



ANHUI GUJING DISTILLERY COMPANY LIMITED

Report for the Third Quarter of 2014

October 2014

Section I. Important Reminders

The Board of Directors, the Supervisory Committee as well as all directors, supervisors and senior management staff of Anhui Gujing Distillery Company Limited (hereinafter referred to as “the Company”) warrant that this report is factual, accurate and complete without any false record, misleading statement or material omission. And they shall be jointly and severally liable for that.

All directors attended the board session for reviewing this report.

Liang Jinhui, company principal, Ye Changqing, chief of the accounting work, and Zhu Jiafeng, chief of the accounting organ (chief of accounting), hereby confirm that the Financial Report enclosed in this report is factual, accurate and complete.

This report is prepared in both Chinese and English. Should there be any discrepancy between the two versions, the Chinese version shall prevail.

Section II. Financial Highlights & Change of Shareholders

I. Major accounting data and financial indexes

Does the Company adjust retrospectively or restate accounting data of previous years due to change of the accounting policy or correction of any accounting error?

☐ Yes ☒ No

	30 Sept. 2014		31 Dec. 2013		Increase/decrease (%)	
Total assets (RMB Yuan)	6,202,917,271.60		5,816,934,562.27		6.64%	
Net assets attributable to shareholders of the Company (RMB Yuan)	4,027,047,309.00		3,742,756,257.05		7.60%	
	Jul.-Sept. 2014	YoY increase/decrease (%)	Jan.-Sept. 2014		YoY increase/decrease (%)	
Operating revenues (RMB Yuan)	1,138,494,721.85	8.83%	3,528,653,671.61		5.24%	
Net profit attributable to shareholders of the Company (RMB Yuan)	102,551,395.80	-0.54%	460,357,593.38		-3.86%	
Net profit attributable to shareholders of the Company after extraordinary gains and losses (RMB Yuan)	100,133,260.84	0.13%	449,461,430.33		-3.71%	
Net cash flows from operating activities (RMB Yuan)	--	--	249,629,976.75		-54.23%	
Basic EPS (RMB Yuan/share)	0.20	0.00%	0.91		-4.21%	
Diluted EPS (RMB Yuan/share)	0.20	0.00%	0.91		-4.21%	
Weighted average ROE (%)	2.58%	-0.33%	11.85%		-1.88%	

Items and amounts of extraordinary gains and losses

☒ Applicable ☐ Inapplicable

Unit: RMB Yuan

Item	Amount as of Jan.-Sept. 2014	Note
Gains/losses on the disposal of non-current assets (including the offset part of asset impairment provisions)	-1,546,268.35	
Non-operating incomes and expenses other than the above	16,074,485.75	
Less: Income tax effects	3,632,054.35	
Total	10,896,163.05	--

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 ☒ Inapplicable

There was no such situation of the Company during the reporting period.

II. Total number of shareholders and shareholdings of the top ten shareholders at the period-end

1. Total number of common shareholders and shareholdings of the top ten common shareholders at the period-end

Unit: share

Total number of common shareholders at the period-end		30,121				
Shareholdings of the top ten common shareholders						
Name of shareholder	Nature of shareholder	Shareholding percentage (%)	Number of the shares held	Number of restricted shares held	Pledged or frozen shares	
					Status of shares	Number of shares
ANHUI GUJING GROUP COMPANY LIMITED	State-owned corporation	53.89%	271,404,022		Pledged	114,000,000
SPECIAL ACCOUNT, AGREED TO BUY BACK OF GF SECURITIES CO., LTD	Domestic non-state-owned corporation	2.98%	15,000,000			
UBS (LUXEMBOURG) S.A.	Foreign corporation	1.89%	9,498,809			
GREENWOODS CHINA ALPHA MASTER FUND	Foreign corporation	1.84%	9,285,973			
KGI ASIA LIMITED	Foreign corporation	1.62%	8,159,684			
NORGES BANK	Foreign corporation	1.12%	5,654,050			
CMS (HK) Co., Ltd.	State-owned corporation	0.78%	3,922,481			
ICBC—Zhonghai Energy Strategy	State-owned corporation	0.74%	3,738,511			

