



**Shenzhen SEG Co., Ltd.**

**2015 Q3 Report**

**2015-049**

**October 2015**

## **Chapter 1 Important Notes**

The Board of Directors, Board of Supervisors and directors, supervisors and executives of the Company shall guarantee the authenticity, accuracy and completeness of the quarterly report and non-existence of false records, misleading statements or major omissions, and shall assume individual and/or joint liabilities.

All the directors have attended this board meeting reviewing the quarterly report.

Wang Li, person in charge of the Company, Liu Zhijun, person in charge of the accounting work and Ying Huadong, responsible person of the accounting institution (accountant in charge) hereby declare that the Financial Statements enclosed in this quarterly report are true, accurate and complete.

## Chapter 2 Change of Major Financial Data and Shareholders

### I. Main accounting data and financial indexes

Are retrospective adjustments made to previous financial statements due to accounting policy changes or accounting errors?

Yes  No

	Amount at end of the report period	Amount at end of the previous year	Year-on-year increase/decrease	
Total assets (Yuan)	2,573,190,027.09	2,659,717,718.28	-3.25%	
Net assets attributable to shareholders of the listed company (Yuan)	1,443,184,484.40	1,298,970,719.85	11.10%	
	Amount of the report period	Year-on-year increase/decrease	Amount from the beginning of the year to the end of this report period	Year-on-year increase/decrease (%)
Operating income (Yuan)	194,784,480.30	1.78%	569,339,615.91	12.18%
Net profit attributable to shareholders of the listed company (Yuan)	7,280,509.44	-18.60%	42,186,643.05	-9.45%
Net profit attributable to shareholders of the listed company after deduction of non-recurring gains and losses (Yuan)	6,782,338.84	-19.67%	41,480,593.15	-8.19%
Net cash flow arising from operating activities (Yuan)	--	--	-46,276,969.45	81.99%
Basic EPS (Yuan/Share)	0.0095	-16.67%	0.054	-9.09%
Diluted EPS (Yuan/Share)	0.0095	-16.67%	0.054	-9.09%
Weighted average ROE	0.93%	0.23%	5.38%	1.72%

Items of non-recurring profit and loss and related amounts:

Applicable  Not applicable

Unit: RMB Yuan

Item	Amount from the beginning of the year to the end of this report period	Remarks
Gains and losses from disposal of non-current assets (including the write-off of assets depreciation reserves)	-196,751.33	Gains on disposal of fixed assets

Item	Amount from the beginning of the year to the end of this report period	Remarks
Government subsidies recorded into current gains and losses (except those closely related with corporate business and enjoyed according to national standards or certain quota)	242,642.18	The service industry development fund from the Bureau of Finance of Nantong, the Economy, and the special funds for setting up online SEG electronics market and SEG E-Commerce platform from the Trade and Information Commission of Shenzhen were acquired.
Transferred-back impairment provision for accounts receivable, for which separate impairment tests are carried out	400,000.00	
Other non-operating income and expenses except the above-mentioned items	468,857.17	Liquidated damages from defaulting tenants were collected.
Less: Amount of affected income tax	164,908.84	
Amount of influence of minority shareholders' equity (after tax)	43,789.28	
Total	706,049.90	--

An explanation shall be made with regard to the Company's considerations for defining non-recurring profit and loss according to the *Explanatory Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public—Non-recurring Profit and Loss* and the reason of classifying the non-recurring profit and loss listed in this announcement as recurring profit and loss items.

Applicable  Not applicable

In the report period, it does not happen that the company defines the non-recurring profit and loss items defined or listed by *Interpretive Bulletin No. 1 on Information Disclosure by Companies Publicly Issuing Securities — Non-recurring Gains and Losses* as recurring profit and loss items.

## II. Total number of shareholders and shareholding information of top ten shareholders at the end of this report period

### 1. Total number of ordinary shareholders and shareholding information of top ten ordinary shareholders at the end of this report period

Unit: Share

Total number of ordinary shareholders at the end of the report period		79,289				
Shareholding information of the top 10 ordinary shareholders						
Name of shareholder	Nature of shareholder	Shareholding percentage	Total shares	Quantity of restricted shares held	Information on pledged or frozen shares	
					Share status	Quantity

Shenzhen SEG Group Co., Ltd.	State-owned legal person	30.24%	237,359,666	0	Pledged	20,179,833
Liu Guocheng	Domestic natural person	0.85%	6,691,302	0		
Liu Guohong	Domestic natural person	0.43%	3,354,558	0		
Zeng Ying	Domestic natural person	0.42%	3,300,000	0		
Gong Qianhua	Overseas natural person	0.37%	2,940,000	0		
Wang Jianguang	Domestic natural person	0.29%	2,249,473	0		
China Securities Finance Corporation Limited	Domestic non-state-owned legal person	0.29%	2,271,900	0		
NORGES BANK	Overseas legal person	0.24%	1,890,226	0		
ARROWSTREET MULTI STRATEGY UMBRELLA PLC-ARROWSTREET EMERGING MARKET FUND III	Overseas legal person	0.23%	1,811,274	0		
NATIONAL AUSTRALIA BANK LTD-UNISUPER LTD	Overseas legal person	0.19%	1,472,343	0		

## Information on top ten ordinary shareholders of non-restricted shares

Name of shareholder	Quantity of unrestricted ordinary shares held	Type of share	
		Type of share	Quantity
Shenzhen SEG Group Co., Ltd.	237,359,666	RMB ordinary shares	237,359,666
Liu Guocheng	6,691,302	Domestically listed foreign shares	6,691,302
Liu Guohong	3,354,558	Domestically listed foreign shares	3,354,558
Zeng Ying	3,300,000	Domestically listed foreign shares	3,300,000

		shares	
Gong Qianhua	2,940,000	Domestically listed foreign shares	2,940,000
Wang Jianguang	2,249,473	Domestically listed foreign shares	2,249,473
China Securities Finance Corporation Limited	2,271,900	RMB ordinary shares	2,271,900
NORGES BANK	1,890,226	Domestically listed foreign shares	1,890,226
ARROWSTREET MULTI STRATEGY UMBRELLA PLC-ARROWSTREET EMERGING MARKET FUND III	1,811,274	Domestically listed foreign shares	1,811,274
NATIONAL AUSTRALIA BANK LTD-UNISUPER LTD	1,472,343	Domestically listed foreign shares	1,472,343
Explanations on the associated relationship or concerted action among the above-mentioned shareholders	Shenzhen SEG Group Co., Ltd. (hereinafter referred to as "SEG ") has no associated relationship with other shareholders and does not belong to the concerted action unit as described in the <i>Management Methods for Disclosure of Information on Changes of Shareholding Status of Shareholders of Listed Companies</i> . Whether the associated relationship exists among other shareholders is unknown.		
Information of top ten ordinary shareholders participating in financing business (if any)	None		

Whether the top ten ordinary shareholders of the Company or top ten ordinary shareholders of non-restricted shares conducted agreed repurchase transactions in the reporting period?

Yes  No

The top ten ordinary shareholders of the Company or top ten ordinary shareholders of non-restricted shares did not conduct agreed repurchase transactions in the reporting period.

