

证券代码：000037、200037

证券简称：深南电 A、深南电 B

公告编号：2020-027

# **Shenzhen Nanshan Power Co., Ltd.**

## **The First Quarterly Report 2020**

**2020-027**

**April 2020**

## **Section I. Important Notes**

**Board of Directors and the Supervisory Committee of Shenzhen Nanshan Power Co., Ltd. (hereinafter referred to as the Company) and its directors, supervisors and senior executives should guarantee the reality, accuracy and completion of the quarterly report, there are no any fictitious statements, misleading statements or important omissions carried in this report, and shall take legal responsibilities, individual and/or joint.**

**Li Xinwei, person in charge of the Company, Director GM Chen Yuhui, person in charge of accounting works and CFO Dai Xiji as well as Wang Yi (act for the financial management dept.), person in charge of accounting organ (accounting officer) hereby confirm that the Financial Report of this Quarterly Report is authentic, accurate and complete.**

**All Directors are attended the Board Meeting for Quarterly Report deliberation.**

**Concerning the forward-looking statements with future planning involved in the Semi-Report, they do not constitute a substantial commitment for investors.**

**Investors are advised to exercise caution of investment risks.**

**The report has been prepared in both Chinese and English, for any discrepancies, the Chinese version shall prevail. Please read the full report seriously.**

## Interpretation

Items	Refers to	Contents
Company, the Company, Shen Nan Dian	Refers to	Shenzhen Nanshan Power Co., Ltd.
Shenzhen Capital Holdings	Refers to	Shenzhen Capital Holdings Co., Ltd. (Before the name change Shenzhen Capital Co., Ltd.)
Shenzhen Gas	Refers to	Shenzhen Gas Group Co., Ltd.
Shen Nan Dian Dongguan Company	Refers to	Shen Nan Dian (Dongguan) Weimei Electric Power Co., Ltd
RMB, in 10 thousand Yuan, 100 Million Yuan	Refers to	Except the special description of the monetary unit, rest of the monetary unit is RMB Yuan, ten thousand Yuan, the 100 Million Yuan
Reporting period	Refers to	1 Jan. 2020 to 31 Mar. 2020

## Section II. Basic situation of the Company

### I. Main accounting data and financial indexes

Whether it has retroactive adjustment or re-statement on previous accounting data

Yes  No

	Current Period	Same period of last year	Changes of this period over same period of last year
Operating income (RMB)	228,717,033.81	152,975,230.74	49.51%
Net profit attributable to shareholders of the listed company (RMB)	-14,023,020.62	-28,373,168.62	-50.58%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB)	-19,987,886.90	-28,916,498.43	-30.88%
Net cash flow arising from operating activities (RMB)	22,023,624.41	-4,897,654.96	-549.68%
Basic earnings per share (RMB/Share)	-0.02	-0.05	-60.00%
Diluted earnings per share (RMB/Share)	-0.02	-0.05	-60.00%
Weighted average ROE	-1.00%	-1.47%	-31.97%
	At the end of the reporting period	At the end of last year	Changes of this period-end over same period-end of last year
Total assets (RMB)	3,224,956,518.57	3,219,261,720.55	0.18%
Net assets attributable to shareholder of listed company (RMB)	1,988,749,787.62	2,002,772,808.24	-0.70%

Items of non-recurring gains and losses

Applicable  Not applicable

In RMB

Item	Amount from year-begin to period-end	Note
Gains/losses from the disposal of non-current asset (including the write-off that accrued for impairment of assets)	6,010,607.03	Receiving unemployment insurance premiums and apportioning government subsidies related to assets
Other non-operating income and expenditure except for the aforementioned items	-6,641.26	
Less: impact on income tax	34,035.39	
Impact on minority shareholders' equity (post-tax)	5,064.10	

Total	5,964,866.28	--
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Concerning the extraordinary profit (gain)/loss defined by *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*, and the items defined as recurring profit (gain)/loss according to the lists of extraordinary profit (gain)/loss in *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*, explain reasons

Applicable  Not applicable

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

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

### 1. Total common and preferred stockholders with voting rights recover and the top ten share-holding

In Share

Total common shareholders at the end of report period	24,627	Total preferred stockholders with voting rights recover at the end of report period (if applicable)	0			
Top ten share-holding						
Shareholder's name	Nature of shareholder	Proportion of shares held	Amount of shares held	Amount of lock-up shares held	Number of share pledged/frozen	
					State of share	Amount
HONG KONG NAM HOI (INTERNATIONAL) LTD.	Overseas legal person	15.28%	92,123,248			
Shenzhen Guangju Industrial Co., Ltd.	State-owned legal person	12.22%	73,666,824			
SHENZHEN ENERGY (GROUP) CO., LTD.	State-owned legal person	10.80%	65,106,130			
Gaohua—HSBC—GOLDMAN, SACHS & CO.LLC	Overseas legal person	2.13%	12,839,723			
BOCI SECURITIES LIMITED	Overseas legal person	1.67%	10,036,082			

