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## **GF SECURITIES CO., LTD.**

**廣發証券股份有限公司**

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

**(Stock Code: 1776)**

### **2019 THIRD QUARTERLY REPORT**

This announcement is made pursuant to Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Set out below is the 2019 third quarterly report of GF Securities Co., Ltd. (the “**Company**”) and its subsidiaries as of September 30, 2019. The financial report contained herein is prepared in accordance with the China Accounting Standards for Business Enterprises and has not been audited.

This report is prepared in both Chinese and English languages. In the event of any inconsistency between these two versions, the Chinese version shall prevail.

By order of the Board  
**GF Securities Co., Ltd.**  
**Sun Shuming**  
*Chairman*

Guangzhou, the PRC  
October 29, 2019

*As at the date of this announcement, the Board of Directors of the Company comprises Mr. Sun Shuming, Mr. Lin Zhihai, Mr. Qin Li and Ms. Sun Xiaoyan as executive Directors; Mr. Shang Shuzhi, Mr. Li Xiulin and Ms. Liu Xuetao as non-executive Directors; Mr. Yang Xiong, Mr. Tang Xin, Mr. Chan Kalok and Mr. Fan Lifu as independent non-executive Directors.*

# **GF SECURITIES CO., LTD. 2019 THIRD QUARTERLY REPORT**

## **Section I Important Notice**

The Board of Directors, the Supervisory Committee and the Directors, Supervisors and senior management of the Company confirm the truthfulness, accuracy and completeness of the contents in this quarterly report, and there is no false representation, misleading statement or material omission therein, and they will assume joint and several legal responsibilities thereof.

This report has been considered and approved at the 23rd meeting of the ninth session of the Board of Directors of the Company. All Directors have attended the board meeting for consideration of this quarterly report.

Mr. Sun Shuming, the legal representative of the Company, Ms. Sun Xiaoyan, the person-in-charge of accounting affairs, and Ms. Wang Ying, the head of the accounting department (person-in-charge of accounting) hereby declare that the financial statements contained in this quarterly report are true, accurate and complete.

## Section II Basic Information of the Company

### I. Key Accounting Data and Financial Indicators

Whether the Company has to make retrospective adjustment or restatement of accounting data of prior years

No

	As at the end of the reporting period	As at the end of last year	Increase/decrease at the end of the reporting period as compared with the end of last year
Total assets (RMB)	383,219,538,631.63	389,105,946,354.41	-1.51%
Net assets attributable to owners of the Company (RMB)	91,421,666,349.28	85,018,016,908.38	7.53%

	The reporting period	Increase/decrease for the reporting period as compared with the corresponding period of last year	Nine months ended September 30, 2019	Year-on-year increase/decrease as compared with the first nine months of last year
Operating revenue (RMB)	5,416,046,741.44	44.81%	17,357,551,056.25	52.80%
Net profit attributable to owners of the Company (RMB)	1,475,640,313.34	17.54%	5,615,657,404.96	36.51%
Net profit attributable to owners of the Company excluding extraordinary gains and losses (RMB)	1,420,300,423.29	24.01%	5,298,859,239.73	44.02%
Net cash flows from operating activities (RMB)	--	--	24,039,093,768.43	-12.78%
Basic earnings per share (RMB/share)	0.19	18.75%	0.74	37.04%
Diluted earnings per share (RMB/share)	0.19	18.75%	0.74	37.04%
Return on weighted average net assets	1.63%	Increased by 0.15 percentage point	6.37%	Increased by 1.58 percentage points

Total share capital of the Company as of the trading day preceding the date of publication of this quarterly report:

Total share capital of the Company as of the trading day preceding the date of publication of this quarterly report (shares)	7,621,087,664
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Fully-diluted earnings per share based on the latest share capital:

Fully-diluted earnings per share based on the latest share capital (RMB/share)	0.74
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## Extraordinary gain and loss items and amounts

Unit: RMB

Items	Nine months ended September 30, 2019	Note
Profits and losses from disposal of non-current assets (including write-offs of asset impairment provisions)	1,106,453.33	
Government subsidies recorded under profit and loss of the current period (except for those closely related to the business of the Company, and in a fixed or quantifiable amount in conformity with the common standards of the State)	627,917,871.11	Mainly include financial incentives.
Investment gains and non-operating expenses falling within the definition of extraordinary gains and losses	-95,575,065.19	For details, please refer to notes 7-52 of the 2019 interim financial report (A share).
Other non-operating income and expenses other than the above items	4,421,247.16	
Other profit or loss items falling within the definition of extraordinary gains and losses	-23,997,429.60	
Less: Income tax effect	151,078,883.36	
Impact on non-controlling interests (after tax)	45,996,028.22	
Total	316,798,165.23	–

Reasons for the Company's extraordinary gain and loss items as defined in the "Explanatory Announcement on Information Disclosure by Companies Offering Securities to the Public No.1 – Extraordinary Gains and Losses" and for the extraordinary gain and loss items as enumerated in the "Explanatory Announcement on Information Disclosure by Companies Offering Securities to the Public No.1 – Extraordinary Gains and Losses" to be recorded as its recurring gain and loss items.

The Group's gains and losses from changes in fair value of financial instruments held for trading and derivative financial instruments, the investment gains of financial assets held for trading, debt investments, other debt investments and other equity instrument investments during the investment periods, and the investment gains from disposal of other debt investments, financial instruments held for trading and derivative financial instruments have been defined as recurring gain and loss items rather than extraordinary gain and loss items, the reason for which is that such business is in the ordinary course of business of the Group as a securities firm.

The investment gains from holding and disposal of the long-term equity investments of GF Xinde Investment Management Co., Ltd. (廣發信德投資管理有限公司) and GF Qianhe Investment Co., Ltd. (廣發乾和投資有限公司), both of which are subsidiaries of the Company, have been defined as recurring gain and loss items rather than extraordinary gain and loss items. The reason is that the principal business of GF Xinde Investment Management Co., Ltd. includes investment management and that of GF Qianhe Investment Co., Ltd. includes project investment and investment management, all of which are in the ordinary course of business.

