

Short Form of the Stock: Sinopharm Accord /Accord B

China National Accord Medicines Corporation Ltd.

The Third Quarterly Report for 2021

The Company and whole members of the BOD guarantee that the information disclosed is true, accurate and complete, and there are no any fictitious records, misleading statements or important omissions.

Important content reminder:

1. Board of Directors, Supervisory Committee, all directors, supervisors and senior executives of China National Accord Medicines Corporation Ltd. (hereinafter referred to as the Company) hereby confirm that there are no any fictitious statements, misleading statements, or important omissions carried in this report, and shall take all responsibilities, individual and/or joint, for the reality, accuracy and completion of the whole contents.
2. Principal of the Company, Person in Charge of Accounting Works and Person in Charge of Accounting Organ (Accounting Officer) hereby confirm that the Financial Report of the Third Quarterly Report is authentic, accurate and complete.
3. Whether the Third Quarterly Report has been audited or not

Yes No

I. Main financial data**(i) Main accounting data and financial indexes**

Whether it has retroactive adjustment or re-statement on previous accounting data or not

Yes No

	Current period	Increase/decrease in the period compared with the same period of the previous year	Year-begin to period-end	Increase/decrease from year-begin to period-end compared with the same period of the previous year
Operating income (RMB)	17,046,925,131.18	8.51%	50,210,017,018.57	17.09%
Net profit attributable to shareholders of the listed company (RMB)	332,710,261.54	-6.05%	1,074,155,274.79	7.68%
Net profit attributable to shareholders of the	323,929,049.31	-8.58%	1,044,883,457.53	6.48%

listed company after deducting non-recurring gains and losses (RMB)				
Net cash flow from operating activities (RMB)	—	—	1,420,066,537.79	-28.40%
Basic earnings per share (RMB/Share)	0.78	-6.02%	2.51	7.73%
Diluted earnings per share (RMB/Share)	0.78	-6.02%	2.51	7.73%
Weighted average ROE	2.29%	0.36 percentage point down	7.51%	0.05 percentage point down
	At the end of the reporting period	At the end of last year	Increase/decrease at the period-end compared with the end of the previous year	
Total assets (RMB)	44,855,599,672.17	39,594,533,471.65	13.29%	
Net assets attributable to shareholder of listed company (RMB)	14,679,445,950.04	13,948,322,652.33	5.24%	

(ii) Items and amounts of non-recurring profit (gains)/losses

√ Applicable □ Not applicable

In RMB

Item	Amount for the period	Amount from year-begin to period-end	Note
Gains/losses from the disposal of non-current asset (including the write-off that accrued for impairment of assets)	1,412,736.93	610,707.82	Mainly the gains of disposal of the right-of-use assets from store lease surrender.
Governmental subsidy reckoned into current gains/losses (not including the subsidy enjoyed in quota or ration according to national standards, which are closely relevant to enterprise's business)	14,898,997.98	50,262,339.66	Mainly the various special subsidies and tax rebates received in the Period.
When an enterprise acquires a subsidiary, associated enterprise and joint venture, the investment cost is less than the income generated by the fair value of the identifiable net assets of the invested entity		578,610.41	
Switch back of provision for depreciation of account receivable and contract assets that are individually tested for impairment	10,000.00	98,994.76	

Other non-operating income and expenditure except for the aforementioned items	-3,156,204.15	4,384,579.81	Mainly the non-operating income arising from write off funds that do not need to be paid, and non-operating expenses arising from public welfare donation expenses, payment of fines and late fees.
Other gains/losses satisfy a definition of extraordinary gains/losses	673,726.22	2,391,162.12	
Less: impact on income tax	453,104.34	13,415,430.35	
Impact on minority shareholders' equity (post-tax)	4,604,940.41	15,639,146.97	
Total	8,781,212.23	29,271,817.26	--

Other gain/loss items that qualified the definition of non-recurring profit (gains)/losses:

Applicable Not applicable

The Company does not have other gain/loss items that qualified the definition of non-recurring profit (gains)/losses

Explanation on those non-recurring gain/loss listed in the "Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss" defined as recurring gain/loss

Applicable Not applicable

The Company does not have the non-recurring gain/loss listed in the "Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss" defined as recurring gain/loss

