

**Shenzhen China Bicycle Company (Holdings) Limited**  
**THE THIRD QUARTERLY REPORT FOR 2017**

**October 2017**

## **Section I. Important Notes**

**Board of Directors and the Supervisory Committee of SHENZHEN CHINA BICYCLE COMPANY (HOLDINGS) LIMITED (hereinafter referred to as the Company) and its directors, supervisors and senior executives hereby confirm that there are no any fictitious statements, misleading statements, or important omissions carried in this report, and shall take all responsibilities, individual and/or joint, for the reality, accuracy and completion of the whole contents.**

**All directors of the Company are attended the Meeting for quarterly report deliberation.**

**Principal of the Company Li Hai, Person in Charge of Accounting Works Sun Longlong and Person in Charge of Accounting Organ (Accounting Officer) Zhong Xiaojin hereby confirm that the Financial Report of the Third Quarterly Report is authentic, accurate and complete.**

## Section II. Basic information of Company

### I. Main accounting data and index

Whether it has retroactive adjustment or re-statement on previous accounting data or not

Yes No

	Current period-end	Period-end of last year	Increase/decrease	
Total assets (RMB)	62,394,750.79	54,088,275.72	15.36%	
Net assets attributable to shareholders of listed company (RMB)	13,005,171.70	14,368,683.58	-9.49%	
	Current period	Increase/decrease in comparison with same period of last year	Year-begin to end of the Period	Increase/decrease in comparison with year-begin to Period-end of last year
Operating revenue (RMB)	46,587,182.39	-14.01%	95,516,858.66	-20.37%
Net profit attributable to shareholders of the listed company (RMB)	327,866.56	-79.91%	-1,363,511.88	-165.54%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB)	247,560.69	-83.13%	-1,655,258.58	-199.65%
Net cash flow arising from operating activities (RMB)	--	--	-6,339,451.88	11.06%
Basic earnings per share (RMB/Share)	0.0006	-80.00%	-0.0025	-165.79%
Diluted earnings per share (RMB/Share)	0.0006	-80.00%	-0.0025	-165.79%
Weighted average ROE	2.55%	-9.98%	-9.96%	-26.21%

Items and amount of extraordinary profit (gains)/losses

Applicable Not applicable

In RMB

Item	Amount from year-begin to end of the Period	Note

Gains/losses from the disposal of non-current asset (including the write-off that accrued for impairment of assets)	6,253.14	
Other gains/losses qualify the definition of non-recurring gains and losses	394,209.58	
Less: impact on income tax	100,115.68	
Impact on minority shareholders' equity (post-tax)	8,600.34	
Total	291,746.70	--

Concerning the extraordinary profit (gain)/loss defined by *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*, and the items defined as recurring profit (gain)/loss according to the lists of extraordinary profit (gain)/loss in *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*, explain reasons

Applicable  Not applicable

In reporting period, the Company has no particular about items defined as recurring profit (gain)/loss according to the lists of extraordinary profit (gain)/loss in *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*.

## II. Statement of the total shareholders and shares-held of top ten shareholders at end of the Period

### 1. Number of common shareholders and preference shareholders with voting rights recovered and top ten common shareholders

In share

Total number of common shareholders at the end of report period	52,397	Total preference shareholders with voting rights recovered at end of reporting period (if applicable)	0			
Top ten shareholders						
Shareholders	Nature of shareholder	Proportion of shares held	Amount of shares held	Amount of restricted shares held	Number of share pledged/frozen	
					State of share	Amount
Shenzhen Guosheng Energy Investment Development Co., Ltd.	Domestic non-State-owned legal person	11.52%	63,508,747	0	Pledged	11,000,000
UOB (H.K.) Co., Ltd.	Foreign legal person	2.89%	15,907,850	0		0
Guosen Securities	Foreign legal	2.54%	13,988,425	0		0

(H.K.) Co., Ltd.	person					
Hwabao Trust Co., Ltd. – “Hui Huang” No.33 Single Capital Trust	Other	1.64%	9,024,079	0		0
Shenwan Hongyuan Securities (Hongkong) Co., Ltd.	Foreign legal person	1.10%	6,043,657	0		0
Zhongrong International Trust Co., Ltd. – Zhongrong-Dingfu No.12 Structured Portfolio Fund Trust Scheme	Other	0.87%	4,774,300	0		0
Zhongrong International Trust Co., Ltd. – Zhongrong-Dingfu No.13 Structured Portfolio Fund Trust Scheme	Other	0.87%	4,770,923	0		0
Zhongrong International Trust Co., Ltd. – Zhongrong-Dingfu No.14 Structured Portfolio Fund Trust Scheme	Other	0.83%	4,547,797	0		0
Zhongrong International Trust Co., Ltd.	Other	0.81%	4,464,844	0		0

