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Lanzhou Zhuangyuan Pasture Co., Ltd.*

蘭州莊園牧場股份有限公司

(A joint stock limited liability company incorporated in the People's Republic of China)

(Stock Code: 1533)

2018 FIRST QUARTERLY REPORT

April 2018

I. IMPORTANT NOTE

The board (the “**Board**”) and the supervisory committee (the “**Supervisory Committee**”) of the Company, its directors (the “**Director**”), supervisors and senior management personnel warrant that the contents of this quarterly report are true, accurate and complete, and that there is no false representation or misleading statement contained in or material omission from this quarterly report, and assume several and joint legal liabilities.

The Directors have attended in person the meeting of the Board of Directors held to consider this quarterly report, expect for the following.

Name of Director Absent	Position of Director not attend in person	Reason for absence	Name of proxy
Ma Hongfu	Chairman	On business trip	Wang Guofu

Ma Hongfu, officer-in-charge of the Company, Wang Guofu, officer-in-charge of accounting operations, and Chen Menggan, head of the accounting department (head of accounting) warrant the truthfulness, accuracy and completeness of the financial statements in this quarterly report.

* *For identification purposes only*

II. GENERAL INFORMATION OF THE COMPANY

I. PRINCIPAL ACCOUNTING FIGURES AND FINANCIAL INDICATORS

Whether the Company is required to make retrospective adjustments to or restatements of the accounting data of prior years

Yes No

	For the reporting period	Corresponding period of last year	Increase/ decrease in the reporting period compared with the corresponding period of last year
Operating revenue (RMB)	164,524,902.68	148,667,300.14	10.67%
Net profit attributable to shareholders of the listed company (RMB)	17,731,962.89	17,989,395.31	-1.43%
Net profit attributable to shareholders of the listed company after deduction of extraordinary gain or loss (RMB)	15,368,679.55	15,368,112.40	0.00%
Net cash flows from operating activities (RMB)	-11,937,701.14	25,204,650.40	-147.36%
Basic earnings per share (RMB/share)	0.08	0.11	-27.27%
Diluted earnings per share (RMB/share)	0.08	0.11	-27.27%
Weighted average rate of return on net assets	1.35%	2.00%	-0.65%
	As at the end of the reporting period	As at the end of last year	Increase/ decrease as at the end of the reporting period compared with the end of last year
Total assets (RMB)	1,767,298,252.82	1,803,717,700.59	-2.02%
Net assets attributable to shareholders of the listed company (RMB)	1,145,397,157.54	1,127,665,194.72	1.57%

Items and amounts of extraordinary gain or loss

✓ Applicable N/A

Unit: RMB

Item	Amount for the period from beginning of year to the end of the reporting period	Note
Government subsidies included in the profits or losses for the period (except for government subsidies which are closely related to the Company's operations, and entitled in a fixed amount or quantity in conformity with the common standards of the State)	2,111,659.32	Most of them are those government subsidies obtained by the Company
Non-operating income and expenses other than those stated above	457,126.92	Most of them are the gains or losses from disposal of wastes or donation by the Company
Less: Effect of income tax	205,502.90	
Total	2,363,283.34	-

During the reporting period, the Company has no recurring gain or loss items which would be regarded as no extraordinary gain or loss items as defined and stated under the “Explanatory Announcement No. 1 for Information Disclosure by Public Issuers of Securities – Extraordinary Gain or Loss Items”.

II. TABLE SETTING OUT THE TOTAL NUMBER OF SHAREHOLDERS AND PARTICULARS OF SHAREHOLDINGS OF THE TOP 10 SHAREHOLDERS AT THE END OF THE REPORTING PERIOD

1. Table setting out the total number of ordinary shareholders and preferential shareholders with reinstated voting rights and particulars of shareholdings of the top 10 shareholders

