



Weifu High-Technology Group Co., Ltd.

First Quarterly Report 2017

April 2017

Section I. Important Notes

Board of Directors and the Supervisory Committee of Weifu High-Technology Group Co., Ltd. (hereinafter referred to as the Company) and its directors, supervisors and senior executives should guarantee the reality, accuracy and completion of the quarterly report, there are no any fictitious statements, misleading statements or important omissions carried in this report, and shall take legal responsibilities, individual and/or joint.

All Directors are attended the Board Meeting for Quarterly Report deliberation

Chen Xuejun, Principal of the Company; Ou Jianbin, Person in Charge of Accounting Works and Person in Charge of Accounting Organ(Accounting Supervisor) hereby confirm that the Financial Report of the First Quarterly Report is authentic, accurate and complete.

Section II. Company Profile

I. Main accounting data and financial indexes

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

Yes No

	Current Period	Same period of last year	Changes of this period over same period of last year
Operating income (RMB)	2,457,239,285.84	1,533,288,775.97	60.26%
Net profit attributable to shareholders of the listed company(RMB)	645,645,422.01	405,471,329.51	59.23%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses(RMB)	574,207,149.77	331,616,138.91	73.15%
Net cash flow arising from operating activities(RMB)	92,118,223.65	42,831,760.61	115.07%
Basic earnings per share (RMB/Share)	0.64	0.40	60.00%
Diluted earnings per share (RMB/Share)	0.64	0.40	60.00%
Weighted average ROE	4.88%	3.39%	1.49%
	End of this period	End of last period	Changes of this period-end over same period-end of last year
Total assets (RMB)	18,149,666,013.72	17,263,771,897.78	5.13%
Net assets attributable to shareholder of listed company (RMB)	13,526,769,295.13	12,927,344,292.47	4.64%

Items of non-recurring gains and losses

Applicable Not applicable

In RMB

Item	Amount from year-begin to period-end	Note
Gains/losses from the disposal of non-current asset (including the write-off that accrued for impairment of assets)	-1,059,372.05	
Governmental subsidy reckoned into current gains/losses (not including the subsidy enjoyed in quota or ration according to national standards, which are closely relevant to enterprise's business)	8,329,131.76	
Gain or loss on the investment or management of assets	52,468,395.94	

Held transaction financial asset, gains/losses of changes of fair values from transaction financial liabilities, and investment gains from disposal of transaction financial asset, transaction financial liabilities and financial asset available for sales, exclude the effective hedging business relevant with normal operations of the Company	24,625,516.88	
Other non-operating income and expenditure except for the aforementioned items	-335,608.38	
Less : impact on income tax	12,566,745.37	
Impact on minority shareholders' equity (post-tax)	23,046.54	
Total	71,438,272.24	--

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

Applicable Not applicable

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

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

1. Common and preferred stockholders with voting rights recover and the top ten share-holding

In Share

Total common shareholders at the end of report period	44,711	Total preferred stockholders with voting rights recover at the end of report period (if applicable)	0			
Top ten shareholders						
Shareholder's name	Nature of shareholder	Proportion of shares held	Amount of shares held	Amount of restricted shares held	Number of share pledged/frozen	
					State of share	Amount
WUXI INDUSTRY DEVELOPMENT CROUP CO., LTD.	State-owned legal person	20.22%	204,059,398			
ROBERT BOSCH GMBH	Foreign legal person	14.16%	142,841,400			
China Securities Finance Corporation Limited	State-owned legal person	2.63%	26,555,515			
HKSCC Nominees Limited	Foreign legal person	2.58%	25,983,776			
Kangjian Assets Management Company	Foreign legal	1.52%	15,339,892			

