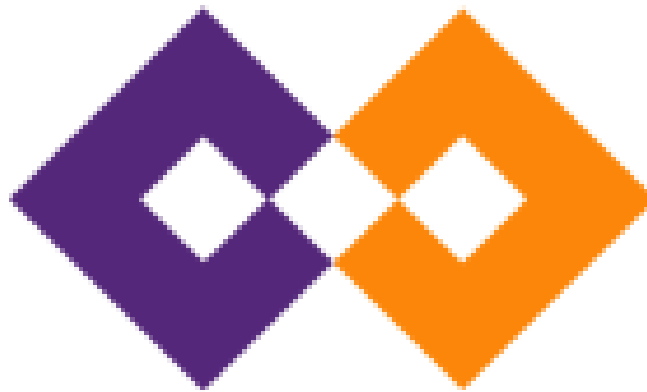


Sino Great Wall Co., Ltd.

The First Quarterly Report 2016



April 2016

1 Important Notice

The Board of Directors ,Supervisory Committee, all directors, supervisors and senior executives of the Company hereby guarantees that there are no misstatement, misleading representation or important omissions in this report and shall assume joint and several liability for the authenticity, accuracy and completeness of the contents hereof.

All the directors attended the board meeting for reviewing the Quarterly Report.

Mr.Chen Lue, Person in charge of the Company, Mr. Cui Hongli, Chief financial officer and the Mr. Cui Hongli, the person in charge of the accounting department (the person in charge of the accounting)hereby confirm the authenticity and completeness of the financial report enclosed in this Quarterly Report .

II. Main financial data and changes of shareholders

I. Main financial data and financial index

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

Yes No

	This period	Same period of last year	Changes of this period over same period of last year (%)
Operating income (RMB)	924,667,155.55	825,262,582.68	12.05%
Net profit attributable to the shareholders of the listed company (RMB)	76,587,282.98	47,877,449.11	59.97%
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company (RMB)	76,587,282.98	47,877,449.11	59.97%
Cash flow generated by business operation, net (RMB)	-318,972,753.01	-116,108,845.35	-174.72%
Basic earning per share(RMB/Share)	0.1714	0.1071	60.04%
Diluted gains per share(RMB/Share)(RMB/Share)	0.1714	0.1071	60.04%
Weighted average return on equity (%)	5.63%	3.73%	1.90%
	End of this period	End of last period	Changes of this period-end over same period-end of last year(%)
Gross assets (RMB)	4,487,124,027.81	4,017,462,824.63	11.69%
Net assets attributable to the shareholders of the listed company (RMB)	1,361,402,634.98	1,282,256,738.74	6.17%

Items and amount of non-current gains and losses

Applicable Not applicable

No such cases in the Reporting Period

II. Total Shareholders and Shares Held by Top Ten Shareholders at the End of the Reporting Period

1. About Total Common Shareholders, Total Preference Shareholders with the Voting Power Recovered and the Shares Held by Top Ten Common Shareholders

In shares

Shareholder name	Properties of shareholder	Share proportion %	Quantity	Amount of tradable shares with Conditional held	Pledging or freezing	
					Status of the shares	Quantity
Total number of common shareholders at the period-end		26,580		Total preference shareholders with the voting power recovered at the end of the reporting period(if any)		0
Shares held by the top 10 shareholders						
Chen Lue	Domestic Natural person	34.33%	153,406,462	153,186,762	Mortgage	113,621,209
Union Holdings Co., Ltd.	Domestic Non-State-owned legal person	9.03%	40,341,032	0		
STYLE-SUCCESS LIMITED	Foreign legal person	5.47%	24,466,029	0		
Shanghai Financial Development Investment Fund(LP)	Domestic Non-State-owned legal person	4.49%	20,079,080	20,079,080		
He Feiyan	Domestic Natural person	3.23%	14,421,173	14,421,173		
Jiutai Fund—Bank of Communications—Jiutai Huitong No.2 specific customer asset management plan	Other	2.50%	11,178,861	11,178,861		
Wuxi Hengtai Jiuding Assets Management Centre (LP)	Domestic Non-State-owned legal person	2.26%	10,087,004	10,087,004		
Foshan Haihui Heying Venture Investment Partnership(Limited	Domestic Non-State-owned legal person	2.25%	10,039,540	10,039,540		

Partnership)						
Jiangxi Taihao Venture Investment Centre(LP)	Domestic Non-State-owned legal person	1.87%	8,366,284	8,366,284		
Yantai Zhaoxuan Yuantai Jiuding Venture Investment Centre(LP)	Domestic Non-State-owned legal person	1.87%	8,353,354	8,353,354		
Shares held by the Top 10 Shareholders of Non-restricted shares						
Shareholders' Names	Number of the non-restricted shares held	Share type				
		Share type	Quantity			
Union Holdings Co., Ltd.	40,341,032	RMB Common shares	40,341,032			
STYLE-SUCCESS LIMITED	24,466,029	Foreign shares placed in domestic exchange	24,466,029			
Rich Crown Investment Co., Ltd.	6,114,556	Foreign shares placed in domestic exchange	6,114,556			
Union Development Group Co., Ltd.	4,011,389	RMB Common shares	4,011,389			
Liuzhou Jiali Real estate Development Co., Ltd.	3,600,000	RMB Common shares	3,600,000			
Shanghai PanHou Investment Management Co., Ltd.—Panhou momentum—Haofu No.1 Fund	1,800,000	RMB Common shares	1,800,000			
Zeng Ying	1,720,000	Foreign shares placed in domestic exchange	1,720,000			
ICBC—Morgan smart Internet stock securities investment fund	1,379,903	RMB Common shares	1,379,903			
KGI ASIA LIMITED	1,370,060	Foreign shares placed in domestic exchange	1,370,060			
China Galaxy International Securities (HK) Co., Ltd.	963,113	Foreign shares placed in domestic exchange	963,113			
Explanation on associated relationship or concerted action of the above shareholders	Chen Lue and He Yanfei are consortium officers; Wuxi Hengtai Jiuding Assets Management Centre (LP) and Yantai Zhaoxuan Yuantai Jiuding Venture Investment Centre (LP) are consortium officers; Union Development Group Ltd. is the controlling shareholder of the above-mentioned shareholder Shenzhen Union					

	Holdings Ltd. and third shareholder Rich Crown Investment Co., Ltd. The other tradable shareholders neither knew whether there exists associated relationship between them.
Note to the top 10 common stockholders involved in margin financing & securities lending (If any)	Among the shareholders above, Liuzhou Jiali Real estate Development Co., Ltd. holds 3,600,000 shares of the Company through stock account with credit transaction and guarantee of Guohai Securities Co., Ltd.

