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

## **First Quarterly Report 2020**

**April 2020**

## **Section I. Important Notes**

**Board of Directors and the Supervisory Committee of Shenzhen China Bicycle Company (Holdings) Limited (hereinafter referred to as the Company) and its directors, supervisors and senior executives 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.**

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

**Li Hai, person in charge of the Company, Sun Longlong, person in charge of accounting works and Zhong Xiaojin, person in charge of accounting organ (accounting officer) hereby confirm that the Financial Report of this Quarterly Report is authentic, accurate and complete.**

## Section II. Basic Information 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)	7,434,449.73	21,954,108.28	-66.14%
Net profit attributable to shareholders of the listed company (RMB)	-591,902.33	-366,774.37	61.38%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB)	-692,274.89	-410,571.37	68.61%
Net cash flow arising from operating activities (RMB)	459,865.86	-6,105,394.21	-107.53%
Basic earnings per share (RMB/Share)	-0.0011	-0.0007	57.14%
Diluted earnings per share (RMB/Share)	-0.0011	-0.0007	57.14%
Weighted average ROE	-8.67%	-2.60%	-6.07%
	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)	70,304,399.36	62,733,602.58	12.07%
Net assets attributable to shareholder of listed company (RMB)	6,527,493.97	7,119,396.30	-8.31%

Items of non-recurring gains and losses

Applicable  Not applicable

In RMB

Item	Amount from year-begin to period-end	Note

Governmental subsidy reckoned into current gains/losses (not including the subsidy enjoyed in quota or ration according to national standards, which are closely relevant to enterprise's business)	100,000.00	Received epidemic prevention subsidies from Luohu District Industry and Information Bureau
Other non-operating income and expenditure except for the aforementioned items	62,893.20	
Less: Impact on income tax	40,723.30	
Impact on minority shareholders' equity (post-tax)	21,797.34	
Total	100,372.56	--

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 number of common shareholders and preference shareholders with voting rights recovered and top ten common shareholders

In share

Total number of common shareholders at the end of report period	49,779	Total preference shareholders with voting rights recovered at end of reporting period (if applicable)	0			
Top ten shareholders						
Shareholder's name	Nature of shareholder	Proportion of shares held	Amount of shares held	Amount of restricted shares held	Number of share pledged/frozen	
					State of share	Amount
Shenzhen Guosheng Energy Investment Development Co., Ltd.	Domestic non-State-owned legal person	11.52%	63,508,747	0	-	-
UOB Koy Hian (Hongkong) Co., Ltd.	Foreign legal person	2.89%	15,907,850	0	-	-
Guosen Securities (Hongkong)	Foreign legal person	2.52%	13,909,425	0	-	-

brokerage Co., Ltd.						
Shenwan Hongyuan Securities (Hongkong) Co., Ltd.	Foreign legal person	1.20%	6,626,116	0	-	-
Li Huili	Domestic nature person	0.71%	3,891,124	0	-	-
Xu Hongbo	Domestic nature person	0.58%	3,187,419	0	-	-
Ge Zhiqiong	Domestic nature person	0.56%	3,085,552	0	-	-
CMS Hong Kong Co., Ltd	State-owned legal person	0.53%	2,948,288	0	-	-
Special Account for Property Disposal of Bankrupt Enterprise of CBC	Domestic non-State-owned legal person	0.47%	2,602,402	0	-	-
Wu Xiaoping	Domestic nature person	0.36%	2,001,900	0	-	-
Top ten shareholders with unrestricted shares held						
Shareholder's name	Amount of unrestricted shares held	Type of shares				
		Type	Amount			
Shenzhen Guosheng Energy Investment Development Co., Ltd.	63,508,747	RMB common shares	63,508,747			
UOB Koy Hian (Hongkong) Co., Ltd.	15,907,850	Domestically listed foreign shares	15,907,850			
Guosen Securities (Hongkong) brokerage Co., Ltd.	13,909,425	Domestically listed foreign shares	13,909,425			
Shenwan Hongyuan Securities (Hongkong) Co., Ltd.	6,626,116	Domestically listed foreign shares	6,626,116			
Li Huili	3,891,124	Domestically listed foreign shares	3,891,124			