-Client's fund	person					
BBH BOS S/A FIDELITY FD - CHINA FOCUS FD	Foreign legal person	1.31%	13,243,837			
Central Huijin Assets Management Co., Ltd.	State-owned legal person	1.27%	12,811,200			
UBS AG	Foreign legal person	1.23%	12,438,322			
Puxin Investment Company- Client's fund	Foreign legal person	1.18%	11,919,831			
RBC EMERGING MARKETS EQUITY FUND	Foreign legal person	0.95%	9,626,264			
Top ten shareholders with unrestricted shares held						
Shareholder's name	Amount of unrestricted shares held	Type of shares		Type	Amount	
		Type	Amount			
WUXI INDUSTRY DEVELOPMENT CROUP CO., LTD.	204,059,398	RMB common share	204,059,398			
ROBERT BOSCH GMBH	142,841,400	RMB common share	115,260,600			
		Domestically listed foreign share	27,580,800			
China Securities Finance Corporation Limited	26,555,515	RMB common share	26,555,515			
HKSCC Nominees Limited	25,983,776	RMB common share	25,983,776			
Kangjian Assets Management Company -Client's fund	15,339,892	RMB common share	15,339,892			
BBH BOS S/A FIDELITY FD - CHINA FOCUS FD	13,243,837	Domestically listed foreign share	13,243,837			
Central Huijin Assets Management Co., Ltd.	12,811,200	RMB common share	12,811,200			
UBS AG	12,438,322	RMB common share	12,438,322			
Puxin Investment Company- Client's fund	11,919,831	RMB common share	11,919,831			
RBC EMERGING MARKETS EQUITY FUND	9,626,264	Domestically listed foreign share	9,626,264			
Note of related relationship among the above shareholders and concerted actors	Among the top ten shareholders, the Company knew there has no associated relationship between Wuxi Industry Development Croup Co., Ltd., the first largest shareholder of the Company, and other shareholders; and they do not belong to the consistent actionist regulated by the Management Measure of Information Disclosure on Change of Shareholding for Listed Company.					
Explanation on top ten common stock shareholders involving securities margin trading (if applicable)	Not applicable					

Whether top ten common shareholders or top ten common shareholders with un-restrict shares held have a buy-back agreement dealing in reporting period

Yes No

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

2. Total shareholders with preferred stock held at Period-end and shares held by top ten shareholders with preferred stock held

Applicable Not applicable

Section III. Significant Events

I. Particulars about material changes in items of main accounting statement and financial index and explanations of reasons

√ Applicable □ Not applicable

(i) Explanation on change of items in balance sheet:

1. Monetary funds: decreased 2568.9811 million Yuan over that of year-beginning with 64.72% declined, mainly because purchasing more financial products in the Period;
2. Accounts receivable: increased 772.1033 million Yuan over that of year-beginning with 58.28% up, mainly because sales in the Peiroad rose month on month;
3. Other receivables: increased 5.9569 million Yuan over that of year-beginning with 100.83% up, mainly because travel allowance etc. at period-end increased;
4. Other current asstes: increased 2677.331 million Yuan over that of year-beginning with 139.89% up, mainly because purchasing more financial products in the Period;
5. Taxes payable: increased 46.8004 million Yuan over that of year-beginning with 74.72% up, mainly because enterprise income tax and VAT payable increased in the Period;
6. Other payable: decreased 38.1944 million Yuan over that of year-beginning with 39.57% declined, mainly because various cash deposit payable declined in the Period;
7. Other comprehensive income: decreased 46.5351 million Yuan over that of year-beginning with 32.15% declined, mainly because fair value of finance asset available for sales declined at period-end.

(ii) Explanation on change of items in income statement:

1. Operation revenue and cost: increased 923.9505 million Yuan and 761.786 million Yuan respectively compared with same period of last year, with 60.26% and 63.12% grwoth respectively, mainly because sales for main products have dramatically growth for rapidly development of commercial vehicle in market;
2. Business tax and surcharge: increased 11.8323 million Yuan compared with same period of last year with 160.69% up, mainly due to the soaring sales and property tax, use tax of land, vehicle and vessel usage tax and stamp tax are adjusted to item of “business tax and surcharge” instead of “administrative expenses” since May of 2016;
3. Financial expenses: increased 2.3583 million Yuan compared with same period of last year, mainly because the interest from deposit are declined for completion of raised-fund;
4. Assets impairment loss: decreased 13.3437 million Yuan compared with same period of last year with 322.84% down, mainly because provision switch-back due to the fluctuation of price for raw materials;
5. Investment income: increased 146.451 million Yuan compared with same period of last year with 44.84% growth, mainly because joint venture and cooperative enterprise have more earnings in the Peiroad;

6. Non-operation revenue and expenditure: decreased 5.7982 million Yuan and 4.7169 million Yuan respectively compared with same period of last year, mainly because relocation revenue and expenditure recognized in the Period declined;

(iii) Explanation on change of items in cash flow statement:

1. Net cash flow arising from operation activity: more 49.2864 million Yuan in-flow compared with same period of last year with 115.07% up, mainly because saels collection has y-o-y growth;

2. Net cash flow arising from investment activity: decreased 724.3398 million Yuan out-flow compared with same period of last year, mainly because financial products purchasement and colection on due declined on a y-o-y basis;

3. Net cash flow arising from financing activity: increased 131.4703 million Yuan in-flow compared with same period of last year, mainly because bank loans increased in the Peirod and returning borrowings to the bank last period;

