

Sino Great Wall Co., Ltd.
The Third Quarterly Report 2018



October 2018

1 Important Notice

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

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

Mr.Chen Lue, Person in charge of the Company, Mr.Tang Xianyong, Chief financial officer and the Mr. Tang Xianyong, the person in charge of the accounting department (the person in charge of the accounting)hereby confirm the authenticity and completeness of the financial report enclosed in this Quarterly Report.

II. Basic information about the company

I. Main financial data and financial index

Indicate by tick mark whether the Company needs to retroactively restate any of its accounting data.

☐ Yes ☒ No

	As at the end of the reporting period	As at the end of last year	Changed （%） over end of prev. year	
Gross assets （Yuan）	10,995,887,423.35	11,667,845,186.30	-5.76%	
Net assets attributable to the shareholders of the listed company （Yuan）	2,085,798,371.28	2,151,482,467.52	-3.05%	
	Reporting period	Increase/decrease over the same period of last year （%）	Between beginning of the year to the end of the report period	Changed （%） over end of prev. year
Operating income （Yuan）	672,083,613.81	-59.52%	2,259,055,189.05	-51.78%
Net profit attributable to the shareholders of the listed company （Yuan）	-118,516,821.76	-183.55%	25,482,633.97	-93.79%
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company （Yuan）	-144,157,168.16	-201.54%	-178,741,907.03	-143.93%
Cash flow generated by business operation, net （Yuan）	--	--	1,287,313,317.95	263.90%
Basic earning per share(Yuan/Share)	-0.0698	-183.59%	0.0150	-93.75%
Diluted gains per share(Yuan/Share)	-0.0698	-183.59%	0.0150	-93.75%
Weighted average income/asset ratio （%）	-5.52%	-12.61%	1.20%	-20.29%

Items and amount of non-current gains and losses

☒ Applicable ☐ Not applicable

In RMB yuan

Items	Amount (Year-beginning to the end of the report period.)	Notes
Non-current asset disposal gain/loss(including the write-off part for which assets impairment provision is made)	-641,051.32	
Income from the exceeding part between investment cost of the Company paid for obtaining subsidiaries, associates and joint-ventures and recognizable net assets fair value attributable to the Company when acquiring the investment	70,486,755.72	Mainly due to the acquisition of Baden-Baden Hospital evaluation value-added
Net amount of non-operating income and expense except the	134,378,836.60	Mainly due to the Land

aforesaid items		compensation paid by Union Holdings
Total	204,224,541.00	--

Explain the reasons if the Company classifies an item as an extraordinary gain/loss according to the definition in the Explanatory Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public-Extraordinary Gains and Losses, or classifies any extraordinary gain/loss item mentioned in the said explanatory announcement as a recurrent gain/loss item.

☐ Applicable ☒ Not applicable

None of Non-recurring gain /loss items recognized as recurring gain /loss/items as defined by the information disclosure explanatory Announcement No.1- Non –recurring gain/loss in the report period.

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

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

In shares

Total number of common shareholders at the period-end		71,164		Total preference shareholders with the voting power recovered at the end of the reporting period(if any)		0	
Shares held by the top 10 shareholders							
Shareholder name	Properties of shareholder	Share proportion %	Quantity	Amount of tradable shares with Conditional held	Pledging or freezing		
					Status of the shares	Quantity	
Chen Lue	Domestic Natural person	34.36%	583,454,556	581,340,196	freeze	583,454,556	
STYLE-SUCCESS LIMITED	Foreign legal person	5.47%	92,970,910				
Union Holdings Co., Ltd.	Domestic Non-State-owned legal person	5.18%	87,935,921				
He Feiyan	Domestic Natural person	3.23%	54,800,458	54,800,458	freeze	54,800,458	
Jiutai Fund—Bank of Communications—Jiutai Huitong No.2 specific customer asset management	Other	2.50%	42,479,672	42,479,672			

