

# **FIYTA HOLDINGS LTD.**

## **2016 3<sup>rd</sup> Quarterly Report**

**October, 2016**

## **Section 1 Important Notes**

The Board of Directors, the Supervisory Committee, directors, supervisors and senior executives hereby individually and collectively accept responsibility for the correctness, accuracy and completeness of the contents of this Quarterly Report and confirm that there are neither material omissions nor errors which would render any statement misleading.

All the directors attended the board meeting for reviewing the Quarterly Report.

Mr. Xu Dongsheng, the Company leader, Mr. Chen Zhuo, chief financial officer, and Mr. Tian Hui, the manager of the accounting department (treasurer) hereby confirm the authenticity, accuracy and completeness of the financial report enclosed in this Quarterly Report.

## Section 2 Financial Summary and Change of Shareholders

### I. Key Accounting Data and Financial Indicators

Have the accounting data of the previous year undergone retroactive adjustment or restatement due to the change of accounting policy and/or correction of accounting errors, etc.?

No

	End of the reporting period	End of the previous year	Increase/decrease of the end of the Reporting Period vs the end of the previous year	
Total assets, in CNY	3,990,719,087.18	4,246,670,045.02	-6.03%	
Net assets attributable to the Company's shareholders, in CNY	2,372,769,004.61	2,299,215,650.21	3.20%	
	Reporting period	Increase/decrease of the Reporting Period vs the same period of the previous year	from year beginning to the end of the Reporting Period	Increase/decrease of the reporting period vs the same period of the previous year (%)
Operating revenue, in CNY	754,607,535.18	-3.76%	2,234,135,318.36	-9.47%
Net profit attributable to the Company's shareholders, in CNY	47,988,842.36	43.23%	108,321,268.16	1.60%
Net profit attributable to the Company's shareholders less the non-recurring items, in CNY	47,744,294.43	52.19%	107,356,110.63	3.90%
Net cash flows arising from operating activities, in CNY	--	--	291,041,032.07	12.27%
Basic earning per share (CNY/share)	0.1090	27.78%	0.2469	-9.03%
Diluted earning per share (CNY/share)	0.1090	27.78%	0.2469	-9.03%
Net assets-income ratio, weighted average	0.02%	3.18%	0.05%	-26.97%

In CNY

Items	From year beginning to the end of the reporting period	Notes
Gain and loss from disposal of non-current assets, including the part offset with the provision for impairment of assets	-227,443.75	Gain/Loss from disposal of partial obsolete office fixed assets in the reporting period
Government subsidy recognized in current gain and loss (excluding those closely related to the Company's business and granted under the state's policies according to certain quota of amount or volume)	1,296,015.95	Government subsidy counted to the current gain and loss
Income and expenses from the business other than the above items	150,960.07	Other various non-operating revenue and expenditure
Less: Amount affected by the income tax	254,374.74	
Total	965,157.53	--

For the Company's non-recurring gain/loss items as defined in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering their Securities to the Public – Non-recurring Gains and Losses and its non-recurring gain/loss items as illustrated in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering their Securities to the Public – Non-recurring Gains and Losses which have been defined as recurring gains and losses, it is necessary to explain the reason.

Inapplicable

## II. Total Shareholders and Shares Held by Top Ten Shareholders at the End of the Reporting Period

### 1. Statement of Total Shareholders of Common Shares and the Referred Shares with the Voting Power Recovered and the Shares Held by Top Ten Shareholders

In shares

Total shareholders of common shares at the end of the reporting period		38,418		Total shareholders of preferred shares with voting power recovered (if any)		0	
Shares held by the Top Ten Common Shareholders							
Shareholders' Names	Nature of Shareholders	Proportion of shares held	Number of shares held	Number of restricted shares held	Pledged or frozen		
					Status of the shares	Q'ty	
AVIC International Holdings Limited	State corporate shareholder	37.15%	162,977,327	0			

Golden Eagle-Minsheng Bank-Golden Eagle-Wens – Junye Flexible Configuration No. 3 Assets Management Plan	Domestic non-state corporate shareholder	2.08%	9,131,232	4,674,329		
Manulife Teda Fund – Minsheng Bank - Manulife Teda Value Growth Oriented additional issuance No. 351 Asset Management Plan	Domestic non-state corporate shareholder	2.07%	9,093,259	9,093,259		
Sws Mu Assets-China Merchants Bank – China Resources Sztitic Trust – Ruihua Fixed Growth Hedge Fund No. 2 Assembled Funds Trust Plan	Domestic non-state corporate shareholder	1.92%	8,429,118	8,429,118		
Tibet Autonomous Region Investment Co., Ltd.	State corporate shareholder	1.13%	4,976,551	4,976,551		

Manulife Teda Fund – ICBC – Manulife Teda International Trade Orient Dingzengbao No. 1 Assets Management Plan	Domestic non-state corporate shareholder	1.04%	4,546,630	4,546,630		
Dai Wen	Domestic natural person	0.46%	2,009,321	0		
Essence International Securities (Hong Kong) Limited	Overseas corporate	0.46%	2,000,000	0		
Manulife Teda Fund – ICBC –FORTUN E Securities Co., Ltd.	Domestic non-state corporate shareholder	0.38%	1,667,097	1,667,097		
China Merchants Securities (HK) Co., Limited	Overseas corporate	0.30%	1,316,969	0		
Shareholding of the Top 10 Shareholders of Non-restricted Shares						
Shareholder's Name	Quantity of Non-restricted Shares Held	Share type		Share type	Quantity	
AVIC International Holdings Limited	162,977,327	A-shares			162,977,327	
Golden Eagle-Minsheng Bank-Golden Eagle-Wens – Junye Flexible Configuration No. 3 Assets Management Plan	4,456,903	A-shares			4,456,903	
Dai Wen	2,009,321	A-shares			2,009,321	
Essence International Securities (Hong Kong) Limited	2,000,000	B-shares			2,000,000	
China Merchants Securities (HK) Co., Limited	1,316,969	B-shares			1,316,969	
Vanguard Investment Australia Ltd. -Vanguard Emerging Markets Stock Index Fund (VEIEX)	1,190,485	A-shares			1,190,485	
Li Zengjie	1,181,800	A-shares			1,181,800	

