

Stock Code: 000058, 200058

Stock Name: Shen SEG, Shen SEG B

Announcement No.:2018-037



Main Body of Q1 2018 Report of Shenzhen SEG Co., Ltd.

Chapter 1 Important Notice

The Board of Directors, the Board of Supervisors, directors, supervisors, and senior executives guarantee that the quarterly report is authentic, accurate, and complete and that it has no false records, misleading statements or major omissions and they undertake joint and several legal liabilities.

All of the directors have attended the meeting of the Board of Directors reviewing the quarterly report.

The head of the Company Chen Huijie, the Chief Financial Officer Liu Zhijun and the responsible person of the accounting institution (accountant in charge) Ying Huadong hereby declare that the Financial Statements enclosed in this quarter report are true, accurate and complete.

Chapter 2 Company Profile

I. Major Accounting Data and Financial Indexes

Are retrospective adjustments required to previous financial statements?

Yes No

	Amount of the reporting period	Amount of the same period of the previous year	Year-on-year increase/decrease in the reporting period
Operating revenue (yuan)	391,140,155.46	317,456,442.86	23.21%
Net profit attributable to shareholders of the listed company (yuan)	62,622,931.80	31,609,057.25	98.12%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (yuan)	27,128,268.89	30,418,650.93	-10.82%
Net cash flow arising from operating activities (yuan)	-1,165,334.33	44,232,089.23	-102.63%
Basic EPS (yuan/share)	0.0507	0.0256	98.04%
Diluted EPS (yuan/share)	0.0507	0.0256	98.04%
Weighted average ROE	2.40%	1.50%	0.90%
	Amount at the end of the reporting period	Amount at the end of the previous year	Year-on-year increase/decrease in the reporting period
Total assets (yuan)	6,779,563,975.31	6,992,590,420.75	-3.05%
Net assets attributable to shareholders of the listed company (yuan)	1,970,693,597.89	1,917,228,370.15	2.79%

Items and amount of non-recurring profit or loss:

Applicable Not applicable

Unit: Yuan

Item	Amount	Remarks
Profit or loss on disposal of non-current assets (including the write-off of assets depreciation reserves)	45,345,874.37	Income from reduction of holdings of Huakong SEG
Government subsidies included in current profit or loss (except those closely related with corporate business and enjoyed according to national standards or certain quota)	1,373,769.29	Support fund for the construction of Nantong SEG and the subsidy for renovation of the external wall of SEG Plaza in Huaqiangbei, Shenzhen
Profit or loss on investment or asset management in proxy	3,368,273.42	
Other non-operating income and costs	-4,072,364.45	Payment of liquidated damages due to termination of contract by SEG New Urban
Less: Amount of affected income tax	11,503,888.16	
Amount of affected minority shareholders' equity (after tax)	-928,998.44	
Total	35,494,662.91	

Explanation for defining items of non-recurring profit and loss listed in the *Explanatory Announcement on Information Disclosure by Companies Offering Securities to the Public No. 1 — Non-recurring Profit and Loss* as items of recurring profit and loss

Applicable Not applicable

In the reporting period, no items of non-recurring profit and loss listed in the *Explanatory Announcement on Information Disclosure by Companies Offering Securities to the Public No. 1 — Non-recurring Profit and Loss* are defined as items of recurring profit and loss.

II. Total number of shareholders and shares held by top 10 shareholders at the end of the reporting period

1. Total number of ordinary shareholders and preferred shareholders restored with voting rights and shares held by top 10 shareholders

