



Luzhou Laojiao Co., Ltd.

Q1 2020 Report

April 2020

Section I Important Statements

The Board of Directors, Board of Supervisors, directors, supervisors and senior management guarantee that the information presented in this report is free of any false records, misleading statements or material omissions, and shall individually and together be legally liable for truthfulness, accuracy and completeness of its contents.

Other directors attended the board meeting to deliberate this report by themselves except the following directors.

| Name of directors who did not attend the meeting in person | Position of directors who did not attend the meeting in person | Reason for not attending the meeting in person | Name of deputies |
|------------------------------------------------------------|----------------------------------------------------------------|------------------------------------------------|------------------|
| Lin Feng | Director | Work | Liu Miao |

Mr. Liu Miao, responsible person for the Company, Ms. Xie Hong, responsible person for accounting work and Ms. Yan Li, responsible person for the Company's financial affairs (Accounting Supervisor) have warranted that the financial statements in this report are true, accurate and complete.

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

Section II Key Corporate Information

1. Key accounting data and financial indicators

Whether the Company performed a retroactive adjustment to or restatement of accounting data.

Yes No

| | Q1 2020 | Q1 2019 | Change |
|-----------------------------------------------------------------------------------------------------|-------------------|-------------------|----------|
| Operating revenues (CNY) | 3,552,467,494.03 | 4,169,227,565.29 | -14.79% |
| Net profits attributable to shareholders of the Company (CNY) | 1,707,145,859.72 | 1,514,560,516.51 | 12.72% |
| Net profits attributable to shareholders of the Company before non-recurring gains and losses (CNY) | 1,713,748,254.45 | 1,509,954,666.54 | 13.50% |
| Net cash flows from operating activities (CNY) | -316,284,597.30 | 561,024,531.75 | -156.38% |
| Basic earnings per share (CNY/share) | 1.17 | 1.03 | 13.59% |
| Diluted earnings per share (CNY/share) | 1.17 | 1.03 | 13.59% |
| Weighted average ROE | 8.43% | 8.53% | -0.10% |
| | 31 March 2020 | 31 December 2019 | Change |
| Total assets (CNY) | 29,755,363,958.77 | 28,919,969,078.32 | 2.89% |
| Net assets attributable to shareholders of the Company (CNY) | 21,079,845,567.04 | 19,406,845,725.61 | 8.62% |

Non-recurring profits and losses

Applicable N/A

Unit: CNY

| Item | Q1 2020 | Note |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|------|
| Government grants accounted for, in the profit or loss for the current period (except for the government grants closely related to the business of the Company and given at a fixed amount or quantity in accordance with the national uniform standards) | 8,578,919.67 | |
| Other non-operating income and expenditure except above-mentioned items | -17,365,664.29 | |
| Less: Corporate income tax | -2,244,971.82 | |
| Minority interests (after tax) | 60,621.93 | |

| | | |
|-------|---------------|----|
| Total | -6,602,394.73 | -- |
|-------|---------------|----|

Explain the reasons if the Company classifies an item as a non-recurring profit/loss according to the definition in the *Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public-Non-Recurring Profits and Losses*, or classifies any non-recurring profit/loss item mentioned in the said explanatory announcement as a recurring profit/loss item.

Applicable N/A

No such cases for the reporting period.

2. Total number of shareholders and shareholdings of top 10 shareholders at the end of the reporting period

2.1 Total numbers of common shareholders and preference shareholders with resumed voting rights as well as shareholdings of top 10 shareholders

Unit: Share

| Total number of common shareholders at the end of the reporting period | 99,589 | Total number of preference shareholders with resumed voting rights at the end of the reporting period (if any) | 0 | | | |
|-------------------------------------------------------------------------------------------|-------------------------|----------------------------------------------------------------------------------------------------------------|-------------------|-------------------------------------|--------------------------|------------------|
| Shareholdings of the top 10 shareholders | | | | | | |
| Name of shareholder | Nature of shareholder | Shareholding percentage | Total shares held | Number of holding restricted shares | Pledged or frozen shares | |
| | | | | | Status of shares | Number of shares |
| Luzhou Laojiao Group Co., Ltd. | State-owned corporation | 26.02% | 381,088,389 | 0 | | |
| Luzhou XingLu Investment Group Co., Ltd. | State-owned corporation | 24.99% | 365,971,142 | 0 | Pledged | 165,980,000 |
| China Securities Finance Corporation limited | State-owned corporation | 2.31% | 33,842,059 | 0 | | |
| Hong Kong Securities Clearing Company Limited | Outbound corporation | 2.27% | 33,305,386 | 0 | | |
| Bank of China Co., Ltd. – Liquor index securities investment fund by China Merchants Fund | Other | 1.56% | 22,785,036 | 0 | | |

| Central Huijin Asset Management Co., Ltd. | State-owned | 1.43% | 20,937,500 | 0 | |
|------------------------------------------------------------------------------------------------------------------------|--------------------------------------|-------------------|-------------|---|--|
| Agricultural Bank of China Co., Ltd. - Consumption industry stock - based securities investment fund by E Fund | Other | 1.33% | 19,521,463 | 0 | |
| Bank of China Co., Ltd. - Middle and small capital stocks hybrid securities investment fund by E Fund | Other | 1.30% | 19,060,000 | 0 | |
| Industrial and Commercial Bank of China Co., Ltd.-Newly growth hybrid securities investment fund by Invesco Great Wall | Other | 0.89% | 13,000,000 | 0 | |
| Bank of China Co., Ltd. - Blue chip selected hybrid securities investment fund by E Fund | Other | 0.83% | 12,103,302 | 0 | |
| Shareholdings of the top 10 non-restricted shareholders | | | | | |
| Name of shareholder | Number of non-restricted shares held | Type of shares | | | |
| | | Type | Number | | |
| Luzhou Laojiao Group Co., Ltd. | 381,088,389 | CNY common shares | 381,088,389 | | |
| Luzhou XingLu Investment Group Co., Ltd. | 365,971,142 | CNY common shares | 365,971,142 | | |
| China Securities Finance Corporation limited | 33,842,059 | CNY common shares | 33,842,059 | | |
| Hong Kong Securities Clearing Company Limited | 33,305,386 | CNY common shares | 33,305,386 | | |

