



**Wafangdian Bearing Company Limited**

**the Q3 Report for 2019**

**2019-32**

**October 2019**

## Chapter I. Important Prompts

The board of directors, board of supervisors, directors, supervisors and the top management guarantee there is no false record, misleading statement or major omission in the report, and take responsibilities for the truth, accuracy and completeness of the contents.

All the directors attended the Board meeting and discussed the report.

The charger of company Mr. Liu Jun, financial controller Ms. Sun Najuan and the charger of accounting department Ms. Sun Najuan made the statement: guarantee the truth, completeness of the financial report of the third quarter report.

## Chapter II. Main financial dates and shareholder changes

### 2.1 Main accounting data and financial indicators

Whether the company needs to retroactively adjust or restate previous accounting data

Yes  No

Unit: Yuan

	current period	previous period	+/-comparing with the previous period	
Operating income(RMB)	3,078,785,798.86	3,298,167,332.49	-6.65%	
Net profit attributable to shareholders of the listed company (Yuan)	1,353,082,301.57	1,380,023,044.55	-1.95%	
	current period	+/-comparing with the previous period	2019.01-.09	+/-(-%) to period
Turnover(RMB)	439,006,040.14	-20.34%	1,396,545,440.56	-14.11%
Net profit attributable to shareholders of the listed company (RMB)	-18,609,107.09	-1,001.38%	-10,838,039.66	-301.51%
Net profit attributable to the shareholders of the listed company and after deducting of non-recurring gain/loss(RMB)	-21,897,768.34	1,820.19%	-15,704,197.56	484.96%
Net Cash flow generated by business operation(RMB)	--	--	103,430,260.88	-27.17%
Basic earnings per share(Yuan/share)	-0.046	-1,020.00%	-0.027	-307.69%
Diluted earnings per share(Yuan/share)	-0.046	-1,020.00%	-0.027	-307.69%
Net assets yield (%)	-1.40%	-16.40%	-0.80%	-39.80%

### Abnormal profit and loss items

Applicable Not applicable

Unit: Yuan

item	2019.01-.09	Explanation
Profit and loss on disposal of non-current assets (including write-off part of impairment provision for assets)	1,247,643.07	
Government subsidies included in current profits and losses(closely related to the business of the enterprise, except the government subsidies enjoyed in accordance with the unified national standard or quota)	5,118,102.33	
Profits and losses relating to the debt restructure	-2,177,441.64	
Other non-business income and expenditures other than the above	832,944.53	
Less: Influenced amount of income tax	155,090.39	
total	4,866,157.90	--

For the company according to the company information disclosure of securities for public issuance explanatory announcement no. 1 - non-recurring profit and loss "define non-recurring gains and losses as defined in the project, and put the company information disclosure of securities for public issuance explanatory announcement no. 1 - non-recurring profit and loss of non-recurring profit and loss items defined as listed in the current profits and losses of the project, should explain the reasons.

Applicable Inapplicable

During the reporting period of the company, there is no circumstance that the items listed in the explanatory announcement no. 1 on disclosure of information of companies publicly issuing securities are defined as the items of recurring gains and losses.

## 2.2. The statement of total number of shareholders and the first 10 shareholders of current shares in the end of the report period

1. The total number of common shareholders and preferred shareholders whose voting rights have been restored and the shareholding table of the top 10 shareholders

