



Shenzhen Properties Group  
**深房集团**

**SHENZHEN SPECIAL ECONOMIC ZONE REAL ESTATE  
& PROPERTIES (GROUP) CO., LTD.**

**THIRD QUARTERLY REPORT 2020**

**2020-080**

**October 2020**

## Part I Important Notes

**The Board of Directors (or the “Board”), the Supervisory Committee as well as the directors, supervisors and senior management of Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd. (hereinafter referred to as the “Company”) hereby guarantee that the contents of this Report and its summary are true, accurate and complete and free of any misrepresentations, misleading statements or material omissions, and collectively and individually accept legal responsibility for such contents.**

**All the Company’s directors have attended the Board meeting for the review of this Report and its summary.**

**Liu Zhengyu, the Company’s legal representative, Tang Xiaoping, the Company’s head for financial affairs, and Qiao Yanjun, head of the Company’s financial department (equivalent to financial manager) hereby guarantee that the financial statements carried in this Report are truthful, accurate and complete.**

**This Report and its summary have been prepared in both Chinese and English. Should there be any discrepancies or misunderstandings between the two versions, the Chinese versions shall prevail.**

## Part II Key Corporate Information

### I Key Financial Information

Indicate by tick mark whether there is any retrospectively restated datum in the table below.

Yes  No

|  | 30 September 2020 | 31 December 2019 | Change (%)       |                |
|--|-------------------|------------------|------------------|----------------|
| Total assets (RMB)   | 4,685,440,082.68  | 4,909,669,536.09 | -4.57%           |                |
| Equity attributable to the listed company's shareholders (RMB)   | 3,699,847,692.18  | 3,666,874,569.99 | 0.90%            |                |
|  | Q3 2020           | YoY change (%)   | Q1-Q3 2020       | YoY change (%) |
| Operating revenue (RMB)  | 621,402,307.38    | -4.72%           | 1,217,660,802.78 | -36.03%        |
| Net profit attributable to the listed company's shareholders (RMB)                                     | 101,565,292.91    | -4.51%           | 198,840,278.63   | -54.76%        |
| Net profit attributable to the listed company's shareholders before exceptional gains and losses (RMB) | 101,225,798.44    | -4.39%           | 197,824,111.61   | -54.91%        |
| Net cash generated from/used in operating activities (RMB)   | 309,652,617.04    | -13.08%          | 97,409,818.45    | -90.65%        |
| Basic earnings per share (RMB/share)   | 0.1004            | -4.47%           | 0.1965           | -54.78%        |
| Diluted earnings per share (RMB/share)   | 0.1004            | -4.47%           | 0.1965           | -54.78%        |
| Weighted average return on equity (%)  | 2.76%             | -0.32%           | 5.40%            | -7.34%         |

Exceptional gains and losses:

Applicable  Not applicable

Unit: RMB

| Item  | Q1-Q3 2020   | Note |
|---|--------------|------|
| Non-operating income and expense other than the above | 1,354,889.36 |      |
| Less: Income tax effects                              | 338,722.34   |      |
| Total   | 1,016,167.02 | --   |

Explanation of why the Company reclassifies as recurrent an exceptional gain/loss item defined or listed in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Exceptional Gain/Loss Items:

Applicable  Not applicable

No such cases for the Reporting Period.

## II Total Number of Shareholders and Holdings of Top 10 of Them as at the End of the Reporting Period

### 1. Numbers of Ordinary Shareholders and Preference Shareholders with Resumed Voting Rights as well as Holdings of Top 10 Shareholders

Unit: share

| Number of ordinary shareholders  | 76,444                               | Number of preference shareholders with resumed voting rights (if any) | 0                 |                        |                            |        |
|--|--------------------------------------|---|-------------------|------------------------|----------------------------|--------|
| Top 10 shareholders  |                                      |   |                   |                        |                            |        |
| Name of shareholder  | Nature of shareholder                | Shareholding percentage   | Total shares held | Restricted shares held | Shares in pledge or frozen |        |
|  |                                      |   |                   |                        | Status                     | Shares |
| Shenzhen Investment Holdings Co., Ltd.   | State-owned corporation              | 63.55%  | 642,884,262       |                        |                            |        |
| Shandong Gold Financial Holding Capital Management Co., Ltd. — Shandong Gold Financial Holding Sustaining Fund 1 | Domestic non-state-owned corporation | 1.02%   | 10,300,000        |                        |                            |        |
| Lu Zhigao  | Domestic individual                  | 0.32%   | 3,246,949         |                        |                            |        |
| Tan Shiqing  | Domestic individual                  | 0.13%   | 1,286,701         |                        |                            |        |
| Yang Shuilian  | Domestic individual                  | 0.13%   | 1,273,700         |                        |                            |        |
| Yang Jianxiong   | Domestic individual                  | 0.12%   | 1,255,750         |                        |                            |        |
| Central Huijin Asset Management Co., Ltd.  | State-owned corporation              | 0.12%   | 1,165,500         |                        |                            |        |
| Peng Wei   | Domestic individual                  | 0.11%   | 1,129,082         |                        |                            |        |
| Wu Haoyuan   | Foreign individual                   | 0.11%   | 1,109,300         |                        |                            |        |
| Guotai Junan Securities (Hong Kong) Limited  | Foreign corporation                  | 0.10%   | 1,015,683         |                        |                            |        |
| Top 10 unrestricted shareholders   |                                      |   |                   |                        |                            |        |
| Name of shareholder  | Unrestricted ordinary shares held    | Shares by class   |                   |                        |                            |        |
|  |                                      | Class   | Shares            |                        |                            |        |
| Shenzhen Investment Holdings Co., Ltd.   | 642,884,262                          | RMB-denominated ordinary share  | 642,884,262       |                        |                            |        |

|  |   |                                   |            |
|--|---|-----------------------------------|------------|
| Shandong Gold Financial Holding Capital Management Co., Ltd. — Shandong Gold Financial Holding Sustaining Fund 1 | 10,300,000  | RMB-denominated ordinary share    | 10,300,000 |
| Lu Zhigao  | 3,246,949   | RMB-denominated ordinary share    | 3,246,949  |
| Tan Shiqing  | 1,286,701   | RMB-denominated ordinary share    | 1,286,701  |
| Yang Shuilian  | 1,273,700   | RMB-denominated ordinary share    | 1,273,700  |
| Yang Jianxiong   | 1,255,750   | Domestically listed foreign share | 1,255,750  |
| Central Huijin Asset Management Co., Ltd.  | 1,165,500   | RMB-denominated ordinary share    | 1,165,500  |
| Peng Wei   | 1,129,082   | RMB-denominated ordinary share    | 1,129,082  |
| Wu Haoyuan   | 1,109,300   | Domestically listed foreign share | 1,109,300  |
| Guotai Junan Securities (Hong Kong) Limited  | 1,015,683   | Domestically listed foreign share | 1,015,683  |
| Related or acting-in-concert parties among the shareholders above  | The Company has found no related parties or acting-in-concert parties as defined in the Administrative Measures for Shareholding Changes in Listed Companies among the shareholders above.                  |                                   |            |
| Top 10 shareholders engaged in securities margin trading (if any)  | The fourth shareholder holds all his shares in the Company in his accounts of collateral securities for margin trading. And the third shareholder holds some of his shares in the Company in such accounts. |                                   |            |

Indicate by tick mark whether any of the top 10 ordinary shareholders or the top 10 unrestricted ordinary shareholders of the Company conducted any promissory repo during the Reporting Period.

Yes  No

No such cases in the Reporting Period.

## 2. Number of Preference Shareholders and Shareholdings of Top 10 of Them

Applicable  Not applicable

## Part III Significant Events

### I Changes in Key Financial Statement Line Items and Explanation of why

√ Applicable □ Not applicable

| Key income statement item                            | Q1-Q3 2020        | Q1-Q3 2019       | Change (%) | Reason for change   |
|--|-------------------|------------------|------------|---|
| Operating revenue                                    | 1,217,660,802.78  | 1,903,499,558.55 | -36.03%    | Decrease in property sales                                    |
| Taxes and levies                                     | 256,360,411.16    | 582,491,558.12   | -55.99%    | Decrease in tax provisions                                    |
| Finance costs  | -6,794,077.29     | -10,031,242.24   | 32.27%     | Decrease in interest income                                   |
| Return on investment                                 | 15,816,818.60     | 13,914,978.88    | 13.67%     | Increase in income from structured deposit                    |
| Key cash flow statement item                         | Q1-Q3 2020        | Q1-Q3 2019       | Change (%) | Reason for change   |
| Net cash generated from/used in operating activities | 97,409,818.45     | 1,041,915,679.29 | -90.65%    | Decrease in inflow of property sales                          |
| Net cash generated from/used in investing activities | 1,020,818,810.32  | -388,654,134.68  | 362.65%    | Changes in half-year structured bank deposits purchased       |
| Net cash generated from/used in financing activities | -166,923,900.00   | -204,332,000.00  | 18.31%     | Payment of annual dividends                                   |
| Key balance sheet statement                          | 30 September 2020 | 31 December 2019 | Change (%) | Reason for change   |
| Accounts payable                                     | 149,221,512.05    | 244,224,478.46   | -38.90%    | Payment for engineering service                               |
| Advances from customers                              | 11,124,703.84     | 159,482,510.43   | -93.02%    | Reclassification of property pre-sale revenue                 |
| Contract liabilities                                 | 193,873,098.62    | 0.00             | -          | Increase in and reclassification of property pre-sale revenue |
| Taxes and levies payable                             | 380,181,091.08    | 585,700,815.36   | -35.09%    | Payment of land value added tax                               |

