

Shenzhen Textile (Holdings) Co., Ltd.

The Third Quarterly Report 2020



October 2020

I Important Notice

The Board of Directors, Supervisory Committee, all directors, supervisors and senior executives of the Company hereby guarantees that there are no misstatement, misleading representation or important omissions in this report and shall assume joint and several liability for the authenticity, accuracy and completeness of the contents hereof.

All the directors attended the board meeting for reviewing the Quarterly Report.

Mr.Zhu Jun, Person in charge of the Company, Mr. He Fei, Chief financial officer and the Ms. Mu Linying, the person in charge of the accounting department (the person in charge of the accounting) hereby confirm the authenticity and completeness of the financial report enclosed in this Quarterly Report.

This Report has been prepared in both Chinese and English, in case any discrepancy, the Chinese version shall prevail.

II Basic Information of the Company

1. Main financial data and financial index

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

Yes No

In RMB

	As at the end of the reporting period	As at the end of last year	Changed (%) over end of prev. year	
Gross assets (Yuan)	4,760,429,824.39	4,531,399,885.99	5.05%	
Net assets attributable to the shareholders of the listed company (Yuan)	2,754,887,410.53	2,727,764,144.36	0.99%	
	Reporting period	Increase/decrease over the same period of last year (%)	Between beginning of the year to the end of the report period	Changed (%) over end of prev. year
Operating revenue (Yuan)	616,632,602.23	-2.38%	1,472,945,950.97	-10.21%
Net profit attributable to the shareholders of the listed company (Yuan)	24,726,413.83	172.89%	25,446,148.57	50.63%
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company (Yuan)	20,780,909.95	1,447.56%	13,662,964.52	213.00%
Net cash generated from /used in operating activities (Yuan)	85,768,341.55	-67.35%	-49,851,133.68	-117.40%
Basic earning per share (Yuan/Share)	0.0487	173.60%	0.0500	51.06%
Diluted gains per share (Yuan/Share)	0.0487	173.60%	0.0500	51.06%
Weighted average return on equity (%)	0.90%	0.53%	0.93%	0.25%

Items and amount of non-current gains and losses

Applicable Not applicable

In RMB

Items	Amount (Year-beginning to the end of the report period.)	Notes

Non-current asset disposal gain/loss (including the write-off part for which assets impairment provision is made)	262,826.07	
Government subsidy recognized in current gain and loss (excluding those closely related to the Company's business and granted under the state's policies)	19,189,814.08	
Other non-operating income and expenditure except for the aforementioned items	-80,453.65	
Less: Amount of influence of income tax	129,760.77	
Amount of influence of minority interests (After tax)	7,459,241.68	
Total	11,783,184.05	--

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

Applicable Not applicable

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

2. Total Shareholders and Shares Held by Top Ten Shareholders at the End of the Reporting Period

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

In shares

Total number of common shareholders at the period-end	29,807	Total preference shareholders with the voting power recovered at the end of the reporting period (if any)	0			
Shares held by the top 10 shareholders						
Shareholder name	Properties of shareholder	Share proportion %	Quantity	Amount of tradable shares with Conditional held	Pledging or freezing	
					Status of the shares	Quantity
Shenzhen Investment Holdings Co., Ltd.	State-owned legal person	45.96%	234,069,436			
Shenzhen Shenchao Technology Investment Co., Ltd.	State-owned Legal person	3.17%	16,129,032			

Sun Huiming	Domestic Nature person	0.63%	3,224,767			
Su Weipeng	Domestic Nature person	0.55%	2,823,066			
Deng Yan	Domestic Nature person	0.45%	2,277,700			
Dai Guangxia	Domestic Nature person	0.34%	1,720,600			
Wang Zhongjing	Domestic Nature person	0.33%	1,671,700			
Hou Xiulan	Domestic Nature person	0.32%	1,612,591			
Li Zengmao	Domestic Nature person	0.31%	1,590,097			
Shen Zhenxing	Domestic Nature person	0.29%	1,455,300			
Shareholding of top 10 shareholders of unrestricted shares						
Name of the shareholder	Quantity of unrestricted shares held at the end of the reporting period		Share type			
			Share type	Quantity		
Shenzhen Investment Holdings Co., Ltd.	234,069,436		RMB Common shares			
Shenzhen Shenchao Technology Investment Co., Ltd.	16,129,032		RMB Common shares			
Sun Huiming	3,224,767		Foreign shares placed in domestic exchange			
Su Weipeng	2,823,066		RMB Common shares			
Deng Yan	2,277,700		RMB Common shares			
Dai Guangxia	1,720,600		RMB Common shares			
Wang Zhongjing	1,671,700		RMB Common shares			
Hou Xiulan	1,612,591		RMB Common shares			
Li Zengmao	1,590,097		RMB Common shares			
Shen Zhenxing	1,455,300		RMB Common shares			
Related or acting-in-concert parties among shareholders above	<p>Shenzhen Shenchao Technology Investment Co., Ltd. is a wholly-owned subsidiary of Shenzhen Investment Holdings Co., Ltd., According to the decision of the State-owned Assets Supervision and Administration Commission of Shenzhen Municipal People's Government, Shenzhen Shenchao Technology Investment Co., Ltd was transferred to Shenzhen Major Industrial Investment Group Co., Ltd in June 2019. Shenzhen Investment Holdings Co., Ltd and Shenzhen Shenchao Technology Investment Co., Ltd are both controlled by the State-owned Assets Supervision and Administration Commission of the Shenzhen Municipal People's Government. Except this, the Company did not whether there is relationship between the top ten shareholders holding non-restricted negotiable shares and between the top ten shareholders holding non-restricted negotiable shares and the top 10 shareholders or whether they are persons taking concerted action defined in Regulations on Disclosure of Information about Shareholding</p>					

	of Shareholders of Listed Companies.
Explanation on shareholders participating in the margin trading business (if any)	The Company Shareholder Dai Guangxia holds 200,600 shares of the Company through stock account with credit transaction;

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

Yes No

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

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

Applicable Not applicable

III Significant Events

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

√ Applicable □ Not applicable

Items	September 30,2020 (In RMB10,000)	January 1,2020 (In RMB 10,000)	Scale of change	Causes of change
Accounts receivable	53,008.74	36,532.50	45.10%	Due to the increase in sales of polarizers.
Other receivables	806.66	1,244.08	-35.16%	Due to the decrease in interest receivable in the current period.
Other current assets	8,416.89	14,082.16	-40.23%	Due to the input tax to be deducted for certification, transferred to the tax payable.
Construction in progress	122,245.46	83,986.63	45.55%	Due to the increased investment in the Line 7 project during the current period.
Advance receipt	1,883.22	3,053.01	-38.32%	Due to the implementation of the "New Income Standards" in the current period to reclassify this item to contract liabilities and return the advance trade payment.
Taxes payable	1,056.88	2,254.56	-53.12%	Due to the settlement and payment of corporate income tax of the previous year in this period.
Long term loan	25,460.00	0.00	-	Due to the loan for the newly added Line 7 project in this period.
Treasury stock	752.54	1,613.90	-53.37%	Due to the fulfillment of restricted stock repurchase obligations.
Undistributed profit	7,475.39	4,930.78	51.61%	Due to profit during the reporting period.
Items	Amount incurred in the reporting period (In RMB10,000)	Amount incurred in the previous period (In RMB 10,000)	Scale of change	Causes of change
Sales expense	2,480.03	1,418.86	74.79%	Due to the increase in sales staff salaries, transportation costs and sales service fees.
R&D expense	4,056.55	2,914.84	39.17%	Due to increased research and development efforts in this period.
Financial expense	269.98	46.15	485.01%	Due to the decrease in interest income in this period.
Credit impairment loss	-926.57	844.72	-209.69%	Due to the increase in accounts receivable in this period, the provision for bad debts increased accordingly.
Operating profit	3,075.63	1,045.27	194.24%	The sales volume of polarizer products in

				the current period has increased significantly, and the growth rate of operating costs is significantly less than the growth rate of sales revenue..
Non-operating income	4.39	475.29	-99.08%	Received insurance claims in the same period last year, but none during the reporting period.
Non-perating expense	12.43	0.61	1937.70%	During the reporting period, the tax owed before repayment was none in the same period of the previous year.
Total profit	3,067.58	1,519.95	101.82%	The polarizer business has substantially reduced losses.
Income tax expense	869.90	1,550.21	-43.89%	Mainly because of the impact of the epidemic, the profit of the property leasing business decreased.
Net profit	2,197.68	-30.27	7360.26%	Mainly due to the increase in total profits and the decrease in income tax expenses.
Net cash flow from operating activities	-4,985.11	28,653.27	-117.40%	The trade payment was recovered in the same period of last year, but none in this period.
Net cash flows from investing activities	-15,572.56	-67,821.70	77.04%	During the reporting period, the funds received from the recovery of wealth management investment were more than the funds paid for investment and wealth management, while the funds paid for investment and wealth management in the same period last year were more than recovered.
Net cash flow from financing activities	24,368.10	-47,339.57	151.48%	During the reporting period, bank loans were obtained, and bank loans were repaid in the same period last year.

