



**SHENZHEN SPECIAL ECONOMIC ZONE REAL ESTATE
& PROPERTIES (GROUP) CO., LTD.**

THIRD QUARTER REPORT 2019

2019-075

October 2019

Part I Important Notes

The Board of Directors (or the “Board”), the Supervisory Committee as well as the directors, supervisors and senior management of Shenzhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd. (together with its consolidated subsidiaries, the “Company”, except where the context otherwise requires) hereby guarantee the factuality, accuracy and completeness of the contents of this Report and its summary, and shall be jointly and severally liable for any misrepresentations, misleading statements or material omissions therein.

All the Company’s directors have attended the Board meeting for the review of this Report and its summary.

Zhou Jianguo, chairman of the Company’s Board, Chen Maozheng, the Company’s General Manager, Tang Xiaoping, the Company’s head for financial affairs, and Qiao Yanjun, head of the Company’s financial department (equivalent to financial manager) hereby guarantee that the Financial Statements carried in this Report are factual, accurate and complete.

This Report and its summary have been prepared in both Chinese and English. Should there be any discrepancies or misunderstandings between the two versions, the Chinese versions shall prevail.

Part II Key Corporate Information

I Key Consolidated Financial Information

Indicate by tick mark whether there is any retrospectively restated datum in the table below.

☐ Yes ☒ No

	30 September 2019	31 December 2018	Change (%)	
Total assets (RMB)	5,356,733,785.86	4,665,891,514.25	14.81%	
Equity attributable to the listed company’s shareholders (RMB)	3,567,776,133.53	3,332,259,641.39	7.07%	
	Q3 2019	YoY change (%)	Q1-Q3 2019	YoY change (%)
Operating revenue (RMB)	652,161,755.98	130.78%	1,903,499,558.55	18.96%
Net profit attributable to the listed company’s shareholders (RMB)	106,361,655.99	136.70%	439,517,499.40	17.52%
Net profit attributable to the listed company’s shareholders before exceptional items (RMB)	105,876,740.20	136.54%	438,722,772.58	17.34%
Net cash generated from/used in operating activities (RMB)	--	--	1,041,915,679.29	56.73%
Basic earnings per share (RMB/share)	0.1051	136.71%	0.4345	17.53%
Diluted earnings per share (RMB/share)	0.1051	136.71%	0.4345	17.53%
Weighted average return on equity (%)	3.08%	1.59%	12.74%	0.33%

Exceptional gains and losses:

☒ Applicable ☐ Not applicable

Unit: RMB

Item	Q1-Q3 2019	Note
Gain or loss on disposal of non-current assets (inclusive of impairment allowance write-offs)	-8,109.05	
Non-operating income and expense other than above	1,067,744.81	
Less: Income tax effects	264,908.94	
Total	794,726.82	--

Explanation of why the Company reclassifies as recurrent an exceptional gain/loss item defined or listed in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Exceptional Gain/Loss Items:

☐ Applicable ☒ Not applicable

No such cases for the Reporting Period.

II Total Number of Shareholders and Holdings of Top 10 Shareholders at 30 September 2019

1. Numbers of Ordinary Shareholders and Preferred Shareholders with Resumed Voting Rights as well as Holdings of Top 10 Shareholders

Unit: share

Number of ordinary shareholders		76,443	Number of preferred shareholders with resumed voting rights (if any)		0	
Top 10 shareholders						
Name of shareholder	Nature of shareholder	Shareholding percentage	Number of shares	Restricted shares	Shares in pledge or frozen	
					Status	Shares
Shenzhen Investment Holdings Co., Ltd	State-owned legal person	63.55%	642,884,262			
Shandong Gold Financial Holding Capital Management Co., Ltd. — Shandong Gold Financial Holding Sustaining Fund 1	Domestic non-state-owned legal person	1.02%	10,300,000			
Lu Zhigao	Domestic natural person	0.32%	3,246,949			
Tan Shiqing	Domestic natural person	0.13%	1,286,701			
Yang Shuilian	Domestic natural person	0.13%	1,273,700			
Yang Jianxiong	Domestic natural person	0.12%	1,255,750			
Central Huijin Asset Management Co., Ltd.	State-owned legal person	0.12%	1,165,500			
Peng Wei	Domestic natural person	0.11%	1,129,082			

Wu Haoyuan	Foreign natural person	0.11%	1,109,300			
Guotai Junan Securities (Hong Kong) Limited	Foreign legal person	0.10%	1,015,683			
Top 10 unrestricted shareholders						
Name of shareholder	Unrestricted shares	Shares by type		Type	Shares	
Shenzhen Investment Holdings Co., Ltd	642,884,262	RMB-denominated ordinary stock	642,884,262			
Shandong Gold Financial Holding Capital Management Co., Ltd. — Shandong Gold Financial Holding Sustaining Fund 1	10,300,000	RMB-denominated ordinary stock	10,300,000			
Lu Zhigao	3,246,949	RMB-denominated ordinary stock	3,246,949			
Tan Shiqing	1,286,701	RMB-denominated ordinary stock	1,286,701			
Yang Shuilian	1,273,700	RMB-denominated ordinary stock	1,273,700			
Yang Jianxiong	1,255,750	Domestically listed foreign stock	1,255,750			
Central Huijin Asset Management Co., Ltd.	1,165,500	RMB-denominated ordinary stock	1,165,500			
Peng Wei	1,129,082	RMB-denominated ordinary stock	1,129,082			
Wu Haoyuan	1,109,300	Domestically listed foreign stock	1,109,300			
Guotai Junan Securities (Hong Kong) Limited	1,015,683	Domestically listed foreign stock	1,015,683			
Related or acting-in-concert parties among shareholders above	The Company has found no related parties or acting-in-concert parties as defined in the Administrative Measures for Shareholding Changes in Listed Companies among the shareholders above.					
Top 10 ordinary shareholders involved in securities margin trading (if any)	The fourth shareholder holds all his shares in the Company in his accounts of credit. And the third shareholder holds some of his shares in the Company in such accounts.					

