

Shenzhen Textile (Holdings) Co., Ltd.

The First Quarterly Report 2017



April 2017

1 Important Notice

The Board of Directors ,Supervisory Committee, all directors, supervisors and senior executives of the Company hereby guarantees that there are no misstatement, misleading representation or important omissions in this report and shall assume joint and several liability for the authenticity, accuracy and completeness of the contents hereof.

All the directors attended the board meeting for reviewing the Quarterly Report.

Mr.Zhu Jun, Person in charge of the Company, Mr. Zhu Jun, Chief financial officer and the Mr. Mu Linying Jun, the person in charge of the accounting department (the person in charge of the accounting)hereby confirm the authenticity and completeness of the financial report enclosed in this Quarterly Report .

This Report has been prepared in both Chinese and English , In case any discrepancy , the Chinese version shall prevail.

II. Basic Information of the Company

I. Main financial data and financial index

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

Yes No

	This period	Same period of last year	Changes of this period over same period of last year (%)
Operating income (RMB)	272,392,669.11	262,310,373.65	3.84%
Net profit attributable to the shareholders of the listed company (RMB)	4,302,137.37	-10,246,461.60	141.99%
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company (RMB)	-2,285,765.61	-11,444,624.15	80.03%
Cash flow generated by business operation, net (RMB)	-185,774,958.96	-23,635,239.84	686.01%
Basic earning per share(RMB/Share)	0.0085	-0.020	142.50%
Diluted gains per share(RMB/Share)(RMB/Share)	0.0085	-0.020	142.50%
Weighted average return on equity (%)	0.13%	-0.47%	0.60%
	End of this period	End of last period	Changes of this period-end over same period-end of last year(%)
Gross assets (RMB)	4,137,910,846.36	4,119,586,266.47	0.44%
Net assets attributable to the shareholders of the listed company (RMB)	2,343,643,908.47	2,339,554,176.31	0.17%

Items and amount of non-current gains and losses

Applicable Not applicable

In RMB

Items	Amount (Year-beginning to the end of the report period.)	Notes
Non-current asset disposal gain/loss(including the write-off part for which assets impairment provision is made)	-3,182.59	

Government subsidy recognized in current gain and loss(excluding those closely related to the Company's business and granted under the state's policies)	3,974,855.70	Special assistance fund of 300,000 yuan and finance discount of 60,486.12 yuan are raised for the II-phase reorganization and expansion. 324,999.99 yuan as fiscal assistance is raised for Pingshan project. The narrow range allowance for the first-phase project is 125,000.01 yuan. Amortization of polarizing material engineering lab is 125,000.01 yuan. The grant for imported equipment and technology is 43,772.55 yuan. Supporting funds toward strategic emerging industry from NDRC is 12,500.01 yuan. Fiscal allowance for innovative entrepreneurship of first-phase project is 12,500.01 yuan. Fiscal allowance for encouraging to bring in advanced technology from Shenzhen municipal government is 3,597.00 yuan. The grant from municipal R&D center is 75,000.00 yuan; Enterprise R & D subsidy of RMB 2,892,000.00.
Profit /loss on entrusting others with investments or asset management	7,008,333.33	Earnings from wealth management products
Other non-operating income and expenditure except for the aforementioned items	502.00	
Less: Amount of influence of income tax	-670.15	
Amount of influence of minority interests (After tax)	4,393,275.61	
Total	6,587,902.98	--

For the Company's non-recurring gain/loss items as defined in the Explanatory Announcement No.1 on information disclosure for Companies Offering their Securities to the Public-Non-recurring Gains and Losses and its non-recurring gain/loss items as illustrated in the Explanatory Announcement No.1 on information Disclosure for Companies offering their securities to the public-non-recurring Gains and losses which have been defined as recurring gains and losses, it is necessary to explain the reason.

Applicable Not applicable

None of Non-recurring gain /loss items recognized as recurring gain /loss/items as defined by the information

disclosure explanatory Announcement No.1- Non –recurring gain/loss in the report period.

