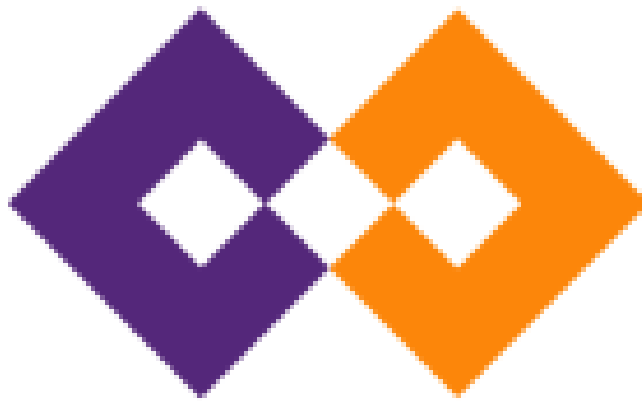


# **Sino Great Wall Co., Ltd.**

## **The Third Quarterly Report 2017**



**October 2017**

## 1 Important Notice

The Board of Directors ,Supervisory Committee, all directors, supervisors and senior executives of the Company hereby guarantees that there are no misstatement, misleading representation or important omissions in this report and shall assume joint and several liability for the authenticity, accuracy and completeness of the contents hereof.

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

Mr.Chen Lue, Person in charge of the Company, Mr.Tang Xianyong, Chief financial officer and the Mr. Tang Xianyong, the person in charge of the accounting department (the person in charge of the accounting )hereby confirm the authenticity and completeness of the financial report enclosed in this Quarterly Report .

## II. Basic information about the company

### (1) Main financial data and financial index

Whether it has retroactive adjustment or re-statement on previous accounting data for accounting policy changed and accounting error correction or not.

Yes  No

	As at the end of the reporting period	As at the end of last year	Changed (%) over end of prev. year	
Gross assets (RMB)	10,495,996,015.27	7,986,178,961.63	31.43%	
Net assets attributable to the shareholders of the listed company (RMB)	2,042,777,869.59	1,777,948,117.49	14.90%	
	Reporting period	Increase/decrease over the same period of last year (%)	Between beginning of the year to the end of the report period	Changed (%) over end of prev. year
Operating income (RMB)	1,660,125,169.52	29.70%	4,685,207,526.32	44.89%
Net profit attributable to the shareholders of the listed company (RMB)	141,854,355.89	40.64%	410,460,805.92	35.39%
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company (RMB)	141,971,594.58	40.84%	406,874,430.74	43.62%
Cash flow generated by business operation, net (RMB)	--	--	-785,444,322.16	53.42%
Basic earning per share(RMB/Share)	0.0835	41.05%	0.2417	35.41%
Diluted gains per share(RMB/Share)(RMB/Share)	0.0835	41.05%	0.2417	35.41%
Weighted average income/asset ratio (%)	7.09%	0.66%	21.49%	0.54%

Items and amount of non-current gains and losses

Applicable  Not applicable

In RMB

Items	Amount from beginning of the year to the end of the report period	Notes
Non-current asset disposal gain/loss(including the write-off part)	-24,916.50	

for which assets impairment provision is made)		
Government subsidy recognized in current gain and loss(excluding those closely related to the Company's business and granted under the state's policies)	292,876.71	Mainly is the posts stabilization subsidy of the Social Insurance Management Center
Non-operating income and expense other than the above	3,931,544.43	
Less: Amount of influence of income tax	613,129.46	
Total	3,586,375.18	--

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.

Applicable  Not applicable

None of Non-recurring gain /loss items recognized as recurring gain /loss/items as defined by the information disclosure explanatory Announcement No.1- Non –recurring gain/loss in the report period.

**II. Total Shareholders and Shares Held by Top Ten Shareholders at the End of the Reporting Period****1. About Total Common Shareholders, Total Preference Shareholders with the Voting Power Recovered and the Shares Held by Top Ten Common Shareholders**

In shares

Total number of common shareholders at the period-end		73,285	Total preference shareholders with the voting power recovered at the end of the reporting period(if any)		0	
Shares held by the top 10 shareholders						
Shareholder name	Properties of shareholder	Share proportion %	Quantity	Amount of tradable shares with Conditional held	Pledging or freezing	
					Status of the shares	Quantity
Chen Lue	Domestic Natural person	34.36%	583,454,556	581,722,696	Pledge	455,260,594
STYLE-SUCCESS LIMITED	Foreign legal person	5.47%	92,970,910	0		
Union Holdings Co., Ltd.	Domestic Non-State-owned legal person	5.18%	87,935,921	0		
He Feiyan	Domestic Natural person	3.23%	54,800,458	54,800,458		
Jiutai Fund — Bank of Communications — Jiutai Huitong No.2 specific customer asset management plan	Other	2.50%	42,479,672	42,479,672		
Huatai Securities Co., Ltd.	Domestic Non-State-owned legal person	1.75%	29,792,520	0		
Rich Crown Investment Co., Ltd.	Foreign legal person	1.37%	23,235,313	0		
China International Finance Co., Ltd.	Domestic Non-State-owned legal person	1.18%	19,955,594	0		
Bank of China — Fortis Income Growth Securities	Other	0.98%	16,558,178	0		

Investment Fund						
Qinghai Heyi Mining Co.,Ltd/	Domestic Non-State-owned legal person	0.79%	13,357,084	0	Pledge	13,357,000
Shares held by the Top 10 Shareholders of Non-restricted shares						
Name of the shareholder	Quantity of unrestricted shares held at the end of the reporting period	Share type				
		Share type	Quantity			
STYLE-SUCCESS LIMITED	92,970,910	Foreign shares placed in domestic exchange	92,970,910			
Union Holdings Co., Ltd.	87,935,921	RMB Common shares	87,935,921			
Huatai Securities Co., Ltd.	29,792,520	RMB Common shares	29,792,520			
Rich Crown Investment Co., Ltd.	23,235,313	Foreign shares placed in domestic exchange	23,235,313			
China International Finance Co., Ltd.	19,955,594	RMB Common shares	19,955,594			
Bank of China – Fortis Income Growth Securities Investment Fund	16,558,178	RMB Common shares	16,558,178			
Qinghai Heyi Mining Co.,Ltd/	13,357,084	RMB Common shares	13,357,084			
Huang Huaian	10,115,000	RMB Common shares	10,115,000			
Cai Yu	9,000,000	RMB Common shares	9,000,000			
National Trust Co., Ltd. – No.2 Jinhui Capital Trust Plan	8,270,000	RMB Common shares	8,270,000			
Explanation on associated relationship or concerted action of the above shareholders	Mr. Chen Lue and Ms. He Feiyan are the unanimous persons; Union Holding Co., Ltd. and Rich Crown Investment Co., Ltd. and the other shareholders of circulation do not know whether there is any related relationship.					
Note to the top 10 common stockholders involved in margin financing & securities lending (If any)	Nil					

