



Guangdong Electric Power Development Co., Ltd.

The First Quarterly Report 2018

April 2018

I Important notes

The Board of Directors, the Supervisory Committee, the directors, the supervisors, and executives of the Company guarantee that there are no significant omissions, fictitious or misleading statements carried in the Quarterly Report and we will accept individual and joint responsibilities for the truthfulness, accuracy and completeness of the Quarterly Report.

All the directors attended the board meeting for reviewing the first quarterly report except the follows:

| The name of director who did not attend the meeting in person | Positions | Reason | The name of director who was authorized |
|---|-----------|-----------------|---|
| Zhou Xi'an | Director | Due to business | Rao Subo |
| Zhang Xueqiu | Director | Due to business | Ma Xiaoqian |

Mr. Huang Zhenhai, Person in charge of the Company, Mr.Liu Wei , Person in charge of accounting works, Mr.Meng Fei ,CFO as well as person in charge of accounting institution represent and warrant the financial and accounting report in the first quarterly report is true and complete.

II. Basic Information of the Company

I. Main accounting data and financial Index

Whether it has retroactive adjustment or re-statement on previous accounting data for accounting policy changed and accounting error correction or not.

☐ Yes ☒ No

| | This period | Same period of last year | Changes of this period over same period of last year (%) |
|--|--------------------|--------------------------|---|
| Operating income (RMB) | 5,812,535,688 | 5,554,665,288 | 4.64% |
| Net profit attributable to the shareholders of the listed company (RMB) | 5,745,879 | -115,409,510 | 104.98% |
| Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company (RMB) | 4,330,364 | -125,128,941 | 103.46% |
| Cash flow generated by business operation, net (RMB) | 1,540,043,756 | 475,755,783 | 223.70% |
| Basic earning per share(RMB/Share) | 0.001 | -0.022 | 104.55% |
| Diluted gains per share(RMB/Share)(RMB/Share) | 0.001 | -0.022 | 104.55% |
| Weighted average return on equity (%) | 0.02% | -0.49% | 0.51% |
| | End of this period | End of last period | Changes of this period-end over same period-end of last year(%) |
| Gross assets (RMB) | 70,852,027,159 | 71,007,415,323 | -0.22% |
| Net assets attributable to the shareholders of the listed company (RMB) | 23,694,287,612 | 23,695,190,653 | 0 % |

Items and amount of non-current gains and losses

√ Applicable □ Not applicable

In RMB

| Items | Amount (Year-beginning to the end of the report period.) | Notes |
|--|--|-------|
| Non-current asset disposal gain/loss(including the write-off part for which assets impairment provision is made) | -74,138 | |
| Government subsidy recognized in current gain and loss(excluding those closely related to the Company's business and granted under the state's policies) | 851,696 | |
| Other non-operating income and expenditure except for the aforementioned items | 3,095,397 | |
| Less: Amount of influence of income tax | 1,668,627 | |
| Influenced amount of minor shareholders' equity (after tax) | 788,813 | |
| Total | 1,415,515 | -- |

For the Company's non-recurring gain/loss items as defined in the Explanatory Announcement No.1 on information disclosure for Companies Offering their Securities to the Public-Non-recurring Gains and Losses and its non-recurring gain/loss items as illustrated in the Explanatory Announcement No.1 on information Disclosure for Companies offering their securities to the public-non-recurring Gains and losses which have been defined as recurring gains and losses, it is necessary to explain the reason.

□ Applicable √ Not applicable

None of Non-recurring gain /loss items recognized as recurring gain /loss/items as defined by the information disclosure explanatory Announcement No.1- Non –recurring gain/loss in the report period.

II. Total number of shareholders at the period-end and shareholdings of top 10 shareholders

1. About Total Common Shareholders, Total Preference Shareholders with the Voting Power Recovered and the Shares Held by Top Ten Common Shareholders

