

SHENZHEN CHIWAN PETROLEUM SUPPLY BASE CO., LTD.

FIRST QUARTERLY REPORT OF 2016

Part I Important Notice

The directors, supervisors and senior management guarantee that there are no omissions, misstatement, or misleading information in this quarterly report. The directors, supervisors and senior management are responsible, individually and jointly, for the authenticity, accuracy and integrity of the information herein.

All directors attended the board meeting.

Mr. Tian Junyan, Chairman of the Board, Mdm. Yu Zhongxia, Deputy General Manager & Financial Controller and Mdm. Sun Yuhui, Financial Manager, all guarantee the authenticity and integrity of the financial result in this report.

The report is written in both Chinese and English. In case of conflict between the two versions, Chinese version shall prevail.

PART II Major Accounting Data and Change of Shareholders

I. Major Accounting Data

	January to March, 2016	January to March, 2015	Change (%)
Operating Revenue(RMB)	164,424,597.76	147,824,556.91	11.23%
Net Profit Attributed to Shareholders of Listed Company (RMB)	9,311,019.07	22,604,615.62	-58.81%
Net Profit after Deducting Non-recurring Gains & Losses(RMB)	8,553,393.49	21,078,656.96	-59.42%
Net Cash Flows from Operating Activities(RMB)	74,546,903.86	78,023,735.31	-4.46%
Basic Earnings per Share (RMB/Share)	0.04	0.10	-60.00%
Diluted Earnings per Share (RMB/Share)	0.04	0.10	-60.00%
Weighted Average Return on Equity (%)	0.53%	1.33%	-0.80%
	March 31, 2016	December 31, 2015	Change (%)
Total Assets(RMB)	6,531,641,866.64	5,643,956,639.17	15.73%
Owner's Equity Attributed to Shareholders of Listed Company(RMB)	1,763,599,152.91	1,754,085,176.85	0.54%

Items of Non-recurring Gains and Losses

Applicable Inapplicable

Item	Amount	Note
Disposal of non-current assets, including the part offset with the provision for impairment of assets	22,782.65	
Government grants recognized in current profit or loss (except for the fixed or quantitative government grants closely related to the enterprise businesses according to the national unified standard)	1,039,203.12	
Other non-operating revenue and expenditure excluding the above-mentioned items	177,119.54	
Less: Influence on income tax	310,626.94	
Influence on minority interest (after tax)	170,852.79	
Total	757,625.58	--

For the Company's non-recurring gain/loss items as defined in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering their Securities to the Public – Non-recurring Gains and Losses and its non-recurring gain/loss items as illustrated in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering their Securities to the Public – Non-recurring Gains and Losses which have been defined as recurring gains and losses, it is necessary to explain the reason.

Applicable Inapplicable

II. Total Number of Shareholders and Top Ten Shareholders at the End of Report Period

1. Numbers of Common Shareholders and Preference Shareholders with Resumed Voting Rights as well as Shareholdings of Top Ten Shareholders

