Nanjing Putian Telecommunications Co., Ltd.
Text of 3Q Report of 2017

Section I. Important Note

Board of Directors, Supervisory Committee, all directors, supervisors and senior executives of Nanjing Putian Telecommunications Co., Ltd. (hereinafter referred to as the Company) hereby confirm that there are no any fictitious statements, misleading statements, or important omissions carried in this report, and shall take all responsibilities, individual and/or joint, for the reality, accuracy and completion of the whole contents.

All the directors are present the meeting of the Board for deliberating the Third Quarter Report of the Company in person.

Li Linzhen, person in charge of the Company, head of the accounting works Li Linzhen and Gao Wen, accounting body principals (accountant in charge) hereby confirms that the Financial Report of the Third Quarterly Report is authentic, accurate and complete.

Section II Basic information of Company

I. Main accounting data and index

Whether it has retroactive adjustment or re-statement on previous accounting data or not

□Yes √No

	Current period-end	Period-end of last year	Increase/decrease
Total assets (RMB)	2,810,980,871.88	2,304,519,167.54	21.98%
Net assets attributable to shareholders of listed company (RMB)	340,177,305.19	339,838,415.21	0.10%

	Current period	Increase/decrease in comparison with same period of last year	From year-begin to end of the Period	Increase/decrease in comparison with year-begin to Period-end of last year
Operating revenue (RMB)	521,084,332.49	19.77%	1,533,480,739.88	20.76%
Net profit attributable to shareholders of the listed company (RMB)	13,585,613.61	1,240.75%	338,889.98	101.52%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB)	11,614,103.91	636.87%	-2,669,669.67	89.11%
Net cash flow arising from operating activities (RMB)	--	--	-196,537,700.65	-90.84%
Basic earnings per share (RMB/Share)	0.064	1,166.67%	0.002	101.92%
Diluted earnings per share (RMB/Share)	0.064	1,166.67%	0.002	101.92%
Weighted average ROE	4.08%	4.45%	0.10%	6.75%

Items and amount of extraordinary profit (gains)/losses

√Applicable □Not applicable

In RMB

Item	Amount from year-begin to end of the Period	Note
Gains/losses from the disposal of non-current asset (including the write-off that accrued for impairment of assets)	-478,112.83	

Governmental subsidy reckoned into current gains/losses (not including the subsidy enjoyed in quota or ration according to national standards, which are closely relevant to enterprise's business)	1,870,225.30	
Other non-operating income and expenditure except for the aforementioned items	2,369,644.50	
Less: impact on income tax	55,419.25	
Impact on minority shareholders' equity (post-tax)	697,778.07	
Total	3,008,559.65	--

Concerning the extraordinary profit (gain)/loss defined by *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*, and the items defined as recurring profit (gain)/loss according to the lists of extraordinary profit (gain)/loss in *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*, explain reasons

□ Applicable √ Not applicable

In reporting period, the Company has no particular about items defined as recurring profit (gain)/loss according to the lists of extraordinary profit (gain)/loss in *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*

II. Statement of the total shareholders and shares-held of top ten shareholders at end of the Period

1. Number of common shareholders and preference shareholders with voting rights recovered and top ten common shareholders

In Share

<table>
<tr><td colspan="2">Total number of common shareholders at the end of report period</td><td colspan="2">8,326</td><td colspan="2">Total preference shareholders with voting rights recovered at end of reporting period (if applicable)</td><td>0</td></tr>
<tr><td colspan="7">Top ten shareholders</td></tr>
<tr><td rowspan="2">Shareholders</td><td rowspan="2">Nature of shareholder</td><td rowspan="2">Proportion of shares held</td><td rowspan="2">Amount of shares held</td><td rowspan="2">Amount of non-tradable shares held</td><td colspan="2">Number of share pledged/frozen</td></tr>
<tr><td>State of share</td><td>Amount</td></tr>
<tr><td>China Potevio Company Limited</td><td>State-owned corporate</td><td>53.49%</td><td>115,000,000</td><td>115,000,000</td><td></td><td></td></tr>
<tr><td>GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED</td><td>Overseas corporate</td><td>4.46%</td><td>9,596,527</td><td>0</td><td></td><td></td></tr>
</table>

