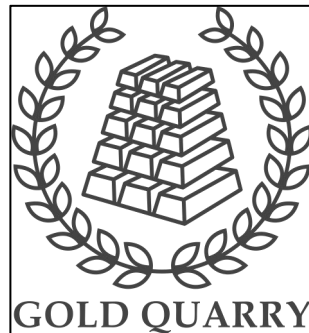




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Gold Quarry Ltd.

金矿有限公司

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

(Stock Code: 2899)

2021 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 (Cap. 571 of the Laws of Hong Kong).

Set out below is the 2021 third quarterly report of Gold Quarry Ltd. (the “**Company**”) for the nine months ended 30 September 2021. The financial report contained herein is prepared pursuant to China Accounting Standards for Business Enterprises and has not been audited.

This announcement 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
Gold Quarry Ltd.
Chairman

Jinan, the PRC
29 October 2021

As at the date of this announcement, the executive directors of the Company are Mr. WangPeiyue, Mr. Li Tao and Mr. Tang Qi; the non-executive directors of the Company are Mr. LiGuohong,

Mr. Wang Lijun and Ms. Wang Xiaoling; and the independent non-executive directors of the Company are Mr. Gao Yongtao, Mr. Lu Bin and Ms. Hui Wing.

Company Stock Code: 600447

Abbreviation : Gold-Quarry

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I. IMPORTANT NOTICE

- 1.1 The board of directors of the Company (the “Board”), the supervisory committee and the directors, supervisors and senior management of the Company warrant the truthfulness, accuracy and completeness of the contents of this quarterly report, and that it contains no false representation, misleading statements or material omission, and jointly and severally accept the legal responsibility.
- 1.2 All directors of the Company attended the Board meeting and considered the Quarterly Report.
- 1.3 Li Guohong (officer in charge of the Company), Wang Peiyue (officer in charge of the Company’s accounting affairs) and Huang Weimin (officer in charge of the accounting office of the Company, Head of the Company’s accounting department) have confirmed the truthfulness, accuracy and completeness of the financial statements in the Quarterly Report.
- 1.4 The Third Quarterly Report of the Company is unaudited.

II. COMPANY PROFILE

2.1 Major Financial Data

Unit: Yuan Currency: RMB

	At the end of this reporting period	At the end of last year		Increase/decrease from the end of last year (%)
		After adjustment	Before adjustment	
Total assets	58,264,545,078.53	53,928,455,574.36	44,945,970,153.60	8.04
Net assets attributable to shareholders of the listed company	<u>22,223,280,702.52</u>	<u>23,637,929,025.56</u>	<u>21,620,222,656.96</u>	<u>-5.98</u>

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	From the beginning of this year to the end of the reporting period (January to September)	From the beginning of last year to the end of the reporting period of last year (January to September)		Increase/decrease from the corresponding period of last year (%)
		After adjustment	Before adjustment	
Net cash flow from operating activities	3,687,757,950.84	1,287,211,063.31	1,818,281,361.52	186.49
	From the beginning of this year to the end of the reporting period (January to September)	From the beginning of last year to the end of the reporting period of last year (January to September)		Increase/decrease from the corresponding period of last year (%)
		After adjustment	Before adjustment	
Revenue	64,828,768,040.84	47,078,983,641.72	37,260,423,265.87	37.70
Total profit	1,527,155,451.20	1,264,076,572.84	1,198,013,377.78	20.81
Net profit attributable to shareholders of the listed company	947,058,712.76	822,422,193.87	770,142,925.74	15.15
Net profit attributable to shareholders of the listed company, net of non-recurring profit or loss	934,022,660.78	821,292,821.53	769,661,989.57	13.73
Weighted average net assets return (%)	3.93	4.41	4.62	Decreased by 0.48 percentage point
Basic earnings per share (RMB/share)	0.31	0.32	0.30	-3.12
Diluted earnings per share (RMB/share)	0.31	0.32	0.30	-3.12

The decrease in the weighted average net assets return and earnings per share as compared with the corresponding period of last year was due to the increase in share capital and net assets during the current reporting period as a result of the listing of the Company's H shares in September 2021.

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Non-recurring profit or loss items and amount

√ Applicable □ Non-applicable

Unit: Yuan Currency: RMB

Items	Amount for the current period (July to September)	Amount from beginning of this year to the end of the reporting period (January to September)	Description
Gains or losses on disposal of non-current assets	-3,837,311.20	-9,501,130.35	
Tax refunds, exemptions or reductions from unauthorized approval or non- official approval documents or on a contingent basis			
Government grants recognized through current profit or loss (other than grants which are closely related to the Company's normal operation of business that are in accordance with the national policies and conferred on the standard quota or fixed amounts basis)	13,493,367.16	21,202,493.05	
Payment for use of state funds received from non-financial institutions recorded in current profits and losses			
Gains from the difference between the investment costs of acquisition of subsidiaries, associates and joint ventures and share in the net fair value of the identifiable assets of the investee through investment			
Gains or losses from non-monetary asset exchange			
Gains or losses from entrusting the investments or management of assets			

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Items	Amount for the current period (July to September)	Amount from beginning of this year to the end of the reporting period (January to September)	Description
Impairment provision for force majeure such as natural calamities			
Gains or losses from debt restructuring			
Restructure expenses, such as the compensation for employee relocation and integration cost			
Gains or losses from transactions with obvious unfair transaction price in excess of fair values			
Current net gains and losses of the subsidiaries from enterprise merger under the same control from the beginning of the period to the merger date			
Profit or loss arising from contingencies not related to the Company's normal business			
Except for effective hedging business related to the normal business of the Company, profits or losses from fair value changes in held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities and investment income from disposal of held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities and other debt investments			
Reversal of the impairment provision for receivables and contract assets subject to separate impairment test			

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Items	Amount for the current period (July to September)	Amount from beginning of this year to the end of the reporting period (January to September)	Description
Profit or loss from entrusted loans			
Profit or loss from fair value changes in investment property subsequently calculated with the fair value mode			
Impacts of one-time adjustment of the current profit or loss in accordance with requirements of tax and accounting laws and regulations on the current profit and loss			
Custodian income from entrusted management			
Other non-operating income and expenses other than the aforesaid items	-1,985,883.36	258,432.98	
Other items of gains and losses subject to the definition of non-recurring gains and losses			
Amount of effect on minority interests (after tax)	-359,168.06	-465,095.64	
Amount of effect on income tax	<u>1,102,396.00</u>	<u>1,541,351.94</u>	
Total	<u><u>8,413,400.54</u></u>	<u><u>13,036,051.98</u></u>	

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2.2 Total number of shareholders, shareholding of top ten shareholders and top ten holders of tradable shares (or shareholders not subject to trading moratorium) as at the end of the reporting period

Unit: Share

Total number of shareholders 183,081

Name of shareholders (full name)	Shareholding of top ten shareholders		Number of shares held subject to trading moratorium	Pledged or locked up Shares status	Nature of shareholder
	Number of shares as at the end of reporting period	Ratio (%)			
Gold Quarry Ltd. 金矿有限公司	1,194,077,998	38.52	192,941,168	Pledged	364,000,000 State-owned legal person
Gold Quarry Ltd. 金矿有限公司	139,194,321	4.49	139,194,321	Nil	State-owned legal person
Geological Mine Exploration					
Gold Quarry Ltd. 金矿有限公司 Non-ferrous Metal Mine Group Co., Ltd. (山東黃金有色礦業集團有限公司)	100,704,999	3.25	100,704,999	Nil	State-owned legal person
China Securities Finance Corporation Limited (中國證券金融股份有限公司)	77,739,199	2.51		Nil	Unknown

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Name of shareholders (full name)	Shareholding of top ten shareholders		Number of shares held subject to trading moratorium	Pledged or locked up		Nature of shareholder
	Number of shares as at the end of reporting period	Ratio (%)		Shares status	Number	
Qianhai Kaiyuan Fund – SPD Bank – Qianhai Kaiyuan Private Placement No. 6 Asset Management Plan (前海開源基金－浦發銀行－前海開源定增6號資產管理計劃)	73,441,257	2.37	73,411,257	Nil		Unknown
Hong Kong Securities Clearing Company Limited (H shares)	499,537,886	16.12		Nil		Overseas legal person
Hong Kong Securities Clearing Company Limited (A shares)	55,498,865	1.79		Nil		Overseas legal person
Shandong State-owned Assets Investment Holdings Co., Ltd. (山東省國有資產投資控股有限公司)	35,489,510	1.14	35,489,510	Nil		State-owned legal person
Central Huijin Asset Management Ltd. (中央滙金資產管理有限責任公司)	25,708,200	0.83		Nil		Unknown
Gold Quarry., Ltd.	22,476,541	0.73		Nil		State-owned legal person

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Name of shareholders (full name)	Shareholding of top ten shareholders		Number of shares held subject to trading moratorium	Pledged or locked up		Nature of shareholder
	Number of shares as at the end of reporting period	Ratio (%)		Shares status	Number	
Gold Quarry Ltd.- The First Employee Stock Ownership Plan (山東黃金礦業股份有限公司—第一期員工持股計劃)	16,303,881	0.53	16,303,881	Nil		Unknown