### II Progress, Influence and Solutions in respect of Significant Events

√ Applicable □ Not applicable

Since the controlling shareholder of the Company is planning a significant event that involves the Company, upon the application to the Shenzhen Stock Exchange, trading in the stocks of the Company (A-stock under the name of “SPG A” and the symbol of “000029”; B-stock under the name of “SPG B” and the symbol of “200029”) was suspended starting from the opening of 14 September 2016. The Company disclosed the *Announcement on Share Trading Suspension due to Planning of Significant Event* (No. 2016-022), the *Announcement on Continued Share Trading Suspension due to Planning of Significant Event* (No. 2016-023) and the *Announcement on Continued Share Trading Suspension due to Planning of Significant Event* (No. 2016-024) on 14 September 2016, 22 September 2016 and 29 September 2016, respectively. Upon ascertainment, the event constituted a material asset restructuring. The Company disclosed the *Announcement on Share Trading Suspension due to Planning of Major Assets Restructuring* (No. 2016-025) on 30 September 2016 and the *Announcement on Signing Cooperation Agreement on Restructuring and Listing* (No. 2016-027) on 10 October 2016.

The Company convened the 33<sup>rd</sup> Meeting of the 7<sup>th</sup> Board of the Directors on 11 November 2016, which the *Proposal on Continued Share Trading Suspension due to Planning of Major Assets Restructuring* was reviewed and approved. For details, see the *Announcement on Continued Share Trading Suspension after Expiration of Period of Share Trading Suspension due to Planning of Major Assets Restructuring* (No. 2016-039) disclosed on 14 November 2016.

The Company convened the 1<sup>st</sup> Extraordinary General Meeting of 2016 on 12 December 2016, on which the *Proposal on Continued Share Trading Suspension due to Planning of Major Assets Restructuring* was reviewed and approved. For details, see the *Announcement on Application for Continued Share Trading Suspension after Expiration of Period of Share Trading Suspension due to Planning of Major Assets Restructuring* (No. 2016-047) disclosed on 13 December 2016.

The Company held an online illustration meeting to investors on 10 March 2017, communicating this major assets restructuring with them and answering questions that they were generally concerned about with the information allowed to be disclosed. For details, see the *Announcement on Online Illustration Meeting to Investors* (No. 2017-012) disclosed on 11 March 2017.

On 14 December 2019, the Company disclosed the *Announcement on Signing the Supplementary Agreement VI of the Cooperation Agreement governing Restructuring and Listing* (No. 2019-090), which extends the exclusivity period and validity period stipulated in the restructuring cooperation agreement to 31 December 2020.

To ensure the smooth progress of this major assets restructuring, prevent abnormal fluctuations in the prices of its stocks and protect the rights and interests of its non-controlling interests, the Company has applied to the Shenzhen Stock Exchange for continued share trading suspension for no more than 1 month as of 14 October 2020 and expects to disclose the major assets restructuring plan or report according to the requirements of the Standards for the Contents and Formats of Information Disclosure by Companies Offering Securities to the Public No. 26-Major Assets Restructuring of Listed Companies prior to 14 November 2020. For details, see the *Announcement on Delay of Share Trading Resumption of Planning of Major Assets Restructuring* (No. 2020-074) disclosed on 14 October 2020.

During the share trading suspension period, the Company shall disclose the progress of this major assets restructuring at least every five trading days in strict accordance with the requirements of applicable laws and regulations. At present, this major assets restructuring is proceeding smoothly.

This major assets restructuring is subject to great uncertainty. Therefore, investors are kindly reminded to pay attention to possible investment risk.

| Summary of the significant event  | Date of disclosure | Index to disclosure  |
|---|--------------------|--|
| Delay of Share Trading Resumption of Planning of Major Assets Restructuring | 14 October 2020    | Announcement on Delay of Share Trading Resumption of Planning of Major Assets Restructuring on www.cninfo.com.cn |

Progress of any share repurchase:

Applicable  Not applicable

Progress of any reduction of the repurchased shares through centralized bidding:

Applicable  Not applicable

### **III Commitments that the Company's Actual Controller, Shareholders, Related Parties, Acquirers, the Company Itself or Other Relevant Parties, Failed to Fulfill on Time during the Reporting Period**

Applicable  Not applicable

No such cases in the Reporting Period.

## IV Financial Investments

### 1. Securities Investments

Applicable  Not applicable

No such cases in the Reporting Period.

### 2. Investments in Derivative Financial Instruments

Applicable  Not applicable

No such cases in the Reporting Period.

## V Progress of Projects Financed with Raised Funds

Applicable  Not applicable

## VI 2020 Annual Operating Performance Forecast

Warning of a forecast loss on or a forecast significant year-on-year change in the 2020 annual net profit, as well as explanation of why:

Applicable  Not applicable

Performance forecast: Decrease in net profit

Type of forecast data: Interval data

|   | January-December 2020  |    |        | January-December 2019 | Change (%) |         |    |         |
|---|--|----|--------|-----------------------|------------|---------|----|---------|
|   |  |    |        |                       |            |         |    |         |
| Predicted annual net profit (RMB'0,000) | 26,000   | -- | 30,000 | 50,350                | Down       | -48.36% | -- | -40.42% |
| Basic earnings per share (RMB /share)   | 0.2570   | -- | 0.2965 | 0.4977                | Down       | -48.36% | -- | -40.42% |
| Note                                    | The sales carryforwards of the Company's real estate decreased year on year. |    |        |                       |            |         |    |         |

## VII Significant Contracts Arising from the Company's Ordinary Course of Business

Applicable  Not applicable

## VIII Cash Entrusted for Wealth Management

Applicable  Not applicable

No such cases in the Reporting Period.

## IX Irregularities in the Provision of Guarantees

Applicable  Not applicable



No such cases in the Reporting Period.

### **X Occupation of the Company's Capital by the Controlling Shareholder or any of Its Related Parties for Non-Operating Purposes**

Applicable  Not applicable

No such cases in the Reporting Period.

### **XI Communications with the Investment Community such as Researches, Inquiries and Interviews Received during the Reporting Period**

Applicable  Not applicable

| Date of communication | Place of communication | Way of communication | Type of communication party | Communication party | Main contents communicated and materials provided  | Index to main information communicated |
|-----------------------|------------------------|----------------------|-----------------------------|---------------------|--|--|
| 1 July 2020           | The Company's office   | By phone             | Individual                  | Individual investor | Inquired of the progress of assets restructuring and the expected time for resumption of trading in the Company's shares, and didn't offer written materials   | N/A                                    |
| 2 July 2020           | The Company's office   | By phone             | Individual                  | Individual investor | Inquired of the progress of assets restructuring, and didn't offer written materials   | N/A                                    |
| 6 July 2020           | The Company's office   | By phone             | Individual                  | Individual investor | Inquired of the progress of assets restructuring, the reason for long-time suspension of trading in the Company's shares and the expected time for resumption of trading in the Company's shares, and didn't offer written materials | N/A                                    |
| 9 July 2020           | The Company's office   | By phone             | Individual                  | Individual investor | Inquired of the progress of assets restructuring and the estimated disclosed time of third quarter report, and didn't offer written materials  | N/A                                    |
| 15 July 2020          | The Company's office   | By phone             | Individual                  | Individual investor | Inquired of the progress of assets restructuring and the time for resumption of trading in the Company's shares, and didn't offer written materials  | N/A                                    |
| 23 July 2020          | The Company's office   | By phone             | Individual                  | Individual investor | Inquired of the progress of assets restructuring and projects in development, sales and operation, and didn't offer written materials  | N/A                                    |
| 6 August 2020         | The                    | By phone             | Individual                  | Individual          | Inquired of the progress of assets   | N/A                                    |

