



**HEFEI MEILING CO., LTD.  
THE THIRD QUARTERLY REPORT FOR 2015**

**October 2015**

## **Section I. Important Notes**

Board of Directors and the Supervisory Committee of Hefei Meiling Co., Ltd. (hereinafter referred to as the Company) and its directors, supervisors and senior executives 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.

Principal of the Company Mr. Liu Tabin, Person in Charge of Accounting Works Mr. Zhang Xiaolong and Person in Charge of Accounting Organ (Accounting Officer) Mr. Luo Bo hereby confirm that the Financial Report of the Third Quarterly Report is authentic, accurate and complete.

Third quarterly report of 2015 has not been audited.

All directors of the Company are attended the Meeting for quarterly report deliberation.

## Section II. Main accounting data and changes of shareholders

### I. Main accounting data and index

Whether it has retroactive adjustment or re-statement on previous accounting data for accounting policy changed and accounting error correction or not

☐ Yes ☒ No

	Current period-end		Period-end of last year	Increase/decrease	
Total assets(RMB)	10,375,589,670.70		9,009,014,201.70	15.17%	
Net assets attributable to shareholders of listed company (RMB)	3,523,152,893.97		3,422,746,664.67	2.93%	
	Current period	Increase/decrease in comparison with same period of last year	Year-begin to end of the Period	Increase/decrease in comparison with year-begin to Period-end of last year	
Operating revenue (RMB)	1,942,291,649.54	-20.44%	8,369,208,938.79	-4.74%	
Net profit attributable to shareholders of the listed company (RMB)	3,532,646.05	-95.59%	161,902,412.73	-32.32%	
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses(RMB)	4,446,182.64	-94.35%	153,015,756.74	-31.19%	
Net cash flow arising from operating activities(RMB)	--	--	979,671,394.79	604.44%	
Basic earnings per share (RMB/Share)	0.0046	-95.59%	0.2120	-32.32%	
Diluted earnings per share (RMB/Share)	0.0046	-95.59%	0.2120	-32.32%	
Weighted average ROE	0.10%	2.29 percent point down	4.64%	2.62 percent point down	

Total share capital of the Company up to a trading day before disclosure:

Total share capital of the Company up to a trading day before disclosure (Share)	763,739,205
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Whether share capital of the Company, from period-end to the disclosure date of 3<sup>rd</sup> quarter report, has changed and has influenced on amount of owners' equity due to the new shares issuing, increase issues in stocks, allotment, stock ownership incentive exercise and buy-back etc. or not

☐Yes ☒No

Items and amount of extraordinary profit (gains)/losses

☒Applicable ☐Not applicable

In RMB

Item	Amount from year-begin to end of the Period	Note
Gains/losses from the disposal of non-current asset (including the write-off that accrued for impairment of assets)	-4,838,347.34	--
Governmental subsidy reckoned into current gains/losses (not including the subsidy enjoyed in quota or ration according to national standards, which are closely relevant to enterprise's business)	16,182,856.50	--
Gains/losses of assets from authorized investment or management	517,808.22	--
Except for effective hedge business relevant to normal operation of the Company, gains and losses arising from fair value change of tradable financial assets and tradable financial liabilities, and investment income from disposal of tradable financial assets, tradable financial liabilities and financial assets available for sale	-635,798.00	--
Other non-operating income and expenditure except for the aforementioned items	-1,957,359.67	--
Less: impact on income tax	366,043.68	--
Impact on minority shareholders' equity (post-tax)	16,460.04	--
Total	8,886,655.99	--

Concerning the extraordinary profit (gain)/loss defined by *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*, and the items defined as recurring profit (gain)/loss according to the lists of extraordinary profit (gain)/loss in *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*, explain reasons

☒Applicable ☐Not applicable

Item	Amount (RMB)	Reasons
Non-operating income	4,028,798.75	During the Period, in line with the "Notice of VAT for Software Products issued by Ministry of Finance and the State Administration of Taxation" Cai Sui[2011] No.100, the wholly-owned subsidiary Mianyang Meiling Software Technology Co., Ltd. received a drawback of VAT for software products. With purpose of fully valued the operation of the Company, in accordance with the relevant regulation of No. (III) clause of Article II in " <i>Q&amp;A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss(2008)</i> ", as for the government subsidy continues enjoy by certain quota or quantitative,

		with closely relation with normal operation business, and qualified national policies shall reckoned into recurring gains/losses
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## II. Statement of the total shareholders and shares-held of top ten shareholders at end of the Period

### 1. Statement of the total common shareholders and shares-held of top ten common shareholders at end of the Period

In share

Total common shareholders in reporting period	66, 663					
Shares-held of top ten common shareholders						
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
Sichuan Changhong Electric Co., LTD	State-owned legal person	21.58%	164,828,330	0	-	-
Hefei Xingtai Holding (Group) Co., Ltd.	State-owned legal person	6.26%	47,823,401	0	-	-
Changhong (Hong Kong) Trading Company Limited	Foreign legal person	3.30%	25,165,823	0	-	-
CAO SHENGCHUN	Foreign natural person	1.75%	13,357,115	0	-	-
Wu Fang	Domestic nature person	0.80%	6,129,600	0	-	-
DEUTSCHE BANK AKTIENGESELLSCHAFT	Foreign legal person	0.63%	4,798,142	0	-	-
China Securities Finance Corporation Limited	Domestic non state-owned corporate	0.58%	4,399,500	0	-	-
NORGES BANK	Foreign legal person	0.55%	4,216,432	0	-	-
Long Qinfang	Foreign natural person	0.42%	3,234,797	0	-	-
DRAGON BILLION CHINA MASTER FUND	Foreign legal person	0.39%	3,002,517	0	-	-
Particular about top ten common shareholders with un-restrict shares held						

Shareholders' name	Amount of unrestricted common shares held at reporting period-end	Type of shares	
		Type	Amount
Sichuan Changhong Electric Co., LTD	164,828,330	RMB ordinary shares	164,828,330
Hefei Xingtai Holding (Group) Co., Ltd.	47,823,401	RMB ordinary shares	47,823,401
Changhong (Hong Kong) Trading Company Limited	25,165,823	Domestically listed foreign shares	25,165,823
CAO SHENGCHUN	13,357,115	Domestically listed foreign shares	13,357,115
Wu Fang	6,129,600	RMB ordinary shares	6,129,600
DEUTSCHE BANK AKTIENGESELLSCHAFT	4,798,142	RMB ordinary shares	4,798,142
China Securities Finance Corporation Limited	4,399,500	RMB ordinary shares	4,399,500
NORGES BANK	4,216,432	Domestically listed foreign shares	4,216,432
Long Qinfang	3,234,797	Domestically listed foreign shares	3,234,797
DRAGON BILLION CHINA MASTER FUND	3,002,517	Domestically listed foreign shares	3,002,517
Explanation on associated relationship among the aforesaid shareholders	Among the above shareholders, Changhong (Hong Kong) Trading Co., Ltd. is the wholly-owned subsidiary of Sichuan Changhong Electronic Co., Ltd.; there existed no associated relationship or belong to the concerted actors as specified in the Measures for the Administration of Information Disclosure of Shareholder Equity Changes of Listed Companies among Sichuan Changhong Electronic Co., Ltd., Changhong (Hong Kong) Trading Co., Ltd. and other top 8 shareholders; and the Company has not known whether they belong to the concerted actors as specified in the Measures for the Administration of Information Disclosure of Shareholder Equity Changes of Listed Companies or not.		
Explanation on shareholders involving margin business among top ten common shareholders d (if applicable)	Among the top ten common shareholders till 30 <sup>th</sup> Sept. 2015, shareholder Wu Fang holds 6,129,600 shares of the Company through customer credit collateral securities trading account under the name of Dongxing Securities Co., Ltd., while holds 0 shares through common securities account, and holds 6,129,600 shares of the Company in total		

Whether top ten common shareholders or top ten common shareholders with un-restrict shares held have a buy-back agreement dealing in reporting period

☐Yes ☒No

The top ten common shareholders or top ten common shareholders with un-restrict shares held have no a buy-back agreement dealing in reporting period

