



Dongfeng Sci-Tech Group CO., LTD.

THE THIRD QUARTERLY REPORT FOR 2018

October 2018

Section I. Important Notes

Board of Directors and the Supervisory Committee of Dongfeng Sci-Tech Group Co., Ltd. (hereinafter referred to as the Company) and its directors, supervisors and senior executives hereby confirm that there are no any fictitious statements, misleading statements, or important omissions carried in this report, and shall take all responsibilities, individual and/or joint, for the reality, accuracy and completion of the whole contents.

All directors of the Company are attended the Meeting for quarterly report deliberation.

Principal of the Company Zhao Yongsheng, Person in Charge of Accounting Works Zhao Yongsheng and Person in Charge of Accounting Organ (Accounting Officer) Liu Fengguo hereby confirm that the Financial Report of the Third Quarterly Report is authentic, accurate and complete.

Note: The Report is prepared in bilingual versions of Chinese and English respectively, in the event of any discrepancy in understanding the two aforementioned versions, the Chinese version shall prevail.

Section II. Basic information of Company

I. Main accounting data and index

Whether it has retroactive adjustment or re-statement on previous accounting data or not

Yes No

	Current period-end	Period-end of last year	Increase/decrease	
Total assets (RMB)	557,365,690.04	503,762,445.04	10.64%	
Net assets attributable to shareholders of listed company (RMB)	368,834,195.17	363,928,776.87	1.35%	
	Current period	Increase/decrease in comparison with same period of last year	Year-begin to end of the Period	Increase/decrease in comparison with year-begin to Period-end of last year
Operating revenue (RMB)	15,883,771.67	3,292.95%	95,699,640.45	-6.21%
Net profit attributable to shareholders of the listed company (RMB)	8,356,632.89	22,862.15%	3,145,874.67	198.85%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB)	-10,105,275.24	-5,916.25%	-18,321,182.88	-449.09%
Net cash flow arising from operating activities (RMB)	--	--	24,905,339.48	151.27%
Basic earnings per share (RMB/Share)	0.0118	11,900.00%	0.0045	200.00%
Diluted earnings per share (RMB/Share)	0.0118	11,900.00%	0.0045	200.00%
Weighted average ROE	2.27%	2.28%	0.86%	1.75%

Items and amount of extraordinary profit (gains)/losses

Applicable Not applicable

In RMB

Item	Amount from year-begin to end of the Period	Note
Gains/losses from the disposal of non-current asset (including the write-off that accrued for impairment of assets)	219,005.95	

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)	2,890,000.00	Received energy-saving subsidy from the government.
Gains and losses arising from contingent proceedings irrelevant to normal operation of the Company	18,502,300.54	Income from disposal of subsidiary.
Other non-operating income and expenditure except for the aforementioned items	-144,248.94	
Total	21,467,057.55	--

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. Statement of the total shareholders and shares-held of top ten shareholders at end of the Period

1. 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	18,756	Total preference shareholders with voting rights recovered at end of reporting period (if applicable)	0			
Top ten shareholders						
Shareholders	Nature of shareholder	Proportion of shares held	Amount of shares held	Amount of non-tradable shares held	Number of share pledged/frozen	
					State of share	Amount
Wang Dong	Domestic natural person	29.49%	208,324,800	208,324,800		
China Everbright Securities (HK) Limited	Foreign corporate	12.80%	90,432,845	0		
GUOTAI JUNAN SECURITIES(H	Foreign corporate	6.73%	47,561,344	0		

ONGKONG) LIMITED						
Chengde North Industrial Corporation	Domestic non-state owned legal person	2.62%	18,517,651	18,517,651		
Shen wan Hongyuan securities (Hong Kong) Co., LTD.	Foreign corporate	2.01%	14,181,761	0		
Wang Zhengsong	Domestic natural person	1.89%	13,327,891	13,327,891		
Wang Wensheng	Domestic natural person	1.03%	7,258,007	0		
Zhou Haihong	Domestic natural person	0.95%	6,708,495	0		
Li Tianyun	Domestic natural person	0.72%	5,111,100	0		
Zhao Ziyang	Domestic natural person	0.46%	3,248,916	0		
Tradable shares held by top 10 shareholders						
Shareholders	Amount of tradable shares held	Type of shares				
		Type	Amount			
China Everbright Securities (HK) Limited	90,432,845	Domestically listed foreign shares	90,432,845			
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	47,561,344	Domestically listed foreign shares	47,561,344			
Shen wan Hongyuan securities (Hong Kong) Co., LTD.	14,181,761	Domestically listed foreign shares	14,181,761			
Wang Wensheng	7,258,007	Domestically listed foreign shares	7,258,007			
Zhou Haihong	6,708,495	Domestically listed foreign shares	6,708,495			
Li Tianyun	5,111,100	Domestically listed foreign	5,111,100			