plan						
Rich Crown Investment Co., Ltd.	Foreign legal person	1.37%	23,235,313			
Qinghai Heyi Industry Development Co.,Ltd/	Domestic Non-State-owned legal person	0.79%	13,357,084		Pledge	13,357,000
Huang Huaian	Domestic Natural person	0.72%	12,288,800			
Li Guanping	Domestic Natural person	0.49%	8,236,700			
Zheng Qianghui	Domestic Natural person	0.35%	6,000,026			
Shares held by the Top 10 Shareholders of Non-restricted shares						
Name of the shareholder	Quantity of unrestricted shares held at the end of the reporting period	Share type				
		Share type	Quantity			
STYLE-SUCCESS LIMITED	92,970,910	Foreign shares placed in domestic exchange	92,970,910			
Union Holdings Co., Ltd.	87,935,921	RMB Common shares	87,935,921			
Rich Crown Investment Co., Ltd.	23,235,313	Foreign shares placed in domestic exchange	23,235,313			
Qinghai Heyi Industry Development Co.,Ltd/	13,357,084	RMB Common shares	13,357,084			
Huang Huaian	12,288,800	RMB Common shares	12,288,800			
Li Guanping	8,236,700	RMB Common shares	8,236,700			
Zheng Qianghui	6,000,026	RMB Common shares	6,000,026			
Chen Cheng	6,000,000	RMB Common shares	6,000,000			
Jiangxi Kangfu Real Estate Co., Ltd.	5,700,000	RMB Common shares	5,700,000			
Chen Lihong	4,775,760	Foreign shares placed in domestic exchange	4,775,760			

Explanation on associated relationship or concerted action of the above shareholders	The above shareholder Mr. Chen Lu and the shareholder Ms. He Feiyan are acting in concert; the shareholder “Union Holdings Co., Ltd.” and the shareholder “Rich Crown Investment Co., Ltd.”, whose controlling shareholder is “Union Development Group Co., Ltd.”. whether the other shareholders have associated relations are unknown.
Note to the top 10 common stockholders involved in margin financing & securities lending (If any)	Nil

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

☐ Yes ☒ No

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

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

☐ Applicable ☒ Not applicable

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

√ Applicable □ Not applicable

Items	This period/Year-end balance	Same period of the previous year/Year-beginning balance	Changes %	Remarks on the change
Notes receivable	447,177,239.41	288,201,562.88	55.16%	Mainly due to the increase of company bill collection.
Fixed assets	327,340,997.07	174,537,150.56	87.55%	Mainly due to the merger of Acura Kliniken Baden-Baden GmbH
Construction in progress	437,000.00	4,968,590.96	-91.20%	Mainly due to installation of overseas equipment
Other account payable	1,395,803,754.30	537,070,684.98	159.89%	Mainly due to the increase in short-term capital borrowing.
Non-current liability due in 1 year	1,192,851,267.22	820,422,471.45	45.39%	Mainly due to the maturity of the loan in the coming year.
Long-term Borrowing	150,000,000.00	843,092,471.02	-82.21%	Mainly due to the maturity of the loan in the coming year.
Deferred tax liability	51,894,878.61	26,088,961.71	98.92%	Mainly due to the merger of Acura Kliniken Baden-Baden GmbH
Business income	2,259,055,189.05	4,685,207,526.32	-51.78%	Mainly for the national credit tightening, the tight capital led to the company's business contraction, the project progressed slowly.
Business cost	1,970,673,537.82	3,657,257,165.36	-46.12%	Due to reduced operating income.
Financial expenses	400,405,629.14	132,272,854.08	202.71%	Due to the increased Long-term and short-term borrowing.
Income tax expenses	7,699,247.03	81,101,852.86	-90.51%	Due to reduced profits.
Net cash flow generated by operation activities	1,287,313,317.95	-785,444,322.16	-263.90%	Mainly because the current payment is better.
Net cash flow generated by investment activities	-351,491,732.24	-606,720,595.95	-42.07%	Mainly due to reduced investment.
Net cash flow generated by financing activities	-1,424,770,406.23	1,616,558,862.59	-188.14%	Mainly due to the repayment of loans in the current period.

