Zhengzhou Coal Mining Machinery Group Company Limited
鄭州煤礦機械集團股份有限公司

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

(Stock code: 00564)

ANNOUNCEMENT

This announcement is made by Zhengzhou Coal Mining Machinery Group Company Limited ("**Company**" or "**ZMJ**") pursuant to Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Please refer to the attached Third Quarterly Report of 2019 released by the Company on the website of Shanghai Stock Exchange (www.sse.com.cn) and newspapers in the People's Republic of China on 30 October 2019.

By order of the Board
Zhengzhou Coal Mining Machinery Group Company Limited
Jiao Chengyao
Chairman

Zhengzhou, PRC, 30 October 2019

As at the date of this announcement, the executive directors of the Company are Mr. JIAO Chengyao, Mr. JIA Hao, Mr. XIANG Jiayu, Mr. FU Zugang, Mr. WANG Xinying, and Mr. WANG Bin and the independent non-executive directors are Ms. LIU Yao, Mr. JIANG Hua, Mr. LI Xudong and Mr. CHENG Jinglei.

2019 Third Quarterly Report

Zhengzhou Coal Mining Machinery Group Company Limited
鄭州煤礦機械集團股份有限公司
(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock code: 00564)

IMPORTANT NOTICE

The board of directors, the board of supervisors, and the directors, supervisors and senior management of the Company warrant that there are no misstatements, misleading representations or material omissions in this report, and shall assume joint and several liability for the truthfulness, accuracy and completeness of its contents.

The financial report in this report is prepared under the PRC GAAP and is not audited. The currency unit in this report is RMB unless otherwise specified.

For the purpose of this quarterly report, the Company and its subsidiaries together shall be collectively referred to as the "Group". This quarterly report was approved on 30 October 2019 at the 16th meeting of the 4th session of the board of directors of the Company.

Board of Directors
Zhengzhou Coal Mining Machinery Group Company Limited

Jiao Chengyao (Chairman), Huang Hua (Senior Management responsible for finance and accounting) and Wang Jingbo warrant the truthfulness and completeness of the financial reports included in this quarterly report.

Stock Code: 601717 Company's Abbreviation: ZMJ

Zhengzhou Coal Mining Machinery Group Company Limited
Third Quarterly Report of 2019

Contents

1. Important Notice

1.1 The board of directors, board of supervisors of the Company and its directors, supervisors and members of senior management warrant that the information included in this quarterly report is true, accurate and complete without any false statement, misleading representation or material omission, and they assume several and joint liability thereof.

1.2 All directors of the Company attended the meetings of the board of directors and reviewed the quarterly report.

1.3 Jiao Chengyao (person-in-charge of the Company), Huang Hua (person-in-charge of accounting matters), and Wang Jingbo (person-in-charge and head of the accounting department) warrant the truthfulness, accuracy and completeness of the financial statements contained in this quarterly report.

1.4 The third quarterly report of the Company is unaudited.

2. Basic Information of the Company

2.1 Key financial data

Unit: Yuan Currency: RMB

	As at the end of the reporting period	As at the end of the previous year	Increase or decrease as at the end of the reporting period from the end of the previous year (%)
Total assets	28,921,041,045.66	27,690,854,793.24	4.44
Net assets attributable to the shareholders of the listed company	12,244,399,133.52	11,457,211,263.34	6.87
	From beginning of the year to the end of the reporting period (January to September)	From beginning of the previous year to the end of the reporting period of the previous year (January to September)	Increase or decrease from the same period of last year (%)
Net cash flows from operating activities	1,896,431,809.78	359,364,674.26	427.72
	From beginning of the year to the end of the reporting period (January to September)	From beginning of the previous year to the end of the reporting period of the previous year (January to	Increase or decrease from the same period of last year (%)

		September)	
Operating revenue	18,909,940,788.06	19,136,931,762.22	-1.19
Net profit attributable to the shareholders of the listed company	1,059,646,985.68	685,291,271.22	54.63
Net profit after extraordinary profit and loss attributable to the shareholders of the listed company	870,806,679.54	484,190,043.86	79.85
Weighted average return on net assets (%)	8.91	6.16	Increased by 2.75 percentage points
Basic earnings per share (RMB per share)	0.61	0.40	52.50
Diluted earnings per share (RMB per share)	0.61	0.40	52.50

Extraordinary profit and loss items and amounts

√ Applicable □ Not applicable

Unit: Yuan Currency: RMB

Item	Amount for the period (July to September)	Amount from beginning of the year to the end of the reporting period (January to September)	Description
Profit or loss from disposal of non-current assets	-4,190,104.77	-5,615,289.32	
Tax refund, exemption and reduction which were approved on a ultra-vires basis or without official approval documents or on a one-off basis			
Government grants included in profit or loss for the current period other than those closely related to the normal operation of the Company, in compliance with national policies and regulations, as well as the government grants entitled continuously based on certain standard quota or quantity	38,095,336.55	99,236,375.62	
Fund appropriation fee charged on non-financial enterprises and included in profit or loss			
Gain arising from the excess of fair value of			

identifiable net assets of investees at the time of acquisition of investments over the cost of investment in subsidiaries, associates and joint ventures			
Profit or loss arising from exchange of non-monetary assets			
Profit or loss from entrusted investment or asset management			
Provision for impairment of assets in case of force majeure such as natural disasters			
Profit or loss from debt restructuring	-84,000.00	11,089.49	
Expenses for corporate restructuring, such as expenses for staff arrangements and expenses for business combination			
Profit or loss arising from the excess of consideration of transaction over fair value in case of apparently unfair consideration			
Net profit or loss incurred by subsidiaries formed by the consolidation of entities under common control for the period from the beginning of the period to the date of consolidation			
Profit or loss arising from contingencies unrelated to the normal business operation of the Company			
Profit or loss on the changes in fair value generated from financial assets held for trading, derivative financial assets, financial liabilities held for trading and derivative financial liabilities and the investment income received from disposal of financial assets held for trading, derivative financial assets, financial liabilities held for trading, derivative financial liabilities and other debt investment, other than the effective hedging business relating to the ordinary operating business of the Company	-14,059,065.04	-77,855,636.76	
Write back of the provision for impairment of receivables and contract assets that are individually tested for impairment	47,536,848.12	149,623,316.30	
Profit or loss from external entrusted loans			
Profit or loss arising from the change in fair value of investment properties which are subsequently measured by means of the fair value model			

Effect on profit or loss for the period of one-off adjustment to profit or loss for the period according to requirements under laws and regulations relating to taxation and accounting			
Income of entrustment fees for entrusted operation			
Other non-operating income and expenses other than the above items	20,596,260.99	28,137,780.26	
Other profit or loss items that meet the definitions of extraordinary profit or loss			
Amount of effect on minority interests (after tax)	-3,818,792.99	-271,664.54	
Amount of effect on income tax	-1,587,016.39	-4,425,664.91	
Total	82,489,466.47	188,840,306.14	

2.2 The table below sets out the total number of shareholders and the shareholdings of the top 10 shareholders and the top 10 holders of tradable shares (or holders of shares not subject to trading moratorium) as at the end of the reporting period

