

Shenzhen China Bicycle Company (Holdings) Limited

The First Quarterly Report of 2022

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

Important content reminder:

1. Board of Directors, Supervisory Committee, all directors, supervisors and senior executives of Shenzhen China Bicycle Company (Holdings) Limited (hereinafter referred to as the Company) hereby confirm that there are no any fictitious statements, misleading statements, or important omissions carried in this report, and shall take all responsibilities, individual and/or joint, for the reality, accuracy and completion of the whole contents.

2. Principal of the Company, Person in Charge of Accounting Works and Person in Charge of Accounting Organ (Accounting Officer) hereby confirm that the Financial Report of the First Quarterly Report is authentic, accurate and complete.

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

Yes No

I. Main financial data

(i) Main accounting data and financial indexes

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

Yes No

	Current Period	Same period of last year	Changes of this period over same period of last year
Operating income (RMB)	50,246,951.40	23,163,329.56	116.92%
Net profit attributable to shareholders of the listed company (RMB)	-903,991.16	-211,535.36	-327.35%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB)	-1,190,923.81	-211,535.36	-462.99%
Net cash flow arising from operating activities (RMB)	-8,930,326.51	1,399,162.83	-738.26%
Basic earnings per share (RMB/Share)	-0.0016	-0.0004	-300.00%
Diluted earnings per share (RMB/Share)	-0.0016	-0.0004	-300.00%
Weighted average ROE	-10.68%	-1.96%	-8.72%
	End of this period	End of last period	Changes of this period-end over same period-end of last year
Total assets (RMB)	101,914,520.44	97,363,437.22	4.67%

Owners' equity attributable to shareholders of listed company (RMB)	8,014,547.00	8,918,538.16	-10.14%
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(ii) Items and amounts of non-recurring profit (gains)/losses

√ Applicable □ Not applicable

Unit: RMB/CNY

Item	Current amount	Note
Governmental subsidy calculated into current gains and losses(while closely related with the normal business of the Company, the government subsidy that accord with the provision of national policies and are continuously enjoyed in line with a certain standard quota or quantity are excluded)	103,369.17	
Reversal of the account receivable depreciation reserves subject to separate impairment test	60,000.00	
Other non-operating income and expenses other than the above	221,131.50	
Less: impact on income tax	3,316.97	
Impact on minority shareholders' equity (post-tax)	94,251.05	
Total	286,932.65	--

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

□ Applicable √ Not applicable

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

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

□ Applicable √ Not applicable

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

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

√ Applicable □ Not applicable

Item	Period-end/current period	Period-begin/last period	Y-o-y changes (+,-)	Cause of change
Monetary fund	24,173,752.51	33,246,957.92	-27.29%	Purchase of jewelry and gold by subsidiary
Account paid in advance	2,670,412.70	1,300,408.57	105.35%	The account paid in advance for lithium battery materials increased
Inventory	19,655,197.38	8,248,573.77	138.29%	The inventory of jewelry and gold increased from the subsidiary
Other current assets	3,222,011.94	1,814,200.53	77.60%	The item of input to be deducted by subsidiary increased
Account payable	14,462,510.97	8,297,306.34	74.30%	Payments to suppliers during the period
Operation revenue	50,246,951.40	23,163,329.56	116.92%	Income from jewelry and gold business increased

Operation cost	47,249,406.26	20,752,454.71	127.68%	Costs of the jewelry and gold business increased
Sales expenses	1,251,815.38	425,618.74	194.12%	Expenses increased due to the growth of income
R&D expenses	1,215,439.84	856,296.32	41.94%	Expenses on R&D increased
Net cash flow arising from operation activities	-8,930,326.51	1,399,162.83	-738.26%	Purchase of jewelry and gold by subsidiary

