

Shenzhen China Bicycle Company (Holdings) Limited

First Quarterly Report 2017

April 2017

Section I. Important Notes

Board of Directors and the Supervisory Committee of Shenzhen China Bicycle Company (Holdings) Limited (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.

Li Hai, person in charge of the Company, Sun Longlong, person in charge of accounting works and Zhong Xiaojin, person in charge of accounting organ (accounting officer) hereby confirm that the Financial Report of this Quarterly Report is authentic, accurate and complete.

Section II. Basic Information of the Company

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) | 23,303,201.13 | 21,999,259.18 | 5.93% |
| Net profit attributable to shareholders of the listed company (RMB) | 212,322.25 | 146,355.64 | 45.07% |
| Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB) | 94,639.00 | 764.61 | 12,277.42% |
| Net cash flow arising from operating activities (RMB) | -1,437,760.37 | -2,231,998.61 | -35.58% |
| Basic earnings per share (RMB/Share) | 0.0004 | 0.0003 | 33.33% |
| Diluted earnings per share (RMB/Share) | 0.0004 | 0.0003 | 33.33% |
| Weighted average ROE | 1.47% | 1.24% | 0.23% |
| | At the end of the reporting period | At the end of last year | Changes of this period-end over same period-end of last year |
| Total assets (RMB) | 52,810,364.21 | 54,088,275.72 | -2.36% |
| Net assets attributable to shareholder of listed company (RMB) | 14,581,005.83 | 14,368,683.58 | 1.48% |

Items of non-recurring gains and losses

Applicable Not applicable

In RMB

| Item | Amount from year-begin to | Note |
|------|---------------------------|------|
|------|---------------------------|------|

| | | |
|--|------------|----|
| | period-end | |
| Other non-operating income and expenditure except for the aforementioned items | 156,911.00 | |
| Less: Impact on income tax | 39,227.75 | |
| Total | 117,683.25 | -- |

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. Total number of common shareholders and preference shareholders with voting rights recovered and top ten common shareholders

In share

| Total number of common shareholders at the end of report period | | 59,118 | Total preference shareholders with voting rights recovered at end of reporting 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 |
| Shenzhen Guocheng Energy Investment Development Co., Ltd. | Domestic non-State-owned legal person | 11.52% | 63,508,747 | 0 | Pledged | 11,000,000 |
| UOB Koy Hian (Hongkong) Co., Ltd. | Foreign legal person | 2.89% | 15,907,850 | 0 | | 0 |
| Guosen Securities (Hongkong) | Foreign legal person | 2.54% | 13,988,425 | 0 | | 0 |

| brokerage Co., Ltd. | | | | | | |
|---|---------------------------------------|-----------------------------|------------|---|--|---|
| Shenwan Hongyuan Securities (Hongkong) Co., Ltd. | Foreign legal person | 1.21% | 6,693,657 | 0 | | 0 |
| China Merchants Securities Hong Kong Co., Ltd. | State-owned legal person | 0.75% | 4,158,342 | 0 | | 0 |
| Li Huili | Domestic nature person | 0.71% | 3,891,124 | 0 | | 0 |
| Zong Bin | Domestic nature person | 0.60% | 3,325,180 | 0 | | 0 |
| Xu Hongbo | Domestic nature person | 0.57% | 3,137,419 | 0 | | 0 |
| Zeng Ying | Domestic nature person | 0.54% | 3,000,000 | 0 | | 0 |
| Specific account of property disposition for bankruptcy enterprise of CBC | Domestic non-State-owned legal person | 0.47% | 2,602,402 | 0 | | 0 |
| Top ten shareholders with unrestricted shares held | | | | | | |
| Shareholder's name | Amount of unrestricted shares held | Type of shares | | | | |
| | | Type | Amount | | | |
| Shenzhen Guocheng Energy Investment Development Co., Ltd. | 63,508,747 | RMB common shares | 63,508,747 | | | |
| UOB Koy Hian (Hongkong) Co., Ltd. | 15,907,850 | Domestically foreign shares | 15,907,850 | | | |
| Guosen Securities (Hongkong) brokerage Co., Ltd. | 13,988,425 | Domestically foreign shares | 13,988,425 | | | |
| Shenwan Hongyuan Securities (Hongkong) Co., Ltd. | 6,693,657 | Domestically foreign shares | 6,693,657 | | | |
| China Merchants Securities Hong Kong Co., Ltd. | 4,158,342 | Domestically foreign shares | 4,158,342 | | | |