|                   |                      |                 |            |                     |   |     |
|-------------------|----------------------|-----------------|------------|---------------------|---|-----|
|                   | Company's office     |                 |            | investor            | restructuring and fundamentals, and didn't offer written materials  |     |
| 12 August 2020    | The Company's office | By phone        | Individual | Individual investor | Inquired of the progress of assets restructuring and the expected time for resumption of trading in the Company's shares, and didn't offer written materials    | N/A |
| 18 August 2020    | The Company's office | By phone        | Individual | Individual investor | Inquired of the progress of assets restructuring and schedule, and didn't offer written materials   | N/A |
| 26 August 2020    | The Company's office | By phone        | Individual | Individual investor | Inquired of the progress of assets restructuring and the expected time for resumption of trading in the Company's shares, and didn't offer written materials    | N/A |
| 7 September 2020  | The Company's office | By phone        | Individual | Individual investor | Inquired of the progress of assets restructuring and fundamentals, and didn't offer written materials   | N/A |
| 11 September 2020 | The Company's office | By phone        | Individual | Individual investor | Inquired of the progress of assets restructuring, and didn't offer written materials  | N/A |
| 14 September 2020 | The Company's office | By phone        | Individual | Individual investor | Inquired of the progress of assets restructuring and the time for resumption of trading in the Company's shares, and didn't offer written materials             | N/A |
| 15 September 2020 | The Company's office | By phone        | Individual | Individual investor | Inquired of the progress of assets restructuring and the estimated disclosed time of third quarter report, and didn't offer written materials                   | N/A |
| 21 September 2020 | The Company's office | By phone        | Individual | Individual investor | Inquired of the progress of assets restructuring and the reason for long-time suspension of trading in the Company's shares, and didn't offer written materials | N/A |
| 22 September 2020 | The Company's office | Written inquiry | Individual | Individual investor | Inquired of the progress of assets restructuring and the time for resumption of trading in the Company's shares, and didn't offer written materials             | N/A |
| 24 September 2020 | The Company's office | By phone        | Individual | Individual investor | Inquired of the progress of assets restructuring, schedule and operation of the Company in Q3, and didn't offer written materials                               | N/A |
| 25 September 2020 | The Company's        | By phone        | Individual | Individual investor | Inquired of the progress of assets restructuring and the reason for long-time   | N/A |

|                   |                      |          |            |                     |   |     |
|-------------------|----------------------|----------|------------|---------------------|---|-----|
|                   | office               |          |            |                     | suspension of trading in the Company's shares, and didn't offer written materials   |     |
| 28 September 2020 | The Company's office | By phone | Individual | Individual investor | Inquired of the progress of assets restructuring and the time for resumption of trading in the Company's shares, and didn't offer written materials             | N/A |
| 30 September 2020 | The Company's office | By phone | Individual | Individual investor | Inquired of the progress of assets restructuring and the reason for long-time suspension of trading in the Company's shares, and didn't offer written materials | N/A |

## Part IV Financial Statements

### I Financial Statements

#### 1. Consolidated Balance Sheet

Prepared by ShenZhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.

30 September 2020

Unit: RMB

| Item   | 30 September 2020 | 31 December 2019 |
|--|-------------------|------------------|
| Current assets:                                    |                   |                  |
| Monetary assets                                    | 2,458,128,296.87  | 2,511,140,445.35 |
| Settlement reserve                                 |                   |                  |
| Loans to other banks and financial institutions    |                   |                  |
| Held-for-trading financial assets                  |                   |                  |
| Derivative financial assets                        |                   |                  |
| Notes receivable                                   | 2,030,659.99      |                  |
| Accounts receivable                                | 56,284,285.65     | 62,059,055.68    |
| Receivables financing                              |                   |                  |
| Prepayments  | 4,487,045.29      | 219,948.17       |
| Premiums receivable                                |                   |                  |
| Reinsurance receivables                            |                   |                  |
| Receivable reinsurance contract reserve            |                   |                  |
| Other receivables                                  | 19,610,283.20     | 28,275,228.26    |
| Including: Interest receivable                     |                   |                  |
| Dividends receivable                               | 1,052,192.76      | 1,052,192.76     |
| Financial assets purchased under resale agreements |                   |                  |
| Inventories  | 1,320,560,992.83  | 1,462,229,048.18 |
| Contract assets                                    |                   |                  |
| Assets held for sale                               |                   |                  |
| Current portion of non-current assets              |                   |                  |
| Other current assets                               | 110,868,656.96    | 102,781,855.48   |
| Total current assets                               | 3,971,970,220.79  | 4,166,705,581.12 |
| Non-current assets:                                |                   |                  |

|  |                  |                  |
|--|------------------|------------------|
| Loans and advances to customers  |                  |                  |
| Debt investments   |                  |                  |
| Other debt investments   |                  |                  |
| Long-term receivables  |                  |                  |
| Long-term equity investments   | 469,838.65       | 469,838.65       |
| Investments in other equity instruments                                    | 32,982,168.63    | 33,126,730.04    |
| Other non-current financial assets   |                  |                  |
| Investment property  | 612,563,096.08   | 632,241,900.20   |
| Fixed assets   | 28,238,158.37    | 30,522,035.11    |
| Construction in progress   |                  |                  |
| Productive living assets   |                  |                  |
| Oil and gas assets   |                  |                  |
| Right-of-use assets  |                  |                  |
| Intangible assets  |                  |                  |
| Development costs  |                  |                  |
| Goodwill   |                  |                  |
| Long-term prepaid expense  | 99,677.67        | 162,125.72       |
| Deferred income tax assets   | 39,116,922.49    | 46,441,325.25    |
| Other non-current assets   |                  |                  |
| Total non-current assets   | 713,469,861.89   | 742,963,954.97   |
| Total assets   | 4,685,440,082.68 | 4,909,669,536.09 |
| Current liabilities:   |                  |                  |
| Short-term borrowings  | 52,803,822.61    | 51,647,260.17    |
| Borrowings from the central bank   |                  |                  |
| Loans from other banks and financial institutions                          |                  |                  |
| Held-for-trading financial liabilities                                     |                  |                  |
| Derivative financial liabilities   |                  |                  |
| Notes payable  |                  |                  |
| Accounts payable   | 149,221,512.05   | 244,224,478.46   |
| Advances from customers  | 11,124,703.84    | 159,482,510.43   |
| Contract liabilities   | 193,873,098.62   |                  |
| Financial assets sold under repurchase agreements                          |                  |                  |
| Customer deposits and deposits from other banks and financial institutions |                  |                  |
| Payables for acting trading of securities                                  |                  |                  |

|   |                  |                  |
|---|------------------|------------------|
| Payables for underwriting of securities                   |                  |                  |
| Employee benefits payable                                 | 43,927,032.27    | 53,909,576.49    |
| Taxes and levies payable                                  | 380,181,091.08   | 585,700,815.36   |
| Other payables  | 287,813,649.84   | 277,319,174.53   |
| Including: Interest payable                               | 16,535,277.94    | 16,535,277.94    |
| Dividends payable   |                  |                  |
| Fees and commissions payable                              |                  |                  |
| Reinsurance payables                                      |                  |                  |
| Liabilities directly associated with assets held for sale |                  |                  |
| Current portion of non-current liabilities                |                  |                  |
| Other current liabilities                                 |                  |                  |
| Total current liabilities                                 | 1,118,944,910.31 | 1,372,283,815.44 |
| Non-current liabilities:                                  |                  |                  |
| Insurance contract reserve                                |                  |                  |
| Long-term borrowings                                      |                  |                  |
| Bonds payable   |                  |                  |
| Including: Preference shares                              |                  |                  |
| Perpetual bonds   |                  |                  |
| Lease liabilities   |                  |                  |
| Long-term payables  | 8,166,639.00     | 7,499,192.92     |
| Long-term employee benefits payable                       |                  |                  |
| Provisions  |                  |                  |
| Deferred income   |                  |                  |
| Deferred income tax liabilities                           |                  | 4,903,293.58     |
| Other non-current liabilities                             |                  |                  |
| Total non-current liabilities                             | 8,166,639.00     | 12,402,486.50    |
| Total liabilities   | 1,127,111,549.31 | 1,384,686,301.94 |
| Owners' equity:   |                  |                  |
| Share capital   | 1,011,660,000.00 | 1,011,660,000.00 |
| Other equity instruments                                  |                  |                  |
| Including: Preference shares                              |                  |                  |
| Perpetual bonds   |                  |                  |
| Capital reserves  | 978,244,910.11   | 978,244,910.11   |
| Less: Treasury stock                                      |                  |                  |

|  |                  |                  |
|--|------------------|------------------|
| Other comprehensive income                                       | 21,887,747.69    | 20,831,004.13    |
| Specific reserve   |                  |                  |
| Surplus reserves   | 191,222,838.94   | 191,222,838.94   |
| General reserve  |                  |                  |
| Retained earnings  | 1,496,832,195.44 | 1,464,915,816.81 |
| Total equity attributable to owners of the Company as the parent | 3,699,847,692.18 | 3,666,874,569.99 |
| Non-controlling interests  | -141,519,158.81  | -141,891,335.84  |
| Total owners' equity   | 3,558,328,533.37 | 3,524,983,234.15 |
| Total liabilities and owners' equity                             | 4,685,440,082.68 | 4,909,669,536.09 |

