Chengde Nanjiang Co., Ltd.

First Quarterly Report 2017

April 2017

Section I. Important Notes

Board of Directors and the Supervisory Committee of Chengde Nanjiang Co., Ltd. (hereinafter referred to as the Company) and its directors, supervisors and senior executives should guarantee the reality, accuracy and completion of the quarterly report, there are no any fictitious statements, misleading statements or important omissions carried in this report, and shall take legal responsibilities, individual and/or joint.

All Directors are attended the Board Meeting for Quarterly Report deliberation.

Zhao Yongsheng, Person in charge of the Company, Zhao Yongsheng, person in charger of accounting works and Liu Guofeng, person in charger of accounting organ (accounting officer) hereby confirm that the Financial Report of this Quarterly Report is authentic, accurate and complete.

Section II. Company Information

I. Main accounting data and financial indexes

Whether it has retroactive adjustment or re-statement on previous accounting data for accounting policy changed and accounting error correction or not

□ Yes √No

	Current Period	Same period of last year	Changes of this period over same period of last year
Operating income (RMB)	87,228,836.17	46,379,194.49	88.08%
Net profit attributable to shareholders of the listed company(RMB)	574,010.77	1,078,731.20	-46.79%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses(RMB)	558,913.81	1,147,902.15	-51.31%
Net cash flow arising from operating activities(RMB)	27,058,484.62	30,707,074.03	-11.88%
Basic earnings per share (RMB/Share)	0.001	0.002	-50.00%
Diluted earnings per share (RMB/Share)	0.001	0.002	-50.00%
Weighted average ROE (%)	0.16%	0.31%	-0.15%
	At the end of the reporting period	At the end of last year	Changes of this period-end over same period-end of last year
Total assets (RMB)	555,005,579.60	626,756,827.34	-11.45%
Net assets attributable to shareholder of listed company (RMB)	360,400,461.76	359,826,450.98	0.16%

Items of non-recurring gains and losses

√ Applicable □ Not applicable

In RMB

Item	Amount from year-begin to period-end	Note
Other non-operating income and expenditure except for the aforementioned items	15,096.97	
Total	15,096.97	--

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. Total number of shareholders at the end of this report period and top ten shareholders

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

In shares

<table>
<tr><td colspan="2">Total number of common shareholders at the end of report period</td><td colspan="2">19,555</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">Shareholder's name</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>Wang Dong</td><td>Domestic natural person</td><td>29.49%</td><td>208,324,800</td><td>208,324,800</td><td>Frozen</td><td>208,324,800</td></tr>
<tr><td>China Everbright Securities (HK) Limited</td><td>Overseas legal person</td><td>13.28%</td><td>93,833,093</td><td>0</td><td></td><td></td></tr>
<tr><td>GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED</td><td>Overseas legal person</td><td>6.87%</td><td>48,524,062</td><td>0</td><td></td><td></td></tr>
<tr><td>Chengde North Industrial Corporation</td><td>Domestic non-state-owned legal person</td><td>2.62%</td><td>18,517,651</td><td>18,517,651</td><td></td><td></td></tr>
<tr><td>Wang Zhengsong</td><td>Domestic natural person</td><td>1.89%</td><td>13,327,891</td><td>13,327,891</td><td></td><td></td></tr>
<tr><td>Wang Wensheng</td><td>Domestic natural person</td><td>1.03%</td><td>7,258,007</td><td>0</td><td></td><td></td></tr>
<tr><td>Zhou Haihong</td><td>Domestic natural person</td><td>0.95%</td><td>6,708,495</td><td>0</td><td></td><td></td></tr>
<tr><td>Li Tianyun</td><td>Domestic natural person</td><td>0.73%</td><td>5,158,000</td><td>0</td><td></td><td></td></tr>
<tr><td>Shenwan Hongyuan Securities (H.K.) Co., Ltd.</td><td>Overseas legal person</td><td>0.71%</td><td>4,995,920</td><td>0</td><td></td><td></td></tr>
</table>