## 2. Total number of preferential shareholders and information of top ten preferential shareholders at the end of this report period

Applicable  Not applicable

## Chapter 3 Important Matters

### I. Particulars and explanations of changes in main items of accounting statements and financial indexes in this report period

√ Applicable □ Not applicable

#### (I) Items on the Balance Sheet

Item	Closing balance	Opening balance	Difference	Increase/decrease of the current year compared with that of the previous year (%)
Monetary funds	147,866,559.68	383,056,680.70	-235,190,121.02	-61.40%
Notes receivable	20,000.00	84,618.08	-64,618.08	-76.36%
Other accounts receivable	18,330,024.66	95,366,156.27	-77,036,131.61	-80.78%
Inventory	435,903,269.87	278,281,586.72	157,621,683.15	56.64%
Long-term equity investment	179,050,308.34	82,100,197.01	96,950,111.33	118.09%
Construction in progress	216,000.00	0	216,000.00	100.00%
Intangible assets	986,315.10	655,587.54	330,727.56	50.45%
Other non-current assets	0	4,655,063.54	-4,655,063.54	-100.00%
Short-term borrowing	396,364,194.51	189,246,687.38	207,117,507.13	109.44%
Accounts payable	99,688,085.67	200,129,651.92	-100,441,566.25	-50.19%
Payroll payable	10,036,126.45	18,858,843.33	-8,822,716.88	-46.78%
Interest payable		10,295,250.65	-10,295,250.65	-100.00%
Dividends payable	14,526,192.58	1,717,882.74	12,808,309.84	745.59%
Other current liabilities		250,000,000.00	-250,000,000.00	-100.00%
Other comprehensive income	442,719.36	231,817.05	210,902.31	90.98%
Undistributed profits	48,486,442.46	6,299,799.41	42,186,643.05	669.65%

1. The monetary capitals decreased by RMB235,190,000 Yuan compared with the period-beginning amount, a decrease of 61.40%, mainly because:

- ① The principle and interest of matured debts were repaid.
- ② Part of capitals were put into construction of the Nantong SEG Times Square project.

2. Notes receivable decreased by RMB60,000 Yuan compared with the period-beginning amount, a decrease of 76.36%, mainly because the rental settled based on notes by Wujiang SEG Electronics Market Co., Ltd., a share-holding company of the Company (holding 51% of shares), decreased in this report period.

3. Other receivables decreased by RMB77,040,000 Yuan compared with the period-beginning amount, a decrease of 80.78%, mainly because the Xi'an Fengdong New Town SEG Time Square Properties Co., Ltd. recovered the land bidding deposit.
4. The inventory increased by RMB157,620,000 Yuan compared with the period-beginning amount, an increase of 56.64%, mainly because of the project construction expenditure of Nantong SEG Times Square Co., Ltd., a subsidiary of the Company (holding 100% of shares), in this report period.
5. The long-term equity investment increased by RMB96,950,000 Yuan compared with the period-beginning amount, an increase of 118.09%, mainly because Shenzhen Huakong SEG Co., Ltd. (Huakong SEG, a subsidiary of the Company, where the Company holds 20% of shares) issues shares at premium in a non-directive way and the Company increased this project according to the equity method.
6. The construction in process increased by RMB220,000 Yuan compared with the period-beginning amount, an increase of 100%, mainly because of information system construction expenditure of Shenzhen SEG Credit Co., Ltd., a subsidiary of the Company (holding 53.02% of shares), in this report period.
7. Intangible assets increased by RMB330,000 Yuan compared with the period-beginning amount, an increase of 50.45%, mainly because the Company and its subsidiaries purchased software in this report period.
8. Other non-current assets decreased by RMB 4,660,000 Yuan compared with the period-beginning amount, a decrease of 100.00%, mainly because the prepaid electronics market engineering payment in the first half of the year was carried over to other asset projects within this report period.
9. Short-term borrowings increased by RMB207,120,000 Yuan compared with period-beginning amount, an increase of 109.44%, mainly because of bank loans of the Company acquired in this report period.
10. The accounts payable decreased by RMB 100,440,000 Yuan compared with the period-beginning amount, a decrease of 50.19%, mainly because Shenzhen SEG E-Commerce Co., Ltd (hereinafter referred to as SEG E-commerce), a subsidiary of the Company that holds 51% of shares, settled supply chain business in this report period.
11. The wages payable decreased by RMB8,820,000 Yuan compared with the period-beginning amount, a decrease of 46.78%, mainly because the Company paid accrued payroll of the previous year in this report period.
12. The interest payable decreased by RMB 10,300,000 Yuan compared with the period-beginning amount, a decrease of 100.00%, mainly because the Company paid the accrued interest of the previous year in this report period.
13. The dividends payable increased by RMB 12,810,000 Yuan compared with the period-beginning amount, an increase of 745.59%, mainly because the dividends to be paid by Shenzhen SEG Credit Co., Ltd. (a subsidiary of the Company) to a few shareholders increased.
14. Other current assets decreased by RMB 250,000,000 Yuan compared with the period-beginning amount, a decrease of 100.00%, mainly because the Company paid the principal and interests of short-term financing bonds in this report period.



15. Other comprehensive income increased by RMB210,000 Yuan compared with the period-beginning amount, an increase 90.98%, mainly because the market value of stocks of Xinjiang Youhao Group held by Shenzhen SEG Baohua Enterprise Development Co., Ltd. (hereinafter referred to as “SEG Baohua”, where the company holds 66.58% of shares), a subsidiary of the Company, increased.

16. Undistributed profits increased by RMB42,190,000 Yuan compared with the period-beginning amount, an increase of 669.65%, mainly because the net profits attributable to the parent company increased in this report period.

## (II) Items in the Profit Statement

Item	Amount incurred in the current period	Amount incurred in the previous period	Difference	Increase/decrease of the current year compared with that of the previous year (%)
Interest income	64,800,130.44	34,403,812.13	30,396,318.31	88.35%
Service charges and commissions income	3,681,632.07	108,736.67	3,572,895.40	3285.82%
Interest expenses	4,206,636.86	2,276,194.45	1,930,442.41	84.81%
Financial cost	4,630,265.70	7,375,517.50	-2,745,251.80	-37.22%
Loss from asset impairment	10,015,700.20	834,423.77	9,181,276.43	1100.31%
Non-operating income	1,342,743.31	2,157,508.46	-814,765.15	-37.76%
Non-operating expenses	827,995.29	267,517.42	560,477.87	209.51%
Other comprehensive income	316,765.26	-12,743.43	329,508.69	2585.71%

1. Interest income increased by RMB30,400,000 Yuan compared with the same period last year, an increase of 88.35%, mainly because of the loans of Shenzhen SEG Credit Co., Ltd., a subsidiary of the Company, increased in this report period and the interests of the petty loan business increased accordingly.

2. Commissions increased by RMB 3,570,000 Yuan compared with the same period last year, an increase of 3,285.82%, mainly because of the loans of Shenzhen SEG Credit Co., Ltd., a subsidiary of the Company, increased in this report period and commissions obtained from the petty loan business increased accordingly.

3. The interest expenditure increased by RMB1,930,000 Yuan compared with the same period last year, an increase of 84.81%, mainly because the bank loans obtained by Shenzhen SEG Credit Co., Ltd., a subsidiary of the Company, and short-term financing bonds issued by Shenzhen SEG Credit Co., Ltd. increased year on year. As a result, the interest expenditure of loans and commission charges of issuance increased.

4. Financial expenses decreased by RMB2,750,000 Yuan compared with the same period last year, a decrease of 37.22%, mainly because the Company repaid matured short-term financing bonds in this report period. As a result, the loan scale decreased.

5. The asset impairment loss increased by RMB 9,180,000 Yuan compared with the same period last year, an increase of 1,100.31%, mainly because of increase of accrued loan loss of Shenzhen SEG Credit Co., Ltd., a subsidiary of the Company, increased in this report period.

