Stock code: 000596, 200596 Stock name: Gujing Distillery, Gujing Distillery B Announcement No.: 2016-027

ANHUI GUJING DISTILLERY COMPANY LIMITED

ABSTRACT OF THIRD QUARTER REPORT 2016

Section I Important Statements

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 statements enclosed in this report are 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 & Shareholder Changes

I Highlights of accounting data and financial indicators

Whether the Company performs any retroactive adjustments to or restatements of its accounting data of last year due to change in accounting policies or correction of accounting errors

□ Yes √ No

	30 September 2016		31 December 2015		+/- (%)
Total assets (RMB)	8,940,411,922.95		7,183,147,641.13		24.46%
Net assets attributable to shareholders of the Company (RMB)	5,362,246,493.56		4,833,721,630.08		10.93%
	July-September 2016	YoY +/- (%)	January-September 2016	YoY +/- (%)	
Operating revenues (RMB)	1,460,526,002.88	12.23%	4,505,560,709.61	12.23%	
Net profit attributable to shareholders of the Company (RMB)	151,384,181.93	26.04%	582,439,644.55	16.35%	
Net profit attributable to shareholders of the Company excluding exceptional profit and loss (RMB)	128,287,249.62	23.54%	551,523,602.11	16.82%	
Net cash flows from operating activities (RMB)	--	--	1,202,847,188.47	80.19%	
Basic earnings per share (RMB/share)	0.30	25.00%	1.160	17.17%	
Diluted earnings per share (RMB/share)	0.30	25.00%	1.160	17.17%	
Weighted average return on equity (%)	2.74%	0.38%	11.21%	-0.18%	

Unit: RMB

Item	January-September 2016	Note
Profit/loss on disposal of non-current assets (including offset amount of asset impairment provisions)	-4,039,636.27	
Government grants charged to the profit/loss for the Reporting Period (except for the government grants closely related to the business of the Company and given at a fixed quota or amount in accordance with the State's uniform standards)	25,285,600.82	

Gains and losses on change in fair value from tradable financial assets and tradable financial liabilities, as well as investment income from disposal of tradable financial assets and tradable financial liabilities and financial assets available for sales except for effective hedging related with normal businesses of the Company	15,509,185.22	
Non-operating income and expense other than the above	6,840,504.74	
Less: Income tax effects	10,898,913.63	
Minority interests (after tax)	1,780,698.44	
Total	30,916,042.44	--

Explanation of why the Company classified an item as exceptional profit/loss according to the definition in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Exceptional Profit and Loss, or reclassified any exceptional profit/loss item given as an example in the said explanatory announcement to recurrent profit/loss

□ Applicable √ Not applicable

No such cases in the Reporting Period.

II Total number of shareholders and shareholdings of top 10 shareholders at the period-end

1. Total number of ordinary shareholders and preference shareholders who had resumed their voting right & shareholdings of top 10 shareholders at the period-end

Unit: share

Total number of ordinary shareholders at the end of the Reporting Period		24,876		Total number of preference shareholders who had resumed their voting right at the end of the Reporting Period (if any)	Not applicable	
Shareholdings of top 10 shareholders						
Name of shareholder	Nature of shareholder	Shareholding percentage	Number of shares held	Number of restricted shares held	Pledged or frozen shares	
					Status	Number
ANHUI GUJING GROUP COMPANY LIMITED	State-owned corporation	53.89%	271,404,022		Pledged	114,000,000
GAOLING FUND,L.P.	Foreign corporation	2.47%	12,446,408			
UBS (LUXEMBOURG) S.A.	Foreign corporation	2.41%	12,150,199			

NORGES BANK	Foreign corporation	2.35%	11,853,146			
CHINA INT'L CAPITAL CORP HONG KONG SECURITIES LTD	Foreign corporation	1.60%	8,040,454			
GREENWOODS CHINA ALPHA MASTER FUND	Foreign corporation	1.52%	7,648,898			
CENTRAL HUIJIN INVESTMENT CO., LTD.	State-owned corporation	1.30%	6,543,600			
3W GREATER CHINA FOCUS FUND	Foreign corporation	0.70%	3,529,479			
CHINA MERCHANTS SECURITIES (HK) CO., LIMITED	State-owned corporation	0.70%	3,504,116			
GOLDEN CHINA MASTER FUND	Foreign corporation	0.68%	3,416,434			

Shareholdings of top 10 non-restricted shareholders			
Name of shareholder	Number of non-restricted 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
GAOLING FUND,L.P.	12,446,408	Domestically listed foreign share	12,446,408
UBS (LUXEMBOURG) S.A.	12,150,199	Domestically listed foreign share	12,150,199
NORGES BANK	11,853,146	Domestically listed foreign share	11,853,146
CHINA INT'L CAPITAL CORP	8,040,454	Domestically	8,040,454

HONG KONG SECURITIES LTD		listed foreign share	
GREENWOODS CHINA ALPHA MASTER FUND	7,648,898	Domestically listed foreign share	7,648,898
CENTRAL HUIJIN INVESTMENT CO., LTD.	6,543,600	RMB ordinary share	6,543,600
3W GREATER CHINA FOCUS FUND	3,529,479	Domestically listed foreign share	3,529,479
CHINA MERCHANTS SECURITIES (HK) CO., LIMITED	3,504,116	Domestically listed foreign share	3,504,116
GOLDEN CHINA MASTER FUND	3,416,434	Domestically listed foreign share	3,416,434
Related or act-in-concert parties among the shareholders above	Among the shareholders above, no affiliated relationship exists between the Company's 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 10 ordinary shareholders conducting securities margin trading (if any)	Not applicable		

Did any of the top 10 ordinary shareholders or the top 10 non-restricted ordinary shareholders of the Company conduct any promissory repo during the Reporting Period?