Hybrid Securities Investment Fund						
GOLDEN CHINA MASTER FUND	Foreign corporation	0.73%	3,678,234			
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	Foreign corporation	0.72%	3,633,555			
Shareholdings of the top ten non-restricted common shareholders						
Name of shareholder	Number of non-restricted common shares held at the period-end	Type of shares				
		Type	Number			
ANHUI GUJING GROUP COMPANY LIMITED	271,404,022	RMB ordinary share	271,404,022			
SPECIAL ACCOUNT, AGREED TO BUY BACK OF GF SECURITIES CO., LTD	15,000,000	RMB ordinary share	15,000,000			
UBS (LUXEMBOURG) S.A.	9,498,809	Domestically listed foreign share	9,498,809			
GREENWOODS CHINA ALPHA MASTER FUND	9,285,973	Domestically listed foreign share	9,285,973			
KGI ASIA LIMITED	8,159,684	Domestically listed foreign share	8,159,684			
NORGES BANK	5,654,050	Domestically listed foreign share	5,654,050			
CMS (HK) Co., Ltd.	3,922,481	Domestically listed foreign share	3,922,481			
ICBC—Zhonghai Energy Strategy Hybrid Securities Investment Fund	3,738,511	RMB ordinary share	3,738,511			
GOLDEN CHINA MASTER FUND	3,678,234	Domestically listed foreign share	3,678,234			
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	3,633,555	Domestically listed foreign share	3,633,555			
Explanation on associated	Among the shareholders above, no affiliated relationship exists between the Company's					

relationship or persons acting in concert among the above-mentioned shareholders:	controlling shareholder—Anhui Gujing Group Company Limited—and other shareholders, nor they are parties acting in concert as defined in the Administrative Measures on Information Disclosure of Changes in Shareholding of Listed Companies. As for other shareholders, the Company does not know whether they are related parties or whether they belong to parties acting in concert as defined in the Administrative Measures on Information Disclosure of Changes in Shareholding of Listed Companies.
Top ten non-restricted common shareholders taking part in margin financing and securities lending (if any)	Inapplicable

Did any of the top 10 common shareholders or the top 10 non-restricted common shareholders of the Company carry out any agreed buy-back in the reporting period?

☒ Yes ☐ No

The shareholder of the agreed buyback special account of GF Securities Co., Ltd. was Puning Xinhong Industrial Investment Co., Ltd. The number of shares and the proportion involved in the agreed buy-back at the beginning of the reporting period were the same with those at the end of the reporting period, i.e. 15,000,000 shares, a stake of 2.98%.

2. Total number of preferred share holders and shareholdings of the top ten preferred share holders at the period-end

☐ Applicable ☒ Inapplicable

Section 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 ☐ Inapplicable

- Notes receivable as at 30 Sept. 2014 stood at RMB 487,514,799.69, up 215.73% from the year-beginning amount, mainly because customers used banker's acceptance bills more often in payment.
- Other receivables as at 30 Sept. 2014 stood at RMB 10,959,463.45, up 74.06% from the year-beginning amount, mainly because security deposits in relation to advertising fees were paid.
- Accounts received in advance as at 30 Sept. 2014 stood at RMB 309,044,496.73, up 109.87% from the year-beginning amount, mainly because the sales orders increased during the Mid-autumn Festival.
- Other payables as at 30 Sept. 2014 stood at RMB 635,199,178.12, up 69.88% from the year-beginning amount, mainly because the security deposits received increased.
- Other current liabilities as at 30 Sept. 2014 stood at RMB 812,523.79, down 73.90% from the year-beginning amount, mainly because of the amortization of the asset-related government subsidy in the current period.
- Administrative expenses for Jan.-Sept. 2014 stood at RMB 391,158,182.37, up 33.41% from the same period of last year, mainly because the office, repair, sewage, material wastage, business travel and scientific research expense and the like increased.
- Investment gains for Jan.-Sept. 2014 stood at RMB 80,655,048.58, up by 137.69 times from the same period of last year, mainly

because we received the interest on our mature bank wealth management products (principal-guaranteed with floating earnings) and disposed our shareholdings in Shanghai Lipeng.

II. Progress and influence of significant events, as well as the analysis and explanation on solutions

☒ Applicable ☐ Inapplicable

The investment project of the raised funds of the Company had basically completed and in order to improve the service efficiency of the raised funds and decrease the financial costs, the Company permanent supplemented the circulating funds with surplus raised funds and interest of RMB 145,806,600 and kept the accrued contract accounts and the quality retention money which added up to RMB 172,043,000 in the raised funds account and paid according to the contract. See details to the Announcement on Permanent Supplementing the Circulating Funds with Surplus Raised Funds (No. 2014-005) disclosed on <http://www.cninfo.com.cn> on 28 Jan. 2014.

Overview of the significant event	Date of disclosure	Index to the relevant announcement disclosed on the website
Announcement on Permanent Supplementing the Circulating Funds with Surplus Raised Funds	28 Jan. 2014	http://www.cninfo.com.cn

III. Commitments made by the Company or shareholders holding over 5% of the Company's shares in the reporting period or such commitments carried down into the reporting period

☐ Applicable ☒ Inapplicable

No such commitments in the reporting period.

