



Sino Great Wall Co., Ltd.
The Third Quarterly Report 2019

October 2019

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, Ms.Yang Chunling, Chief financial officer and the Ms. Yang Chunling, 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

I.Main financial data and financial index

Indicate by tick mark whether the Company needs to retroactively restate any of its accounting data.

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 (Yuan)	7,970,364,354.91	9,603,455,934.89	-17.01%	
Net assets attributable to the shareholders of the listed company (Yuan)	-1,297,416,656.35	235,202,473.51	-651.62%	
	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 (Yuan)	67,835,920.24	-89.91%	324,203,141.91	-85.65%
Net profit attributable to the shareholders of the listed company (Yuan)	-111,806,387.89	-5.66%	-1,528,580,779.39	-6,098.52%
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company (Yuan)	-108,615,433.73	-24.65%	-1,060,332,034.83	493.22%
Cash flow generated by business	--	--	-452,372,127.89	-135.14%

operation, net (Yuan)				
Basic earning per share(Yuan/Share)	-0.0658	-5.73%	-0.9001	-6,100.67%
Diluted gains per share(Yuan/Share)	-0.0658	-5.73%	-0.9001	-6,100.67%
Weighted average income/asset ratio (%)	-9.01%	-3.49%	-287.81%	-289.01%

Items and amount of non-current gains and losses

Applicable Not applicable

In RMB

Items	Amount (Year-beginning to the end of the report period.)	Notes
Non-current asset disposal gain/loss(including the write-off part for which assets impairment provision is made)	54,651.22	
Net amount of non-operating income and expense except the aforesaid items	-468,303,395.78	
Total	-468,248,744.56	--

Explain the reasons if the Company classifies an item as an extraordinary gain/loss according to the definition in the Explanatory Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public-Extraordinary Gains and Losses, or classifies any extraordinary gain/loss item mentioned in the said explanatory announcement as a recurrent gain/loss item.

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	62,306	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	Properties of	Share	Quantity	Amount of	Pledging or freezing

name	shareholder	proportion %		tradable shares with Conditional held	Status of the shares	Quantity
Chen Lue	Domestic Natural person	34.36%	583,454,556	437,590,917	freeze	583,454,556
					Pledge	583,454,462
STYLE-SUCC ESS 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	0	freeze	54,800,458
Jiutai Fund— Bank of Communicatio ns—Jiutai Huitong No.2 specific customer asset management plan	Other	2.40%	40,696,772	0		
Rich Crown Investment Co., Ltd.	Foreign legal person	1.37%	23,235,313	0		
Qinghai Heyi Industry Development Co.,Ltd/	Domestic Non- State-owned legal person	0.79%	13,357,084	0	Pledge	13,357,084
Huang Huaian	Domestic Natural person	0.74%	12,548,000	0		
Liu Yong	Domestic Natural person	0.59%	10,090,452	0		
Xu Zhimin	Domestic Natural person	0.48%	8,110,300	0		
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	
Chin Lue	145,863,639			RMB Common	145,863,639	

		shares	
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
He Feiyan	54,800,458	RMB Common shares	54,800,458
Jiutai Fund—Bank of Communications—Jiutai Huitong No.2 specific customer asset management plan	40,696,772	RMB Common shares	40,696,772
Rich Crown Investment Co., Ltd.	23,235,313	Foreign shares placed in domestic exchange	23,235,313
Qinghai Heyi Industry Development Co.,Ltd/	13,357,084	RMB Common shares	13,357,084
Huang Huaian	12,548,000	RMB Common shares	12,548,000
Liu Yong	10,090,452	RMB Common shares	10,090,452
Xu Zhimin	8,110,300	RMB Common shares	8,110,300
Explanation on associated relationship or concerted action of the above shareholders	The largest shareholder of Mr. Chen Lue and the Fourth largest shareholder of Ms. He Feiyan aforesaid are persons acting in concerted; The controlling shareholder of the above-mentioned third shareholder Shenzhen Union Holdings Co.,Ltd. And Sixth shareholder Rich Crown Investment Co., Ltd.. Is Union Development Group Ltd.; It is unknown whether there is relationship between other shareholders and whether they are persons taking concerted action specified in the Regulations on Disclosure of Information about Change in Shareholding of Shareholders of Listed Companies.		
Note to the top 10 common stockholders involved in margin financing & securities lending (If any)	Not applicable		