Xu Hongbo	3,187,419	Domestically listed foreign shares	3,187,419
Ge Zhiqiong	3,085,552	RMB common shares	598,900
		Domestically listed foreign shares	2,486,652
CMS Hong Kong Co., Ltd	2,948,288	Domestically listed foreign shares	2,948,288
Special Account for Property Disposal of Bankrupt Enterprise of CBC	2,602,402	RMB common shares	1,383,313
		Domestically listed foreign shares	1,219,089
Wu Xiaoping	2,001,900	RMB common shares	2,001,900
Explanation on associated relationship among the aforesaid shareholders	Li Huili, spouse of the Ji Hanfei, the actual controller of the Company- Shenzhen Guosheng Energy Investment Development Co., Ltd., holding B-share of the Company on behalf of Shenzhen Guosheng Energy Investment Development Co., Ltd., beyond that, the Company has no idea of whether other circulated shareholders belong to concerted action persons ruled in the Administration Norms for Information Disclosure of Change on Shareholding of Shareholders of Listed Companies.		
Explanation on top ten common shareholders involving margin business (if applicable)	N/A		

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

Yes  No

The 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 Event

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

√ Applicable □ Not applicable

Item	Ending or the period	Opening or last period	Increase/decrease y-o-y	Reasons of changes
Monetary fund	9,784,233.77	6,074,367.91	61.07%	The account received in advance from clients and absorption of minority shareholders' investment through capital increased by subsidiary
Account received in advance	3,838,491.55	1,739,953.80	120.61%	The account received in advance from clients
Minority's interest	7,431,052.95	4,322,186.79	71.93%	Obtained minority shareholders' investment through capital increased by subsidiary
Operation revenue	7,434,449.73	21,954,108.28	-66.14%	Revenue from bicycle business and lithium battery material business declined
Operation cost	7,138,011.11	20,264,348.28	-64.78%	Cost from bicycle business and lithium battery material business declined
Sale expenses	256,390.20	1,264,109.25	-79.72%	Change of cost collection caliber caused by personnel adjustment
Net cash flow from operation activities	459,865.86	-6,105,394.21	-107.53%	Received in advance from clients in the period and tax for year-end of 2018 were paid last period
Net cash flow from financing activities	3,250,000.00	-2,000,000.00	-262.50%	Absorption of minority shareholders' investment through capital increased by subsidiary

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

√ Applicable □ Not applicable

#### 1. Planning of non-public issue of shares

The 19<sup>th</sup> Session (interim) of 10<sup>th</sup> BOD was held on 21 April 2020 for deliberated and approved the Proposal on Signing the Termination Agreement of the Conditional and Effective Share Subscription Agreement (Second

Revision) with the Original Subscribers and Proposal on Plan of the Non-public Issue of A shares of Shenzhen China Bicycle Company (Holdings) Limited: the Company terminated the matters of non-public issue of A shares in 2016 and launch the non-public issue of A shares in 2020, total amount of funds to be raised from the five specific investors (Wansheng Industrial Holding (Shenzhen) Co., Ltd, Fuzhou Zuankinson Jewelry Co., Ltd., Shenzhen Yilian Jingchuang Technology Co., Ltd, Shenzhen Hualinglong Jewelry Co., Ltd, and Shenzhen Jindaogu Jewelry Co., Ltd.) through a private share issue shall not exceed 450 million yuan, after deducting issue fee, all funds will used to replenish the working capital. The non-public offering plan still needs to be approved by the Shareholders' General Meeting of the Company and CSRC. Found more on the Notices released by the BOD of the Company.

## 2. Capital increase to controlling subsidiary

In August 2019, the Company and Shenzhen Zuankinson Jewelry Co., Ltd jointly established a Shenzhen Xinsen Jewelry and Gold Supply Chain Co., Ltd with contribution of 6.5 million yuan. Of which, the Company holds 65% equity, and is the controlling shareholder of Shenzhen Xinsen Jewelry and Gold Supply Chain Co., Ltd, while 35% equity held by Zuankinson Jewelry. According to actual operation development, in February 2020, the two parties are decided to increase the capital of Shenzhen Xinsen Jewelry and Gold Supply Chain Co., Ltd to 20 million yuan in the same proportion.

