

Stock code: 000058/200058

Stock abbreviation: SHEN SEG A, SHEN SEG B

Notice No.: 2023-021

Shenzhen SEG Co., Ltd.**The First Quarterly Report for 2023**

The Company and all members of the Board of Directors guarantee that the information disclosed is true, accurate and complete, and there are no false records, misleading statements or material omissions.

Important Note:

1. The Board of Directors, the Board of Supervisors and the Directors, Supervisors and senior management guarantee that the quarterly report is true, accurate and complete, without any false records, misleading statements or material omissions, and that they assume individual and joint legal responsibility.

2. The person in charge of the Company, head of accounting work and head of accounting institution (accounting officer in charge) declare that they guarantee the truthfulness, accuracy and completeness of the financial information in the quarterly report.

3. Whether the First Quarterly Report has been audited or not

Yes No

I. Main Financial Data**(1) Main accounting data and financial indexes**

Are retrospective adjustments made to previous financial statements?

Yes No

	Current reporting period	Same period last year	Increase/decrease in the current reporting period compared with the same period last year (%)
Operating income (yuan)	445,269,320.85	472,271,888.67	-5.72%
Net profit attributable to shareholders of the listed company (yuan)	32,905,373.52	33,718,455.44	-2.41%
Net profit attributable to shareholders of the listed company after deduction of non-recurring profit and loss (yuan)	30,118,279.30	31,935,930.86	-5.69%
Net amount of cash flow from operating activities (yuan)	-18,380,969.22	-60,846,435.24	69.79%
Basic EPS (yuan/share)	0.0267	0.0273	-2.20%
Diluted EPS (yuan/share)	0.0267	0.0273	-2.20%
Weighted average ROE	1.69%	1.68%	0.01%
	End of the current reporting period	End of the last year	Increase/decrease and the end of the current reporting period compared with the end of last year (%)
Total assets (yuan)	5,272,552,392.46	5,318,741,351.95	-0.87%
Owner's equity attributable to	1,962,793,968.88	1,928,217,155.45	1.79%

shareholders of the listed company (yuan)			
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(2) Item and amount of non-recurring profit and loss
 Applicable Not applicable

Unit: RMB/yuan

Item	Amount in the current reporting period	Note
Governmental subsidy included in current profit and loss (excluding the governmental subsidies closely related to the Company's normal operating business that conform to national policies and are enjoyed continuously in accordance with certain standard rating or quota)	2,353,863.42	
Profit and loss from assets investment or management entrusted to others	1,873,831.28	
Trustee fee income from entrusted operation	31,431.50	
Other non-operating income and expense except for the items above	127,134.43	
Other profit and loss items meeting the definition of non-recurring profit and loss	157,209.34	
Less: Affected income tax	1,075,318.47	
Affected minority equity (after-tax)	681,057.28	
Total	2,787,094.22	

Details of other profit and loss items meeting the definition of non-recurring profit and loss a specific any case

 Applicable Not applicable

Other gain/loss items that qualified the definition of non-recurring profit (gains)/losses refer to other income of the Company that does not belong to governmental subsidy.

Description of defining the non-recurring profit and loss items listed in the *No.1 Explanatory Notice on the Information Disclosure by Companies that Issue Securities Publicly—Non-recurring Profit and Loss* as non-recurring profit and loss

 Applicable Not applicable

The Company has no circumstance of defining the non-recurring profit and loss items listed in the *No.1 Explanatory Notice on the Information Disclosure by Companies that Issue Securities Publicly—Non-recurring Profit and Loss* as non-recurring profit and loss.

