

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

## 南京熊猫电子股份有限公司

### NANJING PANDA ELECTRONICS COMPANY LIMITED

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

(Stock Code: 00553)

## 2018 FIRST QUARTERLY REPORT

### I. IMPORTANT NOTICE

- 1.1 The board of directors (the “**Board**”), the supervisory committee, and the directors, supervisors, and senior management of Nanjing Panda Electronics Company Limited (the “**Company**”) confirm that the information in this quarterly report is truthful, accurate and complete, does not contain any misrepresentation, misleading statement, or material omission, and severally and jointly accept responsibility.
- 1.2 All directors of the Company attended the Board meeting to consider the quarterly report.
- 1.3 Mr. Xia Dechuan, the responsible person of the Company, Mr. Shen Jianlong, the Chief Accountant, and Ms. Liu Xianfang, the Manager of Finance Department of the Company have declared the truthfulness, accuracy and completeness of the financial statements contained in the quarterly report.
- 1.4 The Company’s financial statements for the first quarter were unaudited.

## II. MAJOR FINANCIAL DATA AND CHANGES IN SHAREHOLDERS OF THE COMPANY

### 2.1 Major financial data (prepared in accordance with the PRC Accounting Standards for Business Enterprises, unaudited)

*Unit: RMB (Yuan)*

	As at the end of the reporting period (31 March 2018)	As at the end of the previous year (31 December 2017)	Changes from the end of the previous year (%)
Total assets	5,862,729,882.30	5,665,503,486.59	3.48
Net assets attributable to shareholders of the Company	3,390,085,669.99	3,363,593,136.77	0.79
	From the beginning of the year to the end of the reporting period (January–March 2018)	From the beginning of the previous year to the end of the reporting period of the previous year (January–March 2017)	Changes as compared to the corresponding period of the previous year (%)
Net cash flows from operating activities	-123,298,866.81	167,124,080.65	-173.78
	From the beginning of the year to the end of the reporting period (January–March 2018)	From the beginning of the previous year to the end of the reporting period of the previous year (January–March 2017)	Changes as compared to the corresponding period of the previous year (%)
Operating income	1,034,726,458.86	858,126,674.18	20.58
Net profit attributable to shareholders of the Company	26,492,533.22	10,733,614.87	146.82
Net profit attributable to shareholders of the Company after extraordinary items	20,346,101.44	2,770,847.78	634.29
Return on net assets (weighted average) (%)	0.78	0.32	Increased by 0.46 percentage point
Basic earnings per share ( <i>yuan/share</i> )	0.0290	0.0117	147.86
Diluted earnings per share ( <i>yuan/share</i> )	0.0290	0.0117	147.86

*Note:* The decrease in net cash flows from operating activities is mainly due to cash paid for purchasing of goods during the period; the increase in net profit attributable to shareholders of the Company and net profit attributable to shareholders of the Company after extraordinary items are mainly related to the increase in operating income and gross margin during the period.

## Extraordinary items and amounts

*Unit: RMB (Yuan)*

<b>Item</b>	<b>Amount for the period</b>
Government grants accounted for as current profit and loss (except for government grants which are closely related to normal business of the Company, conformed to requirements of State policy, and are granted continuously according to certain standardised amounts or quotas)	<b>1,325,523.99</b>
Gain/loss from entrusted investment or asset management	<b>5,508,330.30</b>
Non-operating income and expenses other than the aforesaid items	<b>254,003.56</b>
Impact on minority interest (after-tax)	<b>-538,672.50</b>
Impact on income tax	<b>-402,753.57</b>
Total	<b><u><u>6,146,431.78</u></u></b>

**2.2 Total number of shareholders, shareholdings of the top 10 shareholders and top 10 shareholders of circulating shares (shareholders of tradable shares not subject to trading moratorium) as at the end of the reporting period (31 March 2018)**

*Unit: Share*

Total number of shareholders 37,578 shareholders  
(including 37,549 A shareholders  
and 29 H shareholders)