| | | | |
|------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|------------|
| Bank of China Co., Ltd. – Liquor index classification securities investment fund by China Merchants Fund | 22,785,036 | CNY common shares | 22,785,036 |
| Central Huijin Asset Management Co., Ltd. | 20,937,500 | CNY common shares | 20,937,500 |
| Agricultural Bank of China Co., Ltd. - Consumption industry stock - based securities investment fund by E Fund | 19,521,463 | CNY common shares | 19,521,463 |
| Bank of China Co., Ltd. – Middle and small capital stocks hybrid securities investment fund by E Fund | 19,060,000 | CNY common shares | 19,060,000 |
| Industrial and Commercial Bank of China Co., Ltd.-Newly growth hybrid securities investment fund by Invesco Great Wall | 13,000,000 | CNY common shares | 13,000,000 |
| Bank of China Co., Ltd. – Blue chip selected hybrid securities investment fund by E Fund | 12,103,302 | CNY common shares | 12,103,302 |
| Related parties or acting-in-concert | <p>1. Luzhou Laojiao Group Co., Ltd. and Luzhou XingLu Investment Group Co., Ltd. are both wholly state-owned companies under the jurisdiction of SASAC of Luzhou. The two companies signed the agreement of persons acting in concert on 31 December 2015. For details, please refer to the announcement of the Company on 5 January 2016 - <i>Announcement on the agreement of persons acting in concert signed by shareholders</i>. The announcement number is 2016-1 (http://www.cninfo.com.cn/).</p> <p>2. In addition, whether there is an association between the remaining shareholders or they belong to persons acting in concert is unknown.</p> | | |
| Explanation on the top 10 shareholders participating in the securities margin trading (if any) | During the reporting period, Luzhou XingLu Investment Group Co., Ltd. took its 57,000,000 shares of our company as collateral to participate in financing business through CITIC Securities Company Limited. | | |

Did any of the top 10 common shareholders or the top non-restricted common shareholders of the Company conduct any promissory repurchase during the reporting period.

Yes No

The top 10 non-restricted common shareholders, the top 10 common shareholders did not conduct any promissory repurchase during the reporting period.

2.2 Total number of preference shareholders and shareholdings of the top 10 preference shareholders

Applicable N/A

Section III Significant Events

1. Changes in key financial data and indicators in the reporting period and reasons for the changes

√ Applicable N/A

A. The closing balance of prepayment increased by CNY 70,438,937.29 compared to the opening balance, indicating an increase of 46.40%. It was mainly due to the increased prepayment to suppliers.

B. The closing book value of fixed assets increased by CNY 679,624,656.02 compared to the opening book value, indicating an increase of 44.75%. It was mainly due to the increase in construction in progress that met the expected conditions for use and was transferred to fixed assets in the current period.

C. The closing balance of other non-current assets decreased by CNY 174,381,516.18 compared to the opening balance, indicating a decrease of 73.41%. It was mainly due to that the prepayments made in the previous period by subsidiary Brewing Company for engineering and land were settled in the current period.

D. The closing balance of contractual liabilities decreased by CNY 1,359,873,381.19 compared to the opening balance, indicating a decrease of 68.46%; and the closing balance of other current liabilities decreased by CNY 174,612,397.53 compared to the opening balance, indicating a decrease of 67.62%. It was mainly due to that upon the adoption of the new accounting standard governing revenue on 1 January 2020, the Company presented the advance from customer (net of tax) in contractual liabilities and the tax in other current liabilities; and that affected by the COVID-19 outbreak, contractual liabilities and other current liabilities both decreased in the current period.

E. The closing balance of employee benefits payable decreased by CNY 58,378,539.68 compared to the opening balance, indicating a decrease of 33.39%. It was mainly due to that the accrued bonuses in last year were paid in the current period.

F. The closing balance of bonds payable increased by CNY 1,494,679,999.69 compared to the opening balance, indicating an increase of 60.01%. It was mainly due to the issuance of the 2020 Phase I corporate bonds in the current period.

G. Cost of sales in the current period decreased by CNY 402,170,356.16 compared to the same period of last year, indicating a decrease of 46.27%. It was mainly due to that affected by the COVID-19 outbreak, sales revenue decreased in the current period.

H. Taxes and surcharges in the current period decreased by CNY 270,757,842.15 compared to the same period of last year, indicating a decrease of 56.33%. It was mainly due to the decreased consumption tax in the current period.

I. Selling and distribution expenses in the current period decreased by CNY 220,068,118.18 compared to the same period of last year, indicating a decrease of 31.19%. It was mainly due to that affected by the COVID-19 outbreak, advertising expenses and market expansion expenses decreased in the current period.

J. Non-operating expenses in the current period increased by CNY 19,839,188.79 compared to the same period of last year, indicating an increase of 2537.51%. It was mainly due to the increased donations in the current period.

K. Net profit attributable to non-controlling interests in the current period decreased by CNY 20,703,577.32 compared to the same period of last year, indicating a decrease of 51.97%. It was mainly due to the decreased operating profits of non-wholly-owned subsidiary in the current period.

L. Net cash flows from operating activities in the current period decreased by CNY 877,309,129.05 compared to the same period of last year, indicating a decrease of 156.38%. It was mainly due to the decreased cash received from sale of goods in the current period.

M. Net cash flows from financing activities in the current period increased by CNY 1,495,941,368.05 compared to the same period of last year, indicating an increase of 42741.18%. It was mainly due to the issuance of corporate bonds.

2. Progress, influence and solutions with regard to significant events

√ Applicable □ N/A

A. The Company's three savings deposits of CNY 500 million, including ABC Changsha Yingxin Branch and ICBC Nanyang Zhongzhou Branch are involved in contract disputes. The Company has reported to the public security authorities for intervention with the assets preservation measure and filed civil claims for two contract disputes among the three cases. Combined with the assets preservation situation of the public security authorities and professional legal advice issued by lawyers, the Company has made a provision of CNY 200 million for bad debts for the deposit of CNY 500 million. During the reporting period, the Supreme People's Court made a final judgment on the dispute arising out of the deposit contract between the Company and ABC Changsha Yingxin Branch. In respect of the losses that couldn't be recovered through criminal procedures, ABC Changsha Yingxin Branch should bear 40% of the compensation liability, ABC Changsha Hongxing Branch 20%, and the remaining losses should be borne by the Company. As of 31 March 2020, the Company had recovered CNY 214,859,700 for three of the disputes. The case between the Company and ICBC Nanyang Zhongzhou Branch is still under trial. Adjustment may be made to the amount of bad debt provisions as the case proceeds.

See details in the Company's announcements:

| Date of announcement | No. | Catalogue | Official website |
|----------------------|---------|----------------------------------------------------------|---------------------------|
| 15 October 2014 | 2014-35 | Announcement of significant litigation | http://www.cninfo.com.cn/ |
| 12 November 2014 | 2014-41 | Announcement of significant litigation progress | |
| 6 December 2014 | 2014-43 | Announcement of significant litigation progress part II | |
| 10 January 2015 | 2015-1 | Announcement of significant events | |
| 4 February 2015 | 2015-4 | Announcement of significant events progress | |
| 25 March 2015 | 2015-11 | Announcement of significant litigation progress part III | |
| 18 April 2015 | 2015-20 | Announcement of significant | |

| | | | |
|---------------|---------|--------------------------------------------------------------|--|
| | | litigation progress part IV | |
| 22 April 2015 | 2015-21 | Announcement of significant events progress part II | |
| 24 April 2015 | 2015-25 | Announcement of significant litigation progress part V | |
| 15 July 2015 | 2015-44 | Announcement of significant litigation progress part VI | |
| 22 July 2015 | 2015-45 | Announcement of significant litigation progress part VII | |
| 6 June 2018 | 2018-17 | Announcement of significant litigation progress part VIII | |
| 7 May 2019 | 2019-11 | Announcement of significant litigation progress part IX | |
| 17 May 2019 | 2019-13 | Announcement of significant litigation progress part X | |
| 24 March 2020 | 2020-7 | Announcement of significant litigation progress part XI | |

B. The Company disclosed the technical renovation project of brewing invested by Luzhou Laojiao Brewing Co., Ltd., a subsidiary of the Company. The total investment amount is CNY 7,414,280,000. See details in the announcement *About subsidiary technical renovation project of brewing*, No: 2016-12 (<http://www.cninfo.com.cn/>) dated 28 April 2016. At present, this project is under construction.