Agreed re-purchasing by the Company's top 10 shareholders of common shares and top 10 shareholders of unconditional common shares in the report period

Yes No

No agreed re-purchasing is performed by the Company's shareholders in the report period.

2.Total number of preferred shareholders and shareholding of top 10 preferred shareholders by the end of the report period

Applicable Not applicable

III Significant Events

I. Major changes of main accounting statement items and financial indicators in the reporting period, as well as reasons for the changes

Applicable Not applicable

Items	End of term	Beginning of term	Scale of change	Remarks on the change
Short-term loans	673,408,496.07	225,408,496.07	198.75%	Caused by the increase of short-term bank loan in this period
Other account Payable	401,331,304.86	635,200,976.60	-36.82%	Caused by returning the inter-banking lending fund to the affiliated party
Long -term loans	145,669,124.50	30,140,649.14	383.3%	Caused by the increase of long-term bank loan in this period
Administrative expense	42,252,271.83	29,832,508.95	41.63%	Caused by the increase of overseas branches, overseas groups, photovoltaic, medical and other department in this period
Financial expenses	14,979,885.12	6,352,212.68	135.82%	Caused by the increase of short-term loan, long-term loan and overseas L/C.
Asset impairment	29,750,485.54	13,205,214.65	125.29%	Caused by the increased of bad

loss				debts reserve in the company
Net profit attributable to the shareholders of the Parent company	76,587,282.98	47,877,449.11	59.97%	The overseas income increased, and the gross profit of overseas business is higher than that at home; its wholly-owned subsidiary was honored as new hi-tech company in 2015, and the income tax rate reduced.
Net Cash flow generated by business operation	-318,972,753.01	-116,108,845.35	-174.72%	Mainly caused by the short credit account period of suppliers of overseas projects
Net cash flow generated by investment	0	-6,710,715.18	-100.00%	Caused by the increase of investment at the end of this report period
Net cash flow generated by financing	406,096,087.93	82,619,950.02	391.52%	Caused by increase of short-term and long-term loans.

II. The progress of significant events and influence, as well as the analysis and explanation on resolving proposal.

Applicable Not applicable

III. Commitments finished in implementation by the Company, shareholders, actual controller, acquirer, directors, supervisors, senior executives or other related parties in the reporting period and commitments unfinished in implementation at the end of the reporting period

Applicable Not applicable

Commitment	Commitment maker	Type	Contents	Time of making commitment	Period of commitment	Fulfillment
Commitment on share reform	No	No	No		No	No
Commitment in the acquisition report or the report on equity changes	No	No	No		No	No

Commitments in assets reorganization	Chen Lue, He Feiyan	Share lock	<p>Shares acquired by purchases of assets through issuing shares: "I will not transfer the new shares of Victor Onward Holdings acquired through this restructuring, including but not limited to the public transfer through the stock market or by agreement, and I will not entrust anybody else to manage my shares of Victor Onward Holdings, within 36 months from the date new shares list and before the date I've carried out my obligations of performance compensation under this restructuring(subject to whatever is early, hereinafter referred to as "lock-up periods").</p> <p>If the closing price of shares of Victor Onward Holdings were lower than this issue price for 20 continuous trading days in 6 months after the restructuring transaction has been completed, or the final closing price were lower than this issue price 6 months after the transaction has been completed, the lock-up periods of my shares of Victor Onward Holdings are automatically prolonged for 6 months. (The above-mentioned issue price will be calculated according to the price after the adjustment of ex-dividend, etc. if ex-dividend behaviors of the company, including distribution of dividends, giving bonus, conversion of share capital, rationing shares, and etc., were happened during the above-mentioned periods.</p> <p>If the restructuring transaction were investigated by judicial authorities or China Securities Regulatory Commission due to false record, misleading statement or major omission of the information provided or disclosed, I will not transfer my shares of the company before the conclusion of the case has been made clear.</p> <p>After the above-mentioned lock-up periods, I will sell or transfer the new shares of the</p>	March 19,2015	36 months	Strict performing
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			company acquired from this restructuring following relevant regulations of China Securities Regulatory commission and Shenzhen Stock Exchange.			
	Chen Lue	Share lock	Shares acquired by matching funds raised: “I will not transfer the new shares of Victor Onward Holdings acquired through this issuing by any way, including but not limited to the public transfer through the stock market or by agreement, within 36 months from the date new shares list. If regulation rules or regulators have longer requirements for lock-up periods, it should be executed accordingly.	March 19,2015	36 months	Strict performing
	Chen Lue	There is no funds occupied	Up to the issue day of the letter, I and other corporations controlled by me haven’t possessed funds of Sino Great Wall; After the transaction is completed, I and other companies controlled by me (if any), except for listed companies and their holding subsidiaries, will not possess the funds of listed companies or Sino Great Wall by any way, including cash in advance, other expenses, direct or indirect loans, assumption, etc. and try our best to avoid fund intercourse with listed companies or Sino Great Wall, which has nothing to do with normal operations. If Sino Great Wall got penalized by government administration departments due to the money lending which was happened before the transaction, I will bear the total compensation for the company’s loss resulting from it by cash in order to guarantee Sino Great Wall won’t suffer any loss. Meanwhile, I will actively urge Sino Great Wall to establish complete inner control system and funds management system within lawful authority.	September 19,2015	Long-term	Strict performing
	Chen Lue	Cash compensation	In view of the fact that the houses rented by Sino Great Wall and it’s son subsidiaries, subsidiaries, haven’t rental registration, I promise, if Sino Great Wall and its son	March 19,2015	Long-term	Strict performing

