

HaiNan Pearl River Holdings Co., Ltd.

Report for the Third Quarter of 2015

October 2015

Section I. Important Reminders

I. Significant risk reminder

According to the Report for the Third Quarter of 2015 (unaudited), the unaudited total assets of the Company and the net assets attributable to the shareholders of the Company as at 30 Sept. 2015 stood at RMB 1,759,684,394.92 and RMB -143,749,900.57 respectively. If the Company continues to suffer a loss in its operation for the year of 2015, a delisting risk warning shall be imposed on the stock of the Company. Investors are kindly reminded to pay attention to possible risks and invest wisely.

II. Important reminders

The Board of Directors, the Supervisory Committee, directors, supervisors and senior management staff of HaiNan Pearl River Holdings Co., Ltd. (hereinafter referred to as “the Company”) warrant that the information carried in this report is factual, accurate and complete, without any false record, misleading statement or material omission. And they shall be jointly and severally liable for that.

All directors have attended the board session for reviewing this report.

Zheng Qing, company principal, and Yang Daoliang, chief of the accounting work and Wu Xiukun, chief of the accounting organ (chief of accounting), hereby confirm that the Financial Report enclosed in this report is factual, accurate and complete.

This report is prepared in both Chinese and English. Should there be any discrepancy between the two versions, the Chinese version shall prevail.

Section II. Financial Highlights & Changes in Shareholders

I. Main accounting data and financial indicators

Does the Company adjust retrospectively or restate accounting data of previous years due to change of the accounting policy or correction of any accounting error?

☐ Yes ☒ No

	30 Sept. 2015		31 Dec. 2014		Increase/decrease (%)	
Total assets (RMB Yuan)	1,759,684,394.92		1,645,436,644.78		6.94%	
Net assets attributable to shareholders of the Company (RMB Yuan)	-143,749,900.57		15,564,470.40		-1,023.58%	
	Jul.-Sept. 2015	YoY increase/decrease (%)	Jan.-Sept. 2015	YoY increase/decrease (%)		
Operating revenues (RMB Yuan)	52,075,049.26	10.86%	188,192,878.45	9.63%		
Net profit attributable to shareholders of the Company (RMB Yuan)	-55,679,400.37	-32.58%	-34,186,775.34	71.23%		
Net profit attributable to shareholders of the Company after extraordinary gains and losses (RMB Yuan)	-58,786,624.64	-40.01%	-162,582,937.77	-35.52%		
Net cash flows from operating activities (RMB Yuan)	--	--	149,194,827.78	184.05%		
Basic EPS (RMB Yuan/share)	-0.13	-30.00%	-0.08	71.43%		
Diluted EPS (RMB Yuan/share)	-0.13	-30.00%	-0.08	71.43%		
Weighted average ROE (%)	0.00%	23.82%	0.00%	51.97%		

Items and amounts of extraordinary gains and losses

☒ Applicable ☐ Inapplicable

Unit: RMB Yuan

Item	Amount as of Jan.-Sept. 2015	Note
Gains/losses on the disposal of non-current assets (including the offset part of the asset impairment provisions)	2,785,222.20	
Capital occupation charges on non-financial enterprises that are recorded into current gains and losses	951,854.08	
Gains and losses on change in fair value from tradable financial assets and tradable financial liabilities, as well as investment income from disposal of tradable financial assets and tradable	124,342,755.05	

financial liabilities and financial assets available for sales except for effective hedging related with normal businesses of the Company		
Non-operating income and expense other than the above	326,286.02	
Less: Income tax effects	8,913.14	
Minority interests effects (after tax)	1,041.78	
Total	128,396,162.43	--

Explain the reasons if the Company classifies an item as an extraordinary gain/loss according to the definition in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Extraordinary Gains and Losses, or classifies any extraordinary gain/loss item mentioned in the said explanatory announcement as a recurrent gain/loss item

☐ Applicable ☒ Inapplicable

No such cases in the reporting period.

II. Total number of shareholders at the period-end and shareholdings of top 10 shareholders

1. Total number of common shareholders at the period-end and shareholdings of top 10 common shareholders

Unit: share

Total number of common shareholders at the period-end		46,431				
Shareholdings of top 10 common shareholders						
Name of shareholder	Nature of shareholder	Shareholding percentage (%)	Number of shares held	Number of restricted shares held	Pledged or frozen shares	
					Status of shares	Number of shares
Beijing Wanfa Real Estate Development Co., Ltd.	State-owned corporation	26.36%	112,479,478			
LI LEON ZHAN WEI	Foreign individual	2.38%	10,158,806			
YAO XIU GUANG	Foreign individual	2.08%	8,855,929			
Yao Liyuan	Foreign individual	0.47%	2,005,600			
Zhang Xiaoxie	Domestic individual	0.46%	1,949,250			
Wang Jianjun	Domestic individual	0.44%	1,875,700			
Xu Zhen	Domestic	0.39%	1,647,500			

