

China National Accord Medicines Corporation Ltd.

The Third Quarterly Report for 2020

October 2020

Section I. Important Notice

Board of Directors, Supervisory Committee, all directors, supervisors and senior executives of China National Accord Medicines Corporation Ltd. (hereinafter referred to as the Company) 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 are present the meeting of the Board for deliberating the Third Quarter Report of the Company in person.

Lin Zhaoxiong, person in charge of the Company, head of the accounting works Gu Guolin and Wang Ying, accounting body principals (accountant in charge) 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

Cause of retroactive adjustment or restatement

Enterprises combined under the same control

	Current period-end		Period-end of last year			Increase/decrease		
			Before adjustment	After adjustment	After adjustment	After adjustment		
Total assets (RMB)	42,013,200,732.51		33,520,609,123.67	34,028,843,214.20	23.46%			
Net assets attributable to shareholders of listed company (RMB)	13,554,151,733.76		12,806,410,865.92	12,911,140,435.88	4.98%			
	Current period	Same period of last year		Increase/decrease in comparison with same period of last year	Year-begin to end of the Period	Same period of last year		Increase/decrease in comparison with year-begin to period-end of last year
		Before adjustment	After adjustment			After adjustment	Before adjustment	
Operating revenue (RMB)	15,710,564,937.11	13,647,793,431.64	13,824,236,956.99	13.65%	42,880,505,125.63	38,875,940,809.07	39,423,435,772.29	8.77%
Net profit attributable to shareholders of the listed company (RMB)	354,134,165.83	311,310,706.52	310,253,592.48	14.14%	997,585,746.42	962,144,066.92	959,408,070.03	3.98%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB)	354,311,453.14	303,365,280.52	303,365,280.52	16.79%	981,328,472.59	943,065,728.47	943,065,728.47	4.06%
Net cash flow arising from operating activities (RMB)	545,143,142.89	-90,795,420.13	-80,360,840.58	778.37%	1,983,347,186.24	1,072,962,161.22	1,058,793,280.31	87.32%
Basic earnings per share	0.83	0.74	0.72	15.28%	2.33	2.25	2.24	4.02%

(RMB/Share)								
Diluted earnings per share (RMB/Share)	0.83	0.74	0.72	15.28%	2.33	2.25	2.24	4.02%
Weighted average ROE	2.65%	2.53%	2.50%	0.15 percentage points up	7.56%	7.94%	7.85%	0.29 percentage points decline

Items and amount of extraordinary profit (gains)/losses

Applicable Not applicable

In RMB

Item	Amount from year-begin to end of the Period	Note
Gains/losses from the disposal of non-current asset (including the write-off that accrued for impairment of assets)	6,670,438.32	Mainly for the income from off-lease stores.
Governmental subsidy reckoned into current gains/losses (not including the subsidy enjoyed in quota or ration according to national standards, which are closely relevant to enterprise's business)	36,307,932.91	Mainly affected by the COVID-19, all kinds of special subsidies received in the period and tax reduction & exemption.
Reversal of impairment reserve for account receivable with separate impairment testing	378,494.91	
Consigning fee received for consigned operation	961,488.75	
Other non-operating income and expenditure except for the aforementioned items	-11,989,346.42	
Gains/losses items qualified definition of the non-recurring gains/losses	955,958.26	
Less: impact on income tax	7,360,561.86	
Impact on minority shareholders' equity (post-tax)	9,667,131.04	
Total	16,257,273.83	--

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. Total number of common shareholders at the end of this report period and top ten common shareholders

In Share

Total common shareholders at the end of report period		34,927		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
Sinopharm Group Co., Ltd.	State-owned corporate	56.06%	239,999,991	5,505,770		
FIRST SENTIER INVESTORS GLOBAL UMBRELLA FUND PLC - FSSA CHINA GROWTH FUND	Overseas corporate	2.68%	11,469,644			
Shanghai Gaoyi Asset Management Partnership (Limited Partnership)-Gao yi Linshan No. 1 Yuanwang Fund	Domestic non state-owned corporate	2.34%	10,000,000			
Hong Kong Securities Clearing Company Ltd.	Overseas corporate	2.15%	9,199,504			
National Social Security Fund 118 Portfolio	Domestic non state-owned corporate	1.59%	6,791,699			
China National Pharmaceutical Foreign Trade	State-owned corporate	1.24%	5,323,043			

Corp.						
Central Huijin Investment Ltd.	State-owned corporate	0.89%	3,804,400			
Industrial and Commercial Bank of China-Guangfa Steady Growth Securities Investment Fund	Domestic non state-owned corporate	0.89%	3,802,617			
BBH BOS S/A FIDELITY FD - CHINA FOCUS FD	Overseas corporate	0.78%	3,358,761			
National Social Security Fund 115 Portfolio	Domestic non state-owned corporate	0.78%	3,333,913			
Particular about top ten shareholders with un-restrict shares held						
Shareholders	Amount of un-restrict shares held	Type of shares				
		Type	Amount			
Sinopharm Group Co., Ltd.	234,494,221	RMB ordinary shares	234,494,221			
FIRST SENTIER INVESTORS GLOBAL UMBRELLA FUND PLC - FSSA CHINA GROWTH FUND	11,469,644	Domestically listed foreign shares	11,469,644			
Shanghai Gaoyi Asset Management Partnership (Limited Partnership)-Gaoyi Linshan No. 1 Yuanwang Fund	10,000,000	RMB ordinary shares	10,000,000			
Hong Kong Securities Clearing Company Ltd.	9,199,504	RMB ordinary shares	9,199,504			
National Social Security Fund 118 Portfolio	6,791,699	RMB ordinary shares	6,791,699			
China National Pharmaceutical Foreign Trade Corp.	5,323,043	RMB ordinary shares	5,323,043			
Central Huijin Investment Ltd.	3,804,400	RMB ordinary shares	3,804,400			
Industrial and Commercial Bank of China-Guangfa Steady Growth Securities Investment Fund	3,802,617	RMB ordinary shares	3,802,617			

BBH BOS S/A FIDELITY FD - CHINA FOCUS FD	3,358,761	Domestically listed foreign shares	3,358,761
National Social Security Fund 115 Portfolio	3,333,913	RMB ordinary shares	3,333,913
Explanation on associated relationship among the aforesaid shareholders	Sinopharm Group Co., Ltd. and China National Pharmaceutical Foreign Trade Corporation have the same actual controller, which is China National Pharmaceutical Group Corporation. It is unknown that there exists no associated relationship or belongs to the consistent actionist among the other tradable shareholders regulated by the Management Measure of Information Disclosure on Change of Shareholding for Listed Companies.		