II. Analysis and explanation of significant events and their influence and solutions

√ Applicable □ Not applicable

1. Proposed investment in establishment of industrial acquisition funds by a wholly-owned subsidiary of the Company

On 31 May 2016, the 8th board of directors of the Company held the 7th meeting to consider and approve the proposal relating to proposed investment in establishment of industrial acquisition funds by a wholly-owned subsidiary of the Company. In order to accelerate industrial upgrade and development progress, reserve merger & acquisition projects, improve its comprehensive strength and realize its development strategy, the Company entered into initial intention of cooperation with Ping'an Securities, pursuant to which, Weifu Auto Diesel, a wholly-owned subsidiary of the Company, intended to cooperate with Ping'an Ronghui (a subsidiary of Ping'an Caizhi which is a wholly-owned subsidiary of Ping'an Securities) to invest in establishing industrial acquisition funds. The relevant announcements (No.: 2016-013 and 2016-015) were published on China Securities, Securities Times, Hong Kong Commercial Daily and Juchao Information Website (<http://www.cninfo.com.cn>). At the current stage, this matter is in the progress of preparation.

2. Proposed application for listing in the national middle and small enterprises stock transfer system by the controlling subsidiary Weifu Tianli

On 25 October 2016, the 8th board of directors of the Company held the 9th meeting to consider and approve the proposal relating to proposed application for listing in the national middle and small enterprises stock transfer system by the controlling subsidiary Weifu Tianli Pressure Technology Co., Ltd. on 30 December 2016, Weifu Tianli was served with the notice of acceptance from the National Middle and Small Enterprise Stock Transfer System Company Limited (GP2016120120). The relevant announcements (No.: 2016-020, 2016-023 and 2017-001) were published on China Securities, Securities Times, Hong Kong Commercial Daily and Juchao

Information Website (<http://www.cninfo.com.cn>). At the current stage, this matter is in the progress of consideration and approval.

3. Equity of partial participating stock companies are frozen

On 6 March 2017, the Company received a charging documents mail by Shenzhen Intermediate People's Court of Guangdong Province (hereinafter referred to as Shenzhen Intermediate Court). According to the charging documents served by Shenzhen Intermediate Court, Shenzhen Branch of China Cinda Asset Management Co., Ltd.—the plaintiff, suit against eight defendants including the Company and the third party- Shenzhen Hejun Venture Holding Co., Ltd. for damaging interest of creditors, two cases involved. The Shenzhen Intermediate Court accepted the trail and made a civil order of (2016) Yue 03 Min Chu No.2490, and (2016) Yue 03 Min Chu No.2492, that is to sealed-up, distrained or frozen the property of 217 million Yuan in total under the name of eight defendants. By inquiring, the 15.3 million shares of SDEC and 4.71 million shares of Miracle Automation held by the Company are forced freezing. Relevant notice (Notice No.: 2017-002) released on China Securities Journal, Securiteis Times, Hong Kong Commercial Daily and Juchao Website (<http://www.cninfo.com.cn>). The Company hiring professional lawyers for coordinating the issues actively, and cope with the frozen equity as soon as possible in normal leagal approach, protec legitimate rights and interst of the Company in acordance with the law.

4. Subsidiary Kunming Xitong and Weifu Tianshi cancelled respectively dated 16 Feb. 2017 and 14 March 2017.

Overview	Date for disclosure	Information index for temporary report disclosure
Proposed investment in establishment of industrial acquisition funds by a wholly-owned subsidiary of the Company	2016-06-02	Notice of Proposed investment in establishment of industrial acquisition funds by a wholly-owned subsidiary of the Company((Notice No.: 2016-015) released on Juchao Website (www.cninfo.com.cn))
Proposed application for listing in the national middle and small enterprises stock transfer system by the controlling subsidiary Weifu Tianli	2016-10-27	Notice of Proposed application for listing in the national middle and small enterprises stock transfer system by the controlling subsidiary Weifu Tianli((Notice No.: 2016-023) released on Juchao Website (www.cninfo.com.cn))
	2017-01-07	Notice of Progress of Proposed application for listing in the national middle and small enterprises stock transfer system by the controlling subsidiary Weifu Tianli((Notice No.: 2017-001) released on Juchao Website (www.cninfo.com.cn))
Equity of partial participating stock companies are frozen	2017-03-08	Notice of equity of partial participating stock companies are frozen((Notice No.: 2017-002) released on Juchao Website (www.cninfo.com.cn))

III. Commitments non-performance over due in reporting period from committed parties as actual controller, shareholders, related party, acquirer and the Company

Applicable Not applicable

No the above mentioned commitment occurred in the period.

