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中國能源建設股份有限公司
CHINA ENERGY ENGINEERING CORPORATION LIMITED*
(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 3996)

**ANNOUNCEMENT
INSIDE INFORMATION**

The announcement is made by China Energy Engineering Corporation Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the provisions of inside information under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Pursuant to the Listing Rules of the Shanghai Stock Exchange, China Gezhouba Group Stock Company Limited (中國葛洲壩集團股份有限公司) (“**CGGC**”), a subsidiary of the Company, published its unaudited 2019 first quarterly report for the three months ended 31 March 2019 (the “**CGGC Quarterly Report**”) on the website of the Shanghai Stock Exchange, a reproduction of which is enclosed to this announcement. For the avoidance of doubt, the “Company” contained in the CGGC Quarterly Report refers to CGGC. The CGGC Quarterly Report is originally prepared in Chinese. In case of any inconsistency between the Chinese version and English version, the Chinese version shall prevail.

Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

By Order of the Board
CHINA ENERGY ENGINEERING CORPORATION LIMITED*
Wang Jianping
Chairman

Beijing, the PRC
29 April 2019

As at the date of this announcement, the executive directors of the Company are Mr. Wang Jianping, Mr. Ding Yanzhang and Mr. Zhang Xianchong; the non-executive directors are Mr. Ma Chuanjing, Mr. Liu Xueshi and Mr. Si Xinbo; and the independent non-executive directors are Mr. Ding Yuanchen, Mr. Zheng Qiyu and Mr. Cheung Yuk Ming.

* For identification purpose only

China Gezhouba Group Stock Company Limited
2019 First Quarterly Report

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I. IMPORTANT NOTICES

1.1 The Board, the supervisory committee, the directors, the supervisors and senior management of the Company ensure that the content of the quarterly report is true, accurate and complete, there are no false representations, misleading statements contained or major omissions, and collectively and individually accept full liability.

1.2 Directors absent

| Name of director absent | Position of director absent | Reason for absence | Name of proxy |
|-------------------------|-----------------------------|--------------------|---------------|
| Chen Xiaohua | Chairman | Work | Fu Junxiong |
| Duan Qiurong | Director | Work | Lian Yongjiu |
| Guo Chengzhou | Director | Work | Fu Junxiong |

1.3 Chen Xiaohua, person in charge of the Company, Fu Junxiong, person in charge of the accounting work, Wang Yihuai, chief accountant, and Lu Zhongnian, person in charge of accounting (accounting supervisor), ensure that the financial statements in the quarterly report are true, accurate and complete.

1.4 The Company's first quarterly report is not audited.

II. BASIC INFORMATION OF THE COMPANY

2.1 Major financial data

Unit: Yuan Currency: RMB

| | End of the reporting period | End of last year | Increase/decrease at the end of the reporting period as compared to the end of previous year (%) |
|--|--|--|--|
| Total assets | 217,553,505,945.27 | 218,209,265,921.73 | -0.30 |
| Net assets attributable to shareholders of the listed Company | 43,540,058,900.67 | 42,803,990,684.04 | 1.72 |
| | At the beginning of the year through the end of the reporting period | At the beginning of last year through the end of last reporting period | Increase/decrease as compared to the corresponding period of the previous year (%) |
| Net cash flow from operating activities | -1,099,908,945.78 | -9,822,672,276.17 | N/A |
| | At the beginning of the year through the end of the reporting period | At the beginning of last year through the end of last reporting period | Increase/decrease as compared to the corresponding period of the previous year (%) |
| Operating revenue | 21,700,405,137.92 | 20,884,621,552.41 | 3.91 |
| Net profit attributable to shareholders of the listed Company | 697,425,654.23 | 757,696,218.81 | -7.95 |
| Net profit after non-recurring profit or loss attributable to shareholders of the listed Company | 665,079,038.36 | 730,657,689.08 | -8.98 |
| Weighted average return rate on net assets (%) | 2.044 | 2.436 | Decrease by 0.392 percentage point |
| Basic earnings per share (Yuan/share) | 0.120 | 0.133 | -9.77 |
| Diluted earnings per share (Yuan/share) | 0.120 | 0.133 | -9.77 |

Non-recurring profit or loss items and amount

✓Applicable □Not Applicable

Unit: Yuan Currency: RMB

| Item | Amount for the current period | Description |
|---|-------------------------------|-------------|
| Profit or loss on the disposal of non-current assets | -8,196,628.46 | |
| Government subsidies included in profit or loss for the current period, but excluding the sustained quota subsidized according to the state policies that are closely relevant to the Company's normal business | 59,544,953.20 | |
| Profit or loss from changes in fair value resulted from holding of the trading financial assets, derivative financial assets, trading financial liabilities, derivative financial liabilities and investment income on disposal of the trading financial assets, derivative financial assets, trading financial liabilities, derivative financial liabilities and other debt investments, except the effective hedging related to the Company's normal business | 1,777,574.01 | |
| Other off-business income and expense besides items above | -1,228,958.36 | |
| Effect of minority interests (after tax) | -9,234,064.64 | |
| Effect of income tax | -10,316,259.88 | |
| Total | 32,346,615.87 | |

2.2 Shareholdings of the total shareholders, the top ten shareholders and top ten holders of tradable shares (or holders of shares not subject to selling restrictions) as at the end of the reporting period

Unit: Share

| Total shareholders (household) | | | 263,581 | | | |
|--|---|----------------|---|--------------------------|------------------|--------------------------|
| Shareholdings of the Top Ten Shareholders | | | | | | |
| Name of shareholder (in full name) | Number of shares held as at the end of the period | Proportion (%) | Number of shares held subject to selling restrictions | Pledged or frozen shares | | Class of shareholder |
| | | | | Status of shares | Number of shares | |
| China Gezhoubao Group Company Limited | 1,949,448,239 | 42.34 | 0 | Nil | 0 | State-owned legal person |
| China Securities Finance Corporation Limited | 138,343,785 | 3.00 | 0 | Nil | 0 | State-owned legal person |
| Central Huijin Asset Management Limited Liability Company | 70,785,800 | 1.54 | 0 | Nil | 0 | State-owned legal person |
| The National Social Security Fund 106 Composition | 56,836,029 | 1.23 | 0 | Nil | 0 | Other |
| Hong Kong Securities Clearing Company Limited | 46,201,346 | 1.00 | 0 | Nil | 0 | Other |
| The National Social Security Fund 107 Composition | 34,999,789 | 0.76 | 0 | Nil | 0 | Other |
| Yan Xiaohu | 28,410,839 | 0.62 | 0 | Nil | 0 | Domestic natural person |
| The National Social Security Fund 116 Composition | 23,773,950 | 0.52 | 0 | Nil | 0 | Other |
| Norges Bank — Own Funds | 20,299,862 | 0.44 | 0 | Nil | 0 | Other |
| China Merchants Bank Co., Ltd. – Bosera China Securities Central Enterprises Structural Adjustment Traded Openend Index Securities Investment Fund | 16,618,900 | 0.36 | 0 | Nil | 0 | Other |