		shares	
Zhao Ziyang	3,248,916	Domestically listed foreign shares	3,248,916
Peng Wei	2,978,525	Domestically listed foreign shares	2,978,525
Su Youhe	2,242,373	Domestically listed foreign shares	2,242,373
Tang Haiming	1,866,800	Domestically listed foreign shares	1,866,800
Explanation on associated relationship among the aforesaid shareholders	The Company is unknown whether there exists associated relationship or belongs to consistent actor regulated by “management method for acquisition of listed company” among the above said shareholders.		
Explanation on shareholders involving margin business about top ten common shareholders (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 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 of shareholders with preferred stock held and the top ten shareholdings

Applicable Not applicable

Section III. Important events

I. Particular about major changes from items of main accounting statements and financial indexes as well as reasons

√ Applicable □ Not applicable

Serial	Item	Closing balance /Amount in the period	Opening balance /Amount in last period	Changes		Reasons
				Amount	Ratio	
1	Monetary fund	31,703,301.18	74,805,209.06	-43,101,907.88	-57.62%	Caused by the account paid in advance for engineering
2	Account paid in advance	220,202,936.74	183,595.06	220,019,341.68	119839.47%	Caused by the account paid in advance for engineering
3	Other receivables	31,122,942.26	58,740,204.94	-27,617,262.68	-47.02%	Account of lands collected in the period
4	Stocks	157,152,871.56	234,653,825.84	-77,500,954.28	-33.03%	The development products are carry-over in the period
5	Other current assets	3,804,572.09	34,559,505.29	-30,754,933.20	-88.99%	The tax paid in advance was carry-over to gains/losses and financial products redemption in the period
6	Investment real estate		4,236,346.34	-4,236,346.34	-100.00%	Investment real estate declined due to the subsidiary disposal in the period
7	Fixed assets	19,313,525.12	9,674,396.99	9,639,128.13	99.64%	Purchase new houses and buildings in the period
8	Construction in progress	10,165,795.82	2,267,164.04	7,898,631.78	348.39%	Costs from construction in progress increased in the period
9	Development expenditure	9,391,639.44	3,513,561.56	5,878,077.88	167.30%	Costs from development projects increased in the period
10	Other non current assets		10,427,021.55	-10,427,021.55	-100.00%	Account paid in advance for lands are transfer to intangible assets
11	Account payable	6,524,693.67	15,487,833.06	-8,963,139.39	-57.87%	Caused by the account paid for engineering
12	Account received in advance	33,897,963.50	64,165,709.37	-30,267,745.87	-47.17%	Account received in advance for houses are carry-over to revenue in the period
13	Employee compensation payable	725,445.80	2,201,668.93	-1,476,223.13	-67.05%	Salary are paid in the period

14	Tax payable	228,844.77	13,171,059.13	-12,942,214.36	-98.26%	Income tax paid in the period
15	Other payable	18,991,964.49	25,952,193.34	-6,960,228.85	-26.82%	Intercourse funds declined in the period
16	Long-term loans	99,910,000.00		99,910,000.00		Bank loans increased in the period
17	Business tax and surcharge	3,324,122.85	2,411,037.70	913,085.15	37.87%	Accrual taxes increased due to the increase of sales in houses
18	Management expense	21,114,670.20	17,175,859.65	3,938,810.55	22.93%	The enterprises included in combination scope increased over that of last year
19	Other income	2,890,000.00		2,890,000.00		Received energy-saving subsidy from the government in the period
20	Investment income	18,683,998.38		18,683,998.38		Income from disposal of subsidiary in the period
21	Net cash flow arising from operating activities	24,905,339.48	-48,576,810.42	73,482,149.90	151.27%	Received more intercourse funds in the period
22	Net cash flow arising from investment activities	-167,207,550.45	85,141,448.45	-252,348,998.90	-296.39%	Account paid for construction in progress in the period
23	Net cash flow arising from financing activities	102,850,300.00	-675,500.00	103,525,800.00	15325.80%	Received loans from the bank in the period