Unit: Share

Total number of ordinary shareholders at the end of the reporting period	29,913	Total number of preferential shareholders with reinstated voting rights at the end of the reporting period (if any)	0
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Particulars of shareholdings of top 10 shareholders						
Name of shareholder	Nature of shareholder	Percentage of shareholding (%)	Number of shares held	Number of shares held subject to trading restrictions	Pledged or frozen	
					Status of shares	Number
Ma Hongfu	Domestic natural person	17.19%	32,197,400	32,197,400		
Lanzhou Zhuangyuan Investment Co., Ltd. (蘭州莊園投資股份有限公司)	Domestic non-state-owned legal person	16.49%	30,894,700	30,894,700	Pledged	15,000,000
GF Securities (HK) Brokerage Limited		11.96%	22,414,000			
Gansu Lucky Cow Investment Co., Ltd. (甘肅福牛投資有限公司)	Domestic non-state-owned legal person	8.01%	15,000,000	15,000,000		
Chongqing Fukun Venture Investment Centre LLP (重慶富坤創業投資中心(有限合夥))	Domestic non-state-owned legal person	3.73%	6,990,000	6,990,000		
CHINA SECURITIES DEPOSITORY AND CLEARING		2.83%	5,301,000			
Changjiang Securities Brokerage (HK) Limited		1.53%	2,870,000			
天津創東方富弘股權投資基金合夥企業(有限合夥)	Domestic non-state-owned legal person	1.52%	2,847,500	2,847,500		
深圳市創東方富凱投資企業(有限合夥)	Domestic non-state-owned legal person	1.52%	2,847,500	2,847,500		
Shanghai Rongyin Investment Co., Ltd.	Domestic non-state-owned legal person	1.51%	2,821,750	2,821,750		

Particulars of shareholdings of top 10 shareholders not subject to trading restrictions			
Name of shareholders	Number of shares held not subject to trading restrictions	Class of shares	
		Class of shares	Number
GF SECURITIES (HONG KONG) BROKERAGE LIMITED	22,414,000	Overseas listed foreign shares	22,414,000
CHINA SECURITIES DEPOSITORY AND CLEARING	5,301,000	Overseas listed foreign shares	5,301,000
CHANGJIANG SECURITIES BROKERAGE (HK) LIMITED	2,870,000	Overseas listed foreign shares	2,870,000
HAITONG INTERNATIONAL SECURITIES COMPANY LIMITED	1,574,000	Overseas listed foreign shares	1,574,000
BANK OF CHINA (HONG KONG) LIMITED	519,000	Overseas listed foreign shares	519,000
CENTRAL CHINA INTERNATIONAL SECURITIES CO., LIMITED	415,000	Overseas listed foreign shares	415,000
THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED	344,500	Overseas listed foreign shares	344,500
BOCI SECURITIES LIMITED	203,000	Overseas listed foreign shares	203,000
Gao Xiaowen (高曉文)	172,400	RMB ordinary shares	172,400
Qiu Liping (裘麗萍)	155,435	RMB ordinary shares	155,435
Explanation on connected relationship or acting in concert among the above shareholders	<ol style="list-style-type: none"> The Company is not aware whether the top 10 shareholders of outstanding shares not subject to trading restrictions are connected with each other or fall into the meaning of parties acting in concert. The Company's top 10 shareholders of outstanding shares not subject to trading restrictions neither are connected with each other, nor fall into the meaning of parties acting in concert. 		
Explanation on top 10 ordinary shareholders involved in securities margin trading business (if any)	Nil		

None of the top 10 ordinary shareholders or top 10 ordinary shareholders not subject to trading restrictions of the Company conducted or agreed to conduct repurchase transaction during the reporting period.

2. Total number of preferential shareholders and particulars of shareholdings of the top 10 preferential shareholders of the Company

Applicable N/A

III. SIGNIFICANT EVENTS

I. CHANGES IN MAJOR FINANCIAL FIGURES AND FINANCIAL INDICATORS DURING THE REPORTING PERIOD AND REASONS THEREFOR

✓Applicable □N/A

Balance sheet item	Closing balance (RMB)	Opening balance (RMB)	Percentage of increase/decrease	Reason for change
Notes payable		19,492,581.98	-100.00%	Mainly resulted from payment of bank's acceptance bill which falls due by the Company
Receipts in Advance	8,035,577.45	24,062,136.66	-66.60%	Mainly resulted from the completion of revenue recognition by the Company at the current period for goods booked at the end of the previous period

Income statement item	Amount for the period from the beginning of the year to the end of the reporting period (RMB)	Amount for the previous period (RMB)	Percentage of increase/decrease	Reason for change
Selling expenses	21,292,271.98	15,987,722.66	33.18%	Mainly resulted from the addition of new construction channels by the Company such as e-commerce

Cash flow statement item	Amount for the period from the beginning of the year to the end of the reporting period (RMB)	Amount for the previous period (RMB)	Percentage of increase/decrease	Reason for change
Cash paid for purchase of goods and rendering of services	140,227,124.41	96,259,415.16	45.68%	Mainly resulted from the payment of bank's acceptance bill by the Company at the current period, etc.