Indicate by tick mark whether any of the top 10 ordinary shareholders or the top 10 unrestricted ordinary shareholders of the Company conducted any promissory repo during the Reporting Period.

☐ Yes ☒ No

No such cases in the Reporting Period.

2. Number of Preferred Shareholders and Shareholdings of Top 10 of Them

☐ Applicable ☒ Not applicable

Part III Significant Events

I Changes in Key Consolidated Financial Statement Line Items and Explanation of why

√ Applicable □ Not applicable

Key income statement items	Q1~Q3 2019	Q1~Q3 2018	Change (%)	Explanation of why
Operating revenue	1,903,499,558.55	1,600,129,891.28	18.96%	Rise in property sales
Taxes and surcharges	582,491,558.12	316,767,417.97	83.89%	Withdrawal of taxes
Selling expense	49,974,829.49	41,241,971.51	21.17%	Rise in sales agent fees and commissions for sale
Investment income	13,914,978.88	827,100.00	1,582.38%	Rise in wealth management income from structured deposits
Key cash flow statement items	Q1~Q3 2019	Q1~Q3 2018	Change (%)	Explanation of why
Net cash generated from/used in operating activities	1,041,915,679.29	664,798,431.71	56.73%	Rise in funds returned of property sales
Net cash generated from/used in investing activities	-388,654,134.68	-599,463,465.47	35.17%	Increase/decrease in purchase of six-month bank structured deposit
Net cash generated from/used in financing activities	-204,332,000.00	-136,127,057.86	-50.10%	Payment of 2018 annual dividend
Key balance sheet items	30 September 2019	31 December 2018	Change (%)	Explanation of why
Other current assets	1,376,743,413.84	6,780,999.56	20,202.96%	Purchase of six-month bank structured deposit of RMB1.3 billion
Short-term borrowings	50,540,833.79	17,260,103.46	192.82%	Rise in commercial acceptance bill discounting and the use of such bills as pledge for loans by Shenzhen Zhentong Engineering Co., Ltd.
Advances from customers	409,595,478.21	156,426,152.86	161.85%	Rise in property presales
Taxes payable	650,486,840.43	300,547,372.98	116.43%	Withdrawal of land VAT

II Progress, Influence and Solutions Associated with Significant Events

√ Applicable □ Not applicable

Since the controlling shareholder of the Company is planning a significant event that involves the Company, upon the application to the Shenzhen Stock Exchange, trading in the stocks of the Company (A-stock under the name of “SPG” and the code of “000029”; B-stock under the name of “SPG-B” and the code of “200029”) was suspended starting from the opening of 14 September 2016. The Company disclosed the *Announcement on Share Trading Suspension due to Planning of Significant Event* (No. 2016-022), the *Announcement on Continued Share Trading Suspension due to Planning of Significant Event* (No. 2016-023) and the *Announcement on Continued Share Trading Suspension due to Planning of Significant Event* (No. 2016-024) on 14 September 2016, 22 September 2016 and 29 September 2016, respectively. Upon ascertainment, the event constituted a material asset restructuring. The Company disclosed the *Announcement on Share Trading Suspension due to Planning of Major Assets Restructuring* (No. 2016-025) on 30 September 2016 and the *Announcement on Signing Cooperation Agreement on Restructuring and Listing* (No. 2016-027) on 10 October 2016.

The Company convened the 33rd Meeting of the 7th Board of the Directors on 11 November 2016, which the *Proposal on Continued Share Trading Suspension due to Planning of Major Assets Restructuring* was reviewed and approved. For details, see the *Announcement on Continued Share Trading Suspension after Expiration of Period of Share Trading Suspension due to Planning of Major Assets Restructuring* (No. 2016-039) disclosed on 14 November 2016.

The Company convened the 1st Extraordinary General Meeting of 2016 on 12 December 2016, on which the *Proposal on Continued Share Trading Suspension due to Planning of Major Assets Restructuring* was reviewed and approved. For details, see the *Announcement on Application for Continued Share Trading Suspension after Expiration of Period of Share Trading Suspension due to Planning of Major Assets Restructuring* (No. 2016-047) disclosed on 13 December 2016.

The Company held an online illustration meeting to investors on 10 March 2017, communicating this major assets restructuring with them and answering questions that they were generally concerned about with the information allowed to be disclosed. For details, see the *Announcement on Online Illustration Meeting to Investors* (No. 2017-012) disclosed on 11 March 2017.

To ensure the smooth progress of this major assets restructuring, prevent abnormal fluctuations in the prices of its stocks and protect the rights and interests of its non-controlling interests, the Company has applied to the Shenzhen Stock Exchange for continued share trading suspension for no more than 1 month as of 14 October 2019. For details, see the *Announcement on Delay of Share Trading Resumption due to the Major Assets Restructuring in Planning* (No. 2019-069) disclosed on 14 October 2019.

During the share trading suspension period, the Company shall disclose the progress of this major assets restructuring at least every five trading days in strict accordance with the requirements of applicable laws and regulations. At present, this major assets restructuring is proceeding smoothly.

