

SUPOR 苏泊尔

Zhejiang Supor Co., Ltd.

Third Quarterly Report 2017

October 2017

SECTION I IMPORTANT NOTES

The Board of Directors and the Board of Supervisors of Zhejiang Supor Co., Ltd. (hereinafter referred to as the “Company”) and all its directors, supervisors and senior executives warrant that this quarterly report is true, accurate and complete, and does not contain any fictitious statements, misleading information or significant omissions. All directors, supervisors and senior executives of the Company undertake, separately and jointly, all responsibilities in relation to the truth, accuracy and completeness hereof.

All directors have attended the Board Meeting in person, in which the current quarterly report was reviewed and approved.

Mr. Frédéric VERWAERDE Chairman of the Board of Directors, and Mr. Xu Bo, Chief Financial Officer of the Company, hereby confirm that the Financial Report enclosed in this Quarterly Report is true, accurate and complete.

SECTION II MAJOR FINANCIAL DATA AND CHANGES OF SHAREHOLDERS

I. Major Accounting Data and Financial Indicators

Has the Company retroactively adjusted or restated the accounting data of previous years?

☐ Yes ☒ No

	End of this report period	End of last year	Increased or decreased	
Total assets (yuan)	8,327,929,549.25	7,857,779,624.86	5.98%	
Net assets attributable to shareholders of listed company (yuan)	4,959,767,011.38	4,542,017,463.10	9.20%	
	End of this report period	Increased or decreased	The beginning of the year to the end of reporting period	Increase or decrease from the beginning of the year to the end of reporting period over the same period of last year
Total sales (yuan)	3,587,171,652.21	16.48%	10,496,638,285.28	18.85%
Net profit attributable to shareholders of listed company (yuan)	299,394,504.46	10.23%	896,367,727.06	20.78%
Net profit attributable to shareholders of listed company deducted by non-recurring profit or loss (yuan)	279,361,037.42	4.91%	846,356,006.62	23.31%
Net cash flows resulting from operating activities (yuan)	263,590,088.51	-34.47%	822,447,296.21	35.07%
Basic earnings per share (yuan/share)	0.367	10.21%	1.093	20.77%
Diluted earnings per share (yuan/share)	0.366	10.24%	1.091	20.69%
Return on weighted average net assets	6.22%	-0.46%	19.00%	2.85%

Non-recurring profit and loss item and amount

☒ Applicable ☐ Not-applicable

Unit: Yuan

Item	Amount from beginning of the year to end of report period	Notes
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Gains on disposal of non-current assets (including the written-off of provision for impairment loss)	-792,442.46	
Government grant included in current period profit or loss (excluding those related to operating activities or regular government grants)	20,746,871.20	
Other non-operating revenues or expenditures except for the items aforesaid	-5,910,469.10	
Other profit or loss satisfying the definition of non-recurring profit or loss	46,729,516.37	Returns on investment on financing products
Less: enterprise income tax incurred by taxable gains	10,736,818.28	
Effects on minority interest (after tax)	24,937.29	
Total	50,011,720.44	--

The Company should state reason for defining “non-recurring profit or loss items” in *Regulations of Questions and Responses of Information Disclosure Standard by Companies Publicly Issuing Securities No. 1 --- Non-recurring Profit or Loss* and non-recurring profit or loss items in *Regulations of Questions and Responses of Information Disclosure Standard by Companies Publicly Issuing Securities No. 1 --- Non-recurring Profit or Loss* as recurring profit or loss items.

☐ Applicable ☒ Not-applicable

The Company didn't have any recurring gains and losses defined in accordance with the definition of "non-recurring profit or loss" in the *Regulations of Questions and Responses of Information Disclosure Standard by Companies Publicly Issuing Securities No. 1 --- Non-recurring Profit or Loss*.

II. Total shareholders and the shares held by top 10 shareholders by the end of the report period

1. Common shareholders, preferred shareholders recovered by voting rights and shares held by top 10 shareholders

(Unit: Shares)

Total number of common shareholders by end of reporting period	10,515	Total number of preferred stockholders with restored voting right (if any).	0			
Shares held by top 10 shareholders						
Shareholder's name	Nature of shareholder	Proportion of share-holding	Share quantity	Number of restricted outstanding shares	Number of shares pledged or frozen	
					State of shares	State of shares
SEB INTERNATIONALES.A.S	Foreign legal entity	81.18%	666,681,904	271,367,590		
Hong Kong Securities Clearing Company Ltd.	Foreign legal entity	3.15%	25,863,354	0		
Fidelity Mutual Fund & Investment Management - Clients' Capital	Foreign legal entity	2.00%	16,426,291	0		