Liu Fang	Domestic nature person	1.57%	9,452,088		
China Merchants Securities H.K. Co., Ltd.	State-owned legal person	1.34%	8,062,828		
Zeng Ying	Domestic nature person	1.25%	7,559,600		
Meiyi Investment Property Co., Ltd.	Domestic non state legal person	0.86%	5,207,800		
LI SHERYN ZHAN MING	Foreign nature person	0.82%	4,916,090		
Top ten shareholders with unrestricted shares held					
Shareholder's name	Amount of unrestricted shares held	Type of shares			
		Type	Amount		
HONG KONG NAM HOI (INTERNATIONAL) LTD.	92,123,248	Domestically listed foreign shares	92,123,248		
Shenzhen Guangju Industrial Co., Ltd.	73,666,824	RMB common shares	73,666,824		
SHENZHEN ENERGY (GROUP) CO., LTD.	65,106,130	RMB common shares	65,106,130		
Gaohua—HSBC—GOLDMAN, SACHS & CO.LLC	12,839,723	RMB common shares	12,839,723		
BOCI SECURITIES LIMITED	10,036,082	Domestically listed foreign shares	10,036,082		
Liu Fang	9,452,088	RMB common shares	6,391,288		
		Domestically listed foreign shares	3,060,800		
China Merchants Securities H.K. Co., Ltd.	8,062,828	Domestically listed foreign shares	8,062,828		
Zeng Ying	7,559,600	Domestically listed foreign shares	7,559,600		
Meiyi Investment Property Co., Ltd.	5,207,800	RMB common shares	5,207,800		

LI SHERYN ZHAN MING	4,916,090	Domestically listed foreign shares	4,916,090
Explanation on associated relationship among the aforesaid shareholders	<p>1. 100% equity of HONG KONG NAM HOI (INTERNATIONAL) LIMITED was held by SHENZHEN ENERGY (GROUP) CO., LTD</p> <p>2. Among other social public shareholders, the Company did not know whether there were associated relationships or belonging to consistent actors.</p>		
Explanation on top 10 shareholders involving margin business (if applicable)	<p>1. Among the top ten shareholders, Ms. Liu Fang holds 3,891,588 shares through credit transaction guarantee securities account;</p>		

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

Yes  No

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

## 2. Total shareholders with preferred stock held and shares held by top ten shareholders with preferred stock held

Applicable  Not applicable

## Section III. Significant Events

### I. Particulars about material changes in items of main financial data and financial index and explanations of reasons

Applicable    Not applicable

1. Monetary fund has 886.2501 million Yuan at end of the period, an increase of 14.62% over that of period beginning, the main reason is to withdraw bank wealth management;
2. Other account receivable has 37.366 million Yuan at end of the period, an increase of 15.61% over that of period beginning, mainly because current account increased;
3. Accounts payable has 14.2566 million yuan at end of the period, a decrease of 28.25% over that of period beginning, mainly because account payable for nature gas decreased;
4. Taxes payable has 15.0158 million Yuan at end of the period, a decrease of 31.02% over that of period beginning, mainly because that the value-added tax unpaid reduced in the period;
5. Operation revenue has 228.717 million Yuan in the period, an increase of 49.51% from a year earlier, mainly because sales of electricity revenue increased for the increase of power generation;
6. Operation cost has 222.4788 million Yuan in the period, an increase of 39.83% from a year earlier, mainly because cost of power generation increased for the increase of power generation;
7. Tax and surcharge has 2.0493 million Yuan in the period, an increase of 47.69% from a year earlier, mainly because the surcharge for VAT increased;
8. Other income has 6.6668 million Yuan in the period, an increase of 357.59% from a year earlier, the main reason is the increase in government subsidies;
9. Income from assets disposal has 0 Yuan in the period, a decrease of 100% from a year earlier, mainly because that there is no fixed assets disposal gains and losses during the period;
10. Non-operation revenue has 1,400 Yuan in the period, a decrease of 98.66% from a year earlier, mainly because income from disposal of waste materials decreased;
11. Non-operation expenditure has 10,000 Yuan in the period, a decrease of 60.30% from a year earlier, mainly because loss from fixed assets discharge declined in the period;
12. Income tax expense has 154,100 Yuan in the period, a decrease of 84.18% from a year earlier, mainly because that the taxable income in this period decreased compared with the same period of last year;
13. Net cash flow arising from operation activity has 22.0236 million Yuan in the period, an increase of 549.68% from a year earlier in net in-flow, mainly because electricity revenue increased in the period;
14. Net cash flow arising from investment activity has 66.044 million Yuan in the period, an increase of 549.41% from a year earlier in net in-flow, mainly because the amount of financial products recovery from the bank increased;
15. Net cash flow arising from financing activity has 26.5932 million Yuan in the period, an increase of 123.13% from a year earlier in net in-flow, mainly because that the net financing amount increased year-on-year.