**2. Total of shareholders with preferred stock held and the top ten shareholdings in Period-end**

☐Applicable      ☒Not applicable

## Section III. Important events

### I. Particular about major changes from items of main accounting statements and financial indexes as well as reasons

√ Applicable    □ Not applicable

#### 1. Changes of items of balance sheet and cause analysis

In RMB

Item	Closing balance	Opening balance	Changes	Reasons
Note receivable	1, 847, 225, 465. 87	1, 223, 468, 044. 05	50. 98%	Note collection increased in the Period
Account paid in advance	58, 342, 982. 07	92, 501, 704. 06	-36. 93%	The account paid in advance to suppliers decreased at period-end
Interest receivable	909, 729. 51	-	100%	The accrued interest for time deposit of subsidiary Zhongshan Changhong Electrics recognized in the Period, no such amount occurred last year
Other current assets	300, 000, 000. 00	-	100%	Parent company carried out entrust financing business in the Period
Long-term equity investment	66, 475, 840. 08	14, 211, 004. 21	367. 78%	New associated company increased in the period and increasing capital for part of the associated companies
Development expenses	55, 482, 352. 60	25, 194, 157. 09	120. 22%	Input for R&D increased in the Period and which are not transfer to capital yet
Financial liability measured by fair value and with its variation reckoned into current gains/losses	1, 287, 600. 00	81, 170. 00	1486. 30%	Fair value changes of the forward foreign exchange contract carried out in the Period
Note payable	3, 343, 949, 044. 74	1, 553, 110, 292. 55	115. 31%	The un-expire note payable increased at period-end
Wages payable	58, 266, 172. 25	156, 537, 212. 29	-62. 78%	The salary and bonus accrued last year have been grant in the Period
Tax payable	85, 826, 030. 94	51, 153, 350. 18	67. 78%	Subsidiary Sichuan Changhong Air conditioner Co., Ltd. hold over the VAT in the Period
Long-term loans	50, 066, 181. 20	18, 947, 000. 00	164. 24%	Long-term loans from subsidiary Zhongshan Changhong Electric Co., Ltd. increased in the Period
Minority interest	28, 752, 151. 36	15, 634, 189. 83	83. 91%	Part of the subsidiary earns in the Period and purchasing part of the minority equity from subsidiary

#### 2. Changes of items of profit statement and cause analysis

In RMB



Item	This Period	Same period of last year	Changes	Reasons
Add: Changing income of fair value(Loss is listed with “-”)	-1, 206, 430. 00	519, 200. 00	-332. 36%	Same as “Financial liability measured by fair value and with its variation reckoned into current gains/losses”
Investment income (loss is listed with “-”)	-15, 605, 274. 06	-3, 182, 602. 11	-390. 33%	Loss from associated company increase y-o-y in the Period
Including: Investment income on affiliated company and joint venture	-18, 400, 988. 39	-1, 465, 123. 55	-1155. 93%	Same as “investment income”
Including: gains from disposal of non-current assets	860, 650. 87	1, 517, 833. 34	-43. 30%	Gains from fixed assets disposal decreased y-o-y in the Period
Less: non-operation expenditure	9, 294, 581. 25	3, 877, 664. 58	139. 70%	Losses from fixed assets disposal decreased y-o-y in the Period
Including: Disposal loss of non-current assets	5, 698, 998. 21	1, 596, 131. 19	257. 05%	Same as “non-operation expenditure”
Less: income tax expenses	29, 516, 348. 07	53, 237, 882. 50	-44. 56%	Taxable income tax of the Company declined y-o-y
Net profit attributable to owners of parent company	161, 902, 412. 73	239, 217, 808. 78	-32. 32%	Mainly because of the shrinking of white electricity industry, sales, price and profitability of the AC products have declined over same period of last year
Minority shareholders’ gains and losses	-2, 439, 249. 29	-11, 133, 180. 75	78. 09%	Part of the subsidiaries earns in the Period on a y-o-y basis

### 3. Changes of items of cash flow statement and cause analysis

In RMB

Item	This Period	Same period of last year	Changes	Reasons
Net cash flow arising from operation activities	979, 671, 394. 79	-194, 210, 258. 34	604. 44%	Sales account increased in the Period on a y-o-y basis
Net cash flow arising from investment activities	-357, 057, 792. 87	51, 628, 665. 71	-791. 59%	The principal of entrusting at paid in the Period, no such amount occurring at same period of last year
Net cash flow arising from financing activities	-259, 027, 147. 02	112, 542, 782. 48	-330. 16%	The short-term loans paid by parent company increased on a y-o-y basis
Impact on cash and cash equivalent from exchange rate movement	20, 829, 216. 21	6, 852, 120. 57	203. 98%	Exchange rate of the foreign currency changed in the Period

## II. Progress of significant events, their influences, and analysis and explanation of their solutions

√Applicable    □Not applicable

### (I)Usage of raised capital and progress of the fund-raised projects in the Period

Total proceeds raised in privately offering in 2010 are RMB1,199,999,820.00 and the net proceeds amount to RMB1,177,954,320.00 after deducted offering expenses RMB 22.0455 million (including underwriting and sponsoring fee RMB 20.5 million).

In 2013, the three construction projects with fund-raising investment have completed and reaching the design capacity, that is “Athena Luxury refrigerator production base”, “Freezer expansion project” and “Expansion project of environmental and energy-saving refrigerators”, meanwhile, “working capital supplementation” project implemented and recently, the Company has no other projects that suitable for investment by fund-raising. According to the operation requirement of the Company, being approved by the Board, supervisory committee and the general meeting of shareholders that balance of raising funds 284.440959 million Yuan (including interest 34.832977 million Yuan) up to 30 September 2013 and later interest are supplying the working capital of the Company permanently. The Company actually withdrawal 291.354985 million Yuan for working capital supplementation permanently up to 30 September 2015.

Up to the 30<sup>th</sup> of September 2015, the Company actually used 903.258041 million Yuan accumulatively in fund-raising, balance of fund-raising accounting as 27.673765 million Yuan (including 2,480,644 Yuan undrawn used for working capital supplementation, and totally 25,193,121 Yuan ready for contract payment and quality assurance). More details are:

Athena Luxury refrigerator production base project: total investment amounting to 528,508,471 Yuan in total after savings deducted. Up to 30<sup>th</sup> of September 2015, the project accumulatively invested 515,531,342 Yuan, balance of fund-raising was 13,192,302 Yuan, including 12,977,129 Yuan ready for contract payment and quality assurance and 215,173 Yuan undrawn used for working capital supplementation permanently.

Capacity expansion project for freezer: the project owns total investment of 251.883547 million Yuan after savings deducted. Up to 30 September 2015, the project have accumulative investment of 239,667,554 Yuan, balance at fund-raising account was 14,481,463 Yuan, including amount ready for payment and quality assurance 12,215,992 Yuan and 2,265,471 Yuan without extract used for supply current capital permanently.

## **(II) Implementation for annual performance incentive fund**

On August 9, 2012 and August 28, 2012, the Company considers the adoption of "Hefei Meiling annual performance incentive fund implementation plan" (hereinafter referred to as "" stimulus "") on the 16<sup>th</sup> meeting of the 7<sup>th</sup> board of directors and the 2012-second provisional shareholders meeting. Details were disclosed on information disclosure media appointed by the Company as "Securities Times", "Chinese Securities Daily", "Hong Kong Commercial Daily" and the Juchao network (www.cninfo.com.cn) on August 10, 2012 and August 29th in the form of announcement (No.: 2012-028, No.: 2012-035).

### **1. Implementation about 2012 performance incentive fund provision and distribution plan**

Found more in “1. Accrual of the Performance incentive fund for year of 2012 and distribution plan implementation” of “(XII) implementation of the annual performance incentive fund” carried in “XIV.Other Important events” of the Section V. Important Events in the Annual Report of 2014 published on 26 March 2015

Up to end of the reporting period, the directors, supervisors and senior management as grantees of the 2012

incentive plan did not reduce holding of their shares bought by them with 2012 performance incentive funds and own capital. Other grantees of the 2012 incentive plan (not being directors, supervisors and senior management) have reduced holding of 1,438,754 in aggregate, accounting for 0.1884% of the total share capital, since September 2014 to the end of the reporting period.

## 2. Implementation of 2013 annual performance incentive provision and distribution program

For details, please refer to the 2014 annual report disclosed by the Company on 12 August 2015 under section V “Significant Issues” under “XIV Explanation for other significant issues” under “(XIII) Implementation of annual performance incentive funds” under 2. “Provision for and allocation plan for 2013 annual performance incentive funds”.

Up to end of the reporting period, shares of the Company purchased by part of the incentive objects due to the performance incentive plan for year of 2013 have expire for one year, according to the regulation of “Incentive Plan” and commitment, part of the shares allow to unlock. However, shares of the Company purchased by all incentive objects with grant performance incentive fund for year of 2013 and self-owned funds are not reduced till end of the reporting period.

3. Ended as 30 September 2015, shares hold by all incentive objects amounting to 11,477,463 shares, a 1.5028% in total share capital of the Company, including 10,591,471 A-share, a 1.3868% in total share capital and 885,992 B-share, a 0.1160 % in total share capital of the Company.