Unit: Share

Total number of ordinary shareholders at the end of the reporting period	69,900	Total number of preferred shareholders restored with the voting rights (if any)	0
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Shares held by top 10 shareholders						
Name of shareholder	Nature of shareholder	Proportion of shareholding	Shares held	Quantity of restricted shares held	Information on pledged or frozen shares	
					Share status	Quantity
Shenzhen SEG Group Co., Ltd.	State-owned legal person	56.70%	700,628,759	450,857,239		
Liu Guocheng	Domestic natural person	0.56%	6,891,302	0		
Shanghai Juzhang Investment Management Co., Ltd.	Domestic non-state-owned legal person	0.36%	4,396,241	0		
Zhang Jiao	Domestic natural person	0.33%	4,046,989	0		
Liu Guohong	Domestic natural person	0.25%	3,069,939	0		
Gong Qianhua	Overseas natural person	0.24%	2,940,000	0		
China Securities Finance Corporation Limited	Domestic non-state-owned legal person	0.18%	2,271,900	0		
Bian Xueping	Domestic natural person	0.17%	2,184,100	0		
Xu Yueying	Domestic natural person	0.13%	1,552,000	0		
China Hi-tech Group Corporation	State-owned legal person	0.12%	1,500,000	0		
Information on top 10 shareholders of non-restricted shares						
Name of shareholder	Quantity of unrestricted ordinary shares held	Type of share				
		Type of share	Quantity			
Shenzhen SEG Group Co., Ltd.	249,771,520	RMB ordinary shares	249,771,520			
Liu Guocheng	6,891,302	Domestically listed foreign shares	6,891,302			
Shanghai Juzhang Investment Management Co., Ltd.	4,396,241	RMB ordinary shares	4,396,241			
Zhang Jiao	4,046,989	RMB ordinary shares	4,046,989			
Liu Guohong	3,069,939	Domestically listed foreign shares	3,069,939			
Gong Qianhua	2,940,000	Domestically listed foreign shares	2,940,000			
China Securities Finance Corporation Limited	2,271,900	RMB ordinary shares	2,271,900			
Bian Xueping	2,184,100	RMB ordinary shares	2,184,100			
Xu Yueying	1,552,000	Domestically listed foreign shares	1,552,000			
China Hi-tech Group Corporation	1,500,000	RMB ordinary shares	1,500,000			
Explanations on the association relationship or concerted action	Shenzhen SEG Group Co., Ltd. has no association relationship with other shareholders and is not a person acting in concert with other shareholders as specified					

among the above-mentioned shareholders	in the <i>Management Methods for Disclosure of Information on Changes of Shareholding Status of Shareholders of Listed Companies</i> . It is unclear whether other shareholders are persons acting in concert.
Information on top 10 ordinary shareholders participating in securities margin trading (if any)	Among the above top 10 shareholders, Zhang Jiao holds 0 shares of the Company in an ordinary account and 4,046,989 shares in a margin trading investor credit account, totaling 4,046,989 shares of the Company. Bian Xueping holds 0 share of the Company in an ordinary account and 2,184,100 shares in a margin trading investor credit account, totaling 2,184,100 shares of the Company.

Did top 10 ordinary shareholders of the Company or top 10 ordinary shareholders of non-restricted shares conduct agreed repurchase transactions in the reporting period?

Yes No

The top 10 ordinary shareholders of the Company or top 10 ordinary shareholders of non-restricted shares did not conduct agreed repurchase transactions in the reporting period.

2. Total number of preferred shareholders and shares held by top 10 preferred shareholders

Applicable Not applicable

Chapter 3 Important Matters

I. Changes in main financial data and financial indicators of the reporting period and reasons

√ Applicable □ Not applicable

(I) Items of the consolidated balance sheet statement

Unit: RMB/Yuan

Item	Closing balance	Opening balance	Difference	Increase/decrease compared with the amount of the beginning of the period (%)
Accounts receivable	95,441,618.29	61,934,101.56	33,507,516.73	54.10%
Prepayment	49,283,415.61	34,718,079.54	14,565,336.07	41.95%
Investment properties	1,074,155,513.44	676,888,184.90	397,267,328.54	58.69%
Payroll payable	25,706,082.70	41,014,602.99	-15,308,520.29	-37.32%

