

China National Accord Medicines Corporation Ltd.

The Third Quarterly Report for 2019

October 2019

Section I. Important Notice

Board of Directors, Supervisory Committee, all directors, supervisors and senior executives of China National Accord Medicines Corporation Ltd. (hereinafter referred to as the Company) hereby confirm that there are no any fictitious statements, misleading statements, or important omissions carried in this report, and shall take all responsibilities, individual and/or joint, for the reality, accuracy and completion of the whole contents.

All directors are present the meeting of the Board for deliberating the Third Quarter Report of the Company in person.

Lin Zhaoxiong, person in charge of the Company, head of the accounting works Wei Pingxiao and Wang Ying, accounting body principals (accountant in charge) hereby confirm that the Financial Report of the Third Quarterly Report is authentic, accurate and complete.

Section II. Basic information of Company

I. Main accounting data and financial indexes

Whether it has retroactive adjustment or re-statement on previous accounting data or not

☐ Yes ☒ No

	Current period-end	Period-end of last year	Increase/decrease	
Total assets (RMB)	34,816,993,187.67	28,930,300,519.97	20.35%	
Net assets attributable to shareholders of listed company (RMB)	12,451,750,624.00	11,618,432,603.28	7.17%	
	Current period	Increase/decrease in comparison with same period of last year	Year-begin to end of the Period	Increase/decrease in comparison with year-begin to period-end of last year
Operating revenue (RMB)	13,647,793,431.64	24.21%	38,875,940,809.07	22.38%
Net profit attributable to shareholders of the listed company (RMB)	311,310,706.52	9.14%	962,144,066.92	3.79%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB)	303,365,280.52	7.45%	943,065,728.47	4.14%
Net cash flow arising from operating activities (RMB)	--	--	1,072,962,161.22	90.24%
Basic earnings per share (RMB/Share)	0.735	10.36%	2.247	3.79%
Diluted earnings per share (RMB/Share)	0.735	10.36%	2.247	3.79%
Weighted average ROE	2.53%	0.09 percentage points decline	7.94%	1.27 percentage points decline

Note: the weighted average ROE has 0.09 percentage points down from same period last year, and 1.27 percentage points down at year-begin to period-end over same period last year, mainly because a strategy investor was introduced by Guoda Drugstore in second half of last year.

Items and amount of extraordinary profit (gains)/losses

☒ Applicable ☐ Not applicable

In RMB

Item	Amount from year-begin to end of the Period	Note
Gains/losses from the disposal of non-current asset (including the write-off that accrued for impairment of assets)	487,779.48	
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)	29,325,892.83	Received vary taxes subsidies and financial rewards in the period
Reversal of impairment reserve for account receivable with separate impairment testing	1,216,744.26	Net gain/loss of impairment provision switch-back for receivables
Gains/losses on entrusted loans	2,563,975.31	The gains obtained from offering entrust loans to China National Zhijun (Suzhou)
Other non-operating income and expenditure except for the aforementioned items	2,455,770.91	
Other gains/losses satisfy a definition of extraordinary gains/losses	22,424.73	
Less: impact on income tax	8,393,659.91	
Impact on minority shareholders' equity (post-tax)	8,600,589.16	
Total	19,078,338.45	--

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. Statement of the total shareholders and shares-held of top ten shareholders at end of the Period

1. Total number of common shareholders at the end of this report period and top ten common shareholders

In Share

Total common shareholders at the end of report period	21,620	Total preference shareholders with voting rights recovered at end of reporting period (if applicable)	0
-------------------------------------------------------	--------	-------------------------------------------------------------------------------------------------------	---

Top ten shareholders						
Shareholders	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
Sinopharm Group Co., Ltd.	State-owned corporate	56.06%	239,999,991	55,057,700		
Hong Kong Securities Clearing Company Ltd	Overseas corporate	4.48%	19,163,870			
HTHK/CMG FSGUFP-CMG FIRST STATE CHINA GROWTH FD	Overseas corporate	2.68%	11,469,644			
China National Pharmaceutical Foreign Trade Corp.	State-owned corporate	1.24%	5,323,043	5,323,043		
Fidelity Investment Management (Hong Kong) Limited - Client's fund	Overseas corporate	1.13%	4,825,907			
# Beijing Haoqing Fortune Investment Management Co., Ltd. – Haoqing Value Stable No.8 Investment Fund	Domestic non state-owned corporate	0.96%	4,118,716			
Basic endowment insurance fund-portfolio 1003	Domestic non state-owned corporate	0.95%	4,080,913			
Central Huijin Investment Ltd.	State-owned corporate	0.89%	3,804,400			
Bank of China - Harvest Health Care Stock Securities	Domestic non state-owned corporate	0.76%	3,258,525			

Investment Funds						
BBH BOS S/A FIDELITY FD - CHINA FOCUS FD	Overseas corporate	0.76%	3,246,061			
Particular about top ten shareholders with un-restrict shares held						
Shareholders	Amount of un-restrict shares held	Type of shares		Type	Amount	
Sinopharm Group Co., Ltd.	184,942,291	RMB ordinary shares			184,942,291	
Hong Kong Securities Clearing Company Ltd	19,163,870	RMB ordinary shares			19,163,870	
HTHK/CMG FSGUFP-CMG FIRST STATE CHINA GROWTH FD	11,469,644	Domestically listed foreign shares			11,469,644	
China National Pharmaceutical Foreign Trade Corp.	5,323,043	RMB ordinary shares			5,323,043	
Fidelity Investment Management (Hong Kong) Limited - Client's fund	4,825,907	RMB ordinary shares			4,825,907	
# Beijing Haoqing Fortune Investment Management Co., Ltd. – Haoqing Value Stable No.8 Investment Fund	4,118,716	RMB ordinary shares			4,118,716	
Basic endowment insurance fund-portfolio 1003	4,080,913	RMB ordinary shares			4,080,913	
Central Huijin Investment Ltd.	3,804,400	RMB ordinary shares			3,804,400	
Bank of China - Harvest Health Care Stock Securities Investment Funds	3,258,525	RMB ordinary shares			3,258,525	
BBH BOS S/A FIDELITY FD - CHINA FOCUS FD	3,246,061	Domestically listed foreign shares			3,246,061	
Explanation on associated relationship among the aforesaid shareholders	It is unknown that there exists no associated relationship or belongs to the consistent actionist among the other tradable shareholders regulated by the Management Measure of Information Disclosure on Change of Shareholding for Listed Companies.					
Explanation on top ten common shareholders involving margin business (if applicable)	Beijing Hao Qing Wealth Investment Management Co., Ltd. –Hao Qing Value Stable No.8 Investment Fund holds 4,048,216 shares of the Company through margin trading and refinancing secured security account					

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 shareholders of the Company have no buy-back agreement dealing in reporting period.