– Zhongrong-Dingfu No.11 Structured Portfolio Fund Trust Scheme						
Li Huili	Domestic nature person	0.71%	3,891,124	0		0
Particular about top ten shareholders with un-restrict shares held						
Shareholders	Amount of un-restrict shares held	Type of shares				
		Type	Amount			
Shenzhen Guosheng Energy Investment Development Co., Ltd.	63,508,747	RMB ordinary shares	63,508,747			
UOB (H.K.) Co., Ltd.	15,907,850	Domestically listed foreign shares	15,907,850			
Guosen Securities (H.K.) Co., Ltd.	13,988,425	Domestically listed foreign shares	13,988,425			
Hwabao Trust Co., Ltd. – “Hui Huang” No.33 Single Capital Trust	9,024,079	RMB ordinary shares	9,024,079			
Shenwan Hongyuan Securities (Hongkong) Co., Ltd.	6,043,657	Domestically listed foreign shares	6,043,657			
Zhongrong International Trust Co., Ltd. – Zhongrong-Dingfu No.12 Structured Portfolio Fund Trust Scheme	4,774,300	RMB ordinary shares	4,774,300			
Zhongrong International Trust Co., Ltd. – Zhongrong-Dingfu No.13 Structured Portfolio Fund Trust Scheme	4,770,923	RMB ordinary shares	4,770,923			
Zhongrong International Trust Co., Ltd. – Zhongrong-Dingfu No.14 Structured Portfolio Fund Trust Scheme	4,547,797	RMB ordinary shares	4,547,797			
Zhongrong International Trust Co., Ltd. – Zhongrong-Dingfu No.11 Structured Portfolio Fund Trust Scheme	4,464,844	RMB ordinary shares	4,464,844			
Li Huili	3,891,124	Domestically listed foreign shares	3,891,124			
Explanation on associated relationship	Li Huili, the spouse of actual controller Ji Hanfei, holding B-share of the Company on					

among the aforesaid shareholders	behalf of Shenzhen Guosheng Energy Investment Development Co., Ltd., beyond that, the Company has no idea of whether other circulated shareholders belong to concerted action persons ruled in the Administration Norms for Information Disclosure of Change on Shareholding of Shareholders of Listed Companies.
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Whether top ten common shareholders or top ten common shareholders with un-restrict shares held have a buy-back agreement dealing in reporting period

Yes  No

The ten common shareholders or top ten common shareholders with un-restrict shares held of the Company have no buy-back agreement dealing in reporting period.

## 2. Total of shareholders with preferred stock held and the top ten shareholdings

Applicable  Not applicable

## Section III. Important events

### I. Particular about major changes from items of main accounting statements and financial indexes as well as reasons

√ Applicable    □ Not applicable

In RMB

Item	Ending Period or form year begin t o now	Opening Period or s ame period last year	Changes	Reasons
Note receivable	0.00	2,220,000.00	-100.00%	Note receivables are paid by endorsement till end of period-end
Accounts receivable	24,516,314.64	12,371,386.82	98.17%	Account receivables from subsidiary increased for the peak season
Inventory	8,568,881.53	3,118,440.26	174.78%	Stock increased for peak season in the period
Accounts payable	16,032,810.92	9,751,977.78	64.41%	Due to the stock for peak season from subsidiary
Tax payable	684,127.96	1,565,153.77	-56.29%	The enterprise income tax for year of 2016 was paid in first half year
Other payable	26,705,430.16	20,397,287.32	30.93%	Bid bond received in the period for privately placement of shares from relevant subscriber
Management expenses	4,926,676.97	3,721,048.96	32.40%	Agency costs increased for the privately placement of shares
Cash received related with other operation activities	11,098,169.48	4,616,717.46	140.39%	Bid bond received in the period for privately placement of shares from relevant subscriber

