

Shenzhen SEG Co., 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 Shenzhen SEG Co., 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 (Yuan)	463,738,204.04	53.64%	1,417,504,652.62	31.41%
Net profit attributable to shareholders of the listed company (Yuan)	5,581,315.83	-83.70%	53,466,082.02	-42.71%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (Yuan)	1,713,984.30	-87.26%	36,740,281.75	-32.13%
Net cash flow arising from operating activities (Yuan)	—	—	26,458,167.16	-82.71%
Basic earnings per share (Yuan /Share)	0.0045	-83.69%	0.0433	-42.65%
Diluted earnings per	0.0045	-83.69%	0.0433	-42.65%

share (Yuan /Share)				
Weighted average ROE	0.29%	-1.45%	2.78%	-2.04%
	End of current period	End of previous year	Increase/decrease at the period-end compared with the end of the previous year	
Total assets (Yuan)	6,011,869,831.13	5,830,977,104.07	3.10%	
Net assets attributable to shareholder of listed company (Yuan)	1,946,833,339.90	1,905,722,149.42	2.16%	

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

Applicable Not applicable

Unit: Yuan

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)	-99,122.00	-100,586.05	
Government subsidy recorded in current gains/losses (except those closely related to the Company's normal operation, and those continuously enjoyed on a fixed or quantitative basis with certain standards in accordance with national policy regulations)	684,172.25	2,406,890.50	
Capital occupation fee charged to non-financial enterprise that reckoned into current gains/losses	333,853.70	990,674.58	
Profit and loss from commissioned investment or asset management	5,399,438.36	12,906,693.24	
Reversal of the account receivable depreciation reserves subject to separate impairment test	53,145.15	5,786,949.61	
Trust fee obtained from trust operation	13,603.84	78,459.54	
Other non-operating income and expenses other than the above	9,564.27	840,304.11	
Other gains/losses items that meet the definition of non-recurring gains/losses	3,231.44	152,247.08	
Less: impact on income tax	1,559,649.00	4,235,713.60	
Impact on minority shareholders' equity (post-tax)	970,906.48	2,100,118.74	
Total	3,867,331.53	16,725,800.27	--

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. Items of the Consolidated Balance Sheet Statement

Unit: Yuan

Item	Closing balance	Opening balance	Difference	Increase or decrease at the end of the period compared with the beginning of the period (%)	Reasons for differences
Accounts receivable	220,906,312.71	125,360,837.70	95,545,475.01	76.22%	Mainly due to the settlement method for property management business
Accounts prepaid	11,988,770.37	6,523,937.21	5,464,833.16	83.77%	Mainly due to the increase in prepayment for engineering
Construction in progress	5,741,451.10	12,660,301.65	-6,918,850.55	-54.65%	Mainly because the construction in progress was transferred to fixed assets
Other non-current assets	0.00	44,486,424.98	-44,486,424.98	-100.00%	Mainly due to the recovery of prepaid equipment
Right-of-use asset	241,287,896.31	0.00	241,287,896.31	100.00%	Mainly due to the implementation of new leasing standards
Contract liabilities	145,230,283.45	222,866,508.74	-77,636,225.29	-34.84%	Mainly due to the income carried forward from rent received in advance
Lease liability	245,099,382.31	0.00	245,099,382.31	100.00%	Mainly due to the implementation of new leasing standards

2. Items of the Consolidated Profit Statement

Unit: Yuan

Item	Amount for the current period	Amount of the same period of the previous year	Difference	Increase/decrease in the current period compared with the same period of last year (%)	Reasons for differences
Operating income	1,417,504,652.62	1,078,720,419.17	338,784,233.45	31.41%	Mainly due to the consolidation of Xindongsheng Property and rent reduction occurred in the same period of previous year
Operating costs	1,093,023,680.53	705,481,779.12	387,541,901.41	54.93%	Mainly due to the consolidation of Xindongsheng Property
Taxes and surcharges	23,726,830.00	77,116,160.93	-53,389,330.93	-69.23%	Mainly due to the reduction of the land VAT in the period
Management costs	80,626,209.54	61,813,985.54	18,812,224.00	30.43%	Mainly due to the consolidation of Xindongsheng Property in the period
Other income	4,252,082.41	11,457,815.71	-7,205,733.30	-62.89%	Mainly because the government subsidy received in the period decreased
Investment income	5,484,906.30	30,119,271.57	-24,634,365.27	-81.79%	Mainly due to the income from sale of the Huakong SEG in the period and decrease in bank financial earnings
Credit impairment loss	5,786,949.61	175,790.39	5,611,159.22	3,191.96%	Mainly due to the recovery of litigation money
Income tax expense	72,175,008.10	51,976,350.33	20,198,657.77	38.86%	Mainly due to the operating performance of affiliated enterprises