Shenwan Hongyuan Securities (Hong Kong) co., LTD	Overseas corporate	4.46%	9,587,925	0		
Zhang Huai'an	Domestic nature person	1.31%	2,807,000	0		
Zheng Enyue	Domestic nature person	1.12%	2,405,739	0		
Sun Huiming	Domestic nature person	0.93%	2,007,110	0		
Guosen Securities (HK) Brokerage Company Limited	Overseas corporate	0.87%	1,861,882	0		
Gu Jinhua	Domestic nature person	0.83%	1,783,771	0		
BOCI SECURITIES LIMITED	Overseas corporate	0.80%	1,716,945	0		
LI SHERYN ZHAN MING	Overseas nature person	0.53%	1,145,000	0		

Particular about top ten shareholders with tradable shares held

Shareholders	Amount of tradable shares held	Type of shares	
		Type	Amount
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	9,596,527	Domestically listed foreign shares	9,596,527
Shenwan Hongyuan Securities (Hong Kong) co., LTD	9,587,925	Domestically listed foreign shares	9,587,925
Zhang Huai'an	2,807,000	Domestically listed foreign shares	2,807,000
Zheng Enyue	2,405,739	Domestically listed foreign shares	2,405,739
Sun Huiming	2,007,110	Domestically listed foreign shares	2,007,110

Guosen Securities (HK) Brokerage Company Limited	1,861,882	Domestically listed foreign shares	1,861,882
Gu Jinhua	1,783,771	Domestically listed foreign shares	1,783,771
BOCI SECURITIES LIMITED	1,716,945	Domestically listed foreign shares	1,716,945
LI SHERYN ZHAN MING	1,145,000	Domestically listed foreign shares	1,145,000
Jin Yunhua	950,162	Domestically listed foreign shares	950,162
Explanation on associated relationship among the top ten shareholders or consistent action	Among the top ten shareholders, China Potevio Company Limited is neither a related party nor a person acting in concert with the others. It’s unknown by the Company whether there are related parties or persons acting in concert among the other shareholders.		
Explanation on shareholders involving margin business about top ten common shareholders (if applicable)	N/A		

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

□ Yes √ No

Top ten common shareholders or top ten common shareholders with un-restrict shares not held have a buy-back agreement dealing in reporting period

2. Total of shareholders with preferred stock held and the top ten shareholdings

□Applicable √Not applicable

Section III. Important events

I. Particular about major changes from items of main accounting statements and financial indexes as well as reasons

√ Applicable □Not applicable

Items	2017-9-30 (RMB)	2016-12-31 (RMB)	Changed amount (RMB)	+,- (%)	Main reasons for major changes
Monetary fund	194,707,874.63	519,683,411.72	-324,975,537.09	-62.53%	Payables due for goods increased on a y-o-y basis; and bank loans declined in the period
Notes payable	39,976,260.73	59,748,722.91	-19,772,462.18	-33.09%	Payment on goods are paid by acceptance draft in the period
Account paid in advance	395,091,619.82	44,578,182.05	350,513,437.77	786.29%	Purchase of receivable paid in advance increased
Stock	771,308,222.46	527,931,889.47	243,376,332.99	46.10%	The products manufactured according to the contract have not been paid at period-end
Other current assets	39,820,185.29	6,842,370.71	32,977,814.58	481.96%	Pending deduct VAT on purchase increased
Bills payable	13,681,990.00	83,071,160.95	-69,389,170.95	-83.53%	Payment for goods are paid by acceptance draft decreased in the period
Accounts payable	1,212,747,044.00	897,012,031.63	315,735,012.37	35.20%	Account payable for products purchasing increased in the period
Payment in advance	612,904,406.14	310,313,462.24	302,590,943.90	97.51%	Payment for goods received in advance from clients increased in the period
Tax payable	13,501,691.01	24,491,066.21	-10,989,375.20	-44.87%	Taxes payable are paid in the period
Deferred income	8,136,257.32	1,599,211.58	6,537,045.74	408.77%	Received government grants in the period, and reckoned into deferred income
Items	From Jan. to Sept. of 2017	From Jan. to Sept. of 2016	Changed amount (RMB)	+,- (%)	Main reasons for major changes
Investment income	-849,185.37	897,964.98	-1,747,150.35	-194.57%	Net profit from joint-stock