II. Total Shareholders and Shares Held by Top Ten Shareholders at the End of the Reporting Period

1. About Total Common Shareholders, Total Preference Shareholders with the Voting Power Recovered and the Shares Held by Top Ten Common Shareholders

In shares

Total number of common shareholders at the period-end		43,531		Total preference shareholders with the voting power recovered at the end of the reporting period(if any)		0	
Shares held by the top 10 shareholders							
Shareholder name	Properties of shareholder	Share proportion %	Quantity	Amount of tradable shares with Conditional held	Pledging or freezing		
					Status of the shares	Quantity	
Shenzhen Investment Holdings Co., Ltd.	State-owned legal person	46.21%	234,069,436	0			
Shenzhen Shenchao Technology Investment Co., Ltd.	State-owned Legal person	3.18%	16,129,032	0			
Qianhai Life insurance Co., Ltd. — Self funds Huatai Portfolio	Other	1.24%	6,267,916	0			
Anhui Guofu Industrial Investment Funds Mangement Co., Ltd.	Domestic non State-owned Legal person	0.67%	3,408,341	0			
Sun Huiming	Domestic Nature person	0.48%	2,443,526	0			
MORGAN STANLEY & CO.	Overseas legal person	0.33%	1,653,914	0			

INTERNATIONAL PLC						
Wang Mincang	Domestic Natural person	0.27%	1,387,436	0		
Zhu Ye	Domestic Natural person	0.25%	1,245,145	0		
He Zhijian	Domestic Natural person	0.20%	1,014,425	0		
Central Huijin Asset Management Co., Ltd.	State-owned Legal person	0.19%	958,300	0		
Shares held by the Top 10 Shareholders of Non-restricted shares						
Shareholders' Names	Number of the non-restricted shares held	Share type				
		Share type	Quantity			
Shenzhen Investment Holdings Co., Ltd.	234,069,436	RMB Common shares	234,069,436			
Shenzhen Shenchao Technology Investment Co., Ltd.	16,129,032	RMB Common shares	16,129,032			
Qianhai Life insurance Co., Ltd. — Self funds Huatai Portfolio	6,267,916	RMB Common shares	6,267,916			
Anhui Guofu Industrial Investment Funds Mangement Co., Ltd.	3,408,341	RMB Common shares	3,408,341			
Sun Huiming	2,443,526	Foreign shares placed in domestic exchange	2,443,526			
MORGAN STANLEY & CO. INTERNATIONAL PLC	1,653,914	Foreign shares placed in domestic exchange	1,653,914			
Wang Mincang	1,387,436	RMB Common shares	1,387,436			
Zhu Ye	1,245,145	RMB Common shares	1,245,145			
He Zhijian	1,014,425	RMB Common shares	1,014,425			
Central Huijin Asset Management Co., Ltd.	958,300	RMB Common shares	958,300			

Explanation on associated relationship or concerted action of the above shareholders	Shenzhen Shenchao Technology Investment Co., Ltd. is a wholly-owned subsidiary of Shenzhen Investment Holding Co., Ltd. and a person taking concerted action. Except this, the Company did not whether there is relationship between the top ten shareholders holding non-restricted negotiable shares and between the top ten shareholders holding non-restricted negotiable shares and the top 10 shareholders or whether they are persons taking concerted action defined in Regulations on Disclosure of Information about Shareholding of Shareholders of Listed Companies.
Note to the top 10 common stockholders involved in margin financing & securities lending (If any)	The Company Shareholder Zhu Ye holds 1,245,145 shares of the Company through stock account with credit transaction and guarantee of Guolian Securities Co.,Ltd.

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

Yes No

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

2.Total number of preferred shareholders and shareholding of top 10 preferred shareholders by the end of the report period

Applicable Not applicable

III Significant Events

I. Major changes of main accounting statement items and financial indicators in the reporting period, as well as reasons for the changes

