



# Financial Information

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## Financial Information

### CONSOLIDATED BALANCE SHEET (UNAUDITED)

As at 30 June 2019

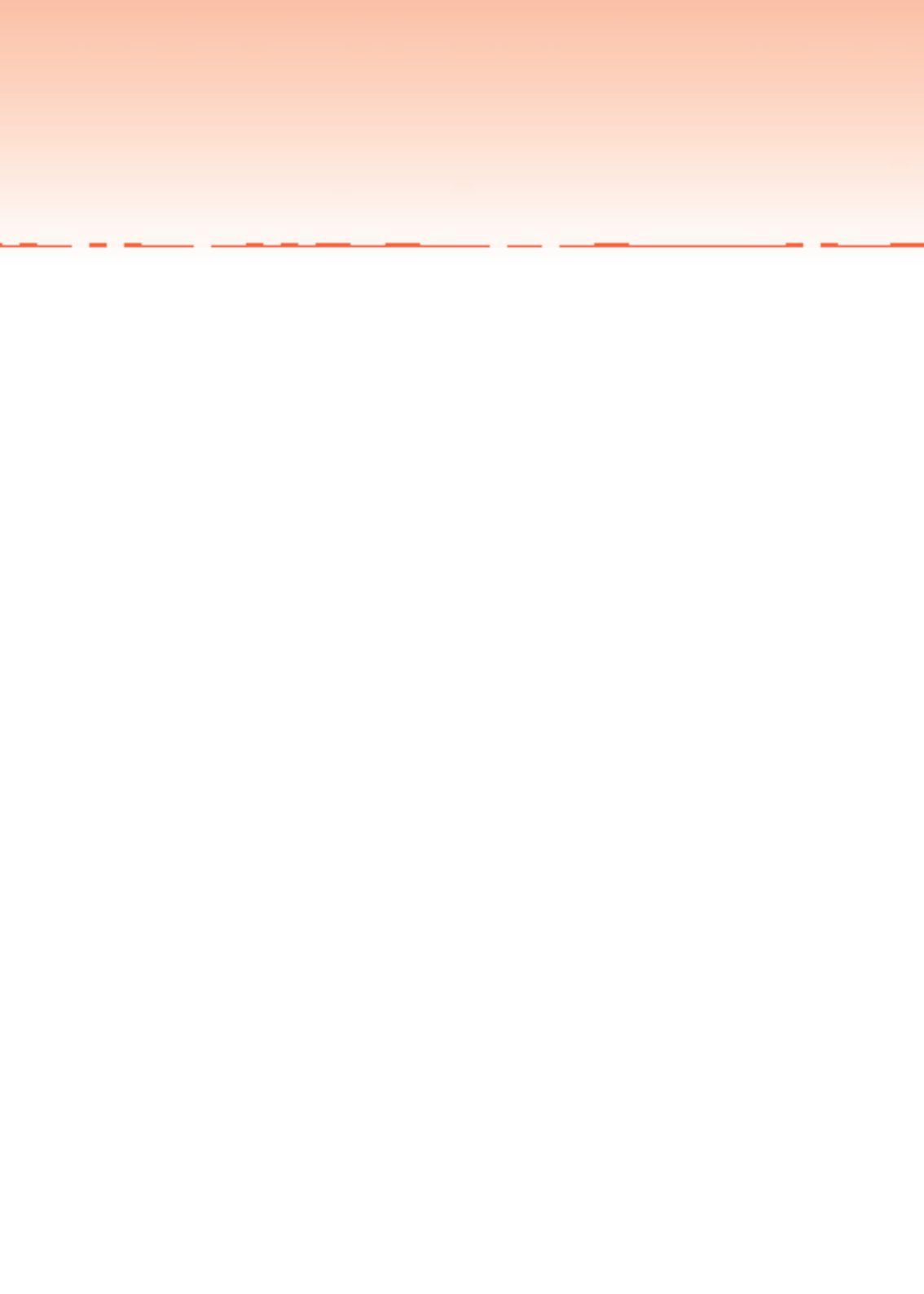
ASSETS	Net	At 31 June 2019 (Unaudited)	As at 31 December 2018 (Audited)
<b>Non-current assets:</b>			
Debt securities			
Other debt securities			
Long-term receivables			
Long-term investments		165,651,504.97	43,343,934.94
Other equity securities		221,423,335.60	227,319,415.64
Other financial assets		135,252,294.65	134,623,072.37
Intangible assets		227,503,300.00	227,503,300.00
Fixed assets		345,178,868.38	376,964,307.99
Capital assets		7,505,903.28	6,534,672.42
Prepaid expenses			
Other debt			
Receivables			
Liabilities		10,295,445.94	10,842,557.61
Deferred expenses			
Goodwill			
Long-term deferred expenses		4,131,647.09	4,195,163.46
Deferred charges		49,032,500.35	48,646,186.13
Other financial assets		75,356,659.56	74,825,893.61
<b>Total non-current assets</b>		<b>1,241,331,459.81</b>	<b>1,154,798,504.17</b>
<b>TOTAL ASSETS</b>		<b>4,835,061,931.81</b>	<b>4,811,691,619.32</b>

