

Shenzhen Tellus Holding Co., Ltd.

First Quarterly Report 2018

April 2018

Section I. Important Notes

Board of Directors and the Supervisory Committee of Shenzhen Tellus Holding Co., Ltd. (hereinafter referred to as the Company) and its directors, supervisors and senior executives should guarantee the reality, accuracy and completion of the quarterly report, there are no any fictitious statements, misleading statements or important omissions carried in this report, and shall take legal responsibilities, individual and/or joint.

All Directors are attended the Board Meeting for Quarterly Report deliberation. Lv Hang, Person in charge of the Company, Lou Hong, person in charge of accounting works, and Liu Yuhong, person in charge of accounting organ (accounting officer) hereby confirm that the Financial Report of this Quarterly Report is authentic, accurate and complete.

Section II. Company Profile

I. Main accounting data and financial indexes

Whether it has retroactive adjustment or re-statement on previous accounting data

Yes No

	Current Period	Same period of last year	Changes of this period over same period of last year
Operating income (RMB)	92,099,937.58	81,147,771.18	13.50%
Net profit attributable to shareholders of the listed company (RMB)	16,101,533.51	4,494,980.27	258.21%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB)	13,473,427.60	4,075,861.27	230.57%
Net cash flow arising from operating activities (RMB)	-8,305,634.44	6,177,082.70	
Basic earnings per share (RMB/Share)	0.0542	0.0151	258.94%
Diluted earnings per share (RMB/Share)	0.0542	0.0151	258.94%
Weighted average ROE	1.66%	0.50%	1.16%
	At the end of the reporting period	At the end of last year	Changes of this period-end over same period-end of last year
Total assets (RMB)	1,407,251,616.31	1,403,314,594.42	0.28%
Net assets attributable to shareholder of listed company (RMB)	979,360,590.14	963,259,056.63	1.67%

Items of non-recurring gains and losses

Applicable Not applicable

In RMB

Item	Amount from year-begin to period-end	Note
Gains/losses from the disposal of non-current asset (including the write-off that accrued for impairment of assets)	1,308,598.25	Equity transfer income
Fund possession cost reckoned into current gains/losses charged from non-financial business	18,749.99	
Held transaction financial asset, gains/losses of changes of fair values from transaction financial liabilities, and investment gains from disposal of transaction financial asset, transaction financial liabilities and financial asset available for sales, exclude the	1,720,928.33	Income from guaranteed financial products

effective hedging business relevant with normal operations of the Company		
Other non-operating income and expenditure except for the aforementioned items	-45,274.65	
Less: Impact on income tax	373,150.69	
Impact on minority shareholders' equity (post-tax)	1,745.32	
Total	2,628,105.91	--

Concerning the extraordinary profit (gain)/loss defined by *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*, and the items defined as recurring profit (gain)/loss according to the lists of extraordinary profit (gain)/loss in *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*, explain reasons

Applicable Not applicable

In reporting period, the Company has no particular about items defined as recurring profit (gain)/loss according to the lists of extraordinary profit (gain)/loss in *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*

II. Total number of shareholders at the end of this report period and top ten shareholders

1. Number of common shareholders and preference shareholders with voting rights recovered and top ten common shareholders

In shares

Total number of common shareholders at the end of report period	54,980	Total preference shareholders with voting rights recovered at end of reporting period (if applicable)	0			
Top ten shareholders						
Shareholder's name	Nature of shareholder	Proportion of shares held	Amount of shares held	Amount of restricted shares held	Number of share pledged/frozen	
					State of share	Amount
SHENZHEN SDG CO., LTD.	State-owned corporation	49.09%	145,925,256	6,000,000		
Shenzhen Zhiyuan Fuhai Jewelry Industry Investment Enterprises (limited partnership)	Domestic non-state-owned corporation	23.88%	71,000,000	71,000,000		
GUOTAI	Foreign	0.40%	1,202,704	0		