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 top 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 number of preferred shareholders and shareholding of top 10 preferred shareholders by the end of the report period**

Applicable  Not applicable

### III. Significant Events

#### I. Major changes of main accounting statement items and financial indicators in the reporting period, as well as reasons for the changes

√ Applicable □ Not applicable

Items	Year-end balance (RMB)	Same period of the previous year(RMB)	Changes (%)	Remarks on the change
Account receivable	5,072,793,851.05	3,725,170,208.31	36.18%	Mainly due to the smooth progress of large projects and the increase in project income and the not-yet-collection money during the reporting period
Other receivable	1,338,430,519.20	651,012,132.91	105.59%	Mainly due to the project guarantee money and the increase in the come-and-go money.
Non-current asset due in 1 year	5,338,999.34	13,462,942.89	-60.34%	Mainly due to the office buildings decoration and the reduction in the amortization of overseas guarantees.
Other current asset	14,823,673.44	35,450,194.47	-58.18%	Mainly due to the decrease in VAT pending deduction special invoice during the reporting period.
Construction in progress	4,963,483.90		100.00%	Mainly due to the construction of intelligent housing, ecological housing R & D center and production base and the tower crane installation of overseas project.
Long-germ expenses to be amortized	4,105,972.90	7,003,035.93	-41.37%	Mainly due to the office buildings decoration and the reduction in the amortization of overseas guarantees.
Other non-current asset	670,010,987.00	116,902,258.30	473.14%	Mainly due to the increase of PPP project companies and the increase of investment of the company.
Short-term bank loan facilities	3,106,375,280.98	1,966,058,357.59	58.00%	Mainly due to the increase in bank borrowings in the current period.
Non-current liability due in 1 year	905,589,321.63	175,958,998.04	414.66%	Mainly due to the reclassification of long-term borrowings due within one year.
Specialized reserve	99,340,271.80	65,687,868.14	51.23%	mainly due to the new construction project to carry out the safety reserve.
Minority interests	69,030,645.96	52,534,755.10	31.40%	Mainly due to the increase in profits of the non-wholly owned subsidiary-Sino Great Wall Construction.
Business income	4,685,207,526.32	3,233,597,223.19	44.89%	Mainly due to the increase in the revenue



				caused by the increase of domestic PPP projects and general contracting projects.
Business cost	3,657,257,165.36	2,452,777,768.51	49.11%	Mainly due to the increase in revenue during the reporting period.
Business tax and surcharge	2,386,723.94	9,029,321.48	-73.57%	Mainly due to the business tax replaced by VAT.
Financial expenses	174,158,944.01	106,481,367.68	63.56%	Mainly due to the increase in bank borrowings.
Net cash flow generated by business operation,	-785,444,322.16	-1,686,338,825.47	53.42%	Mainly due to the smooth progress of the project business and the good money collection.
Net cash flow generated by investment	-606,720,595.95	-255,555,028.00	-137.41%	Mainly due to the increase of PPP project companies and the increase of investment of the company.
Influence of exchange rate alternation on cash and cash equivalents	-8,154,660.05	1,569,103.98	-619.70%	Mainly due to changes in foreign currency against the RMB exchange rate.

## II. The progress of significant events and influence, as well as the analysis and explanation on resolving proposal

√ Applicable □ Not applicable

On July 7, 2016, At the 10<sup>th</sup> board meeting of the 7<sup>th</sup> session board of directors held by the company, the Proposal about Sino Great Wall Co.,Ltd's Non-public Issuance of A Share was examined and approved, planning to issue shares to Sino Great Wall (Beijing) Investment Co., Ltd, Beijing An'ben Helath-care Investment Holdings Co.,Ltd and Mr. Zheng Jihua with the raising money of RMB 2.5 billion. On October 14, 2016, CSRC accepted the company's application of Non-public Issuance of Shares.

On February 16,2017, At the 16th board meeting of the 7<sup>th</sup> session board of directors held by the company, the Proposal about Adjusting the Non-public Share Issuance Plan of the Company was examined and approved, with the total amount of raising money adjusted to be RMB 900 million.

On March 22,2017, The company's application of non-public A-share issuance had been examined and approved by the Issuance Examination Commission of CSRC. On July 21, 2017, the company received the Approval for Sino Great Wall Co.,Ltd's Non-public Share Issuance by CSRC (No. 1145-2017 CSRC Permission). The company's board of directors will, in accordance with the relevant laws and regulations, the requirement of the above-said approval document and the authorization of the company's shareholders' general meeting, handle the relevant matters of this non-public share issuance within the stipulated term and fulfill the obligation of information disclosure in a timely manner.

Overview of material matters	Date of disclosing	Description of the website for disclosing provisional announcements
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Announcement on the Official Document of Approval of Non-public Share Issuance by CSRC.	July 24,2017	<a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a>
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### III. The commitments of the Company and its shareholders holding over 5% of the Company's total shares in the report year of extending to the report year from previous year.

√ Applicable □ Not applicable

Commitment	Commitment maker	Type	Contents	Time of making commitment	Period of commitment	Fulfillment
Commitment on share reform	No		No		No	No
Commitment in the acquisition report or the report on equity changes	No		No		No	No
Commitments in assets reorganization	Chen Lue, He Feiyan	Share lock	Shares acquired by purchases of assets through issuing shares: "I will not transfer the new shares of Victor Onward Holdings acquired through this restructuring, including but not limited to the public transfer through the stock market or by agreement, and I will not entrust anybody else to manage my shares of Victor Onward Holdings, within 36 months from the date new shares list and before the date I've carried out my obligations of performance compensation under this restructuring(subject to whatever is early, hereinafter referred to as "lock-up periods"). If the closing price of shares of Victor Onward Holdings were lower than this issue price for 20 continuous trading days in 6 months after the restructuring transaction has been completed, or the final closing price were lower than this issue price 6 months after the transaction has been completed, the lock-up periods of my shares of Victor Onward Holdings are automatically prolonged for 6 months. (The above-mentioned issue price will be calculated according to the price after the adjustment of ex-dividend, etc. if ex-dividend behaviors of the company, including	March 19,2015	36 months	Strict performing

			distribution of dividends, giving bonus, conversion of share capital, rationing shares, and etc., were happened during the above-mentioned periods. If the restructuring transaction were investigated by judicial authorities or China Securities Regulatory Commission due to false record, misleading statement or major omission of the information provided or disclosed, I will not transfer my shares of the company before the conclusion of the case has been made clear. After the above-mentioned lock-up periods, I will sell or transfer the new shares of the company acquired from this restructuring following relevant regulations of China Securities Regulatory commission and Shenzhen Stock Exchange.			
Chen Lue	Share lock	Shares acquired by matching funds raised: “I will not transfer the new shares of Victor Onward Holdings acquired through this issuing by any way, including but not limited to the public transfer through the stock market or by agreement, within 36 months from the date new shares list. If regulation rules or regulators have longer requirements for lock-up periods, it should be executed accordingly.	March 19,2015	36 months	Strict performing	
Chen Lue	There is no funds occupied	Up to the issue day of the letter, I and other corporations controlled by me haven't possessed funds of Sino Great Wall; After the transaction is completed, I and other companies controlled by me (if any), except for listed companies and their holding subsidiaries, will not possess the funds of listed companies or Sino Great Wall by any way, including cash in advance, other expenses, direct or indirect loans, assumption, etc. and try our best to avoid fund intercourse with listed companies or Sino Great Wall, which has nothing to do with normal operations. If Sino Great Wall got penalized by government administration departments due to the money lending which was happened before the transaction, I will bear the total compensation for the company's loss resulting from it by cash in order to guarantee Sino Great Wall won't suffer any loss.	March 19,2015	Long-term	Strict performing	