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 shareholders 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

1. Notes receivable had a decrease of 276.5989 million yuan from the beginning of the period, with a growth rate of -34.87%, mainly due to changes in the procurement mode of hospital customers and changes in settlement methods caused by the GPO policy;
2. Accounts receivable had an increase of 5,446.291 million yuan from the beginning of the period, with a growth rate of 50.84%, mainly due to the increase in days of turnover of accounts receivable caused by impact of the COVID-19 outbreak and market environment, and also the increase in accounts receivable at the end of the period brought about by the newly merged company;
3. Receivable financing had an increase of 168.1186 million yuan from the beginning of the period, with a growth rate of 37.67%, mainly due to changes in settlement methods with customers and the increase in financing of accounts receivable at the end of the period brought about by the newly merged company;
4. Advances to suppliers had an increase of 138.3328 million yuan from the beginning of the period, with a growth rate of 35.49%, mainly due to the increase in prepayments as the import letters of credit expired;
5. Dividend receivable had a decrease of 0.8349 million yuan from the beginning of the period, with a growth rate of -100%, mainly because Shanghai Dingqun Enterprise Management Consulting Co., Ltd. has been included in the scope of consolidation in the current period, for the dividends receivable of the same period last year, there is no more balance at the consolidation level after internal offset;
6. Other current assets had a decrease of 32.7243 million yuan from the beginning of the period, with a growth rate of -32.02%, mainly due to the decrease in the input tax to be deducted for value-added tax;
7. Intangible assets had an increase of 373.8836 million yuan from the beginning of the period, with a growth rate of 99.76%, mainly due to the sales network generated by the acquisition of Shanghai Dingqun Enterprise Management Consulting Co., Ltd. by the subsidiary Guoda Drug Store in the current period;
8. Goodwill had an increase of 1,736.49 million yuan from the beginning of the period, with a growth rate of 171.92%, mainly due to the acquisition of Chengda Fangyuan Pharmaceutical Group Co., Ltd. and Shanghai Dingqun Enterprise Management Consulting Co., Ltd. by the subsidiary Guoda Drug Store in the current period;

-
9. Deferred tax assets had an increase of 35.4016 million yuan from the beginning of the period, with a growth rate of 56.09%, mainly due to the increase in the ending balance brought about by the newly merged companies in the current period;
10. Other non-current assets had an increase of 195.5173 million yuan from the beginning of the period, with a growth rate of 252.75%, mainly due to the procurement of emergency special reserve materials for the prevention and control of the COVID-19 outbreak at the request of the government;
11. Short-term borrowings had an increase of 1,770.8543 million yuan from the beginning of the period, with a growth rate of 121.87%, mainly due to the increase in supply chain financing in the current period and the increase in the ending short-term loans brought about by the newly merged companies;
12. Accounts payable had an increase of 3,488.0446 million from the beginning of the period, with a growth rate of 52.03%, mainly because the number of days for settlement of accounts payable has increased due to the impact of the COVID-19 outbreak, and the ending accounts payable brought about by the newly merged companies have increased;
13. Interest payable had a decrease of 9.5779 million yuan from the beginning of the period, with a growth rate of -40.53%, mainly due to the scheduled payment of factoring interest on accounts receivable;
14. Long-term borrowings had an increase of 31.6338 million yuan from the beginning of the period, with a growth rate of 100.00%, mainly due to the loan received from Sinopharm Finance Company entrusted by China National Pharmaceutical Group Corporation in the period;
15. Long-term payable had an increase of 6.1382 million yuan from the beginning of the period, with a growth rate of 767.27%, mainly due to the increase in the ending balance brought about by the newly merged companies in the current period;
16. Provisions had an increase of 67.7774 million yuan from the beginning of the period, with a growth rate of 100.00%, mainly due to the increase of the ending balance caused by new enterprise incorporated in current period;
17. Deferred tax liabilities had an increase of 90.3191 million yuan from the beginning of the period, with a growth rate of 76.36%, mainly due to the acquisition of Shanghai Dingqun Enterprise Management Consulting Co., Ltd. by the subsidiary Guoda Drug Store in the current period, resulting in deferred income tax liabilities recognized by the asset fair assessment and appreciation;
18. Other non-current liabilities had an increase of 463.1607 million yuan from the beginning of the period, with a growth rate of 632.25%, mainly due to the advance purchase of government emergency reserve materials for the

prevention and control of the COVID-19 outbreak;

19. Other incomes had a year-on-year increase of 17.58 million yuan, with a growth rate of 61.45%, mainly because various special subsidies and tax reductions received in this period have increased due to the impact of the COVID-19 outbreak;

20. Credit impairment losses had a year-on-year increase of 14.4377 million yuan, with a growth rate of 98.58%, mainly due to the expansion of sales volume, the increase in ending accounts receivable compared with the same period last year, and the number of days of accounts receivable turnover has increased due to the impact of the new crown pneumonia epidemic, so the provision for bad debts has increased accordingly;

21. Impairment losses had a year-on-year increase of 4.7512 million yuan, with a growth rate of 571.45%, mainly due to the increase in the provision for inventory depreciation in the current period;

22. Gain on disposal of assets had a year-on-year increase of 6.7387 million yuan, with a growth rate of 1,153.53%, mainly due to the loss resulting from lease cancellation incurred by the implementation of the new lease standard for retail stores;

23. Non-operating income had a year-on-year increase of 2.8967 million yuan, with a growth rate of 42.09%, mainly due to the transfer of accounts payable that are not required to be paid into non-operating income during the current period;