C. The Company held the 7th meeting of the ninth board of directors on 25 April 2019 and the first special meeting of shareholders in 2019 on 14 May 2019, reviewed and approved the Proposal on the Company's Eligibility for Public Offering of Corporate Bond for Qualified Investors and Proposal on Plan of Public Offering of Corporate Bond and agreed the Company's application of public offering of corporate bond for qualified investors. On 26 July 2019, the Company received the Reply on Approval of Luzhou Laojiao Co., Ltd. Public Offering of Corporate Bond for Qualified Investors (ZJXK(2019)No. 1312 issued by China Securities Regulatory Commission. On 28 August 2019, the 2019 public offering of corporate bond for qualified investors (Phase I) finished with the issue price of CNY 100 per piece. The final issue scale is CNY 2.5 billion and the final coupon rate is 3.58%. The bonds were traded in Shenzhen Stock Exchange on 4 September 2019. On 17 March 2020, the 2020 public offering of corporate bond for qualified investors (Phase I) finished with the issue price of CNY 100 per piece. The final issue scale is CNY 1.5 billion and the final coupon rate is 3.50%. The bonds were traded in Shenzhen Stock Exchange on 25 March 2020.

D. The Company held the 16th meeting of the ninth board of directors on 10 January 2020, where the Proposal on Change to Accounting Policy was reviewed and approved. As such, the Company decided to prepare its financial statements according to the Accounting Standard No. 14 for Business Enterprises—Revenue (CK [2017] No. 22) revised and issued by the Ministry of Finance, starting from 1

January 2020. The said change did not involve any retrospective restatement of the comparable data of 2019, and had no impact on the relevant financial indicators of 2019.

Implementation progress of shares repurchases

Applicable N/A

Implementation progress of share buyback reduction through centralized bidding

Applicable N/A

3. Undertakings of the Company's actual controller, shareholders, related parties and acquirer, as well as the Company and other commitment makers ongoing in the reporting period

Applicable N/A

| Undertaking reasons | Undertaking giver | Type of undertakings | Details of undertakings | Undertaking date | Term | Particulars on the performance |
|---------------------------------------------------------------------|---------------------------------------------|----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|----------|--------------------------------|
| Stock reform undertaking | | | | | | |
| Undertaking made in the report of acquisition or change of interest | | | | | | |
| Undertaking made in the reorganization of assets | | | | | | |
| Undertakings given in time of IPO or refinancing | Luzhou Liquor Industry Investment Co., Ltd. | Restricted shares | For the shares of Luzhou Laojiao by non-public offering purchased, I/The unit undertakes that the shares will be not transferred within 36 months from new shares offering, including but not limited to | 2017.09.14 | 36months | In progress |

| | | | | | | |
|----------------------------------------------------|-----|--|--------------------------------------------------------------------------------------------------------------------------------|--|--|--|
| | | | public transfer and negotiating transfer. If laws and regulations have other rules on restricted period, it follows the rules. | | | |
| Equity incentive commitment | | | | | | |
| Other undertakings to non-controlling shareholders | | | | | | |
| Whether the undertaking is fulfilled on time | Yes | | | | | |

4. Securities investment

√ Applicable □ N/A

Unit: CNY

| Category of securities | Stock code | Abbreviation of securities | Initial investment cost | Accounting measurement model | Beginning book balance | Changes in fair value recognized in profit or loss | Changes in the cumulative fair value recorded into equity | Amount of purchase | Amount of sale | Profit and loss during the reporting period | Closing book balance | Accounting item | Capital source |
|----------------------------|------------|----------------------------|-------------------------|------------------------------|------------------------|----------------------------------------------------|-----------------------------------------------------------|--------------------|----------------|---------------------------------------------|----------------------|-----------------------------------------|----------------|
| Domestic and foreign stock | 601211 | GTJA | 12,719,156.76 | Fair value measurement | 217,756,674.52 | -26,027,163.37 | 179,010,354.39 | | | | 191,729,511.15 | Investments in other equity instruments | Owned fund |
| Domestic and foreign stock | 002246 | SNC | 1,030,000.00 | Fair value measurement | 11,757,933.60 | -171,991.05 | 10,555,942.55 | | | | 11,585,942.55 | Investments in other equity | Owned fund |

| | | | | | | | | | | | | | |
|----------------------------|-------|------------|---------------|------------------------|----------------|----------------|----------------|------|------|------|----------------|-----------------------------------------|------------|
| | | | | | | | | | | | | instrum ents | |
| Domestic and foreign stock | 01983 | LZBAN K | 51,120,000.00 | Fair value measurement | 89,076,363.20 | -15,728,912.96 | 22,227,450.24 | | | | | Investments in other equity instruments | Owned fund |
| | | | 64,869,156.76 | -- | 318,590,971.32 | -41,928,067.38 | 211,793,747.18 | 0.00 | 0.00 | 0.00 | 276,662,903.94 | -- | -- |

5. Entrust assets management

Applicable N/A

No such cases in the reporting period.

6. Derivative investment

Applicable N/A

No such cases in the reporting period.

7. Visits paid to the Company for purposes of research, communication, interview, etc.

Applicable N/A

No such cases in the reporting period.

8. Irregularities in the provision of guarantees

Applicable N/A

No such cases in the reporting period.

9. Occupation of the Company's fund by the controlling shareholder or its related parties for non-operating purposes

Applicable N/A

No such cases in the reporting period.

Section IV Financial Statements

1. Financial statements

1.1 Consolidated balance sheet

Prepared by: Luzhou Laojiao Co., Ltd.

