



Dalian Refrigeration Co., Ltd.

**QUARTERLY REPORT FOR THIRD QUARTER,
2019**

October, 2019

§1 Important Notes

1.1 The directors and the Board of Directors, the supervisors and the Supervisory Board, and Senior staff members of Dalian Refrigeration Co., Ltd. (hereinafter referred to as the Company) hereby confirm that there are no any important omissions, fictitious statements or serious misleading carried in this report, and shall take all responsibilities, individual and/or joint, for the reality, accuracy and completeness of the whole contents.

1.2 The Company's quarterly financial report has not been audited.

1.3 Chairman of the Board of Directors of the Company Mr. Ji Zhijian, Financial Majordomo Mr. Ma Yun and the head of Accounting Department Ms. Mao Chunhua hereby confirm that the financial report of the quarterly report is true and complete.

1.4 This report is written respectively in Chinese and in English. In the event of any discrepancy between the two above-mentioned versions, the Chinese version shall prevail.

§2 Major accounting data and changes of shareholders

2.1 Major accounting data and financial indexes

Is there any traceable adjustment to the financial statements for the previous report period?

Yes No

	2019.9.30	2018.12.31		Increase/decrease over 2018.12.31
Total assets	5,675,197,752.91	5,568,279,452.26		1.92%
Shareholder's equity attributable to parent company	3,415,027,201.23	3,377,633,617.02		1.11%
	2019.7-9	Increase/decrease over 2018.7-9	2019.1-9	Increase/decrease over 2018.1-9
Total operating income	377,309,476.31	-21.76%	1,453,038,716.88	-3.86%
Net profit attributable to parent company	-4,027,361.74	-127.93%	104,346,557.56	42.09%
Net profit attributable to parent company after deducting non-recurring gains/losses	4,567,091.45	-65.25%	39,829,270.42	-43.37%
Net cash generated from operating activities	--	--	-80,750,223.29	44.11%
Basic earnings per share	-0.004	-123.53%	0.123	43.02%
Diluted earnings per share	-0.004	-123.53%	0.123	43.02%
Weighted average return on net asset yield	-0.10%	Decrease 0.42 percentage points	3.06%	Increase 0.93 percentage points

(1). Net profit attributable to parent company from the beginning of the year to the end of the report increased significantly on a y-o-y basis, mainly due to **j** The Gain from change in fair value of Guotai Junan has been recorded into the current profit and loss, which is about 30.05 million yuan; **k** During January to September 2019, the Company's exchangeable corporate bondholders exchanged a total of 8.3889 million shares, increasing the current investment income by about 40.57 million yuan. All profit above has been recorded into the non-recurring gains and losses.

(2). Net profit attributable to parent company of the reporting period decreased significantly over 2018.7-9, mainly due to the decrease in the company's operating income during the reporting period, and the fact that the fair value of guotai junan, decreased by about 10.42 million yuan compared with the end of June 2019 and was included into the current profit and loss.

Non-recurring profits and losses and their amounts

Item of non-recurring gains and losses	Amount from beginning of year to the end of report period
Profit and loss from disposal of non-current assets	1,227,672.74
Government subsidies which were included in the current profits and losses	2,065,938.84
Debt restructuring gains and losses	1,999,241.94
Income from changes in fair value during the period of holding financial assets available for sale and income from disposal of financial assets available for sale	70,613,081.68
Other non-operating incomes and expenses except the above mentioned	162,063.15
Income tax effects	11,479,421.77
Minority equity interests effects (after tax)	71,289.44
Total	64,517,287.14

