

Shenzhen Tellus Holding Co., Ltd.

First Quarterly Report 2020

April 2020

Section I. Important Notes

Board of Directors and the Supervisory Committee of Shenzhen Tellus Holding 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.

All Directors are attended the Board Meeting for Quarterly Report deliberation. Fu Chunlong, Person in charge of the Company, Lou Hong, person in charge of accounting works, and Liu Yuhong, 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. Company Profile

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)	85,520,408.64	119,469,426.49	-28.42%
Net profit attributable to shareholders of the listed company (RMB)	5,209,071.29	18,017,619.19	-71.09%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB)	2,618,160.47	15,885,705.01	-83.52%
Net cash flow arising from operating activities (RMB)	6,507,973.24	2,986,868.23	117.89%
Basic earnings per share (RMB/Share)	0.0121	0.0606	-80.03%
Diluted earnings per share (RMB/Share)	0.0121	0.0606	-80.03%
Weighted average ROE	0.41%	1.70%	-1.29%
	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)	1,635,904,162.86	1,645,782,144.03	-0.60%
Net assets attributable to shareholder of listed company (RMB)	1,276,174,367.31	1,270,965,296.02	0.41%

Items of non-recurring gains and losses

☒ Applicable ☐ Not applicable

In RMB

Item	Amount from year-begin to period-end	Note
Gains/losses from entrust investment or assets management	2,892,500.95	Financial income
Other non-operating income and expenditure except for the aforementioned items	217,501.91	
Less: Impact on income tax	186,237.18	
Impact on minority shareholders' equity (post-tax)	332,854.86	
Total	2,590,910.82	--

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. Number of common shareholders and preference shareholders with voting rights recovered and top ten common shareholders

In shares

Total number of common shareholders at the end of report period		48,315	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 Special Development Group Co., Ltd. (SDG)	State-owned corporation	49.09%	211,591,621	0		0
Shenzhen Capital Fortune Jewelry Industry Investment Enterprise (LP)	Domestic non state-owned corporate	16.89%	72,786,341	0		0
China CITIC Bank Corporation Limited -Jianxin Securities 500 Index Enhanced Investment Fund	Other	0.65%	2,812,775	0		0
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	Foreign corporation	0.40%	1,736,091	0		0
ChuangJin Hexin	Other	0.37%	1,601,647	0		0

Fund - Industrial and Commercial Bank of China - Foreign Trade Trust - Foreign Trade Trust · stable wealth FOF single fund trust						
Hong Kong Securities Clearing Company Ltd.	Foreign corporation	0.28%	1,208,830	0		0
Agricultural Bank of China Ltd. – CSI 500 ETF	Other	0.23%	986,424	0		0
Basic endowment insurance fund 1301 portfolio	Other	0.13%	558,070	0		0
Chen Yun	Domestic nature person	0.12%	530,000	0		0
Huitianfu Fund Management Co., Ltd. - Social Security Fund 1052 portfolio	Other	0.11%	494,600	0		0
Top ten shareholders with unrestricted shares held						
Shareholder’s name	Amount of unrestricted shares held	Type of shares				
		Type	Amount			
Shenzhen Special Development Group Co., Ltd. (SDG)	211,591,621	RMB ordinary shares	211,591,621			
Shenzhen Capital Fortune Jewelry Industry Investment Enterprise (LP)	72,786,341	RMB ordinary shares	72,786,341			
China CITIC Bank Corporation Limited -Jianxin Securities 500 Index Enhanced Investment Fund	2,812,775	RMB ordinary shares	2,812,775			
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	1,736,091	Domestically listed foreign shares	1,736,091			
ChuangJin Hexin Fund - Industrial	1,601,647	RMB ordinary	1,601,647			

