



Bengang Steel Plates Co., Ltd.

First Quarter Report 2020

April 2020

I. Important Notice

The Board of Directors, the Supervisory Committee and the Directors, members of the Supervisory Committee and senior management of the Company guarantee that there are no misrepresentations or misleading statements, or material omission in this report, and individually and collectively accept full responsibility for the authenticity, accuracy and integrity of the information contained in this report.

All the members of the Board of Directors attended the board meeting on which this report was examined.

Gao Lie, Chairman of the Company, Shen Qiang, the principal in charge of the accounting, and Zhao Zhonghua, Chief of Accounting Affairs, make the pledge for the authenticity, accuracy and integrity of the attached financial statements.

II. Company Profile

I. Main Accounting data and Financial index

Whether the Company makes retroactive adjustment or restatement of the accounting data of the previous year

☐ Yes ☒ No

	Jan.-Mar. 2020	Jan.-Mar. 2019	Changes (+/-)
Operating income (RMB)	11,728,574,704.88	11,761,190,575.63	-0.28%
Net profit attributable to the shareholders of the listed company (RMB)	177,998,575.36	271,606,318.07	-34.46%
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company (RMB)	168,656,828.67	259,096,025.14	-34.91%
Net Cash flows generated by business operation (RMB)	684,846,620.22	2,752,557,195.47	-75.12%
Basic earnings per share (RMB/Share)	0.05	0.07	-28.57%
Diluted earnings per share (RMB/Share)	0.05	0.07	-28.57%
Weighted average net assets yield (%)	0.91%	1.41%	-0.50%
	31 Mar. 2020	31 Dec 2019	Changes (+/-)
Total assets (RMB)	62,419,899,870.81	60,731,425,193.90	2.78%
Net assets attributable to shareholders of the listed company (RMB)	19,673,088,666.96	19,487,665,261.17	0.95%

Items and amount of non-recurring profit and loss

☒ Applicable ☐ Not applicable

Unit: RMB

Items	Jan.-Mar. 2020	Notes
Profit or loss from disposal of non-current assets (including the write-off part for which assets impairment provision is made)	-6,082,450.70	
Details of government subsidies recorded into current profits and loss (except such government subsidy closely related to the company's normal business operation,	18,439,817.04	

meeting the regulation of national policy and enjoyed constantly in certain quota or quantity according to a certain standard)		
Other non-operating revenue and expenditure other than above items	108,520.85	
Less: Impact of income tax	3,116,471.80	
Impact of minority interests (after tax)	7,668.70	
Total	9,341,746.69	--

For the Company's non-recurring profit and loss items as defined in "the Explanatory Announcement No.1 on information disclosure for Companies Offering their Securities to the Public-Non-recurring Profits and Losses" and its non-recurring profit and loss items as illustrated in "the Explanatory Announcement No.1 on information disclosure for Companies Offering their Securities to the Public-Non-recurring Profits and Losses" which have been defined as recurring profits and losses, it is necessary to explain the reason.

☐ Applicable ☒ Not applicable

None of Non-recurring profit and loss items recognized as recurring profit and loss items as defined by "the Explanatory Announcement No.1 on information disclosure for Companies Offering their Securities to the Public-Non-recurring Profits and Losses" in the report period.

II Total Number of Shareholders and Shareholding of Top 10 Shareholders

1. Total number of common shareholders, preferred shareholders whose voting rights restored, and shareholding of top 10 shareholders

Unit: share

Total number of common shareholders at the end of the reporting period		52,784		The total number of preferred shareholders voting rights restored at the end of the reporting period (if any)		0	
Shareholding by Top 10 shareholders							
Name of the shareholder	Nature of shareholder	Proportion of shares held	Quantity of shares	Amount of restricted shares held	Number of share pledged/frozen		
					State of share	Quantity	
Benxi Steel & Iron (Group) Co., Ltd.	State-owned legal person	61.93%	2,399,831,394		Pledged	712,545,000	
					Frozen	102,100,000	
Liaoning Provincial Transportation	State-owned legal person	4.77%	184,842,883				

Investment Group Co., Ltd.						
CCB Principal Asset Management – ICBC – CR Trust – CR Trust · Xing Sheng No. 5 Collective Fund Trust Plan	Others	4.77%	184,842,883			
Bei Xin Rui Feng Fund – China Merchants Bank – Bei Xin Rui Feng Fund Feng Qing No. 229 Asset Management Plan	Others	4.77%	184,842,883			
China Life AMP Fund– ICBC – China Life AMP – Hua Xin Trust Targeted Additional Shares Issuance No. 10 Asset Management Plan	Others	4.77%	184,842,883			
Fang Lei	Domestic natural person	0.36%	14,126,600			
Agricultural bank of China - China Securities 500 Trading Open Index Securities Investment Fund	Others	0.30%	11,565,511			