This major assets restructuring is subject to great uncertainty. Therefore, investors are kindly reminded to pay attention to possible investment risk.

Summary of the significant event	Disclosure date	Index to the related announcement
Delay of share trading resumption due to the major assets restructuring	14 October 2019	<i>Announcement on Delay of Share Trading Resumption due to the Major Assets Restructuring in Planning</i> disclosed on www.cninfo.com.cn

Progress of any share repurchase:

☐ Applicable ☒ Not applicable

Progress of any reduction of the repurchased shares through centralized bidding:

☐ Applicable ☒ Not applicable

III Commitments that the Company's Actual Controller, Shareholders, Related Parties, Acquirers, the Company Itself or Other Parties, Failed to Fulfill on Time during the Reporting Period

☐ Applicable ☒ Not applicable

No such cases in the Reporting Period.

IV Securities Investments

☐ Applicable ☒ Not applicable

No such cases in the Reporting Period.

V Wealth Management Entrustment

☒ Applicable ☐ Not applicable

Unit: RMB'0,000 (in RMB ten thousand yuan)

Type of wealth management	Funding source	Principal	Outstanding amount before maturity	Overdue amount
Wealth management product purchased from bank	Idly self-funded	130,000	130,000	0
Total		130,000	130,000	0

High-risk wealth management entrustments with amounts that are individually significant, or with low security, low liquidity, or no protection of the principal:

☐ Applicable ☒ Not applicable

Wealth management entrustments with possible impairments including an expectedly unrecoverable principal:

☐ Applicable ☒ Not applicable

VI Investments in Derivative Financial Instruments

☐ Applicable ☒ Not applicable

No such cases in the Reporting Period.

VII Communications with the Investment Community such as Researches, Inquiries and Interviews during the Reporting Period

√ Applicable □ Not applicable

Date	Way of communication	Type of communication party	Index to main information communicated
4 July 2019	By phone	Individual	Inquired of semi-annual operating conditions of the Company, the progress of assets restructuring and the expected time for share trading resumption, and didn't offer written materials
24 July 2019	By phone	Individual	Inquired of the progress of assets restructuring and the time for share trading resumption, and didn't offer written materials
5 August 2019	By phone	Individual	Inquired of the progress of assets restructuring, time for share trading resumption, the estimated disclosed time of interim report, and didn't offer written materials
12 September 2019	By phone	Individual	Inquired of the progress of assets restructuring and the time for share trading resumption, and didn't offer written materials
18 September 2019	By phone	Individual	Inquired of the progress of assets restructuring and the time for share trading resumption, and didn't offer written materials
30 September 2019	By phone	Individual	Inquired of the progress of assets restructuring, the operating conditions of the Company and the estimated disclosed time of third quarter report, and didn't offer written materials

VIII Irregularities in Provision of Guarantees for External Parties

□ Applicable √ Not applicable

No such cases in the Reporting Period.

IX Occupation of the Company's Capital by Controlling Shareholder or Its Related Parties for Non-Operating Purposes

□ Applicable √ Not applicable

No such cases in the Reporting Period.

Part IV Financial Statements

I Financial Statements

1. Consolidated Balance Sheet

Prepared by ShenZhen Special Economic Zone Real Estate & Properties (Group) Co., Ltd.

30 September 2019

Unit: RMB

Item	30 September 2019	31 December 2018
Current assets:		
Monetary capital	1,596,992,324.87	2,048,522,435.93
Settlement reserve		
Interbank loans granted		
Trading financial assets		
Financial assets at fair value through profit or loss		
Derivative financial assets		
Notes receivable		
Accounts receivable	4,617,431.10	18,166,888.19
Accounts receivable financing	50,540,833.79	15,260,103.46
Prepayments	4,258,825.79	4,177,767.88
Premiums receivable		
Reinsurance receivables		
Receivable reinsurance contract reserve		
Other receivables	48,847,322.80	45,018,027.61
Including: Interests receivable		2,453,067.78
Dividends receivable	1,052,192.76	1,052,192.76
Financial assets purchased under resale agreements		
Inventories	1,535,048,270.34	1,685,152,051.26
Contractual assets		
Assets classified as held for sale		
Current portion of non-current assets		

Other current assets	1,376,743,413.84	6,780,999.56
Total current assets	4,617,048,422.53	3,823,078,273.89
Non-current assets:		
Loans and advances to customers		
Investments in debt obligations		
Available-for-sale financial assets		
Investments in other debt obligations		
Held-to-maturity investments		
Long-term receivables		
Long-term equity investments	12,561,107.24	12,561,107.24
Investments in other equity instruments	17,464,240.74	17,464,240.74
Other non-current financial assets		
Investment property	606,216,103.06	623,930,838.15
Fixed assets	30,722,640.76	33,926,198.52
Construction in progress		
Productive living assets		
Oil and gas assets		
Right-of-use assets		
Intangible assets		
R&D expense		
Goodwill		
Long-term prepaid expense	237,604.04	387,066.91
Deferred income tax assets	72,483,667.49	154,543,788.80
Other non-current assets		
Total non-current assets	739,685,363.33	842,813,240.36
Total assets	5,356,733,785.86	4,665,891,514.25
Current liabilities:		
Short-term borrowings	50,540,833.79	17,260,103.46
Borrowings from central bank		
Interbank loans obtained		
Trading financial liabilities		
Financial liabilities at fair value through profit or loss		
Derivative financial liabilities		