	individual					
South China Financial Company	Domestic non-state-owned corporation	0.30%	1,299,500			
Chen Mingwei	Domestic individual	0.28%	1,210,000			
Zuo Guilan	Domestic individual	0.28%	1,200,000			
Shareholdings of top 10 non-restricted common shareholders						
Name of shareholder	Number of non-restricted common shares held	Variety of shares		Variety	Number	
Beijing Wanfa Real Estate Development Co., Ltd.	112,479,478	RMB shares	ordinary		112,479,478	
LI LEON ZHAN WEI	10,158,806	Domestically listed shares	foreign		10,158,806	
YAO XIU GUANG	8,855,929	Domestically listed shares	foreign		8,855,929	
Yao Liyuan	2,005,600	Domestically listed shares	foreign		2,005,600	
Zhang Xiaoxie	1,949,250	Overseas foreign shares	listed		1,949,250	
Wang Jianjun	1,875,700	RMB shares	ordinary		1,875,700	
Xu Zhen	1,647,500	RMB shares	ordinary		1,647,500	
Chen Mingwei	1,210,000	Domestically listed shares	foreign		1,210,000	
Zuo Guilan	1,200,000	RMB shares	ordinary		1,200,000	
He Zeji	951,900	RMB shares	ordinary		951,900	
Explanation on associated relationship or persons acting in concert among the above-mentioned shareholders	Among shareholders above, there exists no related-party relationship between the principal shareholder and other shareholders of the Company. Nor they are parties with concerted action as prescribed in the Information Disclosure Administrative Methods for Changes in Shareholding of Shareholders of Listed Companies. And it is unknown whether there is					

	related-party relationship among other shareholders and whether they are prescribed parties with concerted action.
Top 10 common shareholders taking part in securities margin trading (if any)	The shareholder, Wang Jianjun held 1,875,700 shares of the Company through the customer credit collateral securities trading account of Nanjing Securities Co., Ltd., and shareholder, Zuo Guilan, except for holding 720,000 shares of the Company through the ordinary security account, also held 480,000 shares of the Company through the customer credit collateral securities trading account of Guoyuan Securities Co., Ltd. with the actual total amount of 1,200,000 shares.

Did any of the top 10 common shareholders or the top 10 non-restricted common shareholders of the Company conduct any promissory repo during the reporting period?

☐ Yea ☒ No

No such cases in the reporting period.

2. Total number of preferred shareholders at the period-end and shareholdings of top 10 preferred shareholders

☐ Applicable ☒ Inapplicable

Section III. Significant Events

I. Major changes of main accounting statement items and financial indicators in the reporting period, as well as reasons for the changes

☐ Applicable ☒ Inapplicable

II. Progress and influence of significant events, as well as the analysis and explanation on solutions

☒ Applicable ☐ Inapplicable

For details, please refer to relevant announcement

Overview of the significant event	Date of disclosure	Index to the relevant announcement disclosed on the website
The Company's significant loan contract signed with Chongqing International Trust Co., Ltd. was due on 28 Sep. 2015, in line with the agreements, the Company should pay the loan principal, interest and financial consulting fees and other relevant expenses in total of RMB255, 993,502.88, after negotiation, Chongqing International Trust Co., Ltd. agree to roll over the debt to the date of 20 Dec. 2015, during the period, the Company was actively raising fund and amortized it.	27 Sep. 2012	China Securities Journal, Ta Kung Pao, www.cninfo.com.cn ,
	10 Oct. 2014	China Securities Journal, Ta Kung Pao, www.cninfo.com.cn ,
	10 Oct. 2014	China Securities Journal, Ta Kung Pao, www.cninfo.com.cn ,

<p>On 23 Aug. 2013, the Japanese company(hereinafter as Party A) signed Co-operation Frame Agreement about the Original Pipe Pile Real Estate Development Project(Tentative name)with China Great Land Holdings Ltd.(Singapore) (hereinafter as Party B),agreed that the Company in a way of investing RMB50 million as assignee to obtain 80% share equity of Sanya Pearl River Pipe Pile Co., Ltd held by China Great Land Holdings Ltd.(Singapore)cooperated with Party B and made Sanya Pearl River Pipe Pile Co., Ltd. (hereinafter as Target Company) as the development subject, developed and constructed the Original Pipe Pile Real Estate Development Project(Tentative name) (hereinafter as the Project) which located at the target company production plant, due to the historical problem, the Target Company failed to gain the (Industrial land) land use right license during the agreement signing period, the Company, before and after, had paid RMB30 million ,after the (Industrial land)land use right license was obtained, the Company would paid equity transfer fee RMB20 million, and the Company became as the shareholder of Target Company with holding of 80% share equity.</p> <p>During the reporting period, the Target Company had obtained (Industrial land) land use right license, the Company in line with the agreement, paid RMB20 million for the equity transfer, in recently, the shareholding modification formalities of the Target Company is under processing.</p>	28 Aug. 2013	China Securities Journal, Ta Kung Pao, www.cninfo.com.cn ,
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III. Commitments made by the Company or shareholders holding over 5% of the Company's shares in the reporting period or such commitments carried down into the reporting period