31 March 2020

Unit: CNY

| Item | 31 March 2020 | 31 December 2019 |
|------------------------------------------|--------------------------|--------------------------|
| Current assets: | | |
| Cash and cash equivalents | 10,503,991,625.35 | 9,753,666,526.78 |
| Settlement reserves | | |
| Lending funds | | |
| Held-for-trading financial assets | | |
| Derivative financial assets | | |
| Notes receivables | | |
| Accounts receivables | 15,369,344.25 | 18,293,914.23 |
| Accounts receivables financing | 2,065,914,390.59 | 2,393,797,259.80 |
| Prepayment | 222,257,385.77 | 151,818,448.48 |
| Premiums receivable | | |
| Reinsurance accounts receivable | | |
| Reinsurance contract reserve | | |
| Other receivables | 198,959,567.49 | 159,753,421.64 |
| Including: Interests receivable | 52,364,255.63 | 45,636,744.44 |
| Dividends receivable | | |
| Buying back the sale of financial assets | | |
| Inventories | 3,774,928,731.43 | 3,641,235,092.33 |
| Contractual assets | | |
| Assets held for sale | | |
| Non-current assets due within one year | | |
| Other current assets | 215,837,981.35 | 195,174,048.57 |
| Total current assets | 16,997,259,026.23 | 16,313,738,711.83 |

| | | |
|-----------------------------------------|--------------------------|--------------------------|
| Non-current assets: | | |
| Disbursement of loans and advances | | |
| Investments in debt obligations | | |
| Investments in other debt obligations | | |
| Long-term receivables | | |
| Long-term equity investments | 2,272,515,292.21 | 2,230,721,725.72 |
| Investments in other equity instruments | 310,467,188.40 | 352,395,255.78 |
| Other non-current financial assets | | |
| Investment property | | |
| Fixed assets | 2,198,490,053.93 | 1,518,865,397.91 |
| Construction in progress | 7,091,702,099.41 | 7,257,393,087.56 |
| Productive biological assets | | |
| Oil and gas assets | | |
| Use right assets | | |
| Intangible assets | 328,582,924.22 | 332,234,032.47 |
| Development expenses | | |
| Goodwill | | |
| Long-term deferred expenses | 888,999.29 | 928,805.23 |
| Deferred tax assets | 492,300,443.51 | 676,152,614.07 |
| Other non-current assets | 63,157,931.57 | 237,539,447.75 |
| Total non-current assets | 12,758,104,932.54 | 12,606,230,366.49 |
| Total assets | 29,755,363,958.77 | 28,919,969,078.32 |
| Current liabilities: | | |
| Short-term loans | | |
| Borrowings from the central bank | | |
| Loans from other banks | | |
| Held-for-trading financial liabilities | | |
| Derivative financial liabilities | | |
| Notes payable | | |
| Accounts payable | 1,716,815,910.21 | 1,868,623,958.02 |
| Advance from customer | | 2,244,442,643.64 |
| Contractual liabilities | 626,359,046.81 | |
| Financial assets sold for repurchase | | |

| | | |
|---------------------------------------------|-------------------------|-------------------------|
| Deposits from customers and inter-bank | | |
| Customer brokerage deposits | | |
| Securities underwriting brokerage deposits | | |
| Employee benefits payable | 283,647,147.81 | 342,025,687.49 |
| Taxes payable | 1,087,731,237.55 | 1,633,044,231.67 |
| Other payable | 652,918,428.89 | 698,942,399.37 |
| Including: Interests payable | 54,732,876.71 | 30,650,684.93 |
| Dividends payable | | |
| Handling charges and commissions payable | | |
| Reinsurance accounts payable | | |
| Liabilities held for sale | | |
| Non-current liabilities due within one year | | |
| Other current liabilities | 83,597,818.11 | |
| Total current liabilities | 4,451,069,589.38 | 6,787,078,920.19 |
| Non-current liabilities: | | |
| Insurance contract reserves | | |
| Long-term loans | | |
| Bonds payable | 3,985,563,676.08 | 2,490,883,676.39 |
| Including: Preference shares | | |
| Perpetual bonds | | |
| Lease liabilities | | |
| Long-term payables | | |
| Long-term payroll payables | | |
| Accrued liabilities | | |
| Deferred income | 23,845,000.00 | 23,845,000.00 |
| Deferred tax liabilities | 52,948,436.80 | 63,430,453.64 |
| Other non-current liabilities | | |
| Total non-current liabilities | 4,062,357,112.88 | 2,578,159,130.03 |
| Total liabilities | 8,513,426,702.26 | 9,365,238,050.22 |
| Shareholders' equity: | | |
| Share capital | 1,464,752,476.00 | 1,464,752,476.00 |

| | | |
|-----------------------------------------------------------|--------------------------|--------------------------|
| Other equity instruments | | |
| Including: Preference shares | | |
| Perpetual bonds | | |
| Capital reserves | 3,722,777,063.13 | 3,722,777,063.13 |
| Less: treasury stock | | |
| Other comprehensive income | 160,671,112.28 | 194,817,130.57 |
| Special reserves | | |
| Surplus reserves | 1,464,752,476.00 | 1,464,752,476.00 |
| General risk reserve | | |
| Undistributed profits | 14,266,892,439.63 | 12,559,746,579.91 |
| Total equity attributable to owners of the parent company | 21,079,845,567.04 | 19,406,845,725.61 |
| Non-controlling interests | 162,091,689.47 | 147,885,302.49 |
| Total owners' equity | 21,241,937,256.51 | 19,554,731,028.10 |
| Total liabilities and owners' equity | 29,755,363,958.77 | 28,919,969,078.32 |

Legal representative: Liu Miao

Person in charge of accounting affairs: Xie Hong

Person in charge of accounting department: Yan Li

1.2 Balance sheet of parent company

Unit: CNY

| Item | 31 March 2020 | 31 December 2019 |
|-----------------------------------|------------------|------------------|
| Current assets: | | |
| Cash and cash equivalents | 9,385,691,801.39 | 8,872,692,385.79 |
| Held-for-trading financial assets | | |
| Derivative financial assets | | |
| Notes receivables | | |
| Accounts receivables | | 21,562.85 |
| Accounts receivables financing | | |
| Prepayment | 26,500,248.20 | 11,682,593.27 |
| Other receivables | 7,086,021,140.80 | 5,850,481,480.50 |
| Including: Interests receivable | 81,866,788.02 | 40,570,144.44 |
| Dividends receivable | | |
| Inventories | 6,506,978.73 | 1,049,384.24 |