Applicable Not applicable

- 1.The ending balance of Prepayments increased by RMB 222.7477 million and 3,288.60% over beginning of period, Mainly due to the increase in the volume of trade in the current period;
- 2.The ending balance of Other current account decreased by RMB 485.0432 million and 33.97% over beginning of period, Mainly due to the recovery of financial funds due;
3. The ending balance of Construction in progress increased by RMB 108.0318 million and 90.17% over beginning of period, Mainly due to the construction of the polarizer Phase II line 6 project;
- 4.The ending balance of Other non-current assets increased by RMB400 million over beginning of period, Mainly due to the addition of more than one year financial funds;
5. The ending balance of short-term loans increased by RMB5.6508million and 45.81% over beginning of period, 、 Mainly due to the increase in short-term bank loans;
6. The ending balance of Advance payment increased by RMB 32.8106 million and 108.30% over beginning of period, Mainly due to the increase in the volume of trade in the current period;
- 7.The ending balance of Employee benefits payable decreased by RMB8.2258 million and 30.04% over beginning of period, Mainly due to pay the staff due to the previous year;
8. Financial expenses in current period decreased by RMB 5.8706 million and 275.57% Year on Year, Mainly due to the yen exchange rate appreciation narrowed year on year.
9. Impairment loss of assets in current period increased by RMB1.7794 million and 46.88% year on year, Mainly due to the increase in the provision for depreciation of the polarizer inventory;
10. Investment Income in current period increased by RMB7.8167 million and 1,838.66% year on year, Mainly due to the increase in entrusted financial income;
11. Non-operational income in current period increased by RMB2.76 million and 227.09% year on year, Mainly due to the increase in government subsidies;
12. The net cash flows from operating activities in current period decreased by RMB185.775 million and 686.01% year on year, Mainly due to the increase in advances in trade activities;
13. The net cash flows from investing activities in current period increased by RMB51.9535 million and 78.48% year on year, Mainly due to the current period to recover the due trust;
14. The net cash flows from Financing activities in current period increased by RMB26.9838 million and 122.59% year on year, Mainly due to the decrease in repayment of borrowings in the current period.

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

Applicable Not applicable

(1) Subsidiary Shengbo Optoelectronic capital increase to introduce strategic investors

January 2017, a subsidiary of Shenzhen Shengbo Optoelectronics Technology Co., Ltd. to increase investment in the introduction of strategic investors, has completed the capital increase after the change of business

registration procedures.

(2) TFT-LCD polarizer II line 6 project progress

Phase II Line 6 project in accordance with the construction schedule, has completed the second allocation of procurement projects with the tender, the main equipment is installed and secondary with the project. The total investment of the second phase of the project was RMB 391.3458 million, accounting for 55.88% of the total investment of RMB 700.34 million after the change.

Overview of material matters	Date of disclosing	Description of the website for disclosing provisional announcements
Shengbo Optoelectronic has completed the capital increase after the business registration	January 17,2017	http://www.cninfo.com.cn . (Announcement No.2017-06)

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

Applicable Not applicable

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. Prediction of Business performance for January- June 2017

Estimation of accumulative net profit from the beginning of the year to the end of next report period to be loss probably or the warning of its material change compared with the corresponding period of the last year and explanation of reason.

Applicable Not applicable

V. Investment in securities

Applicable Not applicable

No securities investment in period.

VI. Investments in derivatives

Applicable Not applicable

There is no derivative investment during the report period.

VII. The registration form of acceptance of investigation, communication and interview in the report period for future reference

Applicable Not applicable

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

VIII. External guarantee get out of line

Applicable Not applicable

The Company has no external guarantee get out of the line in the Period

IX. Controlling shareholder and its related parties occupying non-business capital of the listed company

Applicable Not applicable

There are no controlling shareholder and its related parties occupying non-business capital of the listed company in Period

IV. Financial Statement

I. Financial statement

1. Consolidated balance sheet

Prepared by: Shenzhen Textile (Holdings) Co., Ltd.

March 31,2017

In RMB

Items	At the end of term	Beginning of term
Current asset:		
Monetary fund	738,624,384.64	933,856,912.73
Settlement provision		
Outgoing call loan		
Financial assets measured at fair value with variations accounted into current income account		
Derivative financial assets		
Bill receivable	37,337,584.61	41,908,315.45
Account receivable	181,957,788.09	220,222,019.41
Prepayments	229,521,056.30	6,773,323.14
Insurance receivable		
Reinsurance receivable		
Provisions of Reinsurance contracts receivable		
Interest receivable	8,180,059.37	6,652,883.11
Dividend receivable		
Other account receivable	64,957,026.72	67,272,556.72
Repurchasing of financial assets		
Inventories	314,653,546.75	283,371,714.07
Assets held for sales		
Non-current asset due in 1 year		
Other current asset	943,000,000.00	1,428,043,157.76
Total of current assets	2,518,231,446.48	2,988,100,882.39