and Commercial Bank of China - Foreign Trade Trust - Foreign Trade Trust - stable wealth FOF single fund trust		shares	
Hong Kong Securities Clearing Company Ltd.	1,208,830	RMB ordinary shares	1,208,830
Agricultural Bank of China Ltd. - CSI 500 ETF	986,424	RMB ordinary shares	986,424
Basic endowment insurance fund 1301 portfolio	558,070	RMB ordinary shares	558,070
Chen Yun	530,000	RMB ordinary shares	530,000
Huitianfu Fund Management Co., Ltd. - Social Security Fund 1052 portfolio	494,600	RMB ordinary shares	494,600
Explanation on associated relationship among the aforesaid shareholders	Among the top ten shareholders, there exists no associated relationship between the state-owned legal person's shareholders Shenzhen SDG Co., Ltd and other shareholders, and they do not belong to the person acting in concert regulated by the Management Measure of Information Disclosure on Change of Shareholding for Listed Companies. For the other shareholders of circulation share, the Company is unknown whether they belong to the person acting in concert.		
Explanation on top ten common shareholders involving margin business (if applicable)	Shareholder Chen Yun, holds 530,000 shares of the company through the credit transaction guarantee securities account and 0 shares of the company through the general securities account, with a total of 530,000 shares.		

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 accounting statement and financial index and explanations of reasons

√ Applicable □ Not applicable

Balance sheet					
Asset	Closing balance	Opening balance	Changes amount	Changes ratio	Reasons of changes
Monetary fund	478,785,601.18	428,851,606.04	49,933,995.14	11.64%	Redemption of financial products increased over the same period of last year
Accounts receivable	107,271,730.72	112,613,224.27	-5,341,493.55	-4.74%	
Assets held for sale					
Long-term equity investment	163,501,195.48	162,178,544.05	1,322,651.43	0.82%	
Investment real estate	550,048,907.05	554,599,503.55	-4,550,596.50	-0.82%	
Fix assets	105,127,289.77	107,119,796.59	-1,992,506.82	-1.86%	
Construction in process	60,444,542.50	47,654,393.55	12,790,148.95	26.84%	Investment of initial phase for Tellus Jinzhuan Trading Building (Phase II of Tellus Shuibei Jewelry Building) increased.
Short-term loans	-	-	-		
Long-term loans					
Advance receivable	16,726,304.72	27,299,822.71	-10,573,517.99	-38.73%	Advance receivable of Huari Company from vehicles sales are carried forward to revenue
Other accounts payable	106,252,872.23	101,266,802.49	4,986,069.74	4.92%	
Stock	12,521,824.74	21,389,602.83	-8,867,778.09	-41.46%	Decrease of stock vehicles of Huari company
Profit statement					
Item	Amount at this year	At same period of last year	Change amount	Changes ratio	Reasons of changes
Operating income	85,520,408.64	119,469,426.49	-33,949,017.85	-28.42%	In response to the government's call for rent reduction for tenants, income

					decreased due to the reduction of jewelry sales affected by the epidemic
Financial expenses	-715,490.30	2,411,716.67	-3,127,206.97		Decrease in interest expense due to decrease in bank loans year on year
Investment income	4,215,152.38	6,903,486.76	-2,688,334.38	-38.94%	Due to the impact of the epidemic on the profits of participating companies, our investment income decreased.
Income tax	421,125.67	676,399.30	-255,273.63	-37.74%	The operating profit of the affiliated company decreased.
Taxes and surcharges	681,715.08	1,484,949.21	-803,234.13	-54.09%	Taxes reduced for the declined of business due to epidemic
Cash flow statement					
Item	Amount at this year	At same period of last year	Change amount	Changes ratio	Reasons of changes
Net cash flow arising from investment activity	43,426,021.90	-55,828,779.95	99,254,801.85		Increase in cash inflow due to increase in redemption of financial products in the current period
Net cash flow arising from financing activity	-	-12,837,638.82	12,837,638.82	100%	Loan repayment in the same period of last year, net amount increased year on year due to no such item in the current period
Net increased amount of cash and cash equivalent	49,933,995.14	-65,679,550.54	115,613,545.68		
Net cash flow arising from operating activities	6,507,973.24	2,986,868.23	3,521,105.01	117.89%	Due to the impact of the epidemic, some businesses were not carried out normally, resulting in a year-on-year decrease in expenses

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

√Applicable □Not applicable

Matters concerning the exemption of some property rents in response to the COVID-19 epidemic

The Proposal on Exemption of Some Property Rents in Response to the COVID-19 Epidemic was deliberated and approved by 13th extraordinary meeting of 9th BOD held on 19 Feb. 2020, and agreed to reduce and remit the rent of the properties held by the Company and its affiliated enterprises. The exemption period is two months. Exemption targets: the non-government institutions, non-state-owned enterprises, individual tenants of industrial and commercial households and other tenants who meet the conditions of reduction or exemption recognized by the management of the Company according to actual operation and management. Meanwhile, the scientific research

institutions and medical institutions are not restricted by the nature of the organization. Total rent reduction will not exceed 25 million yuan (tax excluded). found more in the Notice on Exemption of Some Property Rents in Response to the COVID-19 Epidemic(Notice No.: 2020-011) released on Securities Times, Hong Kong Commercial Daily and Juchao Website on the same day.

