

**Shenzhen China Bicycle Company (Holdings) Limited**

**THE THIRD QUARTERLY REPORT FOR 2019**

**October 2019**

## **Section I. Important Notes**

**Board of Directors and the Supervisory Committee of SHENZHEN CHINA BICYCLE COMPANY (HOLDINGS) LIMITED (hereinafter referred to as the Company) and its directors, supervisors and senior executives hereby confirm that there are no any fictitious statements, misleading statements, or important omissions carried in this report, and shall take all responsibilities, individual and/or joint, for the reality, accuracy and completion of the whole contents.**

**All directors of the Company are attended the Meeting for quarterly report deliberation.**

**Principal of the Company Li Hai, Person in Charge of Accounting Works Sun Longlong and Person in Charge of Accounting Organ (Accounting Officer) Zhong Xiaojin hereby confirm that the Financial Report of the Third Quarterly Report is authentic, accurate and complete.**

## Section II. Basic information of Company

### I. Main accounting data and index

Whether it has retroactive adjustment or re-statement on previous accounting data or not

Yes  No

|                                                                                                                    | Current period-end | Period-end of last year                                       | Increase/decrease               |                                                                            |
|--------------------------------------------------------------------------------------------------------------------|--------------------|---------------------------------------------------------------|---------------------------------|----------------------------------------------------------------------------|
| Total assets (RMB)                                                                                                 | 68,575,233.68      | 73,242,960.17                                                 | -6.37%                          |                                                                            |
| Net assets attributable to shareholders of listed company (RMB)                                                    | 14,547,505.53      | 14,306,301.94                                                 | 1.69%                           |                                                                            |
|                                                                                                                    | Current period     | Increase/decrease in comparison with same period of last year | Year-begin to end of the Period | Increase/decrease in comparison with year-begin to Period-end of last year |
| Operating revenue (RMB)                                                                                            | 24,574,484.81      | -26.68%                                                       | 62,848,917.83                   | -37.93%                                                                    |
| Net profit attributable to shareholders of the listed company (RMB)                                                | 1,040,149.76       | 96.06%                                                        | 241,203.59                      | -77.76%                                                                    |
| Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB) | 1,040,149.76       | 196.39%                                                       | 129,759.59                      | -85.12%                                                                    |
| Net cash flow arising from operating activities (RMB)                                                              | --                 | --                                                            | -7,317,672.68                   | -6,087.84%                                                                 |
| Basic earnings per share (RMB/Share)                                                                               | 0.0019             | 90.00%                                                        | 0.0004                          | -80.00%                                                                    |
| Diluted earnings per share (RMB/Share)                                                                             | 0.0019             | 90.00%                                                        | 0.0004                          | -80.00%                                                                    |
| Weighted average ROE                                                                                               | 7.42%              | 4.25%                                                         | 1.67%                           | -4.93%                                                                     |

Items and amount of extraordinary profit (gains)/losses

Applicable  Not applicable

In RMB

| Item                                                                        | Amount from year-begin to end of the Period | Note |
|-----------------------------------------------------------------------------|---------------------------------------------|------|
| Other gains/losses qualify the definition of non-recurring gains and losses | 148,577.00                                  | -    |

|                                                    |            |    |
|----------------------------------------------------|------------|----|
| Less: impact on income tax                         | 37,144.25  | -  |
| Impact on minority shareholders' equity (post-tax) | -11.25     | -  |
| Total                                              | 111,444.00 | -- |

Concerning the extraordinary profit (gain)/loss defined by *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*, and the items defined as recurring profit (gain)/loss according to the lists of extraordinary profit (gain)/loss in *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*, explain reasons

Applicable     Not applicable

In reporting period, the Company has no particular about items defined as recurring profit (gain)/loss according to the lists of extraordinary profit (gain)/loss in *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*.

## II. Statement of the total shareholders and shares-held of top ten shareholders at end of the Period

### 1. Number of common shareholders and preference shareholders with voting rights recovered and top ten common shareholders

In share

| Total number of common shareholders at the end of report period |                                       | 53,992                    |                       | Total preference shareholders with voting rights recovered at end of reporting period (if applicable) |                                | 0      |  |
|-----------------------------------------------------------------|---------------------------------------|---------------------------|-----------------------|-------------------------------------------------------------------------------------------------------|--------------------------------|--------|--|
| Top ten shareholders                                            |                                       |                           |                       |                                                                                                       |                                |        |  |
| Shareholders                                                    | Nature of shareholder                 | Proportion of shares held | Amount of shares held | Amount of restricted shares held                                                                      | Number of share pledged/frozen |        |  |
|                                                                 |                                       |                           |                       |                                                                                                       | State of share                 | Amount |  |
| Shenzhen Guosheng Energy Investment Development Co., Ltd.       | Domestic non-State-owned legal person | 11.52%                    | 63,508,747            | 0                                                                                                     | -                              | -      |  |
| UOB (H.K.) Co., Ltd.                                            | Foreign legal person                  | 2.89%                     | 15,907,850            | 0                                                                                                     | -                              | -      |  |
| Guosen Securities (H.K.) Co., Ltd.                              | Foreign legal person                  | 2.52%                     | 13,909,425            | 0                                                                                                     | -                              | -      |  |
| Shenwan Hongyuan Securities (Hongkong) Co., Ltd.                | Foreign legal person                  | 1.20%                     | 6,626,116             | 0                                                                                                     | -                              | -      |  |

| Li Huili                                                            | Domestic nature person                | 0.71%                              | 3,891,124  | 0 | - | - |
|---------------------------------------------------------------------|---------------------------------------|------------------------------------|------------|---|---|---|
| Xu Hongbo                                                           | Domestic nature person                | 0.58%                              | 3,187,419  | 0 | - | - |
| CMS HK                                                              | State-owned legal person              | 0.54%                              | 2,953,382  | 0 | - | - |
| Special Account for Property Disposal of Bankrupt Enterprise of CBC | Domestic non-State-owned legal person | 0.47%                              | 2,602,402  | 0 | - | - |
| Ge Zhiqiong                                                         | Domestic nature person                | 0.45%                              | 2,486,652  | 0 | - | - |
| Zhuorun Technology Co., Ltd.                                        | Foreign legal person                  | 0.36%                              | 2,000,000  | 0 | - | - |
| Particular about top ten shareholders with un-restrict shares held  |                                       |                                    |            |   |   |   |
| Shareholders                                                        | Amount of un-restrict shares held     | Type of shares                     |            |   |   |   |
|                                                                     |                                       | Type                               | Amount     |   |   |   |
| Shenzhen Guosheng Energy Investment Development Co., Ltd.           | 63,508,747                            | RMB ordinary shares                | 63,508,747 |   |   |   |
| UOB (H.K.) Co., Ltd.                                                | 15,907,850                            | Domestically listed foreign shares | 15,907,850 |   |   |   |
| Guosen Securities (H.K.) Co., Ltd.                                  | 13,909,425                            | Domestically listed foreign shares | 13,909,425 |   |   |   |
| Shenwan Hongyuan Securities (Hongkong) Co., Ltd.                    | 6,626,116                             | Domestically listed foreign shares | 6,626,116  |   |   |   |
| Li Huili                                                            | 3,891,124                             | Domestically listed foreign shares | 3,891,124  |   |   |   |
| Xu Hongbo                                                           | 3,187,419                             | Domestically listed foreign shares | 3,187,419  |   |   |   |
| CMS HK                                                              | 2,953,382                             | Domestically listed foreign shares | 2,953,382  |   |   |   |