**Unit: Share**

Report the total number of common shareholders at the end of the period	6,432	Reporting the total number of preferred shareholders whose voting rights were restored at the end of the period (if any)	0			
The situation of the first 10 shareholders of current shares						
Name	Nature	Ratio (%)	Total shares held	Non-current shares held	Impawnd or Frozen Shares	
					Status	Amount
Wafangdian Bearing Group Corporation	State-owned shareholder	60.61%	244,000,000	244,000,000		
AKTIEBOLAGET SKF	Foreign shareholder	19.70%	79,300,000			
MerchantsSecurities Limited Hong Kong Company	State-owned shareholder	1.79%	7,213,492			
Huang Junyue	Domestic shareholder	1.62%	6,528,768			
Hu Xiaofeng	Domestic shareholder	0.47%	1,879,277			
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	Foreign shareholder	0.35%	1,427,406			
Jin Yunhua	Domestic shareholder	0.27%	1,091,256			
Chen Haitao	Domestic shareholder	0.19%	750,996			
MAN,KWAI WING 文贵荣	Foreign private shareholder	0.18%	713,101			
Meng Qingliang	Domestic shareholder	0.17%	694,948			
The situation of the first 10 shareholders of current shares						
Name	Holding the number of listed shares in circulation	Category of Shares				
		Categories	Amount			
AKTIEBOLAGET SKF	79,300,000	B	79,300,000			
MerchantsSecurities Limited Hong Kong Company	7,213,492	B	7,213,492			
Huang Junyue	6,528,768	B	6,528,768			
Hu Xiaofeng	1,879,277	B	1,879,277			
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	1,427,406	B	1,427,406			
Jin Yunhua	1,091,256	B	1,091,256			
Chen Haitao	750,996	B	750,996			
MAN,KWAI WING 文贵荣	713,101	B	713,101			
Meng Qingliang	694,948	B	694,948			
Zhou Lin	575,100	B	575,100			
Notes to relationship or "action in concert"among the top ten shareholders.	There was no relationship and consistent activities between the first big shareholder and other shareholders or the top ten common stock holders; The relationship among other shareholders, top ten circulation shareholders, top ten circulation shareholders and other shareholders was not clear.					

## Chapter III. Important Items

### 3.1 The great changes in company's key financial statement, financial indicators, and the reasons

√Applicable    □Not applicable

Unite:0000Yuan

No.	Items	End of period	Beginning period	+/- (%) to period	Explanation
1	Other receivables	3,271	9,226	-64.55%	The subsidiary received the land payment from the land reserve center in this period
2	Payable taxes	488	724	-32.60%	It is basically should pay value added tax to fall than at the beginning of the year
3	Other payables	8141	13185	-38.26%	This period is mainly to pay the real estate development company
4	Financial assets measured at fair value and recorded in the current profit and loss	0	30	-100.00%	This period is mainly recorded as "trading financial assets" according to the new financial instruments standards.
	<b>Items</b>	<b>2019.1.1 -9.30</b>	<b>Last period</b>	<b>+/- (%) to period</b>	<b>Explanation</b>
5	Impairment loss of assets (marked with "-")	-55	1	-5600.00%	The main period is the write-off of bad accounts receivable
6	Non-operating cost	527	86	512.79%	The main reason is the year-on-year increase in debt restructuring losses
7	Income tax expenses	0	-28	-100.00%	Mainly the income tax refunded by the tax bureau in the same period last year
8	Net profit	-1084	538	-301.49%	This was mainly due to a decrease in operating profit and an increase in net non-operating expenses
9	Other cash received in connection with operating activities	6452	204	3062.75%	The subsidiary received the land payment from the land reserve center in this period
10	Tax payments	3235	5744	-43.68%	It is the value added tax that is handed in this period and additional collect tax to fall greatly year on year
11	Other cash paid relating to operating activities	13847	7488	84.92%	It is the money that estate development company owes before current period pays basically
12	Net cash received from disposal of fixed assets, intangible assets and other long-term assets	306	161	90.06%	This is mainly the disposal of fixed assets received cash year-on-year increase
13	Cash paid to acquire fixed assets, intangible assets and other long-term assets	121	224	-45.98%	This period is mainly the purchase and construction of fixed assets to pay cash decreased
14	Obtain the cash received from the loan	65,500	19,500	235.90%	Mainly by the impact of loans, so that this period to obtain loans received by the cash increase
15	Other proceeds relating to financing activities	16,195	44,379	-63.51%	Cash received through other means of financing, such as discounting, was lower than the same period last year
16	Repayment of borrowings	62,000	36,706	68.91%	Mainly by the impact of loans, so that this period of repayment of the cash paid by the loan increased year-on-year
17	Effects of foreign exchange rate changes on cash	44	80	-45.00%	Mainly by the current dollar deposit and exchange rate changes

### 3.2 The situation of major items in progress and the analysis explanation on its effect and

### resolved proposal.

Applicable  Not applicable

### 3.3 The company's actual controllers, shareholders, related parties, acquirers and the company promise that the relevant parties have overfulfilled their commitments during the reporting period.

