Stock code: 000553（200553） Stock name: Sanonda A（B） Announcement No.: 2017-47

HUBEI SANONDA CO., LTD.
SEMI-ANNUAL REPORT 2017 (ABSTRACT)

I Important Notes

This Abstract is based on the full text of the Semi-Annual Report. In order for a full understanding of the operating results, financial condition and future development planning of the Company, investors are kindly reminded to read the full text carefully on the media designated by the China Securities Regulatory Commission (the "CSRC").

None of the directors, supervisors or senior management of the Company has raised any objections against this Report.

All directors attended the board meeting in person for the review of this Report.

Modified auditor's opinion:

□ Applicable √ Not applicable

Proposal for profit distribution to or converting capital reserve into share capital for common shareholders for the Reporting Period, which has been considered and approved by the Board:

□ Applicable √ Not applicable

The Company plans not to distribute cash dividends or bonus shares or convert capital reserve into share capital.

Proposal for profit distribution to preference shareholders for the Reporting Period, which has been considered and approved by the Board:

□ Applicable √ Not applicable

This Abstract has been prepared in both Chinese and English. Should there be any discrepancies or misunderstandings between the two versions, the Chinese version shall prevail.

II Company Profile

1. Stock Profile

Stock name	Sanonda A, Sanonda B	Stock code	000553, 200553
Stock exchange	Shenzhen Stock Exchange		
Contact information	Board Secretary		
Name	Li Zhongxi		
Office address	No. 93, Beijing East Road, Jingzhou, Hubei Province, R.R.China		
Tel.	0716-8208632		
E-mail	lizhongxi@agr.chemchina.com		

2. Key Operating Results

Indicate by tick mark whether the Company needs to retroactively restate any of its accounting data.

□ Yes √ No

	Reporting Period	Same period of last year	+/- (%)
Operating revenues (RMB)	1,465,703,190.32	1,005,697,157.50	45.74%
Net profit attributable to shareholders of the Company (RMB)	169,191,443.71	16,807,555.50	906.64%
Net profit attributable to shareholders of the Company before exceptional profit and loss (RMB)	167,053,737.85	6,397,955.00	2,511.05%
Net cash generated by operating activities (RMB)	221,243,538.84	46,718,918.62	373.56%
Basic earnings per share (RMB/share)	0.2849	0.0283	906.71%
Diluted earnings per share (RMB/share)	0.2849	0.0283	906.71%
Weighted average return on equity (%)	8.09%	0.80%	7.29%
	End of Reporting Period	End of last year	+/- (%)
Total assets (RMB)	3,086,403,736.41	2,984,883,798.79	3.40%
Net assets attributable to shareholders of the Company (RMB)	2,175,306,925.19	2,005,058,006.75	8.49%

3. Shareholders and Their Holdings at Period-End

Unit: share

Total number of common shareholders at period-end	59,811 (A-shareholders: 42,789)	Total number of preference shareholders with resumed voting rights at period-end (if any)	0

Top 10 shareholders						
Name of shareholder	Nature of shareholder	Shareholding percentage	Total shares held	Restricted shares held	Pledged or frozen shares	
					Status	Number
Jingzhou Sanonda Holdings Co., Ltd.	State-owned corporation	20.15%	119,687,202			
ADAMA Celsius B.V.	Foreign corporation	10.60%	62,950,659			
Xie Qingjun	Domestic individual	0.75%	4,458,233			
State-Owned Assets Administration Bureau of Qichun County	On behalf of the government	0.70%	4,169,266			
Guotai Junan Securities (Hong Kong) Limited	Foreign corporation	0.62%	3,652,899			
Shi Yun	Domestic individual	0.57%	3,367,606			
China Construction Bank Co., Ltd. －Rongtong	Other	0.37%	2,202,363			

Leading Growth Mixed Stock Fund (LOF)						
Zhou Qiping	Domestic individual	0.32%	1,926,245			
Hu Chunwan	Domestic individual	0.22%	1,300,444			
Zhong Jiang International Trust Co., Ltd.	Domestic non-state-owned corporation	0.19%	1,150,000			
Related or acting-in-concert parties among shareholders above		Jingzhou Sanonda Holdings Co., Ltd. and Celsius Property B.V. are related parties, and under the same control of China National Chemical Agrochemical Corporation, and are acting-in-concert parties as prescribed in the Administrative Methods for Acquisition of Listed Companies. It is unknown whether the other shareholders are related parties or acting-in-concert parties as prescribed in the Administrative Methods for Acquisition of Listed Companies.				
Shareholders conducting securities margin trading (if any)		1. Shareholder Shi Yun held 3,367,606 shares in the Company through his accounts of collateral securities for margin trading and held 0 shares in the Company through his common stock accounts, representing a total holding of 3,367,606 shares in the Company. 2. Shareholder Zhou Qiping held 170,100 shares in the Company through his accounts of collateral securities for margin trading and held 1,756,145 shares in the Company through his common stock accounts, representing a total holding of 1,926,245shares in the Company.				

4. Change of Controlling Shareholder or Actual Controller in Reporting Period

Change of the controlling shareholder in the Reporting Period:

□ Applicable √ Not applicable

The controlling shareholder remained the same in the Reporting Period.

Change of the actual controller in the Reporting Period:

□ Applicable √ Not applicable

The actual controller remained the same in the Reporting Period.

5. Number of Preference Shareholders and Shareholdings of Top 10 of Them

□ Applicable √ Not applicable

No preference shareholders in the Reporting Period.

6. Corporate bonds

Are there any corporate bonds publicly offered and listed on the stock exchange, which were undue before the approval date of this Report or were due but could not be redeemed in full?

No.

III Performance Discussion and Analysis

1. Performance Review for Reporting Period

Is the Company subject to any disclosure requirements for special industries?

No.

For the Reporting Period, the Company achieved, on a consolidated basis, operating revenues of RMB1.466 billion, increasing 45.74% over the same period of last year; and total profit of RMB217.5 million, representing a sharp rise of 841.28% from a year earlier. The significant increase in profitability was mainly resulted from the year-on-year increases in both the sales volumes and prices of some of the Company's main products, as well as an apparent result of cost reduction and efficiency increase.

2. Matters Related to Financial Report

(1) Changes in Accounting Policies, Accounting Estimations and Measurement Methods Compared to Last Accounting Period

□ Applicable √ Not applicable

No such cases.

(2) Retroactive Restatements due to Correction of Significant Accounting Errors in Reporting Period

□ Applicable √ Not applicable

No such cases.

(3) Changes in Scope of Consolidated Financial Statements Compared to Last Accounting Period

□ Applicable √ Not applicable

No such cases.