Summary of important issues	Date of disclosure	Website query index of interim report disclosure
Matters concerning the exemption of some property rents in response to the COVID-19 epidemic	2020-02-21	Found more in the Notice on Exemption of Some Property Rents in Response to the COVID-19 Epidemic(Notice No.: 2020-011) released on Securities Times, Hong Kong Commercial Daily and Juchao Website on the same day.

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	14,200	0	0
Total		14,200	0	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

No registration form for receiving research, communication or interview in the Period.

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 Tellus Holding Co., Ltd.

In RMB

Items	2020-3-31	2019-12-31
Current assets:		
Monetary fund	478,785,601.18	428,851,606.04
Settlement provisions		
Capital lent		
Tradable financial assets		60,486,575.34
Derivative financial assets		
Note receivable		
Account receivable	107,271,730.72	112,613,224.27
Receivable financing		
Accounts paid in advance	17,685,595.85	12,683,603.89
Insurance receivable		
Reinsurance receivables		
Contract reserve of reinsurance receivable		
Other account receivable	46,609,597.41	44,908,546.40
Including: Interest receivable		
Dividend receivable	39,647,732.42	39,647,732.42
Buying back the sale of financial assets		
Inventories	12,521,824.74	21,389,602.83
Contractual assets		
Assets held for sale		
Non-current asset due within one year		
Other current assets	2,826,770.92	3,403,969.23
Total current assets	665,701,120.82	684,337,128.00

Non-current assets:		
Loans and payments on behalf		
Debt investment		
Other debt investment		
Long-term account receivable		
Long-term equity investment	163,501,195.48	162,178,544.05
Investment in other equity instrument	10,176,617.20	10,176,617.20
Other non-current financial assets		
Investment real estate	550,048,907.05	554,599,503.55
Fixed assets	105,127,289.77	107,119,796.59
Construction in progress	60,444,542.50	47,654,393.55
Productive biological asset		
Oil and gas asset		
Right-of-use assets		
Intangible assets	50,506,505.70	50,561,225.67
Expense on Research and Development		
Goodwill		
Long-term expenses to be apportioned	13,418,244.09	13,606,805.49
Deferred income tax asset	8,658,962.39	8,658,962.39
Other non-current asset	8,320,777.86	6,889,167.54
Total non-current asset	970,203,042.04	961,445,016.03
Total assets	1,635,904,162.86	1,645,782,144.03
Current liabilities:		
Short-term loans		
Loan from central bank		
Capital borrowed		
Trading financial liability		
Derivative financial liability		
Note payable		
Account payable	67,544,912.74	69,087,430.42
Accounts received in advance	16,726,304.72	27,299,822.71
Contractual liability		

Selling financial asset of repurchase		
Absorbing deposit and interbank deposit		
Security trading of agency		
Security sales of agency		
Wage payable	29,671,481.61	31,204,794.89
Taxes payable	65,244,098.86	71,425,267.61
Other account payable	106,252,872.23	101,266,802.49
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	285,439,670.16	300,284,118.12
Non-current liabilities:		
Insurance contract reserve		
Long-term loans		
Bonds payable		
Including: Preferred stock		
Perpetual capital securities		
Lease liability		
Long-term account payable	3,920,160.36	3,920,160.36
Long-term wages payable		
Accrual liability	2,225,468.76	2,225,468.76
Deferred income	139,400.00	139,400.00
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	6,285,029.12	6,285,029.12
Total liabilities	291,724,699.28	306,569,147.24

Owner's equity:		
Share capital	431,058,320.00	431,058,320.00
Other equity instrument		
Including: Preferred stock		
Perpetual capital securities		
Capital public reserve	431,449,554.51	431,449,554.51
Less: Inventory shares		
Other comprehensive income	26,422.00	26,422.00
Reasonable reserve		
Surplus public reserve	21,007,488.73	21,007,488.73
Provision of general risk		
Retained profit	392,632,582.07	387,423,510.78
Total owner's equity attributable to parent company	1,276,174,367.31	1,270,965,296.02
Minority interests	68,005,096.27	68,247,700.77
Total owner's equity	1,344,179,463.58	1,339,212,996.79
Total liabilities and owner's equity	1,635,904,162.86	1,645,782,144.03