			subsidiaries, subsidiaries, were penalized by real estate management department or suffered other losses resulting from it, I agree to compensate the loss of the company by cash.			
	Chen Lue	Cash compensation	During the reporting period, the project which Sino Great Wall is involved in is the decoration engineering construction project of Libo Grand Hotel (hereinafter referred to as "Libo project") which the company contracted before the bidding process. Sino Great Wall is not involved in any other projects except for Libo project before bidding process. As to the violating issues existed in the Libo project, I promise as follows: if Sino Great Wall got penalized by government administration departments or suffered any economic loss resulted from it, I will compensate the company by cash; Meanwhile, I, within lawful authority, will also promise to urge the company to undertake related construction projects legally so as to avoid violating issues happened before implementation of bidding process, i.e., at the time for construction again.	March 19,2015	Long-term	Strict performing
	Chen Lue	Cash compensation	1. Up to October 13 th ,2014, the related expenses of the litigation and arbitration cases, including the actual price, compensation, penalty, ligation costs, etc. which the parent-subsidiary companies of Sino Great Wall needs to pay caused by the final results of ligation and arbitration cases, exceed the amount of liabilities which recognized in the "Audit Report" made for Sino Great Wall by Ruihua CPA (Special Ordinary Partnership) on the basis of the audit base day of July 31 st , 2014, I promise to bear the balance by cash unconditionally so as to guarantee the parent-subsidiaries of Sino	March 19,2015	Long-term	Strict performing

			Great Wall won't suffer any loss. 2. This commitment letter is irrevocable.			
	Chen Lue	Cash compensation	<p>1. On condition that ownership defect exists in the lease of house property of parent-subsiary companies of Sino Great Wall and its subsidiary corporation, which resulted in inability for parent-subsiary companies of Sino Great Wall and its subsidiary corporation to continue leasing this house property but having to relocate, or parent-subsiary companies of Sino Great Wall and its subsidiary corporation can't timely find suitable workplace for lawful operation in related area, I will undertake to compensate by cash for parent-subsiary companies of Sino Great Wall's losses which are caused by operation and finance due to the above-mentioned matters.</p> <p>2. I undertake to unconditionally bear the relevant fines by cash for parent-subsiary companies of Sino Great Wall on condition that the rental house property of parent-subsiary companies of Sino Great Wall and its subsidiary corporation is in absence of handling procedures for filing house leasing ,which resulted in that parent-subsiary companies of Sino Great Wall and its subsidiary corporation are fined by property administrative department.</p> <p>3.The commitment letter is irrevocable.</p>	March 19,2015	Long-term	Strict performing
	Chen Lue	Cash compensation	<p>"In condition that parent-subsiary companies of Sino Great Wall or its son subsidiary haven't paid social security or housing fund for staff according to law, which resulted in any losses to Sino Great Wall , including the competent authorities' requirement for Sino Great Wall or its subsidiary to make supplementary payment, to be punished and resourced, I will bear by full-amount cash for the fee of supplemental payment and the expense and fee for being punished or resourced, which is to guarantee Sino Great Wall and its subsidiary to avoid</p>	March 19,2015	Long-term	Strict performing

			suffering from any loss ”			
	Chen Lue	Cash compensation	<p>“ At present, Suzhou Lvbang has possessed one state-own land use right, of which the land certificate is Suzhou Guo Yong(2014) No.Y2014086” , locates in Danan Village, Dadian Town, Yongqiao District, Suzhou City with 32,966 square meters of area and the purpose for industry. Suzhou Lvbang possesses its own factory with 9,843.87 square meters of area above-mentioned, which is the building reserved on the former selling land. Suzhou Lvbang is carrying out refurbishing and reconstruction for this factory and has acquired “License of Construction Land Planning ” with No.2014-08-001 approved and issued by Yongqiao District, Suzhou City’s housing and rural construction bureau, of which other examination and approval procedures of construction are in the process of handling</p> <p>“I undertake to actively supervise and urge Suzhou Lvbang on handling procedures of the approval process involved with factor refurbishing and reconstruction, and which is suffered from administrative punishment by relevant competent authorities in reason of claiming certificate of title, or in which any dispute or controversy exist in construction and ownership, which shall be my responsibility to carry out solution, and I undertake to compensate by cash for Suzhou Lvbang’s losses which are due to this matter, guaranteeing no losses occur to Sino Great Wall and Suzhou Lvbang for this matter.</p> <p>”</p>	March 19,2015	Long-term	Strict performing
	Chen Lue	Cash compensation	<p>“According to the “Agreement of Significant Asset Replacement and Issue of Share to Buy Asset”(hereinafter referred to as “Agreement”) signed among Victor Onward Holdings, all shareholders of Sino Great Wall and Union Development Group Co., Ltd (hereinafter referred to as“ Union Group”) on October 13, 2014, all the creditor’s rights and</p>	March 19,2015	Long-term	Strict performing