2.2 Total number and particulars of the shareholders by the end of the report period

Total shareholders at the end of report period		54,795				
Shareholding of top ten shareholders						
Name	Nature	Proportion	Total number	Number of shares with sale restriction	Number of pledged shares or shares frozen	
Dalian Bingshan Group Co., Ltd.	Domestic non-state-owned legal person	20.27%	170,916,934	0		
SANYO ELECTRIC CO LTD	Overseas legal person	8.72%	73,503,150	0		
Lin Zhenming	Foreign natural person	0.76%	6,400,000	0		
Wu An	Domestic natural person	0.53%	4,500,000	0		
Sun Huiming	Domestic natural person	0.52%	4,384,079	0		
Dalian industrial development investment Co., Ltd.	Domestic non-state-owned legal person	0.40%	3,406,725	0		
BOCI SECURITIES LIMITED	Overseas legal person	0.36%	3,041,582	0		
Zhang Sufen	Domestic natural person	0.36%	3,020,000	0		
Xue Hong	Domestic natural person	0.35%	2,940,000	0		
Li Xiaohua	Domestic natural person	0.32%	2,725,908	0		
Particulars about shares held by the top ten negotiable shareholders not subject to conditional sales						
Name of shareholder	EORP (shares)			Type		
Dalian Bingshan Group Co., Ltd.	170,916,934			A		
SANYO ELECTRIC CO LTD	73,503,150			B		
Lin Zhenming	6,400,000			B		
Wu An	4,500,000			B		
Sun Huiming	4,384,079			B		
Dalian industrial development investment Co., Ltd.	3,406,725			A		
BOCI SECURITIES LIMITED	3,041,582			B		
Zhang Sufen	3,020,000			A		
Xue Hong	2,940,000			B		
Li Xiaohua	2,725,908			A		
Notes to the associated relationship and uniform actions of the above shareholders	Dalian Bingshan Group Co., Ltd. had the association relationship with Sanyo Electric Co., Ltd. among the above shareholders. Sanyo Electric Co., Ltd. holds 26.6% of Dalian Bingshan Group Co., Ltd.'s equity.					

Did the Company's shareholders conduct the agreed repurchase transactions in the reporting period?

Yes No

Information on the total number of preferred shareholders and the shares held by top ten preferred shareholders as of the end of the reporting period

Yes No

§3 Important Matters

3.1 Major changes in main financial items and indexes, and description of the cause

Applicable Inapplicable

- 1、 Dividend receivable has increased significantly over that of year-beginning, mainly because an increase in unmatured dividends receivable of Panasonic Compressor.
- 2、 Construction in progress has increased significantly over that of year-beginning, mainly because the Company's new factory intelligent manufacturing project and R22 reduction project investment.
- 3、 Short-term loans has increased significantly over that of year-beginning, mainly because the Company's daily operating capital requirements increased.
- 4、 Wages payable has decreased significantly over that of year-beginning, mainly because accrual year-end bonus for year of 2018 has paid in first quarter of 2019.
- 5、 Other accounts payable has decreased significantly over that of year-beginning, mainly because the Company terminates the implementation of the 2016 restricted stock incentive plan.
- 6、 Bonds payable has decreased significantly over that of year-beginning, mainly because the Company's exchangeable corporate bondholders exchanged shares concentrated during January to September 2019.
- 7、 The long term accounts payable has increased significantly over that of year-beginning, mainly because the Wuxin Refrigeration, a subsidiary of the Company, signed a commercial factoring contract.
- 8、 Other comprehensive income has decreased significantly over that of year-beginning, mainly because according to the new financial instrument standards, the Company adjusted guotai junan stock market net profit and loss at the beginning to undistributed profits.

9、 Financial expenses have decreased significantly on a y-o-y basis, mainly because the interest on the current loan decreased.

10、 Assets impairment loss has increased significantly on a y-o-y basis, mainly because the provision for bad debts increased.

11、 Gain from investment has increased significantly on a y-o-y basis ,mainly because earnings of the Company's exchangeable corporate bondholders exchanged shares .

3.2 Analytic description of major matters, their influence and solutions

Applicable Inapplicable

3.3 Commitments of the Company or its shareholders holding 5% or higher of the shares in the reporting period or carried to the reporting period

Applicable Inapplicable

3.4 Precautions on forecasting of 2019, the accumulated net profit may be turned into loss or change greatly compared with that in the same period of the last year, and description of the cause

Applicable Inapplicable

3.5 Securities investment

Applicable Inapplicable

Stock code	Stock abbreviation	Initial investment cost	Accounting measurement model	Book value at the beginning	Changes in the profit and loss of the fair value in this period	Accumulative change of fair value credited to equity	Current sale amount	Report period profit and loss	Book value in the ending	Accounting subjects	Source of funds
601211	Guotai Jun'an	15,710,008.00	fair value measurement	369,195,071.40	0.00	30,045,390.28	150,999,966.00	34,365,642.50	276,024,840.56	Other Non-current financial asset	Own funds
Other Securities Investment		0.00	--	0.00	0.00	0.00	0.00	0.00	0.00	--	--
total		15,710,008.00	--	369,195,071.40	0.00	30,045,390.28	150,999,966.00	34,365,642.50	276,024,840.56	--	--

The amount sold in the current period is the amount of the exchangeable bondholder's exchange shares during the reporting period.