## II. Statement of the Total Number of Shareholders and the Shareholdings of the Top 10 Shareholders at the End of the Reporting Period

### 1. Total number of shareholders of ordinary shares and shareholders of preference shares with restored voting rights and the shareholdings of the top 10 shareholders

Unit: share

<b>Total number of shareholders of ordinary shares as at the end of the reporting period</b>	168,305, of which there were 166,570 holders of A Shares and 1,735 registered shareholders of H Shares	<b>Total number of shareholders of preference shares with restored voting right as at the end of the reporting period (if any)</b>	0
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Shareholdings of the top 10 ordinary shareholders						
Name of shareholder	Nature of shareholder	Percentage of shareholding	Number of shares held	Number of shares held subject to trading moratorium	Pledged or frozen	
					Status of shares	Number of shares
HKSCC Nominees Limited	Overseas legal entity	22.31%	1,700,111,660	0		
Jilin Aodong Pharmaceutical Group Co., Ltd.	Domestic general legal entity	16.43%	1,252,297,867	0		
Liaoning Cheng Da Co., Ltd.	State-owned legal entity	16.40%	1,250,154,088	0		
Zhongshan Public Utilities Group Co., Ltd.	State-owned legal entity	9.01%	686,754,216	0		
China Securities Finance Corporation Limited	Domestic general legal entity	2.99%	227,870,638	0		
Huaxia Life Insurance Co., Ltd.- Universal Life Insurance Product	Fund and wealth management products, etc.	2.83%	215,824,683	0		
Puning Xinhong Industrial Investment Co., Ltd.	Domestic general legal entity	1.91%	145,936,358	0	Pledged	144,000,000
Central Huijin Asset Management Ltd.	State-owned legal entity	1.29%	98,149,700	0		
Hong Kong Securities Clearing Company Limited	Overseas legal entity	0.70%	53,698,033	0		
JT Asset Management - SPD Bank - JT Asset Management - Hengsheng New Momentum Subordination No. 1 Asset Management Scheme	Fund and wealth management products, etc.	0.62%	47,065,765	0		

Shareholdings of the top 10 ordinary shareholders not subject to trading moratorium			
Name of shareholder	Number of shares held not subject to trading moratorium	Class of shares	
		Class of shares	Number of shares
HKSCC Nominees Limited	1,700,111,660	Overseas listed foreign shares	1,700,111,660
Jilin Aodong Pharmaceutical Group Co., Ltd.	1,252,297,867	RMB-denominated ordinary shares	1,252,297,867
Liaoning Cheng Da Co., Ltd.	1,250,154,088	RMB-denominated ordinary shares	1,250,154,088
Zhongshan Public Utilities Group Co., Ltd.	686,754,216	RMB-denominated ordinary shares	686,754,216
China Securities Finance Corporation Limited	227,870,638	RMB-denominated ordinary shares	227,870,638
Huaxia Life Insurance Co., Ltd.- Universal Life Insurance Product	215,824,683	RMB-denominated ordinary shares	215,824,683
Puning Xinhong Industrial Investment Co., Ltd.	145,936,358	RMB-denominated ordinary shares	145,936,358
Central Huijin Asset Management Ltd.	98,149,700	RMB-denominated ordinary shares	98,149,700
Hong Kong Securities Clearing Company Limited	53,698,033	RMB-denominated ordinary shares	53,698,033
JT Asset Management – SPD Bank – JT Asset Management – Hengsheng New Momentum Subordination No. 1 Asset Management Scheme	47,065,765	RMB-denominated ordinary shares	47,065,765

*Note 1:* Among the H shareholders of the Company, shares of the non-registered shareholders are held by HKSCC Nominees Limited on their behalf;

*Note 2:* In the table above, shares held by HKSCC Nominees Limited are overseas listed foreign shares (H Shares), and shares held by other shareholders are RMB-denominated ordinary shares (A Shares);

*Note 3:* According to the public information disclosed by Jilin Aodong Pharmaceutical Group Co., Ltd. (“Jilin Aodong”), Liaoning Cheng Da Co., Ltd. (“Liaoning Cheng Da”) and Zhongshan Public Utilities Group Co., Ltd. (“Zhongshan Public Utilities”) respectively on October 15, 2019, as of September 30, 2019, Jilin Aodong held 41,026,000 H Shares of the Company by itself and 36,868,800 H Shares of the Company through its wholly-owned subsidiary, Aodong International (Hong Kong) Industrials Co., Limited, totaling 77,894,800 H Shares, representing 1.02% of the total share capital of the Company; Liaoning Cheng Da held 1,473,600 H Shares of the Company through Chengda Steel HongKong Co., Limited, a wholly-owned subsidiary of Liaoning Cheng Da Steel Co., Ltd. which was in turn a wholly-owned subsidiary of Liaoning Cheng Da, representing 0.019% of the total share capital of the Company; and Zhongshan Public Utilities held 100,904,000 H Shares of the Company through its wholly-owned subsidiary, Public Utilities International (Hong Kong) Investment Company Limited, representing 1.32% of the total share capital of the Company. As of September 30, 2019, the shareholding percentages of Jilin Aodong and its parties acting in concert, Liaoning Cheng Da and its parties acting in concert and Zhongshan Public Utilities and its parties acting in concert in the A Shares and H Shares of the Company were 17.45%, 16.42% and 10.34%, respectively, of the total share capital of the Company;

*Note 4:* The number of shares held by Liaoning Cheng Da at the end of the reporting period increased by 300,000 shares compared with the end of June 2019, mainly due to the participation of Liaoning Cheng Da in the margin refinancing and securities refinancing;

*Note 5:* According to the disclosure of the public disclosure information by the HKExnews website of the Hong Kong Stock Exchange, as of September 30, 2019, the shareholders that held 5% or more of the H shares of the Company (except for the “Public Utilities International (Hong Kong) Investment Company Limited” in Note 3) are as follows: On July 31, 2019, the Labor Union Committee of GF Securities Co., Ltd. held a total of 259,276,800 H Shares (Long position) of the Company, representing 15.24% of the H Share capital of the Company. The above shares are held by HKSCC Nominees Limited on their behalf;

*Note 6:* As at the end of the reporting period, none of the above shareholders of A Shares held the shares of the Company through credit securities accounts;

*Note 7:* As at the end of the reporting period, none of the above shareholders of A Shares have conducted any agreed repurchase transactions.

**2. Statement of the total number of preference shareholders and the shareholdings of the top 10 preference shareholders**