(3) Change in main accounting data and financial indexes and the reason
 Applicable Not applicable
Change in Main Accounting Data and Financial Indexes

Unit: RMB/yuan

Item	End balance of the period/amount in the current period	Beginning balance of the period/same period last year	Difference	Increase/decrease at the end of the period/in the current period compared with the beginning of	Reason for difference:

				the period/same period last year	
Financing of accounts receivable	1,044,000.00	2,449,408.14	-1,405,408.14	-57.38%	Mainly by the decrease in the Company's notes receivable with high credit rating
Construction in process	8,568,692.87	32,789,129.20	-24,220,436.33	-73.87%	Mainly by the transfer of the Company's construction in process to fixed assets
Other current liabilities	4,554,412.54	2,189,029.58	2,365,382.96	108.06%	Mainly by the increase in the tax on the Company's to-be-wrote-off items
Other comprehensive income	-2,902,470.14	-4,573,910.05	1,671,439.91	36.54%	Mainly by the change in the fair value of Company's investment of other equity instruments
Financial expense	7,179,023.22	13,551,836.72	-6,372,813.50	-47.03%	Mainly by the downsizing of the Company's current financing
Other income	2,953,995.38	1,020,051.43	1,933,943.95	189.59%	Mainly by the increase in governmental subsidy received by the Company in the current period
Income from investment	-999,436.73	891,263.75	-1,890,700.48	-212.14%	Mainly by the increase in the Company's joint venture investment loss in the current period
Net amount of cash flow from operating activities	-18,380,969.22	-60,846,435.24	42,465,466.02	69.79%	Mainly by the year-on-year increase in the Company's cash from selling commodities and offering labor in the current period
Net amount of cash flow from investing activities	34,275,229.56	11,662,763.27	22,612,466.29	193.89%	Mainly by the year-on-year decrease in the net amount of wealth management purchased by the Company in the current period
Net amount of cash flow from financing activities	-18,997,237.29	-29,146,048.02	10,148,810.73	34.82%	Mainly by the year-on-year increase in bank loan obtained by the Company in the current period
Net increase in cash and cash equivalents	-3,102,976.95	-78,329,719.99	75,226,743.04	96.04%	Mainly by the increase in the Company's net cash flow from operating activities, investment activities, and financing activities in the current period

II. Shareholders

(1) Total number of common shareholders and number of preferred shareholders restored with the voting rights, and information on top 10 shareholders

Unit: share

Total number of common shareholders at the end of the reporting period	68,915	Total number of preferred shareholders restored with the voting rights at the end of the reporting period (if any)	0			
Shareholding on top 10 shareholders						
Shareholder name	Nature of shareholder	Shareholding proportion (%)	Quantity of stock holding	Number of restricted shares held	Shares pledged, tagged or frozen	
					Share status	Quantity
Shenzhen SEG Group Co., Ltd.	State-owned legal person	56.54%	696,163,182.00	696,163,182.00		
Liu Guocheng	Domestic	0.60%	7,396,302.00	7,396,302.00		

	natural person					
LISHERYNZHANMING	Overseas natural person	0.46%	5,681,600.00	5,681,600.00		
Liu Guohong	Domestic natural person	0.30%	3,656,161.00	3,656,161.00		
Gong Qianhua	Overseas natural person	0.24%	2,940,000.00	2,940,000.00		
Xu Yueying	Domestic natural person	0.16%	1,996,800.00	1,996,800.00		
Wang Jinjun	Domestic natural person	0.14%	1,670,000.00	1,670,000.00		
Luo Haijin	Domestic natural person	0.12%	1,512,875.00	1,512,875.00		
Su Yi	Domestic natural person	0.12%	1,490,213.00	1,490,213.00		
Zhu Qihua	Domestic natural person	0.11%	1,360,000.00	1,360,000.00		
Shareholding on top 10 non-restricted shareholders						
Shareholder name	Number of non-restricted shares held	Stock class				
		Stock class	Quantity			
Shenzhen SEG Group Co., Ltd.	696,163,182.00	RMB common share	696,163,182.00			
Liu Guocheng	7,396,302.00	Domestic listed foreign shares	7,396,302.00			
LISHERYNZHANMING	5,681,600.00	Domestic listed foreign shares	5,681,600.00			
Liu Guohong	3,656,161.00	Domestic listed foreign shares	3,656,161.00			
Gong Qianhua	2,940,000.00	Domestic listed foreign shares	2,940,000.00			
Xu Yueying	1,996,800.00	Domestic listed foreign shares	1,996,800.00			
Wang Jinjun	1,670,000.00	Domestic listed foreign shares	1,670,000.00			
Luo Haijin	1,512,875.00	Domestic listed foreign shares	1,512,875.00			
Su Yi	1,490,213.00	Domestic listed foreign shares	1,490,213.00			
Zhu Qihua	1,360,000.00	RMB common share	1,360,000.00			
Explanations on the association relationship or concerted action among the above-mentioned shareholders	Shenzhen Shenzhen SEG Group Co., Ltd has no association with other shareholders, nor it is a concerted action unit as set forth in the <i>Management Methods for Merger of Listed Companies</i> . It is unknown whether other shareholders have an association or are concerted action units or not.					
Description of top 10 shareholders participating in the securities margin trading (if any)	None					