### II. Progress of significant events, their influences, and analysis and explanation of their solutions

√ Applicable    □ Not applicable

In July 2016, the company initiated the planning for non-public offering of shares; the company's Board of Directors reviewed and approved the Plan for Non-public Offering of A Shares in 2016. On the basis of the due diligence, audit evaluation and commercial negotiation of the intermediary institution, and combined with the actual situation of the capital market and the company, in February 2017, the Board of Directors of the company considered and approved the Proposal on Adjusting the Company's Non-public Offering of A Shares, the Plan for Non-public Offering of A Shares in 2016 (Revision) and so on. According to the revision of the plan, the total amount of this private placement was no more than 1.2 billion Yuan, after deducting the issue costs, the company planned to invest 800 million Yuan of funds for the "intelligent community building talk-back equipment and system platform construction project", and invest 400 million Yuan of funds for the "sports experience online and offline sales platform and R & D center construction project". In May 2017, the Board of Directors of the Company examined and approved the Proposal on Adjusting the



Scheme of Non-Public Offering of Shares by the Company. According to the plan revision, the total amount of raised funds for this non-public offering should not exceed RMB 800 million, after deducting the issuance expenses, the company planned to invest RMB 660 million of funds for “online and offline marketing network platform construction and upgrading project”, and planned to invest RMB 140 million of funds for “R & D center construction project”. On June 19, 2017, the company convened the second extraordinary general meeting of shareholders in 2017 which approved the aforesaid proposal on non-public offering of shares. Further works still in process

Overview	Date for disclosure	Information index for temporary report disclosure
Suspension Notice for Privately Placement of Shares Adjustment	2017-02-16	Juchao Website <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a>
Continued Suspension and Progress of Privately Placement of Shares	2017-02-23	Juchao Website <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a>
Resolution of 22 <sup>nd</sup> Meeting (extraordinary) of 9 <sup>th</sup> BOD	2017-02-28	Juchao Website <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a>
Resolution of 8 <sup>th</sup> Meeting (extraordinary) of 8 <sup>th</sup> Supervisory Committee	2017-02-28	Juchao Website <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a>
Notice of Investment Abroad (Draft Revision )	2017-02-28	Juchao Website <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a>
Notice of Loan by Mandate	2017-02-28	Juchao Website <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a>
Resumption of Stock Trading	2017-02-28	Juchao Website <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a>
Suspension Notice for Privately Placement of Shares Adjustment	2017-05-15	Juchao Website <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a>
Resolution of 26 <sup>th</sup> Meeting (extraordinary) of 9 <sup>th</sup> BOD	2017-05-22	Juchao Website <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a>
Resolution of 10 <sup>th</sup> Meeting (extraordinary) of 8 <sup>th</sup> Supervisory Committee	2017-05-22	Juchao Website <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a>
Resumption of Stock Trading	2017-05-22	Juchao Website <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a>
Resolution of 2 <sup>nd</sup> Extraordinary Shareholders Meeting 2017	2017-06-19	Juchao Website <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a>

### III. Commitments that the actual controller, shareholders, related parties, acquirer and the Company have fulfilled during the reporting period and have not yet fulfilled by the end of reporting period

Applicable  Not applicable

There are no commitments that the actual controller, shareholders, related parties, acquirer and the Company have fulfilled during the

reporting period and have not yet fulfilled by the end of reporting period

#### **IV. Estimation of operation performance for year of 2016**

Estimation of accumulative net profit from the beginning of the year to the end of next report period to be loss probably or the warning of its material change compared with the corresponding period of the last year and explanation of reason

Applicable Not applicable

#### **V. Particular about security investment**

Applicable  Not applicable

The Company had no security investment in Period.

#### **VI. Particulars about derivatives investment**

Applicable  Not applicable

The Company had no derivatives investment in Period.

#### **VII. Registration form of receiving research, communication and interview in the report period**

Applicable  Not applicable

Time	Way	Type	Basic situation index of investigation
1 Jan. 2017 to 30 Sept. 2017	Telephone communication	Individual	Recombination consulting
1 Jan. 2017 to 30 Sept. 2017	Telephone communication	Individual	Progress of privately placement of shares consulting

#### **VIII. Guarantee outside against the regulation**

Applicable Not applicable

The Company had no guarantee outside against the regulation in the period.

#### **IX. Non-operational fund occupation from controlling shareholders and its related party**

Applicable  Not applicable

The Company had no non-operational fund occupation form controlling shareholders and its related party in the period.