1. Accounts receivable increase by RMB 33,507,516.73 or 54.10% compared with the amount of the beginning of the period, mainly because SEG Real Estate Investment confirmed the income of the property management fee of 2,473.42 million yuan during the reporting period.
2. Prepayment increases by RMB 14,565,336.07 or 41.95% compared with the amount of the beginning of the period, mainly because Shenzhen-Shantou SEG Longyan paid the device purchasing fund of RMB 23,519,900 in the reporting period.
3. Investment properties increase by RMB 397,267,328.54 or 58.69% compared with the amount of the beginning of the period, mainly because Nantong SEG carried forward the commercial property costs of RMB 411 million to investment properties in the reporting period.
4. Payroll payable decreases by RMB 15,308,520.29 or 37.32% compared with the amount of the beginning of the period, mainly because the Company granted some salaries and bonuses accrued last year in the reporting period.

(II) Items of the consolidated profit statement

Unit: RMB/Yuan

Item	Amount of the current period	Amount of the same period last year	Difference	Increase/decrease compared with the amount of the same period last year (%)
Interest income	5,020,857.08	13,455,248.15	-8,434,391.07	-62.68%
Tax and surcharges	10,239,902.06	6,678,270.88	3,561,631.18	53.33%
Financial expenses	15,524,536.56	4,747,437.45	10,777,099.11	227.01%
Loss of impairment of assets	3,428,150.12	0.00	3,428,150.12	-
Investment income	43,590,161.83	544,597.03	43,045,564.80	7904.11%

Non-operating expenses	4,264,049.51	147,931.71	4,116,117.80	2782.44%
Income tax expenses	29,410,259.23	18,096,458.88	11,313,800.35	62.52%
Net profit attributable to the owner of the parent company	62,622,931.80	31,609,057.25	31,013,874.55	98.12%
Minority shareholders' profit and loss	11,208,997.40	8,597,963.44	2,611,033.96	30.37%

- Interest income decreases by RMB 8,434,391.07 or 62.68% compared with the amount of the same period last year, mainly because the loan business SEG Credit declined in the reporting period.
- Tax and surcharges increase by RMB 3,561,631.18 or 53.33% compared with the amount of the same period last year, mainly because the land VAT for property sales of RMB 4,070,700 in the reporting period.
- Financial expenses increase by RMB 10,777,099.11 or 227.01% compared with the amount of the same period last year, mainly because in the reporting period 1) the SEG New Urban project was completed and the capitalization of borrowing interests ceased; 2) increase in borrowings leads to increase in interest expenses.
- Loss of impairment of assets increases by RMB 3,428,150.12 compared with the amount of the same period last year, mainly because SEG Credit accrued the provision for loan loss in the reporting period which was not incurred last year.
- Investment income increases by RMB 43,045,564.80 compared with the amount of the same period last year, mainly because the Company obtained the investment income from sales of stocks of Huakong SEG in the reporting period.
- Non-operating expenses increase by RMB 4,264,049.51 or 2,782.44% compared with the amount of the same period last year, mainly because the termination of SEG Real Estate Investment payment contract during the reporting period.
- Income tax expenses increase by RMB 11,313,800.35 or 62.52% compared with the amount of the same period last year, mainly because the Company obtained the investment income of RMB 45,700,000 from sales of stocks of Huakong SEG in the reporting period and the corresponding income tax expenses increase.
- Net profit attributable to the owner of the parent company increase by RMB 31,013,874.55 or 98.12% compared with the amount of the same period last year, mainly because the Company obtained the investment income of RMB 45,700,000 from sales of stocks of Huakong SEG.
- Minority shareholders' profit and loss increase by RMB 2,611,033.96 or 30.37% compared with the amount of the same period last year, mainly because the New Urban project of SEG Real Estate reached the income recognition criteria and the sales payment received in advance is transferred to income, leading to increase in the net profit.