**Shareholdings of the top 10 shareholders**

Full name of shareholders	Number of shares held as at the end of the reporting period	Percentage (%)	Total number of tradable shares held subject to trading moratorium	Pledged or frozen		Nature of shareholder
				Status of share	Number	
HKSCC (Nominees) Limited	242,603,000	26.55	0	Unknown		Overseas legal person
Panda Electronics Group Limited	210,661,444	23.05	0	Unknown		State-owned legal person
China Huarong Asset Management Co., Ltd. (中國華融資產管理股份有限公司)	82,357,867	9.01	0	Unknown		State-owned legal person
Nanjing Electronics Information Industrial Corporation	63,302,611	6.93	0	Unknown		State-owned legal person
China Great Wall Asset Management Corporation (中國長城資產管理公司)	14,172,397	1.55	0	Unknown		State-owned legal person
Hua Wei (華煒)	4,577,671	0.50	0	Unknown		Domestic natural person
Huang Liangfu (黃亮富)	4,148,825	0.45	0	Unknown		Domestic natural person
Xi Caixia (奚彩霞)	3,515,000	0.38	0	Unknown		Domestic natural person
Yuan Yonglin (袁永林)	3,098,600	0.34	0	Unknown		Domestic natural person
China Construction Bank – China AMC Dividend Mixed Open-End Securities Investment Fund (中國建設銀行–華夏紅利混合型開放式證券投資基金)	2,074,848	0.23	0	Unknown		Other

## Shareholdings of the top 10 holders of shares not subject to trading moratorium

Name of shareholders	Number of shares held not subject to trading moratorium	Class and number of shares	
		Class	Number
HKSCC (Nominees) Limited	242,603,000	Overseas listed foreign shares	241,435,570
		RMB denominated ordinary shares	1,167,430
Panda Electronics Group Limited (“PEGL”)	210,661,444	RMB denominated ordinary shares	210,661,444
China Huarong Asset Management Co., Ltd. (中國華融資產管理股份有限公司)	82,357,867	RMB denominated ordinary shares	82,357,867
Nanjing Electronics Information Industrial Corporation (“NEIIC”)	63,302,611	RMB denominated ordinary shares	49,534,611
		Overseas listed foreign shares	13,768,000
China Great Wall Asset Management Corporation (中國長城資產管理公司)	14,172,397	RMB denominated ordinary shares	14,172,397
Hua Wei (華煒)	4,577,671	RMB denominated ordinary shares	4,577,671
Huang Liangfu (黃亮富)	4,148,825	RMB denominated ordinary shares	4,148,825
Xi Caixia (奚彩霞)	3,515,000	RMB denominated ordinary shares	3,515,000
Yuan Yonglin (袁永林)	3,098,600	RMB denominated ordinary shares	3,098,600
China Construction Bank – China AMC Dividend Mixed Open-End Securities Investment Fund (中國建設銀行 – 華夏紅利混合型開放式證券投資基金)	2,074,848	RMB denominated ordinary shares	2,074,848

Description of the connected relationship or parties acting in concert among the aforesaid shareholders

NEIIC holds 100% equity interests of PEGL, the controlling shareholder of the Company. NEIIC holds, directly and through asset management plans, 49,534,611 A shares and 13,768,000 H shares of the Company, representing 6.93% of the total number of shares. NEIIC indirectly holds 210,661,444 A shares of the Company through PEGL, representing 23.05% of the total number of shares. In total, NEIIC holds 29.98% equity interests of the Company. Save as the above, the Company is not aware of any connected relationship or parties acting in concert among the other shareholders.

*Notes:*

HKSCC (Nominees) Limited held 242,603,000 shares of the Company (including 241,435,570 H shares and 1,167,430 A shares), representing 26.55% of the issued share capital of the Company, on behalf of several clients. The Company is not aware of any individual client holding more than 5% of the issued share capital of the Company.

**2.3 Total number of holders of preference shares, top 10 holders of preference shares and top 10 holders of preference shares (not subject to trading moratorium) as at the end of the reporting period**

Applicable       Not applicable

### III. SIGNIFICANT EVENTS

#### 3.1 Significant changes in items in the principal financial statements and financial indicators of the Company and the reasons

##### (1) Major changes in items of balance sheet and the reasons therefor

Unit: RMB (Yuan)

Items	31 March 2018	31 December 2017	Changes (%)	Explanation
Inventories	842,956,453.69	591,018,560.71	42.63	Mainly due to increase in inventory of raw materials and unfinished products during the period
Interest payable	56,311.64		N/A	Relating to interest accrued on short-term bank borrowings
Advances received	161,450,062.07	242,767,679.91	-33.50	Mainly due to revenue recognized from projects settlement during the period
Salaries payable	18,683,876.08	30,808,648.21	-39.36	Mainly due to salaries and related cost during the period
Other current liabilities	56,600,000.00	27,100,000.00	108.86	Mainly due to increase in government grants not yet recognized under relevant accounting standards at the end of the period

