

Shenzhen Tellus Holding Co., Ltd.

The Third Quarterly Report For 2018

October 2018

Section I. Important Notice

Board of Directors, Supervisory Committee, all directors, supervisors and senior executives of Shenzhen Tellus Holding Co., Ltd. (hereinafter referred to as the Company) 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 are present the meeting of the Board for deliberating the Third Quarter Report of the Company in person.

Fu Chunlong, person in charge of the Company, head of the accounting works Lou Hong and Liu Yuhong, accounting body principals (accountant in charge) hereby confirm that the Financial Report of the Third Quarterly Report is authentic, accurate and complete.

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)	1,542,080,471.95	1,403,314,594.42	9.89%	
Net assets attributable to shareholders of listed company (RMB)	999,099,511.52	963,259,056.63	3.72%	
	Current period	Increase/decrease in comparison with same period of last year	From Year-begin to end of the Period	Increase/decrease in comparison with year-begin to Period-end of last year
Operating revenue (RMB)	92,625,770.58	19.69%	290,580,852.31	21.90%
Net profit attributable to shareholders of the listed company (RMB)	8,920,175.03	-44.28%	35,840,454.89	-11.73%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB)	6,816,699.27	-48.12%	28,915,354.95	-6.25%
Net cash flow arising from operating activities (RMB)	--	--	-25,979,677.74	-165.30%
Basic earnings per share (RMB/Share)	0.0300	-44.24%	0.1206	-11.71%
Diluted earnings per share (RMB/Share)	0.0300	-44.24%	0.1206	-11.71%
Weighted average ROE	0.90%	-0.83%	3.65%	-0.78%

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)	1,308,598.25	Income from equity transfer

Capital occupancy expense, collected from non-financial enterprises and recorded in current gains and losses	56,874.98	
Except for effective hedge business relevant to normal operation of the Company, gains and losses arising from fair value change of tradable financial assets and tradable financial liabilities, and investment income from disposal of tradable financial assets, tradable financial liabilities and financial assets available for sale	6,122,149.62	Income from financing products
Restoring of receivable impairment provision that tested individually	434,566.24	Restoring of bad debt provision
Other non-operating income and expenditure except for the aforementioned items	-62,301.80	
Less: impact on income tax	571,417.14	
Impact on minority shareholders' equity (post-tax)	363,370.21	
Total	6,925,099.94	--

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	53,835	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 restricted shares held	Number of share pledged/frozen	
					State of share	Amount
SHENZHEN SDG CO., LTD.	State-owned corporate	49.09%	145,925,256	0		
Shenzhen Capital	Domestic	22.87%	67,974,300	0		

Fortune Jewelry Industry Investment Enterprise (limited partnership)	non-state-owned corporate					
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	Foreign corporation	0.40%	1,201,304	0		
Li Guangxin	Domestic nature person	0.26%	761,161	0		
Agricultural Bank of China Ltd. – CSI 500 ETF	Other	0.23%	675,000	0		
Zhou Jun	Domestic nature person	0.10%	300,558	0		
He Xing	Domestic nature person	0.10%	300,100	0		
Huang Chuyun	Domestic nature person	0.09%	266,500	0		
Celestial Securities Limited	Foreign corporation	0.07%	196,226	0		
Zeng Huiming	Foreign nature person	0.07%	195,000	0		
Particular about top ten shareholders with un-restrict shares held						
Shareholders	Amount of un-restrict shares held	Type of shares				
		Type	Amount			
SHENZHEN SDG CO., LTD.	145,925,256	RMB ordinary shares	145,925,256			
Shenzhen Capital Fortune Jewelry Industry Investment Enterprise (limited partnership)	67,974,300	RMB ordinary shares	67,974,300			
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	1,201,304	Domestically listed foreign shares	1,201,304			
Li Guangxin	761,161	Domestically listed foreign	761,161			

		shares	
Agricultural Bank of China Ltd. – CSI 500 ETF	675,000	RMB ordinary shares	675,000
Zhou Jun	300,558	RMB ordinary shares	300,558
He Xing	300,100	Domestically listed foreign shares	300,100
Huang Chuyun	266,500	Domestically listed foreign shares	266,500
Celestial Securities Limited	196,226	Domestically listed foreign shares	196,226
Zeng Huiming	195,000	Domestically listed foreign shares	195,000
Explanation on associated relationship among the top ten shareholders or consistent action	Among the top ten shareholders, there exists no associated relationship between the state-owned legal person's shareholders Shenzhen SDG Co., Ltd and other shareholders, and they do not belong to the consistent actionist regulated by the Management Measure of Information Disclosure on Change of Shareholding for Listed Companies. For the other shareholders of circulation share, the Company is unknown whether they belong to the consistent actionist.		
Explanation on top ten common shareholders involving margin business (if applicable)	N/A		