| Top Ten Holders of Shares Not Subject to Selling Restrictions | | | |
|--|---|----------------------------|------------------|
| Name of shareholder | Number of shares held not subject to selling restrictions | Class and number of shares | |
| | | Class | Number of shares |
| China Gezhouba Group Company Limited | 1,949,448,239 | RMB ordinary shares | 1,949,448,239 |
| China Securities Finance Corporation Limited | 138,343,785 | RMB ordinary shares | 138,343,785 |
| Central Huijin Asset Management Limited Liability Company | 70,785,800 | RMB ordinary shares | 70,785,800 |
| The National Social Security Fund 106 Composition | 56,836,029 | RMB ordinary shares | 56,836,029 |
| Hong Kong Securities Clearing Company Limited | 46,201,346 | RMB ordinary shares | 46,201,346 |
| The National Social Security Fund 107 Composition | 34,999,789 | RMB ordinary shares | 34,999,789 |
| Yan Xiaohu | 28,410,839 | RMB ordinary shares | 28,410,839 |
| The National Social Security Fund 116 Composition | 23,773,950 | RMB ordinary shares | 23,773,950 |
| Norges Bank — Own Funds | 20,299,862 | RMB ordinary shares | 20,299,862 |
| China Merchants Bank Co., Ltd. – Bosera China Securities Central Enterprises Structural Adjustment Traded Openend Index Securities Investment Fund | 16,618,900 | RMB ordinary shares | 16,618,900 |
| Description on the connected relationship or acts in concert of the above shareholders | Among the top ten shareholders, the first shareholder is not connected to other shareholders. The Company is not aware whether there are other shareholders who are connected to each other or acting in concert. | | |
| Descriptions on the preferential shareholders with resumed voting rights and number of shares held | Nil | | |

2.3 Shareholdings of the total holders of preference shares, the top ten holders of preference shares and top ten holders of preference shares not subject to selling restrictions as at the end of the reporting period

☐ Applicable ☒ Not Applicable

III. SIGNIFICANT EVENTS

3.1 Information on material changes in major accounting statement items and financial indicators of the Company and the causes thereof

✓Applicable ☐Not Applicable

1. Items of Balance Sheet

Unit: Yuan Currency: RMB

| Name of item | Amount as at the end of the period | Percentage of amount at end of the period over total assets (%) | Amount at end of the last period | Percentage of amount at end of last period over total assets (%) | Change percentage year-on-year (%) | Reasons for changes |
|----------------------------|------------------------------------|---|----------------------------------|--|------------------------------------|--|
| Bills payables | 4,995,820,201.68 | 2.30 | 2,717,201,183.75 | 1.25 | 83.86 | Mainly due to the increase of the issuance of acceptance bills for the current period |
| Dividends payables | 498,372,848.64 | 0.23 | 354,597,848.64 | 0.16 | 40.55 | Mainly due to the provision of unpaid payables of the increase in interests of perpetual bonds |
| Other comprehensive income | -217,614,773.26 | -0.10 | -372,768,899.26 | -0.17 | N/A | Mainly due to the change of fair value of other investments in equity instruments and the foreign exchange |

2. Items of Profit Statement

Unit: Yuan Currency: RMB

| Name of item | Amount for the current period | Amount for the corresponding period last year | Change percentage year-on-year (%) | Reasons for changes |
|--------------|-------------------------------|---|------------------------------------|---|
| Other gains | 368,666,910.62 | 269,490,201.07 | 36.80 | Mainly due to the increase in cement business and environmental income and the corresponding government subsidies |

3. Items of Cash Flow Statement

Unit: Yuan Currency: RMB

| Name of item | Amount for the current period | Amount for the corresponding period last year | Change percentage year-on-year (%) | Reasons for changes |
|---|-------------------------------|---|------------------------------------|---|
| Net cash flow from operating activities | -1,099,908,945.78 | -9,822,672,276.17 | N/A | Mainly due to the decrease in investment in real estate business and the decrease in project payment for construction business for the current period compared to last period |
| Net cash flow from investing activities | -2,776,855,520.72 | -3,580,120,276.96 | N/A | Mainly due to the decrease in cash payment for external investment for the current period |
| Net cash flow from financing activities | -979,494,642.01 | 9,493,766,187.94 | -110.32 | Mainly due to the significant decrease in cash inflow from borrowings for the current period compared to last period |

3.2 Progress of significant events and their effect and analysis on the resolution

☐ Applicable ☒ Not Applicable

3.3 Unfulfilled commitments during the reporting period

☐ Applicable ☒ Not Applicable

3.4 Warning of the prediction that the cumulative net profits from the beginning of the year to the end of the next reporting period may be a loss or a significant change as compared with the corresponding period last year and the causes thereof

☐ Applicable ☒ Not Applicable

| | |
|----------------------|---|
| Name of company | China Gezhouba Group Stock Company Limited |
| Legal representative | Chen Xiaohua |
| Date | 26 April 2019 |

IV. APPENDICES

4.1 Financial Statements

CONSOLIDATED BALANCE SHEET

31 March 2019

Prepared by: China Gezhouba Group Stock Company Limited

Unit: Yuan Currency: RMB Type of audit: Unaudited

| Item | 31 March 2019 | 31 December 2018 |
|---|--------------------|--------------------|
| Current assets: | | |
| Monetary assets | 14,426,019,015.41 | 19,547,502,663.21 |
| Settlement reserves | | |
| Call money | | |
| Trading financial assets | | |
| Financial assets at fair value through profit or loss in the current period | | |
| Derivative financial assets | | |
| Bills receivables and trade receivables | 17,083,540,595.20 | 18,745,847,940.80 |
| Including: Bills receivables | 2,747,384,776.98 | 3,475,032,065.02 |
| Receivables | 14,336,155,818.22 | 15,270,815,875.78 |
| Prepayments | 8,267,287,844.33 | 7,869,566,730.21 |
| Premiums receivable | | |
| Reinsurance accounts receivable | | |
| Reinsurance contract reserve receivable | | |
| Other receivables | 13,020,925,305.52 | 10,702,509,036.51 |
| Including: Interest receivables | 251,300.00 | 251,300.00 |
| Dividends receivables | | |
| Purchase and sell-back of financial assets | | |
| Inventories | 52,232,673,172.93 | 52,197,618,110.17 |
| Contract assets | 17,966,292,083.38 | 17,063,346,979.33 |
| Assets classified as held-for-sale | | |
| Non-current assets due within one year | 1,099,834,290.44 | 1,071,855,569.69 |
| Other current assets | 2,804,802,303.83 | 2,579,085,047.67 |
| Total current assets | 126,901,374,611.04 | 129,777,332,077.59 |

| Item | 31 March 2019 | 31 December 2018 |
|---|--------------------|--------------------|
| Non-current assets: | | |
| Provision of loans and advances | | |
| Debt investments | | |
| Available-for-sale financial assets | | |
| Other debt investments | | |
| Held-to-maturity investments | | |
| Long-term receivables | 14,934,430,928.27 | 15,274,561,016.63 |
| Long-term equity investments | 14,596,907,843.00 | 14,159,585,398.17 |
| Other investments in equity instruments | 1,023,170,014.56 | 699,777,632.80 |
| Other non-current financial assets | 5,392,157,370.40 | 5,213,561,990.40 |
| Investment properties | 53,741,813.34 | 38,252,959.50 |
| Fixed assets | 16,832,897,731.14 | 17,107,206,656.89 |
| Construction in progress | 17,189,496,375.90 | 16,089,509,517.57 |
| Productive biological assets | | |
| Oil and gas assets | | |
| Right-of-use assets | 871,897,369.95 | |
| Intangible assets | 16,572,249,523.79 | 16,682,985,922.94 |
| Development expenditure | 202,745,986.36 | 202,447,664.50 |
| Goodwill | 1,539,598,450.11 | 1,539,598,450.11 |
| Long-term prepaid expenses | 528,305,353.40 | 599,559,732.77 |
| Deferred income tax assets | 751,111,013.05 | 732,356,187.10 |
| Other non-current assets | 163,421,560.96 | 92,530,714.76 |
| Total non-current assets | 90,652,131,334.23 | 88,431,933,844.14 |
| Total assets | 217,553,505,945.27 | 218,209,265,921.73 |