**(2) Major changes in items of income statement and of cash flow statement and the reasons therefor**

*Unit: RMB (Yuan)*

Items	January- March 2018	January- March 2017	Changes (%)	Reasons
Financial expenses	2,971,495.48	-1,780,563.36	N/A	Mainly due to the increase in exchange loss resulting from changes in RMB exchange rate in the period
Loss on assets impairment	-307,207.91	1,144,882.36	-126.83	Mainly due to provision for impairment of inventories and bad debts made under relevant accounting standards in the same period of last year
Investment income	14,176,005.34	23,844,002.87	-40.55	Mainly due to the decrease in associates' profit during the period
Gain from the disposal of assets	-116,213.17	-39,215.91	N/A	Mainly due to increase in loss from disposal of non-current assets in the period
Other income	480,829.30	1,868,449.48	-74.27	Mainly due to decrease in government subsidy recognized relating to daily business activities in the period
Non-operating income	1,965,266.21	6,978,737.22	-71.84	Mainly due to decrease in government subsidy recognized in the period
Non-operating expenses	119,262.65	614,130.65	-80.58	Mainly due to increase in payments for the proprietary warranty fund in the same period last year



### **3.2 Progress of significant events and analysis of their impact and solutions**

Applicable     Not applicable

### **3.3 Undertakings not being fully performed during the reporting period**

Applicable     Not applicable

### **3.4 Warnings on any potential loss in accumulated net profit for the period from the beginning of the year to the end of next reporting period or any material changes as compared to the corresponding period of last year and the explanations thereof**

Applicable     Not applicable

### **3.5 Others**

Nanjing Guanghua Electronics Plastic Casings Factory, a subsidiary of the Company, was deregistered during the period. Before its deregistration and liquidation, it has been included into consolidated financial statements of the Company appropriately. Given that its operation was terminated before deregistration, its deregistration had no effect on the overall production and operation of the Company.

By order of the Board  
**Nanjing Panda Electronics Company Limited**  
**Xu Guofei**  
*Chairman*

Nanjing, the People's Republic of China  
26 April 2018

*As at the date of this announcement, the Board comprises Executive Directors: Mr. Xu Guofei, Mr. Chen Kuanyi and Mr. Xia Dechuan; Non-executive Directors: Mr. Lu Qing, Mr. Deng Weiming and Mr. Gao Gan; and Independent Non-executive Directors: Ms. Du Jie, Mr. Chu Wai Tsun, Vincent and Mr. Zhang Chun.*

#### IV. APPENDIX

##### Consolidated Balance Sheet

31 March 2018

(All amounts in RMB Yuan unless otherwise stated)

Assets	Closing balance	Opening balance
<b>Current assets:</b>		
Cash and cash equivalents	<b>1,201,643,480.29</b>	1,328,745,296.50
Settlement provisions		
Placement		
Financial assets measured at fair value and the changes are recorded into the profits and losses of the current period		
Derivative financial assets	<b>226,521,971.93</b>	232,310,149.59
Notes receivable	<b>1,247,598,334.00</b>	1,282,404,740.23
Accounts receivable	<b>313,771,446.19</b>	248,488,640.75
Advance to suppliers		
Premiums receivable		
Reinsurance receivable		
Reinsurance contract reserve receivable		
Interests receivable		
Dividends receivable		
Other receivables	<b>65,533,247.62</b>	79,788,515.23
Financial assets purchased for resale		
Inventories	<b>842,956,453.69</b>	591,018,560.71
Held-for-sale assets	<b>78,387,788.27</b>	78,387,788.27
Non-current assets due within one year		
Other current assets	<b>528,870,196.11</b>	465,410,493.64
<b>Total current assets</b>	<b><u>4,505,282,918.10</u></b>	<b><u>4,306,554,184.92</u></b>

Assets	Closing balance	Opening balance
<b>Non-current assets:</b>		
Loans and advances to customers		
Available-for-sale financial assets	3,650,000.00	3,650,000.00
Held-to-maturity investments		
Long-term receivables		
Long-term equity investments	341,751,855.47	332,625,534.79
Investment properties	7,924,872.67	8,314,534.74
Fixed assets	845,958,554.23	853,555,020.10
Construction in progress	49,994,604.55	50,659,931.64
Construction supplies		
Clearance of fixed assets		
Biological assets for production		
Fuel assets		
Intangible assets	96,295,060.29	97,307,446.15
Development expenses		
Goodwill		
Long-term deferred expenses	2,714,370.27	3,602,788.29
Deferred income tax assets	9,157,646.72	9,234,045.96
Other non-current assets		
	-----	-----
<b>Total non-current assets</b>	<b><u>1,357,446,964.20</u></b>	<b><u>1,358,949,301.67</u></b>
<b>Total assets</b>	<b><u>5,862,729,882.30</u></b>	<b><u>5,665,503,486.59</u></b>