(III) Items of the consolidated cash flow statement

Unit: RMB/Yuan

Item	Amount of the current period	Amount of the same period last year (adjusted)	Difference	Increase/decrease compared with the amount of the same period last year (%)
Cash received from interest, handling charges and commissions	4,661,395.77	15,294,323.84	-10,632,928.07	-69.52%
Net increase in customer loans and advances	-16,784,988.00	-445,447.60	-16,339,540.40	-
Cash received from disposal of investments	359,690,000.00	598,000,000.00	-238,310,000.00	-39.85%
Cash received from returns on	52,184,734.09	4,343,173.32	47,841,560.77	1101.53%

investments				
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	32,963,785.60	12,781,888.65	20,181,896.95	157.89%
Cash paid for investment	350,880,000.00	514,980,001.00	-164,100,001.00	-31.87%
Other cash paid for investment activities	78,250.87	30,010,000.00	-29,931,749.13	-99.74%
Cash received by absorbing investment	980,000.00	56,100,000.00	-55,120,000.00	-98.25%
Cash received from borrowings	152,000,000.00	370,000,000.00	-218,000,000.00	-58.92%
Cash paid for dividend and profit distribution or interest payment	12,986,315.44	39,883,427.10	-26,897,111.66	-67.44%

1. Cash received from interest, handling charges and commissions decreases by RMB 10,632,928.07 or 69.52% compared with the amount of the same period last year, mainly because SEG Credit shrank loans and the interest and handling charges received decreased compared with the amount of last year.
2. Net increase in customer loans and advances decreases by RMB 16,339,540.40 compared with the amount of the same period last year, mainly because SEG Credit shrank loans in the reporting period.
3. Cash received from disposal of investments decreases by RMB 238,310,000.00 or 39.85% compared with the amount of the same period last year, mainly because the principal of bank financing recovered by the Company decreased in the reporting period.
4. Cash received from returns on investments increases by RMB 47,841,560.77 or 1,101.53% compared with the amount of the same period last year, mainly because the Company received income from sales of stocks of Huakong SEG in the reporting period.
5. Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets increases by RMB 20,181,896.95 or 157.89% compared with the amount of the same period last year, mainly because Shenzhen-Shantou SEG Longyan made the payment for devices in the reporting period.
6. Cash paid for investment decreases by RMB 164,100,001.00 or 31.87% compared with the amount of the same period last year, mainly because the financial amount of the Company decreased in the reporting period.
7. Other cash paid for investment activities decreases by RMB 29,931,749.13 or 99.74% compared with the amount of the same period last year, mainly because the performance bond for project land paid by Shenzhen-Shantou SEG Longyan was included in this item last year.
8. Cash received by absorbing investment decreases by RMB 55,120,000.00 or 98.25% compared with the amount of the same period last year, mainly because the minority shareholders' investments received by SEG Longyan was included in this item last year.
9. Cash received from borrowings decreases by RMB 218,000,000.00 or 58.92% compared with the amount of the same period last year, mainly because bank loans received by the Company decreased in the reporting period.
10. Cash paid for dividend and profit distribution or interest payment decreases by RMB 26,897,111.66 or 67.44% compared with the amount of the same period last year, mainly because no subsidiary distributed profits to minority shareholders in the reporting period, payment interest only.

II. Progress and impacts of major events and analysis of solutions

√ Applicable □ Not applicable

(I) Completion of reduction of holdings of Huakong SEG

On September 9, 2017, the Company released the *Announcement on the Plan of Reduction of Holdings of Shenzhen Huakong SEG Co., Ltd.* in the designated information disclosure media and planned to reduce no more than 20,133,429 holding-shares of Huakong SEG by centralized bidding. As of March 30, 2018, the Company reduced 20,066,600 or 1.9933% of holding-shares of Huakong SEG and completed the plan of reduction. (For details, see the *Announcement on the Reduction of Holdings of Shenzhen Huakong SEG Co., Ltd.* released by the Company in the designated information disclosure media on April 3, 2018.)

