

Stock Code: 200160

Short Form of the Stock: Nanjiang B

Public Notice No.: 2016-034

# **Chengde Nanjiang Co., Ltd.**

## **Text of First Quarterly Report 2016**

## **Section I. Important Notes**

**Board of Directors and the Supervisory Committee of Chengde Nanjiang Co., Ltd. (hereinafter referred to as the Company) and its directors, supervisors and senior executives should guarantee the reality, accuracy and completion of the quarterly report, there are no any fictitious statements, misleading statements or important omissions carried in this report, and shall take legal responsibilities, individual and/or joint.**

**All Directors are attended the Board Meeting for Quarterly Report deliberation. Zhao Yongsheng, Person in charge of the Company, Zhao Yongsheng, person in charger of accounting works and Liu Guofeng, person in charger of accounting organ (accounting officer) hereby confirm that the Financial Report of this Quarterly Report is authentic, accurate and complete.**

## Section II. Main financial data and changes of shareholders

### I. Main accounting data and financial indexes

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

Yes No

	Current Period	Same period of last year		Changes of this period over same period of last year
		Before adjustment	After adjustment	After adjustment
Operating income (RMB)	46,379,194.49	76,700,090.57	26,398,533.74	75.69%
Net profit attributable to shareholders of the listed company(RMB)	1,078,731.20	-6,512,864.22	-6,204,376.06	117.39%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses(RMB)	1,147,902.15	-6,556,527.19	-6,248,039.03	118.37%
Net cash flow arising from operating activities(RMB)	30,707,074.03	-13,134,238.84	-13,134,238.84	333.79%
Basic earnings per share (RMB/Share)	0.002	-0.01	-0.01	120.00%
Diluted earnings per share (RMB/Share)	0.002	-0.01	-0.01	120.00%
Weighted average ROE (%)	0.31%	-2.27%	-2.16%	2.47%
	At the end of the reporting period	At the end of last year		Changes of this period-end over same period-end of last year
		Before adjustment	After adjustment	After adjustment
Total assets (RMB)	864,868,178.16	854,793,263.22	854,793,263.22	1.18%
Net assets attributable to shareholder of listed company (RMB)	353,334,854.76	352,256,123.56	352,256,123.56	0.31%

The causes of changes in accounting policies and the situation of accounting error correction

Some sold products of Nanjiang Huijing Tiandi Community project developed and constructed by the Company has not been handled with property right registration procedures, resulting in the recognition criteria not completely meeting the revenue, the company has adjusted the data of this part after the confirmation of accountants, resulting in the differences between the above-mentioned financial index and the financial indicators related to the disclosed quarterly reports reports.

Items of non-recurring gains and losses

Applicable  Not applicable

In RMB

Item	Amount from year-begin to period-end	Note
Other non-operating income and expenditure except for the aforementioned items	-69,170.95	
Total	-69,170.95	--

Concerning the extraordinary profit (gain)/loss defined by *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/Loss*, and the items defined as recurring profit (gain)/loss according to the lists of extraordinary profit (gain)/loss in *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/Loss*, explain reasons

Applicable  Not applicable

In reporting period, the Company has no particular about items defined as recurring profit (gain)/loss according to the lists of extraordinary profit (gain)/loss in *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/Loss*

## II. Total number of shareholders at the end of this report period and top ten shareholders

### 1. Number of common shareholders and preference shareholders with voting rights recovered and top ten common shareholders

In shares

Total number of common shareholders at the end of report period	19,555	Total preference shareholders with voting rights recovered at end of reporting period (if applicable)	0			
Top ten shareholders						
Shareholder's name	Nature of shareholder	Proportion of shares held	Amount of shares held	Amount of non-tradable shares held	Number of share pledged/frozen	
					State of share	Amount
Wang Dong	Domestic natural person	29.49%	208,324,800	208,324,800	Frozen	208,324,800
China Everbright Securities (HK) Limited	Overseas legal person	13.28%	93,833,093	0		
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	Overseas legal person	6.87%	48,524,062	0		
Chengde North Industrial Corporation	Domestic non-state-owned legal person	2.62%	18,517,651	18,517,651		
Wang Zhengsong	Domestic natural person	1.89%	13,327,891	13,327,891		
Wang Wensheng	Domestic natural person	1.03%	7,258,007	0		

Zhou Haihong	Domestic natural person	0.95%	6,708,495	0	
Li Tianyun	Domestic natural person	0.73%	5,158,000	0	
Shanghai H.K. Wangguo Securities	Overseas legal person	0.71%	4,995,920	0	
Chen Yan	Domestic natural person	0.57%	4,023,256	0	
Top ten shareholders with tradable shares held					
Shareholder's name	Amount of tradable shares held	Type of shares			
		Type	Amount		
China Everbright Securities (HK) Limited	93,833,093	Domestically listed foreign shares	93,833,093		
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	48,524,062	Domestically listed foreign shares	48,524,062		
Wang Wensheng	7,258,007	Domestically listed foreign shares	7,258,007		
Zhou Haihong	6,708,495	Domestically listed foreign shares	6,708,495		
Li Tianyun	5,158,000	Domestically listed foreign shares	5,158,000		
Shanghai H.K. Wangguo Securities	4,995,920	Domestically listed foreign shares	4,995,920		
Chen Yan	4,023,256	Domestically listed foreign shares	4,023,256		
Zhao Ziying	3,286,616	Domestically listed foreign shares	3,286,616		
VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	3,182,875	Domestically listed foreign shares	3,182,875		
Peng Wei	2,978,525	Domestically listed foreign	2,978,525		

		shares	
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 top ten shareholders involving margin business (if applicable)	N/A		

Whether top ten common shareholders or top ten common shareholders with un-restrict shares held have a buy-back agreement dealing in reporting period

Yes  No

The top ten common shareholders or top ten common shareholders with un-restrict shares held of the Company have no buy-back agreement dealing in reporting period.