DEUTSCHE BANK AKTIENGESELLSCHAFT	Foreign legal entity	1.11%	9,130,867	0		
BNP Paribas – Own Fund	Foreign legal entity	0.97%	7,975,577	0		
Bank of China-E-fund Small and Medium Cup Complex Securities Investment Funds	Others	0.71%	5,870,066	0		
China Construction Bank-E-Fund New Silk Road Flexible Complex Securities Investment Funds	Others	0.71%	5,814,700	0		
UBS AG	Foreign legal entity	0.64%	5,241,483	0		
Bank of China-Harvest Shanghai-Hong Kong-Shenzhen Connect Selected Securities Investment Funds	Others	0.60%	4,938,219	0		
Central Huijin Investment Ltd.	State-owned legal entity	0.54%	4,423,640	0		
Top 10 shareholders holding non-restricted outstanding shares						
Shareholder's name	Quantity of unrestricted shares held	Nature of share		Qty.		
		Nature of share				
SEB INTERNATIONALES.A.S	395,314,314	Renminbi common shares		395,314,314		
Hong Kong Securities Clearing Company Ltd.	25,863,354	Renminbi common shares		25,863,354		
Fidelity Mutual Fund & Investment Management - Clients' Capital	16,426,291	Renminbi common shares		16,426,291		
DEUTSCHE BANK AKTIENGESELLSCHAFT	9,130,867	Renminbi common shares		9,130,867		
BNP Paribas – Own Fund	7,975,577	Renminbi common shares		7,975,577		
Bank of China-E-fund Small and Medium Cup Complex Securities Investment Funds	5,870,066	Renminbi common shares		5,870,066		
China Construction Bank-E-Fund New Silk Road Flexible Complex Securities Investment Funds	5,814,700	Renminbi common shares		5,814,700		
UBS AG	5,241,483	Renminbi common shares		5,241,483		
Bank of China-Harvest Shanghai-Hong Kong-Shenzhen Connect Selected Securities Investment Funds	4,938,219	Renminbi common shares		4,938,219		
Central Huijin Investment Ltd.	4,423,640	Renminbi common shares		4,423,640		
Description for incidence relation or concerted action of shareholders aforesaid	Among the top 10 shareholders, the Company is not aware of any connected relationship or concerted parties as stipulated in the Administration of the					

	Takeover of Listed Companies Procedures.
Information on top 10 common shareholders involved in securities margin trading business (if any)	No

Have top 10 common shareholders and top 10 unrestricted common shareholders repurchased securities at agreed price during the reporting period?

☐ Yes ☒ No

No top 10 common shareholders or top 10 unrestricted common shareholders has repurchased securities at agreed price during the reporting period.

2. Total preferred shareholders and shares held by top 10 preferred shares

☐ Applicable ☒ Not Applicable

SECTION III SIGNIFICANT EVENTS

I. Change in major accounting statement items and financial indicators during report period and change reasons

√ Applicable □ Not-applicable

Items on Balance Sheet:

1. The accounts receivable increased by 33.76% compared with that at the beginning of the period, which was attributable to increase in business scale in the current period.
2. The payment in advance was increased by 36.92% compared with that at the beginning of the period, which was attributable to increase in advance payment for bulk materials purchased in the current period.
3. The other account received was decreased by 84.71% compared with that at the beginning of the period, which was attributable to the receipts of the VAT export rebates of last year in the current period.
4. The project in progress was increased by 319.31% compared with that at the beginning of the period, which was attributable to increase in investment in project in progress made by subsidiaries in the current period.
5. The intangible assets was increased by 30.92% compared with that at the beginning of the period, which was attributable to acquisition of land by subsidiaries in the current period.
6. The deferred income tax liabilities were increased by 54.15% compared with that at the beginning of the period, which was attributable to increase in temporary difference caused by fees payables of subsidiaries and difference in deductible share option.
7. The tax payable were increased by 57.04% compared with that at the beginning of the period, which was attributable to increase in total profit taxable of subsidiaries in the current period.
8. The anticipation liabilities was increased by 111.89% compared with that at the beginning of the period, which was attributable to increase in anticipation liabilities of patent infringement lawsuit case in the current period.

Items on Profit Statement:

1. The financial expenses was increased by 96.27% over the same period of last year, which was mainly attributable to the loss of exchange due to fluctuation in foreign exchange rate of Renminbi and US dollar currency in the current period and exchange gains in the same period last year.
2. The assets impairment loss was increased by 33.94% over the same period of last year, which was mainly attributable to increase in inventory falling price reserves accrued for slow-moving products.
3. The non-operating expenditure was increased by 58.94% over the same period of last year, which was mainly attributable to increase in anticipation liabilities of patent infringement lawsuit case in the current period.

Items on Cash Flow Statement:

1. The net cash flows resulting from operating activities during this period increased by 35.07% over the same period last year, which was mainly attributable to increase in cash inflow received by selling merchandise and providing labor service.
2. The net cash flow resulting from financing activities during this period decreased by 36.86% over the same period last year, which was mainly attributable to increase in profit distribution for shareholders in the current period.

