

**China Fangda Group Co., Ltd.**  
**2016 Third Quarter Report**

**October 2016**

## **I Important Statement**

**The members of the Board and the Company guarantee that the quarterly report is free from any false information, misleading statement or material omission and are jointly and severally liable for the information's truthfulness, accuracy and integrity.**

**All the Directors have attended the meeting of the board meeting at which this report was examined.**

**Mr. Xiong Jianming, the Chairman of Board, Mr. Lin Kebin, the Chief Financial Officer, and Mr. Chen Yonggang, the manager of accounting department declare: the Financial Report carried in this report is authentic and completed.**

## II Financial Highlight and Changes in Shareholders

### 1. Financial Highlight

The Company retroactively adjusts or restates financial statistics of the previous years because of changes in account policies and correction of accounting errors.

Yes  No

	End of the report period	End of last year	Year-on-year change	
Total asset (RMB)	6,066,447,741.87	4,464,147,811.40	35.89%	
Net profit attributable to the shareholders of the listed company (RMB)	1,819,187,610.13	1,319,496,334.84	37.87%	
	This report period	Year-on-year change (%)	Between beginning of the year to the end of the report period	Change from the same period last year
Turnover (yuan)	731,795,188.23	5.68%	1,741,251,237.98	-5.50%
Net profit attributable to shareholders of the listed company (yuan)	61,100,083.90	201.91%	114,256,489.26	59.68%
Net profit attributable to the shareholders of the listed company and after deducting of non-recurring gain/loss (RMB)	56,370,833.65	10278.20%	100,635,923.22	179.31%
Net cash flow generated by business operation (RMB)	--	--	453,059,746.50	
Basic earnings per share (yuan/share)	0.08	166.67%	0.15	50.00%
Diluted Earnings per share (yuan/share)	0.08	166.67%	0.15	50.00%
Weighted average net income/asset ratio	3.74%	2.12%	7.90%	2.24%

Accidental gain/loss item and amount

Yes  No

In RMB

Items	Amount from beginning of the year to the end of the report period	Notes

Non-current asset disposal gain/loss (including the write-off part for which assets impairment provision is made)	-2,441,541.32	
Subsidies accounted into the current income account (except the government subsidy closely related to the enterprise's business and based on unified national standard quota)	2,127,481.55	
Gain from entrusted investment or assets management	337,756.16	
Gain/loss from change of fair value of transactional financial asset and liabilities, and investment gains from disposal of transactional financial assets and liabilities and sellable financial assets, other than valid period value instruments related to the Company's common businesses	1,957,710.84	
Gain/loss from change of fair value of investment property measured at fair value in follow-up measurement	11,003,145.91	
Other non-business income and expenditures other than the above	4,561,603.00	
Less: Influenced amount of income tax	3,915,836.90	
Influenced amount of minority shareholders' equity (after-tax)	9,753.20	
Total	13,620,566.04	--

Explanation statement should be made for accidental gain/loss items defined and accidental gain/loss items defined as regular gain/loss items according to the Explanation Announcement of Information Disclosure No. 1 - Non-recurring gain/loss mentioned.

Applicable  Inapplicable

No circumstance that should be defined as recurrent profit and loss according to *Explanation Announcement of Information Disclosure No. 1 - Non-recurring gain/loss* occurs in the report period.

## 2. Total number of shareholders and shareholding of top 10 shareholders by the end of the report period

### 1. Total number of ordinary shareholders and preferred shareholders with restored votes and top-10 shareholders

In share

Number of shareholders of common shares at the end of the report period	40,064	Number of shareholders of preferred stocks of which voting rights recovered in the report period (if any)	0		
Top 10 Shareholders					
Shareholder	Properties of	Shareholding	Number of	Conditional	Pledging or freezing

	shareholder		shares	shares	Share status	Amount
Shenzhen Banglin Technologies Development Co., Ltd.	Domestic non-state legal person	8.72%	68,774,273		Pledged	14,635,833
Shengjiu Investment Ltd.	Foreign legal person	6.53%	51,535,870			
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	Foreign legal person	4.37%	34,446,228			
Huang Jupei	Domestic natural person	3.41%	26,872,300			
Shenzhen Shilihe Investment Co., Ltd.	Domestic non-state legal person	2.26%	17,860,992			
Zhou Shijian	Domestic natural person	2.05%	16,213,500			
China Life Insurance – Dividend – Personal Dividend – 005L-FH002 Shen	Others	1.64%	12,909,730			
Shenwan Hongyuan Securities (Hong Kong) Co., Ltd.	Foreign legal person	1.53%	12,034,961			
Social security fund-One-Six Portfolio	Others	1.40%	11,019,776			
Agricultural Bank of China-Zhong You Core Selected Mixed	Others	1.09%	8,600,080			