II. FORECAST ON OPERATING RESULTS FOR THE PERIOD FROM JANUARY TO JUNE 2018

Forecasted operating results for the period from January to June 2018: positive net profit attributable to shareholders of the listed company not being a turnaround from loss to profit.

Percentage of change in net profit attributable to shareholders of the listed company for the period from January to June 2018	1.00%	to	10.00%
Range of change in net profit attributable to shareholders of the listed company for the period from January to June 2018 (RMB in ten thousand)	3,811.89	to	4,151.57
Net profit attributable to shareholders of the listed company for the period from January to June 2017 (RMB in ten thousand)	3,774.15		
Reason for change in results	The Company expects that the operation for the first half of 2018 will remain stable as compared to the corresponding period of 2017		

III. FINANCIAL ASSETS AT FAIR VALUE

Applicable N/A

Unit: RMB

Type of asset	Initial investment cost	Gain or loss arising from change in fair value for the current period	Accumulated change in fair value credited to equity	Amount of purchase during the reporting period	Amount of disposal during the reporting period	Accumulated investment income	Closing amount	Source of funds
Others	33,720,671.00	0.00	0.00	0.00	0.00	0.00	33,720,671.00	Self-owned funds
Total	33,720,671.00	0.00	0.00	0.00	0.00	0.00	33,720,671.00	-

IV. GUARANTEES FOR THIRD PARTIES IN VIOLATION OF REGULATIONS

Applicable N/A

There was no provision of guarantees to third parties by the Company in violation of regulations during the reporting period.

V. APPROPRIATION OF NON-OPERATING FUNDS OF THE LISTED COMPANY BY THE CONTROLLING SHAREHOLDER AND ITS CONNECTED PARTIES

Applicable N/A

There was no appropriation of non-operating funds of the listed company by the controlling shareholder and its connected parties during the reporting period.

VI. REGISTRATION RECORD OF ANALYST RECEPTIONS, COMMUNICATIONS AND PRESS INTERVIEWS DURING THE REPORTING PERIOD

Applicable N/A

The Company did not host any analyst receptions, communications or press interviews during the reporting period.

IV. FINANCIAL STATEMENTS

I. FINANCIAL STATEMENTS

1. Consolidated balance sheet

Prepared by: Lanzhou Zhuangyuan Pasture Co., Ltd.*

31 March 2018

Unit: RMB

Item	Closing balance	Opening balance
Current assets:		
Cash and bank balances	681,273,922.36	747,642,372.75
Balances with clearing companies		
Loans to banks and other financial institutions		
Financial assets at fair value through profit or loss		
Derivative financial assets		
Bills receivable		
Trade receivables	25,082,995.87	24,403,065.85
Prepayments	7,380,082.55	6,131,850.02
Premium receivable		
Amounts receivable from reinsurers		
Provision for reinsurance contracts receivable		
Interests receivable		
Dividends receivable		
Other receivables	18,885,193.72	13,290,298.02
Purchase of repo financial assets		
Inventories	62,790,932.85	71,078,079.91
Assets classified as held-for-sale	6,458,501.72	6,458,501.72
Non-current assets due within one year		
Other current assets		3,087,413.98
Total current assets	801,871,629.07	872,091,582.25

I. FINANCIAL STATEMENTS (CONTINUED)

1. Consolidated balance sheet (Continued)

Prepared by: Lanzhou Zhuangyuan Pasture Co., Ltd.*

31 March 2018

Unit: RMB

Item	Closing balance	Opening balance
Non-current assets:		
Financial assets at fair value through other comprehensive income	33,720,671.00	33,720,671.00
Held-to-maturity investments		
Long-term receivables		
Long-term equity investments		
Real estate investments		
Fixed assets	662,237,001.01	625,799,144.70
Construction in progress	41,043,644.07	40,475,357.07
Construction materials		
Disposal of fixed assets		
Productive biological assets	181,860,148.51	175,815,804.71
Oil & gas assets		
Intangible assets	21,029,746.80	20,571,548.22
R&D expenses		
Goodwill		
Long-term deferred and prepaid expenses	1,341,682.51	1,629,589.78
Deferred income tax assets	3,523,729.85	4,877,752.80
Other non-current assets	20,670,000.00	28,736,250.06
Total non-current assets	965,426,623.75	931,626,118.34
Total assets	1,767,298,252.82	1,803,717,700.59