JUNAN SECURITIES(HONGKONG) LIMITED	corporation				
Li Guangxin	Domestic nature person	0.26%	761,161	0	
Qin Yuyan	Domestic nature person	0.12%	365,358	0	
Agricultural Bank of China—CSI 500 Exchange Traded Funds	Other	0.12%	352,300	0	
He Xing	Domestic nature person	0.10%	300,100	0	
Hong Kong Securities Clearing Company Ltd.	Foreign corporation	0.10%	293,218	0	
Huang Chuyun	Domestic nature person	0.09%	266,500	0	
Stock investment Fund of the Celestial Securities Limited	Foreign corporation	0.07%	196,226	0	

Top ten shareholders with unrestricted shares held

Shareholder's name	Amount of unrestricted shares held	Type of shares	
		Type	Amount
SHENZHEN SDG CO., LTD.	139,925,256	RMB ordinary shares	139,925,256
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	1,202,704	Domestically listed foreign shares	1,202,704
Li Guangxin	761,161	Domestically listed foreign shares	761,161
Qin Yuyan	365,358	Domestically listed foreign shares	365,358
Agricultural Bank of China—CSI 500 Exchange Traded Funds	352,300	RMB ordinary shares	352,300

He Xing	300,100	Domestically listed foreign shares	300,100
Hong Kong Securities Clearing Company Ltd.	293,218	RMB ordinary shares	293,218
Huang Chuyun	266,500	Domestically listed foreign shares	266,500
Stock investment Fund of the Celestial Securities Limited	196,226	Domestically listed foreign shares	196,226
Zeng Huiming	195,000	Domestically listed foreign shares	195,000
Explanation on associated relationship among the aforesaid shareholders	Among the top ten shareholders, there exists no associated relationship between the state-owned legal person's shareholders Shenzhen SDG Co., Ltd and other shareholders, and they do not belong to the consistent actionist regulated by the Management Measure of Information Disclosure on Change of Shareholding for Listed Companies. For the other shareholders of circulation share, the Company is unknown whether they belong to the consistent actionist.		
Explanation on top ten common shareholders involving margin business (if applicable)	N/A		

Whether top ten common shareholders or top ten common shareholders with un-restrict shares held have a buy-back agreement dealing in reporting period

Yes No

The top ten common shareholders or top ten common shareholders with un-restrict shares held of the Company have no buy-back agreement dealing in reporting period.

2. Total shareholders with preferred stock held and shares held by top ten shareholders with preferred stock held

Applicable Not applicable

Section III. Significant Events

I. Particulars about material changes in items of main accounting statement and financial index and explanations of reasons

√ Applicable □ Not applicable

Balance sheet	Closing balance	Opening balance	Change amount	Changes ratio	Reasons of changes
Accounts receivable	62,315,731.59	44,215,236.68	18,100,494.91	40.94%	The credit payment for jewelry wholesale from subsidiary Sichuan Channel Platform Company increased.
Advance payment	5,423,596.54	3,737,706.70	1,685,889.84	45.10%	Prepayment for vehicle purchasing from Huari Company and Prepayment for rent from Tellus Starlight Jinzun
Inventory	3,832,551.41	12,646,227.22	-8,813,675.81	-69.69%	Inventory of vehicles from Huari Company reduced at the end of the period.
Accounts received in advance	7,626,710.72	13,790,019.47	-6,163,308.75	-44.69%	Advance payment of vehicle sales Carry forward the income from Huari Company.

Item	Amount at this year	At same period of last year	Change amount	Changes ratio	Reasons of changes
Financial expenses	899,268.60	115,142.81	784,125.79	681.00%	Interest expenditure from the Bank increased.
Investment income	11,627,612.09	-2,460,564.54	14,088,176.63		The investment income from joint-stock enterprise Zung Fu Tellus, Shenzhen Dongfeng and Tellus Gman increased.
Total profit	15,515,307.36	3,898,895.12	11,616,412.24	297.94%	The investment income from joint-stock enterprise increased.
Net profit	15,190,680.56	3,632,060.15	11,558,620.41	318.24%	
Net profit attributable to parent company	16,101,533.51	4,494,980.27	11,606,553.24	258.21%	
Net cash flows from operating activities	-8,305,634.44	6,177,082.70	-14,482,717.14		Collection period for the credit payment from Sichuan Channel Platform Company are too long.
Net cash flows from investment activities	-4,855,305.59	-99,055,670.52	94,200,364.93		The cash flow expenditure increased for increasing guaranteed financial investment at same period of last year.