| Item | 31 March 2019 | 31 December 2018 |
|--|--------------------|--------------------|
| Current liabilities: | | |
| Short-term borrowings | 23,524,065,489.77 | 29,614,035,130.24 |
| Borrowings from the central bank | | |
| Loans from banks and other financial institutions | | |
| Trading financial liabilities | | |
| Financial liabilities at fair value through profit or loss in the current period | | |
| Derivative financial liabilities | | |
| Bills payables and trade payables | 35,857,924,589.77 | 38,636,853,026.46 |
| Receipts in advance | | |
| Gain on disposal of repurchased financial assets | | |
| Absorption of deposits and inter-bank deposits | | |
| Acting sale of securities | | |
| Acting underwriting securities | | |
| Salary payable to employees | 327,788,951.90 | 258,349,996.38 |
| Tax payables | 2,185,597,259.21 | 2,530,455,699.97 |
| Other payables | 18,966,722,695.59 | 20,153,423,281.23 |
| Including: Interest payables | 1,296,286,353.26 | 1,304,487,613.85 |
| Dividends payables | 498,372,848.64 | 354,597,848.64 |
| Handling fee and commission payable | | |
| Reinsurance accounts payable | | |
| Contract liabilities | 15,430,110,756.82 | 14,556,285,412.84 |
| Liabilities classified as held-for-sale | | |
| Non-current liabilities due within one year | 12,427,865,994.98 | 12,195,692,656.14 |
| Other current liabilities | 8,450,769.63 | 18,743,979.57 |
| Total current liabilities | 108,728,526,507.67 | 117,963,839,182.83 |

| Item | 31 March 2019 | 31 December 2018 |
|---------------------------------------|--------------------|--------------------|
| Non-current liabilities: | | |
| Reserve fund for insurance contracts | | |
| Long-term borrowings | 36,609,812,772.69 | 31,782,735,313.26 |
| Bonds payables | 11,050,000,000.00 | 9,150,000,000.00 |
| Including: Preferred shares | | |
| Perpetual bonds | | |
| Lease liabilities | 675,575,166.98 | |
| Long-term payables | 664,707,834.57 | 665,207,834.57 |
| Long-term salary payable to employees | 2,160,998,190.29 | 2,162,107,000.00 |
| Anticipated liabilities | | |
| Deferred revenue | 271,889,587.79 | 253,966,732.97 |
| Deferred income tax liabilities | 1,139,758,885.22 | 1,061,867,980.96 |
| Other non-current liabilities | 92,136,974.49 | 84,914,215.68 |
| Total non-current liabilities | 52,664,879,412.03 | 45,160,799,077.44 |
| Total liabilities | 161,393,405,919.70 | 163,124,638,260.27 |

| Item | 31 March 2019 | 31 December 2018 |
|---|--------------------|--------------------|
| Equity attributable to the owners (or shareholders' equity): | | |
| Paid-up capital (or share capital) | 4,604,777,412.00 | 4,604,777,412.00 |
| Other equity instruments | 16,000,000,000.00 | 16,000,000,000.00 |
| Including: Preferred shares | | |
| Perpetual bonds | 16,000,000,000.00 | 16,000,000,000.00 |
| Capital reserves | 7,515,995,048.97 | 7,511,468,750.95 |
| Less: Treasury shares | | |
| Other comprehensive income | -217,614,773.26 | -372,768,899.26 |
| Special reserve | 108,969,705.65 | 86,232,567.27 |
| Surplus reserves | 1,582,944,663.22 | 1,582,944,663.22 |
| Provision for general risk | | |
| Retained profit | 13,944,986,844.09 | 13,391,336,189.86 |
| Total equity attributable to owners of the parent company (or shareholders' equity) | 43,540,058,900.67 | 42,803,990,684.04 |
| Minority interests | 12,620,041,124.90 | 12,280,636,977.42 |
| Equity attributable to the owners (or shareholders' equity) | 56,160,100,025.57 | 55,084,627,661.46 |
| Total liabilities and equity attributable to the owners (or shareholders' equity) | 217,553,505,945.27 | 218,209,265,921.73 |

Legal representative: Chen Xiaohua Person in charge of the accounting work: Fu Junxiong
Chief accountant: Wang Yihuai Responsible person of accounting agency: Lu Zhongnian

BALANCE SHEET OF THE PARENT COMPANY

31 March 2019

Prepared by: China Gezhouba Group Stock Company Limited

Unit: Yuan Currency: RMB Audit type: Unaudited

| Item | 31 March 2019 | 31 December 2018 |
|---|-------------------|-------------------|
| Current assets: | | |
| Monetary assets | 2,943,302,959.24 | 8,237,724,678.67 |
| Trading financial assets | | |
| Financial assets at fair value through profit or loss in the current period | | |
| Derivative financial assets | | |
| Bills receivables and trade receivables | 6,709,150,661.41 | 7,211,280,408.27 |
| Including: Bills receivables | 228,269,649.00 | 230,279,649.00 |
| Trade receivables | 6,480,881,012.41 | 6,981,000,759.27 |
| Prepayments | 3,248,566,326.94 | 2,029,909,088.31 |
| Other receivables | 41,436,995,078.52 | 40,488,889,903.83 |
| Including: Interest receivables | | |
| Dividends receivables | | |
| Inventories | 394,931,583.77 | 160,943,425.36 |
| Contract assets | 1,726,236,751.02 | 1,656,181,673.54 |
| Assets held for sale | | |
| Non-current assets due within one year | | |
| Other current assets | 130,373,565.93 | 63,839,155.60 |
| Total current assets | 56,589,556,926.83 | 59,848,768,333.58 |
| Non-current assets: | | |
| Debt investments | 200,000,000.00 | 270,000,000.00 |
| Available-for-sale financial assets | | |
| Other debt investments | | |
| Held-to-maturity investments | | |
| Long-term receivables | 1,208,640,826.69 | 1,295,630,133.93 |
| Long-term equity investments | 40,893,838,904.26 | 38,784,187,846.08 |
| Other investments in equity instruments | 1,023,170,014.56 | 699,777,632.80 |
| Other non-current financial assets | 3,982,284,590.73 | 3,963,098,215.73 |
| Investment properties | | |
| Fixed assets | 288,007,359.60 | 301,160,464.04 |
| Construction in progress | | |
| Productive biological assets | | |
| Oil and gas assets | | |