2. Total of shareholders with preferred stock held and the top ten shareholdings

☐ Applicable ☒ Not applicable

Section III. Important events

I. Particular about major changes from items of main accounting statements and financial indexes as well as reasons

√ Applicable □ Not applicable

1. Note receivable: decreased 772 million Yuan over that of period-begin with growth rate of -56.88%, mainly because according to the presentation requirements of statement, at end of the period, the bank acceptance bill in note receivable was listed under the item of “Receivable financing”;
2. Accounts receivable: increased 3844 million Yuan over that of period-begin with growth rate of 41.17%, mainly because volume of business increased in the period, account receivable goes up and payment collection period increased at the same time;
3. Receivable financing: increased 400 million Yuan over that of period-begin, mainly because according to the presentation requirements of statement, at end of the period, the bank acceptance bill in note receivable was listed under the item of “Receivable financing”;
4. Interest receivable: increased 6.1777 million Yuan over that of period-begin with growth rate of 75.12%, mainly because the deposit interest increased;
5. Right-of-use assets: increased 1860 million Yuan over that of period-begin, mainly due to the implementation of new leasing standards in the period;
6. Total non-current assets: increased 2114 million Yuan over that of period-begin with growth rate of 47.66%, mainly because the right-of-use assets increased for new leasing standards implemented in the period;
7. Accounts payable: increased 2678 million Yuan over that of period-begin with growth rate of 41.41%, mainly because volume of business increased in the period, purchase volume and account payable increase accordingly;
8. Dividends payable: increased 4.7064 million Yuan over that of period-begin with growth rate of 73.66%, mainly because the accrual of bonus of minority shareholders payable increased;
9. Non-current liabilities due within one year: increased 533 million Yuan over that of period-begin with growth rate of 9,093.11%, mainly due to the implementation of new leasing standards in the period, the ending book value of leasing liabilities due for repayment within one year from the balance sheet date, was listed under the item of “Non-current liabilities due within one year”;
10. Other current liabilities: increased 330,700 Yuan over that of period-begin with growth rate of 113.07%, mainly because the output tax amount ready for transfer increased over that of period-begin;
11. Long-term borrowings: decreased 31.60 million Yuan over that of period-begin with growth rate of -100.00%, mainly because the long-term loan was re-classified to non-current liability due within one year;

12. Lease liabilities: increased 1165 million Yuan over that of period-begin, mainly due to the implementation of new leasing standards in the period;
13. Long-term payables: decreased 3.764 million Yuan over that of period-begin with growth rate of -82.47%, mainly due to the implementation of new leasing standards in the period, the finance lease before the first execution date was adjusted to lease liabilities;
14. Total non-current liabilities: increased 1126 million Yuan over that of period-begin with growth rate of 422.45%, mainly because lease liabilities increased for the implementation of new leasing standards in the period;
15. Total liabilities: increased 4875 million Yuan over that of period-begin with growth rate of 32.44%, mainly because volume of business increased in the period, purchase volume and account payable increase accordingly;
16. Operating revenue: increased 7109 million Yuan on a y-o-y basis with growth rate of 22.38%, mainly because business income increased for the good business performance in the period;
17. Operating costs: increased 6552 million Yuan on a y-o-y basis with growth rate of 23.30%, mainly because business income increased for the good business performance in the period, business cost increased correspondingly;
18. Finance costs: increased 69.5683 million Yuan on a y-o-y basis with growth rate of 88.87%, mainly due to the implementation of new leasing standards in the period, during the lease terms, interest expenses shall be calculated according to the discount rate for lease liabilities, there was no such item in the same period last year;
19. Other incomes: increased 14.7031 million Yuan on a y-o-y basis with growth rate of 118.53%, mainly because fiscal subsidy received in period increased;
20. Impairment losses on financial assets: increased 15.1252 million Yuan on a y-o-y basis with growth rate of 3156.28%, mainly because the account receivable has increased over same period last year at end of the period, than the bad debt provision accrual in the period increased on a y-o-y basis;
21. Impairment losses: increased 714,900 Yuan on a y-o-y basis with growth rate of 613.43%, mainly because reversal of the inventory falling price reserves declined from a year earlier;
22. Gain on disposal of assets: decreased 3.7735 million Yuan on a y-o-y basis with growth rate of -86.59%, mainly because at same period last year, there was a property funds collected by the government was received by the Company while no such item in the period;
23. Minority shareholders' gains and losses: increased 81.7569 million Yuan on a y-o-y basis with growth rate of 97.93%, mainly because at second half of 2018, subsidiary Guoda Drugstore introduced a strategy investor, the gains/losses of minority shareholders increased on a y-o-y basis in the period;
24. Total comprehensive income attributable to minority shareholders: increased 81.7569 million Yuan on a y-o-y basis with growth rate of 97.93%, mainly because at second half of 2018, subsidiary Guoda Drugstore introduced a strategy investor, the total comprehensive income attributable to minority shareholders increased correspondingly;

25. Tax refunds: increased 1.7933 million Yuan on a y-o-y basis with growth rate of 104.58%, mainly because the tax refund increased compared with same period of last year;
26. Cash payments related to other operating activities: decreased 484 million Yuan on a y-o-y basis with growth rate of -38.77%, mainly due to the implementation of new leasing standards in the period, the rents paid in the period are reckoned into cash paid with other financing activity concerned, while no such item at same period lat year;
27. Net cash flows from operating activities: increased 509 million Yuan on a y-o-y basis with growth rate of 90.24%, mainly due to the good operation performance, cash received for goods sales and providing services increased correspondingly; and due to the implementation of new leasing standards in the period, the rents paid in the period are reckoned into cash paid with other financing activity concerned, while no such item at same period lat year;
28. Cash received from returns on investments: decreased 52.7204 million Yuan on a y-o-y basis with growth rate of -40.26%, mainly because the investment dividend received from joint venture declined on a y-o-y basis;
29. Cash received with other investing activities: decreased 96.7471 million Yuan on a y-o-y basis with growth rate of -95.54%, mainly because at same period last year, received a consideration for reorganization of Shyndec Pharmaceutical, while no such item in the period;
30. Subtotal of cash in-flow from investing activities: decreased 150 million Yuan on a y-o-y basis with growth rate of -63.14%, mainly because the investment dividend received from joint venture declined on a y-o-y basis; and at same period last year, received a consideration for reorganization of Shyndec Pharmaceutical, while no such item in the period;
31. Net cash paid from disposal of subsidiaries and other business units: increased 5.328 million Yuan on a y-o-y basis, mainly due to the investment amount for new company acquisition in the period, while no such item at same period last year;
32. Cash payments related to other investing activities: decreased 78.3182 million Yuan on a y-o-y basis with growth rate of -97.99%, mainly because at same period last year, the entrusted loans of Sinopharm Zhijun (Suzhou) was paid while no such item in the period;
33. Net cash flows from investing activities: decreased 84.2184 million Yuan on a y-o-y basis with growth rate of -102.33%, mainly because the investment dividend received from joint venture declined on a y-o-y basis; and at same period last year, received a consideration for reorganization of Shyndec Pharmaceutical, while no such item in the period;
34. Cash proceeds from investments by others: decreased 2744 million Yuan on a y-o-y basis with growth rate of -98.40%, mainly because at same period last year, subsidiary Guoda Drugstore received a capital increased amount from strategy investor, while no such item in the period;
35. Cash received from borrowings: decreased 32.9702 million Yuan on a y-o-y basis with growth rate of -66.38%, mainly because the bank current loans in the period declined on a y-o-y basis;
36. Cash receipts related to other financing activities: decreased 107 million Yuan on a y-o-y basis with growth rate of -98.19%, mainly because at same period last year, received a money order security while no such item in the period;

