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*(A joint stock company incorporated in the People's Republic of China with limited liability under the Chinese corporate name "东方证券股份有限公司" and carrying on business in Hong Kong as "東方證券" (in Chinese) and "DFZQ" (in English))*

**(Stock Code: 03958)**

## **THE FIRST QUARTERLY REPORT FOR THE YEAR 2018**

The board (the "**Board**") of directors (the "**Directors**") of 東方證券股份有限公司 (the "**Company**") is pleased to announce the unaudited results of the Company and its subsidiaries for the first quarter ended March 31, 2018, prepared in accordance with General Accepted Accounting Principles of the People's Republic of China. This announcement is made pursuant to the Inside Information Provisions (as defined in The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") (the "**Listing Rules**")) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and Rules 13.09(2) and 13.10B of the Listing Rules.

This announcement contains the Chinese original version and English translation of the "The First Quarterly Report for the Year 2018 of Orient Securities Company Limited" as published on the website of the Shanghai Stock Exchange, and is provided for your reference only. In case of discrepancy between the Chinese version and the English version, the Chinese version shall prevail.

By order of the Board of Directors  
**PAN Xinjun**  
Chairman

Shanghai, PRC  
April 26, 2018

*As at the date of this announcement, the Board of Directors comprises Mr. PAN Xinjun and Mr. JIN Wenzhong as executive Directors; Mr. LIU Wei, Mr. WU Junhao, Mr. CHEN Bin, Mr. LI Xiang, Ms. XIA Jinghan, Mr. XU Jianguo and Mr. DU Weihua as non-executive Directors; and Mr. XU Guoxiang, Mr. TAO Xiuming, Mr. WEI Anning, Mr. XU Zhiming and Mr. JIN Qinglu as independent non-executive Directors.*

**Orient Securities Company Limited**

**The First Quarterly Report for the Year 2018**

**CONTENTS**

**I. IMPORTANT NOTICE** ..... 4

**II. COMPANY PROFILE** ..... 4

**III. MATERIAL EVENTS** ..... 9

**IV. APPENDICES** ..... 13

## I. IMPORTANT NOTICE

- 1.1 The Board, the supervisory committee of the Company and its Directors, supervisors and senior management warrant that the information contained herein is true, accurate and complete and there are no false representations, misleading statements contained in or material omissions from this quarterly report, and severally and jointly accept legal liability.
- 1.2 All the Directors attended the Board meeting to consider this quarterly report.
- 1.3 The person-in-charge of the Company, Mr. Pan Xinjun, and the accounting chief and person-in-charge of the accounting department (head of the accounting department), Mr. Zhang Jianhui, warrant the truthfulness, accuracy and completeness of the financial statements set out in this quarterly report.
- 1.4 This first quarterly report of the Company was unaudited.

## II. COMPANY PROFILE

### 2.1 Key financial data

Unit: Yuan Currency: RMB

|  | <b>At the end of<br/>this reporting period</b>  | <b>At the end of the previous year</b>   |                           | <b>Increase/decrease<br/>recorded at the end<br/>of this reporting<br/>period as compared<br/>with the end of<br/>the previous year (%)</b> |
|--|---|--|---------------------------|---|
|  |   | <b>After adjustments</b>   | <b>Before adjustments</b> |   |
| Total assets   | 225,088,497,652.77  | 230,994,478,727.07   | 231,859,988,264.38        | -2.56   |
| Net assets attributable to<br>the shareholders of<br>the Company | 52,397,275,593.34   | 52,202,811,362.13  | 52,985,501,419.59         | 0.37  |
|  | <b>From the beginning<br/>of the year to<br/>the end of this<br/>reporting period</b> | <b>From the beginning of the previous year<br/>to the end of the reporting period<br/>of the previous year</b> |                           | <b>Increase/decrease<br/>as compared with<br/>the corresponding<br/>period of the<br/>previous year (%)</b>                                 |
|  |   | <b>After adjustments</b>   | <b>Before adjustments</b> |   |
| Net cash flows from<br>operating activities                      | -7,828,937,251.32   | -11,755,634,285.04   | -11,755,634,285.04        | N/A   |

Unit: Yuan Currency: RMB

|   | From the beginning of the year to the end of this reporting period | From the beginning of the previous year to the end of the reporting period of the previous year |                    | Increase/decrease as compared with the corresponding period of the previous year (%) |
|---|--|---|--------------------|--|
|   |  | After adjustments   | Before adjustments |  |
| Operating income  | 1,944,336,176.58   | 2,128,920,367.14  | 2,128,887,867.14   | -8.67  |
| Net profit attributable to the shareholders of the Company  | 436,172,745.35   | 844,297,461.03  | 844,297,461.03     | -48.34   |
| Net profit attributable to the shareholders of the Company after deducting non-recurring profit or loss | 366,904,718.23   | 638,128,835.43  | 638,128,835.43     | -42.50   |
| Weighted average returns on net assets (%)  | 0.83   | 2.07  | 2.07               | Decrease by 1.24 percentage points   |
| Basic earnings per share (RMB/Share)  | 0.06   | 0.14  | 0.14               | -57.14   |
| Diluted earnings per share (RMB/Share)  | N/A  | N/A   | N/A                | N/A  |

*Notes:*

1. The differences in respect of the total assets and net assets attributable to the shareholders of the Company as at the end of the previous year before and after taking into account relevant adjustments were mainly due to the retrospective adjustments the Company has made on retained profits and other comprehensive income at the beginning of the period in accordance with the Notice on the Amendments to Accounting Standard for Business Enterprises No. 22 – Recognition and Measurement of Financial Instrument (Caikuai [2017] No. 7) issued by the Ministry of Finance of the PRC.
2. The difference in respect of the operating income of the Company from the beginning of the previous year to the end of the reporting period of the previous year before and after taking into account relevant adjustments was mainly because the Company has increased the amount of gains on asset disposal under operating income in accordance with the Notice on the Amendments to the Format of General Corporate Financial Statements (Caikuai [2017] No. 30).