IV. Predict the 2014 annual operating results

Warnings of possible loss or large-margin change of the accumulated net profit made during the period from the beginning of the year to the end of the next reporting period compared with the same period of the last year according to prediction, as well as explanations on the reasons

☐ Applicable ☒ Inapplicable

V. Securities investment

☒ Applicable ☐ Inapplicable

Variety of securities	Code of securities	Name of securities	Initial investment cost (RMB Yuan)	Number of shares held at period-beginning	Shareholding percentage at period-beginning	Number of shares held at period-end	Shareholding percentage at period-end	Closing book value (RMB Yuan)	Gain/loss in reporting period (RMB Yuan)	Accounting title	Source of stock
Stock	000001	Ping An	17,080,74	0	0.00%	1,602,800	0.14%	16,252,39		Available	

		Bank	0.10					2.00		-for-sale financial assets	
Stock	601988	Bank of China	26,026,05 3.14	0	0.00%	9,625,200	0.03%	25,988,04 0.00		Available -for-sale financial assets	
Stock	002730	Diangua ng Techn ology	4,035.00	0	0.00%	500	0.00%	4,035.00		Trading financial assets	
Stock	603606	Oriental Cable	20,926.40	0	0.00%	2,552	0.00%	20,926.40		Trading financial assets	
Stock	300398	Phichem	9,075.00	0	0.00%	500	0.00%	9,075.00		Trading financial assets	
Stock	601016	CECEP Wind-pow er	4,340.00	0	0.00%	2,000	0.00%	6,860.00	2,520.00	Trading financial assets	
Stock	603456	Jiuzhou Pharmace utical Co.	30,860.00	0	0.00%	2,000	0.00%	30,860.00		Trading financial assets	
Stock	603169	LS Heavy Equipmen t	3,360.00	0	0.00%	2,000	0.00%	3,360.00		Trading financial assets	
Stock	603010	Wansheng Co.	11,700.00	0	0.00%	1,000	0.00%	11,700.00		Trading financial assets	
Stock	600917	Chongqin g Gas	3,250.00	0	0.00%	1,000	0.00%	4,680.00	1,430.00	Trading financial assets	
Total			43,194,33 9.64	0	--	11,239,55 2	--	42,331,92 8.40	3,950.00	--	--

Shareholdings in other listed companies

☐Applicable ☒Inapplicable

The Company did not have any shareholding in any other listed company in the reporting period.

VI. Investments in derivatives☒Applicable ☐Inapplicable

Unit: RMB Ten Thousand Yuan

Operator	Relation	Related-party transaction or not	Type of derivative investment	Initial investment amount	Beginning date	Ending date	Opening investment amount	Impairment provision (if any)	Closing investment amount	Proportion of the closing investment amount in the Company's closing net assets	Actual gain/loss in reporting period
		No	Reverse repurchase of national debt	0			8,000		350	0.00%	458.84
Total				0	--	--	8,000		350	0.00%	458.84
Source of the entrusted funds				Self-owned funds of the Company							
Cases involving lawsuit (if applicable)				Naught							
Disclosure date of the board announcement approving the wealth management entrustment (if any)				30 Aug. 2013							
Disclosure date of the board of shareholders announcement approving the wealth management entrustment (if any)											
Analysis on risks and control measures of derivative products held in the reporting period (including but not limited to market risk, liquidity risk, credit risk, operation risk, law risk, etc.)				The Company had controlled the relevant risks strictly according to the Derivatives Investment Management System.							
Changes of market prices or fair values in the reporting period of the invested derivatives. And the analysis on the fair value of the derivatives should include the specific use methods and the relevant assumptions and parameters.				Naught							
Whether significant changes occurred to the Company's accounting policy and specific accounting principles of derivatives in the reporting period compared to the previous reporting period				Naught							

Specific opinion from independent directors on the Company's derivatives investment and risk control	The sustainable development of the main business and the sufficient free idle money, the Company increased the profits through investing in the reasonable financial derivative instruments, which was in favor of improving the service efficiency of the idle funds; in order to reduce the investment risks of the financial derivative instruments, the Company had set up corresponding supervision mechanism for the financial derivative instrument business and formulated reasonable accounting policy as well as specific principles of financial accounting; the derivative Investment business developed separately took national debts as mortgage object, which was met with the cautious and steady risks management principle and the interest of the Company and shareholders.
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VII. Researches, visits and interviews received in the reporting period

☐Applicable ☒Inapplicable

The Company did not receive research, visit and interview in the reporting period.

Section IV. Financial Statements

I. Financial statements

1. Consolidated balance sheet

Prepared by Anhui Gujing Distillery Company Limited.