Applicable  Not applicable

### 3.4 Portfolio investment.

Applicable  Not applicable

### 3.5 Entrust finance

Applicable  Not applicable

### 3.6 Derivatives investments

Applicable  Not applicable

### 3.7 Reception of investigations, communications, or interviews in the report period

Time/date	Way	Type of visitors	Visitors	Index catalog
2019.07.18	Telephone communication	Private investor	Private investor	Understand the company's production and operation status
2019.08.20	Telephone communication	Private investor	Private investor	Understand the company's production and operation status

### 3.8 Violation of guaranty

Applicable  Not applicable

### 3.9 Controlling shareholders and their related parties' non-operational appropriation of funds for listed companies

Applicable  Not applicable

## Chapter IV Financial report

### I. financial statements

#### Consolidated Balance Sheet.

Establishment unit: Wafangdian Bearing Co., LTD

2019.09.30

Unit: RMB Yuan

Item	2019.9.30	2018.12.31
<b>Current assets :</b>		
Monetary fund	200,492,612.57	247,229,860.99
Financial assets held-for-trading	283,516.65	
Financial asset measured at FV and any change recognized in income		298,925.16
Bills receivable	97,242,607.67	93,624,563.82
Account receivable	1,073,715,762.24	1,141,632,991.76
Account paid in advance	21,991,016.70	21,885,856.45
Other receivables	32,708,158.77	92,255,736.14
Include:Interest receivable		

Dividend receivable	1,250,000.00	1,250,000.00
Inventory	766,533,203.97	747,511,054.75
Other current assets	10,001,176.61	14,184,383.36
<b>Total current assets</b>	<b>2,202,968,055.18</b>	<b>2,358,623,372.43</b>
<b>Non-current assets</b>		
Financial assets available-for-sale	2,000,000.00	2,000,000.00
Other equity instruments investment	9,926,856.64	
Investment property	124,515,780.06	129,270,498.66
Fixed assets	599,407,729.71	661,598,663.85
Construction in progress	44,067,086.19	48,159,927.20
Intangible assets	83,291,163.35	85,667,085.86
Long-term prepaid expense	969,879.70	1,208,536.46
Deferred tax assets	11,639,248.03	11,639,248.03
Other non-current assets		
<b>Total non-current assets</b>	<b>875,817,743.68</b>	<b>939,543,960.06</b>
<b>Total assets</b>	<b>3,078,785,798.86</b>	<b>3,298,167,332.49</b>
<b>Current liabilities:</b>		
Short-term loan	655,000,000.00	620,000,000.00
Note payable	300,134,618.98	343,636,065.16
Accounts payable	591,295,618.32	714,437,792.49
Accounts received in advance	16,332,485.37	21,286,971.52
Accrued payroll	12,077,580.50	12,248,327.93
Tax payable	4,883,436.13	7,242,006.46
Other payables	81,412,244.69	131,854,654.39
Interest payable	177,000.00	748,135.28
Dividends payable	360,000.00	360,000.00
Other current liabilities	4,920,248.12	4,920,248.12
<b>Total current liabilities</b>	<b>1,666,056,232.11</b>	<b>1,855,626,066.07</b>
<b>Non-current liabilities</b>		
Long-term payables	396,698.98	396,698.98
Deferred income	58,413,694.05	61,284,650.74
Deferred tax liabilities	836,872.15	836,872.15
Other non-current liabilities		
<b>Total non-current liabilities</b>	<b>59,647,265.18</b>	<b>62,518,221.87</b>
<b>Total liabilities</b>	<b>1,725,703,497.29</b>	<b>1,918,144,287.94</b>
<b>Owner's equity (shareholders' equity)</b>		
Capital stock	402,600,000.00	402,600,000.00
Capital reserves	485,691,050.47	485,691,050.47
The special reserve	1,296.68	
Surplus reserve	136,770,391.01	136,770,391.01
Undistributed profit	328,019,563.41	354,961,603.07
Total owner's equity attributable to the parent company	1,353,082,301.57	1,380,023,044.55
Minority interest		
<b>Total owner's equity</b>	<b>1,353,082,301.57</b>	<b>1,380,023,044.55</b>
<b>Total owner's equity and liabilities</b>	<b>3,078,785,798.86</b>	<b>3,298,167,332.49</b>