*Non-recurring items and amounts*

Applicable    Not Applicable

Unit: Yuan   Currency: RMB

| <b>Items</b>   | <b>Amounts for<br/>this period</b> | <b>Remarks</b>       |
|--|------------------------------------|----------------------|
| Gains or losses from disposals of non-current assets   | -377,792.82                        |                      |
| Government grants recognized in current profit or loss,<br>excluding those closely related to the Company's<br>normal operations and granted on an ongoing basis<br>under the State's policies according to certain quota of<br>amount or volume | 101,976,554.20                     | Government<br>grants |
| Other non-operating incomes and expenses except items<br>above   | -1,258,058.55                      |                      |
| Effect of non-controlling interests (net of tax)   | -5,987,500.00                      |                      |
| Effect of income tax   | -25,085,175.71                     |                      |
| Total  | 69,268,027.12                      |                      |

**2.2 The table below sets out the total number of shareholders, and the shareholding of the top ten shareholders and the top ten shareholders of circulating shares (or shareholders not subject to restriction on sales) as at the end of the reporting period**

Unit: Share

| Name of shareholders<br>(Full name)  | Shareholding of the top ten shareholders                    |                |                                  |                   |                  | Nature of shareholders                |
|--|---|----------------|----------------------------------|-------------------|------------------|---------------------------------------|
|  | Number of shares held as at the end of the reporting period | Percentage (%) | Number of restricted shares held | Pledged or frozen |                  |                                       |
|  |   |                |                                  | Status of shares  | Number of shares |                                       |
| Total number of shareholders (accounts)  |   |                |                                  |                   |                  | 142,265                               |
| Shenergy (Group) Company Limited   | 1,767,522,422   | 25.27          | 230,000,000                      | Nil               | –                | State-owned legal person              |
| Hong Kong Securities Clearing Company Nominees Limited                               | 1,026,965,600   | 14.68          | –                                | Nil               | –                | Foreign legal person                  |
| Shanghai Haiyan Investment Management Company Limited                                | 345,486,596   | 4.94           | 59,215,263                       | Nil               | –                | State-owned legal person              |
| China Securities Finance Corporation Limited   | 342,686,425   | 4.90           | –                                | Nil               | –                | State-owned legal person              |
| Shanghai United Media Group  | 243,267,306   | 3.48           | –                                | Nil               | –                | State-owned legal person              |
| Zheneng Capital Holdings Limited<br>(浙能資本控股有限公司)                                     | 208,700,000   | 2.98           | 208,700,000                      | Nil               | –                | State-owned legal person              |
| Shanghai Electric (Group) Corporation  | 194,073,938   | 2.77           | –                                | Nil               | –                | State-owned legal person              |
| China Post Group Corporation   | 178,743,236   | 2.56           | –                                | Nil               | –                | State-owned legal person              |
| Shanghai Jinqiao Export Processing Zone Development Co., Ltd.<br>(上海金橋出口加工區開發股份有限公司) | 160,653,687   | 2.30           | –                                | Nil               | –                | Domestic non-state-owned legal person |
| Shanghai Construction Group Co., Ltd.  | 133,523,008   | 1.91           | –                                | Nil               | –                | State-owned legal person              |

**Shareholding of the top ten shareholders of non-restricted shares****Type and number of shares**

| <b>Name of shareholders</b>  | <b>Number of circulating non-restricted shares held</b>  | <i>Type</i>                    | <i>Number</i> |
|--|--|--------------------------------|---------------|
| Shenergy (Group) Company Limited   | 1,537,522,422  | RMB ordinary shares            | 1,537,522,422 |
| Hong Kong Securities Clearing Company Nominees Limited                               | 1,026,965,600  | Overseas listed foreign shares | 1,026,965,600 |
| China Securities Finance Corporation Limited   | 342,686,425  | RMB ordinary shares            | 342,686,425   |
| Shanghai Haiyan Investment Management Company Limited                                | 286,271,333  | RMB ordinary shares            | 286,271,333   |
| Shanghai United Media Group  | 243,267,306  | RMB ordinary shares            | 243,267,306   |
| Shanghai Electric (Group) Corporation  | 194,073,938  | RMB ordinary shares            | 194,073,938   |
| China Post Group Corporation   | 178,743,236  | RMB ordinary shares            | 178,743,236   |
| Shanghai Jinqiao Export Processing Zone Development Co., Ltd.<br>(上海金橋出口加工區開發股份有限公司) | 160,653,687  | RMB ordinary shares            | 160,653,687   |
| Shanghai Construction Group Co., Ltd.  | 133,523,008  | RMB ordinary shares            | 133,523,008   |
| Greatwall Information Industry Co., Ltd.   | 104,389,200  | RMB ordinary shares            | 104,389,200   |
| Related party relationship or parties acting in concert among above shareholders     | Shenergy (Group) Company Limited, Shanghai Electric (Group) Corporation and Shanghai Construction Group Co., Ltd. are the subsidiaries of the State-owned Assets Supervision and Administration Commission of Shanghai Municipal Government. The Company is not aware of any other related party relationship or any parties acting in concert among other shareholders. |                                |               |

**2.3 The table below sets out the total number of preferred shareholders, and shareholding of top ten preferred shareholders and top ten preferred shareholders not subject to restriction on sales as at the end of the reporting period**

Applicable  Not Applicable



### III. MATERIAL EVENTS

#### 3.1 Material changes in major accounting statement items and financial indicators of the Company and the reasons for such changes

Applicable    Not Applicable

Unit: Yuan   Currency: RMB

| Items   | As at the end of the period | As at the beginning of the year | Increase/Decrease (%) | Reasons   |
|---|-----------------------------|---------------------------------|-----------------------|---|
| Derivative financial assets                       | 77,071,297.93               | 168,718,612.92                  | -54.32                | Decrease in the assets arising from change in the fair value of derivatives                                     |
| Deposit with exchanges and financial institutions | 1,577,176,248.47            | 1,025,095,523.60                | 53.86                 | Increase of stock index futures margin and the performance security of certain subsidiaries                     |
| Deferred income tax assets                        | 450,793,083.32              | 193,345,880.33                  | 133.15                | Increase of deductible temporary difference   |
| Short-term financial bills payable                | 4,157,960,000.00            | 1,810,486,000.00                | 129.66                | Increase in the size of short-term commercial papers issued   |
| Derivative financial liabilities                  | 1,442,734,600.05            | 628,175,517.92                  | 129.67                | Increase of the cost of derivative financial liabilities  |
| Funds payable to securities issuers               |                             | 264,032,557.89                  | -100.00               | Decrease in the amount of securities underwriting services provided by the subsidiaries                         |
| Securities brokerage for margin transaction       | 1,841,706,858.30            | 1,410,115,184.09                | 30.61                 | Increase in the settlement with margin financing and securities lending clients                                 |
| Interest payable                                  | 2,248,762,983.52            | 1,610,026,064.39                | 39.67                 | Increase in the provision for bond interest payable   |
| Deferred income tax liabilities                   | 13,339,793.21               | 216,552.10                      | 6,060.08              | Increase in taxable temporary difference  |
| Other comprehensive income                        | -161,617,512.74             | 80,317,388.52                   | -301.22               | Mainly due to the change of the fair value of financial assets at fair value through other comprehensive income |