Net cash flows from financing activities	-4,526,673.83	-543,750.01	-3,982,923.82		The repayment of bank loans and the interest expenditure of bank loans increased in the period.
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II. Analysis and explanation of significant events and their influence and solutions

Applicable Not applicable

III. Commitments completed in Period and those without completed till end of the Period from actual controller, shareholders, related parties, purchaser and companies

Applicable Not applicable

The Company has no commitments completed in Period and those without completed till end of the Period from actual controller, shareholders, related parties, purchaser and companies.

IV. Predict of the business performance from January to June 2018

Warnings and reasons of the predict that the cumulative net profit from the begin of the year to the end of next report period may be loss or have great changes comparing with the same period of last year

Applicable Not applicable

V. Securities Investment

Applicable Not applicable

No security investment in Period.

VI. Derivative investment

Applicable Not applicable

No derivative investment in the Period.

VII. Registration form for receiving research, communication and interview in the report period

Applicable Not applicable

No registration form for receiving research, communication or interview in the Period.

VIII. External security against the rules

Applicable Not applicable

The Company has no external security against the rules in the Period.

IX. Controlling shareholders' and its related party's non-business capital occupying of the listed company

Applicable Not applicable

There are no controlling shareholders' and its related party's non-business capital occupying of the listed company.

Section IV. Financial Statement

I. Financial statement

1. Consolidate balance sheet

Prepared by Shenzhen Tellus Holding Co., Ltd.

2018-03-31

In RMB

Items	Closing balance	Opening balance
Current assets:		
Monetary funds	144,105,604.70	161,793,218.56
Settlement provisions		
Capital lent		
Financial assets measured by fair value and with variation reckoned into current gains/losses		
Derivative financial assets		
Notes receivable		
Accounts receivable	62,315,731.59	44,215,236.68
Accounts paid in advance	5,423,596.54	3,737,706.70
Insurance receivable		
Reinsurance receivables		
Contract reserve of reinsurance receivable		
Interest receivable		221,232.88
Dividend receivable	232,683.74	779,868.09
Other receivables	16,823,208.13	14,819,164.11
Purchase restituted finance asset		
Inventories	3,832,551.41	12,646,227.22
Assets held for sale		
Non-current asset due within one year		
Other current assets	218,315,099.77	219,582,250.70
Total current assets	451,048,475.88	457,794,904.94

Non-current assets:		
Loans and payments on behalf		
Finance asset available for sales	10,176,617.20	10,176,617.20
Held-to-maturity investment		
Long-term account receivable		
Long-term equity investment	292,682,172.79	284,464,749.15
Investment property	72,097,764.79	73,223,512.21
Fixed assets	118,499,070.59	120,296,822.84
Construction in progress	383,758,750.06	378,160,896.69
Engineering material		
Disposal of fixed asset		
Productive biological asset		
Oil and gas asset		
Intangible assets	52,002,128.97	52,349,686.92
Expense on Research and Development		
Goodwill		
Long-term expenses to be apportioned	1,928,681.05	1,779,713.94
Deferred income tax asset	24,384,293.36	24,394,028.91
Other non-current asset	673,661.62	673,661.62
Total non-current asset	956,203,140.43	945,519,689.48
Total assets	1,407,251,616.31	1,403,314,594.42
Current liabilities:		
Short-term loans	120,000,000.00	120,000,000.00
Loan from central bank		
Absorbing deposit and interbank deposit		
Capital borrowed		
Financial liability measured by fair value and with variation reckoned into current gains/losses		
Derivative financial liability		
Notes payable		
Accounts payable	24,375,747.29	28,032,708.69