Chairman: Liu Jun

General Accountant : Sun Najuan

Accounting charger : Sun Najuan

## 2. Balance Sheet of Parent Company

Unit: RMB Yuan

Item	2019.9.30	2018.12.31
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<b>Current assets :</b>		
Monetary fund	195,912,603.00	146,186,890.65
Financial assets held-for-trading	283,516.65	
Financial asset measured at FV and any change recognized in income		298,925.16
Bills receivable	91,781,567.67	89,620,372.80
Account receivable	1,101,017,985.77	1,209,757,673.66
Account paid in advance	19,047,296.87	19,008,909.78
Other receivables	15,819,932.79	14,963,827.46
Include:Interest receivable		
Dividend receivable	1,250,000.00	1,250,000.00
Inventory	713,110,758.13	680,255,742.99
Other current assets	9,857,956.74	13,765,726.62
<b>Total current assets</b>	<b>2,146,831,617.62</b>	<b>2,173,858,069.12</b>
<b>Non-current assets</b>		
Financial assets available-for-sale	2,000,000.00	2,000,000.00
Long-term equity investment	211,583,897.67	211,583,897.67
Other equity instruments investment	9,926,856.64	
Other non-current financial assets		
Investment property	109,266,007.73	113,277,687.13
Fixed assets	412,682,466.83	460,415,212.74
Construction in progress	43,449,337.09	47,699,459.65
Gas and petrol assets		
Intangible assets	65,824,258.25	67,683,392.22
Long-term prepaid expense	820,931.62	1,017,695.53
Deferred tax assets	10,350,000.00	10,350,000.00
Other non-current assets		
<b>Total non-current assets</b>	<b>865,903,755.83</b>	<b>914,027,344.94</b>
<b>Total assets</b>	<b>3,012,735,373.45</b>	<b>3,087,885,414.06</b>
<b>Current liabilities</b>		
Short-term loan	655,000,000.00	620,000,000.00
Note payable	300,134,618.98	343,636,065.16
Accounts payable	530,766,191.25	585,972,014.52
Accounts received in advance	18,368,171.84	21,976,484.62
Contract liability		
Accrued payroll	5,498,520.27	5,520,469.68
Tax payable	2,499,024.32	4,783,202.06
Other payables	58,442,078.81	50,471,992.39
Include:Interest payable	177,000.00	748,135.28
Dividends payable	360,000.00	360,000.00
Other current liabilities	3,869,474.53	3,869,474.53
<b>Total current liabilities</b>	<b>1,574,578,080.00</b>	<b>1,636,229,702.96</b>
<b>Non-current liabilities</b>		
Long-term borrowing		
Long-term account payable	296,698.98	296,698.98
Deferred income	26,801,001.08	29,671,957.77
Deferred tax liabilities		
Other non-current liabilities		
<b>Total non-current liabilities</b>	<b>27,097,700.06</b>	<b>29,968,656.75</b>
<b>Total liabilities</b>	<b>1,601,675,780.06</b>	<b>1,666,198,359.71</b>

<b>Owner's equity (shareholders' equity)</b>		
Capital stock	402,600,000.00	402,600,000.00
Capital public reserves	485,678,443.26	485,678,443.26
Surplus reserve	136,770,391.01	136,770,391.01
Undistributed profit	386,010,759.12	396,638,220.08
<b>Total owner's equity</b>	<b>1,411,059,593.39</b>	<b>1,421,687,054.35</b>
<b>Total owner's equity and liabilities</b>	<b>3,012,735,373.45</b>	<b>3,087,885,414.06</b>