3.6 Trust management

Applicable Inapplicable

3.7 Derivative investment

Applicable Not applicable

During the reporting period, the Company does not exist derivative investment.

3.8 Table of investigation, communication, interview received

Applicable Not applicable

3.9 Violation of guaranty

Applicable Not applicable

3.10 Non-operation capital occupation by holding shareholders and their related parties in the listed company

Applicable Not applicable

§4 Financial Report (attached)

Not audited.

Note: The adjustment of financial statements

New Financial Instruments Standards, New Income Standards and New Leasing Standards for the First Implementation Relevant to Financial Statements at the Beginning of the Year

Applicable Inapplicable

Before adjustment		After adjustment	
Consolidated Balance Sheet	31-Dec-2018	Consolidated Balance Sheet	1-Jan-2019
Finance asset held available for sales	382,186,729.99	Other non-current financial assets	382,186,729.99
Other comprehensive income	296,909,965.55	Other comprehensive income	2,501,459.77
Retained profit	764,859,288.45	Retained profit	1,059,267,794.23
Balance sheet of parent company	31-Dec-2018	Balance sheet of parent company	1-Jan-2019
Finance asset held available for sales	380,771,587.49	Othe non-current financial assets	380,771,587.49
Other comprehensive income	295,947,864.88	Other comprehensive income	1,539,359.10
Retained profit	640,251,261.47	Retained profit	934,659,767.25

According to the new financial instrument criteria, the original item of " Finance asset held available for sales " is adjusted to "other non-current financial assets"; Adjust the amount of other comprehensive income -294,408,505.78 yuan, and adjust the amount of retained profit 294,408,505.78 yuan.

Board of Directors of Dalian Refrigeration Co., Ltd.
October 26, 2019

BALANCE SHEET

Prepared by Dalian Refrigeration Co., Ltd.

September 30, 2019

Unit: RMB Yuan

Items	30-Sep-2019		31-Dec-2018	
	Consolidation	Parent Company	Consolidation	Parent Company
Current assets:				
Monetary funds	265,643,297.14	126,822,679.64	343,026,485.11	186,976,185.10
Transaction financial assets				
Financial assets which are measured by fair value and which changes are recorded in current profit and loss				
Derivative financial assets				
Notes receivable	156,539,516.62	58,226,433.10	171,292,044.56	63,673,648.65
Accounts receivable	1,230,802,354.83	562,384,019.63	1,107,546,588.30	418,715,646.60
Accounts in advance	203,314,901.97	68,894,184.28	158,405,300.50	69,577,538.44
Other receivables	76,413,301.34	41,060,230.81	48,508,755.15	14,003,269.34
Interest receivables			318,886.12	318,886.12
Dividend receivable	35,745,000.00	35,745,000.00	33,450.00	
Inventories	514,619,759.41	215,505,447.43	450,195,300.53	194,747,632.08
Assets held for sale				
Non-current asset due within one year				
Other current assets	13,779,915.16	2,037,630.29	18,266,589.12	8,056,055.09
Total current assets	2,461,113,046.47	1,074,930,625.18	2,297,241,063.27	955,749,975.30
Non-current assets:				
Finance asset held available for sales			382,186,729.99	380,771,587.49
Held-to-maturity investment				
Long-term account receivable				
Long-term equity investment	1,652,872,574.52	2,236,023,833.41	1,619,693,570.97	2,201,953,842.42
Other non-current financial assets	289,016,499.15	287,601,356.65		
Investment property	96,563,389.31	107,753,669.94	100,338,241.99	111,421,702.70
Fixed assets	940,726,048.76	721,431,086.81	953,298,058.11	725,516,578.53
Construction in progress	41,681,177.92	26,176,291.71	19,796,212.82	18,010,457.61
Productive biological asset				
Oil and gas asset				
Intangible assets	142,309,227.55	68,089,160.29	147,018,592.71	70,049,323.57
Expense on Research and Development				
Goodwill	1,750,799.49		1,750,799.49	
Long-term expenses to be apportioned	11,666,235.96	10,125,193.38	12,873,428.19	11,244,777.00
Deferred income tax asset	37,498,753.78	4,578,414.88	34,082,754.72	4,303,943.48
Other non-current asset				
Total non-current asset	3,214,084,706.44	3,461,779,007.07	3,271,038,388.99	3,523,272,212.80
Total assets	5,675,197,752.91	4,536,709,632.25	5,568,279,452.26	4,479,022,188.10
Current liabilities:				
Short-term loans	348,082,000.00	308,082,000.00	250,000,000.00	250,000,000.00
Financial liabilities which are measured by fair value and which changes are recorded in current profit and loss				