Unit: RMB Yuan

Item	Closing balance	Opening balance
Current Assets:		
Monetary funds	1,163,007,132.75	1,381,930,710.96
Settlement reserves		
Intra-group lendings		
Financial assets measured at fair value and of which changes are recorded into current gains and losses		
Tradable financial assets	91,496.40	
Notes receivable	487,514,799.69	154,408,425.31
Accounts receivable	6,549,434.71	6,374,469.99
Accounts paid in advance	66,759,952.93	90,217,698.50
Premiums receivable		
Reinsurance premiums receivable		
Receivable reinsurance contract reserves		
Interest receivable	14,430,018.79	
Dividend receivable		
Other accounts receivable	10,959,463.45	6,296,326.20
Financial assets purchased under agreements to resell	3,508,258.06	80,093,922.21
Inventories	1,147,711,968.58	1,075,033,137.30
Assets held for sale		
Non-current assets due within 1 year		
Other current assets	1,000,000,000.00	900,000,000.00
Total current assets	3,900,532,525.36	3,694,354,690.47
Non-current assets:		

Loans by mandate and advances granted		
Available-for-sale financial assets	42,240,432.00	24,075,687.00
Held-to-maturity investments		
Long-term accounts receivable		
Long-term equity investment		
Investing property	32,946,798.75	35,188,079.66
Fixed assets	1,687,564,318.22	1,266,481,752.59
Construction in progress	96,656,102.89	377,338,939.54
Engineering materials		
Disposal of fixed assets		
Production biological assets		
Oil-gas assets		
Intangible assets	308,691,731.98	315,224,921.54
R&D expense		
Goodwill		
Long-term deferred expenses	92,059,382.97	60,898,594.60
Deferred income tax assets	42,225,979.43	43,371,896.87
Other non-current assets		
Total of non-current assets	2,302,384,746.24	2,122,579,871.80
Total assets	6,202,917,271.60	5,816,934,562.27
Current liabilities:		
Short-term borrowings		
Borrowings from Central Bank		
Customer bank deposits and due to banks and other financial institutions		
Intra-group borrowings		
Financial liabilities measured at fair value and of which changes are recorded into current gains and losses		
Notes payable	228,132,376.05	235,770,000.00
Accounts payable	399,039,593.99	442,935,399.44
Accounts received in advance	309,044,496.73	147,257,393.88
Financial assets sold for repurchase		
Handling charges and commissions		

payable		
Employee's compensation payable	126,942,443.84	231,343,202.17
Tax payable	435,394,036.09	599,513,448.19
Interest payable		
Dividend payable		
Other accounts payable	635,199,178.12	373,903,452.51
Reinsurance premiums payable		
Insurance contract reserves		
Payables for acting trading of securities		
Payables for acting underwriting of securities		
Liabilities held for sale		
Non-current liabilities due within 1 year		
Other current liabilities	812,523.79	3,112,595.04
Total current liabilities	2,134,564,648.61	2,033,835,491.23
Non-current liabilities:		
Long-term borrowings		
Bonds payable		
Long-term payables		
Specific payables		
Estimated liabilities		
Deferred income tax liabilities		
Other non-current liabilities	41,305,313.99	40,342,813.99
Total non-current liabilities	41,305,313.99	40,342,813.99
Total liabilities	2,175,869,962.60	2,074,178,305.22
Owners' equity (or shareholders' equity)		
Paid-up capital (or share capital)	503,600,000.00	503,600,000.00
Capital reserves	1,294,938,493.19	1,294,095,263.69
Less: Treasury stock		
Specific reserves		
Other comprehensive income	-649,770.93	-843,229.50
Surplus reserves	256,902,260.27	256,902,260.27

Provisions for general risks		
Retained profits	1,972,256,326.47	1,688,158,733.09
Total equity attributable to owners of the Company	4,027,047,309.00	3,742,756,257.05
Minority interests		
Total owners' (or shareholders') equity	4,027,047,309.00	3,742,756,257.05
Total liabilities and owners' (or shareholders') equity	6,202,917,271.60	5,816,934,562.27

Legal representative: Liang Jinhui

Person-in-charge of the accounting work: Ye Changqing

Chief of the accounting division: Zhu Jiafeng

2. Balance sheet of the Company

Prepared by Anhui Gujing Distillery Company Limited.

Unit: RMB Yuan

Item	Closing balance	Opening balance
Current Assets:		
Monetary funds	950,567,075.71	1,040,360,357.51
Financial assets measured at fair value and of which changes are recorded into current gains and losses		
Transactional financial assets	80,251.40	
Notes receivable	171,972,303.72	81,472,414.44
Accounts receivable	1,076,679.41	1,297,542.13
Accounts paid in advance	27,423,793.08	1,288,277.31
Interest receivable	14,099,667.86	
Dividend receivable		
Other accounts receivable	126,141,924.29	139,654,563.53
Financial assets purchased under agreements to resell	3,508,258.06	80,093,922.21
Inventories	1,122,611,282.43	1,036,496,459.02
Non-current assets due within 1 year		
Other current assets		
Total current assets	1,000,000,000.00	900,000,000.00