			<p>liabilities related to place-out asset before the delivery date of Victor Onward Holdings shall be Union Group's responsibility to carry out solution; After the asset delivery date, if any losses occur to Victor Onward Holdings in reason of the liability transfer of asset delivery, personnel placement, unsettled dispute or controversy and other compensation related to place-out asset, payment obligation and punishment, Union Group or the specified third party shall sufficiently compensate all losses for Victor Onward Holdings for the above matters.</p> <p>I undertake, if Union Group and the specified third party refuse to compensate the losses caused by the above mentioned matters for Victor Onward Holdings according to the "Agreement", I will compensate by cash for the Victor Onward Company within 5 working day in advance. Meanwhile, I will reserve the resource rights for Union Group and the specified third party.</p>			
	Chen Lue, He Feiyan	Performance commitment	<p>According to "Agreement of Shenzhen Victor Onward Textile Industrial Co., Ltd., Chen Lue and He Feiyan Concerning on Performance Compensation" and its supplemental agreement, Chen Lue's promised Sino Great Wall that the net profit deducted by incidental losses and attributable to the parent companies' owners after audition of 2015, 2016 and 2017 shall be respectively more than RMB 345.8 million, RMB 438.5 million and RMB 538.2 million. If the net profit of Sino Great Wall is less than the promised net profit mentioned above, Chen Lue and He Feiyan will compensate for listed company in accordance with "Performance Compensation Agreement" and its supplemental agreement.</p>	May 11, 2015	Long-term	Strict performing
	Chen Lue; He Feiyan, Wuxi Hengtai Jiuding Assets	Independence, comp	<p>1. This reorganization is planned to place in asset. At present, complete separation has existed between me or other enterprises under my possession (if any) and the listed company</p>	September 3 0, 2015	Long-term	Strict performing

	<p>Management Centre (LP) ;Yantai Zhaoxuan Yuantai Jiuding Venture Investment Centre (LP) ;Suzhou Taiyao Zhongshan Jiuding Investment Centre (LP) ;Jiaxing Jiahe Jiuding Investment Centre (LP)</p>	<p>etition in the same industry</p>	<p>in staff, asset, finance, institution and business of Sino Great Wall. Independence exists in both staff, asset, finance, institution and business and no confusion exists.</p> <p>2. I undertake, after this reorganization, to ensure the continued complete separation between me or other enterprises under my possession(if any) and the listed company in staff, asset, finance, institution and business, sustaining the independence in the listed company's staff, asset, finance, institution and business, as follows:</p> <p>(1).The Ensurance of Independence for Listed Company's Personnel</p> <p>Ensure that the general manager, the vice-general manger, the chief financial officer, the board secretary and the senior executives of the Company only accept salary in listed company, including no holding of any post except director and supervisor in my enterprise or other enterprises under my possession.</p> <p>2.Ensure the complete independence exists among the listed company's labor, personnel, and salary management and me.</p> <p>3. The director, supervisor, general manager and other senior executives recommended by me have all been through the legal procedures, and I will not intervene the company's board and the shareholder's decision for appointing and dismissing personnel by exercising official power.</p> <p>(2)The Ensurance of the Asset Independence of Listed Company</p> <p>1.Ensure that the listed company possesses business system related to operation and the relevant completely-independent asset.</p> <p>2.Ensure that no occupation of mine exists in capitals and assets of the listed company.</p> <p>3.The Ensurance of the Financial Independence of Listed Company</p> <p>1.Ensure that the independent finance department and the independent financial</p>			
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		<p>calculating system set up by the listed company, which possess normative and independent financial and accounting rules.</p> <p>2. Ensure that the listed company independently opens a bank account, not sharing the same bank account with me.</p> <p>3.Ensure that the financial staff of the listed company holds no part-time post in my enterprise and other enterprises under my possession.</p> <p>4. Ensure that the listed company pays taxes according to law.</p> <p>5. Ensure that the listed company makes the financial decision-making independently, I will not intervene the utilization of the listed company's capital.</p> <p>(4)The Ensurance of the Institutional Independence of Listed Company</p> <p>1.Ensure that the listed company sets up perfect governance structure for the share company's legal person, which possesses independent and complete institutional framework</p> <p>2.Ensure that the shareholder's meeting, the board of director, the independent director, the supervisor and the general managers exercise official powers according to laws, regulations and articles of incorporation</p> <p>(5)The Ensurance of the Business Independence of Listed Company</p> <p>1. Ensure that the listed company possesses the asset, staff, qualification and ability for independently holding business activities, which possesses the independent, autonomous and sustain operation ability catering to the market.</p> <p>2. Ensure that I will not intervene the listed company's business activities except exercising shareholder's rights.</p> <p>3.Ensure that I or other enterprises under my possession will avoid working on the listed company's main business which possesses substantial competition.</p>			
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			4. Ensure to reduce the related transaction between me and the listed company or between other enterprises under my possession and the listed company as much as possible; When confirming necessary but unavoidable related transaction, I will ensure the fair operation according to the principle of market culture and the fair price, and fulfill the transaction procedures and the obligation of disclosing information according to relevant laws and regulations and normative document.			
	Wuxi Hengtai Jiuding Assets Management Centre (LP) ; Yantai Zhaoxuan Yuantai Jiuding Venture Investment Centre (LP) ; Suzhou Tianyao Zhongshan Jiuding Investment Centre (LP) ; Jiaxing Jiahe Jiuding Investment Centre (LP)	Share lock	“Once I or our unit acquire the newly-added share of Victor Onward Company through this transaction, no transfers will occur in any way within 12 months from the listing date, including but not limited to public transfer by securities market or transfer by agreement, and no entrusting for others to manage my holding share of Victor Onward Holdings . Once the above-mentioned lockup period expires, I will implement the selling or transferring of the newly-added share of Victor Onward Holdings according to the relevant provision of CSRC and SZSE.	March 19,2015	12 months	Strict performing
	Wuxi Hengtai Jiuding Assets Management Centre (LP) ; Yantai Zhaoxuan Yuantai Jiuding Venture Investment Centre (LP) ; Suzhou Tianyao Zhongshan Jiuding	Related transactions	“1.Before this reorganization, the fairness and reasonableness of pricing and the legitimacy and effectiveness of decision-making procedure exist in the transaction(if any) between me or the enterprise under my possession(if any) and Sino Great Wall which is planned to place asset in, no related transaction with obvious unfairness exists ; 2.After this reorganization, I or the enterprise under my possession will avoid and reduce the related transaction with listed company as much as possible. As for any	March 19,2015	Long-term	Strict performing