37. Sub-total of cash inflows from financing activities: decreased 2884 million Yuan on a y-o-y basis with growth rate of -97.86%, mainly because at same period last year, subsidiary Guoda Drugstore received a capital increased amount from strategy investor, while no such item in the period;
38. Cash payments for distribution of dividends or profit and interest expenses: increased 174 million Yuan on a y-o-y basis with growth rate of 62.86%, mainly because the interest of supply chain financing increased on a y-o-y basis in the period;
39. Cash payments related to other financing activities: increased 544 million Yuan on a y-o-y basis with growth rate of 896.87%, mainly due to the implementation of new leasing standards in the period, the rents paid in the period are reckoned into cash paid with other financing activity concerned, while no such item at same period last year;
40. Sub-total of cash outflows from financing activities: increased 712 million Yuan on a y-o-y basis with growth rate of 170.65%, mainly due to the implementation of new leasing standards in the period, the rents paid in the period are reckoned into cash paid with other financing activity concerned and the interest of supply chain financing increased on a y-o-y basis in the period;
41. Net cash flows from financing activities: decreased 3596 million Yuan on a y-o-y basis with growth rate of -142.10%, mainly because at same period last year, subsidiary Guoda Drugstore received a capital increased amount from strategy investor, while no such item in the period;
42. Effect of foreign exchange rate changes on cash and cash equivalents: increased 138,500 Yuan on a y-o-y basis with growth rate of 44.04%, mainly due to the impact of exchange rate changes;
43. Net increase in cash and cash equivalents: decreased 3171 million Yuan on a y-o-y basis with growth rate of -105.28%, mainly because at same period last year, subsidiary Guoda Drugstore received a capital increased amount from strategy investor, while no such item in the period;
44. Cash and cash equivalents at beginning of the year: increased 3959 million Yuan on a y-o-y basis with growth rate of 107.76%, mainly because at second half of last year, subsidiary Guoda Drugstore received a capital increased amount from strategy investor, while no such item at period-begin of last year.

II. Progress and influence of the main events as well as solution analysis specification

☐ Applicable ☒ Not applicable

Progress of shares buy-back

☐ Applicable ☒ Not applicable

Implementation progress of the reduction of repurchases shares by centralized bidding

☐ Applicable ☒ Not applicable

III. Commitments that the company, shareholders, actual controller, offeror, directors, supervisors, senior management or other related parties have fulfilled during the reporting period and have not yet fulfilled by the end of reporting period

☐ Applicable ☒ Not applicable

There are no commitments that the company, shareholders, actual controller, offeror, directors, supervisors, senior management or other related parties have fulfilled during the reporting period and have not yet fulfilled by the end of reporting period.

IV. Particular about security investment

☐ Applicable ☒ Not applicable

The Company had no security investment in Period.

V. Trust financing

☐ Applicable ☒ Not applicable

The Company had no trust financing in Period.

VI. Particulars about derivatives investment

☐ Applicable ☒ Not applicable

The Company had no derivatives investment in Period.

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

☐ Applicable ☒ Not applicable

The Company has no research, communication and interview accepted in the Period.

VIII. Guarantee outside against the regulation

☐ Applicable ☒ Not applicable

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

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

☐ Applicable ☒ Not applicable

The Company had no non-operational fund occupation from controlling shareholders and its related party.

Section IV. Financial Statement

I. Financial statement

1. Consolidate balance sheet

Prepared by China National Accord Medicines Corporation Ltd.

2019-09-30

In RMB

Item	2019-9-30	2018-12-31
Current assets:		
Monetary funds	7,810,810,868.51	8,089,781,304.56
Settlement provisions		
Capital lent		
Tradable financial assets		
Financial assets measured by fair value and with variation reckoned into current gains/losses		
Derivative financial assets		
Note receivable	585,211,751.81	1,357,311,929.63
Account receivable	13,181,036,029.36	9,336,861,647.92
Receivable financing	400,387,183.26	
Advances to suppliers	424,448,767.10	583,484,515.95
Insurance receivable		
Reinsurance receivables		
Contract reserve of reinsurance receivable		
Other receivables	522,497,740.14	643,493,359.32
Including: Interest receivable	14,401,063.47	8,223,327.64
Dividend receivable		
Buying back the sale of financial assets		
Inventories	5,274,930,261.55	4,389,335,942.19
Contractual assets		
Assets held for sale		

Non-current asset due within one year		
Other current assets	69,262,261.99	95,347,629.18
Total current assets	28,268,584,863.72	24,495,616,328.75
Non-current assets:		
Loans and payments on behalf		
Debt investment		
Finance asset available for sales		
Other debt investment		
Held-to-maturity investment		
Long-term account receivable		
Long-term equity investment	2,107,690,039.44	1,880,393,786.10
Other equity instruments investment	13,685,760.00	13,685,760.00
Other non-current financial assets	140,000,000.00	140,000,000.00
Investment properties	139,672,194.89	144,894,495.97
Fixed assets	583,995,191.53	607,933,827.67
Construction in progress	35,681,041.39	36,412,614.61
Productive biological asset		
Oil and gas asset		
Right-of-use assets	1,860,064,348.67	
Intangible assets	314,251,903.10	319,207,126.15
Expense on Research and Development		
Goodwill	871,041,800.60	833,547,800.60
Long-term prepaid expenses	330,156,094.79	311,328,706.46
Deferred tax assets	78,340,768.87	74,914,209.95
Other non-current asset	73,829,180.67	72,365,863.71
Total non-current asset	6,548,408,323.95	4,434,684,191.22
Total assets	34,816,993,187.67	28,930,300,519.97
Current liabilities:		
Short-term borrowings	2,417,214,478.23	2,597,652,702.43
Loan from central bank		
Capital borrowed		
Transactional financial liability		