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	This period/Year-end balance	Same period of the previous year/Year-beginning balance	Changes %	Remarks on the change
Monetary fund	163,041,406.04	658,714,886.48	-75.25%	Mainly due to the claim for the guarantees, and the deducted deposit incurred by notes maturity.
Operating income	324,203,141.91	2,259,055,189.05	-85.65%	Mainly due to the company falls into a debt crisis, suspension of some projects and frozen basic accounts leading to undertaking new projects hardly.
Operating costs	270,230,683.50	1,970,673,537.82	-86.29%	Mainly due to reduced operating income.
Administrative expenses	107,742,399.54	185,124,556.07	-41.80%	Mainly due to the shrinking of business volume, resulting in decrease of management staff.
Non-operating expenses	468,320,367.78	841,479.08	55554.43%	Mainly due to the claim for maturity of the guarantee.
Net cash flow generated by operation activities	-452,372,127.89	1,287,313,317.95	-135.14%	Mainly due to the deduction incurred by the maturity of the guarantees and the notes.
Net cash flow generated by investment activities		-351,491,732.24	-100.00%	Mainly due to the tightening of national credit and the shortage of funds
Net cash flow generated by financing activities	388,122,001.30	-1,424,770,406.23	-127.24%	Mainly due to the bank loans to pay for the claim of guarantees maturity and the due notes

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

√ Applicable □ Not applicable

- On February 12, 2018, the Company convened the twenty-ninth meeting of the seventh Board of Directors, deliberating and adopting a Proposal on Acquisition of Shares of UPL Laos Co., Ltd., according to which, UPL (MALAYSIA) SDN. BHD. (hereinafter referred to as UPL Malaysia) transferred 30% of shares of UPL Laos Co., Ltd. (hereinafter referred to as UPL Laos) to the Company by signing an Agreement of Equity Cooperation on Laos Vientiane Dongphosy

Special Economic Zone Project, UPL Laos entered into a franchise agreement for 50+40 years with Laos Government by cash contribution of USD 10 million and advance payment of USD 20 million for project construction put together as the consideration of acquisition and took full charge of matters of development of Dongphosy as the franchisee to Dongphosy Special Economic Zone (refer to the Company's Announcement 2018-020 and 021). On June 12, 2018, the Company agreed with UPL Malaysia on transfer of 10% of shares, hence the Company's shareholding ratio rose to 40%. Whereas the Company is experiencing a financial difficulty at the moment and has failed to perform duties of advance payment and construction in the equity agreement and duties in the loan agreement, the Malaysian shareholder UPL Malaysia sent a letter in request for a return of equity and filed an arbitration to Hong Kong International Arbitration Centre on the dispute of equity in March 2019. At present, the arbitration has entered the stage of submitting evidence by both parties. The lawyers hired by the Company have formally submitted a defense to the Arbitration Tribunal of the Hong Kong International Arbitration Centre.

2. On February 23, 2018, the Company received the "Mekong River Villa Project Bid-Winning Notice" issued by OXLEYEMERALD (CAMBODIA) CO., LTD, and Sino International won the bid for the "Mekong River Villa Project" in Cambodia, with the bid amount of USD 46.5 million (equivalent to RMB 295 million) (See the 2018-035 announcement of the Company for details). As of the end of the reporting period, most of the on-site piling construction work has been completed, and the relevant civil work has been in progress. As of the disclosure date of this report, both parties have agreed to terminate the contract and the project is in the process of settlement.

3. The Company convened the 37th meeting of the seventh Board of Directors on September 2, 2018, planned to invest and found "Yinglonghuanhu Development Co., Ltd." (hereinafter referred to as the Project Company, whose final name is subject to the name approved in industrial and commercial registration) with Chongqing Circum-Yinglonghuanlu Industrial Co., Ltd. (hereinafter referred to as Party A) and 7 village committees concerned at the project location (hereinafter referred to as Party C). The registered capital of the Project Company was RMB 125 million, wherein Party A subscribed capital by earlier input of physical assets worth RMB 23.75 million (subject to the audited amount) in the Yinglong Project, accounting for 19% of the registered capital; Sino Great Wall contributed RMB 100 million by currency, accounting for 80% of the registered capital; Party C subscribed RMB 1.25 million by currency or contribution in kind, accounting for 1% of the registered capital (refer to the Company's Announcement 2018-104 and 105). At the moment, the Project Company has been registered and project planning and design are underway.

General on Significant Events	Date of disclosure	Inquiry index of the provisional reports disclosed in the website.
The company held the sixth meeting of the eighth Board of Directors on April 12, 2019, deliberated and passed the Proposal on Adjusting the Company's Organizational Structure and agreed to adjust the operating organization and business structure of the company's headquarters. The company will implement a division system by sections and set up four operating organizations, including the domestic traditional construction business sector (division),	April 12, 2019	Please refer to Cninfo.com for "Announcement of Resolutions of the 6th Meeting of the Eighth Board of Directors"(Announcement No.2019-028)