Not applicable

### Section III Significant Events

#### I. Changes in Major Financial Data and Financial Indicators and Reasons for Changes During the Reporting Period

Unit: RMB

Items	As at September 30, 2019	As at December 31, 2018	Increase/Decrease	Main reasons for changes
Derivative financial assets	53,623,757.90	17,536,655,451.25	-99.69%	Decrease in currency derivatives as at the end of the period.
Financial assets held under resale agreements	18,585,337,495.84	36,813,068,427.57	-49.51%	Decrease in inter-bank repurchases and the scale of stock pledged repo transaction business as at the end of the period.
Accounts receivable	2,121,560,213.44	4,283,667,847.60	-50.47%	Decrease in clearing receivables as at the end of the period.
Refundable deposits	8,940,133,118.44	6,284,998,135.55	42.25%	Increase in trade deposits as at the end of the period.
Contract assets	75,894,968.00	28,684,137.60	164.59%	Increase in business accounts as at the end of the period.
Debt investments	3,306,393,203.80	6,900,138,789.32	-52.08%	Decrease in scale of bond investments as at the end of the period.
Investment properties	46,274,075.43	20,065,908.96	130.61%	Transfer of fixed assets to investment properties as at the end of the period.
Fixed assets	1,962,581,379.30	883,557,231.56	122.12%	Transfer of construction in progress to fixed assets as at the end of the period.
Construction in progress	-	1,429,391,564.14	-100.00%	Transfer of construction in progress to fixed assets as at the end of the period.
Right-of-use assets	562,325,880.54	-	-	Implementation of new standard on leases during the period.
Intangible assets	378,898,893.60	560,264,917.60	-32.37%	Decrease in land use right as at the end of the period.
Short-term borrowings	2,046,078,617.71	5,504,514,625.36	-62.83%	Decrease in credit loans as at the end of the period.
Short-term financing payables	13,298,563,394.10	24,049,740,113.17	-44.70%	Repayment of short-term corporate bonds due as at the end of the period.
Due to banks and other financial institutions	3,523,762,694.70	11,667,618,950.08	-69.80%	Decrease in placements from banks and refinancing fund as at the end of the period.
Financial liabilities held for trading	2,907,739,040.68	1,933,862,278.30	50.36%	Increase in selling scale of borrowed bonds and third-party interests in structured entities as at the end of the period.
Derivative financial liabilities	173,699,784.98	19,879,028,074.45	-99.13%	Decrease in currency derivatives as at the end of the period.
Accounts payable to brokerage clients	77,744,157,655.12	58,445,148,318.66	33.02%	Increase in deposits from customers as at the end of the period.
Accounts payable to underwriting clients	39,999,982.88	-	-	Increase in accounts payable to underwriting customers as at the end of the period.
Taxes payable	536,172,181.30	916,062,464.45	-41.47%	Increase in payment of Enterprise Income Tax as at the end of the period.
Lease liabilities	555,275,852.50	-	-	Implementation of new standard on leases during the period.
Provisions	445,512,012.16	33,360,000.00	1235.47%	Increase in provisions as at the end of the period.
Long-term borrowings	3,825,352,266.80	5,472,645,877.86	-30.10%	Decrease in credit loans as at the end of the period.
Bonds payable	89,513,543,142.74	68,697,053,762.11	30.30%	New bonds issuance during the period.
Deferred tax liabilities	253,947,803.73	138,467,224.50	83.40%	Increase in taxable temporary differences as at the end of the period.
Other comprehensive income	1,470,011,640.91	682,019,604.97	115.54%	Increase from changes in fair value of other equity instrument investments as at the end of the period.



Items	Nine months ended September 30, 2019	Nine months ended September 30, 2018	Increase/ Decrease	Main reasons for changes
Investment gains	4,432,852,981.81	3,157,473,344.78	40.39%	Increase in investment gains from disposal of financial assets held for trading during the period.
Gains from changes in fair value	1,012,340,962.33	-1,946,250,622.70	-	Increase in gains from changes in fair value of financial assets held for trading during the period.
Foreign exchange gains	5,762,441.01	-31,649,902.84	-	Exchange rate fluctuations during the period.
Other operating income	1,770,600,655.42	20,778,367.50	8421.37%	Increase in income from trading business during the period.
Impairment loss on other assets	1,109,451.99	95,645.83	1059.96%	Increase in loss from declining price of trading business during the period.
Impairment loss on credit	474,221,751.52	148,139,190.93	220.12%	Increase in impairment loss of financial instruments during the period.
Other operating expenses	1,757,510,232.47	1,302,191.46	134865.58%	Increase in cost of trading business during the period.
Non-operating expenses	418,980,964.46	35,261,962.83	1088.20%	Increase in provisions during the period.
Income tax expense	1,693,018,590.58	1,104,063,013.27	53.34%	Increase in profit before income tax during the period.
Other comprehensive income (net of tax)	791,193,784.95	83,322,259.03	849.56%	Increase from changes in fair value of other equity instrument investments during the period.
Net cash flows from investing activities	-7,364,892,299.38	-15,499,858,640.47	-	Decrease in net cash outflow arising from purchase of other debt investments during the period.
Net cash flows from financing activities	668,254,420.46	-12,224,051,935.76	-	Increase in net cash inflow arising from bonds issuance during the period.

## II. Progress of Significant Events and their Effects as well as Analysis of Solutions thereon

### 1. Changes of brokerage branches

As of September 30, 2019, the Company had 20 branch offices and 264 securities brokerage branches (among which 93 are in Category A, 78 are in Category B and 93 are in Category C) located in 31 provinces, municipalities directly under the central government and autonomous regions in China. During the reporting period, the intra-city relocation of 2 branch offices and 5 brokerage branches of the Company has been completed.

- On January 29, 2019, the Company and its wholly-owned subsidiary, GF Qianhe Investment Co., Ltd. (“GF Qianhe”), entered into the relevant agreements with Kangmei Pharmaceutical Co., Ltd. (“Kangmei Pharmaceutical”) and Puning Xinhong Industrial Investment Co., Ltd. (“Puning Xinhong”), respectively, pursuant to which the Company and GF Qianhe proposed to accept the transfer of the 9.458% equity interest held by Kangmei Pharmaceutical in GF Fund Management Co., Ltd. (“GF Fund”) and the 22% equity interest held by Puning Xinhong in Guangdong GF Internet Microfinance Limited (“GF Internet Microfinance”) at the total consideration of not more than RMB1.5 billion, of which the 9.458% equity interest held by Kangmei Pharmaceutical in GF Fund was valued at RMB1.39 billion and the 22% equity interest held by Puning Xinhong in GF Internet Microfinance was valued at RMB110 million. For details, please refer to the relevant announcement published by the Company on CNINFO (巨潮資訊網) ([www.cninfo.com.cn](http://www.cninfo.com.cn)) and the website of the Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) on January 30, 2019.

As of the date of publication of this report, the Company had entered into the relevant agreement in relation to the transfer of 9.458% equity interest held by Kangmei Pharmaceutical in GF Fund. The above equity transfers are subject to the approval of the relevant competent authorities. Currently, the related matters are ongoing.

In respect of the transfer of 22% equity interest held by Puning Xinhong in GF Internet Microfinance to GF Qianhe, it has been approved by the competent industry regulatory authorities and was settled at a closing price of RMB110 million with the procedures for change in business registration being completed in July 2019; thus, GF Qianhe currently holds 67% equity interest in GF Internet Microfinance. Pursuant to relevant regulatory requirements such as the Management Rules for the Alternative Investment Subsidiaries under Securities Companies (證券公司另類投資子公司管理規範), the Company is proceeding with the rectification work in respect of the shareholding in GF Internet Microfinance by GF Qianhe according to opinions of regulatory authorities, taking into account the actual circumstance.