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

□ Applicable √ Not applicable

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

☐ Applicable ☒ Not applicable

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

IV. Anticipation of Business Performance of 2018

Alert of loss or significant change in net profit from the beginning of year to the end of next report period or comparing with the same period of last year, and statement of causations.

☐ Applicable ☒ Not applicable

V. Investment in securities

☐ Applicable ☒ Not applicable

No securities investment in period.

VI. Entrusted Financial Management

☐ Applicable ☒ Not applicable

No securities investment in period.

VII. Investment in derivatives

☐ Applicable ☒ Not applicable

There is no derivative investment during the report period.

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

☐ Applicable ☒ Not applicable

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

IX. External guarantee get out of line

☐ Applicable ☒ Not applicable

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

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

☐ Applicable ☒ Not applicable

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

IV. Financial Statement

I. Financial statement

1. Consolidated balance sheet

Prepared by: Sino Great Wall Co., Ltd.

September 30, 2018

In RMB yuan

Items	At the end of term	Beginning of term
Current asset:		
Monetary fund	1,222,691,983.34	1,604,973,916.12

Settlement provision		
Outgoing call loan		
Financial assets measured at fair value with variations accounted into current income account		
Derivative financial assets		
Notes receivable and account receivable	5,668,909,779.12	5,994,876,806.96
Including: Notes receivable	447,177,239.41	288,201,562.88
Account receivable	5,221,732,539.71	5,706,675,244.08
Advance payment	246,095,408.35	225,208,527.88
Insurance receivable		
Reinsurance receivable		
Provisions of Reinsurance contracts receivable		
Other account receivable	1,180,185,927.08	1,674,675,360.28
Repurchasing of financial assets		
Inventories	748,555,829.35	556,839,325.50
Assets held for sales		
Non-current asset due in 1 year		
Other current asset	15,868,715.23	17,126,911.05
Total of current assets	9,082,307,642.47	10,073,700,847.79
Non-current assets:		
Loans and payment on other' s behalf disbursed		
Available for sale of financial assets	10,338,500.00	10,338,500.00
Expired investment in possess		
Long-term receivable	16,780,123.46	14,328,557.82
Long term share equity investment		
Property investment		
Fixed assets	327,340,997.07	174,537,150.56
Construction in progress	437,000.00	4,968,590.96
Production physical assets		
Gas & petrol		
Intangible assets	146,102,050.94	127,524,445.00
development expenses		
Goodwill	57,769,954.64	64,494,271.55
Long-germ expenses to be amortized	9,183,168.42	10,124,913.15
Deferred income tax asset	116,582,099.44	118,233,337.36
Other non-current asset	1,229,045,886.91	1,069,594,572.11
Total of non-current assets	1,913,579,780.88	1,594,144,338.51
Total of assets	10,995,887,423.35	11,667,845,186.30
Current liabilities		

Short-term loans	2,409,540,278.76	3,477,200,420.55
Loan from Central Bank		
Deposit received and hold for others		
Call loan received		
Financial liabilities measured at fair value with variations accounted into current income account		
Derivative financial liabilities		
Notes payable and account payable	2,517,689,190.38	2,626,177,075.77
Advance receipts	125,579,343.25	146,379,852.67
Selling of repurchased financial assets		
Fees and commissions receivable		
Employees' wage payable	60,753,902.81	21,911,542.07
Tax payable	475,002,266.80	357,445,477.71
Other account payable	1,395,803,754.30	537,070,684.98
Reinsurance fee payable		
Insurance contract provision		
Entrusted trading of securities		
Entrusted selling of securities		
Liabilities held for sales		
Non-current liability due in 1 year	1,192,851,267.22	820,422,471.45
Other current liability		121,529,600.95
Total of current liability	8,177,220,003.52	8,108,137,126.15
Non-current liabilities:		
Long-term loan	150,000,000.00	843,092,471.02
Bond payable	345,000,000.00	345,000,000.00
Including: preferred stock		
Sustainable debt		
Long-term payable	62,606,067.75	81,945,567.86
Long-term payable employee's remuneration		
Expected liabilities	2,958,723.15	3,414,189.15
Deferred income	5,890,413.95	
Deferred income tax liability	51,894,878.61	26,088,961.71
Other non-current liabilities		
Total non-current liabilities	618,350,083.46	1,299,541,189.74
Total of liability	8,795,570,086.98	9,407,678,315.89
Owners' equity		
Share capital	1,698,245,011.00	1,698,245,011.00
Other equity instrument		
Including: preferred stock		
Sustainable debt		
Capital reserves	-1,299,349,701.74	-1,299,349,701.74