II. Progress and influence of the main events as well as solution analysis specification

√ Applicable □ Not applicable

No follow-up

Highlights	Date of disclosure	Interim report disclosure website query index
On August 14, 2018, the second meeting of the seventh board of directors of the company deliberated and passed the motion on selling 100% equity of the wholly-owned subsidiary, agreeing to transfer 100% equity of chengde nanjiang trading co., ltd. held by the company to chengde chengjin trading co., ltd. in chengde county at the transfer price of	2018-08-15	For details, please refer to the announcement of selling 100% equity of the wholly-owned subsidiary disclosed by the company on August 15, 2018 in the securities times, the Hong Kong commercial daily and the giant wave information website (www.cninfo.com.cn) : 2018-028.
	2018-09-01	For details, please refer to the notice of

<p>22,639.5 thousand yuan. The company received the equity transfer payment of 22,639.5 thousand yuan on August 29, 2018. The profit and loss resulting from the sale of 100% stake in nanjiang trading is 18,502.3 thousand yuan.</p>		<p>completion of the sale of 100% equity of the wholly-owned subsidiary disclosed by the company on September 1, 2018 in the securities times, the Hong Kong commercial daily and the giant wave information website (www.cninfo.com.cn) : 2018-033.</p>
--	--	--

III. Commitments that the actual controller, shareholders, related parties, offeror and the Company have fulfilled during the reporting period and have not yet fulfilled by the end of reporting period

Applicable Not applicable

There are no Commitments that the actual controller, shareholders, related parties, offeror and the Company have fulfilled during the reporting period and have not yet fulfilled by the end of reporting period.

IV. Estimation of operation performance for year of 2018

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. Particular about security investment

Applicable Not applicable

The Company had no security investment in Period.

VI. Trust financing

Applicable Not applicable

In 10 thousand Yuan

Type	Capital resources	Amount for entrust	Balance un-expired	Overdue amount
Bank financing product	Own funds	2,790	200	0
Total		2,790	200	0

Details of the single major amount, or high-risk trust investment with low security, poor fluidity and non-guaranteed:

Applicable Not applicable

Entrust financial expected to be unable to recover the principal or impairment might be occurred

Applicable Not applicable

VII. Particulars about derivatives investment

Applicable Not applicable

The Company had no derivatives investment in Period.

VIII. Registration form of receiving research, communication and interview in the report period

Applicable Not applicable

Time	Way	Type	Basic situation index of investigation
2018-08-02	Telephone	Personal	Operation condition of the Company, no material provided
2018-09-28	Telephone	Personal	Current status of the Company and no material provided

IX. Guarantee outside against the regulation

Applicable Not applicable

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

X. 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 Dongfeng Sci-Tech Group CO., LTD.

2018-09-30

In RMB

Item	Balance at period-end	Balance at period-begin
Current assets:		
Monetary funds	31,703,301.18	74,805,209.06
Settlement provisions		
Capital lent		
Financial assets measured by fair value and with variation reckoned into current gains/losses		
Derivative financial assets		
Notes receivable and accounts receivable	68,608.00	17,608.00
Including: Notes receivable		
Accounts receivable	68,608.00	17,608.00
Accounts paid in advance	220,202,936.74	183,595.06
Insurance receivable		
Reinsurance receivables		
Contract reserve of reinsurance receivable		
Other receivables	31,122,942.26	58,740,204.94
Purchase restituted finance asset		
Inventories	157,152,871.56	234,653,825.84
Assets held for sale		
Non-current asset due within one year		
Other current assets	3,804,572.09	34,559,505.29
Total current assets	444,055,231.83	402,959,948.19
Non-current assets:		

