

Stock Code: 603609

Stock Abbreviation (English): Wellhope Co., Ltd.

Wellhope Foods Co., Ltd.
2021 First Quarter Report



禾豐股份

Contents

| | | |
|-------------|----------------------------|----|
| Section I | Important Statements..... | 3 |
| Section II | Company Information | 4 |
| Section III | Important Disclosures..... | 8 |
| Section IV | Appendix | 11 |

Section I Important Statements

I. The Board of Directors, Supervisory Board, Directors, Supervisors and Senior Leadership of Wellhope hereby warrant that there are no false representations, misleading statements or material omissions in the quarterly report, jointly and severally accept full responsibility for the truthfulness, accuracy and completeness of the contents of this report.

II. All the Directors attended the board meeting to deliberate the first quarter report.

III. The Company's Chairman Jin Weidong and the Director of internal audit Zhang Wenliang warrant the truthfulness, accuracy and completeness of the information presented in the financial statements in this report.

IV. The first quarter report is unaudited.

V. This report has been disclosed in both Chinese and English versions. In case there is any discrepancy or inconsistency between the two versions, the Chinese version shall prevail. The disclosed Chinese version of 2021 First Quarter Report can be obtained at: www.sse.com.cn.

Section II Company Information

I. Key Financial Figures

CNY

| Item | March 31, 2021 | December 31, 2020 | Change % |
|------------------------------------------------------------------------------------------|----------------------|----------------------|----------------------------------|
| Total assets | 12,790,487,099.19 | 11,646,508,203.99 | 9.82 |
| Net assets attributable to the shareholders of the Company | 7,037,960,890.61 | 6,752,397,489.35 | 4.23 |
| Item | January-March, 2021 | January-March, 2020 | Year-on-year change % |
| Net cash flow from operating activities | -556,311,101.38 | -40,329,752.04 | Not applicable |
| Item | January- March, 2021 | January- March, 2020 | Year-on-year change % |
| Operating revenue | 6,323,388,582.64 | 4,457,455,800.34 | 41.86 |
| Net profit attributable to the shareholders of the Company | 290,928,241.18 | 303,680,389.66 | -4.20 |
| Net profit attributable to the shareholders of the Company deducting extraordinary items | 299,181,338.60 | 303,734,949.01 | -1.50 |
| Weighted return on equity % | 4.22 | 5.19 | Decreased 0.97 percentage points |
| Basic earnings per share (CNY per share) | 0.32 | 0.33 | -3.03 |
| Diluted earnings per share (CNY per share) | 0.32 | 0.33 | -3.03 |

Extraordinary items

CNY

| Item | January-March, 2021 | Explanation |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|-------------|
| Gains or losses on disposal of non-current assets | -3,101,729.36 | |
| Government grants charged to current gains or losses (excl. the government grants that are closely related to the Company's ordinary course of business and gained constantly at fixed quotas or amounts as per certain standards based on the state polices) | 7,891,967.47 | |
| Gains or losses on fair value changes in holding the trading financial assets and liabilities as well as derivative financial assets and liabilities, and investment income from disposal of the trading financial assets and liabilities, derivative financial assets and liabilities as well as other debt investment (excl. the effective portion of hedges that arise in the Company's ordinary course of business) | 4,353,447.69 | |
| Non-operating income and expense other than those described above | -15,419,503.63 | |
| Non-controlling interests effects (after-tax) | -635,323.87 | |
| Income tax effects | -1,341,955.72 | |
| Total | -8,253,097.42 | |

II. The Number of Shareholders, Top Ten Shareholders and Top Ten Shareholders Holding Unrestricted Shares as at the end of the Reporting Period