□ Yea √ No

No such cases in the Reporting Period.

2. Total number of preference shareholders and shareholdings of the top 10 of them at the period-end

□ Applicable √ Not applicable

Section III Significant Events

I Changes in main accounting statement items and financial indicators in the Reporting Period, as well as reasons for the changes

√ Applicable □ Not applicable

Balance sheet item	Closing amount (RMB)	Opening amount (RMB)	Change (%)	Main reason for change
Notes receivable	751,361,298.12	539,442,903.31	39.28%	Notes were adopted more often in settlement with customers
Accounts receivable	10,769,881.03	4,948,074.84	117.66%	Expanded consolidated scope
Other accounts receivable	17,517,209.93	8,617,955.68	103.26%	Expanded consolidated scope
Intangible assets	704,446,488.79	298,372,239.96	136.10%	Expanded consolidated scope
Notes payable	4,408,583.00	93,768,583.00	-95.30%	Notes were adopted less often in settlement with suppliers
Accounts received in advance	944,818,296.99	608,565,152.50	55.25%	Increase in sales orders
Other accounts payable	777,232,836.07	452,193,188.94	71.88%	Increase in earnest money received
Deferred tax liabilities	108,886,322.76	20,463,660.87	432.10%	Assessed appreciation in asset value in business merger not under the same control
Cash flow statement item	**Current period (RMB)**	**Same period of last year (RMB)**	**Change (%)**	**Main reason for change**
Cash received from other operating activities	382,955,144.81	252,465,602.57	51.69%	Increase in earnest money received
Cash received from retraction of investments	2,687,852,537.76	1,698,775,053.18	58.22%	Increase in retraction of funds on wealth management products
Cash received as return on investments	68,398,591.73	49,005,653.33	39.57%	Increase in return on investment
Cash received from other investing activities	314,000.00	2,264,000.00	-86.13%	Decrease in investment
Cash paid for investment	2,671,617,710.68	1,736,888,380.40	53.82%	Wealth management products were purchased

Cash received as borrowings	1,000,000.00	0.00	100.00%	Interest-free borrowing of subsidiary
Net cash flows from financing activities	-49,360,000.00	-100,720,000.00	-50.99%	Decrease in cash dividends paid

II Progress on significant events, as well as the influence and solutions

□ Applicable √ Not applicable

III Commitments of the Company, its shareholders, actual controller, acquirer, directors, supervisors, senior management or other related parties fulfilled in the Reporting Period or ongoing at the period-end

□ Applicable √ Not applicable

No such cases in the Reporting Period.

IV Performance forecast for Y2016

Warning of possible loss or considerable YoY change in the accumulative net profit made during the year-beginning to the end of the next reporting period, as well as the reasons

□ Applicable √ Not applicable

V Securities investments

√ Applicable □ Not applicable

Variety of securities	Code of securities	Name of securities	Initial investment cost (RMB)	Number of shares held at period-begin	Shareholding percentage at period-begin	Number of shares held at period-end	Shareholding percentage at period-end	Closing book value (RMB)	Gain/loss for reporting period (RMB)	Accounting title	Source of stock
Stock	601988	ZGYH	43,374,616.10	10,485,100	0.00%	14,877,100	0.00%	50,135,827.00	141,172.16	Available-for-sale financial assets	Self-owned funds
Stock	000001	PAYH	71,277,724.48	2,219,720	0.00%	8,040,889	0.00%	72,930,863.23	170,480.24	Available-for-sale financial assets	Self-owned funds
Stock	600373	ZWCM	91,133,996.80	6,445,120	0.00%	6,445,120	0.00%	150,622,454.40	0.00	Available-for-sale financial assets	Self-owned funds
Total			205,786,337.38	19,149,940	--	29,363,109	--	273,689,144.63	311,652.40	--	--

Disclosure date of the board announcement on approval of the securities investment	
Disclosure date of the general meeting announcement on approval of the securities investment (if any)	

VI Investment in derivative financial instruments

□ Applicable √ Not applicable

No such cases in the Reporting Period.

VII Visits paid to the Company for purposes of research, communication, interview, etc. during the Reporting Period

□ Applicable √ Not applicable

No such cases in the Reporting Period.

VIII Illegal provision of guarantees for external parties

□ Applicable √ Not applicable

No such cases in the Reporting Period.

IX Occupation of the Company’s funds for non-operating purposes by the controlling shareholder and its related parties

□ Applicable √ Not applicable

No such cases in the Reporting Period.