(iii) Particulars about changes in items of main accounting data and financial index and explanations of reasons

Applicable Not applicable

(1) Accounts receivable: has an increase of 4,572.2236 million yuan from the beginning of the period with a growth rate of 33.13%, mainly because the account receivable increase with the expansion of sales in the period, as well as the delay appropriation from medical insurance and increase in turnover days of account receivable;

(2) Receivable financing: has a decrease of 657.8605 million yuan from the beginning of the period with a growth rate of -46.82%, mainly because the discounted bank acceptance increased in the period;

(3) Contract assets: has an increase of 6.1211 million yuan from the beginning of the period with a growth rate of 40.33%, mainly because as the sales of equipment increase, the receivable quality margin for equipment business increases accordingly;

(4) Construction in progress: has an increase of 30.8528 million yuan from the beginning of the period with a growth rate of 66.16%, mainly due to the increase of investment for ERP system construction;

(5) Short-term borrowings: has an increase of 1,668.7105 million yuan from the beginning of the period with a growth rate of 103.51%, mainly due to the increase in invoice financing of account payable;

(6) Accounts payable: has an increase of 3,049.7387 million yuan from the beginning of the period with a growth rate of 39.62%, mainly because as the growth of business, the purchasing volume and account payable increased accordingly;

(7) Receipts in advance: has an increase of 4.8947 million yuan from the beginning of the period with a growth rate of 39.63%, mainly because the lease payments received in advance increased;

(8) Interest payable: has a decrease of 22.1891 million yuan from the beginning of the period with a growth rate of -62.38%, mainly because as the decrease of non-recourse factoring financing for account receivable, interest payable decreases accordingly;

(9) Dividend payable: has an increase of 24.1576 million yuan from the beginning of the period with a growth rate of 378.09%, mainly because the accrual of dividend payable to minority shareholders increased;

(10) Long-term borrowings: as an increase of 29.9966 million yuan from the beginning of the period with a growth rate of 94.81%, mainly due to obtaining the long-term credit loans of dedicated equity acquisition;

- (11) Finance costs: has a year-on-year increase of 78.9280million yuan with a growth rate of 91.05%, mainly because in 2020, the Company has a large-scale acquisitions, and the corresponding consideration for equity acquisition are paid successively, the interest income from deposit declined on a year-on-year basis;
- (12) Other incomes: has a year-on-year increase of 23.2876 million yuan with a growth rate of 50.42%, mainly because various special subsidies and tax relief received in the period increased on a year-on-year basis;
- (13) Impairment losses: has a year-on-year decrease of 6.6624 million yuan with a growth rate of -119.34%, mainly due to the reversal of inventory falling price reserves in the period;
- (14) Gains on disposal of assets: has a year-on-year decrease of 6.3585 million yuan with a growth rate of -86.83%, mainly because the gains on disposal of right-to-use assets arising from off-lease retail stores declined on a year-on-year basis;
- (15) Non-operating income: has a year-on-year increase of 6.4051 million yuan with a growth rate of 65.50% , mainly because the account payable that do not need to be paid are written off in the period;
- (16) Non-operating expenses: has a year-on-year decrease of 10.8463 million yuan with a growth rate of -53.18%, mainly because a large amount of litigation compensation occurred in the same period of the previous year;
- (17) Other cash receipts relating to operating activities: has a year-on-year decrease of 664.6786 million yuan with a growth rate of -54.65%, mainly because the special reserve funds received in the period declined on a year-on-year basis;
- (18) Cash payments to and on behalf of employees: has a year-on-year increase of 576.5452 million yuan with a growth rate of 30.13% , mainly because the new enterprise consolidated in second half of 2020 made the cash paid to and for the employees increased in the period, and as the expansion of the Company, new pharmacies and number of employees increased, the labor costs are rising rigidly;
- (19) Cash receipts from returns of investments: has a year-on-year decrease of 16.0302 million yuan with a growth rate of -84.25% , mainly because the investment project withdrawal payment received from Sinopharm Zhongjin Medical Industry Fund declined on a year-on-year basis;
- (20) Cash received from returns on investments: has a year-on-year decrease of 135.7757 million yuan with a growth rate of -85.09% , mainly because the dividends received from investment in associated enterprise declined on a year-on-year basis;
- (21) Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets: has a year-on-year decrease of 4.5941million yuan with a growth rate of -87.10% , mainly because the cash received from disposal of fixed assets decreased on a year-on-year basis;
- (22) Other cash receipts relating to investing activities: has a year-on-year decrease of 21.9850 million yuan with a growth rate of -99.75% , mainly because in the same period of previous year, subsidiary of the Company - Sinopharm Holding Guoda Drugstore Co., Ltd. (hereinafter referred to as Guoda Drugstore) consolidated the subsidiary - Pudong New Area of Shanghai Pharmaceutical Medicine Ltd under the same control, the balance of cash pool originally collected to its former parent company Sinopharm Group Co., Ltd are received, and there is no such event occurred in the period;
- (23) Total cash inflows from investing activities: has a year-on-year decrease of 178.3851 million yuan with a growth rate of -86.63% , mainly because the dividends received from investment in associated enterprise declined on a year-on-year basis;
- (24) Cash payments for investments: has a year-on-year increase of 87.8213 million yuan with a growth rate of 309.12% , mainly because the fees for store exchange paid by subsidiary Guoda Drugstore in the period increased on a year-on-year basis;
- (25) Net cash payments for acquisition of subsidiaries and other business units: has a year-on-year decrease of 2,283.6644 million yuan with a growth rate of -95.77% , mainly because compared with same period of last year, the account of subsidiary acquisition paid by the subsidiary Guoda Drugstore in the period declined;
- (26) Cash payments related to other investing activities: has a year-on-year decrease of 5.00 million yuan with a growth rate of -100.00% , mainly due to the payment of long-term deposits in the same period of last year, and there was no such event occurred in the period;
- (27) Total cash outflows from investing activities: has a year-on-year decrease of 2,147.3163 million yuan with a growth rate of -82.37% , mainly because compared with same period of last year, the account of subsidiary acquisition paid by the subsidiary Guoda Drugstore in the period declined;
- (28) Net cash flows from investing activities: has a year-on-year increase of 1,968.9313 million yuan with a growth rate of 82.00% ,