Non-current assets:	3,417,481,235.96	3,280,663,536.15
Available-for-sale financial assets		
Held-to-maturity investments	42,240,432.00	24,075,687.00
Long-term accounts receivable		
Long-term equity investment	4,719,791.61	4,494,950.37
Investing property	308,089,408.32	308,089,408.32
Fixed assets	30,883,436.91	33,124,717.82
Inventories	1,484,576,287.40	1,057,111,133.85
Construction in progress	96,555,402.33	377,239,903.56
Engineering materials		
Disposal of fixed assets		
Production biological assets		
Oil-gas assets		
Intangible assets	193,036,967.47	197,787,553.94
R&D expense		
Goodwill		
Long-term deferred expenses	91,917,350.97	59,482,540.30
Deferred income tax assets	33,259,442.49	34,095,084.20
Other non-current assets		
Total of non-current assets	2,285,278,519.50	2,095,500,979.36
Total assets	5,702,759,755.46	5,376,164,515.51
Current liabilities:		
Short-term borrowings		
Financial liabilities measured at fair value and of which changes are recorded into current gains and losses		
Notes payable	49,282,376.05	26,150,000.00
Accounts payable	389,363,414.32	437,297,694.54
Accounts received in advance	1,242,003,890.20	830,722,853.80
Employee's compensation payable	49,546,859.72	87,936,100.97
Tax payable	179,447,695.03	205,717,464.45
Interest payable		
Dividend payable		
Other accounts payable	218,726,477.03	153,888,199.87
Liabilities held for sale		

Non-current liabilities due within 1 year		
Other current liabilities	812,523.79	3,112,595.04
Total current liabilities	2,129,183,236.14	1,744,824,908.67
Non-current liabilities:		
Long-term borrowings		
Bonds payable		
Long-term payables		
Specific payables		
Estimated liabilities		
Deferred income tax liabilities		
Other non-current liabilities	41,305,313.99	40,342,813.99
Total non-current liabilities	41,305,313.99	40,342,813.99
Total liabilities	2,170,488,550.13	1,785,167,722.66
Owners' equity (or shareholders' equity)		
Paid-up capital (or share capital)	503,600,000.00	503,600,000.00
Capital reserves	1,247,162,107.35	1,247,162,107.35
Less: Treasury stock		
Specific reserves		
Other comprehensive income	-649,770.93	-843,229.50
Surplus reserves	251,800,000.00	251,800,000.00
Provisions for general risks		
Retained profits	1,530,358,868.91	1,589,277,915.00
Foreign exchange difference		
Total owners' (or shareholders') equity	3,532,271,205.33	3,590,996,792.85
Total liabilities and owners' (or shareholders') equity	5,702,759,755.46	5,376,164,515.51

Legal representative: Liang Jinhui

Person-in-charge of the accounting work: Ye Changqing

Chief of the accounting division: Zhu Jiafeng

3. Consolidated income statement for the reporting period

Prepared by Anhui Gujing Distillery Company Limited.

Unit: RMB Yuan

Item	Jul.-Sept. 2014	Jul.-Sept. 2013
I. Total operating revenues	1,138,494,721.85	1,046,157,135.98
Including: Sales income	1,138,494,721.85	1,046,157,135.98
Interest income		
Premium income		
Handling charge and commission income		
II. Total operating cost	1,027,304,435.29	909,250,101.29
Including: Cost of sales	346,174,090.47	324,553,534.61
Interest expenses		
Handling charge and commission expenses		
Surrenders		
Net claims paid		
Net amount withdrawn for the insurance contract reserve		
Expenditure on policy dividends		
Reinsurance premium		
Taxes and associate charges	167,930,159.88	137,196,214.96
Selling and distribution expenses	367,658,442.71	342,312,547.08
Administrative expenses	152,032,400.46	114,680,378.98
Financial expenses	-6,599,745.58	-9,210,551.04
Asset impairment loss	109,087.75	-282,023.30
Add: Gain/(loss) from change in fair value ("-" means loss)	-3,320.00	
Gain/(loss) from investment ("-" means loss)	26,002,935.78	
Including: share of profits in associates and joint ventures		
Foreign exchange gains ("-" means loss)		
III. Business profit ("-" means loss)	137,189,902.34	136,907,034.69
Add: non-operating income	5,296,740.04	6,502,068.46
Less: non-operating expense	2,072,560.09	2,361,666.25
Including: loss from non-current	156,311.26	151,308.93

asset disposal		
IV. Total profit ("-" means loss)	140,414,082.29	141,047,436.90
Less: Income tax expense	37,862,686.49	37,940,651.20
V. Net profit ("-" means loss)	102,551,395.80	103,106,785.70
Including: Net profit achieved by combined parties before the combinations		
Attributable to owners of the Company	102,551,395.80	103,106,785.70
Minority shareholders' income		
VI. Earnings per share	--	--
(I) Basic earnings per share	0.20	0.20
(II) Diluted earnings per share	0.20	0.20
VII. Other comprehensive incomes	-2,789,827.05	3,375,830.02
Including: Other comprehensive incomes items that cannot be reclassified as gains and losses in the subsequent accounting periods		
Other comprehensive incomes items that will be reclassified as gains and losses in the subsequent accounting periods as relevant requirements are met	-2,789,827.05	3,375,830.02
VIII. Total comprehensive incomes	99,761,568.75	106,482,615.72
Attributable to owners of the Company	99,761,568.75	106,482,615.72
Attributable to minority shareholders		

