

Stock Code: 200160

Short Form of the Stock: Dongfeng-B

Notice No:2019-039

Dongfeng Sci-Tech Group Co., Ltd.

Summary of Semi-Annual Report 2019

I. Important Notice

The summary is abstract from full-text of semi-annual report, for more details of operating results, financial condition and future development plan of the Company; investors should found in the full-text that published on media appointed by CSRC.

Objection statement of directors, supervisors and senior executives

Name	Position	Content and reason
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Statement

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

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

There is no plan of cash bonus, dividend distribution and capitalizing of common reserves carried out by the Company

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

Applicable Not applicable

II. Company profile

1. Company Profile

Short form of the stock	Dongfeng-B	Stock code	200160
Stock exchange for listing	Shenzhen Stock Exchange		
Person/Way to contact	Secretary of the Board	Rep. of security affairs	
Name	Li Wenying	Wang Haijian	
Office add.	XiaBanCheng Town, Chengde County, Hebei Province	XiaBanCheng Town, Chengde County, Hebei Province	
Tel.	0314-3115048	0314-3115048	
E-mail	liwy@dftechgroup.com	wanghj@dftechgroup.com	

2. Main financial data and indexes

Whether it has retroactive adjustment or re-statement on previous accounting data

Yes No

	Current period	Same period of last year	Changes over last year
Operating income (RMB)	33,371,413.48	79,815,868.78	-58.19%
Net profit attributable to shareholders of the listed company (RMB)	-24,417,868.90	-5,210,758.22	-368.60%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB)	-25,058,315.62	-8,215,907.64	-205.00%
Net cash flow arising from operating activities (RMB)	14,248,031.11	33,925,293.02	-58.00%
Basic earnings per share (RMB/Share)	-0.035	-0.007	-400.00%
Diluted earnings per share (RMB/Share)	-0.035	-0.007	-400.00%
Weighted average ROE	-7.36%	-1.44%	-5.92%
	Current period-end	Period-end of last year	Changes over end of last year
Total assets (RMB)	696,986,564.93	624,370,817.40	11.63%
Net assets attributable to shareholder of listed company (RMB)	318,068,258.03	351,593,999.08	-9.54%

3. Number of shares and share-holding

In Share

Total common stock shareholders in reporting period-end	17,620	Total preference shareholders with voting rights recovered at end of reporting period (if applicable)	0			
Top ten shareholders						
Full name of Shareholders	Nature of shareholder	Proportion of shares held	Amount of shares held	Amount of non-circulation shares held	Number of share pledged/frozen	
					State of share	Amount
Wang Dong	Domestic nature person	29.49%	208,324,800	208,324,800		
Everbright Securities (H.K.) Co., Ltd.	Overseas legal person	8.46%	59,722,845	0		
GUOTAI JUNAN SECURITIES(Overseas legal person	6.60%	46,638,726	0		

HONGKONG) LIMITED						
Chengde North Industrial Corporation	Domestic non-state-owned legal person	2.62%	18,517,651	18,517,651		
Wang Zhengsong	Domestic nature person	1.89%	13,327,891	13,327,891		
Haitong International Securities Company Limited-Account Client	Overseas legal person	1.48%	10,438,075	0		
Wang Wensheng	Domestic nature person	1.03%	7,258,007	0		
Su Youhe	Domestic nature person	1.02%	7,233,402	0		
Zhou Haihong	Domestic nature person	0.95%	6,711,600	0		
CORE PACIFIC-YAMAICHI INTERNATIONAL (H.K.) LIMITED	Overseas legal person	0.86%	6,051,543	0		
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 shareholders involving margin business (if applicable)	N/A					

4. Changes of controlling shareholders or actual controller

Controlling shareholder changed in the Period

Applicable Not applicable

Controlling shareholders had no change in reporting period.

Actual controller changed in the Period

Applicable Not applicable

Actual controller 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 real estate industry policy was based on the goal of “housing is for residence instead of vicious speculation”, focused on stable land prices, stable housing prices, and stable expected targets, maintained the continuity and stability of regulatory policies, and implemented the long-term mechanism of one city one policy and urban subject responsibility. Local governments have taken different measures for different cities based on changes in market situation so as to ensure the smooth operation of the real estate market. According to the statistics of the Hebei Provincial Bureau of Statistics, in the first half of 2019, the investment in real estate development in Hebei Province was 210.49 billion Yuan, an increase of 7.2% over the same period of last year, the sales area of commercial housing was 20,525,000 square meters, a year-on-year increase of 9.5%, the area of commercial housing for sale was 9,043,000 square meters, a year-on-year increase of 1.4%.

During the reporting period, the company adhered to the development concept of “real estate + strategic transformation” and actively promoted the developments of various businesses mainly as follows:

First, steadily promote the real estate business. In the real estate business, promote the development of new projects with high quality and high efficiency, and increase sales efforts at the same time, and actively reduce the inventory building. Under the concerted efforts of the company, the newly developed Tianxi project has began presale in late June.