	Investment Centre (LP) ; Jiaxing Jiahe Jiuding Investment Centre (LP)		unavoidable or reasonable related transaction, I or the enterprise under my possession will sign the agreement according to laws and fulfill the lawful procedure, and fulfill relevant approval procedure for internal decision-making and timely fulfill the obligation of disclosing information according to law, following relevant laws, regulations, other normative documents and articles of listed company, which is to guarantee the fairness and reasonableness in related transaction pricing, to guarantee the fairness of transaction condition and to guarantee not to utilize the related transaction to illegally transfer the capital and profit of listed company, and not to utilize this transaction to engage in any behaviors which will cause any losses to listed company or other shareholder's legitimate rights. Once I violate the above promises and cause losses to the listed company, I will compensate the listed company for the losses caused by the this matter.			
	Union Development Group Co., Ltd.	Income disposal	During the assets reorganization, the house property and land without property certificate in the disposed assets within the plant area of Kuixin Community of Kuichong Street of Longgang District and the expected compensations, as well as the expected compensations concerning to the regaining of plots planned as schools within the right of land use of Nanyou Industrial Park of Nanshan District have not been recorded in the assessment. Therefore, Union Group promises that after the reorganization, if Union or a third party appointed by Union receives compensations or incomes related to above-mentioned disposed assets which are house property and land without property certificate as well as regaining of plots planned as schools, Union will return the benefits to Victor Onward Holdings, in 10 working days since the collection. The actual costs and fees during the possession of the	March 19,2015	Long-term	Strict performing

			<p>house property and land and the paid as well as the unpaid but necessary costs and fees for the reception of the above-mentioned benefits for Union Group or its third party will be deducted from the income. The specific benefits and payable costs and fees should be confirmed jointly by Union Group and Victor Onward Holdings based on the actual situations. (Notes: On June 25, 2015, All shareholders of Victor Onward Holdings, Union Group and Sino Great Wall Signed supplementary agreement, and specified that the land and houses without ownership certificate of Victor Onward Holdings located at the factory area of Kuixin community of Kuichong Street office of Longgang District (the land area is about 50,000 square meters, the built-up area of houses is about 25,000 square meters, among them about 18,000 square meters of buildings at built-up area are within the plan of removal and collection of government, hereinafter referred as “undocumented property) still belongs to Victor Onward Holdings. And the benefits and risks of the real estate without certificate are enjoyed and assumed by Victor Onward Holdings.</p>			
	Union Development Group Co., Ltd.	Cash compensation	<p>According to the Term 5.5.3 of Agreement on Major Asset Replacement and Asset Purchase Through Issuing Shares (hereinafter referred to as Agreement) signed on October 13, 2014 by the company and all shareholders of Victor Onward Co. Ltd. and Sino Great Wall, Victor Onward Holdings should obtain the letter of approval concerning the transferred debts of the disposed assets from the creditor (including the guarantee, similarly hereinafter) before the date of assets delivery. In the situation of debts on Victor Onward Holdings due to the absence of creditor's</p>	March 19, 2015	Long-term	Strict performing

		<p>consent, the company or the third party appointed by the company is in charge of paying off debts or reaching agreement on the solution with the creditor. When there are losses caused by improper solutions of the company or the third party appointed by the company, the company or the third party appointed by the company will fully compensate for the caused losses of Victor Onward Holdings in 5 working days after receiving the notice.</p> <p>According to the Term 5.5.4 of Agreement, after the date of assets delivery, any compensations, obligations of payment and penalties caused by disposed assets as well as unsettled disputes in Victor Onward Holdings will be undertaken and solved by the company or the third party appointed by the company, and Victor Onward Holdings assumes no responsibility. When there are losses caused by it, the company or the third party appointed by the company will fully compensate for the caused losses of Victor Onward Holdings in 5 working days after receiving the notice.</p> <p>According to the Term 5.6.1 of Agreement and based on the principle of “staff arrangement according to the assets”, the labor relations, social insurance relations including pension, medical treatment, unemployment, working injury and maternity, and other liable welfare and salary of all the staff in Victor Onward Holdings. (including but not limited to on-post employees, employees awaiting job assignments, retired employees, retained employees with suspend salary, transferred employees, and temporary</p>			
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			employees, etc) will be transferred to the company or the third party appointed by the company. Compensations or related matters (if any) due to the termination of labor relationship in advance with Victor Onward Holdings, the company or the third party appointed by the company will be in charge of the payment. The company promises that for the losses caused by matters such as the above-mentioned debt transfers of disposed assets, personnel arrangement, unsettled disputes, potential debts, payment obligations and penalties, the company or the third party appointed by the company will fully compensate for the losses of Victor Onward Holdings due to the above-mentioned matters based on the Agreement in cash.			
Commitments make in initial public offering or re-financing	No		No		No	No
Equity incentive commitment	No		No		No	No
Other commitments for medium and small shareholders	No		No		No	No
Completed on time(Y/N)	Yes					
If the commitments is not fulfilled on time, shall explain the specify reason and the next work plan	No					

IV. Prediction of Business performance for January- June 2016

Estimation of 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 of reason.

Applicable Not applicable

Forenotice of earnings: Turning loss to profit

Type of date filled for the prediction: Interval figures

	Year beginning to end of next report period			Same period of the previous year	
				Before recombination	After recombination
Estimated amount of accumulative net profit(RMB'0000)	19,000	--	22,000	-60.86	16,534.23
Basic earnings per shares (Yuan/share)	0.42	--	0.49	-0.004	0.37
Notes to forenotice of earnings	In 2015, the company completed major assets restructuring. Wherein, on July 29, 2015, the ownership of 100% of Sino Great Wall International Engineering Co., Ltd., namely, the underlying assets of the major assets restructuring this time, was transferred to the company. On October 26, 2016, the fun raised fro the major assets restructuring was fully transferred into the company's account. In the later half year of 2015, the company completed the major assets restructuring. Since so, the quality of assets and operating condition in the company had fundamentally improved if compared with the past, while its profitability was greatly enhanced and the businesses in the company maintained stable and on the rise.				

