

**GUANGDONG JADIETE HOLDINGS GROUP COMPANY LIMITED**

**THIRD QUARTER REPORT 2016**

**2016-065**

**October 2016**

## **Section I Important Statements**

**The Board of Directors, the Supervisory Committee, directors, supervisors and senior management staff of Guangdong Jadiete Holdings Group Company Limited (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 the directors attended the board meeting for the review of the Report.**

**Ding Lihong, company principal, Chen Jincai, chief of the accounting work, and Zheng Guangde, chief of the accounting organ (chief of accounting), hereby confirm that the financial statements enclosed in this report are 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 & Shareholder Changes

### I Highlights of accounting data and financial indicators

Whether the Company performs any retroactive adjustments to or restatements of its accounting data of last year due to change in accounting policies or correction of accounting errors

Yes  No

	30 September 2016	31 December 2015	+/- (%)	
Total assets (RMB)	503,330,921.66	474,516,644.99	6.07%	
Net assets attributable to shareholders of the Company (RMB)	356,495,340.61	364,436,679.81	-2.18%	
	July-September 2016	YoY +/- (%)	January-September 2016	YoY +/- (%)
Operating revenues (RMB)	31,096,129.57	-81.97%	231,283,105.27	-10.11%
Net profit attributable to shareholders of the Company (RMB)	-3,633,237.49	52.26%	-7,941,339.20	-161.09%
Net profit attributable to shareholders of the Company excluding exceptional profit and loss (RMB)	-3,719,144.56	17.21%	-7,876,218.44	-427.38%
Net cash flows from operating activities (RMB)	--	--	-30,287,363.71	-287.82%
Basic earnings per share (RMB/share)	-0.011	52.26%	-0.025	-160.98%
Diluted earnings per share (RMB/share)	-0.011	52.26%	-0.025	-160.98%
Weighted average return on equity (%)	-0.94%	-0.32%	-2.20%	-5.63%

Unit: RMB

Item	January-September 2016	Note
Profit/loss on disposal of non-current assets (including offset asset impairment provisions)	60,006.60	Disposal of the Company vehicles
Profit/loss on fair value changes of transactional financial assets and liabilities & investment income from disposal of transactional financial assets and liabilities as well as financial assets available for sale, except for effective hedges related to normal business operations of the Company	232,376.43	Changes of the fair value from the stocks investment

Non-operating income and expense other than the above	-349,946.34	
Less: Corporate income tax	-14,390.82	
Minority interests (after tax)	21,948.27	
Total	-65,120.76	--

Explanation of why the Company classified an item as exceptional profit/loss according to the definition in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Exceptional Profit and Loss, or reclassified any exceptional profit/loss item given as an example in the said explanatory announcement to recurrent profit/loss

Applicable  Not applicable

No such cases in the Reporting Period.

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

### 1. Total number of ordinary shareholders and preference shareholders who had resumed their voting right & shareholdings of top 10 shareholders at the period-end

Unit: share

Total number of ordinary shareholders at the end of the Reporting Period		11,543	Total number of preference shareholders who had resumed their voting right at the end of the Reporting Period (if any)	0		
Shareholdings of top 10 shareholders						
Name of shareholder	Nature of shareholder	Shareholding percentage	Number of shares held	Number of restricted shares held	Pledged or frozen shares	
					Status	Number
Shenzhen Shenghengchang Huifu Industrial Co., Ltd.	Domestic non-state-owned corporation	36.99%	117,855,000	117,855,000	Pledged	117,855,000
Shenzhen Risheng Chuangyuan Asset Management Co., Ltd.	Domestic non-state-owned corporation	10.68%	34,020,000	34,020,000	Pledged	34,020,000
GUOTAI JUNAN SECURITIES (HONGKONG)	Foreign corporation	8.49%	27,063,103			

LIMITED						
Shenzhen Lianhua Hui ren Industrial Co., Ltd.	Domestic non-state-owned corporation	3.81%	12,150,000	1,215,000	Pledged	12,150,000
Su Youhe	Domestic natural person	2.27%	7,234,469			
Shanghai Hong Kong Wanguo Securities	Foreign corporation	2.15%	6,840,046			
China Everbright Securities (HK) Limited	Foreign corporation	1.46%	4,665,860			
Fan Jiongyang	Domestic natural person	0.46%	1,451,300			
Wei Guobin (Ngai Kwok Pan)	Domestic natural person	0.36%	1,145,816			
Chen Jinming	Domestic natural person	0.24%	765,500			

## Shareholdings of top 10 non-restricted shareholders

Name of shareholder	Number of non-restricted shares held at the period-end	Type of shares	
		Type	Number
GUOTAI JUNAN SECURITIES (HONGKONG) LIMITED	27,063,103	Domestically listed share	27,063,103
Su Youhe	7,234,469	Domestically listed share	7,234,469
Shanghai Hong Kong Wanguo Securities	6,840,046	Domestically listed share	6,840,046
China Everbright Securities (HK) Limited	4,665,860	Domestically listed share	4,665,860