II. Shareholders

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

Unit: Share

Total number of common shareholders at the end of report period		40,730		Total preference shareholders with voting rights recovered at end of reporting period (if applicable)		0	
Top ten shareholders							
Shareholder's name	Nature of shareholder	Proportion of shares held	Amount of shares held	Amount of lock-up shares held	Information of shares pledged, tagged or frozen		
					State of share	Amount	
Shenzhen Guosheng Energy Investment Development Co., Ltd.	Domestic non-state-owned legal person	11.52%	63,508,747	0	-	-	
UOB Koy Hian (Hong Kong) Co., Ltd.	Foreign legal person	2.89%	15,907,850	0	-	-	
Guosen Securities (Hong Kong) brokerage Co., Ltd.	Foreign legal person	2.52%	13,909,425	0	-	-	
Shenwan Hongyuan Securities (Hong Kong) Co., Ltd.	Foreign legal person	1.50%	8,281,156	0	-	-	
Lhasa Xingqing Network Technology Co., Ltd.	Domestic non-state-owned legal person	0.83%	4,600,255	0	-	-	

Li Huili	Domestic nature person	0.71%	3,891,124	0	-	-
Ge Zhiqiong	Domestic nature person	0.56%	3,112,052	0	-	-
Xu Hongbo	Domestic nature person	0.53%	2,927,319	0	-	-
China Merchants Securities Hong Kong Co., Ltd.	State-owned legal person	0.52%	2,894,135	0	-	-
Shenzhen China Bicycle Company (Holdings) Limited -Special account for property disposal of bankrupt enterprise	Domestic non-state-owned legal person	0.47%	2,602,402	0	-	-
Top ten shareholders with unrestricted shares held						
Shareholder's name	Amount of unrestricted shares held	Type of shares				
		Type	Amount			
Shenzhen Guosheng Energy Investment Development Co., Ltd.	63,508,747	RMB common shares	63,508,747			
UOB Koy Hian (Hong Kong) Co., Ltd.	15,907,850	Domestically listed foreign shares	15,907,850			
Guosen Securities (Hong Kong) brokerage Co., Ltd.	13,909,425	Domestically listed foreign shares	13,909,425			
Shenwan Hongyuan Securities (Hong Kong) Co., Ltd.	8,281,156	Domestically listed foreign shares	8,281,156			
Lhasa Xingqing Network Technology Co., Ltd.	4,600,255	RMB common shares	4,600,255			
Li Huili	3,891,124	Domestically listed foreign shares	3,891,124			
Ge Zhiqiong	3,112,052	RMB common shares	198,400			
		Domestically listed foreign shares	2,913,652			

		shares	
Xu Hongbo	2,927,319	Domestically listed foreign shares	2,927,319
China Merchants Securities Hong Kong Co., Ltd.	2,894,135	Domestically listed foreign shares	2,894,135
Shenzhen China Bicycle Company (Holdings) Limited -Special account for property disposal of bankrupt enterprise	2,602,402	RMB common shares	1,383,313
		Domestically listed foreign shares	1,219,089
Explanation on associated relationship among the aforesaid shareholders	Li Huili, spouse of the Ji Hanfei, the actual controller of the Company- Shenzhen Guosheng Energy Investment Development Co., Ltd., holding B-share of the Company on behalf of Shenzhen Guosheng Energy Investment Development Co., Ltd., beyond that, the Company has no idea of whether other circulated shareholders belong to concerted action persons ruled in the Administration Norms for Information Disclosure of Change on Shareholding of Listed Companies.		
Explanation on top 10 shareholders involving margin business (if applicable)	N/A		

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

Applicable Not applicable

III. Other important matters

Applicable Not applicable

1. Planning for non-public offering of shares

On December 30, 2020, the company held the third extraordinary general meeting of shareholders in 2020, reviewed and approved the new plan for non-public issuance of A shares, and planned to raise funds from Wansheng Industry Company through non-public issuance of shares of total amount not exceeding 293.6 million yuan, which would be used to replenish working capital after deducting the issuance expenses, and this issuance will lead to changes in the company's control. On October 25, 2021, the company's application for the non-public issuance of A shares was reviewed and approved by the Issuance Examination Commission of the China Securities Regulatory Commission (hereinafter referred to as the CSRC). On November 11, 2021, the company received the Approval for the Non-public Issuance of Shares by Shenzhen China Bicycle (Group) Co., Ltd. (ZJXK [2021] No. 3552) issued by the CSRC, and the validity period of the approval is 12 months from the date of approval for the issuance. Relevant work is currently in progress.