| | | | |
|--|--|--------------------------------|-----------|
| Li Huili | 3,891,124 | Domestically foreign shares | 3,891,124 |
| Zong Bin | 3,325,180 | RMB common shares | 3,325,180 |
| Xu Hongbo | 3,137,419 | Domestically foreign shares | 3,137,419 |
| Zeng Ying | 3,000,000 | Domestically foreign shares | 3,000,000 |
| Specific account of property disposition for bankruptcy enterprise of CBC | 1,383,313 | RMB common shares | 1,383,313 |
| Specific account of property disposition for bankruptcy enterprise of CBC | 1,219,089 | Domestically foreign shares | 1,219,089 |
| Explanation on associated relationship among the aforesaid shareholders | Li Huili, the spouse of actual controller Ji Hanfei, holding B-share of the Company on behalf of Shenzhen Guocheng Energy Investment Development Co., Ltd., beyond that, the Company has no idea of whether other circulated shareholders belong to concerted action persons ruled in the Administration Norms for Information Disclosure of Change on Shareholding of Shareholders of Listed Companies. | | |
| Explanation on top ten common shareholders involving margin business (if applicable) | N/A | | |

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 and shares held by top ten shareholders with preferred stock held

Applicable Not applicable

Section III. Significant Event

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

Applicable Not applicable

Note receivable decreased 46.85% over that of period-begin, mainly due to the change of settlement from subsidiary;

Account received in advance decreased 30.18% over that of period-begin, mainly due to the change of settlement from subsidiary;

Taxes payable increased 62.19% over that of period-begin, mainly because payable VAT and enterprise income tax increased in the period from subsidiary;

Financial expenses decreased 64.24% over that of last period, mainly due to the decrease of interest income;

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

Applicable Not applicable

Explanation on other significant event in the period: in July 2016, the company started planning the non-public offering of shares, and raised funds for the purchase of major assets; the company's Board of Directors considered and approved the Plan for Non-public Offering of A Shares in 2016. On the basis of the due diligence, audit evaluation and commercial negotiation of the intermediary institution, and combined with the actual situation of the capital market and the company, in February 2017, the Board of Directors of the company considered and approved the Proposal on Adjusting the Company's Non-public Offering of A Shares, the Plan for Non-public Offering of A Shares in 2016 (Revision) and so on. According to the revision of the plan, the total amount of this private placement was no more than 1.2 billion Yuan, after deducting the issue costs, the company planned to invest 800 million Yuan of funds for the "intelligent community building talk-back equipment and system platform construction project", and invest 400 million Yuan of funds for the "sports experience online and offline sales platform and R & D center construction project". At present, the plan has not yet passed the approval of the shareholders' meeting. The company has timely issued notices of the Board of Directors about related conditions.

Note: as for the significant event, occurred in the period or going to happen or the event occurred in previous but last to the period, if the above mentioned event shows major influence on financial status and operation results in the period or later period, and also the event has major influence on decision-making from investors, progress of such event shall be disclosed, as well as the influences and solutions. If the company disclosed in extraordinary notice without follow-up progress, summary of the event shall be disclosed and inquiry index shall be provided.

| Summary | Disclosure date | Inquiry index |
|---|-----------------|---|
| Suspension Notice on Adjustment of Non-Public Offering of Shares | 2017-02-16 | Juchao website http://www.cninfo.com.cn |
| Continued Suspension and Progress of Non-Public Offering of Shares | 2017-02-23 | Juchao website http://www.cninfo.com.cn |
| Notice of Resolution of 22 nd session (extraordinary) of 9 th BOD | 2017-02-28 | Juchao website http://www.cninfo.com.cn |

| | | |
|--|------------|---|
| Notice of Resolution of 8 th session (extraordinary) of 8 th Supervisory Committee | 2017-02-28 | Juchao website http://www.cninfo.com.cn |
| Investment Outside (Revised) | 2017-02-28 | Juchao website http://www.cninfo.com.cn |
| Notice of Entrusted Loans | 2017-02-28 | Juchao website http://www.cninfo.com.cn |
| Notice of Stock Resumption | 2017-02-28 | Juchao website http://www.cninfo.com.cn |

III. Commitments completed in Period and those without completed till end of the Period from actual controller, shareholders, related parties, purchaser and companies

Applicable Not applicable

The Company has no commitments completed in Period and those without completed till end of the Period from actual controller, shareholders, related parties, purchaser and companies.