II. Progress of Significant Events, Influence and Solutions

√ □ Applicable □ Not Applicable

Brief of significant events	Date of disclosure	Temporary reports search index
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<p>The Proposal on Repurchasing Public Shares to Implement the 2017 Restricted Stock Incentive Plan was reviewed and approved by the 2nd Session of Sixth Board of Directors, the aim of this Stock Repurchase Plan is to implement the 2017 Restricted Stock Plan of the Company, and the total amount of capital used for repurchasing public shares will be no more than RMB 189,200,000 yuan calculated on the basis of 4.30M shares with stock price no higher than RMB 44 per share. This Stock Repurchase Plan has been approved by the First Interim General Meeting of Shareholders held on the Sep. 21st, 2017. The Repurchase Report on Public Shares of Zhejiang Supor Co., Ltd. was published on Sep. 27th, 2017.</p>	<p>September 27, 2017</p>	<p>Full text of the Repurchase Report on Public Shares of Zhejiang Supor Co., Ltd. (2017-030) was published on cninfo.com.cn.</p>
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III. Commitments that have not been fulfilled in time in report period by relevant parties such as the company's actual controller, shareholder, associated party, purchaser and the company

☐ Applicable ☒ Not Applicable

There are no commitments that have not been fulfilled in time in report period by relevant parties such as the company's actual controller, shareholder, associated party, purchaser and the company in the report period of the company.

IV. Forecast on business performance during 2017 Annual

Estimated business performance in 2017 Annual: the net profit belonging to the shareholders of the listed company is positive and which does not belong to the circumstances of "make up the deficits and get surpluses".

The net profit belonging to the shareholders of the listed company is positive and does not belong to the circumstance of "make up the deficits and get surpluses".

Fluctuation rate of net profit attributable to the shareholders of the listed Company during 2017 Annual	0.00%	To	30.00%
Fluctuation range of net profit attributable to the shareholders of the listed company during 2017 Annual(10KRMB)	107,751.92	To	140,077.50
Net profit attributable to the shareholders of the listed company during 2016 Annual (10KRMB)	107,751.92		
Description for causes of changes in performance	Domestic sales business of domestic cookware industry and small household appliance industry was kept a faster growth compared with that in 2016 over the same period of last year.		

V. Financial assets measured at the fair value

☒ Applicable ☐ Not-applicable

Unit: Yuan

Category of assets	Initial investment costs	Profit and loss for fair value change	Accumulated fair value change in rights and interests	Purchase amount during report	Sales amount during report	Accumulated investment income	Closing amount	Capital source
Others	1,050,000,000.00	-4,260,214.87		660,000,000.00	910,000,000.00	17,298,331.75	1,055,074,732.70	Self-owned capital
Total	1,050,000,000.00	-4,260,214.87	0.00	660,000,000.00	910,000,000.00	17,298,331.75	1,055,074,732.70	--

VI. Illegal external guaranty

☐ Applicable ☒ Not-applicable

The company does not involve in any illegal external guaranty during the report period.

VII. Occupied Non-business Capital of Listed Company for Shareholders and Affiliated Company

☐ Applicable ☒ Not-applicable

The company does not involve in any occupied non-business capital of listed company for shareholders and affiliated company during the report period.

VIII. Registration form for reception of investigation& research, communication and interview activities in the reporting period

☒ Applicable ☐ Not Applicable

Date of reception	Method of receipt	Type of reception object	Index of basic conditions of the survey
September 19, 2017	On-site survey	Institution	Refer to <i>Record of Investor Relationship Activities on September 19, 2017</i> disclosed on cninfo.com.cn dated September 21, 2017 for details

SECTION IV FINANCIAL STATEMENTS

I. Financial Statement

1. Consolidated balance sheet

Compiled by: Zhejiang Supor Co., Ltd.

September 30, 2017

Unit: Yuan

Item	Closing balance	Beginning balance
Current assets		
Monetary funds	803,108,925.85	754,144,152.56
Settlement funds		
Loans to other banks		
Financial assets at fair value through profit or loss	1,055,074,732.70	856,988,784.08
Derivative financial assets		
Notes receivable	808,990,744.72	843,520,455.60
Accounts receivable	1,551,793,666.58	1,160,117,826.72
Advances paid	215,405,882.72	157,326,657.23
Premiums receivable		
Reinsurance accounts receivable		
Reinsurance reserve receivable		
Interest receivable	1,699,138.85	285,680.93
Dividends receivable		
Other receivables	8,512,347.23	55,657,951.60
Reverse-REPO financial assets		
Inventories	1,470,400,344.92	1,696,932,203.19
Assets classified as held-for-sale		
Non-current assets due within one year		
Other current assets	929,605,382.04	981,698,880.31
Total current assets	6,844,591,165.61	6,506,672,592.22
Non-current assets		
Loans and advances paid		
Available-for-sale financial assets		