|                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                          |                                    |           |
|--------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|-----------|
| Special Account for Property Disposal of Bankrupt Enterprise of CBC                  | 2,602,402                                                                                                                                                                                                                                                                                                                                                                                                | RMB ordinary shares                | 1,383,313 |
|                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                          | Domestically listed foreign shares | 1,219,089 |
| Ge Zhiqiong                                                                          | 2,486,652                                                                                                                                                                                                                                                                                                                                                                                                | Domestically listed foreign shares | 2,486,652 |
| Zhuorun Technology Co., Ltd.                                                         | 2,000,000                                                                                                                                                                                                                                                                                                                                                                                                | RMB ordinary shares                | 2,000,000 |
| Explanation on associated relationship among the aforesaid shareholders              | Li Huili, the spouse of actual controller Ji Hanfei, holding B-share of the Company on behalf of Shenzhen Guosheng Energy Investment Development Co., Ltd., beyond that, the Company has no idea of whether other circulated shareholders belong to concerted action persons ruled in the Administration Norms for Information Disclosure of Change on Shareholding of Shareholders of Listed Companies. |                                    |           |
| Explanation on top ten common shareholders involving margin business (if applicable) | N/A                                                                                                                                                                                                                                                                                                                                                                                                      |                                    |           |

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 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 of shareholders with preferred stock held and the top ten shareholdings

Applicable  Not applicable

## Section III. Important events

### I. Particular about major changes from items of main accounting statements and financial indexes as well as reasons

√ Applicable   □ Not applicable

|                                          | Ending Period or form year begin to now | Opening Period or same period last year | Increase or decrease y-o-y | Reasons                                                             |
|------------------------------------------|-----------------------------------------|-----------------------------------------|----------------------------|---------------------------------------------------------------------|
| Operation income                         | 62,848,917.83                           | 101,250,275.83                          | -37.93%                    | Income from business decline                                        |
| Operation cost                           | 57,446,763.42                           | 90,958,528.99                           | -36.84%                    | Business cost decreased                                             |
| Sales expenses                           | 2,377,317.42                            | 4,356,796.05                            | -45.43%                    | Sales expenses declined due to the decrease of business income      |
| Management expenses                      | 3,263,168.76                            | 4,805,269.03                            | -32.09%                    | Management expenses declined due to the decrease of business income |
| Financial expenses                       | -78,872.38                              | -302,000.97                             | -73.88%                    | Interest income from bank savings declined                          |
| Net cash flow from operating activities  | -7,317,672.68                           | 122,208.96                              | -6087.84%                  | Taxes payable at year-end last year has been paid in the period     |
| Net cash flow from investment activities | -534,494.04                             | -17,293.82                              | 2990.66%                   | Purchased machinery equipment in the year                           |
| Net cash flow from operating activities  | -7,818,729.82                           | 104,915.14                              | -7552.43%                  | Taxes payable at year-end last year has been paid in the period     |
| Monetary Fund                            | 8,670,156.44                            | 18,488,886.26                           | -53.11%                    | Taxes payable at year-end last year has been paid in the period     |
| Account receivable                       | 40,943,384.51                           | 29,007,509.02                           | 41.15%                     | The payment days to clients for the business operation is not due   |
| Advance payment                          | 1,693,512.99                            | 13,799,753.60                           | -87.73%                    | The account paid in advance for lithium battery material business   |

|                             |              |              |          |                                                                 |
|-----------------------------|--------------|--------------|----------|-----------------------------------------------------------------|
|                             |              |              |          | last year was progressive delivery in the period                |
| Inventory                   | 3,456,156.95 | 2,386,603.94 | 44.81%   | Stock up for the peak season                                    |
| Other current assets        | 5,607,025.86 | 2,266,241.66 | 147.42%  | The pending deduct input tax increased in the period            |
| Intangible assets           | 941,250.00   | 1,506,000.00 | -37.50%  | Mainly due to the amortization of intangible assets             |
| Notes payable               | -            | 2,000,000.00 | -100.00% | The bank acceptance bill are due to honour                      |
| Account received in advance | 3,260,235.62 | 405,779.88   | 703.45%  | Account received in advance from the customer                   |
| Taxes payable               | 177,634.33   | 6,297,096.28 | -97.18%  | Taxes payable at year-end last year has been paid in the period |

## II. Progress of significant events, their influences, and analysis and explanation of their solutions

√ Applicable   □ Not applicable

### 1. Plan a non-public issue of shares

In July 2016, the Company started to plan a non-public issue of shares with proceeds to be utilized to acquire material assets. The Plan on Non-public Issue of A shares in 2016 was considered and approved by the Board of the Company. Based on the due diligence, audit, assessment and business negotiation with intermediates, taking into account the conditions of capital market and actual conditions of the Company, the Board of the Company considered and approved the Proposal Relating to Adjusting the Plan of non-public of A Shares, the Explanation on non-public of A-shares for year of 2016 Amendment, the Plan on Non-public Issue of A shares in 2016 (amended), the Plan on Non-public Issue of A shares in 2016 (Second Amended) and Plan on Non-public Issue of A shares in 2016 (Third Amended) from February 2017 to February 2018. and on 13 Feb. 2018, the Plan on Non-public Issue of A Shares (Third Amended) was deliberated and approved by First Extraordinary Shareholders General Meeting of 2018. According to the three revised drafts, the number of non-public offering of shares should not exceed 110,269,586 shares, and the total amount of funds raised should not exceed 750 million Yuan. The total amount of raised funds for this non-public offering should not exceed RMB 750 million, will be used for the following projects after deducting the issuance expenses: 1. RMB 680 million of funds for “online and offline marketing network platform construction and upgrading project”; 2. RMB 70 million of funds for “R & D center construction project”. The issuing objects of this non-public offering include four specific investors which are



Ruian Information, Zhisheng High-tech, Wansheng Industry and Beier High-tech. The subscription amount of Ruian Information does not exceed 250 million Yuan, and the number of subscribed shares does not exceed 36,756,529 shares; the subscription amount of Zhisheng High-tech does not exceed 200 million Yuan, and the number of subscribed shares does not exceed 29,405,223 shares; the subscription amount of Wansheng Industry and Beier High-tech respectively does not exceed 150 million Yuan, and the number of subscribed shares does not exceed 22,053,917 shares respectively. See details on the announcement issued by the board of directors of the company.