<p>infrastructure business sector (division), overseas business sector (division), smart housing and medical care business sector (division). After this adjustment, the organizational structure of the company's headquarters is as follows: eight functional departments and offices, including the comprehensive office, the finance department and the human resources department, as well as the above-mentioned four operating institutions .</p>		
<p>In May 2019, Mr. Chen Lue, the actual controller and controlling shareholder of the Company, introduced the reorganization investor Chongqing Southern New City Industrial Investment Group Co., Ltd (hereinafter referred to as “Southern New City Group”), and after preliminary negotiation, Southern New City Group, which is the reorganization party (or namely the “reorganization investor”) , participated in and promoted the Sino Great Wall’s reorganization process with a preliminary intention reached and the “Letter of Intent for Cooperation” signed. Yet Southern New City Group, after prudent decision-making, plans to not be a reorganization party (or namely the “reorganization investor”) to participate in the reorganization process of the Sino Great Wall and stops fulfilling the relevant cooperation plan in the signed Letter of Intent for Cooperation.</p>	<p>May 28,2019</p>	<p>Please refer to Cninfo.com for "Announcement on the Change of Letter of Intent for Cooperation by signed Control Rights between the actual controller of the Company and the Chongqing Southern New City Industrial Investment Group Co., Ltd.(Announcement No.2019-064)</p>
<p>In September 2019, the company received the reply letter from the controlling shareholder and actual controller Mr. Chen Lue, “Chongqing Southern New City Industrial Investment Group Co., Ltd. on the initial conclusion of Sino Great Wall Co., Ltd.”, Yet Southern New City Group, after prudent decision-making, plans to</p>	<p>September 21,2019</p>	<p>Please refer to Cninfo.com for “Announcement on the termination of cooperation between the controlling shareholder and actual controller and the Chongqing Southern New City Industrial Investment Group Co., Ltd.” (Announcement No.2019-114)</p>

<p>not be a reorganization party (or namely the “reorganization investor”) to participate in the reorganization process of the Sino Great Wall and stops fulfilling the relevant cooperation plan in the signed Letter of Intent for Cooperation.</p>		
<p>On July 24, 2019, the company received the application for reorganization submitted by the creditor Bihui Road and Bridge served by the court. Bihui Road and Bridge applied to the court for reorganization of the company on the grounds that the company was unable to repay the debts due and obviously lacked solvency. As of the disclosure date of this report, The court is reviewing the creditor’s application for reorganization of the company and has held a hearing. After the hearing, the court has written to the Shenzhen Municipal People’s Government. According to the requirements of Article 3 of the Supreme Court’s Minutes on the Trial of the Work of Bankruptcy and Reorganization of Listed Companies, listed companies need to fill in the necessary documents for bankruptcy and reorganization.</p>	<p>July 25,2019</p>	<p>Please refer to Cninfo.com for "Reminder Announcement on the Creditor's Application for the Company Reorganization"(Announcement No.2019-092)</p>
	<p>September 5,2019</p>	<p>Please refer to Cninfo.com for “Reminder Announcement on the Reorganization Progress and Risk” (Announcement No.2019-109)</p>
<p>On September 19, 2019, Mr. Chen Lue, the controlling shareholder and actual controller of the Company, signed an Investment Cooperation Agreement with Henan Yufa Group Co., Ltd, and both parties agreed that Yufa Group shall be the reorganization party (or namely the “reorganization investor”) to participate in and promote the reorganization process of the Sino Great Wall. After the reorganization completion, Yufa Group will become the controlling shareholder of the listed company. On the same day, the company received the notice from Yufa Group, stating Yufa Group intends</p>	<p>September 21,2019</p>	<p>Please refer to Cninfo.com for "Announcement on the Signing of the "Investment Cooperation Agreement" between the actual controller of the Company and Yufa Group"(Announcement No.2019-116)</p>
	<p>September 21,2019</p>	<p>Please refer to Cninfo.com for “Announcement on the Intent Reorganization Investor’s Shareholding Increase Plan” (Announcement No.2019-115)</p>

<p>to increase its shareholding in the Company and describing it plans to use its self-owned funds to increase its shareholding by no less than 100 million shares of the Company through the Shenzhen Stock Exchange by means of centralized bidding within six months from the date of this announcement (i.e. September 21, 2019), with the set price ranges from 0.8 yuan - 1.2 yuan / share.</p>		
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Progress in the implementation of share repurchase

Applicable Not applicable

Progress in the implementation of the reduction of the repurchased shares by means of centralized bidding

Applicable Not applicable

III. Commitments finished in implementation by the Company, shareholders, actual controller, acquirer, directors, supervisors, senior executives or other related parties in the reporting period and commitments unfinished in implementation at the end of the reporting period

Applicable Not applicable

No such cases in the reporting period.

IV. Investment in securities

Applicable Not applicable

No securities investment in period.

V. Entrusted Financial Management

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

The Period has no research, communication and written inquiry from the investors in the report period.