Share

| The number of shareholders | | | 39,092 | | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-------|------------------------|-------------------|------------|-------------------------|
| Shareholding of top ten shareholders | | | | | | |
| Name of shareholder | Total shares held at the period-end | % | Restricted shares held | Pledged or Frozen | | Nature of shareholder |
| | | | | Status | Shares | |
| Jin Weidong | 149,549,498 | 16.22 | 3,062,117 | Pledged | 55,375,000 | Domestic natural person |
| DE HEUS MAURITIUS | 82,303,939 | 8.93 | 2,296,587 | - | | Foreign corporation |
| Ding Yunfeng | 81,929,558 | 8.89 | 1,531,058 | Pledged | 47,620,000 | Domestic natural person |
| Shao Caimei | 49,773,878 | 5.40 | - | - | | Domestic natural person |
| Zhang Tiesheng | 48,360,000 | 5.24 | - | Pledged | 6,600,000 | Domestic natural person |
| Wulian Heli Equity Investment Partnership (LP) | 48,360,000 | 5.24 | - | - | | Other |
| Wang Fengjiu | 47,964,602 | 5.20 | - | Pledged | 5,190,000 | Domestic natural person |
| Wang Zhongtao | 46,625,229 | 5.06 | 765,529 | - | | Domestic natural person |
| Hong Kong Securities Clearing Company Ltd. | 14,566,913 | 1.58 | - | - | | Other |
| Sinosafe Property and Asset Management-Industrial and Commercial Bank of China-Stably Increasing Profit No. 12 Collective Asset Management Product | 12,328,841 | 1.34 | - | - | - | Other |

| Top ten shareholders holding unrestricted shares | | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-------------|
| Name of shareholder | Unrestricted shares held | Shares by type | |
| | | Type | Shares |
| Jin Weidong | 146,487,381 | CNY common stock | 146,487,381 |
| Ding Yunfeng | 80,398,500 | CNY common stock | 80,398,500 |
| DE HEUS MAURITIUS | 80,007,352 | CNY common stock | 80,007,352 |
| Shao Caimei | 49,773,878 | CNY common stock | 49,773,878 |
| Zhang Tiesheng | 48,360,000 | CNY common stock | 48,360,000 |
| Wulian Heli Equity Investment Partnership (LP) | 48,360,000 | CNY common stock | 48,360,000 |
| Wang Fengjiu | 47,964,602 | CNY common stock | 47,964,602 |
| Wang Zhongtao | 45,859,700 | CNY common stock | 45,859,700 |
| Hong Kong Securities Clearing Company Ltd. | 14,566,913 | CNY common stock | 14,566,913 |
| Sinosafe Property and Asset Management- Industrial and Commercial Bank of China- Stably Increasing Profit No. 12 Collective Asset Management Product | 12,328,841 | CNY common stock | 12,328,841 |
| Relationship of above shareholders or statement made by the parties acting in concert | 1. Weidong Jin, Yunfeng Ding, Fengjiu Wang, Caimei Shao and Zhongtao Wang act in concert. 2. Weidong Jin is the actual controller of Wulian Heli Equity Investment Partnership (LP). 3. No relation or concerted action is found among other shareholders. | | |

Section III Important Disclosures

I. Changes of Major Items in the Financial Statements

CNY

| Balance sheet item | March 31, 2021 | January 1, 2021 | Change | Explanation |
|-----------------------------|---------------------|---------------------|----------------|------------------------------------------------------------------------------------------------------------------------------------|
| Derivative financial assets | 570,949.00 | 4,725,552.30 | -87.92% | The position of derivative financial assets decreased |
| Notes receivable | 9,272,305.57 | 14,200,547.87 | -34.70% | Notes receivable fall due |
| Accounts receivable | 845,866,978.35 | 450,170,744.45 | 87.90% | Newly increased accounts receivable during the settlement period |
| Long-term prepaid expenses | 100,585,942.02 | 143,945,562.29 | -30.12% | Amortisation decreased |
| Other non-current assets | 731,905,003.56 | 531,140,679.24 | 37.80% | Advance payment for long-lived assets and feeding fees to farmers increased |
| Notes payable | 2,600,000.00 | 4,000,000.00 | -35.00% | Notes receivable fall due |
| Prepayments | 31,702,488.62 | 15,522,362.13 | 104.24% | Prepayment for proceeds from sale increased |
| Dividends payable | 4,950,000.00 | 1,500,000.00 | 230.00% | Non-controlling interests of subsidiary companies increased |
| Long-term borrowings | 888,902,774.18 | 574,880,271.67 | 54.62% | Long-term loans from banks increased |
| Long-term payables | 10,688,281.09 | 15,458,230.92 | -30.86% | Payable for finance lease decreased |
| Other comprehensive income | -4,236,891.82 | -2,157,502.61 | Not applicable | Exchange differences on translation of foreign currency financial statements of associated companies under equity method increased |
| Income statement item | January-March, 2021 | January-March, 2020 | Change | Explanation |
| Operating revenue | 6,323,388,582.64 | 4,457,455,800.34 | 41.86% | Operating revenue of feed, broiler integration and swine raising businesses increased |