mainly because compared with same period of last year, the account of subsidiary acquisition paid by the subsidiary Guoda Drugstore in the period declined;

(29) Cash proceeds from investments by others: has a year-on-year increase of 17.2061 million yuan with a growth rate of 100.00%, mainly because received the investment from minorities in the period, and there was no such event occurred in the same period of the previous year;

(30) Other cash receipts relating to financing activities: has a year-on-year decrease of 215.6720 million yuan with a growth rate of -67.47%, mainly due to the decrease in borrowing received from minority shareholders in the period, and the mature money order deposit collected in the period decline on a year-on-year basis;

(31) Cash repayments for debts: has a year-on-year increase of 673.5614 million yuan with a growth rate of 214.85%, mainly due to the increase in repayment of loans in the period;

(32) Effect of foreign exchange rate changes on cash and cash equivalents: has a year-on-year increase of 0.4410 million yuan with a growth rate of 879.85%, mainly due to the impact of exchange rate movements;

(33) Net increase of cash and cash equivalents: has a year-on-year increase of 1,082.7871 million yuan with a growth rate of 59.59%, mainly because compared with same period of last year, the account of subsidiary acquisition paid by the subsidiary Guoda Drugstore in the period declined;

(34) Cash and cash equivalents at beginning of the year: has a year-on-year decrease of 3,020.9579 million yuan with a growth rate of -35.85%, mainly because in 2020, the Company have large-scale acquisitions, and corresponding consideration of equity acquisition are paid successively, resulting in a decline in balance of cash and cash equivalents at the beginning of the year.

II. Shareholders Information

(i) Total number of common shareholders and preference shareholders with voting rights recovered and top ten common shareholders

						In Share
Total common shareholders at the end of report period		45,126		Total preference shareholders with voting rights recovered at end of reporting period (if applicable)		0
Top ten shareholders						
Shareholder's name	Nature of shareholder	Proportion of shares held	Amount of shares held	Amount of restricted shares held	Information of shares pledged, tagged or frozen	
					State of share	Amount
Sinopharm Group Co., Ltd.	State-owned legal person	56.06%	239,999,991	5,505,770		
FIRST SENTIER INVESTORS GLOBAL UMBRELLA FUND PLC - FSSA CHINA GROWTH FUND	Foreign corporation	2.52%	10,802,495			
Hong Kong Securities Clearing Company Ltd	Foreign corporation	1.96%	8,384,966			
China National Pharmaceutical	State-owned legal person	1.24%	5,323,043			