Unit: Share

Total number of shareholders (Units)						65,931
Shareholdings of the top 10 shareholders						
Name of shareholder (Full name)	Shareholdings as at the end of the period	Proportion (%)	Number of shares held subject to trading moratorium	Pledged or frozen		Nature of shareholder
				Status of shares	Number of shares	
Henan Machinery Investment Group Co., Ltd. (河南机械装备投资集团有限责任公司)	521,087,800	30.08		Pledged	97,900,000	State-owned legal person
HKSCC NOMINEES LIMITED	220,522,990	12.73		Unknown		Foreign legal person
Bridge Trust Co., Ltd. (百瑞信托有限责任公司)	35,000,000	2.02		Nil		State-owned legal person
Henan Asset Management Co., Ltd (河南资产管理有限公司)	34,814,890	2.01		Nil		State-owned legal person

Central Huijin Asset Management Limited (中央汇金资产管理有限责任公司)	28,608,500	1.65		Nil		State-owned legal person
Li Jun (李俊)	25,854,600	1.49		Nil		Domestic natural person
YITAI GROUP (HONG KONG) CO LIMITED	22,399,200	1.29		Unknown		Foreign legal person
Hong Kong Securities Clearing Company Limited	15,689,172	0.91		Nil		Foreign legal person
Cao Yang (曹阳)	15,373,571	0.89		Nil		Domestic natural person
Agricultural Bank of China Limited – CSI 500 Index Exchange-traded Open-ended Securities Investment Fund (中证500交易型开放式指数证券投资基金)	11,118,143	0.64		Nil		Others

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

Name of shareholder	Number of tradable shares held not subject to trading moratorium	Type and number of shares	
		Type	Number of shares
Henan Machinery Investment Group Co., Ltd. (河南机械装备投资集团有限责任公司)	521,087,800	Ordinary shares in RMB	521,087,800
HKSCC NOMINEES LIMITED	220,522,990	Overseas listed foreign shares	220,522,990
Bridge Trust Co., Ltd. (百瑞信托有限责任公司)	35,000,000	Ordinary shares in RMB	35,000,000
Henan Asset Management Co., Ltd (河南资产管理有限公司)	34,814,890	Ordinary shares in RMB	34,814,890
Central Huijin Asset Management Limited (中央汇金资产管理有限责任公司)	28,608,500	Ordinary shares in RMB	28,608,500
Li Jun (李俊)	25,854,600	Ordinary shares in RMB	25,854,600
YITAI GROUP (HONG KONG) CO LIMITED	22,399,200	Overseas listed foreign shares	22,399,200

Hong Kong Securities Clearing Company Limited	15,689,172	Ordinary shares in RMB	15,689,172
Cao Yang (曹阳)	15,373,571	Ordinary shares in RMB	15,373,571
Agricultural Bank of China Limited – CSI 500 Index Exchange-traded Open-ended Securities Investment Fund (中证 500 交易型开放式指数证券投资基金)	11,118,143	Ordinary shares in RMB	11,118,143
Description of the connected relationship or acting in concert of the above shareholders	Nil		
Description of holders of preference shares with voting rights restored and amount of shareholdings	N/A		

Other notes:

1. As at the end of the reporting period, the total number of shareholders of the Company was 65,931, among which 65,850 were shareholders of A shares and 81 were shareholders of H shares.
2. Hong Kong Securities Clearing Company Limited holds A shares on behalf of numerous clients.
3. HKSCC Nominees Limited holds H shares on behalf of numerous clients.

2.3 The table below sets out the total number of holders of preference shares and the shareholdings of the top 10 holders of preference shares and the top 10 holders of preference shares not subject to trading moratorium as at the end of the reporting period

□ Applicable √ Not applicable

3. Significant Events

3.1 Material changes in major items of accounting statements and the financial indicators of the Company and the reason thereof

√ Applicable □ Not applicable

1. Explanation for the material changes in key indicators of consolidated balance sheet and consolidated statement of cash flow

Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the year	Percentage of change (%)	Explanation for the change
Financial assets held for trading	252,192.06	4,400,284.72	-94.27	Due to the decrease of investment in equity instruments
Other current assets	1,550,415,828.30	1,175,021,785.45	31.95	Due to the increased purchases of wealth management products
Long-term receivables	226,176,654.03	433,585,284.10	-47.84	Due to the recovery of

				long-term receivables
Development expenses	689,956,038.59	406,436,161.88	69.76	Due to increased investment in the research and development of the BRM48V weak mixing system
Short-term borrowings	1,301,928,835.98	874,730,000.00	48.84	Due to the reclassification of long-term borrowings to short-term borrowings
Contract liabilities	1,999,716,617.04	1,347,681,404.62	48.38	Primarily due to the increase of obligations to transfer the goods to the customer whose consideration has been received
Non-current liabilities due within one year	465,381,003.75	152,216,942.23	205.74	Due to the increase of lease liabilities due within one year
Long-term borrowings	2,012,348,222.53	3,026,161,229.96	-33.50	Due to the reclassification of long-term borrowings to short-term borrowings
Long-term staff remuneration payable	364,543,797.80	279,911,937.71	30.24	Due to the defined benefit scheme after demission and the increase of provision for deferred working hours, and the new incentive payments in the long and medium term
Other non-current liabilities	2,056,769.87	60,850,031.89	-96.62	Due to the decrease of contract liabilities
Item	**January to September 2019**	**January to September 2018**	**Percentage of change (%)**	**Explanation for the change**
Net cash flow from operating activities	1,896,431,809.78	359,364,674.26	427.72	More cash received from sales of goods and provision of labour due to the increase of orders and payment collection
Net cash flow from investment activities	-1,513,646,368.30	-1,103,763,428.68	37.14	Due to the increased purchases of wealth management products
Net cash flow from financing activities	-608,393,262.85	1,408,004,710.51	-143.21	Due to the repayment of borrowings and distribution of dividends

2. Analysis on income and profit by business segment

Unit: 10,000 Yuan Currency: RMB

Item in the statement	Business Segment	January to September 2019 (RMB0'000)	January to September 2018 (RMB0'000)	Percentage of change (%)
Operating revenue	Coal mining machinery	678,867.77	576,310.42	17.80
	Auto parts	1,212,126.31	1,337,382.76	-9.37
	Total	1,890,994.08	1,913,693.18	-1.19
Finance costs	Coal mining machinery	-501.64	-990.15	49.34
	Auto parts	-1,178.87	8,764.75	-113.45
	Acquisition-related centralised expenses	8,369.41	8,994.43	-6.95
	Total	6,688.90	16,769.03	-60.11
Other gains	Coal mining machinery	4,788.51	194.97	2,356.02
	Auto parts	5,176.17	1,476.47	250.58
	Total	9,964.68	1,671.44	496.17
Credit impairment losses	Coal mining machinery	8,979.83	-8,581.56	204.64
	Auto parts	-982.94	373.29	-363.32
	Total	7,996.89	-8,208.27	197.42
Net profit	Coal mining machinery	114,536.70	60,760.16	88.51
	Auto parts	5,847.13	27,083.07	-78.41
	Acquisition-related centralised expenses	-7,114.00	-8,994.43	20.91
	Total	113,269.83	78,848.80	43.65
Net profit attributable to owners of the parent company	Coal mining machinery	112,606.05	58,308.98	93.12
	Auto parts	472.65	19,214.58	-97.54
	Acquisition-related centralised expenses	-7,114.00	-8,994.43	20.91
	Total	105,964.70	68,529.13	54.63

Reason for the changes:

(1) Operating revenue: Operating revenue amounted to RMB18,909,940,800 for the reporting period, representing a decrease of RMB226,991,000 or 1.19% from the same period of last year,

primarily because: 1) the operating revenue from the coal mining machinery segment amounted to RMB6,788,677,700 during the reporting period, representing an increase of RMB1,025,573,500 or 17.8% from the same period of last year due to the improvement in the coal industry; and 2) the revenue from the auto parts segment amounted to RMB12,121,263,100, representing a decrease of RMB1,252,564,500 or 9.37% from the same period of last year as a result of the slipping auto industry.