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

√ Applicable □ Not applicable

(1) Matters concerning the Company's involving arbitration and the subsidiary's' 2019 performance commitment compensation

On March 9, 2020, the company received the Notice of Arbitration (No.452 -2) from Shenzhen International Arbitration Court and the Application for Arbitration submitted by Hangzhou Jinjiang Group Co., Ltd., which is the applicant of this arbitration while the company is the respondent. Hangzhou Jinjiang Group Co., Ltd. submitted the following arbitration requests: 1. The ruling made the following changes to the Cooperation Agreement: (1) Delete the original Article 3.1 of the Cooperation Agreement and the relevant unfulfilled rights and obligations will no longer be fulfilled (2) Delete the original Article 6.4 of the Cooperation Agreement, and the relevant unfulfilled rights and obligations will no longer be fulfilled; 2. The respondent shall bear the

arbitration fee of the case and the actual expenses of the arbitral tribunal. The applicant reserves the right to further modify the arbitration request.

On March 9, 2020, the company received the Notice of Arbitration (No.452 -2) from Shenzhen International Arbitration Court and the Application for Arbitration submitted by Hangzhou Jinjiang Group Co., Ltd., which is the applicant of this arbitration while the company is the respondent. Hangzhou Jinjiang Group Co., Ltd. submitted the following arbitration requests: 1. The ruling made the following changes to the Cooperation Agreement: (1) Delete the original Article 3.1 of the Cooperation Agreement and the relevant unfulfilled rights and obligations will no longer be fulfilled (2) Delete the original Article 6.4 of the Cooperation Agreement, and the relevant unfulfilled rights and obligations will no longer be fulfilled; 2. The respondent shall bear the arbitration fee of the case and the actual expenses of the arbitral tribunal. The applicant reserves the right to further modify the arbitration request. For details, please refer to the Announcement of 2020-07 on the website of <http://www.cninfo.com.cn>.

On March 26, 2020, the company received the Notice on Extending the Time Limit Appointed by Arbitrators (2020 SGZS No.452 -3) delivered by Shenzhen International Arbitration Court. Due to the complexity of the dispute and the special epidemic background, the applicant needs extra time to negotiate and communicate the procedural matters of the case with the respondent, so it applies to Shenzhen International Arbitration Court to extend the time limit for appointing arbitrators in this case. Shenzhen International Arbitration Court believes that the applicant's request is reasonable, and both parties are requested to notify Shenzhen International Arbitration Court in writing of the arbitrator's appointment result before March 30, 2020. Therefore, the company shall appoint an arbitrator before March 30, 2020 instead of within 15 days after receiving the arbitration notice on March 9, 2020, and notify the Shenzhen International Arbitration Court of the results in writing. For details, please refer to the Announcement of 2020-21 on the website of <http://www.cninfo.com.cn>.

On April 17, 2020, the company received the Notice of Arbitral Tribunal Composition (2020 SGZS No.452-4) from Shenzhen International Arbitration Court. Both parties to the arbitration informed Shenzhen International Arbitration Court in writing of the results of arbitrator selection according to the arbitration procedure before March 30, 2020, and appointed 1 arbitrator respectively and 1 chief arbitrator together. On April 16, 2020, the arbitration tribunal was formed to hear the case.

As of the disclosure date of this report, the company has entrusted a lawyer to submit evidence and materials of this arbitration to the arbitration tribunal in accordance with the arbitration procedures, and submitted a letter of invitation for the applicant to clarify the arbitration request and arrange the hearing. However, due to the epidemic, the arbitration has not yet been held, and the time of the court session has yet to be scheduled. In view of the company's involvement in the above arbitration and the uncertainty of the arbitration results, Jinjiang Group's unfulfilled commitment to the company's subsidiary SAPO Photoelectric in 2019 is uncertain. The company will continue to pay attention to the follow-up progress of this arbitration and fulfill its information disclosure obligations in a timely manner.

(2) Progress of Transferring the Equity of Guanhua

In order to further revitalize the Company's existing assets, concentrate resources on its main business and stimulate the vitality of the enterprise, the Proposal on Transfer of 50.16% Equity of Shenzhen Guanhua Printing and Dyeing Co., Ltd. was deliberated and passed at the 22nd meeting of the 7th Board of Directors and the 2nd Extraordinary General Meeting in 2019. It was agreed that the Company would transfer 50.16% of Guanhua equity held by the Company through public listing at a price of not less than 340,468,300 yuan in Shenzhen United Property and Share Rights, which was approved by the state-owned assets management department for filing. However, due to market reasons and changes in relevant conditions, after comprehensive consideration by the Company, the shares of Guanhua are not listed on Shenzhen United Property and Share Rights Exchange, and

the Company planned to choose a suitable time to list within the validity period of the underlying equity evaluation report (August 30, 2020) according to market conditions and in combination with the actual operation of the Company. For details, please refer to the Announcement of 2019-55, 2019-63 and 2019-71 on the website of <http://www.cninfo.com.cn>.

Due to market reasons and changes in relevant circumstances, the company did not publicly list and transfer the equity of the target company on the Shenzhen United Property and Share Rights Exchange. As of the disclosure date of this report, the evaluation report of Guanhua Company has passed its validity period (valid until August 30, 2020). If the equity transfer continues to be implemented, a new asset evaluation will be required. In view of the market reasons affected by the new crown pneumonia epidemic this year, combined with the company's actual operating conditions, the Company, after careful consideration, plans to terminate the transfer of 50.16% of Guanhua's equity. On October 29, 2020, the thirty-third meeting of the seventh board of directors of the company reviewed and approved the "Proposal on Terminating the Transfer of 50.16% Equity in Shenzhen Guanhua Printing and Dyeing Co., Ltd.". Due to market reasons and changes in relevant circumstances, the company agreed to terminate the case above, the proposal still needs to be submitted to the Company's shareholders meeting for deliberation. For the above content, please refer to the "Announcement on the Termination of the Transfer of 50.16% Equity of Shenzhen Guanhua Printing and Dyeing Co., Ltd." (No. 2020-49) of Juchao Information Network (<http://www.cninfo.com.cn>).

(3) Progress in subsidiaries participating in the establishment of industrial funds

On November 16, 2017, the company's controlling subsidiary Shengbo Optoelectronic Co., Ltd signed the Changxing Junying Equity Investment Partnership (Limited Partnership) Agreement with the fund manager Huizhi Investment Management Co., Ltd, general partner Jinxin Investment Co., Ltd and other limited partners, and co-sponsored the establishment of an industrial fund, focusing on the optical film industry chain related projects related to the company's main business, with a fund size of RMB 50 million. SAPO as one of the limited partners of the industrial fund, subscribed for a capital contribution of RMB 28.5 million. For details Juchao Website: (<http://www.cninfo.com.cn>. (Announcement No.2017--55).