Chen Yan	Domestic natural person	0.57%	4,023,256	0		

Top ten shareholders with tradable shares held			
Shareholder’s name	Amount of tradable shares held	Type of shares	
		Type	Amount
China Everbright Securities (HK) Limited	93,833,093	Domestically listed foreign shares	93,833,093
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	48,524,062	Domestically listed foreign shares	48,524,062
Wang Wensheng	7,258,007	Domestically listed foreign shares	7,258,007
Zhou Haihong	6,708,495	Domestically listed foreign shares	6,708,495
Li Tianyun	5,158,000	Domestically listed foreign shares	5,158,000
Shenwan Hongyuan Securities (H.K.) Co., Ltd.	4,995,920	Domestically listed foreign shares	4,995,920
Chen Yan	4,023,256	Domestically listed foreign shares	4,023,256
Zhao Ziying	3,286,616	Domestically listed foreign shares	3,286,616
VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	3,182,875	Domestically listed foreign shares	3,182,875
Peng Wei	2,978,525	Domestically listed foreign shares	2,978,525
Explanation on associated relationship among the aforesaid shareholders	The Company is unknown whether there exists associated relationship or belongs to consistent actor regulated by “management method for acquisition of listed company” among the above said shareholders.		
Explanation on top ten shareholders involving margin business (if	N/A		

applicable)	

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

□ Yes √ No

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

2. Total shareholders with preferred stock held and shares held by top ten shareholders with preferred stock held

□ Applicable √ Not applicable

Section III. Significant Events

I. Particulars about material changes in items of main accounting statement and financial index and explanations of reasons

√Applicable □Not applicable

Serial	Item	Ending balance	Opening balance	Changes		Reasons
				Amount changed	Ratio changed	
1	advanced payment	18,259.96	18,250,328.13	-18,232,068.17	-99.90%	advanced payment return in the period
2	Other current assets	10,412,747.92	19,177,045.07	-8,764,297.15	-45.70%	Taxes paid in advance are carry forward to gain/loss
3	Account payable	9,022,489.62	12,889,329.86	-3,866,840.24	-30.00%	Settlement of payables in the period
4	Account received in advance	176,713,205.38	243,917,918.70	-67,204,713.32	-27.55%	The money received in advance for house are carry forward to income in the period
5	Operation venue	87,228,836.17	46,379,194.49	40,849,641.68	88.08%	The real estate project carry forward to income in the period
6	Operation cost	75,306,291.18	36,430,367.17	38,875,924.01	106.71%	The real estate project carry forward to income in the period
7	Business tax and surcharg	6,626,909.61	2,726,869.98	3,900,039.63	143.02%	The real estate project carry forward to income in the period
8	Net cash flow from investment activities	-772,124.20	-26,108,450.99	25,336,326.79	-97.04%	Investment expenditure decreased in the period

II. Analysis and explanation of significant events and their influence and solutions

□ Applicable √ Not applicable

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

Nil

IV. Predict of the business performance from January to June 2017

Warnings and reasons of the predict that the cumulative net profit from the begin of the year to the end of next report period may be loss or have great changes comparing with the same period of last year

□Applicable √Not applicable

V. Securities Investment

□ Applicable √ Not applicable

No security investment in Period.

VI. Derivative investment

□ Applicable √ Not applicable

No derivative investment in the Period.

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

√ Applicable □ Not applicable

Time	Way	Type	Basic situation index of investigation
2017-01-24	Telephone communication	Individual	Progress of the suspension of the Company, no materials required
2017-02-20	Telephone communication	Individual	Current condition of the Company, no materials required
2017-03-21	Telephone communication	Individual	Operation of the Company, no materials required

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.

Section IV. Financial statement

I. Financial statement

1. Consolidated balance sheet

Prepared by Chengde Nanjiang Co., Ltd.