6. The non-operating income decreased by RMB810,000 Yuan compared with the same period last year, a decrease of 37.76%, mainly because the governmental subsidy income confirmed by SEG E-commerce Co., Ltd., a subsidiary of the Company, decreased in this report period.

7. The non-operating income increased by RMB560,000 Yuan compared with the same period last year, an increase of 209.51%, mainly because the liquidated damages paid by Nantong SEG Digital Square Co., Ltd., a subsidiary of the Company (controlling 100% of shares), to tenants increased in this report period.

8. Other comprehensive income increased by RMB330,000 Yuan compared with the same period last year mainly because the market value of stocks of Youhao Group held by SEG Baohua, a subsidiary of the Company, increased in this report period.

### (III) Items in the Cash Flow Statement

Item	Amount incurred in the current period	Amount incurred in the previous period	Difference	Increase/decrease of the current year compared with that of the previous year (%)
Cash received from interest and commissions	69,806,828.06	39,743,428.36	30,063,399.70	75.64%
Tax refunds	136,078,841.72	69,010,412.27	67,068,429.45	97.19%
Net increase of loans to customers and advances	20,896,649.47	88,482,507.00	-67,585,857.53	-76.38%
Cash paid for interest, service charges, and commissions	46,623.87	423,331.00	-376,707.13	-88.99%
Taxes paid	75,501,049.15	119,251,625.37	-43,750,576.22	-36.69%
Cash received from withdrawal of investment	1,689,700,000.00	2,998,000,000.00	-1,308,300,000.00	-43.64%
Cash received from investment income	14,402,007.18	24,520,510.52	-10,118,503.34	-41.27%
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	34,082.50	20,300.00	13,782.50	67.89%
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	14,550,969.56	8,660,217.94	5,890,751.62	68.02%
Cash paid for investment	1,738,300,000.00	3,277,587,332.32	-1,539,287,332.32	-46.96%
Borrowings received	424,000,000.00	320,400,000.00	103,600,000.00	32.33%

Item	Amount incurred in the current period	Amount incurred in the previous period	Difference	Increase/decrease of the current year compared with that of the previous year (%)
Other cash received concerning financing activities		250,285,729.56	-250,285,729.56	-100.00%
Cash paid for repayment of debts	466,882,492.87	130,086,320.51	336,796,172.36	258.90%
Cash paid for distribution of dividends and profit or repayment of interest	38,658,807.17	27,959,212.50	10,699,594.67	38.27%
Other cash paid concerning financing activities	58,656,972.92	710,000.00	57,946,972.92	8161.55%

1. Cash from charging interests, procedure fee and commission increased by RMB 30,060,000 Yuan compared with the same period last year, an increase of 75.64%, mainly because the loan scale of SEG Credit Co., Ltd., a subsidiary of the Company, increased in this report period and the interests of the small loan business increased accordingly.
2. The tax refunds increased by RMB 67,060,000 Yuan compared with the same period of last year, an increase of 97.19%, mainly because the tax refunds received by SEG E-Commerce Co., Ltd., a subsidiary of the Company, for the supply chain business increased.
3. The net increase in loans and advance to customers decreased by RMB 67,580,000 Yuan compared with the same period last year, a decrease of 76.38%, mainly because the scale of loans issued by SEG Credit Co., Ltd., a subsidiary of the Company, maintained at a high level in this report period and the capital available for issuing loans decreased.
4. The interests and commissioned paid in cash decreased by RMB380,000 Yuan compared with the same period last year, a decrease of 88.99%, mainly because the interest expenditure of SEG Credit Co., Ltd., a subsidiary of the Company, decreased.
5. The taxes paid decreased by RMB43,750,000 Yuan compared with the same period last year, a decrease of 36.69%, mainly because the tax payment collected by electronics market enterprises for tenants decreased.
6. The cash received from investments decreased by RMB 1,308,300,000 Yuan compared with the same period last year, a decrease of 43.64%, mainly because funds of the Company were invested in main businesses and the investment in bank wealth management products decreased and became less frequent.
7. Cash received from income of investments decreased by RMB10,120,000 Yuan compared with the same period last year, a decrease of 41.27%, mainly because the Company decreased investments in bank wealth management products, as a result of which the income from bank wealth management products decreased accordingly.

8. Net amount of cash received from disposal of fixed assets, intangible assets and other long-term assets: The cash received from disposal of waste assets increased by RMB10,000 Yuan compared with the same period of last year.

9. The cash paid for purchase of fixed assets, intangible assets and other long-term assets increased by RMB5,890,000 Yuan compared with the same period last year, an increase of 68.02%, mainly because the market decoration and reconstruction expenditure of subsidiaries of the Company increased.

10. The cash paid for investment decreased by RMB 1,539,290,000 Yuan compared with the same period last year, a decrease of 46.96%, mainly because the Company decreased the frequency and investment in bank wealth management products in the report period.

11. The cash received from borrowings increased by RMB 103,600,000 Yuan compared with the same period last year, an increase of 32.33%, mainly because bank loans of the Company increased in the report period.

12. The received cash related to financing activities decreased by RMB250,290,000 Yuan compared with the same period last year, a decrease of 100%, mainly because the Company issued short-term financing bonds in the same period last year but did not do so in this report period.

13. Cash paid for debts increased by RMB 336,800,000 Yuan compared with the same period last year, an increase of 258.90%, mainly because the matured short-term financing bonds and bank loans repaid by the Company and its subsidiaries increased in this report period.

14. Cash paid for distribution of dividend, profits or interest expenses increased by RMB 10,700,000 Yuan compared with the same period last year, an increase of 38.27%, mainly because matured debts of subsidiaries of the Company increased in this report period and interests of matured loans increased accordingly.

15. Cash paid other activities related to financing increased by RMB 57,950,000 Yuan compared with the same period last year, an increase of 8161.55%, mainly because Shenzhen SEG E-commerce Co., Ltd., a subsidiary of the Company, repaid borrowed funds in the report period.

## II. Progress of important matters, relevant influence and analysis of solutions

√ Applicable □ Not applicable

Overview of Important Matters	Disclosure Date	Inquiry Index for the Websites Disclosing the Temporary Reports
1. Matter about listing of Shenzhen SEG GPS Technology Co., Ltd. in China's SME share transfer system	July 8, 2015	<i>Announcement on Approval of Listing of Shenzhen SEG GPS Technology Co., Ltd. in China's SME Share Transfer System</i> disclosed on the Cninfo Website <a href="http://www.cninfo.com.cn/">http://www.cninfo.com.cn/</a>
	July 21, 2015	<i>Announcement on Official Listing of Shenzhen SEG GPS Technology Co., Ltd. in China's SME Share Transfer System</i> disclosed on the Cninfo Website

