

Stock Code: 200160

Short Form of the Stock: Nanjiang B

Public Notice No.: 2016-083

**Chengde Nanjiang Co., Ltd.**  
**Text of Third 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 hereby confirm that there are no any fictitious statements, misleading statements, or important omissions carried in this report, and shall take all responsibilities, individual and/or joint, for the reality, accuracy and completion of the whole contents.**

**All directors of the Company are attended the Meeting for quarterly report deliberation.**

**Principal of the Company Zhao Yongsheng, Person in Charge of Accounting Works Zhao Yongsheng and Person in Charge of Accounting Organ (Accounting Officer) Liu Fengguo hereby confirm that the Financial Report of the Third Quarterly Report is authentic, accurate and complete.**

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

### I. Main accounting data and 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

	Current period-end	Period-end of last year	Increase/decrease	
Total assets(RMB)	696,718,663.94	854,793,263.22	-18.49%	
Net assets attributable to shareholders of listed company (RMB)	360,321,697.66	352,256,123.56	2.29%	
	Current period	Increase/decrease in comparison with same period of last year	Year-begin to end of the Period	Increase/decrease in comparison with year-begin to Period-end of last year
Operating revenue (RMB)	103,804,200.47	99.97%	295,218,682.21	183.08%
Net profit attributable to shareholders of the listed company (RMB)	2,454,508.79	118.03%	4,256,378.73	-93.11%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses(RMB)	2,520,155.95	119.62%	4,592,904.24	111.99%
Net cash flow arising from operating activities(RMB)	--	--	80,749,416.66	389.93%
Basic earnings per share (RMB/Share)	0.003	115.79%	0.006	-93.10%
Diluted earnings per share (RMB/Share)	0.003	115.79%	0.006	-93.10%
Weighted average ROE	0.68%	4.45%	1.20%	-18.05%

In RMB

Item	Amount from year-begin to end of the Period	Note
Other non-operating income and expenditure except for the aforementioned items	-336,525.51	
Total	-336,525.51	--

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. Statement of the total shareholders and shares-held of top ten shareholders at end of the Period

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

In share

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						
Shareholders	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	Foreign corporate	13.28%	93,833,093	0		
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	Foreign corporate	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	1.03%	7,258,007	0		

	person					
Zhou Haihong	Domestic natural person	0.95%	6,708,495	0		
Li Tianyun	Domestic natural person	0.73%	5,158,000	0		
Shen wan hongyuan securities (Hong Kong) co., LTD	Foreign corporate	0.71%	4,995,920	0		
Chen Yan	Domestic natural person	0.57%	4,023,256	0		
Tradable shares held by top 10 shareholders						
Shareholders	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			
Shen wan hongyuan securities (Hong Kong) co., LTD	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	3,182,875	Domestically listed foreign	3,182,875			

FUND		shares	
Peng Wei	2,978,525	Domestically listed foreign shares	2,978,525
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 about top ten common shareholders (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 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 of shareholders with preferred stock held and the top ten shareholdings

Applicable  Not applicable

## Section III. Important events

### I. Particular about major changes from items of main accounting statements and financial indexes as well as reasons

√ Applicable    □ Not applicable

1. Items of balance sheet						
Serial 1	Item	Closing balance	Opening balance	Changes		Reasons
				Amount	Ratio	
1	Monetary fund	136,386,377.94	88,237,416.98	48,148,960.96	54.57%	The house-selling money increased in the Period
2	Account receivable	1,340,398.33	156,113.53	1,184,284.80	758.60%	Credit sale business in the Period increased
3	Account paid in advance	364,972.49	1,105,122.95	-740,150.46	-66.97%	Settlement of account paid in advance in the Period
4	Inventory	395,916,501.71	619,241,374.72	-223,324,873.01	-36.06%	Soaring saels in the Period
5	Other current assets	22,173,136.04	33,761,457.51	-11,588,321.47	-34.32%	Loss & gains of the advance payment of tax brought forward
6	Account receivable	20,021,392.92	35,013,234.30	-14,991,841.38	-42.82%	Settlement of account payable in the Period
7	Account received in advance	290,954,084.34	435,991,938.57	-145,037,854.23	-33.27%	Close account receivable in advance for house to revenue
2. Items of profit statement						
Serial 1	Item	This Period	Last period	Changes		Reasons
				Amount	Ratio	
1	Operation revenue	295,218,682.21	104,286,951.75	190,931,730.46	183.08%	The real estate project close to revenue in the Period
2	Operation cost	251,759,308.25	100,192,632.70	151,566,675.55	151.28%	The real estate project close to revenue in the Period
3	Business tax and surcharge	19,908,763.10	2,110,940.76	17,797,822.34	843.12%	The real estate project close to revenue in the Period
4	Sales expense	348,246.06	1,834,389.20	-1,486,143.14	-81.02%	Marketing costs declined in the Period
5	Non-operation revenue	170,218.40	104,095,677.29	-103,925,458.89	-99.84%	No land transfer income occurred in the Period
6	Non-operation expenditure	506,743.91	4,005,874.69	-3,499,130.78	-87.35%	Non-operating expenditure deceased in the Period
7	Income tax expense	8,991.27	23,911,569.38	-23,902,578.11	-99.96%	Taxable income tax in the Period declined

3. Items of cash flow statement						
Serial	Item	This Period	Last period	Changes		Reasons
				Amount	Ratio	
1	Net cash flow arising from operating activities	80,749,416.66	16,481,722.11	64,267,694.55	389.93%	The house-selling money increased in the Period
2	Net cash flow arising from investment activities	-27,837,746.95	26,486,122.87	-54,323,869.82	-205.10%	Investment expenses increased in the Period, the money received from land declined
3	Net cash flow arising from financing activities	-6,672,835.54	-1,894,100.00	-4,778,735.54	-252.30%	Pledged deposits paid in the Period and purchasing minority's interests.

## II. Progress and influence of the main events as well as solution analysis specification

Applicable Not applicable

In reporting period, the Company planning to solve the problem left over by history, and stock of the Company were suspended since open the market dated 23 January 2015. The above mentioned event still in promotion, and released a Progress of the Suspended for Significant Matters every five trading days.

Overview	Date for disclosure	Information index for temporary report disclosure

## 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 commitments	Content of commitments	Commitment date	Commitment term	Implementation
Commitments for Share Merger Reform						
Commitments in report of acquisition or equity change	Controlling shareholder	Commitments in horizontal competition, related transactions, and capital occupying	1. Commitments in aspect of independency of listed company: 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	2012-04-24	Duration of the Company	Implementing



			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			
Commitments in assets reorganization	Controlling shareholder	Performance commitment and compensation arrangements	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.	2013-04-10	2012-2015	Completed
Commitments in initial public offering or re-financing						
Commitments in stock option incentive plan						
Other commitments for medium and small shareholders						
Perform the commitment promptly or not	Yes					
If the commitment is not fulfilled on time, shall	N/A					

explain the specify reason and the next work plan	
---	--

#### IV. Estimation of operation performance for year of 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

#### V. Particular about security investment

Applicable  Not applicable

The Company had no security investment in Period.

#### VI. Particulars about derivatives investment

Applicable  Not applicable

The Company had no derivatives investment in Period.

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

Applicable   Not applicable

Time	Way	Type	Basic situation index of investigation
2016-07-14	Telephone	Personal	Suspension condition of the Company, no material required
2016-08-10	Telephone	Personal	Suspension condition of the Company, no material required
2016-09-13	Telephone	Personal	Operation of the Company, no materials required

#### 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.