Legal representative: Liu Zhengyu

The person in charge of accounting affairs: Tang Xiaoping

The head of the accounting department: Qiao Yanjun

## 2. Balance Sheet of the Company as the Parent

Unit: RMB

| Item                                  | 30 September 2020 | 31 December 2019 |
|---------------------------------------|-------------------|------------------|
| Current assets:                       |                   |                  |
| Monetary assets                       | 2,135,977,794.80  | 1,967,688,122.55 |
| Held-for-trading financial assets     |                   |                  |
| Derivative financial assets           |                   |                  |
| Notes receivable                      |                   |                  |
| Accounts receivable                   | 116,211.00        | 156,935.84       |
| Receivables financing                 |                   |                  |
| Prepayments                           | 200,000.00        | 200,000.00       |
| Other receivables                     | 1,122,004,948.27  | 835,275,498.69   |
| Including: Interest receivable        |                   |                  |
| Dividends receivable                  |                   |                  |
| Inventories                           | 257,056,729.80    | 419,453,091.86   |
| Contract assets                       |                   |                  |
| Assets held for sale                  |                   |                  |
| Current portion of non-current assets |                   |                  |
| Other current assets                  | 392,731.02        | 407,560.64       |
| Total current assets                  | 3,515,748,414.89  | 3,223,181,209.58 |
| Non-current assets:                   |                   |                  |

|   |                  |                  |
|---|------------------|------------------|
| Debt investments  |                  |                  |
| Other debt investments                                    |                  |                  |
| Long-term receivables                                     |                  |                  |
| Long-term equity investments                              | 150,676,516.92   | 150,676,516.92   |
| Investments in other equity instruments                   | 13,208,853.16    | 13,229,501.03    |
| Other non-current financial assets                        |                  |                  |
| Investment property                                       | 504,868,848.29   | 522,038,731.16   |
| Fixed assets  | 17,737,415.45    | 19,586,720.47    |
| Construction in progress                                  |                  |                  |
| Productive living assets                                  |                  |                  |
| Oil and gas assets  |                  |                  |
| Right-of-use assets                                       |                  |                  |
| Intangible assets   |                  |                  |
| Development costs   |                  |                  |
| Goodwill  |                  |                  |
| Long-term prepaid expense                                 |                  |                  |
| Deferred income tax assets                                | 85,566.25        | 162,125.72       |
| Other non-current assets                                  | 20,975,294.54    | 20,975,294.54    |
| Total non-current assets                                  | 707,552,494.61   | 726,668,889.84   |
| Total assets  | 4,223,300,909.50 | 3,949,850,099.42 |
| Current liabilities:                                      |                  |                  |
| Short-term borrowings                                     |                  |                  |
| Held-for-trading financial liabilities                    |                  |                  |
| Derivative financial liabilities                          |                  |                  |
| Notes payable   |                  |                  |
| Accounts payable  | 88,221,788.01    | 103,915,931.14   |
| Advances from customers                                   |                  | 59,409,454.38    |
| Contract liabilities                                      | 99,731,251.79    |                  |
| Employee benefits payable                                 | 23,516,220.26    | 25,544,403.23    |
| Taxes and levies payable                                  | 351,846,264.82   | 143,434,273.95   |
| Other payables  | 212,922,534.04   | 190,666,487.82   |
| Including: Interest payable                               | 16,535,277.94    | 16,535,277.94    |
| Dividends payable   |                  |                  |
| Liabilities directly associated with assets held for sale |                  |                  |



|  |                  |                  |
|--|------------------|------------------|
| Current portion of non-current liabilities |                  |                  |
| Other current liabilities                  |                  |                  |
| Total current liabilities                  | 776,238,058.92   | 522,970,550.52   |
| Non-current liabilities:                   |                  |                  |
| Long-term borrowings                       |                  |                  |
| Bonds payable                              |                  |                  |
| Including: Preference shares               |                  |                  |
| Perpetual bonds                            |                  |                  |
| Lease liabilities                          |                  |                  |
| Long-term payables                         |                  |                  |
| Long-term employee benefits payable        |                  |                  |
| Provisions                                 |                  |                  |
| Deferred income                            |                  |                  |
| Deferred income tax liabilities            |                  | 1,295,046.51     |
| Other non-current liabilities              |                  |                  |
| Total non-current liabilities              |                  | 1,295,046.51     |
| Total liabilities                          | 776,238,058.92   | 524,265,597.03   |
| Owners' equity:                            |                  |                  |
| Share capital                              | 1,011,660,000.00 | 1,011,660,000.00 |
| Other equity instruments                   |                  |                  |
| Including: Preference shares               |                  |                  |
| Perpetual bonds                            |                  |                  |
| Capital reserves                           | 964,711,931.13   | 964,711,931.13   |
| Less: Treasury stock                       |                  |                  |
| Other comprehensive income                 | 901,477.90       | 922,125.77       |
| Specific reserve                           |                  |                  |
| Surplus reserves                           | 168,093,225.53   | 168,093,225.53   |
| Retained earnings                          | 1,301,696,216.02 | 1,280,197,219.96 |
| Total owners' equity                       | 3,447,062,850.58 | 3,425,584,502.39 |
| Total liabilities and owners' equity       | 4,223,300,909.50 | 3,949,850,099.42 |

### 3. Consolidated Income Statement for Q3

Unit: RMB

| Item | Q3 2020 | Q3 2019 |
|------|---------|---------|
|------|---------|---------|

|  |                |                |
|--|----------------|----------------|
| 1. Revenues  | 621,402,307.38 | 652,161,755.98 |
| Including: Operating revenue   | 621,402,307.38 | 652,161,755.98 |
| Interest income  | 0.00           | 0.00           |
| Insurance premium income   | 0.00           | 0.00           |
| Fee and commission income  | 0.00           | 0.00           |
| 2. Costs and expenses  | 488,219,446.09 | 508,519,742.09 |
| Including: Cost of sales   | 261,658,476.98 | 225,926,024.78 |
| Interest expense   | 0.00           | 0.00           |
| Fee and commission expense   | 0.00           | 0.00           |
| Surrenders   | 0.00           | 0.00           |
| Net insurance claims paid  | 0.00           | 0.00           |
| Net amount provided as insurance contract reserve                                  | 0.00           | 0.00           |
| Expenditure on policy dividends  | 0.00           | 0.00           |
| Reinsurance premium expense  | 0.00           | 0.00           |
| Taxes and levies   | 170,752,298.29 | 242,162,059.26 |
| Selling expense  | 40,723,090.76  | 31,500,769.16  |
| Administrative expense   | 16,132,071.37  | 12,335,872.01  |
| R&D expense  | 0.00           | 0.00           |
| Finance costs  | -1,046,491.31  | -3,404,983.12  |
| Including: Interest expense  |                | 0.00           |
| Interest income  | 1,569,131.51   | 3,166,663.05   |
| Add: Other income  | 390,837.82     | 0.00           |
| Return on investment (“-” for loss)  | 599,760.00     | -373,119.67    |
| Including: Share of profit or loss of joint ventures and associates                | 0.00           | 0.00           |
| Income from the derecognition of financial assets at amortized cost (“-” for loss) | 0.00           | 0.00           |
| Exchange gain (“-” for loss)   | 0.00           | 0.00           |
| Net gain on exposure hedges (“-” for loss)   | 0.00           | 0.00           |
| Gain on changes in fair value (“-” for loss)                                       | 0.00           | 0.00           |
| Credit impairment loss (“-” for loss)  | 0.00           | 0.00           |
| Asset impairment loss (“-” for loss)   | 0.00           | 0.00           |
| Asset disposal income (“-” for loss)   | 0.00           | 0.00           |
| 3. Operating profit (“-” for loss)   | 134,173,459.11 | 143,268,894.22 |

|  |                |                |
|--|----------------|----------------|
| Add: Non-operating income  | 526,690.12     | 815,092.19     |
| Less: Non-operating expense  | 72,556.05      | 115,409.72     |
| 4. Gross profit (“-” for loss)   | 134,627,593.18 | 143,968,576.69 |
| Less: Income tax expense   | 33,061,194.19  | 37,567,074.64  |
| 5. Net profit (“-” for net loss)   | 101,566,398.99 | 106,401,502.05 |
| 5.1 By operating continuity  |                |                |
| 5.1.1 Net profit from continuing operations (“-” for net loss)   | 101,566,398.99 | 106,401,502.05 |
| 5.1.2 Net profit from discontinued operations (“-” for net loss)   | 0.00           | 0.00           |
| 5.2 By ownership   |                |                |
| 5.2.1 Net profit attributable to owners of the Company as the parent                                     | 101,565,292.91 | 106,361,655.99 |
| 5.2.1 Net profit attributable to non-controlling interests   | 1,106.08       | 39,846.06      |
| 6. Other comprehensive income, net of tax  | 687,255.06     | -2,506,066.59  |
| Attributable to owners of the Company as the parent  | 687,255.62     | -1,754,246.62  |
| 6.1 Items that will not be reclassified to profit or loss  | 271,347.76     | 0.00           |
| 6.1.1 Changes caused by remeasurements on defined benefit schemes  | 0.00           | 0.00           |
| 6.1.2 Other comprehensive income that will not be reclassified to profit or loss under the equity method | 0.00           | 0.00           |
| 6.1.3 Changes in the fair value of investments in other equity instruments                               | 271,347.76     | 0.00           |
| 6.1.4 Changes in the fair value arising from changes in own credit risk                                  | 0.00           | 0.00           |
| 6.1.5 Other  | 0.00           | 0.00           |
| 6.2 Items that will be reclassified to profit or loss  | 415,907.86     | -1,754,246.62  |
| 6.2.1 Other comprehensive income that will be reclassified to profit or loss under the equity method     | 0.00           | 0.00           |
| 6.2.2 Changes in the fair value of other debt investments  | 0.00           | 0.00           |
| 6.2.3 Other comprehensive income arising from the reclassification of financial assets                   | 0.00           | 0.00           |
| 6.2.4 Credit impairment allowance for other debt investments   | 0.00           | 0.00           |
| 6.2.5 Reserve for cash flow hedges   | 0.00           | 0.00           |
| 6.2.6 Differences arising from the translation of foreign currency-denominated financial statements      | 415,907.86     | -1,754,246.62  |
| 6.2.7 Other  | 0.00           | 0.00           |

|   |                |                |
|---|----------------|----------------|
| Attributable to non-controlling interests           | -0.56          | -751,819.97    |
| 7. Total comprehensive income                       | 102,253,654.05 | 103,895,435.46 |
| Attributable to owners of the Company as the parent | 102,252,548.53 | 104,607,409.37 |
| Attributable to non-controlling interests           | 1,105.52       | -711,973.91    |
| 8. Earnings per share                               |                |                |
| 8.1 Basic earnings per share                        | 0.1004         | 0.1051         |
| 8.2 Diluted earnings per share                      | 0.1004         | 0.1051         |