Overview of Important Matters	Disclosure Date	Inquiry Index for the Websites Disclosing the Temporary Reports
		<a href="http://www.cninfo.com.cn/">http://www.cninfo.com.cn/</a>
<p>2. Temporary suspension of the Company's stock</p> <p>Considering the possible significant impact of non-public issuance completed by Huakong SEG on the financial situation of the Company, in order to prevent abnormal fluctuation of the company's stock prices and protect interest of mass investors, the company's stock (stock code: 000058, 200058) was suspended temporarily since July 8, 2015 upon application according to relevant regulations of Shenzhen Stock Exchange.</p>	July 8, 2015	<p><i>Announcement on Suspension due to Important Issues</i> disclosed by the Company on the Cninfo website <a href="http://www.cninfo.com.cn/">http://www.cninfo.com.cn/</a></p>
<p>3. Resumption of the company's stock</p> <p>During suspension, the Company consulted accounts from Da Hua Certified Public Accountants, the annual audit agency of the Company, as well as relevant departments, and finally confirmed the impact of Huakong SEG's non-public issuance on the financial situation of the Company. The issued price of stocks is higher than the premium generated by the par value of stocks and the long-term equity investments and capital reserve of the company need to be adjusted. The impact was reflected in the semi-annual report of the Company in 2015. The Company's stock (stock code: 000058, 200058) was resumed on July 14, 2015.</p>	July 14, 2015	<p><i>Announcement on Resumption of Stocks</i> disclosed by the Company on the Cninfo website <a href="http://www.cninfo.com.cn/">http://www.cninfo.com.cn/</a></p>
<p>4. Matter about purchase of the Company stocks by director, supervisors and executives of the Company</p>	July 9, 2015	<p><i>Announcement on Planned Purchase of the Company's Stocks by Supervisors of the Company</i> disclosed on the Cninfo website <a href="http://www.cninfo.com.cn/">http://www.cninfo.com.cn/</a></p>
	July 17, 2015	<p><i>Announcement on Increase of the Company's Stocks by Directors, Supervisors and Executives of the Company</i> disclosed on the Cninfo website <a href="http://www.cninfo.com.cn/">http://www.cninfo.com.cn/</a></p>

Overview of Important Matters	Disclosure Date	Inquiry Index for the Websites Disclosing the Temporary Reports
	July 25, 2015	<i>Announcement on Purchase of the Company's Stocks by Supervisors of the Company</i> disclosed on the Cninfo website <a href="http://www.cninfo.com.cn/">http://www.cninfo.com.cn/</a>
	September 10, 2015	<i>Announcement on Purchase of the Company's Stocks by Supervisors of the Company</i> disclosed on the Cninfo website <a href="http://www.cninfo.com.cn/">http://www.cninfo.com.cn/</a>
5. Matter about transfer of 51% of equity of Shenzhen SEG E-commerce Co., Ltd. held by the Company  By the disclosure date of this report, relevant audit and assessment were in progress. The company would fulfill the obligation of information disclosure in time according to progress of the matter.	July 22, 2015	<i>Announcement on Transfer of 51% of Equity of Shenzhen SEG E-Commerce Co., Ltd. Held by the Company</i> disclosed on the Cninfo website <a href="http://www.cninfo.com.cn/">http://www.cninfo.com.cn/</a>
6. Matter about establishment of SEG International Maker Product Exhibition and Promotion Center	August 10, 2015	<i>Announcement on Establishment of SEG International Maker Product Exhibition and Promotion Center</i> disclosed on the Cninfo website <a href="http://www.cninfo.com.cn/">http://www.cninfo.com.cn/</a>
	August 19, 2015	<i>Announcement on Acquisition of Business License by SEG Maker Product Collection Company</i> disclosed on the Cninfo website <a href="http://www.cninfo.com.cn/">http://www.cninfo.com.cn/</a>

### III. Commitments made by the Company or the shareholders holding more than 5% shares in the report period or early period

√ Applicable □ Not applicable

Commitments	Committing party	Content	Commitment date	Commitment term	Fulfillment
Commitment for share reform					
Commitment in the Acquisition Report and the Report of Changes on Equity					
Commitment made at the time of restructuring					

Commitments	Committing party	Content	Commitment date	Commitment term	Fulfillment
of major assets					
Commitment made at the time of initial public offerings or refinancing	Shenzhen SEG Group Co., Ltd.	According to Article 5 of the <i>Equity Transfer Agreement</i> signed by and between the Company and SEG Group when the Company was listed, SEG Group allowed the Company, its subsidiaries and associated companies to use the eight trademarks registered by SEG Group at the National Trademark Bureau; SEG Group agreed that the Company used the aforesaid trademarks or similar signs as the Company's logo and used the trademarks and signs during its operation; the Company need not pay any fee to SEG Group for using the aforesaid trademarks or signs.	July 1, 1996	Long-term	Strict fulfillment
	Shenzhen SEG Group Co., Ltd.	In the aspect of business, Shenzhen Securities Regulatory Bureau pointed out that "There is an issue of horizontal competition in the business of electronics markets between the Company and SEG Group" during the spot inspection; the Company received the <i>Letter of Commitment</i> in writing from SEG Group on September.14, 2007, which said: SEG Group and Shenzhen SEG Co., Ltd have similar business in electronics markets in Shenzhen (Shenzhen SEG), and this is due to historic reasons and the objective background of market development. Our Group hereby promises that we will not individually operate a market having similar business to that of Shenzhen SEG in one city."	September 14, 2007	Long-term	Strict fulfillment
	Shenzhen SEG Group Co., Ltd.	The 6 <sup>th</sup> interim meeting of the 5 <sup>th</sup> Board of Directors held on January 26, 2011 reviewed and approved the <i>Proposal of Solving the Horizontal Competition between the Company and Its Controlling Shareholder</i> . After friendly consultation, SEG Group agreed to entrust the Company to operate and manage with full authority SEG Communications Market under direct management of SEG Group. Therefore, the two parties have signed the entrustment operation and management contract, and SEG	January 26, 2011	From January 1, 2011 to January 31, 2015. Calculation is based on five years. By the end of the report period, the contract term is from	Strict fulfillment

Commitments	Committing party	Content	Commitment date	Commitment term	Fulfillment
		Group will pay the Company RMB 200,000 Yuan as entrust management expenses.		February 1, 2015 to January 31, 2016.	
Other commitments made to the medium and small shareholders of the Company	Shenzhen SEG Group Co., Ltd.	Based on the confidence in the development prospect for Chinese economy and the future of Shenzhen SEG Co., Ltd., in order to jointly maintain stability of the capital market and promote continuous, stable and healthy development of the Company, SEG Group made the following commitments that the Group will not decrease its stocks of Shenzhen SEG within 12 months.	July 9, 2015	12 months	Strict fulfillment
	Directors, supervisors and executives of the Company	Based on the confidence in the prospect of the Company's future development and the reasonable assessment of the value of the Company's stocks, in order to promote the sustainable, stable and healthy development, the Company's directors, supervisors and executives made the following commitments that they will use their own funds to purchase or increase the Company's shares from the secondary market within six months after resumption of the Company's stocks, and not to decrease their holding of the Company's shares during the stipulated period. They also promised that they will not conduct any insider transactions, buy or sell shares of the Company or conduct short-wing trading in sensitive periods.	July 9, 2015	Six months	Strict fulfillment
Whether commitments were fulfilled on time	Yes				
Reason for not fulfilling the commitments and future plan (if applicable)	None				

#### IV. Estimation of the business performance in 2015

Warning and reasons for forecasts on loss of the accumulated net profit from the year beginning to the end of next period or sharp year-on-year changes in net profit



Applicable  Not applicable

## V. Investment in securities

Applicable  Not applicable

Stock type	Stock code	Short form of the security	Initial investment cost (Yuan)	Shares held at period beginning	Initial shareholding percentage	Shares held at period end	Share-holding proportion at period end (%)	Ending book value	Gains and losses in the report period	Accounting item	Source of shares
Share	600778	Youhao Group	90,405.00	60,683	0.04%	60,683	0.04%	976,996.30	0.00	Financial assets available for sale	Initial share
Share	000068	*Huakong SEG	279,307,046.38	201,345,033	22.45%	201,345,033	20.00%	176,024,036.87	-4,315,591.15	Long-term equity investment	Initial share
Total			279,397,451.38	201,405,716	--	201,405,716	--	177,001,033.17	-4,315,591.15	--	--

## VI. Equity of other listed companies held by the Company

Applicable  Not applicable

The Company does not hold the equity of other listed companies within the report period.