Fan Jiongyang	1,451,300	Domestically listed share	foreign	1,451,300
Wei Guobin (Ngai Kwok Pan)	1,145,816	Domestically listed share	foreign	1,145,816
Chen Jinming	765,500	Domestically listed share	foreign	765,500
Chen Jianxing	732,344	Domestically listed share	foreign	732,344
Han Liang	711,458	Domestically listed share	foreign	711,458
Chen Zhenqi	701,800	Domestically listed share	foreign	701,800
Related or acting-in-concert parties among the above shareholders	Shenzhen Shenghengchang Huifu Industrial Co., Ltd., Shenzhen Risheng Chuangyuan Asset Management Co., Ltd. and Shenzhen Lianhua Huiren Industrial Co., Ltd., which belonged to action-in-concert promulgated by Measures for the Administration of Disclosure of Information on the Change of Shareholdings in Listed Companies. The Company did not know whether there existed related relationship among other shareholders.			

Did any of the top 10 ordinary shareholders or the top 10 non-restricted ordinary 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 preference shareholders and shareholdings of the top 10 of them at the period-end

Applicable  Not applicable

## Section III Significant Events

### I Changes in main accounting statement items and financial indicators in the Reporting Period, as well as reasons for the changes

Applicable  Not applicable

Item	30 September 2016/ January-September	31 December 2015/ January-September	+/- (%)	Note
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	2016	2015		
Accounts receivable	16,204,303.24	4,656,499.20	247.99	Chinese Gold Nobility strengthened sales promotion
Transactional financial assets	4,725,028.00	4,400.00	107,287.00	Increased investment in transactional financial assets
Other accounts receivable	781,507.32	7,618,577.72	-89.74	Decrease in accounts
Accounts paid in advance	30,174,917.90	855,041.60	3,429.06	Increase in prepayments to suppliers
Inventories	80,935,998.91	53,232,535.68	52.04	Increase in year-end stock
Accounts payable	37,519,409.57	1,594,036.50	2,253.74	Procurement of inventories
Business tax and surtaxes	138,780.94	3,101,502.54	-95.53	In the same period of last year, a business tax was recognized on the commodity house sales by subsidiary Puning Hengda Real Estate Development Co., Ltd.
Operating expense	2,013,313.48	828,575.52	142.98	Increase in selling expenses of Chinese Gold Nobility
Asset impairment loss	224,003.49	-443,870.21	-150.47	Change in the full-amount bad-debt provision of subsidiary Tianrui (HK) Trading Co., Ltd. due to exchange rate fluctuations
Non-operating expense	381,000.00	107,893.41	-253.13	Increase in donations
Return on investment	-8,787.57	14,284,601.42	100.06	Decrease in return on transactional financial assets

Net cash flows from operating activities	-30,287,363.71	16,125,919.12	287.82	Increase in procurement
Net cash flows from investing activities	-6,345,281.57	242,315,617.51	102.62	Decreased investment in transactional financial assets
Net cash flows from financing activities	0.00	15,918,333.46	100.00	Decrease in absorbed investments
Net increase in cash and cash equivalents	-36,632,552.21	274,359,914.02	113.35	Decrease in cash received from operating activities and net cash flows from investing and financing activities

## II Progress of significant events and analysis & explanations on their influence and solutions

√ Applicable □ Not applicable

1. During Reporting Period, the Company continued a pattern of losses, mainly was the low speed of macro-economic increase and the market consumption weak, development of business of Chinese Gold Nobility had been a certain influence. In order to solve the situation the Company faced in recent, under the precondition of strengthen traditional business, on the one hand turned to recover the trade business of controlling subsidiary Guangdong Rieys Group Company Ltd., on the other hand reopened security investment business, planned to enhance the Company's profitability by increase new business.

2. During Reporting Period, the Company continued suspension, within the period, the Company will actively promoted the progress of events with relevant institutions, from project design, communication, and revision, and open up a series of work, however, due to the Company implementation of significant no precedent events involving B share, the project need full demonstration. The Company hoped through the significant no precedent events, to solve the Company's issues left by history which stopping the development of the Company at one time and ensuring the Company's continuous and fast development.