☐ Applicable ☒ Inapplicable

No such commitments in the reporting period.

IV. Predict the 2015 annual operating results

Warnings of possible loss or large-margin change of the accumulated net profit made during the period from the beginning of the year to the end of the next reporting period compared with the same period of the last year according to prediction, as well as explanations on the reasons

☐ Applicable ☒ Inapplicable

V. Securities investment

☐ Applicable ☒ Inapplicable

There was no securities investment in the Company

VI. Shareholdings in other listed companies

□Applicable √Inapplicable

There was no shareholding in other listed companies in the Company

VII. Investments in derivatives

□Applicable √Inapplicable

The Company did not invest in any derivative in the reporting period.

VIII. Researches, visits and interviews received in the reporting period

√Applicable □Inapplicable

Time	Place	Way of reception	Visitor type	Visitor	Main discussion and materials provided by the Company
15 Jul. 2015	Security department	Other	Individual	Individual investor	Inquiry of the progress of the coal project of Mulin Town, already replied.
24 Jul. 2015	Security department	Other	Individual	Individual investor	Known about the published advance notice of the Company performance already replied.
30 Aug. 2015	Security department	Other	Individual	Individual investor	Inquiry of name lists of shareholders of the Company, already replied.
9 Sep. 2015	Security department	Other	Individual	Individual investor	Inquiry of whether the big shareholders of the Company plan to increase shareholding of the Company or not, already replied.

IX. Violation external guarantee

□Applicable √Inapplicable

The Company did not have any violation external guarantee in the reporting period.

X. Non-operating capital occupying to the listed company from controlling shareholders and its related parties

□Applicable √Inapplicable

There was no non-operating capital occupying to the listed company from controlling shareholders and its related parties in the reporting period.

Section IV. Financial Statements

I. Financial statements

1. Consolidated balance sheet

Prepared by HaiNan Pearl River Holdings Co., Ltd.

Unit: RMB Yuan

Item	Closing balance	Opening balance
Current assets:		
Monetary funds	245,541,989.78	97,404,192.62
Settlement reserves		
Intra-group lendings		
Financial assets measured at fair value of which changes are recorded in current profits and losses		
Derivative financial assets		
Notes receivable		
Accounts receivable	14,275,779.54	12,378,292.44
Accounts paid in advance	147,411,455.28	128,625,359.78
Premiums receivable		
Reinsurance premiums receivable		
Receivable reinsurance contract reserves		
Interest receivable		
Dividend receivable	260,015.00	260,015.00
Other accounts receivable	276,918,024.71	238,352,004.55
Financial assets purchased under agreements to resell		
Inventories	483,271,424.89	386,635,994.05
Assets held for sale		
Non-current assets due within 1 year		
Other current assets	4,500,000.00	
Total current assets	1,172,178,689.20	863,655,858.44
Non-current assets:		

Loans by mandate and advances granted		
Available-for-sale financial assets	11,411,309.90	184,158,809.90
Held-to-maturity investments		
Long-term accounts receivable		
Long-term equity investment	35,585,407.76	35,961,754.63
Investing real estate	21,168,212.77	22,228,615.23
Fixed assets	416,859,809.63	436,892,954.81
Construction in progress	61,452,090.05	57,013,898.46
Engineering materials	393,706.60	393,706.60
Disposal of fixed assets		
Production biological assets		
Oil-gas assets		
Intangible assets	29,801,945.66	30,660,800.67
R&D expense		
Goodwill		
Long-term deferred expenses	9,251,383.35	12,888,406.04
Deferred income tax assets		
Other non-current assets	1,581,840.00	1,581,840.00
Total of non-current assets	587,505,705.72	781,780,786.34
Total assets	1,759,684,394.92	1,645,436,644.78
Current liabilities:		
Short-term borrowings	19,000,000.00	19,000,000.00
Borrowings from the Central Bank		
Customer bank deposits and due to banks and other financial institutions		
Intra-group borrowings		
Financial liabilities measured at fair value of which changes are recorded in current profits and losses		
Derivative financial liabilities		
Notes payable		
Accounts payable	23,856,968.44	58,578,620.48
Accounts received in advance	309,114,292.22	28,572,757.37
Financial assets sold and repurchased		