## Financial Information

<b>LIABILITIES &amp; OWNERS' EQUITY</b>	N e	<b>At 31 June 2019 (Unaudited)</b>	A 31 Decembe 2018 (Audited)
<b>Current liabilities:</b>			
Share based payments		<b>617,000,000.00</b>	639,300,000.00
Hedged derivative liabilities			,
Derivative liabilities			,
Notes payable	9	<b>101,459,129.50</b>	28,756,738.41
Accounts payable	9	<b>1,069,238,818.54</b>	1,068,563,578.78
Advance collections			,
Contract liabilities	9	<b>61,441,192.01</b>	92,499,959.57
Prepaid expenses		<b>493,434.80</b>	10,242,978.09
Trade receivables		<b>35,662,028.99</b>	36,820,446.28
Other receivables	9	<b>171,671,774.71</b>	66,187,287.15
Hedged derivative liabilities			,
Non-current liabilities		<b>213,200,000.00</b>	182,670,000.00
Other liabilities		<b>13,711,870.01</b>	87,291,565.13
<b>Total current liabilities</b>		<b>2,283,878,248.56</b>	2,212,332,553.41
<b>Non-current liabilities:</b>			
Liabilities		<b>423,193,595.26</b>	472,250,000.00
Bonds payable			,
Long-term debt			,
Lease liabilities			,
Liabilities			,
Employee benefits			,
Deferred income tax		<b>27,725,096.17</b>	34,318,829.09
Deferred income tax liabilities		<b>11,653,432.14</b>	11,798,478.85
Other non-current liabilities			,
<b>Total non-current liabilities</b>		<b>462,572,123.57</b>	518,367,307.94
<b>Total liabilities</b>		<b>2,746,450,372.13</b>	2,730,699,861.35

## Financial Information

<b>LIABILITIES &amp; OWNERS' EQUITY</b>	N e	<b>At 31 June 2019 (Unaudited)</b>	A 31 Decem be 2018 (A d ed)
<b>Owners' equit :</b>			
Sec		<b>792,058,500.00</b>	792,058,500.00
Other			,
Includ : ee ed e			,
ee e b d			,
C ee e		<b>101,640,122.75</b>	96,793,749.50
Le : e d			,
Other ee e e c e		<b>27,530,254.10</b>	29,501,087.49
Sec ee e			,
S ee e		<b>96,626,439.01</b>	96,626,439.01
P ee e			,
U d b ed		<b>1,005,321,956.36</b>	990,758,260.44
T ee e b be			,
ee e c		<b>2,023,177,272.22</b>	2,005,738,036.44
M ee e		<b>65,434,287.45</b>	75,253,721.53
<b>Total owners' equit</b>		<b>2,088,611,559.67</b>	2,080,991,757.97
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>4,835,061,931.81</b>	4,811,691,619.32