Held-for-maturity investment		
Long-term receivables		
Long-term equity investments	56,409,847.63	53,877,930.88
Investment property		
Fixed assets	835,208,170.70	885,129,598.11
Project under construction	25,102,772.57	5,986,693.89
Engineering materials		
Disposal of fixed assets		
Productive biological assets		
Oil and gas assets		
Intangible assets	334,747,324.38	255,692,979.29
Development expenditures		
Goodwill		
Long-term unamortized expenses		
Deferred income tax assets	231,870,268.36	150,419,830.47
Other non-current assets		
Total non-current assets	1,483,338,383.64	1,351,107,032.64
Total assets	8,327,929,549.25	7,857,779,624.86
Current liabilities		
Short-term borrowings		
Central bank loans		
Absorbing deposit and interbank deposit		
Loans from other banks		
Financial liabilities at fair value through profit or loss		
Derivative financial liabilities		
Notes payable		
Accounts payable	2,188,428,198.70	2,062,140,539.44
Advances received	693,738,444.06	779,587,538.11
Proceeds from sale of repurchase financial assets		
Handling fee and commission payable		
Employee pay payable	213,865,706.84	237,919,276.03
Taxes and rates payable	181,124,720.28	115,333,892.17
Interest payable		
Dividends payable		

Other payables	61,197,164.38	80,287,557.91
Reinsurance accounts receivable		
Reinsurance reserve		
Deposit for agency security transaction		
Deposit for agency security underwriting		
Liabilities classified as held-for-sale		
Non-current liabilities due within one year		
Other current liabilities		
Total current liabilities	3,338,354,234.26	3,275,268,803.66
Non-current liabilities		
Long-term borrowings		
Bonds payable		
Where: preferred shares		
Perpetual capital securities		
Long-term payables		
Long-term employee pay payable	6,095,115.08	6,975,952.59
Special payables		
Estimated liabilities	15,150,000.00	7,150,000.00
Deferred income		
Deferred income tax liabilities	7,317,692.45	6,833,704.75
Other non-current liabilities		
Total non-current liabilities	28,562,807.53	20,959,657.34
Total liabilities	3,366,917,041.79	3,296,228,461.00
Owner's equity		
Share capital	821,287,610.00	631,765,700.00
Other equity instruments		
Where: preferred shares		
Perpetual capital securities		
Capital reserves	60,821,185.42	41,751,903.83
Minus: treasury shares		
Other comprehensive incomes	-27,421,597.61	-21,115,130.39
Special reserves		
Surplus reserves	295,189,204.06	295,681,206.47
General risk reserve		

Undistributed profit	3,809,890,609.51	3,593,933,783.19
Total owner's equity belonging to parent company	4,959,767,011.38	4,542,017,463.10
Minority equity	1,245,496.08	19,533,700.76
Total owner's equity	4,961,012,507.46	4,561,551,163.86
Total liabilities & equity	8,327,929,549.25	7,857,779,624.86

Legal representative: Fr   ic VERWAERDE

Person in charge of accountancy: Xu Bo

Person in charge of accounting department: Xu Bo

2. Balance sheet of parent company

Unit: Yuan

Item	Closing balance	Beginning balance
Current assets		
Monetary funds	267,861,969.54	263,064,886.69
Financial assets at fair value through profit or loss	500,000,000.00	
Derivative financial assets		
Notes receivable	3,500,000.00	17,399,486.67
Accounts receivable	440,432,677.10	238,754,765.93
Advance payment	54,098,841.90	25,631,663.93
Interest receivable	48,089.59	31,406.25
Dividends receivable		
Other receivables	28,038,645.93	24,336,542.49
Inventories	173,311,506.21	126,586,801.90
Assets classified as held-for-sale		
Non-current assets due within one year		
Other current assets	757,231,842.85	906,437,451.54
Total current assets	2,224,523,573.12	1,602,243,005.40
Non-current assets		
Available-for-sale financial assets		
Held-for-maturity investment		
Long-term receivables		
Long-term equity investment	2,407,103,344.76	2,378,086,172.55
Investment property		
Fixed assets	137,370,540.60	148,234,979.95
Project under construction	11,854,740.29	2,800,949.02

Engineering materials		
Disposal of fixed assets		
Productive biological assets		
Oil and gas assets		
Intangible assets	88,817,543.54	92,113,561.40
Development expenditures		
Goodwill		
Long-term unamortized expenses		
Deferred income tax assets	21,292,452.22	6,495,246.32
Other non-current assets		
Total non-current assets	2,666,438,621.41	2,627,730,909.24
Total assets	4,890,962,194.53	4,229,973,914.64
Current liabilities		
Short-term borrowings		
Financial liabilities at fair value through profit or loss		
Derivative financial liabilities		
Notes payable		
Accounts payable	202,199,577.41	203,158,940.49
Advances received	3,256,706.36	3,696,699.18
Employee benefits payable	57,266,591.78	59,142,122.51
Taxes and rates payable	13,302,361.04	35,057,310.03
Interest payable		
Dividends payable		
Other payables	2,459,560,538.21	1,424,893,390.16
Liabilities classified as held-for-sale		
Non-current liabilities due within one year		
Other current liabilities		
Total current liabilities	2,735,585,774.80	1,725,948,462.37
Non-current liabilities		
Long-term borrowings		
Bonds payable		
Where: preferred shares		
Perpetual capital securities		
Long-term payables		