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

Yes No

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

2. Total 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

Balance Sheet					
Assets	Closing balance	Opening balance	Amount changed	Ratio changed	Causes
Monetary Fund	134,142,994.92	161,793,218.56	-27,650,223.64	-17.09%	Received bonus from shareholding corporation and financial products purchased increased
Account receivable	82,647,161.46	44,215,236.68	38,431,924.78	86.92%	Account receivable for jewelry wholesale from Sichuan Jewelry Company increased
Inventory	6,668,565.38	12,646,227.22	-5,977,661.84	-47.27%	Stock vehicles from Huari Company at period-end declined
Other current assets	322,657,535.53	219,582,250.70	103,075,284.83	46.94%	Purchased more financial products
Long term equity investment	244,427,019.71	284,464,749.15	-40,037,729.44	-14.07%	Accrual investment income changes on equity method by shareholding corporation, bonus of Zung Fu Tellus
Short-term loans	143,000,000.00	120,000,000.00	23,000,000.00	19.17%	Loans of current capital from the bank increased in the period
Long-term loans	34,934,887.55	38,600,000.00	-3,665,112.45	-9.50%	Bank loans payment
Retained profit	133,639,050.69	97,798,595.80	35,840,454.89	36.65%	Net profit attributable to owners of parent company increased in the period
Minority's interest	49,559,553.75	34,764,517.26	14,795,036.49	42.56%	Investment contribution from minority are received by Sichuan Jewelry Company in the period
Account paid in advance	10,269,037.50	3,737,706.70	6,531,330.80	174.74%	The account for vehicle purchasement are prepaid by Huari Company; the rental prepaid by Tellus Starlight Jinzun
Other account receivable	24,904,867.79	15,820,265.08	9,084,602.71	57.42%	Account of maintenance works are hanging
Fixed assets	548,534,875.93	120,296,822.84	428,238,053.09	355.98%	The first phase of Shuibei Jewelry Building transfer-in

Construction in progress	9,863,136.26	378,160,896.69	-368,297,760.43	-97.39%	The first phase of Shuibei Jewelry Building transfer-out
Account payables	74,987,733.36	28,032,708.69	46,955,024.67	167.50%	Payable for engineering of first phase of Shuibei Jewelry Building
Account received in advance	9,014,522.68	13,790,019.47	-4,775,496.79	-34.63%	Vehicle-sales account received by Huari Company are carry-over as income
Other payables	180,335,473.86	153,329,405.21	27,006,068.65	17.61%	The initial account of equity transfer from Xinglong Company was hanging and loan principal & interest are paid to SDG
Profit statement					
Item	This cumulative	Same period last year	Amount changed	Ratio changed	Causes
Taxes and additional	4,328,002.45	4,014,862.04	313,140.41	7.80%	
Income from investment	24,781,246.51	22,381,239.37	2,400,007.14	10.72%	Investment income from shareholding corporation increased
Net profit attributable to shareholders of listed companies	35,840,454.89	40,604,639.94	-4,764,185.05	-11.73%	After first phase of Shuibei Jewelry Building completed, the operation costs increased for building put into used; the loan interest for other current capital increased on a y-o-y basis
Financial expenses	4,664,936.72	548,598.69	4,116,338.03	750.34%	The interest costs increased due to the soaring loan principal
Assets impairment loss	383,789.39	-189,620.97	573,410.36	-302.40%	Bad debt provision accrual in the period
Income tax	3,512,202.79	1,476,180.17	2,036,022.62	137.93%	Operation profit increased
Cash flow statement					
Item	This cumulative	Same period last year	Amount changed	Ratio changed	Causes
Net cash flow arising from investment activities	-571,829.95	-227,894,301.37	227,322,471.42	-99.75%	Received the initial equity transfer amount from Xinglong Company and bonus of Zung Fu Tellus in the period; the cash in-flow increased mainly because redeemed financial products at maturity increased on a y-o-y basis
Net cash flow arising from financing activities	18,901,213.52	97,839,101.96	-78,937,888.44	-80.68%	New loans declined from a year earlier and the cash out-flow increased due to the payment of loan principal & interest