Less: Shares in stock		
Other comprehensive income	595,233.77	858,242.13
Special reserves	137,193,764.46	164,231,078.18
Surplus reserves	84,394,441.23	84,394,441.23
Common risk provision		
Retained profit	1,464,719,622.56	1,503,103,396.72
Total of owner's equity belong to the parent company	2,085,798,371.28	2,151,482,467.52
Minority shareholders' equity	114,518,965.09	108,684,402.89
Total of owners' equity	2,200,317,336.37	2,260,166,870.41
Total of liabilities and owners' equity	10,995,887,423.35	11,667,845,186.30

Legal Representative: Chen Lue Person in charge of accounting: Tang Xianyong Accounting Dept Leader: Tang Xianyong

2.Parent Company Balance Sheet

In RMB yuan

Items	At the end of term	Beginning of term
Current asset:		
Monetary fund	243,505,951.54	407,959,304.60
Financial assets measured at fair value with variations accounted into current income account		
Derivative financial assets		
Notes receivable and account receivable		
Including: Notes receivable		
Account receivable		
Advance payment		3,865,500.01
Other account receivable	2,806,035,781.56	3,690,967,483.22
Inventories		
Assets held for sales		
Non-current asset due in 1 year		
Other current asset		2,175,646.45
Total of current assets	3,049,541,733.10	4,104,967,934.28
Non-current assets:		
Available for sale of financial assets		
Expired investment in possess		
Long-term receivable		
Long term share equity investment	3,311,211,536.66	3,311,211,536.66
Property investment		
Fixed assets	44,308.72	52,246.48
Construction in progress		
Production physical assets		
Gas & petrol		

Intangible assets		
Development expenses		
Goodwill		
Long-germ expenses to be amortized	2,216,225.79	168,284.84
Deferred income tax asset		
Other non-current asset	787,328,020.00	550,524,570.00
Total of non-current assets	4,100,800,091.17	3,861,956,637.98
Total of assets	7,150,341,824.27	7,966,924,572.26
Current liabilities		
Short-term loans	1,541,182,123.93	2,287,870,000.00
Financial liabilities measured at fair value with variations accounted into current income account		
Derivative financial liabilities		
Notes payable and account payable	388,227,578.11	537,227,578.11
Advance receipts		
Employees' wage payable	4,533,410.16	1,580,335.12
Tax payable	94,478,087.53	97,124,633.81
Other account payable	990,089,993.91	392,422,663.75
Classified as held for sale debt		
Non-current liability due in 1 year	1,176,250,000.00	700,000,000.00
Other current liability		
Total of current liability	4,194,761,193.64	4,016,225,210.79
Non-current liabilities:		
Long-term loan		800,000,000.00
Bond payable	100,000,000.00	100,000,000.00
Including: preferred stock		
Sustainable debt		
Long-term payable		
Long-term payable to employees		
Expected liabilities		
Deferred income		
Deferred income tax liability		
Other non-current liabilities		
Total of Non-current liabilities	100,000,000.00	900,000,000.00
Total of liability	4,294,761,193.64	4,916,225,210.79
Owners' equity		
Share capital	1,698,245,011.00	1,698,245,011.00
Other equity instrument		
Including: preferred stock		
Sustainable debt		
Capital reserves	1,237,956,472.37	1,237,956,472.37

Less: Shares in stock		
Other comprehensive income		
Special reserves		
Surplus reserves	26,309,287.00	26,309,287.00
Retained profit	-106,930,139.74	88,188,591.10
Total of owners' equity	2,855,580,630.63	3,050,699,361.47
Total of liabilities and owners' equity	7,150,341,824.27	7,966,924,572.26