Handling charges and commissions payable		
Payroll payable	11,463,027.66	9,689,999.71
Tax payable	-2,992,093.23	4,603,277.48
Interest payable	163,262,377.46	122,400,850.73
Dividend payable	3,213,302.88	3,213,302.88
Other accounts payable	544,278,695.21	780,359,522.08
Reinsurance premiums payable		
Insurance contract reserves		
Payables for acting trading of securities		
Payables for acting underwriting of securities		
Liabilities held for sale		
Non-current liabilities due within 1 year	416,565,035.32	249,471,973.56
Other current liabilities		
Total current liabilities	1,487,761,605.96	1,275,890,304.29
Non-current liabilities:		
Long-term borrowings	416,750,000.01	327,303,532.52
Bonds payable		
Of which: preference shares		
Perpetual bonds		
Long-term payables		
Long-term payroll payables		
Specific payables		
Estimated liabilities		
Deferred income		
Deferred income tax liabilities	674,902.10	23,187,756.33
Other non-current liabilities		
Total non-current liabilities	417,424,902.11	350,491,288.85
Total liabilities	1,905,186,508.07	1,626,381,593.14
Owners' equity:		
Share capital	426,745,404.00	426,745,404.00
Other equity instruments		

Of which: preference shares		
Perpetual bonds		
Capital reserves	334,690,837.45	334,690,837.45
Less: Treasury stock		
Other comprehensive income		125,127,595.63
Specific reserves		
Surplus reserves	109,487,064.39	109,487,064.39
Provisions for general risks		
Retained profits	-1,014,673,206.41	-980,486,431.07
Total equity attributable to owners of the Company	-143,749,900.57	15,564,470.40
Minority interests	-1,752,212.58	3,490,581.24
Total owners' equity	-145,502,113.15	19,055,051.64
Total liabilities and owners' equity	1,759,684,394.92	1,645,436,644.78

Legal representative: Zheng Qing

Chief of the accounting work: Yang Daoliang

Chief of the accounting organ: Wu Xiukun

2. Balance sheet of the Company

Unit: RMB Yuan

Item	Closing balance	Opening balance
Current assets:		
Monetary funds	35,829,820.97	2,034,649.76
Financial assets measured at fair value of which changes are recorded in current profits and losses		
Derivative financial assets		
Notes receivable		
Accounts receivable	3,662,491.00	3,435,478.16
Accounts paid in advance	50,277,830.00	50,240,000.00
Interest receivable		
Dividend receivable	260,015.00	260,015.00
Other accounts receivable	726,107,480.83	818,584,850.46
Inventories	4,824,035.45	4,824,035.45
Assets held for sale		

Non-current assets due within 1 year		
Other current assets		
Total current assets	820,961,673.25	879,379,028.83
Non-current assets:		
Available-for-sale financial assets	11,411,309.90	184,158,809.90
Held-to-maturity investments		
Long-term accounts receivable		
Long-term equity investment	293,633,624.11	293,884,905.62
Investing real estate	6,761,713.28	6,988,540.73
Fixed assets	13,691,091.86	14,623,874.13
Construction in progress		
Engineering materials		
Disposal of fixed assets		
Production biological assets		
Oil-gas assets		
Intangible assets	1,421,965.59	1,457,713.32
R&D expense		
Goodwill		
Long-term deferred expenses	675,157.76	855,107.00
Deferred income tax assets		
Other non-current assets		
Total of non-current assets	327,594,862.50	501,968,950.70
Total assets	1,148,556,535.75	1,381,347,979.53
Current liabilities:		
Short-term borrowings		
Financial liabilities measured at fair value of which changes are recorded in current profits and losses		
Derivative financial liabilities		
Notes payable		
Accounts payable	2,482,949.70	2,482,949.70
Accounts received in advance	37,790.04	98,945.30
Payroll payable	908,563.20	674,051.54
Tax payable	8,439,138.71	2,995,939.00
Interest payable	101,367,312.66	75,566,328.92

