Stock Code: 200992 Short Form of the Stock: Zhonglu B Public Notice No: 2017-24

Shandong Zhonglu Oceanic Fisheries Company Limited

Summary of Semi-Annual Report 2017

1. Important Notice

The summary of semi-annual report is excerpted from the full text of the semi-annual report. For the details, investors should carefully read the full text of the semi-annual report published on Juchao Information website (www.cninfo.com.cn) and Shenzhen Stock Exchange Website etc., appointed by CSRC.

Objection statement of directors, supervisors and senior executives

Name	Position	Content and reason

Statement

Other directors attending the Meeting for annual report deliberation except for the followed

Name of director absent	Title for absent director	Reasons for absent	Attorney

Prompt of non-standard audit opinion

□ Applicable √ Not applicable

Profit distribution pre-plan of common stock or capitalizing of common reserves pre-plan deliberated by the Board in the reporting period

□ Applicable √ Not applicable

The Company has no plans of cash dividend distributed, no bonus shares and has no share converted from capital reserve.

Profit distribution pre-plan of preferred stock deliberated and approved by the Board in the reporting period

□ Applicable □ Not applicable

II. Basic information of the company

1. Company profile

Short form of the stock	ZHONGLU B	Stock code	200992
Stock exchange for listing	Shenzhen Stock Exchange		
Person/Way to contact	Secretary of the Board	Rep. of security affairs	
Name	Li Ming	Li Ying	
Office add.	No.65 Haier Road, Laoshan District, Qingdao, Shandong Province	No.65 Haier Road, Laoshan District, Qingdao, Shandong Province	
Tel.	0532-55717968	0532-55715968	
E-mail	ZL000992@163.com	ZL000992@163.com	

2. Main accounting data and Changes of shareholders

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

□Yes √ No

	Current period	Same period of last year	Increase/decrease in this report y-o-y
Operating revenue (RMB)	440,178,091.75	407,890,793.78	7.92%
Net profit attributable to shareholders of the listed company(RMB)	32,001,590.86	11,560,370.58	176.82%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses(RMB)	31,391,015.10	8,143,813.27	285.46%
Net cash flow arising from operating activities(RMB)	17,876,156.54	16,233,581.58	10.12%
Basic earnings per share (RMB/Share)	0.12	0.04	200.00%
Diluted earnings per share (RMB/Share)	0.12	0.04	200.00%
Weighted average ROE	5.05%	2.02%	3.03%
	End of current period	End of last period	Increase/decrease in this report-end over that of last period-end
Total assets (RMB)	1,006,752,497.95	835,239,699.07	20.53%
Net assets attributable to shareholder of listed company(RMB)	650,018,587.56	617,662,263.72	5.24%

3. Number of shares and share-holding

In Share

Total common shareholders at period-end		12,053	Total preference shareholders with voting rights recovered at end of reporting period (if applicable)			0
Top 10 shareholders						
Shareholders	Nature of shareholder	Proportion of shares held	Number of shares held	Number of non-tradable shares held	Number of share pledged/frozen	
					Status	Amount
Shandong State-owned Assets Investment Holding	State-owned corporate	33.07%	88,000,000	88,000,000		

Company Limited						
Shandong Luxin Investment Holding Company Limited	State-owned corporate	14.18%	37,731,320	37,731,320		
Shenwan Hongyuan Securities (HK) Limited	Overseas corporate	3.52%	9,367,590			
Chen Tianming	Overseas natural person	2.16%	5,760,427			
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	Overseas corporate	2.00%	5,331,696			
Haitong International Securities Company Limited-Account Client	Overseas corporate	0.82%	2,180,900			
China Everbright Securities (H.K.) Co., Ltd.	Overseas corporate	0.78%	2,072,000			
China National Heavy Duty Truck Group Jinan Truck LLC.	State-owned corporate	0.73%	1,950,000	1,950,000		
Wang Dongsheng	Overseas natural person	0.45%	1,209,502			
Qin Jun	Domestic nature person	0.41%	1,083,220			
Explanation on associated relationship among the aforesaid shareholders	Shandong State-owned Assets Investment Holding Co., Ltd and Shandong Luxin Investment Holding Group Co., Ltd are provincial state-owned enterprises under the same stock controlling of Shandong Provincial Commission; China National Heavy Duty Truck Group Jinan Truck LLC is the sponsor shareholder of the Company and the above mentioned shareholders have no					

	associated relationships or not belong to consistent actors regulated by *Management Regulation of Information Disclosure on Change of Shareholding for Listed Companies*. Rests of the shareholders are the domestically listed foreign shareholders, and t he 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 margin business (if applicable)	Not applicable