Financial liability measured by fair value and with variation reckoned into current gains/losses		
Derivative financial liability		
Note payable	4,087,524,569.31	3,416,755,681.80
Account payable	9,146,870,315.29	6,468,535,961.17
Accounts received in advance		
Contractual liability	226,493,600.53	255,590,612.37
Selling financial asset of repurchase		
Absorbing deposit and interbank deposit		
Security trading of agency		
Security sales of agency		
Employee benefits payable	208,422,163.84	231,866,407.40
Taxes payable	240,761,116.26	241,980,412.72
Other account payable	1,639,777,109.48	1,539,436,971.93
Incl: Interest payable	23,295,353.88	21,906,660.63
Dividend payable	11,095,744.80	6,389,320.96
Commission charge and commission payable		
Reinsurance payable		
Liability held for sale		
Non-current liabilities due within one year	538,837,869.81	5,861,324.37
Other current liabilities	623,159.83	292,465.75
Total current liabilities	18,506,524,382.58	14,757,972,539.94
Non-current liabilities:		
Insurance contract reserve		
Long-term borrowings		31,600,000.00
Bonds payable		
Including: Preferred stock		
Perpetual capital securities		
Lease liability	1,165,308,548.15	
Long-term payable	800,000.00	4,563,978.52

Long-term employee benefits payable	1,915,000.00	2,050,000.00
Accrual liability		
Deferred income	90,111,450.25	91,491,170.40
Deferred tax liabilities	66,067,559.30	67,605,161.88
Other non-current liabilities	68,388,290.57	69,241,176.18
Total non-current liabilities	1,392,590,848.27	266,551,486.98
Total liabilities	19,899,115,230.85	15,024,524,026.92
Owner's equity:		
Share capital	428,126,983.00	428,126,983.00
Other equity instrument		
Including: Preferred stock		
Perpetual capital securities		
Capital surplus	4,363,409,728.51	4,320,984,981.51
Less: Inventory shares		
Other comprehensive income		
Reasonable reserve		
Surplus reserve	214,063,491.50	214,063,491.50
Provision of general risk		
Retained earnings	7,446,150,420.99	6,655,257,147.27
Shareholders' equity attributable to shareholders of the parent	12,451,750,624.00	11,618,432,603.28
Non-controlling interests	2,466,127,332.82	2,287,343,889.77
Total shareholders' equity	14,917,877,956.82	13,905,776,493.05
Total liabilities and shareholders' equity	34,816,993,187.67	28,930,300,519.97

Legal representative: Lin Zhaoxiong

Person in charge of accounting works: Wei Pingxiao

Person in charge of accounting institution: Wang Ying

2. Balance Sheet of Parent Company

In RMB

Item	2019-9-30	2018-12-31
Current assets:		
Cash and bank balances	2,544,212,671.60	1,817,654,598.01
Tradable financial assets		

Financial assets measured by fair value and with variation reckoned into current gains/losses		
Derivative financial assets		
Note receivable	33,503,980.32	63,870,980.39
Account receivable	759,614,729.17	631,236,593.94
Receivable financing	16,673,997.31	
Advances to suppliers	3,026,025.81	4,760,182.00
Other receivable	1,866,735,563.06	1,541,980,883.50
Including: Interest receivable	16,497,156.40	7,550,877.07
Dividend receivable		
Inventories	211,858,298.59	158,166,185.65
Contractual assets		
Assets held for sale		
Non-current assets maturing within one year		
Other current assets	39,482.38	39,482.38
Total current assets	5,435,664,748.24	4,217,708,905.87
Non-current assets:		
Debt investment		
Available-for-sale financial assets		
Other debt investment		
Held-to-maturity investments		
Long-term receivables		
Long-term equity investments	7,693,092,094.23	7,432,906,692.24
Investment in other equity instrument		
Other non-current financial assets	140,000,000.00	140,000,000.00
Investment properties	1,560,072.33	1,955,854.46
Fixed assets	15,474,034.96	21,362,422.03
Construction in progress		
Productive biological assets		
Oil and natural gas assets		
Right-of-use assets	6,500,265.79	
Intangible assets	2,783,945.44	2,452,222.51

Research and development costs		
Goodwill		
Long-term deferred expenses	6,527,719.68	7,481,809.53
Deferred income tax assets		
Other non-current assets	7,000,000.00	7,000,000.00
Total non-current assets	7,872,938,132.43	7,613,159,000.77
Total assets	13,308,602,880.67	11,830,867,906.64
Current liabilities:		
Short-term borrowings	280,000,000.00	539,000,000.00
Transactional financial liability		
Financial liability measured by fair value and with variation reckoned into current gains/losses		
Derivative financial liability		
Notes payable	390,519,916.75	252,317,800.78
Account payable	630,198,511.72	442,049,241.22
Accounts received in advance		
Contractual liability	1,694,562.86	4,182,083.40
Employee benefits payable	37,876,995.85	36,233,563.12
Taxes payable	9,336,735.58	13,426,601.90
Other payable	1,894,492,989.75	1,481,817,856.56
Incl: Interest payable	8,063,589.67	1,354,592.35
Dividends payable		
Liability held for sale		
Non-current liabilities due within one year	32,573,100.20	
Other current liabilities	292,740.68	226,427.99
Total current liabilities	3,276,985,553.39	2,769,253,574.97
Non-current liabilities:		
Long-term borrowings		31,600,000.00
Bonds payable		
Including: preferred stock		
Perpetual capital securities		
Lease liabilities	5,715,312.04	

Long-term payables	800,000.00	800,000.00
Long-term employee benefits payable	102,000.00	118,000.00
Accrued liabilities		
Deferred income	1,388,958.78	1,687,899.50
Deferred tax liabilities	1,644,875.80	2,298,426.39
Other non-current liabilities		
Total non-current liabilities	9,651,146.62	36,504,325.89
Total liabilities	3,286,636,700.01	2,805,757,900.86
Owners' equity:		
Share capital	428,126,983.00	428,126,983.00
Other equity instrument		
Including: preferred stock		
Perpetual capital securities		
Capital surplus	4,468,787,524.26	4,426,362,777.26
Less: Inventory shares		
Other comprehensive income		
Special reserve		
Surplus reserve	214,063,491.50	214,063,491.50
Retained earnings	4,910,988,181.90	3,956,556,754.02
Total shareholders' equity	10,021,966,180.66	9,025,110,005.78
Total liabilities and shareholders' equity	13,308,602,880.67	11,830,867,906.64