Loans and payments on behalf		
Finance asset available for sales	16,670,403.13	16,670,403.13
Held-to-maturity investment		
Long-term account receivable		
Long-term equity investment		
Investment property		4,236,346.34
Fixed assets	19,313,525.12	9,674,396.99
Construction in progress	10,165,795.82	2,267,164.04
Productive biological asset	128,525.00	17,971.39
Oil and gas asset		
Intangible assets	55,183,516.30	51,705,311.04
Expense on Research and Development	9,391,639.44	3,513,561.56
Goodwill	1,543,786.41	1,294,711.56
Long-term expenses to be apportioned	137,621.58	219,963.84
Deferred income tax asset	775,645.41	775,645.41
Other non-current asset		10,427,021.55
Total non-current asset	113,310,458.21	100,802,496.85
Total assets	557,365,690.04	503,762,445.04
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 and accounts payable	6,524,693.67	15,487,833.06
Accounts received in advance	33,897,963.50	64,165,709.37
Selling financial asset of repurchase		
Commission charge and commission payable		
Wage payable	725,445.80	2,201,668.93
Taxes payable	228,844.77	13,171,059.13
Other accounts payable	18,991,964.49	25,952,193.34

Reinsurance payables		
Insurance contract reserve		
Security trading of agency		
Security sales of agency		
Liability held for sale		
Non-current liabilities due within 1 year		
Other current liabilities		
Total current liabilities	60,368,912.23	120,978,463.83
Non-current liabilities:		
Long-term loans	99,910,000.00	
Bonds payable		
Including: preferred stock		
Perpetual capital securities		
Long-term account payable		
Long-term wages payable		
Projected liabilities		
Deferred income		
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	99,910,000.00	
Total liabilities	160,278,912.23	120,978,463.83
Owner's equity:		
Share capital	706,320,000.00	706,320,000.00
Other equity instrument		
Including: preferred stock		
Perpetual capital securities		
Capital public reserve	463,681,309.55	463,681,309.55
Less: Inventory shares		
Other comprehensive income		
Reasonable reserve		
Surplus public reserve	76,791,550.17	76,791,550.17
Provision of general risk		
Retained profit	-877,958,664.55	-882,864,082.85
Total owner's equity attributable to parent company	368,834,195.17	363,928,776.87

Minority interests	28,252,582.64	18,855,204.34
Total owner's equity	397,086,777.81	382,783,981.21
Total liabilities and owner's equity	557,365,690.04	503,762,445.04

Legal representative: Zhao Yongsheng

Person in charge of accounting works: Zhao Yongsheng

Person in charge of accounting institution: Liu Fengguo

2. Balance Sheet of Parent Company

In RMB

Item	Balance at period-end	Balance at period-begin
Current assets:		
Monetary funds	9,241,450.74	12,091,839.66
Financial assets measured by fair value and with variation reckoned into current gains/losses		
Derivative financial assets		
Notes receivable and accounts receivable		
Including: Notes receivable		
Accounts receivable		
Account paid in advance	280,000.00	5,000.33
Other receivables	134,965,669.49	27,954,251.88
Inventories	155,964,063.76	234,077,374.89
Assets held for sale		
Non-current assets maturing within one year		
Other current assets	695,061.59	1,709,204.34
Total current assets	301,146,245.58	275,837,671.10
Non-current assets:		
Available-for-sale financial assets	16,670,403.13	16,670,403.13
Held-to-maturity investments		
Long-term receivables		
Long-term equity investments	242,803,036.40	248,114,466.37
Investment property		
Fixed assets	1,609,510.34	1,826,078.88
Construction in progress		
Productive biological assets		

Oil and natural gas assets		
Intangible assets		
Research and development costs		
Goodwill		
Long-term deferred expenses		
Deferred income tax assets	750.00	750.00
Other non-current assets		
Total non-current assets	261,083,699.87	266,611,698.38
Total assets	562,229,945.45	542,449,369.48
Current liabilities:		
Short-term borrowings		
Financial liability measured by fair value and with variation reckoned into current gains/losses		
Derivative financial liability		
Notes payable and accounts payable	6,263,184.67	15,157,800.54
Accounts received in advance	31,490,351.47	62,427,764.58
Wage payable		596,118.22
Taxes payable	154,488.10	43,262.13
Other accounts payable	332,062,019.22	325,994,266.48
Liability held for sale		
Non-current liabilities due within 1 year		
Other current liabilities		
Total current liabilities	369,970,043.46	404,219,211.95
Non-current liabilities:		
Long-term loans		
Bonds payable		
Including: preferred stock		
Perpetual capital securities		
Long-term account payable		
Long-term wages payable		
Projected liabilities		
Deferred income		
Deferred income tax liabilities		