## 4. Implementation of 2014 annual performance incentive provision and distribution program

According to the "incentive plan" the Company has approved, the operating results (audited in 2014) and the actual operation situation, the annual performance incentive fund has reached the awarded conditions. Being recognized by the Board, benefited directors and supervisors withdraw from voting, the "2014 Annual Performance Incentive Fund Provision" was deliberated and approved in 6<sup>th</sup> meeting of the 8<sup>th</sup> session of the board, 4<sup>th</sup> meeting of 8<sup>th</sup> session of supervisory committee and general meeting of 2015 dated March 24, 2015 and April 28. And, being given independent opinions from independent directors, benefited directors and supervisors withdraw from voting, the "2014 Annual Performance Incentive Fund Allocation Scheme" was deliberated and approved in 8<sup>th</sup> meeting of the 8<sup>th</sup> session of the board, 6<sup>th</sup> meeting of 8<sup>th</sup> session of supervisory committee and first extraordinary general meeting of 2015 dated July 3, 2015 and July 21. More details are:

(1) Incentive range and number: 44 people compliance with the conditions of the incentive objects (senior management, middle management, and core technology and business personnel).

(2) Capital resources: in line with the 32,186,700 Yuan for incentive fund from 10% of net profit attributable to shareholder of listed company that audited for year of 2014; RMB 24,780,000 has been distributed to 44 incentive objects (senior managers, middle management, and core technology and business personnel) that satisfied the laws, regulations and “Incentive Plan”. All the incentive objects will, purchase stock of the Company in open market with all incentive funds (income tax excluded) obtained plus no less favorable than 30 percent of

the total annual remuneration (except for performance fund; total annual remuneration after relevant tax cut and five-insurance payment paid).

(3) Share holding: According to the "incentive plan" the company have approved, and under the premise of the Listing Rules of Shenzhen Stock Exchange and other applicable Chinese laws and regulations, incentive target promised within 60 working days as of receipt of the performance incentive funds (In case of regulatory ruled the trading of shares shall not be specified, the time extended), to purchase the Company's shares through the open market. Up to the disclosure date, majority of the incentive objects have subscribe the shares in line with the regulation and lock-up shares according to the commitment, shares subscribe by part of the directors, supervisors and senior executives have been released on appointed media dated 19 August 2015 to 25 August 2015.

(4) As for change of shareholding arising from disposal of shares by the grantees: the shares subscribe by incentive objects due to the implementation of performance incentive plan for year of 2014 still less than one-year-holding, unqualified the un-lock condition, and no shares disposed

(5) Commitment for restricted sales: According to the Implementation Program of the Annual Performance Incentive Capital of Hefei Meiling Co., Ltd and the commitment made by all the grantees, grantees can not reduce shareholding by any market means in respect of the Company's shares purchased by them within one year upon the date of purchase; 50% of the shares can be reduced for holding in the second year according to applicable laws and rules; and the remaining 50% can be reduced for holding in the third year according to applicable laws and rules. In addition, certain grantees who are also directors, supervisors or senior management of the Company undertook that they would watch out their behaviors in compliance with relevant requirements of the Company Law, Securities Law and Management Rules on Holding Shares of the Company or Change thereof by Director, Supervisor and Senior Management of Listed Issuer, including but not limited to: shares transferred annually by them shall not exceed 25% of the total shares held in the Company during their terms of office; they are not allowed to sell the shares held in the Company within six month upon purchase or to buy back the shares within six month upon disposal; they are not allowed to transfer the shares held in the Company within a half year upon their resignation.

Details were disclosed on information disclosure media appointed by the Company as "Securities Times", "China Securities Journal", "Hong Kong Commercial Daily" and the Juchao website (www.cninfo.com.cn) respectively dated 26 March 2015, 18 April, 4 July, 22 July, 20 August and 26 August(Notice No.: 2015-003, No.: 2015-004, No.: 2015-009, No.: 2015-015, No.: 2015-022, No.: 2015-023, No.: 2015-025, No.: 2015-029, No.: 2015-036 and No.: 2015-037)

### **(III) Transaction with Sichuan Changhong Finance Co., Ltd.**

Being decision by the Board and Shareholders General Meeting, agreed to enter into the "Financial Service Agreement" with Sichuan Changhong Finance Co., Ltd. (Changhong Finance Company for short) for 3-years. According to the agreement, Changhong Finance Company offering serial financial services of deposit/loans in line with the requirement of the Company and subordinate subsidiaries within the business scope; related transactions from year-beginning to end of the period are as:

Items	Opening balance	Increased	Decreased	Closing balance	Interest received or paid; commission charge
I. Deposit saving in Changhong Finance Company	1, 040, 209, 426. 68	8, 370, 138, 673. 52	7, 938, 996, 993. 70	1, 471, 351, 106. 50	21, 537, 341. 98
II. Loans from Changhong Finance Company	–	–	–	–	–
1. Short-term loans	–	100, 000, 000. 00	100, 000, 000. 00	–	75, 444. 44
2. Long-term loans	–	–	–	–	–
III. Other financial business	–	–	–	–	–
1. Note issuing	258, 631, 647. 68	1, 129, 157, 600. 85	522, 762, 672. 43	865, 026, 576. 10	–
2. Notes discounted	210, 940, 218. 46	1, 399, 969, 891. 49	569, 095, 715. 17	1, 041, 814, 394. 78	18, 121, 147. 56
3. Account receivable factor	–	50, 000, 000. 00	50, 000, 000. 00	–	176, 527. 78

**(IV) Other important events**

Overview	Disclosure date	Query index for interim notice
The second largest shareholder Hefei Xingtai Holding (Group) Co., Ltd. planned to transfer 49,477,513 state-owned shares of the Company to Hefei Industrial Investment Holdings Group CO., Ltd. to be established for free.	2015-3-7	Juchao Website: <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> (2015-001)
Corresponding to relevant report in CCTV “3.15” the evening party, the Company released the “Clarification Announcement of Unqualified Sampling Inspection of the “Meiling” Kitchen Ventilator on CCTV “3.15” ” on appointed medial	2015-3-16	Juchao Website: <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> (2015-002)
Subordinate controlling subsidiary Zhongke Meiling Hypothermia Technology Co., Ltd. invested approximately 156.3219 million Yuan for removal and expansion projects.	2015-3-26	Juchao Website: <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> (2015-003)
Board of the Company appointed Mr. Wu Dinggang as the deputy president of the Company, Mr. Zhang Xiaolong as the deputy president and person in charge of the finance	2015-3-26	Juchao Website: <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> (2015-003)
Being decision by the Board and Shareholders General Meeting, agreed to exercise the new Accounting Standard for Enterprise Business in line with relevant regulations and requirement from the Ministry of Finance, carried out corresponding accounting policy change	2015-3-26; 2015-4-18	Juchao Website: <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> (2015-003; 2015-008; 2015-015)
Being decision by the Board and Shareholders General Meeting, agreed to carried out the business of forward foreign exchange transactions	2015-3-26; 2015-4-18	Juchao Website: <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> (2015-003; 2015-010; 2015-015)

Being decision by the Board and Shareholders General Meeting, agreed to invested one billion Yuan at most to the financial products with own idle funds of the Company	2015-3-26; 2015-4-18	Juchao Website: <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> (2015-003; 2015-011; 2015-015)
After democratic election of the Worker's Conference, agreed to supplement Mr. Zhu Wenjie as the staff supervisor of 8 <sup>th</sup> session of the supervisory committee	2015-4-10	Juchao Website: <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> (2015-014)
Being decision by the Board, agreed subordinate subsidiary Sichuan Changhong AC Co., Ltd. established joint-venture manufacturing company and sales company with its own 50 million Yuan with the Hengyouyuan Technology Development Group Co., Ltd.	2015-4-18	Juchao Website: <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> (2015-016)
Subscribe financial products of "Yuntong Fortune• Wen De Li" from Anhui Branch of Bank of Communications with idle fund of the Company 100 million Yuan	2015-5-22	Juchao Website: <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> (2015-019)
Payment of the advance for three shareholders with restricted shares held and easing the restrictions on restricted stock of the Company hold	2015-5-22; 2015-7-29	Juchao Website: <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> (2015-020; 2015-030)
Being decision by the Board, agreed to invested 28 million Yuan for the technology reform on refrigeration production line in order to improve the production capacity and manufacturing efficiency for large-volume refrigerator for quality requirement	2015-7-4	Juchao Website: <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> (2015-022)
The Board appointed Mr. Zhu Wenjie as the Securities Affairs Representative of the Company	2015-7-4	Juchao Website: <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> (2015-022; 2015-024)
First majority shareholder Sichuan Changhong "Letter of Promise not to reducing the Meiling stock in later six months"	2015-7-9	Juchao Website: <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> (2015-027)
Mr. Deng Xiaohui resign as the deputy president of the Company due to occupation mobility	2015-8-8	Juchao Website: <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> (2015-031)
Being approved by the Board, supervisory committee and recognized by independent directors, agreed the Company subscribe "Sichuan Hongyu New IT Venture Capital Fund" with self-own capital 40 million Yuan	2015-8-12	Juchao Website: <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> (2015-032; 2015-033; 2015-035)
The Board agreed subordinate controlling subsidiary Zhongke Meiling Hypothermia Technology Co., Ltd. ("Zhongke Meiling") launch the restructuring for established the limited company, and apply to list on NEEQ after totally restructure. Currently, Zhongke Meiling completed the change procedure in Industry and Commerce for the shareholding reform.	2015-8-29; 2015-9-16	Juchao Website: <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> (2015-038; 2015-039; 2015-041)