Unit: Yuan Currency: RMB

| Items                                     | This period       | Corresponding period of previous year | Increase/Decrease (%) | Reasons   |
|---|-------------------|---------------------------------------|-----------------------|---|
| Net fee and commission income             | 1,547,696,048.62  | 1,083,909,107.28                      | 42.79                 | Mainly due to the increase of the net fee income of asset management business   |
| Gains from disposal of assets             | -54,197.29        | 32,500.00                             | -266.76               | Increase of expenses related with asset disposal  |
| Gains from changes in fair value          | -492,382,105.59   | 558,644,791.94                        | -188.14               | Effects of fair value changes of financial instruments  |
| Foreign exchange gains                    | 11,095,258.63     | -42,226,614.05                        | N/A                   | Effects of exchange rate changes  |
| Other business income                     | 222,312,530.38    | 35,831,008.48                         | 520.45                | Increase of the income from sale of commodity by subsidiaries   |
| Tax and surcharges                        | 20,785,590.03     | 15,106,785.08                         | 37.59                 | Mainly due to the increase of stamp duty  |
| Asset impairment loss                     | 740,535.21        | 4,452,403.08                          | -83.37                | Decrease in the provision for impairment loss by subsidiaries   |
| Other business cost                       | 214,628,308.38    | 24,355,416.28                         | 781.23                | Increase of cost of sales of commodity by subsidiaries  |
| Non-operating income                      | 102,730,741.78    | 279,582,769.08                        | -63.26                | Decrease in government grants   |
| Non-operating expenses                    | 2,335,841.66      | 223,768.40                            | 943.87                | Mainly due to the increase of donation expense of certain subsidiaries  |
| Income tax expense                        | 30,015,946.50     | 227,391,267.34                        | -86.80                | Due to decrease in total profit   |
| Other comprehensive income after tax, net | -241,934,901.26   | -351,676,011.20                       | N/A                   | Due to change in the fair value of financial assets at fair value through other comprehensive income  |
| Basic earnings per share (RMB /Share)     | 0.06              | 0.14                                  | -57.14                | Decrease of net profit and increase of share capital  |
| Net cash from operating activities        | -7,828,937,251.32 | -11,755,634,285.04                    | N/A                   | Mainly due to the increase in the net-gain from the disposal of financial assets at fair value through profit or loss and the decrease in the cash outflow resulting from settlement of transactions with clients |
| Net cash from investing activities        | 1,201,638,538.51  | 2,280,619,937.00                      | -47.31                | Mainly due to the increase in the cash outflow resulting from acquisition of financial assets at fair value through other comprehensive income  |
| Net cash from financing activities        | -60,659,107.17    | -158,514,832.06                       | N/A                   | Mainly due to the decrease in the cash outflow for repaying debts   |

### **3.2 Analysis and description on the updates, impacts and solutions of material events**

Applicable Not Applicable

#### **3.2.1 Election of the Board and the Supervisory Committee**

- (1) The 36th meeting of the third session of the Board held on December 5, 2017, the first extraordinary meeting for the year 2018 held on March 6, 2018 and first meeting of the fourth session of the Board held on March 9, 2018 have considered and approved the election of Mr. Pan Xinjun and Mr. Jin Wenzhong as the executive Directors of the fourth session of the Board, Mr. Liu Wei, Mr. Wu Junhao, Mr. Chen Bin, Mr. Li Xiang, Ms. Xia Jinghan and Mr. Xu Jianguo as the non-executive Directors of the fourth session of the Board, and Mr. Xu Guoxiang, Mr. Tao Xiuming, Mr. Wei Anning, Mr. Xu Zhiming and Mr. Jin Qinglu as the independent non-executive Directors of the fourth session of the Board; the election of Mr. Pan Xinjun as the Chairman of the fourth session of the Board; the election of members and chairpersons of special committees under the fourth session of the Board. The second plenary session of the third employees' representative general meeting of the Company held on December 11, 2017 has considered and approved the election of Mr. Du Weihua as an employee representative Director of the fourth session of the Board of the Company.
- (2) The 15th meeting of the third session of the Supervisory Committee held on December 5, 2017, the first extraordinary meeting for the year 2018 held on March 6, 2018 and the first meeting of the fourth session of the Supervisory Committee of the Company held on March 9, 2018 have considered and approved the election of Mr. Zhang Qian, Ms. Huang Laifang, Ms. Tong Jie, Mr. Liu Wenbin, Mr. Yin Keding and Mr. Wu Zhengkui as Supervisors who are not employee representatives of the Company; the election of Mr. Zhang Qian and Mr. Li Bin as the chairman and deputy chairman of the fourth session of the Supervisory Committee, respectively. The second plenary session of the third employees' representative general meeting of the Company held on December 11, 2017 has considered and approved the election of Mr. Li Bin, Mr. Zhou Wenwu and Mr. Yao Yuan as employee representative Supervisors of the fourth session of the Supervisory Committee of the Company.
- (3) The second meeting of the fourth session of the Board of the Company held on March 29, 2018 has considered and approved the appointment of Mr. Jin Wenzhong as the President of the Company and Mr. Yang Yucheng, Mr. Shu Hong, Mr. Zhang Jianhui and Mr. Du Weihua as Vice Presidents of the Company; Mr. Yang Yucheng and Ms. Leung Wing Han Sharon as joint company secretaries of the Company; Mr. Zhang Jianhui as the chief financial officer; Mr. Yang Bin as chief risk officer and chief compliance officer of the Company; Mr. Wang Rufu as secretary to the Board; Ms. Li Tingting as the representative for securities related affairs of the Company, for a term commencing from the date of being approved by the Board till the expiration of the fourth session of the Board of the Company.

### **3.3 Undertakings that have not yet been duly fulfilled during the reporting period**

Applicable Not Applicable

**3.4 Profit warning and explanation of expected accumulated net loss from the beginning of the year to the end of the next reporting period or material changes over the corresponding period of previous year**

Applicable  Not Applicable

|                      |                                   |
|----------------------|-----------------------------------|
| Name of the Company  | ORIENT SECURITIES COMPANY LIMITED |
| Legal representative | Pan Xinjun                        |
| Date                 | April 26, 2018                    |