Total shareholders in reporting period	6,971	Total Number of Preference Shareholders with Resumed Voting Rights at Period-end (if any)	0			
Top Ten Common Shareholders						
Name	Nature	Ratio (%)	Total shares held	Non-tradable shares	Impawnd or Frozen Shares	
					Status	Shares
CHINA NANSHAN DEVELOPMENT (GROUP) INCORPORATION	Domestic Legal Person	51.79%	119,420,000	119,420,000	-	0
China Logistics Holding (12) PTE.LTD.	Foreign Legal Person	19.90%	45,890,000	0	-	Unknown
CHINA MECHANTS SECURITIES (HONGKONG) LTD	State-owned Legal Person	1.61%	3,717,134	0	-	Unknown
CREDIT SUISSE (HONG KONG) LIMITED	Foreign Legal Person	1.15%	2,653,799	0	-	Unknown
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	Foreign Legal Person	0.93%	2,133,542	0	-	Unknown
GREENWOODS CHINA ALPHA MASTER FUND	Foreign Legal Person	0.43%	984,693	0	-	Unknown
LI WEI	Domestic Natural Person	0.28%	636,000	0	-	Unknown
SHA SHU LI	Domestic Natural Person	0.21%	480,611	0	-	Unknown
YU LING FENG	Foreign Natural Person	0.20%	458,083	0	-	Unknown
PAN BO	Domestic Natural Person	0.18%	420,300	0	-	Unknown
Top Ten Tradable Shareholders						
Name	Shares Held	Type				
		Type	Shares			
China Logistics Holding (12) PTE.LTD.	45,890,000	B	45,890,000			
CHINA MECHANTS SECURITIES (HONGKONG) LTD	3,717,134	B	3,717,134			
CREDIT SUISSE (HONG KONG) LIMITED	2,653,799	B	2,653,799			
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	2,133,542	B	2,133,542			
GREENWOODS CHINA ALPHA MASTER FUND	984,693	B	984,693			
LI WEI	636,000	B	636,000			
SHA SHU LI	480,611	B	480,611			
YU LING FENG	458,083	B	458,083			
PAN BO	420,300	B	420,300			
LI MING YA	402,580	B	402,580			
Explanation for the Affiliated Relations or United Action of the Top Ten Shareholders	Among the top ten shareholders, the domestic legal entity shareholder, China Nanshan Development (Group) Incorporation has no affiliated relations with other shareholders and does not fall into the scope of united action person stipulated by "Regulation of Information Disclosure of the Change of Shareholding of listed company". It is unknown that whether other tradable-share shareholders fall into the scope of united action person.					

Whether top ten common shareholders or top ten non-restricted common shareholders appointed repurchase transaction during reporting period

Yes No

2. Particulars about Preferred Share

Applicable Inapplicable

Part III Significant Events

I. Explanation on the Significant Changes for Main Accounting Data and Financial Indicators

Unit: RMB

No	Items	1 st Quarter of 2016/ Mar 31, 2016	1 st Quarter of 2015/ Dec 31, 2015	Change (%)	Causes for Difference
1	Cash And Bank Balances	868,615,854.73	321,121,926.73	170.49%	Mainly due to receiving Blogis increased capital from Nanshan Group.
2	Notes Receivable	12,000,000.00			Mainly due to Nanjing Baowan receiving bank acceptance.
3	Prepayments	3,007,466.02	435,877.51	589.98%	Mainly due to prepaying underwriting fee of medium-term notes.
4	Interest Receivable		1,138,739.73	-100.00%	Mainly due to withdrawal of profit of financial products in last report period.
5	Other Receivables	93,582,957.86	58,666,231.60	59.52%	Mainly due to Xi'an Baowan's land prepayment transferring to cash deposit.
6	Other Current Assets	25,000,000.00	235,000,000.00	-89.36%	Mainly due to the redemption of financial products.
7	Disposal of Fixed Assets	72,322.02			Mainly due to disposal of fixed assets.
8	Other Non-Current Assets	488,077,511.78	277,619,704.84	75.81%	Mainly due to the increase of land prepayment.
9	Short-term Borrowings	200,000,000.00	300,000,000.00	-33.33%	Mainly due to payment of short-term borrowings.
10	Accounts Receivable	6,814,629.10	13,502,745.52	-49.53%	Mainly due to paying rental fee for last year.
11	Receipts in Advance	6,927,943.95	4,294,109.24	61.34%	Mainly due to receipts in advance of warehousing fee by Kunshan Baowan's client.
12	Employee Benefits Payable	14,025,916.25	26,233,258.02	-46.53%	Mainly due to the payment of annual bonus.
13	Other Non-Current Liabilities	300,000,000.00	6,000,000.00	4900.00%	Mainly due to the increase of borrowings from Nanshan Group.
14	Minority Interests	820,166,755.58	317,006,332.01	158.72%	Mainly due to receiving Blogis increased capital from Nanshan Group.
15	Selling Expenses	521,984.66	260,386.09	100.47%	Mainly due to the increase of agency fee.
16	Impairment Losses of Assets	14,810.26			Mainly due to provision for bad debts.
17	Investment Income	6,047,847.58	17,386,035.41	-65.21%	Mainly due to the decrease of Sembawang's profit.
18	Non-operating Income	1,314,930.35	2,506,166.09	-47.53%	Mainly due to the decrease of government subsidies.
19	Income Tax Expenses	6,749,297.02	4,875,065.99	38.45%	Mainly due to adjustment of accrued income tax according to final settlement and payment of enterprise income tax.
20	Cash payments for Goods Purchased and Services Received	37,114,019.69	27,008,442.07	37.42%	Mainly due to payment of rental fee of eastern costal line and wharf for last year.
21	Net cash Receipts from Disposal of Fixed Assets, Intangible Assets and Other Long-Term Assets	42,812.00	10,100.00	323.88%	Mainly due to disposal of fixed assets.
22	Other Cash Receipts Relating to Investing Activities	283,233,575.00	444,887,865.51	-36.34%	Mainly due to the decrease of purchasing financial products.
23	Cash Payments to Acquire or Construct Fixed Assets, Intangible Assets and Other Long-Term Assets	359,426,925.92	174,500,696.11	105.97%	Mainly due to the increase of land payment.
24	Cash Payments to Acquire Subsidiaries and Other	171,489,525.52			Mainly due to the acquirement of Jinmu Cao Ye.