## 2. Foreign investment for controlling subsidiary

On 12 August 2019, the Notice on Foreign Investment was deliberated and approved by the 14<sup>th</sup> Session (extraordinary) of 10<sup>th</sup> BOD, it is agreed to setting up Shenzhen XinSen Jewelry& Gold Supply Chain Co., Ltd. with Shenzhen Zuan Jin Sen Jewelry Co., ltd, the Company contribute 4.225 million Yuan while 2.275 million Yuan invested by Zuan Jin Sen Jewelry. After the business registration, the Company comes to the controlling shareholder of XinSen Jewelry& Gold for holding 65% equity.

| Overview                                                                           | Date for disclosure | Information index for temporary report disclosure                                                      |
|------------------------------------------------------------------------------------|---------------------|--------------------------------------------------------------------------------------------------------|
| Resolution of the 14 <sup>th</sup> Session (extraordinary) of 10 <sup>th</sup> BOD | 2019-08-12          | Juchao Website <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a><br>Notice No.: 2019-015 |
| Notice on Foreign Investment                                                       | 2019-08-12          | Juchao Website <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a><br>Notice No.: 2019-016 |

Progress of shares buy-back

Applicable Not applicable

Implementation progress of the reduction of repurchases shares by centralized bidding

Applicable Not applicable

### **III. Commitments that the actual controller, shareholders, related parties, acquirer and the Company have fulfilled during the reporting period and have not yet fulfilled by the end of reporting period**

Applicable  Not applicable

There are no commitments that the actual controller, shareholders, related parties, acquirer and the Company have fulfilled during the reporting period and have not yet fulfilled by the end of reporting period.

### **IV. Particular about security investment**

Applicable  Not applicable

The Company had no security investment in Period.

## V. Trust financing

Applicable  Not applicable

The Company had no trust financing in Period.

## VI. Particulars about derivatives investment

Applicable  Not applicable

The Company had no derivatives investment in Period.

## VII. Registration form of receiving research, communication and interview in the report period

Applicable  Not applicable

| Time                  | Way                     | Type       | Basic situation index of investigation               |
|-----------------------|-------------------------|------------|------------------------------------------------------|
| July – September 2019 | Telephone communication | Individual | Progress of privately placement of shares consulting |
| July – September 2019 | Telephone communication | Individual | Recombination consulting                             |

## VIII. Guarantee outside against the regulation

Applicable  Not applicable

The Company had no guarantee outside against the regulation in the period.

## IX. Non-operational fund occupation from controlling shareholders and its related party

Applicable  Not applicable

The Company had no non-operational fund occupation form controlling shareholders and its related party in the period.

## Section IV. Financial Statement

### I. Financial statement

#### 1. Consolidate balance sheet

Prepared by SHENZHEN CHINA BICYCLE COMPANY (HOLDINGS) LIMITED

2019-09-30

In RMB

| Item                                                                                          | 2019-9-30     | 2018-12-31    |
|-----------------------------------------------------------------------------------------------|---------------|---------------|
| Current assets:                                                                               |               |               |
| Monetary funds                                                                                | 8,670,156.44  | 18,488,886.26 |
| Settlement provisions                                                                         |               |               |
| Capital lent                                                                                  |               |               |
| Tradable financial assets                                                                     |               |               |
| Financial assets measured by fair value and with variation reckoned into current gains/losses |               |               |
| Derivative financial assets                                                                   |               |               |
| Note receivable                                                                               | 450,000.00    |               |
| Account receivable                                                                            | 40,943,384.51 | 29,007,509.02 |
| Receivable financing                                                                          |               |               |
| Accounts paid in advance                                                                      | 1,693,512.99  | 13,799,753.60 |
| Insurance receivable                                                                          |               |               |
| Reinsurance receivables                                                                       |               |               |
| Contract reserve of reinsurance receivable                                                    |               |               |
| Other account receivable                                                                      | 1,079,351.23  | 844,537.19    |
| Including: Interest receivable                                                                |               |               |
| Dividend receivable                                                                           |               |               |
| Buying back the sale of financial assets                                                      |               |               |
| Inventories                                                                                   | 3,456,156.95  | 2,386,603.94  |
| Contractual assets                                                                            |               |               |
| Assets held for sale                                                                          |               |               |

|                                       |               |               |
|---------------------------------------|---------------|---------------|
| Non-current asset due within one year |               |               |
| Other current assets                  | 5,607,025.86  | 2,266,241.66  |
| Total current assets                  | 61,899,587.98 | 66,793,531.67 |
| Non-current assets:                   |               |               |
| Loans and payments on behalf          |               |               |
| Debt investment                       |               |               |
| Finance asset available for sales     |               |               |
| Other debt investment                 |               |               |
| Held-to-maturity investment           |               |               |
| Long-term account receivable          |               |               |
| Long-term equity investment           |               |               |
| Investment in other equity instrument |               |               |
| Other non-current financial assets    |               |               |
| Investment real estate                |               |               |
| Fixed assets                          | 4,289,622.16  | 3,502,807.32  |
| Construction in progress              |               |               |
| Productive biological asset           |               |               |
| Oil and gas asset                     |               |               |
| Right-of-use assets                   |               |               |
| Intangible assets                     | 941,250.00    | 1,506,000.00  |
| Expense on Research and Development   |               |               |
| Goodwill                              |               |               |
| Long-term expenses to be apportioned  |               |               |
| Deferred income tax asset             | 1,044,773.54  | 1,040,621.18  |
| Other non-current asset               | 400,000.00    | 400,000.00    |
| Total non-current asset               | 6,675,645.70  | 6,449,428.50  |
| Total assets                          | 68,575,233.68 | 73,242,960.17 |
| Current liabilities:                  |               |               |
| Short-term loans                      |               |               |
| Loan from central bank                |               |               |
| Capital borrowed                      |               |               |

|                                                                                                  |               |               |
|--------------------------------------------------------------------------------------------------|---------------|---------------|
| Tradable financial liability                                                                     |               |               |
| Financial liability measured by fair value and with variation reckoned into current gains/losses |               |               |
| Derivative financial liability                                                                   |               |               |
| Note payable                                                                                     |               | 2,000,000.00  |
| Account payable                                                                                  | 9,206,474.40  | 9,979,010.69  |
| Accounts received in advance                                                                     | 3,260,235.62  | 405,779.88    |
| Contractual liability                                                                            |               |               |
| Selling financial asset of repurchase                                                            |               |               |
| Absorbing deposit and inter-bank deposit                                                         |               |               |
| Security trading of agency                                                                       |               |               |
| Security sales of agency                                                                         |               |               |
| Wage payable                                                                                     | 524,073.65    | 435,736.16    |
| Taxes payable                                                                                    | 177,634.33    | 6,297,096.28  |
| Other account payable                                                                            | 38,466,976.88 | 37,144,872.42 |
| Including: Interest payable                                                                      |               |               |
| Dividend payable                                                                                 |               |               |
| Commission charge and commission payable                                                         |               |               |
| Reinsurance payable                                                                              |               |               |
| Liability held for sale                                                                          |               |               |
| Non-current liabilities due within one year                                                      |               |               |
| Other current liabilities                                                                        |               |               |
| Total current liabilities                                                                        | 51,635,394.88 | 56,262,495.43 |
| Non-current liabilities:                                                                         |               |               |
| Insurance contract reserve                                                                       |               |               |
| Long-term loans                                                                                  |               |               |
| Bonds payable                                                                                    |               |               |
| Including: Preferred stock                                                                       |               |               |
| Perpetual capital securities                                                                     |               |               |
| Lease liability                                                                                  |               |               |