Derivative financial liabilities				
Transaction financial liabilities				
Notes payable	303,224,389.65	179,174,335.08	273,401,536.58	114,845,621.59
Accounts payable	973,926,188.87	335,474,778.83	859,489,558.61	297,954,195.20
Accounts received in advance	151,774,725.70	47,459,900.30	122,151,101.00	29,579,144.85
Wage payable	13,576,587.78	97,764.94	31,856,136.59	7,376,290.42
Taxes payable	14,924,403.36	10,763,523.31	13,608,212.32	3,399,150.12
Other accounts payable	36,661,533.03	7,048,958.80	63,313,958.43	30,439,931.10
Interest payable	54,166.71	54,166.71	1,369,527.78	1,369,527.78
Dividend payable	533,156.00	533,156.00	533,156.00	533,156.00
Liabilities held for sale				
Non-current liabilities due within one year	729,063.43		2,999,574.93	
Other current liabilities				
Total current liabilities	1,842,898,891.82	888,101,261.26	1,616,820,078.46	733,594,333.28
Non-current liabilities:				
Long-term loans	160,000,000.00	160,000,000.00	160,000,000.00	160,000,000.00
Bonds payable	25,000,034.00	25,000,034.00	176,000,000.00	176,000,000.00
Preferred stock				
Perpetual bond				
Long-term account payable	14,371,895.15		1,532,949.94	
Long-term wage payable				
Special payable				
Anticipation liabilities				
Deferred income	99,066,178.71	57,295,080.19	103,542,093.79	60,907,828.40
Deferred income tax liabilities	39,171,095.70	39,171,095.70	51,954,442.22	51,954,442.22
Other non-current liabilities				
Total non-current liabilities	337,609,203.56	281,466,209.89	493,029,485.95	448,862,270.62
Total liabilities	2,180,508,095.38	1,169,567,471.15	2,109,849,564.41	1,182,456,603.90
Shareholders' equity				
Share capital	843,212,507.00	843,212,507.00	855,434,087.00	855,434,087.00
Other equity instruments				
Preferred stock				
Perpetual bond				
Capital public reserve	726,768,468.00	771,270,562.83	760,365,342.00	804,867,436.83
Less: Treasury stock			21,026,106.00	21,026,106.00
Other comprehensive income	2,501,459.77	1,539,359.10	296,909,965.55	295,947,864.88
Special preparation				
Surplus public reserve	753,519,177.11	753,519,177.11	721,091,040.02	721,091,040.02
Generic risk reserve				
Retained profit	1,089,025,589.35	997,600,555.06	764,859,288.45	640,251,261.47
Total owner's equity attributable to parent company	3,415,027,201.23	3,367,142,161.10	3,377,633,617.02	3,296,565,584.20
Minority interests	79,662,456.30		80,796,270.83	
Total owner's equity	3,494,689,657.53	3,367,142,161.10	3,458,429,887.85	3,296,565,584.20
Total liabilities and shareholder's equity	5,675,197,752.91	4,536,709,632.25	5,568,279,452.26	4,479,022,188.10

Legal Representative: Ji Zhijian Chief Financial Official: Ma Yun Person in Charge of Accounting Organization: Mao Chunhua

INCOME STATEMENT

Prepared by Dalian Refrigeration Co., Ltd.