Long-term employee pay payable		
Account payable special funds		
Estimated liabilities	5,000,000.00	
Deferred income		
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	5,000,000.00	
Total liabilities	2,740,585,774.80	1,725,948,462.37
Owner's equity		
Share capital	821,287,610.00	631,765,700.00
Other equity instruments		
Where: preferred shares		
Perpetual capital securities		
Capital reserves	578,740,380.89	566,162,828.10
Minus: treasury stock		
Other comprehensive incomes		
Special reserves		
Surplus reserves	304,163,002.42	304,163,002.42
Undistributed profit	446,185,426.42	1,001,933,921.75
Total owner's equity	2,150,376,419.73	2,504,025,452.27
Total liabilities & equity	4,890,962,194.53	4,229,973,914.64

3. Consolidated profit statement during the reporting period

Unit: Yuan

Item	Amount incurred during this period	Amount incurred during prior period
I. Total operating revenue	3,587,171,652.21	3,079,669,063.56
Where: operating revenue	3,587,171,652.21	3,079,669,063.56
Interest proceeds		
Premium earned		
Revenue from handling charges and commission		
II. Total operating cost	3,247,398,286.08	2,743,687,316.00
Where: operating cost	2,559,643,740.55	2,162,839,839.40
Interest expenses		

Handling charges and commission expenditures		
Surrender value		
Net payment of insurance claims		
Net provision of insurance reserve		
Premium bonus expenditures		
Reinsurance expenses		
Taxes and surcharges for operations	21,339,141.01	15,858,301.66
Selling expenses	538,515,741.24	462,161,387.73
Administrative expenses	105,274,261.58	99,298,875.10
Financial expenses	955,855.35	-2,367,859.99
Assets impairment loss	21,669,546.35	5,896,772.10
Plus: Earnings of changes in fair value (the loss is filled in with "-")	-4,260,214.87	909,319.44
Return on investment (the loss is filled in with "-")	26,363,793.50	3,277,189.51
Where: return on investment on associated enterprise and cooperative enterprise	892,923.63	834,160.39
Exchange earning (the loss is filled in with "-")		
Other incomes		
III. Operating profit (the loss is filled in with "-")	361,876,944.76	340,168,256.51
Plus: non-operating revenue	3,481,588.25	6,438,543.54
Where: earning from disposing non-current assets	158,126.68	611,701.22
Minus: Non-business expenditures	651,915.78	2,069,300.85
Where: loss from disposing non-current assets	278,554.00	299,243.18
IV. Total profit (the loss is filled in with "-")	364,706,617.23	344,537,499.20
Minus: income tax expenses	65,010,872.02	72,476,939.91
V. Net profit (the loss is filled in with "-")	299,695,745.21	272,060,559.29
Net profit attributable to owners of parent company	299,394,504.46	271,603,879.81
Minority interest income	301,240.75	456,679.48
VI. Other comprehensive income after tax	-3,004,172.47	971,046.26
After-tax net amount of other comprehensive income belonging to the owners of parent company	-3,004,172.47	971,046.26
(1) Other comprehensive incomes un-reclassified into profit and loss in future		
1. Re-measure the change in net liabilities or net assets under the defined benefit plans		
2. Percentages to the other comprehensive incomes		

un-reclassified into profit and loss in the invested organization under the equity law		
(2) Other comprehensive incomes reclassified into the profit and loss in future	-3,004,172.47	971,046.26
1. Percentages to the other comprehensive incomes un-reclassified into profit and loss in future in the invested organization under the equity law		
2. Earnings from change in fair value of financial assets available for sales		
3. Profit and loss of financial assets available for sales under reclassified into the held-to-maturity investment		
4. Effective portion of cash-flow hedge profit and loss		
5. Difference in conversion of foreign currency in financial statement	-3,004,172.47	971,046.26
6. Others		
After-tax net profit of other comprehensive income belonging to minority shareholder		
VII. Total comprehensive income	296,691,572.74	273,031,605.55
Total comprehensive income attributed to owners of parent company	296,390,331.99	272,574,926.07
Total comprehensive income attributed to minority shareholders	301,240.75	456,679.48
VIII. Earnings per share:		
(1) Basic earnings per share (EPS)	0.367	0.333
(2) Diluted earnings per share (EPS)	0.366	0.332

If the enterprise under the same control is merged, the net profit realized by the party to be merged before merger was 0 yuan, the net profit realized by the party to be merged during the prior period was 0 yuan

Legal representative: Fr   ic VERWAERDE

Person in charge of accountancy : Xu Bo

Person in charge of accounting department: Xu Bo

4. Profit statement of parent company during the reporting period

Unit: Yuan

Item	Amount incurred during this period	Amount incurred during prior period
I. Operating income	589,359,652.59	506,497,917.05
Minus: operating costs	495,033,548.46	383,447,753.04
Taxes and surcharges for operations	2,112,934.12	601,985.22
Selling expenses	23,837,491.08	11,932,538.98
Administrative expenses	22,940,200.76	26,361,584.14