Net increase of cash and cash equivalent	-7,650,223.64	-90,270,292.82	82,620,069.18	-91.53%	
Net cash flow arising from operation activities	-25,979,677.74	39,785,059.97	-65,764,737.71	-165.30%	The jewelry wholesale on credit payment from Sichuan Jewelry Company are not in the payback period

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

Applicable Not applicable

III. Commitments that the actual controller, shareholders, related party, acquirer and the Company etc. 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 party, acquirer and the Company etc. 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. Entrust finance

Applicable Not applicable

In 10 thousand Yuan

Type	Capital sources	Amount entrust	Unexpired balance	Overdue amount
Bank financial products	Idle fund-raising	3,950	3,950	0
Bank financial products	Own funds	30,377	30,227	0
Total		34,327	34,177	0

Details of the single major amount, or high-risk entrust 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 for receiving research, communication and interview in the report period

Applicable Not applicable

No registration form for receiving research, communication or interview in the Period.

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 Shenzhen Tellus Holding Co., Ltd.

2018-09-30

In RMB

Item	Balance at period-end	Balance at period-begin
Current assets:		
Monetary funds	134,142,994.92	161,793,218.56
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	82,647,161.46	44,215,236.68
Including: Notes receivable		
Accounts receivable	82,647,161.46	44,215,236.68
Accounts paid in advance	10,269,037.50	3,737,706.70
Insurance receivable		
Reinsurance receivables		
Contract reserve of reinsurance receivable		
Other receivables	24,904,867.79	15,820,265.08
Purchase restituted finance asset		
Inventories	6,668,565.38	12,646,227.22
Assets held for sale		
Non-current asset due within one year		
Other current assets	322,657,535.53	219,582,250.70
Total current assets	581,290,162.58	457,794,904.94
Non-current assets:		
Loans and payments on behalf		

Finance asset available for sales	10,176,617.20	10,176,617.20
Held-to-maturity investment		
Long-term account receivable		
Long-term equity investment	244,427,019.71	284,464,749.15
Investment property	69,846,269.95	73,223,512.21
Fixed assets	548,534,875.93	120,296,822.84
Construction in progress	9,863,136.26	378,160,896.69
Productive biological asset		
Oil and gas asset		
Intangible assets	51,334,826.42	52,349,686.92
Expense on Research and Development		
Goodwill		
Long-term expenses to be apportioned	1,569,080.02	1,779,713.94
Deferred income tax asset	24,364,822.26	24,394,028.91
Other non-current asset	673,661.62	673,661.62
Total non-current asset	960,790,309.37	945,519,689.48
Total assets	1,542,080,471.95	1,403,314,594.42
Current liabilities:		
Short-term loans	143,000,000.00	120,000,000.00
Loan from central bank		
Absorbing deposit and interbank deposit		
Capital borrowed		
Financial liability measured by fair value and with variation reckoned into current gains/losses		
Derivative financial liability		
Notes payable and accounts payable	74,987,733.36	28,032,708.69
Accounts received in advance	9,014,522.68	13,790,019.47
Selling financial asset of repurchase		
Commission charge and commission payable		
Wage payable	21,833,172.36	23,171,154.53
Taxes payable	10,875,456.51	9,927,572.27
Other accounts payable	180,335,473.86	153,329,405.21
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	440,046,358.77	348,250,860.17
Non-current liabilities:		
Long-term loans	34,934,887.55	38,600,000.00
Bonds payable		
Including: preferred stock		
Perpetual capital securities		
Long-term account payable	3,920,160.36	3,920,160.36
Long-term wages payable		
Projected liabilities		
Deferred income		
Deferred income tax liabilities		
Other non-current liabilities	14,520,000.00	14,520,000.00
Total non-current liabilities	53,375,047.91	57,040,160.36
Total liabilities	493,421,406.68	405,291,020.53
Owner's equity:		
Share capital	297,281,600.00	297,281,600.00
Other equity instrument		
Including: preferred stock		
Perpetual capital securities		
Capital public reserve	565,226,274.51	565,226,274.51
Less: Inventory shares		
Other comprehensive income		
Reasonable reserve		
Surplus public reserve	2,952,586.32	2,952,586.32
Provision of general risk		
Retained profit	133,639,050.69	97,798,595.80
Total owner's equity attributable to parent company	999,099,511.52	963,259,056.63
Minority interests	49,559,553.75	34,764,517.26