(2) Finance costs: Finance costs amounted to RMB66,889,000 for the reporting period, representing a decline of RMB100,801,300 from the same period of last year. This was mainly attributable to the fact that the finance costs of the auto parts segment amounted to RMB-11,788,700 during the reporting period, representing a decrease of RMB99,436,200 or 113.45% from the same period of last year mainly due to the considerable change in exchange rates for SEG.

(3) Other gains: Other gains amounted to RMB99,646,800 for the reporting period, representing an increase of RMB82,932,400 or 496.17% from the same period of last year, which was mainly attributable to an increase in the receipt of government grants.

(4) Credit impairment loss: The profit affected by credit impairment loss increased by RMB79,968,900 for the reporting period, which represented an increase of RMB162,051,600 from the same period of last year. This was primarily attributable to the fact that 1) the gains affected by credit impairment loss of the coal mining machinery segment amounted to RMB89,798,300, representing an increase of RMB175,613,900 from the same period of last year mainly due to the effect of recovering accounts receivable; and 2) the profit affected by credit impairment loss of the auto parts segment decreased by RMB9,829,400, compared with an increase of RMB13,562,300 in bad debt provision for the same period of last year.

(5) Net profit: Consolidated net profit amounted to RMB1,132,698,300 for the period, representing an increase of RMB344,210,300 or 43.65% from the same period of last year. The increase was mainly attributable to the fact that 1) the net profit of the coal mining machinery segment amounted to RMB1,145,367,000, representing an increase of RMB537,765,400 or 88.51% from the same period of last year, principally because higher coal prices and better conditions of the coal industry generated more orders and collection of accounts receivable; and 2) the net profit of the auto parts segment amounted to RMB58,471,300 for the reporting period, representing a decrease of RMB212,359,400 or 78.41% from the same period of last year mainly as a result of the lower profit of the auto parts segment under a slipping auto industry.

(6) Net profit attributable to owners of the parent company: Net profit attributable to owners of the parent company amounted to RMB1,059,647,000 for the reporting period, representing an increase of RMB374,355,700 or 54.63% from the same period of last year, which was chiefly owing to the higher net profit of the coal mining machinery segment.

3.2 Analysis and explanation of the progress and impact of significant events and the solutions thereto

√ Applicable □ Not applicable

Share Option Incentive Scheme:

In order to implement the 2019 Share Option Incentive Scheme, the Company convened the 13th meeting of the fourth session of the board of directors and the 9th meeting of the fourth session of the board of supervisors on 26 July 2019, where the Resolution in Relation to Formulating the 2019 Share Option Incentive Scheme (Draft) of Zhengzhou Coal Mining Machinery Group Company Limited and its Abstract, the Resolution in Relation to Formulating the Administrative Measures for Performance Evaluation under the 2019 Share Option Incentive Scheme of Zhengzhou Coal Mining Machinery Group Company Limited, and other resolutions were considered and approved. On 9 August 2019, the Company convened the 14th meeting of the fourth session of the board of directors and the 10th meeting of the fourth session of the board of supervisors, where the Resolution in Relation to the 2019 Share Option Incentive Scheme (Revised Draft) of Zhengzhou Coal Mining Machinery Group Company Limited and its Abstract and the Resolution in Relation to the Administrative Measures for Performance Evaluation under the 2019 Share Option Incentive Scheme (Revised) of Zhengzhou Coal Mining Machinery Group Company Limited were considered and approved. On 21 October 2019, the matters relating to the 2019 Share Option Incentive Scheme were considered and approved at the 2019 Second Extraordinary General Meeting, the 2019 First A Shareholders Class Meeting and the 2019 First H Shareholders Class Meeting of the Company.

The Company will grant such share options to the participants as appropriate after the disclosure of this report.

3.3 Overdue and outstanding undertakings during the reporting period

□ Applicable √ Not applicable

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

□ Applicable √ Not Applicable

Name of company	Zhengzhou Coal Mining Machinery Group Company Limited
Legal representative	Jiao Chengyao
Date	30 October 2019

4. Appendices

4.1 Financial Statements

Consolidated Balance Sheet

30 September 2019

Prepared by: Zhengzhou Coal Mining Machinery Group Company Limited

Unit: Yuan Currency: RMB Audit Type: Unaudited

Item	30 September 2019	31 December 2018
Current assets:		
Monetary capital	3,684,528,748.42	3,685,216,786.40
Balances with clearing companies		
Placements with banks and other financial institutions		
Financial assets held for trading	252,192.06	4,400,284.72
Financial assets at fair value through profit or loss		
Derivative financial assets		
Bills receivable		3,956,857,300.23
Accounts receivable	5,059,779,689.80	4,904,982,669.47
Receivables financing	3,981,990,729.12	
Prepayments	452,337,124.28	411,104,513.51
Premiums receivable		
Accounts receivable from reinsurance		
Contract reserves receivable from reinsurance		
Other receivables	201,958,950.41	176,974,547.64
Including: Interest receivable	84,365.74	1,260,037.09
Dividend receivable		2,680,477.03
Buying back financial assets resold		
Inventories	3,823,194,572.98	3,872,837,851.67
Contract assets	6,138,869.08	
Assets held for sale		
Non-current assets due within one year	215,025,431.50	166,634,282.95
Other current assets	1,550,415,828.30	1,175,021,785.45
Total current assets	18,975,622,135.95	18,354,030,022.04
Non-current assets:		
Loans and advances granted		
Debt investment		
Available-for-sale financial assets		
Other debt investment		
Held-to-maturity investments		
Long-term receivables	226,176,654.03	433,585,284.10
Long-term equity investment	521,355,844.12	433,478,851.79
Other investments in equity instruments	30,861,898.52	32,836,003.40