Fang Huaiyue	Domestic natural person	0.24%	9,205,501			
Zhang Peng	Domestic natural person	0.21%	8,287,900			
VANGUARD EMERGING MARKETS STOCK INDEX FUND	Overseas legal person	0.21%	8,157,311			
Shareholding of top 10 shareholders of unrestricted shares						
Name of the shareholder	Number of non-restricted common shares held at the period-end	Category of shares				
		Category of shares	Quantity			
Benxi Steel & Iron (Group) Co., Ltd.	2,399,831,394	Common shares in RMB	2,399,831,394			
Liaoning Provincial Transportation Investment Group Co., Ltd.	184,842,883	Common shares in RMB	184,842,883			
CCB Principal Asset Management – ICBC – CR Trust – CR Trust · Xing Sheng No. 5 Collective Fund Trust Plan	184,842,883	Common shares in RMB	184,842,883			
Bei Xin Rui Feng Fund – China Merchants Bank – Bei Xin Rui Feng Fund Feng Qing No. 229 Asset Management Plan	184,842,883	Common shares in RMB	184,842,883			
China Life AMP Fund– ICBC – China Life AMP – Hua Xin Trust Targeted Additional Shares Issuance No. 10 Asset Management Plan	184,842,883	Common shares in RMB	184,842,883			
Fang Lei	14,126,600	Common shares in RMB	14,126,600			
Agricultural bank of China - China Securities 500 Trading Open Index Securities Investment Fund	11,565,511	Common shares in RMB	11,565,511			
Fang Huaiyue	9,205,501	Common shares in RMB	9,205,501			
Zhang Peng	8,287,900	Common shares in RMB	8,287,900			
VANGUARD EMERGING MARKETS STOCK INDEX	8,157,311	Foreign shares placed in	8,157,311			

FUND		domestic exchange	
Related-parties or acting-in-concert parties among the above-mentioned shareholders	It is unknown to the Company whether there is any related connection or action-in-concert parties among the top 10 un-restricted shareholders.		
Shareholders among the top 10 participating in securities margin trading (if any)	Benxi Steel & Iron (Group) Co., Ltd. holds 2,160,831,394 shares of the company through an ordinary securities account, and holds 239,000,000 shares through the investor's credit securities account, therefore, it holds a total of 2,399,831,394 shares. Fang Lei holds 14,126,600 shares through the investor's credit securities account. Fang Huaiyue holds 9,205,501 shares through the investor's credit securities account. Zhang Peng holds 8,287,900 shares through the investor's credit securities account.		

Whether top ten common shareholders or top ten common shareholders with unrestricted shares carried out any buy-back agreement dealing in the reporting period.

☐ Yes ☒ No

Top ten common shareholders or top ten common shareholders with unrestricted shares did not carry out buy-back agreement dealing in the reporting period.

2. Number of total preferred shareholders and preferred shares hold by Top 10 preferred shareholders

☐ Applicable ☒ Not applicable

III Important Events

I. Major Changes in Financial Data and Financial Index and Reasons

√ Applicable □ Not applicable

- Significant changes and reasons in major accounting data, financial indicators which changed over 30% compared to the consolidated financial statement at the end of 2018

1. Statement of Financial Position	Increase / Decrease	Reasons
Employee benefits payables	51%	Due to the increase in unpaid bonuses in the current period.
Tax payable	-91%	Due to the decrease of VAT payable at the end of this period
Non-current liabilities due within one year	467%	Due to the long-term borrowings reclassified into borrowings due within one year.
Special reserves	3491%	Due to the increase in the unused amount of the safety production cost in this period.

- Significant changes and reasons in major accounting data, financial indicators which changed over 30% compared to the consolidated financial statement of the first quarter of 2019

2. Statement of comprehensive income	Increase / Decrease	Reasons
Research and development expenses	201%	Due to the increase of Research and development expenses
Financial expenses	215%	Due to the increase of net exchange losses
Non-operating income	-91%	Due to the decrease of gains from scrapping of non-current assets
Income tax expenses	-92%	Due to the decrease of deferred income tax expenses
3. Statement of cash flows	Increase / Decrease	Reasons
Tax rebate received	-90%	Due to the decrease of tax refund in the period.
Cash paid for goods and services	65%	Due to the increase of cash paid for goods and services during the period
Cash received from borrowings	-42%	Due to the decrease of cash received from the loan

II. Progress and influence of significant events, as well as the analysis and explanation on solutions

☐ Applicable ☒ Not applicable

Progress in the implementation of share repurchase

☐ Applicable ☒ Not applicable

Progress in the implementation of the reduction of shareholding shares by means of centralized bidding

☐ Applicable ☒ Not applicable

III. The Under-Fulfillment Commitments by the End of the Period Made by Actual Controller, Acquirer, Director, Supervisor, Senior Management Personnel and other Related Parties.