V Securities investments

Applicable Not applicable

No such cases in the Reporting Period

VI. Investment in derivatives

Applicable Not applicable

No such cases in the Reporting Period

VII. The registration form of acceptance of investigation, communication and interview in the report period for future reference

Applicable Not applicable

Reception time	Way of reception	Types of visitors	Basic index
January 20,2016	Onsite investigation	Organization	The interactive relation with the

			investors on Shenzhen Stock Exchange platform about Sino Great Wall International Engineering Co., Ltd: Record of the investors relations activities on January 20, 2016
February 1,2016	Onsite investigation	Organization	The interactive relation with the investors on Shenzhen Stock Exchange platform about Sino Great Wall International Engineering Co., Ltd: Record of the investors relations activities on February 1, 2016
March 3,2016	Onsite investigation	Organization	The interactive relation with the investors on Shenzhen Stock Exchange platform about Sino Great Wall International Engineering Co., Ltd: Record of the investors relations activities on March 3, 2016
March 11,2016	Onsite investigation	Organization	The interactive relation with the investors on Shenzhen Stock Exchange platform about Sino Great Wall International Engineering Co., Ltd: Record of the investors relations activities on March 11, 2016

VIII. External guarantee get out of line

Applicable Not applicable

The Company has no external guarantee get out of the line in the Period

IX. Controlling shareholder and its related parties occupying non-business capital of the listed company

Applicable Not applicable

There are no controlling shareholder and its related parties occupying non-business capital of the listed company in Period

IV. Financial Statement

I. Financial statement

1. Consolidated balance sheet

Prepared by: Sino Great Wall Co., Ltd.

March 31,2016

In RMB

Items	At the end of term	Beginning of term
Current asset:		
Monetary fund	821,348,742.05	695,384,561.31
Settlement provision		
Outgoing call loan		
Financial assets measured at fair value with variations accounted into current income account	1,113,492.32	1,102,961.04
Derivative financial assets		
Bill receivable	221,856,161.20	220,448,747.94
Account receivable	2,759,708,357.93	2,352,808,087.33
Prepayments	73,129,375.81	77,707,568.38
Insurance receivable		
Reinsurance receivable		
Provisions of Reinsurance contracts receivable		
Interest receivable		
Dividend receivable		
Other account receivable	257,897,479.34	239,952,886.10
Repurchasing of financial assets		
Inventories	79,374,208.07	168,133,668.91
Assets held for sales		
Non-current asset due in 1 year	14,498,260.05	15,717,270.60
Other current asset	12,891,321.58	14,138,411.87

Total of current assets	4,241,817,398.35	3,785,394,163.48
Non-current assets:		
Loans and payment on other's behalf disbursed		
Disposable financial asset		
Expired investment in possess		
Long-term receivable		
Long term share equity investment		
Property investment		
Fixed assets	42,651,966.95	43,846,215.63
Construction in progress	10,352,667.40	10,016,928.24
Engineering material		
Fixed asset disposal		
Production physical assets		
Gas & petrol		
Intangible assets	9,151,528.43	9,267,746.33
R & D petrol		
Goodwill	6,724,316.91	6,724,316.91
Long-germ expenses to be amortized	15,932,503.99	18,909,785.69
Deferred income tax asset	52,413,080.50	47,950,278.07
Other non-current asset	108,080,565.28	95,353,390.28
Total of non-current assets	245,306,629.46	232,068,661.15
Total of assets	4,487,124,027.81	4,017,462,824.63
Current liabilities		
Short-term loans	673,408,496.07	225,408,496.07
Loan from Central Bank		
Deposit received and hold for others		
Call loan received		
Financial liabilities measured at fair value with variations accounted into current income account		
Derivative financial liabilities		
Bill payable	135,767,417.39	143,410,167.17
Account payable	1,362,855,428.34	1,332,619,954.77
Advance payment	40,121,518.95	64,963,842.60

Selling of repurchased financial assets		
Fees and commissions receivable		
Employees' wage payable	23,434,735.00	12,669,619.20
Tax payable	272,420,557.54	284,826,290.11
Interest payable	1,399,279.72	527,969.26
Dividend payable		
Other account payable	401,331,304.86	635,200,976.60
Reinsurance fee payable		
Insurance contract provision		
Entrusted trading of securities		
Entrusted selling of securities		
Liabilities held for sales		
Non-current liability due in 1 year	12,794,047.68	7,135,752.00
Other current liability	58,823,529.00	
Total of current liability	2,982,356,314.55	2,706,763,067.78
Non-current liabilities:		
Long-term loan	145,669,124.50	30,140,649.14
Bond payable		
Including: preferred stock		
Sustainable debt		
Long-term payable		
Long-term payable employees's remuneration		
Special payable		
Expected liabilities		
Deferred income		
Deferred income tax liability	17,023.85	15,444.16
Other non-current liabilities		
Total non-current liabilities	145,686,148.35	30,156,093.30
Total of liability	3,128,042,462.90	2,736,919,161.08
Owners' equity		
Share capital	446,906,582.00	446,906,582.00
Other equity instrument		
Including: preferred stock		

Sustainable debt		
Capital reserves	-50,367,862.22	-50,367,862.22
Less: Shares in stock		
Other comprehensive income		
Special reserves	48,573,554.79	46,014,941.54
Surplus reserves	92,986,069.52	84,394,441.23
Common risk provision		
Undistributed profit	823,304,290.89	755,308,636.19
Total of owner's equity belong to the parent company	1,361,402,634.98	1,282,256,738.74
Minority shareholders' equity	-2,321,070.07	-1,713,075.19
Total of owners' equity	1,359,081,564.91	1,280,543,663.55
Total of liabilities and owners' equity	4,487,124,027.81	4,017,462,824.63

Legal Representative:Chen Lue Person in charge of accounting: Cui Hongli Accounting Dept Leader:Cui Hongli

2.Parent Company Balance Sheet

In RMB

Items	At the end of term	Beginning of term
Current asset:		
Monetary fund	349,184,323.76	239,145,251.31
Financial assets measured at fair value with variations accounted into current income account		
Derivative financial assets		
Bill receivable		
Account receivable	7,040.00	29,083.30
Prepayments	30,000,000.00	
Interest receivable		
Dividend receivable		
Other account receivable	351,215,958.44	
Inventories		
Assets held for sales		
Non-current asset due in 1 year		