Foreign Trade Corp.						
National Social Security Fund-portfolio 413	Domestic non state-owned corporation	1.06%	4,530,032			
BBH BOS S/A FIDELITY FD - CHINA FOCUS FD	Foreign corporation	0.78%	3,358,761			
CPIC Fund- China Pacific Life Insurance Co., Lt. - participating insurance -CPIC fund PICC Stock Relative Income (guaranteed bonus)single asset management plan	Domestic non state-owned corporation	0.70%	2,976,701			
Fidelity Investment Management (Hong Kong) Limited - Client's fund	Foreign corporation	0.54%	2,308,237			
VANGUARD EMERGING MARKETS STOCK INDEX FUND	Foreign corporation	0.40%	1,697,229			
ICBC- CPIC Desheng Small Selected Securities Investment Funds	Domestic non state-owned corporation	0.38%	1,632,000			
Top ten shareholders with unrestricted shares held						
Shareholder's name	Amount of unrestricted shares held	Type of shares				
		Type	Amount			
Sinopharm Group Co., Ltd.	234,494,221	RMB ordinary shares	234,494,221			
FIRST SENTIER INVESTORS GLOBAL UMBRELLA FUND PLC - FSSA CHINA GROWTH FUND	10,802,495	Domestic listed foreign shares	10,802,495			
Hong Kong Securities Clearing Company Ltd	8,384,966	RMB ordinary shares	8,384,966			
China National Pharmaceutical Foreign Trade Corp.	5,323,043	RMB ordinary shares	5,323,043			
National Social Security Fund-portfolio 413	4,530,032	RMB ordinary shares	4,530,032			
BBH BOS S/A FIDELITY FD - CHINA FOCUS FD	3,358,761	Domestic listed foreign shares	3,358,761			
CPIC Fund- China Pacific Life Insurance Co., Lt. - participating	2,976,701	RMB ordinary shares	2,976,701			

insurance -CPIC fund PICC Stock Relative Income (guaranteed bonus)single asset management plan			
Fidelity Investment Management (Hong Kong) Limited - Client's fund	2,308,237	RMB ordinary shares	2,308,237
VANGUARD EMERGING MARKETS STOCK INDEX FUND	1,697,229	Domestic listed foreign shares	1,697,229
ICBC- CPIC Desheng Small Selected Securities Investment Funds	1,632,000	RMB ordinary shares	1,632,000
Explanation on associated relationship among the aforesaid shareholders	Sinopharm Group Co., Ltd. and China National Pharmaceutical Foreign Trade Corporation have the same actual controller, which is China National Pharmaceutical Group Corporation. It is unknown that there exists no associated relationship or belongs to the consistent actionist among the other tradable shareholders regulated by the Management Measure of Information Disclosure on Change of Shareholding for Listed Companies.		

(ii) Total shareholders with preferred stock held and shares held by top ten shareholders with preferred stock held

Applicable Not applicable

III. Other significant events

Applicable Not applicable

IV. Quarterly financial statements

(i) Financial statement

1. Consolidate balance sheet

Prepared by China National Accord Medicines Corporation Ltd.

In RMB

Item	September 30, 2021	December 31, 2020
Current assets:		
Cash and bank balances	5,030,550,238.21	5,998,204,295.87
Settlement provisions		
Capital lent		
Trading financial assets		
Derivative financial assets		
Notes receivable	486,665,614.67	622,115,477.04
Accounts receivable	18,372,194,576.17	13,799,971,014.22
Receivable financing	747,127,225.28	1,404,987,700.38
Advances to suppliers	577,047,357.55	480,313,574.71
Insurance receivable		
Reinsurance receivables		
Contract reserve of reinsurance receivable		