In shares

| Total number of common shareholders at the period-end | 99,743 | Total preference shareholders with the voting power recovered at the end of the reporting period(if any) | 0 | | | |
|---|--|--|---------------|---|----------------------|----------|
| Shares held by the top 10 shareholders | | | | | | |
| Shareholder name | Properties of shareholder | Share proportion % | Quantity | Amount of tradable shares with Conditional held | Pledging or freezing | |
| | | | | | Status of the shares | Quantity |
| Guangdong Yudean Group Co., Ltd. | State-owned legal person | 67.39% | 3,538,005,285 | 1,893,342,621 | | |
| China Securities Finance Co., Ltd. | State-owned legal person | 2.78% | 145,748,980 | | | |
| Shenzhen Guangfa Electric Power Investment Co., Ltd. | State-owned legal person | 2.22% | 116,693,602 | | | |
| Guangdong Electric Power Development Corporation | State-owned legal person | 1.80% | 94,367,341 | | | |
| Harbin Daoli District Charity Foundation | Domestic Non-State owned legal person | 0.79% | 41,633,830 | | | |
| Li Zhuo | Domestic Natural person | 0.60% | 31,745,043 | | | |
| National Social Security Fund 103 portfolio | Domestic Non-State owned legal person | 0.48% | 24,994,982 | | | |
| Harbin Hali Industry Co., Ltd. | Domestic Non-State owned legal person | 0.42% | 22,068,565 | | | |
| Zheng Jianqun | Domestic Natural person | 0.41% | 21,681,998 | | | |
| CHINA INT'L CAPITAL CORP HONG KONG SECURITIES LTD | Overseas Legal person | 0.29% | 15,316,067 | | | |
| Shares held by the Top 10 Shareholders of Non-restricted shares | | | | | | |
| Shareholders' Names | Number of the non-restricted shares held | Share type | | | | |
| | | Share type | Quantity | | | |
| Guangdong Yudean Group Co., Ltd. | 1,644,662,664 | RMB Common shares | | | | |
| China Securities Finance Co., Ltd. | 145,748,980 | RMB Common shares | | | | |
| Shenzhen Guangfa Electric Power Investment Co., Ltd. | 116,693,602 | RMB Common shares | | | | |
| Guangdong Electric Power Development Corporation | 94,367,341 | RMB Common shares | | | | |
| Harbin Daoli District Charity Foundation | 41,633,830 | RMB Common shares | | | | |
| Li Zhuo | 31,745,043 | RMB Common shares | | | | |
| National Social Security Fund 103 portfolio | 24,994,982 | RMB Common shares | | | | |
| Harbin Hali Industry Co., Ltd. | 22,068,565 | RMB Common shares | | | | |
| Zheng Jianqun | 21,681,998 | Foreign shares placed in domestic exchange | | | | |

| | | | |
|---|--|--|--|
| CHINA INT'L CAPITAL CORP HONG KONG SECURITIES LTD | 15,316,067 | Foreign shares placed in domestic exchange | |
| Explanation on associated relationship or concerted action of the above shareholders | The fourth largest shareholder Guangdong Electric Power Development Corporation is the wholly-owned subsidiaries of the largest shareholder Yudean Group. These two companies have relationships; whether the other shareholders have relationships or unanimous acting was unknown. | | |
| Note to the top 10 common stockholders involved in margin financing & securities lending (If any) | <p>The Fifth largest shareholder Harbin Daoli District Charity Foundation holds 535,016 A shares of the Company through stock account with credit transaction and guarantee and holds 41,098,814 A shares through ordinary stock account, hold 41,633,830 shares of the Company's stock totally.</p> <p>The Sixth largest shareholder Li Zhuo holds 237,720 A shares of the Company through stock account with credit transaction and guarantee and holds 31,507,323 A shares through ordinary stock account, hold 31,745,043 shares of the Company's stock totally.</p> <p>The Eighth largest shareholder Harbin Hali Industry Co., Ltd. holds 1,125,920 A shares of the Company through stock account with credit transaction and guarantee and holds 20,942,645 A shares through ordinary stock account, hold 22,068,565 shares of the Company's stock totally.</p> | | |

Whether top ten common shareholders or top ten common shareholders with un-restrict shares held have a buy-back agreement dealing in reporting period.

☐ Yes ☒ No

The top ten common shareholders or top ten common shareholders with un-restrict shares held of the Company have no buy –back agreement dealing in reporting period.

2.Total number of preferred shareholders and shareholding of top 10 preferred shareholders by the end of the report period

☐ Applicable ☒ Not applicable

III. Significant Events

I. Particular about large-margin change of main accounting statement item and financial index and its reason.

√ Applicable ☐ Not applicable

During the reporting period, the company realized a net profit attributable to shareholders of the parent company of RMB 5.75 million, representing a profit turnaround compared to the last year. The reason mainly was that the demand for electricity in the society in the first quarter of 2018 went up, the company's on-grid electricity increased and the profitability of joint ventures and associates was relatively good, resulted in a turnaround in operating performance; however, because of the high coal prices, the cost of fuel for power generation was high, which lead to that the company's operating performance was at a small profit level.

II. The progress of significant events and influence, as well as the analysis and explanation on resolving proposal.

√ Applicable ☐ Not applicable

1. During the reporting period, according to Guangdong Yudean Group Co., Ltd (hereinafter referred to as "Yudean Group") "Statement on the implementation of the commitment", the Company and Yudean Group signed the Equity Right Entrustment Agreement, stipulating that Yudean Group entrusted the shareholder's rights excluding the ownership, earnings right and right of disposition of the 29 underlying companies including Zhuhai SEZ Guangzhu Power Generation Co., Ltd to the Company.