On February 10, 2018, Changxing Junying Equity Investment Partnership completed the industrial and commercial registration and completed the private equity investment fund registration on February 8, 2018. For details Juchao Website: (<http://www.cninfo.com.cn>. (Announcement No.2018--05).

As of September 30, 2020, Changxing Junying had accumulated 3 investment projects with a total investment of RMB 42 million.

No	Name	Investment	Fund contribution(In RMB 10,000)
1	Shenzhen Kaichuang Shijia Technology Co., Ltd.	Optical Film	1,400
2	Shenzhen shenfuyu Electronic Technology Co., Ltd.	Optical Film	1,300
3	Shenzhen Hengbaoshun Technology Development Co., Ltd.	Optical Film	1,500

(4) The matter about the provision of guarantees for subsidiaries to apply for bank mortgage loans

In order to meet the capital demand for the construction of Line 7 project, the 28th meeting of the 7th Board of Directors reviewed and approved the Proposal on Subsidiaries Applying for Mortgage Loans from Banks and the Proposal on Providing Guarantee for Subsidiaries' Mortgage Loans, and the Second Extraordinary General Meeting of Shareholders in 2020 reviewed and approved the Proposal on Providing Guarantee for Subsidiaries' Mortgage Loans, and agreed that SAPO will apply for a fixed asset loan of RMB 800 million from the syndicate led by Shenzhen Branch of Bank of Communications Co., Ltd. with some of its self-held properties, with a term of no more than 8 years, and the specific terms are subjected to "Syndicated Loan for the Industrialization Project

of Polarizers for Ultra-Large TVs (Line 7)" and "The Mortgage Contract for the Syndicated Loan for the Industrialization Projects of Polarizers for Ultra-large TVs (Line 7)" signed by SAPO and the lender; it is agreed that the Company will provide joint liability guarantee to the above syndicate for 60% of the total debts of SAPO under the above project loans, of which the principal amount of the secured creditor's rights is RMB 480 million, and the legal representative of the company or its authorization is authorized Represent the company in handling the above guarantee matters and sign the guarantee contract and any other documents related to this guarantee. For details, please refer to Announcement Nos. 2020-18, 2020-19 and 2020-22 on cninfo (<http://www.cninfo.com.cn>). As of the date of the disclosure of this report, the company has signed the "Guarantee Contract for Syndicated Loans for the Industrialization Project of Polarizers for Ultra-large TVs (Line 7)" with Bank of Communications Co., Ltd. Shenzhen Branch, the guarantee agent of the syndicate. For details, please refer to the "Announcement on the Progress of the Company's Provision of Guarantees for Subsidiaries" (No. 2020-46) on cninfo(<http://www.cninfo.com.cn>) on October 24, 2020.

Announcement	Date of disclosure	Website for disclosure
Matters concerning the Company's involving arbitration for its subsidiary's 2019 performance commitment compensation	March 11,2020	http://www.cninfo.com.cn . Announcement No.2020-07
	March 28,2020	http://www.cninfo.com.cn . Announcement No.2020-21
Matters concerning the Company providing guarantee for its subsidiary's bank mortgage loans applied.	March 18,2020	http://www.cninfo.com.cn . Announcement No.2020-18
	March 18,2020	http://www.cninfo.com.cn . Announcement No.2020-19
	April 7,2020	http://www.cninfo.com.cn . Announcement No.2020-22
	October 24, 2020	http://www.cninfo.com.cn . Announcement No.2020-46
Matters concerning the equity transfer of Guanhua	October 31, 2020	http://www.cninfo.com.cn . Announcement No.2020-49

Progress in the implementation of share repurchase

Applicable Not applicable

Progress in the implementation of the reduction of the repurchased shares by means of centralized bidding

Applicable Not applicable

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

Applicable Not applicable

Commitment	Commitment maker	Type	Contents	Time of making commitment	Period of commitment	Fulfillment
Commitment on share	Shenzhen	Share	As Shenzhen Investment Holdings Co., Ltd.,	August 4,	Sustained	Under

reform	n Investm ent Holding s Co., Ltd.	reducti on commit ment	the controlling shareholder of the company, committed when the restricted-for-sale shares from the shares restructuring were listed for circulation in the market: i. if they plan to sell the shares through the securities exchange system in the future, and the decrease of the shares they hold reaches 5% within 6 months after the first decrease, they will disclose an announcement indicating the sale through the company within two trading days before the first decrease; ii. They shall strictly observe the “Guidelines on Transfer of Restricted-for-sale Original Shares of Listed Companies” and the provisions of the relevant business principles of Shenzhen Stock Exchange.	2006	and effective	Fulfillment
Commitment in the acquisition report or the report on equity changes						
Commitment made upon the assets replacement						
Commitments made upon issuance	Shenzhe n Investm ent Holding s Co., Ltd.	Commi tments on horizon tal compet ition, related transac tion and capital occupa tion	Shenzhen Investment Holdings Co., Ltd. signed a “Letter of Commitment and Statement on Horizontal Competition Avoidance” when the company issued non-public stocks in 2009. Pursuant to the Letter of Commitment and Statement, Shenzhen Investment Holdings Co., Ltd. and its wholly owned subsidiary, subsidiaries under control or any other companies that have actual control of it shall not be involved in the business the same as or similar to those Shenzhen Textile currently or will run in the future, or any businesses or activities that may constitute direct or indirect competition with Shenzhen Textile; if the operations of Shenzhen Investment Holdings Co., Ltd. and its wholly owned subsidiaries, subsidiaries under control or other companies that have actual control of it compete with Shenzhen Textile in the same industry or contradict the interest of the issuer in the future, Shenzhen Investment Holdings Co., Ltd. shall urge such	October 9, 2009	Sustained and effective	Under Fulfillment

			companies to sell the equity, assets or business to Shenzhen Textile or a third party; when the horizontal competition may occur due to the business expansion concurrently necessary for Shenzhen Investment Holdings Co., Ltd. and its wholly owned subsidiaries, subsidiaries under control or other companies that have actual control of it and Shenzhen Textile, Shenzhen Textile shall have priority.			
	Shenzhen Investment Holdings Co., Ltd.	Commitments on horizontal competition, related transaction and capital occupation	The commitments during the period non-public issuance in 2012: 1. Shenzhen Investment Holdings, as the controlling shareholder of Shenzhen Textile, currently hasn't the production and business activities of inter-industry competition with Shenzhen Textile or its share-holding subsidiary. 2. Shenzhen Investment Holdings and its share-holding subsidiaries or other enterprises owned the actual control rights can't be directly and indirectly on behalf of any person, company or unit to engage in the same or similar business in any districts in the future by the form of share-holding, equity participation, joint venture, cooperation, partnership, contract, lease, etc., and ensure not to use the controlling shareholder's status to damage the legitimate rights and interests of Shenzhen Textile and other shareholders, or to gain the additional benefits. 3. If there will be the situation of inter-industry competition with Shenzhen Textile for Shenzhen Investment Holdings and its share-holding subsidiaries or other enterprises owned the actual control rights in the future, Shenzhen Investment Holdings will promote the related enterprises to avoid the inter-industry competition through the transfer of equity, assets, business and other ways. 4. Above commitments will be continuously effective and irrevocable during Shenzhen Investment Holdings as the controlling shareholder of Shenzhen Textile or indirectly controlling Shenzhen Textile.	July 14, 2012	Sustained and effective	Under Fulfillment
Equity incentive	Shenzhen	Other	1. The company undertakes not to provide	November	December	Under

commitment	n Textile(Holding s) Co., Ltd.	commit ment	loans, loan guarantees, and any other forms of financial assistance to the incentive objects for obtaining the restricted stocks in the incentive plan; 2. The company undertakes that there is no circumstance that the stock incentive shall be prohibited as stipulated in the provisions of Article 7 of the “Measures for the Management of Stock Incentives of Listed Companies”.	27,2017	27,2021	Fulfillment
Other commitments made to minority shareholders						
Executed timely or not?	Yes					
If the commitments failed to complete the execution when expired, should specifically explain the reasons of unfulfillment and the net stage of the working plan	Not applicable					

4. Financial asset investment

(1) Investment in securities

Applicable Not applicable

No securities investment during the report period.