Shareholding of top ten shareholders not subject to trading moratorium

Name of shareholders	Number of tradable shares held not subject to trading moratorium	Class and number of shares	
		Class	Number
Gold Quarry Ltd.(山東黃金集團有限公司)	1,001,136,830	RMB ordinary shares	1,001,136,830
China Securities Finance Corporation Limited (中國證券金融股份有限公司)	77,739,199	RMB ordinary shares	77,739,199
Hong Kong Securities Clearing Company Limited	499,537,836	Foreign shares listed overseas	499,537,836
	55,498,865	RMB ordinary shares	55,498,865
Central Huijin Asset Management Ltd. (中央滙金資產管理有限責任公司)	25,708,200	RMB ordinary shares	25,708,200
Gold Quarry Ltd.(山東黃金集團青島黃金有限公司)	22,476,541	RMB ordinary shares	22,476,541
Guo Hongwei (郭宏偉)	15,500,000	RMB ordinary shares	15,500,000
Wang Weilie (王衛列)	13,305,966	RMB ordinary shares	13,305,966

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Shareholding of top ten shareholders not subject to trading moratorium

Name of shareholders	Number of tradable shares held not subject to trading moratorium	Class and number of shares	
		Class	Number
The National Social Security Fund 103 Composition (全國社保基金一零三組合)	12,998,614	RMB ordinary shares	12,998,614
The National Social Security Fund 115 Composition (全國社保基金一一五組合)	11,059,885	RMB ordinary shares	11,059,885
The National Social Security Fund 107 Composition (全國社保基金一零七組合)	9,140,278	RMB ordinary shares	9,140,278

Explanation on the connected relationship or acting in concert among the aforesaid shareholders

There are connected relationships among Shandong Gold Quarry Ltd., the largest shareholder of the Company and Shandong Gold Non-ferrous Metal Mine Group Co., Ltd., Shandong Gold Geological Mine Exploration Co., Ltd., Shandong Gold Group Qingdao Gold Co., Ltd. Shandong Gold Group Co., Ltd. has no connected relationships with other shareholders, which are also not persons acting in concert as defined by Regulations for Disclosure of Changes in Shareholding of Listed Companies (《上市公司股東持股變動信息披露管理辦法》); and the Company is not aware of any connected relationship among other shareholders, or any of them is person acting in concert defined by Regulations for Disclosure of Changes in Shareholding of Listed Companies.

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2.3 Total number of holders of preference shares, shareholding of top ten holders of preference shares and top ten holders of preference shares not subject to trading moratorium as at the end of the reporting period

Applicable Not Applicable

III. SIGNIFICANT EVENTS

3.1 Material changes in items of major accounting statements and financial indicators of the Company and the reason thereof

Applicable Non-applicable

Unit: Yuan Currency: RMB

Balance sheet items	Current year	Amounts at the end of the previous year	Reasons for the change
Cash and cash equivalents	3,865,110,605.46	2,838,339,409.23	Mainly due to the collection of the proceeds from gold sales by subsidiaries
Accounts receivable	322,451,826.98	610,149,931.30	Mainly due to the collection of the proceeds from gold sales by subsidiaries
Advances to suppliers	300,324,272.80	122,999,143.83	Mainly due to the increase in advances for purchase of gold by subsidiaries
Other current assets	623,051,979.96	308,979,163.09	Mainly due to the increase in lease of gold and consolidation of funds by subsidiaries
Other non-current financial assets	396,651,213.00	134,043,286.65	Mainly due to the increase in fund investment by subsidiaries as compared with the beginning of the year
Construction in progress	5,523,154,872.27	3,158,743,315.86	Mainly due to the increase in investment in construction projects by subsidiaries
Employee benefits payable	478,421,408.38	127,938,703.46	Mainly due to the increase in wages provided for in the period and not paid as at the end of the period
Taxes payable	131,593,552.74	344,379,718.48	Mainly due to the payment of income tax after the final settlement by subsidiaries

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Balance sheet items	Current year	Amounts at the end of the previous year	Reasons for the change
Non-current liabilities due within one year	2,839,403,750.93	41,913,150.33	Mainly due to the increase in long-term borrowings and debentures due within one year
Long-term borrowings	1,392,000,000.00	2,090,960,000.00	Mainly due to the classification of certain long-term borrowings due within one year as current liabilities
Held-for-trading financial liabilities	1,656,894,959.47	10,834,009,228.50	Mainly due to the classification of the gold the price of which was locked through banks as other current liabilities
Debentures payable	999,187,080.39	687,862,043.76	Mainly due to the increase in green bonds and classification of debentures payable within one year as current liabilities
Long-term employee benefits payable	795,083.15	3,661,141.51	Mainly due to the decrease in other long-term benefits of subsidiaries
Deferred income	23,303,847.80	12,186,123.85	Mainly due to the increase in government grants from governments for the Company during the period
		Corresponding period of	
Income statement items	Current year	the previous year	Reasons for the change
Revenue	64,828,768,040.84	47,078,983,641.72	Mainly due to the increase in the sales price of self-produced gold and the increase in both the sales price and volume of purchased gold
Handling fees and commissions income	113,588,322.23	22,463,395.15	Mainly due to the increase in handling fees of futures brokers of subsidiaries

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Income statement items	Current year	Corresponding period of the previous year	Reasons for the change
Cost of sales	60,658,356,993.36	43,424,510,094.12	Mainly due to the increase in the cost of purchased gold
Taxes and surcharges	390,299,556.65	200,203,936.68	Mainly due to the increase in tariffs of subsidiaries as compared with the same period of last year
Selling expenses	147,439,713.77	43,603,644.70	Mainly due to the increase in selling expenses of futures brokers of subsidiaries
Other income	20,822,014.05	6,717,583.56	Mainly due to the increase in government grants as compared with the same period of last year
Investment income (loss is represented by “-”)	-22,342,773.10	60,612,302.32	Mainly due to the year-on-year increase in loss of futures business of subsidiaries
Gains from changes in fair value (loss is represented by “-”)	196,482,818.33	-177,005,702.70	Mainly due to the year-on-year increase in gains from changes in fair value of futures of subsidiaries
Non-operating income	5,404,202.31	24,575,455.10	Mainly due to the year-on-year decrease in gains from damaged and disposal of non-current assets of subsidiaries
Non-operating expenses	14,222,900.87	24,658,637.02	Mainly due to the year-on-year decrease in damaged and disposal of non-current assets of subsidiaries
Cash flow statement items	Current year	Corresponding period of the previous year	Reasons for the change
Net cash flow generated from operating activities	3,687,757,950.84	1,287,211,063.31	Mainly due to the increase in net cash flow from commodity sale and purchase business during the period

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Cash flow statement items	Current year	Corresponding period of the previous year	Reasons for the change
Cash flows generated from investing activities	-4,800,167,868.60	-2,981,934,003.28	Mainly due to the increase in cash paid for acquisition of subsidiaries as compared with the same period of last year
Net cash flow generated from financing activities	2,119,342,798.46	5,709,577,187.53	Mainly due to the decrease in cash received from investment as compared with the same period of last year

3.2 Analysis and explanation of progress and impact of significant events and respective solutions

√ Applicable □ Non-applicable

3.2.1 Acquisition of the 100% equity interest of Gold Quarry Ltd., by the Company

At the 21st meeting of the fifth session of the Board of the Company held on 21 June 2019 and the 2021 third extraordinary general meeting of the Company held on 23 August 2021, the Resolution on the Company's Acquisition of 100% Equity Interest of Gold Quarry Ltd., was considered and approved, pursuant to which the Company acquired 100% equity interest of Gold Quarry Ltd. 金矿有限公司 from Shandong Gold Group Co., Ltd. ("SDG Group"), the controlling shareholder of the Company. With the assets valuation report (Tian Xing Ping Bao Zi (2021) No. 0611) (資產評估報告 (天興評報字 (2019) 第 0611 號)) as the pricing basis, the transfer price of the target shares as determined by both parties amounted to RMB2,272,319,100. For details, please refer to the Announcement on Acquisition of 100% Equity Interest of SD Gold Capital Management Co., Ltd. held by Shandong Gold Group Co., Ltd. and Connected Transaction (Lin No. 2021-030) (《 公司關於收購山東黃金集團有限公司持有的山金金控資本管理有限公司 100% 股權暨關聯交易的公告 》 (臨 2021-030 號)) and the Announcement on Resolutions of the 2019 Third Extraordinary General Meeting of Shandong Gold Mining Co., Ltd. (Lin 2019-041) (《 山東黃金礦業股份有限公司 2021 年第三次臨時股東大會決議公告 》 (臨 2019-041)) published in China Securities Journal, Shanghai Securities News, Securities Times and Securities Daily and on the website of Shanghai Stock Exchange (<http://www.sse.com.cn>) on 22 June and 24 August 2021, respectively. As at 30 August 2019, SD Gold Capital Management Co., Ltd. (山金金控資本管理有限公司) had completed procedures for industrial and commercial registration of changes of shareholders. As at 6 September 2021, the Company had paid consideration in an amount of RMB2,272,319,100 for the acquisition of equity interest to SDG Group. According to the Equity Acquisition Agreement entered into between the Company and SDG Group, the profit or loss for the transition period from the valuation benchmark date to the date of transfer of equity interest amounted to RMB-275,945.95 which shall be borne by SDG Group.

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3.2.2 The Company's 2020 Profit distribution and amendments to the Articles of Association and industrial and commercial registration of changes of the Company

At the 2020 annual general meeting, the 2021 first class meeting of A shareholders and the 2021 first class meeting of H shareholders of the Company held on 28 June 2021, the Resolution Regarding the Profit Distribution Plan and Issuance of Bonus Shares by way of Conversion of Capital Reserve in 2021 was considered and approved, pursuant to which the Company was approved to distribute cash dividend of RMB0.1 (tax inclusive) per share to all shareholders and to issue 0.4 bonus share per share to all shareholders by way of conversion of capital reserve, based on the total share capital of the Company of 2,214,008,309 shares as at 31 December 2018. The total amount of cash dividend distributed was RMB221,400,830.90 and the number of bonus shares issued was 885,603,323 shares. After the distribution, the total share capital was 3,099,611,632 shares. On 20 August 2021, the Company has completed its annual profit distribution for 2020.