Second, lay a solid foundation for production and market. The business of hydrogen energy and new materials has been promoted in an orderly manner, further improve the performance of each product, optimize product quality, vigorously explore the market, actively connect with customers, and lay a solid foundation for the industrialization and marketization of products. During the reporting period, alumina short fiber and hydrogen fuel cells were in the stage of small batch production and sales, and hydrogen production equipment was being optimized and upgraded, and road tests were carried out.

Third, increase investment in research and development and enhance core competitiveness. During the reporting period, the company continued to focus on technology research and development and product upgrades, and strived to enhance and improve the competitiveness of core technologies and products. Up to now, the company has obtained 47 R&D patents, including 11 invention patents, 33 new patents and 3 appearance patents.

Fourth, accelerate the construction of Dongguan Dongfeng New Energy Equipment Industry Base. At present, the main construction projects of the Industrial Park have been completed, including plants No. 1-9 and the scientific

research building No.10-12. The outdoor pipe network, water and electricity, fire protection, roads, greening and other projects are underway and are expected to be officially put into use this year.

In the reporting period, developments of the property for the Company are as:

Project under construction	Area	Equity ratio	Start-up time	Floor space	Calculated building area (m ²)	Completed building area (m ²)	Estimated investment amount (hundred million yuan)	Actual invested amount (hundred million yuan)
Tianxi	Chengde	100%	2018.10	25128.90	43472	0	3.8	1.19

In the reporting period, sales of the property for the Company are as:

Project name	Area	Equity ratio	Type of operation	Saleable area at the beginning of the period (m ²)	Pre-sale area in current period (m ²)	Settlement area in current period (m ²)
Nanjiang –Huijing Tiandi	Chengde	100%	Residence	5,270.25	1,580.3	3,712.49
			Commerce	2,071.34	1,859.96	3,197.06
			Total	7,341.59	3,440.26	6,909.55
Tianxi	Chengde	100%	Residence	0	2397.05	0

During the reporting period, the company's financing situation was as follows:

Financing category	Credit amount (ten thousand yuan)	Financing balance (ten thousand yuan)	Financing cost	Financing period
Bank loan	20000	19800	6.88%	5 years

In the reporting period, the Company provided guarantees to its commercial housing purchasers for bank mortgage loans:

As of the end of the reporting period, the balance of the guarantee provided by the Company for commercial housing purchasers due to bank mortgage loans was RMB 39,43 million. During the reporting period, there was no liability guarantees or amount involved accounting for 10% of the Company's audited net profit in the latest period.

During the reporting period, the company did not have any new land reserves:

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

1) The Company prepared the 2019 annual financial statement in accordance with the Ministry of Finance's Notice on Amending the 2019 Annual Financial Statement Form of General Enterprises (CK [2019] No. 6) and the Accounting Standards for Business Enterprises, this accounting policy change adopted the retrospective

adjustment method. Report items and amounts of the 2018 Annual Financial Statement that were significantly affected are as follows:

Items and amounts of the original statement		Items and amounts of new statements	
Notes Receivable and Accounts Receivable	11,171.25	Notes Receivable	
		Accounts Receivable	11,171.25
Notes payable and accounts payable	6,668,789.67	Notes payable	
		Accounts payable	6,668,789.67

2) The revised Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments, the Accounting Standards for Business Enterprises No. 23 - Transfer of Financial Assets, Accounting Standards for Business Enterprises No. 24 - Hedge Accounting and Accounting Standards for Business Enterprises No. 37 – Financial Instruments Presentation (hereinafter referred to as new financial instrument standards) are implemented by the Company since 1st January 2019. According to the relevant convergence rules for new and old standards, the information of the comparable period will not be adjusted. The difference between the implementation of the new standard and the original standard on the first implementation date is retrospectively adjusted to the retained earnings or other comprehensive income at the beginning of the reporting period.

① Impact on financial statement of the Company on 1st Jan. 2019 when implemented the new financial instrument standard:

Item	Balance sheet		
	2018-12-31	Impact of New Financial Instrument Standard Adjustment	2019-1-1
Financial assets available for sale	16,331,037.08	-16,331,037.08	
Investment in other equity instruments		16,331,037.08	16,331,037.08

② Contrast of the classification and measurement of the financial assets and liability under new financial instrument standards with those under former financial instrument standards on 1st Jan. 2019:

Item	Former Financial Instrument Guidelines		New Financial Instrument Guidelines	
	Measurement Category	Book Value	Measurement Category	Book Value
Financial assets available for sale	Measured at cost	16,331,037.08		
Investment in other equity instruments			Measured at cost	16,331,037.08

(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

The Company had no particular about the change of consolidation range compared in reporting period.