### 3. Consolidated Income Sheet of report period

Unit: RMB Yuan

Item	Account for the current period	Account for the prior period
1. Total operating income	439,006,040.14	551,110,606.27
Operating revenue	439,006,040.14	551,110,606.27
Interest income		
2. Total operating cost	460,479,580.09	552,648,146.77
Operating cost	392,689,600.80	479,506,105.13
Interest expenses		
Tax & surcharges for main operations	3,229,267.98	3,191,912.75
Selling expenses	39,131,919.62	45,887,399.71
Administrative expense	15,443,009.53	11,729,374.05
Research and development expense	-1,499,471.71	939,128.63
Financial expense	11,485,253.87	11,394,226.50
Including: interest expenses	12,532,671.16	6,087,377.76
interest revenue	296,419.74	82,824.96
Add: Other income	1,276,624.47	1,874,410.48
Investment income(loss with "-")		
Net exposure hedging income (loss marked with "-")	0.00	0.00
Gains of change of fair value of assets(loss with "-")	-26,194.47	0.00
Credit impairment loss (marked with "-")	0.00	0.00
Assets impairment loss(loss with "-")	-553,124.31	196.91
Asset disposal income (loss with "-")	2,299,138.58	1,395,099.47
3. Operating profit (loss with "-")	-18,477,095.68	1,732,166.36
Add: Non-operating revenue	216,160.26	1,003,825.36
Less: Non-operating cost	348,171.67	671,479.82
4. Total profit(loss with "-")	-18,609,107.09	2,064,511.90
Less: Income tax expenses	0.00	0.00
5. Net profit(Loss with "-")	-18,609,107.09	2,064,511.90
(I) classification by business continuity		
(1) continuous operating net profit (net loss is marked with "-")	-18,609,107.09	2,064,511.90
(2) termination of net profit (net loss is marked with "-")	0.00	0.00
(II) classification by ownership		
Net profit attributable to shareholders of parent company	-18,609,107.09	2,064,511.90
Minority interests		
6. Net after-tax income of other comprehensive income		



Net after-tax of other comprehensive income attributable to the owner of the parent company	0.00	0.00
(1) other comprehensive income that cannot be reclassified into profit or loss	0.00	0.00
1. Re-measure the change amount of the defined benefit plan		
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method		
3. Changes in the fair value of other equity instruments		
4. Changes in the fair value of the enterprise's own credit risk		
5. Other		
(2) other comprehensive income that will be reclassified into profits and losses	0.00	0.00
1. Other comprehensive income that can be converted to profit or loss under the equity method		
2. Changes in the fair value of other debt investments		
3. Changes in fair value of financial assets available for sale		
4. The amount of financial assets reclassified into other comprehensive income		
5. Reclassify the investment from hold to maturity into profit and loss of financial assets available for sale		
6. Provisions for credit impairment of other credit investments		
7. Cash flow hedge reserve		
8. Translation difference in foreign currency financial statements		
9. Other		
Net after-tax of other comprehensive income attributable to minority shareholders		
7. Total comprehensive returns	-18,609,107.09	2,064,511.90
Total comprehensive returns available for parent company	-18,609,107.09	2,064,511.90
Total comprehensive returns available for minority shareholders		
8. Earnings per share		
(1) Basic earnings per share	-0.046	0.005
(2) Diluted earnings per share	-0.046	0.005

Chairman: Liu Jun

General Accountant : Sun Najuan

Accounting charger: Sun Najuan

#### 4. Income Sheet of Parent Company of report period

Unit: RMB Yuan

Item	Account for the current period	Account for the prior period
<b>1. Total operating income</b>	442,980,205.34	557,363,515.51
Less: Total operating cost	398,437,815.98	490,241,710.54
Tax & surcharges for main operations	2,545,396.70	2,340,547.68
Selling expenses	38,754,374.03	45,294,704.26
Administrative expense	10,067,650.65	6,048,699.33