3. On August 5, 2019, due to the Company's lack of risk management and control of GFHK, the defects in its compliance management, insufficient internal control, lack of accurate statistics on the monthly information of GFHK, inaccurate information submitted to the regulatory authorities and other issues, the Company received the Decision on Measures for Restricting Business Activities of GF Securities Co., Ltd. (《關於對廣發證券股份有限公司採取限制業務活動措施的決定》) (Decision on Administrative Regulatory Measures of the China Securities Regulatory Commission [2019] No. 31) from the CSRC. According to this Decision on Administrative Regulatory Measures for Restricting Business Activities, the CSRC had decided to impose administrative regulatory measures on the Company to restrict the expansion of the scale of the Company's OTC derivatives business for 6 months and to restrict the addition of new types of businesses for 6 months. The Company will proactively adopt rectification measures in accordance with the regulatory requirements.

For details, please refer to the relevant announcement published by the Company on CNINFO (巨潮資訊網) ([www.cninfo.com.cn](http://www.cninfo.com.cn)) and the website of the Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) on August 6, 2019.

4. On October 22, 2019, the Company convened the first extraordinary general meeting of 2019 at which the GF Securities' 2019 Interim Profit Distribution Plan (《廣發證券2019年度中期利潤分配方案》) was considered and approved. The Company's 2019 Interim Profit Distribution Plan is as follows: Based on the number of shares held as at the record date, a cash dividend of RMB2.00 (tax inclusive) for every 10 shares would be distributed to all shareholders. Based on the Company's existing share capital of 7,621,087,664 shares, the total cash dividend would be RMB1,524,217,532.80, and the remaining undistributed profit of RMB19,001,208,974.68 would be carried forward to the next period.

For details, please refer to the relevant announcement published by the Company on CNINFO (巨潮資訊網) ([www.cninfo.com.cn](http://www.cninfo.com.cn)) and the website of the Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) on October 23, 2019.

### III. Commitments Overdue and Not Yet Performed during the Reporting Period by the De Facto Controller, Shareholders, Related Parties, Purchasers, the Company and Other Related Parties of Undertakings of the Company

Cause of commitment	Under taking party	Type of commitment	Details of commitment	Date of Commitment	Term of Commitment	Performance
Share conversion undertakings/ undertakings made in acquisition report or equity changes report/ undertakings made in asset restructuring	The Company and its Shareholders, Directors, Supervisors and senior management	Others	<p>1. GF Securities and its Directors, Supervisors and senior management have made undertakings that upon completion of this transaction, GF Securities, as a public company, will strictly perform its obligations in information disclosure and investor education. After listing, in addition to meeting the requirements for information disclosure by listed companies in general, GF Securities will make sufficient disclosure in regular reports on information regarding customer asset protection, risk control, compliance inspection, commencement of innovative business and risk management according to its own characteristics to enhance the unveiling of risks for investors.</p> <p>2. GF Securities and its Directors, Supervisors and senior management have made undertakings that they will strictly comply with the requirements of the Administrative Measures for Risk Indicators of Securities Companies, enhance the risk management system, improve the risk monitoring mechanism, establish a real-time risk monitoring system, strengthen dynamic monitoring of risks and enhance capabilities in identifying, measuring and controlling risks to enhance the level of risk management.</p> <p>3. To avoid peer competition with the surviving company after share conversion and merger by absorption and regulate possible related transactions, Liaoning Cheng Da and Jilin Aodong have made the following undertakings: ① Being the largest and second largest shareholders of the surviving company after share conversion and merger by absorption, they have undertaken not to operate the same business as that operated by the surviving company, and not to indirectly operate or participate in the investment of enterprises which compete or may compete with the business of the surviving company. At the same time, they have also warranted that they will not use their capacity as shareholders to harm the proper interest of the surviving company and other shareholders. In addition, they will procure their wholly-owned subsidiaries or subsidiaries in which they have more than 50% equity interest or relative controlling interest to comply with the above undertakings. ② With respect to related transactions conducted by Liaoning Cheng Da and Jilin Aodong and their respective related parties with the surviving company in future, the decision-making procedure for related transactions of listed companies will be strictly performed and the market pricing principles will be observed to ensure fairness, impartiality and equity and the legitimate interest of minority shareholders will not be prejudiced.</p> <p>4. Liaoning Cheng Da and Jilin Aodong have issued the Undertakings on Maintaining the Independence of the Yan Bian Road Construction Co., Ltd. respectively and warrant to realize staff independence, asset independence, business independence, financial independence and organization independence with the Company.</p>	February 6, 2010	Nil	All undertaking parties have strictly performed their commitments.

Cause of commitment	Under taking party	Type of commitment	Details of commitment	Date of Commitment	Term of Commitment	Performance
Net capital guarantee undertakings provided to GF Securities Asset Management (Guangdong) Co., Ltd. ("GF Asset Management")	GF Securities	Others	In order to support GF Asset Management for its continuous compliance with the regulatory requirements of risk indicators, the Company has provided GF Asset Management with additional net capital guarantee undertakings of up to RMB3 billion (RMB3 billion inclusive), among which, net capital guarantee undertakings of RMB2.5 billion were provided for a term from the date on which the same was considered and approved by the Board of Directors until September 30, 2016; and net capital guarantee undertakings of RMB0.5 billion were provided for a term until its net capital was able to satisfy the requirements of the regulatory authority on an ongoing basis.	July 18, 2016	Net capital guarantee undertakings of RMB2.5 billion were provided for a term from the date on which the same was considered and approved by the Board of Directors until September 30, 2016; and net capital guarantee undertakings of RMB0.5 billion were provided for a term until its net capital was able to satisfy the requirements of the regulatory authority on an ongoing basis.	GF Securities strictly performed the undertakings.
Whether the undertakings were performed timely	Yes					

#### IV. Estimation of Operating Results for the Year of 2019

Provide warning or statement of reasons if it is estimated that the accumulated net profits from the beginning of the year to the end of the next reporting period will turn to losses, or will change significantly as compared with that in the corresponding period of last year

Not applicable

#### V. Investment in Securities

Not applicable

#### VI. Entrusted Asset Management

Not applicable

#### VII. Investment in Derivatives

Not applicable

## VIII. Record of Research, Communication and Interview Activities during the Reporting Period

From July to September 2019, apart from daily telephone communications with public investors, the Company organized and participated in a total of 7 research receptions and results roadshows, receiving a total of about 70 investors, details of which are shown in the table below:

Reception time	Reception method	Type of participants	Participants	Index for basic particulars
From July 1, 2019 to September 30, 2019	Telephone communication	Individuals	Public investors	Operation development of the Company
July 4, 2019	Results roadshow	Institutions	The investors who were invited to attend the Citi Greater China Corporate Day	Strategic and business development of the Company
July 5, 2019	Field research	Institution	Industrial Securities	Operation development of the Company
July 11, 2019	Field research	Institution	China Galaxy Securities	Operation development of the Company
July 18, 2019	Telephone communication	Institution	ICBC International	Operation development of the Company
July 26, 2019	Field research	Institutions	TF Securities, Ping An Fund, Pramerica Fosun Life Insurance	Operation development of the Company
August 30, 2019	Results roadshow	Institutions	The analysts and investors who were invited to attend GF Securities' 2019 Interim Results Announcement Conference	Strategic and business development of the Company
September 12, 2019	Telephone communication	Institution	DBS Vickers Securities	Operation development of the Company

*Note:* For records of investor relations activities regarding the reception of the afore-mentioned institutional investors by the Company, please refer to the disclosure published on the websites of the Shenzhen Stock Exchange ([www.szse.cn](http://www.szse.cn)) and CNINFO ([www.cninfo.com.cn](http://www.cninfo.com.cn)).