Total owner's equity	1,048,659,065.27	998,023,573.89
Total liabilities and owner's equity	1,542,080,471.95	1,403,314,594.42

Legal Representative: Fu Chunlong

Person in charge of accounting works: Lou Hong

Person in charge of accounting institute: Liu Yuhong

2. Balance Sheet of Parent Company

In RMB

Item	Balance at period-end	Balance at period-begin
Current assets:		
Monetary funds	97,759,966.16	97,991,738.05
Financial assets measured by fair value and with variation reckoned into current gains/losses		
Derivative financial assets		
Notes receivable and accounts receivable	35,432.00	
Including: Notes receivable		
Accounts receivable	35,432.00	
Account paid in advance	1,368,798.42	
Other receivables	107,835,300.10	99,322,267.37
Inventories		
Assets held for sale		
Non-current assets maturing within one year		
Other current assets	184,500,000.00	203,500,000.00
Total current assets	391,499,496.68	400,814,005.42
Non-current assets:		
Available-for-sale financial assets	10,176,617.20	10,176,617.20
Held-to-maturity investments		
Long-term receivables		
Long-term equity investments	882,729,262.28	789,830,758.66
Investment property	44,426,013.75	46,749,467.61
Fixed assets	14,924,034.13	15,536,781.07
Construction in progress	9,863,136.26	5,554,512.79
Productive biological assets		

Oil and natural gas assets		
Intangible assets	260,772.40	341,121.77
Research and development costs		
Goodwill		
Long-term deferred expenses	219,772.22	223,715.66
Deferred income tax assets	13,840,105.19	13,869,311.84
Other non-current assets		
Total non-current assets	976,439,713.43	882,282,286.60
Total assets	1,367,939,210.11	1,283,096,292.02
Current liabilities:		
Short-term borrowings	143,000,000.00	120,000,000.00
Financial liability measured by fair value and with variation reckoned into current gains/losses		
Derivative financial liability		
Notes payable and accounts payable	14,000.00	14,000.00
Accounts received in advance	1,261,904.81	1,511.00
Wage payable	4,544,829.61	5,769,360.88
Taxes payable	875,467.19	474,977.89
Other accounts payable	327,002,910.48	295,942,266.75
Liability held for sale		
Non-current liabilities due within 1 year		
Other current liabilities		
Total current liabilities	476,699,112.09	422,202,116.52
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	476,699,112.09	422,202,116.52
Owners' equity:		
Share capita	297,281,600.00	297,281,600.00
Other equity instrument		
Including: preferred stock		
Perpetual capital securities		
Capital public reserve	562,032,851.23	562,032,851.23
Less: Inventory shares		
Other comprehensive income		
Reasonable reserve		
Surplus reserve	2,952,586.32	2,952,586.32
Retained profit	28,973,060.47	-1,372,862.05
Total owner's equity	891,240,098.02	860,894,175.50
Total liabilities and owner's equity	1,367,939,210.11	1,283,096,292.02