Other receivables	588,663,715.06	535,228,747.69
Including: Interest receivable		
Dividend receivable		
Buying back the sale of financial assets		
Inventories	7,731,292,407.49	6,285,010,674.46
Contract assets	21,298,841.34	15,177,731.64
Assets held for sale		
Non-current asset due within one year		
Other current assets	117,800,222.89	121,082,863.45
Total current assets	33,672,640,198.66	29,262,092,079.46
Non-current assets:		
Loans and payments on behalf		
Debt investment		
Other debt investment		
Long-term account receivable		
Long-term equity investments	2,506,592,540.54	2,287,019,627.99
Other equity instruments investment	99,488,340.28	99,488,340.28
Other non-current financial assets	135,974,908.51	120,972,350.24
Investment properties	115,666,257.13	127,444,379.94
Fixed assets	846,208,850.06	854,191,083.27
Construction in progress	77,483,997.80	46,631,190.23
Productive biological asset		
Oil and gas asset		
Right-of-use assets	2,602,364,849.90	2,356,952,392.99
Intangible assets	738,312,505.33	734,345,179.40
Expense on Research and Development		
Goodwill	2,932,001,316.63	2,747,375,281.11
Long-term prepaid expenses	547,554,650.71	457,705,276.09
Deferred tax assets	109,492,207.51	92,118,767.81
Other non-current assets	471,819,049.11	408,197,522.84
Total non-current assets t	11,182,959,473.51	10,332,441,392.19
Total assets	44,855,599,672.17	39,594,533,471.65
Current liabilities:		
Short-term borrowings	3,280,897,558.10	1,612,187,020.12
Loan from central bank		
Capital borrowed		
Trading financial liability		
Derivative financial liability		
Notes payable	7,348,840,877.78	7,520,165,274.69
Accounts payable	10,747,189,833.18	7,697,451,142.50
Receipts in advance	17,247,134.79	12,352,466.64
Contract liabilities	326,085,220.43	368,600,357.14
Selling financial asset of		

repurchase		
Absorbing deposit and interbank deposit		
Security trading of agency		
Security sales of agency		
Employee benefits payable	277,589,432.45	357,212,047.10
Tax payable	278,421,837.51	316,867,149.16
Other payables	1,499,776,310.73	1,599,166,881.14
Including: Interest payable	13,383,522.61	35,572,620.82
Dividend payable	30,546,882.17	6,389,320.96
Commission charge and commission payable		
Reinsurance payable		
Liability held for sale		
Non-current liabilities due within one year	815,092,369.38	748,732,059.89
Other current liabilities	20,574,820.83	24,787,078.55
Total current liabilities	24,611,715,395.18	20,257,521,476.93
Non-current liabilities:		
Insurance contract reserve		
Long-term borrowings	61,633,794.44	31,637,173.89
Bonds payable		
Including: Preferred stock		
Perpetual capital securities		
Lease liabilities	1,414,900,980.86	1,303,054,163.90
Long-term payables	6,938,189.00	6,938,189.00
Long-term employee benefits payable	1,262,000.00	1,319,000.00
Provisions	68,663,166.79	68,808,166.79
Deferred income	88,319,436.13	89,843,583.37
Deferred tax liabilities	192,406,210.58	205,921,408.66
Other non-current liabilities	611,494,372.76	740,862,989.59
Total non-current liabilities	2,445,618,150.56	2,448,384,675.20
Total liabilities	27,057,333,545.74	22,705,906,152.13
Equity		
Share capital	428,126,983.00	428,126,983.00
Other equity instrument		
Including: Preferred stock		
Perpetual capital securities		
Capital surplus	4,371,864,522.76	4,372,504,053.72
Less: Inventory shares		
Other comprehensive income	38,592,158.00	38,483,017.72
Reasonable reserve		
Surplus reserve	214,063,491.50	214,063,491.50
Provision of general risk		
Retained earnings	9,626,798,794.78	8,895,145,106.39

Total equity attributable to owners of the parent	14,679,445,950.04	13,948,322,652.33
Non-controlling interests	3,118,820,176.39	2,940,304,667.19
Total equity	17,798,266,126.43	16,888,627,319.52
Total liabilities and equity	44,855,599,672.17	39,594,533,471.65