Financial expenses	7,055,284.76	-256,004.06
Assets impairment loss	8,054,215.83	5,240,657.17
Plus: Earnings of changes in fair value (the loss is filled in with “-”)		
Return on investment (the loss is filled in with “-”)	15,557,307.18	5,590,434.37
Where: return on investment on associated enterprise and cooperative enterprise	892,923.63	834,160.39
Other incomes		
II. Operating profit (the loss is filled in with “-”)	45,883,284.76	84,759,836.93
Plus: non-operating revenue	1,336,457.00	772,689.33
Where: earning from disposing non-current assets	5,783.24	4,173.32
Minus: Non-operating expenditures	207,205.39	411,217.30
Where: loss from disposing non-current assets	149,535.46	4,482.15
III. Total profit (the loss is filled in with “-”)	47,012,536.37	85,121,308.96
Minus: income tax expenses	7,254,124.81	12,768,196.34
IV. Net profit (the loss is filled in with “-”)	39,758,411.56	72,353,112.62
V. After-tax net amount of other comprehensive income		
(1) Other comprehensive incomes un-reclassified into profit and loss in future		
1. Re-measure the change in net liabilities or net assets under the defined benefit plans		
2. Percentages to the other comprehensive incomes un-reclassified into profit and loss in the invested organization under the equity law		
(2) Other comprehensive incomes reclassified into the profit and loss in future		
1. Percentages to the other comprehensive incomes un-reclassified into profit and loss in future in the invested organization under the equity law		
2. Earnings from change in fair value of financial assets available for sales		
3. Profit and loss of financial assets available for sales under reclassified into the held-to-maturity investment		
4. Effective portion of cash-flow hedge profit and loss		
5. Difference in conversion of foreign currency in financial statement		
6. Others		
VI. Total comprehensive income	39,758,411.56	72,353,112.62

VII. Earnings per share:		
(1) Basic earnings per share (EPS)		
(2) Diluted earnings per share (EPS)		

5. Consolidated income statement from the beginning of the year to the end of the reporting period

Unit: Yuan

Item	Amount incurred during this period	Amount incurred during prior period
I. Total operating revenue	10,496,638,285.28	8,831,589,881.34
Where: operating revenue	10,496,638,285.28	8,831,589,881.34
Interest proceeds		
Premium earned		
Revenue from handling charges and commission		
II. Total operating cost	9,466,173,611.35	7,891,633,453.68
Where: operating cost	7,393,683,346.59	6,175,639,591.20
Interest expense		
Handling charges and commission expenditures		
Surrender value		
Net payments for insurance claims		
Net provision of insurance reserve		
Premium bonus expenditures		
Reinsurance expenses		
Taxes and surcharges for operations	75,516,050.37	58,670,601.93
Selling expenses	1,673,160,982.28	1,369,613,715.31
Administrative expenses	298,600,011.57	279,135,592.46
Financial expenses	-392,749.17	-10,543,344.31
Assets impairment loss	25,605,969.71	19,117,297.09
Plus: Earnings of changes in fair value (the loss is filled in with "-")	-1,914,051.36	559,333.33
Return on investment (the loss is filled in with "-")	51,059,401.82	56,675,868.31
Where: return on investment on associated enterprise and cooperative enterprise	2,715,833.09	2,870,243.32
Exchange earning (the loss is filled in with "-")		
Other incomes		
III. Operating profit (the loss is filled in with "-")	1,079,610,024.39	997,191,629.30

Plus: non-operating revenue	26,782,828.48	25,781,571.26
Where: earning from disposing non-current assets	1,594,181.46	1,099,624.56
Minus: Non-operating expenditures	12,743,074.49	8,017,433.46
Where: loss from disposing non-current assets	2,386,623.92	1,378,980.47
IV. Total profit (the loss is filled in with "-")	1,093,649,778.38	1,014,955,767.10
Minus: income tax expenses	196,674,732.59	216,876,843.99
V. Net profit (the loss is filled in with "-")	896,975,045.79	798,078,923.11
Net profit attributable to owners of parent company	896,367,727.06	742,140,051.15
Minority interest income	607,318.73	55,938,871.96
VI. Other comprehensive income after tax	-6,306,467.22	-3,334,078.27
After-tax net amount of other comprehensive income belonging to the owners of parent company	-6,306,467.22	-3,334,078.27
(1) Other comprehensive incomes un-reclassified into profit and loss in future		
1. Re-measure the change in net liabilities or net assets under the defined benefit plans		
2. Percentages to the other comprehensive incomes un-reclassified into profit and loss in the invested organization under the equity law		
(2) Other comprehensive incomes reclassified into the profit and loss in future	-6,306,467.22	-3,334,078.27
1. Percentages to the other comprehensive incomes un-reclassified into profit and loss in future in the invested organization under the equity law		
2. Earnings from change in fair value of financial assets available for sales		
3. Profit and loss of financial assets available for sales under reclassified into the held-to-maturity investment		
4. Effective portion of cash-flow hedge profit and loss		
5. Difference in conversion of foreign currency in financial statement	-6,306,467.22	-3,334,078.27
6. Others		
After-tax net profit of other comprehensive income belonging to minority shareholder		
VII. Total comprehensive income	890,668,578.57	794,744,844.84
Total comprehensive income attributed to owners of parent company	890,061,259.84	738,805,972.88
Total comprehensive income attributed to minority shareholders	607,318.73	55,938,871.96