IV. Predict of the business performance from January to June 2017

Warnings and reasons of the predict that the cumulative net profit from the begin of the year to the end of next report period may be loss or have great changes comparing with the same period of last year

Applicable Not applicable

V. Securities Investment

Applicable Not applicable

Variety of securities	Code of securities	Short form of securities	Initial investment cost(RMB)	Amount of stock-holding at the beginning of the period (Share)	Proportion of stock-holding at the beginning of the period	Amount of stock-holding at the end of the period (Share)	Proportion of stock-holding at the end of the period	Book value at the end of the period (RMB)	Gains and loss in the reporting (RMB)	Accounting subject	Source of stock
Stock	600841	SDEC	199,208,000.00	18,600,000	2.15%	15,300,000	1.76%	214,200,000.00	-2,761,483.12	Financial assets available for sales	Owned fund
Stock	002009	Miracle Logistics	69,331,500.00	4,710,000	1.29%	4,710,000	1.29%	65,139,300.00	-3,014,400.00	Financial assets available for sales	Owned fund
Total			268,539,500.00	23,310,000	--	20,010,000	--	279,339,300.00	-5,775,883.12	--	--
Disclosure date of securities investment approval by the Board			2012 年 3 月 24 日								
Disclosure date of securities investment approval by the Board			2013 年 6 月 4 日								
Disclosure date of securities investment approval by shareholders meeting (if applicable)			Not applicable								

VI. Derivative investment

Applicable Not applicable

No derivative investment in the Period.

VII. Registration form for receiving research, communication and interview in the report period

Applicable Not applicable

Date	Method	Type of investors	Index for the interview and research
1 Jan. 2017 to 31 Mar. 2017	Written inquiries	Other	The Company answered 60 questions for investors online through the investor relations interactive platform(http://irm.p5w.net/dqhd/sichuan/)
1 Jan. 2017 to 31 Mar. 2017	Telephone communication	Other	Basic condition of the Company and the market for year of 2016, communicate with more than 50 investors through telephone

VIII. External security against the rules

Applicable Not applicable

The Company has no external security against the rules in the Period

IX. Controlling shareholders' and its related party's non-business capital occupying of the listed company

Applicable Not applicable

There are no controlling shareholders' and its related party's non-business capital occupying of the listed company

Section IV. Financial Statement

I. Financial statement

1. Consolidate balance sheet

Prepared by Weifu High-Technology Group Co., Ltd

2017-03-31

In RMB

Item	Closing balance	Opening balance
Current assets:		
Monetary funds	1,400,692,956.84	3,969,674,068.56
Settlement provisions		
Capital lent		
Financial asset measured by fair value and with variation reckoned into current gains/losses		
Derivative financial assets		
Notes receivable	1,027,876,346.72	1,279,844,777.10
Accounts receivable	2,096,806,796.89	1,324,703,543.17
Accounts paid in advance	92,886,892.85	74,030,486.38
Insurance receivable		
Reinsurance receivables		
Contract reserve of reinsurance receivable		
Interest receivable	1,690,343.70	2,487,527.65
Dividend receivable		
Other receivables	11,864,809.09	5,907,873.92
Purchase restituted finance asset		
Inventories	1,220,114,857.92	1,349,444,535.25
Divided into assets held for sale		
Non-current asset due within one year		
Other current assets	4,591,958,990.26	1,914,225,879.67
Total current assets	10,443,891,994.27	9,920,318,691.70
Non-current assets:		
Loans and payments on behalf		

Finance asset available for sales	582,727,061.00	695,235,461.00
Held-to-maturity investment		
Long-term account receivable		
Long-term equity investment	3,817,039,675.05	3,421,030,760.78
Investment property	24,729,649.02	25,113,472.54
Fixed assets	2,483,008,223.67	2,447,840,035.34
Construction in progress	105,596,026.83	90,621,102.20
Engineering material		
Disposal of fixed asset		
Productive biological asset		
Oil and gas asset		
Intangible assets	344,217,022.37	347,206,518.76
Expense on Research and Development		
Goodwill	1,784,086.79	1,784,086.79
Long-term expenses to be apportioned	3,688,524.02	1,753,413.10
Deferred income tax asset	207,940,717.78	210,196,714.45
Other non-current asset	135,043,032.92	102,671,641.12
Total non-current asset	7,705,774,019.45	7,343,453,206.08
Total assets	18,149,666,013.72	17,263,771,897.78
Current liabilities:		
Short-term loans	185,000,000.00	150,000,000.00
Loan from central bank		
Absorbing deposit and interbank deposit		
Capital borrowed		
Financial liability measured by fair value and with variation reckoned into current gains/losses		
Derivative financial liability		
Notes payable	806,423,579.47	837,045,962.78
Accounts payable	1,989,477,529.45	1,729,250,355.93
Accounts received in advance	49,385,068.41	42,983,352.84
Selling financial asset of repurchase		
Commission charge and commission payable		
Wage payable	232,146,190.74	230,672,269.58
Taxes payable	109,435,341.07	62,634,922.88