## IV. APPENDICES

### 4.1 Financial Statements

#### Consolidated Balance Sheet

As at March 31, 2018

Prepared by: ORIENT SECURITIES COMPANY LIMITED

Unit: Yuan Currency: RMB Type of audit: Unaudited

| Items  | Balance as<br>at the end of<br>the period | Balance as<br>at the beginning<br>of the year |
|--|---|---|
| <b>Assets:</b>   |   |   |
| Cash and bank balances   | 35,822,044,479.74                         | 42,345,855,129.04                             |
| Of which: Deposits held on behalf of customers                       | 22,134,062,774.88                         | 20,511,635,054.45                             |
| Clearing settlement funds  | 9,171,368,651.52                          | 9,349,322,311.13                              |
| Of which: Settlement funds held on behalf of customers               | 6,621,358,632.13                          | 8,408,805,301.66                              |
| Placements to banks and other financial institutions                 |   |   |
| Advance to customers   | 13,217,891,219.26                         | 12,869,007,476.04                             |
| Financial assets at fair value through profit or loss                | 57,064,761,966.65                         | 58,806,364,053.91                             |
| Derivative financial assets  | 77,071,297.93                             | 168,718,612.92                                |
| Financial assets acquired under resale agreements                    | 35,830,620,156.95                         | 33,812,780,039.30                             |
| Receivables  | 1,047,502,499.59                          | 987,719,440.14                                |
| Interest receivables   | 2,196,861,308.93                          | 2,242,935,182.39                              |
| Deposits with exchanges and financial institutions                   | 1,577,176,248.47                          | 1,025,095,523.60                              |
| Dividend receivables   |   |   |
| Assets classified as held for sale                                   |   |   |
| Financial assets at fair value through other<br>comprehensive income | 54,980,426,456.88                         | 56,637,471,401.42                             |
| Debt investment measured at amortized costs                          | 6,636,776,132.81                          | 5,805,027,639.94                              |
| Long-term receivables  |   |   |
| Long-term equity investments   | 3,941,785,674.92                          | 3,859,013,371.14                              |
| Investment properties  |   |   |
| Fixed assets   | 478,271,854.40                            | 456,138,848.43                                |
| Construction in progress   | 1,502,890,240.74                          | 1,505,733,360.83                              |
| Intangible assets  | 120,896,302.72                            | 127,939,308.39                                |
| Development expenses   |   |   |
| Goodwill   | 32,135,375.10                             | 32,135,375.10                                 |
| Long-term deferred expenses  | 75,489,495.86                             | 71,737,173.41                                 |
| Deferred income tax assets   | 450,793,083.32                            | 193,345,880.33                                |
| Other assets   | 863,735,206.98                            | 698,138,599.61                                |
| Total assets   | 225,088,497,652.77                        | 230,994,478,727.07                            |

Unit: Yuan Currency: RMB Type of audit: Unaudited

| Items  | Balance as<br>at the end of<br>the period | Balance as<br>at the beginning<br>of the year |
|--|---|---|
| <b>Liabilities:</b>  |   |   |
| Short-term borrowings                                      | 1,269,162,716.49                          | 1,521,579,784.01                              |
| Short-term financial bills payable                         | 4,157,960,000.00                          | 1,810,486,000.00                              |
| Due to banks and other financial institutions              | 9,000,000,000.00                          | 11,200,000,000.00                             |
| Financial liabilities at fair value through profit or loss | 7,166,479,287.76                          | 6,059,726,951.24                              |
| Derivative financial liabilities                           | 1,442,734,600.05                          | 628,175,517.92                                |
| Financial assets sold under repurchase agreements          | 50,092,940,158.52                         | 56,120,004,384.84                             |
| Account payable to brokerage clients                       | 26,259,547,026.25                         | 26,809,405,964.99                             |
| Funds payable to securities issuers                        |   | 264,032,557.89                                |
| Securities brokerage for margin transaction                | 1,841,706,858.30                          | 1,410,115,184.09                              |
| Accrued staff costs  | 1,645,555,085.01                          | 1,852,382,791.71                              |
| Taxes payable  | 498,365,403.85                            | 617,353,804.90                                |
| Payables   | 479,494,391.95                            | 461,873,243.84                                |
| Interest payable   | 2,248,762,983.52                          | 1,610,026,064.39                              |
| Dividend payable   |   |   |
| Liabilities classified as held for sale                    |   |   |
| Provision  |   |   |
| Long-term borrowings                                       | 774,234,745.01                            | 806,089,905.65                                |
| Bonds payable  | 63,177,328,511.26                         | 65,309,686,815.29                             |
| Long-term payables   |   |   |
| Long-term accrued staff costs                              |   |   |
| Special payables   |   |   |
| Deferred income tax liabilities                            | 13,339,793.21                             | 216,552.10                                    |
| Deferred income  |   |   |
| Other liabilities  | 2,102,630,094.83                          | 1,795,548,179.58                              |
| Total liabilities  | 172,170,241,656.01                        | 178,276,703,702.44                            |

Unit: Yuan Currency: RMB Type of audit: Unaudited

| Items  | Balance as<br>at the end of<br>the period | Balance as<br>at the beginning<br>of the year |
|--|---|---|
| <b>Equity of owners (or equity of shareholders):</b>                               |   |   |
| Share capital  | 6,993,655,803.00                          | 6,993,655,803.00                              |
| Other equity instruments   |   |   |
| Capital reserve  | 28,254,930,651.32                         | 28,254,930,651.32                             |
| Less: treasury shares  |   |   |
| Other comprehensive income   | -161,617,512.74                           | 80,317,388.52                                 |
| Special reserve  |   |   |
| Surplus reserve  | 3,052,204,429.25                          | 3,052,204,429.25                              |
| General risk reserve   | 6,646,744,700.80                          | 6,604,969,298.19                              |
| Undistributed profits  | 7,611,357,521.71                          | 7,216,733,791.85                              |
| Exchange differences from translation of statements                                |   |   |
| Total equity attributable to the owners (or shareholders)<br>of the parent company | 52,397,275,593.34                         | 52,202,811,362.13                             |
| Non-controlling interests  | 520,980,403.42                            | 514,963,662.50                                |
| Total equity of owners (or equity of shareholders)                                 | 52,918,255,996.76                         | 52,717,775,024.63                             |
| Total liabilities and equity of owners<br>(or equity of shareholders)              | 225,088,497,652.77                        | 230,994,478,727.07                            |