Other current asset		
Total of current assets	730,407,322.20	239,174,334.61
Non-current assets:		
Disposable financial asset		
Expired investment in possess		
Long-term receivable		
Long term share equity investment	3,079,451,536.66	3,079,451,536.66
Property investment		
Fixed assets	5,451.25	
Construction in progress		
Engineering material		
Fixed asset disposal		
Production physical assets		
Gas & petrol		
Intangible assets		
R & D petrol		
Goodwill		
Long-germ expenses to be amortized		
Deferred income tax asset	382.68	382.68
Other non-current asset		
Total of non-current assets	3,079,457,370.59	3,079,451,919.34
Total of assets	3,809,864,692.79	3,318,626,253.95
Current liabilities		
Short-term loans	500,000,000.00	
Financial liabilities measured at fair value with variations accounted into current income account		
Derivative financial liabilities		
Bill payable		
Account payable		
Advance payment		
Employees' wage payable	428,275.54	
Tax payable	97,953,522.86	98,150,372.30
Interest payable	1,090,083.33	
Dividend payable		

Other account payable	49,268.86	803,339.56
Classified as held for sale debt		
Non-current liability due in 1 year		
Other current liability		
Total of current liability	599,521,150.59	98,953,711.86
Non-current liabilities:		
Long-term loan		
Bond payable		
Including: preferred stock		
Sustainable debt		
Long-term payable		
Long-term payable to employees		
Special payable		
Expected liabilities		
Deferred income		
Deferred income tax liability		
Other non-current liabilities		
Total of Non-current liabilities		
Total of liability	599,521,150.59	98,953,711.86
Owners' equity		
Share capital	446,906,582.00	446,906,582.00
Other equity instrument		
Including: preferred stock		
Sustainable debt		
Capital reserves	2,489,294,901.37	2,489,294,901.37
Less: Shares in stock		
Other comprehensive income		
Special reserves		
Surplus reserves	26,309,287.00	26,309,287.00
Undistributed profit	247,832,771.83	257,161,771.72
Total of owners' equity	3,210,343,542.20	3,219,672,542.09
Total of liabilities and owners' equity	3,809,864,692.79	3,318,626,253.95

3.Consolidated Income statement

In RMB

Items	Amount in this period	Amount in last period
I. Income from the key business	924,667,155.55	825,262,582.68
Incl: Business income	924,667,155.55	825,262,582.68
Interest income		
Insurance fee earned		
Fee and commission received		
II. Total business cost	829,822,766.63	761,590,182.07
Incl: Business cost	725,086,112.57	685,216,235.95
Interest expense		
Fee and commission paid		
Insurance discharge payment		
Net claim amount paid		
Insurance policy dividend paid		
Insurance policy dividend paid		
Reinsurance expenses		
Business tax and surcharge	15,324,842.63	24,352,158.65
Sales expense	2,429,168.94	2,631,851.19
Administrative expense	42,252,271.83	29,832,508.95
Financial expenses	14,979,885.12	6,352,212.68
Asset impairment loss	29,750,485.54	13,205,214.65
Add: Gains from change of fir value (“-”for loss)	10,531.28	11,511.52
Investment gain (“-”for loss)		
Incl: investment gains from affiliates		
Gains from currency exchange (“-”for loss)		
III. Operational profit (“-”for loss)	94,854,920.20	63,683,912.13
Add : Non-operational income		347,480.50
Including: Income from disposal of non-current assets		4,455.00
Less: Non business expenses		1,500.00
Incl: Loss from disposal of non-current		

assets		
IV.Total profit("-"for loss)	94,854,920.20	64,029,892.63
Less: Income tax expenses	18,875,632.10	16,152,443.52
V. Net profit	75,979,288.10	47,877,449.11
Net profit attributable to the owners of parent company	76,587,282.98	47,877,449.11
Minority shareholders' equity	-607,994.88	
VI. Other comprehensive income		
Net of profit of other comprehensive income attributable to owners of the parent company.		
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period		
1.Re-measurement of defined benefit plans of changes in net debt or net assets		
2.Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
(II) Other comprehensive income that will be reclassified into profit or loss.		
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss.		
2.Gains and losses from changes in fair value available for sale financial assets		
3.Held-to-maturity investments reclassified to gains and losses of available for sale financial assets		
4.The effective portion of cash flow hedges and losses		
5.Translation differences in currency financial statements		
6.Other		
Net of profit of other comprehensive income attributable to Minority		

shareholders' equity		
VII. Total comprehensive income	75,979,288.10	47,877,449.11
Total comprehensive income attributable to the owner of the parent company	76,587,282.98	47,877,449.11
Total comprehensive income attributable minority shareholders	-607,994.88	
VIII. Earnings per share		
(I) Basic earnings per share	0.1714	0.1071
(II)Diluted earnings per share	0.1714	0.1071

If there are entities merged under common control, their net profit realized before the merger were totaled to RMB***. While it was RMB*** previous period.