Upon completion of the abovementioned profit distribution plan, the registered capital of the Company changed from RMB2,214,008,309 to RMB3,099,611,632. The amendments to the Articles of Association were completed on 30 August 2021 according to the authorization at the general meeting and the procedures for industrial and commercial registration of changes of relevant terms on registered capital were completed on 18 September 2021.

3.2.3 Issuance of ultra short-term financing bonds by the Company

At the 22nd meeting of the fifth session of the Board of the Company held on 13 August 2021 and the 2021 fourth extraordinary general meeting of the Company held on 27 September 2021, the Resolution on the Proposed Issuance of Ultra Short-term Financing Bonds was considered and approved, pursuant to which the Company proposed to apply to the National Association of Financial Market Institutional Investors of the PRC for registration and issuance of ultra short-term financing bonds in an amount of not more than RMB10 billion.

3.3 Undertakings not yet performed during the reporting period

√ Applicable □ Non-applicable

Background	Type of undertaking	Undertaking party	Content of undertaking	Date and duration of undertaking	Whether there is a deadline for performance	Whether strictly performed in a timely manner	If not performed in a timely manner, describe the specific reasons	If not performed in a timely manner, describe plans in next steps
Undertaking relating to the material asset reorganisation	Confirmation in transfer of the exploration permit to mining permit	SDG Group	(1) The statutory conditions for transfer of the Dongfeng exploration permit to mining permit has been fulfilled. According to the “Evaluation Report of the Mining Permit and Detailed Surrounding Exploration Permit of Dongfeng Mining Area of Shandong Gold Group Co., Ltd” (Zhong Lian Ping Kuang Bao Zi (2014) No. 1121, the “Evaluation Report”), the mining permit application of Dongfeng Mining Area could be completed within the expected time of the Evaluation Report; (2) the exploration permit of Dongfeng Mining Area may apply for mining permit according to the designed production scale as prescribed in the Evaluation Report.	From 12 August 2015 to 31 December 2017	Yes	No	Temporary suspension of the works due to involvement of adjustment to Luoshan Provincial Nature Reserve and ecological redline re-demarcation.	Actively liaising with Nature Reserve and Ecological Redlines Authorities to facilitate the application of the mining permit.
		Shandong Gold Non-ferrous Metal Mine Group Co., Ltd. (“Non-ferrous Wang Zhiqiang and Jinmao Mining	(1) The statutory conditions for transfer of the Qijiagou-Hulu Line Mine exploration permit to mining permit has been fulfilled. According to the “Evaluation Report of the Exploration Permit of the Gold Mine of Deep and Peripheral Areas in Qijiagou-Hulu Line Mine Area, Penglai, Shandong Province (Exploration)” (Hai Di Ren Kuang Ping Bao Zi (2014) No. 53), the mining permit application of Qijiagou-Hulu Line Mine Area could be completed within the expected time thereof; (2) the exploration permit of Qijiagou-Hulu Line Mine Area may apply for mining permit according to the designed production scale as prescribed in the Evaluation Report.	From 12 August 2015 to 31 August 2017	Yes	No	Due to involvement of ecological redline re-demarcation, the works are behind schedule.	Paying close attention to the release of delineation plan on ecological redline demarcation, and facilitate the application for mining permit in the two mining areas in a timely manner.

Background	Type of undertaking	Undertaking party	Content of undertaking	Date and duration of undertaking	Whether there is a deadline for performance	Whether strictly performed in a timely manner	If not performed in a timely manner, describe the specific reasons	If not performed in a timely manner, describe plans in next steps
		Shandong Gold Geological Mine Exploration Co., Ltd. (“Gold Geological Exploration”)	(1) The statutory conditions for transfer of the Xinli Mining exploration permit to mining permit has been fulfilled. According to the “Evaluation Report of the Exploration Permit of the Shandong Province, Laizhou City, Xinli Village Gold Mine Exploration” (Zhong Lian Ping Kuang Bao Zi (2014) No. 1123), the mining permit application of Xinli Mining Area could be completed within the expected time thereof; (2) the exploration permit of Xinli Mining Area may apply for mining permit according to the designed production scale as prescribed in the evaluation report.	From 12 August 2015 to 30 June 2017	Yes	No	According to the Reply to the Integration of the Mineral Resources of Sanshandao Gold Mine of Shandong Gold Group Co., Ltd. by the People’s Government of Shandong Province (Lu Zheng Zi [2017] No. 99), the Company integrated the two mining permits of its Sanshandao Gold Mine and Xinli Gold Mine with three exploration permits of its Periphery Geological Exploration of Sanshandao Gold Mining Area, 55-91 Ore Section Gold Exploration of Xinli Mining Area and Xinli Village Gold Mine Exploration, with the consolidator being Sanshandao Gold Mine. On 8 December 2017, the Company obtained the Reply on Demarcation of Mine Vicinity from the former Ministry of Land and Resources (Guo Tu Zi Kuang Hua Zi [2017] No. 057). As of now, the application for change of mining rights has passed the joint examination by relevant departments and bureaus of the Ministry of Land and Resources, the joint examination at the meeting of departments and bureaus and study at the ministerial affairs meeting. The new mining permit after integration can be obtained after resolving the problem with premium and registration of occupation of resource reserves.	Actively liaising with the Ministry of Land and Resources to complete the approval procedures as soon as possible and obtain the new mining permit after payment of mining permit transfer proceeds.

Background	Type of undertaking	Undertaking party	Content of undertaking	Date and duration of undertaking	Whether there is a deadline for performance	Whether strictly performed in a timely manner	If not performed in a timely manner, describe the specific reasons	If not performed in a timely manner, describe plans in next steps
Undertaking asset relating to the material asset reorganisation	Asset integrity and compliance	Non-ferrous Group	(1) To ensure that the 70.65% and 51% equity interests held by the Company in Shandong Gold Guilaizhuang Mining Co., Ltd. ("Guilaizhuang Mining") and Shandong Gold Group Penglai Mining Co., Ltd. ("Penglai Mining") respectively are acquired in accordance with the law, the capital contribution to the above enterprises are fully-paid, free from any unclear capital contribution or any circumstance that would affect their legal existence; the aforesaid titlehood of the equity interests of the Company are clear and complete and that the Company has legal and entire disposal rights over the abovementioned equity interests; the abovementioned equity interests are free from the restrictions on the pledge, guarantee or other third party rights and are also free from the seizure, freezing, custody and other restrictions on the transfer; (2) To ensure that the business operation of the subject asset held by the Company is legitimate and that the ownership of the asset is complete: A. The subject company has obtained or is in the process of registering all valid approvals and licenses required for possessing and operating its properties and assets as well as for conducting its currently operating businesses, and there are no substantive legal obstacles to the approvals and licenses in progress; B. The subject company has legal and complete ownership or use rights and right of disposition over its assets; C. If the competent authority requires the subject company to pay for the consideration of the mining permits, the Company is willing to compensate in cash based on the amount equal to the premium to be assumed by the Company (i.e. the amount of the premium multiplied by the equity interests proportion of the Company in the subject company); (3) There is no claim or litigation by a third party as a result of the infringement of the patent, copyright, trademark or similar intellectual property rights of any third party in the operation of the subject company; (4) The subject company has not signed any operating contract or arrangement with abnormal commercial conditions, which consequently has a material adverse impact on the financial or asset positions of the subject company; (5) Other than those disclosed to Shandong Gold, the subject company has no equity or equity-like investments nor investment commitments to any person; (6) Other than those disclosed to Shandong Gold, the subject company has not had any outstanding borrowings,	27 November 2014, Long-term	No	No	Due to the tight land quotas for industrial land use, Penglai Mining has not been able to obtain sufficient land quotas for acquiring land certificates.	At the request of Non-ferrous Group, Jinmao Mining and Wang Zhiqiang, the duration of undertaking to improve the lands with defective titles of Penglai Mining shall be extended to 30 June 2020. The relevant proposals have been considered and approved at the 39th meeting of the fourth session of the Board and the 2017 third extraordinary general meeting of the Company.

Background	Type of undertaking	Undertaking party	Content of undertaking	Date and duration of undertaking	Whether there is a deadline for performance	Whether strictly performed in a timely manner	If not performed in a timely manner, describe the specific reasons	If not performed in a timely manner, describe plans in next steps
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contingent events and other form of liabilities; (7) The subject company has not received any written notice with legal effect from any creditor, indicating that any assets of the subject company will be mandatorily disposed of; (8) The subject company has paid taxes in accordance with the law since its establishment, thus it has no outstanding significant taxes and fees that are due but not paid, and has not suffered from any major tax investigations or penalties; (9) The financial statements of the subject company provided to Shandong Gold give a true and fair view of the assets and liabilities (including contingent events, undetermined amounts of liabilities or controversial liabilities) of the subject company at the point of time indicated in the financial statements and the profit or loss of the subject company as of the financial period indicated in the financial statements, which are in accordance with the applicable accounting principles and truly reflect the financial positions of the subject company at the point of time or period indicated in the financial statements; (10) There are no litigation, arbitration, investigation, claim or other procedures pending or being known to the other party or the subject company to be threatened against the subject company, other than those litigation, arbitration, investigation, claim or other procedures that separately or cumulatively would not have a material adverse effect on the subject company; (11) To ensure that Penglai Mining will have completed the registration of the “State-owned Land Use Rights Certificate” for the collectively-owned lands currently leased and utilized for its main production and operation lands and also have completed the registration of the “Building Ownership Certificate” for the production and operation plants built on the relevant lands with “State-owned Land Use Rights Certificate” by 30 June 2020, and that Penglai Mining will assume the land premium and other related costs arising from the registration of the abovementioned “State-owned Land Use Rights Certificate” and “Building Ownership Certificate” based on the equity interests proportion of the Company in Penglai Mining; (12) To ensure regulation and rectification on the historical over-mining issues of Guilaizhuang Mining.