3. On January 5, 2015, the Company entered into the Assets Transfer Agreement (hereinafter referred to as the "contract") with Guangdong Taihengyuan Industrial Co., Ltd. (hereinafter referred to as "Taihengyuan"). Taihengyuan has made to the Company the deposit and the second payment of transfer price RMB40 million, 66.67% of the total. Due to influence of the change of macro-environment and fluctuation of property market and other major factors, after several negotiations, an agreement had been reached upon the Taihengyuan delaying the transfer of assets ,so far, the aforesaid had not been transferred, nor hand over to Taihengyuan, both parties had submitted related materials of assets transfer to relevant government department and applied to transfer, the Company planned to complete the transfer at the end of the year and recover the final payment RMB20 million. The Company will in line with the actual progress situation further perfect relevant procedure and timely makes information disclosure.

Summary	Disclosure date	Query index
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### III Commitments of the Company, its shareholders, actual controller, acquirer, directors, supervisors, senior management or other related parties fulfilled in the Reporting Period or ongoing at the period-end

√ Applicable □ Not applicable

Commitment	Commitment maker	Type of commitment	Contents	Date of commitment making	Term of commitment	Fulfillment
Commitments made in share reform						
Commitments made in acquisition documents or shareholding alteration documents						
Commitments made in time of asset restructuring	The Company's largest shareholder Shenzhen Shenghengchang Huifeng Industrial Co., Ltd., the second largest shareholder Shenzhen Risheng Chuangyuan Asset Management Co., Ltd.	Commitment for avoiding and eliminating horizontal competition	Excepting Rieys, it can not in any area, in any form, engaged in production or business operation may form competition to Rieys and its subsidiaries which stipulated by the law, regulations and stipulations from CSRC.	21/5/2015	Perpetual	In execution

	<p>The Company's largest shareholder Shenzhen Shenghengchang Huifeng Industrial Co., Ltd., the second largest shareholder Shenzhen Risheng Chuangyuan Asset Management Co., Ltd.</p>	<p>Commitment for stipulating the related transaction</p>	<p>Will avoid and reduce the related transaction between it together with its related enterprise and Rieys to the greatest extent. If the related transaction with Rieys is inevitable, the transaction must be conducted in line with the principle of fair, just and sound and making compensation for equal value, the transaction price must be recognized in</p>	<p>5/21/2015</p>	<p>Perpetual</p>	<p>In execution</p>
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			line with the reasonable price of the market and related transaction decision making procedure avoiding voting of related transaction by the shareholders' general meeting which stipulated by Article of Association of Guangdong Rieys Group Company Ltd.			
Commitments made in time of IPO or refinancing						
Commitments concerning stock ownership incentive						
Other commitments made to minority shareholders	Part of directors,		Part of directors,	7/9/2015	Within 6 months after	In execution

	supervisors and senior executives		supervisors and senior executives, who want to increase stocks shall increase at any time when the price of the stock lower than 4 HKD/share within 6 months after the stock resumption.		stock resumption	
Commitments made in share reform	Yes					
Commitments made in acquisition documents or shareholding alteration documents	Not applicable					

#### IV Performance forecast for Y2016

Warning of possible loss or considerable YoY change in the accumulative net profit made during the year-beginning to the end of the next reporting period, as well as the reasons

Applicable  Not applicable

#### V Securities investment

Applicable  Not applicable

Variety of securities	Code of securities	Name of securities	Initial investment cost (RMB)	Opening number of shares held	Opening shareholding percentage	Closing number of shares held	Closing shareholding percentage	Closing book value (RMB)	Profit/loss in the Reporting Period (RMB)	Accounting title	Source of securities

Stock	600868	Meiyan Hydropower	4,483,864 .00	0	0.00%	893,200	100.00%	4,725,028 .00	241,164.0 0	Tradable financial assets	Purchase from secondar y market
Other security investment held at period-end			0.00	0	--	0	--	0.00	0.00	--	--
Total			4,483,864 .00	0	--	893,200	--	4,725,028 .00	241,164.0 0	--	--
Disclosure date of the board announcement on securities investment approval											
Disclosure date of the general meeting announcement on securities investment approval (if any)											

## VI Investment in derivative financial instruments

Applicable  Not applicable

No such cases in the Reporting Period.

## VII Visits paid to the Company for purposes of research, communication, interview, etc. during the Reporting Period

Applicable  Not applicable

Date of visit	Way of visit	Type of visitor	About
2016-07-01	By phone	Other	Time of Company stock resumption of trading
2016-07-04	By phone	Other	Time of Company stock resumption of trading and whether the General Meeting of Shareholders in 2015 had been held or not ?
2016-07-04	By phone	Other	Time of Company stock resumption of trading
2016-07-07	By phone	Other	Time of Company stock resumption of trading
2016-07-13	By phone	Other	Time of Company stock resumption of trading
2016-07-15	By phone	Other	Time of Company stock resumption of trading