### II. Analysis and explanation of significant events and their influence and solutions

Applicable    Not applicable

1. Matters related to the transfer of 70% equity of Shen Nan Dian Dongguan Company by agreement. The "Proposal on 70% Equity



of Shen Nan Dian (Dongguan) Weimei Electric Power Co., Ltd Transfer by Agreement”(hereinafter, the Proposal) was deliberated and approved by 11<sup>th</sup> extraordinary Meeting of 8<sup>th</sup> BOD and 11<sup>th</sup> extraordinary Meeting of 8<sup>th</sup> BOS held on 5 March 2020. On 23 March 2020, the above mentioned Proposal was deliberated and approved by First Extraordinary Shareholders’ General Meeting of 2020, and agreed to transfer 70% equity of Shen Nan Dian Dongguang Company, directly and indirectly held by the Company to Shenzhen Gas by Agreement with consideration of 104.98 million yuan in total (including 87.5 million yuan equity agreement price and 17.48 million yuan interim gains/losses). (found more in the *Notice on 70% Equity of Shen Nan Dian (Dongguan) Weimei Electric Power Co., Ltd Transfer by Agreement* [Notice No.: 2020-006] and *Resolution of First Extraordinary Shareholders’ General Meeting of 2020* [Notice No.: 2020-019] released on *China Securities Journal, Securities Times, Hong Kong Commercial Daily* and *Juchao Website*.)

2. Investment for the Yuanzhi Credit Suisse New Generation IT Equity Investment Fund. The “Proposal on Investment for the Yuanzhi Credit Suisse New Generation IT Equity Investment Fund and Related Party Transactions”(hereinafter, the Proposal) was deliberated and approved by 11<sup>th</sup> extraordinary Meeting of 8<sup>th</sup> BOD and 11<sup>th</sup> extraordinary Meeting of 8<sup>th</sup> BOS held on 5 March 2020. On 23 March 2020, the above mentioned Proposal was deliberated and approved by First Extraordinary Shareholders’ General Meeting of 2020, and agreed to investment 200 million yuan with own fund for the Yuanzhi Credit Suisse New Generation IT Equity Investment Fund. (found more in the *Notice on Investment for the Yuanzhi Credit Suisse New Generation IT Equity Investment Fund and Related Party Transactions* [Notice No.: 2020-007] and *Resolution of First Extraordinary Shareholders’ General Meeting of 2020* [Notice No.: 2020-019] released on *China Securities Journal, Securities Times, Hong Kong Commercial Daily* and *Juchao Website*.)

Except for the above mentioned, relevant matters of T102-0011 and T102-0155 lands have no significant matters or progress to be disclosed during the reporting period; the projects as Guangdong Aid to Xingjiang participated in 2013, the benefit fund of the technical improvement, collection work for funds refundable, has no progress or change during the reporting period.

Implementation progress of shares buy-back

Applicable  Not applicable

Implementation progress of the reduction of repurchases shares by centralized bidding

Applicable  Not applicable

### **III. Commitments completed in Period and those without completed till end of the Period from actual controller, shareholders, related parties, purchaser and companies**

Applicable  Not applicable

The Company has no commitments completed in Period and those without completed till end of the Period from actual controller, shareholders, related parties, purchaser and companies.

### **IV. Securities Investment**

Applicable  Not applicable

No security investment in Period.

### **V. Trust financing**

Applicable  Not applicable

In 10 thousand Yuan

Type	Capital sources	Amount occurred	Outstanding balance	Overdue amount
Bank financial products	Own funds	8,600	1,800	0
Total		8,600	1,800	0

Details of the single major amount, or high-risk trust investment with low security, poor fluidity and non-guaranteed

Applicable Not applicable

Entrust financial expected to be unable to recover the principal or impairment might be occurred

Applicable Not applicable

## VI. Derivative investment

Applicable Not applicable

No derivative investment in the Period.

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

Applicable Not applicable

Time	Way	Type	Basic situation index of investigation
Jan.-Mar. 2020	Field research	Individual (8)	Search the register of shareholders, attending the shareholders' general meeting,
Jan.-Mar. 2020	Written inquiries	Individual (13)	Query the number of shareholders, inquire about the situation of Shen Nan Dian Dongguan Company, the company's resumption of production during the epidemic, and the land-related situation of the company's three power plants, etc., and the company will reply in writing.
Jan.-Mar. 2020	Telephone communication	Individual (Dozens of times)	Continuing operation of the Company, the situation of the Shen Nan Dian Dongguan Company, the company's resumption of production during the epidemic, and the land related conditions of the Nanshan Power Factory, responded in accordance with the law and regulations.

### **VIII. External security against the rules**

Applicable  Not applicable

The Company has no external security against the rules in the Period.