VIII. Earnings per share:		
(1) Basic earnings per share (EPS)	1.093	0.905
(2) Diluted earnings per share (EPS)	1.091	0.904

If the enterprise under the same control is merged, the net profit realized by the party to be merged before merger was 0 yuan, the net profit realized by the party to be merged during the prior period was 0 yuan

6. Profit statement of parent company from the beginning of the year to the end of the reporting period

Unit: Yuan

Item	Amount incurred during this period	Amount incurred during prior period
I. Operating income	1,415,257,295.40	1,134,563,909.47
Minus: operating costs	1,152,816,580.72	884,061,148.42
Taxes and surcharges for operations	8,642,975.90	6,914,638.64
Selling expenses	44,404,582.73	28,859,758.32
Administrative expenses	69,314,175.57	76,632,782.90
Financial expenses	12,995,597.60	-934,177.96
Assets impairment loss	9,231,910.13	-4,897,325.67
Plus: Earnings of changes in fair value (the loss is filled in with "-")		
Return on investment (the loss is filled in with "-")	28,794,070.35	869,110,171.39
Where: return on investment on associated enterprise and cooperative enterprise	2,715,833.09	2,870,243.32
Other incomes		
II. Operating profit (the loss is filled in with "-")	146,645,543.10	1,013,037,256.21
Plus: non-operating revenue	2,213,284.95	6,153,630.83
Where: earning from disposing non-current assets	262,550.22	173,511.46
Minus: Non-operating expenditures	6,706,492.46	1,561,526.70
Where: loss from disposing non-current assets	297,222.53	38,526.12
III. Total profit (fill in "-" for loss)	142,152,335.59	1,017,629,360.34
Minus: income tax expenses	21,917,951.92	29,784,759.21
IV. Net profit (the loss is filled in with "-")	120,234,383.67	987,844,601.13
V. After-tax net amount of other comprehensive income		
(1) Other comprehensive incomes un-reclassified into profit and loss in future		
1. Re-measure the change in net liabilities or net assets under the defined benefit plans		

2. Percentages to the other comprehensive incomes un-reclassified into profit and loss in the invested organization under the equity law		
(2) Other comprehensive incomes reclassified into the profit and loss in future		
1. Percentages to the other comprehensive incomes un-reclassified into profit and loss in future in the invested organization under the equity law		
2. Earnings from change in fair value of financial assets available for sales		
3. Profit and loss of financial assets available for sales under reclassified into the held-to-maturity investment		
4. Effective portion of cash-flow hedge profit and loss		
5. Difference in conversion of foreign currency in financial statement		
6. Others		
VI. Total comprehensive income	120,234,383.67	987,844,601.13
VII. Earnings per share:		
(1) Basic earnings per share (EPS)		
(2) Diluted earnings per share (EPS)		

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

Unit: Yuan

Item	Amount incurred during this period	Amount incurred during prior period
I. Cash flows from operating activities		
Cash receipts from sale of goods or rendering of services	7,425,785,070.19	5,638,079,004.58
Net increase of client deposit and interbank deposit		
Net increase of central bank loans		
Net increase of loans from other financial institutions		
Cash receipts of original insurance contract premium		
Net cash receipts from reinsurance		
Net increase of policy-holder deposit and investment		
Net increment by disposing the financial assets measured with the fair value and incorporated the changes into the profit and loss of the current period		

Cash receipts from interest, handling charges and commission		
Net increase of loans from others		
Net increment of capitals for buy-back operations		
Refund of received taxes	145,078,977.23	101,625,793.97
Other cash receipts related to operating activities	33,820,323.91	34,913,398.27
Sub-total of cash inflows from operating activities	7,604,684,371.33	5,774,618,196.82
Cash payments for goods purchased and services received	4,695,459,254.00	3,365,685,073.01
Net increment of customer loans and advance in cash		
Net increase of central bank deposit and interbank deposit		
Cash payment of insurance indemnities of original insurance contracts		
Cash payment of interest, handling charges and commission		
Cash payment of policy bonus		
Cash paid to employees and for employees	912,863,082.77	827,419,003.12
Taxes paid	595,158,782.13	560,873,810.23
Other cash payments related to operating activities	578,755,956.22	411,748,070.26
Subtotal cash outflows from operating activities	6,782,237,075.12	5,165,725,956.62
Net cash flows from operating activities	822,447,296.21	608,892,240.20
II. Cash flows from investing activities:		
Cash received from return of investments	1.00	
Cash received from return on investments	47,763,772.91	59,608,200.32
Net cash received from the disposal of fixed assets, intangible asset and other long-term assets	1,543,811.00	69,909.00
Net cash received from the disposal of subsidiaries & other business units		
Other cash receipts related to investing activities	1,770,576,850.46	2,141,485,067.75
Subtotal of cash inflows from investing activities	1,819,884,435.37	2,201,163,177.07
Cash paid for acquiring fixed assets, intangible assets and other long-term assets	114,423,910.94	103,477,291.09
Cash paid for acquiring investments		1,222,500,000.00
Net increase of pledged loans		
Net cash paid for acquiring subsidiaries & other business units	1,866,064.50	
Other cash payments related to investing activities	1,974,000,000.00	1,257,600,000.00
Sub-total of cash outflow from investment activity	2,090,289,975.44	2,583,577,291.09
Net cash flow from investment activities	-270,405,540.07	-382,414,114.02