Other non-current liabilities		
Total non-current liabilities		
Total liabilities	369,970,043.46	404,219,211.95
Owners' equity:		
Share capita	706,320,000.00	706,320,000.00
Other equity instrument		
Including: preferred stock		
Perpetual capital securities		
Capital public reserve	456,569,124.55	456,569,124.55
Less: Inventory shares		
Other comprehensive income		
Reasonable reserve		
Surplus reserve	76,791,550.17	76,791,550.17
Retained profit	-1,047,420,772.73	-1,101,450,517.19
Total owner's equity	192,259,901.99	138,230,157.53
Total liabilities and owner's equity	562,229,945.45	542,449,369.48

3. Consolidated Profit Statement (the period)

In RMB

Item	Current Period	Last Period
I. Total operating income	15,883,771.67	468,140.80
Including: Operating income	15,883,771.67	468,140.80
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	26,055,730.88	670,593.24
Including: Operating cost	15,168,302.53	608,520.79
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	554,873.79	-5,441,948.84
Sales expenses	22,550.00	7,900.00
Administration expenses	6,627,615.47	6,627,664.13
R&D expenses	3,424,945.38	
Financial expenses	257,443.71	-1,131,542.84
Including: Interest expenses	334206.37	
Interest income	83142.52	1138174.5
Losses of devaluation of asset		
Add: other income		
Investment income (Loss is listed with “-”)	18,550,677.50	
Including: Investment income on affiliated company and joint venture		
Changing income of fair value(Loss is listed with “-”)		
Exchange income (Loss is listed with “-”)		
Income from assets disposal (Loss is listed with “-”)	237,690.63	
III. Operating profit (Loss is listed with “-”)	8,616,408.92	-202,452.44
Add: Non-operating income		859,589.18
Less: Non-operating expense	326,460.00	728,335.62
IV. Total Profit (Loss is listed with “-”)	8,289,948.92	-71,198.88
Less: Income tax expense		
V. Net profit (Net loss is listed with “-”)	8,289,948.92	-71,198.88
(i) net profit from continuous operation (Net loss is listed with “-”)	8,289,948.92	-71,198.88
(ii) net profit from discontinued operation (Net loss is listed with “-”)		
Net profit attributable to owner’s of	8,356,632.89	-36,712.84

parent company		
Minority shareholders' gains and losses	-66,683.97	-34,486.04
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	8,289,948.92	-71,198.88
Total comprehensive income attributable to owners of parent Company	8,356,632.89	-36,712.84
Total comprehensive income attributable to minority shareholders	-66,683.97	-34,486.04
VIII. Earnings per share:		
(i) Basic earnings per share	0.0118	-0.0001
(ii) Diluted earnings per share	0.0118	-0.0001

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: Zhao Yongsheng

Person in charge of accounting works: Zhao Yongsheng

Person in charge of accounting institution: Liu Fengguo

4. Profit Statement of Parent Company (the period)

In RMB

Item	Current Period	Last Period
I. Operating income	15,522,405.66	7,924,528.32
Less: Operating cost	14,760,821.72	11,410.58
Operating tax and extras	437,422.88	-5,641,378.70
Sales expenses	22,550.00	7,900.00
Administration expenses	3,130,251.48	2,759,656.21
R&D expenses		
Financial expenses	578.13	-1,810.98
Including: Interest expenses		
Interest income	18744.82	6563.81
Losses of devaluation of asset		
Add: other income		
Investment income (Loss is listed with “-”)	17,376,446.99	
Including: Investment income on affiliated company and joint venture		
Changing income of fair value(Loss is listed with “-”)		

Income from assets disposal (Loss is listed with “-”)		
II. Operating profit (Loss is listed with “-”)	14,547,228.44	10,788,751.21
Add: Non-operating income		
Less: Non-operating expense	26,460.00	32,935.89
III. Total Profit (Loss is listed with “-”)	14,520,768.44	10,755,815.32
Less: Income tax expense		
IV. Net profit (Net loss is listed with “-”)	14,520,768.44	10,755,815.32
(i) net profit from continuous operation (Net loss is listed with “-”)	14,520,768.44	10,755,815.32
(ii) net profit from discontinued operation (Net loss is listed with “-”)		
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	14,520,768.44	10,755,815.32
VII. Earnings per share:		
(i) Basic earnings per share		
(ii) Diluted earnings per share		