## VII. Investment in derivatives

Applicable  Not applicable

No investment in derivatives is involved within the report period.

## VIII. Registration form for investigations, communication and Interviews in the reporting period

Applicable  Not applicable

Time	Place	Means	Type	Object	Main Content of Discussion and the Materials Provided
July 2, 2015	At the Company	Phone call	Individual	Investors (20)	Inquired about operating conditions of the Company and whether continuous drop of stock prices is abnormal. The Company made a reply that the operation was normal and no information that shall be

Time	Place	Means	Type	Object	Main Content of Discussion and the Materials Provided
					disclosed was concealed.
July 6, 2015	At the Company	Phone call	Individual	Investors (20)	Inquired about whether continuous drop of the Company's stock prices was abnormal and whether any protective measure was take and urged the Company to suspend the stock.
July 7, 2015	At the Company	Phone call	Individual	Investors (more than 20)	Urged the Company to suspend the stock.
July 8, 2015	At the Company	Phone call	Individual	Investors (more than 20)	Urged the Company to suspend the stock.
July 10, 2015	At the Company	Phone call	Individual	Investors (8)	Inquired about the resumption date of the Company's stock.
July 22, 2015	At the Company	Phone call	Individual	Investors (5)	Inquired about transfer of SEG E-commerce's equity. The company replied based on the announcement.
July 25, 2015	At the Company	Phone call	Individual	Investor	Inquired about purchase of the Company's stocks by directors, supervisors and executives of the Company. The Company asked them to refer to disclosed announcements.
August 3, 2015	At the Company	Phone call	Individual	Investor	Inquired about the number of shareholders till July 31. The Company replied according to the register of shareholders issued by the Securities Depository and Clearing Corporation.
August 10, 2015	At the Company	Phone call	Individual	Investor	Inquired about progress of transfer of SEG E-commerce's equity. The Company informed the specific progress of the matter and timely performed the obligation of

Time	Place	Means	Type	Object	Main Content of Discussion and the Materials Provided
					information disclosure.
August 18, 2015	At the Company	Phone call	Individual	Investor	Inquired about purchase of the Company's stocks by directors, supervisors and executives of the Company. The Company asked them to refer to disclosed announcements.
August 25, 2015	At the Company	Phone call	Individual	Investor	Inquired about purchase of the Company's stocks by directors, supervisors and executives of the Company. The Company asked them to refer to disclosed announcements.
September 2, 2015	At the Company	Phone call	Individual	Investor	Inquired about the number of shareholders till August 31. The Company replied according to the register of shareholders issued by the Securities Depository and Clearing Corporation.
September 15, 2015	At the Company	Phone call	Individual	Investor	Inquired about specific operating conditions in Q3. The Company suggested investors to focus on the 2015 Q3 Report to be disclosed.

### IX. Violating External Guarantee Issues

Applicable  Not applicable

No violating external guarantee issue is involved in the report period.

### X. Non-operating Capital Occupation on the Listed Company by the Controlling Shareholders and Related Parties

Applicable  Not applicable

No non-operating capital occupation on the listed company by the controlling shareholders and related parties is involved in the report period.

## Chapter 4 Financial Statements

### I. Financial Statements

#### 1. Consolidated Balance Sheet

Prepared by: Shenzhen SEG Co., Ltd.

September 30, 2015

Unit: RMB Yuan

Item	Closing balance	Opening balance
Current assets:		
Monetary funds	147,866,559.68	383,056,680.70
Deposit reservation for balance	0.00	0.00
Loans to banks and other financial institutions	30,000,000.00	30,000,000.00
Financial assets measured by fair value and whose change was counted into current gains and losses		
Derivative financial assets		
Notes receivable	20,000.00	84,618.08
Accounts receivable	142,588,281.18	185,866,040.16
Advances	94,134,490.84	94,633,317.07
Premiums receivable		
Reinsurance accounts receivable		
Reinsurance deposit receivable		
Interest receivable		
Dividends receivable		
Other accounts receivable	18,330,024.66	95,366,156.27
Redemptory monetary capital for resale		
Inventory	435,903,269.87	278,281,586.72
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	469,109,512.76	443,543,013.49
Total current assets	1,337,952,138.99	1,510,831,412.49
Non-current assets:		
Loans and advances issued	462,998,000.39	452,517,072.06

Item	Closing balance	Opening balance
Financial assets available for sale	34,772,389.13	34,350,035.45
Held-to-maturity investment	0.00	0.00
Long-term receivables	0.00	0.00
Long-term equity investment	179,050,308.34	82,100,197.01
Investment properties	448,522,216.16	462,562,882.78
Fixed assets	37,716,479.95	41,408,298.43
Construction in progress	216,000.00	0.00
Engineering materials		
Disposal of fixed assets		
Productive biological assets		
Oil & gas assets		
Intangible assets	986,315.10	655,587.54
Development expenses		
Goodwill	10,328,927.82	10,328,927.82
Long-term expenses to be amortized	48,429,196.33	49,768,678.00
Deferred income tax assets	12,218,054.88	10,539,563.16
Other non-current assets	0.00	4,655,063.54
Total non-current assets	1,235,237,888.10	1,148,886,305.79
Total assets	2,573,190,027.09	2,659,717,718.28
Current liabilities:		
Short-term borrowing	396,364,194.51	189,246,687.38
Borrowings from central bank		
Deposits attracted and placement from banks and other financial institutions		
Loans from banks and other financial institutions		
Financial liabilities measured by fair value and whose change was counted into current gains and losses		
Derivative financial liabilities		
Notes payable		
Accounts payable	99,688,085.67	200,129,651.92
Advances from customers	146,379,929.16	183,059,311.31
Financial assets sold for repurchase		
Service charges and commissions payable		
Payroll payable	10,036,126.45	18,858,843.33

Item	Closing balance	Opening balance
Taxes payable	30,811,393.55	39,445,696.47
Interest payable		10,295,250.65
Dividends payable	14,526,192.58	1,717,882.74
Other payables	209,859,655.77	244,804,403.06
Reinsurance accounts payable		
Insurance deposit		
Customer brokerage deposits		
Securities underwriting brokerage deposits		
Held-for-sale liabilities		
Non-current liabilities due within one year		
Other current liabilities		250,000,000.00
Total current liabilities	907,665,577.69	1,137,557,726.86
Non-current liabilities:		
Long-term borrowing		
Bonds payable		
Including: Preferred stock		
Perpetual capital securities		
Long-term payables		
Payroll payable		
Special payables		
Estimated liabilities		
Deferred income	10,151,928.83	9,705,371.01
Deferred income tax liabilities	16,359,437.87	17,085,543.80
Other non-current liabilities		
Total non-current liabilities	26,511,366.70	26,790,914.81
Total liabilities	934,176,944.39	1,164,348,641.67
Owners' equity:		
Share capital	784,799,010.00	784,799,010.00
Other equity instruments		
Including: Preferred stock		
Perpetual capital securities		
Capital reserve	506,543,476.91	404,727,257.72
Less: Treasury shares	0.00	0.00

Item	Closing balance	Opening balance
Other comprehensive income	442,719.36	231,817.05
Special reserve		
Surplus public reserve	102,912,835.67	102,912,835.67
General risk provision		
Undistributed profits	48,486,442.46	6,299,799.41
Total owners' equity attributable to the parent company	1,443,184,484.40	1,298,970,719.85
Minority shareholders' equity	195,828,598.30	196,398,356.76
Total owners' equity	1,639,013,082.70	1,495,369,076.61
Total liabilities and owners' equity	2,573,190,027.09	2,659,717,718.28