## Financial Information

ITEMS	Net	Six months ended 30 June	
		2019	2018
<b>III. Operating profit (with/ -, for losses)</b>		<b>107,551,891.90</b>	117,897,390.49
Add: Net finance income		<b>208,838.51</b>	1,909,030.95
Less: Net finance expense		<b>152,126.80</b>	53,337.54
<b>IV. Total profit (with/ -, for total losses)</b>		<b>107,608,603.61</b>	119,753,083.90
Less: Income tax expense	5	<b>18,812,118.52</b>	19,260,012.64
<b>V. Net profit (with/ -, for net losses)</b>		<b>88,796,485.09</b>	100,493,071.26
1. Net attributable to equity holders of the reporting entity		<b>93,769,545.92</b>	99,304,107.15
2. Minority interest		<b>-4,973,060.83</b>	1,188,964.11
3. Net attributable to equity holders of the reporting entity (continued)		<b>88,796,485.09</b>	100,830,421.44
4. Net attributable to equity holders of the reporting entity (continued)			-337,350.18
<b>VI. Other comprehensive income</b>		<b>-1,970,833.39</b>	2,625,561.53
Net income tax expense attributable to equity holders of the reporting entity		<b>-1,970,833.39</b>	2,625,561.53
(i) Other comprehensive income components, being:			
1. Change in revaluation reserve			
2. Other comprehensive income attributable to equity holders of the reporting entity, being:			
3. Change in revaluation reserve			
4. Change in revaluation reserve			
5. Other			

# Financial Information

ITEMS	Unit	Six months ended 30 June	
		2019	2018
(II) Other comprehensive income, net of tax		-1,970,833.39	2,625,561.53
1. Other comprehensive income, net of tax			
2. Change in fair value of debt investments			
3. Tax effects of changes in fair value of debt investments			
4. Change in fair value of equity investments			
5. Remeasurement of defined pension plans			
6. Change in net defined pension liability		-1,970,833.39	2,625,561.53
7. Other			
Net comprehensive income attributable to equity holders of the parent			
<b>VII. Total comprehensive income</b>		<b>86,825,651.70</b>	103,118,632.79
Total comprehensive income attributable to equity holders of the parent		<b>91,798,712.53</b>	101,929,668.68
Total comprehensive income attributable to equity holders of the parent, excluding non-controlling interests		<b>-4,973,060.83</b>	1,188,964.11
<b>VIII. Earnings per share:</b>			
(1) Basic earnings per share ( / share)	6	<b>0.118</b>	0.125
(2) Diluted earnings per share ( / share)		<b>0.118</b>	0.125

# Financial Information

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# Financial Information

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# Financial Information

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED) (Continued)

ITEMS	September 30, 2018						Total
	Share	Contributed	Retained	Share	Unrealized	Reserves	
I. Contributed	316,823,400.00	444,930,544.69	27,277,917.91	84,326,994.53	1,078,088,852.07	134,053,658.42	2,085,501,367.62
II. Other	316,823,400.00	444,930,544.69	27,277,917.91	84,326,994.53	1,078,088,852.07	134,053,658.42	2,085,501,367.62

# Financial Information

## Notes to the Unaudited Interim Financial Statements

For the period ended 30 June 2019

### 1. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICES

The financial statements were prepared according to the accounting policies of the Company. The Company has adopted the Basic Financial Reporting Model of the Revised Standards for Financial Reporting issued by the CSRC (2014 Accounting Standards), and the CSRC issued accounting standards, and the

## Financial Information

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# Financial Information

## 2. TOTAL OPERATING INCOME

Operating income and operating cost are presented in the following table. The operating income and operating cost are presented in the following table.

(1) Operating income and operating cost

Item	Six months ended 30 June	
	2019 (Unaudited)	2018 (Unaudited)
Product cost	<b>803,094,785.48</b>	851,720,476.54
Operating cost	<b>13,857,323.43</b>	9,167,491.12
Total cost	<b>816,952,108.91</b>	860,887,967.66
Product cost	<b>618,958,833.65</b>	641,278,848.58
Operating cost	<b>738,820.61</b>	597,076.38
Total cost	<b>619,697,654.26</b>	641,875,924.96

## Financial Information

### (2) Principal operations (by product)

Name of Products	Six months ended 30 June 2019		Six months ended 30 June 2018	
	Unaudited		Unaudited	
	Operating income	Operating cost	Operating income	Operating cost
Services	370,958,218.05	268,723,220.39	401,420,611.05	294,114,766.65
Lease	352,562,916.44	318,882,170.20	370,194,210.18	331,694,842.63
Service	79,573,650.99	31,353,443.06	80,105,655.31	15,469,239.30
<b>Total</b>	<b>803,094,785.48</b>	<b>618,958,833.65</b>	<b>851,720,476.54</b>	<b>641,278,848.58</b>

### 3. SEGMENTS INFORMATION

The Group is divided into three segments, namely, the Services segment, the Leasing segment and the Service segment. The Services segment is primarily engaged in providing various services to customers. The Leasing segment is primarily engaged in providing various leasing services to customers. The Service segment is primarily engaged in providing various service to customers. The Group's operations are primarily conducted in the PRC, and the Group's financial statements are prepared in accordance with the Accounting Standards for Business Enterprises in the PRC.