Accounts received in advance	7,626,710.72	13,790,019.47
Selling financial asset of repurchase		
Commission charge and commission payable		
Wage payable	22,898,757.12	23,171,154.53
Taxes payable	8,708,035.16	9,927,572.27
Interest payable		229,494.72
Dividend payable		
Other accounts payable	156,960,823.03	153,099,910.49
Reinsurance payables		
Insurance contract reserve		
Security trading of agency		
Security sales of agency		
Liability held for sale		
Non-current liabilities due within 1 year		
Other current liabilities		
Total current liabilities	340,570,073.32	348,250,860.17
Non-current liabilities:		
Long-term loans	34,934,887.55	38,600,000.00
Bonds payable		
Including: preferred stock		
Perpetual capital securities		
Long-term account payable	3,920,160.36	3,920,160.36
Long-term wages payable		
Special accounts payable		
Projected liabilities		
Deferred income		
Deferred income tax liabilities		
Other non-current liabilities	14,520,000.00	14,520,000.00
Total non-current liabilities	53,375,047.91	57,040,160.36
Total liabilities	393,945,121.23	405,291,020.53
Owner's equity:		

Share capital	297,281,600.00	297,281,600.00
Other equity instrument		
Including: preferred stock		
Perpetual capital securities		
Capital public reserve	565,226,274.51	565,226,274.51
Less: Inventory shares		
Other comprehensive income		
Reasonable reserve		
Surplus public reserve	2,952,586.32	2,952,586.32
Provision of general risk		
Retained profit	113,900,129.31	97,798,595.80
Total owner's equity attributable to parent company	979,360,590.14	963,259,056.63
Minority interests	33,945,904.94	34,764,517.26
Total owner's equity	1,013,306,495.08	998,023,573.89
Total liabilities and owner's equity	1,407,251,616.31	1,403,314,594.42

Legal representative: Lv Hang

Person in charge of accounting works: Lou Hong

Person in charge of accounting organ: Liu Yuhong

2. Balance Sheet of Parent Company

In RMB

Item	Closing balance	Opening balance
Current assets:		
Monetary funds	80,982,928.71	97,991,738.05
Financial assets measured by fair value and with variation reckoned into current gains/losses		
Derivative financial assets		
Notes receivable		
Accounts receivable		
Accounts paid in advance	341,964.00	
Interest receivable		221,232.88
Dividend receivable	232,683.74	779,868.09
Other receivables	102,560,954.30	98,321,166.40

Inventories		
Assets held for sale		
Non-current asset due within one year		
Other current assets	118,500,000.00	203,500,000.00
Total current assets	302,618,530.75	400,814,005.42
Non-current assets:		
Finance asset available for sales	10,176,617.20	10,176,617.20
Held-to-maturity investment		
Long-term account receivable		
Long-term equity investment	899,046,257.28	789,830,758.66
Investment property	45,974,982.99	46,749,467.61
Fixed assets	15,312,536.94	15,536,781.07
Construction in progress	6,969,276.95	5,554,512.79
Engineering material		
Disposal of fixed asset		
Productive biological asset		
Oil and gas asset		
Intangible assets	305,067.53	341,121.77
Expense on Research and Development		
Goodwill		
Long-term expenses to be apportioned	253,800.74	223,715.66
Deferred income tax asset	13,859,576.29	13,869,311.84
Other non-current asset		
Total non-current asset	991,898,115.92	882,282,286.60
Total assets	1,294,516,646.67	1,283,096,292.02
Current liabilities:		
Short-term loans	120,000,000.00	120,000,000.00
Financial liability measured by fair value and with variation reckoned into current gains/losses		
Derivative financial liability		
Notes payable		