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

IV. Financial Statement

I. Financial statement

1. Consolidated balance sheet

Prepared by: Sino Great Wall Co., Ltd.

In RMB

Items	September 30,2019	December 31,2018
Current asset :		
Monetary fund	163,041,406.04	658,714,886.48
Settlement provision		
Outgoing call loan		
Transactional financial assets		
Financial assets measured at fair value with variations accounted into current income account		
Derivative financial assets		
Notes receivable	32,675,879.70	1,518,790.00
Account receivable	3,220,336,673.55	4,202,594,258.24
Financing of receivables		
Prepayments	405,001,356.83	220,261,619.13
Insurance receivable		
Reinsurance receivable		
Provisions of Reinsurance contracts receivable		
Other account receivable	1,563,100,659.37	2,186,223,361.40
Including: Interest receivable		
Dividend receivable		
Repurchasing of financial assets		
Inventories	1,024,174,957.10	717,531,578.23
Contract assets		
Assets held for sales	105,075,792.00	105,075,792.00
Non-current asset due within 1 year		

Other current asset	3,975,630.09	5,795,797.44
Total of current assets	6,517,382,354.68	8,097,716,082.92
Non-current assets :		
Loans and payment on other's behalf disbursed		
Debt investment		
Available for sale of financial assets		10,338,500.00
Other investment on bonds		
Expired investment in possess		
Long-term receivable	16,708,613.19	16,708,613.19
Long term share equity investment	106,837,810.83	106,837,810.83
Other equity instruments investment		
Other non-current financial assets		
Property investment		
Fixed assets	136,058,418.88	158,746,947.91
Construction in progress	36,805,894.03	36,697,284.04
Production physical assets		
Oil & gas assets		
Use right assets		
Intangible assets	90,281,588.93	99,921,251.67
Development expenses		
Goodwill	27,268,234.53	27,268,234.53
Long-germ expenses to be amortized	1,972,106.61	6,727,688.90
Deferred income tax asset	117,317,681.38	117,983,727.91
Other non-current asset	919,731,651.85	924,509,792.99
Total of non-current assets	1,452,982,000.23	1,505,739,851.97
Total of assets	7,970,364,354.91	9,603,455,934.89
Current liabilities		
Short-term loans	3,306,944,094.49	2,862,584,629.01
Loan from Central Bank		
Borrowing funds		
Transactional financial liabilities		
Financial liabilities measured at fair value with variations accounted into		

current income account		
Derivative financial liabilities		
Notes payable	396,643,774.40	1,034,087,499.72
Account payable	795,538,450.44	892,155,630.43
Advance receipts	552,109,041.13	478,101,743.92
Contract Liabilities		
Selling of repurchased financial assets		
Deposit taking and interbank deposit		
Entrusted trading of securities		
Entrusted selling of securities		
Employees' wage payable	71,791,324.92	86,414,858.86
Tax payable	376,111,541.28	393,957,887.52
Other account payable	2,343,796,096.90	2,212,412,970.43
Including: Interest payable	629,925,428.55	
Dividend payable	8,392,335.45	
Fees and commissions payable		
Reinsurance fee payable		
Liabilities held for sales		
Non-current liability due within 1 year	975,719,981.55	975,719,981.55
Other current liability		
Total of current liability	8,818,654,305.11	8,935,435,201.44
Non-current liabilities:		
Reserve fund for insurance contracts		
Long-term loan	120,000,000.00	120,000,000.00
Bond payable	272,468,101.18	254,801,342.47
Including: preferred stock		
Sustainable debt		
Lease liability		
Long-term payable	270,267.55	322,990.35
Long-term remuneration payable to staff		

Expected liabilities	2,958,723.15	2,958,723.15
Deferred income		
Deferred income tax liability	23,079,827.03	24,369,456.18
Other non-current liabilities		
Total non-current liabilities	418,776,918.91	402,452,512.15
Total of liability	9,237,431,224.02	9,337,887,713.59
Owners' equity		
Share capital	1,698,245,011.00	1,698,245,011.00
Other equity instruments		
Including: preferred stock		
Sustainable debt		
Capital reserves	-1,298,846,540.07	-1,298,846,540.07
Less: Shares in stock		
Other comprehensive income	-56,089.18	-50,380.95
Special reserve	16,993,440.19	21,026,082.43
Surplus reserves	84,394,441.23	84,394,441.23
Common risk provision		
Retained profit	-1,798,146,919.52	-269,566,140.13
Total of owner's equity belong to the parent company	-1,297,416,656.35	235,202,473.51
Minority shareholders' equity	30,349,787.24	30,365,747.79
Total of owners' equity	-1,267,066,869.11	265,568,221.30
Total of liabilities and owners' equity	7,970,364,354.91	9,603,455,934.89

Legal Representative: Chen Lue Person in charge of accounting: Yang Chunling Accounting Dept Leader: Yang Chunling