Being approved by the Board, agreed the Company and subsidiary Sichuan Changhong AC Co., Ltd. ("Changhong AC") offering joint guarantee to certain premium reseller in appointed banks in the line of credit while keep risk under acceptable levels, guarantee is not over the 400 million Yuan in total.	2015-8-29	Juchao Website: <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> (2015-038; 2015-040)
The Company subscribe financial products of "Tian Tian Jin Stable" from Hefei Branch of China Merchants Bank Co., Ltd. with self idle fund 300 million Yuan	2015-9-26	Juchao Website: <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> (2015-042)

### III. Commitments made by the Company or shareholders holding above 5% shares of the Company in reporting period or made in previous period and extending to reporting period

√ Applicable    □ Not applicable

Commitments	Acceptor	Contents		Commitment date	Commitment term	Implementation
Commitments made in acquisition report or equity change report	Sichuan Changhong Electric Co., LTD (“Sichuan Changhong”)	Commitment and guarantee of horizontal competition avoidance made in “Acquisition Report of Hefei Meiling Co., Ltd”	1. The acquirer shall not engage in refrigerator business or activity which competes or will compete with business of Hefei Meiling Co., Ltd (“Meiling Electrical Appliances”), or that which has interest conflict with Meiling Electrical Appliances.	2007-6-12	Effective permanently	Strictly performed the commitments
			2. The acquirer promises to apply shareholders’ right on a legal and reasonable manner and shall not take any action to limit or affect the normal operation of Meiling Electrical Appliances.		Effective permanently	Strictly performed the commitments
			3. For any opportunity to engage in competing business, the acquirer will advise Meiling Electrical Appliances in written for engaging such business or not. If Meiling Electrical Appliances gives no clear written reply as to whether engaging the competing business or not within 20 days after receipt of the aforesaid letter, it shall be deemed that it will not engage in such business. The acquirer will only engage in non-competing business provided that Meiling Electrical Appliances confirms not to or is deemed to not engage in such non-competing business.		Effective permanently	Strictly performed the commitments
Commitment made during the non-public offer	Sichuan Changhong	Commitment regarding to reducing and preventing competition with Meiling Electrical	1. It will not engage in such business or activity that competes with or has interest conflict with that of Meiling Electrical Appliances except for the action taken for sake of Meiling Electrical Appliances as required by Meiling Electrical Appliances.	2010 年 6 月 24 日	Effective permanently	Strictly performed the commitments



		Appliances	2. The Company promises to apply shareholders' right on a legal and reasonable manner and shall not take any action to limit or affect the normal operation of Meiling Electrical Appliances.			nts
			3. In case that Meiling Electrical Appliances expects, on the basis of its existing business, to expand its operation scope into the business which the Company has already operated, the Company agrees to grant pre emptive right to Meiling Electrical Appliances regarding such business if the same conditions are met, provided that the Company is still the controlling shareholder or actual controller of Meiling Electrical Appliances.			
		Commitment regarding to reducing and standardizing related transaction with Meiling Electrical Appliances	1. Measures will be adopted to prevent continued related transaction with Meiling Electrical Appliances: as to the related transaction that can not be prevented, it will sign related transaction agreement with Meiling Electrical Appliances under the market principles of "equally paid and mutual benefit", and fairly determined the transaction price according to the market prevailing standards.	2010-6-24	Effective permanently	Strictly performed the commitments
			2. Perform the necessary obligations to make related directors and related shareholder abstain from voting according to relevant regulation, and observe legal procedure for approving related transaction and information disclosure obligations.			
			3. Promise not to hurt legal interests of Meiling Electrical Appliances and other shareholders through related transaction.			
		Commit to authorized Changhong Air Conditioning and Zhongshan Air Condition Appliance Co., Ltd. ("Zhongshan Air Conditioning") to use "Changhong" trademark and relevant patents for free.		2010-11-6	Effective permanently	Strictly performed the commitments
	The Company	1. Commit to disclose periodic reports on a truthful, accurate, complete, fair and prompt manner, to disclose all the information that have important influences over investors, to accept supervision under the		2011-1-7	Effective	Strictly performed

		CSRC and Shenzhen Stock Exchange.		permanently	the commitments
		2. Commit to make public clarification in respect of such information that is released from any public media and may result in misleading influences on stock price once the Company is aware of such information.			
		3. The directors, supervisors, senior management and core technicians of the Company will accept opinions and criticism from the social publics, and they will not trade the Company's securities, directly or indirectly, with any inside information and other illegal methods. The Company promises that the documents submitted to Shenzhen Stock Exchange exist no false statement or material omission, and no relevant information will be disclosed during the application for listing without prior content from Shenzhen Stock Exchange.			
Commitment made in transfer of air conditioning assets property	Sichuan Changhong	1. Since the property transfer didn't involve the buildings and land currently used by Changhong Air Conditioning, Sichuan Changhong commits, upon the completion of equity transfer, to continue to lease such assets to Changhong Air Conditioning at market price;	2009-12-10	Effective permanently	Strictly performed the commitments
		2. After completion of this property transfer, Sichuan Changhong commits to manage to prevent new related transaction with Meiling Electrical Appliances. For those which can not be prevented, Sichuan Changhong commits to determine the transaction price based on market accepted methods, so as to ensure fairness of related transaction and protection of the interest of Meiling Electrical Appliances.		Effective permanently	Strictly performed the commitments
		3. Sichuan Changhong commits that it will not engage in air conditioning and refrigerator business or activity which competes or will compete with business of Meiling Electrical Appliances, or that which has interest conflict with Meiling Electrical Appliances.			
Annual performance incentive fund, commitments by incentive objects	Part of the Directors, supervisors, senior	1. Make promise not to reduce the shares of Meiling bought in every year during period of incentive fund implemented via any market ways in the first year, which was allowed to be reduced by 50% according to the laws and regulations in the second year, and the remaining 50% was allowed to be reduced in the third year in accordance with the laws and regulations.	2013-8-15; 2014-7-3; 2015-7-21	Three years after current stocks bought	Implementing

while purchasing stock of the Company with performance incentive funds and owned fund	executives and other incentive objects	2. The directors, supervisors and senior management, as the incentive objects of annual performance incentive fund, promised to manage in accordance with the relevant management approaches in accordance with the "Company Law", "Securities Law" and "The Company's shares held by the directors, supervisors and senior management of the listed company and its change management rules", including but not limited to: during his tenure, the shares transferred each year shall not exceed 25% of the total number of shares held of the Company; shall not sell the shares of the Company within six months after bought it or purchase again six months after sold it; shall not transfer the shares held within six months after Dismission.	2013-8-15; 2014-7-3; 2015-7-21	From the date of annual performance incentive fund plan approved by shareholder general meeting to 6 months after directors, supervisors and senior executive resigned	Implementing
Commitments of not to reducing the shares	Sichuan Changhong Electric Co., LTD and persons acting in concert Changhong (Hong Kong) Trading Company Limited	1. Sichuan Changhong and its concert party Changhong (Hong Kong) Trade Co., Ltd. undertook not to reduce holding shares of "Meiling Appliances" and "Wanmeiling B" during the future six months commencing from the date on which Meiling Appliances released relevant announcement (9 July 2015-9 January 2016), so as to maintain stable market and protect investors' interest with their actual activities; 2. Based on market conditions and as allowed by laws and rules, multiple measures were adopted adequately to increase shareholding of Meiling Appliances, so as to demonstrate its firm confidence on the PRC economy and Meiling Appliances with its actual actions, maintain sound development of capital market and promote recovery of healthy market; 3. The Company continued to support operation and development of listed company. It is committed to bringing steady and real return to investors.	2015-7-9	2016-1-9	Implementing
Perform the commitment promptly or not	√ Yes □ No				
Specific reason for non-performance and the next plan	Non-applicable				

**IV. Estimation of operation performance for year of 2015**

Estimation of accumulative net profit from the beginning of the year to the end of next report period to be loss probably or the warning of its material change compared with the corresponding period of the last year and explanation of reason

☐Applicable ☒Not applicable

**V. Particular about security investment**

☐ Applicable ☒ Not applicable

No security investment in Period.