Accounts payable	14,000.00	14,000.00
Accounts received in advance		1,511.00
Wage payable	5,360,581.19	5,769,360.88
Taxes payable	285,783.42	474,977.89
Interest payable		165,604.16
Dividend payable		
Other accounts payable	295,566,152.29	295,776,662.59
Liability held for sale		
Non-current liabilities due within 1 year		
Other current liabilities		
Total current liabilities	421,226,516.90	422,202,116.52
Non-current liabilities:		
Long-term loans		
Bonds payable		
Including: preferred stock		
Perpetual capital securities		
Long-term account payable		
Long-term wages payable		
Special accounts payable		
Projected liabilities		
Deferred income		
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities		
Total liabilities	421,226,516.90	422,202,116.52
Owner's equity:		
Share capital	297,281,600.00	297,281,600.00
Other equity instrument		
Including: preferred stock		
Perpetual capital securities		
Capital public reserve	562,032,851.23	562,032,851.23
Less: Inventory shares		

Other comprehensive income		
Reasonable reserve		
Surplus public reserve	2,952,586.32	2,952,586.32
Retained profit	11,023,092.22	-1,372,862.05
Total owner's equity	873,290,129.77	860,894,175.50
Total liabilities and owner's equity	1,294,516,646.67	1,283,096,292.02

3. Consolidated Profit Statement

In RMB

Item	Current Period	Last Period
I. Total operating income	92,099,937.58	81,147,771.18
Including: Operating income	92,099,937.58	81,147,771.18
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	88,166,967.66	74,807,664.59
Including: Operating cost	73,096,147.54	60,898,412.90
Interest expense		
Commission charge and commission expense		
Cash surrender value		
Net amount of expense of compensation		
Net amount of withdrawal of insurance contract reserve		
Bonus expense of guarantee slip		
Reinsurance expense		
Operating tax and extras	1,407,101.55	1,202,109.56
Sales expenses	4,077,650.70	3,291,920.97
Administration expenses	8,686,799.27	9,300,078.35
Financial expenses	899,268.60	115,142.81
Losses of devaluation of asset		
Add: Changing income of fair value(Loss is listed with "-")		

Investment income (Loss is listed with “-”)	11,627,612.09	-2,460,564.54
Including: Investment income on affiliated company and joint venture	8,598,085.51	-2,883,096.05
Exchange income (Loss is listed with “-”)		
Assets disposal income (Loss is listed with “-”)		-1,069.80
Other income		25,753.22
III. Operating profit (Loss is listed with “-”)	15,560,582.01	3,904,225.47
Add: Non-operating income	3,224.73	519.65
Less: Non-operating expense	48,499.38	5,850.00
IV. Total Profit (Loss is listed with “-”)	15,515,307.36	3,898,895.12
Less: Income tax expense	324,626.80	266,834.97
V. Net profit (Net loss is listed with “-”)	15,190,680.56	3,632,060.15
(I) Continuous operation net profit (Net loss is listed with “-”)		
(II) Discontinued operation net profit (Net loss is listed with “-”)		
Net profit attributable to owner’s of parent company	16,101,533.51	4,494,980.27
Minority shareholders’ gains and losses	-910,852.95	-862,920.12
VI. Net after-tax of other comprehensive income		
Net after-tax of other comprehensive income attributable to owners of parent company		
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1. Changes as a result of re-measurement of net defined benefit plan liability or asset		
2. Share of the other comprehensive income of the investee accounted for using equity method which will not be reclassified subsequently to		

profit and loss		
(II) Other comprehensive income items which will be reclassified subsequently to profit or loss		
1. Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit or loss		
2. Gains or losses arising from changes in fair value of available-for-sale financial assets		
3. Gains or losses arising from reclassification of held-to-maturity investment as available-for-sale financial assets		
4. The effect hedging portion of gains or losses arising from cash flow hedging instruments		
5. Translation differences arising on translation of foreign currency financial statements		
6. Other		
Net after-tax of other comprehensive income attributable to minority shareholders		
VII. Total comprehensive income	15,190,680.56	3,632,060.15
Total comprehensive income attributable to owners of parent Company	16,101,533.51	4,494,980.27
Total comprehensive income attributable to minority shareholders	-910,852.95	-862,920.12
VIII. Earnings per share:		
(i) Basic earnings per share	0.0542	0.0151
(ii) Diluted earnings per share	0.0542	0.0151