2017-03-31

In RMB

Item	Closing balance	Opening balance
Current assets:		
Monetary funds	159,256,522.65	132,970,162.23
Settlement provisions		
Capital lent		
Financial assets measured by fair value and with variation reckoned into current gains/losses		
Derivative financial assets		
Notes receivable		
Accounts receivable	359,739.15	77,884.75
Accounts paid in advance	18,259.96	18,250,328.13
Insurance receivable		
Reinsurance receivables		
Contract reserve of reinsurance receivable		
Interest receivable		
Dividend receivable		
Other receivables	67,338,165.30	67,805,513.40
Purchase restituted finance asset		
Inventories	270,474,578.34	341,740,059.14
Divided into assets held for sale		
Non-current asset due within one year	333,716.08	333,716.08
Other current assets	10,412,747.92	19,177,045.07
Total current assets	508,193,729.40	580,354,708.80
Non-current assets:		
Loans and payments on behalf		
Finance asset available for sales	22,784,131.93	22,784,131.93

Held-to-maturity investment		
Long-term account receivable		
Long-term equity investment	1,022,730.46	1,022,730.46
Investment property	4,803,013.69	4,831,153.75
Fixed assets	14,977,941.11	14,980,260.33
Construction in progress		
Engineering material		
Disposal of fixed asset		
Productive biological asset	25,188.06	42,133.76
Oil and gas asset		
Intangible assets	1,065,697.56	1,073,407.21
Expense on Research and Development	1,212,000.10	641,604.82
Goodwill		
Long-term expenses to be apportioned	145,501.88	160,010.87
Deferred income tax asset	775,645.41	775,645.41
Other non-current asset		91,040.00
Total non-current asset	46,811,850.20	46,402,118.54
Total assets	555,005,579.60	626,756,827.34
Current liabilities:		
Short-term loans		
Loan from central bank		
Absorbing deposit and interbank deposit		
Capital borrowed		
Financial liability measured by fair value and with variation reckoned into current gains/losses		
Derivative financial liability		
Notes payable		
Accounts payable	9,022,489.62	12,889,329.86
Accounts received in advance	176,713,205.38	243,917,918.70
Selling financial asset of repurchase		
Commission charge and commission payable		
Wage payable	210,030.31	1,937,682.44

Taxes payable	643,666.54	1,359,022.01
Interest payable		
Dividend payable		
Other accounts payable	5,727,871.52	4,476,864.40
Reinsurance payables		
Insurance contract reserve		
Security trading of agency		
Security sales of agency		
Divided into liability held for sale		
Non-current liabilities due within 1 year		
Other current liabilities		
Total current liabilities	192,317,263.37	264,580,817.41
Non-current liabilities:		
Long-term loans		
Bonds payable		
Including: preferred stock		
Perpetual capital securities		
Long-term account payable		
Long-term wages payable		
Special accounts payable		
Projected liabilities		
Deferred income		
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities		
Total liabilities	192,317,263.37	264,580,817.41
Owner’s equity:		
Share capital	706,320,000.00	706,320,000.00
Other equity instrument		
Including: preferred stock		
Perpetual capital securities		
Capital public reserve	463,681,309.55	463,681,309.55
Less: Inventory shares		

Other comprehensive income		
Reasonable reserve		
Surplus public reserve	76,791,550.17	76,791,550.17
Provision of general risk		
Retained profit	-886,392,397.96	-886,966,408.74
Total owner's equity attributable to parent company	360,400,461.76	359,826,450.98
Minority interests	2,287,854.47	2,349,558.95
Total owner's equity	362,688,316.23	362,176,009.93
Total liabilities and owner's equity	555,005,579.60	626,756,827.34

Legal representative: Zhao Yongsheng Person in charger of accounting works: Zhao Yongsheng

Person in charger of accounting organ: Liu Fengguo

2. Balance Sheet of Parent Company

In RMB

Item	Closing balance	Opening balance
Current assets:		
Monetary funds	18,188,844.99	69,381,131.38
Financial assets measured by fair value and with variation reckoned into current gains/losses		
Derivative financial assets		
Notes receivable		
Accounts receivable	281,854.40	
Account paid in advance	5,000.33	18,240,099.06
Interest receivable		
Dividends receivable		
Other receivables	26,986,898.03	23,582,767.33
Inventories	270,351,607.33	341,419,337.97
Divided into assets held for sale		
Non-current assets maturing within one year		
Other current assets	9,064,825.29	18,152,929.82
Total current assets	324,879,030.37	470,776,265.56
Non-current assets:		