July-September, 2019

Unit: RMB Yuan

Items	July-September, 2019		July-September 2018	
	Consolidation	Parent Company	Consolidation	Parent Company
I. Total sales	377,309,476.31	185,430,301.21	482,267,734.29	146,979,350.41
II. Total operating cost	398,064,976.69	199,512,285.47	508,998,199.04	156,982,655.71
Including: Operating cost	307,976,069.92	158,112,463.00	406,568,952.79	121,157,057.73
Taxes and associate charges	4,161,194.34	2,183,711.28	4,900,308.23	2,279,128.59
Selling and distribution expenses	26,015,721.28	12,934,688.91	26,968,566.73	374,967.60
Administrative expenses	43,834,281.38	18,804,420.18	57,565,430.28	23,905,154.73
R&D expenses	12,281,212.29	4,690,216.53	7,716,123.13	5,149,217.99
Financial expense	3,796,497.48	2,786,785.57	5,278,817.88	4,117,129.07
Including: interest expense	3,656,619.40	2,509,540.76	4,297,758.56	3,233,617.80
interest income	491,570.02	342,781.73	449,828.36	332,981.68
Add: Other income	368,909.48		3,744,210.55	1,566,087.00
Gain/(loss) from investment	29,142,360.02	29,363,993.43	42,853,933.74	42,993,624.90
Including: income from investment on affiliated enterprise and jointly enterprise	29,142,360.02	29,363,993.43	42,820,483.74	42,993,624.90
Gain/(loss) from change in fair value	-10,415,735.31	-10,415,735.31		
Assets impairment loss (loss as “-“)	-5,573,363.68	-1,370,524.06	-1,930,726.50	-1,912,799.87
Gain/(loss) from asset disposal			-100,487.43	
III. Operating profit	-7,233,329.87	3,495,749.80	17,836,465.61	32,643,606.73
Add: non-business income	478,879.39	30.07	123,364.77	207.11
Less: non-business expense	95,922.49		154,138.70	
IV. Total profit	-6,850,372.97	3,495,779.87	17,805,691.68	32,643,813.84
Less: Income tax	-3,292,739.52	-2,490,924.05	1,590,321.86	-443,345.17
V. Net profit	-3,557,633.45	5,986,703.92	16,215,369.82	33,087,159.01
(I) Net profit from continuous operation	-3,557,633.45	5,986,703.92	16,215,369.82	33,087,159.01
(II) Net profit from discontinuing operation				
Net profit attributable to parent company	-4,027,361.74	5,986,703.92	14,417,569.50	33,087,159.01
Minority shareholders' gains and losses	469,728.29		1,797,800.32	
VI. After-tax net amount of other comprehensive incomes			5,758,515.19	5,758,515.19
After-tax net amount of other comprehensive incomes attributable to owners of the Company			5,758,515.19	5,758,515.19
(I) Other comprehensive incomes that will not be reclassified into gains and losses				
1. Changes in net liabilities or assets with a defined benefit plan upon re-measurement				
2. Enjoyable shares in other comprehensive incomes in invests that cannot be reclassified into gains and losses under the equity method				
(II) Other comprehensive incomes that will be reclassified into gains and losses			5,758,515.19	5,758,515.19
1. Enjoyable shares in other comprehensive incomes in invests that will be reclassified into gains and losses under the equity method				
2. Changes in the fair value of other debt investments				

3. Gains and losses on fair value changes of available-for-sale financial assets			5,758,515.19	5,758,515.19
4. The amount of financial assets reclassified into other comprehensive income				
5. Held-to-maturity investments are reclassified as saleable financial asset gains and losses				
6. Others				
After-tax net amount of other comprehensive incomes attributable to minority shareholders				
VII Total comprehensive income	-3,557,633.45	5,986,703.92	21,973,885.01	38,845,674.20
Total comprehensive income attributable to parent company	-4,027,361.74	5,986,703.92	20,176,084.69	38,845,674.20
Total comprehensive income attributable to minority shareholders	469,728.29		1,797,800.32	
VIII. Earnings per share				
(I) basic earnings per share	-0.004		0.017	
(II) diluted earnings per share	-0.004		0.017	

Legal Representative: Ji Zhijian Chief Financial Official: Ma Yun Person in Charge of Accounting Organization: Mao Chunhua

INCOME STATEMENT

Prepared by Dalian Refrigeration Co., Ltd.