☐ Applicable ☒ Not applicable

There is no under-fulfillment commitment by the end of the period made by actual controller, acquirer, director, supervisor, senior management personnel and other related parties.

IV. Investment in Securities

☐ Applicable ☒ Not applicable

There is no securities investments in the reporting period.

V. Entrusted Financing

☐ Applicable ☒ Not applicable

There is no entrusted financing in the reporting period.

VI. Investment in Derivatives

☐ Applicable ☒ Not applicable

There is no investment in derivatives in the reporting period.

VII. Registration form of Activities such as Research, Communication, Interview in this Reporting Period

☐ Applicable ☒ Not applicable

There is no researches, visits and interviews received in the reporting period.

VIII. Violation of Regulations in Provision of External Guaranty

☐ Applicable ☒ Not applicable

There is no violation of regulations in provision of external guaranty during the reporting period.

IX. Illustrations of Non-Operating Occupation of Funds by the Controlling Shareholder and Related Parties

☐ Applicable ☒ Not applicable

There is no non-operating occupation of funds by the controlling shareholder and related parties.

IV Financial Statement

I. Financial Statement

1. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Prepared by: Bengang Steel Plates Co., Ltd.

31 March 2020

Unit: RMB

Item	20200331	20191231
Current asset		
Cash at bank and on hand	18,611,052,503.58	18,415,844,397.77
Settlement provisions		
Capital lent		
Financial assets held for trading		
Derivative financial assets		
Notes receivable		
Accounts receivable	232,614,258.60	235,696,265.66
Accounts receivable financing	2,473,220,274.48	2,429,542,461.88
Prepayments	1,392,687,864.84	1,291,047,458.11
Premium receivable		
Reinsurance accounts receivable		
Receivable deposit for reinsurance contract		
Other receivables	155,248,729.02	172,807,036.77
Including: Interest receivable	28,512,792.47	20,504,422.47
Dividend receivable		
Redemptory financial assets for sale		
Inventories	9,439,699,017.97	7,700,397,685.61
Contract assets		
Assets held for sale		
Non-current assets due within one year		
Other current assets	400,600,544.18	312,904,824.09
Total current assets	32,705,123,192.67	30,558,240,129.89
Non-current assets		

Loan and advances issued		
Other debt investments		
Long-term receivables		
Long-term equity investments	2,642,998.70	2,642,998.70
Other equity investments	1,041,824,829.00	1,041,824,829.00
Other non-current financial assets		
Investment property		
Fixed assets	25,542,660,272.96	26,123,375,492.40
Construction in progress	2,025,822,529.81	1,833,853,572.58
Productive biological assets		
Oil and gas assets		
Right-of-use assets		
Intangible assets	269,858,180.64	271,500,023.34
Development expenditure		
Goodwill		
Long-term deferred expenses		
Deferred tax assets	196,287,482.97	191,485,595.49
Other non-current assets	635,680,384.06	708,502,552.50
Total non-current assets	29,714,776,678.14	30,173,185,064.01
Total assets	62,419,899,870.81	60,731,425,193.90
Current Liabilities		
Short-term loans	12,488,319,016.67	13,151,478,000.00
Loan from central bank		
Loan from other financial institutions		
Financial liability held for trading		
Derivative financial liabilities		
Notes payable	13,201,833,849.84	11,828,514,676.95
Accounts payable	5,720,913,243.49	4,527,513,030.27
Advance from customers		4,429,821,526.79
Contract liabilities	4,260,272,248.28	
Financial assets sold for repurchase		
Absorbed deposit and interbank deposit		
Receiving from vicariously traded securities		

Receiving from vicariously sold securities		
Employee benefits payable	35,811,406.53	23,698,174.56
Current tax liabilities	26,385,011.76	284,825,814.80
Other payables	609,103,222.84	662,701,744.97
Including: Interest payable	3,697,500.00	10,818,986.30
Dividend payable		
Handling charges and commission payable		
Reinsurance accounts payable		
Liabilities held for sale		
Non-current liabilities due within one year	1,328,998,543.11	234,474,657.99
Other current liabilities		
Total current liabilities	37,671,636,542.52	35,143,027,626.33
Non-current liabilities		
Standard insurance contract provision		
Long-term loans	3,723,490,441.11	4,849,675,910.73
Bonds payable		
Including: Preferred stock		
Perpetual bond		
Lease liabilities		
Long-term payables	634,349,715.78	516,939,408.14
Long-term employee benefits payable		
Estimated liabilities		
Deferred income	191,042,271.50	208,955,407.30
Deferred tax liabilities		
Other non-current liabilities		
Total non-current liabilities	4,548,882,428.39	5,575,570,726.17
Total liabilities	42,220,518,970.91	40,718,598,352.50
Shareholders' equity		
Share capital	3,875,371,532.00	3,875,371,532.00
Other equity instruments		
Including: Preferred stock		
Perpetual bond		
Capital reserve	12,343,209,847.29	12,343,209,847.29