III. Cash flows from financing activities		
Cash received from investment by others		
Where: cash received by subsidiaries from non-controlling owners		
Cash received from borrowings		
Cash received from issuing of bonds		
Other cash receipts related to financing activities		
Sub-total of cash inflows from financing activities		
Cash repayments of borrowings		
Cash paid for distribution of dividends or profits and for interest expenses	481,162,114.75	369,003,970.42
Where: cash paid for distribution of dividends or profits by subsidiaries to minority owners		15,215,178.42
Other cash payments related to financing activities	23,845,517.50	
Subtotal of cash outflows from financing activities	505,007,632.25	369,003,970.42
Net cash flows from financing activities	-505,007,632.25	-369,003,970.42
IV. Effect of foreign exchange rate changes on cash & cash equivalents	-2,069,350.60	1,898,732.99
V. Net increase in cash and cash equivalents	44,964,773.29	-140,627,111.25
Plus: Opening balance of cash and cash equivalents	741,144,152.56	887,822,304.52
IV. Closing balance of cash and cash equivalents	786,108,925.85	747,195,193.27

8. Cash flow statement of parent company from the beginning of the year to the end of the reporting period

Unit: Yuan

Item	Amount incurred during this period	Amount incurred during prior period
I. Cash flows from operating activities		
Cash receipts from sale of goods or rendering of services	1,113,998,432.63	1,039,170,308.53
Refund of received taxes	39,870,578.95	28,169,273.31
Other cash receipts related to operating activities	3,269,791.56	6,714,207.34
Sub-total of cash inflows from operating activities	1,157,138,803.14	1,074,053,789.18
Cash payments for goods purchased and services received	1,085,437,646.47	764,241,227.59
Cash paid to employees and for employees	137,710,646.61	115,402,098.64
Taxes paid	59,302,133.04	52,818,779.11
Other cash payments related to operating activities	35,849,081.55	20,404,757.54
Subtotal cash outflows from operating activities	1,318,299,507.67	952,866,862.88
Net cash flows from operating activities	-161,160,704.53	121,186,926.30

II. Cash flows from investing activities:		
Cash received from return of investments		1,400,000.00
Cash received from return on investments	26,861,698.62	1,122,042,503.41
Net cash received from the disposal of fixed assets, intangible asset and other long-term assets	303,000.00	63,000.00
Net cash received from the disposal of subsidiaries & other business units		
Other cash receipts related to investing activities	1,020,000,000.00	656,350,783.65
Subtotal of cash inflows from investing activities	1,047,164,698.62	1,779,856,287.06
Cash paid for acquiring fixed assets, intangible assets and other long-term assets	14,096,207.86	59,302,227.22
Cash paid for acquiring investments	25,711,581.94	1,222,500,000.00
Net cash paid for acquiring subsidiaries & other business units		
Other cash payments related to investing activities	1,373,253,027.59	1,021,493,252.22
Sub-total of cash outflow from investment activity	1,413,060,817.39	2,303,295,479.44
Net cash flow from investment activities	-365,896,118.77	-523,439,192.38
III. Cash flows from financing activities		
Cash received from investment by others		
Cash received from borrowings		
Cash received from issuing of bonds		
Other cash receipts related to financing activities	1,014,821,587.05	500,647,899.36
Sub-total of cash inflows from financing activities	1,014,821,587.05	500,647,899.36
Cash repayments of borrowings		
Cash paid for distribution of dividends or profits and for interest expenses	481,162,114.75	353,788,792.00
Other cash payments related to financing activities		
Subtotal of cash outflows from financing activities	481,162,114.75	353,788,792.00
Net cash flows from financing activities	533,659,472.30	146,859,107.36
IV. Effect of foreign exchange rate changes on cash & cash equivalents	-1,805,566.15	-110,717.61
V. Net increase in cash and cash equivalents	4,797,082.85	-255,503,876.33
Plus: Opening balance of cash and cash equivalents	263,064,886.69	452,950,870.93
IV. Closing balance of cash and cash equivalents	267,861,969.54	197,446,994.60

II. Audit Report

The Third Quarter Report is already audited or not:

☐ Yes ☒ No

The Third Quarter Report of the company is not yet audited.

Zhejiang Supor Co., Ltd.

Chairman: Frédéric VERWAERDE

October 19, 2017