Other non-current financial assets		
Investment properties	252,763,800.83	193,819,506.06
Fixed assets	4,047,436,310.10	4,219,475,357.12
Construction in progress	524,079,642.10	514,890,687.43
Biological assets for production		
Fuel assets		
Right-of-use assets	708,487,613.04	
Intangible assets	1,471,354,375.70	1,613,141,476.07
Development expenses	689,956,038.59	406,436,161.88
Goodwill	848,389,227.58	853,807,995.53
Long-term deferred expenditures	92,141,043.09	92,622,658.26
Deferred income tax assets	462,260,174.37	454,071,294.15
Other non-current assets	70,156,287.64	88,659,495.41
Total non-current assets	9,945,418,909.71	9,336,824,771.20
Total assets	28,921,041,045.66	27,690,854,793.24
Current liabilities:		
Short-term borrowings	1,301,928,835.98	874,730,000.00
Borrowings from central bank		
Placements from other banks		
Financial liabilities held for trading	38,215,908.55	35,178,547.78
Financial liabilities at fair value through profit or loss		
Derivative financial liabilities		
Bills payable	1,565,132,541.69	1,882,103,157.31
Accounts payable	4,543,552,434.09	4,796,163,327.48
Receipts in advance	2,275,374.05	
Contract liabilities	1,999,716,617.04	1,347,681,404.62
Disposal of repurchased financial assets		
Deposit taking and deposits from peer companies		
Customer deposits for trading securities		
Customer deposits for undertaking securities		
Staff remuneration payable	544,318,729.39	611,923,322.39
Tax payable	553,469,571.72	333,697,070.17
Other payables	812,341,706.36	959,178,520.07
Including: Interest payable	7,458,612.82	1,731,766.21
Dividend payable		
Handling charges and commission payable		
Reinsurance accounts payable		
Liabilities held for sale		
Non-current liabilities due within one year	465,381,003.75	152,216,942.23
Other current liabilities	6,390,038.80	2,990,908.78
Total current liabilities	11,832,722,761.42	10,995,863,200.83

Non-current liabilities:		
Insurance contract reserves		
Long-term borrowings	2,012,348,222.53	3,026,161,229.96
Debentures payable		
Including: Preference shares		
Perpetual bonds		
Lease liabilities	570,790,877.77	
Long-term payables	53,390,407.49	52,691,046.17
Long-term staff remuneration payable	364,543,797.80	279,911,937.71
Estimated liabilities	619,479,797.19	608,858,499.80
Deferred income	27,885,305.01	22,315,474.48
Deferred income tax liabilities	317,530,732.01	353,358,691.34
Other non-current liabilities	2,056,769.87	60,850,031.89
Total non-current liabilities	3,968,025,909.67	4,404,146,911.35
Total liabilities	15,800,748,671.09	15,400,010,112.18
Owners' equity (or shareholders' equity)		
Paid-up capital (or share capital)	1,732,471,370.00	1,732,471,370.00
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital reserve	4,296,720,262.05	4,297,211,599.32
Less: Treasury stock		
Other comprehensive income	-85,682,089.40	-64,922,659.82
Special reserves		
Surplus reserve	633,783,690.23	633,783,690.23
Provision for general risks		
Undistributed profit	5,667,105,900.64	4,858,667,263.61
Total equity attributable to owners of the parent company (or shareholders' equity)	12,244,399,133.52	11,457,211,263.34
Minority interests	875,893,241.05	833,633,417.72
Total owners' equity (or shareholders' equity)	13,120,292,374.57	12,290,844,681.06
Total liabilities and owners' equity (or shareholders' equity)	28,921,041,045.66	27,690,854,793.24

Legal representative: Jiao Chengyao Person-in-charge of accounting matters: Huang Hua
Head of accounting department: Wang Jingbo

Balance Sheet of the Parent Company

30 September 2019

Prepared by: Zhengzhou Coal Mining Machinery Group Company Limited

Unit: Yuan Currency: RMB Audit Type: Unaudited

Item	30 September 2019	31 December 2018
Current assets:		
Monetary capital	2,278,725,280.80	2,096,742,420.76
Financial assets held for trading		
Financial assets at fair value through profit or loss		
Derivative financial assets		
Bills receivable		2,705,194,912.69
Accounts receivable	1,704,342,264.96	1,517,447,975.61
Receivables financing	2,628,657,629.58	
Prepayments	348,240,717.18	248,467,283.72
Other receivables	77,448,668.37	70,772,427.68
Including: Interest receivable	16,641.42	16,641.42
Dividend receivable		2,680,477.03
Inventories	1,707,644,443.42	1,566,518,976.00
Contract assets		
Assets held for sale		

Non-current assets due within one year	215,025,431.50	156,884,282.95
Other current assets	973,000,000.00	183,000,000.00
Total current assets	9,933,084,435.81	8,545,028,279.41
Non-current assets:		
Debt investment		
Available-for-sale financial assets		
Other debt investment		
Held-to-maturity investments		
Long-term receivables	191,729,933.20	361,115,288.05
Long-term equity investment	6,227,615,928.05	6,012,167,895.19
Other investments in equity instruments	255,000.00	255,000.00
Other non-current financial assets		
Investment properties	225,766,484.09	165,928,352.25
Fixed assets	854,608,611.36	975,865,993.20
Construction in progress	41,429,470.42	33,178,792.78
Biological assets for production		
Fuel assets		
Right-of-use assets	39,776,639.95	
Intangible assets	149,641,640.13	152,808,453.94
Development expenses		
Goodwill		
Long-term deferred expenditures		
Deferred income tax assets	153,766,340.14	167,166,592.10
Other non-current assets		
Total non-current assets	7,884,590,047.34	7,868,486,367.51
Total assets	17,817,674,483.15	16,413,514,646.92
Current liabilities:		
Short-term borrowings		
Financial liabilities held for trading		
Financial liabilities at fair value through profit or loss		
Derivative financial liabilities		
Bills payable	1,399,574,963.45	1,936,509,663.01
Accounts payable	1,566,926,046.05	1,240,791,358.09
Receipts in advance		
Contract liabilities	1,989,516,702.34	1,133,816,779.27
Staff remuneration payable	99,873,219.13	101,361,769.34
Tax payable	96,912,164.69	89,230,803.84
Other payables	91,230,476.64	74,064,986.87
Including: Interest payable		
Dividend payable		
Liabilities held for sale		
Non-current liabilities due within one year	300,000,000.00	86,000,000.00
Other current liabilities		
Total current liabilities	5,544,033,572.30	4,661,775,360.42
Non-current liabilities：		
Long-term borrowings	300,000,000.00	730,000,000.00
Debentures payable		
Including: Preference shares		
Perpetual bonds		
Lease liabilities	38,420,001.40	
Long-term payables	49,753,017.63	49,910,687.28
Long-term staff remuneration payable	49,950,000.00	
Estimated liabilities		
Deferred income	3,000,000.00	3,000,000.00
Deferred income tax liabilities	12,894,134.53	7,975,934.87

Other non-current liabilities		
Total non-current liabilities	454,017,153.56	790,886,622.15
Total liabilities	5,998,050,725.86	5,452,661,982.57
Owners' equity (or shareholders' equity)		
Paid-up capital (or share capital)	1,732,471,370.00	1,732,471,370.00
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital reserve	4,304,295,625.63	4,304,295,625.63
Less: Treasury stock		
Other comprehensive income		
Special reserves		
Surplus reserve	633,783,690.23	633,783,690.23
Undistributed profit	5,149,073,071.43	4,290,301,978.49
Total owners' equity (or shareholders' equity)	11,819,623,757.29	10,960,852,664.35
Total liabilities and owners' equity (or shareholders' equity)	17,817,674,483.15	16,413,514,646.92

Legal representative: Jiao Chengyao Person-in-charge of accounting matters: Huang Hua
Head of accounting department: Wang Jingbo