Legal representative: Wang Li

Person in charge of accounting: Liu Zhijun

Responsible person of the accounting institution: Ying Huadong

## 2. Balance sheet of the parent company

Unit: RMB Yuan

Item	Closing balance	Opening balance
Current assets:		
Monetary funds	48,352,012.83	204,395,253.65
Financial assets measured by fair value and whose change was counted into current gains and losses		
Derivative financial assets		
Notes receivable		
Accounts receivable		
Advances	446,480.00	0.00
Interest receivable		897,225.78
Dividends receivable		0.00
Other accounts receivable	533,248,663.20	410,453,048.03
Inventory	804,933.20	786,589.00
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	520,500,000.00	463,590,246.68
Total current assets	1,103,352,089.23	1,080,122,363.14
Non-current assets:		
Financial assets available for sale	33,515,392.83	33,515,392.83
Held-to-maturity investment		

Item	Closing balance	Opening balance
Long-term receivables		
Long-term equity investment	449,033,834.58	382,083,723.25
Investment properties	287,029,637.85	294,918,970.98
Fixed assets	18,886,791.01	19,583,422.45
Construction in progress		
Engineering materials		
Disposal of fixed assets		
Productive biological assets		
Oil & gas assets		
Intangible assets	672,207.44	271,067.06
Development expenses		
Goodwill		
Long-term expenses to be amortized	6,110,074.21	4,589,158.00
Deferred income tax assets	8,254,062.87	8,354,062.87
Other non-current assets	0.00	1,313,063.54
Total non-current assets	803,502,000.79	744,628,860.98
Total assets	1,906,854,090.02	1,824,751,224.12
Current liabilities:		
Short-term borrowing	315,000,000.00	100,000,000.00
Financial liabilities measured by fair value and whose change was counted into current gains and losses		
Derivative financial liabilities		
Notes payable		
Accounts payable	7,913.52	1,500.00
Advances from customers	30,143,371.37	65,628,441.87
Payroll payable	4,374,649.07	9,907,467.00
Taxes payable	15,960,149.54	20,697,003.64
Interest payable	0.00	10,237,500.66
Dividends payable	119,803.29	119,803.29
Other payables	94,209,610.01	87,202,387.17
Held-for-sale liabilities		
Non-current liabilities due within one year		
Other current liabilities		250,000,000.00



Item	Closing balance	Opening balance
Total current liabilities	459,815,496.80	543,794,103.63
Non-current liabilities:		
Long-term borrowing		
Bonds payable		
Including: Preferred stock		
Perpetual capital securities		
Long-term payables		
Payroll payable		
Special payables		
Estimated liabilities		
Deferred income	9,500,000.00	9,500,000.00
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	9,500,000.00	9,500,000.00
Total liabilities	469,315,496.80	553,294,103.63
Owners' equity:		
Share capital	784,799,010.00	784,799,010.00
Other equity instruments		
Including: Preferred stock		
Perpetual capital securities		
Capital reserve	507,771,483.63	405,955,264.44
Less: Treasury shares		
Other comprehensive income		
Special reserve		
Surplus public reserve	102,912,835.67	102,912,835.67
Undistributed profits	42,055,263.92	-22,209,989.62
Total owners' equity	1,437,538,593.22	1,271,457,120.49
Total liabilities and owners' equity	1,906,854,090.02	1,824,751,224.12

### 3. Consolidated profit statement in this report period

Unit: RMB Yuan

Item	Amount incurred in the current period	Amount incurred in the previous period
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Item	Amount incurred in the current period	Amount incurred in the previous period
I. Total operating income	212,602,324.33	204,808,060.16
Including: Operating income	194,784,480.30	191,370,878.36
Interest income	17,246,745.96	13,364,275.13
Earned premiums	0.00	0.00
Service charges and commissions income	571,098.07	72,906.67
II. Total operating cost	194,717,803.24	183,023,048.95
Including: Operating cost	170,669,427.73	157,064,296.85
Interest expenses	1,047,588.22	582,722.22
Commissions		
Surrender value		
Net compensation pay-outs		
Net insurance deposit accrued		
Insurance dividends		
Reinsurance expenses		
Operating tax and surcharges	6,311,149.42	6,140,523.76
Sale expenses	399,567.41	446,266.30
Management expenses	9,201,128.68	10,679,653.73
Financial cost	3,787,208.47	6,986,655.04
Loss from asset impairment	3,301,733.31	1,122,931.05
Income from change of sound value (Loss is marked with "-")	0.00	0.00
Income from investment (Loss is marked with "-")	4,033,761.47	-2,778,271.63
Including: Income from investment in joint ventures and associated enterprises	526,748.08	-7,830,306.70
Income from exchange (Loss is marked with "-")	0.00	
III. Operating profit (Loss is marked with "-")	21,918,282.56	19,006,739.58
Plus: Non-operating income	296,764.20	915,173.42
Including: Gains on disposal of non-current assets	688.90	
Less: Non-operating expenses	12,206.35	135,552.29
Including: Loss from disposal of non-current assets	19,709.12	
IV. Total profit (Total loss is prefixed with "-")	22,202,840.41	19,786,360.71
Less: Income tax	7,803,559.99	6,255,388.39
V. Net profit (Net loss is marked with "-")	14,399,280.42	13,530,972.32

Item	Amount incurred in the current period	Amount incurred in the previous period
Net profit attributable to shareholders of the parent company	7,280,509.44	8,944,292.82
Profit and loss of minority shareholders	7,118,770.98	4,586,679.50
VI. Net of tax of other comprehensive income	0.00	60,076.17
Total owners' net of tax of other comprehensive income attributable to the parent company	0.00	39,998.71
(1) Other comprehensive income that cannot be reclassified into gains and losses	0.00	
1. Changes of net liabilities or net assets of the re-measured defined benefit plans	0.00	
2. Shares of the investee of other comprehensive income that cannot be reclassified into gains and losses under the equity method	0.00	
(2) Other comprehensive income that can be categorized as gains and losses	0.00	39,998.71
1. Shares of the investee of other comprehensive income that will be reclassified into gains and losses under the equity method	0.00	
2. Gains and losses from changes of fair value of the available-for-sale financial assets	0.00	39,998.71
3. Held-to-maturity investments categorized as gains and losses from the available-for-sale financial assets	0.00	
4. Effective gains or loss from cash flows	0.00	
5. Translation difference of the financial statements in foreign currency Less:	0.00	
6. Others	0.00	
Net of tax of other comprehensive income attributable to minority shareholders	0.00	20,077.46
VII. Total comprehensive income	14,399,280.42	13,591,048.49
Total comprehensive income attributable to shareholders of the parent company	7,280,509.44	8,984,291.53
Total comprehensive income attributable to minority shareholders	7,118,770.98	4,606,756.96
VIII. Earnings per share		
(1) Basic earnings per share	0.0095	0.0114
(2) Diluted earnings per share	0.0095	0.0114

During the merger of the enterprises under the control of a same entity in the report period, the net profit of the acquired party realized before the merger was: RMB Yuan, and net profit of the purchased party realized before the merger in the previous period was: RMB Yuan.