3. Consolidated Profit Statement (the period)

In RMB

Item	Current Period	Last Period
I. Total operating income	92,625,770.58	77,386,017.88
Including: Operating income	92,625,770.58	77,386,017.88
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	88,942,856.91	74,034,788.90
Including: Operating cost	71,323,254.04	57,359,692.25
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	1,405,380.53	1,203,936.28
Sales expenses	4,706,989.97	4,271,637.52
Administration expenses	9,622,419.12	10,677,384.70
R&D expenses		
Financial expenses	1,893,064.11	522,138.15
Including: Interest expenses	2,406,812.68	1,096,102.74
Interest income	-572,214.18	-635,885.48
Losses of devaluation of asset	-8,250.86	
Add: other income		
Investment income (Loss is listed with “-”)	6,915,224.26	12,744,661.13
Including: Investment income on affiliated company and joint venture	5,047,631.61	9,902,285.56
Changing income of fair value(Loss is listed with “-”)		
Exchange income (Loss is listed with “-”)		
Income from assets disposal (Loss is listed with “-”)		56,271.52
III. Operating profit (Loss is listed with “-”)	10,598,137.93	16,152,161.63
Add: Non-operating income	-1,088.56	53,335.15
Less: Non-operating expense	-4,080.68	2,310.06
IV. Total Profit (Loss is listed with “-”)	10,601,130.05	16,203,186.72
Less: Income tax expense	1,624,729.02	852,493.08
V. Net profit (Net loss is listed with “-”)	8,976,401.03	15,350,693.64
(i) net profit from continuous operation (Net loss is listed with “-”)	8,976,401.03	15,350,693.64
(ii) net profit from discontinued operation (Net loss is listed with “-”)		
Net profit attributable to owner’s of	8,920,175.03	16,007,734.85

parent company		
Minority shareholders' gains and losses	56,226.00	-657,041.21
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	8,976,401.03	15,350,693.64
Total comprehensive income attributable to owners of parent Company	8,920,175.03	16,007,734.85
Total comprehensive income attributable to minority shareholders	56,226.00	-657,041.21
VIII. Earnings per share:		
(i) Basic earnings per share	0.0300	0.0538
(ii) Diluted earnings per share	0.0300	0.0538

As for the enterprise combined under the same control, net profit of 0 Yuan achieved by the merged party before combination while 0 Yuan achieved last period

Legal Representative: Fu Chunlong

Person in charge of accounting works: Lou Hong

Person in charge of accounting institute: Liu Yuhong

4. Profit Statement of Parent Company (the period)

In RMB

Item	Current Period	Last Period
I. Operating income	10,104,292.39	9,834,202.78
Less: Operating cost	896,708.01	951,008.01
Operating tax and extras	355,004.57	364,342.41
Sales expenses		
Administration expenses	4,612,015.01	5,971,215.34
R&D expenses		
Financial expenses	1,351,989.53	364,457.26
Including: Interest expenses	1,751,845.41	965,820.84
Interest income	-403,986.67	-604,500.78
Losses of devaluation of asset		
Add: other income		
Investment income (Loss is listed with “-”)	5,373,321.58	9,535,534.43

Including: Investment income on affiliated company and joint venture	4,272,105.15	6,806,109.77
Changing income of fair value(Loss is listed with “-”)		
Income from assets disposal (Loss is listed with “-”)		
II. Operating profit (Loss is listed with “-”)	8,261,896.85	11,718,714.19
Add: Non-operating income	2,410.52	
Less: Non-operating expense		
III. Total Profit (Loss is listed with “-”)	8,264,307.37	11,718,714.19
Less: Income tax expense	9,735.55	9,735.55
IV. Net profit (Net loss is listed with “-”)	8,254,571.82	11,708,978.64
(i) net profit from continuous operation (Net loss is listed with “-”)	8,254,571.82	11,708,978.64
(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	8,254,571.82	11,708,978.64
VII. Earnings per share:		
(i) Basic earnings per share	0.0278	0.0394
(ii) Diluted earnings per share	0.0278	0.0394

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

In RMB

Item	Current Period	Last Period
I. Total operating income	290,580,852.31	238,370,122.44
Including: Operating income	290,580,852.31	238,370,122.44
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	276,244,343.48	220,942,995.20
Including: Operating cost	225,063,206.15	175,384,506.21
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	4,328,002.45	4,014,862.04
Sales expenses	13,044,897.24	11,155,242.77
Administration expenses	28,759,511.53	30,029,406.46
R&D expenses		
Financial expenses	4,664,936.72	548,598.69
Including: Interest expenses	6,088,906.21	2,445,502.06
Interest income	-1,625,516.25	-2,032,480.91
Losses of devaluation of asset	383,789.39	-189,620.97
Add: other income		
Investment income (Loss is listed with “-”)	24,781,246.51	22,381,239.37
Including: Investment income on affiliated company and joint venture	17,842,932.43	12,831,894.41
Changing income of fair value(Loss is listed with “-”)		
Exchange income (Loss is listed with “-”)		
Income from assets disposal (Loss is listed with “-”)		56,271.52
III. Operating profit (Loss is listed with “-”)	39,117,755.34	39,864,638.13
Add: Non-operating income	33,305.83	372,852.32
Less: Non-operating expense	95,607.63	9,229.86
IV. Total Profit (Loss is listed with “-”)	39,055,453.54	40,228,260.59
Less: Income tax expense	3,512,202.79	1,476,180.17
V. Net profit (Net loss is listed with “-”)	35,543,250.75	38,752,080.42
(i) net profit from continuous operation (Net loss is listed with “-”)	35,543,250.75	38,752,080.42
(ii) net profit from discontinued operation (Net loss		