| Item | 31 March 2019 | 31 December 2018 |
|--|--------------------|--------------------|
| Right-of-use assets | 6,268,625.51 | |
| Intangible assets | 218,855,133.63 | 221,801,896.28 |
| Development expenditure | 39,480,815.12 | 35,605,146.89 |
| Goodwill | | |
| Long-term prepaid expenses | 8,324,101.95 | 8,876,706.38 |
| Deferred income tax assets | 5,880,920.14 | 5,951,798.25 |
| Other non-current assets | | |
| Total non-current assets | 47,874,751,292.19 | 45,586,089,840.38 |
| Total assets | 104,464,308,219.02 | 105,434,858,173.96 |
| Current liabilities: | | |
| Short-term borrowings | 17,905,965,000.00 | 19,981,749,600.00 |
| Trading financial liabilities | | |
| Financial liabilities at fair value through profit or loss in the current period | | |
| Derivative financial liabilities | | |
| Bills payables and trade payables | 11,353,826,907.75 | 11,166,753,887.74 |
| Receipts in advance | | |
| Contract liabilities | 1,997,339,172.78 | 1,345,031,058.91 |
| Salary payable to employees | 93,105,777.99 | 77,671,110.70 |
| Tax payables | 340,102,100.77 | 388,167,615.09 |
| Other payables | 17,977,061,804.81 | 20,416,850,371.15 |
| Including: Interest payables | 255,056,916.67 | 257,870,666.67 |
| Dividends payables | 378,500,833.33 | 234,725,833.33 |
| Assets held for sale | | |
| Non-current liabilities due within one year | 5,535,840,000.00 | 5,253,840,000.00 |
| Other current liabilities | | |
| Total current liabilities | 55,203,240,764.10 | 58,630,063,643.59 |
| Non-current liabilities: | | |
| Long-term borrowings | 5,699,000,000.00 | 5,353,000,000.00 |
| Bonds payables | 9,500,000,000.00 | 7,600,000,000.00 |
| Including: Preferred shares | | |
| Perpetual bonds | | |
| Lease liabilities | 6,268,625.51 | |
| Long-term payables | | |
| Long-term salary payable to employees | 43,820,699.32 | 43,850,000.00 |
| Accrued liabilities | | |
| Deferred revenue | | |
| Deferred income tax liabilities | 201,467,205.74 | 152,958,348.48 |
| Other non-current liabilities | | |

| Item | 31 March 2019 | 31 December 2018 |
|---|--------------------|--------------------|
| Total non-current liabilities | 15,450,556,530.57 | 13,149,808,348.48 |
| Total liabilities | 70,653,797,294.67 | 71,779,871,992.07 |
| Equity attributable to the owners (or shareholders' equity): | | |
| Paid-in capital (or share capital) | 4,604,777,412.00 | 4,604,777,412.00 |
| Other equity instruments | 16,000,000,000.00 | 16,000,000,000.00 |
| Including: Preferred shares | | |
| Perpetual bonds | 16,000,000,000.00 | 16,000,000,000.00 |
| Capital reserves | 6,233,927,875.67 | 6,278,950,936.71 |
| Less: Treasury shares | | |
| Other comprehensive income | 674,163,490.15 | 396,103,403.96 |
| Surplus reserves | 1,582,944,663.22 | 1,582,944,663.22 |
| Special reserve | 2,088,018.49 | 1,688,326.84 |
| Undistributed profit | 4,712,609,464.82 | 4,790,521,439.16 |
| Total equity attributable to the owners (or shareholders' equity) | 33,810,510,924.35 | 33,654,986,181.89 |
| Total liabilities and equity attributable to the owners (or shareholders' equity) | 104,464,308,219.02 | 105,434,858,173.96 |

Legal representative: Chen Xiaohua Person in charge of the accounting work: Fu Junxiong
Chief accountant: Wang Yihuai Responsible person of accounting agency: Lu Zhongnian

CONSOLIDATED STATEMENTS OF PROFIT

January to March 2019

Prepared by: China Gezhouba Group Stock Company Limited

Unit: Yuan Currency: RMB Audit type: Unaudited

| Item | 1st Quarter 2019 | 1st Quarter 2018 |
|--|-------------------|-------------------|
| I. Total operating revenue | 21,700,405,137.92 | 20,884,621,552.41 |
| Including: Operating revenue | 21,700,405,137.92 | 20,884,621,552.41 |
| Interest income | | |
| Premiums earned | | |
| Handling fee and commission income | | |
| II. Total operating costs | 20,724,391,319.09 | 19,908,929,666.71 |
| Including: Operating cost | 18,095,130,108.82 | 17,600,315,211.29 |
| Interest expenses | | |
| Handling fee and commission expenses | | |
| Surrenders value | | |
| Net expenditure for insurance claims settlement | | |
| Net drawing on provision for insurance contracts | | |
| Expenditures for policy dividend | | |
| Reinsurance expenditures | | |
| Tax and surcharges | 379,812,963.20 | 320,465,565.58 |
| Selling expenses | 325,736,335.34 | 261,604,276.11 |
| Management expenses | 1,140,908,395.92 | 974,933,410.28 |
| R&D expenses | 191,745,229.65 | 189,468,726.55 |
| Finance cost | 585,790,167.57 | 568,127,285.69 |
| Including: Interest fee | 684,054,161.32 | 639,290,267.80 |
| Interest income | 115,622,782.42 | 81,960,823.62 |
| Impairment loss of assets | | -5,984,808.79 |

| Item | 1st Quarter 2019 | 1st Quarter 2018 |
|--|------------------|------------------|
| Impairment loss of credit | 5,268,118.59 | |
| Add: Other income | 368,666,910.62 | 269,490,201.07 |
| Gain from investment (loss is represented by “-”) | 108,506,214.63 | 133,824,958.42 |
| Including: Gains from investment in associates and joint ventures | 104,131,494.83 | 73,904,476.38 |
| Gains from exchange (loss is represented by “-”) | | |
| Gains on net exposure hedges (loss is represented by “-”) | | |
| Gains from change in fair value (loss is represented by “-”) | | |
| Gain from assets disposal (loss is represented by “-”) | -8,196,628.46 | -16,054,292.10 |
| III. Operational profit (loss is represented by “-”) | 1,444,990,315.62 | 1,362,952,753.09 |
| Add: Non-operating income | 11,083,128.76 | 39,038,076.85 |
| Less: Non-operating expense | 9,035,383.22 | 10,590,486.36 |
| IV. Total profit (total loss is represented by “-”) | 1,447,038,061.16 | 1,391,400,343.58 |
| Less: Income tax expense | 356,970,993.21 | 275,960,227.67 |
| V. Net profit (loss is represented by “-”) | 1,090,067,067.95 | 1,115,440,115.91 |
| (I) Classified by continuity of operations | | |
| 1. Net profit from continuing operations (net loss is represented by “-”) | 1,090,067,067.95 | 1,115,440,115.91 |
| 2. Net profit from discontinued operations (net loss is represented by “-”) | | |
| (II) Classified by ownership of equity | | |
| 1. Net profit attributable to the shareholders of the parent company (net loss is represented by “-”) | 697,425,654.23 | 757,696,218.81 |
| 2. Minority interests (net loss is represented by “-”) | 392,641,413.72 | 357,743,897.10 |
| VI. Other comprehensive income, net of tax | 147,213,566.15 | -270,643,398.48 |
| Other comprehensive income attributable to the owners of the parent company, net of tax | 155,154,126.00 | -266,631,913.51 |
| (I) Other comprehensive income not reclassified to profit or loss | 274,883,524.50 | -72,763,285.90 |
| 1. Re-measurement of changes under defined benefit plan | | |
| 2. Other comprehensive income which cannot be reclassified to profit or loss under equity method | | |
| 3. Changes in fair value of other investments in equity instruments | 274,883,524.50 | -72,763,285.90 |
| 4. Change in fair value of the corporate’s own credit risk | | |

| Item | 1st Quarter 2019 | 1st Quarter 2018 |
|--|------------------|------------------|
| (II) Other comprehensive income to be reclassified to profit or loss | -119,729,398.50 | -193,868,627.61 |
| 1. Other comprehensive income which can be reclassified to profit or loss under equity method | | |
| 2. Changes in fair value of other debt investments | | |
| 3. Profit or loss arising from changes in fair value of available-for-sale financial assets | | |
| 4. Amount included in other comprehensive income on reclassification of financial assets | | |
| 5. Profit or loss from held-to maturity investment reclassified as available-for-sale financial assets | | |
| 6. Provision for credit impairment of other debt investments | | |
| 7. Cash flows hedging reserve (Effective portion of gains/(losses) on cash flow hedging) | | |
| 8. Differences on translation of foreign currency statements | -119,729,398.50 | -193,868,627.61 |
| 9. Others | | |
| Other comprehensive income attributable to minority interest, net of tax | -7,940,559.85 | -4,011,484.97 |
| VII. Total comprehensive income | 1,237,280,634.10 | 844,796,717.43 |
| Total comprehensive income attributable to the owners of the parent company | 852,579,780.23 | 491,064,305.30 |
| Total comprehensive income attributable to minority interests | 384,700,853.87 | 353,732,412.13 |
| VIII. Earnings per share: | | |
| (1) Basic earnings per share (Yuan/share) | 0.120 | 0.133 |
| (2) Diluted earnings per share (Yuan/share) | 0.120 | 0.133 |