2. Parent Company Balance Sheet

In RMB

Items	September 30, 2019	December 31, 2018
Current asset:		
Monetary fund	46,771,666.61	46,778,625.47
Transactional financial assets		
Financial assets measured at fair value with variations accounted into current income account		

Derivative financial assets		
Notes receivable		
Account receivable		
Financing of receivables		
Prepayments		
Other account receivable	2,819,879,744.91	2,986,852,664.14
Including: Interest receivable		
Dividend receivable		
Inventories		
Contract assets		
Assets held for sales		
Non-current asset due within 1 year		
Other current asset		2,604,075.38
Total of current assets	2,866,651,411.52	3,036,235,364.99
Non-current assets:		
Debt investment		
Available for sale of financial assets		
Other investment on bonds		
Expired investment in possess		
Long-term receivable		
Long term share equity investment	3,323,211,536.66	3,323,211,536.66
Other equity instruments investment		
Other non-current financial assets		
Property investment		
Fixed assets	25,500.78	36,371.12
Construction in progress		
Production physical assets		
Oil & gas assets		
Use right assets		
Intangible assets		
Development expenses		
Goodwill		
Long-germ expenses to be amortized		1,074,666.67
Deferred income tax asset		

Other non-current asset	728,328,020.00	728,328,020.00
Total of non-current assets	4,051,565,057.44	4,052,650,594.45
Total of assets	6,918,216,468.96	7,088,885,959.44
Current liabilities		
Short-term loans	2,192,097,807.25	2,189,866,602.21
Transactional financial liabilities		
Financial liabilities measured at fair value with variations accounted into current income account		
Derivative financial liabilities		
Notes payable	28,900,000.00	29,000,000.00
Account payable	66,000,000.00	66,000,000.00
Advance receipts		
Contract Liabilities		
Employees' wage payable	22,073,918.80	15,016,143.39
Tax payable	94,931,620.72	97,149,029.10
Other account payable	1,598,861,751.05	1,347,473,661.05
Including: Interest payable	520,831,917.97	
Dividend payable	8,392,335.45	
Liabilities held for sales		
Non-current liability due within 1 year	866,250,000.00	866,250,000.00
Other current liability		
Total of current liability	4,869,115,097.82	4,610,755,435.75
Non-current liabilities:		
Long-term loan		
Bond payable		
Including: preferred stock		
Sustainable debt		
Lease liability		
Long-term payable		
Long-term remuneration payable to staff		
Expected liabilities		
Deferred income		

Deferred income tax liability		
Other non-current liabilities		
Total non-current liabilities		
Total of liability	4,869,115,097.82	4,610,755,435.75
Owners' equity		
Share capital	1,698,245,011.00	1,698,245,011.00
Other equity instruments		
Including: preferred stock		
Sustainable debt		
Capital reserves	1,237,956,472.37	1,237,956,472.37
Less: Shares in stock		
Other comprehensive income		
Special reserve		
Surplus reserves	26,309,287.00	26,309,287.00
Retained profit	-913,409,399.23	-484,380,246.68
Total of owners' equity	2,049,101,371.14	2,478,130,523.69
Total of liabilities and owners' equity	6,918,216,468.96	7,088,885,959.44

3. Consolidated Income statement of the Report period

In RMB

Items	Amount in this period	Amount in last period
I. Turnover	67,835,920.24	672,083,613.81
Incl: Operating income	67,835,920.24	672,083,613.81
Interest income		
Eamed insurance premium		
Fee and commission received		
II. Total Operating costs	232,413,362.88	940,383,423.60
Incl: Operating costs	42,584,647.26	658,461,435.36
Interest payment		
Fee and commission paid		
Insurance discharge payment		
Net claim amount paid		
Appropriation of deposit for duty, net		
Insurance policy dividend paid		

Reinsurance expenses		
Business tax and surcharge	174,711.44	745,870.79
Sales expense	2,282,607.80	1,941,491.70
Administrative expense	20,578,733.98	57,216,694.51
R & D expense		
Financial expenses	166,792,662.40	222,017,931.24
Including: Interest expense	166,603,633.82	215,522,929.15
Interest income	93,916.44	3,343,599.29
Add: Other income		
Investment gain (“-”for loss)		
Including: investment gains from affiliates		
Financial assets measured at amortized cost cease to be recognized as income		
Gains from currency exchange	73,554,770.66	113,926,608.10
Net exposure hedging income		
Changing income of fair value		
Credit impairment loss		
Impairment loss of assets	-18,094,077.27	-2,054,715.86
Assets disposal income		
III. Operating profit (“-”for loss)	-109,116,749.25	-156,427,917.55
Add : Non-operating income		25,845,524.88
Less: Non-operating expense	3,190,954.16	205,178.47
IV. Total profit (“-”for loss)	-112,307,703.41	-130,787,571.14
Less: Income tax expenses	-501,315.52	-11,090,989.76
V. Net profit	-111,806,387.89	-119,696,581.38
(I) Classification by business continuity		
1.Net continuing operating profit	-111,806,387.89	-119,696,581.38
2.Termination of operating net profit		
(II) Classification by ownership		
1.Net profit attributable to the owners of parent company	-111,806,387.89	-118,516,821.76
2.Minority shareholders' equity		-1,179,759.62

