,236,808,854.06	

Items and amounts of extraordinary gains and losses

☒ Applicable ☐ Inapplicable

Unit: RMB Yuan

Item	Amount as of Jan.-Mar. 2014	Note
Gains/losses on the disposal of non-current assets (including the offset part of asset impairment provisions)	-19,611.85	Disposal of the losses of the fixed assets
Other non-operating income and expenses other than the above	-3,550,389.74	Mainly were the liquidated damages of the deferred engineering payment
Minority interests effects (after tax)	-1,427,772.18	
Total	-2,142,229.41	--

Explain the reasons if the Company classifies an item as an extraordinary gain/loss according to the definition in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Extraordinary Gains and Losses, or classifies any extraordinary gain/loss item mentioned in the said explanatory announcement as a recurrent gain/loss item

☐ Applicable ☒ Inapplicable

II. Total number of shareholders at the period-end and shares held by the top ten shareholders

Unit: Share

Total number of shareholders at the period-end		18,076				
Shares held by the top ten shareholders						
Name of shareholder	Nature of shareholder	Shareholding percentage (%)	Number of the shares held	Number of the restricted shares held	Pledged or frozen shares	
					Status of shares	Number of shares
MULTI PROFIT ASIA PACIFIC INVESTMENT LTD	Foreign corporation	13.7%	30,264,192		Pledged	30,260,000
SHENZHEN WONGTEE REAL ESTATE INVESTMENT CO., LTD.	Domestic non-state-owned corporation	5.07%	11,208,453		Pledged	11,199,175
SHENZHEN SPECIAL ECONOMIC ZONE DEVELOPMENT (GROUP) CO., LTD.	State-owned corporation	3.96%	8,755,650			
Zhong Zhiqiang	Foreign natural person	3.72%	8,215,594			
BOCI SECURITIES LIMITED	Foreign corporation	3.05%	6,744,046			
WONGTEE INTERNATIONAL GROUP LTD	Foreign corporation	1.84%	4,063,855		Pledged	3,477,750
Appointed repurchased special account of Guoyuan Securities Co., Ltd.	Other	1%	2,200,000			
Chen Shu	Domestic natural person	0.97%	2,149,327			
Zeng Haixing	Domestic natural person	0.97%	2,148,715			
Shanghai Wanguo	Foreign	0.84%	1,856,818			

Securities (Hong Kong)	corporation					
Shares held by the top ten non-restricted share holders						
Name of shareholder	Number of non-restricted shares held	Type of shares		Type	Number	
MULTI PROFIT ASIA PACIFIC INVESTMENT LTD	30,264,192	Domestically listed foreign shares			30,264,192	
SHENZHEN WONGTEE REAL ESTATE INVESTMENT CO., LTD.	11,208,453	RMB ordinary share			11,208,453	
SHENZHEN SPECIAL ECONOMIC ZONE DEVELOPMENT (GROUP) CO., LTD.	8,755,650	RMB ordinary share			8,755,650	
Zhong Zhiqiang	8,215,594	Domestically listed foreign shares			8,215,594	
BOCI SECURITIES LIMITED	6,744,046	Domestically listed foreign shares			6,744,046	
WONGTEE INTERNATIONAL GROUP LTD	4,063,855	Domestically listed foreign shares			4,063,855	
Appointed repurchased special account of Guoyuan Securities Co., Ltd.	2,200,000	RMB ordinary share			2,200,000	
Chen Shu	2,149,327	Domestically listed foreign shares			2,149,327	
Zeng Haixing	2,148,715	Domestically listed foreign shares			2,148,715	
Shanghai Wanguo Securities (Hong Kong)	1,856,818	Domestically listed foreign shares			1,856,818	
Explanation on associated relationship or persons acting in concert among the above-mentioned shareholders	Inquired by the Company, the chairman of the Board of the Company--Mr. Zheng Kanghao, Multi Profit Asia Pacific, Shenzhen Wongtee Real Estate Investment Co., Ltd. and Wongtee International Group Co., Ltd. were persons acting in concert, which owns the stocks of the Company with the total amount of 46,108,011 shares, accounting for 20.87% of the total shares of the Company. Zhong Zhiqiang, Chen Shu, Zeng Haixing, Tan Guanqiang and Zhao Chongyue are persons acting in concert and up to 31 Mar. 2014, they total held 14,045,873 shares of the B share, which accounted for 6.358% of the share					

	capital of the Company. Other than that, it is unknown whether there were other related relations or action-in-concert regulated in Administrative Measures for Takeover of Listed Companies among the above shareholders.
Top 10 Shareholders taking part in margin financing and securities lending (if any)	Naught

Did any shareholder of the Company carry out an agreed buy-back in the reporting period?