Where business combinations under common control occurred in the current period, the net profit achieved by the acquirees before the combinations was RMB0.00, with the amount for the same period of last year being RMB0.00.

Legal representative: Liu Zhengyu

The person in charge of accounting affairs: Tang Xiaoping

The head of the accounting department: Qiao Yanjun

#### 4. Income Statement of the Company as the Parent for Q3

Unit: RMB

| Item   | Q3 2020        | Q3 2019        |
|--|----------------|----------------|
| 1. Operating revenue   | 465,036,612.65 | 457,189,896.78 |
| Less: Cost of sales  | 117,982,583.16 | 68,196,735.27  |
| Taxes and levies   | 153,485,728.39 | 230,200,579.16 |
| Selling expense  | 37,970,599.12  | 24,802,601.53  |
| Administrative expense   | 8,739,780.11   | 5,178,201.72   |
| R&D expense  | 0.00           | 0.00           |
| Finance costs  | -256,858.93    | -13,883,609.15 |
| Including: Interest expense  | 0.00           | 0.00           |
| Interest income  | 7,319,522.07   | 9,068,023.21   |
| Add: Other income  | 4,660.17       | 0.00           |
| Return on investment ("-" for loss)  | 599,760.00     | -373,119.67    |
| Including: Share of profit or loss of joint ventures and associates                | 0.00           | 0.00           |
| Income from the derecognition of financial assets at amortized cost ("-" for loss) | 0.00           | 0.00           |
| Net gain on exposure hedges ("-" for loss)   | 0.00           | 0.00           |
| Gain on changes in fair value ("-" for loss)                                       | 0.00           | 0.00           |
| Credit impairment loss ("-" for loss)  | 0.00           | 0.00           |
| Asset impairment loss ("-" for loss)   | 0.00           | 0.00           |
| Asset disposal income ("-" for loss)   | 0.00           | 0.00           |

|  |                |                |
|--|----------------|----------------|
| 2. Operating profit (“-” for loss)   | 147,719,200.97 | 142,322,268.58 |
| Add: Non-operating income  | 9,050.78       | 418,858.34     |
| Less: Non-operating expense  | 34,070.39      | 30,000.00      |
| 3. Gross profit (“-” for loss)   | 147,694,181.36 | 142,711,126.92 |
| Less: Income tax expense   | 36,786,691.72  | 35,721,721.55  |
| 4. Net profit (“-” for net loss)   | 110,907,489.64 | 106,989,405.37 |
| 4.1 Net profit from continuing operations (“-” for net loss)   | 110,907,489.64 | 106,989,405.37 |
| 4.2 Net profit from discontinued operations (“-” for net loss)   | 0.00           | 0.00           |
| 5. Other comprehensive income, net of tax  | -320,373.69    | 0.00           |
| 5.1 Items that will not be reclassified to profit or loss  | -320,373.69    | 0.00           |
| 5.1.1 Changes caused by remeasurements on defined benefit schemes  | 0.00           | 0.00           |
| 5.1.2 Other comprehensive income that will not be reclassified to profit or loss under the equity method | 0.00           | 0.00           |
| 5.1.3 Changes in the fair value of investments in other equity instruments                               | -320,373.69    | 0.00           |
| 5.1.4 Changes in the fair value arising from changes in own credit risk                                  | 0.00           | 0.00           |
| 5.1.5 Other  | 0.00           | 0.00           |
| 5.2 Items that will be reclassified to profit or loss  | 0.00           | 0.00           |
| 5.2.1 Other comprehensive income that will be reclassified to profit or loss under the equity method     | 0.00           | 0.00           |
| 5.2.2 Changes in the fair value of other debt investments  | 0.00           | 0.00           |
| 5.2.3 Other comprehensive income arising from the reclassification of financial assets                   | 0.00           | 0.00           |
| 5.2.4 Credit impairment allowance for other debt investments   | 0.00           | 0.00           |
| 5.2.5 Reserve for cash flow hedges   | 0.00           | 0.00           |
| 5.2.6 Differences arising from the translation of foreign currency-denominated financial statements      | 0.00           | 0.00           |
| 5.2.7 Other  | 0.00           | 0.00           |
| 6. Total comprehensive income  | 110,587,115.95 | 106,989,405.37 |
| 7. Earnings per share  |                |                |
| 7.1 Basic earnings per share   |                |                |
| 7.2 Diluted earnings per share   |                |                |

## 5. Consolidated Income Statement for Q1~Q3

Unit: RMB

| Item   | Q1~Q3 2020       | Q1~Q3 2019       |
|--|------------------|------------------|
| 1. Revenues  | 1,217,660,802.78 | 1,903,499,558.55 |
| Including: Operating revenue   | 1,217,660,802.78 | 1,903,499,558.55 |
| Interest income  |                  |                  |
| Insurance premium income   |                  |                  |
| Fee and commission income  |                  |                  |
| 2. Costs and expenses  | 960,778,486.08   | 1,328,637,789.74 |
| Including: Cost of sales   | 605,566,564.44   | 663,054,001.03   |
| Interest expense   |                  |                  |
| Fee and commission expense   |                  |                  |
| Surrenders   |                  |                  |
| Net insurance claims paid  |                  |                  |
| Net amount provided as insurance contract reserve                                  |                  |                  |
| Expenditure on policy dividends  |                  |                  |
| Reinsurance premium expense  |                  |                  |
| Taxes and levies   | 256,360,411.16   | 582,491,558.12   |
| Selling expense  | 49,259,539.14    | 49,974,829.49    |
| Administrative expense   | 56,386,048.63    | 43,148,643.34    |
| R&D expense  |                  |                  |
| Finance costs  | -6,794,077.29    | -10,031,242.24   |
| Including: Interest expense  |                  |                  |
| Interest income  | 7,502,105.11     | 10,790,216.10    |
| Add: Other income  | 948,216.96       |                  |
| Return on investment (“-” for loss)  | 15,816,818.60    | 13,914,978.88    |
| Including: Share of profit or loss of joint ventures and associates                |                  |                  |
| Income from the derecognition of financial assets at amortized cost (“-” for loss) |                  |                  |
| Exchange gain (“-” for loss)   |                  |                  |
| Net gain on exposure hedges (“-” for loss)   |                  |                  |
| Gain on changes in fair value (“-” for loss)                                       |                  |                  |
| Credit impairment loss (“-” for loss)  |                  |                  |
| Asset impairment loss (“-” for loss)   | 534,500.00       |                  |
| Asset disposal income (“-” for loss)   |                  |                  |

|  |                |                |
|--|----------------|----------------|
| 3. Operating profit (“-” for loss)   | 274,181,852.26 | 588,776,747.69 |
| Add: Non-operating income  | 3,428,723.89   | 1,178,801.30   |
| Less: Non-operating expense  | 2,073,834.53   | 119,165.54     |
| 4. Gross profit (“-” for loss)   | 275,536,741.62 | 589,836,383.45 |
| Less: Income tax expense   | 76,660,884.16  | 150,296,868.50 |
| 5. Net profit (“-” for net loss)   | 198,875,857.46 | 439,539,514.95 |
| 5.1 By operating continuity  |                |                |
| 5.1.1 Net profit from continuing operations (“-” for net loss)   | 198,875,857.46 | 439,539,514.95 |
| 5.1.2 Net profit from discontinued operations (“-” for net loss)   |                |                |
| 5.2 By ownership   |                |                |
| 5.2.1 Net profit attributable to owners of the Company as the parent                                     | 198,840,278.63 | 439,517,499.40 |
| 5.2.1 Net profit attributable to non-controlling interests   | 35,578.83      | 22,015.55      |
| 6. Other comprehensive income, net of tax  | 1,393,341.76   | -2,384,296.08  |
| Attributable to owners of the Company as the parent  | 1,056,743.56   | -1,669,007.26  |
| 6.1 Items that will not be reclassified to profit or loss  | -144,561.41    |                |
| 6.1.1 Changes caused by remeasurements on defined benefit schemes  |                |                |
| 6.1.2 Other comprehensive income that will not be reclassified to profit or loss under the equity method |                |                |
| 6.1.3 Changes in the fair value of investments in other equity instruments                               | -144,561.41    |                |
| 6.1.4 Changes in the fair value arising from changes in own credit risk                                  |                |                |
| 6.1.5 Other  |                |                |
| 6.2 Items that will be reclassified to profit or loss  | 1,201,304.97   | -1,669,007.26  |
| 6.2.1 Other comprehensive income that will be reclassified to profit or loss under the equity method     |                |                |
| 6.2.2 Changes in the fair value of other debt investments  |                |                |
| 6.2.3 Other comprehensive income arising from the reclassification of financial assets                   |                |                |
| 6.2.4 Credit impairment allowance for other debt investments   |                |                |
| 6.2.5 Reserve for cash flow hedges   |                |                |
| 6.2.6 Differences arising from the translation of foreign currency-denominated financial statements      | 1,201,304.97   | -1,669,007.26  |