### **IX. Controlling shareholders' and its related party's non-business capital occupying of the listed company**

Applicable  Not applicable

There are no controlling shareholders' and its related party's non-business capital occupying of the listed company.

## Section IV. Financial Statement

### I. Financial statement

#### 1. Consolidate balance sheet

Prepared by Shenzhen Nanshan Power Co., Ltd

2020-03-31

In RMB

Items	2020-3-31	2019-12-31
Current assets:		
Monetary fund	886,250,132.52	773,209,854.84
Settlement provisions		
Capital lent		
Trading financial assets		
Derivative financial assets		
Note receivable	2,700,000.00	
Account receivable	163,210,321.60	178,150,580.32
Receivable financing		
Accounts paid in advance	65,606,208.63	70,005,681.50
Insurance receivable		
Reinsurance receivables		
Contract reserve of reinsurance receivable		
Other account receivable	37,366,016.30	32,321,826.94
Including: Interest receivable		
Dividend receivable		
Buying back the sale of financial assets		
Inventories	124,922,320.23	124,686,443.61
Contractual assets		
Assets held for sale		
Non-current asset due within one year		
Other current assets	375,018,312.19	445,236,731.33

Total current assets	1,655,073,311.47	1,623,611,118.54
Non-current assets:		
Loans and payments on behalf		
Debt investment		
Other debt investment		
Long-term account receivable		
Long-term equity investment	14,818,668.82	14,619,203.03
Investment in other equity instrument	60,615,000.00	60,615,000.00
Other non-current financial assets		
Investment real estate	2,352,292.60	2,401,327.00
Fixed assets	1,355,983,973.02	1,381,675,872.68
Construction in progress	66,754,831.97	66,474,630.23
Productive biological asset		
Oil and gas asset		
Right-of-use assets		
Intangible assets	43,159,023.75	43,602,166.44
Expense on Research and Development		
Goodwill		
Long-term expenses to be apportioned	1,111,185.47	1,174,171.16
Deferred income tax asset	2,206,049.69	2,206,049.69
Other non-current asset	22,882,181.78	22,882,181.78
Total non-current asset	1,569,883,207.10	1,595,650,602.01
Total assets	3,224,956,518.57	3,219,261,720.55
Current liabilities:		
Short-term loans	917,179,132.20	881,075,378.48
Loan from central bank		
Capital borrowed		
Trading financial liability		
Derivative financial liability		
Note payable		
Account payable	14,256,605.45	19,871,102.41
Accounts received in advance		

Contractual liability		
Selling financial asset of repurchase		
Absorbing deposit and interbank deposit		
Security trading of agency		
Security sales of agency		
Wage payable	55,830,559.18	55,208,432.53
Taxes payable	15,015,797.94	21,769,273.77
Other account payable	42,475,162.47	43,691,472.06
Including: Interest payable		
Dividend payable		
Commission charge and commission payable		
Reinsurance payable		
Liability held for sale		
Non-current liabilities due within one year		
Other current liabilities		
Total current liabilities	1,044,757,257.24	1,021,615,659.25
Non-current liabilities:		
Insurance contract reserve		
Long-term loans		
Bonds payable		
Including: Preferred stock		
Perpetual capital securities		
Lease liability		
Long-term account payable		
Long-term wages payable		
Accrual liability	26,646,056.28	26,646,056.28
Deferred income	106,930,173.82	108,507,683.52
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	133,576,230.10	135,153,739.80

Total liabilities	1,178,333,487.34	1,156,769,399.05
Owner's equity:		
Share capital	602,762,596.00	602,762,596.00
Other equity instrument		
Including: Preferred stock		
Perpetual capital securities		
Capital public reserve	362,770,922.10	362,770,922.10
Less: Inventory shares		
Other comprehensive income	-2,500,000.00	-2,500,000.00
Reasonable reserve		
Surplus public reserve	332,908,397.60	332,908,397.60
Provision of general risk		
Retained profit	692,807,871.92	706,830,892.54
Total owner's equity attributable to parent company	1,988,749,787.62	2,002,772,808.24
Minority interests	57,873,243.61	59,719,513.26
Total owner's equity	2,046,623,031.23	2,062,492,321.50
Total liabilities and owner's equity	3,224,956,518.57	3,219,261,720.55

Legal Representative: President Li Xinwei

Person in charge of accounting works: Director GM Chen Yuhui, CFO Dai Xiji

Person in charge of accounting institute: Deputy Manager Wang Yi

## 2. Balance Sheet of Parent Company

In RMB

Item	2020-3-31	2019-12-31
Current assets:		
Monetary funds	743,152,541.67	632,948,706.11
Trading financial assets		
Derivative financial assets		
Note receivable		
Account receivable	28,916,560.38	31,824,693.69
Receivable financing		