Non-current assets:		
Loans and payment on other's behalf disbursed		
Disposable financial asset	41,486,919.32	41,565,777.96
Expired investment in possess		
Long-term receivable		
Long term share equity investment	25,229,534.97	24,849,311.00
Property investment	177,350,769.65	179,324,547.77
Fixed assets	705,570,245.82	723,685,287.56
Construction in progress	227,836,059.45	119,804,231.43
Engineering material		
Fixed asset disposal		
Production physical assets		
Gas & petrol		
Intangible assets	39,745,451.59	39,698,654.32
R & D petrol		
Goodwill		
Long-germ expenses to be amortized	899,144.15	973,081.68
Deferred income tax asset	1,561,274.93	1,584,492.36
Other non-current asset	400,000,000.00	
Total of non-current assets	1,619,679,399.88	1,131,485,384.08
Total of assets	4,137,910,846.36	4,119,586,266.47
Current liabilities		
Short-term loans	17,986,506.66	12,335,695.77
Loan from Central Bank		
Deposit received and hold for others		
Call loan received		
Financial liabilities measured at fair value with variations accounted into current income account		
Derivative financial liabilities		
Bill payable		
Account payable	166,127,454.63	175,461,715.72
Advance payment	63,108,081.14	30,297,446.49
Selling of repurchased financial assets		

Fees and commissions receivable		
Employees' wage payable	19,153,898.66	27,379,719.86
Tax payable	14,632,736.93	13,995,726.19
Interest payable	43,567,031.45	42,842,605.52
Dividend payable		
Other account payable	143,377,945.75	147,108,590.19
Reinsurance fee payable		
Insurance contract provision		
Entrusted trading of securities		
Entrusted selling of securities		
Liabilities held for sales		
Non-current liability due in 1 year	40,000,000.00	40,000,000.00
Other current liability		
Total of current liability	507,953,655.22	489,421,499.74
Non-current liabilities:		
Long-term loan	80,000,000.00	80,000,000.00
Bond payable		
Including: preferred stock		
Sustainable debt		
Long-term payable		
Long-term payable employees's remuneration		
Special payable		
Expected liabilities		
Deferred income	108,962,928.92	110,045,784.62
Deferred income tax liability		
Other non-current liabilities		
Total non-current liabilities	188,962,928.92	190,045,784.62
Total of liability	696,916,584.14	679,467,284.36
Owners' equity		
Share capital	506,521,849.00	506,521,849.00
Other equity instrument		
Including: preferred stock		
Sustainable debt		

Capital reserves	1,837,205,251.95	1,837,205,251.95
Less: Shares in stock		
Other comprehensive income	3,179,816.86	3,392,222.07
Special reserves		
Surplus reserves	73,710,682.05	73,710,682.05
Common risk provision		
Undistributed profit	-76,973,691.39	-81,275,828.76
Total of owner's equity belong to the parent company	2,343,643,908.47	2,339,554,176.31
Minority shareholders' equity	1,097,350,353.75	1,100,564,805.80
Total of owners' equity	3,440,994,262.22	3,440,118,982.11
Total of liabilities and owners' equity	4,137,910,846.36	4,119,586,266.47

Legal Representative: Zhu Jun Person in charge of accounting: Zhu Jun Accounting Dept Leader: Mu Linying

2.Parent Company Balance Sheet

In RMB

Items	At the end of term	Beginning of term
Current asset:		
Monetary fund	380,775,729.32	440,685,610.11
Financial assets measured at fair value with variations accounted into current income account		
Derivative financial assets		
Bill receivable	1,800,000.00	1,000,000.00
Account receivable	597,961.36	492,974.01
Prepayments	4,500.00	120,000.00
Interest receivable	5,815,397.63	3,218,526.94
Dividend receivable		
Other account receivable	10,678,138.49	12,524,256.75
Inventories		
Assets held for sales		
Non-current asset due in 1 year		
Other current asset	100,000,000.00	30,000,000.00
Total of current assets	499,671,726.80	488,041,367.81