On 19 Feb. 2020, the Proposal on Increasing Capital to Controlling Subsidiary was deliberated and approved by 18<sup>th</sup> Session (interim) of 10<sup>th</sup> BOD. After capital increased, shareholding ratio of each party remains unchanged, the Company is still the controlling shareholder of Shenzhen Xinsen Jewelry and Gold Supply Chain Co., Ltd.

Overview	Date of disclosure	Query index of temporary Notice on website
Resolution of 19 <sup>th</sup> Session (interim) of 10 <sup>th</sup> BOD	2020-04-21	Juchao website: ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ) , Notice No.: 2020-007
Resolution of 9 <sup>th</sup> Session (interim) of 9 <sup>th</sup> BOS	2020-04-21	Juchao website: ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ) , Notice No.: 2020-008
Notice on Termination of the Non-public Offering of 2016	2020-04-21	Juchao website: ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ) , Notice No.: 2020-009
Pre-plan of the Non-public Offering of A-share for 2020	2020-04-21	Juchao website: ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> )
Correction announcement	2020-04-30	Juchao website: ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ) , Notice No.: 2020-015
Resolution of 18 <sup>th</sup> Session (interim) of 10 <sup>th</sup>	2020-02-19	Juchao website:



BOD		( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ) , Notice No.: 2020-002
Notice on Capital increase to controlling subsidiary	2020-02-19	Juchao website: ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ) , Notice No.: 2020-003

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. Entrust Financial Management

Applicable  Not applicable

No entrust financial management in Period.

### 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
2020-01-02	Telephone communication	Individual	Consulting the restructuring progress
2020-03-10	Telephone communication	Individual	Consulting non-public offering of shares process

2020-02-26	Telephone communication	Individual	Consulting risk delisting warning matters
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### **VIII. Guarantee outside against the regulation**

Applicable Not applicable

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

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

Applicable  Not applicable

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

## Section IV. Financial Statement

### I. Financial statement

#### 1. Consolidate balance sheet

Prepared by Shenzhen China Bicycle Company (Holdings) Limited

In RMB

Item	2020-3-31	2019-12-31
Current assets:		
Monetary fund	9,784,233.77	6,074,367.91
Settlement provisions		
Capital lent		
Transactional financial assets		
Derivative financial assets		
Note receivable	210,000.00	580,000.00
Account receivable	41,167,473.97	38,616,523.93
Receivable financing		
Accounts paid in advance	1,531,385.08	938,425.99
Insurance receivable		
Reinsurance receivables		
Contract reserve of reinsurance receivable		
Other account receivable	939,472.85	740,354.71
Including: Interest receivable		
Dividend receivable		
Buying back the sale of financial assets		
Inventories	6,767,873.12	6,078,330.30
Contractual assets		
Assets held for sale		
Non-current asset due within one year		
Other current assets	3,805,448.32	3,318,514.25
Total current assets	64,205,887.11	56,346,517.09

Non-current assets:		
Loans and payments on behalf		
Debt investment		
Other debt investment		
Long-term account receivable		
Long-term equity investment		
Investment in other equity instrument		
Other non-current financial assets		
Investment real estate		
Fixed assets	4,091,180.09	4,191,503.33
Construction in progress		
Productive biological asset		
Oil and gas asset		
Right-of-use assets		
Intangible assets	564,750.00	753,000.00
Expense on Research and Development		
Goodwill		
Long-term expenses to be apportioned		
Deferred income tax asset	1,042,582.16	1,042,582.16
Other non-current asset	400,000.00	400,000.00
Total non-current asset	6,098,512.25	6,387,085.49
Total assets	70,304,399.36	62,733,602.58
Current liabilities:		
Short-term loans		
Loan from central bank		
Capital borrowed		
Trading financial liability		
Derivative financial liability		
Note payable		
Account payable	10,698,817.11	10,191,385.23
Accounts received in advance	3,838,491.55	1,739,953.80
Contractual liability		