Legal representative: Fu Chunlong

Person in charge of accounting works: Lou Hong

Person in charge of accounting organ: Liu Yuhong

2. Balance Sheet of Parent Company

In RMB

Item	2020-3-31	2019-12-31
Current assets:		
Monetary funds	237,245,671.35	201,885,691.27
Trading financial assets		40,324,383.56
Derivative financial assets		
Note receivable		
Account receivable	732,509.91	206,710.76
Receivable financing		
Accounts paid in advance	100,000.00	100,000.00

Other account receivable	109,878,958.60	116,037,773.09
Including: Interest receivable		
Dividend receivable	547,184.35	547,184.35
Inventories		
Contractual assets		
Assets held for sale		
Non-current assets maturing within one year		
Other current assets	2,434,149.83	1,419,760.18
Total current assets	350,391,289.69	359,974,318.86
Non-current assets:		
Debt investment		
Other debt investment		
Long-term receivables		
Long-term equity investments	862,429,467.53	859,355,040.60
Investment in other equity instrument	10,176,617.20	10,176,617.20
Other non-current financial assets		
Investment real estate	38,890,368.83	39,616,602.02
Fixed assets	13,886,785.46	14,012,830.64
Construction in progress	46,797,315.61	35,321,704.26
Productive biological assets		
Oil and natural gas assets		
Right-of-use assets		
Intangible assets	48,927,606.06	48,953,266.56
Research and development costs		
Goodwill		
Long-term deferred expenses	2,549,778.04	2,639,122.63
Deferred income tax assets	3,557,849.04	3,557,849.04
Other non-current assets	8,220,777.86	6,789,167.54
Total non-current assets	1,035,436,565.63	1,020,422,200.49
Total assets	1,385,827,855.32	1,380,396,519.35
Current liabilities		
Short-term borrowings		
Trading financial liability		

Derivative financial liability		
Notes payable		
Account payable	14,000.00	14,000.00
Accounts received in advance	550,150.53	
Contractual liability		
Wage payable	8,211,883.77	8,199,278.01
Taxes payable	54,286,791.25	54,684,929.01
Other accounts payable	261,745,286.13	257,260,350.77
Including: Interest payable		
Dividend payable		
Liability held for sale		
Non-current liabilities due within one year		
Other current liabilities		
Total current liabilities	324,808,111.68	320,158,557.79
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	324,808,111.68	320,158,557.79
Owners' equity:		
Share capital	431,058,320.00	431,058,320.00
Other equity instrument		
Including: preferred stock		

Perpetual capital securities		
Capital public reserve	428,256,131.23	428,256,131.23
Less: Inventory shares		
Other comprehensive income		
Special reserve		
Surplus reserve	21,007,488.73	21,007,488.73
Retained profit	180,697,803.68	179,916,021.60
Total owner's equity	1,061,019,743.64	1,060,237,961.56
Total liabilities and owner's equity	1,385,827,855.32	1,380,396,519.35

3. Consolidated Profit Statement

In RMB

Item	Current period	Last period
I. Total operating income	85,520,408.64	119,469,426.49
Including: Operating income	85,520,408.64	119,469,426.49
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	84,581,694.95	107,944,394.60
Including: Operating cost	73,945,723.56	91,086,090.40
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	681,715.08	1,484,949.21
Sales expense	3,158,037.63	4,727,001.63
Administrative expense	7,511,708.98	8,234,636.69
R&D expense		

Financial expense	-715,490.30	2,411,716.67
Including: Interest expenses	35,299.72	2,757,204.73
Interest income	797,873.41	420,047.30
Add: other income	16,224.48	
Investment income (Loss is listed with “-”)	4,215,152.38	6,903,486.76
Including: Investment income on affiliated company and joint venture	1,322,651.43	4,376,871.70
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 “-”)		
III. Operating profit (Loss is listed with “-”)	5,170,090.55	18,428,518.65
Add: Non-operating income	219,502.64	9,117.56
Less: Non-operating expense	2,000.73	833,300.00
IV. Total profit (Loss is listed with “-”)	5,387,592.46	17,604,336.21
Less: Income tax expense	421,125.67	676,399.30
V. Net profit (Net loss is listed with “-”)	4,966,466.79	16,927,936.91
(i) Classify by business continuity		
1.continuous operating net profit (net loss listed with “-”)	4,966,466.79	16,927,936.91
2.termination of net profit (net loss listed with “-”)		
(ii) Classify by ownership		