3. Items of the Consolidated Cash Flow Statement

Unit: Yuan

Item	Amount for the current period	Amount of the same period of the previous year	Difference	Increase/decrease in the current period compared with the same period of last year (%)	Reasons for differences
Net cash flow arising from operation activities	26,458,167.16	153,056,581.83	-126,598,414.67	-82.71%	Mainly due to the expansion of property management business in the period, increased cost, the settlement method for property management business
Net cash flow arising from financing activities	-123,274,962.04	-304,096,806.23	180,821,844.19	59.46%	Mainly due to the y-o-y decrease in prepayment of bank loans and corporate bonds
Net increase in cash and cash equivalents	-7,111,651.47	-64,096,421.70	56,984,770.23	88.90%	Mainly due to the increase in net cash flow arising from financing activities in the period

II. Shareholders Information

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

Unit: Share

Total common shareholders at the end of report period	71,175	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
Shenzhen SEG Group Co., Ltd.	State-owned legal person	56.70%	700,618,759	450,857,239		
LISHERYNZ HANMING	Overseas natural person	0.65%	8,055,200	0		
Liu Guocheng	Domestic natural person	0.59%	7,296,402	0		
Liu Guohong	Domestic natural person	0.29%	3,559,361	0		
Gong Qianhua	Overseas natural person	0.24%	2,940,000	0		
Hou Xiulan	Domestic natural person	0.16%	2,000,000	0		
Xu Yueying	Domestic natural person	0.16%	1,983,900	0		
Luo Haijin	Domestic natural person	0.12%	1,502,275	0		
Wang Jinjun	Domestic natural person	0.12%	1,433,500	0		
Zhu Qihua	Domestic natural person	0.11%	1,388,100	0		
Top ten shareholders with unrestricted shares held						
Shareholder's name	Amount of unrestricted shares held	Type of shares				
		Type	Amount			
Shenzhen SEG Group Co., Ltd.	249,761,520	RMB ordinary shares	249,761,520			
LISHERYNZHANMING	8,055,200	Domestic listed foreign shares	8,055,200			
Liu Guocheng	7,296,402	Domestic listed foreign shares	7,296,402			
Liu Guohong	3,559,361	Domestic listed foreign shares	3,559,361			
Gong Qianhua	2,940,000	Domestic listed foreign shares	2,940,000			
Hou Xiulan	2,000,000	RMB ordinary shares	2,000,000			

Xu Yueying	1,983,900	Domestic listed foreign shares	1,983,900
Luo Haijin	1,502,275	Domestic listed foreign shares	1,502,275
Wang Jinjun	1,433,500	Domestic listed foreign shares	1,433,500
Zhu Qihua	1,388,100	RMB ordinary shares	1,388,100
Explanations on the association relationship or concerted action among the above-mentioned shareholders	SEG Group has no association relationship with other shareholders and is not a person acting in concert with other shareholders as specified in the <i>Management Methods for Disclosure of Information on Changes of Shareholding Status of Shareholders of Listed Companies</i> . It is unclear whether other shareholders are persons acting in concert.		
Information on top 10 ordinary shareholders participating in securities margin trading (if applicable)	Domestic natural person Hou Xiulan holds 2,000,000 shares of the Company through the investor credit account for securities margin trading; domestic natural person Zhu Qihua holds 1,388,100 shares of the Company, of which, 350,000 shares are held through the investor credit account for securities margin trading.		