Consolidated Statement of Income

January to September 2019

Prepared by: Zhengzhou Coal Mining Machinery Group Company Limited

Unit: Yuan Currency: RMB Audit Type: Unaudited

Item	Q3 2019 (July to September)	Q3 2018 (July to September)	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
1. Total operating revenue	6,185,470,993.80	6,416,433,151.87	18,909,940,788.06	19,136,931,762.22
Including: Operating revenue	6,185,470,993.80	6,416,433,151.87	18,909,940,788.06	19,136,931,762.22
Interest income				
Premium earned				
Handling charges and commission income				
2. Total operating costs	5,818,995,804.26	6,182,543,932.85	17,630,521,163.54	18,103,157,586.56
Including: Operating costs	4,921,907,378.99	5,334,008,244.28	15,087,080,098.00	15,540,943,252.46
Interest expenses				
Handling charges and commission expenses				
Surrenders				
Net expenditure for compensation payments				
Net withdrawal of insurance liabilities reserve				
Expenditures for policy dividend				
Reinsurance expenditures				
Tax and surcharges	21,878,444.41	20,917,343.57	84,633,346.34	70,680,322.47
Selling expenses	298,523,824.50	263,289,883.31	743,893,612.90	736,944,145.57
Administration expenses	267,068,763.42	382,066,010.03	842,176,612.37	861,485,990.64
Research and development	304,247,912.89	131,468,720.34	805,848,459.22	725,413,530.05

expenses				
Finance costs	5,369,480.05	50,793,731.32	66,889,034.71	167,690,345.37
Including: Interest expenses	65,661,844.63	56,523,506.92	172,168,131.96	156,689,011.42
Interest income	7,620,078.97	18,057,043.02	26,834,455.85	39,396,774.06
Add: Other gains	45,534,888.67	4,278,617.78	99,646,775.62	16,714,411.39
Gain from investments (loss is represented by "—")	-23,355,099.06	24,752,319.53	-41,754,299.74	84,245,880.78
Including: Gain from investments in associates and joint ventures	13,456,666.24	12,810,579.79	60,529,928.52	26,411,035.29
Derecognition gains on financial assets measured at amortized cost				
Gain from foreign exchange (loss is represented by "—")				
Net gains from hedging exposure (loss is represented by "—")				
Gain from changes in fair value (loss is represented by "—")	-15,877,781.18	-42,501,369.55	4,896,014.64	-18,809,614.75
Credit impairment losses (loss is represented by "—")	35,955,907.00	110,118,380.18	79,968,888.02	-82,082,735.11
Asset impairment losses (loss is represented by "—")	-3,066,059.28	-1,488,752.29	-28,862,621.28	590,243.01
Gains from disposal of assets (loss is represented by "—")	-64,113.41	6,268,701.14	109,052.64	5,670,504.88
3. Profit from operations (loss is represented by "—")	405,602,932.28	335,317,115.81	1,393,423,434.42	1,040,102,865.86
Add: Non-operating income	8,575,970.77	30,843,368.11	17,116,871.34	33,530,122.77
Less: Non-operating expenses	1,550,222.31	3,817,136.70	2,502,878.51	7,092,077.23
4. Total profit (loss is represented by "—")	412,628,680.74	362,343,347.22	1,408,037,427.25	1,066,540,911.40
Less: Income tax expense	66,918,852.37	95,737,460.25	275,339,173.64	278,052,888.97
5. Net profit (net loss is represented by "—")	345,709,828.37	266,605,886.97	1,132,698,253.61	788,488,022.43
(1) Breakdown by continuity of operation				
1. Net profit from continuing operation (net loss is represented by "—")	345,709,828.37	266,605,886.97	1,132,698,253.61	788,488,022.43
2. Net profit from discontinued operation (net loss is represented by "—")				
(2) Breakdown by ownership				
1. Net profit attributable to shareholders of the parent company (net loss is represented by "—")	328,917,937.40	229,363,034.47	1,059,646,985.68	685,291,271.22
2. Gain or loss attributable to minority	16,791,890.97	37,242,852.50	73,051,267.93	103,196,751.21

interests (net loss is represented by "—")				
6. Net other comprehensive income after tax	-30,565,257.34	42,979,115.37	-20,759,429.58	5,344,078.54
Net other comprehensive income attributable to owners of the parent company after tax	-30,565,257.34	42,979,115.37	-20,759,429.58	5,344,078.54
(1) Other comprehensive income not to be reclassified into profit or loss	-1,782,487.29	-10,724,916.52		-10,410,559.29
1. Changes arising from re-measuring defined benefit scheme	-1,782,487.29			
2. Other comprehensive income not to be classified into profit or loss using the equity method				
3. Changes in fair value of other investments in equity instruments		-10,724,916.52		-10,410,559.29
4. Changes in fair value of the company's own credit risk				
(2) Other comprehensive income to be reclassified into profit or loss	-28,782,770.05	53,704,031.89	-20,759,429.58	15,754,637.83
1. Other comprehensive income to be reclassified into profit or loss using the equity method		-14,036,425.70		-15,725,250.87
2. Changes in fair value of other debt investment				
3. Gains or losses from changes in fair value of available-for-sale financial assets	-6,675,792.84		-933,304.88	
4. Amount of financial assets reclassified into other comprehensive income				
5. Gains or losses from the reclassification of held-to-maturity investments to available-for-sale financial assets				
6. Other debt investment credit impairment provision				
7. Cash flow hedge reserve (effective portion of gains and losses from cash flow hedging)	-13,291,658.95		-16,673,815.52	
8. Exchange differences on foreign currency financial statements	-8,815,318.26	67,740,457.59	-3,152,309.18	31,479,888.70
9. Others				
Net other comprehensive income attributable to minority interests after tax				
7. Total comprehensive income	315,144,571.03	309,585,002.34	1,111,938,824.03	793,832,100.97

Total comprehensive income attributable to owners of the parent company	298,352,680.06	272,342,149.84	1,038,887,556.10	690,635,349.76
Total comprehensive income attributable to minority interests	16,791,890.97	37,242,852.50	73,051,267.93	103,196,751.21
8. Earnings per share:				
(1) Basic earnings per share (RMB per share)	0.19	0.14	0.61	0.40
(2) Diluted earnings per share (RMB per share)	0.19	0.14	0.61	0.40

Legal representative: Jiao Chengyao　Person-in-charge of accounting matters: Huang Hua
Head of accounting department: Wang Jingbo