Dividend payable	3,213,302.88	3,213,302.88
Other accounts payable	400,092,854.20	576,422,782.11
Liabilities held for sale		
Non-current liabilities due within 1 year	361,008,839.42	196,805,306.92
Other current liabilities		
Total current liabilities	877,550,750.81	858,259,606.37
Non-current liabilities:		
Long-term borrowings		130,303,532.50
Bonds payable		
Of which: preference shares		
Perpetual bonds		
Long-term payables		
Long-term payroll payables		
Specific payables		
Estimated liabilities		
Deferred income		
Deferred income tax liabilities		22,512,854.23
Other non-current liabilities		
Total non-current liabilities		152,816,386.73
Total liabilities	877,550,750.81	1,011,075,993.10
Owners' equity:		
Share capital	426,745,404.00	426,745,404.00
Other equity instruments		
Of which: preference shares		
Perpetual bonds		
Capital reserves	337,276,496.52	337,276,496.52
Less: Treasury stock		
Other comprehensive income		125,127,595.63
Specific reserves		
Surplus reserves	109,487,064.39	109,487,064.39
Retained profits	-602,503,179.97	-628,364,574.11
Total owners' equity	271,005,784.94	370,271,986.43
Total liabilities and owners' equity	1,148,556,535.75	1,381,347,979.53

3. Consolidated income statement for the reporting period

Unit: RMB Yuan

Item	Jul.-Sept. 2015	Jul.-Sept. 2014
I. Operating revenues	52,075,049.26	46,972,357.01
Including: Sales income	52,075,049.26	46,972,357.01
Interest income		
Premium income		
Handling charge and commission income		
II. Operating costs	112,793,079.31	90,001,936.72
Including: Cost of sales	48,194,923.75	41,230,238.81
Interest expenses		
Handling charge and commission expenses		
Surrenders		
Net claims paid		
Net amount withdrawn for the insurance contract reserve		
Expenditure on policy dividends		
Reinsurance premium		
Taxes and associate charges	3,144,973.46	2,719,104.56
Selling and distribution expenses	5,618,287.17	852,944.57
Administrative expenses	22,470,370.76	22,396,268.46
Financial expenses	33,121,297.45	24,976,938.18
Asset impairment loss	243,226.72	-2,173,557.86
Add: Gain/(loss) from change in fair value ("-" means loss)		
Gain/(loss) from investment ("-" means loss)	-170,958.57	101,504.43
Including: share of profits in associates and joint ventures	-45,893.21	148,587.74
Foreign exchange gains ("-" means loss)		
III. Business profit ("-" means loss)	-60,888,988.62	-42,928,075.28
Add: non-operating income	2,858,976.66	-3,763.51

Including: Gains on disposal of non-current assets		
Less: non-operating expense	61,166.68	328,712.23
Including: Losses on disposal of non-current assets	24,864.21	2,311.83
IV. Total profit ("-" means loss)	-58,091,178.64	-43,260,551.02
Less: Income tax expense	-20,335.42	248.51
V. Net profit ("-" means loss)	-58,070,843.22	-43,260,799.53
Net profit attributable to owners of the Company	-55,679,400.37	-41,996,808.97
Minority shareholders' income	-2,391,442.85	-1,263,990.56
VI. After-tax net amount of other comprehensive incomes		11,566,875.00
After-tax net amount of other comprehensive incomes attributable to owners of the Company		11,566,875.00
(I) Other comprehensive incomes that will not be reclassified into gains and losses		
1. Changes in net liabilities or assets with a defined benefit plan upon re-measurement		
2. Enjoyable shares in other comprehensive incomes in investees that cannot be reclassified into gains and losses under the equity method		
(II) Other comprehensive incomes that will be reclassified into gains and losses		11,566,875.00
1. Enjoyable shares in other comprehensive incomes in investees that will be reclassified into gains and losses under the equity method		
2. Gains and losses on fair value changes of available-for-sale financial assets		11,566,875.00
3. Gains and losses on reclassifying held-to-maturity investments into available-for-sale		

financial assets		
4. Effective hedging gains and losses on cash flows		
5. Foreign-currency financial statement translation difference		
6. Other		
After-tax net amount of other comprehensive incomes attributable to minority shareholders		
VII. Total comprehensive incomes	-58,070,843.22	-31,693,924.53
Attributable to owners of the Company	-55,679,400.37	-30,429,933.97
Attributable to minority shareholders	-2,391,442.85	-1,263,990.56
VIII. Earnings per share		
(I) Basic earnings per share	-0.13	-0.10
(II) Diluted earnings per share	-0.13	-0.10

Where business mergers under the same control occurred in the reporting period, the net profit achieved by the merged parties before the business mergers was RMB 0.00, with the corresponding amount for the same period of last year being RMB 0.00.