China Merchants Securities	1,174,000	A-shares	1,174,000
Liu Caixiang	1,135,200	A-shares	1,135,200
Hu Yongtian	891,400	A-shares	891,400
Note to the associated relationship or consistent action among the aforesaid shareholders	Among the top 10 shareholders, China Merchants Securities (HK) Co., Limited is a wholly-owned subsidiary of China Merchants Securities Co., Limited and the two are persons acting in concert, and all the 2,490,969 shares held by them are outstanding shares, taking 0.57% of the Company's total shares.		
Note to the top 10 shareholders of common shares involved in margin financing & securities lending (if any)	Inapplicable		

Was any of the top 10 shareholders of commons shares or any of the top 10 shareholders of non-restricted commons shares involved in any contractual repurchase trade?

No.

## **2. Total shareholders of preferred shares and statement of shareholding by the top 10 shareholders of preferred shares**

Inapplicable

## Section 3 Significant Events

### I. Changes in Items of the Major Accounting Statements and Financial Indicators and the Causes during the Reporting Period

#### I. Items in Balance Sheet

Items	Ending balance	Opening balance	Change rate (%)	Cause of Change
Notes receivable	4,812,452.93	7,197,788.08	-33.14%	It mainly refers to that the notes receivable were due at the beginning of the year and the payment concerned was recovered.
Prepayments	34,068,040.16	48,869,563.60	-30.29%	It mainly refers to that the partial advance payment for goods got settled ended the reporting period.
Other non-current assets	13,347,286.42	5,118,833.65	160.75%	Ended the reporting period, the advance payment for long term assets increased in comparison with year beginning
Accounts payable	63,383,403.37	155,939,686.54	-59.35%	Trad accounts payable during the reporting period decreased over the beginning of the year.
Remuneration payable to the employees	25,719,412.15	39,396,747.95	-34.72%	It mainly referred to that the year-end bonus payable to employees for year 2015 was paid at the beginning of 2016.
Interest payable	1,435,529.64	19,211,630.02	-92.53%	It mainly refers to the interest of "12 YADA BOND" for year 2015 payable at the beginning of the year was already paid at the beginning of 2016.
Non-current liabilities due within a year	17,210,000.00	108,914,000.00	-84.20%	The long term bank loan due within a year increased over the beginning of the year.
Other current liabilities	10,431,342.62	1,988,252.38	424.65%	Expenses provided at the end of the reporting period increased over the beginning of the reporting period.
Long term borrowings	125,838,844.52	90,994,964.33	38.29%	Specific project loan for Guangming New Zone Watch Industrial Base during the reporting period increased over the



				beginning of the year.
Bonds payable	-	399,823,760.28	-100.00%	"12 YADA Bond" was redeemed on February 29, 2016
Other comprehensive income	-8,038,615.37	-17,145,189.71	-53.11%	The translation reserve as at the end of the reporting period increased over the beginning of the reporting period.

## II. Items in Profit Statement

Items	Reporting period	Same Period of the Previous Year	Change rate (%)	Cause of Change
Loss from impairment of assets	1,909,350.83	797,169.61	139.52%	Reserve for bad debt of accounts receivable provided during the reporting period increased over the same period of the previous year.
Non-operating income	442,044.51	2,842,638.40	-84.45%	The government subsidy received during the reporting period decreased over the same period of the previous year.
Non-operating expenses	95,903.50	33,411.19	187.04%	Loss from scrapped non-current assets during the reporting period increased over the same period of the previous year.
Total profit	63,596,712.02	43,982,574.31	44.60%	The gross interest rate increased stimulated by downsizing inefficient shops, strict control over expenditures, adjustment of income structure, etc. and the overall earning power increased to some extent.
Income tax expenses	15,748,647.67	10,202,545.06	54.36%	It was mainly due to increase of the total profit during the reporting period.

## III. Cash Flow Statement Items

Items	From year beginning to the end of the Reporting Period	Same Period of the Previous Year	Change rate (%)	Cause of Change
Net amount of cash received from disposal of fixed assets,	4,142,748.05	196,417.11	2009.16%	It mainly refers to disposal of partial inefficient fixed assets during the

intangible assets and other long term assets				reporting period
Cash received from borrowings	865,749,959.13	1,560,609,499.90	-44.52%	Bank loan during the reporting period decreased over the same period of the previous year.
Other fund-raising related cash payments	992,669.19	151,274,743.60	-99.34%	It mainly refers to the borrowing returned to AVIC International Holdings amounting to CNY 150 million in the same period of the previous year.

## II. Progress of Significant Events and their Influences and Notes to Analysis on Solutions

### 1. About Non-public Issuing of A-shares

The 18th meeting of the Seventh Board of Directors held on April 16, 2015 reviewed and approved the Proposal on the Plan for Non-public Issuing of A-shares to the Specified Investors and other relevant proposal(s). For the detail, refer to the Announcement on the Resolutions of the 18th Meeting of the Seventh Board of Directors. 2015-008;

On June 2, 2015, the Company received the Official Reply to some Issues concerning Non-public Issuing of A-shares by FIYTA Holdings Ltd. (GUO ZI CHAN QUAN [2015] No. 415 from the State-owned Assets Supervision and Administration Commission of the State Council. For the detail, refer to the Announcement on the Official Reply of the State-owned Assets Supervision and Administration Commission of the State Council to some Issues concerning Non-public Issuing 2015-08 disclosed on Securities Times, Hong Kong Commercial Daily and [www.cninfo.com.cn](http://www.cninfo.com.cn).