Interest payable	228,710.77	437,938.27
Dividend payable		
Other accounts payable	58,320,126.15	96,514,485.59
Reinsurance payables		
Insurance contract reserve		
Security trading of agency		
Security sales of agency		
Divided into liability held for sale		
Non-current liabilities due within 1 year		
Other current liabilities		
Total current liabilities	3,430,416,546.06	3,149,539,287.87
Non-current liabilities:		
Long-term loans	60,000,000.00	60,000,000.00
Bonds payable		
Including: preferred stock		
Perpetual capital securities		
Long-term account payable	17,835,454.00	17,835,454.00
Long-term wages payable	112,815,704.51	112,815,704.51
Special accounts payable	18,265,082.11	18,265,082.11
Projected liabilities		
Deferred income	471,763,605.66	479,211,845.88
Deferred income tax liabilities	19,434,302.14	27,674,132.89
Other non-current liabilities		
Total non-current liabilities	700,114,148.42	715,802,219.39
Total liabilities	4,130,530,694.48	3,865,341,507.26
Owner's equity:		
Share capital	1,008,950,570.00	1,008,950,570.00
Other equity instrument		
Including: preferred stock		
Perpetual capital securities		
Capital public reserve	3,417,841,402.89	3,417,841,402.89
Less: Inventory shares		
Other comprehensive income	98,187,750.01	144,722,827.51
Reasonable reserve	403,663.34	89,005.19

Surplus public reserve	510,100,496.00	510,100,496.00
Provision of general risk		
Retained profit	8,491,285,412.89	7,845,639,990.88
Total owner's equity attributable to parent company	13,526,769,295.13	12,927,344,292.47
Minority interests	492,366,024.11	471,086,098.05
Total owner's equity	14,019,135,319.24	13,398,430,390.52
Total liabilities and owner's equity	18,149,666,013.72	17,263,771,897.78

Legal Representative: Chen Xuejun

Person in charge of accounting works: Ou Jianbin

Person in charge of accounting institute: Ou Jianbin

2. Balance Sheet of Parent Company

In RMB

Item	Closing balance	Opening balance
Current assets:		
Monetary funds	878,555,267.48	2,143,816,269.01
Financial asset measured by fair value and with variation reckoned into current gains/losses		
Derivative financial assets		
Notes receivable	236,745,722.91	216,516,806.40
Accounts receivable	833,890,992.67	611,594,846.92
Accounts paid in advance	51,512,499.44	34,805,212.41
Interest receivable		
Dividend receivable		
Other receivables	54,602,127.75	46,349,571.47
Inventories	194,280,784.56	202,839,001.66
Divided into assets held for sale		
Non-current asset due within one year		
Other current assets	4,506,514,775.21	1,945,446,935.23
Total current assets	6,756,102,170.02	5,201,368,643.10
Non-current assets:		
Finance asset available for sales	506,787,061.00	619,295,461.00
Held-to-maturity investment		
Long-term account receivable		
Long-term equity investment	4,941,842,103.92	4,591,005,651.65

Investment property		
Fixed assets	1,412,192,044.51	1,438,192,853.38
Construction in progress	60,297,043.80	36,142,328.79
Engineering material		
Disposal of fixed asset		
Productive biological asset		
Oil and gas asset		
Intangible assets	190,142,170.97	192,448,576.72
Expense on Research and Development		
Goodwill		
Long-term expenses to be apportioned		
Deferred income tax asset	96,180,137.45	96,943,564.13
Other non-current asset	38,187,213.39	31,747,194.01
Total non-current asset	7,245,627,775.04	7,005,775,629.68
Total assets	14,001,729,945.06	12,207,144,272.78
Current liabilities:		
Short-term loans	80,000,000.00	80,000,000.00
Financial liability measured by fair value and with variation reckoned into current gains/losses		
Derivative financial liability		
Notes payable	166,845,242.18	171,760,000.00
Accounts payable	688,426,018.63	595,558,830.63
Accounts received in advance	2,569,590.04	732,252.09
Wage payable	138,967,119.68	119,456,739.08
Taxes payable	48,384,556.81	28,055,629.04
Interest payable	88,933.33	88,933.33
Dividend payable		
Other accounts payable	354,514,743.52	14,190,407.16
Divided into liability held for sale		
Non-current liabilities due within 1 year		
Other current liabilities		
Total current liabilities	1,479,796,204.19	1,009,842,791.33
Non-current liabilities:		
Long-term loans		