			Meanwhile, I will actively urge Sino Great Wall to establish complete inner control system and funds management system within lawful authority.			
Chen Lue	Cash compensation	In view of the fact that the houses rented by Sino Great Wall and its son subsidiaries, subsidiaries, haven't rental registration, I promise, if Sino Great Wall and its son subsidiaries, subsidiaries, were penalized by real estate management department or suffered other losses resulting from it, I agree to compensate the loss of the company by cash.	March 19,2015	Long term	Strict performing	
Chen Lue	Cash compensation	During the reporting period, the project which Sino Great Wall is involved in is the decoration engineering construction project of Libo Grand Hotel (hereinafter referred to as "Libo project") which the company contracted before the bidding process. Sino Great Wall is not involved in any other projects except for Libo project before bidding process. As to the violating issues existed in the Libo project, I promise as follows: if Sino Great Wall got penalized by government administration departments or suffered any economic loss resulted from it, I will compensate the company by cash; Meanwhile, I, within lawful authority, will also promise to urge the company to undertake related construction projects legally so as to avoid violating issues happened before implementation of bidding process, i.e., at the time for construction again.	March 19,2015	Long term	Strict performing	
Chen Lue	Cash compensation	1. Up to October 13th,2014, the related expenses of the litigation and arbitration cases, including the actual price, compensation, penalty, ligation costs, etc. which the parent-subsidiary companies of Sino Great Wall needs to pay caused by the final results of ligation and arbitration cases, exceed the amount of liabilities which recognized in the "Audit Report" made for Sino Great Wall by Ruihua CPA (Special Ordinary Partnership) on the basis of the audit base day of July 31st, 2014, I promise to bear the balance by cash	March 19,2015	Long term	Strict performing	

			unconditionally so as to guarantee the parent-subsiaries of Sino Great Wall won't suffer any loss. 2. This commitment letter is irrevocable.			
Chen Lue	Cash compensation	1. On condition that ownership defect exists in the lease of house property of parent-subsiary companies of Sino Great Wall and its subsidiary corporation, which resulted in inability for parent-subsiary companies of Sino Great Wall and its subsidiary corporation to continue leasing this house property but having to relocate, or parent-subsiary companies of Sino Great Wall and its subsidiary corporation can't timely find suitable workplace for lawful operation in related area, I will undertake to compensate by cash for parent-subsiary companies of Sino Great Wall's losses which are caused by operation and finance due to the above-mentioned matters. 2. I undertake to unconditionally bear the relevant fines by cash for parent-subsiary companies of Sino Great Wall on condition that the rental house property of parent-subsiary companies of Sino Great Wall and its subsidiary corporation is in absence of handling procedures for filing house leasing ,which resulted in that parent-subsiary companies of Sino Great Wall and its subsidiary corporation are fined by property administrative department. 3.The commitment letter is irrevocable.	March 19,2015	Long term	Strict performing	
Chen Lue	Cash compensation	"In condition that parent-subsiary companies of Sino Great Wall or its son subsidiary haven't paid social security or housing fund for staff according to law, which resulted in any losses to Sino Great Wall , including the competent authorities' requirement for Sino Great Wall or its subsidiary to make supplementary payment, to be punished and resourced, I will bear by full-amount cash for the fee of supplemental payment and the expense and fee for being punished or resourced, which is to guarantee Sino Great Wall and its subsidiary to avoid suffering.	March 19,2015	Long term	Strict performing	

	Chen Lue	Cash compensation	<p>“At present, Suzhou Lvbang has possessed one state-own land use right, of which the land certificate is Suzhou Guo Yong(2014) No.Y2014086”, locates in Danan Village, Dadian Town, Yongqiao District, Suzhou City with 32,966 square meters of area and the purpose for industry. Suzhou Lvbang possesses its own factory with 9,843.87 square meters of area above-mentioned, which is the building reserved on the former selling land. Suzhou Lvbang is carrying out refurbishing and reconstruction for this factory and has acquired “License of Construction Land Planning ”with No.2014-08-001 approved and issued by Yongqiao District, Suzhou City’s housing and rural construction bureau, of which other examination and approval procedures of construction are in the process of handling “I undertake to actively supervise and urge Suzhou Lvbang on handling procedures of the approval process involved with factor refurbishing and reconstruction, and which is suffered from administrative punishment by relevant competent authorities in reason of claiming certificate of title, or in which any dispute or controversy exist in construction and ownership, which shall be my responsibility to carry out solution, and I undertake to compensate by cash for Suzhou Lvbang’s losses which are due to this matter, guaranteeing no losses occur to Sino Great Wand Suzhou Lvbang for this matter.”</p>	March 19,2015	Long term	Strict performing
	Chen Lue	Cash compensation	<p>“According to the “Agreement of Significant Asset Replacement and Issue of Share to Buy Asset”(hereinafter referred to as “Agreement”) signed among Victor Onward Holdings, all shareholders of Sino Great Wall and Union Development Group Co., Ltd (hereinafter referred to as“ Union Group”) on October 13, 2014, all the creditor’s rights and liabilities related to place-out asset before the delivery date of Victor Onward Holdings shall be Union Group’s responsibility to carry out solution; After the asset delivery date, if any losses occur</p>	March 19,2015	Long term	Strict performing