3. Consolidated Profit Statement (the period)

In RMB

Item	Current Period	Last Period
I. Total operating revenue	13,647,793,431.64	10,987,540,368.77
Including: Operating revenue	13,647,793,431.64	10,987,540,368.77
Interest revenue		
Insurance gained		
Commission charge and commission revenue		
II. Total operating costs	13,305,315,433.53	10,672,195,431.17
Including: Operating costs	12,253,508,326.76	9,749,853,630.20

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 surcharges	36,513,174.49	30,175,966.21
Selling expense	763,231,928.31	682,736,449.56
Administrative expense	208,311,402.38	188,693,332.32
R&D expense		
Finance costs	43,750,601.59	20,736,052.88
Incl: Interest cost	86,528,994.84	45,676,535.07
Interest income	42,778,570.08	26,253,068.71
Add: other income	12,116,753.12	1,815,373.95
Investment income (Loss is listed with “-”)	86,069,936.49	78,983,284.46
Incl: Investment income from associates	86,019,936.49	78,933,284.46
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 “-”)		
Impairment losses on financial assets (Loss is listed with “-”)	-3,211,918.65	-547,491.37
Impairment losses (Loss is listed with “-”)	-705,879.81	392,308.58
Gain on disposal of assets (Loss is listed with “-”)	613,909.71	76,479.50
III. Operating profit (Loss is listed with	437,360,798.97	396,064,892.72

“-”)		
Add: Non-operating income	3,202,332.16	1,553,611.12
Less: Non-operating expense	638,789.06	374,027.37
IV. Total profit (Loss is listed with “-”)	439,924,342.07	397,244,476.47
Less: Income taxes	80,632,027.90	76,038,019.79
V. Net profit (Net loss is listed with “-”)	359,292,314.17	321,206,456.68
(i) Classify by business continuity		
1. Net Profit from continuing operations (net loss listed with ‘-’)	359,292,314.17	321,206,456.68
2.termination of net profit (net loss listed with ‘-’)		
(ii) Attributable to		
1. Owners of the parent	311,310,706.52	285,244,535.54
2. Non-controlling interests	47,981,607.65	35,961,921.14
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.gain/loss of fair value changes for available-for-sale financial assets		
4.Amount of financial assets re-classify to other comprehensive income		
5.Gain/loss of held-to-maturity investments that re-classify to available-for-sale financial asset		
6.Credit impairment provision for other debt investment		
7.Cash flow hedging reserve		
8.Translation differences arising on translation of foreign currency financial statements		
9.Other		
Net after-tax of other comprehensive income attributable to minority shareholders		
VII. Total comprehensive income	359,292,314.17	321,206,456.68
Total comprehensive income for the year attributable to shareholders of the parent	311,310,706.52	285,244,535.54
Total comprehensive income for the year attributable to non-controlling interests	47,981,607.65	35,961,921.14
VIII. Earnings per share:		
(i) Basic earnings per share	0.735	0.666
(ii) Diluted earnings per share	0.735	0.666

As for the business merger under the same control in the Period, 0 Yuan net profit realized before merger by the combined party, the net profit for combined party in last period was 0 Yuan.

Legal representative: Lin Zhaoxiong

Person in charge of accounting works: Wei Pingxiao

Person in charge of accounting institution: Wang Ying

4. Profit Statement of Parent Company (the period)

In RMB

Item	Current Period	Last Period
I. Operating revenue	1,112,624,846.96	899,859,002.45
Less: Operating costs	1,064,701,021.03	856,296,603.88
Tax and surcharge	1,964,184.59	1,445,734.44
Selling expenses	17,984,619.36	16,953,141.79
Administrative expenses	24,299,300.83	16,785,749.55
R&D expenses		
Financial costs	-11,487,202.76	-10,270,272.65
Incl: Interest expense	15,442,321.41	10,951,050.33
Incl: Interest income	27,695,670.05	21,345,942.02
Add: other income	219,828.06	121,990.82
Investment income (Loss is listed with “-”)	473,512,554.91	84,991,405.06
Incl: Investment income from associates	91,259,842.03	84,991,405.06
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 “-”)		
Impairment losses on financial assets (Loss is listed with “-”)	-161,522.25	
Impairment loss (Loss is listed with “-”)	-234,019.78	152,059.06
Gain on disposal of assets (Loss is listed with “-”)	181,433.34	11,116.50
II. Operating profits (Loss is listed with “-”)	488,681,198.19	103,924,616.88
Add: Non-operating income	373.35	3.98
Less: Non-operating expense		
III. Total Profit (Loss is listed with “-”)	488,681,571.54	103,924,620.86
Less: Income taxes	3,675,740.93	4,806,491.84
IV. Net profit (Net loss is listed with “-”)	485,005,830.61	99,118,129.02

(i) Net Profit from continuing operations (net loss listed with ‘-’)	485,005,830.61	99,118,129.02
(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.gain/loss of fair value changes for available-for-sale financial assets		
4.Amount of financial assets re-classify to other comprehensive income		
5.Gain/loss of held-to-maturity investments that re-classify to available-for-sale financial asset		
6.Credit impairment provision for other debt investment		

7.Cash flow hedging reserve		
8.Translation differences arising on translation of foreign currency financial statements		
9.Other		
VI. Total comprehensive income	485,005,830.61	99,118,129.02
VII. Earnings per share:		
(i) Basic earnings per share		
(ii) Diluted earnings per share		

5. Consolidated Profit Statement (form the year-begin to the period-end)

In RMB

Item	Current Period	Last Period
I. Total operating revenue	38,875,940,809.07	31,766,707,068.44
Including: Operating revenue	38,875,940,809.07	31,766,707,068.44
Interest revenue		
Insurance gained		
Commission charge and commission revenue		
II. Total operating cost	37,747,619,061.94	30,779,410,046.43
Including: Operating costs	34,669,028,279.63	28,117,497,354.04
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 surcharges	98,652,400.93	86,796,493.46
Selling expenses	2,246,564,429.04	1,956,325,205.63
Administrative expenses	585,528,096.51	540,513,396.10
R&D expense		

Finance costs	147,845,855.83	78,277,597.20
Incl: Interest cost	256,058,467.21	129,032,902.25
Interest income	103,408,606.99	49,335,302.27
Add: other incomes	27,107,672.14	12,404,586.52
Investment income (Loss is listed with “-”)	255,212,226.48	241,677,055.81
Incl: Investment income from associates	255,162,226.48	241,595,555.81
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 “-”)		
Impairment losses on financial assets (Loss is listed with “-”)	-14,646,019.78	479,210.87
Impairment losses (Loss is listed with “-”)	-831,434.15	-116,540.68
Gain on disposal of assets (Loss is listed with “-”)	584,184.27	4,357,644.11
III. Operating profit (Loss is listed with “-”)	1,395,748,376.09	1,246,098,978.64
Add: Non-operating income	6,869,502.41	7,052,562.23
Less: Non-operating expense	2,357,054.62	2,171,320.17
IV. Total profit (Loss is listed with “-”)	1,400,260,823.88	1,250,980,220.70
Less: Income taxes	272,875,954.40	240,524,754.11
V. Net profit (Net loss is listed with “-”)	1,127,384,869.48	1,010,455,466.59
(i) Classify by business continuity		
1. Net Profit from continuing operations (net loss listed with “-”)	1,127,384,869.48	1,010,455,466.59
2.termination of net profit (net loss listed with “-”)		
(ii) Classify by ownership		
1. Owners of the parent	962,144,066.92	926,971,570.47
2. Non-controlling interests	165,240,802.56	83,483,896.12