2014 Annual General Meeting held on June 17, 2015 reviewed and approved the Proposal on the Plan for Non-public Issuing of A-shares to the Specified Investors and other relevant proposals, for the detail, refer to the Announcement on the Resolution of 2014 Annual General Meeting 2015-020 disclosed on Securities Times, Hong Kong Commercial Daily and [www.cninfo.com.cn](http://www.cninfo.com.cn).

On July 1, 2015, the Company received the Notice of China Securities Regulatory Commission on Accepting the Application for Administrative Licensing issued by China Securities Regulatory Commission (CSRC) (No. 152013). For the detail, refer to the Announcement on Accepting Application for Non-public Issuing of A-shares by China Securities Regulatory Commission 2015-021 disclosed on Securities Times, Hong Kong Commercial Daily and [www.cninfo.com.cn](http://www.cninfo.com.cn);

On September 8, 2015, the Company received the Notice on the Feedback Opinions of China Securities Regulatory Commission on Examination of the Administrative Licensing Project (No. 152013). For the detail, refer to the Announcement on the Receiving of the Notice on the Feedback Opinions of China Securities Regulatory Commission on Examination of the Administrative Licensing Project 2015-034 disclosed on Securities Times, Hong Kong Commercial Daily and [www.cninfo.com.cn](http://www.cninfo.com.cn);

The Company and the relevant intermediary carefully studied and implemented the Feedback Opinions, supplemented the materials and submitted reply to the questions according to the requirements of the Feedback Opinions. For the detail, refer to the Announcement on the Reply to the Feedback Opinions on the Application for Non-public Issuing of A-shares

2015-035, disclosed on Securities Times, Hong Kong Commercial Daily and [www.cninfo.com.cn](http://www.cninfo.com.cn);

The 17th meeting of the Seventh Board of Directors and 2014 Annual General Meeting reviewed and approved the Profit Distribution Plan for Year 2014. According to the relevant provisions of the Rules for Implementation on Non-public Issuing of Listed Companies, etc., if the Company had ex-rights/ex-dividend events such as dividend distribution, bonus shares distribution, conversion of capital reserve into share capital, etc., during the period from the pricing benchmark to the issuing day, the issuing price would be adjusted correspondingly. Within the authorization by the Board of Directors, the Company made adjustment of the plan of the non-public issuing of A-shares. For the detail, refer to the Announcement on Adjustment of the Issuing Price and Issuing Volume of the A-shares to be Issued in a Non-public Way 2015-036, disclosed on Securities Times, Hong Kong Commercial Daily and [www.cninfo.com.cn](http://www.cninfo.com.cn).

In compliance with the Feedback Opinions, the Company disclosed the Announcement on the Indication of Risk of Diluting the Immediate Returns from the Non-public Issuing and the Measures the Company Intends to Take 2015-037 and the Announcement on the Penalty Given or Supervision Measures Taken by the Securities Regulatory Authority and the Stock Exchange in the Past Five Years 2015-038;

On October 30, 2015, the application for non-public issuing of A-shares was approved by CSRC Securities Issuance Examination Committee. For the detail, refer to the Announcement on Approval of the Application for Non-public Issuing of A-shares by CSRC Securities Issuance Examination Committee, 2015-042;

On November 17, 2015, the Company received the Official Reply to FIYTA Holdings Ltd. for Approval of Non-public Issuing of Shares of (ZHENG JIAN XU KE [2015]No. 2588). For the detail, refer to the Announcement on Approval of the Application for Non-public Issuing of A-shares by China Securities Regulatory Commission 2015-043;

On January 15, 2016, the Company's A-shares issued in a non-public way got listed with Shenzhen Stock Exchange and the Company published the announcement for listing and the announcement on the related commitments. For the detail, refer to the Report on the Non-public Issuing and Announcement on Listing 2016-003 and the Announcement on the Commitments for the Shares Issued in a Non-public Way 2016-004.

## 2. Engagement of CPAs

The 11th meeting of the Eighth Board of Directors held on October 25, 2016 reviewed and approved the Proposal on Engagement of CPAs, and planned to engage Ruihua Certified Public Accountants LLP as the Company's independent auditor and auditor of the Company's internal controls for year 2016. For the detail, refer to the Announcement on the Resolutions of the 11th Meeting of the Eighth Board of Directors 2016-036 and the Announcement on Engagement of the CPAs 2016-037. The matter is subject to review and approval by the General Meeting before implementation.

Summary of Significant Events	Date of Disclosure	Website where the provisional reports are disclosed for inquiry index
Report on the Non-public Issuing and Announcement on Listing 2016-003	January 14, 2016	<a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a>
Announcement on the Commitments for the Shares Issued in a Non-public Way 2016-004	January 14, 2016	<a href="http://www.cninfo.com.cn">www.cninfo.com.cn</a>

Announcement on the Resolution of the 11 <sup>th</sup> Meeting of the Eighth Board of Directors 2016-036	October 27, 2016	www.cninfo.com.cn
Announcement on Engagement of the CPAs 2016-037	October 27, 2016	www.cninfo.com.cn

**III. Commitments Completed in Implementation by the Company, its Shareholders, Actual Controller, Acquirer, Directors, Directors, Senior Executives or other Related Parties during the Reporting Period or Uncompleted in Implementation by the End of the Reporting Period**

Commitments	Promisers	Commitment type	Description	Time of commitment	Commitment deadline	Implementation status
Commitment for Equity Separation Reform						
Commitments in the acquisition report or the written report on change of equity						
Commitment made at the time of asset reorganization						