<b>Liabilities and owners' equity</b>	<b>Closing balance</b>	Opening balance
<b>Current liabilities:</b>		
Short-term loans	<b>45,000,000.00</b>	45,000,000.00
Borrowing from PBOC		
Customer and interbank deposits		
Borrowing from interbank		
Financial liabilities measured at fair value and the changes are recorded into the profits and losses of the current period		
Derivative financial liabilities		
Notes payable	<b>203,485,763.28</b>	183,557,608.11
Accounts payable	<b>1,550,044,573.50</b>	1,342,953,782.55
Advances from customers	<b>161,450,062.07</b>	242,767,679.91
Financial assets sold under repurchase agreements		
Bank charges and commissions due		
Salaries payable	<b>18,683,876.08</b>	30,808,648.21
Taxes payable	<b>25,295,733.12</b>	29,450,814.25
Interests payable	<b>56,311.64</b>	
Dividend Payable	<b>3,742,966.79</b>	3,742,966.79
Other payables	<b>156,326,858.07</b>	152,376,660.44
Reinsurers due		
Insurance contract reserves		
Customers' deposits held for securities brokerage		
Securities underwriting		
Liabilities held for sale		
Non-current liabilities due within one year		
Other current liabilities	<b>56,600,000.00</b>	27,100,000.00
<b>Total current liabilities</b>	<b><u>2,220,686,144.55</u></b>	<b><u>2,057,758,160.26</u></b>

<b>Liabilities and owners' equity</b>	<b>Closing balance</b>	Opening balance
<b>Non-current liabilities:</b>		
Long-term loans		
Bonds payables		
Including: Preferred shares		
Perpetual bonds		
Long-term payables		
Long-term staff salaries payable	<b>28,356,069.68</b>	28,037,472.50
Specific payables		
Accrued liabilities		
Deferred income	<b>7,750,796.11</b>	7,984,320.10
Deferred income tax liabilities	<b>77,895.10</b>	79,780.30
Other non-current liabilities		
	-----	-----
<b>Total non-current liabilities</b>	<b><u><u>36,184,760.89</u></u></b>	<b><u><u>36,101,572.90</u></u></b>
<b>Total liabilities</b>	<b><u><u>2,256,870,905.44</u></u></b>	<b><u><u>2,093,859,733.16</u></u></b>

<b>Liabilities and owners' equity</b>	<b>Closing balance</b>	Opening balance
<b>Owners' equity:</b>		
Share capital	<b>913,838,529.00</b>	913,838,529.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserve	<b>1,464,043,022.82</b>	1,464,043,022.82
Less: treasury share		
Other comprehensive income		
Special reserve		
Surplus reserve	<b>254,995,636.63</b>	254,995,636.63
General risk reserve		
Undistributed profits	<b>757,208,481.54</b>	730,715,948.32
Total shareholders' equity attributable to the parent company	<b>3,390,085,669.99</b>	3,363,593,136.77
Minority interests	<b>215,773,306.87</b>	208,050,616.66
<b>Total owners' equity</b>	<b><u>3,605,858,976.86</u></b>	<b><u>3,571,643,753.43</u></b>
<b>Total liabilities and owners' equity</b>	<b><u>5,862,729,882.30</u></b>	<b><u>5,665,503,486.59</u></b>

<i>Legal representative :</i>	<i>Chief Accountant:</i>	<i>Head of the</i>
<b>Xia Dechuan</b>	<b>Shen Jianlong</b>	<i>Accounting Department:</i>
		<b>Liu Xianfang</b>

**Balance Sheet***31 March 2018**(All amounts in RMB Yuan unless otherwise stated)*

<b>Assets</b>	<b>Closing balance</b>	Opening balance
<b>Current assets:</b>		
Cash and cash equivalents	<b>110,148,200.52</b>	172,698,117.78
Financial assets measured at fair value and the changes are recorded into the profits and losses of the current period		
Derivative financial assets		
Notes receivable	<b>13,100,000.00</b>	10,440,000.00
Accounts receivable	<b>75,724,176.06</b>	72,990,484.10
Advance to suppliers	<b>9,068,063.83</b>	2,793,993.19
Interests receivable		
Dividends receivable	<b>949,563.89</b>	973,887.56
Other receivables	<b>260,354,432.88</b>	250,940,596.42
Inventories	<b>21,510,650.19</b>	23,223,302.05
Held-for-sale assets	<b>78,387,788.27</b>	78,387,788.27
Non-current assets due within one year		
Other current assets	<b>450,000,000.00</b>	450,000,000.00
<b>Total current assets</b>	<b><u>1,019,242,875.64</u></b>	<b><u>1,062,448,169.37</u></b>