			trading and progress of significant events of the Company
2016-07-21	By phone	Other	Time of Company stock resumption of trading
2016-08-11	By phone	Other	Whether the name of Company stock change or not, and need another registration or not?
2016-08-11	By phone	Other	Time of Company stock resumption of trading and progress of B share transfer into A share
2016-08-15	By phone	Other	Time of Company stock resumption of trading
2016-08-15	By phone	Other	Time of Company stock resumption of trading and change name of Company stock
2016-08-26	By phone	Other	Time of Company stock resumption of trading
2016-08-30	By phone	Other	Time of Company stock resumption of trading and progress of significant events of the Company recently
2016-09-20	By phone	Other	Time of Company stock resumption of trading
2016-09-21	By phone	Other	Time of Company stock resumption of trading and operation of the Company
2016-09-21	By phone	Other	Time of Company stock resumption of trading
2016-09-22	By phone	Other	Time of Company stock resumption of trading
2016-09-23	By phone	Other	Time of Company stock resumption of trading

### VIII Illegal provision of guarantees for external parties

Applicable  Not applicable

No such cases in the Reporting Period.

### IX Occupation of the Company's funds for non-operating purposes by the controlling shareholder and its related parties

Applicable  Not applicable

No such cases in the Reporting Period.

## Section IV Financial Statements

### I. Financial statements

#### 1. Consolidated balance sheet

Prepared by Guangdong Jadiete Holdings Group Company Limited

30 September 2016

Unit: RMB

Item	Closing balance	Opening balance
Current assets:		
Monetary funds	264,838,753.00	301,471,305.21
Settlement reserve		
Interbank lendings		
Financial assets at fair value through profit/loss	4,725,028.00	4,400.00
Derivative financial assets		
Notes receivable		
Accounts receivable	16,204,303.24	4,656,499.20
Accounts paid in advance	30,174,917.90	855,041.60
Premiums receivable		
Reinsurance premiums receivable		
Receivable reinsurance contract reserve		
Interest receivable		
Dividends receivable		
Other accounts receivable	781,507.32	7,618,577.72
Financial assets purchased under agreements to resell		
Inventories	80,935,998.91	53,232,535.68
Assets held for sale		
Non-current assets due within one year		
Other current assets		
Total current assets	397,660,508.37	367,838,359.41
Non-current assets:		
Loans and advances to customers		

Available-for-sale financial assets		
Held-to-maturity investments		
Long-term accounts receivable		
Long-term equity investments		
Investment property		
Fixed assets	74,615,050.78	75,118,031.89
Construction in progress		
Engineering materials		
Disposal of fixed assets		
Productive living assets		
Oil-gas assets		
Intangible assets	25,195,721.43	25,700,612.61
R&D expenses		
Goodwill	2,395,820.87	2,395,820.87
Long-term deferred expenses		
Deferred tax assets	3,463,820.21	3,463,820.21
Other non-current assets		
Total non-current assets	105,670,413.29	106,678,285.58
Total assets	503,330,921.66	474,516,644.99
Current liabilities:		
Short-term borrowings		
Borrowings from the Central Bank		
Money deposits accepted and inter-bank deposits		
Interbank borrowings		
Financial liabilities at fair value through profit/loss		
Derivative financial liabilities		
Notes payable		
Accounts payable	37,519,409.57	1,594,036.50
Accounts received in advance	15,667,658.05	14,718,891.99
Financial assets sold for repurchase		
Fees and commissions payable		
Payroll payable	436,324.93	449,772.90
Taxes and fares payable	9,236,672.12	12,796,779.45

Interest payable		
Dividends payable		
Other accounts payable	47,744,733.96	47,162,773.39
Reinsurance premiums payable		
Insurance contract reserve		
Payables for acting trading of securities		
Payables for acting underwriting of securities		
Liabilities held for sale		
Non-current liabilities due within one year		
Other current liabilities		
Total current liabilities	110,604,798.63	76,722,254.23
Non-current liabilities:		
Long-term borrowings		
Bonds payable		
Of which: Preference shares		
Perpetual bonds		
Long-term accounts payable		
Long-term payroll payable		
Special payables		
Provisions		
Deferred income		
Deferred tax liabilities		
Other non-current liabilities		
Total non-current liabilities		
Total liabilities	110,604,798.63	76,722,254.23
Owners' equity:		
Share capital	318,600,000.00	318,600,000.00
Other equity instruments		
Of which: Preference shares		
Perpetual bonds		
Capital reserve	52,129,496.58	52,129,496.58
Less: Treasury shares		
Other comprehensive income		

Special reserve		
Surplus reserve	86,036,260.20	86,036,260.20
Provisions for general risks		
Retained earnings	-100,270,416.17	-92,329,076.97
Equity attributable to owners of the Company	356,495,340.61	364,436,679.81
Minority interests	36,230,782.42	33,357,710.95
Total owners' equity	392,726,123.03	397,794,390.76
Total liabilities and owners' equity	503,330,921.66	474,516,644.99

