



Stock Code: 000613, 200613

Short Form of the Stock: Dadonghai-A, Dadonghai-B

海南大东海旅游中心股份有限公司

Hainan Dadonghai Tourism Centre (Holdings) Co., Ltd.



The First Quarterly Report 2019 (Full Text)

Disclosure Date: 25 April 2019



Section I. Important Notice

Board of Directors and the Supervisory Committee of Hainan Dadonghai Tourism Centre (Holdings) 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

Yuan Xiaoping, Person in charge of the Company, Fu Zongren, person in charge of accounting works and Fu Zongren, person in charge of accounting organ (accounting officer) hereby confirm that the Financial Report of this Quarterly Report is authentic, accurate and complete.



Section II. Company Information

I. Main accounting data and financial indexes

Whether it has retroactive adjustment or re-statement on previous accounting data or not

Yes No

| | Current Period | Same period of last year | Changes of this period over same period of last year |
|---|------------------------------------|--------------------------|--|
| Operating income (RMB) | 9,293,216.58 | 9,888,991.83 | -6.02% |
| Net profit attributable to shareholders of the listed company(RMB) | 1,572,029.88 | 1,973,425.41 | -20.34% |
| Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses(RMB) | 1,572,029.88 | 1,973,903.39 | -20.36% |
| Net cash flow arising from operating activities(RMB) | 1,436,500.57 | 2,610,752.65 | -44.98% |
| Basic earnings per share (RMB/Share) | 0.0043 | 0.0054 | -20.37% |
| Diluted earnings per share (RMB/Share) | 0.0043 | 0.0054 | -20.37% |
| Weighted average ROE | 2.00% | 2.53% | -0.53% |
| | 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 (%) |
| Total assets (RMB) | 88,964,065.62 | 88,197,118.07 | 0.87% |
| Net assets attributable to shareholder of listed company (RMB) | 79,360,726.17 | 77,788,696.29 | 2.02% |

Items of non-recurring gains and losses

Applicable Not applicable

No items of non-recurring gains and losses in the period

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

1. Common and preferred stockholders with voting rights recover and the top ten share-holding

In Share

| | | | | | |
|---|-----------------------|---|-----------------------|-----------|--------------------------------|
| Total common shareholders at the end of report period | 37,915 | Total preferred stockholders with voting rights recover at the end of report period | 0 | | |
| Top ten shareholders | | | | | |
| Shareholder's name | Nature of shareholder | Proportion of shares | Amount of shares held | Amount of | Number of share pledged/frozen |



| | | held | | restricted shares held | State of share | Amount |
|---|---------------------------------------|-----------------------------------|------------|------------------------|----------------|------------|
| Luoniushan Co., Ltd. | Domestic non-state-owned legal person | 17.55% | 63,885,980 | 0 | Pledge | 63,885,980 |
| Yang Meiqin | Domestic nature person | 4.47% | 16,279,028 | 0 | | |
| Pan Anjie | Domestic nature person | 4.01% | 14,593,598 | 0 | | |
| Hainan Ya An Ju Property Service Co., Ltd. | Domestic non-state-owned legal person | 2.25% | 8,205,800 | 0 | | |
| Chen Jinlian | Domestic nature person | 2.13% | 7,766,400 | 0 | | |
| HGNH International Asset Management Co., Ltd – customer deposit | Overseas legal person | 1.23% | 4,495,902 | 0 | | |
| Pan Aiping | Domestic nature person | 1.13% | 4,110,738 | 0 | | |
| Zhang Fengxiu | Domestic nature person | 1.07% | 3,901,372 | 0 | | |
| China Investment Securities (HK) Co., Ltd. – customer deposit | Overseas legal person | 0.99% | 3,622,300 | 0 | | |
| Shenwan Hongyuan (H.K.) Limited | Overseas legal person | 0.84% | 3,056,390 | 0 | | |
| Top ten shareholders with unrestricted shares held | | | | | | |
| Shareholder's name | Amount of unlimited shares held | Type of shares | | | | |
| | | Type | Amount | | | |
| Luoniushan Co., Ltd. | 63,885,980 | RMB common share | | 63,885,980 | | |
| Yang Meiqin | 16,279,028 | Domestically listed foreign share | | 16,279,028 | | |
| Pan Anjie | 14,593,598 | Domestically listed foreign share | | 14,593,598 | | |
| Hainan Ya An Ju Property Service Co., Ltd. | 8,205,800 | RMB common share | | 8,205,800 | | |
| Chen Jinlian | 7,766,400 | Domestically listed foreign share | | 7,766,400 | | |
| HGNH International Asset Management Co., Ltd – customer deposit | 4,495,902 | RMB common share | | 4,495,902 | | |
| Pan Aiping | 4,110,738 | Domestically listed foreign share | | 4,110,738 | | |
| Zhang Fengxiu | 3,901,372 | RMB common share | | 3,901,372 | | |