Commitment made at IPO or re-financing	Caitong Fund Management Co., Ltd.; MANULIFE TEDA Fund Management Co, Ltd.; Xizang Investment Co., Ltd.; Golden Eagle Asset Management Co., Ltd.; Sws Mu Fund Management Co., Ltd	Commitment for restriction on sales of the shares	Commitment of the investors of the non-public issuing - Caitong Fund Management Co., Ltd., MANULIFE TEDA Fund Management Co, Ltd., Xizang Investment Co., Ltd., Golden Eagle Asset Management Co., Ltd., Sws Mu Fund Management Co., Ltd: the shares subscribed by them from the non-public issuing shall not be transferred in 12 months commencing from the dater of listing.	January 15, 2016	1 year	In process of implementation
Equity incentive commitment						
Other commitments to the minority shareholders						
Has the commitment been implemented in a timely way?	Yes					
In case any commitment has not yet been implemented within the deadline,	Inapplicable					

state in detail the specific cause of the failure and the future working plan	
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#### **IV. Prediction of the Operation Results of Year 2016**

Inapplicable

#### **V. Investment in Securities**

Inapplicable

#### **VI. Investment in Derivatives**

Inapplicable

#### **VII. Registry of such Activities as Reception of the Visitors of Research, Communications, Interview, etc. during the Reporting Period**

Inapplicable

#### **VIII. Outward Guarantee against the Regulations**

Inapplicable

#### **IX. The Company's Fund Occupied by its Controlling Shareholder or Related Party for Non-operation Purpose**

Inapplicable

## Section 4 Financial Statements

### I. Financial Statements

#### 1. Consolidated Balance Sheet

Prepared by Fiyta Holdings Ltd.

September 30, 2016

In CNY

Items	Ending balance	Opening balance
Current assets:		
Monetary funds	478,024,625.22	638,962,875.93
Settlement Reserve		
Inter-bank lending		
Financial assets which were measured based on the fair value and its change was counted to the current gain and loss		
Derivative financial assets		
Notes receivable	4,812,452.93	7,197,788.08
Accounts receivable	350,048,714.86	304,725,676.29
Prepayments	34,068,040.16	48,869,563.60
Insurance premium receivable		
Reinsurance accounts receivable		
Accounts receivable reinsurance reserve		
Interest receivable		
Dividends receivable		
Other receivables	46,463,965.00	39,847,732.76
Buying and selling back financial assets		
Inventories:	1,980,412,367.49	2,092,691,019.29
Assets classified as that held for sale		
Non-current assets due within a		

year		
Other current assets	11,369,575.16	15,796,773.56
Total current assets	2,905,199,740.82	3,148,091,429.51
Non-Current Assets:		
Loan provision and advances		
Available-for-sale financial assets	85,000.00	85,000.00
Held –to-maturity investment		
Long-term accounts receivable		
Long-term equity investment	42,837,994.24	43,221,572.05
Investment based real estate	210,090,383.62	216,948,193.02
Fixed assets	349,903,620.68	361,979,828.01
Construction-in-progress	208,400,961.10	173,189,274.57
Engineering supplies		
Disposal of fixed assets		
Productive biological assets		
Oil and gas asset		
Intangible assets	34,238,128.44	36,429,626.66
Development expenses		
Goodwill		
Long-term expenses to be apportioned	134,868,644.54	155,704,564.39
Deferred income tax asset	91,747,327.32	105,901,723.16
Other non-current assets	13,347,286.42	5,118,833.65
Total non-current assets	1,085,519,346.36	1,098,578,615.51
Total assets	3,990,719,087.18	4,246,670,045.02
Current liabilities:		
Short-term Loan	1,236,099,739.12	988,186,200.00
Borrowings from central bank		
Receipt of deposits and deposits from other banks		
Loans from other banks		
Financial liabilities which were measured based on the fair value and its change was charged to the current gain and loss		



Derivative financial liabilities		
Notes payable		
Accounts payable	63,383,403.37	155,939,686.54
Advance receipts	17,796,322.82	18,031,129.87
Funds from selling out and repurchasing financial assets		
Service charge and commission payable		
Salaries payable to the employees	25,719,412.15	39,396,747.95
Taxes payable	61,109,919.91	68,921,732.81
Interest payable	1,435,529.64	19,211,630.02
Dividends payable		
Other payables	50,709,344.23	48,131,616.20
Reinsurance payable		
Insurance contract reserve		
Funds from securities trading agency		
Funds from underwriting securities agency		
Liabilities classified as that held for sale		
Non-current liabilities due within a year	17,210,000.00	108,914,000.00
Other current liabilities	10,431,342.62	1,988,252.38
Total current liabilities	1,483,895,013.86	1,448,720,995.77
Non-Current Liabilities:		
Long term borrowings	125,838,844.52	90,994,964.33
Bonds payable		399,823,760.28
Including: preferred shares		
Permanent liabilities		
Long term accounts payable		
Long term remuneration payable to employees		
Special accounts payable		
Predicted liabilities		

Deferred income	4,800,000.00	4,300,000.00
Deferred income tax liability		
Other non-current liabilities		
Total non-current liabilities	130,638,844.52	495,118,724.61
Total liabilities	1,614,533,858.38	1,943,839,720.38
Owner's equity		
Capital stock	438,744,881.00	438,744,881.00
Other equity instruments		
Including: preferred shares		
Permanent liabilities		
Capital reserve	1,062,455,644.22	1,062,455,644.22
Less: shares in stock		
Other comprehensive income	-8,038,615.37	-17,145,189.71
Special reserve		
Surplus reserve	179,743,077.15	179,743,077.15
General risk reserve		
Retained earnings	699,864,017.61	635,417,237.55
Total owner's equity attributable to the parent company	2,372,769,004.61	2,299,215,650.21
Minority equity	3,416,224.19	3,614,674.43
Total owners' equity	2,376,185,228.80	2,302,830,324.64
Total liabilities and owners' equity	3,990,719,087.18	4,246,670,045.02