VI. Net after-tax of other comprehensive income		
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.		
3. Changes in the fair value of investments in other equity instruments		
4. Changes in the fair value of the company's credit risks		
5.Other		
(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. Changes in the fair value of investments in other debt obligations		
3.Gains and losses from changes in fair value available for sale financial assets		
4. Other comprehensive income arising from the reclassification of financial assets		
5.Held-to-maturity investments reclassified to gains and losses of available for sale financial assets		
6. Allowance for credit impairments in		

investments in other debt obligations		
7. Reserve for cash flow hedges		
8. Translation differences in currency financial statements		
9. Other		
Net of profit of other comprehensive income attributable to Minority shareholders' equity		
VII. Total comprehensive income	-111,806,387.89	-119,696,581.38
Total comprehensive income attributable to the owner of the parent company	-111,806,387.89	-118,516,821.76
Total comprehensive income attributable minority shareholders		-1,179,759.62
VIII. Earnings per share		
(I) Basic earnings per share	-0.0658	-0.0698
(II) Diluted earnings per share	-0.0658	-0.0698

The current business combination under common control, the net profits of the combined party before achieved net profit of RMB 0.00, last period the combined party realized RMB0.00.

Legal Representative: Chen Lue Person in charge of accounting: Yang Chunling Accounting Dept Leader: Yang Chunling

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

In RMB

Items	Amount in this period	Amount in last period
I. Revenue	0.00	54,418.18
Less: Operating costs	0.00	0.00
Business tax and surcharge		
Sales expense		
Administrative expense	5,053,118.51	2,387,007.15
R & D expense		
Financial expenses	134,843,482.60	117,586,989.99
Including: Interest expenses	134,935,793.31	121,102,703.51
Interest income	92,311.71	3,518,795.43
Add: Other income		

Investment gain (“-”for loss)		
Including: investment gains from affiliates		
Financial assets measured at amortized cost cease to be recognized as income		
Net exposure hedging income		
Changing income of fair value		
Credit impairment loss		
Impairment loss of assets	692,237.82	1,355,806.96
Assets disposal income		
II. Operating profit (“-”for loss)	-139,204,363.29	-118,563,772.00
Add : Non-operating income		
Less: Non -operating expenses		
III. Total profit (“-”for loss)	-139,204,363.29	-118,563,772.00
Less: Income tax expenses		
IV. Net profit	-139,204,363.29	-118,563,772.00
1. Net continuing operating profit	-139,204,363.29	-118,563,772.00
2. Termination of operating net profit		
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.		
3. Changes in the fair value of investments in other equity instruments		
4. Changes in the fair value of the company’s credit risks		
5. Other		

(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. Changes in the fair value of investments in other debt obligations		
3. Gains and losses from changes in fair value available for sale financial assets		
4. Other comprehensive income arising from the reclassification of financial assets		
5. Held-to-maturity investments reclassified to gains and losses of available for sale financial assets		
6. Allowance for credit impairments in investments in other debt obligations		
7. Reserve for cash flow hedges		
8. Translation differences in currency financial statements		
9. Other		
VI. Total comprehensive income	-139,204,363.29	-118,563,772.00
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. Turnover	324,203,141.91	2,259,055,189.05
Including: Operating income	324,203,141.91	2,259,055,189.05

Interest income		
Insurance fee earned		
Commission charge and commission income		
II. Total operating costs	888,449,280.45	2,577,519,225.65
Incl: Operating costs	270,230,683.50	1,970,673,537.82
Interest expense		
Fee and commission paid		
Insurance discharge payment		
Net claim amount paid		
Insurance policy dividend paid		
Insurance policy dividend paid		
Reinsurance expenses		
Business tax and surcharge	1,869,602.31	2,852,388.84
Sales expense	16,759,750.56	18,463,113.78
Administrative expense	107,742,399.54	185,124,556.07
R & D expense		
Financial expenses	491,846,844.54	400,405,629.14
Including: Interest expense	493,188,561.08	390,129,337.03
Interest income	2,912,915.60	9,833,816.40
Add: Other income		
Investment gain (“-”for loss)	6,596,880.93	5,171,892.51
Including: investment gains from affiliates		
Financial assets measured at amortized cost cease to be recognized as income		
Gains from currency exchange	79,248,852.53	146,374,380.81
Net exposure hedging income		
Changing income of fair value		
Credit impairment loss		
Impairment loss of assets	-581,498,544.92	-6,238,590.52
Assets disposal income		
III. Operating profit (“-”for loss)	-1,059,898,950.00	-173,156,353.80
Add : Non-operating income	71,623.22	205,066,020.08