24. Non-operating expenses had a year-on-year increase of 18.0083 million yuan, with a growth rate of 754.04%, mainly due to the provision of litigation compensation in the current period, there was no such matter in the same period last year;

25. Non-controlling interests had an increase of 59.1853 million yuan, with a growth rate of 36.00%, mainly due to the acquisition of non-wholly-owned subsidiaries by the subsidiary Guoda Drug Store during the current period, which caused an increase in the profit and loss attributable to minority shareholders and an increase in the net profit of Guoda Drug Store on a year-on-year basis, and the minority shareholders' profit and loss attributable to strategic investor Walgreens Boots Alliance (Hong Kong) Investments Limited (hereinafter referred to as "WBA") increased accordingly;

26. Other comprehensive income, net of tax had a year-on-year increase of 0.1439 million yuan, with a growth rate of 100.00%, mainly due to the change of other equity from associated enterprise in the period;

27. Total comprehensive income attributable to non-controlling interests had a year-on-year increase of 59.1853 million yuan, with a growth rate of 36.00%, mainly due to the new acquisition of non-wholly-owned subsidiaries by the subsidiary Guoda Drug Store during the current period, which caused an increase in comprehensive income

attributable to minority shareholders and an increase in the net profit of Guoda Drug Store on a year-on-year basis, and the comprehensive income of minority shareholders attributable to WBA increased correspondingly;

28. Receipts of taxes and surcharges refunds had an increase of 7.2765 million yuan year-on-year, with a growth rate of 207.42%, mainly due to the increase in tax refunds received in this period compared with the same period last year;

29. Other cash receipts relating to operating activities had a year-on-year increase of 698.8992 million yuan, with a growth rate of 135.09%, mainly due to the receipt of special reserve funds for the prevention and control of the COVID-19 outbreak, there was no such matter in the same period last year;

30. Cash payments related to other operating activities had a year-on-year increase of 259.1235 million yuan, with a growth rate of 32.11%, mainly due to the year-on-year increase in various expenses and current accounts paid during the current period;

31. Net cash flows from operating activities had a year-on-year increase of 924.5539 million yuan, with a growth rate of 87.32%, mainly because the company has formulated stricter fund management plans, increased the collection of accounts receivable and effectively controlled purchase payments, and received the emergency special reserve funds for the prevention and control of the COVID-19 outbreak in the current period;

32. Cash receipts from returns of investments had a year-on-year increase of 19.0276 million yuan, with a growth rate of 100.00%, because received the withdrawal of principal from the China National Zhongjin Medical Industry Fund;

33. Cash receipts from returns on investments had a year-on-year increase of 81.3311 million yuan, with a growth rate of 103.95%, because the cash dividends received from associates in the current period increased on a year-on-year basis;

34. Cash receipts related to other investing activities had a year-on-year decrease of 346.5745 million yuan, with a growth rate of -94.02%, because the consolidated subsidiary Pudong New Area of Shanghai Pharmaceutical Medicine Co., Ltd. under the same control of the subsidiary Guoda Drug Store in the current period received the funds allocated from the fund pool of its original parent company Sinopharm Group Co., Ltd. in the same period of last year, and the funds originally collected was taken back into the cash pool in this period;

35. Sub-total of cash inflows from investing activities had a year-on-year decrease of 245.9187 million yuan, with a growth rate of -54.43%, mainly because the consolidated subsidiary Pudong New Area of Shanghai Pharmaceutical Medicine Co., Ltd. under the same control of the subsidiary Guoda Drug Store in the current period received the funds allocated from the fund pool of its original parent company Sinopharm Group Co., Ltd.

in the same period of last year, and the funds originally collected was taken back into the cash pool in this period;

36. Cash paid for acquisition of investments had a year-on-year decrease of 56.1288 million yuan, with a growth rate of -66.39%, mainly due to the decrease in the store transfer fee paid by the subsidiary Guoda Drug Store for the purchase of retail stores during the current period;

37. Net cash paid for acquisition of subsidiaries and other business units had an a year-on-year increase of 2,379.2871 million yuan, with a growth rate of 44,656.29%, mainly due to the net cash paid for the acquisition of Chengda Fangyuan Pharmaceutical Group Co., Ltd. and Shanghai Dingqun Enterprise Management Consulting Co., Ltd. by the subsidiary Guoda Drug Store, there was no such matter in the same period last year;

38. Cash payments related to other investing activities had a year-on-year decrease of 340.7033 million yuan, with a growth rate of -98.55%, mainly because the subsidiary Guoda Drug Store merged into Pudong New Area of Shanghai Pharmaceutical Medicine Co., Ltd. under the same control during the current period, and the fund pool in the same period last year was collected to the original parent company Sinopharm Group Co., Ltd., there was no such matter in this period;

39. Sub-total of cash outflows from investing activities had a year-on-year increase of 2,004.8201 million yuan, with a growth rate of 332.98%, mainly due to the net cash paid by the subsidiary Guoda Drug Store for the acquisition of Chengda Fangyuan Pharmaceutical Group Co., Ltd. and Shanghai Dingqun Enterprise Management Consulting Co., Ltd. in the current period, there was no such matter in the same period last year;

40. Net cash flow from investing activities had a year-on-year decrease of 2,250.7388 million yuan, with a growth rate of -1,497.99%, mainly due to the net cash paid by the subsidiary Guoda Drug Store for the acquisition of Chengda Fangyuan Pharmaceutical Group Co., Ltd. and Shanghai Dingqun Enterprise Management Consulting Co., Ltd. in the current period, there was no such matter in the same period last year;

41. Cash proceeds from investments by others had a year-on-year decrease of 44.548 million yuan, with a growth rate of -100%, mainly due to the receipt of capital increase from minority shareholders in the same period last year. There was no such matter in this period;

42. Cash received from borrowings had a year-on-year increase of 696.82 million yuan, with a growth rate of 665.54%, mainly due to the receipt of special loan funds for the prevention and control of the COVID-19 outbreak in this period and the increase in bank loans;