| | | | | |
|-----------------------------------------|----------------------------|----------------------------|----------------|---------------------------------------------------------------------------------------|
| Operating cost | 5,726,136,025.71 | 3,938,358,381.46 | 45.39% | The growth of operating revenue drove the increase of operating cost |
| Tax and surcharges | 8,920,915.49 | 6,337,449.69 | 40.77% | Taxes increased |
| Sales expense | 139,203,332.96 | 99,267,339.47 | 40.23% | Salaries and expenses of sales staff increased |
| Administration expense | 94,042,346.08 | 66,560,979.66 | 41.29% | Salaries and expenses of sales managerial increased |
| R&D expense | 19,656,195.40 | 13,796,274.35 | 42.47% | R&D input increased |
| Financial expense | 18,222,684.28 | 13,868,688.22 | 31.39% | Interests of bank borrowings increased and interests of leasing liabilities increased |
| Other income | 4,058,360.34 | 1,281,194.90 | 216.76% | Government grants increased |
| Gain or loss from fair value changes | 1,709,995.00 | -1,968,649.00 | Not applicable | Floating income from derivative financial assets |
| Assets impairment loss | -10,604,510.87 | -1,507,666.89 | Not applicable | The accrual of allowance for inventory write-down increased |
| Gain or loss from assets disposal | -1,850,037.79 | 1,263,879.25 | -246.38% | Loss from biological assets increased |
| Non-operating expenditure | 16,281,341.33 | 4,828,215.58 | 237.21% | Extraordinary loss increased |
| Cash flow statement item | January-March, 2021 | January-March, 2020 | Change | Explanation |
| Net cash flow from operating activities | -556,311,101.38 | -40,329,752.04 | Not applicable | Cash outflow of operating activities increased |
| Net cash flow from investing activities | -179,367,495.22 | -392,292,157.56 | Not applicable | Cash paid out on investments decreased |
| Net cash flow from financing activities | 602,232,370.71 | 271,971,156.55 | 121.43% | Cash received from borrowings increased |

| | |
|-----------------------------|--------------------------|
| Company | Wellhope Foods Co., Ltd. |
| Legal representative | Jin Weidong |
| Date | April 22, 2021 |

Section IV Appendix
I. Financial Statement
Consolidated Balance Sheet
March 31, 2021

Wellhope

CNY

| Item | March 31, 2021 | December 31, 2020 |
|------------------------------------|------------------|-------------------|
| Current assets: | | |
| Monetary capital | 1,072,931,572.78 | 1,197,722,799.16 |
| Trading financial assets | 50,000,000.00 | 50,000,000.00 |
| Derivative financial assets | 570,949.00 | 4,725,552.30 |
| Notes receivable | 9,272,305.57 | 14,200,547.87 |
| Accounts receivable | 845,866,978.35 | 450,170,744.45 |
| Prepayments | 416,610,717.24 | 364,401,520.23 |
| Other receivables | 138,556,768.34 | 121,043,476.45 |
| including: Interest receivable | | |
| Dividend receivable | 41,195,543.35 | 49,123,722.11 |
| Inventory | 2,940,955,436.23 | 2,473,827,570.38 |
| Contract assets | 4,398,703.89 | 4,301,418.29 |
| Other current assets | 115,002,540.24 | 109,698,865.94 |
| Total current assets | 5,594,165,971.64 | 4,790,092,495.07 |
| Non-current assets: | | |
| Long-term equity investment | 2,475,921,949.28 | 2,424,902,965.26 |
| Other equity instrument investment | 20,692,328.44 | 20,847,697.96 |
| Fixed assets | 2,894,529,028.05 | 2,860,162,059.91 |
| Construction in progress | 239,528,529.40 | 322,895,206.90 |
| Biological assets | 205,807,702.64 | 221,654,027.17 |
| Right-of-use asset | 193,902,841.65 | |
| Intangible assets | 291,554,162.08 | 291,785,453.15 |