<b>Assets</b>	<b>Closing balance</b>	Opening balance
<b>Non-current assets:</b>		
Available-for-sale financial assets	<b>3,650,000.00</b>	3,650,000.00
Held-to-maturity investments		
Long-term receivables		
Long-term equity investments	<b>1,771,238,966.97</b>	1,782,505,983.43
Investment properties		
Fixed assets	<b>250,123,027.10</b>	253,254,688.19
Construction in progress	<b>1,539,752.37</b>	1,539,752.37
Construction supplies		
Clearance of fixed assets		
Biological assets for production		
Fuel assets		
Intangible assets	<b>11,642,499.55</b>	11,830,656.32
Development expenses		
Goodwill		
Long-term deferred expenses		
Deferred income tax assets		
Other non-current assets		
	_____	_____
<b>Total non-current assets</b>	<b><u><u>2,038,194,245.99</u></u></b>	<b><u><u>2,052,781,080.31</u></u></b>
<b>Total assets</b>	<b><u><u>3,057,437,121.63</u></u></b>	<b><u><u>3,115,229,249.68</u></u></b>



<b>Liabilities and owners' equity</b>	<b>Closing balance</b>	Opening balance
<b>Current liabilities:</b>		
Short-term loans		
Financial liabilities measured at fair value and the changes are recorded into the profits and losses of the current period		
Derivative financial liabilities		
Notes payable	<b>5,845,302.97</b>	3,261,041.54
Accounts payable	<b>36,200,994.92</b>	45,649,307.29
Advances from customers	<b>4,000.00</b>	563,650.00
Staff Salaries payable	<b>1,769,062.84</b>	2,075,743.65
Taxes payable	<b>8,809,374.56</b>	9,345,731.70
Interests payable		
Dividend Payable		
Other payables	<b>174,407,249.63</b>	216,846,128.21
Liabilities held for sale		
Non-current liabilities due within one year		
Other current liabilities		
	_____	_____
<b>Total current liabilities</b>	<b><u><u>227,035,984.92</u></u></b>	<b><u><u>277,741,602.39</u></u></b>

<b>Liabilities and owners' equity</b>	<b>Closing balance</b>	Opening balance
<b>Non-current liabilities:</b>		
Long-term loans		
Bonds payables		
Including: Preferred shares		
Perpetual bonds		
Long-term payables		
Long-term staff salaries payable	<b>3,249,053.43</b>	3,249,053.43
Specific payables		
Accrued liabilities		
Deferred income		
Deferred income tax liabilities		
Other non-current liabilities		
	_____	_____
<b>Total non-current liabilities</b>	<b><u><u>3,249,053.43</u></u></b>	<b><u><u>3,249,053.43</u></u></b>
<b>Total liabilities</b>	<b><u><u>230,285,038.35</u></u></b>	<b><u><u>280,990,655.82</u></u></b>

<b>Liabilities and owners' equity</b>	<b>Closing balance</b>	Opening balance
<b>Owners' equity:</b>		
Share capital	<b>913,838,529.00</b>	913,838,529.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserve	<b>1,434,870,834.28</b>	1,434,870,834.28
Less: treasury share		
Other comprehensive income		
Special reserve		
Surplus reserve	<b>254,995,636.63</b>	254,995,636.63
Undistributed profits	<b>223,447,083.37</b>	230,533,593.95
	<hr/>	<hr/>
<b>Total owners' equity</b>	<b><u>2,827,152,083.28</u></b>	<b><u>2,834,238,593.86</u></b>
	<hr/>	<hr/>
<b>Total liabilities and owners' equity</b>	<b><u>3,057,437,121.63</u></b>	<b><u>3,115,229,249.68</u></b>

*Legal representative :*  
**Xia Dechuan**

*Chief Accountant:*  
**Shen Jianlong**

*Head of the  
Accounting Department:*  
**Liu Xianfang**

## Consolidated Income Statement

January–March 2018

(All amounts in RMB Yuan unless otherwise stated)

Items	Amount for the current period	Amount for the prior period
<b>1. Total operating income</b>	<b>1,034,726,458.86</b>	858,126,674.18
Include: Operating income	<b>1,034,726,458.86</b>	858,126,674.18
Interests income		
Premiums earned		
Income from bank charges and commissions		
<b>2. Total operating cost</b>	<b>1,008,983,385.82</b>	863,226,465.19
Include: Operating cost	<b>886,505,105.04</b>	748,568,722.73
Interests expenses		
Bank charges and commissions expenses		
Insurance withdrawal payment		
Net payment from indemnity		
Net provisions for insurance contract		
Insurance policy dividend paid		
Reinsurance cost		
Business taxes and surcharge	<b>5,330,952.02</b>	6,697,140.04
Selling expenses	<b>11,640,728.31</b>	11,593,161.48
Administrative expenses	<b>102,842,312.88</b>	97,003,121.94
Financial expenses	<b>2,971,495.48</b>	-1,780,563.36
Loss in assets impairment	<b>-307,207.91</b>	1,144,882.36
Add: Income from change in fair value (losses are represented by “-”)		
Investment income (losses are represented by “-”)	<b>14,176,005.34</b>	23,844,002.87
Include: Investment income of associates and joint ventures	<b>9,126,320.68</b>	21,342,197.02
Gains on disposal of assets (losses are represented by “-”)	<b>-116,213.17</b>	-39,215.91
Exchange gain (losses are represented by “-”)		
Other gain	<b>480,829.30</b>	1,868,449.48