|                                                     |                   |                   |
|-----------------------------------------------------|-------------------|-------------------|
| Long-term account payable                           |                   |                   |
| Long-term wages payable                             |                   |                   |
| Accrual liability                                   |                   |                   |
| Deferred income                                     |                   |                   |
| Deferred income tax liabilities                     |                   |                   |
| Other non-current liabilities                       |                   |                   |
| Total non-current liabilities                       |                   |                   |
| Total liabilities                                   | 51,635,394.88     | 56,262,495.43     |
| Owner's equity:                                     |                   |                   |
| Share capital                                       | 551,347,947.00    | 551,347,947.00    |
| Other equity instrument                             |                   |                   |
| Including: Preferred stock                          |                   |                   |
| Perpetual capital securities                        |                   |                   |
| Capital public reserve                              | 627,834,297.85    | 627,834,297.85    |
| Less: Inventory shares                              |                   |                   |
| Other comprehensive income                          |                   |                   |
| Reasonable reserve                                  |                   |                   |
| Surplus public reserve                              | 32,673,227.01     | 32,673,227.01     |
| Provision of general risk                           |                   |                   |
| Retained profit                                     | -1,197,307,966.33 | -1,197,549,169.92 |
| Total owner's equity attributable to parent company | 14,547,505.53     | 14,306,301.94     |
| Minority interests                                  | 2,392,333.27      | 2,674,162.80      |
| Total owner's equity                                | 16,939,838.80     | 16,980,464.74     |
| Total liabilities and owner's equity                | 68,575,233.68     | 73,242,960.17     |

Legal Representative: Li Hai

Person in charge of Accounting Works: Sun Longlong

Person in charge of Accounting Institution: Zhong Xiaojin

## 2. Balance Sheet of Parent Company

In RMB

| Item | 2019-9-30 | 2018-12-31 |
|------|-----------|------------|
|------|-----------|------------|

|                                                                                               |               |               |
|-----------------------------------------------------------------------------------------------|---------------|---------------|
| Current assets:                                                                               |               |               |
| Monetary funds                                                                                | 3,914,027.09  | 8,889,572.73  |
| Tradable financial assets                                                                     |               |               |
| Financial assets measured by fair value and with variation reckoned into current gains/losses |               |               |
| Derivative financial assets                                                                   |               |               |
| Note receivable                                                                               | 450,000.00    |               |
| Account receivable                                                                            | 32,679,756.92 | 12,827,954.16 |
| Receivable financing                                                                          |               |               |
| Accounts paid in advance                                                                      | 1,693,512.99  | 13,798,452.48 |
| Other account receivable                                                                      | 794,803.74    | 380,925.78    |
| Including: Interest receivable                                                                |               |               |
| Dividend receivable                                                                           |               |               |
| Inventories                                                                                   | 1,373,831.01  |               |
| Contractual assets                                                                            |               |               |
| Assets held for sale                                                                          |               |               |
| Non-current assets maturing within one year                                                   |               |               |
| Other current assets                                                                          | 5,120,447.47  | 2,130,677.11  |
| Total current assets                                                                          | 46,026,379.22 | 38,027,582.26 |
| Non-current assets:                                                                           |               |               |
| Debt investment                                                                               |               |               |
| Available-for-sale financial assets                                                           |               |               |
| Other debt investment                                                                         |               |               |
| Held-to-maturity investments                                                                  |               |               |
| Long-term receivables                                                                         |               |               |
| Long-term equity investments                                                                  | 10,379.73     | 10,379.73     |
| Investment in other equity instrument                                                         |               |               |
| Other non-current financial assets                                                            |               |               |
| Investment real estate                                                                        |               |               |
| Fixed assets                                                                                  | 3,879,544.33  | 2,995,407.48  |
| Construction in progress                                                                      |               |               |
| Productive biological assets                                                                  |               |               |

|                                                                                                  |               |               |
|--------------------------------------------------------------------------------------------------|---------------|---------------|
| Oil and natural gas assets                                                                       |               |               |
| Right-of-use assets                                                                              |               |               |
| Intangible assets                                                                                | 941,250.00    | 1,506,000.00  |
| Research and development costs                                                                   |               |               |
| Goodwill                                                                                         |               |               |
| Long-term deferred expenses                                                                      |               |               |
| Deferred income tax assets                                                                       |               |               |
| Other non-current assets                                                                         | 400,000.00    | 400,000.00    |
| Total non-current assets                                                                         | 5,231,174.06  | 4,911,787.21  |
| Total assets                                                                                     | 51,257,553.28 | 42,939,369.47 |
| Current liabilities:                                                                             |               |               |
| Short-term borrowings                                                                            |               |               |
| Tradable financial liability                                                                     |               |               |
| Financial liability measured by fair value and with variation reckoned into current gains/losses |               |               |
| Derivative financial liability                                                                   |               |               |
| Notes payable                                                                                    |               |               |
| Account payable                                                                                  | 7,718,753.63  |               |
| Accounts received in advance                                                                     | 2,936,517.50  | 327,632.18    |
| Contractual liability                                                                            |               |               |
| Wage payable                                                                                     | 498,844.68    | 151,598.60    |
| Taxes payable                                                                                    | 177,621.34    | 5,416,117.27  |
| Other accounts payable                                                                           | 30,950,041.85 | 28,967,052.96 |
| Including: Interest payable                                                                      |               |               |
| Dividend payable                                                                                 |               |               |
| Liability held for sale                                                                          |               |               |
| Non-current liabilities due within one year                                                      |               |               |
| Other current liabilities                                                                        |               |               |
| Total current liabilities                                                                        | 42,281,779.00 | 34,862,401.01 |
| Non-current liabilities:                                                                         |               |               |
| Long-term loans                                                                                  |               |               |
| Bonds payable                                                                                    |               |               |
| Including: preferred stock                                                                       |               |               |



|                                         |                   |                   |
|-----------------------------------------|-------------------|-------------------|
| Perpetual capital securities            |                   |                   |
| Lease liability                         |                   |                   |
| Long-term account payable               |                   |                   |
| Long term employee compensation payable |                   |                   |
| Accrued liabilities                     |                   |                   |
| Deferred income                         |                   |                   |
| Deferred income tax liabilities         |                   |                   |
| Other non-current liabilities           |                   |                   |
| Total non-current liabilities           |                   |                   |
| Total liabilities                       | 42,281,779.00     | 34,862,401.01     |
| Owners' equity:                         |                   |                   |
| Share capital                           | 551,347,947.00    | 551,347,947.00    |
| Other equity instrument                 |                   |                   |
| Including: preferred stock              |                   |                   |
| Perpetual capital securities            |                   |                   |
| Capital public reserve                  | 627,834,297.85    | 627,834,297.85    |
| Less: Inventory shares                  |                   |                   |
| Other comprehensive income              |                   |                   |
| Special reserve                         |                   |                   |
| Surplus reserve                         | 32,673,227.01     | 32,673,227.01     |
| Retained profit                         | -1,202,879,697.58 | -1,203,778,503.40 |
| Total owner's equity                    | 8,975,774.28      | 8,076,968.46      |
| Total liabilities and owner's equity    | 51,257,553.28     | 42,939,369.47     |