Non-current assets:		
Disposable financial asset	39,986,919.32	40,065,777.96
Expired investment in possess		
Long-term receivable		
Long term share equity investment	1,989,453,301.58	1,989,073,077.61
Property investment	170,423,443.76	172,279,313.75
Fixed assets	26,997,031.19	27,403,189.39
Construction in progress		
Engineering material		
Fixed asset disposal		
Production physical assets		
Gas & petrol		
Intangible assets	1,616,503.86	1,345,846.59
R & D petrol		
Goodwill		
Long-germ expenses to be amortized		
Deferred income tax asset	1,899,928.67	1,919,804.30
Other non-current asset		
Total of non-current assets	2,230,377,128.38	2,232,087,009.60
Total of assets	2,730,048,855.18	2,720,128,377.41
Current liabilities		
Short-term loans		
Financial liabilities measured at fair value with variations accounted into current income account		
Derivative financial liabilities		
Bill payable		
Account payable	411,743.57	411,743.57
Advance payment	639,024.58	639,024.58
Employees' wage payable	4,843,698.39	6,533,138.24
Tax payable	5,405,248.08	4,398,387.25
Interest payable		
Dividend payable		
Other account payable	122,631,522.15	120,954,892.58
Classified as held for sale debt		

Non-current liability due in 1 year		
Other current liability		
Total of current liability	133,931,236.77	132,937,186.22
Non-current liabilities:		
Long-term loan		
Bond payable		
Including: preferred stock		
Sustainable debt		
Long-term payable		
Long-term payable to employees		
Special payable		
Expected liabilities		
Deferred income		
Deferred income tax liability		
Other non-current liabilities		
Total of Non-current liabilities		
Total of liability	133,931,236.77	132,937,186.22
Owners' equity		
Share capital	506,521,849.00	506,521,849.00
Other equity instrument		
Including: preferred stock		
Sustainable debt		
Capital reserves	1,576,547,075.96	1,576,547,075.96
Less: Shares in stock		
Other comprehensive income	3,179,816.86	3,392,222.07
Special reserves		
Surplus reserves	73,710,682.05	73,710,682.05
Undistributed profit	436,158,194.54	427,019,362.11
Total of owners' equity	2,596,117,618.41	2,587,191,191.19
Total of liabilities and owners' equity	2,730,048,855.18	2,720,128,377.41

3.Consolidated Income statement

In RMB

Items	Amount in this period	Amount in last period
I. Income from the key business	272,392,669.11	262,310,373.65
Incl: Business income	272,392,669.11	262,310,373.65
Interest income		
Insurance fee earned		
Fee and commission received		
II. Total business cost	280,214,579.88	270,805,851.81
Incl: Business cost	253,475,015.89	238,744,912.33
Interest expense		
Fee and commission paid		
Insurance discharge payment		
Net claim amount paid		
Net amount provided as insurance contract reserves		
Insurance policy dividend paid		
Reinsurance expenses		
Business tax and surcharge	2,585,948.73	1,857,241.99
Sales expense	2,133,505.40	2,131,423.67
Administrative expense	20,188,494.12	22,149,397.07
Financial expenses	-3,743,353.85	2,127,257.76
Asset impairment loss	5,574,969.60	3,795,618.99
Add: Gains from change of fir value (“-”for loss)		
Investment gain (“-”for loss)	8,241,818.53	425,128.98
Incl: investment gains from affiliates	533,097.00	425,128.98
Gains from currency exchange (“-”for loss)		
III. Operational profit (“-”for loss)	419,907.76	-8,070,349.18
Add : Non-operational income	3,975,357.70	1,215,355.70
Including: Income from disposal of non-current assets		
Less: Non business expenses	3,182.59	20,563.54
Incl: Loss from disposal of non-current assets	3,182.59	20,504.69
IV.Total profit(“-”for loss)	4,392,082.87	-6,875,557.02