(2) Number of preferred shareholders and shares held by top 10 preferred shareholders□ Applicable Not applicable**III. Other Important Events** Applicable □ Not applicable

Overview	Disclosure date	Website index for interim reports disclosed
1. Reduction of shares of Huakong SEG Co., Ltds and relevant information	January 4, 2023	"Notice on the Implementation of the Reduction of the Shares of Huakong SEG Co., Ltd." released on Juchao Website (http://www.cninfo.com.cn)
2. Revision of the <i>Investment Management Regulations</i>	January 19, 2023	"Notice on the Resolution of the 42nd Interim Meeting of the 8th Board of Directors" released on Juchao Website (http://www.cninfo.com.cn)
3. Progress of the lawsuit involved by the holding sub-subsidiary Shenzhen SEG New Urban Construction Development Co., Ltd.	January 30, 2023	"Notice on the Progress of the Lawsuit Involved by the Holding Sub-subsidiary" released on Juchao Website (http://www.cninfo.com.cn)
	March 31, 2023	"Notice on the Holding Sub-subsidiary Being Sealed up and the Progress of the Lawsuit Involved" released on Juchao Website (http://www.cninfo.com.cn)
4. Selection of <i>Securities Times</i> , <i>Securities Daily</i> , <i>China Securities Journal</i> and Juchao Website (http://www.cninfo.com.cn) the disclosure media of the Company for year of 2023	February 9, 2023	"Notice on the Resolution of the 43rd Interim Meeting of the 8th Board of Directors" released on Juchao Website (http://www.cninfo.com.cn)
5. Appointment of Beijing Zhong Lun (Shenzhen) Law Firm for the Securities Legal Consultation Matters of the Company in 2023	February 9, 2023	"Notice on the Resolution of the 43rd Interim Meeting of the 8th Board of Directors" released on Juchao Website (http://www.cninfo.com.cn)

IV. Quarterly Financial Statement**(1) Financial statement****1. Consolidated Balance Sheet**

Prepared by: Shenzhen SEG Co., Ltd.

Unit: RMB/yuan

Item	End. balance	Beg. balance
Current assets:		
Monetary funds	992,702,702.67	994,421,369.42
Provision for settlement		
Lending funds		
Trading financial assets	129,584,096.66	180,868,562.15
Derived financial assets		
Notes receivable	9,022,127.00	11,884,758.88
Accounts receivable	320,802,675.86	315,473,245.43
Financing of accounts receivable	1,044,000.00	2,449,408.14
Prepayment	8,846,245.13	12,325,876.18
Premium receivable		
Reinsurance accounts receivable		
Provision of cession receivable		
Other receivables	71,949,979.79	65,860,699.46
Including: Interests receivable		
Dividends receivable		