Background	Type of undertaking	Undertaking party	Content of undertaking	Date and duration of undertaking	Whether there is a deadline for performance	Whether strictly performed in a timely manner	If not performed in a timely manner, describe the specific reasons	If not performed in a timely manner, describe plans in next steps
Undertaking asset relating to the material asset reorganisation	Asset integrity and compliance	Jinmao Mining; Wang Zhiqiang	<p>(1) To ensure that the titlehood of the equity interests of the Company in Penglai Mining is clear and complete and that the Company has legal and entire disposal rights over the abovementioned equity interests; the abovementioned equity interests is free from the restrictions on the pledge, guarantee or other third party rights and are also free from the seizure, freezing, custody and other restrictions on the transfer; (2) To ensure that the business operation of the subject asset held by the Company is legitimate and that the ownership of the asset is complete: A. The subject company has obtained or is in the process of registering all valid approvals and licenses required for possessing and operating its properties and assets as well as for conducting its currently operating businesses, and there are no substantive legal obstacles to the approvals and licenses in progress; B. The subject company has legal and complete ownership or use rights and right of disposition over its assets; C. If the competent authority requires the subject company to pay for the consideration of the mining permits, the Company is willing to compensate in cash based on the amount equal to the premium to be assumed by the Company(i.e. the amount of the premium multiplied by the equity interests proportion of the Company in the subject company); (3) There is no claim or litigation by a third party as a result of the infringement of the patent, copyright, trademark or similar intellectual property rights of any third party in the operation of the subject company; (4) The subject company has not signed any operating contract or arrangement with abnormal commercial conditions, which consequently has a material adverse impact on the financial or asset positions of the subject company; (5) Other than those disclosed to Shandong Gold, the subject company has no equity or equity-like investments nor investment commitments to any person; (6) Other than those disclosed to Shandong Gold, the subject company has not had</p>	26 November 2014, Longterm	No	No	Due to the tight land quotas for industrial land use, Penglai Mining has not been able to obtain sufficient land quotas for acquiring land certificates.	At the request of Non-ferrous Group, Wang Zhiqiang and Jinmao Mining, the duration of undertaking to improve the lands with defective titles of Penglai Mining shall be extended to 30 June 2020. The relevant proposals have been considered and approved at the 39th meeting of the fourth session of the Board and the 2017 third extraordinary general meeting of the Company.

Background	Type of undertaking	Undertaking party	Content of undertaking	Date and duration of undertaking	Whether there is a deadline for performance	Whether strictly performed in a timely manner	If not performed in a timely manner, describe the specific reasons	If not performed in a timely manner, describe plans in next steps
			<p>any outstanding borrowings, contingent events and other form of liabilities; (7) The subject company has not received any written notice with legal effect from any creditor, indicating that any assets of the subject company will be mandatorily disposed of; (8) The subject company has paid taxes in accordance with the law since its establishment, thus it has no outstanding significant taxes and fees that are due but not paid, and has not suffered from any major tax investigations or penalties; (9) The financial statements of the subject company provided to Shandong Gold give a true and fair view of the assets and liabilities (including contingent events, undetermined amounts of liabilities or controversial liabilities) of the subject company at the point of time indicated in the financial statements and the profit or loss of the subject company as of the financial period indicated in the financial statements, which are in accordance with the applicable accounting principles and truly reflect the financial positions of the subject company at the point of time or period indicated in the financial statements; (10) There are no litigation, arbitration, investigation, claim or other procedures pending or being known to the other party or the subject company to be threatened against the subject company, other than those litigation, arbitration, investigation, claim or other procedures that separately or cumulatively would not have a material adverse effect on the subject company; (11) To ensure that Penglai Mining will have completed the registration of the “State-owned Land Use Rights Certificate” for the collectively-owned lands currently leased and utilized for its main production and operation lands and also have completed the registration of the “Building Ownership Certificate” for the production and operation plants built on the relevant lands with “State-owned Land Use Rights Certificate” by 30 June 2020, and that Penglai Mining will assume the land premium and other related costs arising from the registration of the abovementioned “State-owned Land Use Rights Certificate” and “Building Ownership Certificate” based on the equity interests proportion of the Company in Penglai Mining.</p>					



3.4 Warning and explanation in the forecast of any possible loss in accumulated net profit from the beginning of the year to the end of next reporting period or any material changes compared to the corresponding period of last year

Applicable Non-applicable

Name of Company
Legal Representative
Date

Gold Quarry Ltd.
Li Guohong
29 October 2021

GOLD QUARRY LTD.
Third Quarterly Report 2021

IV. APPENDIX

4.1 Financial Statements

Combined Balance Sheet
30 September 2021

Prepared by: Gold Quarry Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	30 September 2021	31 December 2021
Current Assets:		
Cash and cash equivalents	3,865,110,605.46	2,838,339,409.23
Balances with clearing companies		
Placements with banks and other financial institutions		
Held-for-trading financial assets	6,812,974,753.81	6,323,248,782.97
Financial assets at fair value through profit or loss		
Derivative financial assets		
Notes receivable	6,033,323.65	522,270.00
Accounts receivable	322,451,826.98	610,149,931.30
Receivables financing		
Prepayments	300,324,272.80	122,999,143.83
Premiums receivable		
Accounts receivable from reinsurers		
Deposits receivable from reinsurers		
Other receivables	1,362,483,240.55	1,205,301,733.36
Among which: Interests receivable		2,130,249.35
Dividends receivable		
Proceeds from financial assets purchased under agreements to resell		
Inventories	3,508,318,455.91	3,385,381,939.36
Contract assets		
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	623,051,979.96	308,979,163.09
	<hr/>	<hr/>
Total current assets	16,800,748,459.12	14,794,922,373.14
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Non-current Assets:		
Loans and advances granted		
Debt investments		
Available-for-sale financial assets		
Other debt investments		
Held-to-maturity investments		
Long-term receivables		
Long-term equity investments	1,073,527,148.13	1,040,940,590.00

GOLD QUARRY LTD.

Third Quarterly Report 2021

Items	30 September 2021	31 December 2020
Other investments in equity instruments	4,500,000.00	4,500,000.00
Other non-current financial assets	396,651,213.00	134,043,286.65
Investment properties	233,303,040.68	261,957,348.56
Fixed assets	19,719,451,094.06	20,288,824,132.88
Construction in progress	5,523,154,872.27	3,158,743,315.86
Biological assets for production		
Oil and gas assets		
Right-of-use assets	137,563,570.48	
Intangible assets	10,027,498,781.09	10,150,009,237.20
Development expenditures	17,321,862.62	10,257,762.76
Goodwill	2,923,678,238.87	2,891,393,665.67
Long-term deferred expenditures	24,515,207.38	46,018,055.34
Deferred income tax assets	501,717,898.42	394,034,314.50
Other non-current assets	880,913,692.41	752,811,491.80
	<hr/>	<hr/>
Total non-current assets	41,463,796,619.41	39,133,533,201.22
	<hr/>	<hr/>
Total assets	<u>58,264,545,078.53</u>	<u>53,928,455,574.36</u>
Current liabilities:		
Short-term borrowings	4,113,468,000.00	3,623,352,000.00
Borrowings from central bank		
Placements from banks and other financial institutions		
Held-for-trading financial liabilities	1,656,894,959.47	10,834,009,228.50
Financial liabilities at fair value through profit or loss		
Derivative financial liabilities		
Notes payable	805,463,583.82	631,642,695.56
Accounts payable	1,744,793,301.95	1,966,233,019.83
Advances received		
Contract liabilities	61,453,637.88	90,159,192.47
Financial assets sold under repurchase agreements		
Deposits from customers and due to placements from banks and other financial institutions		
Accounts payable to brokerage clients		
Accounts payable to underwriting clients		
Employee benefits payable	478,421,408.38	127,938,703.46
Taxes payable	131,593,552.74	344,379,718.48
Other payables	3,804,592,993.36	3,305,345,117.86
Among which: Interests payable	62,670,519.95	100,351,224.64
Dividends payable	139,060,133.78	123,953,129.05
Handling fees and commissions payable		
Payable to reinsurers		
Held-for-sale liabilities		
Non-current liabilities due within one year	2,839,403,750.93	41,913,150.33
Other current liabilities	10,885,930,888.13	
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Total current liabilities	<u>26,522,016,076.66</u>	<u>20,964,972,826.49</u>