(2) Investments in derivatives

Applicable Not applicable

No derivative investment during the report period.

V. Progress of investment projects with raised funds

Progress of polarizer industrialization project for ultra-large TV (Line 7)

In order to meet the needs of downstream panel customers, improve the overall production efficiency of Line 7 project and enhance the competitiveness of the enterprise, SAPO Photoelectric, a subsidiary, increases its investment by 147.2 million yuan to build one RTP production line and 2 RTS production lines, with its own funds and bank loans. For details, please refer to Announcement No.2020-25 of CNInfo (<http://www.cninfo.com.cn>).

As of the disclosure date of this report, the Line 7 project has completed the capping of the main plant and the manufacturing of extension equipment. Affected by the Coronavirus epidemic, due to labor shortages, insufficient supply of engineering materials and equipment, transportation restrictions, etc., the construction of the Line 7 project was not fully resumed until mid-March 2020. The company further strengthened the monitoring and management of budget, schedule, quality and other aspects, rearranged the construction time node, and is currently carrying out the purification and decoration engineering construction and the installation of extension

machine equipment. It is planned to complete the main machine equipment debugging in March 2021, and start the trial production.

During the reporting period, the Company has prudently demonstrated that it will invest 147.2 million yuan in the construction of 1 RTP production line and 2 RTS production lines on the Line 7 project. The source of funds is its own funds and bank loans. The main reasons for this increase in investment are first to meet the needs of downstream panel customers and enhance the depth of customer cooperation; second, to help improve the overall production efficiency of the Line 7 project, simplify the production process, and effectively reduce production costs; third, to further improve Enterprise competitiveness provides guarantee for the successful operation of Line 7 project. For the above details, please refer to the "Announcement on the Increase of Investment and Construction Progress in the Industrialization Project of Polarizers for Ultra-large TVs (Line 7)" on cninfo (<http://www.cninfo.com.cn>) on April 30, 2020. (No. 2020-25). As of the disclosure date of this report, the company has built one RTP production line, and the RTP equipment production is in progress. It is expected to achieve mass production in Q3 of 2021; one RTS production line is already under construction and is expected to achieve mass production in Q3 of 2021.

As of Sep. 30,2020, the total investment contract amount of the Line 7 project was 1,573.4259 million yuan, and the actual paid-in investment was 1,347.7947 million yuan (with raised funds of 409.9510 million yuan, and its own funds and government funds of 937.8437 million yuan used).

6. Forecast of 2020 business performance

A warning and explanation of the reason for predicting that the cumulative net profit from the beginning of the year to the end of the next reporting period may be a loss or a significant change compared with the same period of the previous year

Applicable Not applicable

7. Major contracts for daily operations

Applicable Not applicable

8. Entrusted Financial Management

Applicable Not applicable

In RMB 10,000

Type	Source	Amount	Unexpired balance	Overdue amount
Bank financing product	Self fund	77,900	19,000	0
Others	Self fund	51,500	51,500	0
Total		129,400	70,500	0

Specific Circumstance of Trust Investment which is Large in single amount, low insecurity, poor in liquidity or unguaranteed in high risk

Applicable Not applicable

In RMB10,000

Name of Trustee Organization (or	Type of Trustee Organization (or	Product Type	Amount	Capital Source	Start Date	Expiry Date	Funds Allocation	Method of Reward	Reference Annual Rate of	Expected Income (if any)	Actual profit and loss duration	The actual recovery of profit and loss	Amount of provision for impact	Whether has passed the statistical	Whether there is any entrusted financial	Summary of events and related search
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Trustee Name)	Trustee)							Determination	Return		During the reporting period	During the reporting period	Interest (if any)	utory procedure	Special plan in the future	index (if any)
SPD Bank. Fenghuang Building Sub-Branch	Bank	Structural deposit	28,000	Self fund	February 5, 2020	August 3, 2020	Bank financial products	Repayment of principal and interest	3.85%	539	539.54	Redemption at maturity		Yes	Not applicable	
SPD Bank. Fenghuang Building Sub-Branch	Bank	Structural deposit	12,000	Self fund	March 12, 2020	September 14, 2020	Bank financial products	Repayment of principal and interest	3.85%	233.57	233.57	Redemption at maturity		Yes	Not applicable	
China Southern Asset Management Co., Ltd.	Fund company	Monetary Fund	30,500	Self fund	September 8, 2020	October 29, 2020	Public fund products	Redemption on T day, arrival on T+1 day	2.20%			Unexpired		Yes	Not applicable	
China South	Fund comp	Mon	12,000	Self	Sep	Oct	Public	Re	2.20%			Unexpired		Yes	Not appli	

ern Asset Mana geme nt Co., Ltd.	any	eta ry Fu nd		fu nd	ber 15, 202 0	29, 202 0	fun d pro duc ts	mpt ion on T day , arri val on T+ 1 day								cable	
Total			82,500	--	--	--	--	--	--	772. 57	773. 11	--		--	--	--	

Entrusted financing appears to be unable to recover the principal or there may be other circumstances that may result in impairment

Applicable Not applicable

9. Violation of external guarantees

Applicable Not applicable

The Company has no external guarantee get out of the line in the Period

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

Applicable Not applicable

There are no controlling shareholder and its related parties occupying non-business capital of the listed company in Period.

11. Registration form for receiving research, communication, interviews and other activities during the reporting period

Applicable Not applicable

The company did not receive research, communication, interviews and other activities in Period.

IV. Financial Statement

1. Financial statement

(1) Consolidated balance sheet

Prepared by: Shenzhen Textile (Holdings) Co., Ltd.

September 30,2020

In RMB

Items	September 30,2020	December 31,2019
Current asset:		
Monetary fund	316,521,507.96	409,564,847.52
Settlement provision		
Outgoing call loan		
Transactional financial assets	705,605,934.58	830,000,000.00
Derivative financial assets		
Notes receivable	53,891,043.92	40,424,601.97
Account receivable	530,087,420.90	365,325,029.38
Financing of receivables		17,933,597.98
Prepayments	19,303,220.97	18,445,857.53
Insurance receivable		
Reinsurance receivable		
Provisions of Reinsurance contracts receivable		
Other account receivable	8,066,619.01	12,440,761.13
Including: Interest receivable	645,534.25	7,610,043.19
Dividend receivable		
Repurchasing of financial assets		
Inventories	440,744,308.82	391,717,935.12
Contract assets		
Assets held for sales		
Non-current asset due within 1 year		
Other current asset	84,168,910.62	140,821,609.72
Total of current assets	2,158,388,966.78	2,226,674,240.35
Non-current assets:		
Loans and payment on other's behalf disbursed		
Debt investment		
Other debt investment		

Long-term receivable		
Long term share equity investment	148,708,432.40	152,209,929.72
Other equity instruments investment	251,472,997.43	248,781,946.73
Other non-current financial assets		
Property investment	112,464,050.02	112,730,320.90
Fixed assets	823,305,857.94	903,229,077.83
Construction in progress	1,222,454,561.35	839,866,275.92
Production physical assets		
Oil & gas assets		
Use right assets		
Intangible assets	36,310,153.55	36,517,996.34
Development expenses		
Goodwill		
Long-germ expenses to be amortized	2,278,307.41	2,692,750.67
Deferred income tax asset	5,046,497.51	5,618,026.43
Other non-current asset		3,079,321.10
Total of non-current assets	2,602,040,857.61	2,304,725,645.64
Total of assets	4,760,429,824.39	4,531,399,885.99
Current liabilities		
Short-term loans		
Loan from Central Bank		
Borrowing funds		
Transactional financial liabilities		
Derivative financial liabilities		
Notes payable		
Account payable	236,502,864.55	241,297,770.64
Advance receipts	18,832,177.93	30,530,117.62
Contract Liabilities	2,321,846.31	
Selling of repurchased financial assets		
Deposit taking and interbank deposit		
Entrusted trading of securities		
Entrusted selling of securities		
Employees' wage payable	34,395,410.36	38,556,180.20
Tax payable	10,568,795.99	22,545,550.33