	Business Companies				
25	Other Cash Payments Relating to Investing Activities	61,056,699.50	363,000,000.00	-83.18%	Mainly due to the decrease of purchasing financial products.
26	Cash Received from Investing Activities	498,080,000.00			Mainly due to receiving Blogis increased capital from Nanshan Group.
27	Cash Receipts from Borrowings	101,670,000.00	64,517,851.59	57.58%	Mainly due to the increase of newly-added long-term borrowings.
28	Other Cash Received from Financing Activities	294,000,000.00			Mainly due to the increase of borrowings from Nanshan Group.
29	Cash repayments of borrowings	103,155,000.00	1,051,000.00	9714.94%	Mainly due to paying back short-term borrowings.

II. Significant Event and its Impact

Applicable Inapplicable

In view of planning significant events, the Company's stock suspended trading on March 7, 2016. On March 21, the Company disclosed announcement of significant asset reorganization. On April 5, the Company disclosed announcement of continuously suspending stock trading. Till now, the Company is actively promoting the work of significant asset reorganization.

Introduction	Disclosure Date	Disclosure Index
Suspending Stock Trading for Significant Event	2016.3.7	www.cninfo.com.cn
	2016.3.14	www.cninfo.com.cn
Significant Asset Reorganization	2016.3.21	www.cninfo.com.cn
	2016.3.28	www.cninfo.com.cn
	2016.4.5	www.cninfo.com.cn
	2016.4.12	www.cninfo.com.cn
	2016.4.19	www.cninfo.com.cn
2016.4.26	www.cninfo.com.cn	

III. Fulfillment of Commitment by Shareholders with More than 5% Shares

Commitments	Promisee	Content	Commitment Time	Commitment Period	Status
Other Commitments	Nanshan Group	to land use	1997-8-1	25 years	On duty
	Nanshan Group	to resolve payment difficulties in opening the Finance Limited	2014-1-6	3 years	On duty
	The Company	to provide regular monthly financial reports to the controlling shareholder	2007-10-25	Long term effective	On duty
	The Company	About the issue of "medium-term notes for 2012" Commitment	2012-3-7	5 years	On duty
	The Company	About the issue of "12 base debt" commitment	2013-1-9	7 years	On duty
Fulfill commitments timely	Yes				

IV. Prediction of Business Performance for the first half year of 2016

Prediction and explanation on important changes of profit in next report period

Applicable Inapplicable

V. Stock Investment

Stock investment

Applicable Inapplicable

VI. Investment of Financial Derivatives

Applicable Inapplicable

VII. Reception of Investors and Medias

Applicable Inapplicable

Time	Method	Type of Visitors	Disclosure Index
2016.1.21	Field Research	Individual	www.cninfo.com.cn on January 22, 2016

VIII. Illegal Guarantee

Applicable Inapplicable

IX. Non-operation Oriented Fund Occupancy by the Controlling Shareholder and/or Related Parties

Applicable Inapplicable

Board of Directors
Shenzhen Chiwan Petroleum Supply Base Co., Ltd.
April 30, 2016