For the business combination under common control during the current period, the net profit realized by the combined party before the combination is RMB0, the net profit of last period realized by the combined party is RMB0.

Legal representative: Chen Xiaohua Person in charge of the accounting work: Fu Junxiong
Chief accountant: Wang Yihuai Responsible person of accounting agency: Lu Zhongnian

STATEMENTS OF PROFIT OF THE PARENT COMPANY

January to March 2019

Prepared by: China Gezhouba Group Stock Company Limited

Unit: Yuan Currency: RMB Audit type: Unaudited

| Item | 1st Quarter 2019 | 1st Quarter 2018 |
|---|------------------|------------------|
| I. Operating revenue | 3,792,332,123.41 | 2,596,990,482.25 |
| Less: Operating cost | 3,485,026,559.48 | 2,374,753,130.06 |
| Tax and surcharges | 4,337,170.72 | 16,335,276.66 |
| Selling expenses | | |
| Management expenses | 161,495,385.12 | 149,381,798.45 |
| R&D expenses | 21,379,886.65 | 51,613,857.77 |
| Finance cost | 88,562,079.60 | -25,981,214.13 |
| Including: Interest fee | 497,796,598.32 | 5,195,698.88 |
| Interest income | 387,664,696.07 | 18,030,235.81 |
| Impairment loss of assets | | 175,428.13 |
| Impairment loss of credit | -472,520.72 | |
| Add: Other income | 2,664.15 | 17,985.94 |
| Gain from investment (loss is represented by “-”) | 36,051,120.11 | 71,648,307.13 |
| Including: Gains from investment in associates and joint ventures | 33,651,058.18 | 12,068,825.09 |
| Gains on net exposure hedges (loss is represented by “-”) | | |
| Gains from change in fair value (loss is represented by “-”) | | |
| Gain from assets disposal (loss is represented by “-”) | 220,931.75 | -6,744,629.55 |
| II. Operational profit (loss is represented by “-”) | 68,278,278.57 | 95,633,868.83 |
| Add: Non-operating income | 951,241.62 | |
| Less: Non-operating expense | 342,540.85 | 204,778.07 |
| III. Total profit (total loss is represented by “-”) | 68,886,979.34 | 95,429,090.76 |
| Less: Income tax expense | 3,023,953.68 | 3,024,736.39 |
| IV. Net profit (net loss is represented by “-”) | 65,863,025.66 | 92,404,354.37 |
| 1. Net profit from continuing operations (net loss is represented by “-”) | 65,863,025.66 | 92,404,354.37 |
| 2. Net profit from discontinued operations (net loss is represented by “-”) | | |

| Item | 1st Quarter 2019 | 1st Quarter 2018 |
|--|------------------|------------------|
| V. Other comprehensive income, net of tax | 278,060,086.19 | -68,506,787.78 |
| (I) Other comprehensive income not reclassified to profit or loss | 274,883,524.50 | -72,763,285.90 |
| 1. Re-measurement of changes under defined benefit plan | | |
| 2. Other comprehensive income which cannot be reclassified to profit or loss under equity method | | |
| 3. Changes in fair value of other investments in equity instruments | 274,883,524.50 | -72,763,285.90 |
| 4. Change in fair value of the corporate's own credit risk | | |
| (II) Other comprehensive income to be reclassified to profit or loss | 3,176,561.69 | 4,256,498.12 |
| 1. Other comprehensive income which can be reclassified to profit or loss under equity method | | |
| 2. Changes in fair value of other debt investments | | |
| 3. Profit or loss arising from changes in fair value of available-for-sale financial assets | | |
| 4. Amount included in other comprehensive income on reclassification of financial assets | | |
| 5. Profit or loss from held-to-maturity investment reclassified as available-for-sale financial assets | | |
| 6. Provision for credit impairment of other debt investments | | |
| 7. Cash flows hedging reserve (Effective portion of gains/(losses) on cash flow hedging) | | |
| 8. Differences on translation of foreign currency statements | 3,176,561.69 | 4,256,498.12 |
| 9. Others | | |
| VI. Total comprehensive income | 343,923,111.85 | 23,897,566.59 |
| VII. Earning per share: | | |
| (1) Basic earnings per share (RMB/share) | | |
| (2) Diluted earnings per share (RMB/share) | | |

Legal representative: Chen Xiaohua Person in charge of the accounting work: Fu Junxiong
Chief accountant: Wang Yihuai Responsible person of accounting agency: Lu Zhongnian

CONSOLIDATED CASH FLOWS STATEMENT

January to March 2019

Prepared by: China Gezhouba Group Stock Company Limited

Unit: Yuan Currency: RMB Audit type: Unaudited

| Item | 1st Quarter 2019 | 1st Quarter 2018 |
|--|-------------------|-------------------|
| I. Cash flows from operating activities: | | |
| Cash received from the sales of goods and the rendering of services | 26,039,152,971.62 | 22,730,447,560.11 |
| Net increase in deposits from customers and interbank deposits | | |
| Net increase in borrowings from central bank | | |
| Net increase in borrowings from other financial institutions | | |
| Cash received from premiums under original insurance contracts | | |
| Net cash received from reinsurance business | | |
| Net increase in deposits from policyholder and investment funds | | |
| Cash received from interest, handling fee and commission | | |
| Net increase in capital borrowed | | |
| Net increase in capital from repurchase business | | |
| Net cash received from acting sale of securities | | |
| Refund of taxes and levies | 405,156,768.81 | 247,487,620.92 |
| Cash received relating to other operating activities | 7,058,621,168.82 | 4,901,327,190.25 |
| Sub-total of cash inflows from operating activities | 33,502,930,909.25 | 27,879,262,371.28 |
| Cash paid to the purchase of goods and the acceptance of services | 23,135,959,971.94 | 28,118,811,619.96 |
| Net increase in loans and advances to customers | | |
| Net increase in deposits with central bank and inter-bank deposits | | |
| Cash paid for compensation payments under original insurance contracts | | |
| Net increase in financial assets held for the purpose of trading | | |
| Net increase in call money | | |
| Cash paid for interest, handling fee and commission | | |
| Cash paid for policyholder dividend | | |