I. FINANCIAL STATEMENTS (CONTINUED)

1. Consolidated balance sheet (Continued)

Prepared by: Lanzhou Zhuangyuan Pasture Co., Ltd.*

31 March 2018

Unit: RMB

Item	Closing balance	Opening balance
Current liabilities:		
Short-term borrowings	396,000,000.00	406,000,000.00
Borrowings from central bank		
Customer deposits and deposits due to banks and other financial institutions		
Placements from banks and other financial institutions		
Financial liabilities at fair value through profit or loss		
Derivative financial liabilities		
Notes payable		19,492,581.98
Trade payables	105,519,682.51	101,385,124.99
Receipts in Advance	8,035,577.45	24,062,136.66
Amounts from disposal and repurchase of financial assets		
Handling charge and commission payable		
Staff remuneration payable	3,659,361.11	6,186,062.94
Taxes payable	5,126,283.28	8,674,754.06
Interests payable	402,807.58	403,694.71
Dividends payable		
Other payables	16,306,958.87	20,848,047.60
Amounts due to reinsurers		
Provision for insurance contracts		
Amounts of securities trading as agent		
Amounts of securities underwriting as agent		
Liabilities classified as held-for-sale		
Non-current liabilities due within one year	16,828,352.32	20,054,483.87
Other current liabilities		
Total current liabilities	551,879,023.12	607,106,886.81

I. FINANCIAL STATEMENTS (CONTINUED)

1. Consolidated balance sheet (Continued)

Prepared by: Lanzhou Zhuangyuan Pasture Co., Ltd.*

31 March 2018

Unit: RMB

Item	Closing balance	Opening balance
Non-current liabilities:		
Long-term borrowings	24,793,660.55	26,559,671.60
Bonds payable		
Including: Preferential shares		
Perpetual bonds		
Long-term payables	2,814,710.12	1,394,555.79
Long-term staff remuneration payable		
Special payables		
Estimated liabilities	55,199.83	
Deferred income	42,358,501.66	40,991,391.67
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	70,022,072.16	68,945,619.06
Total liabilities	621,901,095.28	676,052,505.87

I. FINANCIAL STATEMENTS (CONTINUED)

1. Consolidated balance sheet (Continued)

Prepared by: Lanzhou Zhuangyuan Pasture Co., Ltd.*

31 March 2018

Unit: RMB

Item	Closing balance	Opening balance
Owners' equity:		
Share capital	187,340,000.00	187,340,000.00
Other equity instruments		
Including: Preferential shares		
Perpetual bonds		
Capital reserve	508,790,782.02	508,790,782.09
Less: Treasury stocks		
Other comprehensive income		
Special reserve		
Surplus reserve	32,051,090.62	32,051,090.62
General risk provision		
Retained profit	417,215,284.90	399,483,322.01
Total owners' equity attributable to parent company	1,145,397,157.54	1,127,665,194.72
Minority shareholder's interest		
Total owners' equity	1,145,397,157.54	1,127,665,194.72
Total liabilities and owners' equity	1,767,298,252.82	1,803,717,700.59

Legal representative:
Ma Hongfu

Person-in-charge of
accounting operations:
Wang Guofu

Head of accounting department:
Chen Menggan

I. FINANCIAL STATEMENTS (CONTINUED)

2. Balance sheet of the parent company

Unit: RMB

Item	Closing balance	Opening balance
Current assets:		
Cash and bank balances	606,125,870.48	685,225,413.30
Financial assets at fair value through profit or loss		
Derivative financial assets		
Bills receivable		
Trade receivables	12,136,123.24	17,719,619.46
Prepayments	12,807,053.48	1,126,929.20
Interests receivable		
Dividends receivable		
Other receivables	449,641,413.80	394,958,085.86
Inventories	24,121,640.59	26,893,582.44
Assets classified as held-for-sale	6,458,501.75	6,458,501.72
Non-current assets due within one year		
Other current assets		3,086,324.24
Total current assets	1,111,290,603.34	1,135,468,456.22