### 3. Consolidated Profit Statement (the period)

In RMB

| Item                        | Current Period | Last Period   |
|-----------------------------|----------------|---------------|
| I. Total operating income   | 24,574,484.81  | 33,515,376.48 |
| Including: Operating income | 24,574,484.81  | 33,515,376.48 |
| Interest income             |                |               |
| Insurance gained            |                |               |
| Commission charge and       |                |               |

|                                                                                                                |               |               |
|----------------------------------------------------------------------------------------------------------------|---------------|---------------|
| commission in come                                                                                             |               |               |
| II. Total operating cost                                                                                       | 23,520,413.16 | 32,908,232.08 |
| Including: Operating cost                                                                                      | 22,117,248.45 | 29,794,322.66 |
| Interest expense                                                                                               |               |               |
| Commission charge and commission expense                                                                       |               |               |
| Cash surrender value                                                                                           |               |               |
| Net amount of expense of compensation                                                                          |               |               |
| Net amount of withdrawal of insurance contract reserve                                                         |               |               |
| Bonus expense of guarantee slip                                                                                |               |               |
| Reinsurance expense                                                                                            |               |               |
| Tax and extras                                                                                                 | 16,205.37     | 58,517.27     |
| Sales expense                                                                                                  | 501,593.81    | 1,600,868.52  |
| Administrative expense                                                                                         | 903,784.92    | 1,495,548.79  |
| R&D expense                                                                                                    |               |               |
| Financial expense                                                                                              | -18,419.39    | -41,025.16    |
| Including: Interest expenses                                                                                   |               |               |
| Interest income                                                                                                | -21,353.21    | -46,157.13    |
| Add: other income                                                                                              |               |               |
| Investment income (Loss is listed with “-”)                                                                    |               |               |
| Including: Investment income on affiliated company and joint venture                                           |               |               |
| The termination of income recognition for financial assets measured by amortized cost(Loss is listed with “-”) |               |               |
| Exchange income (Loss is listed with “-”)                                                                      |               |               |
| Net exposure hedging income (Loss is listed with “-”)                                                          |               |               |
| Income from change of fair value (Loss is listed with “-”)                                                     |               |               |
| Loss of credit impairment (Loss is listed with “-”)                                                            |               |               |

|                                                                                                          |              |            |
|----------------------------------------------------------------------------------------------------------|--------------|------------|
| Losses of devaluation of asset<br>(Loss is listed with “-”)                                              |              | 141,486.00 |
| Income from assets disposal<br>(Loss is listed with “-”)                                                 |              |            |
| III. Operating profit (Loss is listed with<br>“-”)                                                       | 1,054,071.65 | 748,630.40 |
| Add: Non-operating income                                                                                |              | 134,302.20 |
| Less: Non-operating expense                                                                              |              |            |
| IV. Total profit (Loss is listed with “-”)                                                               | 1,054,071.65 | 882,932.60 |
| Less: Income tax expense                                                                                 | 4,239.24     | 138,597.70 |
| V. Net profit (Net loss is listed with “-”)                                                              | 1,049,832.41 | 744,334.90 |
| (i) Classify by business continuity                                                                      |              |            |
| 1.continuous operating net profit<br>(net loss listed with “-”)                                          | 1,049,832.41 | 744,334.90 |
| 2.termination of net profit (net loss<br>listed with “-”)                                                |              |            |
| (ii) Classify by ownership                                                                               |              |            |
| 1.Net profit attributable to owner’s<br>of parent company                                                | 1,040,149.76 | 530,513.93 |
| 2.Minority shareholders’ gains and<br>losses                                                             | 9,682.65     | 213,820.97 |
| VI. Net after-tax of other comprehensive<br>income                                                       |              |            |
| Net after-tax of other comprehensive<br>income attributable to owners of parent<br>company               |              |            |
| (I) Other comprehensive income<br>items which will not be reclassified<br>subsequently to profit of loss |              |            |
| 1.Changes of the defined<br>benefit plans that re-measured                                               |              |            |
| 2.Other comprehensive<br>income under equity method that cannot<br>be transfer to gain/loss              |              |            |
| 3.Change of fair value of<br>investment in other equity instrument                                       |              |            |
| 4.Fair value change of<br>enterprise's credit risk                                                       |              |            |

|                                                                                                     |              |            |
|-----------------------------------------------------------------------------------------------------|--------------|------------|
| 5. Other                                                                                            |              |            |
| (ii) Other comprehensive income items which will be reclassified subsequently to profit or loss     |              |            |
| 1. Other comprehensive income under equity method that can transfer to gain/loss                    |              |            |
| 2. Change of fair value of other debt investment                                                    |              |            |
| 3. gain/loss of fair value changes for available-for-sale financial assets                          |              |            |
| 4. Amount of financial assets re-classify to other comprehensive income                             |              |            |
| 5. Gain/loss of held-to-maturity investments that re-classify to available-for-sale financial asset |              |            |
| 6. Credit impairment provision for other debt investment                                            |              |            |
| 7. Cash flow hedging reserve                                                                        |              |            |
| 8. Translation differences arising on translation of foreign currency financial statements          |              |            |
| 9. Other                                                                                            |              |            |
| Net after-tax of other comprehensive income attributable to minority shareholders                   |              |            |
| VII. Total comprehensive income                                                                     | 1,049,832.41 | 744,334.90 |
| Total comprehensive income attributable to owners of parent Company                                 | 1,040,149.76 | 530,513.93 |
| Total comprehensive income attributable to minority shareholders                                    | 9,682.65     | 213,820.97 |
| VIII. Earnings per share:                                                                           |              |            |
| (i) Basic earnings per share                                                                        | 0.0019       | 0.0010     |
| (ii) Diluted earnings per share                                                                     | 0.0019       | 0.0010     |

Enterprise combine under the same control in the Period, the combined party realized net profit of 0 Yuan before combination, and realized 0 Yuan at last period for combined party.

Legal Representative: Li Hai

Person in charge of Accounting Works: Sun Longlong

Person in charge of Accounting Institution: Zhong Xiaojin

#### 4. Profit Statement of Parent Company (the period)

In RMB

| Item                                                                                                            | Current Period | Last Period   |
|-----------------------------------------------------------------------------------------------------------------|----------------|---------------|
| I. Operating income                                                                                             | 23,846,952.19  | 10,688,994.67 |
| Less: Operating cost                                                                                            | 21,876,322.80  | 9,514,999.72  |
| Taxes and surcharge                                                                                             | 14,493.03      | 6,781.40      |
| Sales expenses                                                                                                  | 181,717.02     | 362,220.29    |
| Administration expenses                                                                                         | 760,518.90     | 924,928.15    |
| R&D expenses                                                                                                    |                |               |
| Financial expenses                                                                                              | -7,895.71      | -27,763.78    |
| Including: interest expenses                                                                                    |                |               |
| Interest income                                                                                                 | -10,066.75     | -29,407.01    |
| Add: other income                                                                                               |                |               |
| Investment income (Loss is listed with "-")                                                                     |                |               |
| Including: Investment income on affiliated Company and joint venture                                            |                |               |
| The termination of income recognition for financial assets measured by amortized cost (Loss is listed with "-") |                |               |
| Net exposure hedging income (Loss is listed with "-")                                                           |                |               |
| Changing income of fair value (Loss is listed with "-")                                                         |                |               |
| Loss of credit impairment (Loss is listed with "-")                                                             |                |               |
| Losses of devaluation of asset (Loss is listed with "-")                                                        |                |               |
| Income on disposal of assets (Loss is listed with "-")                                                          |                |               |