☐ Yes ☒ No

Section III. Significant Events

I. Major changes of main accounting statement items and financial indicators in the reporting period, as well as reasons for the changes

Statement item	31 Mar. 2014	31 Dec. 2013	Ratio of change	Reasons for change
Monetary funds	1,223,167,537.99	9,357,753.34		Bank borrowings obtained
Accounts receivable	13,176,728.55	2,291,658.84	474.99%	As Wongtee Plaza was opened for business, the receivable shop rents, management charges, etc. increased.
Prepayments	33,484,643.00	714,670.23		The Company prepaid the shop decoration subsidies.
Accounts payable	132,362,166.88	350,937,897.87	-62.28%	The construction payment was made as the construction of Wongtee Plaza was completed.
Other payables	830,520,836.39	571,826,282.57	45.24%	Borrowings increased for routine operation.
Non-current liabilities due within 1 year	22,000,000.00	93,710,000.00	183.26%	The Company secured a borrowing from Western Trust to exchange the borrowing from China Zhongtong Trust.
Long-term borrowings	1,943,000,000.00	600,000,000.00		
	Jan.-Mar. 2014	Jan.-Mar. 2013	Ratio of change	
Operating revenues	19,087,924.37	7,674,875.64	148.71%	The incomes (shop rents, management charges, etc.) from Wongtee Plaza increased.
Financial expenses	58,987,484.64	13,178,533.62	347.60%	As Wongtee Plaza was completed, capitalization of the relevant financial expenses stopped.
Net cash flows from operating activities	-241,465,725.86	-54,479,886.26	343.22%	The construction payment was made as the construction of Wongtee Plaza was completed.

II. Progress and influence of significant events, as well as the analysis and explanation on solutions

Overview of the significant event	Date of disclosure	Index to the relevant announcement disclosed on the website
The Company reviewed and approved the Proposal on Planning to Agree Rongfa Company to Borrow From the Bank and the Proposal on Planning to Agree Rongfa Company to Borrow From the Institutions on the 1st Extraordinary General Meeting of 2014. During the reporting period, Rongfa Company had signed the relevant contracts of the loans with Agricultural Bank of China Co., Ltd. with the total amount of borrowing of RMB 1.2 billion; and had signed the relevant contracts of the loans with Western Trust Co., Ltd. with the total amount of borrowing of RMB 1.2 billion. Up to the disclosure date, the Company had received the account of RMB 0.87 billion from the Agricultural Bank of China and RMB 1.2 billion from the Western Trust Co., Ltd and at the same time completed the relevant work of the borrowings replacement with the China Zhongtong Trust.	15 Apr. 2014	http://www.cninfo.com.cn/finalpage/2014-03-15/63679421.PDF
	15 Mar. 2014	http://www.cninfo.com.cn/finalpage/2014-04-15/63839288.PDF

III. Commitments made by the Company or shareholders holding over 5% of the Company's shares in the reporting period or such commitments carried down into the reporting period

Commitment	Commitment maker	Contents	Time of making commitment	Period of commitment	Fulfillment
Commitments made in a share reform					
Commitments made in an acquisition report or a report on equity changes	Zheng Kanghao	The obligor for information disclosure shall not reduce the shares of Multi Profit Asia Pacific Investment Ltd. Held the obligor from this	6 Aug. 2010	60 months	Strictly fulfill the commitments

		acquisition or reduce the shares of SZIEC indirectly held by the obligor from this acquisition within the future 60 months.			
Commitments made in asset reorganization					
Commitments made in the first public offering or refinancing.					
Other commitments made to minority shareholders					
Executed in time or not?	Yes				
Detailed reason for failing to execute and the plan for the next step (If any)	Naught				

IV. Predict the 2014 annual operating results of Jan.-Jun.

Warnings of possible loss or large-margin change of the accumulated net profit made during the period from the beginning of the year to the end of the next reporting period compared with the same period of the last year according to prediction, as well as explanations on the reasons

☐Applicable ☒Inapplicable

Section IV. Financial Statements

I. Financial statements

1. Consolidated balance sheet

Prepared by Shenzhen International Enterprise Co., Ltd.

