



HAINAN PEARL RIVER HOLDINGS CO., LTD.

THIRD QUARTER REPORT 2016

October 2016

Section I Important Statements

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

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

Wang Chunli, company principal, Guan Ying, chief of the accounting work and Wu Xiukun, chief of the accounting organ (chief of accounting), hereby confirm that the Financial Report enclosed in this report is factual, accurate and complete.

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

Section II Financial Highlights & 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)	1,905,501,859.63	1,714,444,000.65	11.14%	
Net assets attributable to shareholders of the Company (RMB)	-307,928,239.56	-217,136,869.15	-41.81%	
	July-September 2016	YoY +/- (%)	January-September 2016	YoY +/- (%)
Operating revenues (RMB)	68,143,078.33	30.86%	217,175,606.73	15.40%
Net profit attributable to shareholders of the Company (RMB)	-43,420,775.53	22.02%	-90,791,370.41	-165.57%
Net profit attributable to shareholders of the Company excluding exceptional profit and loss (RMB)	-44,205,595.65	24.80%	-129,970,101.32	20.06%
Net cash flows from operating activities (RMB)	--	--	173,185,063.30	16.08%
Basic earnings per share (RMB/share)	-0.10	23.08%	-0.21	-162.50%
Diluted earnings per share (RMB/share)	-0.10	23.08%	-0.21	-162.50%
Weighted average return on equity (%)	0.00%	0.00%	0.00%	0.00%

Unit: RMB

Item	January-September 2016	Note
Profit/loss on disposal of non-current assets (including offset amount of asset impairment provisions)	284,912.66	
Capital occupation charges on non-financial enterprises that are charged to the profit/loss for the Reporting Period	4,368,243.68	
Non-operating income and expense other than the above	-3,682,689.74	
Other profit/loss that meet the definition of exceptional	38,155,550.74	

profit/loss		
Less: Corporate income tax	-27,926.79	
Minority interests (after tax)	-24,786.78	
Total	39,178,730.91	--

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	35,607	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
BGG	Domestic non-state-owned corporation	26.36%	112,479,478			
LI LEON ZHAN WEI	Foreign individual	2.63%	11,215,043			
YAO XIU GUANG	Foreign individual	2.31%	9,850,128			
Chongqing International Trust Co., Ltd.—Yuxin Innovation Advantage No. 11 Assembled Funds Trust	Domestic non-state-owned corporation	1.83%	7,827,463			

Chen Huanan	Domestic individual	0.66%	2,802,117			
Xu Zhen	Domestic individual	0.58%	2,462,300			
Beijing Shen Zhou Mu Investment Fund Management Co., Ltd. – Hongyan Shen Zhou Mu Fund	Domestic non-state-owned corporation	0.55%	2,343,818			
Yao Liyuan	Foreign individual	0.47%	2,005,600			
Zhang Xiaoxia	Domestic individual	0.46%	1,949,250			
Beijing Shen Zhou Mu Investment Fund Management Co., Ltd. – Shangshan Shen Zhou Mu No. 5 Securities Investment Fund	Domestic non-state-owned corporation	0.42%	1,795,300			
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			
BGG	112,479,478	RMB ordinary share	112,479,478			
LI LEON ZHAN WEI	11,215,043	Domestically listed foreign share	11,215,043			
YAO XIU GUANG	9,850,128	Domestically listed foreign share	9,850,128			
Chongqing International Trust Co., Ltd.—Yuxin Innovation	7,827,463	RMB ordinary	7,827,463			

Advantage No. 11 Assembled Funds Trust		share	
Chen Huanan	2,802,117	RMB ordinary share	2,802,117
Xu Zhen	2,462,300	RMB ordinary share	2,462,300
Beijing Shen Zhou Mu Investment Fund Management Co., Ltd. – Hongyan Shen Zhou Mu Fund	2,343,818	RMB ordinary share	2,343,818
Yao Liyuan	2,005,600	Domestically listed foreign share	2,005,600
Zhang Xiaoxia	1,949,250	Domestically listed foreign share	1,949,250
Beijing Shen Zhou Mu Investment Fund Management Co., Ltd. –Shangshan Shen Zhou Mu No. 5 Securities Investment Fund	1,795,300	RMB ordinary share	1,795,300
Related or act-in-concert parties among the shareholders above	Among shareholders above, there exists no related-party relationship between the principal shareholder and other shareholders of the Company. Nor they are parties with concerted action as prescribed in the Information Disclosure Administrative Methods for Changes in Shareholding of Shareholders of Listed Companies. And it is unknown whether there is related-party relationship among other shareholders and whether they are prescribed parties with concerted action.		