I. FINANCIAL STATEMENTS (CONTINUED)

2. Balance sheet of the parent company (Continued)

Unit: RMB

Item	Closing balance	Opening balance
Non-current assets:		
Financial assets at fair value through other comprehensive income	33,720,671.00	33,720,671.00
Held-to-maturity investments		
Long-term receivables		
Long-term equity investments	233,013,711.60	233,013,711.60
Real estate investments		
Fixed assets	148,972,625.63	152,026,789.22
Construction in progress	58,430,170.63	31,842,871.09
Construction materials		
Disposal of fixed assets		
Productive biological assets		
Oil & gas assets		
Intangible assets	4,972,901.16	4,636,409.36
R&D expenses		
Goodwill		
Long-term deferred expenses		
Deferred income tax assets	2,818,722.37	3,000,352.28
Other non-current assets	7,000,000.00	15,066,250.06
Total non-current assets	488,928,802.39	473,307,054.61
Total assets	1,600,219,405.73	1,608,775,510.83

I. FINANCIAL STATEMENTS (CONTINUED)

2. Balance sheet of the parent company (Continued)

Unit: RMB

Item	Closing balance	Opening balance
Current liabilities:		
Short-term borrowings	350,000,000.00	350,000,000.00
Financial liabilities at fair value through profit or loss		
Derivative financial liabilities		
Notes payable		19,492,581.98
Trade payables	52,559,147.53	52,302,797.03
Receipts in Advance	7,240,910.47	22,137,321.07
Staff remuneration payables	2,754,501.30	4,620,355.61
Taxes payable	7,538,412.24	7,683,607.30
Interests payable	263,964.52	237,351.61
Dividends payable		
Other payables	93,643,027.24	79,270,119.36
Liabilities classified as held-for-sale		
Non-current liabilities due within one year	12,828,352.32	14,515,413.87
Other current liabilities		
Total current liabilities	526,828,315.62	550,259,547.83
Non-current liabilities:		
Long-term borrowings	19,793,660.55	21,559,671.60
Bonds payable		
Including: Preferential shares		
Perpetual bonds		
Long-term payables	2,814,710.12	1,394,555.79
Long-term staff remuneration payables		
Special payables		
Estimated liabilities	55,199.83	
Deferred income	13,289,783.33	14,151,100.00
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	35,953,353.83	37,105,327.39

I. FINANCIAL STATEMENTS (CONTINUED)**2. Balance sheet of the parent company (Continued)**

Unit: RMB

Item	Closing balance	Opening balance
Total liabilities	562,781,669.45	587,364,875.22
Owners' equity:		
Share capital	187,340,000.00	187,340,000.00
Other equity instruments		
Including: Preferential shares		
Perpetual bonds		
Capital reserve	531,302,474.16	531,302,474.16
Less: Treasury stocks		
Other comprehensive income		
Special reserve		
Surplus reserve	32,051,090.62	32,051,090.62
Retained profit	286,744,171.50	270,717,070.83
Total owners' equity	1,037,437,736.28	1,021,410,635.61
Total liabilities and owners' equity	1,600,219,405.73	1,608,775,510.83

I. FINANCIAL STATEMENTS (CONTINUED)

3. Consolidated income statement

Unit: RMB

Item	Amount for the current period	Amount for the previous period
I. Total operating revenue	164,524,902.68	148,667,300.14
Including: Operating revenue	164,524,902.68	148,667,300.14
Interest income		
Earned premium		
Handling charges and commission income		
II. Total operating cost	150,303,151.37	134,146,262.68
Including: Operating cost	110,447,311.36	97,945,261.89
Interest expenses		
Handling charges and commission expenses		
Surrenders		
Compensation payout, net		
Provisions for reinsurance contracts, net		
Policy dividend expenses		
Reinsurance cost		
Taxes and surcharges	985,235.06	714,076.26
Selling expenses	21,292,271.98	15,987,722.66
Administrative expenses	13,728,272.98	14,123,332.16
Financial expenses	3,791,227.84	5,391,361.08
Impairment losses on assets	58,832.15	-15,491.37
Add: Gains on changes in fair value (loss indicated by “-”)	1,191,425.35	857,243.37
Investment income (loss indicated by “-”)		4,447.00
Including: Investment income from associates and joint ventures		
Exchange gains (loss indicated by “-”)		
Gains from asset disposal (loss indicated by “-”)		
Other gains	2,111,659.31	