Less: treasury shares		
Other comprehensive income		
Special reserves	7,637,517.84	212,687.41
Surplus reserves	961,105,529.85	961,105,529.85
General risk reserve		
Undistributed profits	2,485,764,239.98	2,307,765,664.62
Total equity attributable to equity holders of the parent company	19,673,088,666.96	19,487,665,261.17
Non-controlling interests	526,292,232.94	525,161,580.23
Total shareholder's equity	20,199,380,899.90	20,012,826,841.40
Total of liabilities and owners' equity	62,419,899,870.81	60,731,425,193.90

Legal Representative: Gao Lie

Chief Financial Officer: Shen Qiang

Chief Accountant: Zhao Zhonghua

2. STATEMENT OF FINANCIAL POSITION

Unit: RMB

Items	20200331	20191231
Current asset		
Cash at bank and on hand	17,249,452,518.01	16,982,227,928.89
Financial assets held for trading		
Derivative financial assets		
Notes receivable		
Account receivable	373,512,311.34	388,997,108.46
Accounts receivable financing	2,412,082,647.33	2,193,319,842.60
Prepayments	1,292,687,864.84	1,184,632,345.13
Other receivables	224,486,192.61	266,663,235.81
Including: Interest receivables	27,736,734.91	19,658,230.77
Dividend receivables		
Inventories	7,289,530,576.82	6,114,582,832.33
Contract assets		
Assets held for sale		
Non-current assets due within one year		
Other current assets	326,793,046.13	191,249,460.42
Total current assets	29,168,545,157.08	27,321,672,753.64

Non-current assets		
Debt investment		
Other debt investments		
Long-term receivables		
Long-term equity investments	2,016,281,902.16	2,016,281,902.16
Other equity investments	1,041,624,829.00	1,041,624,829.00
Other non-current financial assets		
Investment properties		
Fixed assets	23,915,103,997.64	24,447,763,305.12
Construction in progress	2,012,088,328.09	1,813,889,136.42
Productive biological assets		
Oil and gas assets		
Right-of-use assets		
Intangible assets	144,643,506.36	145,470,040.68
Development expenditure		
Goodwill		
Long-term deferred expense		
Deferred tax assets	98,357,164.02	93,555,276.54
Other non-current assets	627,075,877.48	696,351,867.38
Total non-current assets	29,855,175,604.75	30,254,936,357.30
Total assets	59,023,720,761.83	57,576,609,110.94
Current liabilities		
Short-term loans	11,188,319,016.67	11,851,478,000.00
Financial liability held for trading		
Derivative financial liabilities		
Notes payable	11,538,620,936.62	10,225,969,445.22
Account payable	6,045,084,178.94	4,909,389,629.86
Advance from customers		5,597,707,687.22
Contract liability	5,263,303,246.87	
Employee benefits payable	34,670,302.86	21,872,906.71
Current tax liabilities	13,096,514.24	274,181,048.14
Other payables	395,023,906.30	384,125,032.59
Including: Interest payables	3,697,500.00	10,818,986.30
Dividend payables		

Liabilities held for sale		
Non-current liabilities due within one year	1,328,998,543.11	234,474,657.99
Other current liabilities		
Total current liability	35,807,116,645.61	33,499,198,407.73
Non-current liability		
Long term loans	3,723,490,441.11	4,849,675,910.73
Bonds payable		
Including: Preferred stock		
Perpetual bond		
Lease liabilities		
Long-term payables	634,349,715.78	516,939,408.14
Long-term employee benefits payables		
Estimated liabilities		
Deferred income	191,042,271.50	208,955,407.30
Deferred tax liabilities		
Other non-current liabilities		
Total non-current liabilities	4,548,882,428.39	5,575,570,726.17
Total liabilities	40,355,999,074.00	39,074,769,133.90
Shareholder's equity:		
Share capital	3,875,371,532.00	3,875,371,532.00
Other equity instruments		
Including: Preferred stock		
Perpetual bond		
Capital reserves	11,923,058,165.17	11,923,058,165.17
Less: Treasury shares		
Other comprehensive income		
Special reserves	6,224,392.44	53,330.99
Surplus reserves	961,105,529.85	961,105,529.85
Undistributed Profits	1,901,962,068.37	1,742,251,419.03
Total shareholder's equity	18,667,721,687.83	18,501,839,977.04
Total liabilities and shareholder's equity	59,023,720,761.83	57,576,609,110.94

3. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Unit: RMB

Item	Jan.-Mar. 2020	Jan.-Mar. 2019
1. Total operating income	11,728,574,704.88	11,761,190,575.63
Including: Operating income	11,728,574,704.88	11,761,190,575.63
Interest income		
Premium earned		
Income from handling charges and commission		
2. Total operating cost	11,541,446,733.82	11,490,405,098.16
Including: Operating cost	10,759,718,222.36	11,082,217,546.55
Interest expense		
Expenditure for handling charges and commission		
Surrender value		
Net expenditure for compensation		
Net provision for insurance contract appropriated		
Bonus payment for policy		
Reinsurance premium		
Tax and surcharges	51,561,831.30	54,057,558.75
Selling and distribution expenses	315,712,277.98	312,825,124.15
General and administrative expenses	185,915,642.34	229,520,730.11
Research and development expenses	8,416,671.23	2,797,993.86
Financial expenses	220,122,088.61	-191,013,855.26
Including: Interest expense	246,021,732.55	293,019,846.37
Interest income	72,914,133.66	67,726,988.83
Add: Other income	18,439,817.04	20,821,500.00
Income on investment (“-” for loss)		
Including: Income from associates and joint ventures		
Income from derecognition of financial assets measured at amortized cost		

Exchange gains		
Net exposure hedging income (“-” for loss)		
Gains from the change of fair value (“-” for loss)		
Credit impairment losses (“-” for loss)	1,189,945.37	
Asset impairment losses (losses are listed with "-")	-20,397,495.27	
Assets disposal gains (“-” for loss)		2,097,867.55
3. Operational profit (“-” for loss)	186,360,238.20	293,704,845.02
Add: Non-operating income	282,400.25	3,075,607.08
Less: Non-operating expenses	6,256,330.10	7,215,029.01
4. Total profit (“-” for loss)	180,386,308.35	289,565,423.09
Less: Income tax expenses	1,460,096.83	18,343,089.25
5. Net profit (“-” for loss)	178,926,211.52	271,222,333.84
1.Classification by continuing operating		
(1) Net profit from continuing operation	178,926,211.52	271,222,333.84
(2) Net profit from discontinued operation		
2.Classification by ownership		
(1) Net profit attributable to the owners of parent company	177,998,575.36	271,606,318.07
(2) Net profit attributable to non-controlling shareholders	927,636.16	-383,984.23
6. Other comprehensive income		
Other comprehensive income attributable to owners of the parent company after tax		
1.Other comprehensive income items that will not be reclassified into gains/losses		
(1) Re-measurement of defined benefit plans of changes in net debt or net assets		
(2) Other comprehensive income under the equity method investee cannot be		

reclassified into profit or loss		
(3) Changes in the fair value of other equity investments		
(4) Changes in the fair value of Corporate credit risk		
(5) Others		
2. Other comprehensive income that will be reclassified into profit or loss		
(1) Share of other comprehensive income of investee to be classified into profit or loss afterwards under equity method		
(2) Changes in the fair value of other debt investments		
(3) Changes in the fair value of financial assets at fair value through other comprehensive income		
(4) Provision for credit loss of other debt investments		
(5) Cash flow hedge reserve		
(6) Translation differences in foreign currency financial statements		
(7) Others		
Other comprehensive income attributable to non-controlling shareholders after tax		
7. Total comprehensive income	178,926,211.52	271,222,333.84
Total comprehensive income attributable to the owner of the parent company	177,998,575.36	271,606,318.07
Total comprehensive income attributable to non-controlling shareholders	927,636.16	-383,984.23
8. Earnings per share		
1) Basic earnings per share	0.05	0.07
2) Diluted earnings per share	0.05	0.07

The current business combination under common control, the net profits of the combined party before achieved: 0.00Yuan, net profit of previous period of the combined party realized: 0.00Yuan.

Legal Representative: Gao Lie

Chief Financial Officer: Shen Qiang

Chief Accountant: Zhao Zhonghua

4. STATEMENT OF COMPREHENSIVE INCOME

Unit: RMB

Item	Jan.-Mar. 2020	Jan.-Mar. 2019
1. Total operating income	12,263,353,879.66	11,318,044,807.71
Less: Operating cost	11,478,300,497.98	10,828,824,566.71
Tax and surcharges	44,905,595.40	40,172,247.54
Selling and distribution expenses	186,148,487.15	178,902,194.54
General and administrative expenses	171,553,819.80	215,696,958.84
Research and development expenses	8,416,671.23	2,797,993.86
Financial expenses	212,078,788.48	-204,007,003.82
Including: Interest expense	231,068,313.59	278,494,138.86
Interest income	65,935,368.22	66,189,925.11
Add: Other income	18,009,908.60	20,821,500.00
Income on investment (“-” for loss)		
Including: Income from associates and joint ventures		
Income from derecognition of financial assets measured at amortized cost		
Net exposure hedging income (“-” for loss)		
Gains from change of fair value (“-” for loss)		
Credit impairment loss (“-” for loss)	1,189,945.37	
Asset impairment loss (“-” for loss)	-20,397,495.27	
Assets disposal gains (“-” for loss)		2,144,869.80
2. Operational profit (“-” for loss)	160,752,378.32	278,624,219.84
Add: Non-operating income	225,882.20	3,021,409.27
Less: Non-operating expenses	6,069,498.66	7,215,029.01
3. Total profit (“-” for loss)	154,908,761.86	274,430,600.10
Less: Income tax expenses	-4,801,887.48	14,240,768.41
4. Net profit (“-” for loss)	159,710,649.34	260,189,831.69
1. Net profit from continuing operation	159,710,649.34	260,189,831.69