IV. Forecast of operation performance from Jan. – June of 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

No security investment in Period.

VI. Derivative investment

Applicable Not applicable

No derivative investment in Period.

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

Applicable Not applicable

| Time | Way | Type | Basic situation index of investigation |
|-----------------------|-------------------------|------------|---|
| January to March 2017 | Telephone communication | Individual | Progress of reorganization of the Company |

VIII. Guarantee outside against the regulation

Applicable Not applicable

The Company had no guarantee outside against the regulation in the period.

IX. Non-operational fund occupation from controlling shareholders and its related party

Applicable Not applicable

The Company had no non-operational fund occupation form controlling shareholders and its related party in the period.

Section IV. Financial Statement

I. Financial statement

1. Consolidate balance sheet

Prepared by Shenzhen China Bicycle Company (Holdings) Limited

2017-03-31

In RMB

| Item | Closing balance | Opening balance |
|--|-----------------|-----------------|
| Current assets: | | |
| Monetary funds | 22,577,527.34 | 24,015,287.71 |
| Settlement provisions | | |
| Capital lent | | |
| Financial liability measured by fair value and with variation reckoned into current gains/losses | | |
| Derivative financial assets | | |
| Notes receivable | 1,180,000.00 | 2,220,000.00 |
| Accounts receivable | 14,297,371.83 | 12,371,386.82 |
| Accounts paid in advance | 1,851,680.50 | 1,867,424.89 |
| Insurance receivable | | |
| Reinsurance receivables | | |
| Contract reserve of reinsurance receivable | | |
| Interest receivable | | |
| Dividend receivable | | |
| Other receivables | 525,912.79 | 658,754.09 |
| Purchase restituted finance asset | | |
| Inventories | 2,778,946.60 | 3,118,440.26 |
| Divided into assets held for sale | | |
| Non-current asset due within one year | | |
| Other current assets | 2,073,679.16 | 2,050,830.55 |
| Total current assets | 45,285,118.22 | 46,302,124.32 |

| | | |
|--|---------------|---------------|
| Non-current assets: | | |
| Loans and payments on behalf | | |
| Finance asset available for sales | | |
| Held-to-maturity investment | | |
| Long-term account receivable | | |
| Long-term equity investment | | |
| Investment property | | |
| Fixed assets | 3,656,299.70 | 3,728,955.11 |
| Construction in progress | | |
| Engineering material | | |
| Disposal of fixed asset | | |
| Productive biological asset | | |
| Oil and gas asset | | |
| Intangible assets | 2,823,750.00 | 3,012,000.00 |
| Expense on Research and Development | | |
| Goodwill | | |
| Long-term expenses to be apportioned | | |
| Deferred income tax asset | 645,196.29 | 645,196.29 |
| Other non-current asset | 400,000.00 | 400,000.00 |
| Total non-current asset | 7,525,245.99 | 7,786,151.40 |
| Total assets | 52,810,364.21 | 54,088,275.72 |
| Current liabilities: | | |
| Short-term loans | | |
| 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 | | |
| Accounts payable | 8,623,789.81 | 9,751,977.78 |

| | | |
|---|---------------|---------------|
| Accounts received in advance | 3,016,827.40 | 4,321,059.83 |
| Selling financial asset of repurchase | | |
| Commission charge and commission payable | | |
| Wage payable | 890,535.66 | 770,985.97 |
| Taxes payable | 2,538,533.23 | 1,565,153.77 |
| Interest payable | | |
| Dividend payable | | |
| Other accounts payable | 20,100,821.08 | 20,397,287.32 |
| 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 | 35,170,507.18 | 36,806,464.67 |
| Non-current liabilities: | | |
| Long-term loans | | |
| Bonds payable | | |
| Including: preferred stock | | |
| Perpetual capital securities | | |
| Long-term account payable | | |
| Long-term wages payable | | |
| Special accounts payable | | |
| Projected liabilities | | |
| Deferred income | | |
| Deferred income tax liabilities | | |
| Other non-current liabilities | | |
| Total non-current liabilities | | |
| Total liabilities | 35,170,507.18 | 36,806,464.67 |

| | | |
|---|-------------------|-------------------|
| Owner's equity: | | |
| Share capital | 551,347,947.00 | 551,347,947.00 |
| Other equity instrument | | |
| Including: preferred stock | | |
| Perpetual capital securities | | |
| Capital public reserve | 627,834,297.85 | 627,834,297.85 |
| Less: Inventory shares | | |
| Other comprehensive income | | |
| Reasonable reserve | | |
| Surplus public reserve | 32,673,227.01 | 32,673,227.01 |
| Provision of general risk | | |
| Retained profit | -1,197,274,466.03 | -1,197,486,788.28 |
| Total owner's equity attributable to parent company | 14,581,005.83 | 14,368,683.58 |
| Minority interests | 3,058,851.20 | 2,913,127.47 |
| Total owner's equity | 17,639,857.03 | 17,281,811.05 |
| Total liabilities and owner's equity | 52,810,364.21 | 54,088,275.72 |