|   |                |                |
|---|----------------|----------------|
| 6.2.7 Other   |                |                |
| Attributable to non-controlling interests           | 336,598.20     | -715,288.82    |
| 7. Total comprehensive income                       | 200,269,199.22 | 437,155,218.87 |
| Attributable to owners of the Company as the parent | 199,897,022.19 | 437,848,492.14 |
| Attributable to non-controlling interests           | 372,177.03     | -693,273.27    |
| 8. Earnings per share                               |                |                |
| 8.1 Basic earnings per share                        | 0.1965         | 0.4345         |
| 8.2 Diluted earnings per share                      | 0.1965         | 0.4345         |

Where business combinations under common control occurred in the current period, the net profit achieved by the acquirees before the combinations was RMB0.00, with the amount for the same period of last year being RMB0.00.

Legal representative: Liu Zhengyu

The person in charge of accounting affairs: Tang Xiaoping

The head of the accounting department: Qiao Yanjun

## 6. Income Statement of the Company as the Parent for Q1~Q3

Unit: RMB

| Item   | Q1~Q3 2020     | Q1~Q3 2019       |
|--|----------------|------------------|
| 1. Operating revenue   | 696,397,650.09 | 1,285,592,972.89 |
| Less: Cost of sales  | 182,760,880.40 | 193,563,436.58   |
| Taxes and levies   | 223,355,364.87 | 535,792,470.89   |
| Selling expense  | 41,515,425.80  | 37,021,750.96    |
| Administrative expense   | 32,651,881.83  | 18,171,868.82    |
| R&D expense  |                |                  |
| Finance costs  | -21,293,980.99 | -30,376,728.80   |
| Including: Interest expense  |                |                  |
| Interest income  | 25,273,593.53  | 26,525,418.74    |
| Add: Other income  | 32,743.86      |                  |
| Return on investment (“-” for loss)  | 15,816,818.60  | 532,615,110.52   |
| Including: Share of profit or loss of joint ventures and associates                |                |                  |
| Income from the derecognition of financial assets at amortized cost (“-” for loss) |                |                  |
| Net gain on exposure hedges (“-” for loss)   |                |                  |
| Gain on changes in fair value (“-” for loss)                                       |                |                  |
| Credit impairment loss (“-” for loss)  |                |                  |
| Asset impairment loss (“-” for loss)   |                |                  |



|  |                |                  |
|--|----------------|------------------|
| Asset disposal income (“-” for loss)   |                |                  |
| 2. Operating profit (“-” for loss)   | 253,257,640.64 | 1,064,035,284.96 |
| Add: Non-operating income  | 179,050.88     | 548,037.48       |
| Less: Non-operating expense  | 536,211.01     | 30,000.00        |
| 3. Gross profit (“-” for loss)   | 252,900,480.51 | 1,064,553,322.44 |
| Less: Income tax expense   | 64,477,584.45  | 136,312,932.72   |
| 4. Net profit (“-” for net loss)   | 188,422,896.06 | 928,240,389.72   |
| 4.1 Net profit from continuing operations (“-” for net loss)   | 188,422,896.06 | 928,240,389.72   |
| 4.2 Net profit from discontinued operations (“-” for net loss)   |                |                  |
| 5. Other comprehensive income, net of tax  |                |                  |
| 5.1 Items that will not be reclassified to profit or loss  |                |                  |
| 5.1.1 Changes caused by remeasurements on defined benefit schemes  |                |                  |
| 5.1.2 Other comprehensive income that will not be reclassified to profit or loss under the equity method |                |                  |
| 5.1.3 Changes in the fair value of investments in other equity instruments                               |                |                  |
| 5.1.4 Changes in the fair value arising from changes in own credit risk                                  |                |                  |
| 5.1.5 Other  |                |                  |
| 5.2 Items that will be reclassified to profit or loss  |                |                  |
| 5.2.1 Other comprehensive income that will be reclassified to profit or loss under the equity method     |                |                  |
| 5.2.2 Changes in the fair value of other debt investments  |                |                  |
| 5.2.3 Other comprehensive income arising from the reclassification of financial assets                   |                |                  |
| 5.2.4 Credit impairment allowance for other debt investments   |                |                  |
| 5.2.5 Reserve for cash flow hedges   |                |                  |
| 5.2.6 Differences arising from the translation of foreign currency-denominated financial statements      |                |                  |
| 5.2.7 Other  |                |                  |
| 6. Total comprehensive income  | 188,422,896.06 | 928,240,389.72   |
| 7. Earnings per share  |                |                  |
| 7.1 Basic earnings per share   |                |                  |
| 7.2 Diluted earnings per share   |                |                  |

## 7. Consolidated Cash Flow Statement for Q1~Q3

Unit: RMB

| Item   | Q1~Q3 2020       | Q1~Q3 2019       |
|--|------------------|------------------|
| 1. Cash flows from operating activities:   |                  |                  |
| Proceeds from sale of commodities and rendering of services                                | 1,264,810,543.01 | 2,212,532,294.20 |
| Net increase in customer deposits and deposits from other banks and financial institutions |                  |                  |
| Net increase in borrowings from the central bank   |                  |                  |
| Net increase in loans from other financial institutions                                    |                  |                  |
| Premiums received on original insurance contracts  |                  |                  |
| Net proceeds from reinsurance  |                  |                  |
| Net increase in deposits and investments of policy holders                                 |                  |                  |
| Interest, fees and commissions received  |                  |                  |
| Net increase in loans from other banks and financial institutions                          |                  |                  |
| Net increase in proceeds from repurchase transactions                                      |                  |                  |
| Net proceeds from acting trading of securities   |                  |                  |
| Tax and levy rebates   | 30,184.28        | 39,473.00        |
| Cash generated from other operating activities   | 189,648,016.53   | 62,546,726.84    |
| Subtotal of cash generated from operating activities                                       | 1,454,488,743.82 | 2,275,118,494.04 |
| Payments for commodities and services  | 335,093,891.09   | 503,898,254.63   |
| Net increase in loans and advances to customers  |                  |                  |
| Net increase in deposits in the central bank and other banks and financial institutions    |                  |                  |
| Payments for claims on original insurance contracts  |                  |                  |
| Net increase in loans to other banks and financial institutions                            |                  |                  |
| Interest, fees and commissions paid  |                  |                  |
| Policy dividends paid  |                  |                  |
| Cash paid to and for employees   | 112,729,873.31   | 106,766,698.72   |
| Taxes and levies paid  | 604,692,731.70   | 522,837,883.22   |
| Cash used in other operating activities  | 304,562,429.27   | 99,699,978.18    |
| Subtotal of cash used in operating activities  | 1,357,078,925.37 | 1,233,202,814.75 |
| Net cash generated from/used in operating activities                                       | 97,409,818.45    | 1,041,915,679.29 |
| 2. Cash flows from investing activities:   |                  |                  |
| Proceeds from disinvestment  | 1,000,000,000.00 | 900,000,000.00   |

|   |                  |                  |
|---|------------------|------------------|
| Return on investment  | 20,917,568.22    | 11,365,734.25    |
| Net proceeds from the disposal of fixed assets, intangible assets and other long-lived assets | 1,000.00         | 118,900.00       |
| Net proceeds from the disposal of subsidiaries and other business units                       |                  |                  |
| Cash generated from other investing activities  |                  |                  |
| Subtotal of cash generated from investing activities  | 1,020,918,568.22 | 911,484,634.25   |
| Payments for the acquisition of fixed assets, intangible assets and other long-lived assets   | 99,757.90        | 138,768.93       |
| Payments for investments  |                  |                  |
| Net increase in pledged loans granted   |                  |                  |
| Net payments for the acquisition of subsidiaries and other business units                     |                  |                  |
| Cash used in other investing activities   |                  | 1,300,000,000.00 |
| Subtotal of cash used in investing activities   | 99,757.90        | 1,300,138,768.93 |
| Net cash generated from/used in investing activities  | 1,020,818,810.32 | -388,654,134.68  |
| 3. Cash flows from financing activities:  |                  |                  |
| Capital contributions received  |                  |                  |
| Including: Capital contributions by non-controlling interests to subsidiaries                 |                  |                  |
| Borrowings received   |                  |                  |
| Cash generated from other financing activities  |                  |                  |
| Subtotal of cash generated from financing activities  | 0.00             | 0.00             |
| Repayment of borrowings   |                  | 2,000,000.00     |
| Interest and dividends paid   | 166,923,900.00   | 202,332,000.00   |
| Including: Dividends paid by subsidiaries to non-controlling interests                        |                  |                  |
| Cash used in other financing activities   |                  |                  |
| Subtotal of cash used in financing activities   | 166,923,900.00   | 204,332,000.00   |
| Net cash generated from/used in financing activities  | -166,923,900.00  | -204,332,000.00  |
| 4. Effect of foreign exchange rates changes on cash and cash equivalents                      | -366,192.25      | -459,655.67      |
| 5. Net increase in cash and cash equivalents  | 950,938,536.52   | 448,469,888.94   |
| Add: Cash and cash equivalents, beginning of the period                                       | 1,507,189,760.35 | 1,148,522,435.93 |
| 6. Cash and cash equivalents, end of the period   | 2,458,128,296.87 | 1,596,992,324.87 |