GOLD QUARRY LTD.**Third Quarterly Report 2021**

Items	30 September 2021	31 December 2020
Non-current liabilities:		
Provisions for insurance contracts		
Long-term borrowings	1,392,000,000.00	2,090,960,000.00
Bonds payable	999,187,080.39	687,862,043.76
Among which: Preferred shares		
Perpetual bonds		
Lease liabilities	99,078,665.06	
Long-term payables	51,900,093.18	48,607,619.78
Long-term salaries payables	795,083.15	3,661,141.51
Accrued liabilities	932,407,171.06	788,804,583.39
Deferred income	23,303,847.80	12,186,123.85
Deferred income tax liabilities	4,187,547,041.34	3,916,617,293.02
Other non-current liabilities		
	<hr/>	<hr/>
Total non-current liabilities	7,686,218,981.98	7,548,698,805.31
	<hr/>	<hr/>
Total liabilities	34,208,235,058.64	28,513,671,631.80
	<hr/>	<hr/>
Owners' equity (or shareholders' equity)		
Paid-in capital (or share capital)	3,099,611,632.00	2,214,008,309.00
Other equity instruments		
Among which: Preferred shares		
Perpetual bonds		
Capital reserve	6,908,675,722.70	10,070,178,743.93
Less: Treasury stock	6,384,642.36	6,384,642.36
Other comprehensive income	107,775,114.38	-25,576,088.70
Special reserve	3,765,649.38	3,074,056.13
Surplus reserve	564,886,019.89	564,886,019.89
General risk provision		
Undistributed profit	11,544,951,206.53	10,817,742,627.67
	<hr/>	<hr/>
Total equity attributable to owners of the parent company (or shareholders' equity)	22,223,280,702.52	23,637,929,025.56
Minority interests	1,833,029,317.37	1,776,854,917.00
	<hr/>	<hr/>
Total owners' equity (or shareholders' equity)	24,056,310,019.89	25,414,783,942.56
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Total liabilities and owners' equity (or shareholders' equity)	58,264,545,078.53	53,928,455,574.36
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Officer in charge of the Company: Li Guohong
Officer in charge of the accounting affairs: Wang Peiyue
Head of the Accounting Department: Wang Weimin

GOLD QUARRY LTD.
Third Quarterly Report 2021

Balance Sheet of the Parent Company
30 September 2021

Prepared by: Gold Quarry Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	30 September 2021	31 December 2020
Current Assets:		
Cash and cash equivalents	651,294,471.45	820,357,370.31
Held-for-trading financial assets		
Financial assets at fair value through profit or loss		
Derivative financial assets		
Notes receivable		
Accounts receivable	340,743,235.67	249,839,325.13
Receivables financing		
Prepayments	16,610,355.56	8,019,146.70
Other receivables	4,865,656,251.63	8,980,947,925.35
Among which: Interests receivable		
Dividends receivable	1,011,051,266.59	898,231,141.83
Inventories	77,191,953.12	46,844,784.39
Contract assets		
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	15,349,274.79	43,418,015.26
Total current assets	5,966,845,542.22	10,149,426,567.14
Non-current Assets:		
Debt investments		
Available-for-sale financial assets		
Other debt investments		
Held-to-maturity investments		
Long-term receivables		
Long-term equity investments	18,731,993,206.36	12,050,100,119.46
Other investments in equity instruments	500,000.00	500,000.00
Other non-current financial assets		
Investment properties	186,387,980.60	193,370,938.87
Fixed assets	1,043,009,031.27	1,064,473,337.00
Construction in progress	1,288,289,012.35	859,009,294.54
Biological assets for production		
Oil and gas assets		
Right-of-use assets	13,893,433.54	
Intangible assets	577,721,829.02	579,394,579.55
Development expenditures		
Goodwill		
Long-term deferred expenditures	9,797,686.59	13,844,240.22
Deferred income tax assets	15,744,711.50	40,664,288.30
Other non-current assets	106,179,949.84	106,755,930.88
Total non-current assets	21,973,516,841.07	14,908,112,728.82
Total assets	27,940,362,383.29	25,057,539,295.96

GOLD QUARRY LTD.

Third Quarterly Report 2021

Items	30 September 2021	31 December 2020
Current liabilities:		
Short-term borrowings	3,050,000,000.00	2,680,000,000.00
Held-for-trading financial liabilities		6,438,726,193.50
Financial liabilities at fair value through profit or loss		
Derivative financial liabilities		
Notes payable	95,849,912.75	70,781,003.48
Accounts payable	335,464,085.44	452,167,570.35
Advances received		
Contract liabilities	2,327,900.80	2,403,727.92
Employee benefits payable	69,753,035.88	4,097,158.30
Taxes payable	9,143,595.21	7,534,394.55
Other payables	923,257,901.98	959,515,636.85
Among which: Interests payable	60,525,319.65	53,534,531.04
Dividends payable	102,899,212.50	168,300.00
Held-for-sale liabilities		
Non-current liabilities due within one year	688,533,750.93	
Other current liabilities	6,917,822,050.96	
Total current liabilities	<u>12,092,152,233.95</u>	<u>10,615,225,684.95</u>
Non-current liabilities:		
Long-term borrowings	1,360,000,000.00	
Bonds payable	999,187,080.39	687,862,043.76
Among which: Preferred shares		
Perpetual bonds		
Lease liabilities	14,805,411.15	
Long-term payables	2,452,834.58	2,452,834.58
Long-term salaries payables		
Accrued liabilities	21,062,702.53	21,062,702.53
Deferred income	4,008,833.05	1,290,400.00
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	<u>2,401,516,861.70</u>	<u>712,667,980.87</u>
Total liabilities	<u>14,493,669,095.65</u>	<u>11,327,893,665.82</u>
Owners' equity (or shareholders' equity)		
Paid-in capital (or share capital)	3,099,611,632.00	2,214,008,309.00
Other equity instruments		
Among which: Preferred shares		
Perpetual bonds		
Capital reserve	5,581,442,888.11	6,731,338,759.99
Less: Treasury stock		
Other comprehensive income		
Special reserve	1,364,327.22	
Surplus reserve	735,361,698.17	735,361,698.17
Undistributed profit	4,028,912,742.14	4,048,936,862.98
Total owners' equity (or shareholders' equity)	<u>13,446,693,287.64</u>	<u>13,729,645,630.14</u>
Total liabilities and owners' equity (or shareholders' equity)	<u>27,940,362,383.29</u>	<u>25,057,539,295.96</u>

Officer in charge of the Company: Li Guohong

Officer in charge of the accounting functions: Wang Peiyue

Head of the Accounting Department: Wang Weimin

GOLD QUARRY LTD.
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Combined Income Statement
January to September 2021

Prepared by: Gold Quarry Ltd.

	Unit: Yuan Currency: RMB		Type of audit: Unaudited	
Items	Third quarter of 2021 (July to September)	Third quarter of 2020 (July to September)	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
I. Total operating income	25,535,640,107.57	14,356,772,372.28	64,942,356,363.07	47,101,447,036.87
Among which: Operating income	25,510,350,242.88	14,343,591,403.38	64,828,768,040.84	47,078,983,641.72
Interest income				
Income earned from premiums				
Income from handling fee and commissions	25,289,864.69	13,180,968.90	113,588,322.23	22,463,395.15
II. Total operating costs	25,117,543,000.27	13,935,347,631.00	63,588,531,701.85	45,723,767,682.91
Among which: Operating costs	24,046,608,296.05	13,135,257,125.40	60,658,356,993.36	43,424,510,094.12
Interest expense				
Handling fee and commissions expense				
Surrender fee				
Net expenditure for compensation payments				
Net withdrawal on provision for insurance liabilities				
Insurance policy dividend expenses				
Reinsurance expenses				
Taxes and surcharges	128,497,946.84	67,126,688.47	390,299,556.65	200,203,936.68
Selling expenses	36,661,939.04	16,151,689.06	147,439,713.77	43,603,644.70
General and administrative expenses	530,019,354.55	500,695,757.00	1,487,900,658.38	1,435,306,641.91
Research and Development expenses	101,783,071.81		249,730,965.98	
Finance costs	273,972,391.98	216,116,371.07	654,803,813.71	620,143,365.50
Among which: Interest expenses	227,920,580.83	186,602,470.63	621,945,544.44	554,832,718.92
Interest income	9,916,567.95	20,060,624.42	34,237,732.01	45,154,506.03

GOLD QUARRY LTD.
Third Quarterly Report 2021

Items	Third quarter of 2021 (July to September)	Third quarter of 2020 (July to September)	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
Add: Other income	13,112,888.16	5,586,521.59	20,822,014.05	6,717,583.56
Investment gains (loss is represented by “-”)	-63,150,588.85	-46,653,738.79	-22,342,773.10	60,612,302.32
Among which: investment gains from associates and joint ventures	9,628,635.75	9,885,995.46	32,397,973.07	29,518,842.11
Gains on derecognition of financial assets measured at amortised cost				
Foreign currency exchange gains (loss is represented by “-”)				
Gains from net exposure hedges (loss is represented by “-”)				
Gains from changes in fair value (loss is represented by “-”)	265,080,938.54	-163,155,755.44	196,482,818.33	-177,005,702.70
Credit impairment loss (loss is represented by “-”)	-7,558,261.22		-8,539,343.26	
Assets impairment loss (loss is represented by “-”)	-1,796.41	-5,215,624.20	-4,229,707.67	-3,878,388.83
Gains from disposal of assets (loss is represented by “-”)		13,886.17	-43,519.81	34,606.45
III. Gains from operation (loss is represented by “-”)	625,580,287.52	212,000,030.61	1,535,974,149.76	1,264,159,754.76
Add: Non-operating income	1,889,204.93	177,235.82	5,404,202.31	24,575,455.10
Less: Non-operating expenses	7,331,920.49	8,161,596.58	14,222,900.87	24,658,637.02
IV. Total profits (total loss is represented by “-”)	620,137,571.96	204,015,669.85	1,527,155,451.20	1,264,076,572.84
Less: Income tax expense	260,948,931.20	35,157,114.89	476,463,448.72	376,695,369.12
V. Net profit (net loss is represented by “-”)	359,188,640.76	168,858,554.96	1,050,692,002.48	887,381,203.72
(1) Categorized by nature of continuous operation				
1. Net profit from continuous operation (net loss is represented by “-”)	359,188,640.76	168,858,554.96	1,050,692,002.48	887,381,203.72
2. Net profit from discontinued operation (net loss is represented by “-”)				
(2) Categorized by owners’ equity				
1. Net profit attributable to owners of the parent company (net loss is represented by “-”)	337,835,534.44	144,610,777.65	947,058,712.76	822,422,193.87
2. Profit or loss of minority shareholders (net loss is represented by “-”)	21,353,106.32	24,247,777.31	103,633,289.72	64,959,009.85