(II) Completion of increase in holdings of the Company by middle and senior managers of the Company and its controlling shareholders

On September 26, 2017, the Company released the *Announcement on the Plan of Increase of Holdings of the Company by Some Directors, Supervisors, Middle and Senior Managers of Controlling Shareholders and Some Directors, Supervisors and Senior Managers of the Company* in the designated information disclosure media. Some directors, supervisors, middle and senior managers of controlling shareholders and some directors, supervisors and senior managers of the Company planned to increase holdings of the Company valued no less than RMB 5 million by centralized bidding in the trading system of Shenzhen Stock Exchange. As of March 25, 2018, the plan of increase was completed and the amount of increase of holdings was RMB 6,169,500. (For details, see the *Announcement on Completion of the Plan of Increase of Holdings of the Company by Some Directors, Supervisors, Middle and Senior Managers of Controlling Shareholders and Some Directors, Supervisors and Senior Managers of the Company* released by the Company in the designated information disclosure media on March 27, 2018.)

(III) Equity transfer of SEG Credit

On March 13, 2018, the Company released the *Announcement on the Connected Transaction of Transfer of 62% of the Equity of Shenzhen SEG Credit Co., Ltd. Held by the Company and its Holding Subsidiaries* in the designated information disclosure media and transferred 62% of the equity of SEG Credit held by the Company to the controlling shareholder SEG Group. As of April 18, 2018, the equity transfer was completed. (For details, see the *Announcement on the Progress of Transfer of 62% of the Equity of Shenzhen SEG Credit Co., Ltd. Held by the Company and its Holding Subsidiaries* released by the Company in the designated information disclosure media in April 21, 2018.)

(IV) Lawsuits of Nanning SEG

Dispute over the lease contract arose between Nanning Haiqi Real Estate Development Co., Ltd. and the Company

Case number: 2016 G. 0102 M. C. No. 3653

According to the judgment of the first instance, Nanning SEG shall pay the liquidated damages of RMB 666,600 to Nanning Haiqi, the Company shall be jointly and severally liable, and other claims were dismissed. Nanning Haiqi instituted an appeal to Nanning Intermediate People's Court. According to the effective judgment [(2017) G. 01. M. Z. 4210] entered by Nanning Intermediate People's Court in March 2018, the defendant shall pay the liquidated damages of RMB 8,000,000.00, the attorney fee of RMB 263,000.00 and the litigation cost of RMB 13.4238

Second instance judgment: Nanning SEG shall pay the liquidated damages of RMB 8 million, pay the attorney fee of RMB 263,000 to Nanning Haiqi, and pay the case acceptance fee of RMB 134,238. As of April 4, 2018, Nanning Xingning Court blocked two accounts of the Company and deducted RMB 8,476,600. The Company has applied for re-trial.

Overview of major events	Disclosure date	Inquiry index for the websites disclosing the temporary reports
1. Progress of the lawsuit of the holding subsidiary The holding subsidiary SEG Industrial received the Civil	January 5, 2018	http://www.cninfo.com.cn <i>Announcement of Shenzhen SEG Co., Ltd. on</i>

