

Stock Code: 000025,200025

No.: 2020-026

Short Form of Stock: Tellus A, Tellus B

Shenzhen Tellus Holding Co., Ltd.

Text of First Quarterly Report 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.