Enterprise combine under the same control in the Period, the combined party realized net profit of 0 Yuan before combination, and realized 0 Yuan at last period for combined party

Legal representative: Lv Hang

Person in charger of accounting works: Lou Hong

Person in charger of accounting organ:Liu Yuhong

4. Profit Statement of Parent Company

In RMB

Item	Current Period	Last Period
I. Operating income	8,804,007.79	9,740,931.74
Less: Operating cost	947,272.21	901,980.01
Taxes and surcharge	354,111.33	360,222.94
Sales expenses		
Administration expenses	4,023,652.43	4,081,391.88
Financial expenses	825,550.55	-61,988.01
Losses of devaluation of asset		
Add: Changing income of fair value(Loss is listed with “-”)		
Investment income (Loss is listed with “-”)	9,749,183.55	274,826.71
Including: Investment income on affiliated company and joint venture	8,241,498.62	-130,378.77
Assets disposal income (Loss is listed with “-”)		
Other income		
II. Operating profit (Loss is listed with “-”)	12,402,604.82	4,734,151.63
Add: Non-operating income	3,085.00	
Less: Non-operating expense		
III. Total Profit (Loss is listed with “-”)	12,405,689.82	4,734,151.63
Less: Income tax expense	9,735.55	9,735.55
IV. Net profit (Net loss is listed with “-”)	12,395,954.27	4,724,416.08
(I) Continuous operation net profit (Net loss is listed with “-”)		
(II) Discontinued operation net profit (Net loss is listed with “-”)		
V. Net after-tax of other comprehensive income		
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss		

1. Changes as a result of re-measurement of net defined benefit plan liability or asset		
2. Share of the other comprehensive income of the investee accounted for using equity method which will not be reclassified subsequently to profit and loss		
(II) Other comprehensive income items which will be reclassified subsequently to profit or loss		
1. Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit or loss		
2. Gains or losses arising from changes in fair value of available-for-sale financial assets		
3. Gains or losses arising from reclassification of held-to-maturity investment as available-for-sale financial assets		
4. The effect hedging portion of gains or losses arising from cash flow hedging instruments		
5. Translation differences arising on translation of foreign currency financial statements		
6. Other		
VI. Total comprehensive income	12,395,954.27	4,724,416.08
VII. Earnings per share:		
(i) Basic earnings per share	0.0417	0.0159
(ii) Diluted earnings per share	0.0417	0.0159

5. Consolidated Cash Flow Statement

In RMB

Item	Current Period	Last Period
I. Cash flows arising from operating activities:		

Cash received from selling commodities and providing labor services	84,345,978.53	85,379,958.26
Net increase of customer deposit and interbank deposit		
Net increase of loan from central bank		
Net increase of capital borrowed from other financial institution		
Cash received from original insurance contract fee		
Net cash received from reinsurance business		
Net increase of insured savings and investment		
Net increase of amount from disposal financial assets that measured by fair value and with variation reckoned into current gains/losses		
Cash received from interest, commission charge and commission		
Net increase of capital borrowed		
Net increase of returned business capital		
Write-back of tax received		
Other cash received concerning operating activities	4,296,513.52	6,255,722.38
Subtotal of cash inflow arising from operating activities	88,642,492.05	91,635,680.64
Cash paid for purchasing commodities and receiving labor service	69,547,948.92	49,109,581.45
Net increase of customer loans and advances		
Net increase of deposits in central bank and interbank		
Cash paid for original insurance contract compensation		
Cash paid for interest, commission		