1.Net profit attributable to owner's of parent company	5,209,071.29	18,017,619.19
2.Minority shareholders' gains and losses	-242,604.50	-1,089,682.28
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	4,966,466.79	16,927,936.91
Total comprehensive income attributable to owners of parent Company	5,209,071.29	18,017,619.19
Total comprehensive income attributable to minority shareholders	-242,604.50	-1,089,682.28
VIII. Earnings per share:		
(i) Basic earnings per share	0.0121	0.0606
(ii) Diluted earnings per share	0.0121	0.0606

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: Fu Chunlong

Person in charge of accounting works: Lou Hong

Person in charge of accounting organ: Liu Yuhong

4. Profit Statement of Parent Company

In RMB

Item	Current period	Last period
I. Operating income	3,257,928.46	8,555,059.13
Less: Operating cost	1,535,130.66	904,977.87
Taxes and surcharge	301,556.50	353,268.76
Sales expenses	401,762.69	
Administration expenses	4,957,051.60	4,340,757.76
R&D expenses		
Financial expenses	-348,390.50	1,472,367.49
Including: interest expenses		1,703,642.32
Interest income	-351,551.46	-233,845.22
Add: other income		
Investment income (Loss is listed with "-")	4,389,774.57	4,342,056.64

Including: Investment income on affiliated Company and joint venture	3,074,426.93	3,009,212.79
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 “-”)	800,592.08	5,825,743.89
Add: Non-operating income	-18,810.00	441.90
Less: Non-operating expense		
III. Total Profit (Loss is listed with “-”)	781,782.08	5,826,185.79
Less: Income tax		9,735.55
IV. Net profit (Net loss is listed with “-”)	781,782.08	5,816,450.24
(i)continuous operating net profit (net loss listed with “-”)	781,782.08	5,816,450.24
(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 or 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	781,782.08	5,816,450.24
VII. Earnings per share:		
(i) Basic earnings per share	0.0018	0.0196
(ii) Diluted earnings per share	0.0018	0.0196

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	93,983,432.07	108,587,946.31
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		
Other cash received concerning operating activities	5,414,499.19	25,600,115.48
Subtotal of cash inflow arising from operating activities	99,397,931.26	134,188,061.79
Cash paid for purchasing commodities and receiving labor service	60,805,302.03	84,612,348.69
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	11,628,268.09	13,976,594.06

Taxes paid	8,147,976.74	4,455,784.64
Other cash paid concerning operating activities	12,308,411.16	28,156,466.17
Subtotal of cash outflow arising from operating activities	92,889,958.02	131,201,193.56
Net cash flows arising from operating activities	6,507,973.24	2,986,868.23
II. Cash flows arising from investing activities:		
Cash received from recovering investment	616,750,000.00	385,750,000.00
Cash received from investment income	3,522,897.50	2,709,631.66
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	620,272,897.50	388,459,631.66
Cash paid for purchasing fixed, intangible and other long-term assets	20,096,875.60	16,588,411.61
Cash paid for investment	556,750,000.00	427,700,000.00
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	576,846,875.60	444,288,411.61
Net cash flows arising from investing activities	43,426,021.90	-55,828,779.95
III. Cash flows arising from financing activities		
Cash received from absorbing investment		20,000,000.00

Including: Cash received from absorbing minority shareholders' investment by subsidiaries		
Cash received from loans		58,000,000.00
Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities		78,000,000.00
Cash paid for settling debts		87,934,887.55
Cash paid for dividend and profit distributing or interest paying		2,902,751.27
Including: Dividend and profit of minority shareholder paid by subsidiaries		
Other cash paid concerning financing activities		
Subtotal of cash outflow from financing activities		90,837,638.82
Net cash flows arising from financing activities		-12,837,638.82
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate		
V. Net increase of cash and cash equivalents	49,933,995.14	-65,679,550.54
Add: Balance of cash and cash equivalents at the period -begin	400,668,257.81	142,848,120.69
VI. Balance of cash and cash equivalents at the period -end	450,602,252.95	77,168,570.15