Legal representative: Xu Dongsheng  
Accounting Department: Tian Hui

Chief Financial Officer: Chen Zhuo

Person in charge of the

## 2. Balance Sheet, Parent Company

In CNY

Items	Ending balance	Opening balance
Current assets:		
Monetary funds	263,016,832.46	513,869,824.81
Financial assets which were measured based on the fair value and its change was counted to the current gain and loss		
Derivative financial assets		

Notes receivable		
Accounts receivable		
Prepayments		
Interest receivable		
Dividends receivable		
Other receivables	1,297,761,251.94	1,527,756,817.18
Inventories:		
Assets classified as that held for sale		
Non-current assets due within a year		
Other current assets	4,280,480.90	2,089,651.83
Total current assets	1,565,058,565.30	2,043,716,293.82
Non-Current Assets:		
Available-for-sale financial assets	85,000.00	85,000.00
Held –to-maturity investment		
Long-term accounts receivable		
Long-term equity investment	1,256,007,714.24	814,121,292.05
Investment based real estate	210,090,383.62	216,948,193.02
Fixed assets	112,782,850.81	113,553,719.50
Construction-in-progress	208,400,961.10	173,189,274.57
Engineering supplies		
Disposal of fixed assets		
Productive biological assets		
Oil and gas asset		
Intangible assets	27,921,396.73	30,104,404.98
Development expenses		
Goodwill		
Long-term expenses to be apportioned	4,761,661.31	4,693,186.19
Deferred income tax asset	1,081,888.10	1,081,888.10
Other non-current assets	13,347,286.42	5,118,833.65
Total non-current assets	1,834,479,142.33	1,358,895,792.06
Total assets	3,399,537,707.63	3,402,612,085.88

Current liabilities:		
Short-term Loan	990,000,000.00	700,000,000.00
Financial liabilities which were measured based on the fair value and its change was charged to the current gain and loss		
Derivative financial liabilities		
Notes payable		
Accounts payable	245,339.76	23,711,339.76
Advance receipts	3,139,028.93	3,207,516.61
Salaries payable to the employees	2,269,460.10	8,188,793.56
Taxes payable	4,404,146.09	2,857,031.42
Interest payable	1,315,904.64	18,170,745.35
Dividends payable		
Other payables	16,340,366.91	17,550,238.03
Liabilities classified as that held for sale		
Non-current liabilities due within a year		
Other current liabilities		
Total current liabilities	1,017,714,246.43	773,685,664.73
Non-Current Liabilities:		
Long term borrowings	119,861,928.00	68,361,928.00
Bonds payable		399,823,760.28
Including: Preferred shares		
Permanent liabilities		
Long term accounts payable		
Long term remuneration payable to employees		
Special accounts payable		
Predicted liabilities		
Deferred income	4,800,000.00	4,300,000.00
Deferred income tax liability		
Other non-current liabilities		
Total non-current liabilities	124,661,928.00	472,485,688.28

Total liabilities	1,142,376,174.43	1,246,171,353.01
Owner's equity		
Capital stock	438,744,881.00	438,744,881.00
Other equity instruments		
Including: preferred shares		
Permanent liabilities		
Capital reserve	1,068,111,185.32	1,068,111,185.32
Less: shares in stock		
Other comprehensive income		
Special reserve		
Surplus reserve	179,743,077.15	179,743,077.15
Retained earnings	570,562,389.73	469,841,589.40
Total owners' equity	2,257,161,533.20	2,156,440,732.87
Total liabilities and owners' equity	3,399,537,707.63	3,402,612,085.88

Legal representative: Xu Dongsheng

Chief Financial Officer: Chen Zhuo

Person in charge of the

Accounting Department: Tian Hui

### 3 Consolidated Statement of Profit in the Reporting Period

In CNY

Items	Amount incurred in the reporting period	Amount incurred in the previous period
I. Gross Revenue	754,607,535.18	784,087,458.61
Including: revenue	754,607,535.18	784,087,458.61
Interest income		
Earned premium		
Service charge and commission income		
II. Total operating cost	691,537,557.81	743,104,095.76
Including: operating costs	438,098,536.83	467,440,370.00
Interest payment		
Service charge and commission payment		
Refunded premiums		
Compensation pay-out, net		

Net amount of reserves for reinsurance contract		
Policy dividend payment		
Reinsurance expenses		
Business taxes and surcharge	6,640,491.47	6,937,700.88
Sales expenses	182,290,250.26	199,194,695.14
Administrative expenses	46,470,757.63	47,489,993.69
Financial expenses	16,128,170.79	21,244,166.44
Loss from impairment of assets	1,909,350.83	797,169.61
Plus: Income from change of fair value (loss is stated with "-")		
Investment income (loss is stated with "-")	180,593.64	189,984.25
Including: income from investment in associates and joint ventures	180,593.64	189,984.25
Exchange income (loss is stated with "-")		
III. Operating Profit (loss is stated with "-")	63,250,571.01	41,173,347.10
Plus: Non-operating income	442,044.51	2,842,638.40
Including: profit from disposal of non-current assets	2.91	
Less: Non-operating expenses	95,903.50	33,411.19
Including: Loss from disposal of non-current assets	143,573.63	5,315.38
IV. Total profit (total loss is stated with "-")	63,596,712.02	43,982,574.31
Less: Income tax expense	15,748,647.67	10,202,545.06
V. Net Profit (net loss is stated with "-")	47,848,064.35	33,780,029.25
Net profit attributable to the	47,988,842.36	33,505,446.25