#### **X. Fulfill the precise social responsibility for poverty alleviation**

The Company has no precise social responsibility for poverty alleviation in the period and has no follow-up plan either

## Section IV. Financial Statement

### I. Financial statement

#### 1. Consolidate balance sheet

Prepared by SHENZHEN CHINA BICYCLE COMPANY (HOLDINGS) LIMITED

2017-09-30

In RMB

Item	Balance at period-end	Balance at period-begin
Current assets:		
Monetary funds	17,076,100.83	24,015,287.71
Settlement provisions		
Capital lent		
Financial assets measured by fair value and with variation reckoned into current gains/losses		
Derivative financial assets		
Notes receivable		2,220,000.00
Accounts receivable	24,516,314.64	12,371,386.82
Accounts paid in advance	2,251,564.46	1,867,424.89
Insurance receivable		
Reinsurance receivables		
Contract reserve of reinsurance receivable		
Interest receivable		
Dividend receivable		
Other receivables	641,869.07	658,754.09
Purchase restituted finance asset		
Inventories	8,568,881.53	3,118,440.26
Divided into assets held for sale		
Non-current asset due within one year		
Other current assets	2,361,315.96	2,050,830.55
Total current assets	55,416,046.49	46,302,124.32
Non-current assets:		
Loans and payments on behalf		

Finance asset available for sales		
Held-to-maturity investment		
Long-term account receivable		
Long-term equity investment		
Investment property		
Fixed assets	3,497,887.42	3,728,955.11
Construction in progress		
Engineering material		
Disposal of fixed asset		
Productive biological asset		
Oil and gas asset		
Intangible assets	2,447,250.00	3,012,000.00
Expense on Research and Development		
Goodwill		
Long-term expenses to be apportioned		
Deferred income tax asset	633,566.88	645,196.29
Other non-current asset	400,000.00	400,000.00
Total non-current asset	6,978,704.30	7,786,151.40
Total assets	62,394,750.79	54,088,275.72
Current liabilities:		
Short-term loans		
Loan from central bank		
Absorbing deposit and interbank deposit		
Capital borrowed		
Financial liability measured by fair value and with variation reckoned into current gains/losses		
Derivative financial liability		
Notes payable		
Accounts payable	16,032,810.92	9,751,977.78
Accounts received in advance	3,092,540.13	4,321,059.83
Selling financial asset of repurchase		
Commission charge and commission payable		
Wage payable	210,825.24	770,985.97

Taxes payable	684,127.96	1,565,153.77
Interest payable		
Dividend payable		
Other accounts payable	26,705,430.16	20,397,287.32
Reinsurance payables		
Insurance contract reserve		
Security trading of agency		
Security sales of agency		
Divided into liability held for sale		
Non-current liabilities due within 1 year		
Other current liabilities		
Total current liabilities	46,725,734.41	36,806,464.67
Non-current liabilities:		
Long-term loans		
Bonds payable		
Including: preferred stock		
Perpetual capital securities		
Long-term account payable		
Long-term wages payable		
Special accounts payable		
Projected liabilities		
Deferred income		
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities		
Total liabilities	46,725,734.41	36,806,464.67
Owner's equity:		
Share capital	551,347,947.00	551,347,947.00
Other equity instrument		
Including: preferred stock		
Perpetual capital securities		
Capital public reserve	627,834,297.85	627,834,297.85
Less: Inventory shares		
Other comprehensive income		

Reasonable reserve		
Surplus public reserve	32,673,227.01	32,673,227.01
Provision of general risk		
Retained profit	-1,198,850,300.16	-1,197,486,788.28
Total owner's equity attributable to parent company	13,005,171.70	14,368,683.58
Minority interests	2,663,844.68	2,913,127.47
Total owner's equity	15,669,016.38	17,281,811.05
Total liabilities and owner's equity	62,394,750.79	54,088,275.72

Legal Representative: Li Hai

Person in charge of Accounting Works: Sun Longlong

Person in charge of Accounting Institution: Zhong Xiaojin

## 2. Balance Sheet of Parent Company

In RMB

Item	Balance at period-end	Balance at period-begin
Current assets:		
Monetary funds	4,610,079.01	1,143,418.29
Financial assets measured by fair value and with variation reckoned into current gains/losses		
Derivative financial assets		
Notes receivable		
Accounts receivable		
Account paid in advance	133,771.48	16,000.00
Interest receivable		
Dividends receivable		
Other receivables	11,754,422.53	9,364,086.29
Inventories		
Divided into assets held for sale		
Non-current assets maturing within one year		
Other current assets	2,361,315.96	2,050,830.55
Total current assets	18,859,588.98	12,574,335.13
Non-current assets:		
Available-for-sale financial assets		