| | | |
|---------------------------------------------|-------------------|-------------------|
| Goodwill | 290,425.67 | 290,425.67 |
| Long-term prepaid expenses | 100,585,942.02 | 143,945,562.29 |
| Deferred income tax assets | 41,603,214.76 | 38,791,631.37 |
| Other non-current assets | 731,905,003.56 | 531,140,679.24 |
| Total non-current assets | 7,196,321,127.55 | 6,856,415,708.92 |
| Total assets | 12,790,487,099.19 | 11,646,508,203.99 |
| Current liabilities: | | |
| Short-term borrowings | 1,371,482,521.07 | 1,110,672,869.40 |
| Notes payable | 2,600,000.00 | 4,000,000.00 |
| Accounts payable | 1,194,001,222.75 | 1,068,968,589.85 |
| Advance receipt | 31,702,488.62 | 15,522,362.13 |
| Contract liability | 293,635,320.94 | 365,124,817.02 |
| Payroll | 71,280,797.77 | 92,456,475.56 |
| Tax payable | 51,780,935.24 | 47,590,795.53 |
| Other payables | 318,499,455.32 | 280,673,085.07 |
| including: Interest payable | | |
| Dividend payable | 4,950,000.00 | 1,500,000.00 |
| Non-current liabilities due within one year | 154,530,727.28 | 121,896,906.66 |
| Other current liabilities | 3,990,225.41 | 3,386,523.00 |
| Total current liabilities | 3,493,503,694.40 | 3,110,292,424.22 |
| Non-current liabilities: | | |
| Long-term borrowings | 888,902,774.18 | 574,880,271.67 |
| Lease liability | 168,020,131.68 | |
| Long-term payable | 10,688,281.09 | 15,458,230.92 |
| Deferred income | 52,881,875.00 | 42,238,872.75 |
| Deferred income tax liabilities | 2,186,445.74 | 1,936,853.23 |
| Total non-current liabilities | 1,122,679,507.69 | 634,514,228.57 |
| Total liabilities | 4,616,183,202.09 | 3,744,806,652.79 |

| | | |
|----------------------------------------------------------------|-------------------|-------------------|
| Owners' equity (or shareholders' equity): | | |
| Paid-up capital (or share capital) | 922,059,896.00 | 922,059,896.00 |
| Capital reserve | 884,874,465.94 | 888,159,916.65 |
| deduct: Treasury stock | 45,695,815.00 | 45,695,815.00 |
| Other comprehensive income | -4,236,891.82 | -2,157,502.61 |
| Surplus reserves | 417,370,506.33 | 417,370,506.33 |
| Undistributed profits | 4,863,588,729.16 | 4,572,660,487.98 |
| Total owners' equity attributable to the parent company | 7,037,960,890.61 | 6,752,397,489.35 |
| Non-controlling interests | 1,136,343,006.49 | 1,149,304,061.85 |
| Total owners' equity (or shareholders' equity) | 8,174,303,897.10 | 7,901,701,551.20 |
| Total liabilities and owners' equity (or shareholders' equity) | 12,790,487,099.19 | 11,646,508,203.99 |