Judgments [(2017) Y. 0304 M. C. No. 5088 and 5092] from Futian District People's Court		<i>the Progress of the Lawsuit of the Holding Subsidiary</i>
2. Expiration of the approval of share issuance to acquire assets and raise supporting funds	January 5, 2018	http://www.cninfo.com.cn <i>Announcement of Shenzhen SEG Co., Ltd. on the Approval of Share Issuance to Acquire Assets and Raise Supporting Funds</i>
3. Reduction of holdings of Huakong SEG As deliberated and adopted at the 24th interim meeting of the 7th Board of Directors and the 5th extraordinary general meeting of 2017, the Company will reduce no more than 20,133,429 holding-shares of Huakong SEG (accounting for no more than 2% of the total share capital of Huakong SEG, subject to changes in case of changes in shares due to issuance of bonus shares or capital reserves transferred into share capital by Huakong SEG) by centralized bidding according to laws within six months following 15 trading days from the announcement of the plan of reduction, and will authorize the management of the Company to appoint personnel to be responsible for specific operations. As of January 3, the Company reduced 10,066,600 or 0.9999% of holding-shares of Huakong SEG.	January 5, 2018	http://www.cninfo.com.cn <i>Announcement of Shenzhen SEG Co., Ltd. on the Progress of Reduction of Holdings of Shenzhen Huakong SEG Co., Ltd.</i>
4. Shenzhen SEG Longyan Energy Technology Co., Ltd.'s investment and establishment of Hangzhou SEG Longyan Energy Technology Co., Ltd. <i>The Proposal for Shenzhen SEG Longyan Energy Technology Co., Ltd.'s Investment and Establishment of Hangzhou SEG Longyan Energy Technology Co., Ltd.</i> was deliberated and adopted at the 28th interim meeting of the 7th Board of Directors on January 17, 2018. SEG Longyan invested and established a wholly-owned subsidiary Hangzhou SEG Longyan Energy Technology Co., Ltd. in Hangzhou with the registered capital of RMB 40,000,000.	January 19, 2018	http://www.cninfo.com.cn <i>Announcement of Shenzhen SEG Co., Ltd. on the Investment and Establishment of Hangzhou SEG Longyan Energy Technology Co., Ltd.</i>
5. Connected Transaction of transfer of 62% of the equity of Shenzhen SEG Credit Co., Ltd. held by the Company and its holding subsidiaries The Company transferred 62% of the equity of Shenzhen SEG Credit Co., Ltd. held by the Company and its holding subsidiaries, including 38% of the equity of SEG Credit held by the Company, 16% of the equity of SEG Credit held by Shenzhen SEG Industrial Investment Co., Ltd., and 8% of the equity of SEG Credit held by SEG Property Development Co., Ltd.	March 13, 2018	http://www.cninfo.com.cn <i>Announcement on the Connected Transaction of Transfer of 62% of the Equity of Shenzhen SEG Credit Co., Ltd. Held by the Company and its Holding Subsidiaries</i>

<p>6. Convening the first extraordinary general meeting of 2018</p> <p>The Company published the <i>Announcement on the Notice of the First Extraordinary General Meeting of 2018</i> and the <i>Supplementary Notice of the First Extraordinary General Meeting of 2018</i> in China Securities Journal, Securities Times, Securities Daily, Hong Kong Commercial Daily, and www.cninfo.com.cn respectively on March 13, 2018 and March 17, 2018.</p>	<p>March 27, 2018</p>	<p>http://www.cninfo.com.cn</p> <p><i>Announcement on Convening the First Extraordinary General Meeting of 2018</i></p>
<p>7. Replacement of directors and supervisors</p> <p>The Company convened the first extraordinary general meeting of 2018 on March 29, 2018. As deliberated and adopted at the meeting, Chen Huijie and Zhang Liang were elected as directors of the 7th Board of Directors, and Zhang Yujie and Wang Guancheng were elected as supervisors of the 7th Board of Supervisors.</p>	<p>March 29, 2018</p>	<p>http://www.cninfo.com.cn</p> <p><i>Announcement on Resolutions of the First Extraordinary General Meeting of 2018</i></p>
<p>8. Election of the Chairman of the Board of Directors and Chairman of the Board of Supervisors and appointment of the Vice General Manager and Secretary of the Board</p> <p>The Company convened the 31st interim meeting of the 7th Board of Directors and the 6th interim meeting of the 7th Board of Supervisors on March 29, 2018. At the meeting of the Board of Directors, Mr. Chen Huijie was elected as Chairman of the Board of Directors and Mr. Peng Aiyun was appointed as Vice General Manager and Secretary of the Board. At the meeting of the Board of Supervisors, Mr. Zhang Yujie was elected as Chairman of the Board of Supervisors.</p>	<p>March 30, 2018</p>	<p>http://www.cninfo.com.cn</p> <p><i>Announcement on Resolutions of the 31st Interim Meeting of the 7th Board of Directors and Announcement on Resolutions of the 6th Interim Meeting of the 7th Board of Directors</i></p>
<p>9. Public offering of corporate bonds</p> <p>The Company convened the 30th interim meeting of the 7th Board of Directors on March 13, 2018 and the first extraordinary general meeting of 2018 on March 29, 2018, at which the Proposal of Shenzhen SEG Co., Ltd. for Public Offering of Corporate Bonds was deliberated and adopted.</p>	<p>March 13, 2018 and March 29, 2018</p>	<p>http://www.cninfo.com.cn</p> <p><i>Announcement on Resolutions of the 30th Interim Meeting of the 7th Board of Directors and Announcement on Resolutions of the First Extraordinary General Meeting of 2018</i></p>