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

(I) Balance sheet items

Unit: RMB

Item	30 September 2016	31 December 2015	Change (%)	Main reason for change
Accounts receivable	26,338,352.39	17,161,981.62	53.47%	Increase in the property management fees receivable by the property & hotel management subsidiary and the account receivable by the Company for grain trading
Accounts paid in advance	208,170,541.47	108,236,943.90	92.33%	Increase in the prepayment in grain trading
Inventories	693,760,735.17	531,145,489.05	30.62%	Increased development costs of the Meilin Phase III project of subsidiary Hubei Pearl River
Available-for-sale financial assets	31,411,309.90	11,411,309.90	175.26%	Investment in Chongqing Longkin Network Technology Co., Ltd. in the current period
Long-term deferred expenses	2,754,324.21	8,029,043.26	-65.70%	Heilongjiang Longshi Pearl River Media Co., Ltd. was deconsolidated for the current period
Short-term borrowings	20,000,000.00	-	100.00%	Borrowing from Chongqing Trust
Accounts payable	77,846,691.18	24,313,483.40	220.18%	Increase in the account payable by sub-subsiary Hubei Pearl River Real Estate Development Co., Ltd. for construction service
Accounts received in advance	873,746,833.94	428,054,670.19	104.12%	House pre-sale revenue received by subsidiary Hubei Pearl River
Taxes payable	-51,822,202.70	-5,255,663.63	-886.03%	Increase in the prepaid taxes on the advances from house buyers of sub-subsiary Hubei Pearl River Real Estate Development Co., Ltd.
Other accounts payable	964,376,656.93	561,278,959.68	71.82%	Increase in borrowings from Beijing Wanfa Real Estate Development Co., Ltd.
Non-current liabilities due within one year	66,456,595.19	353,287,364.69	-81.19%	Repayment of borrowings from Chongqing Trust
Long-term borrowings	131,000,000.00	390,333,333.34	-66.44%	Some borrowings were repaid

(II) Items in the income statement and the cash flow statement

Unit: RMB

Item	January-Sept ember 2016	January-Sept ember 2015	Change (%)	Main reason for change
Selling expenses	13,640,847.59	8,424,409.14	61.92%	Increase in the sales commission expenses of sub-subsiary Hubei Pearl River Real Estate Development Co., Ltd.
Finance costs	59,470,769.90	98,672,199.56	-39.73%	Some borrowings were repaid
Return on			-69.47%	An income was generated from the sale of the Southwest Securities shares

investment	37,851,133.96	123,966,408.18		in the same period of last year, while there were no such events in the current period
Non-operating expense	6,280,006.34	256,002.30	2353.11%	Some fixed assets were discarded and the overdue fine in relation to the Southwest Securities shares held by the Company was paid
Corporate income tax	186,308.86	15,833,774.84	-98.82%	Recognized deferred tax assets were reversed in the same period of last year, while there were no such events in the current period
Other comprehensive income	-	-125,127,595.63	100.00%	Other comprehensive income shifted to return on investment due to the sale of the Southwest Securities shares held by the Company in the same period of last year, while there were no such events in the current period
Net cash flows from investing activities	-22,680,197.15	99,519,007.70	-122.79%	The sale of the Southwest Securities shares held by the Company generated bulk cash in the same period of last year, while there were no such events in the current period
Net cash flows from financing activities	-209,839,890.23	-100,576,038.32	-108.64%	Decrease in financings secured and increase in borrowings repaid