Legal representative:  
Pan Xinjun

Accounting chief:  
Zhang Jianhui

Person-in-charge of the accounting department:  
Zhang Jianhui

## Balance Sheet of the Parent Company

As at March 31, 2018

Prepared by: ORIENT SECURITIES COMPANY LIMITED

Unit: Yuan Currency: RMB Type of audit: Unaudited

| Items  | Balance as<br>at the end<br>of the period | Balance as<br>at the beginning<br>of the year |
|--|---|---|
| <b>Assets:</b>   |   |   |
| Cash and bank balances   | 22,288,169,720.85                         | 28,764,612,592.41                             |
| Of which: Deposits held on behalf of customers                       | 16,189,463,632.14                         | 12,863,056,694.59                             |
| Clearing settlement funds  | 4,965,324,798.43                          | 5,995,853,072.51                              |
| Of which: Settlement funds held on behalf of customers               | 1,968,240,332.62                          | 5,124,921,204.52                              |
| Placements to banks and other financial institutions                 |   |   |
| Advance to customers   | 12,974,459,077.88                         | 12,621,630,855.20                             |
| Financial assets at fair value through profit or loss                | 36,468,831,343.11                         | 39,628,393,779.56                             |
| Derivative financial assets  | 77,038,372.73                             | 168,360,197.15                                |
| Financial assets acquired under resale agreements                    | 34,630,353,771.87                         | 33,547,639,158.88                             |
| Receivables  | 229,688,391.09                            | 284,442,735.90                                |
| Interest receivable  | 1,976,179,695.23                          | 2,020,227,799.16                              |
| Deposits with exchanges and financial institutions                   | 1,150,922,339.05                          | 789,075,250.35                                |
| Dividends receivable   |   |   |
| Assets classified as held for sale                                   |   |   |
| Non-current assets maturing within one year                          |   |   |
| Financial assets at fair value through other<br>comprehensive income | 54,629,168,960.64                         | 56,275,088,448.21                             |
| Debt investment measured at amortized costs                          | 6,636,776,132.81                          | 5,805,027,639.94                              |
| Long-term receivables  |   |   |
| Long-term equity investments   | 12,829,209,985.38                         | 11,778,354,615.46                             |
| Investment properties  |   |   |
| Fixed assets   | 451,568,947.91                            | 429,390,321.38                                |
| Construction in progress   | 1,499,367,499.85                          | 1,502,310,852.12                              |
| Intangible assets  | 105,038,302.03                            | 111,082,408.94                                |
| Development expenses   |   |   |
| Goodwill   | 18,947,605.48                             | 18,947,605.48                                 |
| Long-term deferred expenses  | 58,713,967.15                             | 52,735,849.40                                 |
| Deferred income tax assets   | 259,640,166.24                            | 31,905,413.65                                 |
| Other assets   | 147,929,441.69                            | 121,089,911.84                                |
| Total assets   | 191,397,328,519.42                        | 199,946,168,507.54                            |



Unit: Yuan Currency: RMB Type of audit: Unaudited

| Items  | Balance as<br>at the end<br>of the period | Balance as<br>at the beginning<br>of the year |
|--|---|---|
| <b>Liabilities:</b>  |   |   |
| Short-term borrowings                                      |   |   |
| Short-term financial bills payable                         | 4,157,960,000.00                          | 1,810,486,000.00                              |
| Due to banks and other financial institutions              | 9,000,000,000.00                          | 11,200,000,000.00                             |
| Financial liabilities at fair value through profit or loss | 5,754,069,600.00                          | 5,616,806,550.00                              |
| Derivative financial liabilities                           | 1,370,451,478.93                          | 613,300,528.39                                |
| Financial assets sold under repurchase agreements          | 45,077,533,898.32                         | 51,621,318,914.72                             |
| Accounts payable to brokerage clients                      | 16,263,835,781.51                         | 16,202,494,986.56                             |
| Funds payable to securities issuers                        |   |   |
| Securities brokerage for margin transaction                | 1,553,596,050.13                          | 1,279,217,371.16                              |
| Accrued staff costs  | 691,702,653.02                            | 721,230,783.83                                |
| Taxes payable  | 48,933,796.31                             | 127,607,178.12                                |
| Payables   | 6,985,497.45                              | 8,676,628.65                                  |
| Interest payable   | 2,088,559,443.73                          | 1,527,834,525.07                              |
| Dividends payable  |   |   |
| Liabilities classified as held for sale                    |   |   |
| Provision  |   |   |
| Long-term borrowings                                       |   |   |
| Bonds payable  | 55,747,601,986.17                         | 59,182,941,390.51                             |
| Long-term payables   |   |   |
| Long-term accrued staff costs                              |   |   |
| Special payables   |   |   |
| Deferred income tax liabilities                            |   |   |
| Deferred income  |   |   |
| Other liabilities  | 367,821,635.56                            | 418,025,987.66                                |
| Total liabilities  | 142,129,051,821.13                        | 150,329,940,844.67                            |

Unit: Yuan Currency: RMB Type of audit: Unaudited

| Items  | Balance as<br>at the end<br>of the period | Balance as<br>at the beginning<br>of the year |
|--|---|---|
| <b>Equity of owners (or equity of shareholders):</b>                                     |   |   |
| Share capital  | 6,993,655,803.00                          | 6,993,655,803.00                              |
| Other equity instruments   |   |   |
| Capital reserve  | 28,157,008,370.79                         | 28,157,008,370.79                             |
| Less: treasury shares  |   |   |
| Other comprehensive income   | -160,429,107.46                           | 43,417,028.52                                 |
| Special reserve  |   |   |
| Surplus reserve  | 3,052,204,429.25                          | 3,052,204,429.25                              |
| General risk reserve   | 5,985,880,859.13                          | 5,985,880,859.13                              |
| Undistributed profits  | 5,239,956,343.58                          | 5,384,061,172.18                              |
| Exchange differences from translation of statements<br>denominated in foreign currencies |   |   |
| Total equity of owners (or equity of shareholders)                                       | 49,268,276,698.29                         | 49,616,227,662.87                             |
| Total liabilities and equity of owners<br>(or equity of shareholders)                    | 191,397,328,519.42                        | 199,946,168,507.54                            |