3.Consolidated Income statement of the Report period

In RMB yuan

Items	Amount in this period	Amount in last period
I. Total revenue	672,083,613.81	1,660,125,169.52
Incl: Business income	672,083,613.81	1,660,125,169.52
Interest income		
Insurance fee earned		
Fee and commission received		
II. Total business cost	942,438,139.46	1,477,429,530.55
Incl: Business cost	658,461,435.36	1,337,658,549.60
Interest expenses		
Fee and commission paid		
Insurance discharge payment		
Net claim amount paid		
Net amount provided as insurance contract reserves		
Insurance policy dividend paid		
Reinsurance expenses		
Business tax and surcharge	745,870.79	444,136.65
Sales expense	1,941,491.70	5,186,848.41
Administrative expense	57,216,694.51	81,317,075.77
R & D expenses		
Financial expenses	222,017,931.24	21,120,082.82
Including: Interest cost	215,522,929.15	20,689,788.99
Interest income	3,343,599.29	1,807,822.57
Asset impairment loss	2,054,715.86	31,702,837.30
Add: Other gains		
Investment gain ("-" for loss)		
Incl: Investment gains from affiliates		
Fair value change income		
Gains from currency exchange ("-" for loss)	113,926,608.10	-13,227,051.60
Assets disposal income		
III. Operational profit ("-" for loss)	-156,427,917.55	169,468,587.37
Add : Non-operational income	25,845,524.88	263,830.31
Less: Non-operational expenses	205,178.47	415,828.12

IV .Gross profit(“-” for loss)	-130,787,571.14	169,316,589.56
Less: Income tax expenses	-11,090,989.76	24,874,714.61
V. Net profit	-119,696,581.38	144,441,874.95
(1) Categorized by going concern		
(2) Termination of operating net profit		
Net profit attributable to the owners of parent company	-118,516,821.76	141,854,355.89
Minority shareholders’ equity	-1,179,759.62	2,587,519.06
VI. After tax net amount of comprehensive income		
Net of profit of other comprehensive income attributable to owners of the parent company		
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period		
1.Re-measurement of defined benefit plans of changes in net debt or net assets		
2.Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
(II) Other comprehensive income that will be reclassified into profit or loss.		
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss.		
2.Gains and losses from changes in fair value available for sale financial assets		
3.Held-to-maturity investments reclassified to gains and losses of available for sale financial assets		
4.The effective portion of cash flow hedges and losses		
5.Translation differences in currency financial statements		
6.Other		
Net after-tax of other comprehensive income attributable to Minority		

shareholders' equity		
VII. Total comprehensive income	-119,696,581.38	144,441,874.95
Total comprehensive income attributable to the owner of the parent company	-118,516,821.76	141,854,355.89
Total comprehensive income attributable minority shareholders	-1,179,759.62	2,587,519.06
VIII. Earnings per share		
(I) Basic earnings per share	-0.0698	0.0835
(II)Diluted earnings per share	-0.0698	0.0835

The current business combination under common control, the net profits of the combined party before achieved net profit of RMB 0.00, last period the combined party realized RMB0.00.

Legal Representative: Chen Lue Person in charge of accounting: Tang Xianyong Accounting Dept Leader: Tang Xianyong

4.Income statement of the Parent Company of the Report period

In RMB yuan

Items	Amount in this period	Amount in last period
I. Turnover	54,418.18	61,297.29
Less: Operation cost	0.00	0.00
Taxes and surcharge		34,225.74
Sales expenses		371,946.50
Administrative expenses	2,387,007.15	10,651,768.00
R & D cost		
Financial expenses	117,586,989.99	15,358,373.68
Including: Interest cost	121,102,703.51	
Interest income	3,518,795.43	
Impairment loss on assets	-1,355,806.96	
Add: Other gains		
Investment gains(“-” for loss)		
Including: investment income from associates and joint ventures		
Fair value change income		
Assets disposal income		
II. Operational profit (“-” for loss)	-118,563,772.00	-26,355,016.63
Add : Non-operational income		
Less: Non -operational expenses		
III.Gross profit(“-” for loss)	-118,563,772.00	-26,355,016.63
Less: Income tax expenses		
IV. Net profit	-118,563,772.00	-26,355,016.63
(1) Categorized by going concern		
(2) Termination of operating net profit		
V.After tax net amount of comprehensive income		