2.Net profit from discontinued operation		
5.Other comprehensive income		
1.Other comprehensive income items that will not be reclassified into gains/losses		
(1) Re-measurement of defined benefit plans of changes in net debt or net assets		
(2) Other comprehensive income under the equity method investee cannot be reclassified into profit or loss		
(3) Changes in the fair value of other equity investments		
(4) Changes in the fair value of Corporate credit risk		
(5) Others		
2.Other comprehensive income that will be reclassified into profit or loss.		
(1) Share of other comprehensive income of investee to be classified into profit or loss afterwards under equity method		
(2) Changes in the fair value of other debt investments		
(3) Changes in the fair value of financial assets at fair value through other comprehensive income		
(4) Provision for credit loss of other debt investments		
(5) Cash flow hedge reserve		
(6) Translation differences in foreign currency financial statements		
(7) Others		
6. Total comprehensive income	159,710,649.34	260,189,831.69
7. Earnings per share		
1) Basic earnings per share		
2) Diluted earnings per share		

5. CONSOLIDATED STATEMENT OF CASH FLOWS

Unit: RMB

Item	Jan.-Mar. 2020	Jan.-Mar. 2019
1.Cash flow from operating activities		
Cash received from sale of goods or rendering of services	7,864,260,416.76	7,419,619,557.25
Net increase of customers' deposit and interbank deposit		
Net increase of loan from central bank		
Net increase of loans from other financial institutions		
Cash received for premium of original insurance contract		
Net cash received for reinsurance business		
Net increase of deposit and investment of the insured		
Cash from receiving interest, handling charge and commission		
Net increase of loans from Borrowing funds		
Net increase of fund for buy-back business		
Net increase of receivings from vicariously traded securities		
Tax rebate received	12,824,913.18	129,603,306.84
Other cash received relating to operating activities	50,831,445.98	52,630,739.69
Subtotal of cash inflows from operating activities	7,927,916,775.92	7,601,853,603.78
Cash paid for goods and services	6,282,057,238.94	3,796,837,688.74
Net increase of customer's loan and advances		
Net increase of deposit in central bank and interbank deposit		
Cash payment for original insurance contract compensation		
Net increase of capital lent		
Cash for payment of interest, handling charge and commission		
Cash for payment of policy bonus		
Cash paid to and on behalf of employees	481,908,334.86	466,895,154.36

Cash paid for all types of taxes	458,533,701.03	564,138,089.50
Other cash paid relating to operating activities	20,570,880.87	21,425,475.71
Subtotal of cash outflows from operating activities	7,243,070,155.70	4,849,296,408.31
Net cash flows from operating activities	684,846,620.22	2,752,557,195.47
2. Cash flows from investing activities		
Cash received from return on investments		
Cash received from distribution of dividends or profit		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		
Net cash received from disposal of subsidiary and other operating units		
Other cash paid relating to investing activities		
Subtotal of cash inflows from investing activities		
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	224,332,091.19	213,446,363.20
Cash paid for acquisition of investments		
Net increase of mortgage loan		
Net cash received from subsidiary and other operating unit		
Other cash paid relating to investing activities		
Subtotal of cash outflows from investing activities	224,332,091.19	213,446,363.20
Net cash flows from investing activities	-224,332,091.19	-213,446,363.20
3. Cash flows from financing activities		
Proceeds from investment		
Including: Proceeds from investment of non-controlling shareholders of subsidiary		
Proceeds from borrowings	2,197,194,000.00	3,762,429,000.00
Other proceeds relating to financing activities		

Subtotal of cash inflows from financing activities	2,197,194,000.00	3,762,429,000.00
Cash repayments of borrowings	2,916,611,584.62	3,853,593,875.68
Cash payments for distribution of dividends, profit or interest expenses	263,567,150.15	293,019,846.37
Including: Cash paid to non-controlling shareholders as dividend and profit by subsidiaries		
Other cash payments relating to financing activities		
Subtotal of cash outflows from financing activities	3,180,178,734.77	4,146,613,722.05
Net cash flows from financing activities	-982,984,734.77	-384,184,722.05
4. Effect of foreign exchange rate changes on cash and cash equivalents	37,441,237.39	-25,741,813.31
5. Net increase in cash and cash equivalents	-485,028,968.35	2,129,184,296.91
Add: Cash and cash equivalents at the beginning of the period	13,441,414,988.58	11,752,548,621.97
6. Cash and cash equivalents at the ending of the period	12,956,386,020.23	13,881,732,918.88