**VI. Equity of other listed company held by the Company**

☒Applicable ☐Not applicable

Name	Type	Initial investment capital (RMB)	Shares held at period-begin (Share)	Proportion of shares held at period-begin	Shares held at period-end (Share)	Proportion of shares held at period-end	Book value at period-end (RMB)	Gains/losses in report period (RMB)	Accounting items	Resources
Huishang Bank Co., Ltd.	Commercial bank	5,000,000.00	10,737,573	0.0972%	10,737,573	0.0972%	5,000,000.00	1,707,274.11	Available for sale financial assets	Initial investment
Total		5,000,000.00	10,737,573	--	10,737,573	--	5,000,000.00	1,707,274.11	--	--

**VII. Particulars about derivatives investment**

☒ Applicable ☐Not applicable

In 10 thousand Yuan

Operator	Related relationship	Whether related trade or not	Type	Initial investment	Start date	End date	Investment amount at period-begin	Amount of reserve for devaluation of withdrawing (if applicable)	Investment amount at period-end	Ratio of investment amount at period-end in net assets of the Company at period-end (%)	Actual gains/losses in period
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Financial institutions	N/A	No	Forward foreign exchange contract	19,131.11	2014-7-1	2016-12-31	13,319.93	N/A	19,131.11	5.43%	-111.61
Total				19,131.11	--	--	13,319.93	N/A	19,131.11	5.43%	-111.61
Capital resource				Self-owned capital							
Lawsuits (if applicable)				Not applicable							
Disclosure date for approval from the Board for investment of derivatives (if applicable)				19 April 2014; 26 March 2015							
Disclosure date for approval from board of shareholders for investment of derivatives (if applicable)				6 June 201; 18 April 2015							
Venture analysis and explanation on control measures for derivatives holding in Period (including but not limited to market risk, liquidity risk, credit risks, operational risk and legal risk etc.)				<p>Risk analysis:</p> <p>1. Market risk: the changes in domestic and foreign economic situation may create a major volatility in exchange rate, future exchange business under certain market risks. Forward exchange transaction business of the Company aims at lock-up the price in sale and purchase of foreign exchange, and lowers the impact on profit from exchange fluctuations. The Company will closely following the changes in exchange rate, based on the target rate fix by business, with the research and judgment in aspect of the trend in foreign exchange rate, determine the signature planning of agreement for forward exchange transaction combine with prediction on receipt and payment as well as the tolerance capacity of changing price arising from rate fluctuation; implement dynamic management on the business to guarantee a reasonable profit standards for the Company.</p> <p>2. Liquidity risk: all of the foreign exchange funds trading are depend on reasonably estimated of the import-export business in future, satisfy the requirement of trading truth. In addition, forward exchange transaction operates in way of bank credit; there is no impact on the fund liquidity of the Company.</p> <p>3. Bank default risk: if the cooperative bank close down or default in contractual period, the Company is un-able to settle the original foreign exchange contract in contractual price, it exists a risks of income uncertainty. Therefore, the Company chose the Chinese-funded banks as Bank of China, Agricultural Bank of China, Industrial and Commercial Bank of China and China Construction Bank for the foreign exchange funds trading and part of the larger foreign banks (e.g. Deutsche Bank, United Overseas Bank, Oversea-Chinese Banking Corp. and HSBC etc.), the above mentioned banks owns fund strength and operating soundness, there is a slim chance of money costs for close down.</p> <p>4. Operational risk: the money trading in forward exchange might causes relevant risks due to the incorrect operations by handling personnel, relevant management mechanism has formulated by the Company, well-defined the operation procedure and duty officer in favor of preventing risk and risk control.</p> <p>5. Legal risk: legal disputes may arise from the un-clear trading agreement signed between the Company and banks in aspect of money trading in forward exchange. The Company</p>							

	strengthens the review on relevant contracts in way of law, and chooses banks for cooperation with good credit status in order to control the risk.
Particular about the changes of market price or product's fair value of invested derivatives in Period; as for analysis of the fair value of derivatives, disclosed specific treatment methods and relevant hypothesis and parameter setting	In accordance with the Article 7 "Recognition of Fair Value" of "The Accounting Standards for Enterprises No. 22—Recognition and Measurement of Financial Instruments", the Company determined and measure the fair value basically in line with the price provided or obtained from pricing services such as banks. As for the calculation of fair value for derivatives, it mainly refers to the un-matured contract of forward exchange facilities that signed with the banks in reporting period, and recognized as transactional financial assets or liabilities based on the difference of forward exchange facilities' contract quotation at period-end and forward rate. In the reporting period, the gains/losses of forward foreign exchange contract amounting to (1,116,100) Yuan.
Explanation on major changes on specific principle of accounting policy and accounting calculation for derivatives in Period, by comparing with last period	Not applicable
Specific opinions from independent directors on derivative investment and risk controlling	Upon inspection, the independent directors of the Company believes that: during the reporting period, the Company carried out its foreign exchange forward deals in strict compliance with the standardized operation guidelines for listed issuer on main board (2015 amended) issued by Shenzhen Stock Exchange, the Articles of Association, Authorization Management of the Company, Management System in relating to Foreign Exchange Forward Deals of Hefei Meiling Co., Ltd., and these deals were conducted within the authorization scope under general meeting and board meeting. The Company was able to lock revenue and costs against its actual business, thus to avoid and prevent from exchange risks and maintain steady operation. The foreign exchange forward deals conducted by the Company were closely related to its normal operation needs, which was beneficial to prevent the exchange risks exposed by import and export business and thus met its requirement for operation development. There was no speculative operation, no break of relevant rules and regulations and relevant business was conducted under corresponding decision-making procedures. Interests of the Company and entire shareholders, especially minority shareholders, were not prejudiced.

### VIII. Trust financing

√ Applicable    □ Not applicable

In 10 thousand Yuan

Name	Related relationship	Whether related trade or not	Type	Trust financing amount	Start date	End date	Criteria for fixing reward	Principal actually collected in the Period	Amount of reserve for devaluation of withdrawing (if applicable)	Anticipated income	Actual gains/losses in period

									)		
Anhui Province branch of Bank of Communications	N/A	No	Floating proceeds products	10,000	2015-5-22	2015-6-26	5.4% annual yield	10,000	0	51.78	51.78
Hefei Branch of China Merchants Bank	N/A	No	Floating proceeds products	30,000	2015-9-25	2015-12-25	4.7% annual yield	0	0	352.50	--
Total				40,000	--	--	--	10,000	0	404.28	51.78
Capital resource				Self-owned capital							
Principal uncollected for overdue and accumulated earnings				N/A							
Lawsuit involved (if applicable)				Not applicable							
Disclosure date for approval from the Board for trust financing (if applicable)				2015-3-26							
Disclosure date for approval from board of shareholders for trust financing (if applicable)				2015-4-18							

## IX. Registration form of receiving research, communication and interview in the report period

√ Applicable    □ Not applicable

Date	Place	Way	Type	Object	Content discussed and documents provided
2015-1-20	Conference room of the Company	Field research	Institute	ESSENCE SECURITIES Co., Ltd.; Lombarda China Fund Management Co., Ltd.	Operation of the Company, no materials provided
2015-1-30	Conference room of the Company	Field research	Institute	Founder Securities Co., Ltd.	Operation of the Company, no materials provided
2015-2-5	Conference room of the Company	Field research	Institute	Great Wall Securities Co., Ltd.	Operation of the Company, no materials provided
2015-2-11	Conference room of the Company	Field research	Institute	Sinolink Securities Co., Ltd.	Operation of the Company, no materials provided
2015-4-2	Conference room of the Company	Field research	Institute	Minsheng Securities Co., Ltd.	Operation of the Company, no materials provided

	Company				materials provided
2015-5-6	Conference room of the Company	Field research	Institute	UBS; Broad Peak Investment Advisers Pte Ltd	Operation of the Company, no materials provided
2015-5-7	Conference room of the Company	Field research	Institute	CITIC Securities Co., Ltd.; Sun Life Everbright Life; Haitong Securities Co., Ltd.; Changhong Fund Management Co., Ltd.; Fudun Investment Consultant (Shanghai) Co., Ltd.; Bank of China Investment Management	Operation of the Company, no materials provided
2015-5-8	Conference room of the Company	Field research	Institute	ESSENCE SECURITIES Co., Ltd.; Huaan Securities Co., Ltd.	Operation of the Company, no materials provided
2015-5-13	Conference room of the Company	Field research	Institute	Huatai Securities Co., Ltd.; Xingzheng Securities Fund Management Co., Ltd.	Operation of the Company, no materials provided
2015-5-14	Conference room of the Company	Field research	Institute	Founder Securities Co., Ltd.; Huashang Fund Management Co., Ltd.; Mirae Asset Management Co., Ltd.	Operation of the Company, no materials provided
2015-5-19	Conference room of the Company	Field research	Institute	GF Securities Co., Ltd	Operation of the Company, no materials provided
2015-6-5	Conference room of the Company	Field research	Institute	Bohai Securities Co., Ltd	Operation of the Company, no materials provided
2015-7-2	Conference room of the Company	Field research	Institute	Kingsmead Asset Management Pte.Ltd.	Operation of the Company, no materials provided
2015-8-21	Conference room of the Company	Field research	Institute	GF Securities Co., Ltd	Operation of the Company, no materials provided
2015-9-15	Conference room of the Company	Field research	Institute	Founder Securities Co., Ltd.	Operation of the Company, no materials provided



