綠色動力
DYNAGREEN

綠色動力環保集團股份有限公司
Dynagreen Environmental Protection Group Co., Ltd.*

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

(Stock Code:1330)

FIRST QUARTER REPORT OF 2019

SUMMARY

The Board of Dynagreen Environmental Protection Group Co., Ltd.* hereby announces the first quarter report of 2019 of the Company. The financial data contained in the Report has been prepared in accordance with PRC GAAP and is unaudited. This announcement is made pursuant to Rules 13.09(2) and 13.10B of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and the Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board of directors (the "**Board**") of Dynagreen Environmental Protection Group Co., Ltd.* (the "**Company**") hereby announces the unaudited results of the Company for the three months ended 31 March 2019 (the "**Report**"). The financial data contained in the Report has been prepared in accordance with China Accounting Standards for Business Enterprises ("**PRC GAAP**") and is unaudited. This announcement is made pursuant to Rules 13.09(2) and 13.10B of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited and the Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The Report is written in both Chinese and English. In the case of any discrepancies, the Chinese version of the Report shall prevail.

I. IMPORTANT NOTICE

1.1 The Board, the supervisory committee and the directors, the supervisors and the senior management of the Company hereby warrant the truthfulness, accuracy and completeness of the contents of the Quarter Report, guarantee that there are no false representations, misleading statements or material omissions contained in this Quarter Report, and are jointly and severally responsible for the liabilities of the Company.

1.2 All Directors of the Company attended the Board meeting to review the Quarter Report.

1.3 Qiao Dewei, an officer of the Company; Hu Shengyong, the Chief Financial Officer; and Zhao Linbin, the Chief Accountant, declare that they warrant the truthfulness, accuracy and completeness of the financial statements in the Quarter Report.

1.4 The first Quarter Report of the Company is not audited.

II. COMPANY PROFILE

2.1 Major accounting data

Unit: RMB

	As at the end of the reporting period	As at the end of last year		Increase/decrease for the end of the reporting period over the end of last year (%)
		After adjustment	Before adjustment	
Total assets	11,541,457,348.86	10,689,006,481.90	10,542,416,667.63	7.98
Net assets attributable to shareholders of the Company	3,091,490,992.73	2,995,992,909.75	2,852,412,360.00	3.19
	From the beginning of the year to the end of the reporting period	**From the beginning of last year to the end of the reporting period of the last year**		**Increase/decrease as compared to the corresponding period of last year (%)**
		After adjustment	**Before adjustment**	
Net cash flows from operating activities	–149,748,420.35	–53,239,822.81	–53,239,822.81	Not applicable

II. COMPANY PROFILE (CONTINUED)

2.1 Major accounting data (Continued)

Unit: RMB

	From the beginning of the year to the end of the reporting period	From the beginning of last year to the end of the reporting period of the last year		Increase/decrease as compared to the corresponding period of last year (%)
		After adjustment	Before adjustment	
Operating income	350,721,904.33	252,628,459.82	228,414,759.10	38.83
Net profit attributable to shareholders of the Company	95,362,539.54	80,416,702.03	57,155,885.38	18.59
Net profit excluding extraordinary gain and loss attributable to the shareholders of the Company	73,623,652.53	79,719,968.80	56,459,152.15	–7.65
Weighted average return on net assets (%)	3.13	3.46	2.53	Decreased by 0.33 percentage point
Basic earnings per share (RMB/share)	0.08	0.08	0.05	
Diluted earnings per share (RMB/share)	0.08	0.08	0.05	

On 14 November 2018, the Resolution on Change in the Accounting Policy in respect of the Recognition of Tariff Revenue was considered and approved at the third meeting of the third session of the Board of the Company, pursuant to which, the Company's change in the accounting policy for the recognition of tariff revenue from the national renewable energy subsidies was approved and was implemented from 1 January 2019. Details are available on the Announcement in Relation to the Change in Accounting Policy of Dynagreen Environmental Protection Group Co., Ltd.* of the Company dated 15 November 2018 on designated media including China Securities Journal, Shanghai Securities News, Securities Daily, Securities Times, and the websites of the Shanghai Stock Exchange (www.sse.com.cn) and the Hong Kong Stock Exchange (www.hkex.com.hk). The revised accounting policy will be implemented retrospectively. The impacts of the change in the accounting policy on the major accounting items of prior years are as follows: Operating income for 2017 and prior years increased by RMB57,428,400; net profit for 2017 and prior years increased by RMB50,702,800; shareholders' equity as at 31 December 2017 increased by RMB50,702,800; total assets as at 31 December 2017 increased by RMB54,389,600; operating income for 2018 increased by RMB85,013,700; net profit for 2018 increased by RMB82,493,900; shareholders' equity as at 31 December 2018 increased by RMB143,580,500, total assets as at 31 December 2018 increased by RMB146,589,800.