| | | | |
|---|---|-----------------------------------|-----------|
| China Investment Securities (HK) Co., Ltd. – customer deposit | 3,622,300 | RMB common share | 3,622,300 |
| Shenwan Hongyuan (H.K.) Limited | 3,056,390 | Domestically listed foreign share | 3,056,390 |
| Explanation on associated relationship among the aforesaid shareholders | Among the above mentioned shareholders, Hainan Ya An Ju Property Service Co., Ltd. is the wholly-owned subsidiary of Luoniushan Co., Ltd.; Yang Meiqin, Pan Anjie, Chen Jinlian and Pan Aiping are the persons acting in concert; the Company is unknown whether there exists associated relationship or belongs to the consistent actor regulated by the Management Measure of Information Disclosure on Change of Shareholding for Listed Company among the other shareholders. | | |
| Explanation on top 10 common shareholders involving margin business | 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 at Period-end 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

In RMB

| Items of balance sheets | Current period | Same period of last year | +.- Changes ratio (%) | Reasons |
|---|----------------|--------------------------|-----------------------|---|
| Note receivable and account receivable | 547,588.58 | 426,434.87 | 28.41% | Change of normal settlement |
| Account paid in advance | 111,708.57 | | 100.00% | The account paid in advance for design charge |
| Other account receivable | 1,037,439.12 | 458,242.73 | 126.40% | The loans and utilities ready for settlement increased |
| Wages payable | 2,185,830.54 | 2,841,262.35 | -23.07% | Annual bonus delivered |
| Taxes payable | 685,716.52 | 458,242.35 | 52.09% | The VAT input tax ready for settlement increased |
| Items of profit statement | Current period | Same period of last year | +.- Changes ratio (%) | Reasons |
| Taxes and surcharge | 203,974.74 | 387,097.33 | -47.31% | Implementation of the tax reduction policy from government |
| Items of cash flow statement | Current period | Same period of last year | +.- Changes ratio (%) | Reasons |
| Vary taxes paid | 670,948.53 | 960,722.59 | -43.19% | Implementation of the tax reduction policy from government |
| Cash paid for purchasing fixed assets, intangible assets and other long-term assets | 217,337.36 | 763,739.59 | -251.41% | The cardinal number of engineering account paid at same period of last year is higher |

II. Progress of important events and its influence as well as the analysis on solutions

√Applicable □ Not applicable

| Overview | Disclosure date | Inquiry index for the announcement released |
|---|-----------------|---|
| The Lawyer's Letter received from Sanya Power Bureau: by preliminary accounting from Sanya Power Bureau, the 10313373 Kwh electricity was understated under the name of South China Hotel from July 2006 to April 2016. The Company is communicated and negotiates with Sanya Power Bureau in the above mentioned event without negotiation results so far. | 2016-05-31 | The "Notice of Lawyer's Letter received by Hainan Dadonghai Tourism Center (Holdings) Co., Ltd." (Notice No.: 2016-016) released on Securities Times, Hong Kong Commercial Daily and Juchao Website |
| The company received the Lawyer's Letter from Hainan Cinda: Main contents of the Lawyer's Letter: the financial loan dispute between the company's joint stock company, Hainan Dadonghai Tourism Center (Holdings) Co., Ltd. | 2018-08-10 | the Announcement of Hainan Dadonghai Tourism Center (Holdings) Co., Ltd. on Receiving the Lawyer's |