## **2. Total shareholders with preferred stock held and shares held by top ten shareholders with preferred stock held**

Applicable  Not applicable

## Section III. Significant Events

### I. Particulars about material changes in items of main accounting statement and financial index and explanations of reasons

√Applicable □Not applicable

Serial	Item	Ending balance	Opening balance	Changes		Reasons
				Amount changed	Ratio changed	
1	Long-term equity investment	27,343,974.43	2,343,974.43	25,000,000.00	1066.56%	Due to an increase in funds invested in Dongguan Dongfeng in current period
2	Operation income	46,379,194.49	26,398,533.74	19,980,660.75	75.69%	Due to an increase in carry-over incomes from real estate in current period
3	Operation cost	36,430,367.17	26,996,960.32	9,433,406.85	34.94%	Due to an increase in cost from real estate in current period
4	Operation taxes and additional	2,726,869.98	17,761.16	2,709,108.82	15252.99%	Due to an increase in taxes and dues on carry-over incomes from real estate in current period
5	Operation profit	559,568.39	-6,783,369.20	7,342,937.59	108.25%	Due to an increase in profits of carry-over incomes from real estate in current period
6	Net cash flow from operation activity	30,707,074.03	-13,134,238.84	43,841,312.87	333.79%	Due to an increase in house-selling funds in current period
7	Net cash flow from investment activity	-26,108,450.99	-142,355.00	-25,966,095.99	-18240.38%	Because the funds invested in Dongguan Dongfeng has been paid in current period

### II. Analysis and explanation of significant events and their influence and solutions

□ Applicable √ Not applicable

### III. Commitments that the company, shareholders, actual controller, offeror, directors, supervisors, senior management or other related parties have fulfilled during the reporting period and have not yet fulfilled by the end of reporting period

√Applicable □Not applicable

Commitments	Promise	Type of	Content of commitments	Commitment date	Commitment term	Implementation
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		commitments				
Commitments for Share Merger Reform						
Commitments in report of acquisition or equity change	Controlling shareholder	Commitments in horizontal competition, related transactions, and capital occupying	<p>1. Commitments in aspect of independency of listed company:</p> <p>For the equity changes, that is 208,324,800 shares of Chengde Dalu Co., Ltd held by Chen Rong was transfer, Wang Dong guarantee there are no influence on the independent of employee, financial, institution, business and integrity of assets of Chengde Dalu Co., Ltd. After transaction, Chengde Dalu Co., Ltd still has the ability of independent operation and owes independent legal person, and continues to owes the independency of institution, assts, employees, production and financial. 2. Commitments for horizontal competition: after 208,324,800 shares of Chengde Dalu Co., Ltd held by Chen Rong was transfer, Wang Dong guarantee there are no or potential horizontal competition between the Chengde Dalu Co., Ltd and Wang Dong and related parties of Wang Dong</p>	2012-04-24	Duration of the Company	Implementing
Commitments in assets reorganization	Controlling shareholder	Performance commitment and compensation arrangements	<p>The performance compensation commitment: net profit (deducting non-recurring gains and losses) for 2012, 2013, 2014 and 2015 for Runhua RW (Tianjin) International Trade Co., Ltd. Respectively can't be less than 306,300 Yuan, 904,000 Yuan, 1,500,000 Yuan and 3,400,000 year. If the actual net profit is less than the promised, the controlling shareholders shall perform the obligations of profit compensation accordingly.</p>	2013-04-10	2012-2015	<p>After auditing, net profit for year of 2015 under the name of Runhua RW (Tianjin) International Trade Co., Ltd. was -9.2722 million Yuan, which is short of the commitment of performance for year of 2015. the Company will supervise and urge the controlling shareholder to implement</p>



						compensation commitment according to the auditing results.
Commitments in initial public offering or re-financing						
Commitments in stock option incentive plan						
Other commitments for medium and small shareholders						
Completed on time	Yes					

#### IV. Predict of the business performance from January to June 2016

Warnings and reasons of the predict that the cumulative net profit from the begin of the year to the end of next report period may be loss or have great changes comparing with the same period of last year

Applicable Not applicable

#### V. Securities Investment

Applicable  Not applicable

No security investment in Period.

#### VI. Derivative investment

Applicable  Not applicable

No derivative investment in the Period.

#### VII. Registration form for receiving research, communication and interview in the report period

Applicable  Not applicable

Time	Way	Type	Basic situation index of investigation
2016-01-20	Telephone communication	Individual	Progress of the suspension of the Company, no materials required
2016-02-24	Telephone communication	Individual	Operation of the Company, no materials required
2016-03-17	Telephone communication	Individual	Current condition of the Company, no

			materials required
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**VIII. Guarantee outside against the regulation**

Applicable Not applicable

The Company had no guarantee outside against the regulation in the reporting period.

**IX. Non-operational fund occupation from controlling shareholders and its related party**

Applicable Not applicable

The Company had no non-operational fund occupation form controlling shareholders and its related party in the period