Items	Amount for the current period	Amount for the prior period
<b>3. Operating profit (losses are represented by “-”)</b>	<b>40,283,694.51</b>	20,573,445.43
Add: Non-operating income	<b>1,965,266.21</b>	6,978,737.22
Less: Non-operating expenses	<b>119,262.65</b>	614,130.65
<b>4. Total Profit (total losses are represented by “-”)</b>	<b>42,129,698.07</b>	26,938,052.00
Less: Income tax expense	<b>7,914,474.64</b>	6,490,794.63
<b>5. Net Profit (net losses are represented by “-”)</b>	<b>34,215,223.43</b>	20,447,257.37
(1) Classified by the business continuity		
1. Net profit for going concern (net losses are represented by “-”)	<b>34,215,223.43</b>	20,447,257.37
2. Net profit for discontinued operation (net losses are represented by “-”)		
(2) Classified by the attribution of the ownership		
1. Minority interests	<b>7,722,690.21</b>	9,713,642.50
2. Net Profit attributable to the equity shareholders of the parent company	<b>26,492,533.22</b>	10,733,614.87
<b>6. Net other comprehensive income after tax</b>		
Net other comprehensive income after tax attributable to owners of the parent company		
(1) Other comprehensive income which will not be reclassified subsequently to profit and loss		
1. Changes as a result of remeasurement of net defined benefit plan liability or asset		
2. Shares of other comprehensive income of the investee accounted for using equity method which will not be reclassified subsequently to profit and loss		

Items	Amount for the current period	Amount for the prior period
(2) Other comprehensive income which will be reclassified subsequently to profit and loss		
i. Shares of other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit and loss		
ii. Gains or losses arising from changes in fair value of available-for-sale financial assets		
iii. Gains or losses arising from reclassification of held-to-maturity investments as available-for-sale financial assets		
iv. Effective hedging portion of gains and losses arising from cash flow hedging instruments		
v. Translation difference of financial statements in foreign currencies		
vi. Others		
Net other comprehensive income after tax attributable to minority interests		
<b>7. Total comprehensive income</b>	<b>34,215,223.43</b>	20,447,257.37
Total comprehensive income attributable to the equity holders of the parent company	<b>26,492,533.22</b>	10,733,614.87
Total comprehensive income attributable to minority shareholders	<b>7,722,690.21</b>	9,713,642.50
<b>8. Earnings per share:</b>		
(1) Basic earnings per share ( <i>RMB/share</i> )	<b>0.0290</b>	0.0117
(2) Diluted earnings per share ( <i>RMB/share</i> )	<b>0.0290</b>	0.0117

In the case of business combinations involving entities under common control occurred in the current period, the net profit realised by combined party prior to the business combinations was RMB0.00, and the net profit realised by combined party in the prior period was RMB0.00.

<i>Legal representative :</i> <b>Xia Dechuan</b>	<i>Chief Accountant:</i> <b>Shen Jianlong</b>	<i>Head of the Accounting Department:</i> <b>Liu Xianfang</b>
---	--	--

## Income Statement

January–March 2018

(All amounts in RMB Yuan unless otherwise stated)

Items	Amount for the current period	Amount for the prior period
<b>1. Operating income</b>	<b>34,018,308.47</b>	16,085,076.76
Less: Operating cost	<b>18,681,710.32</b>	7,085,707.31
Business taxes and surcharge	<b>1,410,322.87</b>	1,773,797.41
Selling expenses	<b>1,354,316.81</b>	1,043,907.20
Administrative expenses	<b>28,284,102.30</b>	28,467,867.20
Financial expenses	<b>-663,338.37</b>	-1,382,730.92
Loss in assets impairment	<b>-134,280.00</b>	
Add: Income from change in fair value (losses are represented by “-”)		
Investment income (losses are represented by “-”)	<b>7,818,032.82</b>	23,373,150.24
Include: Investment income of associates and joint ventures	<b>8,775,000.00</b>	21,167,941.65
Gains on disposal of assets (losses are represented by “-”)	<b>854.70</b>	
Other gain		
<b>2. Operating profit</b> (losses are represented by “-”)	<b>-7,095,637.94</b>	2,469,678.80
Add: Non-operating income	<b>9,127.36</b>	78,736.42
Less: Non-operating expenses		71,786.07
<b>3. Total Profit (total losses are represented by “-”)</b>	<b>-7,086,510.58</b>	2,476,629.15
Less: Income tax expense		
<b>4. Net Profit (net losses are represented by “-”)</b>	<b>-7,086,510.58</b>	2,476,629.15
(1) Net profit for going concern(net losses are represented by “-”)	<b>-7,086,510.58</b>	2,476,629.15
(2) Net profit for discontinued operation(net losses are represented by “-”)		