Securities Investment Fund					
Top 10 holders of unconditional shares					
Shareholder	Amount of shares without sales restriction	Category of shares			
		Category of shares	Amount		
Shenzhen Banglin Technologies Development Co., Ltd.	68,774,273	RMB common shares	68,774,273		
Shengjiu Investment Ltd.	51,535,870	Foreign shares listed in domestic exchanges	51,535,870		
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	34,446,228	Foreign shares listed in domestic exchanges	34,446,228		
Huang Jupei	26,872,300	RMB common shares	26,872,300		
Shenzhen Shilihe Investment Co., Ltd.	17,860,992	RMB common shares	17,860,992		
Zhou Shijian	16,213,500	RMB common shares	16,213,500		
China Life Insurance – Dividend – Personal Dividend – 005L-FH002 Shen	12,909,730	RMB common shares	12,909,730		
Shenwan Hongyuan Securities (Hong Kong) Co., Ltd.	12,034,961	Foreign shares listed in domestic exchanges	12,034,961		
Social security fund-One-Six Portfolio	11,019,776	RMB common shares	11,019,776		
Agricultural Bank of China-Zhong You Core Selected Mixed Securities Investment Fund	8,600,080	RMB common shares	8,600,080		
Notes to top ten shareholder relationship or "action in concert"	Among the shareholders, Shenzhen Banglin Technology Development Co., Ltd. and Shengjiu Investment Co., Ltd. are parties action-in-concert. Shenzhen Banglin Technology Development Co., Ltd. and Shenzhen Shilihe Investment Co., Ltd. are related parties. The Company is not notified of other action-in-concert or related parties among the other holders of current shares.				

Top-10 common share shareholders participating in margin trade (if any)	Huang Jupe holds 26,871,300 shares through the GF Securities client trust trading guarantee securities account. Zhou Shijian holds 16,213,500 shares through the GF Securities client trust trading guarantee securities account.
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Agreed re-purchasing by the Company's top 10 shareholders of common shares and top 10 shareholders of unconditional common shares in the report period

Yes  No

No agreed re-purchasing by the Company's top 10 shareholders of common shares and top 10 shareholders of unconditional common shares in the report period

## **2. Total number of preferred shareholders and shareholding of top 10 preferred shareholders**

Applicable  Inapplicable

### III Significant Events

#### 1. Major changes in accounting items and financial data in the report period and reasons

√ Applicable □ Inapplicable

Items	Closing amount in the report period (RMB)	Opening amount (RMB)	YOY change (%)	Cause of change
Monetary capital	887,706,366.78	400,953,337.32	121.40%	Raised fund and house presales amount
Financial assets measured at fair value with variations accounted into current income account		14,546,206.58	-100.00%	Sales of SINO OIL & GAS shares
Notes receivable	28,289,083.79	97,247,660.56	-70.91%	Received payment
Prepayment	51,840,443.16	30,057,063.90	72.47%	Increase in prepayment of material accounts
Inventory	1,857,922,617.59	1,346,591,303.53	37.97%	Increase in development cost
Other current assets	367,984,615.98	11,395,718.05	3129.15%	Purchase of bank financial products
Construction in process	3,898,800.79	15,134,390.90	-74.24%	Transfer of the PV power station items to fixed assets
Notes payable	506,899,501.73	303,527,639.63	67.00%	Increase in the percentage of bill payment
Prepayment received	1,148,837,603.48	130,574,319.85	779.83%	Presales of Fangda Town project
Other payables	53,409,632.80	82,677,346.81	-35.40%	Payment of deposit and lawsuit compensation
Other current liabilities		98,425,600.00	-100.00%	Return of leased precious metal
Capital reserves	506,784,002.26	79,099,619.14	540.69%	Mainly premium of non-public issued shares
Items	Between beginning of the year to the end of the report period (RMB)	Same period last year (RMB)	YOY change (%)	Cause of change
Business tax and surcharge	8,606,245.49	24,243,193.35	-64.50%	Impact of the VAT reform, VAT is no longer paid



Sales expense	38,476,387.89	58,059,078.68	-33.73%	Decrease in advertisement cost
Financial expenses	24,322,562.64	39,341,301.37	-38.18%	Decrease in interest expense
Gains from change of fair value ("-" for loss)	9,903,745.77	58,798,815.22	-83.16%	Adjustment of fair value of investment real estate
Non-business expenses	3,816,088.83	15,672,186.75	-75.65%	Lawsuit compensation provided in the same period last year
Cash received from sales of products and providing of services	2,626,024,154.09	1,476,173,288.50	77.89%	Presales of Fangda Town project
Taxes paid	204,252,974.89	77,538,406.71	163.42%	Prepaid tax for Fangda Town
Cash paid for construction of fixed assets, intangible assets and other long-term assets	62,258,301.30	41,971,808.53	48.33%	Continuous investment in PV power plants
Cash paid as investment	477,000,000.00	171,700,000.00	177.81%	Increase in purchase of financial products
Cash received from investment	460,899,992.60			Investment payment received from non-public issuance
Cash paid as dividend, profit, or interests	131,200,941.87	84,496,924.61	55.27%	Increase in distribution of dividends

## 2. Progress of key issues and its impacts and solutions

√ Applicable □ Inapplicable

1. The Fangda Town renovation project started sales in January 2016. The sales result is good with a sales amount of RMB1.778 billion by the end of the report period. The project will be delivered between the end of 2016 and 2017, by then the revenue will be recorded.