Legal representative:  
Pan Xinjun

Accounting chief:  
Zhang Jianhui

Person-in-charge of the accounting department:  
Zhang Jianhui

## Consolidated Income Statement

For January to March 2018

Prepared by: ORIENT SECURITIES COMPANY LIMITED

Unit: Yuan    Currency: RMB    Type of audit: Unaudited

| Items  | Amounts for<br>this period | Amounts for the<br>corresponding<br>period of<br>previous year |
|--|----------------------------|--|
| I. Operating income  | 1,944,336,176.58           | 2,128,920,367.14   |
| Net fee and commission income  | 1,547,696,048.62           | 1,083,909,107.28   |
| Of which: Net fee income from brokerage<br>business                    | 397,347,546.39             | 364,853,034.79   |
| Net fee income from investment<br>banking                              | 254,536,168.69             | 370,286,885.31   |
| Net fee income from asset<br>management business                       | 814,425,704.09             | 244,765,293.75   |
| Net interest income  | -449,041,867.77            | -360,013,792.66  |
| Investment gains (“-” indicating losses)                               | 1,104,710,509.60           | 852,743,366.15   |
| Of which: Gains from investments in associates<br>and joint ventures   | 282,679,404.01             | 76,005,670.28  |
| Gains from disposal of assets (“-” indicating losses)                  | -54,197.29                 | 32,500.00  |
| Gains from changes in fair value<br>(“-” indicating losses)            | -492,382,105.59            | 558,644,791.94   |
| Foreign exchange gains (“-” indicating losses)                         | 11,095,258.63              | -42,226,614.05   |
| Other gains  |                            |  |
| Other business income  | 222,312,530.38             | 35,831,008.48  |
| II. Operating expenses   | 1,562,032,273.65           | 1,311,165,400.15   |
| Business tax and surcharges  | 20,785,590.03              | 15,106,785.08  |
| Business and administrative expenses                                   | 1,325,877,840.03           | 1,267,250,795.71   |
| Asset impairment loss  | 740,535.21                 | 4,452,403.08   |
| Other business cost  | 214,628,308.38             | 24,355,416.28  |
| III. Operating profit (“-” indicating loss)                            | 382,303,902.93             | 817,754,966.99   |
| Add: Non-operating income  | 102,730,741.78             | 279,582,769.08   |
| Less: Non-operating expenses   | 2,335,841.66               | 223,768.40   |
| IV. Total profit (“-” indicating loss)                                 | 482,698,803.05             | 1,097,113,967.67   |
| Less: Income tax expenses  | 30,015,946.50              | 227,391,267.34   |
| V. Net profit (“-” indicating net loss)                                | 452,682,856.55             | 869,722,700.33   |
| (I) Classified based on continuing operation                           | 452,682,856.55             | 869,722,700.33   |
| 1. Net profit from continuing operation<br>(“-” indicating net loss)   | 452,682,856.55             | 869,722,700.33   |
| 2. Net profit from discontinued operation<br>(“-” indicating net loss) |                            |  |
| (II) Classified based on the nature of ownership                       | 452,682,856.55             | 869,722,700.33   |
| 1. Profit or loss attributable to non-controlling<br>interests         | 16,510,111.20              | 25,425,239.30  |
| 2. Net profit attributable to shareholders of the<br>parent company    | 436,172,745.35             | 844,297,461.03   |

Unit: Yuan Currency: RMB Type of audit: Unaudited

| Items   | Amounts for<br>this period | Amounts for the<br>corresponding<br>period of<br>previous year |
|---|----------------------------|--|
| VI. Other comprehensive income, net of tax  | -241,934,901.26            | -351,676,011.20  |
| Other comprehensive income after tax attributable to the owners of the parent company, net  | -241,934,901.26            | -353,192,637.07  |
| (I) Other comprehensive income that cannot subsequently be reclassified to profit and loss  | -337,950,829.45            |  |
| 1. Re-measurement of changes in net liabilities or assets of defined benefit scheme   |                            |  |
| 2. Share of other comprehensive income of investees accounted for using equity method that cannot be reclassified to profit or loss   |                            |  |
| 3. Changes in fair value of financial assets at fair value through other comprehensive income   | -337,950,829.45            |  |
| (II) Other comprehensive income that will subsequently be reclassified to profit and loss   | 96,015,928.19              | -353,192,637.07  |
| 1. Share of other comprehensive income of investees accounted for using equity method that will be reclassified to profit or loss     | -5,011,114.81              | -235,019.05  |
| 2. Changes in fair value of financial assets at fair value through other comprehensive income   | 137,614,618.66             | -329,365,627.13  |
| 3. Financial assets measured at amortized costs are reclassified to financial assets at fair value through other comprehensive income |                            |  |
| 4. Effective portion of hedging gains and losses from cash flows  |                            |  |
| 5. Exchange differences from translation of financial statements denominated in foreign currencies                                    | -36,587,575.66             | -23,591,990.89   |
| 6. Others   |                            |  |
| Other comprehensive income after tax attributable to non-controlling interests, net   | -                          | 1,516,625.86   |
| VII. Total comprehensive income   | 210,747,955.29             | 518,046,689.13   |
| Total comprehensive income attributable to owners of the parent company   | 194,237,844.09             | 491,104,823.96   |
| Total comprehensive income attributable to non-controlling interests  | 16,510,111.20              | 26,941,865.17  |
| VIII. Earnings per share:   |                            |  |
| (I) Basic (in RMB)  | 0.06                       | 0.14   |
| (II) Diluted (in RMB)   | N/A                        | N/A  |

Legal representative:  
Pan Xinjun

Accounting chief:  
Zhang Jianhui

Person-in-charge of the accounting department:  
Zhang Jianhui

## Income Statement of the Parent Company

For January to March 2018

Prepared by: ORIENT SECURITIES COMPANY LIMITED

Unit: Yuan    Currency: RMB    Type of audit: Unaudited

| Items  | Amounts for<br>this period | Amounts for the<br>corresponding<br>period of<br>previous year |
|--|----------------------------|--|
| I. Operating income  | 232,863,875.51             | 1,242,471,346.26   |
| Net fee and commission income  | 442,214,542.38             | 495,845,934.89   |
| Of which: Net fee income from brokerage<br>business                      | 326,436,581.31             | 299,235,233.95   |
| Net fee income from investment banking<br>business                       | 93,283,195.81              | 135,769,715.07   |
| Net fee income from asset management<br>business                         |                            |  |
| Net interest income  | -451,197,126.19            | -363,558,735.48  |
| Investment gains (“-” indicating losses)                                 | 697,649,272.81             | 660,653,819.39   |
| Of which: Gains from investments in associates and<br>joint ventures     | 50,765,469.21              | 40,141,348.90  |
| Gains from asset disposal (“-” indicating losses)                        | -54,197.29                 | 32,500.00  |
| Gains from changes in fair value (“-” indicating losses)                 | -447,895,507.04            | 456,516,074.04   |
| Foreign exchange gains (“-” indicating losses)                           | -17,811,213.33             | -14,888,084.59   |
| Other income   |                            |  |
| Other business income  | 9,958,104.17               | 7,869,838.01   |
| II. Operating expenses   | 582,737,193.95             | 747,759,845.86   |
| Business tax and surcharges  | 15,028,315.59              | 11,848,704.28  |
| Business and administrative expenses                                     | 569,016,307.00             | 737,452,982.97   |
| Asset impairment loss  | -1,307,428.64              | -1,541,841.39  |
| Other business cost  |                            |  |
| III. Operating profit (“-” indicating loss)                              | -349,873,318.44            | 494,711,500.40   |
| Add: Non-operating income  | 46,162,554.20              | 228,033,900.00   |
| Less: Non-operating expenses   | 451,987.52                 | 223,768.40   |
| IV. Total profit (“-” indicating loss)                                   | -304,162,751.76            | 722,521,632.00   |
| Less: Income tax expenses  | -159,831,536.03            | 137,021,709.47   |
| V. Net profit (“-” indicating net loss)                                  | -144,331,215.73            | 585,499,922.53   |
| (I) Net profit from continuing operation<br>(“-” indicating net loss)    | -144,331,215.73            | 585,499,922.53   |
| (II) Net profit from discontinued operation<br>(“-” indicating net loss) |                            |  |