Available-for-sale financial assets	22,784,131.93	22,784,131.93
Held-to-maturity investments		
Long-term receivables		
Long-term equity investments	178,114,466.37	178,114,466.37
Investment property		
Fixed assets	2,037,413.65	2,100,122.12
Construction in progress		
Project materials		
Disposal of fixed assets		
Productive biological assets		
Oil and natural gas assets		
Intangible assets		
Research and development costs		
Goodwill		
Long-term deferred expenses	130,314.38	142,798.37
Deferred income tax assets	750.00	750.00
Other non-current assets		
Total non-current assets	203,067,076.33	203,142,268.79
Total assets	527,946,106.70	673,918,534.35
Current liabilities:		
Short-term borrowings		
Financial liability measured by fair value and with variation reckoned into current gains/losses		
Derivative financial liability		
Notes payable		
Accounts payable	8,750,000.17	12,777,756.02
Accounts received in advance	176,509,384.04	242,747,445.35
Wage payable	398.22	576,458.22
Taxes payable	642,065.30	1,340,388.72
Interest payable		
Dividend payable		
Other accounts payable	160,336,256.78	237,841,253.38
Divided into liability held for sale		

Non-current liabilities due within 1 year		
Other current liabilities		
Total current liabilities	346,238,104.51	495,283,301.69
Non-current liabilities:		
Long-term loans		
Bonds payable		
Including: preferred stock		
Perpetual capital securities		
Long-term account payable		
Long-term wages payable		
Special accounts payable		
Projected liabilities		
Deferred income		
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities		
Total liabilities	346,238,104.51	495,283,301.69
Owners' equity:		
Share capita	706,320,000.00	706,320,000.00
Other equity instrument		
Including: preferred stock		
Perpetual capital securities		
Capital public reserve	456,569,124.55	456,569,124.55
Less: Inventory shares		
Other comprehensive income		
Reasonable reserve		
Surplus reserve	76,791,550.17	76,791,550.17
Retained profit	-1,057,972,672.53	-1,061,045,442.06
Total owner's equity	181,708,002.19	178,635,232.66
Total liabilities and owner's equity	527,946,106.70	673,918,534.35

3. Consolidated Profit Statement

In RMB

Item	Current Period	Last Period
I. Total operating income	87,228,836.17	46,379,194.49
Including: Operating income	87,228,836.17	46,379,194.49
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	86,731,626.84	45,819,626.10
Including: Operating cost	75,306,291.18	36,430,367.17
Interest expense		
Commission charge and commission expense		
Cash surrender value		
Net amount of expense of compensation		
Net amount of withdrawal of insurance contract reserve		
Bonus expense of guarantee slip		
Reinsurance expense		
Taxes and surcharge	6,626,909.61	2,726,869.98
Sales expenses	140,899.82	282,787.51
Administration expenses	5,303,586.75	6,413,012.54
Financial expenses	-645,462.53	-33,411.10
Losses of devaluation of asset	-597.99	
Add: Changing income of fair value(Loss is listed with “-”)		
Investment income (Loss is listed with “-”)		
Including: Investment income on affiliated company and joint venture		
Exchange income (Loss is listed with “-”)		
III. Operating profit (Loss is listed with “-”)	497,209.33	559,568.39

Add: Non-operating income	2,613.40	60,482.07
Including: Disposal gains of non-current asset		
Less: Non-operating expense	-12,483.57	129,653.02
Including: Disposal loss of non-current asset		
IV. Total Profit (Loss is listed with "-")	512,306.30	490,397.44
Less: Income tax expense		3,750.00
V. Net profit (Net loss is listed with "-")	512,306.30	486,647.44
Net profit attributable to owner's of parent company	574,010.78	1,078,731.20
Minority shareholders' gains and losses	-61,704.48	-592,083.76
VI. Net after-tax of other comprehensive income		
Net after-tax of other comprehensive income attributable to owners of parent company		
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1. Changes as a result of re-measurement of net defined benefit plan liability or asset		
2. Share of the other comprehensive income of the investee accounted for using equity method which will not be reclassified subsequently to profit and loss		
(II) Other comprehensive income items which will be reclassified subsequently to profit or loss		
1. Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit or loss		
2. Gains or losses arising from changes in fair value of available-for-sale financial assets		