(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

Overview of major events	Disclosure date	Inquiry index for the websites disclosing the temporary reports
1. Equity Distribution for year of 2020 The profit distribution plan for year of 2020: distribute a cash bonus of 0.10 yuan (tax included) to all shareholders for every 10 shares based on total shares capital of the Company 1,235,656,249 shares and 0 bonus shares (tax included), no common reserves transfer into share capital for year of 2020.	July 1, 2021	The “Notice of Implementation of Equity Distribution for year of 2020” released on Juchao Website http://www.cninfo.com.cn/
2. “5·18” Vibration Incident of the SEG Plaza Building	July 16, 2021	The “Notice of Relevant Information on “5·18” Vibration Incident of the SEG Plaza Building” released on Juchao Website http://www.cninfo.com.cn/
	September 8, 2021	The “Notice of Resumption of Use of the SEG Plaza Building” released on Juchao Website http://www.cninfo.com.cn/
3. Change of the Directors and Senior Executives of the Company (1) Ms. Zhang Jian resigned as the Director of the Company, and Mr. Fang Jianhong was appointed as the Director of the Company; (2) Mr. Yao Chenhong resigned as the Independent Director of the Company, and Mr. Liu Shengming was appointed as the Independent Director of the Company; (3) Secretary of the Board, Deputy GM Mr. Peng Aiyun resigned as the Secretary of the Board and Deputy GM of the Company, BOD appointed Mr. Han Xingkai- Director and Deputy GM of the Company to act as the Secretary of the Board.	August 10, 2021	The “Resolution of 23 rd Extraordinary Meeting of 8 th BOD” and “Notice on the Resignation of Director and By-election of Director” released on Juchao Website http://www.cninfo.com.cn/
	August 18, 2021	The “Resolution of 5 th Session of 8 th BOD” and “Notice on the Resignation of Secretary of the Board and Appointed Director and Deputy GM Act as the Secretary of the Board” released on Juchao Website http://www.cninfo.com.cn/
	August 24, 2021	The “Resolution of 24 th Extraordinary Meeting of 8 th BOD” and “Notice on the Resignation of Independent Director and By-election of Independent Director” released on Juchao Website http://www.cninfo.com.cn/
	September 10, 2021	The “First Extraordinary Shareholders General Meeting of 2021” released on Juchao Website http://www.cninfo.com.cn/
4. Related transaction regarding the loans from controlling shareholder	August 24, 2021	The “Resolution of 24 th Extraordinary Meeting of 8 th BOD” and “Notice on Borrowings from Controlling

The Company applied to the controlling shareholder - Shenzhen SEG Group Co., Ltd. for a borrowing line of no more than 500 million yuan with an annual interest rate of 3.90%		Shareholder and Related Transactions” released on Juchao Website http://www.cninfo.com.cn/
	September 10, 2021	The “First Extraordinary Shareholders General Meeting of 2021” released on Juchao Website http://www.cninfo.com.cn/
5. Investment on FRD Tianyu Environment Technology Chengdu Co., Ltd.	September 24, 2021	The “Resolution of 25 th Extraordinary Meeting of 8 th BOD” and “Notice of Investment on FRD Tianyu Environment Technology Chengdu Co., Ltd.” released on Juchao Website http://www.cninfo.com.cn/

IV. Quarterly financial statements

(i) Financial statement

1. Consolidate balance sheet

Prepared by Shenzhen SEG Co., Ltd.

Unit: Yuan

Item	September 30, 2021	December 31, 2020
Current assets:		
Monetary fund	815,851,070.59	828,267,701.56
Settlement provisions		
Capital lent		
Trading financial assets	550,035,003.14	653,743,392.18
Derivative financial assets		
Note receivable	1,693,880.00	2,079,880.00
Account receivable	220,906,312.71	125,360,837.70
Receivable financing		
Accounts paid in advance	11,988,770.37	6,523,937.21
Insurance receivable		
Reinsurance receivables		
Contract reserve of reinsurance receivable		
Other account receivable	71,251,483.95	73,166,985.92
Including: Interest receivable		
Dividend receivable		
Buying back the sale of financial assets		
Inventories	2,188,455,283.09	2,156,833,489.41
Contractual assets		
Assets held for sale		
Non-current asset due within one year		
Other current assets	62,648,993.52	54,434,557.21
Total current assets	3,922,830,797.37	3,900,410,781.19
Non-current assets:		
Loans and payments on behalf		
Debt investment		
Other debt investment		
Long-term account receivable	21,340,356.17	20,290,241.12
Long-term equity investment	187,284,245.40	189,812,358.81
Investment in other equity instrument	34,063,004.86	34,037,518.00
Other non-current financial assets		
Investment real estate	1,181,679,355.71	1,232,193,354.33
Fixed assets	251,319,605.35	236,115,827.46
Construction in progress	5,741,451.10	12,660,301.65
Productive biological asset		
Oil and gas asset		
Right-of-use assets	241,287,896.31	
Intangible assets	25,725,056.78	25,025,642.51
Expense on Research and Development		
Goodwill	61,307,605.60	54,601,884.15
Long-term expenses to be apportioned	34,622,699.45	36,176,688.95
Deferred income tax asset	44,667,757.03	45,166,080.92
Other non-current asset		44,486,424.98
Total non-current asset	2,089,039,033.76	1,930,566,322.88
Total assets	6,011,869,831.13	5,830,977,104.07
Current liabilities:		