Balance Sheet of Parent Company
March 31, 2021

CNY

| Item | March 31, 2021 | December 31, 2020 |
|------------------------------------|------------------|-------------------|
| Current assets: | | |
| Monetary capital | 738,795,256.04 | 882,265,252.26 |
| Trading financial assets | 50,000,000.00 | 50,000,000.00 |
| Derivative financial assets | 570,949.00 | 4,725,552.30 |
| Accounts receivable | 41,340,962.44 | 20,085,558.13 |
| Prepayments | 10,828,330.22 | 9,917,656.22 |
| Other receivables | 2,049,796,568.81 | 1,371,365,317.28 |
| including: Interest receivable | | |
| Dividend receivable | 49,819,030.59 | 57,747,209.35 |
| Inventory | 74,730,536.27 | 51,828,244.25 |
| Total current assets | 2,966,062,602.78 | 2,390,187,580.44 |
| Non-current assets: | | |
| Long-term equity investment | 5,196,129,133.82 | 4,984,232,967.75 |
| Other equity instrument investment | 20,151,707.44 | 20,151,707.44 |
| Fixed assets | 135,378,192.52 | 137,920,401.73 |
| Construction in progress | 15,656,751.75 | 9,937,098.75 |
| Intangible assets | 14,339,872.93 | 14,556,983.41 |
| Long-term prepaid expenses | 1,890,471.48 | 1,997,913.51 |
| Deferred income tax assets | 8,172,935.08 | 7,805,635.89 |
| Other non-current assets | | 1,800,000.00 |
| Total non-current assets | 5,391,719,065.02 | 5,178,402,708.48 |
| Total assets | 8,357,781,667.80 | 7,568,590,288.92 |
| Current liabilities: | | |
| Short-term borrowings | 880,830,000.00 | 680,000,000.00 |
| Accounts payable | 56,244,360.27 | 38,179,034.66 |

| | | |
|-------------------------------------------------------------------|------------------|------------------|
| Contract liability | 3,714,318.84 | 5,446,528.15 |
| Payroll | 3,001,042.05 | 7,302,711.24 |
| Tax payable | 4,649,997.11 | 4,129,417.63 |
| Other payables | 1,564,020,405.19 | 1,472,651,727.41 |
| Non-current liabilities due within one year | 118,000,000.00 | 78,000,000.00 |
| Total current liabilities | 2,630,460,123.46 | 2,285,709,419.09 |
| Non-current liabilities: | | |
| Long-term borrowings | 804,476,909.73 | 494,500,000.00 |
| Deferred income | 23,885,625.00 | 25,056,500.00 |
| Deferred income tax liabilities | 256,499.25 | |
| Total non-current liabilities | 828,619,033.98 | 519,556,500.00 |
| Total liabilities | 3,459,079,157.44 | 2,805,265,919.09 |
| Owners' equity (or shareholders' equity): | | |
| Paid-up capital (or share capital) | 922,059,896.00 | 922,059,896.00 |
| Capital reserves | 886,822,157.59 | 885,579,203.34 |
| deduct: Treasury stock | 45,695,815.00 | 45,695,815.00 |
| Other comprehensive income | -2,230,877.96 | -337,193.02 |
| Surplus reserves | 417,370,506.33 | 417,370,506.33 |
| Undistributed profits | 2,720,376,643.40 | 2,584,347,772.18 |
| Total owners' equity (or shareholders' equity) | 4,898,702,510.36 | 4,763,324,369.83 |
| Total liabilities and owners' equity (or shareholders' equity) | 8,357,781,667.80 | 7,568,590,288.92 |