2. About the company litigation matters

On February 23, 2022, the company received the Subpoena (2022) Yue 0303 Min Chu No. 3787, Complaint, Notice of Response, Civil Ruling Paper (2020) Yue 0303 Zhi Bao No. 498 and other legal documents from Shenzhen Luohu District People's Court, which has accepted the lawsuit brought by the plaintiff Shenzhen Jianzhi Industrial Development Co., Ltd. against the company on

the grounds of “joint venture and cooperative development of real estate contract disputes”, the amount involved was 30.859 million yuan. On March 12, 2022, the company received a notice from the Shenzhen Luohu District People’s Court that the court trial originally scheduled for March 18, 2022 has been rescheduled due to the pandemic, and the specific trial time will be notified later. As of the date of this announcement, the company has not received the notice from the Luohu Court, and the matter has not yet been heard. The company will actively respond to the lawsuit, safeguard the interests of the company and all shareholders through legal means. According to the Analysis of Jianzhi Company sued CBC issued by Guangdong Asia Laws Firm on March 28, 2022, the evidence submitted by Jianzhi Company could not support its litigation request, and the CBC had completed the conditions of the return revenue as agreed in the Cooperation Contract, termination of the Contract was in accordance with the legal provision. The CBC believes that they has completed part of the works agreed in Cooperation Contract, and should get 6 million yuan as agreed in the Contract. Currently, the Company has filed a counter-suit against Shenzhen Jianzhi Industrial Development Co., Ltd for payment of 6 million yuan in return proceeds from the project. The Company will perform the corresponding information disclosure obligations in a timely manner according to the progress of the lawsuit. Investors are advised to pay attention to investment risks.

IV. Quarterly financial statements

(i) Financial statement

1. Consolidate Balance Sheet

Prepared by Shenzhen China Bicycle Company (Holdings) Limited

March 31, 2022

Unit: RMB/CNY

Item	Ending balance	Opening balance
Current assets:		
Monetary fund	24,173,752.51	33,246,957.92
Settlement provisions		
Capital lent		
Trading financial assets		
Derivative financial assets		
Note receivable		
Account receivable	46,242,685.55	46,850,083.59
Receivable financing		
Account paid in advance	2,670,412.70	1,300,408.57
Insurance receivable		
Reinsurance receivables		
Contract reserve of reinsurance receivable		
Other account receivable	740,422.93	494,695.27
Including: Interest receivable		
Dividend receivable		
Buying back the sale of financial assets		
Inventory	19,655,197.38	8,248,573.77
Contract assets		
Assets held for sale		
Non-current asset due within one year		
Other current assets	3,222,011.94	1,814,200.53

Total current assets	96,704,483.01	91,954,919.65
Non-current assets:		
Loans and payments on behalf		
Debt investment		
Other debt investment		
Long-term account receivable		
Long-term equity investment		
Investment in other equity instrument		
Other non-current financial assets		
Investment real estate		
Fixed assets	3,358,563.88	3,439,212.00
Construction in progress		
Productive biological asset		
Oil and gas asset		
Right-of-use assets	1,387,426.88	1,505,258.90
Intangible assets		
Expense on research and development		
Goodwill		
Long-term expenses to be apportioned		
Deferred income tax asset	64,046.67	64,046.67
Other non-current assets	400,000.00	400,000.00
Total non-current asset	5,210,037.43	5,408,517.57
Total assets	101,914,520.44	97,363,437.22
Current liabilities:		
Short-term loans		
Loan from central bank		
Capital borrowed		
Trading financial liability		
Derivative financial liability		
Note payable		
Account payable	14,462,510.97	8,297,306.34
Accounts received in advance		
Contract liabilities	589,518.63	124,328.07
Selling financial asset of repurchase		
Absorbing deposit and interbank deposit		
Security trading of agency		
Security sales of agency		
Wage payable	910,492.99	923,477.10
Taxes payable	734,270.18	911,506.52
Other account payable	60,358,930.43	61,407,301.04
Including: Interest payable		
Dividend payable		
Commission charge and		