2. In the reporting period, the company received the "Letter of Issuing the Work Plan of the Decommissioning of Shajiao Power Plant and the Alternative Power Supply Construction by Guangdong Development and Reform Commission" (No. 578-2018 Yue Development and Reform Commission Doc.) (hereinafter referred to as "the Work Plan"). The Work Plan stated: By the end of 2025, the decommissioning of all 10 units in Shajiao Power Plant will be completed step by step, the alternative power source will be constructed in appropriate locations, and the corresponding power grid reconstruction and the staff placement will be well completed." Five of the 10 units mentioned above in Shajiao Power Plant are owned by Shajiao A Power Plant, a branch of the Company. According to the Work Plan, Shajiao A Power Plant No. 1 unit will be shut down before the end of 2019, and No. 2 unit and No. 3 unit will be shut down before the end of 2020, and No. 4 unit and No. 5 unit will be shut down before the end of 2023. At present, the related issues, such as the decommissioning implementation plan, the alternative power supply construction plan, the supporting grid reconstruction plan and staff placement and the land development, are still in the process of research and formulation, of which the final impact on the company is still relatively uncertain, yet the Company will make timely disclosure based on the follow-up progress.

3. In the reporting period, the Company completed the repurchase of part of the "Yudean Bonds" and the interest payment work of 2018 for the remaining corporate bonds. The number of put-back of "12 Yudean Bonds" was 11,596,935 and the repurchase amount was RMB 1,217,087,933.25 (including interests), with that the remaining number of bonds in trust was 403,065.

| Announcement | Date of disclosure | Website for disclosure |
|---|--------------------|---|
| Announcement on the Controlling Shareholder's Commitment to Perform the Related Matters | January 3, 2018 | http://www.cninfo.com.cn . |
| Announcement on Related Transaction with Guangdong Yudean Group | January 13, 2018 | http://www.cninfo.com.cn . |

| | | |
|---|-----------------|---|
| Co., Ltd. Signing of the Energy Entrusting trusteeship Agreement | | |
| Announcement on Receiving the Letter of Guangdong Provincial Development and Reform Commission on Printing Work Plan for Retirement and Alternative Power Construction of Shajiao Power Plant | February 9,2018 | http://www.cninfo.com.cn . |
| Announcement of Concerning Payment of Corporate “12 Yudean Bonds” Interest of 2018 | March 13,2018 | http://www.cninfo.com.cn . |
| Announcement on the Resale Results of Corporate Bonds “12 Yudean Bonds” | March 17,2018 | http://www.cninfo.com.cn . |

III. Commitments finished in implementation by the Company, shareholders, actual controller, acquirer, directors, supervisors, senior executives or other related parties in the reporting period and commitments unfinished in implementation at the end of the reporting period

☐ Applicable ☒ Not applicable

No such cases in the reporting period.

IV. Prediction of Business performance for January- June 2017

Estimation of accumulative net profit from the beginning of the year to the end of next report period to be loss probably or the warning of its material change compared with the corresponding period of the last year and explanation of reason.

☐ Applicable ☒ Not applicable

V. Securities investment

☒ Applicable ☐ Not applicable

| Security category | Stock Code | Stock Abbreviation | Initial investment cost(RMB) | Number of shares held at the beginning of the reporting period(shares) | Shareholding proportion at the beginning of the reporting period(%) | Number of shares held at the end of the reporting period (shares) | Shareholding proportion at the end of the reporting period(%) | Book balance at the end of the reporting period (RMB) | Gain, loss of the reporting period (RMB) | Accounting items | Sauce of the shares |
|--|------------|--------------------|------------------------------|--|---|---|---|---|--|--------------------------------------|---------------------|
| Stock | 600642 | Shenergy | 235,837,988 | 55,532,250 | 1.22% | 55,532,250 | 1.22% | 319,865,760 | 0 | Financial assets available for sales | Transferee |
| Stock | 000027 | Shenzhen Energy | 15,890,628 | 12,600,000 | 0.32% | 12,600,000 | 0.32% | 73,584,000 | 0 | Financial assets available for sales | Issue obtain |
| Stock | 831039 | NEEQ | 3,600,000 | 1,800,000 | 1.29% | 1,800,000 | 1.29% | 6,678,000 | 0 | Financial assets available for sales | Establishment |
| Total | | | 255,328,616 | 69,932,250 | 255,328,616 | 69,932,250 | -- | 69,932,250 | -- | 400,127,760 | 0 |
| Disclosure date for the notice of approval by the Board (If any) | | | | | | | | | | | |
| Disclosure date for the notice of approval by shareholders' Meeting (If any) | | | | | | | | | | | |

VI. Investment in derivatives

☐ Applicable ☒ Not applicable

No such cases in the reporting period.