Consolidated Income Statement
January-March, 2021

Wellhope

CNY

| Item | January-March, 2021 | January-March, 2020 |
|-------------------------------------------------------------------------------|---------------------|---------------------|
| 1. Total operating revenue | 6,323,388,582.64 | 4,457,455,800.34 |
| including: Operating revenue | 6,323,388,582.64 | 4,457,455,800.34 |
| 2. Total operating costs | 6,006,181,499.92 | 4,138,189,112.85 |
| including: Operating costs | 5,726,136,025.71 | 3,938,358,381.46 |
| Taxes and surtaxes | 8,920,915.49 | 6,337,449.69 |
| Selling expenses | 139,203,332.96 | 99,267,339.47 |
| Administrative expenses | 94,042,346.08 | 66,560,979.66 |
| R&D expenses | 19,656,195.40 | 13,796,274.35 |
| Financial expenses | 18,222,684.28 | 13,868,688.22 |
| including: Interest expenses | 19,968,124.00 | 18,809,962.33 |
| Interest income | 4,944,277.48 | 4,404,591.00 |
| add: Other income | 4,058,360.34 | 1,281,194.90 |
| Income from investment | 73,803,607.68 | 93,790,558.33 |
| including: Income from investments in associated companies and joint ventures | 72,411,846.56 | 94,568,539.70 |
| Gain or loss from changes in fair value | 1,709,995.00 | -1,968,649.00 |
| Credit impairment loss | -17,423,323.82 | -23,257,043.50 |
| Assets impairment loss | -10,604,510.87 | -1,507,666.89 |
| Gain or loss from assets disposal | -1,850,037.79 | 1,263,879.25 |
| 3. Operating profit | 366,901,173.26 | 388,868,960.58 |
| add: Non-operating income | 4,695,444.83 | 5,506,607.86 |
| deduct: Non-operating expenditure | 16,281,341.33 | 4,828,215.58 |
| 4. Pretax profit | 355,315,276.76 | 389,547,352.86 |
| deduct: Income tax expenses | 43,983,772.16 | 37,186,068.99 |
| 5. Net profit | 311,331,504.60 | 352,361,283.87 |
| Net profit from continuing operations | 311,331,504.60 | 352,361,283.87 |
| A. Net profit attributable to the shareholders of parent company | 290,928,241.18 | 303,680,389.66 |

| | | |
|---------------------------------------------------------------------------------------------------|----------------|----------------|
| B. Non-controlling interests income | 20,403,263.42 | 48,680,894.21 |
| 6. Other comprehensive income, net of tax | -2,231,448.07 | -12,533,738.27 |
| Attributable to owners of parent company | -2,079,389.21 | -10,698,871.17 |
| A. Other comprehensive income that can't be reclassified into gains or losses | | |
| a. Other comprehensive income that can't be recorded into gains or losses under the equity method | | |
| b. Changes in the fair value of other equity instrument investment | | |
| B. Other comprehensive income that will be reclassified into gains or losses | -2,079,389.21 | -10,698,871.17 |
| a. Other comprehensive income that can be recorded into gains or losses under the equity method | -1,887,838.54 | -8,433,176.34 |
| b. Exchange differences on translation of foreign currency financial statements | -191,550.67 | -2,265,694.83 |
| Attributable to non-controlling interests | -152,058.86 | -1,834,867.10 |
| 7. Total comprehensive income | 309,100,056.53 | 339,827,545.60 |
| Attributable to the owners of parent company | 288,848,851.97 | 292,981,518.49 |
| Attributable to non-controlling interests | 20,251,204.56 | 46,846,027.11 |
| 8. EPS | | |
| A. Basic earnings per share (CNY per share) | 0.32 | 0.33 |
| B. Diluted earnings per share (CNY per share) | 0.32 | 0.33 |