commission payable		
Reinsurance payable		
Liability held for sale		
Non-current liabilities due within one year	1,483,130.07	1,456,782.04
Other current liabilities	11,700.06	11,700.06
Total current liabilities	78,550,553.33	73,132,401.17
Non-current liabilities:		
Insurance contract reserve		
Long-term loans		
Bonds payable		
Including: Preferred stock		
Perpetual capital securities		
Lease liability	86,293.59	228,302.37
Long-term account payable		
Long-term wages payable		
Accrual liability		
Deferred income		
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	86,293.59	228,302.37
Total liabilities	78,636,846.92	73,360,703.54
Owner's equity:		
Share capital	551,347,947.00	551,347,947.00
Other equity instrument		
Including: Preferred stock		
Perpetual capital securities		
Capital public reserve	627,834,297.85	627,834,297.85
Less: Treasury shares		
Other comprehensive income		
Reasonable reserve		
Surplus public reserve	32,673,227.01	32,673,227.01
Provision of general risk		
Retained profit	-1,203,840,924.86	-1,202,936,933.70
Total owner's equity attributable to parent company	8,014,547.00	8,918,538.16
Minority interests	15,263,126.52	15,084,195.52
Total owner's equity	23,277,673.52	24,002,733.68
Total liabilities and owner's equity	101,914,520.44	97,363,437.22

Legal Representative: Li Hai

Person in charge of Accounting Works: Sun Longlong

Person in charge of Accounting Institution: Zhong Xiaojin

2. Consolidated Profit Statement

Unit: RMB/CNY

Item	Current period	Last period
I. Total operating income	50,246,951.40	23,163,329.56
Including: Operating income	50,246,951.40	23,163,329.56
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	51,348,242.22	23,368,934.41
Including: Operating cost	47,249,406.26	20,752,454.71
Interest expense		
Commission charge and commission expense		
Cash surrender value		
Net amount of expense of compensation		
Net amount of withdrawal of insurance contract reserve		
Bonus expense of guarantee slip		
Reinsurance expense		
Tax and extras	35,537.87	30,648.14
Sales expense	1,251,815.38	425,618.74
Administrative expense	1,603,942.40	1,328,263.03
R&D expense	1,215,439.84	856,296.32
Financial expenses	-7,899.53	-24,346.53
Including: Interest expenses		
Interest income	20,245.44	35,896.85
Add: other income	103,369.17	2,516.00
Investment income (Loss is listed with "-")		
Including: Investment income on affiliated company and joint venture		
The termination of income recognition for financial assets measured by amortized cost		
Exchange income (Loss is listed with "-")		
Net exposure hedging income (Loss is listed with "-")		
Income from change of fair value (Loss is listed with "-")		
Loss of credit impairment (Loss is listed with "-")	60,000.00	468.00
Losses of devaluation of asset (Loss is listed with "-")		
Income from assets disposal (Loss is listed with "-")		
III. Operating profit (Loss is listed with	-937,921.65	-202,620.85

“-”)		
Add: Non-operating income	221,131.50	
Less: Non-operating expense		
IV. Total profit (Loss is listed with “-”)	-716,790.15	-202,620.85
Less: Income tax expense	8,270.01	8,863.55
V. Net profit (Net loss is listed with “-”)	-725,060.16	-211,484.40
(i) Classify by business continuity		
1. Net profit from continuing operations (net loss listed with “-”)	-725,060.16	-211,484.40
2. Net profit from termination of operations (net loss listed with “-”)		
(ii) Classify by ownership		
1. Net profit attributable to owner’s of parent company	-903,991.16	-211,535.36
2. Minority shareholders’ gains and losses	178,931.00	50.96
VI. Net after-tax of other comprehensive income		
Net after-tax of other comprehensive income attributable to owners of parent company		
(i) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1. Changes of the defined benefit plans that re-measured		
2. Other comprehensive income under equity method that cannot be transfer to gain/loss		
3. Change of fair value of investment in other equity instrument		
4. Fair value change of enterprise's credit risk		
5. Other		
(ii) Other comprehensive income items which will be reclassified subsequently to profit or loss		
1. Other comprehensive income under equity method that can transfer to gain/loss		
2. Change of fair value of other debt investment		
3. Amount of financial assets re-classify to other comprehensive income		
4. Credit impairment provision for other debt investment		
5. Cash flow hedging reserve		
6. Translation differences arising on translation of foreign currency financial statements		
7. Other		
Net after-tax of other comprehensive income attributable to minority		