| | | |
|-----------------------------------------|--------------------------|--------------------------|
| Contractual assets | | |
| Assets held for sale | | |
| Non-current assets due within one year | | |
| Other current assets | 7,474,806.70 | 5,562,360.72 |
| Total current assets | 16,512,194,975.82 | 14,741,489,767.37 |
| Non-current assets: | | |
| Investments in debt obligations | | |
| Investments in other debt obligations | | |
| Long-term receivables | | |
| Long-term equity investments | 5,678,475,420.32 | 5,636,681,853.83 |
| Investments in other equity instruments | 310,138,266.77 | 352,066,334.15 |
| Other non-current financial assets | | |
| Investment property | | |
| Fixed assets | 579,756,211.54 | 601,481,983.81 |
| Construction in progress | 941,166,378.70 | 967,953,263.55 |
| Productive biological assets | | |
| Oil and gas assets | | |
| Use right assets | | |
| Intangible assets | 294,815,453.97 | 297,830,285.02 |
| Development expenses | | |
| Goodwill | | |
| Long-term deferred expenses | 744,498.40 | 777,834.15 |
| Deferred tax assets | 77,831,935.75 | 75,249,717.72 |
| Other non-current assets | | |
| Total non-current assets | 7,882,928,165.45 | 7,932,041,272.23 |
| Total assets | 24,395,123,141.27 | 22,673,531,039.60 |
| Current liabilities: | | |
| Short-term loans | | |
| Held-for-trading financial liabilities | | |
| Derivative financial liabilities | | |
| Notes payable | | |
| Accounts payable | 50,666,761.37 | 87,652,671.29 |
| Advance from customer | | 9,712,630.35 |

| | | |
|---------------------------------------------|-------------------------|-------------------------|
| Contractual liabilities | 11,533,629.51 | |
| Employee benefits payable | 100,587,719.17 | 116,124,722.19 |
| Taxes payable | 13,585,789.03 | 82,399,599.18 |
| Other payables | 1,428,273,972.03 | 1,099,598,588.83 |
| Including: Interests payable | 54,732,876.71 | 30,650,684.93 |
| Dividends payable | | |
| Liabilities held for sale | | |
| Non-current liabilities due within one year | | |
| Other current liabilities | 1,499,371.84 | |
| Total current liabilities | 1,606,147,242.95 | 1,395,488,211.84 |
| Non-current liabilities: | | |
| Long-term loans | | |
| Bonds payable | 3,985,563,676.08 | 2,490,883,676.39 |
| Including: Preference shares | | |
| Perpetual bonds | | |
| Lease liabilities | | |
| Long-term payables | | |
| Long-term payroll payables | | |
| Accrued liabilities | | |
| Deferred income | 2,380,000.00 | 2,380,000.00 |
| Deferred tax liabilities | 52,948,436.80 | 63,430,453.64 |
| Other non-current liabilities | | |
| Total non-current liabilities | 4,040,892,112.88 | 2,556,694,130.03 |
| Total liabilities | 5,647,039,355.83 | 3,952,182,341.87 |
| Shareholders' equity | | |
| Share capital | 1,464,752,476.00 | 1,464,752,476.00 |
| Other equity instruments | | |
| Including: Preference shares | | |
| Perpetual bonds | | |
| Capital reserves | 3,706,816,950.12 | 3,706,816,950.12 |
| Less: treasury stock | | |
| Other comprehensive income | 164,210,448.51 | 192,332,738.05 |
| Special reserves | | |

| | | |
|---------------------------------------------|--------------------------|--------------------------|
| Surplus reserves | 1,464,752,476.00 | 1,464,752,476.00 |
| Undistributed profits | 11,947,551,434.81 | 11,892,694,057.56 |
| Total owners' equity | 18,748,083,785.44 | 18,721,348,697.73 |
| Total liabilities and owners' equity | 24,395,123,141.27 | 22,673,531,039.60 |

1.3 Consolidated income statement

Unit: CNY

| Item | Q1 2020 | Q1 2019 |
|--------------------------------------------------------------------|-------------------------|-------------------------|
| 1. Total operating revenue | 3,552,467,494.03 | 4,169,227,565.29 |
| Including: Operating revenue | 3,552,467,494.03 | 4,169,227,565.29 |
| Interest income | | |
| Earned premium | | |
| Fee and commission income | | |
| 2. Total operating costs | 1,285,561,805.00 | 2,167,484,534.81 |
| Including: Cost of sales | 466,988,102.04 | 869,158,458.20 |
| Interest expense | | |
| Handling charges and commission expenses | | |
| Refunded premiums | | |
| Net payments for insurance claims | | |
| Net provision for insurance contracts | | |
| Bond insurance expense | | |
| Reinsurance Expenses | | |
| Taxes and surcharges | 209,877,647.60 | 480,635,489.75 |
| Selling and distribution expenses | 485,613,538.80 | 705,681,656.98 |
| General and administrative expenses | 162,202,429.84 | 152,353,125.64 |
| Research and Development expenses | 10,759,004.98 | 10,274,378.88 |
| Financial expenses | -49,878,918.26 | -50,618,574.64 |
| Including: Interest expenses | 25,735,318.66 | 30,884,105.67 |
| Interest income | 74,031,795.61 | 81,926,620.06 |
| Plus: Other income | 8,578,919.67 | 1,826,127.92 |
| Investment income ("-" for losses) | 38,469,805.49 | 49,120,358.03 |
| Including: income from investment in associates and joint ventures | 38,469,805.49 | 49,120,358.03 |
| Income from the derecognition of financial | | |

| | | |
|-----------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| assets measured at amortized cost | | |
| Foreign exchange gains ("-" for losses) | | |
| Net gain on exposure hedges ("-" for losses) | | |
| Gains from the changes in fair values ("-" for losses) | | |
| Credit impairment losses ("-" for losses) | -5,177,762.20 | -4,834,599.28 |
| Asset impairment losses ("-" for losses) | | |
| Gains from disposal of assets ("-" for losses) | | 11,750.04 |
| 3. Operating profits ("-" for losses) | 2,308,776,651.99 | 2,047,866,667.19 |
| Plus: non-operating income | 3,255,361.87 | 5,084,313.47 |
| Less: non-operating expenses | 20,621,026.16 | 781,837.37 |
| 4. Total profits before tax ("-" for total losses) | 2,291,410,987.70 | 2,052,169,143.29 |
| Less: income tax expenses | 565,129,663.84 | 497,769,585.32 |
| 5. Net profit ("-" for net loss) | 1,726,281,323.86 | 1,554,399,557.97 |
| 5.1 By operating continuity | | |
| 1) Net profit from continuing operation ("-" for losses) | 1,726,281,323.86 | 1,554,399,557.97 |
| 2) Net profit from discontinued operation ("-" for losses) | | |
| 5.2 By ownership | | |
| 1) Attributable to owners of the parent company | 1,707,145,859.72 | 1,514,560,516.51 |
| 2) Attributable to non-controlling interests | 19,135,464.14 | 39,839,041.46 |
| 6. Net of tax from other comprehensive income | -39,075,095.45 | 77,530,718.89 |
| Net of tax from other comprehensive income to the owner of the parent company | -34,146,018.29 | 78,121,338.95 |
| 6.1 Other comprehensive income that cannot be reclassified into the profit and loss: | -31,446,050.54 | 75,547,997.62 |
| 1) Remeasure the variation of net indebtedness or net asset of defined benefit plans | | |
| 2) Share in other comprehensive income that cannot be classified into profit and loss under equity method | | |
| 3) Changes in fair value of investments in other equity instruments | -31,446,050.54 | 75,547,997.62 |
| 4) Changes in fair value of the company's credit risks | | |
| 5) Other | | |
| 6.2 Other comprehensive income that will be reclassified into the profit and loss | -2,699,967.75 | 2,573,341.33 |
| 1) Share in other comprehensive income that will be classified into profit and loss under equity method | 3,323,761.00 | 3,312,965.78 |