Accounts paid in advance	45,547,095.13	46,152,700.57
Other account receivable	863,485,742.80	873,861,071.55
Including: Interest receivable		
Dividend receivable		
Inventories	101,389,192.99	101,728,367.43
Contractual assets		
Assets held for sale		
Non-current assets maturing within one year		
Other current assets	368,141,051.13	438,613,774.49
Total current assets	2,150,632,184.10	2,125,129,313.84
Non-current assets:		
Debt investment		
Other debt investment		
Long-term receivables		
Long-term equity investments	303,341,165.00	303,341,165.00
Investment in other equity instrument	60,615,000.00	60,615,000.00
Other non-current financial assets		
Investment real estate		
Fixed assets	317,748,563.18	321,395,526.04
Construction in progress	2,058,829.97	1,949,450.23
Productive biological assets		
Oil and natural gas assets		
Right-of-use assets		
Intangible assets	277,968.76	404,104.06
Research and development costs		
Goodwill		
Long-term deferred expenses	750,404.51	790,841.39
Deferred income tax assets		
Other non-current assets		
Total non-current assets	684,791,931.42	688,496,086.72
Total assets	2,835,424,115.52	2,813,625,400.56
Current liabilities		
Short-term borrowings	616,743,088.75	580,640,114.59



Trading financial liability		
Derivative financial liability		
Notes payable		
Account payable	913,859.08	864,016.74
Accounts received in advance		
Contractual liability		
Wage payable	35,072,774.94	33,840,544.53
Taxes payable	301,177.71	718,630.17
Other accounts payable	193,641,103.60	203,332,331.14
Including: Interest payable		
Dividend payable		
Liability held for sale		
Non-current liabilities due within one year		
Other current liabilities		
Total current liabilities	846,672,004.08	819,395,637.17
Non-current liabilities:		
Long-term loans		
Bonds payable		
Including: preferred stock		
Perpetual capital securities		
Lease liability		
Long-term account payable		
Long term employee compensation payable		
Accrued liabilities		
Deferred income	57,397,377.38	58,261,356.20
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	57,397,377.38	58,261,356.20
Total liabilities	904,069,381.46	877,656,993.37
Owners' equity:		
Share capital	602,762,596.00	602,762,596.00
Other equity instrument		

Including: preferred stock		
Perpetual capital securities		
Capital public reserve	289,963,039.70	289,963,039.70
Less: Inventory shares		
Other comprehensive income		
Special reserve		
Surplus reserve	332,908,397.60	332,908,397.60
Retained profit	705,720,700.76	710,334,373.89
Total owner's equity	1,931,354,734.06	1,935,968,407.19
Total liabilities and owner's equity	2,835,424,115.52	2,813,625,400.56

### 3. Consolidated Profit Statement

In RMB

Item	Current period	Last period
I. Total operating income	228,717,033.81	152,975,230.74
Including: Operating income	228,717,033.81	152,975,230.74
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	251,289,929.79	187,113,939.80
Including: Operating cost	222,478,803.66	159,111,562.68
Interest expense		
Commission charge and commission expense		
Cash surrender value		
Net amount of expense of compensation		
Net amount of withdrawal of insurance contract reserve		
Bonus expense of guarantee slip		
Reinsurance expense		
Tax and extras	2,049,312.50	1,387,607.12
Sales expense	1,070,938.90	1,053,802.16
Administrative expense	21,190,048.99	20,641,767.60

R&D expense		
Financial expense	4,500,825.74	4,919,200.24
Including: Interest expenses	10,225,384.24	12,647,043.44
Interest income	-5,956,731.84	-7,889,780.98
Add: other income	6,666,794.07	1,456,931.10
Investment income (Loss is listed with “-”)	199,465.79	-431,753.10
Including: Investment income on affiliated company and joint venture		
The termination of income recognition for financial assets measured by amortized cost(Loss is listed with “-”)		
Exchange income (Loss is listed with “-”)		
Net exposure hedging income (Loss is listed with “-”)		
Income from change of fair value (Loss is listed with “-”)		
Loss of credit impairment (Loss is listed with “-”)		
Losses of devaluation of asset (Loss is listed with “-”)		
Income from assets disposal (Loss is listed with “-”)		-402,738.25
III. Operating profit (Loss is listed with “-”)	-15,706,636.12	-33,516,269.31
Add: Non-operating income	1,401.84	104,485.70
Less: Non-operating expense	10,000.00	25,188.07
IV. Total profit (Loss is listed with “-”)	-15,715,234.28	-33,436,971.68
Less: Income tax expense	154,055.99	973,552.89
V. Net profit (Net loss is listed with “-”)	-15,869,290.27	-34,410,524.57
(i) Classify by business continuity		
1.continuous operating net profit (net loss listed with “-”)		
2.termination of net profit (net loss listed with “-”)		