Research and development expense	-1,715,268.54	656,842.79
Financial expense	11,490,232.41	8,873,989.26
Including: interest expenses	12,532,671.16	11,390,790.08
interest revenue	288,806.94	77,702.17
Add:Other income	1,276,624.47	1,674,410.48
Investment income(loss with "-")		
Among them: the investment income of joint venture and joint venture		
Income from the termination of a financial asset measured at amortized cost (loss marked with "-")		
Net exposure hedge gain (loss marked with "-")		
Fair value change income (loss marked with "-")	-26,194.47	
Credit impairment loss (marked with "-")		
Impairment loss of assets (marked with "-")	-553,124.31	196.91
Income from asset disposal (loss marked with "-")	2,299,138.58	1,395,099.47
<b>2.Operating profit (loss with "-")</b>	<b>-13,603,551.62</b>	<b>6,976,728.51</b>
Add: Non-operating revenue	28,711.08	913,854.60
Less: Non-operating cost	300,392.87	3,193,821.99
<b>3.Total profit(loss with "-")</b>	<b>-13,875,233.41</b>	<b>4,696,761.12</b>
Less: Income tax expenses		-279,426.81
<b>4. Net profit(Loss with "-")</b>	<b>-13,875,233.41</b>	<b>4,696,761.12</b>
(1) continuous operating net profit (net loss is marked with "-")	-13,875,233.41	4,696,761.12
(2) termination of net profit (net loss is marked with "-")		
5.Net after-tax income of other comprehensive income		
(1) other comprehensive income that cannot be reclassified into profit or loss	0.00	0.00
1. Re-measure the change amount of the defined benefit plan		
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method		
3. Changes in the fair value of other equity instruments		
4. Changes in the fair value of the enterprise's own credit risk		
5. Other		
(2) other comprehensive income that will be reclassified into profits and losses	0.00	0.00
1. Other comprehensive income that can be converted to profit or loss under the equity method		
2. Changes in the fair value of other debt investments		
3. Changes in fair value of financial assets available for sale		
4. The amount of financial assets reclassified into other comprehensive income		
5. Reclassify the investment from hold to maturity into profit and loss of financial assets available for sale		
6. Provisions for credit impairment of other credit investments		
7. Cash flow hedge reserve		
8. Translation difference in foreign currency financial statements		
9. Other		
<b>6.Total comprehensive returns</b>	<b>-13,875,233.41</b>	<b>4,696,761.12</b>
<b>7.Earnings per share</b>		
(1) Basic earnings per share	-0.034	0.012
(2) Diluted earnings per share	-0.034	0.012

## 5. Consolidated Income Sheet from the beginning of the year to the end of report period

Unit: RMB Yuan

Item	Account for the current period	Account for the prior period
<b>1.Total operating income</b>	1,396,545,440.56	1,625,978,587.95
Including: Operating revenue	1,396,545,440.56	1,625,978,587.95
Interest income		
<b>2.Total operating cost</b>	1,411,836,195.69	1,629,854,519.07
Including: Operating cost	1,218,537,979.05	1,419,252,676.26
Interest expenses		
Handling charge and commission income		
Tax & surcharges for main operations	10,745,294.41	11,784,015.67
Selling expenses	106,227,844.41	116,626,971.34
Administrative expense	44,408,231.61	42,299,686.24
Research and development expense	4,459,316.43	4,444,519.93
Financial expense	27,457,529.78	35,446,649.63
Including: interest expenses	27,216,873.43	20,852,733.18
interest revenue	1,272,774.23	428,703.33
Add:Other income	5,118,102.33	4,029,838.63
Investment income(loss with "-")		
Fair value change income (loss marked with "-")	-15,408.51	
Credit impairment loss (marked with "-")		
Impairment loss of assets (marked with "-")	-553,124.31	12,983.76
Income from asset disposal (loss marked with "-")	1,248,982.39	1,638,595.29
<b>3.Operating profit (loss with "-")</b>	-9,492,203.23	1,805,486.56
Add: Non-operating revenue	3,925,508.11	4,151,029.64
Less: Non-operating cost	5,271,344.54	857,450.99
<b>4.Total profit(loss with "-")</b>	-10,838,039.66	5,099,065.21
Less: Income tax expenses		-279,426.81
<b>5. Net profit(Loss with "-")</b>	-10,838,039.66	5,378,492.02
(i) according to the business continuity classification		
1. Net profit from continuing operations (net loss marked with "-")	-10,838,039.66	5,378,492.02
2. Termination of net profit (net loss marked with "-")		
(ii) classification according to ownership		
1. Net profit attributable to the owner of the parent company	-10,838,039.66	5,378,492.02
2. Profit and loss of minority shareholders		
6. Net after tax of other comprehensive income		
Net after tax of other comprehensive income attributable to the parent company owner	0.00	0.00
(i) other comprehensive income that cannot be reclassified into profit or loss	0.00	0.00
(ii) other comprehensive income that will be reclassified into profits and losses	0.00	0.00
Net after tax of other comprehensive income attributable to minority shareholders		
7.Total comprehensive income	-10,838,039.66	5,378,492.02
Aggregate income attributable to the owner of the parent company	-10,838,039.66	5,378,492.02
The total amount of comprehensive income		

attributable to minority shareholders		
8. Earnings per share:		
(1) Basic earnings per share	-0.027	0.013
(2) Diluted earnings per share	-0.027	0.013