			to Victor Onward Holdings in reason of the liability transfer of asset delivery, personnel placement, unsettled dispute or controversy and other compensation related to place-out asset, payment obligation and punishment, Union Group or the specified third party shall sufficiently compensate all losses for Victor Onward Holdings for the above matters. I undertake, if Union Group and the specified third party refuse to compensate the losses caused by the above mentioned matters for Victor Onward Holdings according to the“ Agreement”, I will compensate by cash for the Victor Onward Company within 5 working day in advance. Meanwhile, I will reserve the resource rights for Union Group and the specified third party.			
Chen Lue, He Feiyan	Performance commitment		According to“ Agreement of Shenzhen Victor Onward Textile Industrial Co., Ltd., Chen Lue and He Feiyan Concerning on Performance Compensation” and its supplemental agreement , Chen Lue’s promised Sino Great Wall that the net profit deducted by incidental losses and attributable to the parent companies’ owners after audition of 2015, 2016 and 2017 shall be respectively more than RMB 345.8 million, RMB 438.5 million and RMB 538.2 million. If the net profit of Sino Great Wall is less than the promised net profit mentioned above , Chen Lue and He Feiyan will compensate for listed company in accordance with “Performance Compensation Agreement” and its supplemental agreement.	May 11,2015	Long term	Strict performing
Chen Lue ,He Feiyan	Independence, competition in the same industry		1. This reorganization is planned to place in asset. At present, complete separation has existed between me or other enterprises under my possession (if any) and the listed company in staff, asset, finance, institution and business of Sino Great Wall. Independence exists in both staff, asset, finance, institution and business and no confusion exists. 2. I undertake, after this reorganization, to ensure the continued complete separation between me or other enterprises under my possession(if any) and the	September3 0,2015	Long term	Strict performing

		<p>listed company in staff, asset, finance, institution and business, sustaining the independence in the listed company's staff, asset, finance, institution and business, as follows: (1).The Ensurance of Independence for Listed Company's Personnel Ensure that the general manager, the vice-general manger, the chief financial officer, the board secretary and the senior executives of the Company only accept salary in listed company, including no holding of any post except director and supervisor in my enterprise or other enterprises under my possession. 2.Ensure the complete independence exists among the listed company's labor, personnel, and salary management and me. 3. The director, supervisor, general manager and other senior executives recommended by me have all been through the legal procedures, and I will not intervene the company's board and the shareholder's decision for appointing and dismissing personnel by exercising official power. (2)The Ensurance of the Asset Independence of Listed Company 1.Ensure that the listed company possesses business system related to operation and the relevant completely-independent asset. 2.Ensure that no occupation of mine exists in capitals and assets of the listed company. 3.The Ensurance of the Financial Independence of Listed Company 1.Ensure that the independent finance department and the independent financialcalculating system set up by the listed company, which possess normative and independent financial and accounting rules. 2. Ensure that the listed company independently opens a bank account, not sharing the same bank account with me. 3.Ensure that the financial staff of the listed company holds no part-time post in my enterprise and other enterprises under my possession. 4. Ensure that the listed company pays taxes according to law. 5. Ensure that the listed company makes the financial decision-making independently, I will</p>			
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			<p>not intervene the utilization of the listed company's capital. (4)The Ensurance of the Institutional Independence of Listed Company</p> <p>1.Ensure that the listed company sets up perfect governance structure for the share company's legal person, which possesses independent and complete institutional framework</p> <p>2.Ensure that the shareholder's meeting, the board of director, the independent director, the supervisor and the general managers exercise official powers according to laws, regulations and articles of incorporation</p> <p>(5)The Ensurance of the Business Independence of Listed Company</p> <p>1. Ensure that the listed company possesses the asset, staff, qualification and ability for independently holding business activities, which possesses the independent, autonomous and sustain operation ability catering to the market.</p> <p>2. Ensure that I will not intervene the listed company's business activities except exercising shareholder's rights.</p> <p>3.Ensure that I or other enterprises under my possession will avoid working on the listed company's main business which possesses substantial competition.</p> <p>4. Ensure to reduce the related transaction between me and the listed company or between other enterprises under my possession and the listed company as much as possible; When confirming necessary but unavoidable related transaction, I will ensure the fair operation according to the principle of market culture and the fair price, and fulfill the transaction procedures and the obligation of disclosing information according to relevant laws and regulations and normative document "</p>			
	Chen Lue ,He Feiyan	Relate transa ctions	<p>"1.Before this reorganization, the fairness and reasonableness of pricing and the legitimacy and effectiveness of decision-making procedure exist in the transaction(if any) between me or the enterprise under my possession(if any) and Sino Great Wall which is planned to place asset in, no related transaction with obvious unfairness exists ;</p> <p>2.After this reorganization, I or the enterprise under my possession will avoid and reduce the related transaction with listed</p>	March 19,2015	Long term	Strict performing

			company as much as possible. As for any unavoidable or reasonable related transaction, I or the enterprise under my possession will sign the agreement according to laws and fulfill the lawful procedure, and fulfill relevant approval procedure for internal decision-making and timely fulfill the obligation of disclosing information according to law, following relevant laws, regulations, other normative documents and articles of listed company, which is to guarantee the fairness and reasonableness in related transaction pricing, to guarantee the fairness of transaction condition and to guarantee not to utilize the related transaction to illegally transfer the capital and profit of listed company, and not to utilize this transaction to engage in any behaviors which will cause any losses to listed company or other shareholder's legitimate rights. Once I violate the above promises and cause losses to the listed company, I will compensate the listed company for the losses caused by the this matter.			
	Union Development Group Co., Ltd	Income disposal	During the assets reorganization, the house property and land without property certificate in the disposed assets within the plant area of Kuixin Community of Kuichong Street of Longgang District and the expected compensations, as well as the expected compensations concerning to the regaining of plots planned as schools within the right of land use of Nanyou Industrial Park of Nanshan District have not been recorded in the assessment. Therefore, Union Group promises that after the reorganization, if Union or a third party appointed by Union receives compensations or incomes related to above-mentioned disposed assets which are house property and land without property certificate as well as regaining of plots planned as schools, Union will return the benefits to Victor Onward Holdings, in 10 working days since the collection. The actual costs and fees during the possession of the house property and	March 19,2015	Long term	Strict performing

			land and the paid as well as the unpaid but necessary costs and fees for the reception of the above-mentioned benefits for Union Group or its third party will be deducted from the income. The specific benefits and payable costs and fees should be confirmed jointly by Union Group and Victor Onward Holdings based on the actual situations. (Notes:On June 25, 2015,All shareholders of Victor Onward Holdings, Union Group and Sino Great Wall Signed supplementary agreement, and specified that the land and houses without ownership certificate of Victor Onward Holdings located at the factory area of Kuixin community of Kuichong Street office of Longgang District (the land area is about 50,000 square meters, the built-up area of houses is about 25,000 square meters, among them about 18,000 square meters of buildings at built-up area are within the plan of removal and collection of government, hereinafter referred as “undocumented property) still belongs to Victor Onward Holdings. And the benefits and risks of the real estate without certificate are enjoyed and assumed by Victor Onward Holdings			
	Union Development Group Co., Ltd	Cash compensation	According to the Term 5.5.3 of Agreement on Major Asset Replacement and Asset Purchase Through Issuing Shares (hereinafter referred to as Agreement) signed on October 13, 2014 by the company and all shareholders of Victor Onward Co. Ltd.. and Sino Great Wall, Victor Onward Holdings should obtain the letter of approval concerning the transferred debts of the disposed assets from the creditor (including the guarantee, similarly hereinafter) before the date of assets delivery. In the situation of debts on Victor Onward Holdings due to the absence of creditor’s consent, the company or the third party appointed by the company is in charge of paying off debts or reaching agreement on the solution with the creditor. When there are losses caused by improper solutions of the company or the third party appointed by the company, the company or the third party appointed by the	March 19,2015	Long term	Strict performing