| | | |
|-------------------------------------------------------------------------------------|-------------------------|-------------------------|
| 2) Changes in fair value of investments in other debt obligations | | |
| 3) Other comprehensive income arising from the reclassification of financial assets | | |
| 4) Allowance for credit impairments in investments in other debt obligations | | |
| 5) Reserve for cash-flow hedge | | |
| 6) Balance arising from the translation of foreign currency financial statements | -6,023,728.75 | -739,624.45 |
| 7) Others | | |
| Net of tax from other comprehensive income to non-controlling interests | -4,929,077.16 | -590,620.06 |
| 7. Total comprehensive income | 1,687,206,228.41 | 1,631,930,276.86 |
| Total comprehensive income attributable to owners of the parent company | 1,672,999,841.43 | 1,592,681,855.46 |
| Total comprehensive income attributable to non-controlling interests | 14,206,386.98 | 39,248,421.40 |
| 8. Earnings per share | | |
| (1) Basic earnings per share | 1.17 | 1.03 |
| (2) Diluted earnings per share | 1.17 | 1.03 |

Legal representative: Liu Miao

Person in charge of accounting affairs: Xie Hong

Person in charge of accounting department: Yan Li

1.4 Income statement of parent company

Unit: CNY

| Item | Q1 2020 | Q1 2019 |
|-------------------------------------|-----------------------|-------------------------|
| 1. Operating revenue | 315,730,603.07 | 1,097,027,255.13 |
| Less: Cost of sales | 215,663,482.49 | 739,133,227.85 |
| Taxes and surcharges | 1,476,450.02 | 6,398,516.40 |
| Selling and distribution expenses | | |
| General and administrative expenses | 127,521,163.51 | 129,220,062.46 |
| Research and Development expenses | 3,445,121.56 | 2,975,601.25 |
| Financial expenses | -63,259,190.75 | -52,424,632.29 |
| Including: Interest expenses | 4,694,458.33 | |
| Interest income | 69,209,056.74 | 57,241,574.57 |

| | | |
|-----------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|
| Plus: Other income | 6,199,400.00 | 478,533.72 |
| Investment income ("-" for losses) | 38,469,805.49 | 49,120,358.03 |
| Including: income from investment in associates and joint ventures | 38,469,805.49 | 49,120,358.03 |
| Income from the derecognition of financial assets at amortized cost ("-" for losses) | | |
| Net gain on exposure hedges ("-" for losses) | | |
| Gains from the changes in fair values ("-" for losses) | | |
| Credit impairment losses ("-" for losses) | -752,426.69 | -1,851,385.70 |
| Asset impairment losses ("-" for losses) | | |
| Gains from disposal of assets ("-" for losses) | | |
| 2. Operating profits ("-" for losses) | 74,800,355.04 | 319,471,985.51 |
| Plus: non-operating income | 2,568,253.42 | 3,459,757.95 |
| Less: non-operating expenses | 20,491,664.66 | 540,821.95 |
| 3. Total profits before tax ("-" for total losses) | 56,876,943.80 | 322,390,921.51 |
| Less: income tax expenses | 2,019,566.55 | 70,911,112.20 |
| 4. Net profit ("-" for net loss) | 54,857,377.25 | 251,479,809.31 |
| 4.1 Net profit from continuing operation ("-" for losses) | 54,857,377.25 | 251,479,809.31 |
| 4.2 Net profit from discontinued operation ("-" for losses) | | |
| 5. Net of tax from other comprehensive income | -28,122,289.54 | 78,860,963.40 |
| 5.1 Other comprehensive income that cannot be reclassified into the profit and loss: | -31,446,050.54 | 75,547,997.62 |
| 1) Remeasure the variation of net indebtedness or net asset of defined benefit plans | | |
| 2) Share in other comprehensive income that cannot be classified into profit and loss under equity method | | |
| 3) Changes in fair value of investments in other equity instruments | -31,446,050.54 | 75,547,997.62 |
| 4) Changes in fair value of the company's credit risks | | |
| 5) Other | | |
| 5.2 Other comprehensive income that will be reclassified into the profit and loss | 3,323,761.00 | 3,312,965.78 |
| 1) Share in other comprehensive income that will be classified into profit and loss under equity method | 3,323,761.00 | 3,312,965.78 |
| 2) Changes in fair value of investments in other debt obligations | | |
| 3) Other comprehensive income arising from the reclassification | | |

| | | |
|----------------------------------------------------------------------------------|---------------|----------------|
| of financial assets | | |
| 4) Allowance for credit impairments in investments in other debt obligations | | |
| 5) Reserve for cash-flow hedge | | |
| 6) Balance arising from the translation of foreign currency financial statements | | |
| 7) Others | | |
| 6. Total comprehensive income | 26,735,087.71 | 330,340,772.71 |
| 7. Earnings per share | | |
| (1) Basic earnings per share | 0.04 | 0.17 |
| (2) Diluted earnings per share | 0.04 | 0.17 |

1.5 Consolidated statement of cash flows

Unit: CNY

| Item | Q1 2020 | Q1 2019 |
|--------------------------------------------------------------------------------------------------|------------------|------------------|
| 1. Cash flows from operating activities | | |
| Cash received from sale of goods and rendering of services | 2,709,764,363.56 | 4,158,279,598.61 |
| Net increase in customer bank deposits and placement from banks and other financial institutions | | |
| Net increase in loans from central bank | | |
| Net increase in loans from other financial institutions | | |
| Premiums received from original insurance contracts | | |
| Net cash received from reinsurance business | | |
| Net increase in deposits and investments from policyholders | | |
| Cash received from interest, handling charges and commissions | | |
| Net increase in placements from other financial institutions | | |
| Net capital increase in repurchase business | | |
| Net cash received from customer brokerage deposits | | |
| Refunds of taxes and surcharges | 2,984,693.31 | 202,489.92 |
| Cash received from other operating activities | 145,217,970.22 | 64,604,699.81 |
| Subtotal of cash inflows from operating activities | 2,857,967,027.09 | 4,223,086,788.34 |
| Cash paid for goods purchased and services received | 794,862,329.49 | 977,212,309.86 |
| Net increase in loans and advances to customers | | |
| Net increase in deposits in central bank and other banks and | | |