Held-to-maturity investments		
Long-term receivables		
Long-term equity investments	10,379.73	10,379.73
Investment property		
Fixed assets	3,360,958.46	3,528,684.59
Construction in progress		
Project materials		
Disposal of fixed assets		
Productive biological assets		
Oil and natural gas assets		
Intangible assets	2,447,250.00	3,012,000.00
Research and development costs		
Goodwill		
Long-term deferred expenses		
Deferred income tax assets		
Other non-current assets	400,000.00	400,000.00
Total non-current assets	6,218,588.19	6,951,064.32
Total assets	25,078,177.17	19,525,399.45
Current liabilities:		
Short-term borrowings		
Financial liability measured by fair value and with variation reckoned into current gains/losses		
Derivative financial liability		
Notes payable		
Accounts payable		
Accounts received in advance		1,086,507.70
Wage payable	112,801.24	112,700.06
Taxes payable	102,808.93	81,512.92
Interest payable		
Dividend payable		
Other accounts payable	18,062,653.15	10,662,912.89
Divided into liability held for sale		
Non-current liabilities due within 1 year		

Other current liabilities		
Total current liabilities	18,278,263.32	11,943,633.57
Non-current liabilities:		
Long-term loans		
Bonds payable		
Including: preferred stock		
Perpetual capital securities		
Long-term account payable		
Long-term wages payable		
Special accounts payable		
Projected liabilities		
Deferred income		
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities		
Total liabilities	18,278,263.32	11,943,633.57
Owners' equity:		
Share capita	551,347,947.00	551,347,947.00
Other equity instrument		
Including: preferred stock		
Perpetual capital securities		
Capital public reserve	627,834,297.85	627,834,297.85
Less: Inventory shares		
Other comprehensive income		
Reasonable reserve		
Surplus reserve	32,673,227.01	32,673,227.01
Retained profit	-1,205,055,558.01	-1,204,273,705.98
Total owner's equity	6,799,913.85	7,581,765.88
Total liabilities and owner's equity	25,078,177.17	19,525,399.45

### 3. Consolidated Profit Statement (the period)

In RMB

Item	Current Period	Last Period
I. Total operating income	46,587,182.39	54,175,577.57



Including: Operating income	46,587,182.39	54,175,577.57
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	46,181,463.39	51,187,078.04
Including: Operating cost	43,119,915.64	48,076,785.50
Interest expense		
Commission charge and commission expense		
Cash surrender value		
Net amount of expense of compensation		
Net amount of withdrawal of insurance contract reserve		
Bonus expense of guarantee slip		
Reinsurance expense		
Operating tax and extras	81,383.34	206,942.50
Sales expenses	1,399,215.81	1,545,358.06
Administration expenses	1,587,145.47	1,372,408.89
Financial expenses	-6,196.87	-14,416.91
Losses of devaluation of asset		
Add: Changing income of fair value(Loss is listed with “-”)		
Investment income (Loss is listed with “-”)		
Including: Investment income on affiliated company and joint venture		
Exchange income (Loss is listed with “-”)		
Other income		
III. Operating profit (Loss is listed with “-”)	405,719.00	2,988,499.53
Add: Non-operating income	109,552.14	220,577.00
Including: Disposal gains of non-current asset	6,253.14	

Less: Non-operating expense	800.00	638.00
Including: Disposal loss of non-current asset		
IV. Total Profit (Loss is listed with “-”)	514,471.14	3,208,438.53
Less: Income tax expense		818,770.47
V. Net profit (Net loss is listed with “-”)	514,471.14	2,389,668.06
Net profit attributable to owner’s of parent company	327,866.56	1,632,211.91
Minority shareholders’ gains and losses	186,604.58	757,456.15
VI. Net after-tax of other comprehensive income		
Net after-tax of other comprehensive income attributable to owners of parent company		
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1. Changes as a result of re-measurement of net defined benefit plan liability or asset		
2. Share of the other comprehensive income of the investee accounted for using equity method which will not be reclassified subsequently to profit and loss		
(II) Other comprehensive income items which will be reclassified subsequently to profit or loss		
1. Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit or loss		
2. Gains or losses arising from changes in fair value of available-for-sale financial assets		
3. Gains or losses arising from reclassification of held-to-maturity		