6. STATEMENT OF CASH FLOWS

Unit: RMB

Item	Jan.-Mar. 2020	Jan.-Mar. 2019
1. Cash flow from operating activities		
Cash received from sale of goods or rendering of services	7,801,529,586.28	7,083,398,928.22
Tax rebate received		102,717,420.63
Other cash received relating to operating activities	39,105,003.15	40,251,068.14
Subtotal of cash inflows from operating activities	7,840,634,589.43	7,226,367,416.99
Cash paid for goods and services	6,197,815,675.01	3,505,322,597.12
Cash paid to and on behalf of employees	459,560,419.78	441,580,806.88
Cash paid for all types of taxes	434,526,418.13	540,256,412.01
Other cash paid relating to operating	16,129,733.15	18,206,333.60

activities		
Subtotal of cash outflows from operating activities	7,108,032,246.07	4,505,366,149.61
Net cash flows from operating activities	732,602,343.36	2,721,001,267.38
2. Cash flows from investing activities		
Cash received from return on investments		
Cash received from distribution of dividends or profit		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		
Net cash received from disposal of subsidiary and other operating units		
Other cash received relating to investing activities		
Subtotal of cash inflows from investing activities		
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	218,474,831.02	211,879,503.05
Cash paid for acquisition of investments		
Net cash paid for acquisition of subsidiary and other operating unit		
Other cash paid relating to investing activities		
Subtotal of cash outflows paid for investing activities	218,474,831.02	211,879,503.05
Net cash flows from investing activities	-218,474,831.02	-211,879,503.05
3. Cash flows from financing activities		
Proceeds from investment		
Cash received from borrowings	1,957,194,000.00	3,522,429,000.00
Other cash received relating to financing activities		
Subtotal of cash inflows from financing activities	1,957,194,000.00	3,522,429,000.00
Cash repayments of borrowings	2,676,611,584.62	3,599,373,875.68
Cash payments for distribution of dividends, profit or interest	249,495,900.16	278,494,138.86

Other cash payments relating to financing activities		
Subtotal of cash outflows from financing activities	2,926,107,484.78	3,877,868,014.54
Net cash flows from financing activities	-968,913,484.78	-355,439,014.54
4. Effect of foreign exchange rate changes on cash and cash equivalents	33,421,536.16	-25,737,308.54
5. Net increase in cash and cash equivalents	-421,364,436.28	2,127,945,441.25
Add: Cash and cash equivalents at the beginning of the period	13,029,616,298.47	10,807,824,843.20
6. Ending balance of cash and cash equivalents	12,608,251,862.19	12,935,770,284.45

II. Adjustment of Financial Statement

1. Adjustment to the financial statement towards beginning balance due to the first-time implementation of new revenue standards and new leasing standards from 2020.

√ Applicable ☐ Not applicable

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Unit: RMB

Item	31 December 2019	1 January 2020	Adjustment amount
Current assets			
Cash at bank and on hand	18,415,844,397.77	18,415,844,397.77	
Account receivable	235,696,265.66	235,696,265.66	
Accounts receivable financing	2,429,542,461.88	2,429,542,461.88	
Prepayments	1,291,047,458.11	1,291,047,458.11	
Other receivable	172,807,036.77	172,807,036.77	
Including: interest receivable	20,504,422.47	20,504,422.47	
Inventories	7,700,397,685.61	7,700,397,685.61	
Other current assets	312,904,824.09	312,904,824.09	
Total current assets	30,558,240,129.89	30,558,240,129.89	
Non-current assets			
Long-term equity investments	2,642,998.70	2,642,998.70	
Other equity investments	1,041,824,829.00	1,041,824,829.00	