|                                                                                                    |              |            |
|----------------------------------------------------------------------------------------------------|--------------|------------|
| II. Operating profit (Loss is listed with “-”)                                                     | 1,021,796.15 | -92,171.11 |
| Add: Non-operating income                                                                          |              | 134,302.20 |
| Less: Non-operating expense                                                                        |              |            |
| III. Total Profit (Loss is listed with “-”)                                                        | 1,021,796.15 | 42,131.09  |
| Less: Income tax                                                                                   | 4,239.24     | 10,532.77  |
| IV. Net profit (Net loss is listed with “-”)                                                       | 1,017,556.91 | 31,598.32  |
| (i)continuous operating net profit (net loss listed with “-”)                                      | 1,017,556.91 | 31,598.32  |
| (ii) termination of net profit (net loss listed with “-”)                                          |              |            |
| V. Net after-tax of other comprehensive income                                                     |              |            |
| (I) Other comprehensive income items which will not be reclassified subsequently to profit of loss |              |            |
| 1.Changes of the defined benefit plans that re-measured                                            |              |            |
| 2.Other comprehensive income under equity method that cannot be transfer to gain/loss              |              |            |
| 3.Change of fair value of investment in other equity instrument                                    |              |            |
| 4.Fair value change of enterprise's credit risk                                                    |              |            |
| 5. Other                                                                                           |              |            |
| (II) Other comprehensive income items which will be reclassified subsequently to profit or loss    |              |            |
| 1.Other comprehensive income under equity method that can transfer to gain/loss                    |              |            |
| 2.Change of fair value of other debt investment                                                    |              |            |
| 3.gain/loss of fair value changes for available-for-sale financial assets                          |              |            |

|                                                                                                    |              |           |
|----------------------------------------------------------------------------------------------------|--------------|-----------|
| 4.Amount of financial assets re-classify to other comprehensive income                             |              |           |
| 5.Gain/loss of held-to-maturity investments that re-classify to available-for-sale financial asset |              |           |
| 6.Credit impairment provision for other debt investment                                            |              |           |
| 7.Cash flow hedging reserve                                                                        |              |           |
| 8.Translation differences arising on translation of foreign currency financial statements          |              |           |
| 9.Other                                                                                            |              |           |
| VI. Total comprehensive income                                                                     | 1,017,556.91 | 31,598.32 |
| VII. Earnings per share:                                                                           |              |           |
| (i) Basic earnings per share                                                                       |              |           |
| (ii) Diluted earnings per share                                                                    |              |           |

## 5. Consolidated Profit Statement (form the year-begin to the period-end)

In RMB

| Item                                     | Current Period | Last Period    |
|------------------------------------------|----------------|----------------|
| I. Total operating income                | 62,848,917.83  | 101,250,275.83 |
| Including: Operating income              | 62,848,917.83  | 101,250,275.83 |
| Interest income                          |                |                |
| Insurance gained                         |                |                |
| Commission charge and commission income  |                |                |
| II. Total operating cost                 | 63,061,170.36  | 99,952,848.12  |
| Including: Operating cost                | 57,446,763.42  | 90,958,528.99  |
| Interest expense                         |                |                |
| Commission charge and commission expense |                |                |
| Cash surrender value                     |                |                |
| Net amount of expense of compensation    |                |                |

|                                                                                                                |              |              |
|----------------------------------------------------------------------------------------------------------------|--------------|--------------|
| Net amount of withdrawal of insurance contract reserve                                                         |              |              |
| Bonus expense of guarantee slip                                                                                |              |              |
| Reinsurance expense                                                                                            |              |              |
| Tax and extras                                                                                                 | 52,793.14    | 134,255.02   |
| Sales expense                                                                                                  | 2,377,317.42 | 4,356,796.05 |
| Administrative expense                                                                                         | 3,263,168.76 | 4,805,269.03 |
| R&D expense                                                                                                    |              |              |
| Financial expense                                                                                              | -78,872.38   | -302,000.97  |
| Including: Interest expenses                                                                                   |              |              |
| Interest income                                                                                                | -92,487.61   | -318,843.06  |
| Add: other income                                                                                              |              |              |
| Investment income (Loss is listed with “-”)                                                                    |              |              |
| Including: Investment income on affiliated company and joint venture                                           |              |              |
| The termination of income recognition for financial assets measured by amortized cost(Loss is listed with “-”) |              |              |
| Exchange income (Loss is listed with “-”)                                                                      |              |              |
| Net exposure hedging income (Loss is listed with “-”)                                                          |              |              |
| Income from change of fair value (Loss is listed with “-”)                                                     |              |              |
| Loss of credit impairment (Loss is listed with “-”)                                                            | -17,479.82   | 134,266.80   |
| Losses of devaluation of asset (Loss is listed with “-”)                                                       | 40,616.29    |              |
| Income from assets disposal (Loss is listed with “-”)                                                          |              |              |
| III. Operating profit (Loss is listed with “-”)                                                                | -189,116.06  | 1,431,694.51 |
| Add: Non-operating income                                                                                      | 148,627.00   | 206,428.48   |
| Less: Non-operating expense                                                                                    | 50.00        | 30,140.00    |
| IV. Total profit (Loss is listed with “-”)                                                                     | -40,539.06   | 1,607,982.99 |
| Less: Income tax expense                                                                                       | 86.88        | 371,731.68   |



|                                                                                                    |             |              |
|----------------------------------------------------------------------------------------------------|-------------|--------------|
| V. Net profit (Net loss is listed with “-”)                                                        | -40,625.94  | 1,236,251.31 |
| (i) Classify by business continuity                                                                |             |              |
| 1.continuous operating net profit (net loss listed with “-”)                                       | -40,625.94  | 1,236,251.31 |
| 2.termination of net profit (net loss listed with “-”)                                             |             |              |
| (ii) Classify by ownership                                                                         |             |              |
| 1.Net profit attributable to owner’s of parent company                                             | 241,203.59  | 1,084,675.99 |
| 2.Minority shareholders’ gains and losses                                                          | -281,829.53 | 151,575.32   |
| VI. Net after-tax of other comprehensive income                                                    |             |              |
| Net after-tax of other comprehensive income attributable to owners of parent company               |             |              |
| (I) Other comprehensive income items which will not be reclassified subsequently to profit of loss |             |              |
| 1.Changes of the defined benefit plans that re-measured                                            |             |              |
| 2.Other comprehensive income under equity method that cannot be transfer to gain/loss              |             |              |
| 3.Change of fair value of investment in other equity instrument                                    |             |              |
| 4.Fair value change of enterprise's credit risk                                                    |             |              |
| 5. Other                                                                                           |             |              |
| (ii) Other comprehensive income items which will be reclassified subsequently to profit or loss    |             |              |
| 1.Other comprehensive income under equity method that can transfer to gain/loss                    |             |              |
| 2.Change of fair value of other debt investment                                                    |             |              |
| 3.gain/loss of fair value changes for available-for-sale financial                                 |             |              |