2. The 2015 non-public A-share issuance was completed during the period. A total of 32,184,931 shares were issued on Shenzhen Stock Exchange on August 1, 2016 to raise RMB469,899,992.60. The actual raised amount is RMB459,869,219.88 after the issuance cost of RMB10,030,772.72 is deducted. Details are disclosed as follows:

Key issue	Date of disclosure	Information source
Non-public A-share issuance information and listing announcement	29.07.16	<i>China Securities Journal</i> , <i>Shanghai Securities Daily</i> , <i>Securities Times</i> , <i>HKCD</i> (English) and <a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a>

### 3. Commitments performed and not performed by the Company, shareholders, actual controller, purchaser, directors, supervisors, senior management or other related parties during the report period

√ Applicable □ Inapplicable

Commitment	Acceptor	Type	Content	Date	Period	Performance
Share reform						
Commitments in acquisition report or share change report						
Commitments made in asset reorganization						
Commitments made in initial public issuance or refinancing	Caitong Fund Management Co., Ltd., Changzhou Investment Group Co., Ltd., First Capital Securities Co., Ltd., Fuguo Asset Management (Shanghai) Co., Ltd., Sinomach Finance Co., Ltd., Minsheng Tonghui Asset Management Co., Lt., Ping An-UOB Fund	Share limited sales commitment	Locking of the non-public issued shares for 12 months in 2015	01.08.16	12 months	In performance
Option incentive scheme						
Commitments made to small-to-middle shareholders						
Whether commitment is timely performed	Yes					
If the commitment is not timely	Inapplicable					

performed, the reason and further plan should be explained	
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#### 4 Forecast of operating performance in 2016

Warning and reasons of possible net loss or substantial change from the last period between the beginning of the year and the end of the next report period

Applicable  Inapplicable

#### 5. Securities investment

Applicable  Inapplicable

Securities	Code	Abbreviation	Initial investment cost	Number of shares held at beginning of the period (share)	Opening shareholding	Number of shares held at end of the period (share)	Closing shareholding	Closing book value (RMB)	Gain/losses (RMB)	Accounting item	Source
Stock	00702	Sino Oil and Gas Holdings Ltd	16,263,675.00	82,680,000	0.21%	0	0.00%	0.00	1,957,710.84	Transactional financial assets	Buy-in
Total			16,263,675.00	82,680,000	--	0	--	0.00	1,957,710.84	--	--
Disclosure date of approval by the Board of Directors of securities investment			11.03.14								
Disclosure date of securities investment approval by the Shareholders' Meeting (if any)											

#### 6. Derivative investment

Applicable  Inapplicable

In RMB10,000

Derivative investment operator	Relationship	Related transaction	Type	Initial amount	Start date	End date	Initial investment amount	Amount bought in the report period	Amount sold the report period	Impairment provision (if any)	Closing investment amount	Proportion of closing investment	Actual gain/loss in the report

												amount in the closing net assets in the report period	period
Shanghai Futures Exchange	None	No	Shanghai aluminum	8,775.766	01.01.17	15.08.17	0	8,775.766	4,719.25		4,056.51	2.23%	405.54
Total				8,775.766	--	--	0	8,775.766	4,719.25		4,056.51	2.23%	405.54
Capital source				Self-owned fund									
Lawsuit (if any)				None									
Disclosure date of derivative investment approval by the Board of Directors (if any)													
Disclosure date of derivative investment approval by the Shareholders' Meeting (if any)													
Risk analysis and control measures for the derivative holding in the report period (including without limitation market, liquidity, credit, operation and legal risks)				To prevent the risk of fluctuation of raw material prices, the Company adopted the aluminum futures exchanged at the domestic futures exchange to provide hedging for aluminum as a raw material for the Company. The Company has set up and implemented the Provincial Regulations on China Fangda Group Domestic Futures Hedging to prevent risks.									
Changes in the market price or fair value of the derivative in the report period, the analysis of the derivative's fair value should disclose the method used and related assumptions and parameters.				Measured at the open quotation of derivative fair value in the futures market									
Material changes in the accounting policies and rules related to the derivative in the report period compared to last period				No									

Opinions of independent directors on the Company's derivative investment and risk controlling	None
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## 7. Reception of investigations, communications, or interviews in the reporting period

Applicable  Inapplicable

Time/date	Way	Visitor	Study information source
16.08.16	Onsite investigation	Institution	Investment relationship activity table published on www.cninfo.com.cn
08.09.16	Onsite investigation	Institution	Investment relationship activity table published on www.cninfo.com.cn

## 8. Incompliant external guarantee

Applicable  Inapplicable

The Company made no incompliant external guarantee in the report period.

## 9. Non-operating capital use by the controlling shareholder or related parties in the reporting term

Applicable  Inapplicable

The controlling shareholder and its affiliates occupied no capital for non-operating purpose of the Company during the report period.

## IV Financial Statements

### 1. Financial statements

#### 1. Consolidated Balance Sheet

Prepared by: China Fangda Group Co., Ltd.