43. Cash receipts related to other financing activities had a year-on-year increase of 317.677 million yuan, with a growth rate of 16,145.16%, mainly due to the receipt of loans from non-financial institutions in the current period and the increase in the return of guarantee deposits for the draft received in the current period;

-
44. Sub-total of cash inflows from financing activities had a year-on-year increase of 969.949 million yuan, with a growth rate of 641.43%, mainly due to the receipt of special loan funds for the prevention and control of the COVID-19 outbreak in this period, and the receipt of loans from non-financial institutions in this period;
45. Cash repayments for debts had a year-on-year increase of 152.1929 million yuan, with a growth rate of 94.35%, mainly due to the increase in loan repayments during the current period;
46. Cash payments related to other financing activities had a year-on-year increase of 1,056.3758 million yuan, with a growth rate of 174.70%, mainly due to the repayment of loans from non-financial institutions during the current period, and the increase in rental payments in retail stores;
47. Sub-total of cash outflows from financing activities had a year-on-year increase of 1,301.6337 million yuan, with a growth rate of 106.79%, mainly due to the repayment of loans from non-financial institutions in the current period, and the increase in rent paid by retail stores;
48. Net cash flow from financing activities had a year-on-year decrease of 331.6847 million yuan, with a growth rate of -31.07%, mainly due to the year-on-year increase in rent paid by retail stores, and the investment funds paid by the subsidiary Guoda Drug Store for the consolidation of the subsidiary Pudong New Area of Shanghai Pharmaceutical Medicine Co., Ltd. under the same control in the current period;
49. Effect of foreign exchange rate changes on cash and cash equivalents had a year-on-year increase of 0.1259 million yuan, with a growth rate of 71.52%, mainly due to the impact of exchange rate changes;
50. Net increase in cash and cash equivalents had a year-on-year decrease of 1,657.7437 million yuan, with a growth rate of -1,040.83%, mainly due to the investment paid by the subsidiary Guoda Drug Store for the acquisition of Chengda Fangyuan Pharmaceutical Group Co., Ltd. and Shanghai Dingqun Enterprise Management Consulting Co., Ltd. during the current period. There was no such matter in the same period last year.

II. Progress and influence of the main events as well as solution analysis specification

Applicable Not applicable

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 company, shareholders, actual controller, offeror, directors, supervisors, senior management or other related parties 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 company, shareholders, actual controller, offeror, directors, supervisors, senior management or other related parties have fulfilled during the reporting period and have not yet fulfilled by the end of reporting period.

IV. Financial asset investment

1. Particular about security investment

Applicable Not applicable

The Company had no security investment in Period.

2. Particulars about derivatives investment

Applicable Not applicable

The Company had no derivatives investment in Period.

V. Progress of investment projects with raised funds

Applicable Not applicable

VI. Prediction of 2020 business performance

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

Applicable Not applicable

VII. Major contracts for daily operations

Applicable Not applicable

VIII. Trust financing

Applicable Not applicable

The Company had no trust financing in Period.

IX. Guarantee outside against the regulation

Applicable Not applicable

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

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

Applicable Not applicable

The Company had no non-operational fund occupation from controlling shareholders and its related party.

XI. Registration form for receiving research, communication and interview in the report period

Applicable Not applicable

The Company had no receiving research, communication or interview in the report period.

Section IV. Financial Statement

I. Financial statement

1. Consolidate balance sheet

Prepared by China National Accord Medicines Corporation Ltd.

2020-09-30

In RMB

Item	2020-9-30	2019-12-31
Current assets:		
Cash and bank balances	6,962,649,007.83	8,885,729,250.47
Settlement provisions		
Capital lent		
Tradable financial assets		
Derivative financial assets		
Notes receivable	516,702,799.00	793,301,688.64
Accounts receivable	16,159,274,568.20	10,712,983,544.18
Receivable financing	614,461,184.65	446,342,588.46
Advances to suppliers	528,161,580.38	389,828,785.54
Insurance receivable		
Reinsurance receivables		
Contract reserve of reinsurance receivable		
Other receivables	625,955,680.32	501,958,841.43
Including: Interest receivable		
Dividend receivable		834,914.61
Buying back the sale of financial assets		
Inventories	6,472,039,528.37	5,063,274,143.26
Contractual assets		
Assets held for sale		
Non-current asset due within one year		
Other current assets	69,483,189.74	102,207,498.20

Total current assets	31,948,727,538.49	26,895,626,340.18
Non-current assets:		
Loans and payments on behalf		
Debt investment		
Other debt investment		
Long-term account receivable		
Long-term equity investment	2,180,792,355.94	2,105,114,410.88
Other equity instruments investment	116,021,000.00	116,021,000.00
Other non-current financial assets	120,972,350.24	140,000,000.00
Investment properties	129,386,716.54	138,900,358.30
Fixed assets	830,176,528.72	708,000,172.63
Construction in progress	34,002,571.84	31,582,575.84
Productive biological asset		
Oil and gas asset		
Right-of-use assets	2,364,186,871.11	1,994,757,862.07
Intangible assets	748,672,438.97	374,788,799.48
Expense on Research and Development		
Goodwill	2,746,547,971.28	1,010,057,927.17
Long-term prepaid expenses	422,329,641.93	373,527,968.14
Deferred tax assets	98,512,476.79	63,110,829.12
Other non-current assets	272,872,270.66	77,354,970.39
Total non-current assets	10,064,473,194.02	7,133,216,874.02
Total assets	42,013,200,732.51	34,028,843,214.20
Current liabilities:		
Short-term borrowings	3,223,872,627.85	1,453,018,300.01
Loan from central bank		
Capital borrowed		
Trading financial liability		
Derivative financial liability		
Notes payable	6,517,277,316.76	5,555,697,557.53
Accounts payable	10,192,012,474.51	6,703,967,826.54
Accounts received in advance		
Contract liabilities	319,872,358.57	303,194,940.70