			<p>company will fully compensate for the caused losses of Victor Onward Holdings in 5 working days after receiving the notice. According to the Term 5.5.4 of Agreement, after the date of assets delivery, any compensations, obligations of payment and penalties caused by disposed assets as well as unsettled disputes in Victor Onward Holdings will be undertaken and solved by the company or the third party appointed by the company, and Victor Onward Holdings assumes no responsibility. When there are losses caused by it, the company or the third party appointed by the company will fully compensate for the caused losses of Victor Onward Holdings in 5 working days after receiving the notice. According to the Term 5.6.1 of Agreement and based on the principle of “staff arrangement according to the assets”, the labor relations, social insurance relations including pension, medical treatment, unemployment, working injury and maternity, and other liable welfare and salary of all the staff in Victor Onward Holdings. (including but not limited to on-post employees, employees awaiting job assignments, retired employees, retained employees with suspend salary, transferred employees, and temporary employees, etc) will be transferred to the company or the third party appointed by the company. Compensations or related matters (if any) due to the termination of labor relationship in advance with Victor Onward Holdings, the company or the third party appointed by the company will be in charge of the payment. The company promises that for the losses caused by matters such as the above-mentioned debt transfers of disposed assets, personnel arrangement, unsettled disputes, potential debts, payment obligations and penalties, the company or the third party appointed by the company will fully compensate for the losses of Victor Onward Holdings due to the above-mentioned matters based on the Agreement in cash.</p>			
Commitments	All directors	Fill	1.Guarantee that interest will be transferred to	July 7,2016	Long-term	Strict

made upon issuance	of the company	returns	<p>other units or individuals which are with compensation or without fair conditions, neither other ways which are harmful to the Company's interest will be adopted;2.Guarantee restraint conduction for the duty consuming behavior of directors and senior managers;3.Guarantee that no capital of the Company will be employed for engaging in investment or consumption which are not involved with duty performance;4.Guarantee that the compensation system formulated by the board of director or Compensation and Assessment Committee is linked with the exertion situation of the Company's return filling solution;5. Shall stock incentive mechanism subsequently be introduced by the Company, the exertion condition of the Company's stock incentive mechanism which is intended to be published is guaranteed to be linked with the exertion situation of the Company's return filling solution;6.When stock incentive mechanism is intended to be carried out subsequently , I promise, within the legal range, to prompt the exertion condition of the Company's stock incentive mechanism which is intended to publish is guaranteed to be linked with the exertion situation of the Company's return filling solution;7. I promise the commitments above will be fulfilled strictly, and guarantee actual fulfillment for the Company's return filling solution. Shall any commitments be violated or be refused to fulfill by me, I will fulfill corresponding obligations of explanation and apology according to relevant regulations of Guidance on First Issue, Refinancing, Major Asset Reorganization and Dilution for Return at Sight by CSRC, and will approve the supervision measures or self-discipline supervision measures made by CSRC, SZSE and China Association for Public Companies. Any losses occurred upon he Company or the shareholders, I am willing to undertake the responsibility for corresponding compensation in accordance with laws.</p>			performing
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	Chen Lue, He Feiyan	Fill returns	Guarantee that no operating management will be intervened with exceeded authority, and no interest of the Company will be expropriated.	July 7,2016	Long-term	Strict performing
Equity incentive commitment	No	No	No		No	No
Other commitments for medium and small shareholders	No	No	No		No	No
Completed on time(Y/N)	Yes					
If the commitments is not fulfilled on time, shall explain the specify reason and the next work plan	Nil					

#### IV. Prediction of Business performance for 2017

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. Investment in securities**

Applicable  Not applicable

No Securities investment in period

**VI. Investment in derivatives**

Applicable  Not applicable

There is no derivative investment during the report period.

**VII. The registration form of acceptance of investigation, communication and interview in the report period for future reference**

Applicable  Not applicable

Reception time	Way of reception	Types of visitors	Basic index
August 24,2017	Onsite investigation	Organization	The interactive relation with the investors on Shenzhen Stock Exchange platform about Sino Great Wall International Engineering Co., Ltd: Record of the investors relations activities on August 24, 2017.

**VIII. External guarantee get out of line**

Applicable  Not applicable

The Company has no external guarantee get out of the line in the Period

**IX. Controlling shareholder and its related parties occupying non-business capital of the listed company**

Applicable  Not applicable

There are no controlling shareholder and its related parties occupying non-business capital of the listed company in Period

**X. Implementation of the social Responsibility of taking targeted measures to alleviate poverty in light of local Conditions.**

In The report third quarter, the company neither carried out the work of taking targeted measures to alleviate poverty in light of local conditions nor has such a plan.

## IV. Financial Statement

### I. Financial statement

#### 1. Consolidated balance sheet

Prepared by: Sino Great Wall Co., Ltd.

In RMB

Items	At the end of term	Beginning of term
Current asset :		
Cash and bank balances	1,470,453,794.78	1,340,815,821.83
Settlement provision		
Outgoing call loan		
Financial assets at fair value through profit or loss		
Derivative financial assets		
Notes receivable	755,016,594.76	1,074,390,642.58
Account receivable	5,072,793,851.05	3,725,170,208.31
Advance payments	311,054,365.54	319,206,798.63
Insurance receivable		
Reinsurance receivable		
Provisions of Reinsurance contracts receivable		
Interest receivable		
Dividend receivable		
Other account receivable	1,338,430,519.20	651,012,132.91
Securities purchased under agreements to resell		
Inventories	426,746,726.92	332,904,930.36
Held-for-sale assets		
Current portion of non-current assets	5,338,999.34	13,462,942.89
Other current asset	14,823,673.44	35,450,194.47
Total of current assets	9,394,658,525.03	7,492,413,671.98
Non-current assets:		
Loans and advances		



Available-for-sale financial assets		
Held-to-maturity investments		
Long-term receivable		
Long term share equity investment		
Property investment		
Fixed assets	140,014,185.65	128,483,747.74
Construction in progress	4,963,483.90	
Engineering material		
Fixed assets pending for disposal		
Productive biological assets		
Gas & petrol		
Intangible assets	126,422,718.30	106,203,443.55
Research and Development Expenditures		
Goodwill	58,874,144.79	58,874,144.79
Long-term prepaid expenses	4,105,972.90	7,003,035.93
Deferred income tax	96,945,997.70	76,298,659.34
Other non-current asset	670,010,987.00	116,902,258.30
Total of non-current assets	1,101,337,490.24	493,765,289.65
Total of assets	10,495,996,015.27	7,986,178,961.63
Current liabilities		
Short-term bank loan facilities	3,106,375,280.98	1,966,058,357.59
Borrowings from central bank		
Deposits and placements from other financial institutions		
Placement from banks and other financial institution		
Financial liabilities at fair value through profit and loss		
Derivative financial liabilities		
Notes payable	648,811,805.70	706,883,375.54
Account payable	1,564,449,490.21	1,313,948,990.25
Advances from customers	586,284,852.68	573,784,072.58
Securities sold under agreement to repurchase		
Fees and commissions payable		