Items	Amount for the current period	Amount for the prior period
<b>5. Net other comprehensive income after tax</b>		
(1) Other comprehensive income which will not be reclassified subsequently to profit and loss		
i. Changes as a result of remeasurement of net defined benefit plan liability or asset		
ii. Shares of other comprehensive income of the investee accounted for using equity method which will not be reclassified subsequently to profit and loss		
(2) Other comprehensive income which will be reclassified subsequently to profit and loss		
i. Shares of other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit and loss		
ii. Gains or losses arising from changes in fair value of available-for-sale financial assets		
iii. Gains or losses arising from reclassification of held-to-maturity investments as available-for-sale financial assets		
iv. Effective hedging portion of gains and losses arising from cash flow hedging instruments		
v. Translation difference of financial statements in foreign currencies		
vi. Others		
<b>6. Total comprehensive income:</b>	<b>-7,086,510.58</b>	2,476,629.15

**7. Earnings per share:**

- (1) Basic earnings per share (*RMB/share*)
- (2) Diluted earnings per share (*RMB/share*)

*Legal representative :*  
**Xia Dechuan**

*Chief Accountant:*  
**Shen Jianlong**

*Head of the  
Accounting Department:*  
**Liu Xianfang**



## Consolidated Cash flow statement

January–March 2018

(All amounts in RMB Yuan unless otherwise stated)

Items	Amount for the current period	Amount for the prior period
<b>1. Cash flows from operating activities</b>		
Cash received from the sale of goods and rendering of services	<b>1,091,057,541.01</b>	1,084,165,670.88
Refunds of taxes	<b>19,146,825.76</b>	22,483,782.05
Cash received relating to other operating activities	<b>70,713,846.14</b>	70,713,846.14
<b>Sub-total of cash inflows from operating activities</b>	<b>1,180,918,212.91</b>	1,177,363,299.07
Cash paid on purchase of goods and services received	<b>1,037,667,686.26</b>	746,719,177.99
Cash paid to and on behalf of employees	<b>133,011,492.49</b>	119,532,071.77
Cash paid for all types of taxes	<b>69,193,738.93</b>	59,397,769.70
Cash paid relating to other operating activities	<b>64,344,162.04</b>	84,590,198.96
<b>Sub-total of cash outflows from operating activities</b>	<b>1,304,217,079.72</b>	1,010,239,218.42
<b>Net cash flows from operating activities</b>	<b>-123,298,866.81</b>	167,124,080.65

Items	Amount for the current period	Amount for the prior period
<b>2. Cash flows from investing activities:</b>		
Cash received from disposal and returns of investments		
Cash received from return on investments	5,049,684.66	2,501,805.85
Net cash received from the disposal of fixed assets, intangible assets and other long term assets	99,375.00	–
Net cash received from disposal of subsidiaries and other operating entities	–	–
Cash received relating to other investment activities	<u>450,000,000.00</u>	<u>484,000,000.00</u>
<b>Sub-total of cash inflows from investing activities</b>	<u><b>455,149,059.66</b></u>	<u>486,501,805.85</u>
Cash paid on purchase of fixed assets, intangible assets and other long term assets	9,274,679.92	13,580,815.13
Cash paid for investments		
Net increase in secured loans		
Net cash paid on acquisition of subsidiaries and other operating entities		
Cash paid relating to other investment activities	<u>500,000,000.00</u>	<u>668,000,000.00</u>
<b>Sub-total of cash outflows from investing activities</b>	<u><b>509,274,679.92</b></u>	<u>681,580,815.13</u>
<b>Net cash flows from investing activities</b>	<u><b>-54,125,620.26</b></u>	<u><b>-195,079,009.28</b></u>