Legal Representative: Chen Lue Person in charge of accounting: Cui Hongli Accounting Dept Leader: Cui Hongli

4. Income statement of the Parent Company

In RMB

Items	Amount in this period	Amount in last period
I. Income from the key business	63,540.00	948,730.00
Less: Business cost	0.00	84,293.00
Business tax and surcharge		74,864.00
Sales expense		
Administrative expense	3,778,977.94	1,909,174.00
Financial expenses	5,615,092.65	
Asset impairment loss	-1,530.70	
Add: Gains from change of fir value ("-"for loss)		
Investment gain ("-"for loss)		
Incl: investment gains from affiliates		
II. Operational profit ("-"for loss)	-9,328,999.89	-677,137.00
Add : Non-operational income		
Including: Income from disposal of non-current assets		

Less: Non business expenses		
Incl: Loss from disposal of non-current assets		
III.Total profit(“-”for loss)	-9,328,999.89	-677,137.00
Less: Income tax expenses		
IV. Net profit (“-”for net loss)	-9,328,999.89	-677,137.00
V.Net of profit of other comprehensive income		-203,899.00
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period		-203,899.00
1.Re-measurement of defined benefit plans of changes in net debt or net assets		
2.Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
(II) Other comprehensive income that will be reclassified into profit or loss.		
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss.		
2.Gains and losses from changes in fair value available for sale financial assets		
3.Held-to-maturity investments reclassified to gains and losses of available for sale financial assets		
4.The effective portion of cash flow hedges and losses		
5.Translation differences in currency financial statements		
6.Other		
VI. Total comprehensive income	-9,328,999.89	-881,036.00
VII. Earnings per share:		
(I) Basic earnings per share		

(II) Diluted earnings per share		
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5. Consolidated Cash flow statement

In RMB

Items	Amount in this period	Amount in last period
I. Cash flows from operating activities		
Cash received from sales of goods or rendering of services	520,278,123.47	476,713,459.34
Net increase of customer deposits and capital kept for brother company		
Net increase of loans from central bank		
Net increase of inter-bank loans from other financial bodies		
Cash received against original insurance contract		
Net cash received from reinsurance business		
Net increase of client deposit and investment		
Net increase of the financial assets that are measured at fair value and whose movement is counted to the current gain and loss		
Cash received as interest, processing fee and commission		
Net increase of inter-bank fund received		
Net increase of repurchasing business		
Tax returned		
Other cash received from business operation	623,823,935.88	249,789,551.75
Sub-total of cash inflow	1,144,102,059.35	726,503,011.09
Cash paid for purchasing of merchandise and services	556,084,798.41	338,006,945.73

Net increase of client trade and advance		
Net increase of savings in central bank and brother company		
Cash paid for original contract claim		
Cash paid for interest, processing fee and commission		
Cash paid for policy dividend		
Cash paid to staffs or paid for staffs	48,399,981.65	37,341,995.96
Taxes paid	28,333,891.29	12,195,272.46
Other cash paid for business activities	830,256,141.01	455,067,642.29
Sub-total of cash outflow from business activities	1,463,074,812.36	842,611,856.44
Cash flow generated by business operation, net	-318,972,753.01	-116,108,845.35
II.Cash flow generated by investing		
Cash received from investment retrieving		
Cash received as investment gains		
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets		
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received		
Sub-total of cash inflow due to investment activities		
Cash paid for construction of fixed assets, intangible assets and other long-term assets		6,710,715.18
Cash paid as investment		
Net increase of loan against pledge		
Net cash received from subsidiaries and other operational units		
Other cash paid for investment		

activities		
Sub-total of cash outflow due to investment activities		6,710,715.18
Net cash flow generated by investment		-6,710,715.18
III.Cash flow generated by financing		
Cash received as investment		
Incl: Cash received as investment from minor shareholders		
Cash received as loans	744,000,000.00	91,000,000.00
Cash received from bond placing		
Other financing –related ash received		98,000,000.00
Sub-total of cash inflow from financing activities	744,000,000.00	189,000,000.00
Cash to repay debts	181,766,458.58	90,276,762.40
Cash paid as dividend, profit, or interests	11,329,317.49	6,151,142.58
Incl: Dividend and profit paid by subsidiaries to minor shareholders		
Other cash paid for financing activities	144,808,136.00	9,952,145.00
Sub-total of cash outflow due to financing activities	337,903,912.07	106,380,049.98
Net cash flow generated by financing	406,096,087.93	82,619,950.02
IV. Influence of exchange rate alternation on cash and cash equivalents		-162,583.65
V.Net increase of cash and cash equivalents	87,123,334.92	-40,362,194.16
Add: balance of cash and cash equivalents at the beginning of term	582,745,756.81	243,759,954.90
VI ..Balance of cash and cash equivalents at the end of term	669,869,091.73	203,397,760.74

6. Cash Flow Statement of the Parent Company

In RMB

Items	Amount in this period	Amount in last period
I.Cash flows from operating activities		
Cash received from sales of goods or rendering of services	77,390.00	948,730.00
Tax returned		
Other cash received from business operation	266,261,121.80	940,105.00
Sub-total of cash inflow	266,338,511.80	1,888,835.00
Cash paid for purchasing of merchandise and services		
Cash paid to staffs or paid for staffs		440,272.00
Taxes paid	258,400.59	395,215.00
Other cash paid for business activities	652,575,425.78	873,515.00
Sub-total of cash outflow from business activities	652,833,826.37	1,709,002.00
Cash flow generated by business operation, net	-386,495,314.57	179,833.00
II.Cash flow generated by investing		
Cash received from investment retrieving		
Cash received as investment gains		
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets		
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received		
Sub-total of cash inflow due to investment activities		
Cash paid for construction of fixed assets, intangible assets and other long-term assets		
Cash paid as investment		
Net cash received from subsidiaries		

and other operational units		
Other cash paid for investment activities		
Sub-total of cash outflow due to investment activities		
Net cash flow generated by investment		
III.Cash flow generated by financing		
Cash received as investment		
Cash received as loans	500,000,000.00	
Cash received from bond placing		
Other financing –related ash received		
Sub-total of cash inflow from financing activities	500,000,000.00	
Cash to repay debts		
Cash paid as dividend, profit, or interests	3,465,612.98	
Other cash paid for financing activities		
Sub-total of cash outflow due to financing activities	3,465,612.98	
Net cash flow generated by financing	496,534,387.02	
IV. Influence of exchange rate alternation on cash and cash equivalents		
V.Net increase of cash and cash equivalents	110,039,072.45	179,833.00
Add: balance of cash and cash equivalents at the beginning of term	239,145,251.31	23,480,977.00
VI ..Balance of cash and cash equivalents at the end of term	349,184,323.76	23,660,810.00

II. Auditor' report

Is the First Quarterly Report be audited?

Yes No

The First Quarterly report is not audited.