**8. Cash Flow Statement of the Company as the Parent for Q1~Q3**

Unit: RMB

| Item  | Q1~Q3 2020       | Q1~Q3 2019       |
|---|------------------|------------------|
| <b>1. Cash flows from operating activities:</b>   |                  |                  |
| Proceeds from sale of commodities and rendering of services                                   | 758,029,471.29   | 1,469,696,209.60 |
| Tax and levy rebates  |                  | 39,473.00        |
| Cash generated from other operating activities  | 139,081,676.94   | 29,139,180.19    |
| Subtotal of cash generated from operating activities  | 897,111,148.23   | 1,498,874,862.79 |
| Payments for commodities and services   | 21,193,820.53    | 76,648,788.23    |
| Cash paid to and for employees  | 33,564,532.83    | 27,909,601.83    |
| Taxes and levies paid   | 123,705,162.54   | 258,333,159.45   |
| Cash used in other operating activities   | 400,163,108.94   | 4,324,652.42     |
| Subtotal of cash used in operating activities   | 578,626,624.84   | 367,216,201.93   |
| Net cash generated from/used in operating activities  | 318,484,523.39   | 1,131,658,660.86 |
| <b>2. Cash flows from investing activities:</b>   |                  |                  |
| Proceeds from disinvestment   | 1,000,000,000.00 | 900,000,000.00   |
| Return on investment  | 20,917,568.22    | 142,838,563.97   |
| Net proceeds from the disposal of fixed assets, intangible assets and other long-lived assets |                  |                  |
| Net proceeds from the disposal of subsidiaries and other business units                       |                  |                  |
| Cash generated from other investing activities  |                  |                  |
| Subtotal of cash generated from investing activities  | 1,020,917,568.22 | 1,042,838,563.97 |
| Payments for the acquisition of fixed assets, intangible assets and other long-lived assets   | 46,488.00        | 65,810.00        |
| Payments for investments  |                  |                  |
| Net payments for the acquisition of subsidiaries and other business units                     |                  |                  |
| Cash used in other investing activities   |                  | 1,300,000,000.00 |
| Subtotal of cash used in investing activities   | 46,488.00        | 1,300,065,810.00 |
| Net cash generated from/used in investing activities  | 1,020,871,080.22 | -257,227,246.03  |
| <b>3. Cash flows from financing activities:</b>   |                  |                  |
| Capital contributions received  |                  |                  |
| Borrowings received   |                  |                  |
| Cash generated from other financing activities  |                  |                  |

|  |                  |                  |
|--|------------------|------------------|
| Subtotal of cash generated from financing activities                     |                  |                  |
| Repayment of borrowings  |                  |                  |
| Interest and dividends paid  | 166,923,900.00   | 202,332,000.00   |
| Cash used in other financing activities                                  |                  |                  |
| Subtotal of cash used in financing activities                            | 166,923,900.00   | 202,332,000.00   |
| Net cash generated from/used in financing activities                     | -166,923,900.00  | -202,332,000.00  |
| 4. Effect of foreign exchange rates changes on cash and cash equivalents | -191,346.36      | -676,807.86      |
| 5. Net increase in cash and cash equivalents                             | 1,172,240,357.25 | 671,422,606.97   |
| Add: Cash and cash equivalents, beginning of the period                  | 963,737,437.55   | 444,486,378.53   |
| 6. Cash and cash equivalents, end of the period                          | 2,135,977,794.80 | 1,115,908,985.50 |

## II Adjustments to the Financial Statements

### 1. Adjustments to the Financial Statements at the Beginning of the First Execution Year (2020) of the New Accounting Standards Governing Revenue and Leases

Applicable  Not applicable

Whether items of the balance sheets at the beginning of the year need adjustments

Yes  No

Consolidated balance sheet

Unit: RMB

| Item  | 31 December 2019 | 1 January 2020   | Adjustment |
|---|------------------|------------------|------------|
| Current assets:                                 |                  |                  |            |
| Monetary assets                                 | 2,511,140,445.35 | 2,511,140,445.35 |            |
| Settlement reserve                              |                  |                  |            |
| Loans to other banks and financial institutions |                  |                  |            |
| Held-for-trading financial assets               |                  |                  |            |
| Derivative financial assets                     |                  |                  |            |
| Notes receivable                                |                  |                  |            |
| Accounts receivable                             | 62,059,055.68    | 62,059,055.68    |            |
| Receivables financing                           |                  |                  |            |
| Prepayments                                     | 219,948.17       | 219,948.17       |            |
| Premiums receivable                             |                  |                  |            |
| Reinsurance receivables                         |                  |                  |            |
| Receivable reinsurance contract reserve         |                  |                  |            |
| Other receivables                               | 28,275,228.26    | 28,275,228.26    |            |

|  |                  |                  |  |
|--|------------------|------------------|--|
| Including: Interest receivable                     |                  |                  |  |
| Dividends receivable                               | 1,052,192.76     | 1,052,192.76     |  |
| Financial assets purchased under resale agreements |                  |                  |  |
| Inventories  | 1,462,229,048.18 | 1,462,229,048.18 |  |
| Contract assets                                    |                  |                  |  |
| Assets held for sale                               |                  |                  |  |
| Current portion of non-current assets              |                  |                  |  |
| Other current assets                               | 102,781,855.48   | 102,781,855.48   |  |
| Total current assets                               | 4,166,705,581.12 | 4,166,705,581.12 |  |
| Non-current assets:                                |                  |                  |  |
| Loans and advances to customers                    |                  |                  |  |
| Debt investments                                   |                  |                  |  |
| Other debt investments                             |                  |                  |  |
| Long-term receivables                              |                  |                  |  |
| Long-term equity investments                       | 469,838.65       | 469,838.65       |  |
| Investments in other equity instruments            | 33,126,730.04    | 33,126,730.04    |  |
| Other non-current financial assets                 |                  |                  |  |
| Investment property                                | 632,241,900.20   | 632,241,900.20   |  |
| Fixed assets                                       | 30,522,035.11    | 30,522,035.11    |  |
| Construction in progress                           |                  |                  |  |
| Productive living assets                           |                  |                  |  |
| Oil and gas assets                                 |                  |                  |  |
| Right-of-use assets                                |                  |                  |  |
| Intangible assets                                  |                  |                  |  |
| Development costs                                  |                  |                  |  |
| Goodwill   |                  |                  |  |
| Long-term prepaid expense                          | 162,125.72       | 162,125.72       |  |
| Deferred income tax assets                         | 46,441,325.25    | 46,441,325.25    |  |
| Other non-current assets                           |                  |                  |  |
| Total non-current assets                           | 742,963,954.97   | 742,963,954.97   |  |
| Total assets                                       | 4,909,669,536.09 | 4,909,669,536.09 |  |
| Current liabilities:                               |                  |                  |  |
| Short-term borrowings                              | 51,647,260.17    | 51,647,260.17    |  |
| Borrowings from the central bank                   |                  |                  |  |