II Progress on significant events, as well as the influence and solutions

√ Applicable □ Not applicable

Content	Disclosure date	Index
On 19 July 2016, Beijing Wanfa Real Estate Development Co., Ltd. and BGG had signed Equity Transfer Agreement, which Beijing Wanfa Real Estate Development Co., Ltd. transferred 112,479,478 share, all its holding share of the Company, 26.36% of the total to BGG, the transfer event had been approved by the State-owned Assets Supervision and Administration Commission and completed the transfer on 5 September 2016, BGG now is the first majority shareholder of the Company but the actual controller still is Beijing State-owned Assets Supervision and Administration Commission.	2016-09-07	www.cninfo.com.cn Announcement No. 2016-069
On 8 August 2016, the Company received Permission Recombination Inquiry Letter [2016] No. 52 of Recombination Inquiry Letter to HaiNan Pearl River Holdings Co., Ltd. (hereinafter referred to as Inquiry Letter)	2016-10-25	www.cninfo.com.cn Announcement No. 2016-091

<p>issued by SZSE . SZSE had proposed several opinions to the significant recombination, and the Company will actively reply the Inquiry Letter and relevant content, and will conduct audit, evaluation with each trading party and promote the evaluation report to the State-owned assets for the record. So far, the reply to the Inquiry Letter and the revision of recombination preplan in line with Management Method of Significant Asset Recombination of Listing Company (New) had been Completed, the relevant signature of the documents was under processing.</p>		
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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

No such cases in the Reporting Period.

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

No such cases in the Reporting Period.

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
2016-01-08	By phone	Individual	Known about the operation situation of the Company
2016-01-09	By phone	Individual	Query name lists of shareholders
2016-01-22	By phone	Individual	Known about the operation situation of the Company
2016-02-28	By phone	Individual	disclosure time of annual report
2016-03-24	By phone	Individual	Known about the sale progress of the assets of the Company
2016-06-22	Other	Individual	Known about recombination progress of the Company
2016-07-13	Other	Individual	Query name lists of shareholders
2016-09-09	Other	Individual	Known about resumption time of Company stock

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 HaiNan Pearl River Holdings Co., Ltd.

30 September 2016

Unit: RMB

Item	Closing balance	Opening balance
Current assets:		
Monetary funds	146,427,107.46	205,762,131.54
Settlement reserves		
Lendings to banks and other financial institutions		
Financial assets measured at fair value with fair value changes included in the profit and loss for the Reporting Period		
Derivative financial assets		
Notes receivable		
Accounts receivable	26,338,352.39	17,161,981.62
Accounts paid in advance	208,170,541.47	108,236,943.90
Premiums receivable		
Reinsurance premiums receivable		
Receivable reinsurance contract reserves		
Interest receivable	2,710,880.79	
Dividends receivable	260,015.00	260,015.00
Other accounts receivable	237,259,111.84	256,036,391.03
Financial assets purchased under agreement to resell		
Inventories	693,760,735.17	531,145,489.05
Assets held for sale		
Non-current assets due within one year		
Other current assets	4,000,000.00	

Total current assets	1,318,926,744.12	1,118,602,952.14
Non-current assets:		
Loans and advances to customers		
Available-for-sale financial assets	31,411,309.90	11,411,309.90
Held-to-maturity investments		
Long-term accounts receivable		
Long-term equity investments	34,972,073.04	35,284,761.64
Investment property	19,515,054.22	20,890,800.30
Fixed assets	385,081,224.85	409,326,778.05
Construction in progress	82,534,594.71	79,403,655.02
Engineering materials	393,706.60	393,706.60
Disposal of fixed assets		
Productive living assets		
Oil-gas assets		
Intangible assets	28,330,987.98	29,519,153.74
R&D expense		
Goodwill		
Long-term deferred expenses	2,754,324.21	8,029,043.26
Deferred income tax assets		
Other non-current assets	1,581,840.00	1,581,840.00
Total non-current assets	586,575,115.51	595,841,048.51
Total assets	1,905,501,859.63	1,714,444,000.65
Current liabilities:		
Short-term borrowings	20,000,000.00	
Borrowings from the Central Bank		
Money deposits accepted and inter-bank deposits		
Loans from banks and other financial institutions		
Financial liabilities measured at fair value with fair value changes included in the profit and loss for the Reporting Period		
Derivative financial liabilities		
Notes payable		
Accounts payable	77,846,691.18	24,313,483.40