| | | |
|-----------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| financial institutions | | |
| Cash paid for original insurance contract claims | | |
| Net increase in lending funds | | |
| Cash paid for interests, handling charges and commissions | | |
| Cash paid for policy dividends | | |
| Cash paid to and on behalf of employees | 290,931,958.65 | 258,061,943.37 |
| Cash paid for taxes and surcharges | 1,490,541,545.95 | 1,533,638,411.64 |
| Cash paid for other operating activities | 597,915,790.30 | 893,149,591.72 |
| Subtotal of cash outflows from operating activities | 3,174,251,624.39 | 3,662,062,256.59 |
| Net cash flows from operating activities | -316,284,597.30 | 561,024,531.75 |
| 2. Cash flows from investing activities | | |
| Cash received from disposal of investments | | |
| Cash received from returns on investments | | |
| Net cash received from disposal of fixed assets, intangible assets and other long-term assets | 363,665.57 | |
| Net cash received from disposal of subsidiaries and other business units | | |
| Cash received from other investing activities | | |
| Subtotal of cash inflows from investing activities | 363,665.57 | |
| Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets | 435,218,874.05 | 550,713,079.44 |
| Cash paid for investments | | |
| Net increase in pledge loans | | |
| Net cash paid to acquire subsidiaries and other business units | | |
| Cash paid for other investing activities | | |
| Subtotal of cash outflows from investing activities | 435,218,874.05 | 550,713,079.44 |
| Net cash flows from investing activities | -434,855,208.48 | -550,713,079.44 |
| 3. Cash flows from financing activities | | |
| Cash received from investors | 5,621,368.05 | 3,500,000.00 |
| Including: cash received by subsidiaries from investments by minority shareholders | 5,621,368.05 | 3,500,000.00 |
| Cash received from borrowings | 1,494,000,000.00 | |
| Cash received from other financing activities | | |
| Subtotal of cash inflows from financing activities | 1,499,621,368.05 | 3,500,000.00 |
| Cash paid for debt repayments | | |

| | | |
|--------------------------------------------------------------------------------|-------------------|------------------|
| Cash paid for distribution of dividends and profits or payment of interest | | |
| Including: dividends and profits paid to minority shareholders by subsidiaries | | |
| Cash paid for other financing activities | 180,000.00 | |
| Subtotal of cash outflows from financing activities | 180,000.00 | |
| Net cash flows from financing activities | 1,499,441,368.05 | 3,500,000.00 |
| 4. Effect of fluctuation in exchange rate on cash and cash equivalents | 2,023,536.30 | -644,706.07 |
| 5. Net increase in cash and cash equivalents | 750,325,098.57 | 13,166,746.24 |
| Plus: balance of cash and cash equivalents at the beginning of the period | 9,752,266,526.78 | 9,365,986,627.68 |
| 6. Balance of cash and cash equivalents at the end of the period | 10,502,591,625.35 | 9,379,153,373.92 |

1.6 Cash flow statement of parent company

Unit: CNY

| Item | Q1 2020 | Q1 2019 |
|-----------------------------------------------------------------------------------------------|------------------|------------------|
| 1. Cash flows from operating activities | | |
| Cash received from sale of goods and rendering of services | 653,025,597.30 | 1,516,599,931.00 |
| Refunds of taxes and surcharges | | |
| Cash received from other operating activities | 84,003,498.08 | 42,548,569.19 |
| Subtotal of cash inflows from operating activities | 737,029,095.38 | 1,559,148,500.19 |
| Cash paid for goods purchased and services received | 300,960,894.55 | 769,366,335.38 |
| Cash paid to and on behalf of employees | 285,439,755.10 | 248,495,225.22 |
| Cash paid for taxes and surcharges | 88,834,694.01 | 114,204,593.90 |
| Cash paid for other operating activities | 977,736,127.34 | 29,850,390.08 |
| Subtotal of cash outflows from operating activities | 1,652,971,471.00 | 1,161,916,544.58 |
| Net cash flows from operating activities | -915,942,375.62 | 397,231,955.61 |
| 2. Cash flows from investing activities | | |
| Cash received from disposal of investments | | |
| Cash received from returns on investments | | |
| Net cash received from disposal of fixed assets, intangible assets and other long-term assets | | |

| | | |
|-----------------------------------------------------------------------------------------------|------------------|------------------|
| Net cash received from disposal of subsidiaries and other business units | | |
| Cash received from other investing activities | | |
| Subtotal of cash inflows from investing activities | | |
| Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets | 64,878,208.78 | 43,343,509.89 |
| Cash paid for investments | | |
| Net cash paid to acquire subsidiaries and other business units | | |
| Cash paid for other investing activities | | |
| Subtotal of cash outflows from investing activities | 64,878,208.78 | 43,343,509.89 |
| Net cash flows from investing activities | -64,878,208.78 | -43,343,509.89 |
| 3. Cash flows from financing activities | | |
| Cash received from investors | | |
| Cash received from loans | 1,494,000,000.00 | |
| Cash received from other financing activities | | |
| Subtotal of cash inflows from financing activities | 1,494,000,000.00 | |
| Cash paid for debt repayments | | |
| Cash paid for distribution of dividends and profits or payment of interest | | |
| Cash paid for other financing activities | 180,000.00 | |
| Subtotal of cash outflows from financing activities | 180,000.00 | |
| Net cash flows from financing activities | 1,493,820,000.00 | |
| 4. Effect of fluctuation in exchange rate on cash and cash equivalents | | |
| 5. Net increase in cash and cash equivalents | 512,999,415.60 | 353,888,445.72 |
| Plus: balance of cash and cash equivalents at the beginning of the period | 8,872,692,385.79 | 6,189,473,157.83 |
| 6. Balance of cash and cash equivalents at the end of the period | 9,385,691,801.39 | 6,543,361,603.55 |

2. Adjustments to the financial statements

2.1 Adjustments to the financial statements at the beginning of 2020 when the new accounting standards governing revenue and leases were first adopted

√ Applicable □ N/A

Consolidated balance sheet

Unit: CNY

| Item | 31 December 2019 | 1 January 2020 | Adjustment |
|-----------------------------------------|--------------------------|--------------------------|-------------------|
| Current assets: | | | |
| Cash and cash equivalents | 9,753,666,526.78 | 9,753,666,526.78 | |
| Accounts receivables | 18,293,914.23 | 18,293,914.23 | |
| Accounts receivables financing | 2,393,797,259.80 | 2,393,797,259.80 | |
| Prepayment | 151,818,448.48 | 151,818,448.48 | |
| Other receivables | 159,753,421.64 | 159,753,421.64 | |
| Including: Interests receivable | 45,636,744.44 | 45,636,744.44 | |
| Inventories | 3,641,235,092.33 | 3,641,235,092.33 | |
| Other current assets | 195,174,048.57 | 195,174,048.57 | |
| Total current assets | 16,313,738,711.83 | 16,313,738,711.83 | |
| Non-current assets: | | | |
| Long-term equity investments | 2,230,721,725.72 | 2,230,721,725.72 | |
| Investments in other equity instruments | 352,395,255.78 | 352,395,255.78 | |
| Fixed assets | 1,518,865,397.91 | 1,518,865,397.91 | |
| Construction in progress | 7,257,393,087.56 | 7,257,393,087.56 | |
| Intangible assets | 332,234,032.47 | 332,234,032.47 | |
| Long-term deferred expenses | 928,805.23 | 928,805.23 | |
| Deferred tax assets | 676,152,614.07 | 676,152,614.07 | |
| Other non-current assets | 237,539,447.75 | 237,539,447.75 | |
| Total non-current assets | 12,606,230,366.49 | 12,606,230,366.49 | |
| Total assets | 28,919,969,078.32 | 28,919,969,078.32 | |
| Current liabilities: | | | |
| Accounts payable | 1,868,623,958.02 | 1,868,623,958.02 | |
| Advance from customer | 2,244,442,643.64 | | -2,244,442,643.64 |
| Contractual liabilities | | 1,986,232,428.00 | 1,986,232,428.00 |
| Employee benefits payable | 342,025,687.49 | 342,025,687.49 | |
| Taxes payable | 1,633,044,231.67 | 1,633,044,231.67 | |
| Other payable | 698,942,399.37 | 698,942,399.37 | |
| Including: Interests payable | 30,650,684.93 | 30,650,684.93 | |