Legal representative: Ding Lihong Chief of the accounting work: Chen Jincai Chief of the accounting organ: Zheng Guangde

## 2. Balance sheet of the Company

Unit: RMB

Item	Closing balance	Opening balance
Current assets:		
Monetary funds	2,066,075.71	250,310,105.45
Financial assets at fair value through profit/loss		
Derivative financial assets		
Notes receivable		
Accounts receivable	0.00	
Accounts paid in advance	66,198.00	620,547.00
Interest receivable		
Dividends receivable		
Other accounts receivable	113,361,115.04	67,107,566.05
Inventories		
Assets held for sale	0.00	
Non-current assets due within one year		
Other current assets		
Total current assets	115,493,388.75	318,038,218.50
Non-current assets:		
Available-for-sale financial assets		
Held-to-maturity investments		
Long-term accounts receivable		

Long-term equity investments	126,712,508.68	126,712,508.68
Investment property		
Fixed assets	72,375,188.74	73,702,221.24
Construction in progress		
Engineering materials	0.00	
Disposal of fixed assets		
Productive living assets		
Oil-gas assets		
Intangible assets	25,195,721.43	25,700,612.61
R&D expenses		
Goodwill		
Long-term deferred expenses		
Deferred tax assets	2,635,189.74	2,635,189.74
Other non-current assets		
Total non-current assets	226,918,608.59	228,750,532.27
Total assets	342,411,997.34	546,788,750.77
Current liabilities:		
Short-term borrowings		
Financial liabilities at fair value through profit/loss		
Derivative financial liabilities		
Notes payable		
Accounts payable	19,442.64	19,442.64
Accounts received in advance	553,533.00	158,333.00
Payroll payable	203,581.04	185,146.56
Taxes and fares payable	15,785,116.90	15,782,337.43
Interest payable		
Dividends payable		
Other accounts payable	50,628,607.43	246,824,498.89
Liabilities held for sale		
Non-current liabilities due within one year		
Other current liabilities		
Total current liabilities	67,190,281.01	262,969,758.52
Non-current liabilities:		
Long-term borrowings		

Bonds payable		
Of which: Preference shares		
Perpetual bonds		
Long-term payables		
Long-term payroll payable		
Special payables		
Provisions		
Deferred income		
Deferred tax liabilities		
Other non-current liabilities		
Total non-current liabilities		
Total liabilities	67,190,281.01	262,969,758.52
Owners' equity:		
Share capital	318,600,000.00	318,600,000.00
Other equity instruments		
Of which: Preference shares		
Perpetual bonds		
Capital reserve	52,129,496.58	52,129,496.58
Less: Treasury shares		
Other comprehensive income		
Special reserve		
Surplus reserve	86,036,260.20	86,036,260.20
Retained earnings	-181,544,040.45	-172,946,764.53
Total owners' equity	275,221,716.33	283,818,992.25
Total liabilities and owners' equity	342,411,997.34	546,788,750.77

### 3. Consolidated income statement for the Reporting Period

Unit: RMB

Item	July-September 2016	July-September 2015
1. Operating revenues	31,096,129.57	172,449,468.55
Including: Sales income	31,096,129.57	172,449,468.55
Interest income		
Premium income		
Fee and commission income		

2. Operating costs	34,541,222.39	173,911,767.20
Including: Cost of sales	29,518,839.65	168,639,273.70
Interest expenses		
Fee and commission expenses		
Surrenders		
Net claims paid		
Net amount provided as insurance contract reserve		
Expenditure on policy dividends		
Reinsurance premium		
Business tax and surtaxes	15,791.65	99,828.94
Selling expenses	823,421.02	657,535.34
Administrative expenses	3,752,104.80	3,744,469.69
Finance costs	374,395.55	556,838.34
Asset impairment loss	56,669.72	213,821.19
Add: Profit on fair value changes (“-” means loss)	241,164.00	-1,280.00
Return on investment (“-” means loss)	-7,264.63	
Including: Share of profit/loss of associates and joint ventures		
Exchange gains (“-” means loss)		
3. Operating profit (“-” means loss)	-3,211,193.45	-1,463,578.65
Add: Non-operating revenue	91,059.82	765,578.86
Including: Profit on disposal of non-current assets		
Less: Non-operating expense	181,000.00	
Including: Loss on disposal of non-current assets		
4. Total profit (“-” means loss)	-3,301,133.63	-697,999.79
Less: Corporate income tax	127,549.99	690,343.27
5. Net profit (“-” means loss)	-3,428,683.62	-1,388,343.06
Net profit attributable to owners of the Company	-3,633,237.49	-2,386,211.15
Minority interests' income	204,553.87	997,868.09
6. Other comprehensive income net of tax		
Other comprehensive income net		