I. FINANCIAL STATEMENTS (CONTINUED)**3. Consolidated income statement (Continued)**

Unit: RMB

Item	Amount for the current period	Amount for the previous period
III. Operating profit (loss indicated by “-”)	17,524,835.97	15,382,727.83
Add: Non-operating income	580,426.33	2,922,487.24
Less: Non-operating expenses	123,299.41	73,266.69
IV. Total profit (total loss indicated by “-”)	17,981,962.89	18,231,948.38
Less: Income tax expenses	250,000.00	242,553.07
V. Net profit (net loss indicated by “-”)	17,731,962.89	17,989,395.31
(I) Net profit from continuing operations (net loss indicated by “-”)	17,731,962.89	17,989,395.31
(II) Net profit from discontinued operations (net loss indicated by “-”)		
Net profit attributable to owners of the parent company	17,731,962.89	17,989,395.31
Minority interests		
VI. Other comprehensive income, net of tax		
Other comprehensive income attributable to owners of the parent company, net of tax		
(I) Other comprehensive income which cannot be subsequently reclassified to profit or loss		
1. Changes in net liabilities or net assets arising from the re-measurement of defined benefit plans		
2. Share of other comprehensive income of investees which cannot be subsequently reclassified to profit or loss under equity method		

I. FINANCIAL STATEMENTS (CONTINUED)

3. Consolidated income statement (Continued)

Unit: RMB

Item	Amount for the current period	Amount for the previous period
(II) Other comprehensive income which will subsequently be reclassified to profit or loss		
1. Share of other comprehensive income of investees which will subsequently be reclassified to profit or loss under equity method		
2. Gain or loss arising from changes in fair value of available-for-sale financial assets		
3. Gain or loss arising from reclassification of held-to-maturity investment to available-for-sale financial assets		
4. Effective portion of gain or loss from cash flow hedging instruments		
5. Differences on translation of financial statements in foreign currency		
6. Others		
Other comprehensive income attributable to minority shareholders, net of tax		
VII. Total comprehensive income	7,731,962.89	17,989,395.31
Total comprehensive income attributable to owners of the parent company	17,731,962.89	17,989,395.31
Total comprehensive income attributable to minority shareholders		
VIII. Earnings per share:		
(I) Basic earnings per share	0.08	0.11
(II) Diluted earnings per share	0.08	0.11

For the current period, net profit prior to the merger of the merged party in a business consolidation under common control amounted to RMB . Net profit of the merged party for the previous period amounted to RMB .

Legal representative:
Ma Hongfu

Person-in-charge of
accounting operations:
Wang Guofu

Head of accounting
department:
Chen Menggan

1. FINANCIAL STATEMENTS (CONTINUED)

4. Income statement of the parent company

Unit: RMB

Item	Amount for the current period	Amount for the previous period
I. Operating revenue	119,944,536.22	107,643,706.32
Less: Operating cost	80,982,309.13	73,241,856.60
Taxes and surcharges	760,889.76	500,688.75
Selling expenses	15,769,848.41	13,153,456.43
Administrative expenses	3,462,211.66	6,137,051.66
Financial expenses	2,898,968.57	3,898,582.19
Impairment losses on assets	75,335.46	
Add: Gains on changes in fair value (loss indicated by “-”)		
Investment income (loss indicated by “-”)		4,447.00
Including: Investment income from associates and joint ventures		
Gains from asset disposal (loss indicated by “-”)		
Other gains	381,600.00	
II. Operating profit (loss indicated by “-”)	16,376,573.23	10,716,517.69
Add: Non-operating income	500.00	398,046.69
Less: Non-operating expenses	99,972.56	73,266.69
III. Total profit (total loss indicated by “-”)	16,277,100.67	11,041,297.69
Less: Income tax expenses	250,000.00	
IV. Net profit (net loss indicated by “-”)	16,027,100.67	11,041,297.69
(I) Net profit from continuing operations (net loss indicated by “-”)	16,027,100.67	11,041,297.69
(II) Net profit from discontinued operations (net loss indicated by “-”)		