Short-term loans	61,500,000.00	60,064,350.00
Loan from central bank		
Capital borrowed		
Trading financial liability		
Derivative financial liability		
Note payable		
Account payable	388,428,620.87	361,446,728.97
Accounts received in advance		
Contractual liability	145,230,283.45	222,866,508.74
Selling financial asset of repurchase		
Absorbing deposit and interbank deposit		
Security trading of agency		
Security sales of agency		
Wage payable	101,505,786.30	102,812,871.62
Taxes payable	136,719,800.70	124,338,270.19
Other account payable	828,166,994.29	890,196,424.28
Including: Interest payable	754,029.37	
Dividend payable	20,799,018.60	8,666,752.90
Commission charge and commission payable		
Reinsurance payable		
Liability held for sale		
Non-current liabilities due within one year	929,197,758.65	778,648,438.44
Other current liabilities		24,234.91
Total current liabilities	2,590,749,244.26	2,540,397,827.15
Non-current liabilities:		
Insurance contract reserve		
Long-term loans	532,578,930.00	698,500,000.00
Bonds payable		
Including: Preferred stock		
Perpetual capital securities		
Lease liability	245,099,382.31	
Long-term account payable	277,343.99	
Long-term wages payable		
Accrual liability	54,220,557.11	55,269,380.11
Deferred income	1,197,726.67	2,841,757.36
Deferred income tax liabilities	52,279,673.73	52,582,326.54
Other non-current liabilities		
Total non-current liabilities	885,653,613.81	809,193,464.01
Total liabilities	3,476,402,858.07	3,349,591,291.16
Owner's equity:		
Share capital	1,235,656,249.00	1,235,656,249.00
Other equity instrument		
Including: Preferred stock		
Perpetual capital securities		
Capital public reserve	171,688,423.75	171,688,423.75
Less: Inventory shares		
Other comprehensive income	72,571.78	59,909.18
Reasonable reserve		
Surplus public reserve	173,864,951.70	173,864,951.70
Provision of general risk		
Retained profit	365,551,143.67	324,452,615.79
Total owner's equity attributable to parent company	1,946,833,339.90	1,905,722,149.42
Minority interests	588,633,633.16	575,663,663.49
Total owner's equity	2,535,466,973.06	2,481,385,812.91
Total liabilities and owner's equity	6,011,869,831.13	5,830,977,104.07

Legal Representative: Zhang Liang

Person in charge of accounting works: Yan Dongxia

Person in charge of accounting institute: Wang Lei

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

Unit: Yuan

Item	Current period	Last period
I. Total operating income	1,417,504,652.62	1,078,720,419.17

Including: Operating income	1,417,504,652.62	1,078,720,419.17
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	1,276,069,513.66	932,006,082.56
Including: Operating cost	1,093,023,680.53	705,481,779.12
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 extras	23,726,830.00	77,116,160.93
Sales expense	13,971,546.04	16,386,945.39
Administrative expense	80,626,209.54	61,813,985.54
R&D expense	3,395,145.58	2,419,649.66
Financial expense	61,326,101.97	68,787,561.92
Including: Interest expenses	66,284,813.61	74,711,103.17
Interest income	5,933,622.59	6,708,194.62
Add: other income	4,252,082.41	11,457,815.71
Investment income (Loss is listed with “-”)	5,484,906.30	30,119,271.57
Including: Investment income on affiliated company and joint venture	-7,328,049.14	-11,632,535.16
The termination of income recognition for financial assets measured by amortized 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 “-”)		
Loss of credit impairment (Loss is listed with “-”)	5,786,949.61	175,790.39
Losses of devaluation of asset (Loss is listed with “-”)	-1,022,381.53	
Income from assets disposal (Loss is listed with “-”)		
III. Operating profit (Loss is listed with “-”)	155,936,695.75	188,467,214.28
Add: Non-operating income	2,225,748.89	2,862,444.69
Less: Non-operating expense	1,176,199.84	661,964.97
IV. Total profit (Loss is listed with “-”)	156,986,244.80	190,667,694.00
Less: Income tax expense	72,175,008.10	51,976,350.33
V. Net profit (Net loss is listed with “-”)	84,811,236.70	138,691,343.67
(i) Classify by business continuity		
1.continuous operating net profit (net loss listed with “-”)	84,811,236.70	138,691,343.67
2.termination of net profit (net loss listed with “-”)		
(ii) Classify by ownership		
1.Net profit attributable to owner’s of parent company	53,466,082.02	93,318,718.92
2.Minority shareholders’ gains and losses	31,345,154.68	45,372,624.75
VI. Net after-tax of other comprehensive income	19,050.88	-16,985.31
Net after-tax of other comprehensive income attributable to owners of parent company	12,662.60	-11,357.54
(i) Other comprehensive income items which will not be reclassified subsequently to profit of loss	12,726.86	-11,211.76
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	12,726.86	-11,211.76
4.Fair value change of enterprise’s credit		