VII. Registration form of such Activities as Reception, Research, Communication, Interview in the Reporting Period

☐ Applicable ☒ Not applicable

No such cases in the reporting period.

VIII. External guarantee get out of line

☐ Applicable ☒ Not applicable

No such cases in the reporting period.

IX. Controlling shareholder and its related parties occupying non-business capital of the listed company

☐ Applicable ☒ Not applicable

No such cases in the reporting period.

IV. Financial Statement

I. Financial statement

1. Consolidated balance sheet

Prepared by: Guangdong Electric Power Development Co., Ltd.

In RMB

| Items | At the end of term | Beginning of term |
|---|--------------------|-------------------|
| Current asset: | | |
| Cash and bank balances | 4,449,939,409 | 4,996,580,490 |
| Settlement provision | | |
| Outgoing call loan | | |
| Financial assets at fair value through profit or loss | | |
| Derivative financial assets | | |
| Notes receivable | | |
| Account receivable | 2,777,704,159 | 2,826,237,259 |
| Advance payments | 976,214,046 | 826,786,279 |
| Insurance receivable | | |
| Reinsurance receivable | | |
| Provisions of Reinsurance contracts receivable | | |
| Interest receivable | 22,598,976 | 14,923,771 |
| Dividend receivable | | |
| Other account receivable | 163,537,647 | 208,907,993 |
| Securities purchased under agreements to resell | | |
| Inventories | 2,324,768,911 | 1,527,634,773 |
| Held-for-sale assets | | |
| Current portion of non-current assets | | 29,563,053 |
| Other current asset | 1,030,241,176 | 1,137,582,469 |
| Total of current assets | 11,745,004,324 | 11,568,216,087 |
| Non-current assets: | | |
| Loans and advances | | |
| Available-for-sale financial assets | 1,234,768,760 | 1,243,633,985 |
| Held-to-maturity investments | | |
| Long-term receivable | 85,017,590 | 84,358,065 |
| Long term share equity investment | 5,912,779,071 | 5,801,006,412 |
| Property investment | 8,137,740 | 8,296,639 |
| Fixed assets | 40,311,020,293 | 40,996,206,316 |
| Construction in progress | 8,747,606,223 | 8,467,687,340 |
| Engineering material | 5,588,696 | 35,869,033 |
| Fixed assets pending for disposal | 29,044,758 | 14,662,233 |
| Productive biological assets | | |
| Gas & petrol | | |
| Intangible assets | 1,653,100,455 | 1,665,784,490 |
| Research and Development Expenditures | | |
| Goodwill | 27,486,780 | 27,486,780 |
| Long-term prepaid expenses | 26,395,522 | 27,007,371 |
| Deferred income tax | 417,570,205 | 372,553,039 |
| Other non-current asset | 648,506,742 | 694,647,533 |

| | | |
|---|----------------|----------------|
| Total of non-current assets | 59,107,022,835 | 59,439,199,236 |
| Total of assets | 70,852,027,159 | 71,007,415,323 |
| Current liabilities | | |
| Short-term bank loan facilities | 9,550,000,000 | 9,270,000,000 |
| Borrowings from central bank | | |
| Deposits and placements from other financial institutions | | |
| Placement from banks and other financial institution | | |
| Financial liabilities at fair value through profit and loss | | |
| Derivative financial liabilities | | |
| Notes payable | 379,154,349 | 297,611,800 |
| Account payable | 3,348,763,049 | 2,219,027,261 |
| Advances from customers | 276,713 | 1,938,223 |
| Securities sold under agreement to repurchase | | |
| Fees and commissions payable | | |
| Payroll payable | 183,564,028 | 157,738,628 |
| Taxes and surcharges payable | 94,725,607 | 277,285,402 |
| Interest payable | 100,067,768 | 98,553,104 |
| Dividend payable | 9,703,930 | 9,703,930 |
| Other payable | 3,704,603,737 | 3,908,512,671 |
| Reinsurance amounts payable | | |
| Provision of insurance contract | | |
| Securities brokering | | |
| Securities underwriting | | |
| Held-for-sale liabilities | | |
| Current portion of non-current liabilities | 2,127,883,462 | 3,012,690,360 |
| Other current liability | 56,659,205 | |
| Total of current liability | 19,555,401,848 | 19,253,061,379 |
| Non-current liabilities: | | |
| Long-term bank loan facilities | 19,205,618,292 | 19,465,723,869 |
| Bond payable | 736,770,042 | 698,168,211 |
| Including: preferred stock | | |
| Perpetual capital securities | | |
| Long-term payable | 1,487,690,049 | 1,548,259,241 |
| Long-term employee benefits payable | 84,237,719 | 91,622,907 |
| Grants payable | 64,275,954 | 64,605,011 |
| Provisions | | |
| Deferred income | 142,520,262 | 142,520,263 |
| Deferred tax liabilities | 23,994,623 | 24,188,860 |
| Other non-current liabilities | 20,405,569 | 16,405,569 |
| Total non-current liabilities | 21,765,512,510 | 22,051,493,931 |
| Total of liability | 41,320,914,358 | 41,304,555,310 |
| Equity | | |
| Share capital | 5,250,283,986 | 5,250,283,986 |
| Other equity instrument | | |
| Including: preferred stock | | |
| Perpetual capital securities | | |
| Reserves | 5,004,250,685 | 5,004,250,685 |
| Less: treasury shares | | |
| Other comprehensive income | 130,352,605 | 137,001,523 |
| Specialized reserve | | |
| Surplus reserves | 7,590,363,724 | 7,590,363,724 |