## Section IV. Financial Statement

### I. Financial statement

#### 1. Consolidated Balance Sheet

Prepared by Hefei Meiling Co., Ltd

In RMB

Items	Ending balance	Opening balance
Current assets:		
Monetary funds	3,077,869,134.08	2,665,219,013.80
Settlement provisions		
Capital lent		
Financial assets measured by fair value and whose change is recorded in current gains and losses		
Derivative financial assets		
Notes receivable	1,847,225,465.87	1,223,468,044.05
Accounts receivable	1,377,818,251.01	1,160,192,277.00
Accounts paid in advance	58,342,982.07	92,501,704.06
Insurance receivable		
Reinsurance receivables		
Contract reserve of reinsurance receivable		
Interest receivable	909,729.51	-
Dividend receivable		
Other receivables	32,355,909.11	28,729,328.80
Purchase restituted finance asset		
Inventories	1,489,881,401.79	1,765,761,407.86
Divided into assets held ready for sales		
Non-current asset due within one year		
Other current assets	300,000,000.00	-
Total current assets	8,184,402,873.44	6,935,871,775.57
Non-current assets:		

Granted loans and advances		
Finance asset available for sales	5,000,000.00	5,500,000.00
Held-to-maturity investment		
Long-term account receivable		
Long-term equity investment	66,475,840.08	14,211,004.21
Investment property	14,286,359.03	14,892,795.62
Fixed assets	1,234,506,812.20	1,223,763,920.86
Construction in progress	47,638,379.33	62,766,707.57
Engineering material		
Disposal of fixed asset	75,733,138.47	75,808,843.84
Productive biological asset		
Oil and gas asset		
Intangible assets	562,711,685.56	561,864,209.63
Expense on Research and Development	55,482,352.60	25,194,157.09
Goodwill	5,313,913.50	5,313,913.50
Long-term expenses to be apportioned		
Deferred income tax asset	80,717,863.49	83,826,873.81
Other non-current asset	43,320,453.00	-
Total non-current asset	2,191,186,797.26	2,073,142,426.13
Total assets	10,375,589,670.70	9,009,014,201.70
Current liabilities:		
Short-term loans	289,453,164.57	407,508,739.07
Loan from central bank		
Absorbing deposit and interbank deposit		
Capital borrowed		
Financial liability measured by fair value and with variation reckoned into current gains/losses	1,287,600.00	81,170.00
Derivative financial liability		
Notes payable	3,343,949,044.74	1,553,110,292.55
Accounts payable	1,505,563,136.85	1,681,116,965.38
Accounts received in advance	244,004,037.06	296,641,377.09
Selling financial asset of		

repurchase		
Commission charge and commission payable		
Wage payable	58,266,172.25	156,537,212.29
Taxes payable	85,826,030.94	51,153,350.18
Interest payable		
Dividend payable	2,200,499.91	2,237,640.91
Other accounts payable	716,673,552.66	872,725,707.68
Reinsurance payables		
Insurance contract reserve		
Security trading of agency		
Security sales of agency		
Divided into liability held ready for sale		
Non-current liabilities due within 1 year	11,153,364.92	11,153,512.52
Other current liabilities		
Total current liabilities	6,258,376,603.90	5,032,265,967.67
Non-current liabilities:		
Long-term loans	50,066,181.20	18,947,000.00
Bonds payable		
Including: preferred stock		
Perpetual capital securities		
Long-term account payable		
Long-term wages payable	40,426,920.51	40,317,465.61
Special accounts payable		
Accrual liabilities	339,518,611.89	347,107,686.15
Deferred income	135,296,307.87	131,995,227.77
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	565,308,021.47	538,367,379.53
Total liabilities	6,823,684,625.37	5,570,633,347.20
Owner's equity:		
Share capital	763,739,205.00	763,739,205.00

Other equity instrument		
Including: preferred stock		
Perpetual capital securities		
Capital public reserve	1,451,329,388.21	1,466,959,939.03
Less: Inventory shares		
Other comprehensive income	-3,304,179.30	-3,262,898.99
Reasonable reserve		
Surplus public reserve	359,857,106.14	359,857,106.14
Provision of general risk		
Retained profit	951,531,373.92	835,453,313.49
Total owner's equity attributable to parent company	3,523,152,893.97	3,422,746,664.67
Minority interests	28,752,151.36	15,634,189.83
Total owner's equity	3,551,905,045.33	3,438,380,854.50
Total liabilities and owner's equity	10,375,589,670.70	9,009,014,201.70

Legal representative: Liu Tabin

Person in charge of accounting works: Zhang Xiaolong

Person in charge of accounting institution: Luo Bo

## 2. Balance Sheet of parent company

In RMB

Item	Ending balance	Opening balance
Current assets:		
Monetary funds	2,379,744,745.85	2,392,059,424.25
Financial assets measured by fair value and whose change is recorded in current gains and losses		
Derivative financial assets		
Notes receivable	1,242,403,052.48	828,127,854.78
Accounts receivable	977,729,128.03	809,847,584.71
Accounts paid in advance	353,318,612.38	176,658,393.90
Interest receivable		
Dividend receivable		
Other receivables	41,549,693.14	54,910,749.80
Inventories	701,125,522.20	795,329,785.95
Divided into assets held ready for		

sales		
Non-current asset due within one year		
Other current assets	300,000,000.00	-
Total current assets	5,995,870,754.08	5,056,933,793.39
Non-current assets:		
Finance asset available for sales	5,000,000.00	5,000,000.00
Held-to-maturity investment		
Long-term account receivable		
Long-term equity investment	831,652,945.77	833,369,872.61
Investment real estate	11,924,376.15	12,279,792.66
Fixed assets	904,636,663.81	885,435,282.76
Construction in progress	20,804,020.79	48,527,533.03
Engineering material		
Disposal of fixed asset	43,439,954.71	43,404,954.71
Productive biological asset		
Oil and gas asset		
Intangible assets	425,954,766.10	434,092,342.78
Expense on Research and Development	15,171,671.49	509,879.01
Goodwill		
Long-term expenses to be apportioned		
Deferred income tax asset	71,995,944.72	76,189,511.02
Other non-current asset		
Total non-current asset	2,330,580,343.54	2,338,809,168.58
Total assets	8,326,451,097.62	7,395,742,961.97
Current liabilities:		
Short-term loans	266,246,737.34	373,242,339.07
Financial liability measured by fair value and with variation reckoned into current gains/losses	1,287,600.00	81,170.00
Derivative financial liability		
Notes payable	1,925,006,413.91	1,036,334,282.38
Accounts payable	1,060,990,368.02	1,151,471,839.41
Accounts received in advance	243,828,562.16	152,745,865.71
Wage payable	9,788,326.00	77,090,385.79
Taxes payable	25,157,646.48	23,323,462.51

Interest payable		
Dividend payable	2,200,499.91	2,237,640.91
Other accounts payable	856,232,276.94	712,029,942.44
Divided into liability held ready for sale		
Non-current liabilities due within 1 year	7,487,613.00	7,487,760.60
Other current liabilities		
Total current liabilities	4,398,226,043.76	3,536,044,688.82
Non-current liabilities:		
Long-term loans	7,292,800.00	7,932,800.00
Bonds payable		
Including: preferred stock		
Perpetual capital securities		
Long-term account payable		
Long-term wages payable	40,426,920.51	40,317,465.61
Special accounts payable		
Accrual liabilities	339,518,611.89	347,107,686.15
Deferred income	69,922,408.93	75,538,045.61
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	457,160,741.33	470,895,997.37
Total liabilities	4,855,386,785.09	4,006,940,686.19
Owner's equity:		
Share capital	763,739,205.00	763,739,205.00
Other equity instrument		
Including: preferred stock		
Perpetual capital securities		
Capital public reserve	1,497,987,059.46	1,497,987,059.46
Less: Inventory shares		
Other comprehensive income		
Reasonable reserve		
Surplus public reserve	359,638,940.46	359,638,940.46
Retained profit	849,699,107.61	767,437,070.86

Total owner's equity	3,471,064,312.53	3,388,802,275.78
Total liabilities and owner's equity	8,326,451,097.62	7,395,742,961.97