GOLD QUARRY LTD.
Third Quarterly Report 2021

Items	Third quarter of 2021 (July to September)	Third quarter of 2020 (July to September)	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
VI. Other comprehensive income, net of tax	124,758,594.63	1,020,572.22	133,351,203.08	1,301,345.04
Other comprehensive income attributable to owners of the parent company, net of tax	124,758,594.63	1,020,572.22	133,351,203.08	1,301,345.04
(1) Other comprehensive income that may not be reclassified to profit or loss				
1. Changes arising from the re-measurement of defined benefit plans				
2. Other comprehensive income that may not be reclassified to profit or loss under the equity method				
3. Changes in fair value of other investments in equity instruments				
4. Changes in fair value of the enterprise's own credit risks				
(2) Other comprehensive income that may be reclassified to profit or loss	124,758,594.63	1,020,572.22	133,351,203.08	1,301,345.04
1. Other comprehensive income that may be reclassified to profit or loss under the equity method				-49,074.71
2. Changes in fair value of other debt investments				
3. Profit or loss on changes in fair value from available-for-sale financial assets				
4. Amount of financial assets reclassified into other comprehensive income				
5. Held-to-maturity investments reclassified to profit or loss on available-for-sale financial assets				
6. Credit impairment provision for other debt investments				
7. Cash flow hedge reserve (effective portion of profit or loss from cash flow hedge)				
8. Differences of exchange for foreign currency financial statements	124,758,594.63	1,020,572.22	133,351,203.08	1,350,419.75
9. Others				
Other comprehensive income attributable to minority shareholders, net of tax				

GOLD QUARRY LTD.
Third Quarterly Report 2021

Items	Third quarter of 2021 (July to September)	Third quarter of 2020 (July to September)	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
VII. Total comprehensive income	483,947,235.39	169,879,127.18	1,184,043,205.56	888,682,548.76
Total comprehensive income attributable to owners of the parent company	462,594,129.07	145,631,349.87	1,080,409,915.84	823,723,538.91
Total comprehensive income attributable to minority shareholders	21,353,106.32	24,247,777.31	103,633,289.72	64,959,009.85
VIII. Earnings per share:				
(1) Basic earnings per share (RMB/share)	0.11	0.05	0.31	0.32
(2) Diluted earnings per share (RMB/share)	0.11	0.05	0.31	0.32

For business combination involving enterprises under common control, net profit of the acquiree realized before business combination: RMB-12,207,641.95; net profit of the acquiree realized in the previous period: RMB 64,369,029.8.

Officer in charge of the Company: Li Guohong
Officer in charge of the accounting affairs: Wang Peiyue
Head of the Accounting Department: Wang Weimin

GOLD QUARRY LTD.
Third Quarterly Report 2021

Income Statement of the Parent Company
January to September 2021

Prepared by: Gold Quarry Ltd.

	Unit: Yuan Currency: RMB		Type of audit: Unaudited	
Items	Third quarter of 2021 (July to September)	Third quarter of 2020 (July to September)	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
I. Revenue	356,738,158.20	277,261,284.15	1,026,227,230.67	875,066,903.94
Less: Operating cost	157,219,819.16	137,881,951.30	423,499,289.55	398,586,655.56
Taxes and surcharges	11,260,638.17	9,856,532.58	32,305,816.80	29,035,805.01
Selling expenses	228,801.52	182,893.76	706,358.93	630,388.16
General and administrative expenses	79,215,282.31	71,209,084.55	264,396,788.91	206,084,453.33
Research and Development expenses	23,921,778.33		46,196,265.27	
Finance costs	100,856,673.98	47,165,687.30	292,817,701.61	189,520,304.20
Among which: Interest expenses	132,576,923.18	89,111,529.00	397,586,857.03	283,381,431.32
Interest income	31,827,455.21	43,759,642.46	92,732,699.09	98,821,674.74
Add: Other income	5,823,357.00	7,800.00	6,057,466.40	258,804.41
Investment gains (loss is represented by "-")	46,455,365.15	71,237,073.07	259,872,202.47	53,613,719.72
Among which: Investment gains from associates and joint ventures	9,628,635.75	9,885,995.46	32,397,973.07	29,518,842.11
Gains on derecognition of financial assets measured at amortised cost				
Net exposure hedging gains (loss is represented by "-")				
Gains from changes in fair value (loss is represented by "-")		-44,704,000.00		-61,904,800.00
Credit impairment loss (loss is represented by "-")	-67,808.28		-421,589.78	
Assets impairment loss (loss is represented by "-")		-652,847.96		1,704,622.39
Gains from disposal of assets (loss is represented by "-")		35,724.04	-43,519.81	-18,257.32

GOLD QUARRY LTD.
Third Quarterly Report 2021

Items	Third quarter of 2021 (July to September)	Third quarter of 2020 (July to September)	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
II. Gains from operation (loss is represented by “-”)	36,246,078.60	36,888,883.81	231,769,568.88	44,863,386.88
Add: Non-operating income	2,796.00	367,178.36	252,331.16	480,598.36
Less: Non-operating expenses	2,504,827.64	3,248,738.70	7,027,119.18	3,836,677.17
III. Total profits (total loss is represented by “-”)	33,744,046.96	34,007,323.47	224,994,780.86	41,507,308.07
Less: Income tax expense	-26,575.16	-6,117,427.19	24,919,576.80	-9,030,026.64
IV. Net profit (net loss is represented by “-”)	33,770,622.12	40,124,750.66	200,075,204.06	50,537,334.71
(1) Net profit from continuous operation (net loss is represented by “-”)	33,770,622.12	40,124,750.66	200,075,204.06	50,537,334.71
(2) Net profit from discontinued operation (net loss is represented by “-”)				
V. Other comprehensive income, net of tax				-49,074.71
(1) Other comprehensive income that may not be reclassified to profit or loss				
1. Changes arising from the re-measurement of defined benefit plans				
2. Other comprehensive income that may not be reclassified to profit or loss under the equity method				
3. Changes in fair value of other investments in equity instruments				
4. Changes in fair value of the enterprise’s own credit risks				
(2) Other comprehensive income that may be reclassified to profit or loss				-49,074.71
1. Other comprehensive income that may be reclassified to profit or loss under the equity method				-49,074.71
2. Changes in fair value of other debt investments				
3. Profit or loss on changes in fair value from available-for-sale financial assets				
4. Amount of financial assets reclassified into other comprehensive income				
5. Held-to-maturity investments reclassified to profit or loss on available-for-sale financial assets				
6. Credit impairment provision for other debt investments				
7. Cash flow hedge reserve (effective portion of profit or loss from cash flow hedge)				
8. Differences of exchange for foreign currency financial statements				
9. Others				
VI. Total comprehensive income	33,770,622.12	40,124,750.66	200,075,204.06	50,488,260.00
VII. Earnings per share:				
(1) Basic earnings per share (RMB/share)				
(2) Diluted earnings per share (RMB/share)				

Officer in charge of the Company: Li Guohong
Officer in charge of the accounting affairs: Wang Peiyue
Head of the Accounting Department: Wang Weimin

GOLD QUARRY LTD.
Third Quarterly Report 2021

Combined Cash Flow Statement
January to September 2021

Prepared by: Gold Quarry Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
I. Cash flows generated from operating activities:		
Cash received from sales of goods and provision of labor service	64,919,718,225.27	49,220,146,524.46
Net increase in deposits from customers and due to placements from banks and other financial institutions		
Net increase in borrowings from central bank		
Net increase in placements from other financial institutions		
Premiums received		
Cash received from reinsurance business, net		
Net increase in policyholder deposits and investments		
Cash received from interests, handing fee and commissions		
Net increase in placements from banks and other financial institutions		
Net increase in repurchased business capital		
Net cash received from accounts payables to brokerage clients		
Tax refunds received	33,680,413.99	2,070,954.89
Cash received from other operating activities	25,541,850,808.52	21,708,302,658.09
Sub-total of cash inflow from operating activities	90,495,249,447.78	70,930,520,137.44