Less: Non-operating expenses	468,320,367.78	841,479.08
IV. Total profit("-"for loss)	-1,528,147,694.56	31,068,187.20
Less: Income tax expenses	449,045.38	7,699,247.03
V. Net profit	-1,528,596,739.94	23,368,940.17
(I) Classification by business continuity		
1.Net continuing operating profit	-1,528,596,739.94	23,368,940.17
2.Termination of operating net profit		
(II) Classification by ownership		
1.Net profit attributable to the owners of parent company	-1,528,580,779.39	25,482,633.97
2.Minority shareholders' equity	-15,960.55	-2,113,693.80
VI. Net after-tax of other comprehensive income	-5,708.23	-263,008.36
Net of profit of other comprehensive income attributable to owners of the parent company.	-5,708.23	-263,008.36
(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.		
3. Changes in the fair value of investments in other equity instruments		
4. Changes in the fair value of the company's credit risks		
5.Other		
(II) Other comprehensive income that will be reclassified into profit or loss.	-5,708.23	-263,008.36
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss.		

sified into profit or loss.		
2. Changes in the fair value of investments in other debt obligations		
3. Gains and losses from changes in fair value available for sale financial assets		
4. Other comprehensive income arising from the reclassification of financial assets		
5. Held-to-maturity investments reclassified to gains and losses of available for sale financial assets		
6. Allowance for credit impairments in investments in other debt obligations		
7. Reserve for cash flow hedges		
8. Translation differences in currency financial statements	-5,708.23	-263,008.36
9. Other		
Net of profit of other comprehensive income attributable to Minority shareholders' equity		
VII. Total comprehensive income	-1,528,602,448.17	23,105,931.81
Total comprehensive income attributable to the owner of the parent company	-1,528,586,487.62	25,219,625.61
Total comprehensive income attributable minority shareholders	-15,960.55	-2,113,693.80
VIII. Earnings per share		
(I) Basic earnings per share	-0.9001	0.0150
(II) Diluted earnings per share	-0.9001	0.0150

The current business combination under common control, the net profits of the combined party before achieved net profit of RMB 0.00, last period the combined party realized RMB0.00.

Legal Representative: Chen Lue Person in charge of accounting: Yang Chunling Accounting Dept Leader: Yang Chunling

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	0.00	171,780.25
Less: Operating costs	0.00	0.00
Business tax and surcharge		
Sales expense	49,276.69	994,445.50
Administrative expense	24,139,989.17	20,291,125.45
R & D expense		
Financial expenses	390,589,593.60	198,992,446.79
Including: Interest expenses	390,779,924.04	200,617,859.56
Interest income	117,288.92	3,944,055.45
Add: Other income		
Investment gain (“-”for loss)		
Including: investment gains from affiliates		
Financial assets measured at amortized cost cease to be recognized as income		
Net exposure hedging income		
Changing income of fair value		
Credit impairment loss		
Impairment loss of assets	-14,250,293.09	-7,082,692.91
Assets disposal income		
II. Operating profit (“-”for loss)	-429,029,152.55	-227,188,930.40
Add : Non-operating income		100,000,000.00
Less: Non -operating expenses		
III. Total profit(“-”for loss)	-429,029,152.55	-127,188,930.40
Less: Income tax expenses		
IV. Net profit	-429,029,152.55	-127,188,930.40
1. Net continuing operating profit	-429,029,152.55	-127,188,930.40
2. Termination of operating net profit		
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.		
3. Changes in the fair value of investments in other equity instruments		
4. Changes in the fair value of the company's credit risks		
5.Other		
(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. Changes in the fair value of investments in other debt obligations		
3. Gains and losses from changes in fair value available for sale financial assets		
4. Other comprehensive income arising from the reclassification of financial assets		
5.Held-to-maturity investments reclassified to gains and losses of available for sale financial assets		
6. Allowance for credit impairments in investments in other debt obligations		
7. Reserve for cash flow hedges		
8. Translation differences in currency financial statements		
9.Other		
VI. Total comprehensive income	-429,029,152.55	-127,188,930.40

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	724,692,153.00	2,813,614,672.80
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		
Cash received from interest, commission charge and commission		
Net increase of inter-bank fund received		
Net increase of repurchasing business		
Net cash received by agent in securities trading		
Tax returned	968,575.59	3,488,505.37
Other cash received from business operation	290,537,320.27	3,926,123,995.63
Sub-total of cash inflow	1,016,198,048.86	6,743,227,173.80
Cash paid for purchasing of merchandise and services	565,136,375.16	2,518,844,052.72
Net increase of client trade and advance		