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.gain/loss of fair value changes for available-for-sale financial assets		
4.Amount of financial assets re-classify to other comprehensive income		
5.Gain/loss of held-to-maturity investments that re-classify to available-for-sale financial asset		
6.Credit impairment provision for other debt investment		
7.Cash flow hedging reserve		

8. Translation differences arising on translation of foreign currency financial statements		
9. Other		
Net after-tax of other comprehensive income attributable to minority shareholders		
VII. Total comprehensive income	1,127,384,869.48	1,010,455,466.59
Total comprehensive income for the year attributable to shareholders of the parent	962,144,066.92	926,971,570.47
Total comprehensive income for the year attributable to non-controlling interests	165,240,802.56	83,483,896.12
VIII. Earnings per share:		
(i) Basic earnings per share	2.247	2.165
(ii) Diluted earnings per share	2.247	2.165

As for the business merger under the same control in the Period, 0 Yuan net profit realized before merger by the combined party, the net profit for combined party in last period was 0 Yuan.

6. Profit Statement of Parent Company (form the year-begin to the period-end)

In RMB

Item	Current Period	Last Period
I. Operating revenue	3,120,629,410.26	2,587,480,358.28
Less: Operating costs	2,985,973,415.79	2,471,014,077.79
Taxes and surcharge	4,483,432.58	3,462,103.37
Selling expenses	49,036,664.17	42,847,937.24
Administrative expenses	62,356,107.14	50,464,856.30
R&D expenses		
Finance costs	-39,885,446.76	-29,640,152.73
Incl: Interest expense	38,713,629.13	31,721,163.76
Incl: Interest income	80,175,392.47	62,271,142.76
Add: other income	552,592.19	1,421,335.96
Investment income (Loss is listed with "-")	1,081,800,975.38	619,832,149.52
Incl: Investment income from associates	272,540,375.14	258,317,695.20

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 “-”)		
Impairment losses on financial assets (Loss is listed with “-”)	-2,527,287.33	7,411.02
Impairment loss (Loss is listed with “-”)	-336,132.62	-478,894.27
Gain on disposal of assets (Loss is listed with “-”)	155,358.82	11,116.50
II. Operating profit (Loss is listed with “-”)	1,138,310,743.78	670,124,655.04
Add: Non-operating income	46,442.75	37.06
Less: Non-operating expenses		127,688.63
III. Total Profit (Loss is listed with “-”)	1,138,357,186.53	669,997,003.47
Less: Income taxes	12,674,965.45	11,099,365.68
IV. Net profit (Net loss is listed with “-”)	1,125,682,221.08	658,897,637.79
(i) Net Profit from continuing operations (net loss listed with “-”)	1,125,682,221.08	658,897,637.79
(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. gain/loss of fair value changes for available-for-sale financial assets		
4. Amount of financial assets re-classify to other comprehensive income		
5. Gain/loss of held-to-maturity investments that re-classify to available-for-sale financial asset		
6. Credit impairment provision for other debt investment		
7. Cash flow hedging reserve		
8. Translation differences arising on translation of foreign currency financial statements		
9. Other		
VI. Total comprehensive income	1,125,682,221.08	658,897,637.79
VII. Earnings per share:		
(i) Basic earnings per share		
(ii) Diluted earnings per share		

7. Consolidated Cash Flow Statement (form the year-begin to the period-end)

In RMB

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

Cash received from sales of good or rendering of services	39,464,106,244.18	33,576,126,717.79
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		
Tax refunds	3,508,074.72	1,714,760.21
Cash receipts related to other operating activities	497,412,494.23	503,409,429.80
Sub-total of cash inflows from operating activities	39,965,026,813.13	34,081,250,907.80
Cash paid for goods and services	35,594,093,946.44	30,058,268,141.08
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 and on behalf of employees	1,592,033,194.68	1,392,220,211.12
Cash paid for all types of taxes	941,789,797.45	818,864,295.31
Cash payments related to other operating activities	764,147,713.34	1,247,906,964.93
Sub-total of cash outflows from operating activities	38,892,064,651.91	33,517,259,612.44
Net cash flows from operating activities	1,072,962,161.22	563,991,295.36
II. Cash flows arising from investing activities:		
Cash received from recovering investment		
Cash received from returns on investments	78,242,963.78	130,963,345.37
Net cash received from disposal of fixed, intangible assets and other long-term assets	4,967,658.92	5,751,674.16
Net cash received from disposal of subsidiaries and other units		
Cash receipts related to other investing activities	4,514,498.90	101,261,607.73
Sub-total of cash inflows from investing activities	87,725,121.60	237,976,627.26
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	162,770,914.81	150,353,192.93
Cash paid for acquisition of investments	84,539,317.61	90,000,000.00
Net increase of mortgaged loans		
Net cash paid from disposal of subsidiaries and other business units	5,328,000.00	
Cash payments related to other investing activities	1,603,306.28	79,921,476.82
Sub-total of cash outflows from investing activities	254,241,538.70	320,274,669.75
Net cash flows arising from investing activities	-166,516,417.10	-82,298,042.49
III. Cash flows arising from financing		

activities		
Cash proceeds from investments by others	44,548,000.00	2,788,851,200.00
Incl: Cash proceeds from subsidiary investments by non-controlling shareholders	44,548,000.00	2,788,851,200.00
Cash received from borrowings	16,700,000.00	49,670,200.30
Cash receipts related to other financing activities	1,967,629.61	108,949,307.54
Subtotal of cash inflow from financing activities	63,215,629.61	2,947,470,707.84
Cash repayments for debts	73,307,142.79	79,670,200.30
Cash payments for distribution of dividends or profit and interest expenses	450,504,620.79	276,628,059.98
Incl: Profit and dividends paid to non-controlling shareholders of subsidiaries	28,493,123.11	56,858,945.30
Cash payments related to other financing activities	604,680,365.03	60,658,096.82
Subtotal of cash outflow from financing activities	1,128,492,128.61	416,956,357.10
Net cash flows from financing activities	-1,065,276,499.00	2,530,514,350.74
IV. Effect of foreign exchange rate changes on cash and cash equivalents Influence on cash and cash equivalents due to fluctuation in exchange rate	-175,994.42	-314,517.97
V. Net increase in cash and cash equivalents	-159,006,749.30	3,011,893,085.64
Add: Cash and cash equivalents at beginning of the year	7,632,117,020.77	3,673,498,691.48
VI. Cash and cash equivalents at end of year	7,473,110,271.47	6,685,391,777.12