Legal representative: Liu Tibin

Person in charge of accounting works: Zhang Xiaolong

Person in charge of accounting institution: Luo Bo

### 3. Consolidated Profit Statement (this report period)

In RMB

Item	Amount in this period	Amount in last period
I. Total operating income	1,942,291,649.54	2,441,249,157.46
Including: Operating income	1,942,291,649.54	2,441,249,157.46
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	1,919,762,086.64	2,361,091,843.34
Including: Operating cost	1,602,258,902.59	1,877,752,624.64
Interest expense		
Commission charge and commission expense		
Cash surrender value		
Net amount of expense of compensation		
Net amount of withdrawal of insurance contract reserve		
Bonus expense of guarantee slip		
Reinsurance expense		
Operating tax and extras	22,490,956.33	20,964,799.06
Sales expenses	250,693,912.13	388,899,395.16
Administration expenses	82,849,355.07	111,943,441.95
Financial expenses	-19,114,423.08	-22,903,142.26
Losses of devaluation of asset	-19,416,616.40	-15,565,275.21
Add: Changing income of fair value(Loss is listed with "-")	-4,859,700.00	519,200.00
Investment income (Loss is listed with "-")	-10,120,841.34	-2,398,304.89
Including: Investment income on affiliated company and joint venture	-11,918,415.45	-680,826.33
Exchange income (Loss is listed with "-")		
III. Operating profit (Loss is listed with "-")	7,549,021.56	78,278,209.23
Add: Non-operating income	7,905,409.63	6,317,326.37

Including: Disposal gains of non-current assets	845,874.87	48,371.98
Less: Non-operating expense	29,968.10	1,064,736.66
Including: Disposal loss of non-current asset	2,194.90	1,041,736.66
IV. Total Profit (Loss is listed with “-”)	15,424,463.09	83,530,798.94
Less: Income tax expense	15,004,174.47	16,443,099.19
V. Net profit (Net loss is listed with “-”)	420,288.62	67,087,699.75
Net profit attributable to owner’s of parent company	3,532,646.05	80,111,532.95
Minority shareholders’ gains and losses	-3,112,357.43	-13,023,833.20
VI. Net other comprehensive income after-tax	541,651.50	-2,111,339.33
Net other comprehensive income after-tax attributable to owners of parent company	338,644.07	-2,111,339.33
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1. Changes as a result of re-measurement of net defined benefit plan liability or asset		
2. Share of the other comprehensive income of the investee accounted for using equity method which will not be reclassified subsequently to profit and loss		
(II) Other comprehensive income items which will be reclassified subsequently to profit or loss	338,644.07	-2,111,339.33
1. Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit or loss		
2. Gains or losses arising from changes in fair value of available-for-sale financial assets		
3. Gains or losses arising from reclassification of held-to-maturity		



investment as available-for-sale financial assets		
4. The effect hedging portion of gains or losses arising from cash flow hedging instruments		
5. Translation differences arising on translation of foreign currency financial statements	338,644.07	-2,111,339.33
6. Other		
Net after-tax of other comprehensive income attributable to minority shareholders	203,007.43	-
VII. Total comprehensive income	961,940.12	64,976,360.42
Total comprehensive income attributable to owners of parent Company	3,871,290.12	78,000,193.62
Total comprehensive income attributable to minority shareholders	-2,909,350.00	-13,023,833.20
VIII. Earnings per share:		
(i) Basic earnings per share	0.0046	0.1049
(ii) Diluted earnings per share	0.0046	0.1049

Legal representative: Liu Tibin

Person in charge of accounting works: Zhang Xiaolong

Person in charge of accounting institution: Luo Bo

#### 4. Profit Statement of Parent Company (this report period)

In RMB

Item	Current Period	Last Period
I. Operating income	1,329,826,538.29	1,406,719,083.14
Less: Operating cost	1,170,877,670.41	1,181,399,527.97
Operating tax and extras	14,068,239.18	4,377,611.36
Sales expenses	46,832,102.06	106,141,503.38
Administration expenses	34,872,319.84	60,590,292.49
Financial expenses	-13,917,059.19	-21,328,540.42
Losses of devaluation of asset	-2,006,516.36	-1,220,777.79
Add: Changing income of fair value(Loss is listed with "-")	-4,859,700.00	519,200.00
Investment income (Loss is listed with "-")	-8,341,667.04	1,754,750.88

Including: Investment income on affiliated company and joint venture	-10,139,241.15	79,689.49
II. Operating profit (Loss is listed with “-”)	65,898,415.31	79,033,417.03
Add: Non-operating income	6,126,819.05	3,380,437.80
Including: Disposal gains of non-current assets	-	16,361.75
Less: Non-operating expense	-	1,061,305.28
Including: Disposal loss of non-current asset	-	1,038,305.28
III. Total Profit (Loss is listed with “-”)	72,025,234.36	81,352,549.55
Less: Income tax expense	13,244,337.71	11,765,491.50
IV. Net profit (Net loss is listed with “-”)	58,780,896.65	69,587,058.05
V. Net after-tax of other comprehensive income		
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1. Changes as a result of re-measurement of net defined benefit plan liability or asset		
2. Share of the other comprehensive income of the investee accounted for using equity method which will not be reclassified subsequently to profit and loss		
(II) Other comprehensive income items which will be reclassified subsequently to profit or loss		
1. Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit or loss		
2. Gains or losses arising from changes in fair value of available-for-sale financial assets		
3. Gains or losses arising		

from reclassification of held-to-maturity investment as available-for-sale financial assets		
4. The effect hedging portion of gains or losses arising from cash flow hedging instruments		
5. Translation differences arising on translation of foreign currency financial statements		
6. Other		
VI. Total comprehensive income	58,780,896.65	69,587,058.05
VII. Earnings per share:		
(i) Basic earnings per share	0.0770	0.0911
(ii) Diluted earnings per share	0.0770	0.0911

Legal representative: Liu Tibin

Person in charge of accounting works: Zhang Xiaolong

Person in charge of accounting institution: Luo Bo

#### 5. Consolidated profit statement (year-begin to end of this period)

In RMB

Item	Amount in this period	Amount in last period
I. Total operating income	8,369,208,938.79	8,785,638,209.63
Including: Operating income	8,369,208,938.79	8,785,638,209.63
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	8,176,833,671.46	8,524,489,865.94
Including: Operating cost	6,686,504,030.49	6,658,248,346.20
Interest expense		
Commission charge and commission expense		
Cash surrender value		
Net amount of expense of compensation		
Net amount of withdrawal of insurance contract reserve		
Bonus expense of guarantee slip		
Reinsurance expense		
Operating tax and extras	67,790,549.95	66,615,799.33

Sales expenses	1,196,139,995.33	1,545,371,615.68
Administration expenses	275,411,598.49	306,490,897.12
Financial expenses	-64,917,017.50	-66,743,441.16
Losses of devaluation of asset	15,904,514.70	14,506,648.77
Add: Changing income of fair value(Loss is listed with “-”)	-1,206,430.00	519,200.00
Investment income (Loss is listed with “-”)	-15,605,274.06	-3,182,602.11
Including: Investment income on affiliated company and joint venture	-18,400,988.39	-1,465,123.55
Exchange income (Loss is listed with “-”)		
III. Operating profit (Loss is listed with “-”)	175,563,563.27	258,484,941.58
Add: Non-operating income	22,710,529.49	26,715,233.53
Including: Disposal gains of non-current assets	860,650.87	1,517,833.34
Less: Non-operating expense	9,294,581.25	3,877,664.58
Including: Disposal loss of non-current asset	5,698,998.21	1,596,131.19
IV. Total Profit (Loss is listed with “-”)	188,979,511.51	281,322,510.53
Less: Income tax expense	29,516,348.07	53,237,882.50
V. Net profit (Net loss is listed with “-”)	159,463,163.44	228,084,628.03
Net profit attributable to owner's of parent company	161,902,412.73	239,217,808.78
Minority shareholders' gains and losses	-2,439,249.29	-11,133,180.75
VI. Net other comprehensive income after-tax	35,643.14	-1,519,701.65
Net other comprehensive income after-tax attributable to owners of parent company	-41,280.31	-1,519,701.65
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1. Changes as a result of re-measurement of net defined benefit plan liability or asset		
2. Share of the other comprehensive income of the investee accounted for using equity method which will not be reclassified subsequently to profit and loss		
(II) Other comprehensive income	-41,280.31	-1,519,701.65

items which will be reclassified subsequently to profit or loss		
1. Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit or loss		
2. Gains or losses arising from changes in fair value of available-for-sale financial assets		
3. Gains or losses arising from reclassification of held-to-maturity investment as available-for-sale financial assets		
4. The effect hedging portion of gains or losses arising from cash flow hedging instruments		
5. Translation differences arising on translation of foreign currency financial statements	-41,280.31	-1,519,701.65
6. Other		
Net other comprehensive income after-tax attributable to minority	76,923.45	-
VII. Total other consolidated income	159,498,806.58	226,564,926.38
Total consolidated income attributable to owners of parent company	161,861,132.42	237,698,107.13
Total consolidated income attributable to minority shareholders	-2,362,325.84	-11,133,180.75
VIII. Earnings per share:		
(i) Basic earnings per share	0.2120	0.3132
(ii) Diluted earnings per share	0.2120	0.3132

Legal representative: Liu Tibin

Person in charge of accounting works: Zhang Xiaolong

Person in charge of accounting institution: Luo Bo

## 6. Profit Statement of parent company (year-begin to end of this period)

In RMB

Items	Amount in this period	Amount in last period
I. Operating income	5,053,471,290.23	4,998,288,343.35
Less: operating cost	4,355,900,602.90	4,216,852,282.82
Operating tax and extras	35,661,857.61	23,716,964.02