Payroll payable	18,970,536.66	18,797,546.69
Taxes and surcharges payable	399,043,104.19	313,483,669.78
Interest payable	7,836,284.79	6,428,493.55
Dividend payable		
Other payable	222,947,622.83	222,414,975.01
Reinsurance amounts payable		
Provision of insurance contract		
Securities brokering		
Securities underwriting		
Held-for-sale liabilities		
Current portion of non-current liabilities	905,589,321.63	175,958,998.04
Other current liability		30,382,980.72
Total of current liability	7,460,308,299.67	5,328,141,459.75
Non-current liabilities:		
Long-term bank loan facilities	794,966,196.84	786,858,878.82
Bond payable	100,000,000.00	
Including: preferred stock		
Perpetual capital securities		
Long-term payable		
Long-term employee benefits payable		
Grants payable		
Provisions	2,878,343.68	13,225,861.70
Deferred income		
Deferred tax liabilities	26,034,659.53	27,469,888.77
Other non-current liabilities		
Total non-current liabilities	923,879,200.05	827,554,629.29
Total of liability	8,384,187,499.72	6,155,696,089.04
Equity		
Share capital	1,698,245,011.00	1,698,245,011.00
Other equity instrument		
Including: preferred stock		
Perpetual capital securities		
Reserves	-1,303,571,952.68	-1,299,349,701.74
Less: treasury shares		

Other comprehensive income		
Specialized reserve	99,340,271.80	65,687,868.14
Surplus reserves	84,394,441.23	84,394,441.23
General risk reserve		
Retained earnings	1,464,370,098.24	1,228,970,498.86
Equity contributable to parent company	2,042,777,869.59	1,777,948,117.49
Minority interests	69,030,645.96	52,534,755.10
Total equity	2,111,808,515.55	1,830,482,872.59
Total liabilities and equity	10,495,996,015.27	7,986,178,961.63

Legal Representative: Chen Lue    Person in charge of accounting: Tang Xianyong    Accounting Dept Leader: Tang Xianyong

## 2.Parent Company Balance Sheet

In RMB

Items	Year-end balance	Year-beginning balance
Current asset :		
Cash and bank balances	254,380,567.75	168,691,344.34
Financial assets at fair value through profit or loss		
Derivative financial assets		
Notes receivable		
Account receivable		6,346.00
Advance payments	2,264,166.67	1,000,000.00
Interest receivable		
Dividend receivable		
Other receivable	3,485,998,928.81	1,672,200,041.98
Inventories		
Held-for-sale assets		
Current portion of non-current assets		
Other current asset	2,002,457.11	1,404,744.25
Total of current assets	3,744,646,120.34	1,843,302,476.57
Non-current assets:		
Available-for-sale financial assets		
Held-to-maturity investments		
Long-term receivable		

Long term share equity investment	3,181,451,536.66	3,176,451,536.66
Property investment		
Fixed assets	62,020.61	4,121.50
Construction in progress		
Engineering material		
Fixed assets pending for disposal		
Productive biological assets		
Gas & petrol		
Intangible assets		
Research and Development Expenditures		
Goodwill		
Long-term prepaid expenses	210,356.03	336,569.60
Deferred income tax		
Other non-current asset	447,495,100.00	48,960,000.00
Total of non-current assets	3,629,219,013.30	3,225,752,227.76
Total of assets	7,373,865,133.64	5,069,054,704.33
Current liabilities		
Short-term bank loan facilities	2,278,070,000.00	980,000,000.00
Financial liabilities at fair value through profit and loss		
Derivative financial liabilities		
Notes payable	230,000,000.00	68,000,000.00
Account payable		
Advances from customers		
Payroll payable	1,080,682.90	701,792.11
Tax payable	96,950,915.73	97,085,106.00
Interest payable	6,589,467.36	5,150,639.24
Dividend payable		
Other payable	176,081,637.95	13,252,762.06
Held-for-sale liabilities		
Current portion of non-current liabilities	700,000,000.00	
Other current liability		
Total of current liability	3,488,772,703.94	1,164,190,299.41
Non-current liabilities:		

Long-term bank loan facilities	756,500,000.00	700,000,000.00
Bond payable	100,000,000.00	
Including: preferred stock		
Perpetual capital securities		
Long-term payable		
Long-term employee benefits payable		
Grants payable		
Provisions		
Deferred income		
Deferred income tax		
Other non-current liabilities		
Total of Non-current liabilities	856,500,000.00	700,000,000.00
Total of liability	4,345,272,703.94	1,864,190,299.41
Equity		
Share capital	1,698,245,011.00	1,698,245,011.00
Other equity instrument		
Including: preferred stock		
Perpetual capital securities		
Reserves	1,237,956,472.37	1,237,956,472.37
Less: treasury shares		
Other comprehensive income		
Specialized reserve		
Surplus reserves	26,309,287.00	26,309,287.00
Retained earnings	66,081,659.33	242,353,634.55
Total equity	3,028,592,429.70	3,204,864,404.92
Total liabilities and equity	7,373,865,133.64	5,069,054,704.33

### 3. Consolidated Income statement of the Report period

In RMB

Items	Amount in this period	Amount in last period
I. Revenue	1,660,125,169.52	1,280,022,467.68
Including: business revenue	1,660,125,169.52	1,280,022,467.68
Interest income		

Premiums earned		
Fees and commissions income		
II. Total operating cost	1,490,656,582.15	1,155,267,384.61
Including: Cost of sales	1,337,658,549.60	992,050,637.18
Interest expense		
Fees and commissions expense		
Cash surrender amount		
Net expenses of claim settlement		
Net provisions for insurance contract reserves		
Policy dividend expenses		
Reinsurance expenses		
Business taxes and surcharges	444,136.65	2,669.37
Selling expenses	5,186,848.41	9,107,275.25
Administrative expense	81,317,075.77	83,946,453.38
Financial expenses	34,347,134.42	36,456,693.08
Impairment loss on assets	31,702,837.30	33,703,656.35
Add: Gain from fair-value changes("“for loss)		
Investment income("“for loss)		198,394.59
Including: investment income from associates and joint ventures		
Gain on foreign exchange("“for loss)		
Other income		
III. Operating profit (“-” for loss)	169,468,587.37	124,953,477.66
Add:Non-operating income	263,830.31	2,853.16
Including: Gains from disposal of non-current assets		
Less: Non business expenses	415,828.12	136,668.00
Incl: Loss from disposal of non-current assets		
IV. Profit before tax("“for loss)	169,316,589.56	124,819,662.82
Less: Income tax expense	24,874,714.61	24,244,602.31
V. Net profit (““for net loss)	144,441,874.95	100,575,060.51