| | | |
|--|----------------|----------------|
| General risk reserve | | |
| Retained earnings | 5,719,036,612 | 5,713,290,735 |
| Equity contributable to parent company | 23,694,287,612 | 23,695,190,653 |
| Minority interests | 5,836,825,189 | 6,007,669,360 |
| Total equity | 29,531,112,801 | 29,702,860,013 |
| Total liabilities and equity | 70,852,027,159 | 71,007,415,323 |

Legal Representative: Huang Zhenhai Person in charge of accounting: Liu Wei Accounting Dept Leader: Meng Fei

2. Parent Company Balance Sheet

In RMB

| Items | Year-end balance | Year-beginning balance |
|---|------------------|------------------------|
| Current asset: | | |
| Cash and bank balances | 243,706,011 | 429,724,538 |
| Financial assets at fair value through profit or loss | | |
| Derivative financial assets | | |
| Notes receivable | | |
| Account receivable | 207,244,177 | 195,462,150 |
| Advance payments | 57,222,822 | 57,189,222 |
| Interest receivable | 3,082,612 | 1,698,504 |
| Dividend receivable | 11,536,791 | 17,536,791 |
| Other receivable | 11,215,680 | 27,984,304 |
| Inventories | 150,144,924 | 151,849,683 |
| Held-for-sale assets | | |
| Current portion of non-current assets | | |
| Other current asset | | |
| Total of current assets | 684,153,017 | 881,445,192 |
| Non-current assets: | | |
| Available-for-sale financial assets | 1,234,768,760 | 1,243,633,985 |
| Held-to-maturity investments | | |
| Long-term receivable | 401,460,000 | 401,460,000 |
| Long term share equity investment | 23,296,783,329 | 23,370,412,702 |
| Property investment | 8,137,740 | 8,296,639 |
| Fixed assets | 1,027,316,485 | 1,054,459,265 |
| Construction in progress | 74,465,838 | 49,949,168 |
| Engineering material | | |
| Fixed assets pending for disposal | 132,629 | |
| Productive biological assets | | |
| Gas & petrol | | |
| Intangible assets | 87,706,111 | 88,660,312 |
| Research and Development Expenditures | | |
| Goodwill | | |
| Long-term prepaid expenses | | |
| Deferred income tax | 58,034,880 | 43,591,562 |
| Other non-current asset | 356,004,000 | 356,004,000 |
| Total of non-current assets | 26,544,809,772 | 26,616,467,633 |
| Total of assets | 27,228,962,789 | 27,497,912,825 |
| Current liabilities | | |
| Short-term bank loan facilities | 2,630,000,000 | 1,700,000,000 |
| Financial liabilities at fair value through profit and loss | | |

| | | |
|--|----------------|----------------|
| Derivative financial liabilities | | |
| Notes payable | | |
| Account payable | 105,944,113 | 221,325,935 |
| Advances from customers | | |
| Payroll payable | 31,741,206 | 32,124,015 |
| Tax payable | 22,404,617 | 38,907,195 |
| Interest payable | 8,599,890 | 49,765,772 |
| Dividend payable | 9,703,930 | 9,703,930 |
| Other payable | 107,452,931 | 119,738,967 |
| Held-for-sale liabilities | | |
| Current portion of non-current liabilities | | 1,197,935,476 |
| Other current liability | | |
| Total of current liability | 2,915,846,687 | 3,369,501,290 |
| Non-current liabilities: | | |
| Long-term bank loan facilities | 1,500,000,000 | 1,500,000,000 |
| Bond payable | 38,480,190 | |
| Including: preferred stock | | |
| Perpetual capital securities | | |
| Long-term payable | | |
| Long-term employee benefits payable | 21,524,778 | 22,265,631 |
| Grants payable | 8,775,514 | 8,775,514 |
| Provisions | | |
| Deferred income | 53,869,596 | 53,869,596 |
| Deferred income tax | | |
| Other non-current liabilities | | |
| Total of Non-current liabilities | 1,622,650,078 | 1,584,910,741 |
| Total of liability | 4,538,496,765 | 4,954,412,031 |
| Equity | | |
| Share capital | 5,250,283,986 | 5,250,283,986 |
| Other equity instrument | | |
| Including: preferred stock | | |
| Perpetual capital securities | | |
| Reserves | 5,605,794,603 | 5,605,794,601 |
| Less: treasury shares | | |
| Other comprehensive income | 130,352,605 | 137,001,523 |
| Specialized reserve | | |
| Surplus reserves | 7,590,363,724 | 7,590,363,724 |
| Retained earnings | 4,113,671,106 | 3,960,056,960 |
| Total equity | 22,690,466,024 | 22,543,500,794 |
| Total liabilities and equity | 27,228,962,789 | 27,497,912,825 |