| Item | 1st Quarter 2019 | 1st Quarter 2018 |
|---|-------------------|-------------------|
| Cash paid to and for employees | 2,013,129,720.49 | 1,862,615,149.81 |
| Payments of all types of taxes | 2,140,649,694.49 | 1,993,668,592.74 |
| Cash payments relating to other operating activities | 7,313,100,468.11 | 5,726,839,284.94 |
| Sub-total of cash outflows from operating activities | 34,602,839,855.03 | 37,701,934,647.45 |
| Net cash flow from operating activities | -1,099,908,945.78 | -9,822,672,276.17 |
| II. Cash flow from investing activities: | | |
| Cash received from investment recovery | 17,307,874.01 | 5,000,000.00 |
| Cash received from returns on investments | 2,597,061.93 | 60,140,196.04 |
| Net cash received from disposals of fixed assets, intangible assets and other long-term assets | 3,328,160.78 | 519,802.23 |
| Net cash received from disposals of subsidiaries and other operating units | 45,261,700.00 | |
| Cash received relating to other investing activities | 6,321,100.00 | 40,338,079.29 |
| Sub-total of cash inflows from investing activities | 74,815,896.72 | 105,998,077.56 |
| Cash paid to acquire fixed assets, intangible assets and other long-term assets | 2,243,913,087.44 | 2,080,290,155.64 |
| Cash paid for investments | 522,316,630.00 | 1,377,452,653.40 |
| Net increase of mortgaged loans | | |
| Net cash paid for acquisition of subsidiaries and other operating units | 85,441,700.00 | |
| Cash payments relating to other investing activities | | 228,375,545.48 |
| Sub-total of cash outflows from investing activities | 2,851,671,417.44 | 3,686,118,354.52 |

| Item | 1st Quarter 2019 | 1st Quarter 2018 |
|--|-------------------|-------------------|
| Net cash flow from investing activities | -2,776,855,520.72 | -3,580,120,276.96 |
| III. Cash flow from financing activities: | | |
| Cash received from capital contribution | 7,097,400.00 | 1,339,236,920.00 |
| Including: Cash received by subsidiaries from investments of minority shareholders | 7,097,400.00 | 1,339,236,920.00 |
| Cash received from borrowings | 18,565,489,280.63 | 20,673,050,467.81 |
| Cash received from issuance of bonds | 2,500,000,000.00 | |
| Cash received relating to other financing activities | 58,034,467.95 | 1,423,270,529.44 |
| Sub-total of cash inflows from financing activities | 21,130,621,148.58 | 23,435,557,917.25 |
| Cash payments for debts settlement | 20,122,361,751.21 | 10,631,349,821.18 |
| Cash payments for distribution of dividends, profits, or interest expenses | 1,207,658,049.86 | 1,082,118,559.23 |
| Including: Dividends and profits paid by subsidiaries to minority shareholders | 52,834,547.95 | 36,662,092.96 |
| Cash payments relating to other financing activities | 780,095,989.52 | 2,228,323,348.90 |
| Sub-total of cash outflows from financing activities | 22,110,115,790.59 | 13,941,791,729.31 |
| Net cash flow from financing activities | -979,494,642.01 | 9,493,766,187.94 |
| IV. Effect of foreign exchange rate changes on cash and cash equivalents | 5,433,013.59 | -41,013,457.76 |
| V. Net increase in cash and cash equivalents | -4,850,826,094.92 | -3,950,039,822.95 |
| Add: Balance of cash and cash equivalent at the beginning of the period | 18,838,712,123.84 | 18,622,157,083.52 |
| VI. Balance of cash and cash equivalents at the end of the period | 13,987,886,028.92 | 14,672,117,260.57 |

Legal representative: Chen Xiaohua Person in charge of the accounting work: Fu Junxiong
Chief accountant: Wang Yihuai Responsible person of accounting agency: Lu Zhongnian

CASH FLOWS STATEMENT OF THE PARENT COMPANY

January to March 2019

Prepared by: China Gezhouba Group Stock Company Limited

Unit: Yuan Currency: RMB Type of audit: Unaudited

| Item | 1st Quarter 2019 | 1st Quarter 2018 |
|--|-------------------|-------------------|
| I. Cash flows from operating activities: | | |
| Cash received from the sales of goods and the rendering of services | 5,686,852,558.51 | 2,847,125,662.72 |
| Refund of taxes and levies | 12,423,995.20 | 24,353,956.24 |
| Cash received relating to other operating activities | 3,693,642,878.01 | 2,865,942,038.35 |
| Sub-total of cash inflows from operating activities | 9,392,919,431.72 | 5,737,421,657.31 |
| Cash paid to the purchase of goods and the acceptance of services | 5,984,084,517.55 | 4,912,688,427.18 |
| Cash paid to and for employees | 193,348,766.49 | 214,008,356.39 |
| Payments of all types of taxes | 104,299,023.18 | 88,376,973.09 |
| Cash payments relating to other operating activities | 6,413,672,252.36 | 4,759,525,534.99 |
| Sub-total of cash outflows from operating activities | 12,695,404,559.58 | 9,974,599,291.65 |
| Net cash flow from operating activities | -3,302,485,127.86 | -4,237,177,634.34 |
| II. Cash flow from investing activities: | | |
| Cash received from investment recovery | 70,000,000.00 | 2,000,000,000.00 |
| Cash received from returns on investments | 2,400,061.93 | 59,579,482.04 |
| Net cash received from disposals of fixed assets, intangible assets and other long-term assets | | |
| Net cash received from disposals of subsidiaries and other operating units | | |
| Cash received relating to other investing activities | | |
| Sub-total of cash inflows from investing activities | 72,400,061.93 | 2,059,579,482.04 |
| Cash paid to acquire fixed assets, intangible assets and other long-term assets | 1,004,989.00 | 1,013,970.54 |
| Cash paid for investments | 2,095,186,375.00 | 1,422,036,900.00 |
| Net cash paid for acquisition of subsidiaries and other business units | | |
| Cash payments relating to other investing activities | | |
| Sub-total of cash outflows from investing activities | 2,096,191,364.00 | 1,423,050,870.54 |
| Net cash flow from investing activities | -2,023,791,302.07 | 636,528,611.50 |

| Item | 1st Quarter 2019 | 1st Quarter 2018 |
|---|-------------------|-------------------|
| III. Cash flow from financing activities: | | |
| Cash received from capital contribution | | |
| Cash received from proceeds from borrowing | 11,852,595,000.00 | 16,280,116,800.00 |
| Cash received from issuance of bonds | 2,500,000,000.00 | |
| Cash received relating to other financing activities | 1,145,864,654.33 | 400,871,648.88 |
| Sub-total of cash inflows from financing activities | 15,498,459,654.33 | 16,680,988,448.88 |
| Cash payments for debts settlement | 13,855,985,357.72 | 8,748,405,000.00 |
| Cash payments for distribution of dividends, profits, or interest expenses | 500,610,348.32 | 269,207,487.83 |
| Cash payments relating to other financing activities | 1,146,734,469.60 | 8,115,148,177.82 |
| Sub-total of cash outflows from financing activities | 15,503,330,175.64 | 17,132,760,665.65 |
| Net cash flow from financing activities | -4,870,521.31 | -451,772,216.77 |
| IV. Effect of foreign exchange rate changes on cash and cash equivalents | 36,725,231.81 | 23,547,614.50 |
| V. Net increase in cash and cash equivalents | -5,294,421,719.43 | -4,028,873,625.11 |
| Add: Balance of cash and cash equivalent at the beginning of the period | 8,237,537,682.52 | 6,319,281,867.84 |
| VI. Balance of cash and cash equivalents at the end of the period | 2,943,115,963.09 | 2,290,408,242.73 |

Legal representative: Chen Xiaohua Person in charge of the accounting work: Fu Junxiong
Chief accountant: Wang Yihuai Responsible person of accounting agency: Lu Zhongnian