Legal representative: Li Hai

Person in charge of accounting works: Sun Longlong

Person in charge of accounting organ: Zhong Xiaojin

2. Balance Sheet of Parent Company

In RMB

| Item | Closing balance | Opening balance |
|--|-----------------|-----------------|
| Current assets: | | |
| Monetary funds | 1,526,054.94 | 1,143,418.29 |
| Financial liability measured by fair value and with variation reckoned into current gains/losses | | |
| Derivative financial assets | | |
| Notes receivable | | |
| Accounts receivable | | |
| Account paid in advance | | 16,000.00 |
| Interest receivable | | |

| | | |
|--|---------------|---------------|
| Dividends receivable | | |
| Other receivables | 8,711,269.48 | 9,364,086.29 |
| Inventories | | |
| Divided into assets held for sale | | |
| Non-current assets maturing within one year | | |
| Other current assets | 2,073,679.16 | 2,050,830.55 |
| Total current assets | 12,311,003.58 | 12,574,335.13 |
| Non-current assets: | | |
| Available-for-sale financial assets | | |
| Held-to-maturity investments | | |
| Long-term receivables | | |
| Long-term equity investments | 10,379.73 | 10,379.73 |
| Investment property | | |
| Fixed assets | 3,469,444.04 | 3,528,684.59 |
| Construction in progress | | |
| Project materials | | |
| Disposal of fixed assets | | |
| Productive biological assets | | |
| Oil and natural gas assets | | |
| Intangible assets | 2,823,750.00 | 3,012,000.00 |
| Research and development costs | | |
| Goodwill | | |
| Long-term deferred expenses | | |
| Deferred income tax assets | | |
| Other non-current assets | 400,000.00 | 400,000.00 |
| Total non-current assets | 6,703,573.77 | 6,951,064.32 |
| Total assets | 19,014,577.35 | 19,525,399.45 |
| Current liabilities: | | |
| Short-term borrowings | | |
| Financial liability measured by fair value and with variation reckoned into current gains/losses | | |
| Derivative financial liability | | |

| | | |
|---|----------------|----------------|
| Notes payable | | |
| Accounts payable | | |
| Accounts received in advance | 905,423.08 | 1,086,507.70 |
| Wage payable | 112,710.82 | 112,700.06 |
| Taxes payable | 106,515.93 | 81,512.92 |
| Interest payable | | |
| Dividend payable | | |
| Other accounts payable | 10,435,861.41 | 10,662,912.89 |
| Divided into liability held for sale | | |
| Non-current liabilities due within 1 year | | |
| Other current liabilities | | |
| Total current liabilities | 11,560,511.24 | 11,943,633.57 |
| Non-current liabilities: | | |
| Long-term loans | | |
| Bonds payable | | |
| Including: preferred stock | | |
| Perpetual capital securities | | |
| Long-term account payable | | |
| Long-term wages payable | | |
| Special accounts payable | | |
| Projected liabilities | | |
| Deferred income | | |
| Deferred income tax liabilities | | |
| Other non-current liabilities | | |
| Total non-current liabilities | | |
| Total liabilities | 11,560,511.24 | 11,943,633.57 |
| Owners' equity: | | |
| Share capita | 551,347,947.00 | 551,347,947.00 |
| Other equity instrument | | |
| Including: preferred stock | | |
| Perpetual capital securities | | |
| Capital public reserve | 627,834,297.85 | 627,834,297.85 |

| | | |
|--------------------------------------|-------------------|-------------------|
| Less: Inventory shares | | |
| Other comprehensive income | | |
| Reasonable reserve | | |
| Surplus reserve | 32,673,227.01 | 32,673,227.01 |
| Retained profit | -1,204,401,405.75 | -1,204,273,705.98 |
| Total owner's equity | 7,454,066.11 | 7,581,765.88 |
| Total liabilities and owner's equity | 19,014,577.35 | 19,525,399.45 |