parent company's owner		
Minority shareholders' gain/loss	-140,778.01	274,583.00
VI. Net of other comprehensive income after tax	-451,219.34	-2,936,915.29
Net of other comprehensive income after tax attributable to the parent company's owner	-471,302.37	-3,074,460.73
(I) Other comprehensive income which cannot be re-classified into the gain and loss		
1. Movement of the net liabilities and net assets re-measured for setting the beneficial plan		
2. Share enjoyable in the other comprehensive income in which the investee cannot be re-classified into the gain and loss under the equity method		
(II) Other comprehensive income which cannot be re-classified into the gain and loss in future	-471,302.37	-3,074,460.73
1. Share enjoyable in the other comprehensive income in which the investee cannot be re-classified into the gain and loss under the equity method in future		
2. Gain/loss from change in the fair value of the financial assets available for sale		
3. Gain/loss from which the held-to-maturity investment is re-classified as available-for-sale financial assets		
4. Valid part of the gain/loss from cash flow hedge		
5. Converted difference in Foreign Currency Statements	-471,302.37	-3,074,460.73

6. Others		
Net amount of the after-tax other comprehensive income attributable to minority shareholders	20,083.03	137,545.44
VII. Total comprehensive income	47,396,845.01	30,843,113.96
Total comprehensive income attributable to the owner of the parent company	47,517,539.99	30,430,985.52
Total comprehensive income attributable to minority shareholders	-120,694.98	412,128.44
VIII. Earnings per share:		
(I) Basic earnings per share	0.1090	0.0853
(II) Diluted earnings per share	0.1090	0.0853

Legal representative: Xu Dongsheng

Chief Financial Officer: Chen Zhuo

Person in charge of the

Accounting Department: Tian Hui

#### 4. Statement of Profit in the Reporting Period, Parent Company

In CNY

Items	Amount incurred in the reporting period	Amount incurred in the previous period
I. Revenue	24,201,543.68	23,288,510.10
Less: Business costs	3,641,992.53	3,551,411.17
Business taxes and surcharge	146,079.08	1,358,561.78
Sales expenses		
Administrative expenses	13,057,505.42	12,473,021.13
Financial expenses	1,965,393.14	-26,200.60
Loss from impairment of assets		
Plus: Income from change of fair value (loss is stated with "-")		
Investment income (loss is stated with "-")		189,984.25
Including: income from		189,984.25



investment in associates and joint ventures		
II. Operating Profit (loss is stated with “-“)	5,390,573.51	6,121,700.87
Plus: Non-operating income	4,000.00	162,288.80
Including: profit from disposal of non-current assets		
Less: Non-operating expenses		
Including: Loss from disposal of non-current assets		
III. Total profit (total loss is stated with “-“)	5,394,573.51	6,283,989.67
Less: Income tax expense	1,122,895.86	1,302,358.44
IV. Net Profit (net loss is stated with “-“)	4,271,677.65	4,981,631.23
V. Net of other comprehensive income after tax		
(I) Other comprehensive income which cannot be re-classified into the gain and loss		
1. Movement of the net liabilities and net assets re-measured for setting the beneficial plan		
2. Share enjoyable in the other comprehensive income in which the investee cannot be re-classified into the gain and loss under the equity method		
(II) Other comprehensive income which cannot be re-classified into the gain and loss in future		
1. Share enjoyable in the other comprehensive income in which the investee cannot be re-classified into the gain and loss under the equity method in future		
2. Gain/loss from		

change in the fair value of the financial assets available for sale		
3. Gain/loss from which the held-to-maturity investment is re-classified as available-for-sale financial assets		
4. Valid part of the gain/loss from cash flow hedge		
5. Conversion difference in foreign currency statements		
6. Others		
VI. Total comprehensive income	4,271,677.65	4,981,631.23
VII. Earnings per share:		
(I) Basic earnings per share	0.0097	0.0113
(II) Diluted earnings per share	0.0097	0.0113

Legal representative: Xu Dongsheng  
Accounting Department: Tian Hui

Chief Financial Officer: Chen Zhuo

Person in charge of the

## 5. Consolidated Statement of Profit from Year Beginning to the End of the Reporting Period

In CNY

Items	Amount incurred in the reporting period	Amount incurred in the previous period
I. Gross Revenue	2,234,135,318.36	2,467,880,706.20
Including: revenue	2,234,135,318.36	2,467,880,706.20
Interest income		
Earned premium		
Service charge and commission income		
II. Total operating cost	2,095,795,948.68	2,333,109,565.41
Including: operating costs	1,319,761,817.34	1,505,422,091.35
Interest payment		
Service charge and commission payment		
Refunded premiums		

Compensation pay-out, net		
Net amount of reserves for reinsurance contract		
Policy dividend payment		
Reinsurance expenses		
Business taxes and surcharge	19,709,073.59	22,016,317.43
Sales expenses	560,297,890.37	585,491,923.06
Administrative expenses	141,317,767.23	147,621,170.34
Financial expenses	51,358,824.77	72,133,953.23
Loss from impairment of assets	3,350,575.38	424,110.00
Plus: Income from change of fair value (loss is stated with "-")		
Investment income (loss is stated with "-")	172.19	440,000.00
Including: income from investment in associates and joint ventures	172.19	440,000.00
Exchange income (loss is stated with "-")		
III. Operating Profit (loss is stated with "-")	138,339,541.87	135,211,140.79
Plus: Non-operating income	1,844,404.79	4,692,473.67
Including: profit from disposal of non-current assets	10,962.91	69,750.00
Less: Non-operating expenses	624,872.52	378,811.78
Including: Loss from disposal of non-current assets	238,406.66	40,864.60
IV. Total profit (total loss is stated with "-")	139,559,074.14	139,524,802.68
Less: Income tax expense	31,528,361.21	32,464,205.29
V. Net Profit (net loss is stated with	108,030,712.93	107,060,597.39