4.2 First implementation of the new financial instruments guidelines, new income standards, new lease standards to adjust the first implementation of the financial statements at the beginning of the year

☒ Applicable ☐ Not Applicable

CONSOLIDATED BALANCE SHEET

Unit: Yuan Currency: RMB

| Item | 31 December 2018 | 1 January 2019 | Adjustment |
|---|--------------------|--------------------|---------------|
| Current assets: | | | |
| Monetary assets | 19,547,502,663.21 | 19,547,502,663.21 | |
| Settlement reserves | | | |
| Call money | | | |
| Trading financial assets | | | |
| Financial assets at fair value through profit or loss in the current period | | | |
| Derivative financial assets | | | |
| Bills receivables and trade receivables | 18,745,847,940.80 | 18,745,847,940.80 | |
| Including: Bills receivables | 3,475,032,065.02 | 3,475,032,065.02 | |
| Trade receivables | 15,270,815,875.78 | 15,270,815,875.78 | |
| Prepayments | 7,869,566,730.21 | 7,866,101,505.40 | -3,465,224.81 |
| Premiums receivable | | | |
| Reinsurance accounts receivable | | | |
| Reinsurance contract reserve receivable | | | |
| Other receivables | 10,702,509,036.51 | 10,702,509,036.51 | |
| Including: Interest receivables | 251,300.00 | 251,300.00 | |
| Dividends receivables | | | |
| Purchase and sell-back of financial assets | | | |
| Inventories | 52,197,618,110.17 | 52,197,618,110.17 | |
| Contract assets | 17,063,346,979.33 | 17,063,346,979.33 | |
| Assets classified as held-for-sale | | | |
| Non-current assets due within one year | 1,071,855,569.69 | 1,071,855,569.69 | |
| Other current assets | 2,579,085,047.67 | 2,579,085,047.67 | |
| Total current assets | 129,777,332,077.59 | 129,773,866,852.78 | -3,465,224.81 |

| Item | 31 December 2018 | 1 January 2019 | Adjustment |
|---|--------------------|--------------------|----------------|
| Non-current assets: | | | |
| Provision of loans and advances | | | |
| Debt investments | | | |
| Available-for-sale financial assets | | | |
| Other debt investments | | | |
| Held-to-maturity investments | | | |
| Long-term receivables | 15,274,561,016.63 | 15,274,561,016.63 | |
| Long-term equity investments | 14,159,585,398.17 | 14,159,585,398.17 | |
| Other investments in equity instruments | 699,777,632.80 | 699,777,632.80 | |
| Other non-current financial assets | 5,213,561,990.40 | 5,213,561,990.40 | |
| Investment properties | 38,252,959.50 | 38,252,959.50 | |
| Fixed assets | 17,107,206,656.89 | 17,107,206,656.89 | |
| Construction in progress | 16,089,509,517.57 | 16,089,509,517.57 | |
| Productive biological assets | | | |
| Oil and gas assets | | | |
| Right-of-use assets | | 800,730,656.98 | 800,730,656.98 |
| Intangible assets | 16,682,985,922.94 | 16,682,985,922.94 | |
| Development expenditure | 202,447,664.50 | 202,447,664.50 | |
| Goodwill | 1,539,598,450.11 | 1,539,598,450.11 | |
| Long-term prepaid expenses | 599,559,732.77 | 534,898,867.54 | -64,660,865.23 |
| Deferred income tax assets | 732,356,187.10 | 732,356,187.10 | |
| Other non-current assets | 92,530,714.76 | 92,530,714.76 | |
| Total non-current assets | 88,431,933,844.14 | 89,168,003,635.89 | 736,069,791.75 |
| Total assets | 218,209,265,921.73 | 218,941,870,488.67 | 732,604,566.94 |

| Item | 31 December 2018 | 1 January 2019 | Adjustment |
|--|--------------------|--------------------|------------|
| Current liabilities: | | | |
| Short-term borrowings | 29,614,035,130.24 | 29,614,035,130.24 | |
| Borrowings from the central bank | | | |
| Loans from banks and other financial institutions | | | |
| Trading financial liabilities | | | |
| Financial liabilities at fair value through profit or loss in the current period | | | |
| Derivative financial liabilities | | | |
| Bills payables and trade payables | 38,636,853,026.46 | 38,636,853,026.46 | |
| Receipts in advance | | | |
| Gain on disposal of repurchased financial assets | | | |
| Absorption of deposits and inter-bank deposits | | | |
| Acting sale of securities | | | |
| Acting underwriting securities | | | |
| Salary payable to employees | 258,349,996.38 | 258,349,996.38 | |
| Tax payables | 2,530,455,699.97 | 2,530,455,699.97 | |
| Other payables | 20,153,423,281.23 | 20,153,423,281.23 | |
| Including: Interest payables | 1,304,487,613.85 | 1,304,487,613.85 | |
| Dividends payables | 354,597,848.64 | 354,597,848.64 | |
| Handling fee and commission payable | | | |
| Reinsurance accounts payable | | | |
| Contract liabilities | 14,556,285,412.84 | 14,556,285,412.84 | |
| Liabilities classified as held-for-sale | | | |
| Non-current liabilities due within one year | 12,195,692,656.14 | 12,195,692,656.14 | |
| Other current liabilities | 18,743,979.57 | 18,743,979.57 | |
| Total current liabilities | 117,963,839,182.83 | 117,963,839,182.83 | |
| Non-current liabilities: | | | |
| Reserve fund for insurance contracts | | | |
| Long-term borrowings | 31,782,735,313.26 | 31,782,735,313.26 | |
| Bonds payables | 9,150,000,000.00 | 9,150,000,000.00 | |

| Item | 31 December 2018 | 1 January 2019 | Adjustment |
|--|--------------------|--------------------|----------------|
| Including: Preferred shares | | | |
| Perpetual bonds | | | |
| Lease liabilities | | 732,604,566.94 | 732,604,566.94 |
| Long-term payables | 665,207,834.57 | 665,207,834.57 | |
| Long-term salary payable to employees | 2,162,107,000.00 | 2,162,107,000.00 | |
| Accrued liabilities | | | |
| Deferred revenue | 253,966,732.97 | 253,966,732.97 | |
| Deferred income tax liabilities | 1,061,867,980.96 | 1,061,867,980.96 | |
| Other non-current liabilities | 84,914,215.68 | 84,914,215.68 | |
| Total non-current liabilities | 45,160,799,077.44 | 45,893,403,644.38 | 732,604,566.94 |
| Total liabilities | 163,124,638,260.27 | 163,857,242,827.21 | 732,604,566.94 |
| Equity attributable to the owners (or shareholders' equity): | | | |
| Paid-up capital (or share capital) | 4,604,777,412.00 | 4,604,777,412.00 | |
| Other equity instruments | 16,000,000,000.00 | 16,000,000,000.00 | |
| Including: Preferred shares | | | |
| Perpetual bonds | 16,000,000,000.00 | 16,000,000,000.00 | |
| Capital reserves | 7,511,468,750.95 | 7,511,468,750.95 | |
| Less: Treasury shares | | | |
| Other comprehensive income | -372,768,899.26 | -372,768,899.26 | |
| Special reserve | 86,232,567.27 | 86,232,567.27 | |
| Surplus reserves | 1,582,944,663.22 | 1,582,944,663.22 | |
| Provision for general risk | | | |
| Undistributed profit | 13,391,336,189.86 | 13,391,336,189.86 | |
| Total equity attributable to owners of the parent company | 42,803,990,684.04 | 42,803,990,684.04 | |
| Minority interests | 12,280,636,977.42 | 12,280,636,977.42 | |
| Equity attributable to the owners (or shareholders' equity) | 55,084,627,661.46 | 55,084,627,661.46 | |
| Total liabilities and equity attributable to the owners (or shareholders' equity) | 218,209,265,921.73 | 218,941,870,488.67 | 732,604,566.94 |