|  |                  |                  |                 |
|--|------------------|------------------|-----------------|
| Loans from other banks and financial institutions                          |                  |                  |                 |
| Held-for-trading financial liabilities                                     |                  |                  |                 |
| Derivative financial liabilities   |                  |                  |                 |
| Notes payable  |                  |                  |                 |
| Accounts payable   | 244,224,478.46   | 244,224,478.46   |                 |
| Advances from customers  | 159,482,510.43   | 4,864,243.00     | -154,618,267.43 |
| Contract liabilities   |                  | 151,007,450.32   | 151,007,450.32  |
| Financial assets sold under repurchase agreements                          |                  |                  |                 |
| Customer deposits and deposits from other banks and financial institutions |                  |                  |                 |
| Payables for acting trading of securities                                  |                  |                  |                 |
| Payables for underwriting of securities                                    |                  |                  |                 |
| Employee benefits payable  | 53,909,576.49    | 53,909,576.49    |                 |
| Taxes and levies payable   | 585,700,815.36   | 589,311,632.47   | 3,610,817.11    |
| Other payables   | 277,319,174.53   | 277,319,174.53   |                 |
| Including: Interest payable  | 16,535,277.94    | 16,535,277.94    |                 |
| Dividends payable  |                  |                  |                 |
| Fees and commissions payable   |                  |                  |                 |
| Reinsurance payables   |                  |                  |                 |
| Liabilities directly associated with assets held for sale                  |                  |                  |                 |
| Current portion of non-current liabilities                                 |                  |                  |                 |
| Other current liabilities  |                  |                  |                 |
| Total current liabilities  | 1,372,283,815.44 | 1,372,283,815.44 |                 |
| Non-current liabilities:   |                  |                  |                 |
| Insurance contract reserve   |                  |                  |                 |
| Long-term borrowings   |                  |                  |                 |
| Bonds payable  |                  |                  |                 |
| Including: Preference shares   |                  |                  |                 |
| Perpetual bonds  |                  |                  |                 |
| Lease liabilities  |                  |                  |                 |
| Long-term payables   | 7,499,192.92     | 7,499,192.92     |                 |
| Long-term employee benefits payable  |                  |                  |                 |
| Provisions   |                  |                  |                 |
| Deferred income  |                  |                  |                 |
| Deferred income tax liabilities  | 4,903,293.58     | 4,903,293.58     |                 |

|  |                  |                  |  |
|--|------------------|------------------|--|
| Other non-current liabilities                                    |                  |                  |  |
| Total non-current liabilities                                    | 12,402,486.50    | 12,402,486.50    |  |
| Total liabilities  | 1,384,686,301.94 | 1,384,686,301.94 |  |
| Owners' equity:  |                  |                  |  |
| Share capital  | 1,011,660,000.00 | 1,011,660,000.00 |  |
| Other equity instruments   |                  |                  |  |
| Including: Preference shares                                     |                  |                  |  |
| Perpetual bonds  |                  |                  |  |
| Capital reserves   | 978,244,910.11   | 978,244,910.11   |  |
| Less: Treasury stock   |                  |                  |  |
| Other comprehensive income                                       | 20,831,004.13    | 20,831,004.13    |  |
| Specific reserve   |                  |                  |  |
| Surplus reserves   | 191,222,838.94   | 191,222,838.94   |  |
| General reserve  |                  |                  |  |
| Retained earnings  | 1,464,915,816.81 | 1,464,915,816.81 |  |
| Total equity attributable to owners of the Company as the parent | 3,666,874,569.99 | 3,666,874,569.99 |  |
| Non-controlling interests  | -141,891,335.84  | -141,891,335.84  |  |
| Total owners' equity   | 3,524,983,234.15 | 3,524,983,234.15 |  |
| Total liabilities and owners' equity                             | 4,909,669,536.09 | 4,909,669,536.09 |  |

Notes to the adjustment

Balance sheet of the Company as the parent

Unit: RMB

| Item                              | 31 December 2019 | 1 January 2020   | Adjustment |
|-----------------------------------|------------------|------------------|------------|
| Current assets:                   |                  |                  |            |
| Monetary assets                   | 1,967,688,122.55 | 1,967,688,122.55 |            |
| Held-for-trading financial assets |                  |                  |            |
| Derivative financial assets       |                  |                  |            |
| Notes receivable                  |                  |                  |            |
| Accounts receivable               | 156,935.84       | 156,935.84       |            |
| Receivables financing             |                  |                  |            |
| Prepayments                       | 200,000.00       | 200,000.00       |            |
| Other receivables                 | 835,275,498.69   | 835,275,498.69   |            |
| Including: Interest receivable    |                  |                  |            |
| Dividends receivable              |                  |                  |            |



|   |                  |                  |                |
|---|------------------|------------------|----------------|
| Inventories                             | 419,453,091.86   | 419,453,091.86   |                |
| Contract assets                         |                  |                  |                |
| Assets held for sale                    |                  |                  |                |
| Current portion of non-current assets   |                  |                  |                |
| Other current assets                    | 407,560.64       | 407,560.64       |                |
| Total current assets                    | 3,223,181,209.58 | 3,223,181,209.58 |                |
| Non-current assets:                     |                  |                  |                |
| Debt investments                        |                  |                  |                |
| Other debt investments                  |                  |                  |                |
| Long-term receivables                   |                  |                  |                |
| Long-term equity investments            | 150,676,516.92   | 150,676,516.92   |                |
| Investments in other equity instruments | 13,229,501.03    | 13,229,501.03    |                |
| Other non-current financial assets      |                  |                  |                |
| Investment property                     | 522,038,731.16   | 522,038,731.16   |                |
| Fixed assets                            | 19,586,720.47    | 19,586,720.47    |                |
| Construction in progress                |                  |                  |                |
| Productive living assets                |                  |                  |                |
| Oil and gas assets                      |                  |                  |                |
| Right-of-use assets                     |                  |                  |                |
| Intangible assets                       |                  |                  |                |
| Development costs                       |                  |                  |                |
| Goodwill                                |                  |                  |                |
| Long-term prepaid expense               |                  |                  |                |
| Deferred income tax assets              | 162,125.72       | 162,125.72       |                |
| Other non-current assets                | 20,975,294.54    | 20,975,294.54    |                |
| Total non-current assets                | 726,668,889.84   | 726,668,889.84   |                |
| Total assets                            | 3,949,850,099.42 | 3,949,850,099.42 |                |
| Current liabilities:                    |                  |                  |                |
| Short-term borrowings                   |                  |                  |                |
| Held-for-trading financial liabilities  |                  |                  |                |
| Derivative financial liabilities        |                  |                  |                |
| Notes payable                           |                  |                  |                |
| Accounts payable                        | 103,915,931.14   | 103,915,931.14   |                |
| Advances from customers                 | 59,409,454.38    |                  | -59,409,454.38 |

|   |                  |                  |               |
|---|------------------|------------------|---------------|
| Contract liabilities                                      |                  | 56,580,432.74    | 56,580,432.74 |
| Employee benefits payable                                 | 25,544,403.23    | 25,544,403.23    |               |
| Taxes and levies payable                                  | 143,434,273.95   | 146,263,295.59   | 2,829,021.64  |
| Other payables  | 190,666,487.82   | 190,666,487.82   |               |
| Including: Interest payable                               | 16,535,277.94    | 16,535,277.94    |               |
| Dividends payable   |                  |                  |               |
| Liabilities directly associated with assets held for sale |                  |                  |               |
| Current portion of non-current liabilities                |                  |                  |               |
| Other current liabilities                                 |                  |                  |               |
| Total current liabilities                                 | 522,970,550.52   | 522,970,550.52   |               |
| Non-current liabilities:                                  |                  |                  |               |
| Long-term borrowings                                      |                  |                  |               |
| Bonds payable   |                  |                  |               |
| Including: Preference shares                              |                  |                  |               |
| Perpetual bonds   |                  |                  |               |
| Lease liabilities   |                  |                  |               |
| Long-term payables  |                  |                  |               |
| Long-term employee benefits payable                       |                  |                  |               |
| Provisions  |                  |                  |               |
| Deferred income   |                  |                  |               |
| Deferred income tax liabilities                           | 1,295,046.51     | 1,295,046.51     |               |
| Other non-current liabilities                             |                  |                  |               |
| Total non-current liabilities                             | 1,295,046.51     | 1,295,046.51     |               |
| Total liabilities   | 524,265,597.03   | 524,265,597.03   |               |
| Owners' equity:   |                  |                  |               |
| Share capital   | 1,011,660,000.00 | 1,011,660,000.00 |               |
| Other equity instruments                                  |                  |                  |               |
| Including: Preference shares                              |                  |                  |               |
| Perpetual bonds   |                  |                  |               |
| Capital reserves  | 964,711,931.13   | 964,711,931.13   |               |
| Less: Treasury stock                                      |                  |                  |               |
| Other comprehensive income                                | 922,125.77       | 922,125.77       |               |
| Specific reserve  |                  |                  |               |
| Surplus reserves  | 168,093,225.53   | 168,093,225.53   |               |

|                                      |                  |                  |  |
|--------------------------------------|------------------|------------------|--|
| Retained earnings                    | 1,280,197,219.96 | 1,280,197,219.96 |  |
| Total owners' equity                 | 3,425,584,502.39 | 3,425,584,502.39 |  |
| Total liabilities and owners' equity | 3,949,850,099.42 | 3,949,850,099.42 |  |

## Notes to the adjustment

According to the Company's principle for revenue recognition, after the execution of the new standards governing revenue by the Company, no "contract assets" will be formed. And relevant data of financial statements mainly influence the reclassification of "contract liabilities", "advances from customers" and "taxes and levies payable".

## 2. Retrospective Adjustments to the Comparative Data of Prior Periods due to the First Execution in 2020 of the New Accounting Standards Governing Revenue and Leases

Applicable  Not applicable

### III Independent Auditor's Report

Indicate by tick mark whether the financial statements above have been audited by an independent auditor.

Yes  No

These financial statements have not been audited by such an auditor.