4. Changes of controlling shareholders or actual controller

Changes of controlling shareholders in reporting period

□ Applicable √ Not applicable

Changes of controlling shareholders had no change in reporting period.

Changes of actual controller in reporting period

□ Applicable √ Not applicable

Changes of actual controller in reporting period had no change in reporting period.

5. Total preferred shareholders and top 10 shares held by preferred shareholders

□ Applicable √ Not applicable

The Company has no preferred shareholders

6. Corporate bond

Whether the Company has a corporation bonds that issuance publicly and listed on stock exchange and without due on the date when semi-annual report approved for released or fail to cash in full on due:

No

III. Discussion and analysis of operation

1. Operation status in the period

Does the Company need to comply with the disclosure requirements of the special industry

No

During the reporting period, the company faced the severe and complex economic environment, the changing market forms and the great pressure from the adjustment and development of the enterprise. The company closely focused on the goal of "promoting the rapid, harmonious and healthy development of enterprise", closely stuck to the business positioning of "one body with two wings, integrative development", insisted on the development ideas of taking the deep-sea fishing as the subject and the refrigerated transport and refrigerated processing trade as the wings, vigorously developed the deep-sea fishing business, consolidated and improved the refrigerated transport business, actively expanded the domestic and foreign processing business, and achieved good results.

(i) Review of the company's main business in the report period

1. Refrigerated transport leasing section: took "safety is efficiency, promote development by safety" as the long-term guiding ideology, avoided the occurrence of ship accident, guaranteed the ships' navigation days, while increased the self repair of ships, which not only saved costs, but also built up, trained and improved the technical level of the company's professionals, achieved operating income of 50,007,800 Yuan, an increase of 11.63% on a year-on-year basis; achieved net profits of 11,830,500 Yuan, an increase of 35.48% on a year-on-year basis.

2. Ocean-going fishing section: as the company timely refurbished the two seines and realized the transitions from the Pacific to the Atlantic, it achieved net profits of RMB 3,424,100. By strengthening cost management, reasonably arranging the production and scientifically scheduling fishery, the Tuna long line fishing business achieved net profits of RMB 13,898,900, an increase of 1627.86% on a year-on-year basis.

3. Aquatic products refrigerated processing trade section: committed to the development of new products, increased the exports, overcame the unfavorable factors such as the shortage of supply of goods, rise in raw material prices and so on, during the reporting period, the company achieved operating income of RMB 344,245,500, an increase of 6.17% on a year-on-year basis, net profits of RMB 10,567,200, an increase of 2.97% on a year-on-year basis.

(ii) General operation

In first half of 2017 (Jan. －Jun.), the Company achieved operation revenue of 440.1781 million Yuan, increased 7.92% compared last year's 407.8908 million Yuan; operation costs achieved 378.3674 million Yuan, decreased 1% over that of 382.1970 million Yuan in last period; net profit attributable to parent company amounted as 32.0016 million Yuan, an 176.82% growth over that of 11.5604 million Yuan at last year.

2. Matters relevant to financial report

(1) Particulars about the changes in aspect of accounting policy, estimates and calculation method compared with the accounting period of last year

□ Applicable √ Not applicable

The Company had no particulars about the changes in aspect of accounting policy, estimates or calculation method in the reporting period.

(2) Particulars about retroactive restatement on major correction for accounting errors in reporting period

□ Applicable √ Not applicable

The company had no particulars about retroactive restatement on major correction for accounting errors in the reporting period.

(3) Particulars about the change of consolidation range compared with the accounting period of last year

□Applicable √Not applicable

Consolidate range of the Company has no changes in the period