II. COMPANY PROFILE (CONTINUED)

2.1 Major accounting data (Continued)

Extraordinary gains and losses items and amounts

✓ Applicable ☐ Not applicable

Unit: RMB

Item	Amount for the period	Description
Gains and losses from disposal of non-current assets	3,437.44	
Government grants recognised through profit or loss (excluding those having close relationships with the Company operation and enjoyed in fixed amount or quantity according to uniform national standard)	21,403,326.62	
Gain from the difference between the cost of investment on the subsidiaries, associates and joint ventures and the shared fair value of identifiable net assets of the investee	545,075.45	
Other non-operating income and expenses besides items above	65,460.42	
Effects on non-controlling shareholders (after-tax)	–21,964.28	
Effects on income tax	–256,448.64	
Total	21,738,887.01	

II. COMPANY PROFILE (CONTINUED)

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

Unit: share

Total number of shareholders (Person) 42,296

Name of shareholder (full name)	Shareholding of the top ten shareholders Number of shares held as at the end of the period	Percentage (%)	Number of shares held subject to selling restrictions	Pledged or frozen Status	Number	Nature of shareholder
BEIJING STATE-OWNED ASSETS MANAGEMENT CO., LTD.	501,189,618	43.1614	501,189,618	Nil		State-owned legal person
HKSCC NOMINEES LIMITED	379,480,000	32.6799	0	Unknown		Overseas legal person
ANHUI JIANGHUAI GROWTH INVESTMENT FUND CENTRE (LIMITED PARTNERSHIP)	49,725,295	4.2822	49,725,295	Nil		Domestic non-state-owned legal person
SHANGHAI ZHONGHUI JINJIU INVESTMENT CO., LTD. –POLY LONGMA HONGLI EQUITY INVESTMENT FUND (TIANJIN) LIMITED PARTNERSHIP (LIMITED PARTNERSHIP)	27,889,610	2.4018	27,889,610	Nil		Domestic non-state-owned legal person
BEIJING STATE-OWNED ASSETS MANAGEMENT (HONG KONG) COMPANY LIMITED	24,859,792	2.1409	0	Nil		Overseas legal person
GONGQINGCHENG JINGXIU INVESTMENT PARTNERSHIP (LIMITED PARTNERSHIP)	20,918,478	1.8015	20,918,478	Nil		Domestic non-state-owned legal person
BEIJING HUITAI HENGRUI INVESTMENT CO., LTD.	20,917,207	1.8013	20,917,207	Nil		Domestic non-state-owned legal person
ZHONGSHANG LONGRUN HUANKE INVESTMENT CO., LTD.	20,000,000	1.7224	20,000,000	Pledged	20,000,000	Domestic non-state-owned legal person
Huang Jiawei	2,230,100	0.1921	0	Nil		Domestic natural person
Mo Jianfei	480,000	0.0413	0	Nil		Domestic natural person

II. COMPANY PROFILE (CONTINUED)

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

Unit: share

Top ten holders of shares not subject to selling restrictions

Name of shareholder	Number of tradable shares not subject to selling restrictions held	Class and number of shares: Class	Class and number of shares: Number
HKSCC NOMINEES LIMITED	379,480,000	Overseas listed foreign shares	379,480,000
BEIJING STATE-OWNED ASSETS MANAGEMENT (HONG KONG) COMPANY LIMITED	24,859,792	Overseas listed foreign shares	24,859,792
Huang Jiawei	2,230,100	RMB ordinary shares	2,230,100
Mo Jianfei	480,000	RMB ordinary shares	480,000
Song Huashen	400,700	RMB ordinary shares	400,700
Zhang Yi	310,000	RMB ordinary shares	310,000
Wu Jianwu	305,100	RMB ordinary shares	305,100
Zheng Shuibin	289,900	RMB ordinary shares	289,900
Xu Yanmin	250,629	RMB ordinary shares	250,629
Zhang Shuping	240,040	RMB ordinary shares	240,040
Particulars of related-party relationship or concert party arrangement among the shareholders above	Beijing State-owned Assets Management (Hong Kong) Company Limited is a wholly-owned subsidiary of Beijing State-owned Assets Management Co., Ltd.		

2.3 Table of total number of holders of preferred shares, and shareholdings of the top ten holders of preferred shares and the top ten holders of preferred shares not subject to selling restrictions as at the end of the reporting period

☐ Applicable ✓ Not applicable

III. SIGNIFICANT EVENTS

3.1 Material changes in major accounting statement items and financial indicators of the Company and the reasons thereof

✓ Applicable ☐ Not applicable

As at the end of the Reporting Period, the short-term loan amounted to RMB1,484,000,000.00, increased by 73.77% as compared to the end of last year, which was mainly attributable to increased loans. The employee benefits payable was RMB27,936,875.03, decreased by 63.24% as compared to the end of last year, which was mainly due to the payment of bonuses and salaries for the last year during the period. The operating income for the Reporting Period was RMB350,721,904.33, representing an increase of 38.83% as compared to the corresponding period last year, which was mainly due to an increased number of projects under operation. The operating cost was RMB173,307,660.13, representing an increase of 69.57% as compared to the corresponding period last year, which was mainly due to an increased number of projects under operation and the increase in overhaul expenses. The finance cost amounted to RMB70,209,074.94, increased by 43.69% as compared to the corresponding period last year, which was mainly attributable to the increased loans. The other income amounted to RMB45,722,841.58, increased by 125.87% as compared to the corresponding period last year, which was mainly attributable to the environmental protection incentives of RMB20,000,000.00 received by Tianjin Dynagreen Environmental Energy Co., Ltd. (天津綠動環保能源有限公司), and other income also included a VAT refund income of RMB24,385,215.44.