Other account payable	145,538,539.67	152,645,780.14
Including: Interest payable	180,528.26	
Dividend payable		
Fees and commissions payable		
Reinsurance fee payable		
Liabilities held for sales		
Non-current liability due within 1 year		
Other current liability		
Total of current liability	448,159,634.81	485,575,398.93
Non-current liabilities:		
Reserve fund for insurance contracts		
Long-term loan	254,600,000.00	
Bond payable		
Including: preferred stock		
Sustainable debt		
Lease liability		
Long-term payable		
Long-term remuneration payable to staff		
Expected liabilities		
Deferred income	113,348,409.61	121,264,571.22
Deferred income tax liability	66,052,288.66	69,944,345.66
Other non-current liabilities		
Total non-current liabilities	434,000,698.27	191,208,916.88
Total of liability	882,160,333.08	676,784,315.81
Owners' equity		
Share capital	507,772,279.00	509,338,429.00
Other equity instruments		
Including: preferred stock		
Sustainable debt		
Capital reserves	1,967,514,358.53	1,974,922,248.03
Less: Shares in stock	7,525,438.20	16,139,003.40
Other comprehensive income	121,775,375.21	119,737,783.31
Special reserve		
Surplus reserves	90,596,923.39	90,596,923.39

Common risk provision		
Retained profit	74,753,912.60	49,307,764.03
Total of owner's equity belong to the parent company	2,754,887,410.53	2,727,764,144.36
Minority shareholders' equity	1,123,382,080.78	1,126,851,425.82
Total of owners' equity	3,878,269,491.31	3,854,615,570.18
Total of liabilities and owners' equity	4,760,429,824.39	4,531,399,885.99

Legal representative : Zhu Jun

Person-in-charge of the accounting work: He Fei

Person-in -charge of the accounting organ: Mu Linying

(2) Balance sheet of Parent Company

In RMB

Items	September 30,2020	December 31,2019
Current asset:		
Monetary fund	98,335,509.05	27,979,338.37
Transactional financial assets	575,605,934.58	650,000,000.00
Derivative financial assets		
Notes receivable		
Account receivable	5,411,681.38	522,931.04
Financing of receivables		
Prepayments	788,607.77	768,099.94
Other account receivable	13,727,953.24	17,039,506.00
Including: Interest receivable	485,835.62	7,329,228.31
Dividend receivable		
Inventories		
Contract assets		
Assets held for sales		
Non-current asset due within 1 year		
Other current asset		
Total of current assets	693,869,686.02	696,309,875.35
Non-current assets:		
Debt investment		
Other debt investment		
Long-term receivable		
Long term share equity investment	2,098,929,014.56	2,102,430,511.88

Other equity instruments investment	209,508,003.34	206,816,952.64
Other non-current financial assets		
Property investment	104,217,217.60	107,199,622.80
Fixed assets	22,462,380.39	25,500,695.77
Construction in progress	19,552.00	19,552.00
Production physical assets		
Oil & gas assets		
Use right assets		
Intangible assets	599,717.15	659,937.75
Development expenses		
Goodwill		
Long-germ expenses to be amortized	697,904.29	800,858.17
Deferred income tax asset	4,904,808.70	5,466,478.06
Other non-current asset		
Total of non-current assets	2,441,338,598.03	2,448,894,609.07
Total of assets	3,135,208,284.05	3,145,204,484.42
Current liabilities		
Short-term loans		
Transactional financial liabilities		
Derivative financial liabilities		
Notes payable		
Account payable	411,743.57	411,743.57
Advance receipts	639,024.58	2,878,936.58
Contract Liabilities	2,236,912.00	
Employees' wage payable	3,748,680.93	11,910,175.11
Tax payable	7,876,203.25	20,801,961.18
Other account payable	91,684,170.19	119,984,209.60
Including: Interest payable		
Dividend payable		
Liabilities held for sales		
Non-current liability due within 1 year		
Other current liability		
Total of current liability	106,596,734.52	155,987,026.04
Non-current liabilities:		

Long-term loan		
Bond payable		
Including: preferred stock		
Sustainable debt		
Lease liability		
Long-term payable		
Long-term remuneration payable to staff		
Expected liabilities		
Deferred income	525,000.00	600,000.00
Deferred income tax liability	63,061,040.14	66,953,097.14
Other non-current liabilities		
Total non-current liabilities	63,586,040.14	67,553,097.14
Total of liability	170,182,774.66	223,540,123.18
Owners' equity		
Share capital	507,772,279.00	509,338,429.00
Other equity instruments		
Including: preferred stock		
Sustainable debt		
Capital reserves	1,582,461,609.86	1,589,869,499.36
Less: Shares in stock	7,525,438.20	16,139,003.40
Other comprehensive income	112,801,629.64	110,764,037.74
Special reserve		
Surplus reserves	90,596,923.39	90,596,923.39
Retained profit	678,918,505.70	637,234,475.15
Total of owners' equity	2,965,025,509.39	2,921,664,361.24
Total of liabilities and owners' equity	3,135,208,284.05	3,145,204,484.42

(3) Consolidated Income statement of the Report period

In RMB

Items	Amount in this period	Amount in last period
I. Turnover	616,632,602.23	631,655,475.88
Including: Operating income	616,632,602.23	631,655,475.88
Interest income		
Insurance fee earned		
Fee and commission received		

II. Total operating costs	577,921,727.05	622,983,451.14
Including:: Operating costs	522,830,848.69	581,715,597.60
Interest expense		
Fee and commission paid		
Insurance discharge payment		
Net claim amount paid		
Appropriation of deposit for duty, net		
Insurance policy dividend paid		
Reinsurance expenses		
Business tax and surcharge	2,233,905.35	2,177,606.85
Sales expense	11,419,427.45	6,818,778.79
Administrative expense	24,494,876.62	21,103,279.61
R & D expense	16,004,441.96	9,975,989.88
Financial expenses	938,226.98	1,192,198.41
Including: Interest expense	8,994.21	339,007.42
Interest income	-1,684,736.22	-8,880,432.64
Add: Other income	6,144,592.55	10,836,353.04
Investment gain ("-"for loss)	3,861,382.88	-2,084,526.53
Including: investment gains from affiliates	-1,266,868.32	-3,486,196.57
Financial assets measured at amortized cost cease to be recognized as income		
Gains from currency exchange		
Net exposure hedging income		
Changing income of fair value		
Credit impairment loss	-5,458,006.41	6,113,480.07
Impairment loss of assets	-9,125,422.95	-17,843,570.36
Assets disposal income	269,663.51	4,953,965.82
III. Operating profit ("-"for loss)	34,403,084.76	10,647,726.78
Add: Non-operating income	23,428.70	505,625.44
Less: Non-operating expenses	17,902.86	29.17
IV. Total profit("-"for loss)	34,408,610.60	11,153,323.05
Less: Income tax expenses	3,440,626.22	5,729,139.09
V. Net profit	30,967,984.38	5,424,183.96
(I) Classification by business continuity		

1.Net continuing operating profit	30,967,984.38	5,424,183.96
2.Termination of operating net profit		
(II) Classification by ownership		
1.Net profit attributable to the owners of parent company	24,726,413.83	9,061,067.98
2.Minority shareholders' equity	6,241,570.55	-3,636,884.02
VI. Net after-tax of other comprehensive income	-37,806.47	218,016.55
Net of profit of other comprehensive income attributable to owners of the parent company.	-37,806.47	218,016.55
(I)Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period	331,206.25	20,700.40
1.Re-measurement of defined benefit plans of changes in net debt or net assets		
2.Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
3. Changes in the fair value of investments in other equity instruments	331,206.25	20,700.40
4. Changes in the fair value of the company's credit risks		
5.Other		
(II)Other comprehensive income that will be reclassified into profit or loss	-369,012.72	197,316.15
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss		
2. Changes in the fair value of investments in other debt obligations		
3.Other comprehensive income arising from the reclassification of financial assets		
4. Allowance for credit impairments in investments in other debt obligations		
5. Reserve for cash flow hedges		
6.Translation differences in currency financial statements	-369,012.72	197,316.15
7. Other		
Net of profit of other comprehensive income attributable to Minority shareholders' equity		