Net profit attributable to the owners of parent company	141,854,355.89	100,866,553.43
Minority interests	2,587,519.06	-291,492.92
VI. Other comprehensive income after tax		
Net of profit of other comprehensive income attributable to owners of the parent company		
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period		
1.Re-measurement of defined benefit plans of changes in net debt or net assets		
2.Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
(II) Other comprehensive income that will be reclassified into profit or loss.		
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss.		
2.Gains and losses from changes in fair value available for sale financial assets		
3.Held-to-maturity investments reclassified to gains and losses of available for sale financial assets		
4.The effective portion of cash flow hedges and losses		
5.Translation differences in currency financial statements		
6.Other		
Net after-tax of other comprehensive income attributable to Minority shareholders' equity		
VII. Total comprehensive income	144,441,874.95	100,575,060.51
Total comprehensive income	141,854,355.89	100,866,553.43

attributable to the owner of the parent company		
Total comprehensive income attributable minority shareholders	2,587,519.06	-291,492.92
VIII. Earnings per share		
(I) Basic earnings per share	0.0835	0.0592
(II) Diluted earnings per share	0.0835	0.0592

Legal Representative: Chen Lue    Person in charge of accounting: Tang Xianyong    Accounting Dept Leader: Tang Xianyong

#### 4. Income statement of the Parent Company of the Report period

In RMB

Items	Amount in this period	Amount in last period
I. Revenue	61,297.29	57,684.88
Less: Business cost	0.00	0.00
Business tax and surcharge	34,225.74	0.00
Selling expenses	371,946.50	0.00
Administrative expense	10,651,768.00	14,974,573.46
Financial expenses	15,358,373.68	26,748,737.27
Impairment loss on assets		
Add: Gain from fair-value changes ("-" for loss)		
Investment income ("-" for loss)		198,394.59
Including: investment income from associates and joint ventures		
Other income		
II. Operational profit ("-" for loss)	-26,355,016.63	-41,467,231.26
Add: Non-operating income		1.00
Including: Gains from disposal of non-current assets		
Less: Non-operating expenses		
Incl: Loss from disposal of non-current assets		
III. Profit before tax ("-" for loss)	-26,355,016.63	-41,467,230.26
Less: Income tax expense		
IV. Net profit ("-" for net loss)	-26,355,016.63	-41,467,230.26



V.Net of profit of other comprehensive income		
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period		
1.Re-measurement of defined benefit plans of changes in net debt or net assets		
2.Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
(II) Other comprehensive income that will be reclassified into profit or loss.		
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss.		
2.Gains and losses from changes in fair value available for sale financial assets		
3.Held-to-maturity investments reclassified to gains and losses of available for sale financial assets		
4.The effective portion of cash flow hedges and losses		
5.Translation differences in currency financial statements		
6.Other		
VI. Total comprehensive income	-26,355,016.63	-41,467,230.26
VII. Earnings per share:		
(I) Basic earnings per share		
(II) Diluted earnings per share		

## 5. Consolidated income statement between the beginning of the year and end of the report period

In RMB

Items	Amount in this period	Amount in last period
I.Revenue	4,685,207,526.32	3,233,597,223.19
Including: Operating income	4,685,207,526.32	3,233,597,223.19

Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	4,184,391,872.60	2,895,825,957.45
Including: Operating cost	3,657,257,165.36	2,452,777,768.51
Interest expense		
Commission chare and commission expense		
Insurance discharge payment		
Net claim amount paid		
Insurance policy dividend paid		
Insurance policy dividend paid		
Reinsurance expenses		
Business tax and surcharge	2,386,723.94	9,029,321.48
Selling expenses	23,281,434.80	18,366,539.49
Administrative expense	206,493,833.92	196,940,207.67
Financial expenses	174,158,944.01	106,481,367.68
Asset impairment loss	120,813,770.57	112,230,752.62
Add: Gains from change of fir value (“-”for loss )		
Investment gain (“-”for loss )		245,263.08
Incl: investment gains from affiliates		
Gains from currency exchange (“-”for loss )		
Other income		
III. Operational profit (“-”for loss )	500,815,653.72	338,016,528.82
Add: Non-business income	4,708,455.09	29,136,122.16
Incl: Gains from disposal of non-current assets		
Less: Non business expenses	508,950.45	2,892,580.00
Incl: Loss from disposal of non-current assets		
IV.Total profit(“-”for loss)	505,015,158.36	364,260,070.98

Less: Income tax expenses	81,101,852.86	62,107,362.14
V. Net profit ( “-”for net loss )	423,913,305.50	302,152,708.84
Net profit attributable to the owners of parent company	410,460,805.92	303,165,970.06
Minority shareholders’ equity	13,452,499.58	-1,013,261.22
VI. Net after-tax of Other comprehensive income		
Net after-tax of other comprehensive income attributable to owners of the parent company.		
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period		
1.Re-measurement of defined benefit plans of changes in net debt or net assets		
2.Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
(II) Other comprehensive income that will be reclassified into profit or loss.		
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss.		
2.Gains and losses from changes in fair value available for sale financial assets		
3.Held-to-maturity investments reclassified to gains and losses of available for sale financial assets		
4.The effective portion of cash flow hedges and losses		
5.Translation differences in currency financial statements		
6.Other		
Net after-tax of other comprehensive income attributable to Minority shareholders’		

equity		
VII. Total comprehensive income	423,913,305.50	302,152,708.84
Total comprehensive income attributable to the owner of the parent company	410,460,805.92	303,165,970.06
Total comprehensive income attributable minority shareholders	13,452,499.58	-1,013,261.22
VIII. Earnings per share		
(I) Basic earnings per share	0.2417	0.1785
(II) Diluted earnings per share	0.2417	0.1785

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

In RMB

Items	Amount in this period	Amount in last period
I. Revenue	172,315.30	173,625.22
Less: Business cost	1,482.50	0.00
Business tax and surcharge	278,916.40	
Selling expenses	371,946.50	
Administrative expense	21,228,860.07	28,760,269.39
Financial expenses	52,725,808.24	46,699,345.93
Asset impairment loss	-57,423.85	-1,530.70
Add: Gains from change of fair value ("-" for loss)		
Investment gain ("-" for loss)		198,394.59
Incl: investment gains from affiliates		
Other income		
II. Operational profit	-74,377,274.56	-75,086,064.81
Add: Non-business income		29,071,296.00
Incl: Gains from disposal of non-current assets		
Less: Non business expenses		2,755,912.00
Incl: Loss from disposal of non-current assets		
III. Total profit	-74,377,274.56	-48,770,680.81
Less: Income tax expenses		
IV. Net profit	-74,377,274.56	-48,770,680.81