Notes payable		
Accounts payable	102,124,885.10	216,758,906.71
Advances from customers	409,595,478.21	156,426,152.86
Contractual liabilities		
Financial assets sold under repurchase agreements		
Customer deposits and interbank deposits		
Payables for acting trading of securities		
Payables for underwriting of securities		
Payroll payable	50,007,436.05	45,836,830.05
Taxes payable	650,486,840.43	300,547,372.98
Other payables	651,191,058.48	721,819,898.48
Including: Interest payable	16,535,277.94	16,535,277.94
Dividends payable		
Handling charges and commissions payable		
Reinsurance payable		
Liabilities directly associated with assets classified as held for sale		
Current portion of non-current liabilities		
Other current liabilities		
Total current liabilities	1,913,946,532.06	1,458,649,264.54
Non-current liabilities:		
Insurance contract reserve		
Long-term borrowings		
Bonds payable		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities		
Long-term payables	7,228,924.42	6,507,139.20
Long-term payroll payable		
Provisions		
Deferred income		

Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	7,228,924.42	6,507,139.20
Total liabilities	1,921,175,456.48	1,465,156,403.74
Owners' equity:		
Share capital	1,011,660,000.00	1,011,660,000.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserves	978,244,910.11	978,244,910.11
Less: Treasury stock		
Other comprehensive income	8,895,378.71	10,564,385.97
Specific reserve		
Surplus reserves	95,906,222.59	95,906,222.59
General reserve		
Retained earnings	1,473,069,622.12	1,235,884,122.72
Total equity attributable to owners of the Company as the parent	3,567,776,133.53	3,332,259,641.39
Non-controlling interests	-132,217,804.15	-131,524,530.88
Total owners' equity	3,435,558,329.38	3,200,735,110.51
Total liabilities and owners' equity	5,356,733,785.86	4,665,891,514.25

Legal representative: Zhou Jianguo

Head for financial affairs: Tang Xiaoping

Head of the financial department: Qiao Yanjun

2. Balance Sheet of the Company as the Parent

Unit: RMB

Item	30 September 2019	31 December 2018
Current assets:		
Monetary capital	1,115,908,985.50	1,344,486,378.53
Trading financial assets		
Financial assets at fair value through profit or loss		
Derivative financial assets		
Notes receivable		

Accounts receivable	4,525,949.25	5,164,795.67
Accounts receivable financing		
Prepayments	200,000.00	200,000.00
Other receivables	832,710,786.71	770,374,849.84
Including: Interests receivable		2,380,301.11
Dividends receivable		
Inventories	459,920,302.31	543,912,100.37
Contractual assets		
Assets classified as held for sale		
Current portion of non-current assets		
Other current assets	1,300,411,933.22	215,745.41
Total current assets	3,713,677,956.99	2,664,353,869.82
Non-current assets:		
Investments in debt obligations		
Available-for-sale financial assets		
Investments in other debt obligations		
Held-to-maturity investments		
Long-term receivables		
Long-term equity investments	235,284,776.57	235,284,776.57
Investments in other equity instruments	12,000,000.00	12,000,000.00
Other non-current financial assets		
Investment property	495,010,020.93	511,040,299.65
Fixed assets	20,120,995.57	21,942,842.11
Construction in progress		
Productive living assets		
Oil and gas assets		
Right-of-use assets		
Intangible assets		
R&D expense		
Goodwill		
Long-term prepaid expense	208,098.37	346,015.72
Deferred income tax assets	16,699,980.23	16,699,980.23
Other non-current assets		

Total non-current assets	779,323,871.67	797,313,914.28
Total assets	4,493,001,828.66	3,461,667,784.10
Current liabilities:		
Short-term borrowings		
Trading financial liabilities		
Financial liabilities at fair value through profit or loss		
Derivative financial liabilities		
Notes payable		
Accounts payable	11,094,133.23	16,743,360.96
Advances from cu	233,432,577.05	22,035,608.45
Contractual liabilities		
Payroll payable	27,646,915.84	19,687,728.50
Taxes payable	632,866,442.01	144,621,616.85
Other payables	197,866,802.45	594,392,900.98
Including: Interests payable	16,535,277.94	16,535,277.94
Dividends payable		
Liabilities directly associated with assets classified as held for sale		
Current portion of non-current liabilities		
Other current liabilities		
Total current liabilities	1,102,906,870.58	797,481,215.74
Non-current liabilities:		
Long-term borrowings		
Bonds payable		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities		
Long-term payables		
Long-term payroll payable		
Provisions		
Deferred income		
Deferred income tax liabilities		
Other non-current liabilities		

Total non-current liabilities		
Total liabilities	1,102,906,870.58	797,481,215.74
Owners' equity:		
Share capital	1,011,660,000.00	1,011,660,000.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserves	964,711,931.13	964,711,931.13
Less: Treasury stock		
Other comprehensive income		
Specific reserve		
Surplus reserves	72,776,609.18	72,776,609.18
Retained earnings	1,340,946,417.77	615,038,028.05
Total owners' equity	3,390,094,958.08	2,664,186,568.36
Total liabilities and owners' equity	4,493,001,828.66	3,461,667,784.10

3. Consolidated Income Statement for Q3

Unit: RMB

Item	Q3 2019	Q3 2018
1. Revenue	652,161,755.98	282,588,259.93
Including: Operating revenue	652,161,755.98	282,588,259.93
Interest income	0.00	0.00
Premium income	0.00	0.00
Handling charge and commission income	0.00	0.00
2. Operating costs and expenses	508,167,839.25	220,922,105.26
Including: Cost of sales	225,926,024.78	166,327,629.97
Interest expense	0.00	0.00
Handling charge and commission expense	0.00	0.00
Surrenders	0.00	0.00
Net claims paid	0.00	0.00
Net amount provided as insurance contract reserve	0.00	0.00
Expenditure on policy dividends	0.00	0.00