Accounts received in advance	873,746,833.94	428,054,670.19
Financial assets sold for repurchase		
Handling charges and commissions payable		
Payroll payable	13,399,482.87	13,353,268.66
Taxes and fares payable	-51,822,202.70	-5,255,663.63
Interest payable	128,332,952.43	178,429,980.05
Dividends payable	3,213,302.88	3,213,302.88
Other accounts payable	964,376,656.93	561,278,959.68
Reinsurance premiums payable		
Insurance contract reserves		
Payables for acting trading of securities		
Payables for acting underwriting of securities		
Liabilities held for sale		
Non-current liabilities due within one year	66,456,595.19	353,287,364.69
Other current liabilities		
Total current liabilities	2,095,550,312.72	1,556,675,365.92
Non-current liabilities:		
Long-term borrowings	131,000,000.00	390,333,333.34
Bonds payable		
Of which: Preference shares		
Perpetual bonds		
Long-term accounts payable		
Long-term payroll payable		
Special payables		
Estimated liabilities		
Deferred income		
Deferred income tax liabilities	616,173.27	629,227.79
Other non-current liabilities		
Total non-current liabilities	131,616,173.27	390,962,561.13
Total liabilities	2,227,166,485.99	1,947,637,927.05
Owners' equity:		
Share capital	426,745,404.00	426,745,404.00

Other equity instruments		
Of which: Preference shares		
Perpetual bonds		
Capital reserves	334,690,837.45	334,690,837.45
Less: Treasury stock		
Other composite income		
Special reserves		
Surplus reserves	109,487,064.39	109,487,064.39
Provisions for general risks		
Retained profit	-1,178,851,545.40	-1,088,060,174.99
Total equity attributable to owners of the Company	-307,928,239.56	-217,136,869.15
Minority interests	-13,736,386.80	-16,057,057.25
Total owners' equity	-321,664,626.36	-233,193,926.40
Total liabilities and owners' equity	1,905,501,859.63	1,714,444,000.65

Legal representative: Wang Lichun

Chief of the accounting work: Guan Ying

Chief of the accounting organ: Wu Xiukun

2. Balance sheet of the Company

Unit: RMB

Item	Closing balance	Opening balance
Current Assets:		
Monetary funds	3,335,714.78	479,720.71
Financial assets measured at fair value with fair value changes included in the profit and loss for the Reporting Period		
Derivative financial assets		
Notes receivable		
Accounts receivable	14,098,968.46	1,701,828.46
Accounts paid in advance	184,610,000.00	50,277,830.00
Interest receivable		
Dividends receivable	260,015.00	260,015.00
Other accounts receivable	656,019,908.65	684,683,017.06
Inventories	4,824,035.45	4,824,035.45

Assets held for sale		
Non-current assets due within one year		
Other current assets		
Total current assets	863,148,642.34	742,226,446.68
Non-current assets:		
Available-for-sale financial assets	31,411,309.90	11,411,309.90
Held-to-maturity investments		
Long-term accounts receivable		
Long-term equity investments	222,928,332.64	293,231,762.82
Investment property	6,459,276.68	6,686,104.13
Fixed assets	11,066,195.53	13,311,762.29
Construction in progress		
Engineering materials		
Disposal of fixed assets		
Productive living assets		
Oil-gas assets		
Intangible assets	1,374,301.95	1,410,049.68
R&D expense		
Goodwill		
Long-term deferred expenses	325,131.33	604,524.68
Deferred income tax assets		
Other non-current assets		
Total non-current assets	273,564,548.03	326,655,513.50
Total assets	1,136,713,190.37	1,068,881,960.18
Current liabilities:		
Short-term borrowings	20,000,000.00	
Financial liabilities measured at fair value with fair value changes included in the profit and loss for the Reporting Period		
Derivative financial liabilities		
Notes payable		
Accounts payable	2,482,949.70	2,482,949.70
Accounts received in advance	14,178,896.41	38,896.41
Payroll payable	915,313.12	1,050,861.22