GOLD QUARRY LTD.
Third Quarterly Report 2021

Items	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
Cash paid for purchase of goods and engagement of labor service	57,747,374,761.61	45,396,541,427.81
Net increase of customer loans and advances		
Net increase of deposits in central bank and other financial institutions		
Claims paid		
Net increase in placements with banks and other financial institutions		
Cash paid for interests, handling fee and commissions		
Cash paid for policyholders' dividend		
Cash paid to and for employees	1,696,450,007.79	1,687,683,243.59
Payments of all types of taxes	945,313,280.75	688,665,655.03
Cash paid for other operating activities	26,418,353,446.79	21,870,418,747.70
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Sub-total of cash outflow used in operating activities	86,807,491,496.94	69,643,309,074.13
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Net cash generated from operating activities	3,687,757,950.84	1,287,211,063.31
	<hr/>	<hr/>
II. Cash flows generated from investing activities:		
Cash received from disposal of investment	398,500,008.02	
Cash received from investment gains	1,517,098.96	17,726,577.97
Net cash flow from disposal of fixed assets, intangible assets and other long-term assets	575,170.50	730,408.33
Net cash received from disposal of subsidiaries and other operating units		
Cash received from other investing activities	545,827,631.95	313,813,781.33
Sub-total of cash inflow from investing activities	946,419,909.43	332,270,767.63
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	2,884,118,319.70	2,122,825,168.21
Cash paid for investments		600,000,000.00
Net increase in pledged loans		
Net cash paid for acquisition of subsidiaries and other operating units	2,272,319,100.00	
Cash paid for other investing activities	590,150,358.33	591,379,602.70
	<hr/>	<hr/>
Sub-total of cash outflow used in investing activities	5,746,587,778.03	3,314,204,770.91
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Net cash generated from investing activities	-4,800,167,868.60	-2,981,934,003.28
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GOLD QUARRY LTD.**Third Quarterly Report 2021**

Items	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
III. Cash flows generated from financing activities:		
Cash received from investments		4,238,820,373.18
Among which: cash received from absorbing minority shareholders' investment by subsidiaries		
Cash received from obtaining borrowings	5,165,732,000.00	5,246,857,000.00
Cash received from other financing activities	<u>7,251,571,604.58</u>	<u>8,137,449,064.70</u>
 Sub-total of cash inflow from financing activities	 <u>12,417,303,604.58</u>	 <u>17,623,126,437.88</u>
Cash paid for repayment of debt	2,259,427,442.33	5,822,132,923.32
Cash paid for distribution of dividends, profits or payment of interests	1,168,162,056.45	767,309,875.93
Among which: dividend and profits paid to minority shareholders by subsidiaries	78,522,902.09	16,390,702.06
Cash paid for other financing activities	<u>6,870,371,307.34</u>	<u>5,324,106,451.10</u>
 Sub-total of cash outflow used in financing activities	 <u>10,297,960,806.12</u>	 <u>11,913,549,250.35</u>
 Net cash generated from financing activities	 <u>2,119,342,798.46</u>	 <u>5,709,577,187.53</u>
 IV. Effect on cash and cash equivalents from changes of exchange rate	 17,510,472.08	 13,715,832.81
V. Net increase in cash and cash equivalents	1,024,443,352.78	4,028,570,080.37
Add: cash and cash equivalents at beginning of the period	<u>2,634,004,612.31</u>	<u>2,963,880,650.26</u>
 VI. Closing balance of cash and cash equivalents at end of the period	 <u>3,658,447,965.09</u>	 <u>6,992,450,730.63</u>

Officer in charge of the Company: Li Guohong
Officer in charge of the accounting affairs: Wang Peiyue
Head of the Accounting Department: Wang Weimin

GOLD QUARRY LTD.
Third Quarterly Report 2021

Cash Flow Statement of the Parent Company
January to September 2021

Prepared by: Gold Quarry Ltd.

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
I. Cash flows generated from operating activities:		
Cash received from sales of goods and provision of labor service	904,748,764.46	771,078,537.00
Tax refunds received		
Cash received from other operating activities	4,748,944,453.13	6,197,581,232.97
Sub-total of cash inflow from operating activities	<u>5,653,693,217.59</u>	<u>6,968,659,769.97</u>
Cash paid for purchase of goods and engagement of labor service	187,160,269.45	245,728,948.75
Cash paid to and for employees	270,802,492.67	233,308,864.64
Payments of all types of taxes	31,460,893.85	35,541,201.61
Cash paid for other operating activities	5,125,643,607.69	6,974,278,789.79
Sub-total of cash outflow used in operating activities	<u>5,615,067,263.66</u>	<u>7,488,857,804.79</u>
Net cash generated from operating activities	<u>38,625,953.93</u>	<u>-520,198,034.82</u>
II. Cash flows generated from investing activities:		
Cash received from disposal of investment		
Cash received from investment gains	114,654,104.64	213,137,287.31
Net cash flow from disposal of fixed assets, intangible assets and other long-term assets	459,112.80	76,958.80
Net cash received from disposal of subsidiaries and other operating units		
Cash received from other investing activities	2,154.75	1,411.33
Sub-total of cash inflow from investing activities	<u>115,115,372.19</u>	<u>213,215,657.44</u>

GOLD QUARRY LTD.
Third Quarterly Report 2021

Items	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	612,681,767.57	281,363,286.69
Cash paid for investments	140,000,000.00	20,000,000.00
Net cash paid for acquisition of subsidiaries and other operating units	2,272,319,100.00	
Cash paid for other investing activities	1,694.75	5,281,826.33
	<hr/>	<hr/>
Sub-total of cash outflow used in investing activities	3,025,002,562.32	306,645,113.02
	<hr/>	<hr/>
Net cash generated from investing activities	<u>-2,909,887,190.13</u>	<u>-93,429,455.58</u>
 III. Cash flows generated from financing activities:		
Cash received from investments		
Cash received from obtaining borrowings	4,009,000,000.00	3,230,000,000.00
Cash received from other financing activities	7,199,483,282.74	7,639,396,856.31
Sub-total of cash inflow from financing activities	11,208,483,282.74	10,869,396,856.31
Cash paid for repayment of debt	1,280,000,000.00	4,361,004,000.00
Cash paid for distribution of dividends, profits or payment of interests	397,458,811.02	533,096,101.86
Cash paid for other financing activities	6,836,734,448.33	5,174,980,880.26
	<hr/>	<hr/>
Sub-total of cash outflow used in financing activities	8,514,193,259.35	10,069,080,982.12
	<hr/>	<hr/>
Net cash generated from financing activities	<u>2,694,290,023.39</u>	<u>800,315,874.19</u>
 IV. Effect on cash and cash equivalents from changes of exchange rate		
V. Net increase in cash and cash equivalents	-176,971,212.81	186,688,383.79
Add: cash and cash equivalents at beginning of the period	805,361,275.90	1,374,842,510.86
	<hr/>	<hr/>
VI. Closing balance of cash and cash equivalents at end of the period	<u>628,390,063.09</u>	<u>1,561,530,894.65</u>

Officer in charge of the Company: Li Guohong
Officer in charge of the accounting affairs: Wang Peiyue
Head of the Accounting Department: Wang Weimin

GOLD QUARRY LTD.
Third Quarterly Report 2021

4.2 Adjustment on the relevant items in the opening financial statements for the year of initial application of new financial instrument standard, new revenue standard and new lease standard

√ Applicable Non-applicable

Combined Balance Sheet

Unit: Yuan Currency: RMB

Items	31 December 2020	1 January 2021	Adjustments
Current Assets:			
Cash and cash equivalents	2,838,339,409.23	2,838,339,409.23	
Balances with clearing companies			
Placements with banks and other financial institutions			
Held-for-trading financial assets	6,323,248,782.97	6,323,248,782.97	
Financial assets at fair value through profit or loss			
Derivative financial assets			
Notes receivable	522,270.00	522,270.00	
Accounts receivable	610,149,931.30	610,149,931.30	
Receivables financing			
Advances to suppliers	122,999,143.83	122,768,445.53	-230,698.30
Premiums receivable			
Accounts receivable from reinsurers			
Deposits receivable from reinsurers			
Other receivables	1,205,301,733.36	1,205,301,733.36	
Among which: Interests receivable	2,130,249.35	2,130,249.35	
Dividends receivable			
Proceeds from financial assets purchased under agreements to resell			
Inventories	3,385,381,939.36	3,385,381,939.36	
Contract assets			
Held-for-sale assets			
Non-current assets due within one year			
Other current assets	308,979,163.09	308,979,163.09	
Total current assets	14,794,922,373.14	14,794,691,674.84	-230,698.30
Non-current Assets:			
Loans and advances granted			
Debt investments			
Available-for-sale financial assets			
Other debt investments			
Held-to-maturity investments			
Long-term receivables			
Long-term equity investments	1,040,940,590.00	1,040,940,590.00	
Other investments in equity instruments	4,500,000.00	4,500,000.00	