3.2 Analysis of the developments of significant events and their impacts and solutions

☐ Applicable ✓ Not applicable

3.3 Undertakings that have not been fulfilled during the reporting period

☐ Applicable ✓ Not applicable

3.4 Warning and explanation on the reasons for the forecast of any possible loss in accumulated net profit from the beginning of the year to the end of the next reporting period or any material changes compared to the corresponding period last year

☐ Applicable ✓ Not applicable

Company Name	Dynagreen Environmental Protection Group Co., Ltd.
Legal Representative	Zhi Jun
Date	30 April 2019

IV. APPENDIX

1.1 Financial Statements

Consolidated Balance Sheet
31 March 2019

Prepared by: Dynagreen Environmental Protection Group Co., Ltd.

Unit: RMB Unaudited

Item	31 March 2019	31 December 2018 (Restated)
Current assets:		
Cash at bank and on hand	566,824,937.38	710,736,003.72
Bills receivable and accounts receivable	306,293,180.44	248,050,713.81
Including: Bills receivable	7,900,000.00	16,329,816.00
Accounts receivable	298,393,180.43	231,720,897.81
Prepayments	10,466,943.25	35,883,159.32
Other receivables	77,294,707.32	67,278,534.97
Including: Interest receivable	475,227.48	63,972.93
Dividends receivable		
Inventories	24,196,799.98	20,094,393.80
Contract assets	211,287,427.36	155,318,993.04
Non-current assets due within one year	77,101,973.43	71,704,170.76
Other current assets	140,946,013.21	136,983,506.10
Total current assets	1,414,411,982.37	1,446,049,475.52

IV. APPENDIX (CONTINUED)

1.1 Financial Statements (Continued)

Consolidated Balance Sheet (Continued)
31 March 2019

Prepared by: Dynagreen Environmental Protection Group Co., Ltd.

Unit: RMB Unaudited

Item	31 March 2019	31 December 2018 (Restated)
Non-current assets:		
Long-term receivables	4,054,863,834.63	3,836,000,876.02
Long-term equity investments	31,225,211.80	31,222,775.27
Fixed assets	50,047,332.57	49,538,030.79
Right-of-use assets	13,468,583.64	
Intangible assets	5,010,716,296.78	4,411,246,358.86
Goodwill	43,910,821.67	43,910,821.67
Long-term deferred expenses	830,410.28	1,300,011.71
Deferred tax assets	185,189,367.90	180,996,600.65
Other non-current assets	736,793,507.22	688,741,531.41
Total non-current assets	10,127,045,366.49	9,242,957,006.38
Total assets	11,541,457,348.86	10,689,006,481.90

IV. APPENDIX (CONTINUED)

1.1 Financial Statements (Continued)

Consolidated Balance Sheet (Continued)
31 March 2019

Prepared by: Dynagreen Environmental Protection Group Co., Ltd.

Unit: RMB Unaudited

Item	31 March 2019	31 December 2018 (Restated)
Current liabilities:		
Short-term loans	1,484,000,000.00	854,000,000.00
Bills payable and accounts payable	988,998,503.28	900,854,708.97
Employee benefits payable	27,936,875.03	76,002,585.39
Taxes payable	48,203,211.17	43,246,575.79
Other payables	319,898,983.04	369,910,815.21
Including: Interest payable	26,127,653.70	14,141,187.13
Dividends payable		
Contract liabilities	6,868,852.39	6,145,947.92
Non-current liabilities due within one year	516,708,138.98	539,592,998.16
Other current liabilities	802,380.88	802,380.88
Total current liabilities	3,393,416,944.77	2,790,556,012.32
Non-current liabilities:		
Long-term loans	4,474,853,586.85	4,390,551,321.62
Lease liabilities	9,894,537.36	
Long-term payables	303,152,360.54	305,098,322.59
Deferred income	30,623,377.86	20,494,643.08
Deferred tax liabilities	114,571,906.76	109,709,057.59
Total non-current liabilities	4,933,095,769.37	4,825,853,344.88
Total liabilities	8,326,512,714.14	7,616,409,357.20

IV. APPENDIX (CONTINUED)

1.1 Financial Statements (Continued)

Consolidated Balance Sheet (Continued)
31 March 2019

Prepared by: Dynagreen Environmental Protection Group Co., Ltd.

Unit: RMB Unaudited

Item	31 March 2019	31 December 2018 (Restated)
Owners' equity (or Shareholders' equity):		
Paid in capital (or share capital)	1,161,200,000.00	1,161,200,000.00
Capital reserve	858,803,441.83	858,803,441.83
Other comprehensive income	–7,982,616.01	–8,118,159.45
Surplus reserve	71,532,851.40	71,532,851.40
Retained earnings	1,007,937,315.51	912,574,775.97
Total equity attributable to shareholders of the company (or shareholders' equity)	3,091,490,992.73	2,995,992,909.75
Non-controlling interests	123,453,641.99	76,604,214.95
Total owners' equity (or shareholders' equity)	3,214,944,634.72	3,072,597,124.70
Total liabilities and owners' equity (or shareholders' equity)	11,541,457,348.86	10,689,006,481.90

Legal Representative:	Chief Financial Officer:	Chief Accountant:
Zhi Jun	Hu Shengyong	Zhao Linbin

IV. APPENDIX (CONTINUED)

1.1 Financial Statements (Continued)

Company Balance Sheet
31 March 2019

Prepared by: Dynagreen Environmental Protection Group Co., Ltd.