is listed with “-”)		
Net profit attributable to owner’s of parent company	35,840,454.89	40,604,639.94
Minority shareholders’ gains and losses	-297,204.14	-1,852,559.52
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	35,543,250.75	38,752,080.42
Total comprehensive income attributable to owners of parent Company	35,840,454.89	40,604,639.94
Total comprehensive income attributable to minority shareholders	-297,204.14	-1,852,559.52
VIII. Earnings per share:		
(i) Basic earnings per share	0.1206	0.1366
(ii) Diluted earnings per share	0.1206	0.1366

As for the enterprise combined under the same control, net profit of 0 Yuan achieved by the merged party before combination while 0 Yuan achieved last period

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

In RMB

Item	Current Period	Last Period
I. Operating income	30,187,788.81	31,290,031.21
Less: Operating cost	2,739,034.23	2,751,528.03
Operating tax and extras	1,173,658.99	1,216,846.46
Sales expenses		
Administration expenses	12,598,259.32	14,602,139.64
R&D expenses		
Financial expenses	3,567,639.16	48,857.39
Including: Interest expenses	4,783,798.05	2,053,320.86
Interest income	-1,244,885.01	-1,936,920.70
Losses of devaluation of asset	69,500.70	-189,620.97
Add: other income		
Investment income (Loss is listed with “-”)	20,329,891.27	23,975,503.51
Including: Investment income on affiliated company and joint venture	16,426,603.62	12,527,913.26
Changing income of fair		

value(Loss is listed with “-”)		
Income from assets disposal (Loss is listed with “-”)		
II. Operating profit (Loss is listed with “-”)	30,369,587.68	36,835,784.17
Add: Non-operating income	5,541.49	
Less: Non-operating expense		
III. Total Profit (Loss is listed with “-”)	30,375,129.17	36,835,784.17
Less: Income tax expense	29,206.65	29,206.65
IV. Net profit (Net loss is listed with “-”)	30,345,922.52	36,806,577.52
(i) net profit from continuous operation (Net loss is listed with “-”)	30,345,922.52	36,806,577.52
(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	30,345,922.52	36,806,577.52
VII. Earnings per share:		
(i) Basic earnings per share	0.1021	0.1238
(ii) Diluted earnings per share	0.1021	0.1238

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	290,734,607.93	256,675,341.11
Net increase of customer deposit and interbank deposit		
Net increase of loan from central bank		
Net increase of capital borrowed from other financial institution		
Cash received from original insurance contract fee		
Net cash received from reinsurance business		
Net increase of insured savings and investment		

Net increase of amount from disposal financial assets that measured by fair value and with variation reckoned into current gains/losses		
Cash received from interest, commission charge and commission		
Net increase of capital borrowed		
Net increase of returned business capital		
Write-back of tax received		
Other cash received concerning operating activities	22,834,886.64	89,046,069.93
Subtotal of cash inflow arising from operating activities	313,569,494.57	345,721,411.04
Cash paid for purchasing commodities and receiving labor service	233,005,308.54	163,189,622.63
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	38,595,110.34	42,946,296.52
Taxes paid	14,588,515.73	16,985,396.11
Other cash paid concerning operating activities	53,360,237.70	82,815,035.81
Subtotal of cash outflow arising from operating activities	339,549,172.31	305,936,351.07
Net cash flows arising from operating activities	-25,979,677.74	39,785,059.97
II. Cash flows arising from investing activities:		
Cash received from recovering investment	739,750,000.00	391,000,000.00