3.Consolidated Income statement

In RMB

| Items | Amount in this period | Amount in last period |
|-----------------------------|-----------------------|-----------------------|
| I. Revenue | 5,812,535,688 | 5,554,665,288 |
| Including: business revenue | 5,812,535,688 | 5,554,665,288 |
| Interest income | | |
| Premiums earned | | |
| Fees and commissions income | | |
| II. Total operating cost | 5,861,825,692 | 5,731,755,826 |
| Including: Cost of sales | 5,380,318,561 | 5,232,107,151 |
| Interest expense | | |

| | | |
|--|-------------|--------------|
| Fees and commissions expense | | |
| Cash surrender amount | | |
| Net expenses of claim settlement | | |
| Net provisions for insurance contract reserves | | |
| Policy dividend expenses | | |
| Reinsurance expenses | | |
| Business taxes and surcharges | 34,361,198 | 46,883,420 |
| Selling expenses | 4,817,203 | 1,128,943 |
| Administrative expense | 134,383,821 | 135,333,767 |
| Financial expenses | 307,944,909 | 316,302,545 |
| Impairment loss on assets | | |
| Add: Gain from fair-value changes("“for loss) | | |
| Investment income("“for loss) | 116,815,302 | 71,376,143 |
| Including: investment income from associates and joint ventures | | |
| Gain on foreign exchange("“for loss) | | |
| Assets disposition income | 30,809 | 902,715 |
| Other income | 2,894,673 | |
| III. Operating profit ("“for loss) | 70,450,780 | -104,811,680 |
| Add:Non-operating income | 3,679,083 | 14,694,439 |
| Less: Non business expenses | 1,189,871 | 2,489,993 |
| IV. Total Profit("“for loss) | 72,939,992 | -92,607,234 |
| Less: Income tax expense | 9,063,824 | 25,738,798 |
| V. Net profit ("“for net loss) | 63,876,168 | -118,346,032 |
| (I) Continuous operation net profit | 63,876,168 | -118,346,032 |
| (II) Discontinued operation net profit | | |
| Net profit attributable to the owners of parent company | 5,745,879 | -115,409,510 |
| Minority interests | 58,130,289 | -2,936,522 |
| VI. Other comprehensive income after tax | -6,648,919 | 18,875,683 |
| Net of profit of other comprehensive income attributable to owners of the parent company | -6,648,919 | 18,875,683 |
| (I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period | | |
| 1.Re-measurement of defined benefit plans of changes in net debt or net assets | | |
| 2.Other comprehensive income under the equity method investee can not be reclassified into profit or loss. | | |
| (II) | | |
| Other comprehensive income that will be reclassified into profit or loss. | -6,648,919 | 18,875,683 |
| 1.Other comprehensive income under the equity method investee can be reclassified into profit or loss. | | |
| 2.Gains and losses from changes in fair value available for sale financial assets | -6,648,919 | 18,875,683 |
| 3.Held-to-maturity investments reclassified to gains and losses of available for sale financial assets | | |

| | | |
|---|------------|-------------|
| 4.The effective portion of cash flow hedges and losses | | |
| 5.Translation differences in currency financial statements | | |
| 6.Other | | |
| Net after-tax of other comprehensive income attributable to Minority shareholders' equity | | |
| VII. Total comprehensive income | 57,227,249 | -99,470,349 |
| Total comprehensive income attributable to the owner of the parent company | -903,040 | -96,533,827 |
| Total comprehensive income attributable minority shareholders | 58,130,289 | -2,936,522 |
| VIII. Earnings per share | | |
| (I) Basic earnings per share | 0.001 | -0.022 |
| (II) Diluted earnings per share | 0.001 | -0.022 |

The current business combination under common control, the net profits of the combined party before achieved net profit of RMB 0 , last period the combined party realized RMB0 .