## IX. Information on Non-compliance in External Guarantees

The Company had no non-compliance in external guarantees during the reporting period.

## X. Information on the Non-Operating Use of Funds of the Listed Company by the Controlling Shareholders and its Related Parties

There were no non-operating use of funds of the listed company by the controlling shareholders and its related parties during the reporting period.

## Section IV Financial Statements

### I. Financial Statements

#### 1. Consolidated and the Company's Statements of Financial Position

Name of Enterprise: GF Securities Co., Ltd.

Unit: RMB Audit Type: Unaudited

Assets	As at September 30, 2019		As at December 31, 2018	
	Consolidated	Company	Consolidated	Company
Assets:				
Cash and bank balances	74,995,636,311.41	61,017,223,275.75	60,436,038,452.97	48,534,796,681.42
Including: cash held on behalf of customers	54,414,453,685.66	46,863,351,489.41	39,515,213,771.10	32,501,589,011.23
Clearing settlement funds	21,110,467,840.66	19,000,848,060.02	17,899,886,594.26	14,829,376,165.18
Including: settlement funds held on behalf of customers	18,172,749,595.52	16,182,736,329.64	15,734,443,129.75	12,811,986,100.76
Advances to customers	50,766,796,642.83	47,945,636,235.95	45,355,306,230.74	42,039,625,556.13
Derivative financial assets	53,623,757.90	24,494,046.02	17,536,655,451.25	31,723,924.43
Refundable deposits	8,940,133,118.44	1,022,226,289.19	6,284,998,135.55	1,092,939,332.26
Accounts receivable	2,121,560,213.44	909,221,559.03	4,283,667,847.60	628,808,733.38
Contract assets	75,894,968.00	75,894,968.00	28,684,137.60	28,684,137.60
Financial assets held under resale agreements	18,585,337,495.84	17,668,272,951.69	36,813,068,427.57	34,991,321,585.37
Financial investments:	190,893,236,482.97	157,797,129,985.81	185,492,307,601.84	145,474,512,398.24
Financial assets held for trading	82,585,262,193.32	52,904,736,214.31	88,285,110,841.97	53,031,503,546.10
Debt investments	3,306,393,203.80	2,625,613,508.34	6,900,138,789.32	6,214,798,872.31
Other debt investments	93,610,640,324.11	90,923,867,485.05	79,513,047,678.27	75,482,481,899.66
Other equity instrument investments	11,390,940,761.74	11,342,912,778.11	10,794,010,292.28	10,745,728,080.17
Long-term equity investments	6,109,697,031.17	19,253,959,288.41	5,249,003,748.05	18,487,024,205.71
Investment properties	46,274,075.43	18,763,717.50	20,065,908.96	20,065,908.96
Fixed assets	1,962,581,379.30	1,759,285,325.08	883,557,231.56	631,855,633.40
Construction in progress	-	-	1,429,391,564.14	1,429,391,564.14
Right-of-use assets	562,325,880.54	422,306,852.36	-	-
Intangible assets	378,898,893.60	311,017,274.54	560,264,917.60	503,845,627.87
Goodwill	2,340,706.45	-	2,273,754.98	-
Deferred tax assets	1,063,919,207.61	688,107,582.83	1,085,525,670.41	664,582,184.40
Other assets	5,550,814,626.04	2,266,983,541.78	5,745,250,679.33	2,528,758,023.61
Total assets	383,219,538,631.63	330,181,370,953.96	389,105,946,354.41	311,917,311,662.10

Legal representative:  
Sun Shuming

Person-in-charge of  
accounting affairs:  
Sun Xiaoyan

Person-in-charge of  
accounting department:  
Wang Ying

# 1. Consolidated and the Company's Statements of Financial Position (Continued)

Name of Enterprise: GF Securities Co., Ltd.

Unit: RMB Audit Type: Unaudited

Liabilities and Equity	As at September 30, 2019		As at December 31, 2018	
	Consolidated	Company	Consolidated	Company
Liabilities:				
Short-term borrowings	2,046,078,617.71	-	5,504,514,625.36	-
Short-term financing payables	13,298,563,394.10	13,298,563,394.10	24,049,740,113.17	24,049,740,113.17
Due to banks and other financial institutions	3,523,762,694.70	3,501,562,777.74	11,667,618,950.08	11,554,256,388.87
Financial liabilities held for trading	2,907,739,040.68	388,513,864.00	1,933,862,278.30	-
Derivative financial liabilities	173,699,784.98	172,029,193.98	19,879,028,074.45	191,304,274.76
Financial assets sold under repurchase agreements	77,053,219,463.77	73,457,830,143.58	85,993,800,443.45	81,311,807,384.36
Accounts payable to brokerage clients	77,744,157,655.12	60,744,915,742.26	58,445,148,318.66	43,178,135,770.89
Accounts payable to underwriting clients	39,999,982.88	39,999,982.88	-	-
Accrued staff costs	5,469,770,772.44	4,051,889,744.98	5,093,451,427.43	3,501,359,865.74
Taxes payable	536,172,181.30	300,766,824.84	916,062,464.45	549,630,865.04
Accounts payable	7,822,579,359.33	2,242,593,932.73	10,200,861,935.69	1,905,883,312.91
Contract liabilities	42,208,925.29	34,134,199.66	39,635,974.08	32,054,199.66
Lease liabilities	555,275,852.50	417,022,483.76	-	-
Provisions	445,512,012.16	33,360,000.00	33,360,000.00	33,360,000.00
Long-term borrowings	3,825,352,266.80	-	5,472,645,877.86	-
Bonds payable	89,513,543,142.74	89,463,454,101.62	68,697,053,762.11	68,697,053,762.11
Deferred tax liabilities	253,947,803.73	-	138,467,224.50	-
Other liabilities	2,953,993,769.31	1,695,066,169.74	2,411,520,298.53	1,051,356,575.41
Total liabilities	288,205,576,719.54	249,841,702,555.87	300,476,771,768.12	236,055,942,512.92
Equity:				
Share Capital	7,621,087,664.00	7,621,087,664.00	7,621,087,664.00	7,621,087,664.00
Capital reserve	31,864,816,413.52	31,677,902,101.69	31,864,816,413.52	31,677,902,101.69
Other comprehensive income	1,470,011,640.91	1,071,407,290.88	682,019,604.97	601,316,955.12
Surplus reserve	5,751,819,837.74	5,736,489,467.79	5,751,819,837.74	5,736,489,467.79
General risk reserve	13,280,140,329.60	11,720,217,989.57	13,063,057,982.07	11,719,939,714.16
Retained profits	31,433,790,463.51	22,512,563,884.16	26,035,215,406.08	18,504,633,246.42
Equity attributable to owners of the Company	91,421,666,349.28		85,018,016,908.38	
Non-controlling interests	3,592,295,562.81		3,611,157,677.91	
Total equity	95,013,961,912.09	80,339,668,398.09	88,629,174,586.29	75,861,369,149.18
Total liabilities and equity	383,219,538,631.63	330,181,370,953.96	389,105,946,354.41	311,917,311,662.10