Bonds payable		
Including: preferred stock		
Perpetual capital securities		
Long-term account payable		
Long-term wages payable	101,240,000.00	101,240,000.00
Special accounts payable		
Projected liabilities		
Deferred income	425,224,159.05	432,695,399.27
Deferred income tax liabilities	17,327,249.99	25,539,322.49
Other non-current liabilities		
Total non-current liabilities	543,791,409.04	559,474,721.76
Total liabilities	2,023,587,613.23	1,569,317,513.09
Owner's equity:		
Share capital	1,008,950,570.00	1,008,950,570.00
Other equity instrument		
Including: preferred stock		
Perpetual capital securities		
Capital public reserve	3,448,408,786.39	3,448,408,786.39
Less: Inventory shares		
Other comprehensive income	98,187,750.01	144,722,827.51
Reasonable reserve		
Surplus public reserve	510,100,496.00	510,100,496.00
Retained profit	6,912,494,729.43	5,525,644,079.79
Total owner's equity	11,978,142,331.83	10,637,826,759.69
Total liabilities and owner's equity	14,001,729,945.06	12,207,144,272.78

3. Consolidated Profit Statement

In RMB

Item	Current Period	Last Period
I. Total operating income	2,457,239,285.84	1,533,288,775.97
Including: Operating income	2,457,239,285.84	1,533,288,775.97
Interest income		
Insurance gained		
Commission charge and commission income		

II. Total operating cost	2,223,746,377.38	1,418,885,132.32
Including: Operating cost	1,968,602,520.31	1,206,816,524.58
Interest expense		
Commission charge and commission expense		
Cash surrender value		
Net amount of expense of compensation		
Net amount of withdrawal of insurance contract reserve		
Bonus expense of guarantee slip		
Reinsurance expense		
Taxes and surcharge	19,195,496.41	7,363,242.92
Sales expenses	41,776,849.82	41,901,472.33
Administration expenses	204,449,276.63	162,096,345.31
Financial expenses	-1,067,264.09	-3,425,613.24
Losses of devaluation of asset	-9,210,501.70	4,133,160.42
Add: Changing income of fair value(Loss is listed with “-”)		
Investment income (Loss is listed with “-”)	473,092,354.10	326,641,388.36
Including: Investment income on affiliated company and joint venture	396,008,914.27	247,914,647.43
Exchange income (Loss is listed with “-”)		
III. Operating profit (Loss is listed with “-”)	706,585,262.56	441,045,032.01
Add: Non-operating income	8,349,930.51	14,148,099.42
Including: Disposal gains of non-current asset	75,675.06	581,224.18
Less: Non-operating expense	1,431,119.18	6,147,971.59
Including: Disposal loss of non-current asset	1,135,047.11	923,134.93
IV. Total Profit (Loss is listed with “-”)	713,504,073.89	449,045,159.84
Less: Income tax expense	45,554,436.17	30,393,099.94
V. Net profit (Net loss is listed with “-”)	667,949,637.72	418,652,059.90
Net profit attributable to owner’s of parent company	645,645,422.01	405,471,329.51
Minority shareholders’ gains and losses	22,304,215.71	13,180,730.39
VI. Net after-tax of other comprehensive income	-46,535,077.50	-81,440,178.74
Net after-tax of other comprehensive income attributable to owners of parent company	-46,535,077.50	-81,440,178.74
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1. Changes as a result of re-measurement of net defined benefit plan liability or asset		

2. Share of the other comprehensive income of the investee accounted for using equity method which will not be reclassified subsequently to profit and loss		
(II) Other comprehensive income items which will be reclassified subsequently to profit or loss	-46,535,077.50	-81,440,178.74
1. Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit or loss		
2. Gains or losses arising from changes in fair value of available-for-sale financial assets	-46,535,077.50	-81,440,178.74
3. Gains or losses arising from reclassification of held-to-maturity investment as available-for-sale financial assets		
4. The effect hedging portion of gains or losses arising from cash flow hedging instruments		
5. Translation differences arising on translation of foreign currency financial statements		
6. Other		
Net after-tax of other comprehensive income attributable to minority shareholders		
VII. Total comprehensive income	621,414,560.22	337,211,881.16
Total comprehensive income attributable to owners of parent Company	599,110,344.51	324,031,150.77
Total comprehensive income attributable to minority shareholders	22,304,215.71	13,180,730.39
VIII. Earnings per share:		
(i) Basic earnings per share	0.64	0.40
(ii) Diluted earnings per share	0.64	0.40