V. Net after-tax of Other comprehensive income		
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period		
1.Re-measurement of defined benefit plans of changes in net debt or net assets		
2.Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
(II) Other comprehensive income that will be reclassified into profit or loss.		
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss.		
2.Gains and losses from changes in fair value available for sale financial assets		
3.Held-to-maturity investments reclassified to gains and losses of available for sale financial assets		
4.The effective portion of cash flow hedges and losses		
5.Translation differences in currency financial statements		
6.Other		
VI.Total comprehensive income	-74,377,274.56	-48,770,680.81
VII.Earnings per share		
(I) Basic earnings per share		
(II)Diluted earnings per share		

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

In RMB

Items	Amount in this period	Amount in last period
I.Cash flows from operating activities		
Cash received from sales of goods or rendering of services	3,177,253,209.09	1,566,047,153.44

Net increase of customer deposits and capital kept for brother company		
Net increase of loans from central bank		
Net increase of inter-bank loans from other financial bodies		
Cash received against original insurance contract		
Net cash received from reinsurance business		
Net increase of client deposit and investment		
Net increase of the financial assets that are measured at fair value and whose movement is counted to the current gain and loss		
Cash received as interest, processing fee and commission		
Net increase of inter-bank fund received		
Net increase of repurchasing business		
Tax returned	12,758,357.03	
Other cash received from business operation	3,245,486,770.66	1,459,745,529.77
Sub-total of cash inflow	6,435,498,336.78	3,025,792,683.21
Cash paid for purchasing of merchandise and services	2,823,791,162.98	2,052,349,873.63
Net increase of client trade and advance		
Net increase of savings in central bank and brother company		
Cash paid for original contract claim		
Cash paid for interest, processing fee and commission		
Cash paid for policy dividend		
Cash paid to staffs or paid for staffs	284,756,611.90	201,703,377.78
Taxes paid	175,356,391.05	90,940,394.34
Other cash paid for business activities	3,937,038,493.01	2,367,137,862.93
Sub-total of cash outflow from business activities	7,220,942,658.94	4,712,131,508.68

Cash flow generated by business operation, net	-785,444,322.16	-1,686,338,825.47
<b>II.Cash flow generated by investing</b>		
Cash received from investment retrieving		12,800,000.00
Cash received as investment gains		9,348,224.12
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets		
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received		
Sub-total of cash inflow due to investment activities		22,148,224.12
Cash paid for construction of fixed assets, intangible assets and other long-term assets	45,779,721.11	26,012,757.28
Cash paid as investment	517,381,774.84	57,000,000.00
Net increase of loan against pledge		
Net cash received from subsidiaries and other operational units	43,559,100.00	119,000,000.00
Other cash paid for investment activities		75,690,494.84
Sub-total of cash outflow due to investment activities	606,720,595.95	277,703,252.12
Net cash flow generated by investment	-606,720,595.95	-255,555,028.00
<b>III.Cash flow generated by financing</b>		
Cash received as investment		47,040,000.00
Incl: Cash received as investment from minor shareholders		
Cash received as loans	4,026,537,500.00	2,801,778,902.00
Cash received from bond placing		
Other financing –related ash received		97,929,280.00
Sub-total of cash inflow from financing activities	4,026,537,500.00	2,946,748,182.00
Cash to repay debts	1,758,114,122.78	524,886,086.94
Cash paid as dividend, profit, or	242,393,681.30	71,424,769.43

interests		
Incl: Dividend and profit paid by subsidiaries to minor shareholders		
Other cash paid for financing activities	409,470,833.33	524,616,889.26
Sub-total of cash outflow due to financing activities	2,409,978,637.41	1,120,927,745.63
Net cash flow generated by financing	1,616,558,862.59	1,825,820,436.37
IV. Influence of exchange rate alternation on cash and cash equivalents	-8,154,660.05	1,569,103.98
V.Net increase of cash and cash equivalents	216,239,284.43	-114,504,313.12
Add: balance of cash and cash equivalents at the beginning of term	943,705,322.41	721,711,757.85
VI .Balance of cash and cash equivalents at the end of term	1,159,944,606.84	607,207,444.73

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

In RMB

Items	Amount in this period	Amount in last period
I.Cash flows from operating activities		
Cash received from sales of goods or rendering of services	128,210.00	203,303.00
Tax returned		
Other cash received from business operation	2,603,508,330.39	642,263,080.59
Sub-total of cash inflow	2,603,636,540.39	642,466,383.59
Cash paid for purchasing of merchandise and services		
Cash paid to staffs or paid for staffs	380,672.60	265,325.38
Taxes paid	366,621.64	1,492,300.15
Other cash paid for business activities	4,060,602,342.91	2,197,137,918.45
Sub-total of cash outflow from business activities	4,061,349,637.15	2,198,895,543.98
Cash flow generated by business operation, net	-1,457,713,096.76	-1,556,429,160.39
II.Cash flow generated by investing		
Cash received from investment		



retrieving		
Cash received as investment gains		198,394.59
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets		
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received		
Sub-total of cash inflow due to investment activities		198,394.59
Cash paid for construction of fixed assets, intangible assets and other long-term assets	65,440.00	
Cash paid as investment	398,535,100.00	57,000,000.00
Net cash received from subsidiaries and other operational units	5,000,000.00	145,960,000.00
Other cash paid for investment activities		39,897.60
Sub-total of cash outflow due to investment activities	403,600,540.00	202,999,897.60
Net cash flow generated by investment	-403,600,540.00	-202,801,503.01
<b>III. Cash flow generated by financing</b>		
Cash received as investment		
Cash received as loans	3,131,370,000.00	1,810,000,000.00
Cash received from bond placing		
Other financing –related cash received		
Sub-total of cash inflow from financing activities	3,131,370,000.00	1,810,000,000.00
Cash to repay debts	980,000,000.00	80,000,000.00
Cash paid as dividend, profit, or interests	204,306,306.50	40,889,904.92
Other cash paid for financing activities	60,833.33	
Sub-total of cash outflow due to financing activities	1,184,367,139.83	120,889,904.92
Net cash flow generated by financing	1,947,002,860.17	1,689,110,095.08
<b>IV. Influence of exchange rate alternation on cash and cash equivalents</b>		

V.Net increase of cash and cash equivalents	85,689,223.41	-70,120,568.32
Add: balance of cash and cash equivalents at the beginning of term	168,691,344.34	239,145,251.31
VI ..Balance of cash and cash equivalents at the end of term	254,380,567.75	169,024,682.99

## II. Auditor's report

Whether the Q3 report is audited

Yes  No

The Q3 Report is not audited.