"-")		
Net profit attributable to the parent company's owner	108,321,268.16	106,614,865.98
Minority shareholders' gain/loss	-290,555.23	445,731.41
VI. Net of other comprehensive income after tax	9,198,679.33	4,225,875.48
Net of other comprehensive income after tax attributable to the parent company's owner	9,106,574.34	4,088,715.53
(I) Other comprehensive income which cannot be re-classified into the gain and loss		
1. Movement of the net liabilities and net assets re-measured for setting the beneficial plan		
2. Share enjoyable in the other comprehensive income in which the investee cannot be re-classified into the gain and loss under the equity method		
(II) Other comprehensive income which cannot be re-classified into the gain and loss in future	9,106,574.34	4,088,715.53
1. Share enjoyable in the other comprehensive income in which the investee cannot be re-classified into the gain and loss under the equity method in future		
2. Gain/loss from change in the fair value of the financial assets available for sale		
3. Gain/loss from which the held-to-maturity investment is re-classified as available-for-sale financial assets		
4. Valid part of the gain/loss from cash flow hedge		

5. Conversion difference in foreign currency statements	9,106,574.34	4,088,715.53
6. Others		
Net amount of the after-tax comprehensive income attributable to minority shareholders	92,104.99	137,159.95
VII. Total comprehensive income	117,229,392.26	111,286,472.87
Total comprehensive income attributable to the owner of the parent company	117,427,842.50	110,703,581.51
Total comprehensive income attributable to minority shareholders	-198,450.24	582,891.36
VII. Earnings per share:		
(I) Basic earnings per share	0.2469	0.2714
(II) Diluted earnings per share	0.2469	0.2714

Legal representative: Xu Dongsheng  
Accounting Department: Tian Hui

Chief Financial Officer: Chen Zhuo

Person in charge of the

## 6. Statement of Profit from Year Beginning to the End of the Reporting Period, Parent Company

In CNY

Items	Amount incurred in the reporting period	Amount incurred in the previous period
I. Revenue	73,346,749.19	70,818,511.00
Less: Business costs	10,425,234.15	10,497,922.56
Business taxes and surcharge	2,202,125.40	3,886,791.98
Sales expenses		
Administrative expenses	40,695,696.32	37,513,075.12
Financial expenses	8,544,259.24	163,512.56
Loss from impairment of assets		-434,290.83
Plus: Income from change of		

fair value (loss is stated with "-")		
Investment income (loss is stated with "-")	135,344,832.55	131,828,140.58
Including: income from investment in associates and joint ventures	172.19	440,000.00
II. Operating Profit (loss is stated with "-")	146,824,266.63	151,019,640.19
Plus: Non-operating income	116,119.88	336,288.80
Including: profit from disposal of non-current assets		
Less: Non-operating expenses	300,000.00	14,678.42
Including: Loss from disposal of non-current assets		14,678.42
III. Total profit (total loss is stated with "-")	146,640,386.51	151,341,250.57
Less: Income tax expense	2,045,098.08	4,210,297.94
IV. Net Profit (net loss is stated with "-")	144,595,288.43	147,130,952.63
V. Net of other comprehensive income after tax		
(I) Other comprehensive income which cannot be re-classified into the gain and loss		
1. Movement of the net liabilities and net assets re-measured for setting the beneficial plan		
2. Share enjoyable in the other comprehensive income in which the investee cannot be re-classified into the gain and loss under the equity method		
(II) Other comprehensive income which cannot be re-classified into the gain and loss in future		
1. Share enjoyable in the other comprehensive income		

in which the investee cannot be re-classified into the gain and loss under the equity method in future		
2. Gain/loss from change in the fair value of the financial assets available for sale		
3. Gain/loss from which the held-to-maturity investment is re-classified as available-for-sale financial assets		
4. Valid part of the gain/loss from cash flow hedge		
5. Conversion difference in foreign currency statements		
6. Others		
VI. Total comprehensive income	144,595,288.43	147,130,952.63
VII. Earnings per share:		
(I) Basic earnings per share	0.3296	0.3746
(II) Diluted earnings per share	0.3296	0.3746

Legal representative: Xu Dongsheng  
Accounting Department: Tian Hui

Chief Financial Officer: Chen Zhuo

Person in charge of the

## 7. Consolidated Cash Flow Statement from Year Beginning to the End of the Reporting Period

In CNY

Items	Amount incurred in the reporting period	Amount incurred in the previous period
I. Net cash flows arising from operating activities:		
Cash received from sales of goods and supply of labor	2,507,629,254.14	2,710,512,975.70
Net increase of customers' deposit and due from banks		
Net increase of borrowings from the central bank		
Net increase of borrowings from other financial institutions		

Cash received from former insurance contract premium		
Net cash received from reinsurance business		
Net increase of insurance reserve and investment		
Net increase of financial assets which were measured based on the fair value and its change was counted to the current gain and loss		
Cash received from interest, service charge and commission		
Net increase of borrowings		
Net increase of fund from repurchases		
Rebated taxes received	69,388.94	
Other operation activity related cash receipts	19,567,411.30	66,770,510.80
Subtotal of cash flow in from operating activity	2,527,266,054.38	2,777,283,486.50
Cash paid for purchase of goods and reception of labor services	1,419,582,686.24	1,620,192,462.33
Net increase of loans and advances to customers		
Net increase of due from central bank and due from banks		
Cash paid for indemnity of original insurance contract		
Cash paid for interest, service charge and commission		
Cash paid for insurance policy dividend		
Cash paid to and for staff	367,327,625.94	370,380,904.77
Taxes paid	203,953,164.01	201,711,794.01
Other business activity related cash payments	245,361,546.12	325,763,307.06