Selling financial asset of repurchase		
Absorbing deposit and interbank deposit		
Security trading of agency		
Security sales of agency		
Employee benefits payable	297,011,161.64	259,640,813.10
Tax payable	266,341,378.00	253,379,524.34
Other payables	1,819,483,384.19	1,822,364,637.62
Including: Interest payable	14,054,694.93	23,632,632.90
Dividend payable	6,389,320.96	6,389,320.96
Commission charge and commission payable		
Reinsurance payable		
Liability held for sale		
Non-current liabilities due within one year	722,848,572.29	611,917,847.37
Other current liabilities	888,938.88	749,710.19
Total current liabilities	23,359,608,212.69	16,963,931,157.40
Non-current liabilities:		
Insurance contract reserve		
Long-term borrowings	31,633,794.44	
Bonds payable		
Including: Preferred stock		
Perpetual capital securities		
Lease liabilities	1,315,854,064.33	1,208,453,029.51
Long-term payable	6,938,189.00	800,000.00
Long-term employee benefits payable	1,390,000.00	1,433,000.00
Provisions	67,777,417.09	
Deferred income	86,200,079.36	88,704,272.88
Deferred tax liabilities	208,604,078.87	118,284,962.77
Other non-current liabilities	536,417,234.89	73,256,514.93
Total non-current liabilities	2,254,814,857.98	1,490,931,780.09
Total liabilities	25,614,423,070.67	18,454,862,937.49

Owner's equity:		
Share capital	428,126,983.00	428,126,983.00
Other equity instrument		
Including: Preferred stock		
Perpetual capital securities		
Capital surplus	4,372,924,761.28	4,470,766,959.44
Less: Inventory shares		
Other comprehensive income	46,061,282.19	45,917,342.77
Reasonable reserve		
Surplus reserve	214,063,491.50	214,063,491.50
Provision of general risk		
Retained earnings	8,492,975,215.79	7,752,265,659.17
Shareholders' equity attributable to shareholders of the parent	13,554,151,733.76	12,911,140,435.88
Non-controlling interests	2,844,625,928.08	2,662,839,840.83
Total shareholders' equity	16,398,777,661.84	15,573,980,276.71
Total liabilities and shareholders' equity	42,013,200,732.51	34,028,843,214.20

Legal Representative: Lin Zhaoxiong

Accounting Principal: Gu Guolin

Accounting Firm's Principal: Wang Ying

2. Balance Sheet of Parent Company

In RMB

Item	2020-9-30	2019-12-31
Current assets:		
Cash and bank balances	3,623,472,432.84	2,909,417,289.71
Trading financial assets		
Derivative financial assets		
Notes receivable		14,900,068.42
Accounts receivable	825,123,171.17	571,544,784.65
Receivable financing	14,286,247.98	30,194,682.11
Advances to suppliers	2,255,341.39	7,996,243.28

Other receivables	2,238,224,576.05	1,928,941,595.38
Including: Interest receivable		
Dividend receivable		834,914.61
Inventories	180,659,951.37	169,422,075.78
Contractual assets		
Assets held for sale		
Non-current assets maturing within one year		
Other current assets	39,482.38	39,482.38
Total current assets	6,884,061,203.18	5,632,456,221.71
Non-current assets:		
Debt investment		
Other debt investment		
Long-term receivables		
Long-term equity investments	7,768,347,868.17	7,698,756,525.83
Investment in other equity instrument		
Other non-current financial assets	120,972,350.24	140,000,000.00
Investment properties	1,460,148.67	1,484,198.56
Fixed assets	14,313,510.88	14,763,656.62
Construction in progress		
Productive biological assets		
Oil and natural gas assets		
Right-of-use assets	5,428,250.46	6,217,504.50
Intangible assets	4,968,294.45	5,838,737.17
Research and development costs		
Goodwill		
Long-term prepaid expenses	4,688,164.95	6,130,534.55
Deferred tax assets	9,314,310.47	9,327,850.53
Other non-current assets	12,442,236.49	9,000,000.00
Total non-current assets	7,941,935,134.78	7,891,519,007.76
Total assets	14,825,996,337.96	13,523,975,229.47
Current liabilities		
Short-term borrowings	247,722,171.73	121,350,644.36
Trading financial liability		

Derivative financial liability		
Notes payable	577,672,670.63	751,577,900.22
Accounts payable	604,053,901.91	322,436,681.01
Accounts received in advance		
Contract liabilities	24,386,087.49	7,293,184.46
Employee benefits payable	32,139,686.65	30,469,777.88
Taxes payable	16,082,246.01	22,909,124.90
Other payables	2,505,736,963.13	2,120,794,765.05
Including: Interest payable	358,968.22	861,110.53
Dividend payable		
Liability held for sale		
Non-current liabilities due within one year	1,044,745.35	32,640,325.77
Other current liabilities	220,070.94	338,196.81
Total current liabilities	4,009,058,543.84	3,409,810,600.46
Non-current liabilities:		
Long-term borrowings	31,633,794.44	
Bonds payable		
Including: preferred stock		
Perpetual capital securities		
Lease liabilities	4,723,839.22	5,461,257.38
Long-term payable	800,000.00	800,000.00
Long-term employee benefits payable	21,000.00	
Accrued liabilities		
Deferred income	939,918.30	1,276,698.66
Deferred income tax liabilities		
Other non-current liabilities	6,750,487.95	
Total non-current liabilities	44,869,039.91	7,537,956.04
Total liabilities	4,053,927,583.75	3,417,348,556.50
Owners' equity:		
Share capital	428,126,983.00	428,126,983.00
Other equity instrument		
Including: preferred stock		

Perpetual capital securities		
Capital surplus	4,468,412,139.15	4,468,385,307.32
Less: Inventory shares		
Other comprehensive income	10,573.23	-133,366.19
Special reserve		
Surplus reserve	214,063,491.50	214,063,491.50
Retained earnings	5,661,455,567.33	4,996,184,257.34
Total owner's equity	10,772,068,754.21	10,106,626,672.97
Total liabilities and owner's equity	14,825,996,337.96	13,523,975,229.47