III. Commitments not fulfilled in the reporting period by the actual controller of the Company, shareholders, buyers, or other related parties

Applicable Not applicable

There are no commitments not fulfilled in the reporting period by the actual controller of the Company, shareholders, buyers, or other related parties.

IV. Estimation of operating results of January-June 2018

Warning of negative estimated accumulated net profit from the beginning of the year to the end of the next reporting period or large fluctuation over the same period of the previous year and causes

Applicable Not applicable

Performance forecast: The same goes up dramatically

The performance forecast fills in the data type: Exact quantity

	The end of the next reporting period	The same period last year	Increase/decrease compared with the amount of the same period last year	
Cumulative net profit forecast (Ten thousand yuan)	9,100	5,001	Increase	91.96%
Basic EPS (yuan/share)	0.0736	0.0405	Increase	81.84%
Description of the performance forecast	Cumulative net profit forecast for the first half of 2018 includes the investment income from sales of stocks of Huakong SEG, which did not occur in the same period last year.			

V. Securities investment

Applicable Not applicable

VI. Derivative investment

Applicable Not applicable

No derivative investment is involved in the reporting period.

VII. Registration form for investigations, communication and interviews in the reporting period

Applicable Not applicable

Time	Means	Type	Investigation Index
January 5, 2018	Phone call	Individual	Inquire about when the Company will disclose the annual report. The Company has replied that the annual report will be disclosed on April 24, 2018.
January 11, 2018	Phone call	Individual	Inquire why the stock price of the Company does not rise and whether there is any important announcement to be disclosed. The Company has replied that there is no information that should have been disclosed but not disclosed.
January 19, 2018	Phone call	Individual	Inquire about the progress of reduction of holdings of Huakong SEG. The Company has given a reply according to the actual progress disclosed.

February 5, 2018	Phone call	Individual	Inquire about the progress of the SEG Longyan project of the Company. The Company has given a reply according to the actual progress disclosed.
February 28, 2018	Phone call	Individual	Inquire about the number of shareholders as of February 28. The Company has given a reply according to the register of shareholders released by the Securities Depository and Clearing Corporation.
March 9, 2018	Phone call	Individual	Inquire about the main business and transformation of the Company. The Company has given a reply according to the actual progress disclosed.
March 15, 2018	Phone call	Individual	Inquire about the number of shareholders as of March 15. The Company has given a reply according to the register of shareholders released by the Securities Depository and Clearing Corporation.
March 23, 2018	Phone call	Individual	Inquire about when the Company will disclose the annual report. The Company has replied that the annual report will be disclosed on April 24, 2018.
March 27, 2018	Phone call	Individual	Inquire about the registration method of the general meeting. The Company has given a reply according to the disclosed notice of the general meeting.

VIII. Illegal external guarantee

Applicable Not applicable

No illegal external guarantee is involved in the reporting period.

IX. Non-operating capital occupation on the listed company by the controlling shareholders and related parties

Applicable Not applicable

No non-operating capital occupation on the listed company by the controlling shareholders and related parties is involved in the reporting period.