Taxes and fares payable	2,012,360.44	7,576,662.32
Interest payable	77,761,124.39	126,077,364.57
Dividends payable	3,213,302.88	3,213,302.88
Other accounts payable	1,014,075,047.25	430,555,824.81
Liabilities held for sale		
Non-current liabilities due within one year		272,856,962.92
Other current liabilities		
Total current liabilities	1,134,638,994.19	843,852,824.83
Non-current liabilities:		
Long-term borrowings		
Bonds payable		
Of which: Preference shares		
Perpetual bonds		
Long-term payables		
Long-term payroll payables		
Special payables		
Estimated liabilities		
Deferred income		
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities		
Total liabilities	1,134,638,994.19	843,852,824.83
Owners' equity:		
Share capital	426,745,404.00	426,745,404.00
Other equity instruments		
Of which: Preference shares		
Perpetual bonds		
Capital reserves	337,276,496.52	337,276,496.52
Less: Treasury stock		
Other composite income		
Special reserves		
Surplus reserves	109,487,064.39	109,487,064.39
Retained profit	-871,434,768.73	-648,479,829.56
Total owners' equity	2,074,196.18	225,029,135.35

Total liabilities and owners' equity	1,136,713,190.37	1,068,881,960.18
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3. Consolidated income statement for the Reporting Period

Unit: RMB

Item	July-September 2016	July-September 2015
1. Operating revenues	68,143,078.33	52,075,049.26
Including: Sales income	68,143,078.33	52,075,049.26
Interest income		
Premium income		
Fee and commission income		
2. Operating costs	110,374,221.36	112,793,079.31
Including: Cost of sales	69,001,265.64	48,194,923.75
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	520,647.64	3,144,973.46
Selling expenses	4,769,846.57	5,618,287.17
Administrative expenses	26,484,051.41	22,470,370.76
Finance costs	10,678,955.18	33,121,297.45
Asset impairment loss	-1,080,545.08	243,226.72
Add: Profit on fair value changes ("-" means loss)		
Return on investment ("-" means loss)	-77,764.34	-170,958.57
Including: Share of profit/loss of associates and joint ventures	31,494.08	-45,893.21
Exchange gains ("-" means loss)		
3. Operating profit ("-" means loss)	-42,308,907.37	-60,888,988.62
Add: Non-operating revenue	230,736.92	2,858,976.66
Including: Profit on disposal of non-current assets		2,798,012.46

Less: Non-operating expense	3,001,627.57	61,166.68
Including: Loss on disposal of non-current assets	2,138,878.43	24,864.21
4. Total profit (“-” means loss)	-45,079,798.02	-58,091,178.64
Less: Corporate income tax	2,610.90	-20,335.42
5. Net profit (“-” means loss)	-45,082,408.92	-58,070,843.22
Net profit attributable to owners of the Company	-43,420,775.53	-55,679,400.37
Minority interests’ income	-1,661,633.39	-2,391,442.85
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	-45,082,408.92	-58,070,843.22
Attributable to owners of the Company	-43,420,775.53	-55,679,400.37
Attributable to minority interests	-1,661,633.39	-2,391,442.85
8. Earnings per share		
8.1 Basic earnings per share	-0.10	-0.13
8.2 Diluted earnings per share	-0.10	-0.13

Where business mergers under the same control occurred in the Reporting Period, 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.

Legal representative: Wang Lichun

Chief of the accounting work: Guan Ying

Chief of the accounting organ: Wu Xiukun

4. Income statement of the Company for the Reporting Period

Unit: RMB

Item	July-September 2016	July-September 2015
1. Operating revenues	268,164.10	213,100.69
Less: Operating costs	75,609.15	88,898.40
Business tax and surtaxes	1,923.11	7,524.92
Selling expenses		
Administrative expenses	9,051,260.88	3,156,663.57
Finance costs	6,925,259.20	24,073,303.54
Asset impairment loss	165,475,341.33	410,596.03
Add: profit on fair value changes ("-" means loss)		
Return on investment ("-" means loss)	-44,174.66	-125,867.27
Including: Share of profit/loss of associates and joint ventures	-44,174.66	-125,867.27
2. Operating profit ("-" means loss)	-181,305,404.23	-27,649,753.04
Add: Non-operating revenue	11,405,419.77	
Including: Profit on disposal of non-current assets		

Less: Non-operating expense	2,868,139.65	24,864.21
Including: Loss on disposal of non-current assets	1,296,383.08	24,864.21
3. Total profit (“-” means loss)	-172,768,124.11	-27,674,617.25
Less: Corporate income tax		
4. Net profit (“-” means loss)	-172,768,124.11	-27,674,617.25
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	-172,768,124.11	-27,674,617.25
7. Earnings per share		
7.1 Basic earnings per share		
7.2 Diluted earnings per share		