Legal Representative: Huang Zhenhai Person in charge of accounting: Li u Wei Accounting Dept Leader: Meng Fei

4.Income statement of the Parent Company

In RMB

| Items | Amount in this period | Amount in last period |
|--|-----------------------|-----------------------|
| I.Revenue | 465,311,491 | 380,801,562 |
| Less: Business cost | 449,858,137 | 381,038,604 |
| Business tax and surcharge | 1,821,322 | 465,610 |
| Selling expenses | 437,911 | 3,062 |
| Administrative expense | 18,828,427 | 19,688,793 |
| Financial expenses | 47,457,181 | 47,038,961 |
| Impairment loss on assets | | |
| Add: Gain from fair-value changes("“-“for loss) | | |
| Investment income("“-“for loss) | 195,076,685 | 75,921,316 |
| Including: investment income from associates and joint ventures | 114,290,630 | 71,376,143 |
| Assets disposition income | -32,933 | |
| Other income | | |
| II. Operational profit (“-“for loss) | 141,952,265 | 8,487,848 |
| Add:Non-operating income | 27,610 | 9,551,560 |
| Less:Non-operating expenses | 592,734 | 133,371 |
| III.Total profit | 141,387,141 | 17,906,037 |
| Less: Income tax expense | -12,227,011 | -13,367,526 |
| IV. Net profit (“-“for net loss) | 153,614,152 | 31,273,563 |
| (I) Continuous operation net profit | 153,614,152 | 31,273,563 |
| (II) Discontinued operation net profit | | |
| V.Net of profit of other comprehensive income | -6,648,919 | 18,875,683 |
| (I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period | | |

| | | |
|--|-------------|------------|
| 1.Re-measurement of defined benefit plans of changes in net debt or net assets | | |
| 2.Other comprehensive income under the equity method investee can not be reclassified into profit or loss. | | |
| (II) Other comprehensive income that will be reclassified into profit or loss. | -6,648,919 | 18,875,683 |
| 1.Other comprehensive income under the equity method investee can be reclassified into profit or loss. | | |
| 2.Gains and losses from changes in fair value available for sale financial assets | -6,648,919 | 18,875,683 |
| 3.Held-to-maturity investments reclassified to gains and losses of available for sale financial assets | | |
| 4.The effective portion of cash flow hedges and losses | | |
| 5.Translation differences in currency financial statements | | |
| 6.Other | | |
| VI. Total comprehensive income | 146,965,233 | 50,149,246 |
| VII. Earnings per share: | | |
| (I) Basic earnings per share | | |
| (II)Diluted earnings per share | | |

5. Consolidated cash flow statement

In RMB

| Items | Amount in this period | Amount in last period |
|---|-----------------------|-----------------------|
| I.Cash flows from operating activities | | |
| Cash received from sales of goods or rendering of services | 6,909,344,782 | 6,534,220,810 |
| Net increase of customer deposits and capital kept for brother company | | |
| Net increase of loans from central bank | | |
| Net increase of inter-bank loans from other financial bodies | | |
| Cash received against original insurance contract | | |
| Net cash received from reinsurance business | | |
| Net increase of client deposit and investment | | |
| Net increase of the financial assets that are measured at fair value and whose movement is counted to the current gain and loss | | |
| Cash received as interest, processing fee and commission | | |
| Net increase of inter-bank fund received | | |
| Net increase of repurchasing business | | |
| Tax returned | 4,180,540 | 232,947 |
| Other cash received from business | 102,634,309 | 38,308,102 |

| | | |
|---|---------------|---------------|
| operation | | |
| Sub-total of cash inflow | 7,016,159,631 | 6,572,761,859 |
| Cash paid for purchasing of merchandise and services | 4,669,079,682 | 5,217,883,087 |
| Net increase of client trade and advance | | |
| Net increase of savings in central bank and brother company | | |
| Cash paid for original contract claim | | |
| Cash paid for interest, processing fee and commission | | |
| Cash paid for policy dividend | | |
| Cash paid to staffs or paid for staffs | 376,566,617 | 354,132,647 |
| Taxes paid | 309,033,731 | 361,679,696 |
| Other cash paid for business activities | 121,435,845 | 163,310,646 |
| Sub-total of cash outflow from business activities | 5,476,115,875 | 6,097,006,076 |
| Cash flow generated by business operation, net | 1,540,043,756 | 475,755,783 |
| II. Cash flow generated by investing | | |
| Cash received from investment retrieving | | |
| Cash received as investment gains | | |
| Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets | 10,100 | 1,062,462 |
| Net cash received from disposal of subsidiaries or other operational units | | |
| Other investment-related cash received | | 10,500,000 |
| Sub-total of cash inflow due to investment activities | 10,100 | 11,562,462 |
| Cash paid for construction of fixed assets, intangible assets and other long-term assets | 657,061,177 | 607,704,985 |
| Cash paid as investment | | 125,694 |
| Net increase of loan against pledge | | |
| Net cash received from subsidiaries and other operational units | | |
| Other cash paid for investment activities | | |
| Sub-total of cash outflow due to investment activities | 657,061,177 | 607,830,679 |
| Net cash flow generated by investment | -657,051,077 | -596,268,217 |
| III. Cash flow generated by financing | | |
| Cash received as investment | 4,000,000 | |
| Incl: Cash received as investment from minor shareholders | 4,000,000 | |
| Cash received as loans | 2,446,395,253 | 3,030,404,699 |
| Cash received from bond placing | | |
| Other financing-related cash received | | |
| Sub-total of cash inflow from financing activities | 2,450,395,253 | 3,030,404,699 |
| Cash to repay debts | 3,279,948,065 | 2,972,122,871 |
| Cash paid as dividend, profit, or interests | 462,961,076 | 419,903,293 |
| Incl: Dividend and profit paid by | | |