3. Gains or losses arising from reclassification of held-to-maturity investment as available-for-sale financial assets		
4. The effect hedging portion of gains or losses arising from cash flow hedging instruments		
5. Translation differences arising on translation of foreign currency financial statements		
6. Other		
Net after-tax of other comprehensive income attributable to minority shareholders		
VII. Total comprehensive income	512,306.30	486,647.44
Total comprehensive income attributable to owners of parent Company	574,010.78	1,078,731.20
Total comprehensive income attributable to minority shareholders	-61,704.48	-592,083.76
VIII. Earnings per share:		
(i) Basic earnings per share	0.001	0.002
(ii) Diluted earnings per share	0.001	0.002

Enterprise combine under the same control in the Period, the combined party realized net profit of 0 Yuan before combination, and realized 0 Yuan at last period for combined party

Legal representative: Zhao Yongsheng   Person in charger of accounting works: Zhao Yongsheng
Person in charger of accounting organ: Liu Fengguo

4. Profit Statement of Parent Company

In RMB

Item	Current Period	Last Period
I. Operating income	85,948,527.38	35,691,817.41
Less: Operating cost	73,068,573.47	26,749,014.87
Taxes and surcharge	6,625,516.51	2,610,025.31
Sales expenses	26,780.00	94,575.00
Administration expenses	3,160,988.26	3,949,373.25
Financial expenses	-8,100.39	-11,544.07
Losses of devaluation of asset		

Add: Changing income of fair value(Loss is listed with “-”)		
Investment income (Loss is listed with “-”)		
Including: Investment income on affiliated company and joint venture		
II. Operating profit (Loss is listed with “-”)	3,074,769.53	2,300,373.05
Add: Non-operating income		
Including: Disposal gains of non-current asset		
Less: Non-operating expense	2,000.00	6,440.00
Including: Disposal loss of non-current asset		
III. Total Profit (Loss is listed with “-”)	3,072,769.53	2,293,933.05
Less: Income tax expense		
IV. Net profit (Net loss is listed with “-”)	3,072,769.53	2,293,933.05
V. Net after-tax of other comprehensive income		
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1. Changes as a result of re-measurement of net defined benefit plan liability or asset		
2. Share of the other comprehensive income of the investee accounted for using equity method which will not be reclassified subsequently to profit and loss		
(II) Other comprehensive income items which will be reclassified subsequently to profit or loss		
1. Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit or loss		

2. Gains or losses arising from changes in fair value of available-for-sale financial assets		
3. Gains or losses arising from reclassification of held-to-maturity investment as available-for-sale financial assets		
4. The effect hedging portion of gains or losses arising from cash flow hedging instruments		
5. Translation differences arising on translation of foreign currency financial statements		
6. Other		
VI. Total comprehensive income	3,072,769.53	2,293,933.05
VII. Earnings per share:		
(i) Basic earnings per share		
(ii) Diluted earnings per share		

5. Consolidated Cash Flow Statement

In RMB

Item	Current Period	Last Period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	22,573,446.12	71,490,509.55
Net increase of customer deposit and interbank deposit		
Net increase of loan from central bank		
Net increase of capital borrowed from other financial institution		
Cash received from original insurance contract fee		
Net cash received from reinsurance business		
Net increase of insured savings and		

investment		
Net increase of amount from disposal financial assets that measured by fair value and with variation reckoned into current gains/losses		
Cash received from interest, commission charge and commission		
Net increase of capital borrowed		
Net increase of returned business capital		
Write-back of tax received		
Other cash received concerning operating activities	5,760,907.99	2,612,164.23
Subtotal of cash inflow arising from operating activities	28,334,354.11	74,102,673.78
Cash paid for purchasing commodities and receiving labor service	-13,541,204.96	27,337,527.31
Net increase of customer loans and advances		
Net increase of deposits in central bank and interbank		
Cash paid for original insurance contract compensation		
Cash paid for interest, commission charge and commission		
Cash paid for bonus of guarantee slip		
Cash paid to/for staff and workers	4,893,377.36	4,056,345.64
Taxes paid	3,139,772.45	2,729,508.05
Other cash paid concerning operating activities	6,783,924.64	9,272,218.75
Subtotal of cash outflow arising from operating activities	1,275,869.49	43,395,599.75
Net cash flows arising from operating activities	27,058,484.62	30,707,074.03
II. Cash flows arising from investing activities:		
Cash received from recovering		