Net increase of savings in central bank and brother company		
Cash paid for original contract claim		
Net increase for Outgoing call loan		
Cash paid for interest, processing fee and commission		
Cash paid for policy dividend		
Cash paid to staffs or paid for staffs	122,235,393.26	179,518,278.57
Taxes paid	25,104,962.97	77,150,857.45
Other cash paid for business activities	756,093,445.36	2,680,400,667.11
Sub-total of cash outflow from business activities	1,468,570,176.75	5,455,913,855.85
Net cash generated from /used in operating activities	-452,372,127.89	1,287,313,317.95
II. Cash flow generated by investing		
Cash received from investment retrieving		
Cash received as investment gains		
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets		432,865.55
Net cash received from disposal of subsidiaries or other operational units		1,062,398.45
Other investment-related cash received		
Sub-total of cash inflow due to investment activities		1,495,264.00
Cash paid for construction of fixed assets, intangible assets and other long-term assets		12,179,377.50
Cash paid as investment		376,429,730.78
Net increase of loan against pledge		
Net cash received from subsidiaries and other operational units		-35,622,112.04
Other cash paid for investment activities		
Sub-total of cash outflow due to		352,986,996.24

investment activities		
Net cash flow generated by investment		-351,491,732.24
III.Cash flow generated by financing		
Cash received as investment		490,000.00
Including: Cash received as investment from minor shareholders		
Cash received as loans	379,941,841.39	1,255,509,245.00
Other financing –related cash received	38,180,159.91	
Sub-total of cash inflow from financing activities	418,122,001.30	1,255,999,245.00
Cash to repay debts	30,000,000.00	2,425,799,391.05
Cash paid as dividend, profit, or interests		254,970,260.18
Including: Dividend and profit paid by subsidiaries to minor shareholders		
Other cash paid for financing activities		
Sub-total of cash outflow due to financing activities	30,000,000.00	2,680,769,651.23
Net cash flow generated by financing	388,122,001.30	-1,424,770,406.23
IV. Influence of exchange rate alternation on cash and cash equivalents	-360,853.92	-4,433,209.17
V.Net increase of cash and cash equivalents	-64,610,980.51	-493,382,029.69
Add: balance of cash and cash equivalents at the beginning of term	125,767,796.88	647,222,590.49
VI ..Balance of cash and cash equivalents at the end of term	61,156,816.37	153,840,560.80

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		54,418.18

ending of services		
Tax returned		
Other cash received from business operation	8,121,681.33	3,768,971,880.81
Sub-total of cash inflow	8,121,681.33	3,769,026,298.99
Cash paid for purchasing of merchandise and services		
Cash paid to staffs or paid for staffs		1,087,705.66
Taxes paid		1,012,663.31
Other cash paid for business activities	31,803,494.76	2,421,993,707.71
Sub-total of cash outflow from business activities	31,803,494.76	2,424,094,076.68
Net cash generated from /used in operating activities	-23,681,813.43	1,344,932,222.31
II.Cash flow generated by investing		
Cash received from investment retrieving		
Cash received as investment gains		
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		
Cash paid for construction of fixed assets, intangible assets and other long-term assets		
Cash paid as investment		163,000,000.00
Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities		
Sub-total of cash outflow due to investment activities		163,000,000.00
Net cash flow generated by		-163,000,000.00

investment		
III. Cash flow generated by financing		
Cash received as investment		
Cash received as loans		840,650,000.00
Other financing –related ash received		
Sub-total of cash inflow from financing activities		840,650,000.00
Cash to repay debts		1,909,087,876.07
Cash paid as dividend, profit, or interests		170,194,670.62
Other cash paid for financing activities		
Sub-total of cash outflow due to financing activities		2,079,282,546.69
Net cash flow generated by financing		-1,238,632,546.69
IV. Influence of exchange rate alternation on cash and cash equivalents		
V. Net increase of cash and cash equivalents	-23,681,813.43	-56,700,324.38
Add: balance of cash and cash equivalents at the beginning of term	23,708,889.90	99,547,899.86
VI ..Balance of cash and cash equivalents at the end of term	27,076.47	42,847,575.48

II Adjustments to the Financial Statements

1. Adjustment of the relevant items of the financial statements at the current year beginning according to the new standards for financial instruments, the new standards for revenues and the new standards for lease implemented commencing from year 2019

Applicable Not applicable

2. Note to the retroactive adjustment of the previous comparative data according to the new standards for financial instruments and the new standards for lease implemented commencing from year 2019

Applicable Not applicable

III. Auditor' report

Is the Third Quarterly Report be audited?

Yes No

The Third Quarterly report is not audited.