1. FINANCIAL STATEMENTS (CONTINUED)

4. Income statement of the parent company (Continued)

Unit: RMB

Item	Amount for the current period	Amount for the previous period
V. Other comprehensive income, net of tax		
(I) Other comprehensive income which cannot be subsequently reclassified to profit or loss		
1. Changes in net liabilities or net assets arising from re-measurement of defined benefit plans		
2. Share of other comprehensive income of investees which cannot be subsequently reclassified to profit or loss under equity method		
(II) Other comprehensive income which will subsequently be reclassified to profit or loss		
1. Share of other comprehensive income of investees which will subsequently be reclassified to profit or loss under equity method		
2. Gain or loss arising from changes in fair value of available-for-sale financial assets		
3. Gain or loss arising from reclassification of held-to-maturity investment to available-for-sale financial assets		
4. Effective portion of gain or loss from cash flow hedging instruments		
5. Differences on translation of financial statements in foreign currency		
6. Others		
VI. Total comprehensive income	16,027,100.67	11,041,297.69
VII. Earnings per share		
(I) Basic earnings per share		
(II) Diluted earnings per share		

1. FINANCIAL STATEMENTS (CONTINUED)

5. Consolidated cash flow statement

Unit: RMB

Item	Amount for the current period	Amount for the previous period
I. Cash flow from operating activities:		
Cash received from sales of goods and rendering of services	153,078,323.43	147,799,519.22
Net increase in customer deposits and deposits from banks and other financial institutions		
Net increase in borrowings from central bank		
Net increase in placements from other financial institutions		
Cash received as premiums of original insurance contracts		
Cash received from reinsurance business, net		
Net increase in policyholder deposits and investment funds		
Net increase in disposal of financial assets at fair value through current profit or loss		
Cash received as interests, handling charges and commissions		
Net increase in placements		
Net increase in funds of repurchase business		
Tax rebates received		
Cash received in connection with other operating activities	5,645,833.06	5,068,819.61
Sub-total of cash inflow from operating activities	158,724,156.49	152,868,338.83

1. FINANCIAL STATEMENTS (CONTINUED)

5. Consolidated cash flow statement (Continued)

Unit: RMB

Item	Amount for the current period	Amount for the previous period
Cash paid for purchase of goods and accepting of services	140,227,124.41	96,259,415.16
Net increase in loans and advances to customers		
Net increase in deposits with central bank and other financial institutions		
Cash paid for original insurance contract claims		
Cash paid for interest, handling charges and commissions		
Cash paid for policyholder dividend		
Cash paid to and for employees	15,824,580.09	14,560,241.08
Taxes and surcharges paid	6,446,953.27	10,638,420.48
Cash paid in connection with other operating activities	8,163,199.86	6,205,611.71
Sub-total of cash outflow from operating activities	170,661,857.63	127,663,688.43
Net cash flow from operating activities	-11,937,701.14	25,204,650.40

1. FINANCIAL STATEMENTS (CONTINUED)

5. Consolidated cash flow statement (Continued)

Unit: RMB

Item	Amount for the current period	Amount for the previous period
II. Cash flow from investing activities:		
Cash received upon disposal of investments		
Cash received as investment income		4,447.00
Cash received upon disposal of fixed assets, intangible assets and other long-term assets, net	1,046,600.00	1,591,000.00
Cash received upon disposal of subsidiaries and other business units, net		
Cash received in connection with other investing activities		
Sub-total of cash inflow from investing activities	1,046,600.00	1,595,447.00
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	40,369,339.97	12,869,129.40
Cash paid for investments		
Net increase in pledged loans		
Cash paid for acquisition of subsidiaries and other business units, net		
Cash paid in connection with other investing activities		
Sub-total of cash outflow from investing activities	40,369,339.97	12,869,129.40
Net cash flow from investing activities	-39,322,739.97	-11,273,682.40

1. FINANCIAL STATEMENTS (CONTINUED)

5. Consolidated cash flow statement (Continued)

Unit: RMB

Item	Amount for the current period	Amount for the previous period
III. Cash flow from financing activities:		
Cash received as investments		
Including: Cash received by subsidiaries as minority shareholders' investments		
Cash received upon drawdown of loans	160,000,000.00	165,380,000.00
Cash proceeds of bond issue		
Cash received in connection with other financing activities		
Sub-total of cash inflow from financing activities	160,000,000.00	165,380,000.00
Cash paid for repayment of debts	170,000,000.00	60,500,000.00
Cash paid for dividend and profit distribution or interest payment	5,108,009.28	4,181,628.42
Including: Dividend and profit paid to minority shareholders by subsidiaries		
Cash paid in connection with other financing activities		
Sub-total of cash outflow from financing activities	175,108,009.28	64,681,628.42
Net cash flows from financing activities	-15,108,009.28	100,698,371.58
IV. Effect on cash and cash equivalents of changes in foreign exchange rates		
V. Net increase in cash and cash equivalents	-66,368,450.39	114,629,339.58
Add: Opening balance of cash and cash equivalents	747,642,372.75	273,352,017.83
VI. Closing balance of cash and cash equivalents	681,273,922.36	387,981,357.41