Unit: RMB Unaudited

Item	31 March 2019	31 December 2018
Current assets:		
Cash at bank and on hand	132,392,637.01	280,410,049.42
Bills receivable and accounts receivable	22,574,337.78	20,487,404.22
Including: Bills receivable		
Accounts receivable	22,574,337.78	20,487,404.22
Prepayments	71,288.95	824,071.91
Other receivables	811,855,623.25	476,680,139.04
Including: Interest receivable	22,438,331.25	18,816,987.12
Dividends receivable	53,500,000.00	
Non-current assets due within one year	29,440,115.37	25,744,348.18
Other current assets	6,000,000.00	3,500,000.00
Total current assets	1,002,334,002.36	807,646,012.77
Non-current assets:		
Long-term receivables	328,479,884.63	338,175,651.82
Long-term equity investments	4,179,799,272.14	3,811,481,435.51
Fixed assets	2,431,071.95	1,173,504.80
Right-of-use assets	11,327,583.47	
Intangible assets	1,111,673.45	538,087.51
Deferred tax assets	943,429.35	948,156.39
Total non-current assets	4,524,092,914.99	4,152,316,836.03
Total assets	5,526,426,917.35	4,959,962,848.80

IV. APPENDIX (CONTINUED)

1.1 Financial Statements (Continued)

Company Balance Sheet (Continued)
31 March 2019

Prepared by: Dynagreen Environmental Protection Group Co., Ltd.

Unit: RMB Unaudited

Item	31 March 2019	31 December 2018
Current liabilities:		
Short-term loans	1,480,000,000.00	860,000,000.00
Bills payable and accounts payable	703,521.24	2,451,600.02
Contract liabilities	10,000,000.00	10,000,000.00
Employee benefits payable	3,019,307.11	18,466,649.40
Taxes payable	1,531,833.90	1,945,247.00
Other payables	168,737,303.58	271,886,881.28
Including: Interest payable	19,523,160.19	7,945,881.30
Dividends payable		
Non-current liabilities due within one year	159,133,437.76	155,354,661.34
Total current liabilities	1,823,125,403.59	1,320,105,039.04
Non-current liabilities:		
Long-term loans	1,032,556,567.00	1,044,603,224.39
Lease liabilities	8,656,790.93	
Total non-current liabilities	1,041,213,357.93	1,044,603,224.39
Total liabilities	2,864,338,761.52	2,364,708,263.43

IV. APPENDIX (CONTINUED)

1.1 Financial Statements (Continued)

Company Balance Sheet (Continued)
31 March 2019

Prepared by: Dynagreen Environmental Protection Group Co., Ltd.

Unit: RMB Unaudited

Item	**31 March 2019**	**31 December 2018**
Owners' equity (or Shareholders' equity):		
Paid in capital (or share capital)	1,161,200,000.00	1,161,200,000.00
Capital reserve	906,165,435.50	906,165,435.50
Surplus reserve	71,532,851.40	71,532,851.40
Retained earnings	523,189,868.93	456,356,298.47
Total owners' equity (or shareholders' equity)	2,662,088,155.83	2,595,254,585.37
Total liabilities and owners' equity (or shareholders' equity)	5,526,426,917.35	4,959,962,848.80

Legal Representative:	Chief Financial Officer:	Chief Accountant:
Zhi Jun	Hu Shengyong	Zhao Linbin

IV. APPENDIX (CONTINUED)

1.1 Financial Statements (Continued)

Consolidated Income Statement
January to March 2019

Prepared by: Dynagreen Environmental Protection Group Co., Ltd.

Unit: RMB Unaudited

Item	First Quarter of 2019	First Quarter of 2018 (Restated)
I. Total operating income	350,721,904.33	252,628,459.82
Including: Operating income	350,721,904.33	252,628,459.82
II. Total operating cost	287,507,938.41	182,419,071.02
Including: Operating cost	173,307,660.13	102,204,766.01
Taxes and surcharges	7,204,346.40	5,344,678.73
General and administrative expenses	26,385,240.03	19,580,426.47
Research and development expenses	2,100,553.74	2,601,955.89
Financial expenses	70,209,074.94	48,860,076.84
Including: Interest expenses	70,420,476.75	48,767,946.51
Interest income	1,386,089.57	626,561.78
Impairment loss of assets		
Impairment loss of credit	8,301,063.17	3,827,167.08
Add: Other income	45,722,841.58	20,242,573.99
Investment income (“–” indicating loss)	390,412.54	
Including: Income from investment in associates and joint ventures	2,436.55	
Foreign exchange gains (“–” indicating loss)		
Gains on disposal of assets (“–” indicating loss)	7,343.04	
III. Operating profit (“–” indicating loss)	109,334,563.08	90,451,962.79
Add: Non-operating income	999,252.42	43,642.39
Less: Non-operating expenses	326,921.67	88,203.49

IV. APPENDIX (CONTINUED)

1.1 Financial Statements (Continued)

Consolidated Income Statement (Continued)
January to March 2019

Prepared by: Dynagreen Environmental Protection Group Co., Ltd.