3. Consolidated Profit Statement (the period)

In RMB

Item	Current period	Last period
I. Total operating revenue	15,710,564,937.11	13,824,236,956.99
Including: Operating revenue	15,710,564,937.11	13,824,236,956.99
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating costs	15,303,846,841.06	13,468,651,756.73
Including: Operating costs	13,973,474,907.40	12,397,323,704.29
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 surcharges	40,704,486.64	36,849,813.53
Selling expenses	1,021,255,859.95	789,902,994.19
Administrative expense	247,039,895.13	215,510,730.76

R&D expense		
Finance costs	21,371,691.94	29,064,513.96
Including: Interest cost	69,345,341.35	73,519,643.35
Interest income	47,423,651.34	42,782,208.81
Add: other incomes	10,332,398.22	12,116,753.12
Investment income (Loss is listed with “-”)	106,744,145.25	69,951,393.31
Including: Investment income from associates	113,954,215.33	86,019,936.49
Income from the derecognition of financial assets measured at amortised cost (Loss is listed with “-”)	-7,260,070.08	-16,118,543.18
Exchange income (Loss is listed with “-”)		
Net exposure hedging income (Loss is listed with “-”)		
Income from change of fair value (Loss is listed with “-”)		
Credit impairment losses (Loss is listed with “-”)	-7,503,494.54	-3,211,918.65
Impairment losses (Loss is listed with “-”)	-3,838,776.90	-705,879.81
Gain on disposal of assets (Loss is listed with “-”)	3,017,582.41	613,909.71
III. Operating profit (Loss is listed with “-”)	515,469,950.49	434,349,457.94
Add: Non-operating income	4,558,551.96	3,208,143.43
Less: Non-operating expenses	17,387,648.55	638,789.06
IV. Total profit (Loss is listed with “-”)	502,640,853.90	436,918,812.31
Less: Income taxes	87,693,175.37	80,186,257.89
V. Net profit (Net loss is listed with “-”)	414,947,678.53	356,732,554.42
(i) Classify by business continuity		
1. profit or loss from continuing operations (net loss listed with “-”)	414,947,678.53	356,732,554.42
2. termination of net profit (net loss listed with “-”)		
(ii) Classify by ownership		

1. Owners of the parent	354,134,165.83	310,253,592.48
2. Non-controlling interests	60,813,512.70	46,478,961.94
VI. Other comprehensive income, net of tax	21,752.53	
Other comprehensive income attributable to shareholders of owners of the parent, net of tax	21,752.53	
(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 that may be reclassified to profit or loss	21,752.53	
1. Other comprehensive income using the equity method that may be reclassified to profit or loss	21,752.53	
2.Change of fair value of other debt investment		
3.Amount of financial assets re-classify to other comprehensive income		
4.Credit impairment provision for other debt investment		
5.Cash flow hedging reserve		
6.Translation differences arising on translation of foreign currency financial statements		
7.Other		
Net after-tax of other comprehensive income attributable to minority		

shareholders		
VII. Total comprehensive income	414,969,431.06	356,732,554.42
Total comprehensive income attributable to shareholders of the parent	354,155,918.36	310,253,592.48
Total comprehensive income attributable to non-controlling interests	60,813,512.70	46,478,961.94
VIII. Earnings per share:		
(i) Basic earnings per share	0.83	0.72
(ii) Diluted earnings per share	0.83	0.72

Enterprise combine under the same control in the Period, the combined party realized net profit of 0.00 Yuan before combination, and realized -2,559,759.75 Yuan at last period for combined party

Legal Representative: Lin Zhaoxiong

Accounting Principal: Gu Guolin

Accounting Firm's Principal: Wang Ying

4. Profit Statement of Parent Company (the period)

In RMB

Item	Current period	Last period
I. Operating revenue	1,045,312,749.83	1,112,624,846.96
Less: Operating cost	998,626,282.80	1,064,701,021.03
Taxes and surcharge	1,971,974.46	1,964,184.59
Sales expenses	16,645,559.49	17,984,619.36
Administration expenses	21,487,255.62	24,299,300.83
R&D expenses		
Finance costs	-19,457,068.52	-12,688,664.89
Including: Interest cost	12,460,526.51	14,404,910.73
Interest income	32,385,886.23	27,695,670.05
Add: other income	132,260.12	219,828.06
Investment income (Loss is listed with "-")	113,805,608.42	472,311,092.78
Including: Investment income from associates	113,923,021.39	91,259,842.03
Income from the derecognition of financial assets measured at amortized cost (Loss is	-117,412.97	-1,201,462.13

listed with “-”)		
Net exposure hedging income (Loss is listed with “-”)		
Changing income of fair value (Loss is listed with “-”)		
Credit impairment losses (Loss is listed with “-”)		-161,522.25
Impairment loss (Loss is listed with “-”)	-477,234.68	-234,019.78
Gain on disposal of assets (Loss is listed with “-”)	-165.97	181,433.34
II. Operating profit (Loss is listed with “-”)	139,499,213.87	488,681,198.19
Add: Non-operating income	237.88	373.35
Less: Non-operating expense	0.02	
III. Total Profit (Loss is listed with “-”)	139,499,451.73	488,681,571.54
Less: Income taxes	6,442,994.33	3,675,740.93
IV. Net profit (Net loss is listed with “-”)	133,056,457.40	485,005,830.61
(i) profit or loss from continuing operations (net loss listed with ‘-’)	133,056,457.40	485,005,830.61
(ii) termination of net profit (net loss listed with ‘-’)		
V. Other comprehensive income, net of tax	21,752.53	
(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	21,752.53	