Chairman: Liu Jun

General Accountant : Sun Najuan

Accounting charger: Sun Najuan

## 6. Income Sheet of Parent Company from the beginning of the year to the end of report period

Unit: RMB Yuan

Item	Account for the current period	Account for the prior period
<b>1.Total operating income</b>	1,410,078,666.87	1,613,323,464.18
Less: Operating cost	1,235,702,069.15	1,419,411,734.27
Tax & surcharges for main operations	8,659,794.83	9,468,098.04
Selling expenses	104,993,425.56	114,630,572.97
Administrative expense	28,855,252.33	25,912,696.08
Research and development expense	3,667,009.23	3,719,984.09
Financial expense	27,470,214.75	27,251,162.67
Including: interest expenses	27,216,873.43	28,436,819.16
interest revenue	1,249,109.18	411,325.99
Add:Other income	5,118,102.33	3,601,288.42
Investment income(loss with "-")		
Fair value change income (loss marked with "-")	-15,408.51	
Credit impairment loss (marked with "-")		
Impairment loss of assets (marked with "-")	-553,124.31	12,983.76
Income from asset disposal (loss marked with "-")	2,302,730.32	1,638,595.29
<b>2.Operating profit (loss with "-")</b>	7,583,200.85	18,182,083.53
Add: Non-operating revenue	3,052,558.93	3,675,443.24
Less: Non-operating cost	5,159,220.74	9,049,153.40
<b>3.Total profit(loss with "-")</b>	5,476,539.04	12,808,373.37
Less: Income tax expenses		-279,426.81
<b>4. Net profit (net loss marked with "-")</b>	5,476,539.04	13,087,800.18
(1) net profit from continuing operations (net loss marked with "-")	5,476,539.04	13,087,800.18
(2) termination of net profit (net loss marked with "-")		
<b>5. Net after tax of other comprehensive income</b>		
(1) other comprehensive income that cannot be reclassified into profit or loss	0.00	0.00
(2) other comprehensive income that will be reclassified into profits and losses	0.00	0.00
<b>6. Total comprehensive returns</b>	5,476,539.04	13,087,800.18
<b>7.Earnings per share</b>		
(1) Basic earnings per share	0.014	0.033
(2) Diluted earnings per share	0.014	0.033

## 7. Consolidated cash flow statements from the beginning of the year to the end of the reporting period

Unit: RMB yuan

Item	Account for the current period	Account for the prior period
<b>1. Cash from operating activities</b>		
Cash received from sale of goods or rendering of services	789,897,120.71	797,620,577.70
Other cash received relating to operating activities	64,515,982.94	2,043,645.29
<b>Sub-total of cash inflows</b>	854,413,103.65	799,664,222.99
Cash paid for goods and services	389,035,199.67	345,021,875.48
Cash paid to or on behalf of the employees	191,124,806.06	180,314,329.96
Tax payments	32,354,992.08	57,435,553.57
Other cash paid relating to operating activities	138,467,844.96	74,876,193.38
<b>Sub-total of cash outflows</b>	750,982,842.77	657,647,952.39
<b>Net cash flows from operating activities</b>	103,430,260.88	142,016,270.60
<b>2. Cash flows from investing activities :</b>		
Cash received from return of investment		
Cash received from investment incomes		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	3,056,908.99	1,609,692.00
Proceeds from sale of subsidiaries and other operating units		
Other cash received relating to investing activities		
<b>Sub-total of cash inflows</b>	3,056,908.99	1,609,692.00
Cash paid to acquire fixed assets, intangible assets and other long-term assets	1,205,036.75	2,235,975.45
Cash paid to acquire investment		
<b>Sub-total of cash outflows</b>	1,205,036.75	2,235,975.45
<b>Net cash flows from investment activities</b>	1,851,872.24	-626,283.45
<b>3. Cash flows from financing activities</b>		
Cash received from absorbing investment		
Including: Cash received from increase in minority interest		
Proceeds from borrowings	655,000,000.00	195,000,000.00
Other proceeds relating to financing activities	161,952,643.52	443,790,094.34
<b>Sub-total of cash inflows</b>	816,952,643.52	638,790,094.34
Repayment of borrowings	620,000,000.00	367,064,872.18
Distribution of dividends or profits & interest expenses	36,737,017.54	28,364,910.70
Including: dividends or profit paid to minority interest		
Cash paid for other financing activities	339,171,642.10	344,908,190.83
<b>Sub-total of cash outflows</b>	995,908,659.64	740,337,973.71
<b>Net cash flows from financing activities</b>	-178,956,016.12	-101,547,879.37
<b>4. Effects of foreign exchange rate changes on cash</b>	437,427.38	795,035.86
<b>5. Net increases in cash and cash equivalents</b>	-73,236,455.62	40,637,143.64
Add: cash and cash equivalent, at the beginning of year	188,431,805.23	58,043,497.54
<b>6. Cash and cash equivalent at the end of the year</b>	115,195,349.61	98,680,641.18