Reinsurance premium expense	0.00	0.00
Taxes and surcharges	242,162,059.26	39,426,927.21
Selling expense	31,500,769.16	4,074,837.74
Administrative expense	12,335,872.01	12,770,414.32
R&D expense	0.00	0.00
Finance costs	-3,756,885.96	-1,677,703.98
Including: Interest expense		799,841.10
Interest income	3,166,663.05	2,555,154.36
Add: Other income	0.00	0.00
Investment income (“-” for loss)	-373,119.67	0.00
Including: Share of profit or loss of joint ventures and associates	0.00	0.00
Derecognition income of financial assets measured at amortized cost	0.00	0.00
Foreign exchange gain (“-” for loss)	-351,902.84	521,899.87
Net gain on exposure hedges (“-” for loss)	0.00	0.00
Gain on changes in fair value (“-” for loss)	0.00	0.00
Credit impairment loss (“-” for loss)	0.00	0.00
Assets impairment loss (“-” for loss)	0.00	0.00
Asset disposal income (“-” for loss)	-8,109.05	-19,206.48
3. Operating profit (“-” for loss)	143,260,785.17	62,168,848.06
Add: Non-operating income	815,092.19	421,906.22
Less: Non-operating expense	107,300.67	151,583.73
4. Profit before tax (“-” for loss)	143,968,576.69	62,439,170.55
Less: Income tax expense	37,567,074.64	17,457,900.83
5. Net profit (“-” for net loss)	106,401,502.05	44,981,269.72
5.1 By operating continuity		
5.1.1 Net profit from continuing operations (“-” for net loss)	106,401,502.05	44,981,269.72

5.1.2 Net profit from discontinued operations (“-” for net loss)	0.00	0.00
5.2 By ownership		
5.2.1 Net profit attributable to owners of the Company as the parent	106,361,655.99	44,934,281.00
5.2.2 Net profit attributable to non-controlling interests	39,846.06	46,988.72
6. Other comprehensive income, net of tax	-2,506,066.59	-3,127,250.66
Attributable to owners of the Company as the parent	-1,754,246.62	-2,189,075.46
6.1 Items that will not be reclassified to profit or loss	0.00	0.00
6.1.1 Changes in net liabilities or assets caused by remeasurements on defined benefit pension schemes	0.00	0.00
6.1.2 Share of other comprehensive income of investees that will not be reclassified to profit or loss under equity method	0.00	0.00
6.1.3 Changes in the fair value of investments in other equity instruments	0.00	0.00
6.1.4 Changes in the fair value of the company’s credit risks	0.00	0.00
6.1.5 Other	0.00	0.00
6.2 Items that may subsequently be reclassified to profit or loss	-1,754,246.62	-2,189,075.46
6.2.1 Share of other comprehensive income of investees that will be reclassified to profit or loss under equity method	0.00	0.00
6.2.2 Changes in the fair value of investments in other debt obligations	0.00	0.00
6.2.3 Gain/Loss on changes in the fair value of available-for-sale financial assets	0.00	0.00
6.2.4 Other comprehensive income arising from the reclassification of financial assets	0.00	0.00
6.2.5 Gain/Loss arising from the reclassification of held-to-maturity investments to available-for-sale financial assets	0.00	0.00

6.2.6 Allowance for credit impairments in investments in other debt obligations	0.00	0.00
6.2.7 Reserve for cash flow hedges	0.00	0.00
6.2.8 Differences arising from the translation of foreign currency-denominated financial statements	-1,754,246.62	-2,189,075.46
6.2.9 Other	0.00	0.00
Attributable to non-controlling interests	-751,819.97	-938,175.20
7. Total comprehensive income	103,895,435.46	41,854,019.06
Attributable to owners of the Company as the parent	104,607,409.37	42,745,205.54
Attributable to non-controlling interests	-711,973.91	-891,186.48
8. Earnings per share		
8.1 Basic earnings per share	0.1051	0.0444
8.2 Diluted earnings per share	0.1051	0.0444

Where business combinations under common control occurred in the current period, the net profit achieved by the acquirees before the combinations was RMB0.00, with the amount for the same period of last year being RMB0.00.

Legal representative: Zhou Jianguo

Head for financial affairs: Tang Xiaoping

Head of the financial department: Qiao Yanjun

4. Income Statement of the Company as the Parent for Q3

Unit: RMB

Item	Q3 2019	Q3 2018
1. Operating revenue	457,189,896.78	14,863,056.88
Less: Cost of sales	68,196,735.27	6,069,598.33
Taxes and surcharges	230,200,579.16	1,897,242.49
Selling expense	24,802,601.53	456,770.95
Administrative expense	5,178,201.72	3,578,442.56
R&D expense	0.00	0.00
Finance costs	-13,883,609.15	-14,104,390.04
Including: Interest expense		434,797.18
Interest income	9,068,023.21	7,303,315.43