shareholders		
VII. Total comprehensive income	-725,060.16	-211,484.40
Total comprehensive income attributable to owners of parent Company	-903,991.16	-211,535.36
Total comprehensive income attributable to minority shareholders	178,931.00	50.96
VIII. Earnings per share:		
(i) Basic earnings per share	-0.0016	-0.0004
(ii) Diluted earnings per share	-0.0016	-0.0004

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

Legal Representative: Li Hai

Person in charge of Accounting Works: Sun Longlong

Person in charge of Accounting Institution: Zhong Xiaojin

3. Consolidated Cash Flow Statement

Unit: RMB/CNY

Item	Current period	Last period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	55,844,910.44	31,191,247.05
Net increase of customer deposit and interbank deposit		
Net increase of loan from central bank		
Net increase of capital borrowed from other financial institution		
Cash received from original insurance contract fee		
Net cash received from reinsurance business		
Net increase of insured savings and investment		
Cash received from interest, commission charge and commission		
Net increase of capital borrowed		
Net increase of returned business capital		
Net cash received by agents in sale and purchase of securities		
Write-back of tax received	3,529.86	2,652.02
Other cash received concerning operating activities	7,532,827.46	7,188,346.22
Subtotal of cash inflow arising from operating activities	63,381,267.76	38,382,245.29
Cash paid for purchasing commodities and receiving labor service	60,349,320.00	28,648,220.66

Net increase of customer loans and advances		
Net increase of deposits in central bank and interbank		
Cash paid for original insurance contract compensation		
Net increase of capital lent		
Cash paid for interest, commission charge and commission		
Cash paid for bonus of guarantee slip		
Cash paid to/for staff and workers	2,086,036.96	2,644,266.76
Taxes paid	431,259.14	335,366.77
Other cash paid concerning operating activities	9,444,978.17	5,355,228.27
Subtotal of cash outflow arising from operating activities	72,311,594.27	36,983,082.46
Net cash flows arising from operating activities	-8,930,326.51	1,399,162.83
II. Cash flows arising from investing activities:		
Cash received from recovering investment		
Cash received from investment income		
Net cash received from disposal of fixed, intangible and other long-term assets		
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities		
Subtotal of cash inflow from investing activities		
Cash paid for purchasing fixed, intangible and other long-term assets		5,957.99
Cash paid for investment		
Net increase of mortgaged loans		
Net cash received from subsidiaries and other units obtained		
Other cash paid concerning investing activities		
Subtotal of cash outflow from investing activities		5,957.99
Net cash flows arising from investing activities		-5,957.99
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Including: Cash received from absorbing minority shareholders' investment by subsidiaries		
Cash received from loans		

Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities		
Cash paid for settling debts		
Cash paid for dividend and profit distributing or interest paying		
Including: Dividend and profit of minority shareholder paid by subsidiaries		
Other cash paid concerning financing activities	142,878.90	
Subtotal of cash outflow from financing activities	142,878.90	
Net cash flows arising from financing activities	-142,878.90	
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate		
V. Net increase of cash and cash equivalents	-9,073,205.41	1,393,204.84
Add: Balance of cash and cash equivalents at the period-begin	33,246,957.92	19,887,978.05
VI. Balance of cash and cash equivalents at the period-end	24,173,752.51	21,281,182.89

(ii) Audit report

Whether the 1st quarterly report has been audited or not

Yes No

The 1st quarterly report of the Company has not been audited.

**Board of Directors of
Shenzhen China Bicycle Company (Holdings) Limited
April 28, 2022**