Legal representative: Zheng Qing

Chief of the accounting work: Yang Daoliang

Chief of the accounting organ: Wu Xiukun

4. Income statement of the Company for the reporting period

Unit: RMB Yuan

Item	Jul.-Sept. 2015	Jul.-Sept. 2014
I. Total sales	213,100.69	256,035.63
Less: cost of sales	27,736,986.46	18,439,829.97
Business taxes and surcharges	7,524.92	10,978.01
Distribution expenses		
Administrative expenses	3,156,663.57	2,921,519.16
Financial costs	24,073,303.54	15,406,762.60
Impairment loss	410,596.03	11,671.80
Add: gain/(loss) from change in fair value ("-" means loss)		
Gain/(loss) from investment ("-"	-125,867.27	-92,929.94

means loss)		
Including: income from investment on associates and joint ventures	-125,867.27	-92,929.94
II. Business profit ("-" means loss)	-27,649,753.04	-18,276,724.28
Add: non-operating income		
Including: Gains on disposal of non-current assets		
Less: non-operating expense	24,864.21	846.74
Including: Losses on disposal of non-current assets	24,864.21	
III. Total profit ("-" means loss)	-27,674,617.25	-18,277,571.02
Less: Income tax expense		
IV. Net profit ("-" means loss)	-27,674,617.25	-18,277,571.02
V. After-tax net amount of other comprehensive incomes		11,566,875.00
(I) Other comprehensive incomes that will not be reclassified into gains and losses		
1. Changes in net liabilities or assets with a defined benefit plan upon re-measurement		
2. Enjoyable shares in other comprehensive incomes in investees that cannot be reclassified into gains and losses under the equity method		
(II) Other comprehensive incomes that will be reclassified into gains and losses		11,566,875.00
1. Enjoyable shares in other comprehensive incomes in investees that will be reclassified into gains and losses under the equity method		
2. Gains and losses on fair value changes of available-for-sale financial assets		11,566,875.00
3. Gains and losses on reclassifying held-to-maturity investments into available-for-sale financial assets		

4. Effective hedging gains and losses on cash flows		
5. Foreign-currency financial statement translation difference		
6. Other		
VI. Total comprehensive incomes	-27,674,617.25	-6,710,696.02
VII. Earnings per share		
(I) Basic earnings per share		
(II) Diluted earnings per share		

5. Consolidated income statement for Jan.-Sept. 2015

Unit: RMB Yuan

Item	Jan.-Sept. 2015	Jan.-Sept. 2014
I. Operating revenues	188,192,878.45	171,656,857.80
Including: Sales income	188,192,878.45	171,656,857.80
Interest income		
Premium income		
Handling charge and commission income		
II. Operating costs	338,866,589.17	294,539,856.73
Including: Cost of sales	148,932,265.62	132,986,396.81
Interest expenses		
Handling charge and commission expenses		
Surrenders		
Net claims paid		
Net amount withdrawn for the insurance contract reserve		
Expenditure on policy dividends		
Reinsurance premium		
Taxes and associate charges	10,776,972.93	10,024,253.71
Selling and distribution expenses	8,424,409.14	3,275,897.05
Administrative expenses	70,997,749.28	76,954,289.37
Financial expenses	98,672,199.56	75,819,586.76
Asset impairment loss	1,062,992.64	-4,520,566.97

Add: Gain/(loss) from change in fair value (“-” means loss)		
Gain/(loss) from investment (“-” means loss)	123,966,408.18	494,853.77
Including: share of profits in associates and joint ventures	-251,281.51	-439,572.42
Foreign exchange gains (“-” means loss)		
III. Business profit (“-” means loss)	-26,707,302.54	-122,388,145.16
Add: non-operating income	3,367,510.52	67,584.70
Including: Gains on disposal of non-current assets	2,810,086.41	
Less: non-operating expense	256,002.30	832,523.16
Including: Losses on disposal of non-current assets	24,864.21	2,311.83
IV. Total profit (“-” means loss)	-23,595,794.32	-123,153,083.62
Less: Income tax expense	15,833,774.84	136,184.23
V. Net profit (“-” means loss)	-39,429,569.16	-123,289,267.85
Net profit attributable to owners of the Company	-34,186,775.34	-118,846,568.80
Minority shareholders’ income	-5,242,793.82	-4,442,699.05
VI. After-tax net amount of other comprehensive incomes	-125,127,595.63	3,545,625.00
After-tax net amount of other comprehensive incomes attributable to owners of the Company	-125,127,595.63	3,545,625.00
(I) Other comprehensive incomes that will not be reclassified into gains and losses		
1. Changes in net liabilities or assets with a defined benefit plan upon re-measurement		
2. Enjoyable shares in other comprehensive incomes in investees that cannot be reclassified into gains and losses under the equity method		
(II) Other comprehensive incomes that will be reclassified into gains and	-125,127,595.63	3,545,625.00

losses		
1. Enjoyable shares in other comprehensive incomes in investees that will be reclassified into gains and losses under the equity method		
2. Gains and losses on fair value changes of available-for-sale financial assets	-125,127,595.63	3,545,625.00
3. Gains and losses on reclassifying held-to-maturity investments into available-for-sale financial assets		
4. Effective hedging gains and losses on cash flows		
5. Foreign-currency financial statement translation difference		
6. Other		
After-tax net amount of other comprehensive incomes attributable to minority shareholders		
VII. Total comprehensive incomes	-164,557,164.79	-119,743,642.85
Attributable to owners of the Company	-159,314,370.97	-115,300,943.80
Attributable to minority shareholders	-5,242,793.82	-4,442,699.05
VIII. Earnings per share		
(I) Basic earnings per share	-0.08	-0.28
(II) Diluted earnings per share	-0.08	-0.28

Where business mergers under the same control occurred in this period, the net profit achieved by the merged parties before the business mergers was RMB 0.00, with the corresponding amount for the same period of last year being RMB 0.00.