In RMB

Items	Closing balance	Ending balance
Current asset:		
Monetary capital	887,706,366.78	400,953,337.32
Settlement provision		
Outgoing call loan		
Financial assets measured at fair value with variations accounted into current income account	0.00	14,546,206.58
Derivative financial assets	1,435,025.00	
Notes receivable	28,289,083.79	97,247,660.56
Account receivable	1,610,030,859.98	1,405,718,134.89
Prepayment	51,840,443.16	30,057,063.90
Insurance receivable		
Reinsurance receivable		
Provisions of Reinsurance contracts receivable		
Interest receivable		
Dividend receivable		
Other receivables	61,383,733.82	53,095,948.46
Repurchasing of financial assets		
Inventory	1,857,922,617.59	1,346,591,303.53
Assets held for sales		
Non-current assets due in 1 year		
Other current assets	367,984,615.98	11,395,718.05
Total current assets	4,866,592,746.10	3,359,605,373.29
Non-current assets:		
Loan and advancement provided		

Sellable financial assets		
Investment held until mature		
Long-term receivable		
Long-term share equity investment	12,519,346.26	10,489,680.93
Investment real estate	346,571,300.62	335,328,805.74
Fixed assets	565,034,427.66	462,648,998.51
Construction in process	3,898,800.79	15,134,390.90
Engineering materials		
Disposal of fixed assets	3,665.29	5,326.79
Productive biological assets	0.00	
Gas & petrol	0.00	
Intangible assets	92,228,939.50	95,062,982.48
R&D expense	0.00	
Goodwill	19,826,696.97	19,826,696.97
Long-term amortizable expenses	5,549,048.04	6,614,788.88
Deferred income tax assets	76,204,183.33	65,926,810.52
Other non-current assets	78,018,587.31	93,503,956.39
Total of non-current assets	1,199,854,995.77	1,104,542,438.11
Total of assets	6,066,447,741.87	4,464,147,811.40
Current liabilities		
Short-term loans	855,000,000.00	1,147,957,775.82
Loans from Central Bank		
Deposit received and held for others		
Call loan received		
Financial liabilities measured at fair value with variations accounted into current income account		
Derivative financial liabilities	0.00	
Notes payable	506,899,501.73	303,527,639.63
Account payable	869,821,992.09	867,628,355.65
Prepayment received	1,148,837,603.48	130,574,319.85
Selling of repurchased financial assets		
Fees and commissions payable		

Employees' wage payable	19,930,967.66	40,942,428.05
Taxes payable	57,263,665.07	67,533,433.70
Interest payable	2,398,598.66	3,241,834.43
Dividend payable		
Other payables	53,409,632.80	82,677,346.81
Reinsurance fee payable		
Insurance contract provision		
Entrusted trading of securities		
Entrusted selling of securities		
Liabilities held for sales		
Non-current liabilities due in 1 year	0.00	
Other current liabilities	0.00	98,425,600.00
Total current liabilities	3,513,561,961.49	2,742,508,733.94
Non-current liabilities:		
Long-term loans	634,006,819.03	300,395,582.06
Bond payable		
Including: preferred stock		
Perpetual bond		
Long-term payable	0.00	
Long-term employees' wage payable		
Special payables		
Anticipated liabilities	2,406,519.03	1,921,446.51
Deferred earning	12,476,186.29	12,284,195.68
Deferred income tax liabilities	76,150,838.63	72,994,768.34
Other non-current liabilities	0.00	
Total of non-current liabilities	725,040,362.98	387,595,992.59
Total liabilities	4,238,602,324.47	3,130,104,726.53
Owner's equity:		
Share capital	789,094,836.00	756,909,905.00
Other equity tools		
Including: preferred stock		
Perpetual bond		
Capital reserves	506,784,002.26	79,099,619.14



Less: Shares in stock		
67. Other miscellaneous income	1,348,294.04	91,831.63
Special reserves		
Surplus reserves	51,123,554.51	51,123,554.51
Common risk provisions		
Retained profit	470,836,923.32	432,271,424.56
Total of owner's equity belong to the parent company	1,819,187,610.13	1,319,496,334.84
Minor shareholders' equity	8,657,807.27	14,546,750.03
Total of owners' equity	1,827,845,417.40	1,334,043,084.87
Total of liabilities and owner's interest	6,066,447,741.87	4,464,147,811.40

Legal representative: Xiong Jianming

CFO: Lin Kebing

Accounting Manager: Chen Yonggang

## 2. Balance Sheet of the Parent Company

In RMB

Items	Closing balance	Ending balance
Current asset:		
Monetary capital	98,489,959.16	25,833,130.83
Financial assets measured at fair value with variations accounted into current income account		
Derivative financial assets		
Notes receivable		
Account receivable	22,865.24	345,960.74
Prepayment	18,722.97	67,893.61
Interest receivable		
Dividend receivable	0.00	
Other receivables	819,894,332.43	375,591,349.76
Inventory		
Assets held for sales		
Non-current assets due in 1 year		
Other current assets	623,472.42	990,624.25
Total current assets	919,049,352.22	402,828,959.19
Non-current assets:		