investment as available-for-sale financial assets		
4. The effect hedging portion of gains or losses arising from cash flow hedging instruments		
5. Translation differences arising on translation of foreign currency financial statements		
6. Other		
Net after-tax of other comprehensive income attributable to minority shareholders		
VII. Total comprehensive income	514,471.14	2,389,668.06
Total comprehensive income attributable to owners of parent Company	327,866.56	1,632,211.91
Total comprehensive income attributable to minority shareholders	186,604.58	757,456.15
VIII. Earnings per share:		
(i) Basic earnings per share	0.0006	0.0030
(ii) Diluted earnings per share	0.0006	0.0030

Enterprise combine under the same control in the Period, the combined party realized net profit of 0 Yuan before combination, and realized 0 Yuan at last period for combined party

Legal Representative: Li Hai

Person in charge of Accounting Works: Sun Longlong

Person in charge of Accounting Institution: Zhong Xiaojin

#### 4. Profit Statement of Parent Company (the period)

In RMB

Item	Current Period	Last Period
I. Operating income	1,605,386.93	1,265,426.67
Less: Operating cost	784,652.86	688,506.70
Operating tax and extras	720.00	
Sales expenses		
Administration expenses	1,033,403.43	932,878.31
Financial expenses	-2,685.25	-195.57
Losses of devaluation of asset		
Add: Changing income of fair		

value(Loss is listed with “-”)		
Investment income (Loss is listed with “-”)		
Including: Investment income on affiliated company and joint venture		
Other income		
II. Operating profit (Loss is listed with “-”)	-210,704.11	-355,762.77
Add: Non-operating income	103,160.00	220,577.00
Including: Disposal gains of non-current asset		
Less: Non-operating expense		
Including: Disposal loss of non-current asset		
III. Total Profit (Loss is listed with “-”)	-107,544.11	-135,185.77
Less: Income tax expense		
IV. Net profit (Net loss is listed with “-”)	-107,544.11	-135,185.77
V. Net after-tax of other comprehensive income		
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1. Changes as a result of re-measurement of net defined benefit plan liability or asset		
2. Share of the other comprehensive income of the investee accounted for using equity method which will not be reclassified subsequently to profit and loss		
(II) Other comprehensive income items which will be reclassified subsequently to profit or loss		
1. Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit or loss		

2. Gains or losses arising from changes in fair value of available-for-sale financial assets		
3. Gains or losses arising from reclassification of held-to-maturity investment as available-for-sale financial assets		
4. The effect hedging portion of gains or losses arising from cash flow hedging instruments		
5. Translation differences arising on translation of foreign currency financial statements		
6. Other		
VI. Total comprehensive income	-107,544.11	-135,185.77
VII. Earnings per share:		
(i) Basic earnings per share	-0.0002	-0.0002
(ii) Diluted earnings per share	-0.0002	-0.0002

## 5. Consolidated Profit Statement (form the year-begin to the period-end)

In RMB

Item	Current Period	Last Period
I. Total operating income	95,516,858.66	119,949,590.90
Including: Operating income	95,516,858.66	119,949,590.90
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	97,518,486.64	116,586,845.40
Including: Operating cost	88,806,188.47	108,398,018.87
Interest expense		
Commission charge and commission expense		
Cash surrender value		
Net amount of expense of compensation		
Net amount of withdrawal of		

insurance contract reserve		
Bonus expense of guarantee slip		
Reinsurance expense		
tax and extras	172,736.39	278,067.89
Sales expenses	3,867,917.68	4,773,540.42
Administration expenses	4,926,676.97	3,721,048.96
Financial expenses	-207,761.78	-558,942.46
Losses of devaluation of asset	-47,271.09	-24,888.28
Add: Changing income of fair value(Loss is listed with “-”)		
Investment income (Loss is listed with “-”)		
Including: Investment income on affiliated company and joint venture		
Exchange income (Loss is listed with “-”)		
Other income		
III. Operating profit (Loss is listed with “-”)	-2,001,627.98	3,362,745.50
Add: Non-operating income	401,262.72	562,666.82
Including: Disposal gains of non-current asset	6,253.14	
Less: Non-operating expense	800.00	2,147.00
Including: Disposal loss of non-current asset		
IV. Total Profit (Loss is listed with “-”)	-1,601,165.26	3,923,265.32
Less: Income tax expense	11,629.41	1,014,665.68
V. Net profit (Net loss is listed with “-”)	-1,612,794.67	2,908,599.64
Net profit attributable to owner’s of parent company	-1,363,511.88	2,080,568.20
Minority shareholders’ gains and losses	-249,282.79	828,031.44
VI. Net after-tax of other comprehensive income		
Net after-tax of other comprehensive income attributable to owners of parent		