risk		
5. Other		
(ii) Other comprehensive income items which will be reclassified subsequently to profit or loss	-64.26	-145.78
1. Other comprehensive income under equity method that can transfer to gain/loss	-64.26	-145.78
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	6,388.28	-5,627.77
VII. Total comprehensive income	84,830,287.58	138,674,358.36
Total comprehensive income attributable to owners of parent Company	53,478,744.62	93,307,361.38
Total comprehensive income attributable to minority shareholders	31,351,542.96	45,366,996.98
VIII. Earnings per share:		
(i) Basic earnings per share	0.0433	0.0755
(ii) Diluted earnings per share	0.0433	0.0755

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: Zhang Liang

Person in charge of accounting works: Yan Dongxia

Person in charge of accounting institute: Wang Lei

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

Unit: Yuan

Item	Current period	Last period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	1,320,431,639.91	1,081,704,014.93
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		
Write-back of tax received	9,221,832.58	12,747,498.86
Other cash received concerning operating activities	252,313,074.28	112,555,347.97
Subtotal of cash inflow arising from operating activities	1,581,966,546.77	1,207,006,861.76
Cash paid for purchasing commodities and receiving labor service	404,395,514.37	330,711,432.73
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 paid to/for staff and workers	512,869,166.75	200,249,304.75

Taxes paid	170,820,448.32	126,327,965.23
Other cash paid concerning operating activities	467,423,250.17	396,661,577.22
Subtotal of cash outflow arising from operating activities	1,555,508,379.61	1,053,950,279.93
Net cash flows arising from operating activities	26,458,167.16	153,056,581.83
II. Cash flows arising from investing activities:		
Cash received from recovering investment	598,937,800.00	1,737,800,000.00
Cash received from investment income	22,424,508.94	41,652,091.27
Net cash received from disposal of fixed, intangible and other long-term assets	450.00	24,747.00
Net cash received from disposal of subsidiaries and other units	6,406,262.20	
Other cash received concerning investing activities		802,853.12
Subtotal of cash inflow from investing activities	627,769,021.14	1,780,279,691.39
Cash paid for purchasing fixed, intangible and other long-term assets	36,195,112.01	13,035,888.69
Cash paid for investment	499,902,368.30	1,680,300,000.00
Net increase of mortgaged loans		
Net cash received from subsidiaries and other units obtained	1,966,397.42	
Other cash paid concerning investing activities		
Subtotal of cash outflow from investing activities	538,063,877.73	1,693,335,888.69
Net cash flows arising from investing activities	89,705,143.41	86,943,802.70
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Including: Cash received from absorbing minority shareholders' investment by subsidiaries		
Cash received from loans	113,078,930.00	160,000,000.00
Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities	113,078,930.00	160,000,000.00
Cash paid for settling debts	151,355,541.67	330,120,593.38
Cash paid for dividend and profit distributing or interest paying	84,998,350.37	133,976,212.85
Including: Dividend and profit of minority shareholder paid by subsidiaries	15,233,747.29	21,983,895.37
Other cash paid concerning financing activities		
Subtotal of cash outflow from financing activities	236,353,892.04	464,096,806.23
Net cash flows arising from financing activities	-123,274,962.04	-304,096,806.23
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate		
V. Net increase of cash and cash equivalents		
Add: Balance of cash and cash equivalents at the period-begin	817,618,857.13	794,551,661.88
VI. Balance of cash and cash equivalents at the period-end	810,507,205.66	730,455,240.18

(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

Whether to adjust the balance sheet account at the beginning of the year

√Yes □ No

Consolidate balance sheet

Unit: Yuan

Item	December 31, 2020	January 1, 2021	Adjustment amount
Current assets:			
Monetary fund	828,267,701.56	828,267,701.56	
Settlement provisions			
Capital lent			
Trading financial assets	653,743,392.18	653,743,392.18	
Derivative financial assets			
Note receivable	2,079,880.00	2,079,880.00	
Account receivable	125,360,837.70	125,360,837.70	