January-September, 2019

Unit: RMB Yuan

Items	January-September, 2019		January-September 2018	
	Consolidation	Parent Company	Consolidation	Parent Company
I. Total sales	1,453,038,716.88	510,786,574.53	1,511,346,271.08	450,026,085.60
II. Total operating cost	1,499,611,605.61	540,891,541.57	1,537,007,566.62	478,413,212.95
Including: Operating cost	1,227,736,049.78	435,005,859.82	1,259,412,828.06	381,890,609.76
Taxes and associate charges	12,891,478.21	6,957,698.30	13,634,229.96	6,834,987.52
Selling and distribution expenses	79,112,539.90	18,305,927.70	75,631,379.84	656,521.50
Administrative expenses	129,776,376.59	56,037,040.67	139,080,586.28	62,351,209.91
R&D expenses	40,831,076.46	17,761,463.87	35,330,459.80	17,155,779.50
Financial expense	9,264,084.67	6,823,551.21	13,918,082.68	9,524,104.76
Including: interest expense	9,199,037.66	6,281,720.77	13,182,040.11	9,903,982.33
interest income	1,063,793.82	553,952.60	2,518,884.72	2,044,657.85
Add: Other income	2,404,346.32		3,853,847.95	1,566,087.00
Gain/(loss) from investment	146,269,781.75	150,160,769.19	109,466,978.18	116,944,490.04
Including: income from investment on affiliated enterprise and jointly enterprise	101,381,838.15	102,272,825.59	98,293,970.18	99,401,607.31
Gain/(loss) from change in fair value	30,045,390.28	30,045,390.28		
Assets impairment loss (loss as “-“)	-22,436,498.10	-4,483,267.31	-10,014,587.90	2,374,558.16
Gain/(loss) from asset disposal	1,242,799.31	582,050.16	130,324.63	248,128.41
III. Operating profit	110,952,930.83	146,199,975.28	77,775,267.32	92,746,136.26
Add: non-business income	2,951,244.52	230.14	2,300,228.71	251,207.18
Less: non-business expense	217,566.00	75,126.57	307,729.40	80,000.00
IV. Total profit	113,686,609.35	146,125,078.85	79,767,766.63	92,917,343.44
Less: Income tax	10,473,866.32	8,595,528.60	5,030,766.11	128,763.32
V. Net profit	103,212,743.03	137,529,550.25	74,737,000.52	92,788,580.12
(I) Net profit from continuous operation	103,212,743.03	137,529,550.25	74,737,000.52	92,788,580.12
(II) Net profit from discontinuing operation				
Net profit attributable to parent company	104,346,557.56	137,529,550.25	73,435,111.78	92,788,580.12
Minority shareholders' gains and losses	-1,133,814.53		1,301,888.74	
VI. After-tax net amount of other comprehensive incomes			-81,310,234.46	-81,310,234.46
After-tax net amount of other comprehensive incomes attributable to owners of the Company			-81,310,234.46	-81,310,234.46
(I) Other comprehensive incomes that will not be reclassified into gains and losses				
1. Changes in net liabilities or assets with a defined benefit plan upon re-measurement				
2. Enjoyable shares in other comprehensive incomes in invests that cannot be reclassified into gains and losses under the equity method				
(II) Other comprehensive incomes that will be reclassified into gains and losses			-81,310,234.46	-81,310,234.46
1. Enjoyable shares in other comprehensive incomes in invests that will be reclassified into gains and losses under the equity method				
2. Changes in the fair value of other debt investments				

3. Gains and losses on fair value changes of available-for-sale financial assets			-81,310,234.46	-81,310,234.46
4. The amount of financial assets reclassified into other comprehensive income				
5. Held-to-maturity investments are reclassified as saleable financial asset gains and losses				
6. Others				
After-tax net amount of other comprehensive incomes attributable to minority shareholders				
VII Total comprehensive income	103,212,743.03	137,529,550.25	-6,573,233.94	11,478,345.66
Total comprehensive income attributable to parent company	104,346,557.56	137,529,550.25	-7,875,122.68	11,478,345.66
Total comprehensive income attributable to minority shareholders	-1,133,814.53		1,301,888.74	
VIII. Earnings per share				
(I) basic earnings per share	0.123		0.086	
(II) diluted earnings per share	0.123		0.086	

Legal Representative: Ji Zhijian Chief Financial Official: Ma Yun Person in Charge of Accounting Organization: Mao Chunhua

CASH FLOW STATEMENT

Prepared by Dalian Refrigeration Co., Ltd.