company		
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1. Changes as a result of re-measurement of net defined benefit plan liability or asset		
2. Share of the other comprehensive income of the investee accounted for using equity method which will not be reclassified subsequently to profit and loss		
(II) Other comprehensive income items which will be reclassified subsequently to profit or loss		
1. Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit or loss		
2. Gains or losses arising from changes in fair value of available-for-sale financial assets		
3. Gains or losses arising from reclassification of held-to-maturity investment as available-for-sale financial assets		
4. The effect hedging portion of gains or losses arising from cash flow hedging instruments		
5. Translation differences arising on translation of foreign currency financial statements		
6. Other		
Net after-tax of other comprehensive income attributable to minority shareholders		
VII. Total comprehensive income	-1,612,794.67	2,908,599.64
Total comprehensive income attributable to owners of parent Company	-1,363,511.88	2,080,568.20

Total comprehensive income attributable to minority shareholders	-249,282.79	828,031.44
VIII. Earnings per share:		
(i) Basic earnings per share	-0.0025	0.0038
(ii) Diluted earnings per share	-0.0025	0.0038

Enterprise combine under the same control in the Period, the combined party realized net profit of 0 Yuan before combination, and realized 0 Yuan at last period for combined party

## 6. Profit Statement of Parent Company (form the year-begin to the period-end)

In RMB

Item	Current Period	Last Period
I. Operating income	4,834,292.89	4,742,196.93
Less: Operating cost	2,778,728.66	2,780,550.26
Operating tax and extras	720.00	27,518.91
Sales expenses		
Administration expenses	3,199,158.88	2,247,781.72
Financial expenses	-223.62	-23.34
Losses of devaluation of asset		
Add: Changing income of fair value(Loss is listed with "-")		
Investment income (Loss is listed with "-")		
Including: Investment income on affiliated company and joint venture		
Other income		
II. Operating profit (Loss is listed with "-")	-1,144,091.03	-313,630.62
Add: Non-operating income	362,239.00	558,192.00
Including: Disposal gains of non-current asset		
Less: Non-operating expense		1,509.00
Including: Disposal loss of non-current asset		
III. Total Profit (Loss is listed with "-")	-781,852.03	243,052.38
Less: Income tax expense		94,557.55



IV. Net profit (Net loss is listed with “-”)	-781,852.03	148,494.83
V. Net after-tax of other comprehensive income		
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1. Changes as a result of re-measurement of net defined benefit plan liability or asset		
2. Share of the other comprehensive income of the investee accounted for using equity method which will not be reclassified subsequently to profit and loss		
(II) Other comprehensive income items which will be reclassified subsequently to profit or loss		
1. Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit or loss		
2. Gains or losses arising from changes in fair value of available-for-sale financial assets		
3. Gains or losses arising from reclassification of held-to-maturity investment as available-for-sale financial assets		
4. The effect hedging portion of gains or losses arising from cash flow hedging instruments		
5. Translation differences arising on translation of foreign currency financial statements		
6. Other		
VI. Total comprehensive income	-781,852.03	148,494.83
VII. Earnings per share:		
(i) Basic earnings per share	-0.0014	0.0003
(ii) Diluted earnings per share	-0.0014	0.0003

**7. Consolidated Cash Flow Statement (form the year-begin to the period-end)**

In RMB

Item	Current Period	Last Period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	36,888,521.94	51,251,394.74
Net increase of customer deposit and interbank deposit		
Net increase of loan from central bank		
Net increase of capital borrowed from other financial institution		
Cash received from original insurance contract fee		
Net cash received from reinsurance business		
Net increase of insured savings and investment		
Net increase of amount from disposal financial assets that measured by fair value and with variation reckoned into current gains/losses		
Cash received from interest, commission charge and commission		
Net increase of capital borrowed		
Net increase of returned business capital		
Write-back of tax received		
Other cash received concerning operating activities	11,098,169.48	4,616,717.46
Subtotal of cash inflow arising from operating activities	47,986,691.42	55,868,112.20
Cash paid for purchasing commodities and receiving labor service	39,270,323.28	45,331,191.15
Net increase of customer loans and advances		