5. Consolidated Profit Statement (form the year-begin to the period-end)

In RMB

Item	Current Period	Last Period
I. Total operating income	95,699,640.45	102,032,135.27
Including: Operating income	95,699,640.45	102,032,135.27
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	114,139,960.38	105,464,969.37
Including: Operating cost	87,135,797.74	87,377,746.98
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	3,324,122.85	2,411,037.70
Sales expenses	27,452.12	323,735.82
Administration expenses	21,114,670.20	17,175,859.65
R&D expenses	3,424,945.38	
Financial expenses	-887,027.91	-1,822,812.79
Including: Interest expenses	334206.37	
Interest income	977546.69	1847762.03
Losses of devaluation of asset		-597.99
Add: other income	2,890,000.00	
Investment income (Loss is listed with “-”)	18,683,998.38	
Including: Investment income on affiliated company and joint venture		
Changing income of fair value(Loss is listed with “-”)		
Exchange income (Loss is listed with “-”)		
Income from assets disposal (Loss is listed with “-”)	219,005.95	
III. Operating profit (Loss is listed with “-”)	3,352,684.40	-3,432,834.10
Add: Non-operating income	3,121.00	889,710.45
Less: Non-operating expense	329,067.78	735,448.66
IV. Total Profit (Loss is listed with “-”)	3,026,737.62	-3,278,572.31
Less: Income tax expense	110,309.68	
V. Net profit (Net loss is listed with “-”)	2,916,427.94	-3,278,572.31
(i) net profit from continuous operation (Net loss is listed with “-”)	2,916,427.94	-3,278,572.31
(ii) net profit from discontinued operation (Net loss is listed with “-”)		
Net profit attributable to owner’s of parent company	3,145,874.67	-3,182,381.80
Minority shareholders’ gains and	-229,446.73	-96,190.51

losses		
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	2,916,427.94	-3,278,572.31
Total comprehensive income attributable to owners of parent Company	3,145,874.67	-3,182,381.80
Total comprehensive income attributable to minority shareholders	-229,446.73	-96,190.51
VIII. Earnings per share:		
(i) Basic earnings per share	0.0045	-0.0045
(ii) Diluted earnings per share	0.0045	-0.0045

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

6. Profit Statement of Parent Company (form the year-begin to the period-end)

In RMB

Item	Current Period	Last Period
I. Operating income	92,504,180.72	107,452,688.26
Less: Operating cost	83,615,674.53	83,890,961.05
Operating tax and extras	2,768,191.78	2,197,025.74
Sales expenses	22,550.00	209,616.00
Administration expenses	8,595,068.60	8,348,291.89
R&D expenses		
Financial expenses	-1,205.78	-9,566.34
Including: Interest expenses		
Interest income	18744.82	21464.52
Losses of devaluation of asset	-1,221,802.00	
Add: other income	2,890,000.00	
Investment income (Loss is listed with "-")	53,664,604.56	
Including: Investment income on affiliated company and joint venture		
Changing income of fair value(Loss is listed with "-")		
Income from assets disposal (Loss is listed with "-")		
II. Operating profit (Loss is listed	55,280,308.15	12,816,359.92

with “-”)		
Add: Non-operating income		
Less: Non-operating expense	28,761.69	32,935.89
III. Total Profit (Loss is listed with “-”)	55,251,546.46	12,783,424.03
Less: Income tax expense		
IV. Net profit (Net loss is listed with “-”)	55,251,546.46	12,783,424.03
(i) net profit from continuous operation (Net loss is listed with “-”)	55,251,546.46	
(ii) net profit from discontinued operation (Net loss is listed with “-”)		
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	55,251,546.46	12,783,424.03
VII. Earnings per share:		
(i) Basic earnings per share		
(ii) Diluted earnings per share		