3. Consolidated Profit Statement

In RMB

| Item | Current Period | Last Period |
|--|----------------|---------------|
| I. Total operating income | 23,303,201.13 | 21,999,259.18 |
| Including: Operating income | 23,303,201.13 | 21,999,259.18 |
| Interest income | | |
| Insurance gained | | |
| Commission charge and commission income | | |
| II. Total operating cost | 22,938,132.58 | 21,880,745.57 |
| Including: Operating cost | 20,669,393.50 | 20,231,383.00 |
| 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 | | |
| Operating tax and extras | 70,630.84 | 24,499.43 |
| Sales expenses | 1,260,936.10 | 1,232,155.97 |
| Administration expenses | 1,129,087.76 | 929,402.00 |
| Financial expenses | -191,915.62 | -536,694.83 |
| Losses of devaluation of asset | | |
| Add: Changing income of fair | | |

| | | |
|---|------------|------------|
| value(Loss is listed with “-”) | | |
| Investment income (Loss is listed with “-”) | | |
| Including: Investment income on affiliated company and joint venture | | |
| Exchange income (Loss is listed with “-”) | | |
| III. Operating profit (Loss is listed with “-”) | 365,068.55 | 118,513.61 |
| Add: Non-operating income | 156,911.00 | 195,463.82 |
| Including: Disposal gains of non-current asset | | |
| Less: Non-operating expense | | |
| Including: Disposal loss of non-current asset | | |
| IV. Total Profit (Loss is listed with “-”) | 521,979.55 | 313,977.43 |
| Less: Income tax expense | 163,933.57 | 101,337.66 |
| V. Net profit (Net loss is listed with “-”) | 358,045.98 | 212,639.77 |
| Net profit attributable to owner’s of parent company | 212,322.25 | 146,355.64 |
| Minority shareholders’ gains and losses | 145,723.73 | 66,284.13 |
| VI. Net after-tax of other comprehensive income | | |
| Net after-tax of other comprehensive income attributable to owners of parent company | | |
| (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 | | |
| 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 | | |
| 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 | 358,045.98 | 212,639.77 |
| Total comprehensive income attributable to owners of parent Company | 212,322.25 | 146,355.64 |
| Total comprehensive income attributable to minority shareholders | 145,723.73 | 66,284.13 |
| VIII. Earnings per share: | | |
| (i) Basic earnings per share | 0.0004 | 0.0003 |
| (ii) Diluted earnings per share | 0.0004 | 0.0003 |

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: Li Hai

Person in charge of accounting works: Sun Longlong

Person in charge of accounting organ: Zhong Xiaojin

4. Profit Statement of Parent Company

In RMB

| Item | Current Period | Last Period |
|--|----------------|--------------|
| I. Operating income | 1,513,049.47 | 1,747,219.66 |
| Less: Operating cost | 1,262,084.91 | 1,420,171.21 |
| Operating tax and extras | | 18,715.98 |
| Sales expenses | | |
| Administration expenses | 534,843.16 | 507,382.13 |
| Financial expenses | 732.17 | 246.68 |
| Losses of devaluation of asset | | |
| Add: Changing income of fair value(Loss is listed with “-”) | | |
| Investment income (Loss is listed with “-”) | | |
| Including: Investment income on affiliated company and joint venture | | |
| II. Operating profit (Loss is listed with “-”) | -284,610.77 | -199,296.34 |
| Add: Non-operating income | 156,911.00 | 190,989.00 |
| Including: Disposal gains of non-current asset | | |
| Less: Non-operating expense | | |
| Including: Disposal loss of non-current asset | | |
| III. Total Profit (Loss is listed with “-”) | -127,699.77 | -8,307.34 |
| Less: Income tax expense | | |
| IV. Net profit (Net loss is listed with “-”) | -127,699.77 | -8,307.34 |
| V. Net after-tax of other comprehensive income | | |
| (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 | | |
| 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 | | |
| 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 | -127,699.77 | -8,307.34 |
| VII. Earnings per share: | | |
| (i) Basic earnings per share | -0.0002 | |
| (ii) Diluted earnings per share | -0.0002 | |