VII. Total comprehensive income	30,930,177.91	5,642,200.51
Total comprehensive income attributable to the owner of the parent company	24,688,607.36	9,279,084.53
Total comprehensive income attributable minority shareholders	6,241,570.55	-3,636,884.02
VIII. Earnings per share		
(I) Basic earnings per share	0.0487	0.0178
(II) Diluted earnings per share	0.0487	0.0178

Legal representative : Zhu Jun

Person-in-charge of the accounting work: He Fei

Person-in -charge of the accounting organ: Mu Linying

(4) Income statement of the Parent Company of the Report period

In RMB

Items	Amount in this period	Amount in last period
I. Revenue	19,911,194.17	18,702,133.41
Less: Operating costs	3,143,822.30	3,132,290.08
Business tax and surcharge	783,038.54	768,658.39
Sales expense		
Administrative expense	6,681,714.07	6,715,501.68
R & D expense		
Financial expenses	-1,022,897.67	-5,343,904.21
Including: Interest expenses	8,994.21	
Interest income	-1,033,269.62	-5,359,854.48
Add: Other income	35,598.83	31,720.83
Investment gain (“-”for loss)	20,448,748.09	-3,029,192.67
Including: investment gains from affiliates	-1,266,868.32	-3,486,196.57
Financial assets measured at amortized cost cease to be recognized as income		
Net exposure hedging income		
Changing income of fair value		
Credit impairment loss	-87,094.63	-88,387.87
Impairment loss of assets		
Assets disposal income	286,963.56	5,271,919.22
II. Operating profit (“-”for loss)	31,009,732.78	15,615,646.98
Add: Non-operating income		6,400.00

Less: Non-operating expenses		
III. Total profit (“-” for loss)	31,009,732.78	15,622,046.98
Less: Income tax expenses	3,299,280.01	4,725,309.91
IV. Net profit	27,710,452.77	10,896,737.07
(I) Net continuing operating profit	27,710,452.77	10,896,737.07
(II) Termination of operating net profit		
V. Net after-tax of other comprehensive income	-37,806.47	218,016.55
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period	331,206.25	20,700.40
1. Re-measurement of defined benefit plans of changes in net debt or net assets		
2. Other comprehensive income under the equity method in investee can not be reclassified into profit or loss.		
3. Changes in the fair value of investments in other equity instruments	331,206.25	20,700.40
4. Changes in the fair value of the company’s credit risks		
5. Other		
(II) Other comprehensive income that will be reclassified into profit or loss.	-369,012.72	197,316.15
1. Other comprehensive income under the equity method in investee can be reclassified into profit or loss.		
2. Changes in the fair value of investments in other debt obligations		
3. Other comprehensive income arising from the reclassification of financial assets		
4. Allowance for credit impairments in investments in other debt obligations		
5. Reserve for cash flow hedges		
6. Translation differences in currency financial statements	-369,012.72	197,316.15
7. Other		
VI. Total comprehensive income	27,672,646.30	11,114,753.62
VII. Earnings per share		
(I) Basic earnings per share		
(II) Diluted earnings per share		

(5) Consolidated Income statement between the beginning of the year and end of the report period

In RMB

Items	Amount in this period	Amount in last period
I. Turnover	1,472,945,950.97	1,640,518,771.38
Including: Operating income	1,472,945,950.97	1,640,518,771.38
Interest income		
Insurance fee earned		
Commission charge and commission income		
II. Total operating costs	1,425,570,772.57	1,636,181,843.11
Including: Operating costs	1,283,739,152.30	1,522,303,108.33
Interest expense		
Fee and commission paid		
Insurance discharge payment		
Net claim amount paid		
Appropriation of deposit for duty, net		
Insurance policy dividend paid		
Reinsurance expenses		
Business tax and surcharge	4,923,633.41	6,075,103.63
Sales expense	24,800,348.73	14,188,583.31
Administrative expense	68,842,342.28	64,005,159.29
R & D expense	40,565,492.91	29,148,378.08
Financial expenses	2,699,802.94	461,510.47
Including: Interest expense	230,028.92	4,122,891.39
Interest income	-3,422,921.76	-24,624,537.30
Add: Other income	19,189,814.08	21,871,492.10
Investment gain (“-”for loss)	17,794,208.51	-2,290,584.08
Including: investment gains from affiliates	-3,520,801.17	-4,600,254.12
Financial assets measured at amortized cost cease to be recognized as income		
Gains from currency exchange		
Net exposure hedging income		
Changing income of fair value		
Credit impairment loss	-9,265,693.91	8,447,245.05
Impairment loss of assets	-44,600,057.88	-39,103,021.71

Assets disposal income	262,826.07	17,190,652.07
III. Operating profit (“-”for loss)	30,756,275.27	10,452,711.70
Add: Non-operating income	43,859.98	4,752,887.09
Less: Non-operating expense	124,313.63	6,121.79
IV. Total profit (“-”for loss)	30,675,821.62	15,199,477.00
Less: Income tax expenses	8,699,018.09	15,502,146.92
V. Net profit	21,976,803.53	-302,669.92
(I) Classification by business continuity		
1. Net continuing operating profit	21,976,803.53	-302,669.92
2. Termination of operating net profit		
(II) Classification by ownership		
1. Net profit attributable to the owners of parent company	25,446,148.57	16,893,355.96
2. Minority shareholders' equity	-3,469,345.04	-17,196,025.88
VI. Net after-tax of other comprehensive income	2,037,591.90	52,274,268.49
Net of profit of other comprehensive income attributable to owners of the parent company.	2,037,591.90	52,274,268.49
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period	2,018,288.05	51,269,710.80
1. Re-measurement of defined benefit plans of changes in net debt or net assets		
2. Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
3. Changes in the fair value of investments in other equity instruments	2,018,288.05	51,269,710.80
4. Changes in the fair value of the company's credit risks		
5. Other		
(II) Other comprehensive income that will be reclassified into profit or loss.	19,303.85	1,004,557.69
1. Other comprehensive income under the equity method investee can be reclassified into profit or loss.		
2. Changes in the fair value of investments in other debt obligations		
3. Other comprehensive income arising from the reclassification of financial assets		
4. Allowance for credit impairments in investments in other debt obligations		

5. Reserve for cash flow hedges		
6. Translation differences in currency financial statements	19,303.85	1,004,557.69
7. Other		
Net of profit of other comprehensive income attributable to Minority shareholders' equity		
VII. Total comprehensive income	24,014,395.43	51,971,598.57
Total comprehensive income attributable to the owner of the parent company	27,483,740.47	69,167,624.45
Total comprehensive income attributable minority shareholders	-3,469,345.04	-17,196,025.88
VIII. Earnings per share		
(I) Basic earnings per share	0.0500	0.0331
(II) Diluted earnings per share	0.0500	0.0331

Legal representative : Zhu Jun

Person-in-charge of the accounting work: He Fei

Person-in -charge of the accounting organ: Mu Linying

(6) Income Statement of the Parent Between the Beginning of the Year and End of the Report Period

In RMB

Items	Amount in this period	Amount in last period
I. Revenue	46,881,116.37	53,295,641.69
Less: Operating costs	7,448,880.46	9,062,025.16
Business tax and surcharge	1,617,921.69	2,181,592.04
Sales expense		
Administrative expense	20,333,213.07	22,921,542.05
R & D expense		
Financial expenses	-1,181,292.97	-15,475,991.10
Including: Interest expenses	8,994.21	
Interest income	-1,209,735.98	-15,284,776.44
Add: Other income	93,237.55	81,720.83
Investment gain ("-" for loss)	31,515,291.52	-3,235,250.22
Including: investment gains from affiliates	-3,520,801.17	-4,600,254.12
Financial assets measured at amortized cost cease to be recognized as income		
Net exposure hedging income		
Changing income of fair value		
Credit impairment loss	-444,373.18	-64,417.52