### 4. FINANCE COSTS

Item	Six months ended 30 June	
	2019 (Unaudited)	2018 (Unaudited)
Interest expense	33,002,632.19	

# Financial Information

## 5. INCOME TAX EXPENSES

Six months ended 30 June



## Financial Information

On 30 November 2018, Jiangsu Rongli Electronic Technology Co., Ltd., a subsidiary of Guangdong Huidong Electronic Technology Enterprise Co., Ltd. (江蘇省科學技術廳、江蘇省財政廳、國家稅務總局江蘇省稅務局), entered into a purchase agreement with Jiangsu Science and Technology Bureau, Jiangsu Finance Bureau, Jiangsu Provincial Taxation Bureau, State Administration of Taxation (江蘇省科學技術廳、江蘇省財政廳、國家稅務總局江蘇省稅務局), to purchase 28 million shares of Jiangsu Rongli Electronic Technology Co., Ltd. (江蘇省科學技術廳、江蘇省財政廳、國家稅務總局江蘇省稅務局) at a price of RMB15 per share. The purchase price is RMB420 million, which is equivalent to 15% of the total share capital of Jiangsu Rongli Electronic Technology Co., Ltd. at the end of the reporting period.

On 28 November 2018, Ningbo Chongli Electronic Technology Co., Ltd.,



## 8. TRADE AND OTHER RECEIVABLES

	<b>At 30 June 2019 (Unaudited)</b>	At 31 December 2018 (Audited)
Accounts receivable	<b>1,127,521,049.00</b>	956,108,356.74
Leasing receivables	<b>130,456,359.32</b>	118,968,989.14
Notes receivable	<b>10,463,424.00</b>	270,905,071.00
Leasing receivables	<b>400,200.00</b>	11,454,795.16
Prepaid	<b>309,043,084.20</b>	424,735,769.16
Other receivables	<b>284,769,656.25</b>	357,591,064.98
Leasing receivables	<b>35,823,644.93</b>	36,003,580.62
Interest receivable		4,911,486.42
Deferred receivables		-
<b>Total</b>	<b>1,565,117,009.20</b>	1,847,824,382.90

### The aging analysis of accounts receivable

Types	At 30 June 2019 (Unaudited)		At 31 December 2018 (Audited)	
	Closing balance	Provision for bad debts	Closing balance	Provision for bad debts
Within 12 months	848,757,105.20	57,071,149.18	753,089,331.43	42,674,524.60
12 to 24 months	191,061,561.20	14,845,998.94	101,348,947.18	8,107,915.77
24 to 36 months	41,661,673.42	12,498,502.02	47,833,613.39	14,350,084.03
Over 36 months	46,040,709.18	46,040,709.18	53,836,464.74	53,836,464.74
<b>Total</b>	<b>1,127,521,049.00</b>	<b>130,456,359.32</b>	956,108,356.74	118,968,989.14

# Financial Information

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## Financial Information

### *The aging analysis of accounts payable*

	<b>At 30 June 2019 (Unaudited)</b>	At 31 December 2018 (Audited)
Within 1 e	<b>773,566,805.90</b>	744,463,292.98
1 to 2 e	<b>161,767,637.35</b>	179,281,440.45
Over 2 e	<b>133,904,375.29</b>	144,818,845.35
	<b>1,069,238,818.54</b>	1,068,563,578.78

### *The aging analysis of notes payable*

	<b>At 30 June 2019 (Unaudited)</b>	At 31 December 2018 (Audited)
Within 1 e	<b>101,459,129.50</b>	28,756,738.41
1 to 2 e		-
Over 2 e		-
	<b>101,459,129.50</b>	28,756,738.41

# Management Discussion and Analysis

## Financial Review

### Total operating income

For the period ended 30 June 2019 (the Reporting Period), the Company's operating income was RMB816,952,108.91, an increase of 5.10% compared with the corresponding period of the previous year. The increase was mainly due to the increase in the sales volume of the Company's products.