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 | 12,812,358.30 | 10,099,726.91 |
| 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 | | |
| Other cash received concerning operating activities | 1,567,662.15 | 2,979,334.76 |
| Subtotal of cash inflow arising from operating activities | 14,380,020.45 | 13,079,061.67 |
| Cash paid for purchasing commodities and receiving labor service | 12,076,169.36 | 9,991,389.27 |
| 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 | 1,609,825.92 | 1,864,894.32 |
| Taxes paid | 234,265.93 | 903,835.74 |
| Other cash paid concerning operating activities | 1,897,519.61 | 2,550,940.95 |
| Subtotal of cash outflow arising from operating activities | 15,817,780.82 | 15,311,060.28 |
| Net cash flows arising from operating activities | -1,437,760.37 | -2,231,998.61 |
| II. Cash flows arising from investing activities: | | |
| Cash received from recovering investment | | |
| Cash received from investment income | | |
| Net cash received from disposal of fixed, intangible and other long-term assets | | |
| Net cash received from disposal of subsidiaries and other units | | |
| Other cash received concerning investing activities | | |
| Subtotal of cash inflow from investing activities | | |
| Cash paid for purchasing fixed, intangible and other long-term assets | | |
| Cash paid for investment | | |
| Net increase of mortgaged loans | | |
| Net cash received from subsidiaries and other units obtained | | |
| Other cash paid concerning investing activities | | |

| | | |
|---|---------------|---------------|
| Subtotal of cash outflow from investing activities | | |
| Net cash flows arising from investing activities | | |
| 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 | | |
| Cash received from issuing bonds | | |
| Other cash received concerning financing activities | | |
| Subtotal of cash inflow from financing activities | | |
| Cash paid for settling debts | | |
| Cash paid for dividend and profit distributing or interest paying | | |
| Including: Dividend and profit of minority shareholder paid by subsidiaries | | |
| Other cash paid concerning financing activities | | |
| Subtotal of cash outflow from financing activities | | |
| Net cash flows arising from financing activities | | |
| IV. Influence on cash and cash equivalents due to fluctuation in exchange rate | | |
| V. Net increase of cash and cash equivalents | -1,437,760.37 | -2,231,998.61 |
| Add: Balance of cash and cash equivalents at the period -begin | 24,015,287.71 | 26,752,065.66 |
| VI. Balance of cash and cash equivalents at the period -end | 22,577,527.34 | 24,520,067.05 |

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 | | |
| Write-back of tax received | | |
| Other cash received concerning operating activities | 2,302,597.10 | 2,934,826.12 |
| Subtotal of cash inflow arising from operating activities | 2,302,597.10 | 2,934,826.12 |
| Cash paid for purchasing commodities and receiving labor service | | 32,356.80 |
| Cash paid to/for staff and workers | 501,230.86 | 576,619.70 |
| Taxes paid | 75,698.87 | 122,549.92 |
| Other cash paid concerning operating activities | 1,343,030.72 | 1,536,978.04 |
| Subtotal of cash outflow arising from operating activities | 1,919,960.45 | 2,268,504.46 |
| Net cash flows arising from operating activities | 382,636.65 | 666,321.66 |
| II. Cash flows arising from investing activities: | | |
| Cash received from recovering investment | | |
| Cash received from investment income | | |
| Net cash received from disposal of fixed, intangible and other long-term assets | | |
| Net cash received from disposal of subsidiaries and other units | | |
| Other cash received concerning investing activities | | |

| | | |
|--|------------|------------|
| Subtotal of cash inflow from investing activities | | |
| Cash paid for purchasing fixed, intangible and other long-term assets | | |
| Cash paid for investment | | |
| Net cash received from subsidiaries and other units | | |
| Other cash paid concerning investing activities | | |
| Subtotal of cash outflow from investing activities | | |
| Net cash flows arising from investing activities | | |
| 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 | | |
| Cash paid for dividend and profit distributing or interest paying | | |
| Other cash paid concerning financing activities | | |
| Subtotal of cash outflow from financing activities | | |
| Net cash flows arising from financing activities | | |
| IV. Influence on cash and cash equivalents due to fluctuation in exchange rate | | |
| V. Net increase of cash and cash equivalents | 382,636.65 | 666,321.66 |

| | | |
|--|--------------|--------------|
| Add: Balance of cash and cash equivalents at the period -begin | 1,143,418.29 | 1,199,934.09 |
| VI. Balance of cash and cash equivalents at the period -end | 1,526,054.94 | 1,866,255.75 |

II. Audit report

Whether the first quarterly report had been audited or not

Yes No

The first quarterly report was unaudited.