Redemptory monetary capital for sale		
Inventory	1,690,296,042.51	1,701,453,879.37
Contract assets	28,654,072.42	28,654,072.42
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	67,037,561.34	55,893,058.63
Total current assets	3,319,939,503.38	3,369,284,930.08
Non-current assets:		
Loans issued and advance in cash		
Investment of creditor's rights		
Other investment of creditor's rights		
Long-term receivables	23,041,000.99	22,809,517.85
Long-term equity investment	140,192,124.81	143,465,403.43
Investment of other equity instruments	30,115,337.05	27,897,499.04
Other non-current financial assets		
Investment real estate	968,142,189.77	952,807,956.49
Fixed assets	299,647,342.28	259,816,845.31
Construction in process	8,568,692.87	32,789,129.20
Productive biological assets		
Oil and gas assets		
Right-to-use assets	207,388,991.32	227,361,597.84
Intangible assets	22,822,453.72	23,324,088.29
Development expenditure		
Goodwill	70,827,727.55	70,827,727.55
Long-term unamortized expenses	27,290,599.09	28,439,474.89
Deferred income tax assets	73,610,820.63	74,217,722.21
Other non-current assets	80,965,609.00	85,699,459.77
Total non-current assets	1,952,612,889.08	1,949,456,421.87
Total assets	5,272,552,392.46	5,318,741,351.95
Current liabilities:		
Short-term loans	210,181,111.13	210,181,111.13
Borrowings from central bank		
Borrowing funds		
Trading financial liabilities		
Derived financial liabilities		
Notes payable		
Accounts payable	464,256,350.16	477,876,252.19
Advance receipts	156,511,392.17	179,935,767.58
Contract liabilities	37,277,813.44	29,676,162.94
Financial assets sold for repurchase		
Deposits from customers and interbank		
Acting trading securities		
Acting underwriting securities		
Payroll payable	100,535,919.01	129,186,534.91
Taxes payable	140,749,879.18	137,628,740.93
Other payables	802,065,258.07	813,507,968.24
Including: Interests payable		
Dividends payable	23,312,295.44	22,493,095.44
Service charge and commission payable		
Reinsurance accounts payable		
Held-for-sale liabilities		
Non-current liabilities due within one year	105,756,599.81	114,282,465.35
Other current liabilities	4,554,412.54	2,189,029.58
Total current liabilities	2,021,888,735.51	2,094,464,032.85

Non-current liabilities		
Provision of insurance contracts		
Long-term loans	525,788,609.04	523,309,490.59
Bonds payable		
Include: preferred stock		
Perpetual bonds		
Lease liabilities	167,904,670.42	178,107,661.75
Long-term payables	4,820,080.07	4,739,253.10
Long-term payroll payable		
Estimated liabilities	55,155,504.76	55,155,504.76
Deferred income	601,331.70	674,341.94
Deferred income tax liabilities	9,887,349.29	10,062,775.57
Other non-current liabilities		
Total non-current liabilities	764,157,545.28	772,049,027.71
Total liabilities	2,786,046,280.79	2,866,513,060.56
Owner's equity:		
Capital stock	1,231,200,672.00	1,231,200,672.00
Other equity instruments		
Include: preferred stock		
Perpetual bonds		
Capital reserve	165,950,347.39	165,950,347.39
Less: Treasury stocks		
Other comprehensive income	-2,902,470.14	-4,573,910.05
Special reserve		
Surplus reserve	183,634,506.23	183,634,506.23
General risk reserve		
Undistributed profits	384,910,913.40	352,005,539.88
Total owners' equity attributable to the parent company	1,962,793,968.88	1,928,217,155.45
Minority equity	523,712,142.79	524,011,135.94
Total owners' equity	2,486,506,111.67	2,452,228,291.39
Total liabilities and owners' equity	5,272,552,392.46	5,318,741,351.95