Statement of Income of the Parent Company

January to September 2019

Prepared by: Zhengzhou Coal Mining Machinery Group Company Limited

Unit: Yuan　Currency: RMB　Audit Type: Unaudited

Item	Q3 2019 (July to September)	Q3 2018 (July to September)	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
1. Operating revenue	1,726,588,418.89	1,578,904,270.29	4,867,219,457.94	4,102,338,404.56
Less: Operating cost	1,174,842,943.04	1,258,984,002.65	3,430,960,272.96	3,144,368,577.74
Tax and surcharges	12,057,339.43	9,531,164.85	42,127,178.37	22,130,078.30
Selling expenses	62,898,733.05	65,658,309.98	168,377,811.64	168,174,621.79
Administration expenses	56,429,890.40	44,990,104.58	167,097,874.45	120,876,184.01
Research and development expenses	93,487,730.34	72,251,312.07	228,207,329.04	166,440,255.79
Finance costs	-14,718,231.27	-16,495,947.14	-12,720,651.77	-14,420,410.77
Including: Interest expenses	6,969,351.77	10,066,951.87	24,273,923.78	29,907,511.87
Interest income	5,218,827.61	4,330,777.65	16,621,924.30	19,173,008.07
Add: Other gains	24,514,700.00	1,844,000.00	34,648,620.67	1,848,000.00
Gain from investments (loss is represented by "－")	89,981,955.30	6,027,088.81	294,501,532.31	65,180,348.64
Including: Gain from investments in associates and joint ventures	21,021,836.32	12,671,548.04	60,529,928.52	27,453,475.24
Derecognition gains on financial assets measured at amortized cost				
Net gains from hedging exposure (loss is represented by "－")				
Gain from changes in fair value (loss is represented by "－")	-5,271,567.75		-5,271,567.75	
Credit impairment losses (loss is represented by "－")	52,283,260.05	85,017,054.49	101,989,749.67	-100,472,428.74

Asset impairment losses (loss is represented by "—")				
Gain from disposal of assets (loss is represented by "—")	-65,643.63	30,203,524.83	9,963.49	31,172,013.53
2. Profit from operations (loss is represented by "—")	503,032,717.87	267,076,991.43	1,269,047,941.64	492,497,031.13
Add: Non-operating income	1,210,762.41	1,972,483.84	1,949,703.67	2,341,724.40
Less: Non-operating expenses	1,264,207.22	536,448.98	1,282,537.25	2,276,689.54
3. Total profit (loss is represented by "—")	502,979,273.06	268,513,026.29	1,269,715,108.06	492,562,065.99
Less: Income tax expense	46,692,782.29	39,567,549.58	159,735,666.47	58,333,799.24
4. Net profit (net loss is represented by "—")	456,286,490.77	228,945,476.71	1,109,979,441.59	434,228,266.75
(1) Net profit from continuing operation (net loss is represented by "—")	456,286,490.77	228,945,476.71	1,109,979,441.59	434,228,266.75
(2) Net profit from discontinued operation (net loss is represented by "—")				
5. Net other comprehensive income after tax		-14,036,425.70		-15,725,250.87
(1) Other comprehensive income that cannot be reclassified into profit or loss				
1. Changes arising from re-measuring defined benefit scheme				
2. Other comprehensive income that cannot be reclassified into profit or loss under the equity method				
3. Changes in fair value of other investments in equity instruments				
4. Changes in fair value of the company's own credit risks				
(2) Other comprehensive income to be reclassified into profit or loss		-14,036,425.70		-15,725,250.87
1. Other comprehensive income that can be reclassified into profit or loss under the equity method		-14,036,425.70		-15,725,250.87
2. Changes in fair value of other debt investment				
3. Gains or losses from changes in fair value of available-for-sale financial assets				

4. Amount of financial assets reclassified into other comprehensive income				
5. Gains or losses from the reclassification of held-to-maturity investments to available-for-sale financial assets				
6. Other debt investment credit impairment provision				
7. Cash flow hedge reserve (effective portion of gains and losses from cash flow hedging)				
8. Exchange differences on foreign currency financial statements				
9. Others				
6. Total comprehensive income	456,286,490.77	214,909,051.01	1,109,979,441.59	418,503,015.88
7. Earnings per share:				
(1) Basic earnings per share (RMB per share)				
(2) Diluted earnings per share (RMB per share)				

Legal representative: Jiao Chengyao Person-in-charge of accounting matters: Huang Hua
Head of accounting department: Wang Jingbo

Consolidated Statement of Cash Flows

January to September 2019

Prepared by: Zhengzhou Coal Mining Machinery Group Company Limited

Unit: Yuan Currency: RMB Audit Type: Unaudited

Item	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
1. Cash flows from operating activities:		
Cash received from sales of goods and provision of labour	18,357,664,377.99	17,668,445,130.26
Net increase in deposits from customers and peer companies		
Net increase in borrowings from central bank		
Net increase in placements from other financial institutions		
Cash received from premiums under original insurance contracts		
Net cash received from reinsurance business		
Net increase in deposits from policyholders and investment funds		
Cash received from interest, handling charges and commission		
Net increase in placements		
Net increase in capital from repurchase business		
Net cash received from trading securities		
Tax refunds received	1,586,186,280.96	886,648,238.35
Cash received in relation to other operating activities	270,919,835.36	339,523,587.32
Sub-total of cash inflows from operating activities	20,214,770,494.31	18,894,616,955.93

Cash paid for goods purchased and labour received	13,280,802,974.17	13,296,397,584.85
Net increase in loans and advances to customers		
Net increase in deposits with central bank and peer companies		
Cash paid for compensation payments under original insurance contracts		
Net increase in placements with banks and other financial institutions		
Cash paid for interest, handling charges and commission		
Cash paid for policyholder dividend		
Cash paid to and paid on behalf of the employees	2,457,517,673.14	2,425,924,040.62
Various taxes paid	2,046,597,386.48	2,076,577,275.62
Cash paid in relation to other operating activities	533,420,650.74	736,353,380.58
Sub-total of cash outflow from operating activities	18,318,338,684.53	18,535,252,281.67
Net cash flows from operating activities	1,896,431,809.78	359,364,674.26
2. Cash flows from investing activities:		
Cash received from recovery of investments	816,956,546.14	162,652,582.47
Cash received from gain of investment acquired	19,115,477.15	16,818,241.85
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	30,018,781.45	269,462.16
Net cash received from disposal of subsidiaries and other business units		
Other cash received in relation to investing activities	223,192,998.93	45,882,242.51
Sub-total of cash inflow from investing activities	1,089,283,803.67	225,622,528.99
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	736,795,168.90	431,535,177.25
Cash paid for investments	1,636,661,414.06	150,000,000.00
Net increase in pledged loans		
Net cash paid for acquiring subsidiaries and other business units		428,533,026.69
Other cash paid in relation to investing activities	229,473,589.01	319,317,753.73
Sub-total of cash outflow from investing activities	2,602,930,171.97	1,329,385,957.67
Net cash flows from investing activities	-1,513,646,368.30	-1,103,763,428.68
3. Cash flows from financing activities:		
Cash received from investment		
Including: Cash received by subsidiaries from minority shareholder’s investment		
Cash received from borrowings acquired	1,194,913,911.68	1,963,156,999.92
Other cash received in relation to financing activities	508,213,865.47	7,985,100.93
Sub-total of cash inflow from financing activities	1,703,127,777.15	1,971,142,100.85
Cash paid for repayment of indebtedness	1,926,221,439.76	191,000,000.00
Cash paid for distribution of dividend and profit or for interest	327,846,429.45	226,529,996.07
Including: Dividend and profit paid to minority shareholders by subsidiaries	30,774,741.39	
Other cash paid in relation to financing activities	57,453,170.79	145,607,394.27
Sub-total of cash outflow from financing activities	2,311,521,040.00	563,137,390.34
Net cash flows from financing activities	-608,393,262.85	1,408,004,710.51
4. Effects of change of exchange rate on cash and cash equivalents	2,078,072.22	44,714,482.02
5. Net increase in cash and cash equivalents	-223,529,749.15	708,320,438.11
Add: Balance of cash and cash equivalents at the beginning of the period	2,806,348,077.92	1,906,306,876.64
6. Balance of cash and cash equivalents at the end of the period	2,582,818,328.77	2,614,627,314.75