of tax attributable to owners of the Company		
6.1 Other comprehensive income that will not be reclassified into profit/loss		
6.1.1 Changes in net liabilities or assets with a defined benefit plan upon re-measurement		
6.1.2 Share of other comprehensive income of investees that cannot be reclassified into profit/loss under the equity method		
6.2 Other comprehensive income to be subsequently reclassified into profit/loss		
6.2.1 Share of other comprehensive income of investees that will be reclassified into profit/loss under the equity method		
6.2.2 Profit/loss on fair value changes of available-for-sale financial assets		
6.2.3 Profit/loss on reclassifying held-to-maturity investments into available-for-sale financial assets		
6.2.4 Effective profit/loss on cash flow hedges		
6.2.5 Currency translation differences		
6.2.6 Other		
Other comprehensive income net of tax attributable to minority interests		
7. Total comprehensive income	-3,428,683.62	-1,388,343.06
Attributable to owners of the Company	-3,633,237.49	-2,386,211.15
Attributable to minority interests	204,553.87	997,868.09
8. Earnings per share		
8.1 Basic earnings per share	-0.011	-0.01
8.2 Diluted earnings per share	-0.011	-0.01

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 RMB0.00, with the corresponding amount for the last period being RMB0.00.

Legal representative: Ding Lihong Chief of the accounting work: Chen Jincai Chief of the accounting organ: Zheng Guangde

#### 4. Income statement of the Company for the Reporting Period

Unit: RMB

Item	July-September 2016	July-September 2015
1. Operating revenues	0.00	0.00
Less: Operating costs	0.00	0.00
Business tax and surtaxes		
Selling expenses		
Administrative expenses	2,692,491.09	2,706,617.58
Finance costs	327,624.51	360,046.55
Asset impairment loss		
Add: profit on fair value changes (“-” means loss)		0.00
Return on investment (“-” means loss)		
Including: Share of profit/loss of associates and joint ventures		
2. Operating profit (“-” means loss)	-3,020,115.60	-3,066,664.13
Add: Non-operating revenue	0.00	759,422.82
Including: Profit on disposal of non-current assets		
Less: Non-operating expense	150,000.00	
Including: Loss on disposal of non-current assets		
3. Total profit (“-” means loss)	-3,170,115.60	-2,307,241.31
Less: Corporate income tax		
4. Net profit (“-” means loss)	-3,170,115.60	-2,307,241.31
5. Other comprehensive income net of tax		
5.1 Other comprehensive income that will not be reclassified into profit and loss		
5.1.1 Changes in net liabilities or assets with a defined benefit plan upon re-measurement		
5.1.2 Share of other comprehensive income of investees that cannot be reclassified into profit/loss		

under the equity method		
5.2 Other comprehensive income to be subsequently reclassified into profit/loss		
5.2.1 Share of other comprehensive income of investees that will be reclassified into profit/loss under the equity method		
5.2.2 Profit/loss on fair value changes of available-for-sale financial assets		
5.2.3 Profit/loss on reclassifying held-to-maturity investments into available-for-sale financial assets		
5.2.4 Effective profit/loss on cash flow hedges		
5.2.5 Currency translation differences		
5.2.6 Other		
6. Total comprehensive income	-3,170,115.60	-2,307,241.31
7. Earnings per share		
7.1 Basic earnings per share	-0.010	-0.010
7.2 Diluted earnings per share	-0.010	-0.010

## 5. Consolidated income statement for the period from the year-beginning to the end of the Reporting Period

Unit: RMB

Item	January-September 2016	January-September 2015
1. Operating revenues	231,283,105.27	257,303,253.70
Including: Sales income	231,283,105.27	257,303,253.70
Interest income		
Premium income		
Fee and commission income		
2. Operating costs	234,317,706.08	255,362,443.17
Including: Cost of sales	220,113,682.22	241,857,278.95
Interest expenses		
Fee and commission expenses		
Surrenders		

Net claims paid		
Net amount provided as insurance contract reserve		
Expenditure on policy dividends		
Reinsurance premium		
Business tax and surtaxes	138,780.94	3,101,502.54
Selling expenses	2,013,313.48	828,575.52
Administrative expenses	10,713,596.54	8,769,967.72
Finance costs	1,114,329.41	1,248,988.65
Asset impairment loss	224,003.49	-443,870.21
Add: Profit on fair value changes (“-” means loss)	241,164.00	-1,428.00
Return on investment (“-” means loss)	-8,787.57	14,284,601.42
Including: Share of profit/loss of associates and joint ventures		
Exchange gains (“-” means loss)		
3. Operating profit (“-” means loss)	-2,802,224.38	16,223,983.95
Add: Non-operating revenue	91,060.26	965,579.14
Including: Profit on disposal of non-current assets		
Less: Non-operating expense	381,000.00	107,893.41
Including: Loss on disposal of non-current assets		
4. Total profit (“-” means loss)	-3,092,164.12	17,081,669.68
Less: Corporate income tax	1,976,103.61	2,672,064.18
5. Net profit (“-” means loss)	-5,068,267.73	14,409,605.50
Net profit attributable to owners of the Company	-7,941,339.20	12,998,744.49
Minority interests' income	2,873,071.47	1,410,861.01
6. Other comprehensive income net of tax		
Other comprehensive income net of tax attributable to owners of the Company		
6.1 Other comprehensive income that will not be reclassified into profit/loss		
6.1.1 Changes in net liabilities		