Unit: RMB Yuan

Item	Closing balance	Opening balance
Current Assets:		
Monetary funds	1,223,167,537.99	9,357,753.34
Settlement reserves		
Intra-group lendings		
Transactional financial assets		
Notes receivable		
Accounts receivable	13,176,728.55	2,291,658.84
Accounts paid in advance	33,484,643.00	714,670.23
Premiums receivable		
Reinsurance premiums receivable		
Receivable reinsurance contract reserves		
Interest receivable		
Dividend receivable		
Other accounts receivable	12,263,580.54	12,022,195.79
Financial assets purchased under agreements to resell		
Inventories	43,203,778.11	43,338,585.36
Non-current assets due within 1 year		
Other current assets	433,000.00	
Total current assets	1,325,729,268.19	67,724,863.56
Non-current assets:		
Loans by mandate and advances granted		
Available-for-sale financial assets		
Held-to-maturity investments		

Long-term accounts receivable		
Long-term equity investment		
Investing property	7,652,624,300.00	7,652,624,300.00
Fixed assets	61,083,253.01	61,787,209.01
Construction in progress	1,742,560.00	1,742,560.00
Engineering materials		
Disposal of fixed assets		
Production biological assets		
Oil-gas assets		
Intangible assets	569,595.31	608,765.01
R&D expense		
Goodwill		
Long-term deferred expenses	1,576,530.47	8,224,765.42
Deferred income tax assets		
Other non-current assets	10,571,233.00	10,571,233.00
Total of non-current assets	7,728,167,471.79	7,735,558,832.44
Total assets	9,053,896,739.98	7,803,283,696.00
Current liabilities:		
Short-term borrowings	1,234,380,000.00	1,225,000,000.00
Borrowings from Central Bank		
Customer bank deposits and due to banks and other financial institutions		
Intra-group borrowings		
Transactional financial liabilities		
Notes payable		
Accounts payable	132,362,166.88	350,937,897.87
Accounts received in advance	7,106,339.09	5,828,277.16
Financial assets sold for repurchase		
Handling charges and commissions payable		
Employee's compensation payable	3,246,510.47	11,129,805.44
Tax payable	14,592,806.36	14,436,756.94
Interest payable	6,770,557.78	4,933,133.33
Dividend payable	5,127,701.36	5,127,701.36
Other accounts payable	830,520,836.39	571,826,282.57

Reinsurance premiums payable		
Insurance contract reserves		
Payables for acting trading of securities		
Payables for acting underwriting of securities		
Non-current liabilities due within 1 year	22,000,000.00	93,710,000.00
Other current liabilities		
Total current liabilities	2,256,106,918.33	2,282,929,854.67
Non-current liabilities:		
Long-term borrowings	1,943,000,000.00	600,000,000.00
Bonds payable		
Long-term payables		
Specific payables		
Estimated liabilities	86,178,751.25	86,491,251.25
Deferred income tax liabilities	1,365,552,731.65	1,365,552,731.65
Other non-current liabilities		
Total non-current liabilities	3,394,731,482.90	2,052,043,982.90
Total liabilities	5,650,838,401.23	4,334,973,837.57
Owners' equity (or shareholders' equity)		
Paid-up capital (or share capital)	220,901,184.00	220,901,184.00
Capital reserves	68,488,133.00	68,488,133.00
Less: Treasury stock		
Specific reserves		
Surplus reserves	125,929,834.48	125,929,834.48
Provisions for general risks		
Retained profits	1,783,164,318.52	1,821,489,702.58
Foreign exchange difference		
Total equity attributable to owners of the Company	2,198,483,470.00	2,236,808,854.06
Minority interests	1,204,574,868.75	1,231,501,004.37
Total owners' (or shareholders') equity	3,403,058,338.75	3,468,309,858.43
Total liabilities and owners' (or shareholders') equity	9,053,896,739.98	7,803,283,696.00

Legal representative: Zheng Kanghao

Person-in-charge of the accounting work: Chen Xiaohai

Chief of the accounting division: Xu Xiaoyun

2. Balance sheet of the Company

Prepared by Shenzhen International Enterprise Co., Ltd.