## 8. Parent company's cash flow statement from the beginning of the year to the end of the reporting period

Unit: RMB yuan

Item	Account for the current period	Account for the prior period
1. Cash from operating activities		

Cash received from sale of goods or rendering of services	1,440,364,966.98	707,941,476.71
Refund of taxes and fares		
Other cash received relating to operating activities	4,538,693.29	1,676,761.98
<b>Sub-total of cash inflows</b>	<b>1,444,903,660.27</b>	<b>709,618,238.69</b>
Cash paid for goods and services	906,281,861.58	307,697,841.80
Cash paid to or on behalf of the employees	160,425,249.94	144,747,587.40
Tax payments	24,110,721.14	46,478,616.45
Other cash paid relating to operating activities	73,010,222.44	68,308,159.32
<b>Sub-total of cash outflows</b>	<b>1,163,828,055.10</b>	<b>567,232,204.97</b>
<b>Net cash flows from operating activities</b>	<b>281,075,605.17</b>	<b>142,386,033.72</b>
<b>2. Cash flows from investing activities</b>		
Cash received from return of investment		
Cash received from investment incomes		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	3,056,908.99	1,609,692.00
Proceeds from sale of subsidiaries and other operating units		
Other cash received relating to investing activities		
<b>Sub-total of cash inflows</b>	<b>3,056,908.99</b>	<b>1,609,692.00</b>
Cash paid to acquire fixed assets, intangible assets and other long-term assets	1,210,974.75	2,202,525.45
Cash paid to acquire investment		
Net cash used in acquiring subsidiaries and other operating units		
Other cash paid relating to investing activities		
<b>Sub-total of cash outflows</b>	<b>1,210,974.75</b>	<b>2,202,525.45</b>
<b>Net cash flows from investment activities</b>	<b>1,845,934.24</b>	<b>-592,833.45</b>
<b>3. Cash flows from financing activities</b>		
Cash received from absorbing investment		
Proceeds from borrowings	655,000,000.00	195,000,000.00
Other proceeds relating to financing activities	80,712,230.00	443,790,094.34
<b>Sub-total of cash inflows to financing activities</b>	<b>735,712,230.00</b>	<b>638,790,094.34</b>
Repayment of borrowings	620,000,000.00	367,064,872.18
Distribution of dividends or profits & interest expenses	36,737,017.54	28,364,283.89
Cash paid for other financing activities	339,171,642.10	344,908,190.83
<b>Sub-total of cash outflows to financing activities</b>	<b>995,908,659.64</b>	<b>740,337,346.90</b>
<b>Net cash flows from financing activities</b>	<b>-260,196,429.64</b>	<b>-101,547,252.56</b>
<b>4. Effects of foreign exchange rate changes on cash</b>	<b>437,427.38</b>	<b>795,035.86</b>
<b>5. Net increases in cash and cash equivalents</b>	<b>23,162,537.15</b>	<b>41,040,983.57</b>
Add: cash and cash equivalent, at the beginning of year	87,388,834.89	54,083,755.28
<b>6. Cash and cash equivalent at the end of the year</b>	<b>110,551,372.04</b>	<b>95,124,738.85</b>

## II. Explanation of adjustment of financial statements

1. Implement new financial instrument standards, new income standards or new leasing standards from 2019 to adjust the implementation of relevant items in the financial statements at the beginning of the year

Applicable Inapplicable

1. Description of preliminary comparative data of retroactive adjustment for the implementation of new financial instrument standards or new lease standards from 2019

Applicable Inapplicable

## III. Audited report

Whether the third quarter report is audited

Yes No