Unit: RMB Unaudited

Item	First Quarter of 2019	First Quarter of 2018 (Restated)
IV. Total profit ("–" indicating total loss)	110,006,893.83	90,407,401.69
Less: Income tax expenses	14,594,927.25	9,990,699.66
V. Net profit ("–" indicating net loss)	95,411,966.58	80,416,702.03
(1) By business continuity		
1. Net profit from continued operations ("–" indicating net loss)	95,411,966.58	80,416,702.03
2. Net profit from discontinued operations ("–" indicating net loss)		
(2) By ownership		
1. Net profit attributable to owners of the company ("–" indicating net loss)	95,362,539.54	80,416,702.03
2. Non-controlling interests ("–" indicating net loss)	49,427.04	
VI. Other comprehensive income, net of tax	135,543.44	–2,027,080.47
Other comprehensive income attributable to owners of the company, net of tax	135,543.44	–2,027,080.47
(1) Other comprehensive income that can not be reclassified to profit or loss		
(2) Other comprehensive income to be reclassified to profit or loss	135,543.44	–2,027,080.47
1. Conversion differences arising from the conversion of foreign currency financial statements	135,543.44	–2,027,080.47
Other comprehensive income attributable to non-controlling interests, net of tax		

IV. APPENDIX (CONTINUED)

1.1 Financial Statements (Continued)

Consolidated Income Statement (Continued)
January to March 2019

Prepared by: Dynagreen Environmental Protection Group Co., Ltd.

Unit: RMB Unaudited

Item	First Quarter of 2019	First Quarter of 2018 (Restated)
VII. Total comprehensive income	95,547,510.02	78,389,621.56
Total comprehensive income attributable to owners of the company	95,498,082.98	78,389,621.56
Total comprehensive income attributable to non-controlling interests	49,427.04	
VIII. Earnings per share:		
(1) Basic earnings per share (RMB/Share)	0.08	0.08
(2) Diluted earnings per share (RMB/Share)	0.08	0.08

For the Business merger involving entities under common control during the current period, the net profit recorded by the merged party before the merger was RMB0.00, and the net profit recorded by the merged party in the prior period was RMB0.00.

Legal Representative:	Chief Financial Officer:	Chief Accountant:
Zhi Jun	Hu Shengyong	Zhao Linbin

IV. APPENDIX (CONTINUED)

1.1 Financial Statements (Continued)

Company Income Statement
January to March 2019

Prepared by: Dynagreen Environmental Protection Group Co., Ltd.

Unit: RMB Unaudited

Item	First Quarter of 2019	First Quarter of 2018
I. Operating income	20,848,431.90	15,518,961.24
Less: Operating costs	1,412,785.03	2,647,712.08
Taxes and surcharges	153,610.28	111,293.07
General and administrative expenses	7,198,382.16	4,099,041.25
Research and development expenses	1,537,557.26	2,601,955.89
Financial expenses	27,128,955.87	16,194,557.68
Including: Interest expenses	27,237,586.85	15,993,582.98
Interest income	628,805.90	310,128.97
Impairment loss of assets		
Impairment loss of credit	–31,513.59	–690,486.14
Add: Other income	4,000.00	339,622.64
Investment income (“–” indicating loss)	83,375,624.93	79,939,454.03
Including: Income from investment in associates and joint ventures	2,436.55	
Gains on disposal of assets (“–” indicating loss)	10,017.69	
II. Operating profit (“–” indicating loss)	66,838,297.51	70,833,964.08
Add: Non-operating income		
Less: Non-operating expenses		
III. Total profit (“–” indicating total loss)	66,838,297.51	70,833,964.08
Less: Income tax expenses	4,727.04	578,627.50

IV. APPENDIX (CONTINUED)

1.1 Financial Statements (Continued)

Company Income Statement (Continued)
January to March 2019

Prepared by: Dynagreen Environmental Protection Group Co., Ltd.

Unit: RMB Unaudited

Item	First Quarter of 2019	First Quarter of 2018
IV. Net profit ("–" indicating net loss)	66,833,570.47	70,255,336.58
1. Net profit from continued operations ("–" indicating net loss)	66,833,570.47	70,255,336.58
2. Net profit from discontinued operations ("–" indicating net loss)		
V. Other comprehensive income, net of tax		
(1) Other comprehensive income that can not be reclassified to profit or loss		
(2) Other comprehensive income to be reclassified to profit or loss		
VI. Total comprehensive income	66,833,570.47	70,255,336.58
VII. Earnings per share:		
(1) Basic earnings per share (RMB/Share)		
(2) Diluted earnings per share (RMB/Share)		

Legal Representative: Zhi Jun   Chief Financial Officer: Hu Shengyong   Chief Accountant: Zhao Linbin

IV. APPENDIX (CONTINUED)

1.1 Financial Statements (Continued)

Consolidated Cash Flow Statement
January to March 2019

Prepared by: Dynagreen Environmental Protection Group Co., Ltd.

Unit: RMB Unaudited

Item	First quarter of 2019	First quarter of 2018
I. Cash flows from operating activities:		
Cash received from sale of goods and rendering of services	293,806,719.21	331,272,868.27
Refunds of taxes	19,362,716.37	17,722,999.25
Cash received from other operating activities	22,411,208.15	17,605,346.95
Sub-total of cash inflows from operating activities	335,580,643.73	366,601,214.47
Cash paid for goods and services	88,150,079.65	34,811,996.60
Increase of principal of BOT and BT long-term receivables	217,327,418.72	259,654,543.39
Cash paid to and for employees	114,175,301.87	79,939,594.91
Payments of various taxes	40,287,261.08	43,962,110.25
Cash paid for other operating activities	25,389,002.76	1,472,792.13
Sub-total of cash outflows for operating activities	485,329,064.08	419,841,037.28
Net cash generated from operating activities	–149,748,420.35	–53,239,822.81

IV. APPENDIX (CONTINUED)

1.1 Financial Statements (Continued)

Consolidated Cash Flow Statement (Continued)
January to March 2019

Prepared by: Dynagreen Environmental Protection Group Co., Ltd.