Impairment loss of assets		
Assets disposal income	286,963.56	17,573,064.14
II. Operating profit (“-”for loss)	50,113,513.57	48,961,590.77
Add: Non-operating income		6,400.00
Less: Non -operating expenses	27,244.40	
III. Total profit (“-”for loss)	50,086,269.17	48,967,990.77
Less: Income tax expenses	8,402,238.62	13,381,271.31
IV. Net profit	41,684,030.55	35,586,719.46
1. Net continuing operating profit	41,684,030.55	35,586,719.46
2. Termination of operating net profit		
V. Net after-tax of other comprehensive income	2,037,591.90	52,274,268.49
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period	2,018,288.05	51,269,710.80
1. Re-measurement of defined benefit plans of changes in net debt or net assets		
2. Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
3. Changes in the fair value of investments in other equity instruments	2,018,288.05	51,269,710.80
4. Changes in the fair value of the company’s credit risks		
5. Other		
(II) Other comprehensive income that will be reclassified in to profit or loss.	19,303.85	1,004,557.69
1. Other comprehensive income under the equity method investee can be reclassified into profit or loss.		
2. Changes in the fair value of investments in other debt obligations		
3. Other comprehensive income arising from the reclassification of financial assets		
4. Allowance for credit impairments in investments in other debt obligations		
5. Reserve for cash flow hedges		
6. Translation differences in currency financial statement	19,303.85	1,004,557.69
7. Other		
VI. Total comprehensive income	43,721,622.45	87,860,987.95

VII. Earnings per share		
(I)Basic earnings per share		
(II)Diluted earnings per share		

(7) Consolidated Cash Flow Statement Between the Beginning of the Year and End of the Report Period

In RMB

Items	Amount in this period	Amount in last period
I.Cash flows from operating activities		
Cash received from sales of goods or rendering of services	1,279,089,802.91	1,731,173,949.81
Net increase of customer deposits and capital kept for brother company		
Net increase of loans from central bank		
Net increase of inter-bank loans from other financial bodies		
Cash received against original insurance contract		
Net cash received from reinsurance business		
Net increase of client deposit and investment		
Cash received from interest, commission charge and commission		
Net increase of inter-bank fund received		
Net increase of repurchasing business		
Net cash received by agent in securities trading		
Tax returned	91,793,042.68	11,611,501.57
Other cash received from business operation	126,958,254.84	47,024,706.54
Sub-total of cash inflow	1,497,841,100.43	1,789,810,157.92
Cash paid for purchasing of merchandise and services	1,270,741,207.87	1,321,550,785.73
Net increase of client trade and advance		
Net increase of savings in central bank and brother company		
Cash paid for original contract claim		
Net increase for Outgoing call loan		
Cash paid for interest, processing fee and commission		
Cash paid for policy dividend		
Cash paid to staffs or paid for staffs	125,654,764.15	122,015,249.20
Taxes paid	46,545,448.93	12,064,724.08

Other cash paid for business activities	104,750,813.16	47,646,715.26
Sub-total of cash outflow from business activities	1,547,692,234.11	1,503,277,474.27
Net cash generated from /used in operating activities	-49,851,133.68	286,532,683.65
II. Cash flow generated by investing		
Cash received from investment retrieving		
Cash received as investment gains	10,594,307.85	3,665,400.79
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets	2,759,867.00	225,080.00
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received	2,784,072,842.49	1,700,957,923.06
Sub-total of cash inflow due to investment activities	2,797,427,017.34	1,704,848,403.85
Cash paid for construction of fixed assets, intangible assets and other long-term assets	415,152,615.95	139,150,889.68
Cash paid as investment		
Net increase of loan against pledge		
Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities	2,539,000,000.00	2,243,914,534.73
Sub-total of cash outflow due to investment activities	2,954,152,615.95	2,383,065,424.41
Net cash flow generated by investment	-156,725,598.61	-678,217,020.56
III. Cash flow generated by financing		
Cash received as investment		
Including: Cash received as investment from minor shareholders		
Cash received as loans	254,600,000.00	86,938,172.53
Other financing –related cash received		3,128,570.13
Sub-total of cash inflow from financing activities	254,600,000.00	90,066,742.66
Cash to repay debts		510,029,215.92
Cash paid as dividend, profit, or interests	577,232.24	41,984,741.10
Including: Dividend and profit paid by subsidiaries to minor shareholders		
Other cash paid for financing activities	9,341,774.70	11,448,442.40
Sub-total of cash outflow due to financing activities	9,919,006.94	563,462,399.42
Net cash flow generated by financing	244,680,993.06	-473,395,656.76
IV. Influence of exchange rate alternation on cash and	586,330.86	-89,850.32

cash equivalents		
V.Net increase of cash and cash equivalents	38,690,591.63	-865,169,843.99
Add: balance of cash and cash equivalents at the beginning of term	268,646,588.18	1,133,574,235.22
VI. Balance of cash and cash equivalents at the end of term	307,337,179.81	268,404,391.23

(8) Cash Flow Statement of the Parent Between the Beginning of the Year and End of the Report Period

In RMB

Items	Amount in this period	Amount in last period
I.Cash flows from operating activities		
Cash received from sales of goods or rendering of services	43,074,044.02	54,658,164.63
Tax returned		
Other cash received from business operation	4,358,327.98	16,177,202.14
Sub-total of cash inflow	47,432,372.00	70,835,366.77
Cash paid for purchasing of merchandise and services	5,629,923.78	5,047,387.75
Cash paid to staffs or paid for staffs	21,277,934.73	16,027,788.75
Taxes paid	31,898,408.08	14,287,074.09
Other cash paid for business activities	9,535,769.50	19,066,832.98
Sub-total of cash outflow from business activities	68,342,036.09	54,429,083.57
Net cash generated from /used in operating activities	-20,909,664.09	16,406,283.20
II.Cash flow generated by investing		
Cash received from investment retrieving		12,000,000.00
Cash received as investment gains	8,486,151.51	2,720,734.65
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets	2,759,267.00	
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received	1,446,476,118.93	17,555,670.19
Sub-total of cash inflow due to investment activities	1,457,721,537.44	32,276,404.84
Cash paid for construction of fixed assets, intangible assets and other long-term assets	2,113,927.97	11,691,336.79
Cash paid as investment		
Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities	1,355,000,000.00	90,000,000.00

Sub-total of cash outflow due to investment activities	1,357,113,927.97	101,691,336.79
Net cash flow generated by investment	100,607,609.47	-69,414,931.95
III. Cash flow generated by financing		
Cash received as investment		
Cash received as loans		
Other financing –related ash received		
Sub-total of cash inflow from financing activities		
Cash to repay debts		
Cash paid as dividend, profit, or interests		
Other cash paid for financing activities	9,341,774.70	11,448,442.40
Sub-total of cash outflow due to financing activities	9,341,774.70	11,448,442.40
Net cash flow generated by financing	-9,341,774.70	-11,448,442.40
IV. Influence of exchange rate alternation on cash and cash equivalents		
V. Net increase of cash and cash equivalents	70,356,170.68	-64,457,091.15
Add: balance of cash and cash equivalents at the beginning of term	27,979,338.37	85,416,567.74
VI. Balance of cash and cash equivalents at the end of term	98,335,509.05	20,959,476.59

2 Adjustments to the Financial Statements

(1) Adjustment of the relevant items of the financial statements at the current year beginning according to the new standards for financial instruments, the new standards for revenues and the new standards for lease implemented commencing from year 2020

Applicable Not applicable

Consolidated balance sheet

In RMB

Items	December 31,2019	January 1,2020	Amount involved in the adjustment
Current asset:			
Monetary fund	409,564,847.52	409,564,847.52	
Settlement provision			
Outgoing call loan			
Transactional financial assets	830,000,000.00	830,000,000.00	
Derivative financial assets			
Notes receivable	40,424,601.97	40,424,601.97	