Legal representative: Jiao Chengyao Person-in-charge of accounting matters: Huang Hua

Head of accounting department: Wang Jingbo

Statement of Cash flow of the Parent Company

January to September 2019

Prepared by: Zhengzhou Coal Mining Machinery Group Company Limited

Unit: Yuan Currency: RMB Audit Type: Unaudited

Item	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
1. Net cash flows from operating activities:		
Cash received from sales of goods and provision of labour	4,951,701,121.79	3,408,032,961.05
Tax refunds received		
Other cash received in relation to operating activities	153,945,189.46	98,370,563.43
Sub-total of cash inflows from operating activities	5,105,646,311.25	3,506,403,524.48
Cash paid for goods purchased and labour received	3,359,993,281.55	2,686,701,572.75
Cash paid to and paid on behalf of the employees	281,842,572.44	256,064,246.77
Various taxes paid	359,429,888.66	88,316,963.10
Other cash paid in relation to operating activities	140,655,078.77	143,839,692.56
Sub-total of cash outflow from operating activities	4,141,920,821.42	3,174,922,475.18
Net cash flows from operating activities	963,725,489.83	331,481,049.30
2. Cash flows from investing activities:		
Cash received from recovery of investments	174,549,200.00	85,660,000.00
Cash received from gain of investment acquired	250,671,894.34	48,598,786.93
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	1,136,994.30	195,477.20
Net cash received from disposal of subsidiaries and other business units		
Other cash received in relation to investing activities		
Sub-total of cash inflow from investing activities	426,358,088.64	134,454,264.13
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	37,662,952.98	28,189,058.59
Cash paid for investments	1,146,000,000.00	665,769,918.62
Net cash paid for acquiring subsidiaries and other business units		
Other cash paid in relation to investing activities		
Sub-total of cash outflow from investing activities	1,183,662,952.98	693,958,977.21
Net cash flows from investing activities	-757,304,864.34	-559,504,713.08
3. Cash flows from financing activities:		
Cash received from investment		
Cash received from borrowings acquired	300,000,000.00	
Other cash received in relation to financing activities	508,213,865.47	
Sub-total of cash inflow from financing activities	808,213,865.47	
Cash paid for repayment of indebtedness	516,000,000.00	82,000,000.00
Cash paid for distribution of dividend and profit or for interest	274,078,376.98	115,996,555.17
Other cash paid in relation to financing activities	5,743,259.60	87,938,851.47
Sub-total of cash outflow from financing activities	795,821,636.58	285,935,406.64
Net cash flows from financing activities	12,392,228.89	-285,935,406.64
4. Effect of change of exchange rate on cash and cash equivalents	11,031,454.39	19,640,897.39
5. Net increase in cash and cash equivalents	229,844,308.77	-494,318,173.03
Add: Balance of cash and cash equivalents at the beginning of the period	1,261,217,753.82	1,491,019,832.06
6. Balance of cash and cash equivalents at the end of the period	1,491,062,062.59	996,701,659.03

Legal representative: Jiao Chengyao   Person-in-charge of accounting matters: Huang Hua
Head of accounting department: Wang Jingbo

4.2 Adjustment of related items in the financial statements at the beginning of the year of such initial implementation arising from the initial implementation of new financial instrument standard, new income standard and new lease standard

√ Applicable □ Not applicable

Consolidated Balance Sheet

Unit: Yuan   Currency: RMB

Item	31 December 2018	1 January 2019	Adjusted amount
Current assets:			
Monetary capital	3,685,216,786.40	3,685,216,786.40	
Balances with clearing companies			
Placements with banks and other financial institutions			
Financial assets held for trading	4,400,284.72	4,400,284.72	
Financial assets at fair value through profit or loss			
Derivative financial assets			
Bills receivable	3,956,857,300.23	3,956,857,300.23	
Accounts receivable	4,904,982,669.47	4,904,982,669.47	
Receivables financing			
Prepayments	411,104,513.51	411,104,513.51	
Premiums receivable			
Accounts receivable from reinsurance			
Contract reserves receivable from reinsurance			
Other receivables	176,974,547.64	176,974,547.64	
Including: Interest receivable	1,260,037.09	1,260,037.09	
Dividend receivable	2,680,477.03	2,680,477.03	
Buying back financial assets resold			
Inventories	3,872,837,851.67	3,872,837,851.67	
Contract assets			
Assets held for sale			
Non-current assets due within one year	166,634,282.95	166,634,282.95	
Other current assets	1,175,021,785.45	1,175,021,785.45	
Total current assets	18,354,030,022.04	18,354,030,022.04	
Non-current assets:			
Loans and advances granted			
Debt investment			
Available-for-sale financial assets			
Other debt investment			
Held-to-maturity investments			
Long-term receivables	433,585,284.10	433,585,284.10	
Long-term equity investment	433,478,851.79	433,478,851.79	
Other investments in equity instruments	32,836,003.40	32,836,003.40	
Other non-current financial assets			
Investment properties	193,819,506.06	193,819,506.06	
Fixed assets	4,219,475,357.12	4,219,475,357.12	
Construction in progress	514,890,687.43	514,890,687.43	
Biological assets for production			

Fuel assets			
Right-of-use assets		784,186,153.36	784,186,153.36
Intangible assets	1,613,141,476.07	1,613,141,476.07	
Development expenses	406,436,161.88	406,436,161.88	
Goodwill	853,807,995.53	853,807,995.53	
Long-term deferred expenditures	92,622,658.26	92,622,658.26	
Deferred income tax assets	454,071,294.15	454,071,294.15	
Other non-current assets	88,659,495.41	88,659,495.41	
Total non-current assets	9,336,824,771.20	10,121,010,924.56	784,186,153.36
Total assets	27,690,854,793.24	28,475,040,946.60	784,186,153.36
Current liabilities:			
Short-term borrowings	874,730,000.00	874,730,000.00	
Borrowings from central bank			
Placements from other banks			
Financial liabilities held for trading	35,178,547.78	35,178,547.78	
Financial liabilities at fair value through profit or loss			
Derivative financial liabilities			
Bills payable	1,882,103,157.31	1,882,103,157.31	
Accounts payable	4,796,163,327.48	4,796,163,327.48	
Receipts in advance			
Contract liabilities	1,347,681,404.62	1,347,681,404.62	
Disposal of repurchased financial assets			
Deposit taking and deposits from peer companies			
Customer deposits for trading securities			
Customer deposits for undertaking securities			
Staff remuneration payable	611,923,322.39	611,923,322.39	
Tax payable	333,697,070.17	333,697,070.17	
Other payables	959,178,520.07	959,395,129.09	216,609.02
Including: Interest payable	1,731,766.21	1,731,766.21	
Dividend payable			
Handling charges and commission payable			
Reinsurance accounts payable			
Liabilities held for sale			
Non-current liabilities due within one year	152,216,942.23	308,198,510.09	155,981,567.86
Other current liabilities	2,990,908.78	2,990,908.78	
Total current liabilities	10,995,863,200.83	11,152,061,377.71	156,198,176.88
Non-current liabilities:			
Insurance contract reserves			
Long-term borrowings	3,026,161,229.96	3,026,161,229.96	
Debentures payable			
Including: Preference shares			
Perpetual bonds			
Lease liabilities		627,987,976.48	627,987,976.48
Long-term payables	52,691,046.17	52,691,046.17	
Long-term staff remuneration payable	279,911,937.71	279,911,937.71	
Estimated liabilities	608,858,499.80	608,858,499.80	
Deferred income	22,315,474.48	22,315,474.48	
Deferred income tax liabilities	353,358,691.34	353,358,691.34	
Other non-current liabilities	60,850,031.89	60,850,031.89	
Total non-current liabilities	4,404,146,911.35	5,032,134,887.83	627,987,976.48
Total liabilities	15,400,010,112.18	16,184,196,265.54	784,186,153.36
Owners' equity (or shareholders' equity):			
Paid-up capital (or share capital)	1,732,471,370.00	1,732,471,370.00	