Legal representative: Zhang Liang

Head of accounting work: Xiao Jun

Head of accounting institution: Chen Chuan

2. Consolidated Profit Statement

Unit: RMB/yuan

Item	Amount incurred in this period	Amount incurred in last period
I. Total operating income	445,269,320.85	472,271,888.67
Including: Operating income	445,269,320.85	472,271,888.67
Interest revenue		
Premium earned		
Income of service charge and commission		
II. Total operating costs	384,360,060.26	412,551,949.79
Including: Operating costs	338,171,858.58	363,737,649.96
Interest expense		
Expense of service charge and commission		
Surrender value		
Net payments for insurance claims		
Net withdrawal of policy reserve		

Bond insurance expense		
Reinsurance expense		
Taxes and surcharges	7,040,648.41	6,499,941.12
Selling expense	5,154,703.97	5,878,491.73
Administration expense	24,608,077.82	21,241,288.41
R&D expense	2,205,748.26	1,642,741.84
Financial expense	7,179,023.22	13,551,836.72
Include: Interest expense	8,937,348.65	15,683,958.32
Interest revenue	4,618,117.49	2,293,466.16
More: Other income	2,953,995.38	1,020,051.43
Income from investment ("-" means loss)	-1,399,447.34	891,263.75
Include: Income from investment in joint ventures and cooperative enterprises	-3,273,278.62	-1,172,249.30
Income from financial asset derecognition measured at amortized cost		
Exchange gains ("-" means loss)		
Net income from exposed hedge ("-" means loss)		
Income from fair value change ("-" means loss)		
Credit impairment loss ("-" means loss)	1,400.00	1,940.00
Assets impairment loss ("-" means loss)		
Income from assets disposal ("-" means loss)		
III. Operating profits ("-" means loss)	62,465,208.63	61,633,194.06
More: Non-operating income	804,286.03	337,759.21
Less: Non-operating expense	677,151.60	53,837.73
IV. Total profits ("-" means loss)	62,592,343.06	61,917,115.54
Less: Income tax	19,737,901.29	20,472,080.83
V. Net profits ("-" means loss)	42,854,441.77	41,445,034.71
(1) By operation continuity		
1. Net profits from continuous operation ("-" means loss)	42,854,441.77	41,445,034.71
2. Net profits from operation termination ("-" means loss)		
(2) By attribution of ownership		
1. Net profit attributable to the owner of parent company	32,905,373.52	33,718,455.44
2. Minority profit and loss	9,949,068.25	7,726,579.27
VI. After-tax net amount of other comprehensive income	1,663,378.51	25,941.98
After-tax net amount of other comprehensive income attributable to the owner of parent company	1,671,439.91	17,272.17
(1) Other comprehensive income that cannot be reclassified into profit and loss	1,671,439.91	17,272.17

1. Remeasured variation of defined benefit plan		
2. Other comprehensive income that cannot be transferred into profit and loss under the Equity Law		
3. Change in the fair value of other investment of equity instruments	1,671,439.91	17,272.17
4. Change in the fair value of the enterprise's credit risk		
5. Others		
(2) Other comprehensive income to be reclassified into profit and loss		
1. Other comprehensive income that can be transferred into profit and loss under the Equity Law		
2. Change in the fair value of other investments of creditor's rights		
3. Amount of financial asset reclassified to other comprehensive income		
4. Impairment provision for other investment of creditor's rights		
5. Cash flow hedge reserve		
6. Difference of translation of foreign currency financial statements		
7. Others		
After-tax net amount of other comprehensive income attributable to minority shareholders	-8,061.40	8,669.81
VII. Total comprehensive income	44,517,820.28	41,470,976.69
Total comprehensive income attributable to the owner of parent company	34,576,813.43	33,735,727.61
Total comprehensive income attributable to minority shareholders	9,941,006.85	7,735,249.08
VIII. Earnings per share:		
(1) Basic earnings per share	0.0267	0.0273
(2) Diluted earnings per share	0.0267	0.0273

In the case of a business merger under the same control in the current period, the net income realized by the party being merged before the merger was RMB 0.00 and the net income realized by the party being merged in the previous period was RMB 0.00.