Receivable financing			
Accounts paid in advance	6,523,937.21	6,523,937.21	
Insurance receivable			
Reinsurance receivables			
Contract reserve of reinsurance receivable			
Other account receivable	73,166,985.92	73,166,985.92	
Including: Interest receivable			
Dividend receivable			
Buying back the sale of financial assets			
Inventories	2,156,833,489.41	2,156,833,489.41	
Contractual assets			
Assets held for sale			
Non-current asset due within one year			
Other current assets	54,434,557.21	54,434,557.21	
Total current assets	3,900,410,781.19	3,900,410,781.19	
Non-current assets:			
Loans and payments on behalf			
Debt investment			
Other debt investment			
Long-term account receivable	20,290,241.12	20,290,241.12	
Long-term equity investment	189,812,358.81	189,812,358.81	
Investment in other equity instrument	34,037,518.00	34,037,518.00	
Other non-current financial assets			
Investment real estate	1,232,193,354.33	1,232,193,354.33	
Fixed assets	236,115,827.46	236,115,827.46	
Construction in progress	12,660,301.65	12,660,301.65	
Productive biological asset			
Oil and gas asset			
Right-of-use assets		130,953,599.54	130,953,599.54
Intangible assets	25,025,642.51	25,025,642.51	
Expense on Research and Development			
Goodwill	54,601,884.15	54,601,884.15	
Long-term expenses to be apportioned	36,176,688.95	36,176,688.95	
Deferred income tax asset	45,166,080.92	45,166,080.92	
Other non-current asset	44,486,424.98	44,486,424.98	
Total non-current asset	1,930,566,322.88	2,061,519,922.42	130,953,599.54
Total assets	5,830,977,104.07	5,961,930,703.61	130,953,599.54
Current liabilities:			
Short-term loans	60,064,350.00	60,064,350.00	
Loan from central bank			
Capital borrowed			
Trading financial liability			
Derivative financial liability			
Note payable			
Account payable	361,446,728.97	361,446,728.97	
Accounts received in advance			
Contractual liability	222,866,508.74	222,866,508.74	
Selling financial asset of repurchase			
Absorbing deposit and interbank deposit			
Security trading of agency			
Security sales of agency			
Wage payable	102,812,871.62	102,812,871.62	
Taxes payable	124,338,270.19	124,338,270.19	
Other account payable	890,196,424.28	890,196,424.28	
Including: Interest payable			
Dividend payable	8,666,752.90	8,666,752.90	
Commission charge and commission payable			
Reinsurance payable			
Liability held for sale			
Non-current liabilities due within one year	778,648,438.44	778,648,438.44	
Other current liabilities	24,234.91	24,234.91	
Total current liabilities	2,540,397,827.15	2,540,397,827.15	
Non-current liabilities:			
Insurance contract reserve			

Long-term loans	698,500,000.00	698,500,000.00	
Bonds payable			
Including: Preferred stock			
Perpetual capital securities			
Lease liability		130,953,599.54	130,953,599.54
Long-term account payable			
Long-term wages payable			
Accrual liability	55,269,380.11	55,269,380.11	
Deferred income	2,841,757.36	2,841,757.36	
Deferred income tax liabilities	52,582,326.54	52,582,326.54	
Other non-current liabilities			
Total non-current liabilities	809,193,464.01	940,147,063.55	130,953,599.54
Total liabilities	3,349,591,291.16	3,480,544,890.70	130,953,599.54
Owner's equity:			
Share capital	1,235,656,249.00	1,235,656,249.00	
Other equity instrument			
Including: Preferred stock			
Perpetual capital securities			
Capital public reserve	171,688,423.75	171,688,423.75	
Less: Inventory shares			
Other comprehensive income	59,909.18	59,909.18	
Reasonable reserve			
Surplus public reserve	173,864,951.70	173,864,951.70	
Provision of general risk			
Retained profit	324,452,615.79	324,452,615.79	
Total owner's equity attributable to parent company	1,905,722,149.42	1,905,722,149.42	
Minority interests	575,663,663.49	575,663,663.49	
Total owner's equity	2,481,385,812.91	2,481,385,812.91	
Total liabilities and owner's equity	5,830,977,104.07	5,961,930,703.61	130,953,599.54

Statement of adjustment

The Company implemented the new leasing standards for the first time since 1 January 2021.

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
Shenzhen SEG Co., Ltd.

October 28, 2021