(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period		
1.Re-measurement of defined benefit plans of changes in net debt or net assets		
2.Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
(II) Other comprehensive income that will be reclassified into profit or loss.		
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss.		
2.Gains and losses from changes in fair value available for sale financial assets		
3.Held-to-maturity investments reclassified to gains and losses of available for sale financial assets		
4.The effective portion of cash flow hedges and losses		
5.Translation differences in currency financial statements		
6.Other		
VI. Total comprehensive income	-118,563,772.00	-26,355,016.63
VII. Earnings per share:		
(I) Basic earnings per share		
(II)Diluted earnings per share		

5. Consolidated Income statement between the beginning of the year and end of the report period

In RMB yuan

Items	Amount in this period	Amount in last period
I. Total revenue	2,259,055,189.05	4,685,207,526.32
Including: Business income	2,259,055,189.05	4,685,207,526.32
Interest income		
Insurance fee earned		
Commission charge and commission income		
II. Total Business cost	2,583,757,816.17	4,142,505,782.67
Including: Business cost	1,970,673,537.82	3,657,257,165.36
Interest expense		

Commission chare and commission expense		
Insurance discharge payment		
Net claim amount paid		
Insurance policy dividend paid		
Insurance policy dividend paid		
Reinsurance expenses		
Business tax and surcharge	2,852,388.84	2,386,723.94
Sales expenses	18,463,113.78	23,281,434.80
Administrative expense	185,124,556.07	206,493,833.92
R & D cost		
Financial expenses	400,405,629.14	132,272,854.08
Including: Interest cost	390,129,337.03	117,091,144.72
Interest income	9,833,816.40	6,316,332.71
Asset impairment loss	6,238,590.52	120,813,770.57
Add: Other gains		
Investment gain (“-” for loss)	5,171,892.51	
Including: investment income from associates and joint ventures		
Fair value change income		
Gains from currency exchange (“-” for loss)	146,374,380.81	-41,886,089.93
Assets disposal income		
III. Operational profit (“-” for loss)	-173,156,353.80	500,815,653.72
Add : Non-operational income	205,066,020.08	4,708,455.09
Less: Non-operational expenses	841,479.08	508,950.45
IV. Gross profit(“-” for loss)	31,068,187.20	505,015,158.36
Less: Income tax expenses	7,699,247.03	81,101,852.86
V. Net profit	23,368,940.17	423,913,305.50
(1) Categorized by going concern		
(2) Termination of operating net profit		
Net profit attributable to the owners of parent company	25,482,633.97	410,460,805.92
Minority shareholders’ equity	-2,113,693.80	13,452,499.58
VI.After tax net amount of comprehensive income	-263,008.36	
Net of profit of other comprehensive income attributable to owners of the parent company	-263,008.36	
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period		

1.Re-measurement of defined benefit plans of changes in net debt or net assets		
2.Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
(II) Other comprehensive income that will be reclassified into profit or loss.	-263,008.36	
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss.		
2.Gains and losses from changes in fair value available for sale financial assets		
3.Held-to-maturity investments reclassified to gains and losses of available for sale financial assets		
4.The effective portion of cash flow hedges and losses		
5.Translation differences in currency financial statements	-263,008.36	
6.Other		
Net after-tax of other comprehensive income attributable to Minority shareholders' equity		
VII. Total comprehensive income	23,105,931.81	423,913,305.50
Total comprehensive income attributable to the owner of the parent company	25,219,625.61	410,460,805.92
Total comprehensive income attributable minority shareholders	-2,113,693.80	13,452,499.58
VIII. Earnings per share		
(I) Basic earnings per share	0.0150	0.24
(II) Diluted earnings per share	0.0150	0.24

The current business combination under common control, the net profits of the combined party before achieved net profit of RMB 0.00, last period the combined party realized RMB0.00.