Descriptions on adjustment of each item:

☐ Applicable ☒ Not Applicable

BALANCE SHEET OF THE PARENT COMPANY

Unit: Yuan Currency: RMB

| Item | 31 December 2018 | 1 January 2019 | Adjustment |
|---|-------------------|-------------------|------------|
| Current assets: | | | |
| Monetary assets | 8,237,724,678.67 | 8,237,724,678.67 | |
| Trading financial assets | | | |
| Financial assets at fair value through profit or loss in the current period | | | |
| Derivative financial assets | | | |
| Bills receivables and trade receivables | 7,211,280,408.27 | 7,211,280,408.27 | |
| Including: Bills receivables | 230,279,649.00 | 230,279,649.00 | |
| Trade receivables | 6,981,000,759.27 | 6,981,000,759.27 | |
| Prepayments | 2,029,909,088.31 | 2,029,909,088.31 | |
| Other receivables | 40,488,889,903.83 | 40,488,889,903.83 | |
| Including: Interest receivables | | | |
| Dividends receivables | | | |
| Inventories | 160,943,425.36 | 160,943,425.36 | |
| Contract assets | 1,656,181,673.54 | 1,656,181,673.54 | |
| Assets classified as held-for-sale | | | |
| Non-current assets due within one year | | | |
| Other current assets | 63,839,155.60 | 63,839,155.60 | |
| Total current assets | 59,848,768,333.58 | 59,848,768,333.58 | |
| Non-current assets: | | | |
| Debt investments | 270,000,000.00 | 270,000,000.00 | |
| Available-for-sale financial assets | | | |
| Other debt investments | | | |
| Held-to-maturity investments | | | |
| Long-term receivables | 1,295,630,133.93 | 1,295,630,133.93 | |
| Long-term equity investments | 38,784,187,846.08 | 38,784,187,846.08 | |
| Other investments in equity instruments | 699,777,632.80 | 699,777,632.80 | |
| Other non-current financial assets | 3,963,098,215.73 | 3,963,098,215.73 | |
| Investment properties | | | |
| Fixed assets | 301,160,464.04 | 301,160,464.04 | |

| Item | 31 December 2018 | 1 January 2019 | Adjustment |
|--|--------------------|--------------------|--------------|
| Construction in progress | | | |
| Productive biological assets | | | |
| Oil and gas assets | | | |
| Right-of-use assets | | 8,724,026.66 | 8,724,026.66 |
| Intangible assets | 221,801,896.28 | 221,801,896.28 | |
| Development expenditure | 35,605,146.89 | 35,605,146.89 | |
| Goodwill | | | |
| Long-term prepaid expenses | 8,876,706.38 | 8,876,706.38 | |
| Deferred income tax assets | 5,951,798.25 | 5,951,798.25 | |
| Other non-current assets | | | |
| Total non-current assets | 45,586,089,840.38 | 45,594,813,867.04 | 8,724,026.66 |
| Total assets | 105,434,858,173.96 | 105,443,582,200.62 | 8,724,026.66 |
| Current liabilities: | | | |
| Short-term borrowings | 19,981,749,600.00 | 19,981,749,600.00 | |
| Trading financial liabilities | | | |
| Financial liabilities at fair value through profit or loss in the current period | | | |
| Derivative financial liabilities | | | |
| Bills payables and trade payables | 11,166,753,887.74 | 11,166,753,887.74 | |
| Receipts in advance | | | |
| Contract liabilities | 1,345,031,058.91 | 1,345,031,058.91 | |

| Item | 31 December 2018 | 1 January 2019 | Adjustment |
|---|-------------------|-------------------|--------------|
| Salary payable to employees | 77,671,110.70 | 77,671,110.70 | |
| Tax payables | 388,167,615.09 | 388,167,615.09 | |
| Other payables | 20,416,850,371.15 | 20,416,850,371.15 | |
| Including: Interest payables | 257,870,666.67 | 257,870,666.67 | |
| Dividends payables | 234,725,833.33 | 234,725,833.33 | |
| Liabilities classified as held-for-sale | | | |
| Non-current liabilities due within one year | 5,253,840,000.00 | 5,253,840,000.00 | |
| Other current liabilities | | | |
| Total current liabilities | 58,630,063,643.59 | 58,630,063,643.59 | |
| Non-current liabilities: | | | |
| Long-term borrowings | 5,353,000,000.00 | 5,353,000,000.00 | |
| Bonds payables | 7,600,000,000.00 | 7,600,000,000.00 | |
| Including: Preferred shares | | | |
| Perpetual bonds | | | |
| Lease liabilities | | 8,724,026.66 | 8,724,026.66 |
| Long-term payables | | | |
| Long-term salary payable to employees | 43,850,000.00 | 43,850,000.00 | |
| Accrued liabilities | | | |
| Deferred revenue | | | |
| Deferred income tax liabilities | 152,958,348.48 | 152,958,348.48 | |
| Other non-current liabilities | | | |
| Total non-current liabilities | 13,149,808,348.48 | 13,158,532,375.14 | 8,724,026.66 |
| Total liabilities | 71,779,871,992.07 | 71,788,596,018.73 | 8,724,026.66 |

| Item | 31 December 2018 | 1 January 2019 | Adjustment |
|--|--------------------|--------------------|--------------|
| Equity attributable to the owners (or shareholders' equity) | | | |
| Paid-in capital (or share capital) | 4,604,777,412.00 | 4,604,777,412.00 | |
| Other equity instruments | 16,000,000,000.00 | 16,000,000,000.00 | |
| Including: Preferred shares | | | |
| Perpetual bonds | 16,000,000,000.00 | 16,000,000,000.00 | |
| Capital reserves | 6,278,950,936.71 | 6,278,950,936.71 | |
| Less: Treasury shares | | | |
| Other comprehensive income | 396,103,403.96 | 396,103,403.96 | |
| Special reserve | 1,688,326.84 | 1,688,326.84 | |
| Surplus reserves | 1,582,944,663.22 | 1,582,944,663.22 | |
| Retained profit | 4,790,521,439.16 | 4,790,521,439.16 | |
| Total equity attributable to the owners (or shareholders' equity) | 33,654,986,181.89 | 33,654,986,181.89 | |
| Total liabilities and equity attributable to the owners (or shareholders' equity) | 105,434,858,173.96 | 105,443,582,200.62 | 8,724,026.66 |

Descriptions on adjustment of each item:

☐ Applicable ☒ Not Applicable

4.3 First implementation of the new financial instruments guidelines, new lease standards to retrospectively adjust the description of comparative figures for the previous period

☒ Applicable ☐ Not Applicable

The Company recognized the right-of-use assets and lease liabilities for all leases (except for short-term leases and low-value asset leases for which the simplified approach is elected) in 1 January, 2019, and depreciation and interest expenses are recognized respectively. Upon the change of policies, total assets of the Company increased by RMB733 million and total liabilities of the Company increased by RMB 733 million in the opening of 2019, the retained profit would not be affected at beginning of 2019.

4.4 Audit Report

☐ Applicable ☒ Not Applicable