Legal representative: Liang Jinhui

Person-in-charge of the accounting work: Ye Changqing

Chief of the accounting division: Zhu Jiafeng

4. Income statement of the Company for the reporting period

Prepared by Anhui Gujing Distillery Company Limited.

Unit: RMB Yuan

Item	Jul.-Sept. 2014	Jul.-Sept. 2013
I. Total sales	651,797,106.04	561,617,653.51
Less: cost of sales	350,886,288.06	321,970,928.82

Business taxes and surcharges	158,989,831.14	128,182,457.70
Distribution expenses	55,807,169.21	13,646,642.80
Administrative expenses	99,106,683.61	65,225,180.40
Financial costs	-5,979,643.36	-8,302,643.58
Impairment loss	40,637.26	-282,023.30
Add: gain/(loss) from change in fair value ("-" means loss)	315.00	
Gain/(loss) from investment ("-" means loss)	25,995,768.90	
Including: income from investment on associates and joint ventures		
II. Business profit ("-" means loss)	18,942,224.02	41,177,110.67
Add: non-business income	4,433,862.51	3,439,793.31
Less: non-business expense	1,622,327.71	1,859,005.50
Including: loss from non-current asset disposal	156,148.52	1,786.53
III. Total profit ("-" means loss)	21,753,758.82	42,757,898.48
Less: income tax expense	6,182,126.63	13,671,145.28
IV. Net profit ("-" means loss)	15,571,632.19	29,086,753.20
V. Earnings per share	--	--
(I) Basic earnings per share	0.03	0.060
(II) Diluted earnings per share	0.03	0.060
VI. Other comprehensive income	-2,789,827.05	3,375,830.02
Including: Other comprehensive incomes items that cannot be reclassified as gains and losses in the subsequent accounting periods	-2,789,827.05	3,375,830.02
Other comprehensive incomes items that will be reclassified as gains and losses in the subsequent accounting periods as relevant requirements are met		
VII. Total comprehensive income	12,781,805.14	32,462,583.22

Legal representative: Liang Jinhui

Person-in-charge of the accounting work: Ye Changqing

Chief of the accounting division: Zhu Jiafeng

5. Consolidated income statement for Jan.-Sept. 2014

Prepared by Anhui Gujing Distillery Company Limited.

Unit: RMB Yuan

Item	Jan.-Sept. 2014	Jan.-Sept. 2013
I. Total operating revenues	3,528,653,671.61	3,353,111,813.37
Including: Sales income	3,528,653,671.61	3,353,111,813.37
Interest income		
Premium income		
Handling charge and commission income		
II. Total operating cost	2,998,678,674.76	2,719,001,025.40
Including: Cost of sales	1,080,257,450.78	1,051,074,991.50
Interest expenses		
Handling charge and commission expenses		
Surrenders		
Net claims paid		
Net amount withdrawn for the insurance contract reserve		
Expenditure on policy dividends		
Reinsurance premium		
Taxes and associate charges	492,792,184.96	457,583,278.05
Selling and distribution expenses	1,073,818,009.62	960,062,290.93
Administrative expenses	391,158,182.37	293,209,821.60
Financial expenses	-38,964,637.71	-43,410,846.83
Asset impairment loss	-382,515.26	481,490.15
Add: Gain/(loss) from change in fair value ("-" means loss)	3,950.00	
Gain/(loss) from investment ("-" means loss)	80,655,048.58	581,538.48
Including: share of profits in associates and joint ventures		
Foreign exchange gains ("-" means loss)		
III. Business profit ("-" means loss)	610,633,995.83	634,692,326.45