6. Income statement of the Company for Jan.-Sept. 2015

Unit: RMB Yuan

Item	Jan.-Sept. 2015	Jan.-Sept. 2014
I. Total sales	725,171.95	764,493.39
Less: cost of sales	83,719,539.15	53,245,760.93
Business taxes and surcharges	29,480.94	32,731.67
Distribution expenses		

Administrative expenses	11,214,452.02	12,262,413.57
Financial costs	71,787,389.46	46,476,199.37
Impairment loss	421,521.53	-5,792,278.88
Add: gain/(loss) from change in fair value ("-" means loss)		
Gain/(loss) from investment ("-" means loss)	124,091,473.54	490,427.58
Including: income from investment on associates and joint ventures	-251,281.51	-439,572.42
II. Business profit ("-" means loss)	41,097,106.34	-51,990,839.96
Add: non-operating income		
Including: Gains on disposal of non-current assets		
Less: non-operating expense	25,441.43	1,520.22
Including: Losses on disposal of non-current assets	24,864.21	
III. Total profit ("-" means loss)	41,071,664.91	-51,992,360.18
Less: Income tax expense	15,210,270.77	
IV. Net profit ("-" means loss)	25,861,394.14	-51,992,360.18
V. After-tax net amount of other comprehensive incomes	-125,127,595.63	3,545,625.00
(I) Other comprehensive incomes that will not be reclassified into gains and losses		
1. Changes in net liabilities or assets with a defined benefit plan upon re-measurement		
2. Enjoyable shares in other comprehensive incomes in investees that cannot be reclassified into gains and losses under the equity method		
(II) Other comprehensive incomes that will be reclassified into gains and losses	-125,127,595.63	3,545,625.00
1. Enjoyable shares in other comprehensive incomes in investees that will be reclassified into gains and losses under the equity method		

2. Gains and losses on fair value changes of available-for-sale financial assets	-125,127,595.63	3,545,625.00
3. Gains and losses on reclassifying held-to-maturity investments into available-for-sale financial assets		
4. Effective hedging gains and losses on cash flows		
5. Foreign-currency financial statement translation difference		
6. Other		
VI. Total comprehensive incomes	-99,266,201.49	-48,446,735.18
VII. Earnings per share		
(I) Basic earnings per share		
(II) Diluted earnings per share		

7. Consolidated cash flow statement for Jan.-Sept. 2015

Unit: RMB Yuan

Item	Jan.-Sept. 2015	Jan.-Sept. 2014
I. Cash flows from operating activities:		
Cash received from sale of commodities and rendering of service	464,057,196.56	168,677,691.27
Net increase of deposits from customers and dues from banks		
Net increase of loans from the central bank		
Net increase of funds borrowed from other financial institutions		
Cash received from premium of original insurance contracts		
Net cash received from reinsurance business		
Net increase of deposits of policy holders and investment fund		
Net increase of disposal of financial assets measured at fair value of which changes are recorded into current gains		

and losses		
Cash received from interest, handling charges and commissions		
Net increase of intra-group borrowings		
Net increase of funds in repurchase business		
Tax refunds received		
Other cash received relating to operating activities	57,297,066.58	46,522,309.71
Subtotal of cash inflows from operating activities	521,354,263.14	215,200,000.98
Cash paid for goods and services	151,010,951.28	216,093,878.66
Net increase of customer lendings and advances		
Net increase of funds deposited in the central bank and amount due from banks		
Cash for paying claims of the original insurance contracts		
Cash for paying interest, handling charges and commissions		
Cash for paying policy dividends		
Cash paid to and for employees	125,685,631.00	110,506,572.34
Various taxes paid	28,830,818.66	14,998,983.36
Other cash payment relating to operating activities	66,632,034.42	51,117,508.46
Subtotal of cash outflows from operating activities	372,159,435.36	392,716,942.82
Net cash flows from operating activities	149,194,827.78	-177,516,941.84
II. Cash flows from investing activities:		
Cash received from withdrawal of investments	143,040,794.42	36,060,000.00
Cash received from return on investments		37,638.27
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	2,776,032.92	1,431,297.50