| | | |
|---|----------------|---------------|
| subsidiaries to minor shareholders | | |
| Other cash paid for financing activities | 137,119,426 | 6,440,107 |
| Sub-total of cash outflow due to financing activities | 3,880,028,567 | 3,398,466,271 |
| Net cash flow generated by financing | -1,429,633,314 | -368,061,572 |
| IV. Influence of exchange rate alternation on cash and cash equivalents | -446 | -86 |
| V. Net increase of cash and cash equivalents | -546,641,081 | -488,574,092 |
| Add: balance of cash and cash equivalents at the beginning of term | 4,996,580,490 | 5,184,873,650 |
| VI. Balance of cash and cash equivalents at the end of term | 4,449,939,409 | 4,696,299,558 |

6. Cash Flow Statement of the Parent company

In RMB

| Items | Amount in this period | Amount in last period |
|---|-----------------------|-----------------------|
| I. Cash flows from operating activities | | |
| Cash received from sales of goods or rendering of services | 543,833,558 | 506,722,273 |
| Tax returned | | 232,947 |
| Other cash received from business operation | 16,238,994 | 4,345,031 |
| Sub-total of cash inflow | 560,072,552 | 511,300,251 |
| Cash paid for purchasing of merchandise and services | 557,730,970 | 662,899,601 |
| Cash paid to staffs or paid for staffs | 72,942,857 | 76,886,841 |
| Taxes paid | 17,395,705 | 9,375,647 |
| Other cash paid for business activities | 21,649,266 | 9,965,255 |
| Sub-total of cash outflow from business activities | 669,718,798 | 759,127,344 |
| Cash flow generated by business operation, net | -109,646,246 | -247,827,093 |
| II. Cash flow generated by investing | | |
| Cash received from investment retrieving | 187,920,000 | 100,000,000 |
| Cash received as investment gains | 85,567,058 | 4,295,833 |
| Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets | 10,100 | |
| Net cash received from disposal of subsidiaries or other operational units | | |
| Other investment-related cash received | | |
| Sub-total of cash inflow due to investment activities | 273,497,158 | 104,295,833 |
| Cash paid for construction of fixed assets, intangible assets and other long-term assets | 29,854,267 | 17,484,290 |
| Cash paid as investment | | 131,602,154 |
| Net cash received from subsidiaries and other operational units | | |
| Other cash paid for investment activities | | |

| | | |
|---|---------------|---------------|
| Sub-total of cash outflow due to investment activities | 29,854,267 | 149,086,444 |
| Net cash flow generated by investment | 243,642,891 | -44,790,611 |
| III.Cash flow generated by financing | | |
| Cash received as investment | | |
| Cash received as loans | 1,930,000,000 | 1,300,000,000 |
| Cash received from bond placing | | |
| Other financing –related ash received | | |
| Sub-total of cash inflow from financing activities | 1,930,000,000 | 1,300,000,000 |
| Cash to repay debts | 2,159,693,500 | 1,000,000,000 |
| Cash paid as dividend, profit, or interests | 90,010,272 | 95,417,563 |
| Other cash paid for financing activities | 310,954 | 38,721 |
| Sub-total of cash outflow due to financing activities | 2,250,014,726 | 1,095,456,284 |
| Net cash flow generated by financing | -320,014,726 | 204,543,716 |
| IV. Influence of exchange rate alternation on cash and cash equivalents | -446 | -86 |
| V.Net increase of cash and cash equivalents | -186,018,527 | -88,074,074 |
| Add: balance of cash and cash equivalents at the beginning of term | 429,724,538 | 326,073,538 |
| VI ...Balance of cash and cash equivalents at the end of term | 243,706,011 | 237,999,464 |

II. Auditor's report

Whether the Q1 report is audited

☐ Yes ☒ No

The Q1 Report is not audited.