(ii) Classify by ownership		
1.Net profit attributable to owner's of parent company	-14,023,020.62	-28,373,168.62
2.Minority shareholders' gains and losses	-1,846,269.65	-6,037,355.95
VI. Net after-tax of other comprehensive income		
Net after-tax of other comprehensive income attributable to owners of parent company		
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1.Changes of the defined benefit plans that re-measured		
2.Other comprehensive income under equity method that cannot be transfer to gain/loss		
3.Change of fair value of investment in other equity instrument		
4.Fair value change of enterprise's credit risk		
5. Other		
(ii) Other comprehensive income items which will be reclassified subsequently to profit or loss		
1.Other comprehensive income under equity method that can transfer to gain/loss		
2.Change of fair value of other debt investment		
3.Amount of financial assets re-classify to other comprehensive income		
4.Credit impairment provision for other debt investment		
5.Cash flow hedging reserve		

6. Translation differences arising on translation of foreign currency financial statements		
7. Other		
Net after-tax of other comprehensive income attributable to minority shareholders		
VII. Total comprehensive income	-15,869,290.27	-34,410,524.57
Total comprehensive income attributable to owners of parent Company	-14,023,020.62	-28,373,168.62
Total comprehensive income attributable to minority shareholders	-1,846,269.65	-6,037,355.95
VIII. Earnings per share:		
(i) Basic earnings per share	-0.02	-0.05
(ii) Diluted earnings per share	-0.02	-0.05

Legal Representative: President Li Xinwei

Person in charge of accounting works: Director GM Chen Yuhui, CFO Dai Xiji

Person in charge of accounting institute: Deputy Manager Wang Yi

#### 4. Profit Statement of Parent Company

In RMB

Item	Current period	Last period
I. Operating income	39,576,718.44	51,953,247.12
Less: Operating cost	47,086,536.01	59,371,196.61
Taxes and surcharge	25,249.45	548,340.11
Sales expenses		
Administration expenses	9,977,388.80	11,917,938.97
R&D expenses		
Financial expenses	-7,701,706.54	-7,572,589.42
Including: interest expenses	6,759,039.78	11,511,308.35
Interest income	-14,542,892.69	-19,015,116.03
Add: other income	5,197,076.15	368,626.17

Investment income (Loss is listed with “-”)		
Including: Investment income on affiliated Company and joint venture		
The termination of income recognition for financial assets measured by amortized cost (Loss is listed with “-”)		
Net exposure hedging income (Loss is listed with “-”)		
Changing income of fair value (Loss is listed with “-”)		
Loss of credit impairment (Loss is listed with “-”)		
Losses of devaluation of asset (Loss is listed with “-”)		
Income on disposal of assets (Loss is listed with “-”)		-231,373.37
II. Operating profit (Loss is listed with “-”)	-4,613,673.13	-12,174,386.35
Add: Non-operating income		
Less: Non-operating expense		
III. Total Profit (Loss is listed with “-”)	-4,613,673.13	-12,174,386.35
Less: Income tax		
IV. Net profit (Net loss is listed with “-”)	-4,613,673.13	-12,174,386.35
(i)continuous operating net profit (net loss listed with ‘-’)		
(ii) termination of net profit (net loss listed with ‘-’)		
V. Net after-tax of other comprehensive income		
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1.Changes of the defined benefit plans that re-measured		

2.Other comprehensive income under equity method that cannot be transfer to gain/loss		
3.Change of fair value of investment in other equity instrument		
4.Fair value change of enterprise's credit risk		
5. Other		
(II) Other comprehensive income items which will be reclassified subsequently to profit or loss		
1.Other comprehensive income under equity method that can transfer to gain/loss		
2.Change of fair value of other debt investment		
3.Amount of financial assets re-classify to other comprehensive income		
4.Credit impairment provision for other debt investment		
5.Cash flow hedging reserve		
6.Translation differences arising on translation of foreign currency financial statements		
7.Other		
VI. Total comprehensive income	-4,613,673.13	-12,174,386.35
VII. Earnings per share:		
(i) Basic earnings per share		
(ii) Diluted earnings per share		

## 5. Consolidated Cash Flow Statement

In RMB

Item	Current period	Last period
I. Cash flows arising from operating activities:		

Cash received from selling commodities and providing labor services	269,328,078.58	186,351,276.89
Net increase of customer deposit and interbank deposit		
Net increase of loan from central bank		
Net increase of capital borrowed from other financial institution		
Cash received from original insurance contract fee		
Net cash received from reinsurance business		
Net increase of insured savings and investment		
Cash received from interest, commission charge and commission		
Net increase of capital borrowed		
Net increase of returned business capital		
Net cash received by agents in sale and purchase of securities		
Write-back of tax received	171,207.01	
Other cash received concerning operating activities	13,182,662.61	22,895,402.99
Subtotal of cash inflow arising from operating activities	282,681,948.20	209,246,679.88
Cash paid for purchasing commodities and receiving labor service	191,188,380.26	154,761,126.02
Net increase of customer loans and advances		
Net increase of deposits in central bank and interbank		
Cash paid for original insurance contract compensation		
Net increase of capital lent		