charge and commission		
Cash paid for bonus of guarantee slip		
Cash paid to/for staff and workers	13,117,446.20	17,540,409.01
Taxes paid	5,538,927.09	5,595,794.39
Other cash paid concerning operating activities	8,743,804.28	13,212,813.09
Subtotal of cash outflow arising from operating activities	96,948,126.49	85,458,597.94
Net cash flows arising from operating activities	-8,305,634.44	6,177,082.70
II. Cash flows arising from investing activities:		
Cash received from recovering investment	195,400,000.00	53,000,000.00
Cash received from investment income	2,100,322.43	422,531.51
Net cash received from disposal of fixed, intangible and other long-term assets		4,000.00
Net cash received from disposal of subsidiaries and other units	1,504,125.26	
Other cash received concerning investing activities		
Subtotal of cash inflow from investing activities	199,004,447.69	53,426,531.51
Cash paid for purchasing fixed, intangible and other long-term assets	9,559,753.28	8,482,202.03
Cash paid for investment	194,300,000.00	144,000,000.00
Net increase of mortgaged loans		
Net cash received from subsidiaries and other units obtained		
Other cash paid concerning investing activities		
Subtotal of cash outflow from investing activities	203,859,753.28	152,482,202.03
Net cash flows arising from investing activities	-4,855,305.59	-99,055,670.52

III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Including: Cash received from absorbing minority shareholders' investment by subsidiaries		
Cash received from loans	1,200,000.00	
Cash received from issuing bonds		
Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities	1,200,000.00	
Cash paid for settling debts	3,665,112.45	
Cash paid for dividend and profit distributing or interest paying	2,061,561.38	543,750.01
Including: Dividend and profit of minority shareholder paid by subsidiaries		
Other cash paid concerning financing activities		
Subtotal of cash outflow from financing activities	5,726,673.83	543,750.01
Net cash flows arising from financing activities	-4,526,673.83	-543,750.01
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate		
V. Net increase of cash and cash equivalents	-17,687,613.86	-93,422,337.83
Add: Balance of cash and cash equivalents at the period -begin	161,793,218.56	218,497,640.10
VI. Balance of cash and cash equivalents at the period -end	144,105,604.70	125,075,302.27

6. Cash Flow Statement of Parent Company

In RMB

Item	Current Period	Last Period
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I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	10,410,481.00	14,072,503.03
Write-back of tax received		
Other cash received concerning operating activities	1,390,790.70	916,444.50
Subtotal of cash inflow arising from operating activities	11,801,271.70	14,988,947.53
Cash paid for purchasing commodities and receiving labor service		
Cash paid to/for staff and workers	4,087,113.14	4,176,713.82
Taxes paid	636,407.02	853,861.92
Other cash paid concerning operating activities	7,129,970.63	4,146,985.17
Subtotal of cash outflow arising from operating activities	11,853,490.79	9,177,560.91
Net cash flows arising from operating activities	-52,219.09	5,811,386.62
II. Cash flows arising from investing activities:		
Cash received from recovering investment	174,000,000.00	50,000,000.00
Cash received from investment income	1,886,129.56	405,205.48
Net cash received from disposal of fixed, intangible and other long-term assets		
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities		
Subtotal of cash inflow from investing activities	175,886,129.56	50,405,205.48
Cash paid for purchasing fixed, intangible and other long-term assets	1,378,282.33	34,178.00

Cash paid for investment	189,974,000.00	130,000,000.00
Net cash received from subsidiaries and other units		
Other cash paid concerning investing activities		
Subtotal of cash outflow from investing activities	191,352,282.33	130,034,178.00
Net cash flows arising from investing activities	-15,466,152.77	-79,628,972.52
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Cash received from loans		
Cash received from issuing bonds		
Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities		
Cash paid for settling debts		
Cash paid for dividend and profit distributing or interest paying	1,490,437.48	543,750.01
Other cash paid concerning financing activities		
Subtotal of cash outflow from financing activities	1,490,437.48	543,750.01
Net cash flows arising from financing activities	-1,490,437.48	-543,750.01
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate		
V. Net increase of cash and cash equivalents	-17,008,809.34	-74,361,335.91
Add: Balance of cash and cash equivalents at the period -begin	97,991,738.05	150,800,890.39
VI. Balance of cash and cash equivalents at the period -end	80,982,928.71	76,439,554.48

II. Audit report

Whether the first quarterly report had been audited or not

Yes No

The 1Q report of the Company was unaudited.