Sales expenses	413,572,867.04	462,903,848.24
Administration expenses	127,044,881.98	153,809,199.59
Financial expenses	-52,365,696.17	-55,158,901.15
Losses of devaluation of asset	7,245,337.37	40,908,797.89
Add: Changing income of fair value(Loss is listed with "-")	-1,206,430.00	519,200.00
Investment income (Loss is listed with "-")	-14,401,544.51	1,659,630.18
Including: Investment income on affiliated company and joint venture	-16,716,926.84	-15,431.21
II. Operating profit (Loss is listed with "-")	150,803,464.99	157,434,982.12
Add: Non-operating income	11,921,447.17	20,283,748.28
Including: Disposal gains of non-current assets	-	696,676.82
Less: Non-operating expense	7,706,718.05	3,644,710.84
Including: Disposal loss of non-current asset	5,679,902.32	1,466,703.00
III. Total Profit (Loss is listed with "-")	155,018,194.11	174,074,019.56
Less: Income tax expense	26,931,805.06	38,730,933.23
IV. Net profit (Net loss is listed with "-")	128,086,389.05	135,343,086.33
V. Net other comprehensive income after-tax		
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1. Changes as a result of re-measurement of net defined benefit plan liability or asset		
2. Share of the other comprehensive income of the investee accounted for using equity method which will not be reclassified subsequently to profit and loss		
(II) Other comprehensive income items which will be reclassified subsequently to profit or loss		
1. Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit or loss		

2. Gains or losses arising from changes in fair value of available-for-sale financial assets		
3. Gains or losses arising from reclassification of held-to-maturity investment as available-for-sale financial assets		
4. The effect hedging portion of gains or losses arising from cash flow hedging instruments		
5. Translation differences arising on translation of foreign currency financial statements		
6. Other		
VI. Total comprehensive income	128,086,389.05	135,343,086.33
VII. Earnings per share:		
(i) Basic earnings per share	0.1677	0.1772
(ii) Diluted earnings per share	0.1677	0.1772

Legal representative: Liu Tibin

Person in charge of accounting works: Zhang Xiaolong

Person in charge of accounting institution: Luo Bo

## 7. Consolidated Cash Flow Statement (year-begin to end of this period)

In RMB

Item	Amount in this period	Amount in last period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	7,171,956,473.04	5,661,182,032.06
Net increase of customer deposit and interbank deposit		
Net increase of loan from central bank		
Net increase of capital borrowed from other financial institution		
Cash received from original insurance contract fee		
Net cash received from reinsurance business		
Net increase of insured savings and investment		
Net increase of amount from disposal financial assets that measured by fair value and with variation reckoned into current gains/losses		
Cash received from interest,		

commission charge and commission		
Net increase of capital borrowed		
Net increase of returned business capital		
Write-back of tax received	202,906,688.63	75,985,996.85
Other cash received concerning operating activities	23,909,684.47	27,382,231.39
Subtotal of cash inflow arising from operating activities	7,398,772,846.14	5,764,550,260.30
Cash paid for purchasing commodities and receiving labor service	4,803,764,558.47	4,410,540,747.94
Net increase of customer loans and advances		
Net increase of deposits in central bank and interbank		
Cash paid for original insurance contract compensation		
Cash paid for interest, commission charge and commission		
Cash paid for bonus of guarantee slip		
Cash paid to/for staff and workers	832,710,989.29	626,401,987.79
Taxes paid	297,596,221.20	322,955,088.33
Other cash paid concerning operating activities	485,029,682.39	598,862,694.58
Subtotal of cash outflow arising from operating activities	6,419,101,451.35	5,958,760,518.64
Net cash flows arising from operating activities	979,671,394.79	-194,210,258.34
II. Cash flows arising from investing activities:		
Cash received from recovering investment	100,500,000.00	676,076.88
Cash received from investment income	2,795,714.33	2,150,605.76
Net cash received from disposal of fixed, intangible and other long-term	4,202,632.00	41,316,035.71



assets		
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities	76,968,567.01	75,688,576.33
Subtotal of cash inflow from investing activities	184,466,913.34	119,831,294.68
Cash paid for purchasing fixed, intangible and other long-term assets	71,374,650.21	66,984,816.97
Cash paid for investment	470,150,056.00	1,217,812.00
Net increase of mortgaged loans		
Net cash received from subsidiaries and other units obtained		
Other cash paid concerning investing activities		
Subtotal of cash outflow from investing activities	541,524,706.21	68,202,628.97
Net cash flows arising from investing activities	-357,057,792.87	51,628,665.71
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Including: Cash received from absorbing minority shareholders' investment by subsidiaries		
Cash received from loans	1,400,969,378.32	1,322,865,410.42
Cash received from issuing bonds		
Other cash received concerning financing activities	-	88,864.95
Subtotal of cash inflow from financing activities	1,400,969,378.32	1,322,954,275.37
Cash paid for settling debts	1,607,381,942.11	1,146,752,483.72
Cash paid for dividend and profit distributing or interest paying	52,390,562.88	60,590,588.42
Including: Dividend and profit of minority shareholder paid by subsidiaries		

Other cash paid concerning financing activities	224,020.35	3,068,420.75
Subtotal of cash outflow from financing activities	1,659,996,525.34	1,210,411,492.89
Net cash flows arising from financing activities	-259,027,147.02	112,542,782.48
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate	20,829,216.21	6,852,120.57
V. Net increase of cash and cash equivalents	384,415,671.11	-23,186,689.58
Add: Balance of cash and cash equivalents at the period -begin	2,645,879,017.88	2,238,884,137.50
VI. Balance of cash and cash equivalents at the period -end	3,030,294,688.99	2,215,697,447.92

Legal representative: Liu Tibin

Person in charge of accounting works: Zhang Xiaolong

Person in charge of accounting institution: Luo Bo

## 8. Cash Flow Statement of parent company (year-begin to end of this period)

In RMB

Item	Current Period	Last Period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	3,847,637,016.40	3,289,895,343.34
Write-back of tax received	117,943,770.04	34,967,339.65
Other cash received concerning operating activities	13,230,836.70	3,590,403.68
Subtotal of cash inflow arising from operating activities	3,978,811,623.14	3,328,453,086.67
Cash paid for purchasing commodities and receiving labor service	3,157,708,450.41	3,106,443,257.32
Cash paid to/for staff and workers	300,601,769.60	218,123,897.75
Taxes paid	121,867,065.71	113,834,004.67
Other cash paid concerning operating activities	222,116,329.76	252,580,757.65
Subtotal of cash outflow arising from	3,802,293,615.48	3,690,981,917.39

operating activities		
Net cash flows arising from operating activities	176,518,007.66	-362,528,830.72
II. Cash flows arising from investing activities:		
Cash received from recovering investment	100,000,000.00	-
Cash received from investment income	2,315,382.33	2,000,605.76
Net cash received from disposal of fixed, intangible and other long-term assets	969,312.00	961,417.31
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities	58,154,223.63	69,008,126.56
Subtotal of cash inflow from investing activities	161,438,917.96	71,970,149.63
Cash paid for purchasing fixed, intangible and other long-term assets	35,984,182.41	44,602,433.46
Cash paid for investment	415,000,000.00	40,950,000.00
Net cash received from subsidiaries and other units		
Other cash paid concerning investing activities		
Subtotal of cash outflow from investing activities	450,984,182.41	85,552,433.46
Net cash flows arising from investing activities	-289,545,264.45	-13,582,283.83
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Cash received from loans	1,312,414,820.91	1,131,724,576.65
Cash received from issuing bonds		
Other cash received concerning financing activities	390,538,160.60	45,690,154.62
Subtotal of cash inflow from financing	1,702,952,981.51	1,177,414,731.27

activities		
Cash paid for settling debts	1,475,931,002.11	999,105,583.72
Cash paid for dividend and profit distributing or interest paying	50,789,587.20	58,149,356.51
Other cash paid concerning financing activities	97,303,941.36	4,453,408.40
Subtotal of cash outflow from financing activities	1,624,024,530.67	1,061,708,348.63
Net cash flows arising from financing activities	78,928,450.84	115,706,382.64
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate	16,089,563.99	5,345,392.94
V. Net increase of cash and cash equivalents	-18,009,241.96	-255,059,338.97
Add: Balance of cash and cash equivalents at the period -begin	2,390,446,316.58	1,996,577,625.49
VI. Balance of cash and cash equivalents at the period -end	2,372,437,074.62	1,741,518,286.52

Legal representative: Liu Tibin

Person in charge of accounting works: Zhang Xiaolong

Person in charge of accounting institution: Luo Bo

## II. Audit Report

Whether the third quarter report was audited or not

☐Yes ☒No

Hefei Meiling Co., Ltd.

Chairman: Liu Tibin

17 October 2015