Unit: RMB Unaudited

Item	First quarter of 2019	First quarter of 2018
II. Cash flows from investing activities:		
Cash received from investments	3,500,000.00	
Cash received from investment income		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	130,915.15	210.00
Net cash received from disposal of subsidiaries and other companies		
Cash received from other investing activities	11,598,693.95	537,958.95
Sub-total of cash inflows from investing activities	15,229,609.10	538,168.95
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	474,331,471.66	253,701,797.19
Cash paid for investments		
Net cash paid for acquisition of subsidiaries and other companies	189,563,030.05	49,999,991.94
Cash paid for other investing activities		
Sub-total of cash outflows for investing activities	663,894,501.71	303,701,789.13
Net cash generated from investing activities	–648,664,892.61	–303,163,620.18

IV. APPENDIX (CONTINUED)

1.1 Financial Statements (Continued)

Consolidated Cash Flow Statement (Continued)
January to March 2019

Prepared by: Dynagreen Environmental Protection Group Co., Ltd.

Unit: RMB Unaudited

Item	First quarter of 2019	First quarter of 2018
III. Cash flows from financing activities:		
Cash received from investments	46,800,000.00	10,712,940.95
Including: Cash received from non-controlling shareholders of subsidiaries	46,800,000.00	10,712,940.95
Cash received from loans	836,659,227.48	687,371,890.04
Cash received from other financing activities		
Sub-total of cash inflows from financing activities	883,459,227.48	698,084,830.99
Cash paid for repayment of loans	164,493,668.42	262,265,551.38
Cash paid for distribution of dividends and profit or payment of interests	62,589,272.66	35,738,236.64
Including: Cash paid for non-controlling shareholders of subsidiaries		
Cash paid for other financing activities	867,029.82	850,000.00
Sub-total of cash outflows for financing activities	227,949,970.90	298,853,788.02
Net cash generated from financing activities	655,509,256.58	399,231,042.97
IV. Effect of foreign exchanges rate changes on cash and cash equivalents	–1,007,009.96	–7,843,036.09
V. Net increase in cash and cash equivalents	–143,911,066.34	34,984,563.89
Add: Balance of cash and cash equivalents at the beginning of the period	633,978,483.72	665,292,369.22
VI. Balance of cash and cash equivalents at the end of the period	490,067,417.38	700,276,933.11

Legal Representative:	Chief Financial Officer:	Chief Accountant:
Zhi Jun	Hu Shengyong	Zhao Linbin

IV. APPENDIX (CONTINUED)

1.1 Financial Statements (Continued)

Company Cash Flow Statement
January to March 2019

Prepared by: Dynagreen Environmental Protection Group Co., Ltd.

Unit: RMB Unaudited

Item	First quarter of 2019	First quarter of 2018
I. Cash flows from operating activities:		
Cash received from sale of goods and rendering of services	20,097,395.06	26,967,797.36
Refunds of taxes		
Cash received from other operating activities	13,233,982.70	61,602,127.77
Sub-total of cash inflows from operating activities	33,331,377.76	88,569,925.13
Cash paid for goods and services	1,965,630.75	3,999,182.61
Cash paid to and for employees	22,780,456.44	14,591,305.37
Payments of various taxes	1,736,692.39	8,680,537.86
Cash paid for other operating activities	20,460,552.82	89,017,962.54
Sub-total of cash outflows for operating activities	46,943,332.40	116,288,988.38
Net cash generated from operating activities	–13,611,954.64	–27,719,063.25
II. Cash flows from investing activities:		
Cash received from investments	3,500,000.00	
Cash received from investment income	21,000,000.00	10,000,000.00
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	25,438.69	
Net cash received form disposal of subsidiaries and other companies		
Cash received from other investing activities	69,880,650.15	230,386,526.43
Sub-total of cash inflows from investing activities	94,406,088.84	240,386,526.43
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	1,236,298.02	7,058.12
Cash paid for investments		
Net cash paid for acquisition of subsidiaries and other companies	490,263,280.00	153,000,000.00
Cash paid for other investing activities	329,980,000.00	200,000,000.00
Sub-total of cash outflows for investing activities	821,479,578.02	353,007,058.12
Net cash generated from investing activities	–727,073,489.18	–112,620,531.69

IV. APPENDIX (CONTINUED)

1.1 Financial Statements (Continued)

Company Cash Flow Statement (Continued)
January to March 2019

Prepared by: Dynagreen Environmental Protection Group Co., Ltd.