6.Income Statement of the Parent Between the Beginning of the Year and End of the Report Period

In RMB yuan

Items	Amount in this period	Amount in last period
I. Turnover	171,780.25	172,315.30
Less: Business cost	0.00	1,482.50

Taxes and surcharge		278,916.40
Sales expenses	994,445.50	371,946.50
Administrative expense	20,291,125.45	21,228,860.07
R & D cost		
Financial expenses	198,992,446.79	52,725,808.24
Including: Interest cost	200,617,859.56	
Interest income	3,944,055.45	
Asset impairment loss	7,082,692.91	-57,423.85
Add: Other gains		
Investment gain (“-” for loss)		
Including: investment income from associates and joint ventures		
Fair value change income		
Assets disposal income		
II. Operational profit (“-” for loss)	-227,188,930.40	-74,377,274.56
Add : Non-operational income	100,000,000.00	
Less: Non-operational expenses		
III. Gross profit (“-” for loss)	-127,188,930.40	-74,377,274.56
Less: Income tax expenses		
IV. Net profit	-127,188,930.40	-74,377,274.56
(1) Categorized by going concern		
(2) Termination of operating net profit		
V. After tax net amount of comprehensive income		
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period		
1. Re-measurement of defined benefit plans of changes in net debt or net assets		
2. Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
(II)		
Other comprehensive income that will be reclassified into profit or loss.		
1. Other comprehensive income under the equity method investee can be reclassified into profit or loss.		
2. Gains and losses from changes in fair value available for sale financial assets		
3. Held-to-maturity investments reclassified		

sified to gains and losses of available for sale financial assets		
4.The effective portion of cash flow hedges and losses		
5.Translation differences in currency financial statements		
6.Other		
VI. Total comprehensive income	-127,188,930.40	-74,377,274.56
VII. Earnings per share:		
(I) Basic earnings per share		
(II)Diluted earnings per share		

7. Consolidated Cash Flow Statement Between the Beginning of the Year and End of the Report Period

In RMB yuan

Items	Amount in this period	Amount in last period
I.Cash flows from operating activities		
Cash received from sales of goods or rendering of services	2,813,614,672.80	3,177,253,209.09
Net increase of customer deposits and capital kept for brother company		
Net increase of loans from central bank		
Net increase of inter-bank loans from other financial bodies		
Cash received against original insurance contract		
Net cash received from reinsurance business		
Net increase of client deposit and investment		
Net increase of the financial assets that are measured at fair value and whose movement is counted to the current gain and loss		
Cash received as interest, processing fee and commission		
Net increase of inter-bank fund received		
Net increase of repurchasing business		
Tax returned	3,488,505.37	12,758,357.03
Other cash received from business operation	3,926,123,995.63	3,245,486,770.66
Sub-total of cash inflow	6,743,227,173.80	6,435,498,336.78
Cash paid for purchasing of	2,518,844,052.72	2,823,791,162.98

merchandise and services		
Net increase of client trade and advance		
Net increase of savings in central bank and brother company		
Cash paid for original contract claim		
Cash paid for interest, processing fee and commission		
Cash paid for policy dividend		
Cash paid to staffs or paid for staffs	179,518,278.57	284,756,611.90
Taxes paid	77,150,857.45	175,356,391.05
Other cash paid for business activities	2,680,400,667.11	3,937,038,493.01
Sub-total of cash outflow from business activities	5,455,913,855.85	7,220,942,658.94
Cash flow generated by business operation, net	1,287,313,317.95	-785,444,322.16
II.Cash flow generated by investing		
Cash received from investment retrieving		
Cash received as investment gains		
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets	432,865.55	
Net cash received from disposal of subsidiaries or other operational units	1,062,398.45	
Other investment-related cash received		
Sub-total of cash inflow due to investment activities	1,495,264.00	
Cash paid for construction of fixed assets, intangible assets and other long-term assets	12,179,377.50	45,779,721.11
Cash paid as investment	376,429,730.78	517,381,774.84
Net increase of loan against pledge		
Net cash received from subsidiaries and other operational units	-35,622,112.04	43,559,100.00
Other cash paid for investment activities		
Sub-total of cash outflow due to investment activities	352,986,996.24	606,720,595.95
Net cash flow generated by investment	-351,491,732.24	-606,720,595.95
III.Cash flow generated by financing		