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

Legal Representative: Chen Xuejun

Person in charge of accounting works: Ou Jianbin

Person in charge of accounting institute: Ou Jianbin

4. Profit Statement of Parent Company

In RMB

Item	Current Period	Last Period
I. Operating income	813,934,214.19	394,842,543.82
Less: Operating cost	638,887,572.89	326,989,913.53
Taxes and surcharge	7,984,966.78	155,980.65
Sales expenses	7,678,027.13	11,138,867.26

Administration expenses	92,345,965.58	64,823,744.99
Financial expenses	-3,518,233.94	-5,318,543.29
Losses of devaluation of asset	137,433.22	-4,138.36
Add: Changing income of fair value(Loss is listed with “-”)		
Investment income (Loss is listed with “-”)	1,332,340,867.66	304,417,001.29
Including: Investment income on affiliated company and joint venture	361,508,245.44	225,690,260.36
II. Operating profit (Loss is listed with “-”)	1,402,759,350.19	301,473,720.33
Add: Non-operating income	7,700,340.34	11,504,457.16
Including: Disposal gains of non-current asset	9,966.88	461,816.10
Less: Non-operating expense	944,585.23	5,152,325.81
Including: Disposal loss of non-current asset	944,585.23	538,185.46
III. Total Profit (Loss is listed with “-”)	1,409,515,105.30	307,825,851.68
Less: Income tax expense	22,664,455.66	9,612,662.38
IV. Net profit (Net loss is listed with “-”)	1,386,850,649.64	298,213,189.30
V. Net after-tax of other comprehensive income	-46,535,077.50	-81,440,178.74
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1. Changes as a result of re-measurement of net defined benefit plan liability or asset		
2. Share of the other comprehensive income of the investee accounted for using equity method which will not be reclassified subsequently to profit and loss		
(II) Other comprehensive income items which will be reclassified subsequently to profit or loss	-46,535,077.50	-81,440,178.74
1. Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit or loss		
2. Gains or losses arising from changes in fair value of available-for-sale financial assets	-46,535,077.50	-81,440,178.74
3. Gains or losses arising from reclassification of held-to-maturity investment as available-for-sale financial assets		
4. The effect hedging portion of gains or losses arising from cash flow hedging instruments		
5. Translation differences arising on translation of foreign currency financial statements		
6. Other		

VI. Total comprehensive income	1,340,315,572.14	216,773,010.56
VII. Earnings per share:		
(i) Basic earnings per share		
(ii) Diluted earnings per share		

5. Consolidated Cash Flow Statement

In RMB

Item	Current Period	Last Period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	1,577,421,097.54	1,045,759,145.54
Net increase of customer deposit and interbank deposit		
Net increase of loan from central bank		
Net increase of capital borrowed from other financial institution		
Cash received from original insurance contract fee		
Net cash received from reinsurance business		
Net increase of insured savings and investment		
Net increase of amount from disposal financial assets that measured by fair value and with variation reckoned into current gains/losses		
Cash received from interest, commission charge and commission		
Net increase of capital borrowed		
Net increase of returned business capital		
Write-back of tax received	6,023,940.02	8,008,632.87
Other cash received concerning operating activities	8,921,775.92	10,098,654.92
Subtotal of cash inflow arising from operating activities	1,592,366,813.48	1,063,866,433.33
Cash paid for purchasing commodities and receiving labor service	995,152,879.93	646,736,537.70
Net increase of customer loans and advances		
Net increase of deposits in central bank and interbank		
Cash paid for original insurance contract compensation		
Cash paid for interest, commission charge and commission		
Cash paid for bonus of guarantee slip		
Cash paid to/for staff and workers	285,801,816.67	233,203,007.42
Taxes paid	126,987,566.22	73,384,118.46
Other cash paid concerning operating activities	92,306,327.01	67,711,009.14
Subtotal of cash outflow arising from operating activities	1,500,248,589.83	1,021,034,672.72