Subtotal of cash flow out from operating activity	2,236,225,022.31	2,518,048,468.17
Net cash flow arising from operating activities	291,041,032.07	259,235,018.33
II. Cash flows arising from investment activities:		
Cash received from recovery of investment		
Cash received from investment income	383,750.00	
Net amount of cash received from disposal of fixed assets, intangible assets and other long term assets	4,142,748.05	196,417.11
Net cash received from disposal of subsidiaries and other operating units		
Other investment related cash receipts		
Subtotal of cash flow in from investment activity	4,526,498.05	196,417.11
Cash paid for construction/purchase of fixed assets, intangible assets and other long term assets	134,423,973.14	159,522,254.84
Cash paid for investment		
Net increase of hypothecated loans		
Net cash received from payment by subsidiaries and other operating units		
Other investment related cash payments		
Subtotal of cash flow out from investment activity	134,423,973.14	159,522,254.84
Net cash flow arising from investment activities	-129,897,475.09	-159,325,837.73
III. Cash flows arising from fund raising activities:		

Cash received from absorption of investment		
Incl.: Cash received from subsidiaries' absorption of minority shareholders' investment		
Cash received from borrowings	865,749,959.13	1,560,609,499.90
Cash received from bond issuing		
Other fund-raising related cash receipts		13,500,000.00
Subtotal of cash flow in from fund raising activity	865,749,959.13	1,574,109,499.90
Cash paid for liabilities repayment	1,079,796,531.30	1,367,075,091.78
Cash paid for dividend/profit distribution or repayment of interest	107,561,341.89	112,344,442.93
Including: Dividend and profit paid by subsidiaries to minority shareholders		
Other fund-raising related cash payments	992,669.19	151,274,743.60
Subtotal of cash flow out from fund raising activity	1,188,350,542.38	1,630,694,278.31
Net cash flow arising from fund-raising activities	-322,600,583.25	-56,584,778.41
IV. Influence from change of exchange rate upon cash and cash equivalents	518,775.56	1,489,506.86
V. Net increase of cash and cash equivalents	-160,938,250.71	44,813,909.05
Plus: Opening balance of cash and cash equivalents	637,387,875.93	114,880,070.54
VI. Ending balance of cash and cash equivalents	476,449,625.22	159,693,979.59

Legal representative: Xu Dongsheng  
Accounting Department: Tian Hui

Chief Financial Officer: Chen Zhuo

Person in charge of the

## 8. Cash Flow Statement from Year Beginning to the End of the Reporting Period, Parent Company

In CNY

Items	Amount incurred in the reporting period	Amount incurred in the previous period
I. Net cash flows arising from operating activities:		
Cash received from sales of goods and supply of labor	73,576,715.84	82,247,515.39
Rebated taxes received	62,967.65	
Other operation activity related cash receipts	271,951,706.92	22,238,816.99
Subtotal of cash flow in from operating activity	345,591,390.41	104,486,332.38
Cash paid for purchase of goods and reception of labor services		
Cash paid to and for staff	42,004,181.00	39,016,286.84
Taxes paid	6,559,453.04	7,574,468.57
Other business activity related cash payments	13,579,640.33	11,010,953.47
Subtotal of cash flow out from operating activity	62,143,274.37	57,601,708.88
Net cash flow arising from operating activities	283,448,116.04	46,884,623.50
II. Cash flows arising from investment activities:		
Cash received from recovery of investment		
Cash received from investment income	135,728,410.36	131,388,140.58
Net amount of cash received from disposal of fixed assets, intangible assets and other long term assets		100,800.00

Net cash received from disposal of subsidiaries and other operating units		
Other investment related cash receipts		
Subtotal of cash flow in from investment activity	135,728,410.36	131,488,940.58
Cash paid for construction/purchase of fixed assets, intangible assets and other long term assets	71,305,141.81	71,195,437.30
Cash paid for investment	442,270,000.00	40,100,000.00
Net cash received from payment by subsidiaries and other operating units		
Other investment related cash payments		
Subtotal of cash flow out from investment activity	513,575,141.81	111,295,437.30
Net cash flow arising from investment activities	-377,846,731.45	20,193,503.28
III. Cash flows arising from fund raising activities:		
Cash received from absorption of investment		
Cash received from borrowings	731,500,000.00	1,246,000,000.00
Cash received from bond issuing		
Other fund-raising related cash receipts		
Subtotal of cash flow in from fund raising activity	731,500,000.00	1,246,000,000.00
Cash paid for liabilities repayment	790,000,000.00	1,073,000,000.00
Cash paid for dividend/profit distribution or repayment of interest	96,961,707.75	96,373,892.13
Other fund-raising related	992,669.19	151,274,743.60

cash payments		
Subtotal of cash flow out from fund raising activity	887,954,376.94	1,320,648,635.73
Net cash flow arising from fund-raising activities	-156,454,376.94	-74,648,635.73
IV. Influence from change of exchange rate upon cash and cash equivalents		
V. Net increase of cash and cash equivalents	-250,852,992.35	-7,570,508.95
Plus: Opening balance of cash and cash equivalents	512,294,824.81	35,485,566.79
VI. Ending balance of cash and cash equivalents	261,441,832.46	27,915,057.84

Legal representative: Xu Dongsheng  
Accounting Department: Tian Hui

Chief Financial Officer: Chen Zhuo

Person in charge of the

## II. Auditors' Report

Has the Third Quarterly Report been Audited

No

Board of Directors of  
FIYTA Holdings Ltd.  
October 27, 2016