or assets with a defined benefit plan upon re-measurement		
6.1.2 Share of other comprehensive income of investees that cannot be reclassified into profit/loss under the equity method		
6.2 Other comprehensive income to be subsequently reclassified into profit/loss		
6.2.1 Share of other comprehensive income of investees that will be reclassified into profit/loss under the equity method		
6.2.2 Profit/loss on fair value changes of available-for-sale financial assets		
6.2.3 Profit/loss on reclassifying held-to-maturity investments into available-for-sale financial assets		
6.2.4 Effective profit/loss on cash flow hedges		
6.2.5 Currency translation differences		
6.2.6 Other		
Other comprehensive income net of tax attributable to minority interests		
7. Total comprehensive income	-5,068,267.73	14,409,605.50
Attributable to owners of the Company	-7,941,339.20	12,998,744.49
Attributable to minority interests	2,873,071.47	1,410,861.01
8. Earnings per share		
8.1 Basic earnings per share	-0.025	0.041
8.2 Diluted earnings per share	-0.025	0.041

Where business mergers under the same control occurred in the current period, the net profit achieved by the merged parties before the business mergers was RMB0.00, with the corresponding amount for the same period of last year being RMB0.00.

## 6. Income statement of the Company for the period from the year-beginning to the end of the Reporting Period

Unit: RMB

Item	January-September 2016	January-September 2015
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1. Operating revenues	0.00	0.00
Less: Operating costs	0.00	0.00
Business tax and surtaxes		
Selling expenses		
Administrative expenses	7,277,376.74	5,686,333.10
Finance costs	969,899.18	1,039,616.75
Asset impairment loss	0.00	
Add: profit on fair value changes (“-” means loss)	0.00	
Return on investment (“-” means loss)		97,229,923.57
Including: Share of profit/loss of associates and joint ventures		
2. Operating profit (“-” means loss)	-8,247,275.92	90,503,973.72
Add: Non-operating revenue	0.00	759,422.82
Including: Profit on disposal of non-current assets		
Less: Non-operating expense	350,000.00	35,611.68
Including: Loss on disposal of non-current assets		
3. Total profit (“-” means loss)	-8,597,275.92	91,227,784.86
Less: Corporate income tax		
4. Net profit (“-” means loss)	-8,597,275.92	91,227,784.86
5. Other comprehensive income net of tax		
5.1 Other comprehensive income that will not be reclassified into profit and loss		
5.1.1 Changes in net liabilities or assets with a defined benefit plan upon re-measurement		
5.1.2 Share of other comprehensive income of investees that cannot be reclassified into profit/loss under the equity method		
5.2 Other comprehensive income to be subsequently reclassified into profit/loss		
5.2.1 Share of other comprehensive income of investees that		

will be reclassified into profit/loss under the equity method		
5.2.2 Profit/loss on fair value changes of available-for-sale financial assets		
5.2.3 Profit/loss on reclassifying held-to-maturity investments into available-for-sale financial assets		
5.2.4 Effective profit/loss on cash flow hedges		
5.2.5 Currency translation differences		
5.2.6 Other		
6. Total comprehensive income	-8,597,275.92	91,227,784.86
7. Earnings per share		
7.1 Basic earnings per share	-0.030	0.290
7.2 Diluted earnings per share	-0.030	0.290

## 7. Consolidated cash flow statement for the period from the year-beginning to the end of the Reporting Period

Unit: RMB

Item	January-September 2016	January-September 2015
1. Cash flows from operating activities:		
Cash received from sale of commodities and rendering of service	259,674,830.64	303,300,655.48
Net increase in money deposits from customers and interbank placements		
Net increase in loans from the Central Bank		
Net increase in funds borrowed from other financial institutions		
Cash received from premium of original insurance contracts		
Net cash received from reinsurance business		
Net increase in deposits of policy holders and investment fund		
Net increase in disposal of financial assets at fair value through profit/loss		
Interest, fees and commissions received		

