

Stock Code: 000025,200025

No.: 2018-044

Short Form of Stock: Tellus A, Tellus B

Shenzhen Tellus Holding Co., Ltd.

Summary of Semi-Annual Report 2018

I. Important Notice

The summary of semi-annual report is excerpted from the full text of the semi-annual report. For the details, investors should carefully read the full text of the semi-annual report published on Juchao Information website (www.cninfo.com.cn) and Shenzhen Stock Exchange Website etc., appointed by CSRC.

Board of Directors, Supervisory Committee, all directors, supervisors and senior executives of Shenzhen Tellus Holding Co., Ltd. (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.

All directors are attended the Board Meeting for report deliberation.

Prompt of non-standard audit opinion

Applicable Not applicable

Profit distribution pre-plan of common stock or capitalizing of common reserves pre-plan deliberated by the Board in the reporting period

Applicable Not applicable

There is no plan of cash bonus, dividend distribution and capitalizing of common reserves carried out by the Company.

Profit distribution pre-plan of preferred stock deliberated and approved by the Board in the reporting period

Applicable Not applicable

II. Company profile

1. Company profile

Short form of the stock	Tellus-A, Tellus-B	Stock code	000025, 200025
Stock exchange for listing	Shenzhen Stock Exchange		
Person/Way to contact	Secretary of the Board	Rep. of security affairs	
Name	Qi Peng	Sun Bolun	
Office add.	15/F, CNNC Building, Shennan Middle Road, Futian District, Shenzhen	15/F, CNNC Building, Shennan Middle Road, Futian District, Shenzhen	
Tel.	(0755) 83989378	(0755) 83989339	
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2. Main financial data and indexes

Whether it has retroactive adjustment or re-statement on previous accounting data

Yes No

	Current period	Same period of last year	Changes over last year
Operating income (RMB)	197,955,081.73	160,984,104.56	22.97%
Net profit attributable to shareholders of the listed Company (RMB)	26,920,279.86	24,596,905.09	9.45%
Net profit attributable to shareholders of the listed Company after deducting non-recurring gains and losses (RMB)	22,098,655.68	17,705,046.11	24.82%
Net cash flow arising from operating activities (RMB)	-28,070,468.11	7,380,561.40	-480.33%
Basic earnings per share (RMB/Share)	0.0906	0.0827	9.55%
Diluted earnings per share (RMB/Share)	0.0906	0.0827	9.55%
Weighted average ROE	2.76%	2.71%	0.05%
	Period-end	Period-end of last year	Changes over period-end of last year
Total assets (RMB)	1,478,584,645.36	1,403,314,594.42	5.36%
Net assets attributable to shareholder of listed Company (RMB)	990,179,336.49	963,259,056.63	2.79%

3. Number of shares and share-holding

In Share

Total common stock shareholders in reporting period-end		52,145	Total preference shareholders with voting rights recovered at end of reporting period (if applicable)	0		
Top ten shareholders						
Full name of Shareholders	Nature of shareholder	Proportion of shares held	Amount of shares held	Amount of restricted shares held	Number of share pledged/frozen	
					State of share	Amount
Shenzhen Special Development Group Co., Ltd.	State-owned corporation	49.09%	145,925,256	0		
Shenzhen Capital Fortune Jewelry Industry Investment Enterprise	Domestic non state-owned corporate	23.87%	70,947,000	0		

(limited partnership)						
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	Foreign corporation	0.40%	1,201,304		0	
Li Guangxin	Domestic nature person	0.26%	761,161		0	
Agricultural Bank of China Ltd. – CSI 500 ETF	Other	0.16%	469,200		0	
He Xing	Domestic nature person	0.10%	300,100		0	
Huang Chuyun	Domestic nature person	0.09%	266,500		0	
Chen Guifei	Domestic nature person	0.09%	260,400		0	
Celestial Securities Limited	Foreign corporation	0.07%	196,226		0	
Zeng Huiming	Foreign nature person	0.07%	195,000		0	
Explanation on associated relationship among the top ten shareholders or consistent action	Among the top ten shareholders, there exists no associated relationship between the state-owned legal person's shareholders SDG, Ltd and other shareholders, and they do not belong to the consistent actionist regulated by the Management Measure of Information Disclosure on Change of Shareholding for Listed Companies. For the other shareholders of circulation share, the Company is unknown whether they belong to the consistent actionist.					
Explanation on involving margin business (if applicable)	N/A					

4. Changes of controlling shareholders or actual controller

Controlling shareholder changed in the Period

Applicable Not applicable

Controlling shareholders had no change in reporting period.