Cash received as investment	490,000.00	
Incl: Cash received as investment from minor shareholders		
Cash received as loans	1,255,509,245.00	4,026,537,500.00
Cash received from bond placing		
Other financing – related ash received		
Sub-total of cash inflow from financing activities	1,255,999,245.00	4,026,537,500.00
Cash to repay debts	2,425,799,391.05	1,758,114,122.78
Cash paid as dividend, profit, or interests	254,970,260.18	242,393,681.30
Incl: Dividend and profit paid by subsidiaries to minor shareholders		
Other cash paid for financing activities		409,470,833.33
Sub-total of cash outflow due to financing activities	2,680,769,651.23	2,409,978,637.41
Net cash flow generated by financing	-1,424,770,406.23	1,616,558,862.59
IV. Influence of exchange rate alternation on cash and cash equivalents	-4,433,209.17	-8,154,660.05
V.Net increase of cash and cash equivalents	-493,382,029.69	216,239,284.43
Add: balance of cash and cash equivalents at the beginning of term	647,222,590.49	943,705,322.41
VI ..Balance of cash and cash equivalents at the end of term	153,840,560.80	1,159,944,606.84

8. Cash Flow Statement of the Parent Between the Beginning of the Year and End of the Report Period

In RMB yuan

Items	Amount in this period	Amount in last period
I.Cash flows from operating activities		
Cash received from sales of goods or rendering of services	54,418.18	128,210.00
Tax returned		
Other cash received from business operation	3,768,971,880.81	2,603,508,330.39
Sub-total of cash inflow	3,769,026,298.99	2,603,636,540.39
Cash paid for purchasing of merchandise and services		
Cash paid to staffs or paid for staffs	1,087,705.66	380,672.60
Taxes paid	1,012,663.31	366,621.64
Other cash paid for business activities	2,421,993,707.71	4,060,602,342.91

Sub-total of cash outflow from business activities	2,424,094,076.68	4,061,349,637.15
Cash flow generated by business operation, net	1,344,932,222.31	-1,457,713,096.76
II.Cash flow generated by investing		
Cash received from investment retrieving		
Cash received as investment gains		
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets		
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received		
Sub-total of cash inflow due to investment activities		
Cash paid for construction of fixed assets, intangible assets and other long-term assets		65,440.00
Cash paid as investment	163,000,000.00	398,535,100.00
Net cash received from subsidiaries and other operational units		5,000,000.00
Other cash paid for investment activities		
Sub-total of cash outflow due to investment activities	163,000,000.00	403,600,540.00
Net cash flow generated by investment	-163,000,000.00	-403,600,540.00
III.Cash flow generated by financing		
Cash received as investment		
Cash received as loans	840,650,000.00	3,131,370,000.00
Cash received from bond placing		
Other financing – related ash received		
Sub-total of cash inflow from financing activities	840,650,000.00	3,131,370,000.00
Cash to repay debts	1,909,087,876.07	980,000,000.00
Cash paid as dividend, profit, or interests	170,194,670.62	204,306,306.50
Other cash paid for financing activities		60,833.33
Sub-total of cash outflow due to	2,079,282,546.69	1,184,367,139.83

financing activities		
Net cash flow generated by financing	-1,238,632,546.69	1,947,002,860.17
IV. Influence of exchange rate alternation on cash and cash equivalents		
V.Net increase of cash and cash equivalents	-56,700,324.38	85,689,223.41
Add: balance of cash and cash equivalents at the beginning of term	99,547,899.86	168,691,344.34
VI ..Balance of cash and cash equivalents at the end of term	42,847,575.48	254,380,567.75

II. Auditor's report

Whether the Q3 report is audited

☐ Yes ☒ No

The Q3 Report is not audited.

Legal representative : Chen Lue

Sino Great Wall Co., Ltd.

October 31,2018