January-September, 2019

Unit: RMB Yuan

Items	January - September, 2019		January - September 2018	
	Consolidation	Parent Company	Consolidation	Parent Company
I. Cash flows arising from operating activities:				
Cash received from selling commodities and providing labor services	990,420,530.70	340,550,201.48	1,006,325,541.41	397,106,642.50
Write-back of tax received	10,549,600.41		36,048,272.10	21,407,074.38
Other cash received concerning operating activities	43,316,326.23	7,731,200.99	41,140,993.85	9,532,226.02
Subtotal of cash inflow arising from operating activities	1,044,286,457.34	348,281,402.47	1,083,514,807.36	428,045,942.90
Cash paid for purchasing commodities and receiving labor service	686,780,484.56	250,430,970.32	776,051,647.72	413,735,490.96
Cash paid to/for staff and workers	262,853,897.94	93,345,038.33	270,020,405.01	100,530,514.50
Taxes paid	59,775,362.69	18,190,018.35	70,099,415.71	8,117,820.30
Other cash paid concerning operating activities	115,626,935.44	23,731,542.82	111,821,387.96	17,904,193.82
Subtotal of cash outflow arising from operating activities	1,125,036,680.63	385,697,569.82	1,227,992,856.40	540,288,019.58
Net cash flows arising from operating activities	-80,750,223.29	-37,416,167.35	-144,478,049.04	-112,242,076.68
II. Cash flows arising from investing activities:				
Cash received from recovering investment				
Cash received from investment income	45,399,936.80	45,366,486.80	46,171,448.00	46,137,998.00
Net cash received from disposal of fixed, intangible and other long-term assets	1,691,731.61	810,000.00	4,094,674.11	
Net cash received from disposal of subsidiaries and other units				
Other cash received concerning investing activities			76,000,000.00	76,000,000.00
Subtotal of cash inflow from investing activities	47,091,668.41	46,176,486.80	126,266,122.11	122,137,998.00
Cash paid for purchasing fixed, intangible and other long-term assets	33,597,375.06	29,587,157.31	148,585,086.22	138,737,517.86
Cash paid for investment			4,327,733.43	
Net cash paid for achievement of subsidiaries and other business units				
Other cash paid concerning investing activities				
Subtotal of cash outflow from investing activities	33,597,375.06	29,587,157.31	152,912,819.65	138,737,517.86
Net cash flows arising from investing activities	13,494,293.35	16,589,329.49	-26,646,697.54	-16,599,519.86
III. Cash flows arising from financing activities				
Cash received from absorbing investment				
Including: Cash received from absorbing minority shareholders' equity investment by subsidiaries				
Cash received from loans	409,412,100.00	308,082,000.00	413,654,000.00	400,000,000.00
Cash received from issuing bonds			174,504,000.00	174,504,000.00
Other cash received concerning financing activities	38,323,050.64		29,116,287.80	
Subtotal of cash inflow from financing activities	447,735,150.64	308,082,000.00	617,274,287.80	574,504,000.00
Cash paid for settling debts	316,663,574.16	250,000,000.00	430,004,100.00	410,000,000.00
Cash paid for dividend and profit distributing or interest paying	52,234,480.80	49,757,707.19	55,848,974.69	52,600,129.54
Including: dividends or profit paid by subsidiaries to minority shareholders			114,000.00	
Other cash paid concerning financing activities	66,386,367.24	47,566,389.36	15,894,036.66	3,446,078.94

Subtotal of cash outflow from financing activities	435,284,422.20	347,324,096.55	501,747,111.35	466,046,208.48
Net cash flows arising from financing activities	12,450,728.44	-39,242,096.55	115,527,176.45	108,457,791.52
IV. Influence on cash due to fluctuation in exchange rate	368,800.90	-84,571.05	-2,066,325.91	-438,261.46
V. Net increase of cash and cash equivalents	-54,436,400.60	-60,153,505.46	-57,663,896.04	-20,822,066.48
Add: Balance of cash and cash equivalents at the period -begin	304,703,434.47	186,976,185.10	364,693,406.31	234,655,092.14
VI. Balance of cash and cash equivalents at the period-end	250,267,033.87	126,822,679.64	307,029,510.27	213,833,025.66

Legal Representative: Ji Zhijian Chief Financial Official: Ma Yun Person in Charge of Accounting Organization: Mao Chunhua