GOLD QUARRY LTD.
Third Quarterly Report 2021

Items	31 December 2020	1 January 2021	Adjustments
Other non-current financial assets	134,043,286.65	134,043,286.65	
Investment properties	261,957,348.56	261,957,348.56	
Fixed assets	20,288,824,132.88	20,288,824,132.88	
Construction in progress	3,158,743,315.86	3,158,743,315.86	
Biological assets for production			
Oil and gas assets			
Right-of-use assets		113,704,542.64	113,704,542.64
Intangible assets	10,150,009,237.20	10,150,009,237.20	
Development expenditures	10,257,762.76	10,257,762.76	
Goodwill	2,891,393,665.67	2,891,393,665.67	
Long-term prepaid expenses	46,018,055.34	30,555,365.85	-15,462,689.49
Deferred income tax assets	394,034,314.50	394,034,314.50	
Other non-current assets	752,811,491.80	752,811,491.80	
	<hr/>	<hr/>	<hr/>
Total non-current assets	39,133,533,201.22	39,231,775,054.37	98,241,853.15
	<hr/>	<hr/>	<hr/>
Total assets	53,928,455,574.36	54,026,466,729.21	98,011,154.85
	<hr/>	<hr/>	<hr/>
Current liabilities:			
Short-term borrowings	3,623,352,000.00	3,623,352,000.00	
Borrowings from central bank			
Placements from banks and other financial institutions			
Held-for-trading financial liabilities	10,834,009,228.50	10,834,009,228.50	
Financial liabilities at fair value through profit or loss			
Derivative financial liabilities			
Notes payable	631,642,695.56	631,642,695.56	
Accounts payable	1,966,233,019.83	1,966,233,019.83	
Advances from customers			
Contract liabilities	90,159,192.47	90,159,192.47	
Financial liabilities sold under repurchase agreements			
Deposits from customers and due to placements from banks and other financial institutions			
Accounts payable to brokerage clients			
Accounts payable to underwriting clients			
Salaries payable	127,938,703.46	127,938,703.46	
Taxes payable	344,379,718.48	344,379,718.48	
Other payables	3,305,345,117.86	3,305,345,117.86	
Among which: Interests payable	100,351,224.64	100,351,224.64	
Dividends payable	123,953,129.05	123,953,129.05	
Handling fees and commissions payable			
Payable to reinsurers			
Held-for-sale liabilities			
Non-current liabilities due within one year	41,913,150.33	41,913,150.33	
	<hr/>	<hr/>	
Other current liabilities			
Total current liabilities	20,964,972,826.49	20,964,972,826.49	
	<hr/>	<hr/>	

GOLD QUARRY LTD.
Third Quarterly Report 2021

Items	31 December 2020	1 January 2021	Adjustments
Non-current liabilities:			
Provisions for insurance contracts			
Long-term borrowings	2,090,960,000.00	2,090,960,000.00	–
Bonds payable	687,862,043.76	687,862,043.76	–
Among which: Preferred shares			
Perpetual bonds			
Lease liabilities		99,333,704.85	99,333,704.85
Long-term payables	48,607,619.78	47,285,069.78	–1,322,550.00
Long-term salaries payable	3,661,141.51	3,661,141.51	
Accrued liabilities	788,804,583.39	788,804,583.39	
Deferred income	12,186,123.85	12,186,123.85	
Deferred income tax liabilities	3,916,617,293.02	3,916,617,293.02	
Other non-current liabilities			
Total non-current liabilities	<u>7,548,698,805.31</u>	<u>7,646,709,960.16</u>	<u>98,011,154.85</u>
Total liabilities	<u>28,513,671,631.80</u>	<u>28,611,682,786.65</u>	<u>98,011,154.85</u>
Owners' equity			
(or shareholders' equity):			
Paid-in capital (or share capital)	2,214,008,309.00	2,214,008,309.00	–
Other equity instruments			–
Among which: Preferred shares			–
Perpetual bonds			–
Capital reserve	10,070,178,743.93	10,070,178,743.93	–
Less: Treasury stock	6,384,642.36	6,384,642.36	–
Other comprehensive income	–25,576,088.70	–25,576,088.70	–
Special reserve	3,074,056.13	3,074,056.13	–
Surplus reserve	564,886,019.89	564,886,019.89	–
General risk provision			–
Undistributed profit	10,817,742,627.67	10,817,742,627.67	–
Total equity attributable to owners of the parent company (or shareholders' equity)	<u>23,637,929,025.56</u>	<u>23,637,929,025.56</u>	–
Minority interests	<u>1,776,854,917.00</u>	<u>1,776,854,917.00</u>	–
Total owners' equity (or shareholders' equity)	<u>25,414,783,942.56</u>	<u>25,414,783,942.56</u>	–
Total liabilities and owners' equity (or shareholders' equity)	<u>53,928,455,574.36</u>	<u>54,026,466,729.21</u>	<u>98,011,154.85</u>

Explanation of adjustments of each item:

√ Applicable □ Not applicable

The initial application of the new lease standard has no effect on the owner's equity in the financial statements of the Company. The retrospective adjustment on the comparative figures of other items for the previous period is explained as follows:

- Advances to suppliers decreased by RMB230,698.30 and long-term prepaid expenses decreased by RMB15,462,689.49; RMB113,704,542.64 of right-of-use assets is recognised;
- RMB99,333,704.85 of lease liabilities is recognised; long-term payables decreased by RMB1,322,550.00.

GOLD QUARRY LTD.
Third Quarterly Report 2021

Balance Sheet of the Parent Company

Unit: Yuan Currency: RMB

Items	31 December 2020	1 January 2021	Adjustment
Current Assets:			
Cash and cash equivalents	820,357,370.31	820,357,370.31	
Held-for-trading financial assets			
Financial assets at fair value through profit or loss			
Derivative financial assets			
Notes receivable			
Accounts receivable	249,839,325.13	249,839,325.13	
Receivables financing			
Advances to suppliers	8,019,146.70	8,019,146.70	
Other receivables	8,980,947,925.35	8,980,947,925.35	
Among which: Interests receivable			
Dividends receivable			
Inventories	46,844,784.39	46,844,784.39	
Contract assets			
Held-for-sale assets			
Non-current assets due within one year			
Other current assets	43,418,015.26	43,418,015.26	
Total current assets	10,149,426,567.14	10,149,426,567.14	
Non-current Assets:			
Debt investments			
Available-for-sale financial assets			
Other debt investments			
Held-to-maturity investments			
Long-term receivables			
Long-term equity investments	12,050,100,119.46	12,050,100,119.46	
Other investments in equity instruments	500,000.00	500,000.00	
Other non-current financial assets			
Investment properties	193,370,938.87	193,370,938.87	
Fixed assets	1,064,473,337.00	1,064,473,337.00	
Construction in progress	859,009,294.54	859,009,294.54	
Biological assets for production			
Oil and gas assets			
Right-of-use assets		5,982,679.95	5,982,679.95
Intangible assets	579,394,579.55	579,394,579.55	
Development expenditures			
Goodwill			
Long-term prepaid expenses	13,844,240.22	13,844,240.22	
Deferred income tax assets	40,664,288.30	40,664,288.30	
Other non-current assets	106,755,930.88	106,755,930.88	
Total non-current assets	14,908,112,728.82	14,914,095,408.77	5,982,679.95
Total assets	25,057,539,295.96	25,063,521,975.91	5,982,679.95

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Items	31 December 2020	1 January 2021	Adjustment
Current liabilities:			
Short-term borrowings	2,680,000,000.00	2,680,000,000.00	
Held-for-trading financial liabilities	6,438,726,193.50	6,438,726,193.50	
Financial liabilities at fair value through profit or loss			
Derivative financial liabilities			
Notes payable	70,781,003.48	70,781,003.48	
Accounts payable	452,167,570.35	452,167,570.35	
Advances from customers			
Contract liabilities	2,403,727.92	2,403,727.92	
Employee benefits payable	4,097,158.30	4,097,158.30	
Taxes payable	7,534,394.55	7,534,394.55	
Other payables	959,515,636.85	959,515,636.85	
Among which: Interests payable	53,534,531.04	53,534,531.04	
Dividends payable	168,300.00	168,300.00	
Held-for-sale liabilities			
Non-current liabilities due within one year			
Other current liabilities			
Total current liabilities	<u>10,615,225,684.95</u>	<u>10,615,225,684.95</u>	
Non-current liabilities:			
Long-term borrowings			
Bonds payable	687,862,043.76	687,862,043.76	
Among which: Preferred shares			
Perpetual bonds			
Lease liabilities		5,982,679.95	5,982,679.95
Long-term payables	2,452,834.58	2,452,834.58	
Long-term salaries payable			
Accrued liabilities	21,062,702.53	21,062,702.53	
Deferred income	1,290,400.00	1,290,400.00	
Deferred income tax liabilities			
Other non-current liabilities			
Total non-current liabilities	<u>712,667,980.87</u>	<u>718,650,660.82</u>	<u>5,982,679.95</u>
Total liabilities	<u>11,327,893,665.82</u>	<u>11,333,876,345.77</u>	<u>5,982,679.95</u>

GOLD QUARRY LTD.
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Items	31 December 2020	1 January 2021	Adjustment
Owners' equity			
(or shareholders' equity):			
Paid-in capital (or share capital)	2,214,008,309.00	2,214,008,309.00	
Other equity instruments			
Among which: Preferred shares			
Perpetual bonds			
Capital reserve	6,731,338,759.99	6,731,338,759.99	
Less: Treasury stock			
Other comprehensive income			
Special reserve			
Surplus reserve	735,361,698.17	735,361,698.17	
Undistributed profit	4,048,936,862.98	4,048,936,862.98	
Total owners' equity			
(or shareholders' equity)	<u>13,729,645,630.14</u>	<u>13,729,645,630.14</u>	
Total liabilities and owners' equity			
(or shareholders' equity)	<u>25,057,539,295.96</u>	<u>25,063,521,975.91</u>	<u>5,982,679.95</u>

Explanation of adjustments of each item:

Applicable Not applicable

The initial application of the new lease standard has no effect on the owner's equity in the financial statements of the Company. The retrospective adjustment on the comparative figures of other items for the previous period is explained as follows:

1. RMB5,982,679.95 of right-of-use assets is recognised;
2. RMB5,982,679.95 of lease liabilities is recognised.

4.3 Explanation of the retrospective adjustment on comparative figures for the previous period resulting from the initial application of new financial instrument standard and new lease standard

Applicable Not applicable

4.4 Audit Report

Applicable Not applicable