|                                                                                                    |             |              |
|----------------------------------------------------------------------------------------------------|-------------|--------------|
| assets                                                                                             |             |              |
| 4.Amount of financial assets re-classify to other comprehensive income                             |             |              |
| 5.Gain/loss of held-to-maturity investments that re-classify to available-for-sale financial asset |             |              |
| 6.Credit impairment provision for other debt investment                                            |             |              |
| 7.Cash flow hedging reserve                                                                        |             |              |
| 8.Translation differences arising on translation of foreign currency financial statements          |             |              |
| 9.Other                                                                                            |             |              |
| Net after-tax of other comprehensive income attributable to minority shareholders                  |             |              |
| VII. Total comprehensive income                                                                    | -40,625.94  | 1,236,251.31 |
| Total comprehensive income attributable to owners of parent Company                                | 241,203.59  | 1,084,675.99 |
| Total comprehensive income attributable to minority shareholders                                   | -281,829.53 | 151,575.32   |
| VIII. Earnings per share:                                                                          |             |              |
| (i) Basic earnings per share                                                                       | 0.0004      | 0.0020       |
| (ii) Diluted earnings per share                                                                    | 0.0004      | 0.0020       |

Enterprise combine under the same control in the Period, the combined party realized net profit of 0 Yuan before combination, and realized 0 Yuan at last period for combined party.

Legal Representative: Li Hai

Person in charge of Accounting Works: Sun Longlong

Person in charge of Accounting Institution: Zhong Xiaojin

## 6. Profit Statement of Parent Company (form the year-begin to the period-end)

In RMB

| Item                | Current Period | Last Period   |
|---------------------|----------------|---------------|
| I. Operating income | 49,251,331.03  | 34,712,513.35 |

|                                                                                                                 |               |               |
|-----------------------------------------------------------------------------------------------------------------|---------------|---------------|
| Less: Operating cost                                                                                            | 45,546,345.42 | 30,361,217.80 |
| Taxes and surcharge                                                                                             | 28,687.93     | 20,522.60     |
| Sales expenses                                                                                                  | 421,822.61    | 639,048.04    |
| Administration expenses                                                                                         | 2,482,012.78  | 3,032,240.65  |
| R&D expenses                                                                                                    |               |               |
| Financial expenses                                                                                              | -21,478.79    | -110,767.09   |
| Including: interest expenses                                                                                    |               |               |
| Interest income                                                                                                 | -28,564.59    | -117,315.67   |
| Add: other income                                                                                               |               |               |
| Investment income (Loss is listed with “-”)                                                                     |               |               |
| Including: Investment income on affiliated Company and joint venture                                            |               |               |
| The termination of income recognition for financial assets measured by amortized cost (Loss is listed with “-”) |               |               |
| Net exposure hedging income (Loss is listed with “-”)                                                           |               |               |
| Changing income of fair value (Loss is listed with “-”)                                                         |               |               |
| Loss of credit impairment (Loss is listed with “-”)                                                             | -39,523.02    | 2,008.04      |
| Losses of devaluation of asset (Loss is listed with “-”)                                                        |               |               |
| Income on disposal of assets (Loss is listed with “-”)                                                          |               |               |
| II. Operating profit (Loss is listed with “-”)                                                                  | 754,418.06    | 772,259.39    |
| Add: Non-operating income                                                                                       | 148,627.00    | 202,407.61    |
| Less: Non-operating expense                                                                                     |               |               |
| III. Total Profit (Loss is listed with “-”)                                                                     | 903,045.06    | 974,667.00    |
| Less: Income tax                                                                                                | 4,239.24      | 243,666.75    |
| IV. Net profit (Net loss is listed with “-”)                                                                    | 898,805.82    | 731,000.25    |
| (i)continuous operating net profit (net loss listed with “-”)                                                   | 898,805.82    | 731,000.25    |

|                                                                                                    |  |  |
|----------------------------------------------------------------------------------------------------|--|--|
| (ii) termination of net profit (net loss listed with ‘-’)                                          |  |  |
| V. Net after-tax of other comprehensive income                                                     |  |  |
| (I) Other comprehensive income items which will not be reclassified subsequently to profit of loss |  |  |
| 1.Changes of the defined benefit plans that re-measured                                            |  |  |
| 2.Other comprehensive income under equity method that cannot be transfer to gain/loss              |  |  |
| 3.Change of fair value of investment in other equity instrument                                    |  |  |
| 4.Fair value change of enterprise's credit risk                                                    |  |  |
| 5. Other                                                                                           |  |  |
| (II) Other comprehensive income items which will be reclassified subsequently to profit or loss    |  |  |
| 1.Other comprehensive income under equity method that can transfer to gain/loss                    |  |  |
| 2.Change of fair value of other debt investment                                                    |  |  |
| 3.gain/loss of fair value changes for available-for-sale financial assets                          |  |  |
| 4.Amount of financial assets re-classify to other comprehensive income                             |  |  |
| 5.Gain/loss of held-to-maturity investments that re-classify to available-for-sale financial asset |  |  |
| 6.Credit impairment provision for other debt investment                                            |  |  |
| 7.Cash flow hedging reserve                                                                        |  |  |

|                                                                                            |            |            |
|--------------------------------------------------------------------------------------------|------------|------------|
| 8. Translation differences arising on translation of foreign currency financial statements |            |            |
| 9. Other                                                                                   |            |            |
| VI. Total comprehensive income                                                             | 898,805.82 | 731,000.25 |
| VII. Earnings per share:                                                                   |            |            |
| (i) Basic earnings per share                                                               |            |            |
| (ii) Diluted earnings per share                                                            |            |            |

## 7. Consolidated Cash Flow Statement (form the year-begin to the period-end)

In RMB

| Item                                                                | Current Period | Last Period   |
|---------------------------------------------------------------------|----------------|---------------|
| I. Cash flows arising from operating activities:                    |                |               |
| Cash received from selling commodities and providing labor services | 21,832,549.34  | 27,803,003.29 |
| Net increase of customer deposit and inter-bank deposit             |                |               |
| Net increase of loan from central bank                              |                |               |
| Net increase of capital borrowed from other financial institution   |                |               |
| Cash received from original insurance contract fee                  |                |               |
| Net cash received from reinsurance business                         |                |               |
| Net increase of insured savings and investment                      |                |               |
| Cash received from interest, commission charge and commission       |                |               |
| Net increase of capital borrowed                                    |                |               |
| Net increase of returned business capital                           |                |               |
| Net cash received by agents in sale and purchase of securities      |                |               |
| Write-back of tax received                                          | 395,675.25     | 5,306.26      |