Selling financial asset of repurchase		
Absorbing deposit and interbank deposit		
Security trading of agency		
Security sales of agency		
Wage payable	571,605.53	599,962.73
Taxes payable	570,185.39	585,062.75
Other account payable	40,666,752.86	38,175,654.98
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	56,345,852.44	51,292,019.49
Non-current liabilities:		
Insurance contract reserve		
Long-term loans		
Bonds payable		
Including: Preferred stock		
Perpetual capital securities		
Lease liability		
Long-term account payable		
Long-term wages payable		
Accrual liability		
Deferred income		
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities		
Total liabilities	56,345,852.44	51,292,019.49

Owner's equity:		
Share capital	551,347,947.00	551,347,947.00
Other equity instrument		
Including: Preferred stock		
Perpetual capital securities		
Capital public reserve	627,834,297.85	627,834,297.85
Less: Inventory shares		
Other comprehensive income		
Reasonable reserve		
Surplus public reserve	32,673,227.01	32,673,227.01
Provision of general risk		
Retained profit	-1,205,327,977.89	-1,204,736,075.56
Total owner's equity attributable to parent company	6,527,493.97	7,119,396.30
Minority interests	7,431,052.95	4,322,186.79
Total owner's equity	13,958,546.92	11,441,583.09
Total liabilities and owner's equity	70,304,399.36	62,733,602.58

Legal Representative: Li Hai

Person in charge of accounting works: Sun Longlong

Person in charge of accounting institute: Zhong Xiaojin

## 2. Balance Sheet of Parent Company

In RMB

Item	2020-3-31	2019-12-31
Current assets:		
Monetary funds	2,374,205.58	1,959,804.92
Trading financial assets		
Derivative financial assets		
Note receivable	180,000.00	580,000.00
Account receivable	32,710,251.33	32,843,536.70
Receivable financing		
Accounts paid in advance	332,682.00	76,937.00

Other account receivable	537,062.44	485,062.44
Including: Interest receivable		
Dividend receivable		
Inventories	1,730,203.10	1,333,374.72
Contractual assets		
Assets held for sale		
Non-current assets maturing within one year		
Other current assets	3,221,542.60	2,830,705.01
Total current assets	41,085,947.05	40,109,420.79
Non-current assets:		
Debt investment		
Other debt investment		
Long-term receivables		
Long-term equity investments	7,485,379.73	4,235,379.73
Investment in other equity instrument		
Other non-current financial assets		
Investment real estate		
Fixed assets	3,745,668.86	3,813,708.80
Construction in progress		
Productive biological assets		
Oil and natural gas assets		
Right-of-use assets		
Intangible assets	564,750.00	753,000.00
Research and development costs		
Goodwill		
Long-term deferred expenses		
Deferred income tax assets		
Other non-current assets	400,000.00	400,000.00
Total non-current assets	12,195,798.59	9,202,088.53
Total assets	53,281,745.64	49,311,509.32
Current liabilities		
Short-term borrowings		
Trading financial liability		

Derivative financial liability		
Notes payable		
Account payable	9,347,511.25	9,002,524.60
Accounts received in advance	3,529,994.18	572,687.18
Contractual liability		
Wage payable	472,210.76	507,738.35
Taxes payable	29,252.62	27,797.28
Other accounts payable	37,825,895.89	36,803,498.12
Including: Interest payable		
Dividend payable		
Liability held for sale		
Non-current liabilities due within one year		
Other current liabilities		
Total current liabilities	51,204,864.70	46,914,245.53
Non-current liabilities:		
Long-term loans		
Bonds payable		
Including: preferred stock		
Perpetual capital securities		
Lease liability		
Long-term account payable		
Long term employee compensation payable		
Accrued liabilities		
Deferred income		
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities		
Total liabilities	51,204,864.70	46,914,245.53
Owners' equity:		
Share capital	551,347,947.00	551,347,947.00
Other equity instrument		
Including: preferred stock		



Perpetual capital securities		
Capital public reserve	627,834,297.85	627,834,297.85
Less: Inventory shares		
Other comprehensive income		
Special reserve		
Surplus reserve	32,673,227.01	32,673,227.01
Retained profit	-1,209,778,590.92	-1,209,458,208.07
Total owner's equity	2,076,880.94	2,397,263.79
Total liabilities and owner's equity	53,281,745.64	49,311,509.32