Net increase in interbank borrowings		
Net increase in funds in repurchase business		
Tax refunds received		
Cash received from other operating activities	916,724,520.92	571,418,764.26
Subtotal of cash inflows from operating activities	1,176,399,351.56	874,719,419.74
Cash paid for goods and services	284,072,472.80	301,766,123.78
Net increase in loans and advances to customers		
Net increase in funds deposited in the Central Bank and interbank placements		
Cash paid for claims of original insurance contracts		
Interest, fees and commissions paid		
Cash paid as policy dividends		
Cash paid to and for employees	3,445,059.28	7,927,419.19
Taxes and fares paid	2,843,512.58	4,840,022.71
Cash paid for other operating activities	916,325,670.61	544,059,934.94
Subtotal of cash outflows from operating activities	1,206,686,715.27	858,593,500.62
Net cash flows from operating activities	-30,287,363.71	16,125,919.12
2. Cash flows from investing activities:		
Cash received from retraction of investments	2,867.06	125,919,434.13
Cash received as return on investments	10.00	38,176,407.74
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	116,000.00	50,000.00
Net cash received from disposal of subsidiaries or other business units		194,723,800.00
Cash received from other investing activities		
Subtotal of cash inflows from investing activities	118,877.06	358,869,641.87
Cash paid to acquire fixed assets, intangible assets and other long-term assets	1,973,030.00	46,014.20

Cash paid for investment	4,491,128.63	116,508,010.16
Net increase in pledged loans		
Net cash paid to acquire subsidiaries and other business units		
Cash paid for other investing activities		
Subtotal of cash outflows from investing activities	6,464,158.63	116,554,024.36
Net cash flows from investing activities	-6,345,281.57	242,315,617.51
3. Cash flows from financing activities:		
Cash received from capital contributions		15,918,333.46
Including: Cash received from minority shareholder investments by subsidiaries		20,000,000.00
Cash received as borrowings		
Cash received from issuance of bonds		
Cash received from other financing activities		
Subtotal of cash inflows from financing activities		15,918,333.46
Repayment of borrowings		
Cash paid for interest expenses and distribution of dividends or profit		
Including: dividends or profit paid by subsidiaries to minority interests		
Cash paid for other financing activities		
Sub-total of cash outflows from financing activities		
Net cash flows from financing activities		15,918,333.46
4. Effect of foreign exchange rate changes on cash and cash equivalents	93.07	43.93
5. Net increase in cash and cash equivalents	-36,632,552.21	274,359,914.02
Add: Opening balance of cash and cash equivalents	301,471,305.21	16,669,591.58
6. Closing balance of cash and cash equivalents	264,838,753.00	291,029,505.60

## 8. Cash flow statement of the Company for the period from the year-beginning to the end of the Reporting Period

Unit: RMB

Item	January-September 2016	January-September 2015
1. Cash flows from operating activities:		
Cash received from sale of commodities and rendering of service	395,200.00	
Tax refunds received		
Cash received from other operating activities	14,307,160.33	333,588,381.52
Subtotal of cash inflows from operating activities	14,702,360.33	333,588,381.52
Cash paid for goods and services		
Cash paid to and for employees	899,948.65	787,162.40
Taxes and fares paid	20,425.50	878,726.91
Cash paid for other operating activities	260,846,015.92	472,923,029.86
Subtotal of cash outflows from operating activities	261,766,390.07	474,588,919.17
Net cash flows from operating activities	-247,064,029.74	-141,000,537.65
2. Cash flows from investing activities:		
Cash received from retraction of investments		105,566,978.42
Cash received as return on investments		38,143,343.42
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		194,723,800.00
Cash received from other investing activities		
Subtotal of cash inflows from investing activities		338,434,121.84
Cash paid to acquire fixed assets, intangible assets and other long-term assets	1,180,000.00	
Cash paid for investment		94,604,198.27
Net cash paid to acquire subsidiaries and other business units		30,000,000.00

Cash paid for other investing activities		
Subtotal of cash outflows from investing activities	1,180,000.00	124,604,198.27
Net cash flows from investing activities	-1,180,000.00	213,829,923.57
3. Cash flows from financing activities:		
Cash received from capital contributions		
Cash received as borrowings		
Cash received from issuance of bonds		
Cash received from other financing activities		
Subtotal of cash inflows from financing activities		
Repayment of borrowings		
Cash paid for interest expenses and distribution of dividends or profit		
Cash paid for other financing activities		
Sub-total of cash outflows from financing activities		0.00
Net cash flows from financing activities	0.00	0.00
4. Effect of foreign exchange rate changes on cash and cash equivalents		
5. Net increase in cash and cash equivalents	-248,244,029.74	72,829,385.92
Add: Opening balance of cash and cash equivalents	250,310,105.45	16,198,906.48
6. Closing balance of cash and cash equivalents	2,066,075.71	89,028,292.40

## II Auditor's report

Is this Report audited?

Yes  No

This Report is unaudited.