Cash paid for interest, commission charge and commission		
Cash paid for bonus of guarantee slip		
Cash paid to/for staff and workers	34,694,210.48	38,267,116.27
Taxes paid	21,136,774.95	9,429,950.97
Other cash paid concerning operating activities	13,638,958.10	11,686,141.58
Subtotal of cash outflow arising from operating activities	260,658,323.79	214,144,334.84
Net cash flows arising from operating activities	22,023,624.41	-4,897,654.96
II. Cash flows arising from investing activities:		
Cash received from recovering investment	178,000,000.00	
Cash received from investment income	191,275.06	
Net cash received from disposal of fixed, intangible and other long-term assets		1,989,560.00
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities		
Subtotal of cash inflow from investing activities	178,191,275.06	1,989,560.00
Cash paid for purchasing fixed, intangible and other long-term assets	2,147,254.56	16,685,177.41
Cash paid for investment	110,000,000.00	
Net increase of mortgaged loans		
Net cash received from subsidiaries and other units obtained		
Other cash paid concerning investing activities		
Subtotal of cash outflow from investing activities	112,147,254.56	16,685,177.41

Net cash flows arising from investing activities	66,044,020.50	-14,695,617.41
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Including: Cash received from absorbing minority shareholders' investment by subsidiaries		
Cash received from loans	86,000,000.00	230,000,000.00
Other cash received concerning financing activities		2,133,338.86
Subtotal of cash inflow from financing activities	86,000,000.00	232,133,338.86
Cash paid for settling debts	50,000,000.00	334,000,000.00
Cash paid for dividend and profit distributing or interest paying	9,406,836.84	13,093,959.02
Including: Dividend and profit of minority shareholder paid by subsidiaries		
Other cash paid concerning financing activities		
Subtotal of cash outflow from financing activities	59,406,836.84	347,093,959.02
Net cash flows arising from financing activities	26,593,163.16	-114,960,620.16
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate	99,323.49	-131,875.21
V. Net increase of cash and cash equivalents	114,760,131.56	-134,685,767.74
Add: Balance of cash and cash equivalents at the period -begin	771,490,000.96	914,956,611.70
VI. Balance of cash and cash equivalents at the period -end	886,250,132.52	780,270,843.96

## 6. Cash Flow Statement of Parent Company

In RMB

Item	Current period	Last period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	52,945,277.26	80,902,171.49
Write-back of tax received	171,207.01	
Other cash received concerning operating activities	42,047,324.58	38,366,707.44
Subtotal of cash inflow arising from operating activities	95,163,808.85	119,268,878.93
Cash paid for purchasing commodities and receiving labor service	40,043,331.88	72,960,767.27
Cash paid to/for staff and workers	19,841,265.42	22,272,693.24
Taxes paid	91,230.61	6,293,432.39
Other cash paid concerning operating activities	23,284,108.41	107,367,157.23
Subtotal of cash outflow arising from operating activities	83,259,936.32	208,894,050.13
Net cash flows arising from operating activities	11,903,872.53	-89,625,171.20
II. Cash flows arising from investing activities:		
Cash received from recovering investment	178,000,000.00	
Cash received from investment income	191,275.06	
Net cash received from disposal of fixed, intangible and other long-term assets		1,794,800.00
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities		
Subtotal of cash inflow from investing activities	178,191,275.06	1,794,800.00

Cash paid for purchasing fixed, intangible and other long-term assets	74,212.00	11,886,483.79
Cash paid for investment	110,000,000.00	
Net cash received from subsidiaries and other units obtained		
Other cash paid concerning investing activities		
Subtotal of cash outflow from investing activities	110,074,212.00	11,886,483.79
Net cash flows arising from investing activities	68,117,063.06	-10,091,683.79
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Cash received from loans	86,000,000.00	230,000,000.00
Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities	86,000,000.00	230,000,000.00
Cash paid for settling debts	50,000,000.00	230,000,000.00
Cash paid for dividend and profit distributing or interest paying	5,817,822.93	11,040,179.19
Other cash paid concerning financing activities		
Subtotal of cash outflow from financing activities	55,817,822.93	241,040,179.19
Net cash flows arising from financing activities	30,182,177.07	-11,040,179.19
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate	722.90	-876.21
V. Net increase of cash and cash equivalents	110,203,835.56	-110,757,910.39
Add: Balance of cash and cash equivalents at the period -begin	632,948,706.11	766,041,463.01
VI. Balance of cash and cash equivalents at the period -end	743,152,541.67	655,283,552.62