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	217,175,606.73	188,192,878.45
Including: Sales income	217,175,606.73	188,192,878.45
Interest income		
Premium income		
Fee and commission income		
2. Operating costs	347,694,305.02	338,866,589.17
Including: Cost of sales	191,031,191.63	148,932,265.62
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	10,926,571.21	10,776,972.93
Selling expenses	13,640,847.59	8,424,409.14
Administrative expenses	71,710,193.11	70,997,749.28
Finance costs	59,470,769.90	98,672,199.56
Asset impairment loss	914,731.58	1,062,992.64
Add: Profit on fair value changes (“-” means loss)		
Return on investment (“-” means loss)	37,851,133.96	123,966,408.18
Including: Share of profit/loss of associates and joint ventures	-203,430.18	-251,281.51
Exchange gains (“-” means loss)		
3. Operating profit (“-” means loss)	-92,667,564.33	-26,707,302.54
Add: Non-operating revenue	2,882,229.26	3,367,510.52
Including: Profit on disposal of non-current assets	2,555,707.19	2,810,086.41
Less: Non-operating expense	6,280,006.34	256,002.30

Including: Loss on disposal of non-current assets	2,270,794.53	24,864.21
4. Total profit (“-” means loss)	-96,065,341.41	-23,595,794.32
Less: Corporate income tax	186,308.86	15,833,774.84
5. Net profit (“-” means loss)	-96,251,650.27	-39,429,569.16
Net profit attributable to owners of the Company	-90,791,370.41	-34,186,775.34
Minority interests’ income	-5,460,279.86	-5,242,793.82
6. Other comprehensive income net of tax		-125,127,595.63
Other comprehensive income net of tax attributable to owners of the Company		-125,127,595.63
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		-125,127,595.63
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		-125,127,595.63
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	-96,251,650.27	-164,557,164.79
Attributable to owners of the Company	-90,791,370.41	-159,314,370.97
Attributable to minority interests	-5,460,279.86	-5,242,793.82
8. Earnings per share		
8.1 Basic earnings per share	-0.21	-0.08
8.2 Diluted earnings per share	-0.21	-0.08

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
1. Operating revenues	889,099.69	725,171.95
Less: Operating costs	248,976.20	266,695.20
Business tax and surtaxes	4,205,152.57	29,480.94
Selling expenses		
Administrative expenses	17,301,260.86	11,214,452.02
Finance costs	45,574,350.57	71,787,389.46
Asset impairment loss	165,502,220.51	421,521.53
Add: profit on fair value changes ("-" means loss)		
Return on investment ("-" means loss)	-203,430.18	124,091,473.54
Including: Share of profit/loss of associates and joint ventures	-203,430.18	-251,281.51
2. Operating profit ("-" means loss)	-232,146,291.20	41,097,106.34
Add: Non-operating revenue	13,861,534.38	
Including: Profit on disposal of non-current assets	2,456,114.61	
Less: Non-operating expense	4,670,182.35	25,441.43
Including: Loss on disposal of non-current assets	1,296,383.08	24,864.21
3. Total profit ("-" means loss)	-222,954,939.17	41,071,664.91

Less: Corporate income tax		15,210,270.77
4. Net profit (“-” means loss)	-222,954,939.17	25,861,394.14
5. Other comprehensive income net of tax		-125,127,595.63
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		-125,127,595.63
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		-125,127,595.63
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	-222,954,939.17	-99,266,201.49
7. Earnings per share		
7.1 Basic earnings per share		
7.2 Diluted earnings per share		