Income Statement of Parent Company
January-March, 2021

CNY

| Item | January-March, 2021 | January-March, 2020 |
|-------------------------------------------------------------------------------------------------|---------------------|---------------------|
| 1. Total operating revenue | 239,975,798.94 | 220,505,721.96 |
| deduct: Operating costs | 162,452,656.83 | 150,245,786.96 |
| Taxes and surtaxes | 431,676.07 | 390,886.37 |
| Selling expenses | 3,444,538.71 | 3,603,813.49 |
| Administrative expenses | 7,387,076.66 | 6,467,154.42 |
| R&D expenses | 6,172,926.43 | 4,674,883.09 |
| Financial expenses | 4,587,358.56 | 4,914,955.96 |
| including: Interest expenses | 14,278,940.80 | 13,542,089.33 |
| Interest income | 9,714,799.69 | 8,660,172.95 |
| add: Other income | 2,305,794.54 | 641,174.00 |
| Income from investment | 88,196,460.51 | 112,875,053.93 |
| including: Income from investments in associated companies and joint ventures | 75,968,098.02 | 88,484,086.49 |
| Gain or loss from changes in fair value | 1,709,995.00 | -1,973,465.00 |
| Credit impairment loss | -3,704,014.47 | -2,718,768.67 |
| Assets impairment loss | | |
| Gain or loss from assets disposal | 144,312.56 | |
| 2. Operating profit | 144,152,113.82 | 159,032,235.93 |
| add: Non-operating income | | 102,192.29 |
| deduct: Non-operating expenditure | 174,650.00 | |
| 3. Pretax profit | 143,977,463.82 | 159,134,428.22 |
| deduct: Income tax expenses | 7,948,592.60 | 5,577,607.04 |
| 4. Net profit | 136,028,871.22 | 153,556,821.18 |
| Net profit from continuing operations | 136,028,871.22 | 153,556,821.18 |
| 5. Other comprehensive income, net of tax | -1,893,684.94 | -8,433,176.34 |
| A. Other comprehensive income that can't be reclassified into gains or losses | | |
| B. Other comprehensive income that will be reclassified into gains or losses | -1,893,684.94 | -8,433,176.34 |
| a. Other comprehensive income that can be recorded into gains or losses under the equity method | -1,893,684.94 | -8,433,176.34 |
| 6. Total comprehensive income | 134,135,186.28 | 145,123,644.84 |

Consolidated Statement of Cash Flow
January-March, 2021

Wellhope

CNY

| Item | January-March, 2021 | January-March, 2020 |
|--------------------------------------------------------------------------------------------------|---------------------|---------------------|
| 1. Cash flow from operating activities | | |
| Cash received from selling commodities, providing labor services | 6,047,568,933.10 | 4,168,715,416.41 |
| Tax refunds | 4,717,776.80 | 6,398,386.80 |
| Cash received from other activities related to operating | 22,290,286.69 | 20,586,402.55 |
| Sub-total of cash inflow of operating activities | 6,074,576,996.59 | 4,195,700,205.76 |
| Cash paid for purchasing commodities and receiving labor services | 6,131,766,184.71 | 3,831,827,731.30 |
| Cash paid to and for employees | 259,713,506.43 | 188,088,694.36 |
| Tax payments | 55,361,918.44 | 42,673,374.84 |
| Cash paid for other activities related to operating | 184,046,488.39 | 173,440,157.30 |
| Sub-total of cash outflow of operating activities | 6,630,888,097.97 | 4,236,029,957.80 |
| Net cash flow from operating activities | -556,311,101.38 | -40,329,752.04 |
| 2. Cash flow from investing activities | | |
| Cash received from disinvestment | 69,935,391.28 | 40,000,000.00 |
| Cash received from return on investment | 18,017,157.00 | 47,594,241.10 |
| Net cash received from disposal of fixed assets, intangible assets and other long-lived assets | 6,384,764.40 | 1,062,590.00 |
| Net cash received from disposal of subsidiaries and other business units | 3,496,498.08 | |
| Sub-total of cash inflow of investing activities | 97,833,810.76 | 88,656,831.10 |
| Cash paid for acquiring and building fixed assets, intangible assets and other long-lived assets | 211,591,052.98 | 249,581,655.29 |
| Cash paid for investments | 64,136,976.00 | 224,205,700.00 |
| Cash paid for other activities related to investment | 1,473,277.00 | 7,161,633.37 |
| Sub-total of cash outflow of investing activities | 277,201,305.98 | 480,948,988.66 |