| | | | |
|-----------------------------------------------------------|-------------------|-------------------|----------------|
| Other current liabilities | | 258,210,215.64 | 258,210,215.64 |
| Total current liabilities | 6,787,078,920.19 | 6,787,078,920.19 | |
| Non-current liabilities: | | | |
| Bonds payable | 2,490,883,676.39 | 2,490,883,676.39 | |
| Deferred income | 23,845,000.00 | 23,845,000.00 | |
| Deferred tax liabilities | 63,430,453.64 | 63,430,453.64 | |
| Total non-current liabilities | 2,578,159,130.03 | 2,578,159,130.03 | |
| Total liabilities | 9,365,238,050.22 | 9,365,238,050.22 | |
| Shareholders' equity: | | | |
| Share capital | 1,464,752,476.00 | 1,464,752,476.00 | |
| Capital reserves | 3,722,777,063.13 | 3,722,777,063.13 | |
| Other comprehensive income | 194,817,130.57 | 194,817,130.57 | |
| Surplus reserves | 1,464,752,476.00 | 1,464,752,476.00 | |
| Undistributed profits | 12,559,746,579.91 | 12,559,746,579.91 | |
| Total equity attributable to owners of the parent company | 19,406,845,725.61 | 19,406,845,725.61 | |
| Non-controlling interests | 147,885,302.49 | 147,885,302.49 | |
| Total owners' equity | 19,554,731,028.10 | 19,554,731,028.10 | |
| Total liabilities and owners' equity | 28,919,969,078.32 | 28,919,969,078.32 | |

Note to the adjustments:

Upon the adoption of the new accounting standard governing revenue on 1 January 2020, the Company presented the advance from customer (net of tax) in contractual liabilities and the tax in other current liabilities.

Balance sheet of parent company

Unit: CNY

| Item | 31 December 2019 | 1 January 2020 | Adjustment |
|---------------------------|------------------|------------------|------------|
| Current assets: | | | |
| Cash and cash equivalents | 8,872,692,385.79 | 8,872,692,385.79 | |
| Accounts receivables | 21,562.85 | 21,562.85 | |
| Prepayment | 11,682,593.27 | 11,682,593.27 | |
| Other receivables | 5,850,481,480.50 | 5,850,481,480.50 | |

| | | | |
|-----------------------------------------|--------------------------|--------------------------|---------------|
| Including: Interests receivable | 40,570,144.44 | 40,570,144.44 | |
| Inventories | 1,049,384.24 | 1,049,384.24 | |
| Other current assets | 5,562,360.72 | 5,562,360.72 | |
| Total current assets | 14,741,489,767.37 | 14,741,489,767.37 | |
| Non-current assets: | | | |
| Long-term equity investments | 5,636,681,853.83 | 5,636,681,853.83 | |
| Investments in other equity instruments | 352,066,334.15 | 352,066,334.15 | |
| Fixed assets | 601,481,983.81 | 601,481,983.81 | |
| Construction in progress | 967,953,263.55 | 967,953,263.55 | |
| Intangible assets | 297,830,285.02 | 297,830,285.02 | |
| Long-term deferred expenses | 777,834.15 | 777,834.15 | |
| Deferred tax assets | 75,249,717.72 | 75,249,717.72 | |
| Total non-current assets | 7,932,041,272.23 | 7,932,041,272.23 | |
| Total assets | 22,673,531,039.60 | 22,673,531,039.60 | |
| Current liabilities: | | | |
| Accounts payable | 87,652,671.29 | 87,652,671.29 | |
| Advance from customer | 9,712,630.35 | | -9,712,630.35 |
| Contractual liabilities | | 8,595,248.10 | 8,595,248.10 |
| Employee benefits payable | 116,124,722.19 | 116,124,722.19 | |
| Taxes payable | 82,399,599.18 | 82,399,599.18 | |
| Other payables | 1,099,598,588.83 | 1,099,598,588.83 | |
| Including: Interests payable | 30,650,684.93 | 30,650,684.93 | |
| Other current liabilities | | 1,117,382.25 | 1,117,382.25 |
| Total current liabilities | 1,395,488,211.84 | 1,395,488,211.84 | |
| Non-current liabilities: | | | |
| Bonds payable | 2,490,883,676.39 | 2,490,883,676.39 | |
| Deferred income | 2,380,000.00 | 2,380,000.00 | |
| Deferred tax liabilities | 63,430,453.64 | 63,430,453.64 | |
| Total non-current liabilities | 2,556,694,130.03 | 2,556,694,130.03 | |
| Total liabilities | 3,952,182,341.87 | 3,952,182,341.87 | |

| | | | |
|---------------------------------------------|--------------------------|--------------------------|--|
| Shareholders' equity | | | |
| Share capital | 1,464,752,476.00 | 1,464,752,476.00 | |
| Capital reserves | 3,706,816,950.12 | 3,706,816,950.12 | |
| Other comprehensive income | 192,332,738.05 | 192,332,738.05 | |
| Surplus reserves | 1,464,752,476.00 | 1,464,752,476.00 | |
| Undistributed profits | 11,892,694,057.56 | 11,892,694,057.56 | |
| Total owners' equity | 18,721,348,697.73 | 18,721,348,697.73 | |
| Total liabilities and owners' equity | 22,673,531,039.60 | 22,673,531,039.60 | |

Note to the adjustments:

Upon the adoption of the new accounting standard governing revenue on 1 January 2020, the Company presented the advance from customer (net of tax) in contractual liabilities and the tax in other current liabilities.

2.2 Retrospective restatement of comparative data due to the first adoption of the new accounting standards governing revenue and leases in 2020

Applicable N/A

3. Auditor's report

Whether the financial statements of this report have been audited by an auditor

Yes No

The said financial statements are unaudited by an auditor.