Less: Income tax expenses	3,304,397.55	3,370,904.58
V. Net profit	1,087,685.32	-10,246,461.60
Net profit attributable to the owners of parent company	4,302,137.37	-10,246,461.60
Minority shareholders' equity	-3,214,452.05	
VI. Other comprehensive income	-212,405.21	-2,064,954.32
Net of profit of other comprehensive income attributable to owners of the parent company.	-212,405.21	-2,064,954.32
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period		
1.Re-measurement of defined benefit plans of changes in net debt or net assets		
2.Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
(II) Other comprehensive income that will be reclassified into profit or loss.		
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss.		
2.Gains and losses from changes in fair value available for sale financial assets	-59,143.98	-1,951,751.34
3.Held-to-maturity investments reclassified to gains and losses of available for sale financial assets		
4.The effective portion of cash flow hedges and losses		
5.Translation differences in currency financial statements	-153,261.23	-113,202.98
6.Other		
Net of profit of other comprehensive income attributable to Minority shareholders' equity		
VII. Total comprehensive income	875,280.11	-12,311,415.92

Total comprehensive income attributable to the owner of the parent company	4,089,732.16	-12,311,415.92
Total comprehensive income attributable minority shareholders	-3,214,452.05	
VIII. Earnings per share		
(I) Basic earnings per share	0.0085	-0.020
(II)Diluted earnings per share	0.0085	-0.020

Legal Representative: Zhu Jun Person in charge of accounting: Zhu Jun Accounting Dept Leader: Mu Linying

4. Income statement of the Parent Company

In RMB

Items	Amount in this period	Amount in last period
I. Income from the key business	16,073,030.51	15,990,369.16
Less: Business cost	2,894,005.19	2,631,807.52
Business tax and surcharge	689,044.98	1,339,845.67
Sales expense		
Administrative expense	4,867,158.87	4,850,781.01
Financial expenses	-2,994,195.81	-4,844,617.14
Asset impairment loss	-158,361.17	3,608.32
Add: Gains from change of fir value (“-”for loss)		
Investment gain (“-”for loss)	1,233,485.20	425,128.98
Incl: investment gains from affiliates	533,097.00	425,128.98
II. Operational profit (“-”for loss)	12,008,863.65	12,434,072.76
Add : Non-operational income		
Including: Income from disposal of non-current assets		
Less: Non business expenses	1,582.15	13,422.71
Incl: Loss from disposal of non-current assets	1,582.15	13,422.71
III.Total profit(“-”for loss)	12,007,281.50	12,420,650.05
Less: Income tax expenses	2,868,449.07	2,998,880.27
IV. Net profit (“-”for net loss)	9,138,832.43	9,421,769.78
V.Net of profit of other comprehensive i ncome	-212,405.21	-2,064,954.32

(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period		
1.Re-measurement of defined benefit plans of changes in net debt or net assets		
2.Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
(II) Other comprehensive income that will be reclassified into profit or loss.	-212,405.21	-2,064,954.32
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss.		
2.Gains and losses from changes in fair value available for sale financial assets	-59,143.98	-1,951,751.34
3.Held-to-maturity investments reclassified to gains and losses of available for sale financial assets		
4.The effective portion of cash flow hedges and losses		
5.Translation differences in currency financial statements	-153,261.23	-113,202.98
6.Other		
VI. Total comprehensive income	8,926,427.22	7,356,815.46
VII. Earnings per share:		
(I) Basic earnings per share		
(II)Diluted earnings per share		

5. Consolidated Cash flow statement

In RMB

Items	Amount in this period	Amount in last period
I.Cash flows from operating activities		
Cash received from sales of goods or rendering of services	332,997,897.84	282,077,183.98
Net increase of customer deposits		

and capital kept for brother company		
Net increase of loans from central bank		
Net increase of inter-bank loans from other financial bodies		
Cash received against original insurance contract		
Net cash received from reinsurance business		
Net increase of client deposit and investment		
Net increase of the financial assets that are measured at fair value and whose movement is counted to the current gain and loss		
Cash received as interest, processing fee and commission		
Net increase of inter-bank fund received		
Net increase of repurchasing business		
Tax returned	16,312,968.63	23,406,358.83
Other cash received from business operation	27,659,546.06	6,956,677.38
Sub-total of cash inflow	376,970,412.53	312,440,220.19
Cash paid for purchasing of merchandise and services	468,216,518.39	267,500,872.97
Net increase of client trade and advance		
Net increase of savings n central bank and brother company		
Cash paid for original contract claim		
Cash paid for interest, processing fee and commission		
Cash paid for policy dividend		
Cash paid to staffs or paid for staffs	37,100,889.42	36,779,440.93
Taxes paid	23,364,848.38	8,357,518.72
Other cash paid for business activities	34,063,115.30	23,437,627.41
Sub-total of cash outflow from business activities	562,745,371.49	336,075,460.03