Legal Representative: Lin Zhaoxiong

Financial controller: Gu Guolin

Head of Accounting Department: Wang Ying

2. Consolidated Profit Statement (from the year-begin to the period-end)

In RMB

Item	Current period	Last period
I. Total operating income	50,210,017,018.57	42,880,505,125.63
Including: Operating revenue	50,210,017,018.57	42,880,505,125.63
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	48,889,105,650.99	41,581,721,662.96
Including: Operating costs	44,355,137,220.69	37,944,504,626.84
Interest expense		
Commission charge and commission expense		
Cash surrender value		
Net amount of expense of compensation		
Net amount of withdrawal of insurance contract reserve		
Bonus expense of guarantee slip		
Reinsurance expense		
Tax and surcharges	118,668,192.68	110,209,795.96
Selling expenses	3,489,636,134.44	2,749,994,678.55
Administrative expenses	760,050,554.53	690,327,040.05
R&D expense		
Finance costs	165,613,548.65	86,685,521.56
Including: Interest expenses	221,745,036.68	202,695,852.03
Interest income	58,695,611.60	112,936,201.56
Add: other incomes	69,475,290.52	46,187,696.54
Investment income (Loss is listed with "-")	232,226,696.90	211,950,494.51
Including: Investment income from associates	237,971,923.43	247,559,119.49
Income from the	-11,674,941.64	-40,767,172.72

derecognition of financial assets measured at amortised cost (Loss is listed with “-”)		
Exchange income (Loss is listed with “-”)		
Net exposure hedging income (Loss is listed with “-”)		
Income from change of fair value (Loss is listed with “-”)		
Credit impairment losses/ (Loss is listed with “-”)	-31,552,326.70	-29,083,726.06
Impairment losses (Loss is listed with “-”)	1,079,690.03	-5,582,665.20
Gain on disposal of assets (Loss is listed with “-”)	964,385.82	7,322,907.21
III. Operating profits (Loss is listed with “-”)	1,593,105,104.15	1,529,578,169.67
Add: Non-operating income	16,183,608.97	9,778,532.18
Less: Non-operating expenses	9,550,290.33	20,396,541.07
IV. Total profit (Loss is listed with “-”)	1,599,738,422.79	1,518,960,160.78
Less: Income tax expenses	328,358,528.63	297,799,939.72
V. Net profit (Net loss is listed with “-”)	1,271,379,894.16	1,221,160,221.06
(i) Classify by business continuity		
1. Profit or loss from continuing operations (net loss listed with “-”)	1,271,379,894.16	1,221,160,221.06
2. termination of net profit (net loss listed with “-”)		
(ii) Classify by ownership		
1. Owners of the parent	1,074,155,274.79	997,585,746.42
2. Non-controlling interests	197,224,619.37	223,574,474.64
VI. Other comprehensive income, net of tax	109,140.28	143,939.42
Other comprehensive income, net of tax, attributable to owners of the parent	109,140.28	143,939.42
(i) Other comprehensive income items which will not be reclassified subsequently to profit or loss		
1. Changes of the defined benefit plans that re-measured		
2. Other comprehensive income under equity method that cannot be transfer to gain/loss		
3. Change of fair value of investment in other equity instrument		
4. Fair value change of enterprise's credit risk		
5. Other		
(ii) Other comprehensive income that will be reclassified to profit or loss	109,140.28	143,939.42
1. Other comprehensive income using the equity method that may be reclassified to profit or loss	109,140.28	143,939.42
2. Change of fair value of		

other debt investment		
3.Amount of financial assets re-classify to other comprehensive income		
4.Credit impairment provision for other debt investment		
5.Cash flow hedging reserve		
6.Translation differences arising on translation of foreign currency financial statements		
7.Other		
Net after-tax of other comprehensive income attributable to minority shareholders		
VII. Total comprehensive income	1,271,489,034.44	1,221,304,160.48
Total comprehensive income attributable to owners of the parent	1,074,264,415.07	997,729,685.84
Total comprehensive income attributable to non-controlling interests	197,224,619.37	223,574,474.64
VIII. Earnings per share:		
(i) Basic earnings per share	2.51	2.33
(ii) Diluted earnings per share	2.51	2.33

Enterprise combine under the same control in the Period, the combined party realized net profit of 0.00 Yuan before combination, and realized 0.00 Yuan at last period for combined party