Net cash received from disposal of subsidiaries or other business units		
Other cash received relating to investing activities		13,871.23
Subtotal of cash inflows from investing activities	145,816,827.34	37,542,807.00
Cash paid to acquire fixed assets, intangible assets and other long-term assets	18,128,819.64	74,743,707.79
Cash paid for investment	28,169,000.00	8,000,000.00
Net increase of pledged loans		
Net cash paid to acquire subsidiaries and other business units		
Other cash payments relating to investing activities		11,200,000.00
Subtotal of cash outflows from investing activities	46,297,819.64	93,943,707.79
Net cash flows from investing activities	99,519,007.70	-56,400,900.79
III. Cash Flows from Financing Activities:		
Cash received from capital contributions		10,000,000.00
Including: Cash received from minority shareholder investments by subsidiaries	0.00	10,000,000.00
Cash received from borrowings	366,470,000.00	360,251,611.00
Cash received from issuance of bonds		
Other cash received relating to financing activities	37,177,853.73	
Subtotal of cash inflows from financing activities	403,647,853.73	370,251,611.00
Repayment of borrowings	419,096,522.50	81,561,359.75
Cash paid for interest expenses and distribution of dividends or profit	62,543,953.15	27,395,486.41
Including: dividends or profit paid by subsidiaries to minority shareholders		
Other cash payments relating to	22,583,416.40	26,291,122.74

financing activities		
Sub-total of cash outflows from financing activities	504,223,892.05	135,247,968.90
Net cash flows from financing activities	-100,576,038.32	235,003,642.10
IV. Effect of foreign exchange rate changes on cash and cash equivalents		
V. Net increase in cash and cash equivalents	148,137,797.16	1,085,799.47
Add: Opening balance of cash and cash equivalents	97,404,192.62	62,362,242.69
VI. Closing balance of cash and cash equivalents	245,541,989.78	63,448,042.16

8. Cash flow statement of the Company for Jan.-Sept. 2015

Unit: RMB Yuan

Item	Jan.-Sept. 2015	Jan.-Sept. 2014
I. Cash flows from operating activities:		
Cash received from sale of commodities and rendering of service	1,369,936.85	1,072,726.00
Tax refunds received		
Other cash received relating to operating activities	242,033,473.56	9,706,686.76
Subtotal of cash inflows from operating activities	243,403,410.41	10,779,412.76
Cash paid for goods and services		
Cash paid to and for employees	4,235,688.39	3,664,015.28
Various taxes paid	345,917.48	586,046.67
Other cash payment relating to operating activities	58,308,985.30	44,209,303.65
Subtotal of cash outflows from operating activities	62,890,591.17	48,459,365.60
Net cash flows from operating activities	180,512,819.24	-37,679,952.84
II. Cash flows from investing activities:		
Cash received from withdrawal of investments	139,371,794.42	36,060,000.00
Cash received from return on investments		

Net cash received from disposal of fixed assets, intangible assets and other long-term assets		
Net cash received from disposal of subsidiaries or other business units		
Other cash received relating to investing activities		
Subtotal of cash inflows from investing activities	139,371,794.42	36,060,000.00
Cash paid to acquire fixed assets, intangible assets and other long-term assets	6,199.00	6,560.00
Cash paid for investment	57,788,000.00	29,500,000.00
Net cash paid to acquire subsidiaries and other business units		
Other cash payments relating to investing activities		
Subtotal of cash outflows from investing activities	57,794,199.00	29,506,560.00
Net cash flows from investing activities	81,577,595.42	6,553,440.00
III. Cash Flows from Financing Activities:		
Cash received from capital contributions		
Cash received from borrowings	95,978,000.00	65,401,611.00
Cash received from issuance of bonds		
Other cash received relating to financing activities		
Subtotal of cash inflows from financing activities	95,978,000.00	65,401,611.00
Repayment of borrowings	283,305,910.83	17,194,693.08
Cash paid for interest expenses and distribution of dividends or profit	31,719,616.22	11,956,273.88
Other cash payments relating to financing activities	9,247,716.40	6,696,502.74
Sub-total of cash outflows from financing activities	324,273,243.45	35,847,469.70

Net cash flows from financing activities	-228,295,243.45	29,554,141.30
IV. Effect of foreign exchange rate changes on cash and cash equivalents		
V. Net increase in cash and cash equivalents	33,795,171.21	-1,572,371.54
Add: Opening balance of cash and cash equivalents	2,034,649.76	1,650,620.37
VI. Closing balance of cash and cash equivalents	35,829,820.97	78,248.83

II. Auditor's report

Is this report audited?

☐ Yes ☒ No

This report is not audited.