Legal representative: Wang Li

Person in charge of accounting: Liu Zhijun

Responsible person of the accounting institution: Ying Huadong

#### 4. Profit statement of the parent company in this report period

Unit: RMB Yuan

Item	Amount incurred in the current period	Amount incurred in the previous period
I. Operating income	28,747,818.26	29,547,427.01
Less: Operating cost	28,258,319.33	15,152,154.88
Operating tax and surcharges	1,641,683.79	1,711,904.42
Sale expenses	0.00	0.00
Management expenses	3,981,108.87	4,926,137.20
Financial cost	-5,840,334.72	4,699,034.05
Loss from asset impairment	0.00	0.00
Income from change of sound value (Loss is marked with "-")	0.00	0.00
Income from investment (Loss is marked with "-")	18,134,531.78	2,698,279.33
Including: Income from investment in joint ventures and associated enterprises	526,748.08	-7,830,306.70
II. Operating profit (Loss is marked with "-")	18,841,572.77	5,756,475.79
Plus: Non-operating income	0.31	154,189.60
Including: Gains on disposal of non-current assets	0.00	
Less: Non-operating expenses	0.00	128,920.00
Including: Loss from disposal of non-current assets	0.00	
III. Total profit (Total loss is prefixed with "-")	18,841,573.08	5,781,745.39
Less: Income tax	2,356,490.23	1,565,513.02
V. Net profit (Net loss is marked with "-")	16,485,082.85	4,216,232.37
V. Net of tax of other comprehensive income	0.00	
(1) Other comprehensive income that cannot be reclassified into gains and losses	0.00	
1. Changes of net liabilities or net assets of the re-measured defined benefit plans	0.00	
2. Shares of the investee of other comprehensive income that cannot be reclassified into gains and losses under	0.00	

Item	Amount incurred in the current period	Amount incurred in the previous period
the equity method		
2. Other comprehensive income that can be categorized as gains and losses	0.00	
1. Shares of the investee of other comprehensive income that will be reclassified into gains and losses under the equity method	0.00	
2. Gains and losses from changes of fair value of the available-for-sale financial assets	0.00	
3. Held-to-maturity investments categorized as gains and losses from the available-for-sale financial assets	0.00	
4. Effective gains or loss from cash flows	0.00	
5. Translation difference of the financial statements in foreign currency Less:	0.00	
6. Others	0.00	
VI. Total comprehensive income	16,485,082.85	4,216,232.37
VII. Earnings per share		
(1) Basic earnings per share		
(2) Diluted earnings per share		

## 5. Consolidated profit statement from beginning of the year to the end of the report period

Unit: RMB Yuan

Item	Amount incurred in the current period	Amount incurred in the previous period
I. Total operating income	637,821,378.42	542,024,808.17
Including: Operating income	569,339,615.91	507,512,259.37
Interest income	64,800,130.44	34,403,812.13
Earned premiums		
Service charges and commissions income	3,681,632.07	108,736.67
II. Total operating cost	553,431,805.96	462,623,827.29
Including: Operating cost	487,973,359.17	405,413,505.22
Interest expenses	4,206,636.86	2,276,194.45
Commissions		
Surrender value		
Net compensation pay-outs		

Item	Amount incurred in the current period	Amount incurred in the previous period
Net insurance deposit accrued		
Insurance dividends		
Reinsurance expenses		
Operating tax and surcharges	20,059,179.56	18,958,377.28
Sale expenses	1,340,972.53	1,448,586.92
Management expenses	25,205,691.94	26,317,222.15
Financial cost	4,630,265.70	7,375,517.50
Loss from asset impairment	10,015,700.20	834,423.77
Income from change of sound value (Loss is marked with "-")		
Income from investment (Loss is marked with "-")	9,485,725.11	8,953,269.21
Including: Income from investment in joint ventures and associated enterprises	-4,366,107.86	-9,576,736.01
Income from exchange (Loss is marked with "-")		
III. Operating profit (Loss is marked with "-")	93,875,297.57	88,354,250.09
Plus: Non-operating income	1,342,743.31	2,157,508.46
Including: Gains on disposal of non-current assets	19,382.00	20,120.00
Less: Non-operating expenses	827,995.29	267,517.42
Including: Loss from disposal of non-current assets	216,133.33	4,831.25
IV. Total profit (Total loss is prefixed with "-")	94,390,045.59	90,244,241.13
Less: Income tax	27,924,930.91	24,888,488.44
V. Net profit (Net loss is marked with "-")	66,465,114.68	65,355,752.69
Net profit attributable to shareholders of the parent company	42,186,643.05	46,590,135.10
Profit and loss of minority shareholders	24,278,471.63	18,765,617.59
VI. Net of tax of other comprehensive income	316,765.26	-12,743.43
Total owners' net of tax of other comprehensive income attributable to the parent company	210,902.31	-8,484.58
(1) Other comprehensive income that cannot be reclassified into gains and losses		
1. Changes of net liabilities or net assets of the re-measured defined benefit plans		
2. Shares of the investee of other comprehensive income that cannot be reclassified into gains and losses under		

Item	Amount incurred in the current period	Amount incurred in the previous period
the equity method		
2. Other comprehensive income that can be categorized as gains and losses	210,902.31	-8,484.58
1. Shares of the investee of other comprehensive income that will be reclassified into gains and losses under the equity method		
2. Gains and losses from changes of fair value of the available-for-sale financial assets	210,902.31	-8,484.58
3. Held-to-maturity investments categorized as gains and losses from the available-for-sale financial assets		
4. Effective gains or loss from cash flows		
5. Translation difference of the financial statements in foreign currency Less:		
6. Others		
Net of tax of other comprehensive income attributable to minority shareholders	105,862.95	-4,258.85
VII. Total comprehensive income	66,781,879.94	65,343,009.26
Total comprehensive income attributable to shareholders of the parent company	42,397,545.36	46,581,650.52
Total comprehensive income attributable to minority shareholders	24,384,334.58	18,761,358.74
VIII. Earnings per share		
(1) Basic earnings per share	0.054	0.0594
(2) Diluted earnings per share	0.054	0.0594

During the merger of the enterprises under the control of a same entity in the report period, the net profit of the acquired party realized before the merger was: RMB Yuan, and net profit of the purchased party realized before the merger in the previous period was: RMB Yuan.

## 6. Profit statement of the parent company from beginning of the year to the end of the report period

Unit: RMB Yuan

Item	Amount incurred in the current period	Amount incurred in the previous period
I. Operating income	95,325,082.68	97,163,286.11
Less: Operating cost	72,953,564.13	55,673,666.13
Operating tax and surcharges	5,366,087.54	5,527,723.57

Item	Amount incurred in the current period	Amount incurred in the previous period
Sale expenses	0.00	0.00
Management expenses	10,157,313.97	10,744,830.13
Financial cost	-13,539,109.03	-2,265,442.27
Loss from asset impairment	-400,000.00	-11,420.00
Income from change of sound value (Loss is marked with "-")		
Income from investment (Loss is marked with "-")	55,753,612.90	30,063,895.88
Including: Income from investment in joint ventures and associated enterprises	-4,366,107.86	-9,576,736.01
II. Operating profit (Loss is marked with "-")	76,540,838.97	57,557,824.43
Plus: Non-operating income	214,230.50	161,989.40
Including: Gains on disposal of non-current assets		
Less: Non-operating expenses	21,350.50	159,950.00
Including: Loss from disposal of non-current assets	4,100.50	1,270.00
III. Total profit (Total loss is prefixed with "-")	76,733,718.97	57,559,863.83
Less: Income tax	12,468,465.43	10,472,931.67
V. Net profit (Net loss is marked with "-")	64,265,253.54	47,086,932.16
V. Net of tax of other comprehensive income		
(1) Other comprehensive income that cannot be reclassified into gains and losses		
1. Changes of net liabilities or net assets of the re-measured defined benefit plans		
2. Shares of the investee of other comprehensive income that cannot be reclassified into gains and losses under the equity method		
2. Other comprehensive income that can be categorized as gains and losses		
1. Shares of the investee of other comprehensive income that will be reclassified into gains and losses under the equity method		
2. Gains and losses from changes of fair value of the available-for-sale financial assets		
3. Held-to-maturity investments categorized as gains and losses from the available-for-sale financial assets		
4. Effective gains or loss from cash flows		