Cash received from investment income	63,533,914.95	13,735,482.06
Net cash received from disposal of fixed, intangible and other long-term assets		431,840.00
Net cash received from disposal of subsidiaries and other units	1,504,125.26	2,343,240.90
Other cash received concerning investing activities	46,001,000.00	
Subtotal of cash inflow from investing activities	850,789,040.21	407,510,562.96
Cash paid for purchasing fixed, intangible and other long-term assets	22,607,470.16	16,804,864.33
Cash paid for investment	823,020,000.00	618,600,000.00
Net increase of mortgaged loans		
Net cash received from subsidiaries and other units obtained		
Other cash paid concerning investing activities	5,733,400.00	
Subtotal of cash outflow from investing activities	851,360,870.16	635,404,864.33
Net cash flows arising from investing activities	-571,829.95	-227,894,301.37
III. Cash flows arising from financing activities		
Cash received from absorbing investment	15,000,000.00	15,172,000.00
Including: Cash received from absorbing minority shareholders' investment by subsidiaries	15,000,000.00	15,172,000.00
Cash received from loans	95,082,000.00	155,600,000.00
Cash received from issuing bonds		
Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities	110,082,000.00	170,772,000.00
Cash paid for settling debts	78,665,112.45	70,000,000.00
Cash paid for dividend and profit	12,515,674.03	2,932,898.04

distributing or interest paying		
Including: Dividend and profit of minority shareholder paid by subsidiaries		
Other cash paid concerning financing activities		
Subtotal of cash outflow from financing activities	91,180,786.48	72,932,898.04
Net cash flows arising from financing activities	18,901,213.52	97,839,101.96
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate	70.53	-153.38
V. Net increase of cash and cash equivalents	-7,650,223.64	-90,270,292.82
Add: Balance of cash and cash equivalents at the period -begin	141,793,218.56	218,497,640.10
VI. Balance of cash and cash equivalents at the period -end	134,142,994.92	128,227,347.28

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	35,793,107.31	45,046,784.94
Write-back of tax received		
Other cash received concerning operating activities	22,092,395.77	45,895,974.13
Subtotal of cash inflow arising from operating activities	57,885,503.08	90,942,759.07
Cash paid for purchasing commodities and receiving labor service		
Cash paid to/for staff and workers	13,865,248.22	12,125,347.08
Taxes paid	1,904,582.44	2,865,271.14

Other cash paid concerning operating activities	36,052,325.18	16,244,723.52
Subtotal of cash outflow arising from operating activities	51,822,155.84	31,235,341.74
Net cash flows arising from operating activities	6,063,347.24	59,707,417.33
II. Cash flows arising from investing activities:		
Cash received from recovering investment	519,000,000.00	340,000,000.00
Cash received from investment income	56,781,732.28	13,447,590.25
Net cash received from disposal of fixed, intangible and other long-term assets		
Net cash received from disposal of subsidiaries and other units		14,150,000.00
Other cash received concerning investing activities	46,001,000.00	
Subtotal of cash inflow from investing activities	621,782,732.28	367,597,590.25
Cash paid for purchasing fixed, intangible and other long-term assets	5,350,891.42	427,525.20
Cash paid for investment	608,971,900.00	581,598,000.00
Net cash received from subsidiaries and other units		
Other cash paid concerning investing activities	5,733,400.00	
Subtotal of cash outflow from investing activities	620,056,191.42	582,025,525.20
Net cash flows arising from investing activities	1,726,540.86	-214,427,934.95
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Cash received from loans	93,000,000.00	140,000,000.00
Cash received from issuing bonds		

Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities	93,000,000.00	140,000,000.00
Cash paid for settling debts	70,000,000.00	70,000,000.00
Cash paid for dividend and profit distributing or interest paying	11,021,659.99	2,061,416.69
Other cash paid concerning financing activities		
Subtotal of cash outflow from financing activities	81,021,659.99	72,061,416.69
Net cash flows arising from financing activities	11,978,340.01	67,938,583.31
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate		
V. Net increase of cash and cash equivalents	19,768,228.11	-86,781,934.31
Add: Balance of cash and cash equivalents at the period -begin	77,991,738.05	150,800,890.39
VI. Balance of cash and cash equivalents at the period -end	97,759,966.16	64,018,956.08

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.