Add: non-operating income	18,154,863.10	19,835,951.15
Less: non-operating expense	3,626,645.70	3,751,138.66
Including: loss from non-current asset disposal	1,546,268.35	1,420,152.64
IV. Total profit ("-" means loss)	625,162,213.23	650,777,138.94
Less: Income tax expense	164,804,619.85	171,917,520.13
V. Net profit ("-" means loss)	460,357,593.38	478,859,618.81
Including: Net profit achieved by combined parties before the combinations		
Attributable to owners of the Company	460,357,593.38	478,859,618.81
Minority shareholders' income		
VI. Earnings per share	--	--
(I) Basic earnings per share	0.91	0.95
(II) Diluted earnings per share	0.91	0.95
VII. Other comprehensive incomes	193,458.57	-1,523,629.23
Including: Other comprehensive incomes items that cannot be reclassified as gains and losses in the subsequent accounting periods		
Other comprehensive incomes items that will be reclassified as gains and losses in the subsequent accounting periods as relevant requirements are met	193,458.57	-1,523,629.23
VIII. Total comprehensive incomes	460,551,051.95	477,335,989.58
Attributable to owners of the Company	460,551,051.95	477,335,989.58
Attributable to minority shareholders		

Legal representative: Liang Jinhui

Person-in-charge of the accounting work: Ye Changqing

Chief of the accounting division: Zhu Jiafeng

6. Income statement of the Company for Jan.-Sept. 2014

Prepared by Anhui Gujing Distillery Company Limited.

Unit: RMB Yuan

Item	Jan.-Sept. 2014	Jan.-Sept. 2013
I. Total sales	1,972,179,157.96	1,827,801,245.85
Less: cost of sales	1,100,098,797.46	1,053,997,615.16
Business taxes and surcharges	466,276,585.76	423,942,619.07
Distribution expenses	106,322,409.58	74,447,600.24
Administrative expenses	258,661,779.62	200,223,165.42
Financial costs	-33,093,790.30	-41,002,392.49
Impairment loss	-382,500.00	54,340.16
Add: gain/(loss) from change in fair value ("-" means loss)	3,950.00	
Gain/(loss) from investment ("-" means loss)	80,201,980.00	581,538.48
Including: income from investment on associates and joint ventures		
II. Business profit ("-" means loss)	154,501,805.84	116,719,836.77
Add: non-business income	11,534,269.97	8,758,895.17
Less: non-business expense	2,239,172.73	2,891,923.40
Including: loss from non-current asset disposal	1,101,216.56	972,195.15
III. Total profit ("-" means loss)	163,796,903.08	122,586,808.54
Less: income tax expense	46,455,949.17	34,172,113.23
IV. Net profit ("-" means loss)	117,340,953.91	88,414,695.31
V. Earnings per share	--	--
(I) Basic earnings per share	0.23	0.18
(II) Diluted earnings per share	0.23	0.18
VI. Other comprehensive income	193,458.57	-1,523,629.23
Including: Other comprehensive incomes items that cannot be reclassified as gains and losses in the subsequent accounting periods		
Other comprehensive incomes items that will be reclassified as gains and losses in the subsequent accounting periods as relevant requirements are met	193,458.57	-1,523,629.23
VII. Total comprehensive income	117,534,412.48	86,891,066.08

Legal representative: Liang Jinhui

Person-in-charge of the accounting work: Ye Changqing

Chief of the accounting division: Zhu Jiafeng

7. Consolidated cash flow statement for Jan.-Sept. 2014

Prepared by Anhui Gujing Distillery Company Limited.

Unit: RMB Yuan

Item	Jan.-Sept. 2014	Jan.-Sept. 2013
I. Cash flows from operating activities:		
Cash received from sale of commodities and rendering of service	3,534,279,763.49	3,526,645,311.34
Net increase of deposits from customers and dues from banks		
Net increase of loans from the central bank		
Net increase of funds borrowed from other financial institutions		
Cash received from premium of original insurance contracts		
Net cash received from reinsurance business		
Net increase of deposits of policy holders and investment fund		
Net increase of disposal of tradable financial assets		
Cash received from interest, handling charges and commissions		
Net increase of intra-group borrowings		
Net increase of funds in repurchase business		
Tax refunds received	590,000.00	
Other cash received relating to operating activities	270,949,896.65	536,660,470.61
Subtotal of cash inflows from operating activities	3,805,819,660.14	4,063,305,781.95
Cash paid for goods and services	978,436,319.98	1,043,747,164.93
Net increase of customer lendings		

and advances		
Net increase of funds deposited in the central bank and amount due from banks		
Cash for paying claims of the original insurance contracts		
Cash for paying interest, handling charges and commissions		
Cash for paying policy dividends		
Cash paid to and for employees	711,424,764.20	603,025,286.73
Various taxes paid	1,318,333,281.40	1,219,760,028.61
Other cash payment relating to operating activities	547,995,317.81	651,341,242.18
Subtotal of cash outflows from operating activities	3,556,189,683.39	3,517,873,722.45
Net cash flows from operating activities	249,629,976.75	545,432,059.50
II. Cash flows from investing activities:		
Cash received from withdrawal of investments	980,093,922.21	
Cash received from return on investments	80,655,048.58	581,538.48
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	343,557.47	
Net cash received from disposal of subsidiaries or other business units		
Other cash received relating to investing activities	1,100,000.00	473,919.44
Subtotal of cash inflows from investing activities	1,062,192,528.26	1,055,457.92
Cash paid to acquire fixed assets, intangible assets and other long-term assets	303,089,329.16	318,594,881.39
Cash paid for investment	1,003,596,754.06	1,410,405,982.79
Net increase of pledged loans		
Net cash paid to acquire subsidiaries and other business units		
Other cash payments relating to		