Net cash flows arising from operating activities	92,118,223.65	42,831,760.61
II. Cash flows arising from investing activities:		
Cash received from recovering investment	1,103,810,985.03	2,205,000,000.00
Cash received from investment income	52,468,395.94	64,419,340.50
Net cash received from disposal of fixed, intangible and other long-term assets	52,789,826.68	42,881,823.24
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities		4,994,867.00
Subtotal of cash inflow from investing activities	1,209,069,207.65	2,317,296,030.74
Cash paid for purchasing fixed, intangible and other long-term assets	136,457,664.94	172,091,632.80
Cash paid for investment	3,821,063,985.03	4,164,900,000.00
Net increase of mortgaged loans		
Net cash received from subsidiaries and other units obtained		
Other cash paid concerning investing activities		4,417,030.41
Subtotal of cash outflow from investing activities	3,957,521,649.97	4,341,408,663.21
Net cash flows arising from investing activities	-2,748,452,442.32	-2,024,112,632.47
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Including: Cash received from absorbing minority shareholders' investment by subsidiaries		
Cash received from loans	105,000,000.00	20,000,000.00
Cash received from issuing bonds		
Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities	105,000,000.00	20,000,000.00
Cash paid for settling debts	70,000,000.00	117,000,000.00
Cash paid for dividend and profit distributing or interest paying	2,474,612.51	2,994,639.99
Including: Dividend and profit of minority shareholder paid by subsidiaries		
Other cash paid concerning financing activities	1,049,711.28	
Subtotal of cash outflow from financing activities	73,524,323.79	119,994,639.99
Net cash flows arising from financing activities	31,475,676.21	-99,994,639.99
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate	138,701.86	
V. Net increase of cash and cash equivalents	-2,624,719,840.60	-2,081,275,511.85
Add: Balance of cash and cash equivalents at the period -begin	3,795,223,678.11	3,040,315,198.85
VI. Balance of cash and cash equivalents at the period -end	1,170,503,837.51	959,039,687.00

6. Cash Flow Statement of Parent Company

In RMB

Item	Current Period	Last Period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	495,702,092.06	293,136,068.15
Write-back of tax received		
Other cash received concerning operating activities	337,942,177.95	1,018,487,862.15
Subtotal of cash inflow arising from operating activities	833,644,270.01	1,311,623,930.30
Cash paid for purchasing commodities and receiving labor service	357,055,448.99	282,753,491.39
Cash paid to/for staff and workers	109,935,147.40	95,493,605.17
Taxes paid	55,895,858.21	2,009,050.02
Other cash paid concerning operating activities	21,847,296.38	17,029,393.28
Subtotal of cash outflow arising from operating activities	544,733,750.98	397,285,539.86
Net cash flows arising from operating activities	288,910,519.03	914,338,390.44
II. Cash flows arising from investing activities:		
Cash received from recovering investment	1,004,900,000.00	2,170,000,000.00
Cash received from investment income	954,468,395.94	64,419,340.50
Net cash received from disposal of fixed, intangible and other long-term assets	52,592,957.40	42,399,744.56
Net cash received from disposal of subsidiaries and other units	2,410,502.57	
Other cash received concerning investing activities		
Subtotal of cash inflow from investing activities	2,014,371,855.91	2,276,819,085.06
Cash paid for purchasing fixed, intangible and other long-term assets	29,801,694.00	114,644,737.91
Cash paid for investment	3,538,000,000.00	4,054,900,000.00
Net cash received from subsidiaries and other units		
Other cash paid concerning investing activities		4,417,030.41
Subtotal of cash outflow from investing activities	3,567,801,694.00	4,173,961,768.32
Net cash flows arising from investing activities	-1,553,429,838.09	-1,897,142,683.26
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Cash received from loans		
Cash received from issuing bonds		
Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities		

Cash paid for settling debts		50,000,000.00
Cash paid for dividend and profit distributing or interest paying	800,399.99	2,160,055.28
Other cash paid concerning financing activities		
Subtotal of cash outflow from financing activities	800,399.99	52,160,055.28
Net cash flows arising from financing activities	-800,399.99	-52,160,055.28
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate	138,701.86	
V. Net increase of cash and cash equivalents	-1,265,181,017.19	-1,034,964,348.10
Add: Balance of cash and cash equivalents at the period -begin	2,143,377,059.99	1,734,531,427.66
VI. Balance of cash and cash equivalents at the period -end	878,196,042.80	699,567,079.56

II. Audit report

Whether the 1st quarterly report has been audited or not

Yes No

The 1st quarterly report of the Company was unaudited

Board of Director of
Weifu High-Technology Group Co., Ltd

Chairman: _____

Chen Xuejun

28 April 2017