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	664,761,771.45	464,057,196.56
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	69,628,906.66	57,297,066.58
Subtotal of cash inflows from operating activities	734,390,678.11	521,354,263.14
Cash paid for goods and services	292,630,786.82	151,010,951.28
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	153,543,333.67	125,685,631.00
Taxes and fares paid	72,672,060.79	28,830,818.66
Cash paid for other operating activities	42,359,433.53	66,632,034.42
Subtotal of cash outflows from operating activities	561,205,614.81	372,159,435.36
Net cash flows from operating activities	173,185,063.30	149,194,827.78
2. Cash flows from investing activities:		
Cash received from retraction of investments	4,000,000.00	143,040,794.42
Cash received as return on investments	8,271.82	
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	4,849,613.03	2,776,032.92
Net cash received from disposal of subsidiaries or other business units		
Cash received from other investing activities		
Subtotal of cash inflows from investing activities	8,857,884.85	145,816,827.34
Cash paid to acquire fixed assets, intangible assets and other long-term assets	1,220,619.51	18,128,819.64
Cash paid for investment	28,000,000.00	28,169,000.00
Net increase in pledged loans		
Net cash paid to acquire subsidiaries and other business units		
Cash paid for other investing activities	2,317,462.49	
Subtotal of cash outflows from investing activities	31,538,082.00	46,297,819.64
Net cash flows from investing activities	-22,680,197.15	99,519,007.70
3. Cash flows from financing activities:		
Cash received from capital contributions		
Including: Cash received from minority shareholder investments by		

subsidiaries		
Cash received as borrowings	149,535,877.45	366,470,000.00
Cash received from issuance of bonds		
Cash received from other financing activities	25,472,361.37	37,177,853.73
Subtotal of cash inflows from financing activities	175,008,238.82	403,647,853.73
Repayment of borrowings	361,024,666.61	419,096,522.50
Cash paid for interest expenses and distribution of dividends or profit	19,109,597.80	62,543,953.15
Including: dividends or profit paid by subsidiaries to minority interests		
Cash paid for other financing activities	4,713,864.64	22,583,416.40
Sub-total of cash outflows from financing activities	384,848,129.05	504,223,892.05
Net cash flows from financing activities	-209,839,890.23	-100,576,038.32
4. Effect of foreign exchange rate changes on cash and cash equivalents		
5. Net increase in cash and cash equivalents	-59,335,024.08	148,137,797.16
Add: Opening balance of cash and cash equivalents	205,762,131.54	97,404,192.62
6. Closing balance of cash and cash equivalents	146,427,107.46	245,541,989.78

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	14,040,000.00	1,369,936.85
Tax refunds received		
Cash received from other operating activities	177,503,106.64	242,033,473.56
Subtotal of cash inflows from	191,543,106.64	243,403,410.41

operating activities		
Cash paid for goods and services	130,565,200.00	
Cash paid to and for employees	6,081,680.56	4,235,688.39
Taxes and fares paid	13,640,381.33	345,917.48
Cash paid for other operating activities	20,724,434.92	58,308,985.30
Subtotal of cash outflows from operating activities	171,011,696.81	62,890,591.17
Net cash flows from operating activities	20,531,409.83	180,512,819.24
2. Cash flows from investing activities:		
Cash received from retraction of investments	8,000,000.00	139,371,794.42
Cash received as return on investments		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	3,060,360.00	
Net cash received from disposal of subsidiaries or other business units		
Cash received from other investing activities		
Subtotal of cash inflows from investing activities	11,060,360.00	139,371,794.42
Cash paid to acquire fixed assets, intangible assets and other long-term assets	26,549.00	6,199.00
Cash paid for investment	39,196,600.00	57,788,000.00
Net cash paid to acquire subsidiaries and other business units		
Cash paid for other investing activities		
Subtotal of cash outflows from investing activities	39,223,149.00	57,794,199.00
Net cash flows from investing activities	-28,162,789.00	81,577,595.42
3. Cash flows from financing activities:		
Cash received from capital contributions		
Cash received as borrowings	103,215,780.73	95,978,000.00

Cash received from issuance of bonds		
Cash received from other financing activities		
Subtotal of cash inflows from financing activities	103,215,780.73	95,978,000.00
Repayment of borrowings	84,282,856.00	283,305,910.83
Cash paid for interest expenses and distribution of dividends or profit	7,857,686.85	31,719,616.22
Cash paid for other financing activities	587,864.64	9,247,716.40
Sub-total of cash outflows from financing activities	92,728,407.49	324,273,243.45
Net cash flows from financing activities	10,487,373.24	-228,295,243.45
4. Effect of foreign exchange rate changes on cash and cash equivalents		
5. Net increase in cash and cash equivalents	2,855,994.07	33,795,171.21
Add: Opening balance of cash and cash equivalents	479,720.71	2,034,649.76
6. Closing balance of cash and cash equivalents	3,335,714.78	35,829,820.97

II Auditor's report

Is this Report audited?

Yes No

This Report is unaudited.