Unit: RMB Yuan

Item	Closing balance	Opening balance
Current Assets:		
Monetary funds	889,397.53	1,199,483.66
Transactional financial assets		
Notes receivable		
Accounts receivable		
Accounts paid in advance		
Interest receivable		
Dividend receivable		
Other accounts receivable	74,923,650.37	85,620,482.59
Inventories		
Non-current assets due within 1 year		
Other current assets		
Total current assets	75,813,047.90	86,819,966.25
Non-current assets:		
Available-for-sale financial assets		
Held-to-maturity investments		
Long-term accounts receivable		
Long-term equity investment	40,896,718.10	40,896,718.10
Investing property	4,972,400.00	4,972,400.00
Fixed assets	6,448,134.06	6,663,175.93
Construction in progress		
Engineering materials		
Disposal of fixed assets		
Production biological assets		
Oil-gas assets		
Intangible assets	309,333.34	341,333.34
R&D expense		

Goodwill		
Long-term deferred expenses		
Deferred income tax assets		
Other non-current assets		
Total of non-current assets	52,626,585.50	52,873,627.37
Total assets	128,439,633.40	139,693,593.62
Current liabilities:		
Short-term borrowings		
Transactional financial liabilities		
Notes payable		
Accounts payable		
Accounts received in advance	40,000.00	50,000.00
Employee's compensation payable	1,936,877.22	4,308,690.42
Tax payable	11,090,671.63	11,086,303.87
Interest payable		
Dividend payable	5,127,701.36	5,127,701.36
Other accounts payable	22,968,035.51	33,790,864.47
Non-current liabilities due within 1 year		
Other current liabilities		
Total current liabilities	41,163,285.72	54,363,560.12
Non-current liabilities:		
Long-term borrowings		
Bonds payable		
Long-term payables		
Specific payables		
Estimated liabilities		
Deferred income tax liabilities	1,799,954.57	1,799,954.57
Other non-current liabilities		
Total non-current liabilities	1,799,954.57	1,799,954.57
Total liabilities	42,963,240.29	56,163,514.69
Owners' equity (or shareholders' equity)		
Paid-up capital (or share capital)	220,901,184.00	220,901,184.00
Capital reserves	64,951,444.59	64,951,444.59

Less: Treasury stock		
Specific reserves		
Surplus reserves	96,841,026.39	96,841,026.39
Provisions for general risks		
Retained profits	-297,217,261.87	-299,163,576.05
Foreign exchange difference		
Total owners' (or shareholders') equity	85,476,393.11	83,530,078.93
Total liabilities and owners' (or shareholders') equity	128,439,633.40	139,693,593.62

Legal representative: Zheng Kanghao

Person-in-charge of the accounting work: Chen Xiaohai

Chief of the accounting division: Xu Xiaoyun

3. Consolidated income statement

Prepared by Shenzhen International Enterprise Co., Ltd.

Unit: RMB Yuan

Item	Jan.-Mar. 2014	Jan.-Mar. 2013
I. Total operating revenues	19,087,924.37	7,674,875.64
Including: Sales income	19,087,924.37	7,674,875.64
Interest income		
Premium income		
Handling charge and commission income		
II. Total operating cost	80,769,442.46	38,610,195.23
Including: Cost of sales	8,162,781.58	6,467,050.56
Interest expenses		
Handling charge and commission expenses		
Surrenders		
Net claims paid		
Net amount withdrawn for the insurance contract reserve		
Expenditure on policy dividends		
Reinsurance premium		
Taxes and associate charges	987,004.35	189,347.87