### 3. Consolidated Profit Statement

In RMB

Item	Current period	Last period
I. Total operating income	7,434,449.73	21,954,108.28
Including: Operating income	7,434,449.73	21,954,108.28
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	8,330,675.93	22,496,836.32
Including: Operating cost	7,138,011.11	20,264,348.28
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	4,613.22	20,782.52
Sales expense	256,390.20	1,264,109.25
Administrative expense	566,297.41	959,163.70
R&D expense	370,866.09	

Financial expense	-5,502.10	-11,567.43
Including: Interest expenses		
Interest income	12,272.75	20,266.08
Add: other income	7,598.72	
Investment income (Loss is listed with "-" )		
Including: Investment income on affiliated company and joint venture		
The termination of income recognition for financial assets measured by amortized cost(Loss is listed with "-" )		
Exchange income (Loss is listed with "-" )		
Net exposure hedging income (Loss is listed with "-" )		
Income from change of fair value (Loss is listed with "-" )		
Loss of credit impairment (Loss is listed with "-" )	-7,301.89	
Losses of devaluation of asset (Loss is listed with "-" )		
Income from assets disposal (Loss is listed with "-" )		
III. Operating profit (Loss is listed with "-")	-895,929.37	-542,728.04
Add: Non-operating income	165,570.00	58,396.00
Less: Non-operating expense	2,676.80	
IV. Total profit (Loss is listed with "-")	-733,036.17	-484,332.04
Less: Income tax expense		
V. Net profit (Net loss is listed with "-")	-733,036.17	-484,332.04
(i) Classify by business continuity		
1.continuous operating net profit (net loss listed with "-" )	-733,036.17	-484,332.04
2.termination of net profit (net loss listed with "-" )		
(ii) Classify by ownership		

1.Net profit attributable to owner' s of parent company	-591,902.33	-366,774.37
2.Minority shareholders' gains and losses	-141,133.84	-117,557.67
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	-733,036.17	-484,332.04
Total comprehensive income attributable to owners of parent Company	-591,902.33	-366,774.37
Total comprehensive income attributable to minority shareholders	-141,133.84	-117,557.67
VIII. Earnings per share:		
(i) Basic earnings per share	-0.0011	-0.0007
(ii) Diluted earnings per share	-0.0011	-0.0007

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

Legal representative: Li Hai

Person in charge of accounting works: Sun Longlong

Person in charge of accounting organ: Zhong Xiaojin

#### 4. Profit Statement of Parent Company

In RMB

Item	Current period	Last period
I. Operating income	2,946,875.03	11,039,480.41
Less: Operating cost	2,554,922.61	10,432,579.67
Taxes and surcharge	1,832.20	6,144.20
Sales expenses	105,145.80	131,886.99
Administration expenses	306,431.73	626,307.15
R&D expenses	370,866.09	
Financial expenses	-282.48	-6,568.46
Including: interest expenses		
Interest income	2,982.02	10,138.70
Add: other income	6,088.07	
Investment income (Loss is listed with "-" )		
Including: Investment income on affiliated Company and joint venture		

The termination of income recognition for financial assets measured by amortized cost (Loss is listed with "-" )		
Net exposure hedging income (Loss is listed with "-" )		
Changing income of fair value (Loss is listed with "-" )		
Loss of credit impairment (Loss is listed with "-" )		
Losses of devaluation of asset (Loss is listed with "-" )		
Income on disposal of assets (Loss is listed with "-" )		
II. Operating profit (Loss is listed with "-")	-385,952.85	-150,869.14
Add: Non-operating income	65,570.00	58,396.00
Less: Non-operating expense		
III. Total Profit (Loss is listed with "-")	-320,382.85	-92,473.14
Less: Income tax		
IV. Net profit (Net loss is listed with "-")	-320,382.85	-92,473.14
(i)continuous operating net profit (net loss listed with "-")	-320,382.85	-92,473.14
(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	-320,382.85	-92,473.14
VII. Earnings per share:		
(i) Basic earnings per share	-0.0006	-0.0002
(ii) Diluted earnings per share	-0.0006	-0.0002