Add: Other income	0.00	0.00
Investment income (“-” for loss)	-373,119.67	0.00
Including: Share of profit or loss of joint ventures and associates	0.00	0.00
Derecognition income of financial assets measured at amortized cost	0.00	0.00
Net gain on exposure hedges (“-” for loss)	0.00	0.00
Gain on changes in fair value (“-” for loss)	0.00	0.00
Credit impairment loss (“-” for loss)	0.00	0.00
Assets impairment loss (“-” for loss)	0.00	0.00
Asset disposal income (“-” for loss)	0.00	-13,299.25
2. Operating profit (“-” for loss)	142,322,268.58	16,952,093.34
Add: Non-operating income	418,858.34	0.04
Less: Non-operating expense	30,000.00	86,700.75
3. Profit before tax (“-” for loss)	142,711,126.92	16,865,392.63
Less: Income tax expense	35,721,721.55	4,252,167.10
4. Net profit (“-” for net loss)	106,989,405.37	12,613,225.53
4.1 Net profit from continuing operations (“-” for net loss)	106,989,405.37	12,613,225.53
4.2 Net profit from discontinued operations (“-” for net loss)	0.00	0.00
5. Other comprehensive income, net of tax	0.00	0.00
5.1 Items that will not be reclassified to profit or loss	0.00	0.00
5.1.1 Changes in net liabilities or assets caused by remeasurements on defined benefit pension schemes	0.00	0.00
5.1.2 Other comprehensive income that will not be reclassified to profit or loss under the equity method	0.00	0.00
5.1.3 Changes in the fair value of investments in other equity instruments	0.00	0.00

5.1.4 Changes in the fair value of the company's credit risks	0.00	0.00
5.1.5 Other	0.00	0.00
5.2 Items that may subsequently be reclassified to profit or loss	0.00	0.00
5.2.1 Share of other comprehensive income of investees that will be reclassified to profit or loss under equity method	0.00	0.00
5.2.2 Changes in the fair value of investments in other debt obligations	0.00	0.00
5.2.3 Gain/Loss on changes in the fair value of available-for-sale financial assets	0.00	0.00
5.2.4 Other comprehensive income arising from the reclassification of financial assets	0.00	0.00
5.2.5 Gain/Loss arising from the reclassification of held-to-maturity investments to available-for-sale financial assets	0.00	0.00
5.2.6 Allowance for credit impairments in investments in other debt obligations	0.00	0.00
5.2.7 Reserve for cash flow hedges	0.00	0.00
5.2.8 Differences arising from the translation of foreign currency-denominated financial statements	0.00	0.00
5.2.9 Other	0.00	0.00
6. Total comprehensive income	106,989,405.37	12,613,225.53
7. Earnings per share		
7.1 Basic earnings per share	0.1058	0.0125
7.2 Diluted earnings per share	0.1058	0.0125

5. Consolidated Income Statement for Q1~Q3

Unit: RMB

Item	Q1~Q3 2019	Q1~Q3 2018
1. Revenue	1,903,499,558.55	1,600,129,891.28
Including: Operating revenue	1,903,499,558.55	1,600,129,891.28

Interest income		
Premium income		
Handling charge and commission income		
2. Operating costs and expenses	1,328,285,886.90	1,098,971,752.95
Including: Cost of sales	663,054,001.03	706,745,121.38
Interest expense		
Handling charge and commission expense		
Surrenders		
Net claims paid		
Net amount provided as policy reserve		
Expenditure on policy dividends		
Reinsurance premium expense		
Taxes and surcharges	582,491,558.12	316,767,417.97
Selling expense	49,974,829.49	41,241,971.51
Administrative expense	43,148,643.34	44,506,615.17
R&D expense		
Finance costs	-10,383,145.08	-10,289,373.08
Including: Interest expense		3,817,172.20
Interest income	10,790,216.10	14,324,520.82
Add: Other income		
Investment income ("-" for loss)	13,914,978.88	827,100.00
Including: Share of profit or loss of joint ventures and associates		
Derecognition income of financial assets measured at amortized cost		
Foreign exchange gain ("-" for loss)	-351,902.84	521,899.87
Net gain on exposure hedges ("-" for loss)		
Gain on changes in fair value ("-" for loss)		

for loss)		
Credit impairment loss (“-” for loss)		
Assets impairment loss (“-” for loss)		
Asset disposal income (“-” for loss)	-8,109.05	-19,206.48
3. Operating profit (“-” for loss)	588,768,638.64	502,487,931.72
Add: Non-operating income	1,178,801.30	517,741.45
Less: Non-operating expense	111,056.49	351,137.06
4. Profit before tax (“-” for loss)	589,836,383.45	502,654,536.11
Less: Income tax expense	150,296,868.50	128,627,618.11
5. Net profit (“-” for net loss)	439,539,514.95	374,026,918.00
5.1 By operating continuity (“-” for net loss)		
5.1.1 Net profit from continuing operations (“-” for net loss)	439,539,514.95	374,026,918.00
5.1.2 Net profit from discontinued operations (“-” for net loss)		
5.2 By ownership		
5.2.1 Net profit attributable to owners of the Company as the parent	439,517,499.40	374,000,365.53
5.2.2 Net profit attributable to non-controlling interests	22,015.55	26,552.47
6. Other comprehensive income, net of tax	-2,384,296.08	-3,821,947.76
Attributable to owners of the Company as the parent	-1,669,007.26	-2,675,363.43
6.1 Items that will not be reclassified to profit or loss		
6.1.1 Changes in net liabilities or assets caused by remeasurements on defined benefit pension schemes		
6.1.2 Share of other comprehensive income of investees that will not be reclassified to profit or loss under equity method		
6.1.3 Changes in the fair value of investments in other equity instruments		