Legal representative: Zhang Liang Head of accounting work: Xiao Jun Head of accounting institution: Chen Chuan

3. Consolidated Cash Flow Statement

Unit: RMB/yuan

Item	Amount incurred in this period	Amount incurred in last period
I. Cash flow from operating activities:		
Cash from selling commodities and offering labor	443,160,330.36	395,959,276.93
Net increase in deposits from customers and interbank		
Net increase in borrowings from central bank		
Net increase in loans from other banks		
Cash from premium of original		

insurance contract		
Net cash from reinsurance business		
Net increase in insurance policy holder's savings and investment		
Cash from interests, service charge and commission		
Net increase in borrowing funds		
Net increase in repurchase business		
Net cash from acting trading securities		
Refund of tax and fee received	1,183,473.36	1,021,164.70
Other cash received related to operating activities	66,937,283.93	67,761,540.57
Subtotal of cash inflow from operating activities	511,281,087.65	464,741,982.20
Cash paid for commodities and labor	181,208,188.82	170,811,283.46
Net increase in customer loan and advance in cash		
Net increase in borrowings from central bank and interbank		
Cash paid for the compensation of original insurance contract		
Net increase in lending funds		
Cash paid for interests, service charge and commission		
Cash paid for policy dividend		
Cash paid to and for employees	199,103,710.22	178,203,981.37
Taxes and feeds paid	46,468,466.68	59,820,455.80
Other cash paid related to operating activities	102,881,691.15	116,752,696.81
Subtotal of cash outflow from operating activities	529,662,056.87	525,588,417.44
Net amount of cash flow from operating activities	-18,380,969.22	-60,846,435.24
II. Cash flow from investing activities:		
Cash received from disposal of investments	93,800,000.00	141,900,000.00
Cash received from return on investments	1,873,831.18	2,096,568.00
Net amount of cash received from disposal of fixed assets, intangible assets and other long-term assets	1,300.00	
Net amount of cash received from disposal of subsidiaries and other business entities		
Other cash received related to investing activities		
Subtotal of cash inflow from investing activities	95,675,131.18	143,996,568.00
Cash paid to acquire fixed assets, intangible assets and other long-term assets	18,899,901.62	9,333,804.73
Cash paid to acquire investments	42,500,000.00	123,000,000.00
Net increase in pledge loan		

Net amount of cash paid to acquire subsidiaries and other business entities		
Other cash paid related to investing activities		
Subtotal of cash outflow from investing activities	61,399,901.62	132,333,804.73
Net amount of cash flow from investing activities	34,275,229.56	11,662,763.27
III. Cash flow from financing activities:		
Cash received from capital contribution		
Including: Cash received by subsidiaries from absorbing minority shareholders' investment		
Cash received from borrowings	16,576,185.81	5,047,789.00
Other cash received related to financing activities		
Subtotal of cash inflow from financing activities	16,576,185.81	5,047,789.00
Cash paid to repay debts	12,876,250.00	21,574,709.02
Cash paid to distribute dividends and profits or pay interests	18,640,686.32	10,268,294.66
Including: Dividend and profit paid by subsidiaries to minority shareholders	10,240,000.00	
Other cash paid related to financing activities	4,056,486.78	2,350,833.34
Subtotal of cash outflow from financing activities	35,573,423.10	34,193,837.02
Net amount of cash flow from financing activities	-18,997,237.29	-29,146,048.02
IV. Effect of foreign exchange changes on cash and cash equivalents		
V. Net increase in cash and cash equivalents	-3,102,976.95	-78,329,719.99
More: Beginning balance of cash and cash equivalents	987,346,307.91	1,091,838,138.56
VI. Ending balance of cash and cash equivalents	984,243,330.96	1,013,508,418.57

(2) Audit Report

Whether the First Quarterly Report has been audited or not

Yes No

The First Quarterly Report is not audited.

Board of Directors of Shenzhen SEG Co., Ltd.

April 27, 2023