Legal representative:  
Sun Shuming

Person-in-charge of  
accounting affairs:  
Sun Xiaoyan

Person-in-charge of  
accounting department:  
Wang Ying

## 2. Consolidated and the Company's Statements of Profit or Loss for the Reporting Period

Name of Enterprise: GF Securities Co., Ltd.

Unit: RMB Audit Type: Unaudited

Items	July to September, 2019		July to September, 2018	
	Consolidated	Company	Consolidated	Company
<b>1. Total operating revenue</b>	5,416,046,741.44	2,811,685,054.75	3,740,171,128.46	2,106,193,878.62
Net interest income	760,820,323.83	678,933,006.49	1,000,085,245.21	915,910,693.47
Including: Interest income	2,664,550,358.87	2,395,517,858.01	3,037,910,871.42	2,648,164,540.28
Interest expenses	1,903,730,035.04	1,716,584,851.52	2,037,825,626.21	1,732,253,846.81
Net fee and commission income	2,251,151,143.15	1,264,010,410.85	2,094,900,992.95	986,036,015.83
Including: Net fee income from brokerage business	983,588,242.19	873,648,794.52	748,923,706.07	639,754,979.13
Net fee income from investment banking business	368,515,664.71	355,497,002.75	359,141,773.76	317,215,454.38
Net fee income from asset management and fund management business	853,956,420.10	-	901,476,464.37	-
Investment gains	1,249,596,336.62	1,135,762,793.62	1,880,147,264.70	404,511,726.50
Including: Gains from investment in associates and joint ventures	32,486,880.03	114,508,518.48	125,114,112.09	115,560,600.25
Other gains	157,550,962.48	7,610,310.97	233,525,886.94	13,868,120.58
Gains from changes in fair value	-27,546,498.08	-307,414,632.76	-1,456,385,282.58	-204,899,099.23
Foreign exchange gains	4,914,032.13	6,745,612.31	-20,007,531.64	-14,577,904.54
Other operating income	1,019,306,607.55	25,729,393.41	7,451,107.06	4,901,441.65
Gains from disposal of assets	253,833.76	308,159.86	453,445.82	442,884.36
<b>2. Total operating expenses</b>	3,291,556,017.67	1,449,134,240.18	2,041,427,539.28	1,213,347,113.27
Tax and surcharges	34,915,538.42	22,050,981.65	22,773,004.95	15,297,117.61
General and administrative expenses	2,235,192,220.32	1,424,743,297.43	1,965,510,891.43	1,161,534,783.85
Impairment loss on credit	9,786,536.91	1,893,397.27	52,638,933.27	36,068,647.98
Impairment loss on other assets	931,377.32	12,500.01	70,645.81	12,500.01
Other operating expenses	1,010,730,344.70	434,063.82	434,063.82	434,063.82
<b>3. Operating profits</b>	2,124,490,723.77	1,362,550,814.57	1,698,743,589.18	892,846,765.35
Add: Non-operating income	-20,386.39	56,301.64	9,123,713.81	197,077.26
Less: Non-operating expenses	15,689,393.92	62,724.95	25,771,659.76	13,037,513.59
<b>4. Profit before income tax</b>	2,108,780,943.46	1,362,544,391.26	1,682,095,643.23	880,006,329.02
Less: Income tax expense	484,925,854.94	241,432,545.90	375,746,996.95	137,116,325.21
<b>5. Net profit for the period</b>	1,623,855,088.52	1,121,111,845.36	1,306,348,646.28	742,890,003.81
(1) Classified by continuity of operations				
1. Net profit from continuing operations	1,623,855,088.52	1,121,111,845.36	1,306,348,646.28	742,890,003.81
2. Net profit from discontinued operations	-	-	-	-
(2) Classified by ownership of equity				
1. Attributable to owners of the Company	1,475,640,313.34		1,255,407,390.22	
2. Attributable to non-controlling interests	148,214,775.18		50,941,256.06	



Items	July to September, 2019		July to September, 2018	
	Consolidated	Company	Consolidated	Company
<b>6. Other comprehensive income (net of tax)</b>	37,318,952.51	-116,444,474.68	503,489,306.71	275,419,777.87
Other comprehensive income attributable to owners of the Company (net of tax)	33,540,315.77		524,113,803.91	
(1) Other comprehensive income that will not be reclassified into profits or losses	-139,177,457.92	-138,702,671.90	171,806,887.37	173,177,524.31
1. Changes in fair value of other equity instrument investments	-139,177,457.92	-138,702,671.90	171,806,887.37	173,177,524.31
(2) Other comprehensive income that will be reclassified into profits or losses	172,717,773.69	22,258,197.22	352,306,916.54	102,242,253.56
1. Other comprehensive income under equity method that can be reclassified into profits or losses	29,877,827.01	20,253,443.24	-32,366,066.50	-12,153,952.33
2. Fair value changes of other debt investments	4,562,840.42	-3,770,292.44	132,532,229.37	103,442,742.36
3. Credit loss provisions of other debt investments	8,215,923.19	5,775,046.42	10,953,463.53	10,953,463.53
4. Translation differences on foreign currency financial statements	130,061,183.07	–	241,187,289.94	–
Other comprehensive income attributable to non-controlling interests (net of tax)	3,778,636.74		-20,624,497.20	
<b>7. Total comprehensive income for the period</b>	1,661,174,041.03	1,004,667,370.68	1,809,837,952.99	1,018,309,781.68
Including: Total comprehensive income attributable to owners of the Company	1,509,180,629.11		1,779,521,194.13	
Total comprehensive income attributable to non-controlling interests	151,993,411.92		30,316,758.86	
<b>8. Earnings per share:</b>				
(1) Basic earnings per share (RMB/share)	0.19		0.16	
(2) Diluted earnings per share (RMB/share)	0.19		0.16	

Legal representative:  
Sun Shuming

Person-in-charge of  
accounting affairs:  
Sun Xiaoyan

Person-in-charge of  
accounting department:  
Wang Ying

*Note:* In accordance with the “Notice on Revision and Issuance of the Format of the Financial Statements of Financial Enterprises for 2018 (Cai Kuai [2018] No. 36)” released by Ministry of Finance in December 2018, the calculation of interest income for debt investments and other debt investments using the effective interest rate method, which were included in “investment gains” from July to September, 2018, had adjusted to “interest income”.