6.1.4 Changes in the fair value of the company's credit risks		
6.1.5 Other		
6.2 Items that may subsequently be reclassified to profit or loss	-1,669,007.26	-2,675,363.43
6.2.1 Share of other comprehensive income of investees that will be reclassified to profit or loss under equity method		
6.2.2 Changes in the fair value of investments in other debt obligations		
6.2.3 Gain/Loss on changes in fair value of available-for-sale financial assets		
6.2.4. Other comprehensive income arising from the reclassification of financial assets		
6.2.5 Gain/Loss arising from reclassification of held-to-maturity investments to available-for-sale financial assets		
6.2.6 Allowance for credit impairments in investments in other debt obligations		
6.2.7 Reserve for cash flow hedges		
6.2.8 Differences arising from translation of foreign currency-denominated financial statements	-1,669,007.26	-2,675,363.43
6.2.9 Other		
Attributable to non-controlling interests	-715,288.82	-1,146,584.33
7. Total comprehensive income	437,155,218.87	370,204,970.24
Attributable to owners of the Company as the parent	437,848,492.14	371,325,002.10
Attributable to non-controlling interests	-693,273.27	-1,120,031.86
8. Earnings per share		
8.1 Basic earnings per share	0.4345	0.3697
8.2 Diluted earnings per share	0.4345	0.3697

Where business combinations under common control occurred in the current period, the net profit achieved by the acquirees before the combinations was RMB0.00, with the amount for the same period of last year being RMB0.00.

Legal representative: Zhou Jianguo

Head for financial affairs: Tang Xiaoping

Head of the financial department: Qiao Yanjun

6. Income Statement of the Company as the Parent for Q1~Q3

Unit: RMB

Item	Q1~Q3 2019	Q1~Q3 2018
1. Operating revenue	1,285,592,972.89	44,850,524.39
Less: Cost of sales	193,563,436.58	18,653,268.07
Taxes and surcharges	535,792,470.89	5,552,046.60
Selling expense	37,021,750.96	1,364,929.87
Administrative expense	18,171,868.82	14,472,955.77
R&D expense		
Finance costs	-30,376,728.80	-37,598,949.66
Including: Interest expense		2,163,250.22
Interest income	26,525,418.74	31,630,411.09
Add: Other income		
Investment income ("-" for loss)	532,615,110.52	827,100.00
Including: Share of profit or loss of joint ventures and associates		
Derecognition income of financial assets measured at amortized cost		
Net gain on exposure hedges ("-" for loss)		
Gain on changes in fair value ("-" for loss)		
Credit impairment loss ("-" for loss)		
Assets impairment loss ("-" for loss)		
Asset disposal income ("-" for loss)		-13,299.25
2. Operating profit ("-" for loss)	1,064,035,284.96	43,220,074.49

Add: Non-operating income	548,037.48	34,352.63
Less: Non-operating expense	30,000.00	230,000.00
3. Profit before tax (“-” for loss)	1,064,553,322.44	43,024,427.12
Less: Income tax expense	136,312,932.72	10,590,853.86
4. Net profit (“-” for net loss)	928,240,389.72	32,433,573.26
4.1 Net profit from continuing operations (“-” for net loss)	928,240,389.72	32,433,573.26
4.2 Net profit from discontinued operations (“-” for net loss)		
5. Other comprehensive income, net of tax		
5.1 Items that will not be reclassified to profit or loss		
5.1.1 Changes in net liabilities or assets caused by remeasurements on defined benefit pension schemes		
5.1.2 Share of other comprehensive income of investees that will not be reclassified to profit or loss under equity method		
5.1.3 Changes in the fair value of investments in other debt obligations		
5.1.4 Changes in the fair value of the company’s credit risks		
5.1.5 Other		
5.2 Items that may subsequently be reclassified to profit or loss		
5.2.1 Share of other comprehensive income of investees that will be reclassified to profit or loss under equity method		
5.2.2 Changes in the fair value of investments in other debt obligations		
5.2.3 Gain/Loss on changes in fair value of available-for-sale financial assets		
5.2.4 Other comprehensive income arising from the reclassification of financial assets		
5.2.5 Gain/Loss arising from		

reclassification of held-to-maturity investments to available-for-sale financial assets		
5.2.6 Allowance for credit impairments in investments in other debt obligations		
5.2.7 Reserve for cash flow hedges		
5.2.8 Differences arising from translation of foreign currency-denominated financial statements		
5.2.9 Other		
6. Total comprehensive income	928,240,389.72	32,433,573.26
7. Earnings per share		
7.1 Basic earnings per share	0.9175	0.0321
7.2 Diluted earnings per share	0.9175	0.0321

7. Consolidated Cash Flow Statement for Q1~Q3

Unit: RMB

Item	Q1~Q3 2019	Q1~Q3 2018
1. Cash flows from operating activities:		
Proceeds from sale of commodities and rendering of services	2,212,532,294.20	1,605,041,920.88
Net increase in customer deposits and interbank deposits		
Net increase in borrowings from central bank		
Net increase in loans from other financial institutions		
Premiums received on original insurance contracts		
Net proceeds from reinsurance		
Net increase in deposits and investments of policy holders		
Interest, handling charges and commissions received		
Net increase in interbank loans obtained		
Net increase in proceeds from repurchase transactions		