Selling and distribution expenses	2,021,999.24	3,189,492.81
Administrative expenses	10,660,679.40	15,585,770.37
Financial expenses	58,987,484.64	13,178,533.62
Asset impairment loss	-50,506.75	
Add: Gain/(loss) from change in fair value ("-" means loss)		
Gain/(loss) from investment ("-" means loss)		
Including: share of profits in associates and joint ventures		
Foreign exchange gains ("-" means loss)		
III. Business profit ("-" means loss)	-61,681,518.09	-30,935,319.59
Add: non-operating income	658.32	13,375.00
Less: non-operating expense	3,570,659.91	35,546.00
Including: loss from non-current asset disposal		
IV. Total profit ("-" means loss)	-65,251,519.68	-30,957,490.59
Less: Income tax expense		
V. Net profit ("-" means loss)	-65,251,519.68	-30,957,490.59
Including: Net profit achieved by combined parties before the combinations		
Attributable to owners of the Company	-38,325,384.06	-18,963,664.06
Minority shareholders' income	-26,926,135.62	-11,993,826.53
VI. Earnings per share	--	--
(I) Basic earnings per share	-0.17	-0.09
(II) Diluted earnings per share	-0.17	-0.09
VII. Other comprehensive incomes		
VIII. Total comprehensive incomes	-65,251,519.68	-30,957,490.59
Attributable to owners of the Company	-38,325,384.06	-18,963,664.06
Attributable to minority shareholders	-26,926,135.62	-11,993,826.53

Legal representative: Zheng Kanghao

Person-in-charge of the accounting work: Chen Xiaohai

Chief of the accounting division: Xu Xiaoyun

4. Income statement of the Company

Prepared by Shenzhen International Enterprise Co., Ltd.

Unit: RMB Yuan

Item	Jan.-Mar. 2014	Jan.-Mar. 2013
I. Total sales	25,600.00	12,000.00
Less: cost of sales	0.00	0.00
Business taxes and surcharges		673.20
Distribution expenses		
Administrative expenses	4,015,399.93	7,347,840.76
Financial costs	-5,936,114.11	-6,635,524.18
Impairment loss		
Add: gain/(loss) from change in fair value ("-" means loss)		
Gain/(loss) from investment ("-" means loss)		
Including: income from investment on associates and joint ventures		
II. Business profit ("-" means loss)	1,946,314.18	-700,989.78
Add: non-business income		
Less: non-business expense		11,180.00
Including: loss from non-current asset disposal		
III. Total profit ("-" means loss)	1,946,314.18	-712,169.78
Less: income tax expense		
IV. Net profit ("-" means loss)	1,946,314.18	-712,169.78
V. Earnings per share	--	--
(I) Basic earnings per share	0.0088	-0.0032
(II) Diluted earnings per share	0.0088	-0.0032
VI. Other comprehensive income		
VII. Total comprehensive income	1,946,314.18	-712,169.78

Legal representative: Zheng Kanghao

Person-in-charge of the accounting work: Chen Xiaohai

Chief of the accounting division: Xu Xiaoyun

5. Consolidate cash flow statement

Prepared by Shenzhen International Enterprise Co., Ltd.

Unit: RMB Yuan

Item	Jan.-Mar. 2014	Jan.-Mar. 2013
I. Cash flows from operating activities:		
Cash received from sale of commodities and rendering of service	8,524,545.02	7,928,385.65
Net increase of deposits from customers and dues from banks		
Net increase of loans from the central bank		
Net increase of funds borrowed from other financial institutions		
Cash received from premium of original insurance contracts		
Net cash received from reinsurance business		
Net increase of deposits of policy holders and investment fund		
Net increase of disposal of tradable financial assets		
Cash received from interest, handling charges and commissions		
Net increase of intra-group borrowings		
Net increase of funds in repurchase business		
Tax refunds received		
Other cash received relating to operating activities	9,993,071.81	4,372,315.80
Subtotal of cash inflows from operating activities	18,517,616.83	12,300,701.45
Cash paid for goods and services	216,776,656.94	24,673,026.00
Net increase of customer lendings and advances		
Net increase of funds deposited in the central bank and amount due from banks		