| | | |
|-------------------------------------------------------------------------------------|------------------|------------------|
| Net cash flow from investing activities | -179,367,495.22 | -392,292,157.56 |
| 3. Cash flow from financing activities | | |
| Cash received from absorbing investments | 29,050,000.00 | 65,700,000.00 |
| including: Capital contributed by non-controlling interests to subsidiaries | 29,050,000.00 | 65,700,000.00 |
| Cash received from borrowings | 901,362,629.96 | 689,810,263.85 |
| Sub-total of cash inflow of financing activities | 930,412,629.96 | 755,510,263.85 |
| Repayments of borrowings | 297,396,926.92 | 443,304,275.99 |
| Cash paid for dividend, profit, or paid for interest | 22,393,072.27 | 40,234,831.31 |
| including: Dividend or profit paid by subsidiaries to non-controlling interests | 5,391,614.99 | 23,713,213.00 |
| Cash paid for other activities related to financing | 8,390,260.06 | |
| Sub-total of cash outflow of financing activities | 328,180,259.25 | 483,539,107.30 |
| Net cash flow from financing activities | 602,232,370.71 | 271,971,156.55 |
| 4. Effect of foreign exchange rate fluctuations on cash and cash equivalents | -46,191.48 | -102,760.06 |
| 5. Net increase in cash and cash equivalents | -133,492,417.37 | -160,753,513.11 |
| add: Opening balance of cash and cash equivalents | 1,186,197,643.04 | 1,508,390,481.68 |
| 6. Closing balance of cash and cash equivalents | 1,052,705,225.67 | 1,347,636,968.57 |

Cash Flow Statement of Parent Company January-March, 2021

CNY

| Item | January-March, 2021 | January-March, 2020 |
|--------------------------------------------------------------------------------------------------|------------------------|------------------------|
| 1. Cash flow from operating activities | | |
| Cash received from selling commodities, providing labor services | 213,581,147.37 | 200,102,084.36 |
| Cash received from other activities related to operating | 15,890,030.62 | 11,410,886.70 |
| Sub-total of cash inflow of operating activities | 229,471,177.99 | 211,512,971.06 |
| Cash paid for purchasing commodities and receiving labor services | 167,153,138.54 | 133,644,648.17 |
| Cash paid to and for employees | 13,694,535.64 | 10,267,135.83 |
| Tax payments | 8,136,162.56 | 7,675,704.13 |
| Cash paid for other activities related to operating | 19,063,895.42 | 16,000,739.24 |
| Sub-total of cash outflow of operating activities | 208,047,732.16 | 167,588,227.37 |
| Net cash flow from operating activities | 21,423,445.83 | 43,924,743.69 |
| 2. Cash flow from investing activities | | |
| Cash received from disinvestment | 68,030,000.00 | 40,000,000.00 |
| Cash received from return on investment | 25,370,811.56 | 71,839,213.10 |
| Net cash received from disposal of fixed assets, intangible assets and other long-lived assets | 180,000.00 | |
| Sub-total of cash inflow of investing activities | 93,580,811.56 | 111,839,213.10 |
| Cash paid for acquiring and building fixed assets, intangible assets and other long-lived assets | 8,087,080.75 | 1,951,955.40 |
| Cash paid for investments | 138,968,120.00 | 400,905,700.00 |
| Cash paid for other activities related to investment | 657,004,085.12 | 6,853,095.56 |
| Sub-total of cash outflow of investing activities | 804,059,285.87 | 409,710,750.96 |
| Net cash flow from investing activities | -710,478,474.31 | -297,871,537.86 |
| 3. Cash flow from financing activities | | |
| Cash received from borrowings | 650,000,000.00 | 450,000,000.00 |
| Sub-total of cash inflow of financing activities | 650,000,000.00 | 450,000,000.00 |

| | | |
|-------------------------------------------------------------------------------------|-----------------|------------------|
| Repayments of borrowings | 101,000,000.00 | 350,000,000.00 |
| Cash paid for dividend, profit, or paid for interest | 12,696,305.58 | 12,492,102.08 |
| Cash paid for other activities related to financing | | 150,894,551.45 |
| Sub-total of cash outflow of financing activities | 113,696,305.58 | 513,386,653.53 |
| Net cash flow from financing activities | 536,303,694.42 | -63,386,653.53 |
| 4. Effect of foreign exchange rate fluctuations on cash and cash equivalents | 9.85 | 85.21 |
| 5. Net increase in cash and cash equivalents | -152,751,324.21 | -317,333,362.49 |
| add: Opening balance of cash and cash equivalents | 871,749,101.71 | 1,023,685,161.19 |
| 6. Closing balance of cash and cash equivalents | 718,997,777.50 | 706,351,798.70 |