Net proceeds from acting trading of securities		
Tax rebates	39,473.00	76,431.00
Cash generated from other operating activities	62,546,726.84	59,337,154.87
Subtotal of cash generated from operating activities	2,275,118,494.04	1,664,455,506.75
Payments for commodities and services	503,898,254.63	558,011,313.21
Net increase in loans and advances to customers		
Net increase in deposits in central bank and in interbank loans granted		
Payments for claims on original insurance contracts		
Net increase in interbank loans granted		
Interest, handling charges and commissions paid		
Policy dividends paid		
Cash paid to and for employees	106,766,698.72	97,813,296.51
Taxes paid	522,837,883.22	241,207,281.47
Cash used in other operating activities	99,699,978.18	102,625,183.85
Subtotal of cash used in operating activities	1,233,202,814.75	999,657,075.04
Net cash generated from/used in operating activities	1,041,915,679.29	664,798,431.71
2. Cash flows from investing activities:		
Proceeds from disinvestment	900,000,000.00	
Investment income	11,365,734.25	827,100.00
Net proceeds from disposal of fixed assets, intangible assets and other long-lived assets	118,900.00	
Net proceeds from disposal of subsidiaries or other business units		
Cash generated from other investing activities		
Subtotal of cash generated from investing activities	911,484,634.25	827,100.00
Payments for acquisition of fixed	138,768.93	290,565.47

assets, intangible assets and other long-lived assets		
Payments for investments		
Net increase in pledged loans granted		
Net payments for acquisition of subsidiaries and other business units		
Cash used in other investing activities	1,300,000,000.00	600,000,000.00
Subtotal of cash used in investing activities	1,300,138,768.93	600,290,565.47
Net cash generated from/used in investing activities	-388,654,134.68	-599,463,465.47
3. Cash flows from financing activities:		
Capital contributions received		
Including: Capital contributions by non-controlling interests to subsidiaries		
Increase in borrowings obtained		2,000,000.00
Cash generated from other financing activities		
Subtotal of cash generated from financing activities	0.00	2,000,000.00
Repayment of borrowings	2,000,000.00	135,786,600.00
Payments for interest and dividends	202,332,000.00	2,340,457.86
Including: Dividends paid by subsidiaries to non-controlling interests		
Cash used in other financing activities		
Subtotal of cash used in financing activities	204,332,000.00	138,127,057.86
Net cash generated from/used in financing activities	-204,332,000.00	-136,127,057.86
4. Effect of foreign exchange rate changes on cash and cash equivalents	-459,655.67	366,593.43
5. Net increase in cash and cash equivalents	448,469,888.94	-70,425,498.19
Add: Cash and cash equivalents, beginning of the period	1,148,522,435.93	1,265,767,290.57
6. Cash and cash equivalents, end of the period	1,596,992,324.87	1,195,341,792.38

8. Cash Flow Statement of the Company as the Parent for Q1~Q3

Unit: RMB

Item	Q1~Q3 2019	Q1~Q3 2018
1. Cash flows from operating activities:		
Proceeds from sale of commodities and rendering of services	1,469,696,209.60	50,519,310.84
Tax rebates	39,473.00	76,431.00
Cash generated from other operating activities	29,139,180.19	558,131,067.59
Subtotal of cash generated from operating activities	1,498,874,862.79	608,726,809.43
Payments for commodities and services	76,648,788.23	98,788,937.22
Cash paid to and for employees	27,909,601.83	23,664,067.51
Taxes paid	258,333,159.45	19,277,387.12
Cash used in other operating activities	4,324,652.42	49,597,541.55
Subtotal of cash used in operating activities	367,216,201.93	191,327,933.40
Net cash generated from/used in operating activities	1,131,658,660.86	417,398,876.03
2. Cash flows from investing activities:		
Proceeds from disinvestment	900,000,000.00	
Investment income	142,838,563.97	827,100.00
Net proceeds from disposal of fixed assets, intangible assets and other long-lived assets		
Net proceeds from disposal of subsidiaries or other business units		
Cash generated from other investing activities		
Subtotal of cash generated from investing activities	1,042,838,563.97	827,100.00
Payments for acquisition of fixed assets, intangible assets and other long-lived assets	65,810.00	119,374.00
Payments for investments		
Net payments for acquisition of subsidiaries and other business units		
Cash used in other investing	1,300,000,000.00	600,000,000.00

activities		
Subtotal of cash used in investing activities	1,300,065,810.00	600,119,374.00
Net cash generated from/used in investing activities	-257,227,246.03	-599,292,274.00
3. Cash flows from financing activities:		
Capital contributions received		
Increase in borrowings obtained		
Cash generated from other financing activities		
Subtotal of cash generated from financing activities		
Repayment of borrowings		114,886,600.00
Payments for interest and dividends	202,332,000.00	1,883,272.84
Cash used in other financing activities		
Subtotal of cash used in financing activities	202,332,000.00	116,769,872.84
Net cash generated from/used in financing activities	-202,332,000.00	-116,769,872.84
4. Effect of foreign exchange rate changes on cash and cash equivalents	-676,807.86	-13,487.07
5. Net increase in cash and cash equivalents	671,422,606.97	-298,676,757.88
Add: Cash and cash equivalents, beginning of the period	444,486,378.53	726,801,673.89
6. Cash and cash equivalents, end of the period	1,115,908,985.50	428,124,916.01

II Adjustments to the Financial Statements

1. Adjustments to the Financial Statements at the Beginning of the Execution of any New Standards Governing Financial Instruments, Revenue or Leases from 2019

☐ Applicable ☒ Not applicable

2. Retrospective Restatement of Previous Comparative Data due to the Execution of any New Standards Governing Financial Instruments or Leases from 2019

☐ Applicable ☒ Not applicable

III Independent Auditor's Report

Indicate by tick mark whether the financial statements above have been audited by an independent auditor.

☐ Yes ☒ No

These financial statements have not been audited by such an auditor.