Unit: RMB Unaudited

Item	First quarter of 2019	First quarter of 2018
III. Cash flows from financing activities:		
Cash received from investments		
Cash received from borrowings	630,000,000.00	370,000,000.00
Cash received from other financing activities		
Sub-total of cash inflows from financing activities	630,000,000.00	370,000,000.00
Cash paid for repayment of loans	21,547,248.67	89,047,248.67
Cash paid for distribution of dividends and profit or payment of interests	15,029,205.50	6,814,528.29
Cash paid for other financing activities	757,476.21	850,000.00
Sub-total of cash outflows for financing activities	37,333,930.38	96,711,776.96
Net cash generated from financing activities	592,666,069.62	273,288,223.04
IV. Effect of foreign exchanges rate changes on cash and cash equivalents	1,961.79	–32,010.69
V. Net increase in cash and cash equivalents	–148,017,412.41	132,916,617.41
Add: Balance of cash and cash equivalents at the beginning of the period	271,810,049.42	112,681,313.36
VI. Balance of cash and cash equivalents at the end of the period	123,792,637.01	245,597,930.77

Legal Representative:	Chief Financial Officer:	Chief Accountant:
Zhi Jun	Hu Shengyong	Zhao Linbin

IV. APPENDIX (CONTINUED)

1.2 Adjustments to the first adoption of the relevant financial statements at the beginning of the then year due to the first adoption of new financial instruments standards, new revenue standard and new lease standard

✓Applicable ☐ Not applicable

Consolidated Balance Sheet

Unit: RMB

Item	31 December 2018	1 January 2019	Adjustments
Current assets:			
Cash at bank and on hand	710,736,003.72	710,736,003.72	
Bills receivable and accounts receivable	248,050,713.81	248,050,713.81	
Including: Bills receivable	16,329,816.00	16,329,816.00	
Accounts receivable	231,720,897.81	231,720,897.81	
Prepayments	35,883,159.32	35,723,584.32	–159,575.00
Other receivables	67,278,534.97	67,278,534.97	
Including: Interest receivable	63,972.93	63,972.93	
Dividends receivable			
Inventories	20,094,393.80	20,094,393.80	
Contract assets	155,318,993.04	155,318,993.04	
Non-current assets due within one year	71,704,170.76	71,704,170.76	
Other current assets	136,983,506.10	136,983,506.10	
Total current assets	1,446,049,475.52	1,445,889,900.52	–159,575.00
Non-current assets:			
Long-term receivables	3,836,000,876.02	3,836,000,876.02	
Long-term equity investments	31,222,775.27	31,222,775.27	
Fixed assets	49,538,030.79	49,538,030.79	
Right-of-use asset		13,202,105.03	13,202,105.03
Intangible assets	4,411,246,358.86	4,411,246,358.86	
Goodwill	43,910,821.67	43,910,821.67	
Long-term deferred expenses	1,300,011.71	1,300,011.71	
Deferred tax assets	180,996,600.65	180,996,600.65	
Other non-current assets	688,741,531.41	688,741,531.41	
Total non-current assets	9,242,957,006.38	9,256,159,111.41	13,202,105.03
Total assets	10,689,006,481.90	10,702,049,011.93	13,042,530.03

IV. APPENDIX (CONTINUED)

1.2 Adjustments to the first adoption of the relevant financial statements at the beginning of the then year due to the first adoption of new financial instruments standards, new revenue standard and new lease standard (Continued)

Consolidated Balance Sheet (Continued)

Unit: RMB

Item	31 December 2018	1 January 2019	Adjustments
Current liabilities:			
Short-term loans	854,000,000.00	854,000,000.00	
Bills payable and accounts payable	900,854,708.97	900,854,708.97	
Advances from customers			
Employee benefits payable	76,002,585.39	76,002,585.39	
Taxes payable	43,246,575.79	43,246,575.79	
Other payables	369,910,815.21	369,910,815.21	
Including: Interest payable	14,141,187.13	14,141,187.13	
Dividends payable			
Contract liabilities	6,145,947.92	6,145,947.92	
Non-current liabilities due within one year	539,592,998.16	543,048,894.74	3,455,896.58
Other current liabilities	802,380.88	802,380.88	
Total current liabilities	2,790,556,012.32	2,794,011,908.90	3,455,896.58
Non-current liabilities:			
Long-term loans	4,390,551,321.62	4,390,551,321.62	
Leasing liability		9,586,633.45	9,586,633.45
Long-term payables	305,098,322.59	305,098,322.59	
Deferred income	20,494,643.08	20,494,643.08	
Deferred tax liabilities	109,709,057.59	109,709,057.59	
Total non-current liabilities	4,825,853,344.88	4,835,439,978.33	9,586,633.45
Total liabilities	**7,616,409,357.20**	**7,629,451,887.23**	**13,042,530.03**

IV. APPENDIX (CONTINUED)

1.2 Adjustments to the first adoption of the relevant financial statements at the beginning of the then year due to the first adoption of new financial instruments standards, new revenue standard and new lease standard (Continued)

Consolidated Balance Sheet (Continued)

Unit: RMB

Item	31 December 2018	1 January 2019	Adjustments
Owners' equity (Shareholders' equity):			
Paid in capital (or share capital)	1,161,200,000.00	1,161,200,000.00	
Capital reserve	858,803,441.83	858,803,441.83	
Other comprehensive income	–8,118,159.45	–8,118,159.45	
Surplus reserve	71,532,851.40	71,532,851.40	
Retained earnings	912,574,775.97	912,574,775.97	
Total equity attributable to shareholders of the company	2,995,992,909.75	2,995,992,909.75	
Non-controlling interests	76,604,214.95	76,604,214.95	
Total owners' equity (shareholders' equity)	3,072,597,124.70	3,072,597,124.70	
Total liabilities and owners' equity (shareholders' equity)	10,689,006,481.90	10,702,049,011.93	13,042,530.03

Explanation of adjustments of each item:

✓ Applicable ☐ Not applicable

According to new leased standard, right-of-use asset and lease liability were recognized, and lease liability due within one year was reclassified into non-current liabilities due within one year.