Items	Amount for the current period	Amount for the prior period
<b>3. Cash flows from financing activities</b>		
Cash received from investment		
Including: cash received by subsidiaries from minority shareholders' investment		
Cash received from borrowings		
Cash received from issuing bonds		
Cash received from other financing activities		
<b>Sub-total of cash inflows from financing activities</b>		
Cash paid on repayment of borrowings		
Cash paid on distribution of dividends or profits, or interests expenses	<b>570,155.40</b>	4,056,902.38
Including: bonus and profit paid to minority shareholders by subsidiaries		4,056,902.38
Cash paid on other financing activities		
<b>Sub-total of cash outflows from financing activities</b>	<b>570,155.40</b>	4,056,902.38
<b>Net cash flows from financing activities</b>	<b>-570,155.40</b>	-4,056,902.38
<b>4. Effect of fluctuations in exchange rates on cash and cash equivalents</b>	<b>-3,547,962.40</b>	-382,732.28
<b>5. Net increase in cash and cash equivalents</b>	<b>-181,542,604.87</b>	-32,394,563.29
Add: balance of cash and cash equivalents at the beginning of the period	<b>1,191,597,115.73</b>	1,141,683,919.27
<b>6. Balance of cash and cash equivalents at the end of the period</b>	<b>1,010,054,510.86</b>	1,109,289,355.98

*Legal representative:*  
**Xia Dechuan**

*Chief Accountant:*  
**Shen Jianlong**

*Head of the  
Accounting Department:*  
**Liu Xianfang**

**Cash flow statement***January–March 2018**(All amounts in RMB Yuan unless otherwise stated)*

<b>Items</b>	<b>Amount for the current period</b>	Amount for the prior period
<b>1. Cash flows from operating activities:</b>		
Cash received from the sale of goods and rendering of services	<b>30,392,574.17</b>	32,883,297.74
Refunds of taxes		
Cash received relating to other operating activities	<b>46,482,697.51</b>	12,083,280.93
<b>Sub-total of cash inflows from operating activities</b>	<b>76,875,271.68</b>	44,966,578.67
Cash paid on purchase of goods and services received	<b>22,360,325.54</b>	11,869,410.42
Cash paid to and on behalf of employees	<b>32,035,646.94</b>	19,619,138.11
Cash paid for all types of taxes	<b>4,809,510.38</b>	1,857,320.46
Cash paid relating to other operating activities	<b>75,469,097.48</b>	20,982,476.16
<b>Sub-total of cash outflows from operating activities</b>	<b>134,674,580.34</b>	54,328,345.15
<b>Net cash flows from operating activities</b>	<b>-57,799,308.66</b>	-9,361,766.48

Items	Amount for the current period	Amount for the prior period
<b>2. Cash flows from investing activities:</b>		
Cash received from disposal and returns of investments		
Cash received from return on investments	<b>5,057,430.85</b>	1,674,383.96
Net cash received from the disposal of fixed assets, intangible assets and other long-term assets		
Net cash received from the disposal of subsidiaries and other operating entities		
Cash received relating to other investment activities	<b>450,000,000.00</b>	374,000,000.00
<b>Sub-total of cash inflows from investing activities</b>	<b>455,057,430.85</b>	375,674,383.96
Cash paid on purchase of fixed assets, intangible assets and other long term assets		355,711.42
Cash paid for investments	<b>10,000,000.00</b>	
Net cash paid on acquisition of subsidiaries and other operating entities		
Cash paid relating to other investment activities	<b>450,000,000.00</b>	505,000,000.00
<b>Sub-total of cash outflows from investing activities</b>	<b>460,000,000.00</b>	505,355,711.42
<b>Net cash flows from investing activities</b>	<b>-4,942,569.15</b>	<b>-129,681,327.46</b>

Items	Amount for the current period	Amount for the prior period
<b>3. Cash flows from financing activities</b>		
Cash received from investment		
Cash received from borrowings		
Cash received from issuing bonds		
Cash received relating to other financing activities		
<b>Sub-total of cash inflows from financing activities</b>		
Cash paid on repayment of borrowings		
Cash paid on distribution of dividends, profits, or interests expenses		
Cash paid relating to other financing activities		
<b>Sub-total of cash outflows from financing activities</b>		
<b>Net cash flows from financing activities</b>		
<b>4. Effect of fluctuations in exchange rates on cash and cash equivalents</b>	<b>-159.75</b>	<b>-5,447.94</b>
<b>5. Net increase in cash and cash equivalents</b>	<b>-62,742,037.56</b>	<b>-139,048,541.88</b>
Add: balance of cash and cash equivalents at the beginning of the period	<b>171,036,014.33</b>	<b>332,032,352.83</b>
<b>6. Balance of cash and cash equivalents at the end of the period</b>	<b>108,293,976.77</b>	<b>192,983,810.95</b>

*Legal representative:*  
**Xia Dechuan**

*Chief Accountant:*  
**Shen Jianlong**

*Head of the  
Accounting Department:*  
**Liu Xianfang**