## II. Explanation on financial statement adjustment

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

√Applicable    □Not applicable

Consolidated balance sheet

In RMB

Item	2019-12-31	2020-01-01	Adjustment amount
Current assets:			
Monetary funds	773,209,854.84	773,209,854.84	
Account receivable	178,150,580.32	178,150,580.32	
Accounts paid in advance	70,005,681.50	70,005,681.50	
Other account receivable	32,321,826.94	32,321,826.94	
Inventories	124,686,443.61	124,686,443.61	
Other current assets	445,236,731.33	445,236,731.33	
Total current assets	1,623,611,118.54	1,623,611,118.54	
Non-current assets:			
Long-term equity investment	14,619,203.03	14,619,203.03	
Investment in other equity instrument	60,615,000.00	60,615,000.00	
Investment real estate	2,401,327.00	2,401,327.00	
Fixed assets	1,381,675,872.68	1,381,675,872.68	
Construction in progress	66,474,630.23	66,474,630.23	
Intangible assets	43,602,166.44	43,602,166.44	
Long-term expenses to be apportioned	1,174,171.16	1,174,171.16	
Deferred income tax asset	2,206,049.69	2,206,049.69	
Other non-current asset	22,882,181.78	22,882,181.78	
Total non-current asset	1,595,650,602.01	1,595,650,602.01	
Total assets	3,219,261,720.55	3,219,261,720.55	
Current liabilities:			
Short-term loans	881,075,378.48	881,075,378.48	

Account payable	19,871,102.41	19,871,102.41	
Wage payable	55,208,432.53	55,208,432.53	
Taxes payable	21,769,273.77	21,769,273.77	
Other account payable	43,691,472.06	43,691,472.06	
Total current liabilities	1,021,615,659.25	1,021,615,659.25	
Non-current liabilities:			
Accrual liability	26,646,056.28	26,646,056.28	
Deferred income	108,507,683.52	108,507,683.52	
Total non-current liabilities	135,153,739.80	135,153,739.80	
Total liabilities	1,156,769,399.05	1,156,769,399.05	
Owner's equity:			
Share capital	602,762,596.00	602,762,596.00	
Capital public reserve	362,770,922.10	362,770,922.10	
Other comprehensive income	-2,500,000.00	-2,500,000.00	
Surplus public reserve	332,908,397.60	332,908,397.60	
Retained profit	706,830,892.54	706,830,892.54	
Total owner's equity attributable to parent company	2,002,772,808.24	2,002,772,808.24	
Minority interests	59,719,513.26	59,719,513.26	
Total owner's equity	2,062,492,321.50	2,062,492,321.50	
Total liabilities and owner's equity	3,219,261,720.55	3,219,261,720.55	

Note of adjustment: nil

Balance sheet of parent company

In RMB

Item	2019-12-31	2020-01-01	Adjustment amount
Current assets:			
Monetary funds	632,948,706.11	632,948,706.11	
Account receivable	31,824,693.69	31,824,693.69	
Accounts paid in advance	46,152,700.57	46,152,700.57	
Other account receivable	873,861,071.55	873,861,071.55	
Inventories	101,728,367.43	101,728,367.43	

Other current assets	438,613,774.49	438,613,774.49	
Total current assets	2,125,129,313.84	2,125,129,313.84	
Non-current assets:			
Long-term equity investment	303,341,165.00	303,341,165.00	
Investment in other equity instrument	60,615,000.00	60,615,000.00	
Fixed assets	321,395,526.04	321,395,526.04	
Construction in progress	1,949,450.23	1,949,450.23	
Intangible assets	404,104.06	404,104.06	
Long-term expenses to be apportioned	790,841.39	790,841.39	
Total non-current asset	688,496,086.72	688,496,086.72	
Total assets	2,813,625,400.56	2,813,625,400.56	
Current liabilities:			
Short-term loans	580,640,114.59	580,640,114.59	
Account payable	864,016.74	864,016.74	
Wage payable	33,840,544.53	33,840,544.53	
Taxes payable	718,630.17	718,630.17	
Other account payable	203,332,331.14	203,332,331.14	
Total current liabilities	819,395,637.17	819,395,637.17	
Non-current liabilities:			
Deferred income	58,261,356.20	58,261,356.20	
Total non-current liabilities	58,261,356.20	58,261,356.20	
Total liabilities	877,656,993.37	877,656,993.37	
Owner's equity:			
Share capital	602,762,596.00	602,762,596.00	
Capital public reserve	289,963,039.70	289,963,039.70	
Surplus public reserve	332,908,397.60	332,908,397.60	
Retained profit	710,334,373.89	710,334,373.89	
Total owner's equity	1,935,968,407.19	1,935,968,407.19	
Total liabilities and owner's equity	2,813,625,400.56	2,813,625,400.56	

Note of adjustment: nil

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

Applicable Not applicable

**III. Audit report**

Whether the 1<sup>st</sup> quarterly report has been audited or not

Yes No

1Q report of the Company is unaudited.