investment		
Cash received from investment income		
Net cash received from disposal of fixed, intangible and other long-term assets		
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities		
Subtotal of cash inflow from investing activities		
Cash paid for purchasing fixed, intangible and other long-term assets	772,124.20	1,108,450.99
Cash paid for investment		25,000,000.00
Net increase of mortgaged loans		
Net cash received from subsidiaries and other units obtained		
Other cash paid concerning investing activities		
Subtotal of cash outflow from investing activities	772,124.20	26,108,450.99
Net cash flows arising from investing activities	-772,124.20	-26,108,450.99
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Including: Cash received from absorbing minority shareholders' investment by subsidiaries		
Cash received from loans		
Cash received from issuing bonds		
Other cash received concerning financing activities		753,264.46
Subtotal of cash inflow from financing activities		753,264.46
Cash paid for settling debts		

Cash paid for dividend and profit distributing or interest paying		
Including: Dividend and profit of minority shareholder paid by subsidiaries		
Other cash paid concerning financing activities	122,400.00	484,000.00
Subtotal of cash outflow from financing activities	122,400.00	484,000.00
Net cash flows arising from financing activities	-122,400.00	269,264.46
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate		
V. Net increase of cash and cash equivalents	26,163,960.42	4,867,887.50
Add: Balance of cash and cash equivalents at the period -begin	126,970,834.83	84,543,677.45
VI. Balance of cash and cash equivalents at the period -end	153,134,795.25	89,411,564.95

6. Cash Flow Statement of Parent Company

In RMB

Item	Current Period	Last Period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	22,272,679.92	59,191,631.16
Write-back of tax received		
Other cash received concerning operating activities	1,299,191.96	11,928,121.37
Subtotal of cash inflow arising from operating activities	23,571,871.88	71,119,752.53
Cash paid for purchasing commodities and receiving labor service	-15,625,382.05	17,397,043.73
Cash paid to/for staff and workers	1,813,295.43	2,923,416.78

Taxes paid	2,897,506.76	2,727,254.44
Other cash paid concerning operating activities	85,671,539.13	19,361,708.12
Subtotal of cash outflow arising from operating activities	74,756,959.27	42,409,423.07
Net cash flows arising from operating activities	-51,185,087.39	28,710,329.46
II. Cash flows arising from investing activities:		
Cash received from recovering investment		
Cash received from investment income		
Net cash received from disposal of fixed, intangible and other long-term assets		
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities		
Subtotal of cash inflow from investing activities		
Cash paid for purchasing fixed, intangible and other long-term assets	7,199.00	10,788.00
Cash paid for investment		25,000,000.00
Net cash received from subsidiaries and other units		
Other cash paid concerning investing activities		
Subtotal of cash outflow from investing activities	7,199.00	25,010,788.00
Net cash flows arising from investing activities	-7,199.00	-25,010,788.00
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Cash received from loans		

Cash received from issuing bonds		
Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities		
Cash paid for settling debts		
Cash paid for dividend and profit distributing or interest paying		
Other cash paid concerning financing activities	122,400.00	484,000.00
Subtotal of cash outflow from financing activities	122,400.00	484,000.00
Net cash flows arising from financing activities	-122,400.00	-484,000.00
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate		
V. Net increase of cash and cash equivalents	-51,314,686.39	3,215,541.46
Add: Balance of cash and cash equivalents at the period -begin	63,381,803.98	22,671,791.13
VI. Balance of cash and cash equivalents at the period -end	12,067,117.59	25,887,332.59

II. Audit report

Whether the first quarterly report had been audited or not

□ Yes √ No

The first quarterly report of the Company had not been audited.