| Items   | Amounts for<br>this period | Amounts for the<br>corresponding<br>period of<br>previous year |
|---|----------------------------|--|
| VI. Other comprehensive income, net of tax  | -203,846,135.98            | -321,747,536.69  |
| (I) Other comprehensive income that cannot<br>subsequently be reclassified to profit or loss  | -337,950,829.45            |  |
| 1. Re-measurement of changes in net liabilities<br>or assets of defined benefit scheme  |                            |  |
| 2. Share of other comprehensive income of<br>investees accounted for using the equity<br>method, which cannot be reclassified to<br>profit or loss            |                            |  |
| 3. Changes in fair value of financial assets<br>at fair value through other comprehensive<br>income   | -337,950,829.45            |  |
| (II) Other comprehensive income that will<br>subsequently be reclassified to profit and loss  | 134,104,693.47             | -321,747,536.69  |
| 1. Share of other comprehensive income of<br>investees accounted for using the equity<br>method, which will be subsequently<br>reclassified to profit or loss | 89,900.71                  | 1,554,005.05   |
| 2. Changes in fair value of financial assets<br>at fair value through other comprehensive<br>income   | 134,014,792.76             | -323,301,541.74  |
| 3. Financial assets measured at amortized costs<br>are reclassified to financial assets at fair<br>value through other comprehensive income                   |                            |  |
| 4. Effective portion of hedging gains and losses<br>from cash flows   |                            |  |
| 5. Exchange differences from translation of<br>financial statements denominated in foreign<br>currencies  |                            |  |
| 6. Others   |                            |  |
| VII. Total comprehensive income   | -348,177,351.71            | 263,752,385.84   |
| VIII. Earnings per share:   |                            |  |
| (I) Basic (in RMB)  | -0.02                      | 0.09   |
| (II) Diluted (in RMB)   | N/A                        | N/A  |

Legal representative:  
Pan Xinjun

Accounting chief:  
Zhang Jianhui

Person-in-charge of the accounting department:  
Zhang Jianhui

## Consolidated Statement of Cash Flows

For January to March 2018

Prepared by: ORIENT SECURITIES COMPANY LIMITED

Unit: Yuan Currency: RMB Type of audit: Unaudited

| Items  | Amounts for<br>this period | Amounts for the<br>corresponding<br>period of<br>previous year |
|--|----------------------------|--|
| <b>I. Cash flows from operating activities:</b>                                      |                            |  |
| Net increase in disposal of financial assets at<br>fair value through profit or loss | 2,165,709,434.08           | -3,466,380,818.95  |
| Cash received from interests, fees and commissions                                   | 2,242,192,438.08           | 1,991,049,821.00   |
| Net increase in amounts due to banks and other<br>financial institutions             | -2,200,000,000.00          | 800,000,000.00   |
| Net increase in cash from repurchase business  | -6,902,416,637.74          | -4,998,823,941.99  |
| Net decrease in advances to customers  |                            | 196,036,849.47   |
| Net cash received from securities trading agency<br>services                         |                            |  |
| Cash received relating to other operating activities                                 | 1,023,685,034.08           | 1,581,524,112.17   |
| Subtotal of cash inflows from operating activities                                   | -3,670,829,731.50          | -3,896,593,978.30  |
| Net increase in advances to customers  | 359,135,852.43             |  |
| Net cash paid for securities trading agency services                                 | 118,267,264.53             | 4,138,437,297.27   |
| Net cash paid to securities issuers  | 264,032,557.89             |  |
| Cash paid for interests, fees and commissions  | 641,185,735.11             | 569,456,033.09   |
| Cash paid to and paid for staff  | 861,542,483.51             | 938,072,459.83   |
| Taxes paid   | 364,083,424.21             | 359,717,418.06   |
| Cash paid relating to other operating activities                                     | 1,549,860,202.14           | 1,853,357,098.49   |
| Sub-total of cash outflows from operating activities                                 | 4,158,107,519.82           | 7,859,040,306.74   |
| Net cash from operating activities   | -7,828,937,251.32          | -11,755,634,285.04   |

| Items   | Amounts for<br>this period | Amounts for the<br>corresponding<br>period of<br>previous year |
|---|----------------------------|--|
| <b>II: Cash flows from investing activities:</b>  |                            |  |
| Cash received from disposal of investment   | 205,704,622.88             | 85,590,131.64  |
| Cash received from investment gains   | 625,862,569.03             | 10,391,171.99  |
| Net increase in disposal of available-for-sale financial assets                                       |                            | 3,493,091,230.74   |
| Net increase in disposal of financial assets at fair value through other comprehensive income         | 14,779,588,931.28          |  |
| Net increase in disposal of held-to-maturity investments  |                            | 31,000,000.00  |
| Cash received from other investing activities   | 9,554,506.50               | 95,400.50  |
| Sub-total of cash inflows from investing activities   | 15,620,710,629.69          | 3,620,167,934.87   |
| Cash paid for investments   | 111,050,000.00             | 80,530,000.00  |
| Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets | 66,556,207.20              | 33,951,120.55  |
| Net decrease in purchase of available-for-sale financial assets                                       |                            | 1,225,066,877.32   |
| Net decrease in purchase of financial assets at fair value through other comprehensive income         | 13,403,891,030.43          |  |
| Net decrease in purchase of debt investment measured at amortized costs                               | 832,174,853.55             |  |
| Net cash paid for acquisition of subsidiaries and other business units                                |                            |  |
| Cash paid for other investing activities  | 5,400,000.00               |  |
| Sub-total of cash outflows from investing activities  | 14,419,072,091.18          | 1,339,547,997.87   |
| Net cash flows from investing activities  | 1,201,638,538.51           | 2,280,619,937.00   |
| <b>III. Cash flows from financing activities:</b>   |                            |  |
| Proceeds from investments   |                            |  |
| Of which: Cash contribution from non-controlling interests to subsidiaries                            |                            |  |
| Cash received from borrowings   |                            | 523,118,372.27   |
| Cash received from issue of bonds   | 4,453,329,408.16           | 5,826,331,000.00   |
| Cash received relating to other financing activities  | 1,116,560.00               | 512,000.00   |
| Sub-total of cash inflows from financing activities   | 4,454,445,968.16           | 6,349,961,372.27   |
| Cash repayment of debts   | 4,221,312,582.68           | 6,175,976,000.00   |
| Cash paid for distribution of dividends, profits or interest payment                                  | 293,792,492.65             | 332,275,204.33   |
| Of which: Dividends and profits paid to non-controlling interests by subsidiaries                     | 10,628,800.00              |  |
| Cash paid relating to other financing activities  |                            | 225,000.00   |
| Sub-total of cash outflows from financing activities  | 4,515,105,075.33           | 6,508,476,204.33   |
| Net cash from financing activities  | -60,659,107.17             | -158,514,832.06  |