|                                                                                 |               |               |
|---------------------------------------------------------------------------------|---------------|---------------|
| Other cash received concerning operating activities                             | 6,635,811.81  | 3,457,816.24  |
| Subtotal of cash inflow arising from operating activities                       | 28,864,036.40 | 31,266,125.79 |
| Cash paid for purchasing commodities and receiving labor service                | 17,969,329.91 | 17,197,123.51 |
| Net increase of customer loans and advances                                     |               |               |
| Net increase of deposits in central bank and inter-bank                         |               |               |
| Cash paid for original insurance contract compensation                          |               |               |
| Net increase of capital lent                                                    |               |               |
| Cash paid for interest, commission charge and commission                        |               |               |
| Cash paid for bonus of guarantee slip                                           |               |               |
| Cash paid to/for staff and workers                                              | 4,520,269.65  | 4,950,664.94  |
| Taxes paid                                                                      | 5,591,830.87  | 2,100,451.20  |
| Other cash paid concerning operating activities                                 | 8,100,278.65  | 6,895,677.18  |
| Subtotal of cash outflow arising from operating activities                      | 36,181,709.08 | 31,143,916.83 |
| Net cash flows arising from operating activities                                | -7,317,672.68 | 122,208.96    |
| II. Cash flows arising from investing activities:                               |               |               |
| Cash received from recovering investment                                        |               |               |
| Cash received from investment income                                            |               |               |
| Net cash received from disposal of fixed, intangible and other long-term assets |               |               |
| Net cash received from disposal of subsidiaries and other units                 |               |               |
| Other cash received concerning                                                  |               |               |

|                                                                                           |              |            |
|-------------------------------------------------------------------------------------------|--------------|------------|
| investing activities                                                                      |              |            |
| Subtotal of cash inflow from investing activities                                         |              |            |
| Cash paid for purchasing fixed, intangible and other long-term assets                     | 534,494.04   | 17,293.82  |
| Cash paid for investment                                                                  |              |            |
| Net increase of mortgaged loans                                                           |              |            |
| Net cash received from subsidiaries and other units obtained                              |              |            |
| Other cash paid concerning investing activities                                           |              |            |
| Subtotal of cash outflow from investing activities                                        | 534,494.04   | 17,293.82  |
| Net cash flows arising from investing activities                                          | -534,494.04  | -17,293.82 |
| III. Cash flows arising from financing activities                                         |              |            |
| Cash received from absorbing investment                                                   |              |            |
| Including: Cash received from absorbing minority shareholders' investment by subsidiaries |              |            |
| Cash received from loans                                                                  |              |            |
| Other cash received concerning financing activities                                       | 4,033,436.90 |            |
| Subtotal of cash inflow from financing activities                                         | 4,033,436.90 |            |
| Cash paid for settling debts                                                              |              |            |
| Cash paid for dividend and profit distributing or interest paying                         |              |            |
| Including: Dividend and profit of minority shareholder paid by subsidiaries               |              |            |
| Other cash paid concerning financing activities                                           | 4,000,000.00 |            |
| Subtotal of cash outflow from financing activities                                        | 4,000,000.00 |            |
| Net cash flows arising from financing                                                     | 33,436.90    |            |

|                                                                                |               |               |
|--------------------------------------------------------------------------------|---------------|---------------|
| activities                                                                     |               |               |
| IV. Influence on cash and cash equivalents due to fluctuation in exchange rate |               |               |
| V. Net increase of cash and cash equivalents                                   | -7,818,729.82 | 104,915.14    |
| Add: Balance of cash and cash equivalents at the period -begin                 | 16,488,886.26 | 19,177,276.18 |
| VI. Balance of cash and cash equivalents at the period -end                    | 8,670,156.44  | 19,282,191.32 |

## 8. Cash Flow Statement of Parent Company (form the year-begin to the period-end)

In RMB

| Item                                                                | Current Period | Last Period   |
|---------------------------------------------------------------------|----------------|---------------|
| I. Cash flows arising from operating activities:                    |                |               |
| Cash received from selling commodities and providing labor services | 13,142,364.00  | 16,434.00     |
| Write-back of tax received                                          | 395,675.25     | 5,306.26      |
| Other cash received concerning operating activities                 | 7,878,727.75   | 3,153,882.61  |
| Subtotal of cash inflow arising from operating activities           | 21,416,767.00  | 3,175,622.87  |
| Cash paid for purchasing commodities and receiving labor service    | 11,560,353.60  | 46,278.04     |
| Cash paid to/for staff and workers                                  | 2,793,627.51   | 2,152,516.83  |
| Taxes paid                                                          | 5,392,327.74   | 1,071,443.86  |
| Other cash paid concerning operating activities                     | 6,111,509.75   | 6,396,936.25  |
| Subtotal of cash outflow arising from operating activities          | 25,857,818.60  | 9,667,174.98  |
| Net cash flows arising from operating activities                    | -4,441,051.60  | -6,491,552.11 |
| II. Cash flows arising from investing activities:                   |                |               |
| Cash received from recovering                                       |                |               |



|                                                                                 |             |            |
|---------------------------------------------------------------------------------|-------------|------------|
| investment                                                                      |             |            |
| Cash received from investment income                                            |             |            |
| Net cash received from disposal of fixed, intangible and other long-term assets |             |            |
| Net cash received from disposal of subsidiaries and other units                 |             |            |
| Other cash received concerning investing activities                             |             |            |
| Subtotal of cash inflow from investing activities                               |             |            |
| Cash paid for purchasing fixed, intangible and other long-term assets           | 534,494.04  | 11,844.82  |
| Cash paid for investment                                                        |             |            |
| Net cash received from subsidiaries and other units obtained                    |             |            |
| Other cash paid concerning investing activities                                 |             |            |
| Subtotal of cash outflow from investing activities                              | 534,494.04  | 11,844.82  |
| Net cash flows arising from investing activities                                | -534,494.04 | -11,844.82 |
| III. Cash flows arising from financing activities:                              |             |            |
| Cash received from absorbing investment                                         |             |            |
| Cash received from loans                                                        |             |            |
| Other cash received concerning financing activities                             |             |            |
| Subtotal of cash inflow from financing activities                               |             |            |
| Cash paid for settling debts                                                    |             |            |
| Cash paid for dividend and profit distributing or interest paying               |             |            |
| Other cash paid concerning financing activities                                 |             |            |
| Subtotal of cash outflow from financing                                         |             |            |

|                                                                                |               |               |
|--------------------------------------------------------------------------------|---------------|---------------|
| activities                                                                     |               |               |
| Net cash flows arising from financing activities                               |               |               |
| IV. Influence on cash and cash equivalents due to fluctuation in exchange rate |               |               |
| V. Net increase of cash and cash equivalents                                   | -4,975,545.64 | -6,503,396.93 |
| Add: Balance of cash and cash equivalents at the period -begin                 | 8,889,572.73  | 15,398,405.80 |
| VI. Balance of cash and cash equivalents at the period -end                    | 3,914,027.09  | 8,895,008.87  |

## II. Financial statement adjustment

### 1. Relevant items of the financial statement at beginning of the year when implementing the new financial instrument standards, new revenue standards or new leasing standards since 2019

Applicable  Not applicable

### 2. Explanation on comparative data in the early stage of retroactive adjustment while implemented the new financial instrument standards or new leasing standards since 2019

Applicable  Not applicable

## III. Audit report

Whether the 3<sup>rd</sup> quarterly report has been audited or not

Yes  No

The 3<sup>rd</sup> quarterly report of the Company has not been audited.

Board of Directors of  
Shenzhen China Bicycle Company (Holdings) Limited  
29 October 2019