Actual controller changed in the Period

Applicable Not applicable

Actual controller had no change in reporting period.

5. Total preferred shareholders and top 10 shares held by preferred shareholders

Applicable Not applicable

The Company has no preferred shareholders

6. Corporate bond

Whether the Company has a corporation bonds that issuance publicly and listed on stock exchange and without due on the date when semi-annual report approved for released or fail to cash in full on due

No

III. Discussion and analysis of operation

1. Operation status in the period

Does the Company need to comply with the disclosure requirements of the special industry

No

During the reporting period, in the context of the continuously sluggish domestic market environment, the Company continued to adhere to the market-oriented policy, on the one hand, it fully vitalized its own resources, improved the management level and cost control level of the automobile business, and maintained stable operating income of the automobile business; on the other hand, it increased the operating income of resource assets by strengthening management, optimizing structure, revitalizing resources, and tapping the maximum potential of stock business. On the basis of maintaining the original business scale, the Company continued to push forward the transformation of jewelry service business. During the reporting period, Sichuan Jewelry Company and Tellus Xingguang Jinzun operated steadily, and the business scale reached record highs. The jewelry industry innovation investment fund which the Company participated in the establishment has conducted in-depth screening to some suitable targets, and the fund investment projects will be actively promoted in the second half of the year; as a dual-creation base awarded by the Development and Reform Commission of Shenzhen Municipality, the Company plans to take some property of Tellus Jewelry Building Phase I as a dual-creation industrial base of which the embodiment is being implemented; during the report period, the Company was elected as the executive director of the GAC Intellectual Property Service Committee. Through the above-mentioned strategic implementation measures, the Company's strategic transformation has taken a solid step, accumulated industry experience through actual operation, and the visibility in the industry has been significantly improved through the in-depth cooperation with many leading enterprises in the jewelry industry.

From January to June 2018, the Company achieved operating income of RMB 197,955,100, an increase of RMB 36,971,000 or 22.97% compared with RMB 160,984,100 in the same period of last year; the total profit was RMB 28,454,300, an increase of RMB 4,429,200 or 18.44% compared with RMB 24,025,100 in the same period of last year; net profit attributable to the parent Company was RMB 26,920,300, an increase of RMB 2,323,400 or 9.45% compared with RMB 24,596,900 in the same period of last year. The main reason for the increase in operating income, total profit and net profit attributable to the parent Company over the same period of last year was the increase in the jewelry wholesale income of Sichuan Jewelry Company and the increase in investment income from shareholding enterprises counted and drawn by equity method.

In the future, the Company will firmly promote the implementation of various strategic projects in accordance with the transformation strategy so as to realize the growth of jewelry service business income and strive to achieve the strategic transformation goals as soon as possible.

2. Matters relevant to financial report

(1) Particulars about the changes in aspect of accounting policy, estimates and calculation method compared with the accounting period of last year

Applicable Not applicable

The Company had no particulars about the changes in aspect of accounting policy, estimates or calculation method in the reporting period.

(2) Particulars about retroactive restatement on major correction for accounting errors in reporting period

Applicable Not applicable

The Company had no particulars about retroactive restatement on major correction for accounting errors in the reporting period.

(3) Particulars about the change of consolidation range compared with the accounting period of last year

Applicable Not applicable

Totally 15 subsidiaries included in consolidated scope for first half of 2018, and found more in “Equity in other entity” in the Note VIII. One Company deducted in consolidation range in the Year.