Sellable financial assets		
Investment held until mature		
Long-term receivable		
Long-term share equity investment	969,730,314.46	967,700,649.13
Investment real estate	300,742,128.44	290,288,531.53
Fixed assets	55,690,656.96	57,647,245.73
Construction in process		
Engineering materials		
Disposal of fixed assets		
Productive biological assets		
Gas & petrol		
Intangible assets	1,625,285.28	1,907,601.33
R&D expense		
Goodwill		
Long-term amortizable expenses	324,342.97	403,800.10
Deferred income tax assets	37,762,333.93	37,948,384.39
Other non-current assets	120,000,000.00	220,000,000.00
Total of non-current assets	1,485,875,062.04	1,575,896,212.21
Total of assets	2,404,924,414.26	1,978,725,171.40
Current liabilities		
Short-term loans	350,000,000.00	350,000,000.00
Financial liabilities measured at fair value with variations accounted into current income account		
Derivative financial liabilities		
Notes payable	33,692,909.97	
Account payable	606,941.85	606,941.85
Prepayment received	993,045.60	748,421.47
Employees' wage payable	919,883.43	1,868,710.30
Taxes payable	425,163.82	1,338,421.09
Interest payable	456,145.83	726,993.55
Dividend payable		
Other payables	253,804,030.58	155,183,721.49
Liabilities held for sales		
Non-current liabilities due in 1 year		

Other current liabilities	0.00	98,425,600.00
Total current liabilities	640,898,121.08	608,898,809.75
Non-current liabilities:		
Long-term loans		
Bond payable		
Including: preferred stock		
Perpetual bond		
Long-term payable		
Long-term employees' wage payable		
Special payables		
Anticipated liabilities		
Deferred earning		
Deferred income tax liabilities	123,894,195.17	120,953,378.63
Other non-current liabilities		
Total of non-current liabilities	123,894,195.17	120,953,378.63
Total liabilities	764,792,316.25	729,852,188.38
Owner's equity:		
Share capital	789,094,836.00	756,909,905.00
Other equity tools		
Including: preferred stock		
Perpetual bond		
Capital reserves	466,283,346.88	38,598,963.76
Less: Shares in stock		
67. Other miscellaneous income	91,831.63	91,831.63
Special reserves		
Surplus reserves	51,123,554.51	51,123,554.51
Retained profit	333,538,528.99	402,148,728.12
Total of owners' equity	1,640,132,098.01	1,248,872,983.02
Total of liabilities and owner's interest	2,404,924,414.26	1,978,725,171.40

### 3. Consolidated Income Statement of the Report Period

In RMB

Items	Amount occurred in the current period	Occurred in previous period
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1. Total revenue	731,795,188.23	692,471,803.42
Incl. Business income	731,795,188.23	692,471,803.42
Interest income		
Insurance fee earned		
Fee and commission received		
2. Total business cost	669,723,232.46	702,340,264.75
Incl. Business cost	586,182,911.95	604,206,824.70
Interest expense		
Fee and commission paid		
Insurance discharge payment		
Net claim amount paid		
Net insurance policy reserves provided		
Insurance policy dividend paid		
Reinsurance expenses		
Business tax and surcharge	2,248,517.37	6,705,953.13
Sales expense	13,059,085.05	17,049,941.22
Administrative expense	42,074,537.95	41,972,129.03
Financial expenses	6,734,708.08	13,731,566.70
Asset impairment loss	19,423,472.06	18,673,849.97
Plus: gains from change of fair value ("-" for loss)	-259,664.68	23,353,053.91
Investment gains ("-" for loss)	2,714,389.76	-29,732.90
Incl. Investment gains from affiliates and joint ventures	-570,556.79	-43,837.01
Exchange gains ("-" for loss)		
3. Operational profit ("-" for loss)	64,526,680.85	13,454,859.68
Plus: non-operational income	3,671,724.85	2,430,547.71
Incl. Loss from disposal of non-current assets	38,076.85	

Less: non-operational expenditure	471,543.40	29,054.96
Incl. Loss from disposal of non-current assets	94,562.96	22,418.03
4. Gross profit (“-“ for loss)	67,726,862.30	15,856,352.43
Less: Income tax expenses	7,987,577.22	-248,196.41
5. Net profit (“-“ for net loss)	59,739,285.08	16,104,548.84
Net profit attributable to the owners of parent company	61,100,083.90	20,237,940.89
Minor shareholders' equity	-1,360,798.82	-4,133,392.05
6. After-tax net amount of other misc. incomes	210,601.16	1,229,057.50
After-tax net amount of other misc. incomes attributed to parent's owner	210,601.16	1,229,057.50
(1) Other misc. incomes that cannot be re-classified into gain and loss		
1. Change in net liabilities or assets due to re-measurement set benefit program		
2. Shares enjoyed in other misc. incomes that cannot be reclassified into gain and loss by the invested entity under the equity law		
(2) Other misc. incomes that will be re-classified into gain and loss	210,601.16	1,229,057.50
1. Shares enjoyed in other misc. incomes that cannot be reclassified into gain and loss by the invested entity under the equity law		
2. Change in the fair value of financial asset for sale		
3 Held-to-mature investment reclassified as gain and loss in the financial assets for sales		
4. Effective part in the gain and loss of arbitrage of cash flow	173,910.00	1,229,057.50