Net increase of deposits in central bank and interbank		
Cash paid for original insurance contract compensation		
Cash paid for interest, commission charge and commission		
Cash paid for bonus of guarantee slip		
Cash paid to/for staff and workers	5,147,547.23	4,832,051.33
Taxes paid	2,037,613.77	1,889,273.30
Other cash paid concerning operating activities	7,870,659.02	9,523,471.89
Subtotal of cash outflow arising from operating activities	54,326,143.30	61,575,987.67
Net cash flows arising from operating activities	-6,339,451.88	-5,707,875.47
II. Cash flows arising from investing activities:		
Cash received from recovering investment		
Cash received from investment income		
Net cash received from disposal of fixed, intangible and other long-term assets	60,000.00	
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities		
Subtotal of cash inflow from investing activities	60,000.00	
Cash paid for purchasing fixed, intangible and other long-term assets	659,735.00	2,959,824.00
Cash paid for investment		
Net increase of mortgaged loans		
Net cash received from subsidiaries and other units obtained		
Other cash paid concerning		

investing activities		
Subtotal of cash outflow from investing activities	659,735.00	2,959,824.00
Net cash flows arising from investing activities	-599,735.00	-2,959,824.00
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Including: Cash received from absorbing minority shareholders' investment by subsidiaries		
Cash received from loans		
Cash received from issuing bonds		
Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities		
Cash paid for settling debts		
Cash paid for dividend and profit distributing or interest paying		
Including: Dividend and profit of minority shareholder paid by subsidiaries		
Other cash paid concerning financing activities		
Subtotal of cash outflow from financing activities		
Net cash flows arising from financing activities		
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate		
V. Net increase of cash and cash equivalents	-6,939,186.88	-8,667,699.47
Add: Balance of cash and cash equivalents at the period -begin	24,015,287.71	26,752,065.66
VI. Balance of cash and cash equivalents at the period -end	17,076,100.83	18,084,366.19

**8. Cash Flow Statement of Parent Company (form the year-begin to the period-end)**

In RMB

Item	Current Period	Last Period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	18,237.60	
Write-back of tax received		
Other cash received concerning operating activities	14,141,053.76	10,988,782.41
Subtotal of cash inflow arising from operating activities	14,159,291.36	10,988,782.41
Cash paid for purchasing commodities and receiving labor service		32,356.80
Cash paid to/for staff and workers	1,896,360.11	1,428,400.08
Taxes paid	301,847.14	408,315.93
Other cash paid concerning operating activities	8,484,628.39	6,536,911.04
Subtotal of cash outflow arising from operating activities	10,682,835.64	8,405,983.85
Net cash flows arising from operating activities	3,476,455.72	2,582,798.56
II. Cash flows arising from investing activities:		
Cash received from recovering investment		
Cash received from investment income		
Net cash received from disposal of fixed, intangible and other long-term assets		
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities		
Subtotal of cash inflow from investing		

activities		
Cash paid for purchasing fixed, intangible and other long-term assets	9,795.00	2,959,824.00
Cash paid for investment		
Net cash received from subsidiaries and other units		
Other cash paid concerning investing activities		
Subtotal of cash outflow from investing activities	9,795.00	2,959,824.00
Net cash flows arising from investing activities	-9,795.00	-2,959,824.00
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Cash received from loans		
Cash received from issuing bonds		
Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities		
Cash paid for settling debts		
Cash paid for dividend and profit distributing or interest paying		
Other cash paid concerning financing activities		
Subtotal of cash outflow from financing activities		
Net cash flows arising from financing activities		
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate		
V. Net increase of cash and cash equivalents	3,466,660.72	-377,025.44
Add: Balance of cash and cash equivalents at the period -begin	1,143,418.29	1,199,934.09

VI. Balance of cash and cash equivalents at the period -end	4,610,079.01	822,908.65
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## II. Audit report

Whether the 3<sup>rd</sup> quarterly report has been audited or not

Yes  No

The 3<sup>rd</sup> quarterly report of the Company has not been audited.