### 3. Consolidated and the Company's Statements of Profit or Loss from the Beginning of the Year until the End of the Reporting Period

Name of Enterprise: GF Securities Co., Ltd.

Unit: RMB Audit Type: Unaudited

Items	January to September, 2019		January to September, 2018	
	Consolidated	Company	Consolidated	Company
<b>1. Total operating revenue</b>	17,357,551,056.25	9,907,217,984.52	11,359,691,687.36	7,272,592,427.96
Net interest income	2,298,558,968.58	2,097,035,330.38	2,922,411,316.05	2,682,520,408.72
Including: Interest income	8,146,125,031.76	7,272,945,788.91	9,131,632,517.06	8,024,608,556.91
Interest expenses	5,847,566,063.18	5,175,910,458.53	6,209,221,201.01	5,342,088,148.19
Net fee and commission income	7,195,089,399.62	3,955,353,460.05	6,550,847,614.78	3,371,961,712.45
Including: Net fee income from brokerage business	3,298,573,529.44	3,012,751,432.07	2,728,822,020.25	2,421,689,763.07
Net fee income from investment banking business	889,763,911.44	842,078,916.76	925,486,970.68	860,026,366.20
Net fee income from asset management and fund management business	2,847,403,954.99	-	2,762,584,968.81	-
Investment gains	4,432,852,981.81	3,196,188,044.04	3,157,473,344.78	1,321,995,436.34
Including: Gains from investment in associates and joint ventures	222,965,631.48	309,604,232.29	376,821,528.80	298,124,268.03
Other gains	641,239,194.15	488,458,239.90	685,117,854.45	451,063,594.15
Gains from changes in fair value	1,012,340,962.33	129,471,725.92	-1,946,250,622.70	-554,874,751.13
Foreign exchange gains	5,762,441.01	7,619,451.38	-31,649,902.84	-12,535,592.22
Other operating income	1,770,600,655.42	31,956,353.02	20,778,367.50	11,509,916.76
Gains from disposal of assets	1,106,453.33	1,135,379.83	963,715.34	951,702.89
<b>2. Total operating expenses</b>	9,192,717,026.05	4,946,507,010.20	5,917,227,544.18	3,663,347,687.09
Tax and surcharges	100,059,821.02	71,811,765.38	78,355,580.74	55,685,202.17
General and administrative expenses	6,859,815,769.05	4,616,042,452.61	5,689,334,935.22	3,485,508,280.14
Impairment loss on credit	474,221,751.52	257,313,100.72	148,139,190.93	120,814,513.29
Impairment loss on other assets	1,109,451.99	37,500.03	95,645.83	37,500.03
Other operating expenses	1,757,510,232.47	1,302,191.46	1,302,191.46	1,302,191.46
<b>3. Operating profits</b>	8,164,834,030.20	4,960,710,974.32	5,442,464,143.18	3,609,244,740.87
Add: Non-operating income	10,784,069.81	4,163,753.13	11,444,086.61	2,324,505.14
Less: Non-operating expenses	418,980,964.46	6,566,155.82	35,261,962.83	21,740,182.24
<b>4. Profit before income tax</b>	7,756,637,135.55	4,958,308,571.63	5,418,646,266.96	3,589,829,063.77
Less: Income tax expense	1,693,018,590.58	950,099,658.48	1,104,063,013.27	651,620,867.26
<b>5. Net profit for the period</b>	6,063,618,544.97	4,008,208,913.15	4,314,583,253.69	2,938,208,196.51
(1) Classified by continuity of operations				
1. Net profit from continuing operations	6,063,618,544.97	4,008,208,913.15	4,314,583,253.69	2,938,208,196.51
2. Net profit from discontinued operations	-	-	-	-
(2) Classified by ownership of equity				
1. Attributable to owners of the Company	5,615,657,404.96		4,113,683,274.06	
2. Attributable to non-controlling interests	447,961,140.01		200,899,979.63	

Items	January to September, 2019		January to September, 2018	
	Consolidated	Company	Consolidated	Company
<b>6. Other comprehensive income (net of tax)</b>	791,193,784.95	470,090,335.76	83,322,259.03	-7,225,541.19
Other comprehensive income attributable to owners of the Company (net of tax)	787,992,035.94		104,272,132.78	
(1) Other comprehensive income that will not be reclassified into profits or losses	446,802,850.01	447,888,523.46	-329,354,666.94	-327,999,448.33
1. Changes in fair value of other equity instrument investments	446,802,850.01	447,888,523.46	-329,354,666.94	-327,999,448.33
(2) Other comprehensive income that will be reclassified into profits or losses	341,189,185.93	22,201,812.30	433,626,799.72	320,773,907.14
1. Other comprehensive income under equity method that can be reclassified into profits or losses	78,464,396.01	56,637,680.39	-60,217,397.59	-22,119,908.92
2. Fair value changes of other debt investments	-23,322,596.14	-177,238,623.80	139,246,630.69	331,295,526.85
3. Credit loss provisions for other debt investments	143,323,754.18	142,802,755.71	50,000,369.69	11,598,289.21
4. Translation differences on foreign currency financial statements	142,723,631.88	-	304,597,196.93	-
Other comprehensive income attributable to non-controlling interests (net of tax)	3,201,749.01		-20,949,873.75	
<b>7. Total comprehensive income for the period</b>	6,854,812,329.92	4,478,299,248.91	4,397,905,512.72	2,930,982,655.32
Including: Total comprehensive income attributable to owners of the Company	6,403,649,440.90		4,217,955,406.84	
Total comprehensive income attributable to non-controlling interests	451,162,889.02		179,950,105.88	
<b>8. Earnings per share:</b>				
(1) Basic earnings per share (RMB/share)	0.74		0.54	
(2) Diluted earnings per share (RMB/share)	0.74		0.54	

Legal representative:  
Sun Shuming

Person-in-charge of  
accounting affairs:  
Sun Xiaoyan

Person-in-charge of  
accounting department:  
Wang Ying

*Note:* In accordance with the “Notice on Revision and Issuance of the Format of the Financial Statements of Financial Enterprises for 2018 (Cai Kuai [2018] No. 36)” released by Ministry of Finance in December 2018, the calculation of interest income for debt investments and other debt investments using the effective interest rate method, which were included in “investment gains” from January to September, 2018, had adjusted to “interest income”.

#### 4. Consolidated and the Company's Statements of Cash Flow from the Beginning of the Year until the End of the Reporting Period

Name of Enterprise: GF Securities Co., Ltd.