Fixed assets	26,123,375,492.40	26,123,375,492.40	
Construction in progress	1,833,853,572.58	1,833,853,572.58	
Intangible assets	271,500,023.34	271,500,023.34	
Deferred tax assets	191,485,595.49	191,485,595.49	
Other non-current assets	708,502,552.50	708,502,552.50	
Total non-current assets	30,173,185,064.01	30,173,185,064.01	
Total assets	60,731,425,193.90	60,731,425,193.90	
Current Liabilities			
Short-term loans	13,151,478,000.00	13,151,478,000.00	
Notes payable	11,828,514,676.95	11,828,514,676.95	
Accounts payable	4,527,513,030.27	4,527,513,030.27	
Advance from customers	4,429,821,526.79		-4,429,821,526.79
Contract liabilities		4,429,821,526.79	4,429,821,526.79
Employee benefits payable	23,698,174.56	23,698,174.56	
Current tax liabilities	284,825,814.80	284,825,814.80	
Other payables	662,701,744.97	662,701,744.97	
Including: interest payable	10,818,986.30	10,818,986.30	
Non-current liabilities due within one year	234,474,657.99	234,474,657.99	
Total current liabilities	35,143,027,626.33	35,143,027,626.33	
Non-current liabilities			
Long-term loans	4,849,675,910.73	4,849,675,910.73	
Long-term payables	516,939,408.14	516,939,408.14	
Deferred income	208,955,407.30	208,955,407.30	
Total non-current liabilities	5,575,570,726.17	5,575,570,726.17	
Total liabilities	40,718,598,352.50	40,718,598,352.50	
Shareholders' equity:			
Share capital	3,875,371,532.00	3,875,371,532.00	
Capital reserve	12,343,209,847.29	12,343,209,847.29	
Special reserves	212,687.41	212,687.41	
Surplus reserves	961,105,529.85	961,105,529.85	
Undistributed profits	2,307,765,664.62	2,307,765,664.62	
Total equity attributable to equity holders of the parent company	19,487,665,261.17	19,487,665,261.17	
Non-controlling interests	525,161,580.23	525,161,580.23	

Total shareholder's equity	20,012,826,841.40	20,012,826,841.40	
Total of liabilities and owners' equity	60,731,425,193.90	60,731,425,193.90	

Illustration of adjustment

STATEMENT OF FINANCIAL POSITION

Unit: RMB

Item	31 December 2019	1 January 2020	Adjustment amount
Current assets			
Cash at bank and on hand	16,982,227,928.89	16,982,227,928.89	
Account receivable	388,997,108.46	388,997,108.46	
Accounts receivable financing	2,193,319,842.60	2,193,319,842.60	
Prepayments	1,184,632,345.13	1,184,632,345.13	
Other receivable	266,663,235.81	266,663,235.81	
Including: interest receivable	19,658,230.77	19,658,230.77	
Inventories	6,114,582,832.33	6,114,582,832.33	
Other current assets	191,249,460.42	191,249,460.42	
Total current assets	27,321,672,753.64	27,321,672,753.64	
Non-current assets			
Long-term equity investments	2,016,281,902.16	2,016,281,902.16	
Other equity investments	1,041,824,829.00	1,041,824,829.00	
Fixed assets	24,447,763,305.12	24,447,763,305.12	
Construction in progress	1,813,889,136.42	1,813,889,136.42	
Intangible assets	145,470,040.68	145,470,040.68	
Deferred tax assets	93,555,276.54	93,555,276.54	
Other non-current assets	696,351,867.38	696,351,867.38	
Total non-current assets	30,254,936,357.30	30,254,936,357.30	
Total assets	57,576,609,110.94	57,576,609,110.94	
Current liabilities			
Short-term loans	11,851,478,000.00	11,851,478,000.00	
Notes payable	10,225,969,445.22	10,225,969,445.22	
Accounts payable	4,909,389,629.86	4,909,389,629.86	
Advance from customers	5,597,707,687.22		-5,597,707,687.22
Contract Liabilities		5,597,707,687.22	5,597,707,687.22
Employee benefits payable	21,872,906.71	21,872,906.71	

Current tax liabilities	274,181,048.14	274,181,048.14	
Other payables	384,125,032.59	384,125,032.59	
Including: interest payable	10,818,986.30	10,818,986.30	
Non-current liabilities due within one year	234,474,657.99	234,474,657.99	
Total current liabilities	33,499,198,407.73	33,499,198,407.73	
Non-current liabilities			
Long term loans	4,849,675,910.73	4,849,675,910.73	
Long-term payables	516,939,408.14	516,939,408.14	
Deferred income	208,955,407.30	208,955,407.30	
Total non-current liabilities	5,575,570,726.17	5,575,570,726.17	
Total liabilities	39,074,769,133.90	39,074,769,133.90	
Shareholder's equity:			
Share capital	3,875,371,532.00	3,875,371,532.00	
Capital reserves	11,923,058,165.17	11,923,058,165.17	
Special reserves	53,330.99	53,330.99	
Surplus reserves	961,105,529.85	961,105,529.85	
Undistributed Profits	1,742,251,419.03	1,742,251,419.03	
Total shareholder's equity	18,501,839,977.04	18,501,839,977.04	
Total liabilities and shareholder's equity	57,576,609,110.94	57,576,609,110.94	

Illustration of adjustment

2. Illustration of the first implementation of the new financial instrument standards, the new lease criteria, retrospective adjustment towards the previous data from 2020.

☐ Applicable ☒ Not applicable

III. Audit report

Whether the first quarter report is audited

☐ Yes ☒ No

The first quarter report is not audited.