8. Cash Flow Statement of Parent Company (from the year-begin to the period-end)

In RMB

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

Cash received from sales of good or rendering of services	3,217,890,947.38	2,681,236,630.70
Write-back of tax received		
Cash receipts related to other operating activities	32,674,054.58	91,958,196.80
Sub-total of cash inflows from operating activities	3,250,565,001.96	2,773,194,827.50
Cash paid for goods and services	3,191,926,190.64	2,559,377,589.52
Cash paid to and on behalf of employees	73,601,798.69	61,913,310.95
Cash paid for all types of taxes	43,156,828.71	29,801,808.96
Cash payments related to other operating activities	24,724,274.57	45,140,599.54
Subtotal of cash outflow from operating activities	3,333,409,092.61	2,696,233,308.97
Net cash flows arising from operating activities	-82,844,090.65	76,961,518.53
II. Cash flows arising from investing activities:		
Cash received from recovering investment		
Cash received from returns of investments	619,976,538.54	255,904,643.39
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	3,961,383.00	35,200.00
Net cash received from disposal of subsidiaries and other units		
Cash receipts related to other investing activities	1,482,390,000.00	1,218,035,586.01
Subtotal of cash inflow from investing activities	2,106,327,921.54	1,473,975,429.40
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	6,777,035.03	8,607,026.77
Cash paid for investment	19,998,000.00	90,000,000.00
Net cash received from subsidiaries and other units obtained		

Cash payments related to other investing activities	1,812,850,181.28	1,267,321,606.82
Subtotal of cash outflow from investing activities	1,839,625,216.31	1,365,928,633.59
Net cash flows from investing activities	266,702,705.23	108,046,795.81
III. Cash flows arising from financing activities:		
Cash received from absorbing investment		
Cash received from borrowings	10,000,000.00	10,000,000.00
Cash receipts related to other financing activities	18,437,509,464.22	12,559,913,378.52
Subtotal of cash inflow from financing activities	18,447,509,464.22	12,569,913,378.52
Cash repayments for debts	10,000,000.00	10,000,000.00
Cash payments for distribution of dividends, profit or interest expenses	191,576,803.94	153,116,428.79
Cash payments related to other financing activities	17,703,057,206.85	12,723,602,657.57
Subtotal of cash outflow from financing activities	17,904,634,010.79	12,886,719,086.36
Net cash flows from financing activities	542,875,453.43	-316,805,707.84
IV. Effect of foreign exchange rate changes on cash and cash equivalents	-175,994.42	-314,517.97
V. Net increase in cash and cash equivalents	726,558,073.59	-132,111,911.47
Add: Cash and cash equivalents at beginning of the year	1,817,654,598.01	1,776,696,342.87
VI. Cash and cash equivalents at end of year	2,544,212,671.60	1,644,584,431.40

II. Financial statement adjustment

1. Relevant items of the financial statement at beginning of the year when implementing the new financial instrument standards, new revenue standards or new leasing standards since 2019

√ Applicable ☐ Not applicable

Consolidated Balance Sheet

Item	2018-12-31	2019-01-01	Adjustment
Current assets:			
Monetary funds	8,089,781,304.56	8,089,781,304.56	
Settlement provisions			
Capital lent			
Tradable financial assets			
Financial assets measured by fair value and with variation reckoned into current gains/losses			
Derivative financial assets			
Note receivable	1,357,311,929.63	789,536,654.23	-567,775,275.40
Account receivable	9,336,861,647.92	9,336,861,647.92	
Receivable financing		567,775,275.40	567,775,275.40
Advances to suppliers	583,484,515.95	419,443,944.83	-164,040,571.12
Insurance receivable			
Reinsurance receivables			
Contract reserve of reinsurance receivable			
Other receivables	643,493,359.32	643,493,359.32	
Including: Interest receivable	8,223,327.64	8,223,327.64	
Dividend receivable			
Buying back the sale of financial assets			
Inventories	4,389,335,942.19	4,389,335,942.19	
Contractual assets			
Assets held for sale			
Non-current asset due within one year			
Other current assets	95,347,629.18	95,347,629.18	
Total current assets	24,495,616,328.75	24,331,575,757.63	-164,040,571.12
Non-current assets:			

Loans and payments on behalf			
Debt investment			
Finance asset available for sales			
Other debt investment			
Held-to-maturity investment			
Long-term account receivable			
Long-term equity investment	1,880,393,786.10	1,880,393,786.10	
Other equity instruments investment	13,685,760.00	13,685,760.00	
Other non-current financial assets	140,000,000.00	140,000,000.00	
Investment properties	144,894,495.97	144,894,495.97	
Fixed assets	607,933,827.67	594,067,973.91	-13,865,853.76
Construction in progress	36,412,614.61	36,412,614.61	
Productive biological asset			
Oil and gas asset			
Right-of-use assets		1,782,725,159.78	1,782,725,159.78
Intangible assets	319,207,126.15	318,693,082.72	-514,043.43
Expense on Research and Development			
Goodwill	833,547,800.60	833,547,800.60	
Long-term prepaid expenses	311,328,706.46	311,328,706.46	
Deferred tax assets	74,914,209.95	74,914,209.95	
Other non-current asset	72,365,863.71	58,168,919.11	-14,196,944.60
Total non-current asset	4,434,684,191.22	6,188,832,509.21	1,754,148,317.99
Total assets	28,930,300,519.97	30,520,408,266.84	1,590,107,746.87
Current liabilities:			
Short-term borrowings	2,597,652,702.43	2,597,652,702.43	
Loan from central bank			

Capital borrowed			
Transactional financial liability			
Financial liability measured by fair value and with variation reckoned into current gains/losses			
Derivative financial liability			
Note payable	3,416,755,681.80	3,416,755,681.80	
Account payable	6,468,535,961.17	6,468,535,961.17	
Accounts received in advance			
Contractual liability	255,590,612.37	255,590,612.37	
Selling financial asset of repurchase			
Absorbing deposit and interbank deposit			
Security trading of agency			
Security sales of agency			
Employee benefits payable	231,866,407.40	231,866,407.40	
Taxes payable	241,980,412.72	241,980,412.72	
Other account payable	1,539,436,971.93	1,539,436,971.93	
Incl: Interest payable	21,906,660.63	21,906,660.63	
Dividend payable	6,389,320.96	6,389,320.96	
Commission charge and commission payable			
Reinsurance payable			
Liability held for sale			
Non-current liabilities due within one year	5,861,324.37	495,132,751.96	489,271,427.59
Other current liabilities	292,465.75	292,465.75	
Total current liabilities	14,757,972,539.94	15,247,243,967.53	489,271,427.59
Non-current liabilities:			
Insurance contract reserve			