### Gross profit margin

The gross profit margin for the Reporting Period decreased to 25.44% compared with 24.15% for the corresponding period of the previous year. The decrease was mainly due to the increase in the cost of materials.

### Selling and distribution expenses

Selling and distribution expenses for the period ended 30 June 2019 were RMB19,697,875.74, an increase of 2.56% compared with the corresponding period of the previous year. The increase was mainly due to the increase in the advertising and promotion expenses of the Company.

### Administrative expenses

The administrative expenses for the period ended 30 June 2019 were RMB26,584,826.90, an increase of 3.80% compared with the corresponding period of the previous year, RMB25,573,746.74. The increase was mainly due to the increase in the salaries and wages of the Company's employees and the increase in the depreciation of the Company's fixed assets.

## Management Discussion and Analysis

### Research and development expenses

The research and development expenses incurred during the period ended 30 June 2019 were RMB21,659,396.02, an increase of 10.96% compared with the period ended 30 June 2018. The increase was due to the increase in R&D activities in the period ended 30 June 2019.

### Financial expenses

The financial expenses incurred during the period ended 30 June 2019 were RMB31,951,075.98, an increase of 63.06% compared with the period ended 30 June 2018. The increase was due to the increase in the amount of bank borrowings and the increase in the amount of interest expenses during the period ended 30 June 2019.

### Prepayments

At 30 June 2019, the prepayments were RMB309,043,084.20, an increase of 27.24% compared with the period ended 31 December 2018. The increase was due to the increase in the amount of prepayments for the period ended 30 June 2019.

### Long-term equity investment

At 30 June 2019, the long-term equity investments were RMB165,651,504.97, an increase of 282.18% compared with the period ended 31 December 2018. The increase was due to the increase in the amount of long-term equity investments during the period ended 30 June 2019. The long-term equity investments were RMB75,237,624.00. Xuzhou Xingshanzi Bus Terminal Management Co., Ltd. (徐州市杏山子公交首末站项目管理有限公司) and RMB41,073,000.00. Xuzhou Jiuli Bus Terminal Management Co., Ltd. (徐州市九里公交首末站项目管理有限公司) and RMB41,073,000.00.

## Management Discussion and Analysis

### Other payables

As at 30 June 2019, the Group's other payables were RMB171,671,774.71, an increase of 159.37% compared to 31 December 2018. The increase is due to the decrease in the amount of RMB79,205,850.00 in 2018 (balance: 792,058,500), and RMB0.1 million in 2019.

### Liquidity and Financial Resources

The Group's total cash and cash equivalents decreased to RMB1,309,852,223.43 (balance: RMB1,444,560,561.74) as at 30 June 2019.

As at 30 June 2019, the Group's total debt was RMB613,604,783.89 (31 December 2018: RMB532,958,036.92).

### Capital Structure

As at 30 June 2019, the Group's total equity was RMB1,253,393,595.26 (31 December 2018: RMB1,294,220,000.00), a decrease of RMB160,362,000.00, or 12.4%. The decrease is due to the decrease in the amount of RMB1,093,031,595.26 (31 December 2018: RMB817,000,000.00) and the increase in the amount of RMB276,031,595.26 (31 December 2018: RMB276,031,595.26). The decrease in the amount of RMB1,093,031,595.26 is due to the decrease in the amount of RMB1,093,031,595.26 (31 December 2018: RMB817,000,000.00) and the increase in the amount of RMB276,031,595.26 (31 December 2018: RMB276,031,595.26).

As at 30 June 2019, the Group's total debt was RMB613,604,783.89 (31 December 2018: RMB532,958,036.92). The increase in the amount of RMB613,604,783.89 is due to the increase in the amount of RMB613,604,783.89 (31 December 2018: RMB532,958,036.92).

## Management Discussion and Analysis

### Pledge of Assets of the Group

As at 30 June 2019, the Group had the following pledged assets:

- (i) The bank borrowings of the Group, of which RMB345,832,189.83 (audited: RMB227,503,300.00, of which RMB110,271,738.43, were secured by RMB8,057,151.40) were pledged by the Group to secure the bank borrowings of RMB160,362,000.00.
- (ii) The bank deposits of RMB44,824,891.60 (As at 31 December 2018: RMB36,413,835.27) were pledged to secure the bank deposits of RMB160,362,000.00.