IV. APPENDIX (CONTINUED)

1.2 Adjustments to the first adoption of the relevant financial statements at the beginning of the then year due to the first adoption of new financial instruments standards, new revenue standard and new lease standard (Continued)

Company Balance Sheet

Unit: RMB

Item	31 December 2018	1 January 2019	Adjustments
Current assets:			
Cash at bank and on hand	280,410,049.42	280,410,049.42	
Bills receivable and accounts receivable	20,487,404.22	20,487,404.22	
Including: Bills receivable			
Accounts receivable	20,487,404.22	20,487,404.22	
Prepayments	824,071.91	824,071.91	
Other receivables	476,680,139.04	476,680,139.04	
Including: Interest receivable	18,816,987.12	18,816,987.12	
Dividends receivable			
Contract assets			
Non-current assets due within one year	25,744,348.18	25,744,348.18	
Other current assets	3,500,000.00	3,500,000.00	
Total current assets	807,646,012.77	807,646,012.77	
Non-current assets:			
Long-term receivables	338,175,651.82	338,175,651.82	
Long-term equity investments	3,811,481,435.51	3,811,481,435.51	
Fixed assets	1,173,504.80	1,173,504.80	
Right-of-use asset		12,062,532.38	12,062,532.38
Intangible assets	538,087.51	538,087.51	
Long-term deferred expenses	–	–	
Deferred tax assets	948,156.39	948,156.39	
Total non-current assets	4,152,316,836.03	4,164,379,368.41	12,062,532.38
Total assets	4,959,962,848.80	4,972,025,381.18	12,062,532.38

IV. APPENDIX (CONTINUED)

1.2 Adjustments to the first adoption of the relevant financial statements at the beginning of the then year due to the first adoption of new financial instruments standards, new revenue standard and new lease standard (Continued)

Company Balance Sheet (Continued)

Unit: RMB

Item	31 December 2018	1 January 2019	Adjustments
Current liabilities:			
Short-term loans	860,000,000.00	860,000,000.00	
Bills payable and accounts payable	2,451,600.02	2,451,600.02	
Advances from customers	–	–	
Contract liabilities	10,000,000.00	10,000,000.00	
Employee benefits payables	18,466,649.40	18,466,649.40	
Tax payables	1,945,247.00	1,945,247.00	
Other payables	271,886,881.28	271,886,881.28	
Including: Interest payable	7,945,881.30	7,945,881.30	
Dividends payable			
Non-current liabilities due within one year	155,354,661.34	158,060,161.11	2,705,499.77
Total current liabilities	1,320,105,039.04	1,322,810,538.81	2,705,499.77
Non-current liabilities:			
Long-term loans	1,044,603,224.39	1,044,603,224.39	
Lease liabilities		9,357,032.61	9,357,032.61
Total non-current liabilities	1,044,603,224.39	1,053,960,257.00	9,357,032.61
Total liabilities	2,364,708,263.43	2,376,770,795.81	12,062,532.38

IV. APPENDIX (CONTINUED)

1.2 Adjustments to the first adoption of the relevant financial statements at the beginning of the then year due to the first adoption of new financial instruments standards, new revenue standard and new lease standard (Continued)

Company Balance Sheet (Continued)

Unit: RMB

Item	31 December 2018	1 January 2019	Adjustments
Owners' equity (Shareholders' equity):			
Paid in capital (or share capital)	1,161,200,000.00	1,161,200,000.00	
Capital reserve	906,165,435.50	906,165,435.50	
Surplus reserve	71,532,851.40	71,532,851.40	
Retained earnings	456,356,298.47	456,356,298.47	
Total owners' equity (shareholders' equity)	2,595,254,585.37	2,595,254,585.37	
Total liabilities and owners' equity (shareholders' equity)	4,959,962,848.80	4,972,025,381.18	12,062,532.38

Explanation of adjustments of each item:

✓ Applicable ☐ Not applicable

According to new lease standard, right-of-use asset and lease liability were recognized, and lease liability due within one year was reclassified into non-current liabilities due within one year.

1.3 The explanation of previous comparison data on retrospective adjustment for the first adoption of new financial instruments standards and new lease standard.

☐ Applicable ✓ Not Applicable

IV. APPENDIX (CONTINUED)

1.4 Audit report

☐ Applicable ✓ Not Applicable

By Order of the Board
Dynagreen Environmental Protection Group Co., Ltd.*
Zhi Jun
Chairman

Shenzhen, the PRC
29 April 2019

As at the date of this announcement, the non-executive Directors of the Company are Mr. Zhi Jun, Mr. Liu Shuguang, Mr. Cheng Suning and Mr. Cao Jinjun, the executive Directors of the Company are Mr. Qiao Dewei and Mr. Hu Shengyong and the independent non-executive Directors of the Company are Mr. Ou Yuezhou, Ms. Fu Jie and Mr. Xie Lanjun.

* *For identification purposes only*