5. Translation difference of foreign exchange statement	36,691.16	
6. Others		
After-tax net of other misc. income attributed to minority shareholders		
7. Total of misc. incomes	59,949,886.24	17,333,606.34
Total of misc. incomes attributable to the owners of the parent company	61,310,685.06	21,466,998.39
Total misc gains attributable to the minor shareholders	-1,360,798.82	-4,133,392.05
8. Earnings per share:		
(1) Basic earnings per share	0.08	0.03
(2) Diluted earnings per share	0.08	0.03

Net profit contributed by entities merged under common control in the report period was RMB , net profit realized by parties merged during the previous period is RMB .

Legal representative: Xiong Jianming CFO: Lin Kebing Accounting Manager: Chen Yonggang

#### 4. Consolidated Income Statement of the Report Period

In RMB

Items	Amount occurred in the current period	Occurred in previous period
1. Turnover	7,463,131.10	7,295,422.90
Less: Operation cost	1,126,232.22	1,283,898.45
Business tax and surcharge	230,773.43	575,670.62
Sales expense		
Administrative expense	5,775,984.04	6,942,135.20
Financial expenses	1,900,739.52	3,141,232.06
Asset impairment loss	-22,147.35	-1,237,554.45
Plus: gains from change of fair value ("-" for loss)		25,486,927.91
Investment gains ("-" for loss)	-570,556.79	-33,237.01
Incl. Investment gains from affiliates and joint ventures	-570,556.79	-43,837.01
2. Operational profit ("-" for loss)	-2,119,007.55	22,043,731.92

Plus: non-operational income	1,881,870.81	722,641.52
Incl. Loss from disposal of non-current assets		
Less: non-operational expenditure		989.33
Incl. Loss from disposal of non-current assets		989.33
3. Gross profit (“-“ for loss)	-237,136.74	22,765,384.11
Less: Income tax expenses	-61,545.95	5,831,632.85
4. Net profit (“-“ for net loss)	-175,590.79	16,933,751.26
5. After-tax net amount of other misc. incomes		
(1) Other misc. incomes that cannot be re-classified into gain and loss		
1. Change in net liabilities or assets due to re-measurement set benefit program		
2. Shares enjoyed in other misc. incomes that cannot be reclassified into gain and loss by the invested entity under the equity law		
(2) Other misc. incomes that will be re-classified into gain and loss		
1. Shares enjoyed in other misc. incomes that cannot be reclassified into gain and loss by the invested entity under the equity law		
2. Change in the fair value of financial asset for sale		
3 Held-to-mature investment reclassified as gain and loss in the financial assets for sales		
4. Effective part in the gain and loss of arbitrage of cash flow		
5. Translation difference of foreign exchange statement		
6. Others		

6. Total of misc. incomes	-175,590.79	16,933,751.26
7. Earnings per share:		
(1) Basic earnings per share		
(2) Diluted earnings per share		

## 5. Consolidated Income Statement Between the Beginning of the Year and End of the Report Period

In RMB

Items	Amount occurred in the current period	Occurred in previous period
1. Total revenue	1,741,251,237.98	1,842,587,326.95
Incl. Business income	1,741,251,237.98	1,842,587,326.95
Interest income		
Insurance fee earned		
Fee and commission received		
2. Total business cost	1,634,542,062.22	1,816,903,028.98
Incl. Business cost	1,417,490,531.56	1,544,694,083.05
Interest expense		
Fee and commission paid		
Insurance discharge payment		
Net claim amount paid		
Net insurance policy reserves provided		
Insurance policy dividend paid		
Reinsurance expenses		
Business tax and surcharge	8,606,245.49	24,243,193.35
Sales expense	38,476,387.89	58,059,078.68
Administrative expense	115,875,289.97	117,519,440.67
Financial expenses	24,322,562.64	39,341,301.37
Asset impairment loss	29,771,044.67	33,045,931.86
Plus: gains from change of fair value ("-" for loss)	9,903,745.77	58,798,815.22



Investment gains (“-“ for loss)	2,424,532.42	1,518,264.78
Incl. Investment gains from affiliates and joint ventures	-970,334.67	1,213,157.93
Exchange gains (“-“ for loss)		
3. Operational profit (“-“ for loss)	119,037,453.95	86,001,377.97
Plus: non-operational income	10,035,454.01	5,856,472.16
Incl. Loss from disposal of non-current assets	106,648.92	50,854.12
Less: non-operational expenditure	3,816,088.83	15,672,186.75
Incl. Loss from disposal of non-current assets	2,548,190.24	527,223.08
4. Gross profit (“-“ for loss)	125,256,819.13	76,185,663.38
Less: Income tax expenses	16,889,272.63	15,919,999.63
5. Net profit (“-“ for net loss)	108,367,546.50	60,265,663.75
Net profit attributable to the owners of parent company	114,256,489.26	71,555,589.76
Minor shareholders' equity	-5,888,942.76	-11,289,926.01
6. After-tax net amount of other misc. incomes	1,256,462.41	
After-tax net amount of other misc. incomes attributed to parent's owner	1,256,462.41	
(1) Other misc. incomes that cannot be re-classified into gain and loss		
1. Change in net liabilities or assets due to re-measurement set benefit program		
2. Shares enjoyed in other misc. incomes that cannot be reclassified into gain and loss by the invested entity under the equity law		
(2) Other misc. incomes that will be re-classified into gain and loss	1,256,462.41	
1. Shares enjoyed in other misc. incomes that cannot be		