Item	Amount incurred in the current period	Amount incurred in the previous period
5. Translation difference of the financial statements in foreign currency Less:		
6. Others		
VI. Total comprehensive income	64,265,253.54	47,086,932.16
VII. Earnings per share		
(1) Basic earnings per share		
(2) Diluted earnings per share		

## 7. Consolidated cash flow statement from beginning of the year to the end of the report period

Unit: RMB Yuan

Item	Amount incurred in the current period	Amount incurred in the previous period
I. Cash flow from operating activities:		
Cash received from sales of goods and rendering of services	1,090,057,199.43	1,415,586,835.65
Net increase in customer bank deposits and placement from banks and other financial institutions		
Net increase in loans from central bank		
Net increase in borrowing from other financial institutions		
Cash received from premiums of primary insurance contracts		
Net cash received from reinsurance business		
Net increase in deposits from policyholders and investment		
Net increase of financial assets measured by fair value and whose change was counted into current gains and losses		
Cash received from interest and commissions	69,806,828.06	39,743,428.36
Net increase of loans from banks and other financial institutions		
Net increase of redemption capital		
Tax refunds	136,078,841.72	69,010,412.27
Other cash received relating to operating activities	473,715,102.01	371,636,416.87
Subtotal of cash inflow from operating activities	1,769,657,971.22	1,895,977,093.15
Cash paid for goods and service	1,172,208,970.95	1,449,451,484.99
Net increase of loans to customers and advances	20,896,649.47	88,482,507.00

Item	Amount incurred in the current period	Amount incurred in the previous period
Net increase in deposits with central bank and other financial institutions		
Cash paid for compensation pay-outs of primary insurance contracts		
Cash paid for interest, service charges, and commissions	46,623.87	423,331.00
Cash paid as insurance dividends		
Cash paid to and on behalf of employees	75,174,832.18	68,686,093.01
Taxes paid	75,501,049.15	119,251,625.37
Other cash paid relating to operating activities	472,106,815.05	426,675,128.04
Subtotal of cash outflow in operating activities	1,815,934,940.67	2,152,970,169.41
Net cash flow from operating activities	-46,276,969.45	-256,993,076.26
II Cash flows from investing activities:		
Cash received from withdrawal of investment	1,689,700,000.00	2,998,000,000.00
Cash received from investment income	14,402,007.18	24,520,510.52
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	34,082.50	20,300.00
Net cash received from disposal of subsidiaries and other business units		
Other cash received relating to investing activities		
Subtotal of cash inflow from investing activities	1,704,136,089.68	3,022,540,810.52
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	14,550,969.56	8,660,217.94
Cash paid for investment	1,738,300,000.00	3,277,587,332.32
Net increase of mortgage loans		
Net cash paid for acquisition of subsidiaries and other business units		
Other cash paid relating to investing activities	0.00	
Subtotal of cash outflow in investing activities	1,752,850,969.56	3,286,247,550.26
Net cash flow from investing activities	-48,714,879.88	-263,706,739.74
III. Cash flow from financing activities:		
Cash received from attraction of investment		
Including: Cash received by subsidiaries from investment of minority shareholders		
Borrowings received	424,000,000.00	320,400,000.00

Item	Amount incurred in the current period	Amount incurred in the previous period
Cash received from bond issue		
Other cash received relating to financing activities		250,285,729.56
Subtotal of cash inflow from financing activities	424,000,000.00	570,685,729.56
Cash repayments of amounts borrowed	466,882,492.87	130,086,320.51
Cash paid for dividend and profit distribution or interest payment	38,658,807.17	27,959,212.50
Including: Dividends and profit paid by subsidiaries to minority shareholders	12,653,693.04	19,557,493.50
Other cash paid relating to financing activities	58,656,972.92	710,000.00
Subtotal of cash outflow in financing activities	564,198,272.96	158,755,533.01
Net cash flow arising from financing activities	-140,198,272.96	411,930,196.55
IV. Influence of exchange rate fluctuation on cash and cash equivalents	1.27	7.39
V. Net increase of cash and cash equivalents	-235,190,121.02	-108,769,612.06
Add: Opening balance of cash and cash equivalents	382,056,680.70	335,593,493.81
VI. Ending balance of cash and cash equivalents	146,866,559.68	226,823,881.75

## 8. Cash flow statement of the parent company from beginning of the year to the end of the report period

Unit: RMB Yuan

Item	Amount incurred in the current period	Amount incurred in the previous period
I. Cash flow from operating activities:		
Cash received from sales of goods and rendering of services	80,095,769.61	92,448,489.16
Tax refunds		
Other cash received relating to operating activities	448,002,674.23	480,454,033.39
Subtotal of cash inflow from operating activities	528,098,443.84	572,902,522.55
Cash paid for goods and service	44,476,025.49	23,518,758.74
Cash paid to and on behalf of employees	26,658,556.47	26,854,300.33
Taxes paid	31,069,803.90	84,595,194.20
Other cash paid relating to operating activities	556,222,721.17	565,542,947.08
Subtotal of cash outflow in operating activities	658,427,107.03	700,511,200.35
Net cash flow from operating activities	-130,328,663.19	-127,608,677.80
II Cash flows from investing activities:		

Item	Amount incurred in the current period	Amount incurred in the previous period
Cash received from withdrawal of investment	1,582,100,000.00	2,768,000,000.00
Cash received from investment income	61,504,585.65	44,813,359.40
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		
Net cash received from disposal of subsidiaries and other business units		
Other cash received relating to investing activities		
Subtotal of cash inflow from investing activities	1,643,604,585.65	2,812,813,359.40
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	1,082,359.00	689,269.32
Cash paid for investment	1,609,600,000.00	3,196,000,000.00
Net cash paid for acquisition of subsidiaries and other business units		
Other cash paid relating to investing activities		
Subtotal of cash outflow in investing activities	1,610,682,359.00	3,196,689,269.32
Net cash flow from investing activities	32,922,226.65	-383,875,909.92
III. Cash flow from financing activities:		
Cash received from attraction of investment		
Borrowings received	315,000,000.00	180,000,000.00
Cash received from bond issue		
Other cash received relating to financing activities		250,285,729.56
Subtotal of cash inflow from financing activities	315,000,000.00	430,285,729.56
Cash repayments of amounts borrowed	350,000,000.00	8,000,000.00
Cash paid for dividend and profit distribution or interest payment	23,636,805.55	4,336,023.34
Other cash paid relating to financing activities		
Subtotal of cash outflow in financing activities	373,636,805.55	12,336,023.34
Net cash flow arising from financing activities	-58,636,805.55	417,949,706.22
IV. Influence of exchange rate fluctuation on cash and cash equivalents	1.27	7.39
V. Net increase of cash and cash equivalents	-156,043,240.82	-93,534,874.11
Add: Opening balance of cash and cash equivalents	204,395,253.65	173,141,378.64
VI. Ending balance of cash and cash equivalents	48,352,012.83	79,606,504.53

## II. Auditor's Report

Has the third quarterly report been audited?

Yes  No

The Q3 report has not been not audited.