Cash for paying claims of the original insurance contracts		
Cash for paying interest, handling charges and commissions		
Cash for paying policy dividends		
Cash paid to and for employees	15,765,099.03	12,982,587.37
Various taxes paid	2,217,460.09	1,212,919.30
Other cash payment relating to operating activities	25,224,126.63	27,912,055.04
Subtotal of cash outflows from operating activities	259,983,342.69	66,780,587.71
Net cash flows from operating activities	-241,465,725.86	-54,479,886.26
II. Cash flows from investing activities:		
Cash received from withdrawal of investments		
Cash received from return on investments		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		
Net cash received from disposal of subsidiaries or other business units		
Other cash received relating to investing activities		
Subtotal of cash inflows from investing activities		
Cash paid to acquire fixed assets, intangible assets and other long-term assets	30,114,209.42	
Cash paid for investment		
Net increase of pledged loans		
Net cash paid to acquire subsidiaries and other business units		
Other cash payments relating to investing activities		
Subtotal of cash outflows from investing activities	30,114,209.42	
Net cash flows from investing activities	-30,114,209.42	

III. Cash Flows from Financing Activities:		
Cash received from capital contributions		
Including: Cash received from minority shareholder investments by subsidiaries		
Cash received from borrowings	2,278,160,000.00	105,250,000.00
Cash received from issuance of bonds		
Other cash received relating to financing activities		
Subtotal of cash inflows from financing activities	2,278,160,000.00	105,250,000.00
Repayment of borrowings	755,710,000.00	12,320,000.00
Cash paid for interest expenses and distribution of dividends or profit	47,017,924.98	40,272,182.75
Including: dividends or profit paid by subsidiaries to minority shareholders		
Other cash payments relating to financing activities		
Sub-total of cash outflows from financing activities	802,727,924.98	52,592,182.75
Net cash flows from financing activities	1,475,432,075.02	52,657,817.25
IV. Effect of foreign exchange rate changes on cash and cash equivalents	147.30	-0.10
V. Net increase in cash and cash equivalents	1,203,852,287.04	-1,822,069.11
Add: Opening balance of cash and cash equivalents	4,965,463.67	4,644,946.98
VI. Closing balance of cash and cash equivalents	1,208,817,750.71	2,822,877.87

Legal representative: Zheng Kanghao

Person-in-charge of the accounting work: Chen Xiaohai

Chief of the accounting division: Xu Xiaoyun

6. Cash flow statement of the Company

Prepared by Shenzhen International Enterprise Co., Ltd.

Unit: RMB Yuan

Item	Jan.-Mar. 2014	Jan.-Mar. 2013
I. Cash flows from operating activities:		
Cash received from sale of commodities and rendering of service	13,600.00	2,000.00
Tax refunds received		
Other cash received relating to operating activities	33,202,038.82	11,887,357.89
Subtotal of cash inflows from operating activities	33,215,638.82	11,889,357.89
Cash paid for goods and services		
Cash paid to and for employees	5,047,532.14	5,834,180.98
Various taxes paid	318,508.05	56,166.22
Other cash payment relating to operating activities	28,159,829.49	5,960,349.19
Subtotal of cash outflows from operating activities	33,525,869.68	11,850,696.39
Net cash flows from operating activities	-310,230.86	38,661.50
II. Cash flows from investing activities:		
Cash received from retraction of investments		
Cash received from return on investments		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		
Net cash received from disposal of subsidiaries or other business units		
Other cash received relating to investing activities		
Subtotal of cash inflows from investing activities		
Cash paid to acquire fixed assets, intangible assets and other long-term assets		
Cash paid for investment		
Net cash paid to acquire subsidiaries and other business units		

Other cash payments relating to investing activities		
Subtotal of cash outflows from investing activities		
Net cash flows from investing activities		
III. Cash Flows from Financing Activities:		
Cash received from capital contributions		
Cash received from borrowings		
Cash received from issuance of bonds		
Other cash received relating to financing activities		
Subtotal of cash inflows from financing activities		
Repayment of borrowings		
Cash paid for interest expenses and distribution of dividends or profit		
Other cash payments relating to financing activities		
Sub-total of cash outflows from financing activities		
Net cash flows from financing activities		
IV. Effect of foreign exchange rate changes on cash and cash equivalents	144.73	
V. Net increase in cash and cash equivalents	-310,086.13	38,661.50
Add: Opening balance of cash and cash equivalents	1,199,483.66	126,929.23
VI. Closing balance of cash and cash equivalents	889,397.53	165,590.73

Legal representative: Zheng Kanghao

Person-in-charge of the accounting work: Chen Xiaohai

Chief of the accounting division: Xu Xiaoyun

II. Audit report

Is this report audited?

☐ Yes ☒ No

This report is not audited.