reclassified into gain and loss by the invested entity under the equity law		
2. Change in the fair value of financial asset for sale		
3 Held-to-mature investment reclassified as gain and loss in the financial assets for sales		
4. Effective part in the gain and loss of arbitrage of cash flow	1,219,771.25	
5. Translation difference of foreign exchange statement	36,691.16	
6. Others		
After-tax net of other misc. income attributed to minority shareholders		
7. Total of misc. incomes	109,624,008.91	60,265,663.75
Total of misc. incomes attributable to the owners of the parent company	115,512,951.67	71,555,589.76
Total misc gains attributable to the minor shareholders	-5,888,942.76	-11,289,926.01
8. Earnings per share:		
(1) Basic earnings per share	0.15	0.10
(2) Diluted earnings per share	0.15	0.10

Net profit contributed by entities merged under common control in the report period was RMB , net profit realized by parties merged during the previous period is RMB .

## 6. Income Statement of the Parent Between the Beginning of the Year and End of the Report Period

In RMB

Items	Amount occurred in the current period	Occurred in previous period
1. Turnover	21,963,021.73	22,672,732.63
Less: Operation cost	2,145,638.58	2,954,114.33
Business tax and surcharge	1,450,961.07	1,803,497.27
Sales expense		
Administrative expense	17,328,731.88	18,219,065.91

Financial expenses	5,460,370.26	8,262,038.92
Asset impairment loss	-6,965.80	8,851.54
Plus: gains from change of fair value (“-“ for loss)	10,453,596.91	58,255,835.22
Investment gains (“-“ for loss)	-964,910.01	1,279,719.57
Incl. Investment gains from affiliates and joint ventures	-970,334.67	1,213,157.93
2. Operational profit (“-“ for loss)	5,072,972.64	50,960,719.45
Plus: non-operational income	5,224,060.55	1,474,496.81
Incl. Loss from disposal of non-current assets		3,581.20
Less: non-operational expenditure	89,374.82	4,093.73
Incl. Loss from disposal of non-current assets		2,921.41
3. Gross profit (“-“ for loss)	10,207,658.37	52,431,122.53
Less: Income tax expenses	3,126,867.00	13,461,315.63
4. Net profit (“-“ for net loss)	7,080,791.37	38,969,806.90
5. After-tax net amount of other misc. incomes		
(1) Other misc. incomes that cannot be re-classified into gain and loss		
1. Change in net liabilities or assets due to re-measurement set benefit program		
2. Shares enjoyed in other misc. incomes that cannot be reclassified into gain and loss by the invested entity under the equity law		
(2) Other misc. incomes that will be re-classified into gain and loss		
1. Shares enjoyed in other misc. incomes that cannot be reclassified into gain and loss by the invested entity under the equity law		
2. Change in the fair		

value of financial asset for sale		
3 Held-to-mature investment reclassified as gain and loss in the financial assets for sales		
4. Effective part in the gain and loss of arbitrage of cash flow		
5. Translation difference of foreign exchange statement		
6. Others		
6. Total of misc. incomes	7,080,791.37	38,969,806.90
7. Earnings per share:		
(1) Basic earnings per share		
(2) Diluted earnings per share		

## 7. Consolidated Cash Flow Statement Between the Beginning of the Year and End of the Report Period

In RMB

Items	Amount occurred in the current period	Occurred in previous period
1. Net cash flow from business operations:		
Cash received from sales of products and providing of services	2,626,024,154.09	1,476,173,288.50
Net increase of customer deposits and capital kept for brother company		
Net increase of loans from central bank		
Net increase of inter-bank loans from other financial bodies		
Cash received against original insurance contract		
Net cash received from reinsurance business		
Net increase of client deposit and investment		
Increase in proposal of financial assets measured at fair value with		

variations accounted into current income account		
Cash received as interest, processing fee, and commission		
Net increase of inter-bank fund received		
Net increase of repurchasing business		
Tax refunded	1,289,574.20	2,191,881.76
Other cash received from business operation	104,789,436.94	68,990,592.93
Sub-total of cash inflow from business operations	2,732,103,165.23	1,547,355,763.19
Cash paid for purchasing products and services	1,759,450,109.31	1,496,112,218.86
Net increase of client trade and advance		
Net increase of savings in central bank and brother company		
Cash paid for original contract claim		
Cash paid for interest, processing fee and commission		
Cash paid for policy dividend		
Cash paid to and for the staff	185,909,998.13	212,820,541.03
Taxes paid	204,252,974.89	77,538,406.71
Other cash paid for business activities	129,430,336.40	124,871,059.55
Sub-total of cash outflow from business operations	2,279,043,418.73	1,911,342,226.15
Cash flow generated by business operations, net	453,059,746.50	-363,986,462.96
2. Cash flow generated by investment:		
Cash received from investment recovery	237,446,806.49	349,500,000.00
Cash received as investment profit	3,595,463.32	2,505,106.85

Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets	14,192,782.10	134,190.00
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received		
Sub-total of cash inflow generated from investment	255,235,051.91	352,139,296.85
Cash paid for construction of fixed assets, intangible assets and other long-term assets	62,258,301.30	41,971,808.53
Cash paid as investment	477,000,000.00	171,700,000.00
Net increase of loan against pledge		
Net cash paid for acquiring subsidiaries and other operational units		
Other cash paid for investment	2,950,000.00	306,400.00
Subtotal of cash outflows	542,208,301.30	213,978,208.53
Cash flow generated by investment activities, net	-286,973,249.39	138,161,088.32
3. Cash flow generated by financing activities:		
Cash received from investment	460,899,992.60	
Incl. Cash received from investment attracted by subsidiaries from minority shareholders		
Cash received from borrowed loans	1,108,611,236.97	1,371,417,018.19
Cash received from bond placing		
Other cash received from financing activities	31.03	
Subtotal of cash inflow from financing activities	1,569,511,260.60	1,371,417,018.19
Cash paid to repay debts	1,107,925,600.00	843,132,851.55

Cash paid as dividend, profit, or interests	131,200,941.87	84,496,924.61
Incl. Dividend and profit paid by subsidiaries to minority shareholders		
Other cash paid for financing activities	1,307,454.51	53,939,000.00
Subtotal of cash outflow from financing activities	1,240,433,996.38	981,568,776.16
Net cash flow generated by financing activities	329,077,264.22	389,848,242.03
4. Influence of exchange rate changes on cash and cash equivalents	552,729.65	-24,807.16
5. Net increase in cash and cash equivalents	495,716,490.98	163,998,060.23
Plus: Balance of cash and cash equivalents at the beginning of term	247,739,243.78	102,638,232.19
6. Balance of cash and cash equivalents at the end of the period	743,455,734.76	266,636,292.42

## 8. Cash Flow Statement of the Parent Between the Beginning of the Year and End of the Report Period

In RMB

Items	Amount occurred in the current period	Occurred in previous period
1. Net cash flow from business operations:		
Cash received from sales of products and providing of services	19,149,196.90	16,554,613.66
Tax refunded		
Other cash received from business operation	613,546,935.28	1,075,111,750.73
Sub-total of cash inflow from business operations	632,696,132.18	1,091,666,364.39
Cash paid for purchasing products and services	8,763,774.47	43,918,453.72
Cash paid to and for the staff	10,673,941.85	11,510,697.67
Taxes paid	3,209,222.02	2,111,259.38
Other cash paid for business	921,945,103.13	1,104,733,516.84

activities		
Sub-total of cash outflow from business operations	944,592,041.47	1,162,273,927.61
Cash flow generated by business operations, net	-311,895,909.29	-70,607,563.22
2. Cash flow generated by investment:		
Cash received from investment recovery	161,000,000.00	30,000,000.00
Cash received as investment profit	10,047,687.60	25,034,495.04
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets	300,000.00	4,190.00
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received		
Sub-total of cash inflow generated from investment	171,347,687.60	55,038,685.04
Cash paid for construction of fixed assets, intangible assets and other long-term assets	221,286.61	761,887.01
Cash paid as investment	64,000,000.00	
Net cash paid for acquiring subsidiaries and other operational units		
Other cash paid for investment		
Subtotal of cash outflows	64,221,286.61	761,887.01
Cash flow generated by investment activities, net	107,126,400.99	54,276,798.03
3. Cash flow generated by financing activities:		
Cash received from investment	460,899,992.60	
Cash received from borrowed loans	350,000,000.00	447,801,567.21
Cash received from bond placing		



Other cash received from financing activities	31.03	
Subtotal of cash inflow from financing activities	810,900,023.63	447,801,567.21
Cash paid to repay debts	448,425,600.00	300,000,000.00
Cash paid as dividend, profit, or interests	90,479,214.49	40,796,763.77
Other cash paid for financing activities	1,307,454.51	
Subtotal of cash outflow from financing activities	540,212,269.00	340,796,763.77
Net cash flow generated by financing activities	270,687,754.63	107,004,803.44
4. Influence of exchange rate changes on cash and cash equivalents		
5. Net increase in cash and cash equivalents	65,918,246.33	90,674,038.25
Plus: Balance of cash and cash equivalents at the beginning of term	25,582,149.17	22,006,065.49
6. Balance of cash and cash equivalents at the end of the period	91,500,395.50	112,680,103.74

## 2. Auditor's report

Whether the Q3 report is audited

Yes  No

The Q3 Report is not audited.