Cash flow generated by business operation, net	-185,774,958.96	-23,635,239.84
II.Cash flow generated by investing		
Cash received from investment retrieving		
Cash received as investment gains	8,456,069.65	
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets	230.00	110.00
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received	1,450,000,000.00	
Sub-total of cash inflow due to investment activities	1,458,456,299.65	110.00
Cash paid for construction of fixed assets, intangible assets and other long-term assets	107,695,577.41	66,196,756.21
Cash paid as investment		
Net increase of loan against pledge		
Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities	1,365,003,820.51	
Sub-total of cash outflow due to investment activities	1,472,699,397.92	66,196,756.21
Net cash flow generated by investment	-14,243,098.27	-66,196,646.21
III.Cash flow generated by financing		
Cash received as investment		
Incl: Cash received as investment from minor shareholders		
Cash received as loans	17,429,437.87	178,515,198.46
Cash received from bond placing		
Other financing –related ash received		6.38
Sub-total of cash inflow from financing activities	17,429,437.87	178,515,204.84
Cash to repay debts	12,456,518.01	200,526,057.88
Cash paid as dividend, profit, or		

interests		
Incl: Dividend and profit paid by subsidiaries to minor shareholders		
Other cash paid for financing activities		
Sub-total of cash outflow due to financing activities	12,456,518.01	200,526,057.88
Net cash flow generated by financing	4,972,919.86	-22,010,853.04
IV. Influence of exchange rate alternation on cash and cash equivalents	-187,390.72	516,485.66
V.Net increase of cash and cash equivalents	-195,232,528.09	-111,326,253.43
Add: balance of cash and cash equivalents at the beginning of term	930,114,436.57	748,658,875.60
VI ..Balance of cash and cash equivalents at the end of term	734,881,908.48	637,332,622.17

6. Cash Flow Statement of the Parent Company

In RMB

Items	Amount in this period	Amount in last period
I.Cash flows from operating activities		
Cash received from sales of goods or rendering of services	16,476,892.65	15,537,748.34
Tax returned		
Other cash received from business operation	2,938,581.55	3,691,691.07
Sub-total of cash inflow	19,415,474.20	19,229,439.41
Cash paid for purchasing of merchandise and services	793,419.49	852,163.87
Cash paid to staffs or paid for staffs	4,778,841.65	5,890,930.96
Taxes paid	3,411,930.91	5,807,699.10
Other cash paid for business activities	1,548,739.26	723,461.72
Sub-total of cash outflow from business activities	10,532,931.31	13,274,255.65
Cash flow generated by business operation, net	8,882,542.89	5,955,183.76
II.Cash flow generated by investing		

Cash received from investment retrieving		
Cash received as investment gains	1,447,736.32	7,798,378.51
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets		
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received		
Sub-total of cash inflow due to investment activities	1,447,736.32	7,798,378.51
Cash paid for construction of fixed assets, intangible assets and other long-term assets	240,160.00	2,816,314.89
Cash paid as investment		
Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities	70,000,000.00	
Sub-total of cash outflow due to investment activities	70,240,160.00	2,816,314.89
Net cash flow generated by investment	-68,792,423.68	4,982,063.62
III. Cash flow generated by financing		
Cash received as investment		
Cash received as loans		
Cash received from bond placing		6.38
Other financing –related ash received		
Sub-total of cash inflow from financing activities		6.38
Cash to repay debts		
Cash paid as dividend, profit, or interests		
Other cash paid for financing activities		
Sub-total of cash outflow due to financing activities		
Net cash flow generated by financing		6.38
IV. Influence of exchange rate		

alternation on cash and cash equivalents		
V.Net increase of cash and cash equivalents	-59,909,880.79	10,937,253.76
Add: balance of cash and cash equivalents at the beginning of term	440,685,610.11	271,582,749.03
VI ..Balance of cash and cash equivalents at the end of term	380,775,729.32	282,520,002.79

II. Auditor' report

Is the First Quarterly Report be audited?

Yes No

The First Quarterly report is not audited.

The Board of Directors of Shenzhen Textile (Holdings) Co., Ltd.

April 29,2017