that may be reclassified to profit or loss		
1. Other comprehensive income using the equity method that may be reclassified to profit or loss	21,752.53	
2. Change of fair value of other debt investment		
3. Amount of financial assets re-classify to other comprehensive income		
4. Credit impairment provision for other debt investment		
5. Cash flow hedging reserve		
6. Translation differences arising on translation of foreign currency financial statements		
7. Other		
VI. Total comprehensive income	133,078,209.93	485,005,830.61
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 revenue	42,880,505,125.63	39,423,435,772.29
Including: Operating revenue	42,880,505,125.63	39,423,435,772.29
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating costs	41,581,721,662.96	38,242,360,900.06
Including: Operating costs	37,944,504,626.84	35,110,200,308.48
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 surcharges	110,209,795.96	99,561,207.90
Selling expenses	2,749,994,678.55	2,331,188,042.13
Administrative expenses	690,327,040.05	607,359,068.67
R&D expense		
Finance costs	86,685,521.56	94,052,272.88
Including: Interest cost	202,695,852.03	208,314,880.76
Interest income	112,936,201.56	103,423,311.30
Add: other income	46,187,696.54	28,607,672.14
Investment income (Loss is listed with “-”)	211,950,494.51	196,824,879.75
Including: Investment income from associates	247,559,119.49	255,162,226.48
Income from the derecognition of financial assets measured at amortized cost (Loss is listed with “-”)	-40,767,172.72	-58,387,346.73
Exchange income (Loss is listed with “-”)		
Net exposure hedging income (Loss is listed with “-”)		
Income from change of fair value (Loss is listed with “-”)		
Credit impairment losses (Loss is listed with “-”)	-29,083,726.06	-14,646,019.78
Impairment losses (Loss is listed with “-”)	-5,582,665.20	-831,434.15
Gain on disposal of assets (Loss is listed with “-”)	7,322,907.21	584,184.27
III. Operating profit (Loss is listed with “-”)	1,529,578,169.67	1,391,614,154.46
Add: Non-operating income	9,778,532.18	6,881,835.88
Less: Non-operating expense	20,396,541.07	2,388,239.14

IV. Total profit (Loss is listed with “-”)	1,518,960,160.78	1,396,107,751.20
Less: Income taxes	297,799,939.72	272,310,616.73
V. Net profit (Net loss is listed with “-”)	1,221,160,221.06	1,123,797,134.47
(i) Classify by business continuity		
1. profit or loss from continuing operations (net loss listed with ‘-’)	1,221,160,221.06	1,123,797,134.47
2.termination of net profit (net loss listed with ‘-’)		
(ii) Classify by ownership		
1.Owners of the parent	997,585,746.42	959,408,007.03
2.Non-controlling interests	223,574,474.64	164,389,127.44
VI. Other comprehensive income, net of tax	143,939.42	
Other comprehensive income attributable to shareholders of owners of the parent, net of tax	143,939.42	
(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 that may be reclassified to profit or loss	143,939.42	
1. Other comprehensive income using the equity method that may be reclassified to profit or loss	143,939.42	
2.Change of fair value of other debt investment		
3.Amount of financial assets re-classify to other comprehensive		

income		
4.Credit impairment provision for other debt investment		
5.Cash flow hedging reserve		
6.Translation differences arising on translation of foreign currency financial statements		
7.Other		
Net after-tax of other comprehensive income attributable to minority shareholders		
VII. Total comprehensive income	1,221,304,160.48	1,123,797,134.47
Total comprehensive income attributable to shareholders of the parent	997,729,685.84	959,408,007.03
Total comprehensive income attributable to non-controlling interests	223,574,474.64	164,389,127.44
VIII. Earnings per share:		
(i) Basic earnings per share	2.33	2.24
(ii) Diluted earnings per share	2.33	2.24

Enterprise combine under the same control in the Period, the combined party realized net profit of 0.00 Yuan before combination, and realized -3,587,735.01 Yuan at last period for combined party

Legal Representative: Lin Zhaoxiong

Accounting Principal: Gu Guolin

Accounting Firm's Principal: Wang Ying

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

In RMB

Item	Current Period	Last Period
I. Operating revenue	2,817,800,113.39	3,120,629,410.26
Less: Operating costs	2,688,190,345.04	2,985,973,415.79
Taxes and surcharge	4,554,615.32	4,483,432.58
Selling expenses	48,021,936.53	49,036,664.17
Administration expenses	64,547,735.37	62,356,107.14
R&D expenses		
Finance costs	-63,295,185.86	-43,265,784.17

Including: interest expenses	34,388,587.85	35,792,756.82
Interest income	98,955,206.08	80,175,392.47
Add: other income	762,181.59	552,592.19
Investment income (Loss is listed with “-”)	863,439,369.20	1,078,420,637.97
Including: Investment income from associates	247,472,516.77	272,540,375.14
Income from the derecognition of financial assets measured at amortised cost (Loss is listed with “-”)	-1,644,381.22	-3,380,337.41
Net exposure hedging income (Loss is listed with “-”)		
Changing income of fair value (Loss is listed with “-”)		
Credit impairment losses (Loss is listed with “-”)	-976,022.96	-2,527,287.33
Impairment loss (Loss is listed with “-”)	-719,966.55	-336,132.62
Gain on disposal of assets (Loss is listed with “-”)	-165.97	155,358.82
II. Operating profit (Loss is listed with “-”)	938,286,062.30	1,138,310,743.78
Add: Non-operating income	1,834.65	46,442.75
Less: Non-operating expense	52,122.74	
III. Total Profit (Loss is listed with “-”)	938,235,774.21	1,138,357,186.53
Less: Income taxes	16,088,274.42	12,674,965.45
IV. Net profit (Net loss is listed with “-”)	922,147,499.79	1,125,682,221.08
(i) profit or loss from continuing operations (net loss listed with “-”)	922,147,499.79	1,125,682,221.08
(ii) termination of net profit (net loss listed with “-”)		
V. Other comprehensive income, net of tax	143,939.42	
(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 that may be reclassified to profit or loss	143,939.42	
1. Other comprehensive income using the equity method that may be reclassified to profit or loss	143,939.42	
2. Change of fair value of other debt investment		
3. Amount of financial assets re-classify to other comprehensive income		
4. Credit impairment provision for other debt investment		
5. Cash flow hedging reserve		
6. Translation differences arising on translation of foreign currency financial statements		
7. Other		
VI. Total comprehensive income	922,291,439.21	1,125,682,221.08
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 sales of good	42,418,077,097.10	40,055,008,686.20

or rendering of services		
Net increase of customer deposit and interbank 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		
Receipts of taxes and surcharges refunds	10,784,614.07	3,508,074.72
Other cash receipts relating to operating activities	1,216,248,037.55	517,348,861.84
Sub-total of cash inflows from operating activities	43,645,109,748.72	40,575,865,622.76
Cash paid for goods and services	37,533,521,802.87	36,077,610,134.36
Net increase of customer loans and advances		
Net increase of deposits in central bank and interbank		
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 and on behalf of employees	1,913,705,773.98	1,672,811,261.76
Cash paid for all types of taxes	1,148,433,266.37	959,672,684.15
Cash payments related to other operating activities	1,066,101,719.26	806,978,262.18