Account receivable	365,325,029.38	365,325,029.38	
Financing of receivables	17,933,597.98	17,933,597.98	
Prepayments	18,445,857.53	18,445,857.53	
Insurance receivable			
Reinsurance receivable			
Provisions of Reinsurance contracts receivable			
Other account receivable	12,440,761.13	12,440,761.13	
Including: Interest receivable	7,610,043.19	7,610,043.19	
Dividend receivable			
Repurchasing of financial assets			
Inventories	391,717,935.12	391,717,935.12	
Contract assets			
Assets held for sales			
Non-current asset due within 1 year			
Other current assets	140,821,609.72	140,821,609.72	
Total of current assets	2,226,674,240.35	2,226,674,240.35	
Non-current assets :			
Loans and payment on other's behalf disbursed			
Debt investment			
Available for sale of financial assets			
Other investment on bonds			
Long-term receivable	152,209,929.72	152,209,929.72	
Long term share equity investment	248,781,946.73	248,781,946.73	
Other non-current financial assets			
Property investment	112,730,320.90	112,730,320.90	
Fixed assets	903,229,077.83	903,229,077.83	
Construction in progress	839,866,275.92	839,866,275.92	
Production physical assets			
Oil & gas assets			
Use right assets			
Intangible assets	36,517,996.34	36,517,996.34	
Development expenses			
Goodwill			
Long-germ expenses to be amortized	2,692,750.67	2,692,750.67	

Deferred income tax asset	5,618,026.43	5,618,026.43	
Other non-current assets	3,079,321.10	3,079,321.10	
Total of non-current assets	2,304,725,645.64	2,304,725,645.64	
Total of assets	4,531,399,885.99	4,531,399,885.99	
Current liabilities			
Short-term loans			
Loan from Central Bank			
Borrowing funds			
Transactional financial liabilities			
Derivative financial liabilities			
Notes payable			
Account payable	241,297,770.64	241,297,770.64	
Advance receipts	30,530,117.62	28,180,668.72	-2,349,448.90
Contract liabilities		2,349,448.90	2,349,448.90
Selling of repurchased financial assets			
Deposit taking and interbank deposit			
Entrusted trading of securities			
Entrusted selling of securities			
Employees' wage payable	38,556,180.20	38,556,180.20	
Tax payable	22,545,550.33	22,545,550.33	
Other account payable	152,645,780.14	152,645,780.14	
Including: Interest payable			
Dividend payable			
Fees and commissions payable			
Reinsurance fee payable			
Liabilities held for sales			
Non-current liability due within 1 year			
Other current liability			
Total of current liability	485,575,398.93	485,575,398.93	
Non-current liabilities:			
Reserve fund for insurance contracts			
Long-term loan			
Bond payable			
Including: preferred stock			

Sustainable debt			
Lease liability			
Long-term payable			
Long-term remuneration payable to staff			
Expected liabilities			
Deferred income	121,264,571.22	121,264,571.22	
Deferred income tax liability	69,944,345.66	69,944,345.66	
Other non-current liabilities			
Total non-current liabilities	191,208,916.88	191,208,916.88	
Total of liability	676,784,315.81	676,784,315.81	
Owners' equity			
Share capital	509,338,429.00	509,338,429.00	
Other equity instruments			
Including: preferred stock			
Sustainable debt			
Capital reserves	1,974,922,248.03	1,974,922,248.03	
Less: Shares in stock	16,139,003.40	16,139,003.40	
Other comprehensive income	119,737,783.31	119,737,783.31	
Special reserve			
Surplus reserves	90,596,923.39	90,596,923.39	
Common risk provision			
Retained profit	49,307,764.03	49,307,764.03	
Total of owner's equity belong to the parent company	2,727,764,144.36	2,727,764,144.36	
Minority shareholders' equity	1,126,851,425.82	1,126,851,425.82	
Total of owners' equity	3,854,615,570.18	3,854,615,570.18	
Total of liabilities and owners' equity	4,531,399,885.99	4,531,399,885.99	

Parent Company Balance Sheet

In RMB

Items	December 31,2019	January 1,2020	Amount involved in the adjustment
Current asset:			
Monetary fund	27,979,338.37	27,979,338.37	
Transactional financial assets	650,000,000.00	650,000,000.00	
Derivative financial assets			

Notes receivable			
Account receivable	522,931.04	522,931.04	
Financing of receivables			
Prepayments	768,099.94	768,099.94	
Other account receivable	17,039,506.00	17,039,506.00	
Including: Interest receivable	7,329,228.31	7,329,228.31	
Dividend receivable			
Inventories			
Contract assets			
Assets held for sales			
Non-current asset due within 1 year			
Other current assets			
Total of current assets	696,309,875.35	696,309,875.35	
Non-current assets:			
Debt investment			
Other investment on bonds			
Long-term receivable			
Long term share equity investment	2,102,430,511.88	2,102,430,511.88	
Other equity instruments investment	206,816,952.64	206,816,952.64	
Other non-current financial assets			
Property investment	107,199,622.80	107,199,622.80	
Fixed assets	25,500,695.77	25,500,695.77	
Construction in progress	19,552.00	19,552.00	
Production physical assets			
Oil & gas assets			
Use right assets			
Intangible assets	659,937.75	659,937.75	
Development expenses			
Goodwill			
Long-germ expenses to be amortized	800,858.17	800,858.17	
Deferred income tax asset	5,466,478.06	5,466,478.06	
Other non-current assets			
Total of non-current assets	2,448,894,609.07	2,448,894,609.07	
Total of assets	3,145,204,484.42	3,145,204,484.42	

Current liabilities			
Short-term loans			
Transactional financial liabilities			
Derivative financial liabilities			
Notes payable			
Account payable	411,743.57	411,743.57	
Advance receipts	2,878,936.58	639,024.58	-2,239,912.00
Contract Liabilities		2,239,912.00	2,239,912.00
Employees' wage payable	11,910,175.11	11,910,175.11	
Tax payable	20,801,961.18	20,801,961.18	
Other account payable	119,984,209.60	119,984,209.60	
Including: Interest payable			
Dividend payable			
Liabilities held for sales			
Non-current liability due within 1 year			
Other current liability			
Total of current liability	155,987,026.04	155,987,026.04	
Non-current liabilities:			
Long-term loan			
Bond payable			
Including: preferred stock			
Sustainable debt			
Lease liability			
Long-term payable			
Long-term remuneration payable to staff			
Expected liabilities			
Deferred income	600,000.00	600,000.00	
Deferred income tax liability	66,953,097.14	66,953,097.14	
Other non-current liabilities			
Total non-current liabilities	67,553,097.14	67,553,097.14	
Total of liability	223,540,123.18	223,540,123.18	
Owners' equity			
Share capital	509,338,429.00	509,338,429.00	
Other equity instruments			

Including: preferred stock			
Sustainable debt			
Capital reserves	1,589,869,499.36	1,589,869,499.36	
Less: Shares in stock	16,139,003.40	16,139,003.40	
Other comprehensive income	110,764,037.74	110,764,037.74	
Special reserve			
Surplus reserves	90,596,923.39	90,596,923.39	
Retained profit	637,234,475.15	637,234,475.15	
Total of owners' equity	2,921,664,361.24	2,921,664,361.24	
Total of liabilities and owners' equity	3,145,204,484.42	3,145,204,484.42	

Adjustment statement

The main changes and impacts of the implementation of the new revenue standard on the company are as follows: the company will collect some of the advance receipts that have not yet completed the performance obligations and reclassify them as contract liabilities on January 1, 2020 and later..

(2) Note to the retroactive adjustment of the previous comparative data according to the new standards for financial instruments and the new standards for lease implemented commencing from year 2019

Applicable Not applicable

3. Auditor' report

Is the Third Quarterly Report be audited?

Yes No

The Third Quarterly report is not audited.

The Board of Directors of Shenzhen Textile (Holdings) Co., Ltd.

October 31, 2020