Unit: Yuan Currency: RMB Type of audit: Unaudited

| <b>Items</b>  | <b>Amounts for<br/>this period</b> | <b>Amounts for the<br/>corresponding<br/>period of<br/>previous year</b> |
|---|------------------------------------|--|
| <b>IV. Effect of foreign exchange rate changes on cash and cash equivalents</b> | -5,806,488.93                      | -44,682,604.89   |
| <b>V. Net increase in cash and cash equivalents</b>                             | -6,693,764,308.91                  | -9,678,211,784.99  |
| Add: Balance of cash and cash equivalents at the beginning of the period        | 51,237,277,440.17                  | 54,215,336,237.86  |
| <b>VI. Balance of cash and cash equivalents at the end of the period</b>        | 44,543,513,131.26                  | 44,537,124,452.87  |

Legal representative:  
Pan Xinjun

Accounting chief:  
Zhang Jianhui

Person-in-charge of the accounting department:  
Zhang Jianhui

## Cash Flow Statement of the Parent Company

For January to March 2018

Prepared by: ORIENT SECURITIES COMPANY LIMITED

Unit: Yuan    Currency: RMB    Type of audit: Unaudited

| Items  | Amounts for<br>this period | Amounts for the<br>corresponding<br>period of<br>previous year |
|--|----------------------------|--|
| <b>I. Cash flows from operating activities:</b>  |                            |  |
| Net increase in disposal of financial assets at fair value<br>through profit or loss                     | 3,979,536,480.47           | -3,945,484,784.03  |
| Cash received from interests, fees and commissions   | 1,080,389,774.57           | 1,325,925,771.51   |
| Net increase in amounts due to banks and other<br>financial institutions                                 | -2,200,000,000.00          | 800,000,000.00   |
| Net increase in funds from repurchase business   | -7,626,499,629.39          | -5,482,279,064.65  |
| Net decrease in advances to customers  |                            | 178,039,137.41   |
| Net cash received from securities trading agency<br>services   | 335,719,473.92             |  |
| Cash received relating to other operating activities   | 56,120,658.37              | 677,567,499.14   |
| Sub-total of cash inflows from operating activities  | -4,374,733,242.06          | -6,446,231,440.62  |
| Net increase in advances to customers  | 352,828,222.68             |  |
| Net cash paid for securities trading agency services   |                            | 2,629,358,932.81   |
| Cash paid for interests, fees and commissions  | 619,919,753.88             | 562,863,519.85   |
| Cash paid to and paid for staff  | 304,146,135.13             | 224,625,808.09   |
| Taxes paid   | 16,931,651.58              | 240,729,055.64   |
| Cash paid relating to other operating activities   | 617,860,197.39             | 429,970,050.78   |
| Sub-total of cash outflows from operating activities   | 1,911,685,960.66           | 4,087,547,367.17   |
| Net cash flows from operating activities   | -6,286,419,202.72          | -10,533,778,807.79   |
| <b>II. Cash flows from investing activities:</b>   |                            |  |
| Cash received from disposal of investment  |                            |  |
| Cash received from investment gains  | 618,897,784.51             | -  |
| Net increase in disposal of available-for-sale financial<br>assets                                       |                            | 3,311,353,824.50   |
| Net increase in disposal of financial assets at fair value<br>through other comprehensive income         | 14,779,588,931.28          |  |
| Net decrease in held-to-maturity investments   |                            | 31,000,000.00  |
| Cash received from other investing activities  | 46,085.00                  | 95,400.50  |
| Subtotal of cash inflows from investing activities   | 15,398,532,800.79          | 3,342,449,225.00   |
| Cash paid for investments  | 1,000,000,000.00           | 600,000,000.00   |
| Cash paid for purchase and construction of fixed assets,<br>intangible assets and other long-term assets | 61,560,938.11              | 27,228,997.42  |
| Net decrease in purchase of debt investment measured<br>at amortized costs                               | 832,174,853.55             |  |
| Net decrease in purchase of available-for-sale financial<br>assets                                       |                            | 898,710,631.78   |
| Cash paid for other investing activities   |                            |  |
| Subtotal of cash outflows from investing activities  | 15,297,626,822.09          | 1,525,939,629.20   |

Unit: Yuan Currency: RMB Type of audit: Unaudited

| Items   | Amounts for<br>this period | Amounts for the<br>corresponding<br>period of<br>previous year |
|---|----------------------------|--|
| Net cash flows from investing activities  | 100,905,978.70             | 1,816,509,595.80   |
| <b>III. Cash flows from financing activities:</b>                               |                            |  |
| Cash received from investments  |                            |  |
| Cash received from borrowings   |                            |  |
| Cash received from issue of bonds   | 2,916,560,000.00           | 5,826,331,000.00   |
| Cash received from other financing activities                                   |                            |  |
| Sub-total of cash inflows from financing activities                             | 2,916,560,000.00           | 5,826,331,000.00   |
| Cash repayment of debts   | 4,007,303,000.00           | 5,460,976,000.00   |
| Cash paid for distribution of dividends,<br>profits or interest payment         | 212,903,708.29             | 311,829,644.55   |
| Cash paid for other financing activities  |                            |  |
| Sub-total of cash outflows from financing activities                            | 4,220,206,708.29           | 5,772,805,644.55   |
| Net cash flows from financing activities  | -1,303,646,708.29          | 53,525,355.45  |
| <b>IV. Effect of foreign exchange rate changes on cash and cash equivalents</b> | -17,811,213.33             | -14,888,084.59   |
| <b>V. Net increase in cash and cash equivalents</b>                             | -7,506,971,145.64          | -8,678,631,941.13  |
| Add: Balance of cash and cash equivalents at the<br>beginning of the period     | 34,760,465,664.92          | 36,467,600,162.02  |
| <b>VI. Balance of cash and cash equivalents at the end of<br/>the period</b>    | 27,253,494,519.28          | 27,788,968,220.89  |

Legal representative:  
Pan Xinjun

Accounting chief:  
Zhang Jianhui

Person-in-charge of the accounting department:  
Zhang Jianhui

#### 4.2 Auditors' Report

Applicable  Not Applicable