Legal Representative: Lin Zhaoxiong

Financial controller: Gu Guolin

Head of Accounting Department: Wang Ying

3. Consolidated Cash Flow Statement (from the year-begin to the period-end)

In RMB

Item	Current period	Last period
I. Cash flows from operating activities:		
Cash received from sales of good or rendering of services	50,434,425,085.34	42,418,077,097.10
Net increase of customer deposit and interbank deposit		
Net increase of loan from central bank		
Net increase of capital borrowed from other financial institution		
Cash received from original insurance contract fee		
Net cash received from reinsurance business		
Net increase of insured savings and investment		
Cash received from interest, commission charge and commission		
Net increase of capital borrowed		

Net increase of returned business capital		
Net cash received by agents in sale and purchase of securities		
Receipts of taxes and surcharges refunds	9,785,028.42	10,784,614.07
Other cash receipts relating to operating activities	551,569,390.53	1,216,248,037.55
Total cash inflows from operating activities	50,995,779,504.29	43,645,109,748.72
Cash payments for goods and services	44,590,896,502.94	37,533,521,802.87
Net increase of customer loans and advances		
Net increase of deposits in central bank and interbank		
Cash paid for original insurance contract compensation		
Net increase of capital lent		
Cash paid for interest, commission charge and commission		
Cash paid for bonus of guarantee slip		
Cash payments to and on behalf of employees	2,490,251,009.84	1,913,705,773.98
Payments of all types of taxes and surcharges	1,163,054,174.01	1,148,433,266.37
Other cash payments relating to operating activities	1,331,511,279.71	1,066,101,719.26
Total cash outflows from operating activities	49,575,712,966.50	41,661,762,562.48
Net cash flows from operating activities	1,420,066,537.79	1,983,347,186.24
II. Cash flows from investing activities:		
Cash receipts from returns of investments	2,997,441.73	19,027,649.76
Cash received from returns on investments	23,798,335.31	159,574,046.42
Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets	680,564.38	5,274,705.47
Net cash received from disposal of subsidiaries and other units		
Other cash receipts relating to investing activities	54,984.60	22,040,000.00
Total cash inflows from investing activities	27,531,326.02	205,916,401.65
Cash payments to acquire fixed assets, intangible assets and other long-term assets	242,406,946.82	188,880,164.05
Cash payments for investments	116,231,775.64	28,410,468.41
Net increase of mortgaged loans		
Net cash payments for acquisition of subsidiaries and other business units	100,950,637.41	2,384,615,064.76
Cash payments related to other		5,000,000.00

investing activities		
Total cash outflows from investing activities	459,589,359.87	2,606,905,697.22
Net cash flows from investing activities	-432,058,033.85	-2,400,989,295.57
III. Cash flows from financing activities		
Cash proceeds from investments by others	17,206,123.00	
Incl: Cash receipts from capital contributions from non-controlling interests of subsidiaries	17,206,123.00	
Cash receipts from borrowings	922,684,894.52	801,520,037.57
Other cash receipts relating to financing activities	103,972,601.77	319,644,627.50
Total cash inflows from financing activities	1,043,863,619.29	1,121,164,665.07
Cash repayments for debts	987,061,372.10	313,500,000.00
Cash payments for distribution of dividends or profit and interest expenses	601,040,337.18	545,931,923.60
Incl: Dividends or profit paid to non-controlling shareholders of subsidiaries	54,850,818.34	62,338,791.80
Other cash payments relating to financing activities	1,178,389,883.78	1,661,056,163.63
Total cash outflows from financing activities	2,766,491,593.06	2,520,488,087.23
Net cash flows from financing activities	-1,722,627,973.77	-1,399,323,422.16
IV. Effect of foreign exchange rate changes on cash and cash equivalents	390,912.15	-50,126.70
V. Net increase of cash and cash equivalents	-734,228,557.68	-1,817,015,658.19
Add: Cash and cash equivalents at beginning of the year	5,405,113,257.99	8,426,071,170.16
VI. Cash and cash equivalents at end of year	4,670,884,700.31	6,609,055,511.97

(ii) Explanation on financial statement adjustment

1. Financial statement adjustment at the beginning of the first year when implementation of new leasing standards from 2021

Applicable Not applicable

2. Retrospective adjustment of the comparative data for initial implementation of new leasing standards from 2021

Applicable Not applicable

(iii) Audit report

Whether the 3rd quarterly report has been audited or not

Yes No

The 3rd quarterly report of the Company has not been audited.

Board of Directors of