investing activities		
Subtotal of cash outflows from investing activities	1,306,686,083.22	1,729,000,864.18
Net cash flows from investing activities	-244,493,554.96	-1,727,945,406.26
III. Cash Flows from Financing Activities:		
Cash received from capital contributions		
Including: Cash received from minority shareholder investments by subsidiaries		
Cash received from borrowings		
Cash received from issuance of bonds		
Other cash received relating to financing activities		
Subtotal of cash inflows from financing activities		
Repayment of borrowings		
Cash paid for interest expenses and distribution of dividends or profit	176,260,000.00	251,800,000.00
Including: dividends or profit paid by subsidiaries to minority shareholders		
Other cash payments relating to financing activities		
Sub-total of cash outflows from financing activities	176,260,000.00	251,800,000.00
Net cash flows from financing activities	-176,260,000.00	-251,800,000.00
IV. Effect of foreign exchange rate changes on cash and cash equivalents		
V. Net increase in cash and cash equivalents	-171,123,578.21	-1,434,313,346.76
Add: Opening balance of cash and cash equivalents	1,306,930,710.96	2,409,650,352.09
VI. Closing balance of cash and cash equivalents	1,135,807,132.75	975,337,005.33

Legal representative: Liang Jinhui

Person-in-charge of the accounting work: Ye Changqing

Chief of the accounting division: Zhu Jiafeng

8. Cash flow statement of the Company for Jan.-Sept. 2014

Prepared by Anhui Gujing Distillery Company Limited.

Unit: RMB Yuan

Item	Jan.-Sept. 2014	Jan.-Sept. 2013
I. Cash flows from operating activities:		
Cash received from sale of commodities and rendering of service	2,094,518,950.88	2,167,733,288.30
Tax refunds received		
Other cash received relating to operating activities	154,832,664.81	294,421,878.53
Subtotal of cash inflows from operating activities	2,249,351,615.69	2,462,155,166.83
Cash paid for goods and services	724,897,475.46	772,694,578.12
Cash paid to and for employees	337,245,950.14	302,820,976.80
Various taxes paid	730,114,513.26	771,960,839.49
Other cash payment relating to operating activities	129,363,461.07	207,928,290.17
Subtotal of cash outflows from operating activities	1,921,621,399.93	2,055,404,684.58
Net cash flows from operating activities	327,730,215.76	406,750,482.25
II. Cash flows from investing activities:		
Cash received from retraction of investments	980,093,922.21	
Cash received from return on investments	80,201,980.00	581,538.48
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	201,446.00	
Net cash received from disposal of subsidiaries or other business units		
Other cash received relating to investing activities	1,100,000.00	473,919.44
Subtotal of cash inflows from investing activities	1,061,597,348.21	1,055,457.92
Cash paid to acquire fixed assets,	299,275,336.71	309,810,777.15

intangible assets and other long-term assets		
Cash paid for investment	1,003,585,509.06	1,410,405,982.79
Net cash paid to acquire subsidiaries and other business units		
Other cash payments relating to investing activities		
Subtotal of cash outflows from investing activities	1,302,860,845.77	1,720,216,759.94
Net cash flows from investing activities	-241,263,497.56	-1,719,161,302.02
III. Cash Flows from Financing Activities:		
Cash received from capital contributions		
Cash received from borrowings		
Cash received from issuance of bonds		
Other cash received relating to financing activities		
Subtotal of cash inflows from financing activities		
Repayment of borrowings		
Cash paid for interest expenses and distribution of dividends or profit	176,260,000.00	251,800,000.00
Other cash payments relating to financing activities		
Sub-total of cash outflows from financing activities	176,260,000.00	251,800,000.00
Net cash flows from financing activities	-176,260,000.00	-251,800,000.00
IV. Effect of foreign exchange rate changes on cash and cash equivalents		
V. Net increase in cash and cash equivalents	-89,793,281.80	-1,564,210,819.77
Add: Opening balance of cash and cash equivalents	1,040,360,357.51	2,290,346,607.43
VI. Closing balance of cash and cash equivalents	950,567,075.71	726,135,787.66

Legal representative: Liang Jinhui

Person-in-charge of the accounting work: Ye Changqing

Chief of the accounting division: Zhu Jiafeng

II. Audit report

Is this report audited?

☐ Yes ☒ No

This report is not audited.