1. FINANCIAL STATEMENTS (CONTINUED)

6. Cash flow statement of the parent company

Unit: RMB

Item	Amount for the current period	Amount for the previous period
I. Cash flow from operating activities:		
Cash received from sales of goods and rendering of services	115,967,293.67	108,338,633.68
Tax rebates received		
Cash received in connection with other operating activities	18,848,018.11	66,449,552.73
Sub-total of cash inflow from operating activities	134,815,311.78	174,788,186.41
Cash paid for purchase of goods and accepting of services	150,859,354.14	121,270,764.41
Cash paid to and for employees	9,237,045.16	8,325,717.59
Taxes and surcharges paid	5,049,942.38	6,963,753.04
Cash paid in connection with other operating activities	13,705,179.31	10,567,433.13
Sub-total of cash outflow from operating activities	178,851,520.99	147,127,668.17
Net cash flow from operating activities	-44,036,209.21	27,660,518.24

1. FINANCIAL STATEMENTS (CONTINUED)

6. Cash flow statement of the parent company (Continued)

Unit: RMB

Item	Amount for the current period	Amount for the previous period
II. Cash flow from investing activities:		
Cash received upon disposal of investments		
Cash received as investment income		4,447.00
Cash received upon disposal of fixed assets, intangible assets and other long-term assets, net		
Cash received upon disposal of subsidiaries and other business units, net		
Cash received in connection with other investing activities		
Sub-total of cash inflow from investing activities		4,447.00
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	30,499,245.17	2,519,241.00
Cash paid for investments		
Cash paid for acquisition of subsidiaries and other business units, net		
Cash paid in connection with other investing activities		
Sub-total of cash outflow from investing activities	30,499,245.17	2,519,241.00
Net cash flow from investing activities	-30,499,245.17	-2,514,794.00

1. FINANCIAL STATEMENTS (CONTINUED)

6. Cash flow statement of the parent company (Continued)

Unit: RMB

Item	Amount for the current period	Amount for the previous period
III. Cash flow from financing activities:		
Cash received as investments		
Cash received upon drawdown of loans	140,000,000.00	165,380,000.00
Cash proceeds of bond issue		
Cash received in connection with other financing activities		
Sub-total of cash inflow from financing activities	140,000,000.00	165,380,000.00
Cash paid in repayment of debts	140,000,000.00	40,000,000.00
Cash paid for dividend and profit distribution or interest payment	4,564,088.44	2,674,564.87
Cash paid in connection with other financing activities		
Sub-total of cash outflow from financing activities	144,564,088.44	42,674,564.87
Net cash flows from financing activities	-4,564,088.44	122,705,435.13
IV. Effect on cash and cash equivalents of changes in foreign exchange rates		
V. Net increase in cash and cash equivalents	-79,099,542.82	147,851,159.37
Add: Opening balance of cash and cash equivalents	685,225,413.30	152,659,036.32
VI. Closing balance of cash and cash equivalents	606,125,870.48	300,510,195.69

II. AUDIT REPORT

Whether the first quarterly report is audited

Yes No

The first quarterly report of the Company is unaudited.

By order of the Board
Lanzhou Zhuangyuan Pasture Co., Ltd.*
Ma Hongfu
Chairman

Lanzhou, the PRC, 20 April 2018

As at the date of this announcement, the executive Directors are Mr. Ma Hongfu, Mr. Wang Guofu, Mr. Chen Yuhai and Ms. Zhang Qianyu; the non-executive Directors are Mr. Yap Kean Chong and Mr. Song Xiaopeng; and the independent non-executive Directors are Ms. Liu Zhijun, Mr. Zhao Xinmin and Mr. Wong Cho Hang Stanley.

* For identification purpose only