Long-term borrowings	31,600,000.00	31,600,000.00	
Bonds payable			
Including: Preferred stock			
Perpetual capital securities			
Lease liability		1,104,600,297.80	1,104,600,297.80
Long-term payable	4,563,978.52	800,000.00	-3,763,978.52
Long-term employee benefits payable	2,050,000.00	2,050,000.00	
Accrual liability			
Deferred income	91,491,170.40	91,491,170.40	
Deferred tax liabilities	67,605,161.88	67,605,161.88	
Other non-current liabilities	69,241,176.18	69,241,176.18	
Total non-current liabilities	266,551,486.98	1,367,387,806.26	1,100,836,319.28
Total liabilities	15,024,524,026.92	16,614,631,773.79	1,590,107,746.87
Owner's equity:			
Share capital	428,126,983.00	428,126,983.00	
Other equity instrument			
Including: Preferred stock			
Perpetual capital securities			
Capital surplus	4,320,984,981.51	4,320,984,981.51	
Less: Inventory shares			
Other comprehensive income			
Reasonable reserve			
Surplus reserve	214,063,491.50	214,063,491.50	
Provision of general risk			
Retained earnings	6,655,257,147.27	6,655,257,147.27	
Shareholders' equity attributable to shareholders of the parent	11,618,432,603.28	11,618,432,603.28	
Non-controlling	2,287,343,889.77	2,287,343,889.77	

interests			
Total shareholders' equity	13,905,776,493.05	13,905,776,493.05	
Total liabilities and shareholders' equity	28,930,300,519.97	30,520,408,266.84	1,590,107,746.87

Statement of adjustment

Balance Sheet of Parent Company

In RMB

Item	2018-12-31	2019-01-01	Adjustment
Current assets:			
Cash and bank balances	1,817,654,598.01	1,817,654,598.01	
Tradable financial assets			
Financial assets measured by fair value and with variation reckoned into current gains/losses			
Derivative financial assets			
Note receivable	63,870,980.39	34,154,774.75	-29,716,205.64
Account receivable	631,236,593.94	631,236,593.94	
Receivable financing		29,716,205.64	29,716,205.64
Advances to suppliers	4,760,182.00	4,757,318.66	-2,863.34
Other receivable	1,541,980,883.50	1,541,980,883.50	
Including: Interest receivable	7,550,877.07	7,550,877.07	
Dividend receivable			
Inventories	158,166,185.65	158,166,185.65	
Contractual assets			
Assets held for sale			
Non-current assets maturing within one year			
Other current assets	39,482.38	39,482.38	
Total current assets	4,217,708,905.87	4,217,706,042.53	-2,863.34
Non-current assets:			
Debt investment			
Available-for-sale financial assets			

Other debt investment			
Held-to-maturity investments			
Long-term receivables			
Long-term equity investments	7,432,906,692.24	7,432,906,692.24	
Investment in other equity instrument			
Other non-current financial assets	140,000,000.00	140,000,000.00	
Investment properties	1,955,854.46	1,955,854.46	
Fixed assets	21,362,422.03	21,362,422.03	
Construction in progress			
Productive biological assets			
Oil and natural gas assets			
Right-of-use assets		6,827,171.38	6,827,171.38
Intangible assets	2,452,222.51	2,452,222.51	
Research and development costs			
Goodwill			
Long-term deferred expenses	7,481,809.53	7,481,809.53	
Deferred income tax assets			
Other non-current assets	7,000,000.00	7,000,000.00	
Total non-current assets	7,613,159,000.77	7,619,986,172.15	6,827,171.38
Total assets	11,830,867,906.64	11,837,692,214.68	6,824,308.04
Current liabilities:			
Short-term borrowings	539,000,000.00	539,000,000.00	
Transactional financial liability			
Financial liability measured by fair value and with variation reckoned into current gains/losses			

Derivative financial liability			
Notes payable	252,317,800.78	252,317,800.78	
Account payable	442,049,241.22	442,049,241.22	
Accounts received in advance			
Contractual liability	4,182,083.40	4,182,083.40	
Employee benefits payable	36,233,563.12	36,233,563.12	
Taxes payable	13,426,601.90	13,426,601.90	
Other payable	1,481,817,856.56	1,481,817,856.56	
Incl: Interest payable	1,354,592.35	1,354,592.35	
Dividends payable			
Liability held for sale			
Non-current liabilities due within one year		786,068.44	786,068.44
Other current liabilities	226,427.99	226,427.99	
Total current liabilities	2,769,253,574.97	2,770,039,643.41	786,068.44
Non-current liabilities:			
Long-term borrowings	31,600,000.00	31,600,000.00	
Bonds payable			
Including: preferred stock			
Perpetual capital securities			
Lease liabilities		6,038,239.60	6,038,239.60
Long-term payables	800,000.00	800,000.00	
Long-term employee benefits payable	118,000.00	118,000.00	
Accrued liabilities			
Deferred income	1,687,899.50	1,687,899.50	
Deferred tax liabilities	2,298,426.39	2,298,426.39	
Other non-current liabilities			
Total non-current liabilities	36,504,325.89	42,542,565.49	6,038,239.60

Total liabilities	2,805,757,900.86	2,812,582,208.90	6,824,308.04
Owners' equity:			
Share capital	428,126,983.00	428,126,983.00	
Other equity instrument			
Including: preferred stock			
Perpetual capital securities			
Capital surplus	4,426,362,777.26	4,426,362,777.26	
Less: Inventory shares			
Other comprehensive income			
Special reserve			
Surplus reserve	214,063,491.50	214,063,491.50	
Retained earnings	3,956,556,754.02	3,956,556,754.02	
Total shareholders' equity	9,025,110,005.78	9,025,110,005.78	
Total liabilities and shareholders' equity	11,830,867,906.64	11,837,692,214.68	6,824,308.04

Statement of adjustment

2. Explanation on comparative data in the early stage of retroactive adjustment while implemented the new financial instrument standards or new leasing standards since 2019

☐ Applicable ☒ Not applicable

III. Audit report

Whether the 3rd quarterly report has been audited or not

☐ Yes ☒ No

The 3rd quarterly report of the Company has not been audited.

China National Accord Medicines Corporation Ltd.

Legal representative: Lin Zhaoxiong

24 October 2019