					enterprises declined on a y-o-y basis
Non operating income	4,431,708.67	7,384,026.58	-2,952,317.91	-39.98%	According to the change of accounting policy, VAT refunds counted in Other Income
Operating profit	15,683,565.91	-15,241,407.63	30,924,973.54	202.90%	In reporting period, the Company optimize and adjust the industrial structure, expending new projects, and making more efforts on entity governance for deficit operation as well as on cost control, as a results, the operation revenue and profit increased on a y-o-y basis
Total profit	19,275,490.66	-8,548,888.17	27,824,378.83	325.47%	
Net profit	13,073,944.74	-13,416,723.52	26,490,668.26	197.45%	
Net profit attributable to owners' of parent company	338,889.98	-22,300,037.16	22,638,927.14	101.52%	
Net cash flow arising from financial activities	-196,537,700.65	-102,986,761.84	-93,550,938.81	-90.84%	More purchase money paid in the period
Net cash flow arising from investment activities	-8,474,958.17	-4,026,846.85	-4,448,111.32	-110.46%	Cash paid for purchasing fixed assets are increased in the period
Net cash flow arising from financing activities	-113,109,354.78	-22,403,170.87	-90,706,183.91	-404.88%	Bank loans in the period decreased over that of last year
Net increase of cash and cash equivalent	-318,145,249.49	-129,689,872.70	-188,455,376.79	-145.31%	Cash flow arising from operation/investment and financing activities are declined on a y-o-y basis in the period

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

√Applicable □ Not applicable

The Company has negative results of net profit attributable to shareholder of listed company, which has been audited, for three years in a row (that is 2014, 2015 and 2016). And according to the regulation of Shenzhen Stock Exchange, stock of the Company suspend since 11 May 2017. We are carrying out works for operation improvement in a deep-going way, strive to resume listing. The specific measures and relevant progress of works can be found in "Notice of Measures for Resume Listing and Relevant Progress of Works" released monthly.

Overview	Date for disclosure	Information index for temporary report disclosure

Notice of Suspend Listing	2017-05-09	Juchao Website (www.cninfo.com.cn)
Notice of Measures for Resume Listing and Relevant Progress of Works	2017-06-07	Juchao Website (www.cninfo.com.cn)
	2017-07-07	Juchao Website (www.cninfo.com.cn)
	2017-08-05	Juchao Website (www.cninfo.com.cn)
	2017-09-07	Juchao Website (www.cninfo.com.cn)
	2017-10-13	Juchao Website (www.cninfo.com.cn)

III. Commitments that the company, shareholders, actual controller, offeror, directors, supervisors, senior management or other related parties have fulfilled during the reporting period and have not yet fulfilled by the end of reporting period

□ Applicable √ Not applicable

There are no commitments that the company, shareholders, actual controller, offeror, directors, supervisors, senior management or other related parties have fulfilled during the reporting period and have not yet fulfilled by the end of reporting period.

IV. Estimation of operation performance for year of 2017

Estimation on accumulative net profit from the beginning of the year to the end of next report period to be loss probably or the warning of its material change compared with the corresponding period of the last year and explanation on reason

□ Applicable √ Not applicable

V. Particular about security investment

□ Applicable √ Not applicable

The Company had no security investment in Period.

VI. Particulars about derivatives investment

□ Applicable √ Not applicable

The Company had no derivatives investment in Period.

VII. Registration form for receiving research, communication and interview in the report period

□ Applicable √ Not applicable

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

VIII. Guarantee outside against the regulation

□Applicable √Not applicable

The Company had no guarantee outside against the regulation in the reporting period.

IX. Non-operational fund occupation from controlling shareholders and its related party

□ Applicable √ Not applicable

The Company had no non-operational fund occupation form controlling shareholders and its related party in the period.

X. Fulfill the precise social responsibility for poverty alleviation

1. Summary of targeted poverty alleviation

According to the unified arrangements of Nanjing Economic and Information Commission, the company will help the Liuhe District – Molihua Village in pairs during the 13th Five-Year Plan. We have a site visiting recently, and according to the learned situation and combined with the company's actual situation; it is currently developing the targeted poverty alleviation program for the 13th Five-Year period.

2. Target poverty alleviation for the 3Q

Index	Unit of measure	Quantity /implementation
I. Overall condition	——	——
II. Poverty alleviation by items	——	——
1.Industry development	——	——
2.Shift employment	——	——
3.Relocating in other places	——	——
4.Education	——	——
5.Health	——	——
6.Ecological protection	——	——
7. Reveal all the details	——	——
8.society	——	——
9.other	——	——
III. Award received (content and grade)	——	——

3. Follow-up target poverty alleviation

Currently, the Company still in preparation of the poverty alleviation plan, and will carry out target poverty alleviation in line with the plan in later period.

Board of Directors of

Nanjing Putian Telecommunications Co., Ltd.

28 October 2017