## 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	5,190,850.17	4,648,357.26
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	6,453.35	
Other cash received concerning operating activities	5,623,782.06	1,988,765.05
Subtotal of cash inflow arising from operating activities	10,821,085.58	6,637,122.31
Cash paid for purchasing commodities and receiving labor service	6,267,803.24	3,324,815.98
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	1,456,506.88	1,454,436.46
Taxes paid	94,267.49	5,266,314.48
Other cash paid concerning	2,542,642.11	2,696,949.60

operating activities		
Subtotal of cash outflow arising from operating activities	10,361,219.72	12,742,516.52
Net cash flows arising from operating activities	459,865.86	-6,105,394.21
II. Cash flows arising from investing activities:		
Cash received from recovering investment		
Cash received from investment income		
Net cash received from disposal of fixed, intangible and other long-term assets		
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities		
Subtotal of cash inflow from investing activities		
Cash paid for purchasing fixed, intangible and other long-term assets		
Cash paid for investment		
Net increase of mortgaged loans		
Net cash received from subsidiaries and other units obtained		
Other cash paid concerning investing activities		
Subtotal of cash outflow from investing activities		
Net cash flows arising from investing activities		
III. Cash flows arising from financing activities		
Cash received from absorbing investment	3,250,000.00	
Including: Cash received from absorbing minority shareholders' investment by subsidiaries	3,250,000.00	



Cash received from loans		
Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities	3,250,000.00	
Cash paid for settling debts		
Cash paid for dividend and profit distributing or interest paying		
Including: Dividend and profit of minority shareholder paid by subsidiaries		
Other cash paid concerning financing activities		2,000,000.00
Subtotal of cash outflow from financing activities		2,000,000.00
Net cash flows arising from financing activities	3,250,000.00	-2,000,000.00
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate		
V. Net increase of cash and cash equivalents	3,709,865.86	-8,105,394.21
Add: Balance of cash and cash equivalents at the period -begin	6,074,367.91	16,488,886.26
VI. Balance of cash and cash equivalents at the period -end	9,784,233.77	8,383,492.05

## 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	1,276,508.00	369,800.00
Write-back of tax received	6,453.35	
Other cash received concerning operating activities	6,183,396.37	2,378,627.59

Subtotal of cash inflow arising from operating activities	7,466,357.72	2,748,427.59
Cash paid for purchasing commodities and receiving labor service	382,049.53	129,062.00
Cash paid to/for staff and workers	1,191,658.28	642,831.68
Taxes paid	74,306.27	5,153,942.70
Other cash paid concerning operating activities	2,153,942.98	1,913,181.60
Subtotal of cash outflow arising from operating activities	3,801,957.06	7,839,017.98
Net cash flows arising from operating activities	3,664,400.66	-5,090,590.39
II. Cash flows arising from investing activities:		
Cash received from recovering investment		
Cash received from investment income		
Net cash received from disposal of fixed, intangible and other long-term assets		
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities		
Subtotal of cash inflow from investing activities		
Cash paid for purchasing fixed, intangible and other long-term assets		
Cash paid for investment	3,250,000.00	
Net cash received from subsidiaries and other units obtained		
Other cash paid concerning investing activities		
Subtotal of cash outflow from investing activities	3,250,000.00	
Net cash flows arising from investing	-3,250,000.00	

activities		
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Cash received from loans		
Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities		
Cash paid for settling debts		
Cash paid for dividend and profit distributing or interest paying		
Other cash paid concerning financing activities		
Subtotal of cash outflow from financing activities		
Net cash flows arising from financing activities		
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate		
V. Net increase of cash and cash equivalents	414,400.66	-5,090,590.39
Add: Balance of cash and cash equivalents at the period -begin	1,959,804.92	8,889,572.73
VI. Balance of cash and cash equivalents at the period -end	2,374,205.58	3,798,982.34

## II. Explanation on financial statement adjustment

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

Applicable    Not applicable

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

Applicable    Not applicable

### **III. Audit report**

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

Yes  No

1Q report of the Company is unaudited.

**Board of Directors of  
Shenzhen China Bicycle Company (Holdings) Limited  
29 April 2020**