Other equity instruments			
Including: Preference shares			
Perpetual bonds			
Capital reserve	4,297,211,599.32	4,297,211,599.32	
Less: Treasury stock			
Other comprehensive income	-64,922,659.82	-64,922,659.82	
Special reserves			
Surplus reserve	633,783,690.23	633,783,690.23	
Provisions for general risks			
Undistributed profit	4,858,667,263.61	4,858,667,263.61	
Total equity attributable to owners of the parent company (or shareholders' equity)	11,457,211,263.34	11,457,211,263.34	
Minority interests	833,633,417.72	833,633,417.72	
Total owners' equity (or shareholders' equity)	12,290,844,681.06	12,290,844,681.06	
Total liabilities and owners' equity (or shareholders' equity)	27,690,854,793.24	28,475,040,946.60	784,186,153.36

Description of the adjustment of each item:

√ Applicable □ Not applicable

Since the Company implemented the new lease standard for the first time from 1 January 2019 and added new items of "right-of-use assets" and "lease liabilities" to the opening balance of the period of the balance sheet, there was an increase in the Company's total assets and liabilities, which did not affect owners' equity. For the specific items and amounts affected, please refer to the above adjustment table.

Balance Sheet of the Parent Company

Unit: Yuan Currency: RMB

Item	31 December 2018	1 January 2019	Adjusted amount
Current assets:			
Monetary capital	2,096,742,420.76	2,096,742,420.76	
Financial assets held for trading			
Financial assets at fair value through profit or loss			
Derivative financial assets			
Bills receivable	2,705,194,912.69	2,705,194,912.69	
Accounts receivable	1,517,447,975.61	1,517,447,975.61	
Receivables financing			
Prepayments	248,467,283.72	248,467,283.72	
Other receivables	70,772,427.68	70,772,427.68	
Including: Interest receivable	16,641.42	16,641.42	
Dividend receivable	2,680,477.03	2,680,477.03	
Inventories	1,566,518,976.00	1,566,518,976.00	
Contract assets			
Assets held for sale			
Non-current assets due within one year	156,884,282.95	156,884,282.95	
Other current assets	183,000,000.00	183,000,000.00	
Total current assets	8,545,028,279.41	8,545,028,279.41	
Non-current assets:			
Debt investment			
Available-for-sale financial assets			

Other debt investment			
Held-to-maturity investments			
Long-term receivables	361,115,288.05	361,115,288.05	
Long-term equity investment	6,012,167,895.19	6,012,167,895.19	
Other investments in equity instruments	255,000.00	255,000.00	
Other non-current financial assets			
Investment properties	165,928,352.25	165,928,352.25	
Fixed assets	975,865,993.20	975,865,993.20	
Construction in progress	33,178,792.78	33,178,792.78	
Biological assets for production			
Fuel assets			
Right-of-use assets		40,836,005.13	40,836,005.13
Intangible assets	152,808,453.94	152,808,453.94	
Development expenses			
Goodwill			
Long-term deferred expenditures			
Deferred income tax assets	167,166,592.10	167,166,592.10	
Other non-current assets			
Total non-current assets	7,868,486,367.51	7,909,322,372.64	40,836,005.13
Total assets	16,413,514,646.92	16,454,350,652.05	40,836,005.13
Current liabilities:			
Short-term borrowings			
Financial liabilities held for trading			
Financial liabilities at fair value through profit or loss			
Derivative financial liabilities			
Bills payable	1,936,509,663.01	1,936,509,663.01	
Accounts payable	1,240,791,358.09	1,240,791,358.09	
Receipts in advance			
Contract liabilities	1,133,816,779.27	1,133,816,779.27	
Staff remuneration payable	101,361,769.34	101,361,769.34	
Tax payable	89,230,803.84	89,230,803.84	
Other payables	74,064,986.87	74,064,986.87	
Including: Interest payable			
Dividend payable			
Liabilities held for sale			
Non-current liabilities due within one year	86,000,000.00	86,000,000.00	
Other current liabilities			
Total current liabilities	4,661,775,360.42	4,661,775,360.42	
Non-current liabilities:			
Long-term borrowings	730,000,000.00	730,000,000.00	
Debentures payable			
Including: Preference shares			
Perpetual bonds			
Lease liabilities		40,836,005.13	40,836,005.13
Long-term payables	49,910,687.28	49,910,687.28	
Long-term staff remuneration payable			
Estimated liabilities			
Deferred income	3,000,000.00	3,000,000.00	
Deferred income tax liabilities	7,975,934.87	7,975,934.87	
Other non-current liabilities			
Total non-current liabilities	790,886,622.15	831,722,627.28	40,836,005.13
Total liabilities	5,452,661,982.57	5,493,497,987.70	40,836,005.13
Owners' equity (or shareholders' equity):			
Paid-up capital (or share capital)	1,732,471,370.00	1,732,471,370.00	

Other equity instruments			
Including: Preference shares			
Perpetual bonds			
Capital reserve	4,304,295,625.63	4,304,295,625.63	
Less: Treasury stock			
Other comprehensive income			
Special reserves			
Surplus reserve	633,783,690.23	633,783,690.23	
Undistributed profit	4,290,301,978.49	4,290,301,978.49	
Total owners' equity (or shareholders' equity)	10,960,852,664.35	10,960,852,664.35	
Total liabilities and owners' equity (or shareholders' equity)	16,413,514,646.92	16,454,350,652.05	40,836,005.13

Description of the adjustment of each item:

√ Applicable □ Not applicable

Since the Company implemented the new lease standard for the first time from 1 January 2019 and added new items of "right-of-use assets" and "lease liabilities" to the opening balance of the period of the balance sheet, there was an increase in the Company's total assets and liabilities, which did not affect owners' equity. For the specific items and amounts affected, please refer to the above adjustment table.

4.3 Description of retrospective adjustment of the previous comparative data by initial implementation of new financial instrument standard and new lease standard

□ Applicable √ Not applicable

4.4 Audit Report

□ Applicable √ Not applicable