Sub-total of cash outflows from operating activities	41,661,762,562.48	39,517,072,342.45
Net cash flows from operating activities	1,983,347,186.24	1,058,793,280.31
II. Cash flows arising from investing activities:		
Cash receipts from returns of investments	19,027,649.76	
Cash receipts from returns on investments	159,574,046.42	78,242,963.78
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	5,274,705.47	4,977,626.76
Net cash received from disposal of subsidiaries and other units		
Cash receipts related to other investing activities	22,040,000.00	368,614,498.90
Subtotal of cash inflow from investing activities	205,916,401.65	451,835,089.44
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	188,880,164.05	166,514,970.91
Cash paid for acquisition of investments	28,410,468.41	84,539,317.61
Net increase of mortgaged loans		
Net cash paid for acquisition of subsidiaries and other business units	2,384,615,064.76	5,328,000.00
Cash payments related to other investing activities	5,000,000.00	345,703,306.28
Subtotal of cash outflow from investing activities	2,606,905,697.22	602,085,594.80
Net cash flows from investing activities	-2,400,989,295.57	-150,250,505.36
III. Cash flows arising from financing activities		
Cash proceeds from investments by others		44,548,000.00
Incl: Cash proceeds from subsidiary investments by non-controlling shareholders		44,548,000.00
Cash received from borrowings	801,520,037.57	104,700,000.00
Cash receipts related to other financing activities	319,644,627.50	1,967,629.61
Sub-total of cash inflows from financing activities	1,121,164,665.07	151,215,629.61

Cash repayments for debts	313,500,000.00	161,307,142.79
Cash payments for distribution of dividends or profit and interest expenses	545,931,923.60	452,866,856.35
Incl: Profit and dividends paid to non-controlling shareholders of subsidiaries	62,338,791.80	28,493,123.11
Cash payments related to other financing activities	1,661,056,163.63	604,680,365.03
Subtotal of cash outflow from financing activities	2,520,488,087.23	1,218,854,364.17
Net cash flows from financing activities	-1,399,323,422.16	-1,067,638,734.56
IV. Effect of foreign exchange rate changes on cash and cash equivalents	-50,126.70	-175,994.42
V. Net increase of cash and cash equivalents	-1,817,015,658.19	-159,271,954.03
Add: Cash and cash equivalents at beginning of the year	8,426,071,170.16	7,634,936,037.30
VI. Cash and cash equivalents at end of year	6,609,055,511.97	7,475,664,083.27

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 sales of good or rendering of services	2,801,262,096.63	3,217,890,947.38
Write-back of tax received		
Other cash receipts relating to operating activities	118,590,737.66	32,674,054.58
Sub-total of cash inflows from operating activities	2,919,852,834.29	3,250,565,001.96
Cash paid for goods and services	2,670,157,831.18	3,191,926,190.64
Cash paid to and on behalf of employees	77,688,934.66	73,601,798.69
Cash paid for all types of taxes	61,976,566.00	43,156,828.71
Cash payments related to other operating activities	39,479,023.87	24,724,274.57
Sub-total of cash outflows from operating activities	2,849,302,355.71	3,333,409,092.61

Net cash flows from operating activities	70,550,478.58	-82,844,090.65
II. Cash flows arising from investing activities:		
Cash receipts from returns of investments	32,664,096.76	
Cash receipts from returns on investments	333,064,697.85	619,976,538.54
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	2,900.00	3,961,383.00
Net cash received from disposal of subsidiaries and other units		
Cash receipts related to other investing activities	1,996,202,038.52	1,482,390,000.00
Sub-total of cash inflow from investing activities	2,361,933,733.13	2,106,327,921.54
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	11,926,875.85	6,777,035.03
Cash paid for acquisition of investments		19,998,000.00
Net cash received from subsidiaries and other units obtained		
Cash payments related to other investing activities	2,296,122,707.02	1,812,850,181.28
Sub-total of cash outflows from investing activities	2,308,049,582.87	1,839,625,216.31
Net cash flows from investing activities	53,884,150.26	266,702,705.23
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Cash received from borrowings	63,864,821.52	10,000,000.00
Cash receipts related to other financing activities	24,518,926,964.22	18,437,509,464.22
Sub-total of cash inflow from financing activities	24,582,791,785.74	18,447,509,464.22
Cash repayments for debts	43,700,000.00	10,000,000.00
Cash payments for distribution of dividends, profit or interest expenses	285,557,151.27	191,576,803.94
Cash payments related to other financing activities	23,660,780,660.15	17,703,057,206.85

Sub-total of cash outflow from financing activities	23,990,037,811.42	17,904,634,010.79
Net cash flows from financing activities	592,753,974.32	542,875,453.43
IV. Effect of foreign exchange rate changes on cash and cash equivalents	-50,126.70	-175,994.42
V. Net increase of cash and cash equivalents	717,138,476.46	726,558,073.59
Add: Cash and cash equivalents at beginning of the year	2,894,333,956.38	1,817,654,598.01
VI. Cash and cash equivalents at end of year	3,611,472,432.84	2,544,212,671.60

II. Explanation on financial statement adjustment

1. Financial statement adjustment at the beginning of the first year when implementation of new revenue rules and new leasing rules from 2020

Applicable Not applicable

2. Retrospective adjustment of the comparative data for initial implementation of new revenue rules and new leasing rules from 2020

Applicable Not applicable

III. Audit report

Whether the 3rd quarterly report has been audited or not

Yes No

3Q report of the Company is unaudited.

China National Accord Medicines Corporation Ltd.

Legal representative: Lin Zhaoxiong

October 22, 2020