### Employees

As at 30 June 2019, the Group had 316 employees (As at 30 June 2018: 336 employees). During the Reporting Period, the Group (including its subsidiaries) had 32,301,246.93 (including its subsidiaries, 2018: RMB27,793,577.74).

The Group had no employees who were employed by the Group as directors or supervisors.

### Gearing Ratio

The Group's (before bank borrowings) net debt to capitalization ratio (before bank borrowings) as at 30 June 2019 was 32.78% (As at 31 December 2018: 38.33%). The Group's net debt to capitalization ratio (before bank borrowings) as at 30 June 2019 was 32.78% (As at 31 December 2018: 38.33%). The Group's net debt to capitalization ratio (before bank borrowings) as at 30 June 2019 was 32.78% (As at 31 December 2018: 38.33%).

# Management Discussion and Analysis

## Risk in Foreign Exchange

The Group is exposed to foreign exchange risk in its operations. The Group has implemented various measures to manage the foreign exchange risk.

## Substantial Acquisition and Disposal and Significant Investment

The Group did not have any substantial acquisition, disposal or significant investment during the reporting period.

## Future Plans Relating to Material Investment or Capital Asset

As at the end of the reporting period, the Group has no material investment or capital asset. The Group will continue to invest in research and development to enhance its core competitiveness.

## Contingent Liabilities

As at 30 June 2019, the Group did not have any contingent liabilities.

## BUSINESS REVIEW AND PROSPECTS

### Business development

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# Management Discussion and Analysis

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## Other Information

Approximate

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## Other Information

Notes:

- (1) Shanghai Jibao Science and Technology Co., Ltd. (397,821,000 D shares) (SAG) (上海集宝科技股份有限公司) (397,821,000 D shares) (SAG) (上海集宝科技股份有限公司)
  - 100% owned by Shanghai Jibao Science and Technology Co., Ltd. (397,821,000 D shares) (SAG) (上海集宝科技股份有限公司)
  - 38.96% owned by Shanghai Jibao Science and Technology Co., Ltd. (397,821,000 D shares) (SAG) (上海集宝科技股份有限公司)
  - 60.40% owned by Shanghai Jibao Science and Technology Co., Ltd. (397,821,000 D shares) (SAG) (上海集宝科技股份有限公司)
  - 90% owned by Shanghai Jibao Science and Technology Co., Ltd. (397,821,000 D shares) (SAG) (上海集宝科技股份有限公司)
  - 10% owned by Shanghai Jibao Science and Technology Co., Ltd. (397,821,000 D shares) (SAG) (上海集宝科技股份有限公司)
  - 99% owned by Shanghai Jibao Science and Technology Co., Ltd. (397,821,000 D shares) (SAG) (上海集宝科技股份有限公司)
  - 1% owned by Shanghai Jibao Science and Technology Co., Ltd. (397,821,000 D shares) (SAG) (上海集宝科技股份有限公司)
- (2) Acme Group Holdings Limited (Acme Group) (Acme Group Holdings Limited) (Acme Group Holdings Limited)
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- (3) Pegasus Investment Fund SPC (Cayman Islands) (DTC SP) (Pegasus Investment Fund SPC (Cayman Islands) (DTC SP)) (Pegasus Investment Fund SPC (Cayman Islands) (DTC SP))
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### SHARE OPTION SCHEME

On 18 October 2011, the Board adopted the Share Option Scheme (the "Scheme") to provide incentives and rewards to eligible employees and directors of the Company and to attract and retain employees and directors of the Company. The Scheme was approved by the shareholders of the Company at the general meeting held on 30 December 2011.

The Company has adopted the Share Option Scheme to provide incentives and rewards to eligible employees and directors of the Company and to attract and retain employees and directors of the Company.

### COMPETING BUSINESS AND CONFLICTS OF INTERESTS

None of the Directors, the Company or any of its subsidiaries has any competing business or conflicts of interests with the Company. The Company and its subsidiaries are not aware of any competing business or conflicts of interests with the Company.

### CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS