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	575,269.00	3,079,519.00

Write-back of tax received		
Other cash received concerning operating activities	14,348,329.71	292,450.85
Subtotal of cash inflow arising from operating activities	14,923,598.71	3,371,969.85
Cash paid for purchasing commodities and receiving labor service		
Cash paid to/for staff and workers	4,574,896.73	3,994,426.10
Taxes paid	1,168,324.25	597,098.64
Other cash paid concerning operating activities	2,064,143.81	7,855,272.11
Subtotal of cash outflow arising from operating activities	7,807,364.79	12,446,796.85
Net cash flows arising from operating activities	7,116,233.92	-9,074,827.00
II. Cash flows arising from investing activities:		
Cash received from recovering investment	247,000,000.00	211,000,000.00
Cash received from investment income	1,738,115.07	1,512,350.70
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	248,738,115.07	212,512,350.70
Cash paid for purchasing fixed, intangible and other long-term assets	13,494,368.91	3,396,472.63
Cash paid for investment	207,000,000.00	223,000,000.00
Net cash received from subsidiaries and other units obtained		
Other cash paid concerning investing activities		

Subtotal of cash outflow from investing activities	220,494,368.91	226,396,472.63
Net cash flows arising from investing activities	28,243,746.16	-13,884,121.93
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Cash received from loans		43,000,000.00
Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities		43,000,000.00
Cash paid for settling debts		42,000,000.00
Cash paid for dividend and profit distributing or interest paying		1,936,452.73
Other cash paid concerning financing activities		
Subtotal of cash outflow from financing activities		43,936,452.73
Net cash flows arising from financing activities		-936,452.73
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate		
V. Net increase of cash and cash equivalents	35,359,980.08	-23,895,401.66
Add: Balance of cash and cash equivalents at the period -begin	173,702,343.04	88,836,626.14
VI. Balance of cash and cash equivalents at the period -end	209,062,323.12	64,941,224.48

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 since 2020

√ Applicable □ Not applicable

Consolidate balance sheet

In RMB

Item	2019-12-31	2020-01-01	Adjustment amount
Current assets:			
Monetary fund	428,851,606.04	428,851,606.04	
Trading financial assets	60,486,575.34	60,486,575.34	
Account receivable	112,613,224.27	112,613,224.27	
Account paid in advance	12,683,603.89	12,683,603.89	
Other account receivable	44,908,546.40	44,908,546.40	
Dividend Receivable	39,647,732.42	39,647,732.42	
Inventories	21,389,602.83	21,389,602.83	
Other current assets	3,403,969.23	3,403,969.23	
Total current assets	684,337,128.00	684,337,128.00	
Non-current assets:			
Long-term equity investments	162,178,544.05	162,178,544.05	
Other equity instruments investments	10,176,617.20	10,176,617.20	
Investment real estate	554,599,503.55	554,599,503.55	
Fixed assets	107,119,796.59	107,119,796.59	
Construction in progress	47,654,393.55	47,654,393.55	
Intangible assets	50,561,225.67	50,561,225.67	
Long-term deferred expenses	13,606,805.49	13,606,805.49	
Deferred income tax assets	8,658,962.39	8,658,962.39	
Other non-current assets	6,889,167.54	6,889,167.54	
Total non-current assets	961,445,016.03	961,445,016.03	
Total assets	1,645,782,144.03	1,645,782,144.03	
Current liabilities			
Account payable	69,087,430.42	69,087,430.42	
Accounts received in advance	27,299,822.71	27,299,822.71	
Wage payable	31,204,794.89	31,204,794.89	
Taxes payable	71,425,267.61	71,425,267.61	
Other accounts payable	101,266,802.49	101,266,802.49	

Total current liabilities	300,284,118.12	300,284,118.12	
Non-current liabilities:			
Long-term account payable	3,920,160.36	3,920,160.36	
Expected liabilities	2,225,468.76	2,225,468.76	
Deferred income	139,400.00	139,400.00	
Total non-current liabilities	6,285,029.12	6,285,029.12	
Total liabilities	306,569,147.24	306,569,147.24	
Owners' equity:			
Share capital	431,058,320.00	431,058,320.00	
Capital public reserve	431,449,554.51	431,449,554.51	
Other comprehensive income	26,422.00	26,422.00	
Surplus public reserve	21,007,488.73	21,007,488.73	
Retained profit	387,423,510.78	387,423,510.78	
Total owner's equity attributable to parent company	1,270,965,296.02	1,270,965,296.02	
Minority interests	68,247,700.77	68,247,700.77	
Total owner's equity	1,339,212,996.79	1,339,212,996.79	
Total liabilities and owner's equity	1,645,782,144.03	1,645,782,144.03	

Statement of adjustment

On 5 July 2017, the Ministry of Finance issued the Notice on Revision and Issuance (Cai Kuai [2017]No.22) (hereinafter referred to as New Revenue Standard), and required the listed companies in China shall be implemented since 1 Jan. 2020.

The Company has made disclosure of the accounting statements in accordance with the requirement of the New Revenue Standards since 1 Jan. 2020, and there is no need to retroactively adjusted the numbers at the beginning of 2019 comparability. The change of accounting policy will not affect the financial indicators of the Company for year of 2019.

Balance Sheet of Parent Company

In RMB

Item	2018-12-31	2019-1-1	Adjustment
Current assets:			
Monetary fund	201,885,691.27	201,885,691.27	
Trading financial assets	40,324,383.56	40,324,383.56	
Account receivable	206,710.76	206,710.76	
Account paid in advance	100,000.00	100,000.00	

Other account receivable	116,037,773.09	116,037,773.09	
Dividend Receivable	547,184.35	547,184.35	
Other current assets	1,419,760.18	1,419,760.18	
Total current assets	359,974,318.86	359,974,318.86	
Non-current assets:			
Long-term equity investments	859,355,040.60	859,355,040.60	
Other equity instruments investments	10,176,617.20	10,176,617.20	
Investment real estate	39,616,602.02	39,616,602.02	
Fixed assets	14,012,830.64	14,012,830.64	
Construction in progress	35,321,704.26	35,321,704.26	
Intangible assets	48,953,266.56	48,953,266.56	
Long-term deferred expenses	2,639,122.63	2,639,122.63	
Deferred income tax assets	3,557,849.04	3,557,849.04	
Other non-current assets	6,789,167.54	6,789,167.54	
Total non-current assets	1,020,422,200.49	1,020,422,200.49	
Total assets	1,380,396,519.35	1,380,396,519.35	
Current liabilities			
Account payable	14,000.00	14,000.00	
Wage payable	8,199,278.01	8,199,278.01	
Taxes payable	54,684,929.01	54,684,929.01	
Other accounts payable	257,260,350.77	257,260,350.77	
Total current liabilities	320,158,557.79	320,158,557.79	
Non-current liabilities:			
Total liabilities	320,158,557.79	320,158,557.79	
Owners' equity:			
Share capital	431,058,320.00	431,058,320.00	
Capital public reserve	428,256,131.23	428,256,131.23	
Surplus public reserve	21,007,488.73	21,007,488.73	
Retained profit	179,916,021.60	179,916,021.60	
Total owner's equity	1,060,237,961.56	1,060,237,961.56	

Total liabilities and owner's equity	1,380,396,519.35	1,380,396,519.35	
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Statement of adjustment

On 5 July 2017, the Ministry of Finance issued the Notice on Revision and Issuance (Cai Kuai [2017]No.22) (hereinafter referred to as New Revenue Standard), and required the listed companies in China shall be implemented since 1 Jan. 2020.

The Company has made disclosure of the accounting statements in accordance with the requirement of the New Revenue Standards since 1 Jan. 2020, and there is no need to retroactively adjusted the numbers at the beginning of 2019 comparability. The change of accounting policy will not affect the financial indicators of the Company for year of 2019.

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

☒ Applicable ☐ Not applicable

On 5 July 2017, the Ministry of Finance issued the Notice on Revision and Issuance (Cai Kuai [2017]No.22) (hereinafter referred to as New Revenue Standard), and required the listed companies in China shall be implemented since 1 Jan. 2020.

The Company has made disclosure of the accounting statements in accordance with the requirement of the New Revenue Standards since 1 Jan. 2020, and there is no need to retroactively adjusted the numbers in 2019 comparability. The change of accounting policy will not affect the financial indicators of the Company for year of 2019.

III. Audit report

Whether the 1st quarterly report has been audited or not

☐ Yes ☒ No

1Q report of the Company is unaudited.