7. Consolidated Cash Flow Statement (form the year-begin to the period-end)

In RMB

Item	Current Period	Last Period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	54,496,355.81	63,421,551.78
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	8,086,715.65	7,008,276.37
Other cash received concerning operating activities	50,127,468.85	13,062,541.13
Subtotal of cash inflow arising from operating activities	112,710,540.31	83,492,369.28
Cash paid for purchasing commodities and receiving labor service	10,956,984.72	93,858,520.62
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	15,828,825.66	11,101,387.11
Taxes paid	30,170,623.93	7,250,870.05
Other cash paid concerning operating activities	30,848,766.52	19,858,401.92
Subtotal of cash outflow arising from operating activities	87,805,200.83	132,069,179.70
Net cash flows arising from operating activities	24,905,339.48	-48,576,810.42
II. Cash flows arising from investing activities:		
Cash received from recovering investment	16,841,429.97	
Cash received from investment income	17,423,950.06	
Net cash received from disposal of fixed, intangible and other long-term assets	29,254,000.00	87,025,400.00

Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities		
Subtotal of cash inflow from investing activities	63,519,380.03	87,025,400.00
Cash paid for purchasing fixed, intangible and other long-term assets	237,339,854.85	1,883,951.55
Cash paid for investment		
Net increase of mortgaged loans		
Net cash received from subsidiaries and other units obtained	-6,612,924.37	
Other cash paid concerning investing activities		
Subtotal of cash outflow from investing activities	230,726,930.48	1,883,951.55
Net cash flows arising from investing activities	-167,207,550.45	85,141,448.45
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	99,910,000.00	
Cash received from issuing bonds		
Other cash received concerning financing activities	3,544,100.00	
Subtotal of cash inflow from financing activities	103,454,100.00	
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	603,800.00	675,500.00

financing activities		
Subtotal of cash outflow from financing activities	603,800.00	675,500.00
Net cash flows arising from financing activities	102,850,300.00	-675,500.00
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate	282,819.76	
V. Net increase of cash and cash equivalents	-39,169,091.21	35,889,138.03
Add: Balance of cash and cash equivalents at the period -begin	68,107,388.69	126,970,834.83
VI. Balance of cash and cash equivalents at the period -end	28,938,297.48	162,859,972.86

8. Cash Flow Statement of Parent Company (form the year-begin to the period-end)

In RMB

Item	Current Period	Last Period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	50,214,679.01	67,582,713.95
Write-back of tax received	86,715.65	7,008,276.37
Other cash received concerning operating activities	99,020,177.14	192,543,383.08
Subtotal of cash inflow arising from operating activities	149,321,571.80	267,134,373.40
Cash paid for purchasing commodities and receiving labor service	11,184,779.90	112,905,983.83
Cash paid to/for staff and workers	4,348,395.85	4,073,574.91
Taxes paid	8,462,050.45	6,588,210.80
Other cash paid concerning operating activities	162,791,532.38	130,470,350.80
Subtotal of cash outflow arising from operating activities	186,786,758.58	254,038,120.34
Net cash flows arising from operating	-37,465,186.78	13,096,253.06

activities		
II. Cash flows arising from investing activities:		
Cash received from recovering investment	5,311,429.97	
Cash received from investment income	30,304,604.56	
Net cash received from disposal of fixed, intangible and other long-term assets		3,678,200.00
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities		
Subtotal of cash inflow from investing activities	35,616,034.53	3,678,200.00
Cash paid for purchasing fixed, intangible and other long-term assets	8,720.00	7,199.00
Cash paid for investment		70,000,000.00
Net cash received from subsidiaries and other units		
Other cash paid concerning investing activities		
Subtotal of cash outflow from investing activities	8,720.00	70,007,199.00
Net cash flows arising from investing activities	35,607,314.53	-66,328,999.00
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	3,544,100.00	
Subtotal of cash inflow from financing activities	3,544,100.00	
Cash paid for settling debts		

Cash paid for dividend and profit distributing or interest paying		
Other cash paid concerning financing activities	603,800.00	675,500.00
Subtotal of cash outflow from financing activities	603,800.00	675,500.00
Net cash flows arising from financing activities	2,940,300.00	-675,500.00
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate		
V. Net increase of cash and cash equivalents	1,082,427.75	-53,908,245.94
Add: Balance of cash and cash equivalents at the period -begin	5,394,019.29	63,381,803.98
VI. Balance of cash and cash equivalents at the period -end	6,476,447.04	9,473,558.04

II. Audit report

Whether the 3rd quarterly report has been audited or not

Yes No

The 3rd quarterly report of the Company has not been audited.