Unit: RMB Audit Type: Unaudited

Items	January to September, 2019		January to September, 2018	
	Consolidated	Company	Consolidated	Company
<b>1. Cash flows from operating activities:</b>				
Net decrease in advances to customers	-	-	11,753,311,528.55	11,022,992,211.62
Net increase in disposal of financial assets held for trading	10,183,582,093.29	3,425,976,387.25	-	-
Cash received from interest, fee and commission	13,368,766,654.33	9,396,933,350.56	14,150,178,373.89	9,663,720,259.64
Net increase in due to banks and other financial institutions	-	-	1,201,028,901.09	4,700,000,000.00
Net cash received from accounts payable to brokerage clients	19,164,949,978.49	17,513,734,502.66	-	-
Net cash received from accounts payable to underwriting clients	39,999,982.88	39,999,982.88	-	-
Net increase in repurchase businesses	8,969,078,673.66	9,434,228,617.10	30,501,948,948.44	29,707,899,657.51
Cash received from other operating activities	2,983,090,027.11	1,966,804,055.22	918,763,734.78	1,820,087,302.79
<b>Cash inflow from operating activities, subtotal</b>	<b>54,709,467,409.76</b>	<b>41,777,676,895.67</b>	<b>58,525,231,486.75</b>	<b>56,914,699,431.56</b>
Net increase in advances to customers	5,391,850,269.08	5,880,646,718.25	-	-
Net decrease in purchase of financial assets held for trading	-	-	13,665,135,628.12	16,452,985,157.25
Cash payment of interest, fee and commission	2,135,834,809.29	1,951,349,131.36	2,596,606,714.70	2,332,995,655.19
Net decrease in due to banks and other financial institutions	8,092,295,378.20	8,000,000,000.00	-	-
Net cash paid for accounts payable to brokerage clients	-	-	4,627,733,958.24	7,713,825,803.38
Net cash paid for accounts payable to underwriting clients	-	-	53,999,996.80	53,999,996.80
Cash payments for employees	4,377,562,546.29	2,950,757,890.98	5,803,923,925.39	4,176,676,207.11
Tax expenses paid	3,325,204,306.88	1,924,075,083.51	2,819,379,081.66	1,363,527,396.98
Cash paid for other operating activities	7,347,626,331.59	855,795,885.04	1,395,858,938.44	1,171,041,044.44
<b>Cash outflow from operating activities, subtotal</b>	<b>30,670,373,641.33</b>	<b>21,562,624,709.14</b>	<b>30,962,638,243.35</b>	<b>33,265,051,261.15</b>
<b>Net cash flows from operating activities</b>	<b>24,039,093,768.43</b>	<b>20,215,052,186.53</b>	<b>27,562,593,243.40</b>	<b>23,649,648,170.41</b>
<b>2. Cash flows from investing activities:</b>				
Cash received from divestment	4,187,995,658.37	3,467,228,484.16	3,846,750,705.00	2,210,987,663.60
Cash received from realized investment gains	2,754,530,399.84	2,548,127,621.09	2,613,853,614.86	2,242,858,834.94
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	7,827,134.70	1,575,257.05	1,202,062.67	1,159,719.06
Net cash received from disposal of subsidiaries and other operating units	-	-	5,694,230.53	-
<b>Cash inflow from investing activities, subtotal</b>	<b>6,950,353,192.91</b>	<b>6,016,931,362.30</b>	<b>6,467,500,613.06</b>	<b>4,455,006,217.60</b>
Cash paid for investment	89,005,331.35	500,000,000.00	455,535,341.24	-
Net decrease for the purchase of other debt investments and other equity instrument investments	13,905,322,706.06	15,391,130,009.73	21,089,617,225.19	19,607,606,543.86
Cash paid for the purchase of fixed assets, intangible assets and other long-term assets	250,056,265.18	194,942,599.79	422,206,687.10	371,143,536.20
Net cash paid for acquisition of subsidiaries and other operating units	70,861,189.70	-	-	-

Items	January to September, 2019		January to September, 2018	
	Consolidated	Company	Consolidated	Company
Cash outflow from investing activities, subtotal	14,315,245,492.29	16,086,072,609.52	21,967,359,253.53	19,978,750,080.06
Net cash flows from investing activities	-7,364,892,299.38	-10,069,141,247.22	-15,499,858,640.47	-15,523,743,862.46
<b>3. Cash flows from financing activities:</b>				
Cash received from capital injection	-	-	122,447,300.00	-
Including: cash received from capital injection of non-controlling interests in subsidiaries	-	-	122,447,300.00	-
Cash received from borrowings	6,773,661,721.27	-	2,600,049,651.92	-
Cash received from bonds issuance	44,362,261,735.07	44,362,261,735.07	25,397,639,265.89	25,397,639,265.89
Cash received from other financing activities	14,042,180,000.00	14,042,180,000.00	11,609,906,573.55	11,340,983,000.00
<b>Cash inflow from financing activities, subtotal</b>	<b>65,178,103,456.34</b>	<b>58,404,441,735.07</b>	<b>39,730,042,791.36</b>	<b>36,738,622,265.89</b>
Cash paid for repayment of debts	55,080,189,533.06	43,000,000,000.00	36,800,939,904.77	33,400,000,000.00
Cash paid for distribution of dividends, profit and interest expenses	3,750,176,580.98	3,398,660,896.97	6,893,923,814.66	6,427,683,801.87
Including: dividends and profit paid to non-controlling interests by subsidiaries	90,339.97	-	110,113,538.54	-
Cash paid for other financing activities	5,679,482,921.84	5,495,209,632.01	8,259,231,007.69	7,790,070,000.00
<b>Cash outflow from financing activities, subtotal</b>	<b>64,509,849,035.88</b>	<b>51,893,870,528.98</b>	<b>51,954,094,727.12</b>	<b>47,617,753,801.87</b>
<b>Net cash flows from financing activities</b>	<b>668,254,420.46</b>	<b>6,510,571,206.09</b>	<b>-12,224,051,935.76</b>	<b>-10,879,131,535.98</b>
<b>4. Effect of foreign exchange rate changes on cash and cash equivalents</b>	<b>138,735,487.29</b>	<b>7,619,451.38</b>	<b>274,271,997.47</b>	<b>-12,535,592.22</b>
<b>5. Net increase in cash and cash equivalents</b>	<b>17,481,191,376.80</b>	<b>16,664,101,596.78</b>	<b>112,954,664.64</b>	<b>-2,765,762,820.25</b>
Add: Cash and cash equivalents at the beginning of the period	76,492,870,889.97	63,228,424,789.34	74,399,156,362.73	61,336,168,258.71
<b>6. Cash and cash equivalents at the end of the period</b>	<b>93,974,062,266.77</b>	<b>79,892,526,386.12</b>	<b>74,512,111,027.37</b>	<b>58,570,405,438.46</b>

Legal representative:  
Sun Shuming

Person-in-charge of  
accounting affairs:  
Sun Xiaoyan

Person-in-charge of  
accounting department:  
Wang Ying

## II. Audit Report

Whether the third quarterly report of the Company has been audited

No