| | | |
|---|------------|--|
| <p>(hereinafter referred to as “Dadonghai Holdings”), and its original creditor, China Construction Bank Sanya Branch (hereinafter referred to as “CCB Sanya Branch”), its new creditor China Cinda Asset Management Co., Ltd. Hainan Branch (hereinafter referred to as “Hainan Cinda”) currently makes the right to recover, the two debts include the principal of 1.1 million Yuan and interest of 5,598,300 Yuan temporarily calculated to April 30, 2018, totaling 6,698,300 Yuan and the principal of 5 million Yuan and interest of 29,311,700 Yuan temporarily calculated to April 30, 2018, totaling 34,311,700 Yuan. If Dadonghai Holdings is incapable of handling the liquidation, Hainan Cinda will claim that the company should be jointly and severally liable for the above debts of Dadonghai Holdings. Progress of the event found more in major lawsuits item.</p> | | <p>Letter that the company published on Securities Times, Hong Kong Commercial Daily and www.cninfo.com.cn (Announcement No.: 2018-052)</p> |
| <p>Significant litigation: The plaintiff, China Cinda Asset Management Co., Ltd. Hainan Branch, sued the defendants, Hainan Dadonghai Tourism Center (Holdings) Co., Ltd. and Sanya Yueya Real Estate Development Corporation, for a financial loan contract dispute, appealing to Hainan Dadonghai Tourism Center (Holdings) Co., Ltd. to repay the loan of 5 million Yuan and the loan interest of 29,311,700 Yuan temporarily calculated to April 30, 2018, Sanya Yueya Real Estate Development Corporation assumes the joint and several liability, and the two defendants bear litigation costs. In the course of the litigation, the plaintiff added the company as a co-defendant and required the court to order the company to assume joint and several liability for the above debts of Hainan Dadonghai Tourism Center (Holdings) Co., Ltd. As the above mentioned cases with principal of 5 million yuan concerned, due to the Civil Judgment (2018) No.Q02MC76 from the Intermediate People’s Court Sanya. The judgment dismissed the claim of the plaintiff China Cinda Asset Management Co., Ltd. Hainan Branch, and the case acceptance fee and property preservation application fee were borne by China Cinda Asset Management Co., Ltd. Hainan Branch. The plaintiff Hainan Cinda refused to accept the first instance judgment and appealed to Hainan Higher People’s Court. On 28 March 2019, in line with the Civil Judgment (2019) QMZ No.96 from Hainan Higher People’s Court: Reject the appeal and uphold the original verdict; the fees for accepting second instance cases will paid by Hainan Cinda; this is a final judgment. As for the cases with principal of 1.1 million yuan, it is reported that the plaintiff, Hainan Cinda has withdrawn his lawsuit.</p> | 2018-11-22 | <p>The Announcement on the Significant Litigation that the company published on Securities Times, Hong Kong Commercial Daily and www.cninfo.com.cn (Announcement No.: 2018-061).</p> |
| | 2019-01-05 | <p>Announcement on the Progress of Significant Litigation that the company published on Securities Times, Hong Kong Commercial Daily and www.cninfo.com.cn (Announcement No.: 2019-001)</p> |
| | 2019-01-31 | <p>Announcement on the Progress of Significant Litigation that the company published on Securities Times, Hong Kong Commercial Daily and www.cninfo.com.cn (Announcement No.: 2019-003)</p> |
| | 2019-04-02 | <p>Announcement on the Progress of Significant Litigation that the company published on Securities Times, Hong Kong Commercial Daily and www.cninfo.com.cn (Announcement No.: 2019-013)</p> |

Progress of implementation of shares repurchase

Applicable Not applicable

Implementation progress of the reduction of repurchases shares by centralized bidding

Applicable Not applicable



III. Commitments completed in Period and those without completed till end of the Period from actual controller, shareholders, related parties, purchaser and companies

√Applicable □ Not applicable

| Commitments | Accepter | Type | Contents | Commitment time | Commitment period | Implementation |
|--|--|---------------------|--|-----------------|-------------------|---|
| Share Merger Reform | Luoniushan Co., Ltd. | Share Merger Reform | On May 30, 2007, Luoniushan Co., Ltd. made commitments in the Company's "Instructions for reform of non-tradable shares" (Revision) and "Instructions for reform of non-tradable shares" (Abstract of revision) that in view of Dadonghai Company's losses in successive years and on the verge of delisting, in order to reverse the company's business difficulties, improve profitability and recover the continuous business capacity, Luoniushan Co., Ltd., the controlling shareholder of Dadonghai Company made commitments to actively seek restructuring parties to reorganize the assets of Dadonghai Company at the appropriate time. | 2017-06-27 | 6 months | The original plan for major assets reorganization has been terminated |
| Commitments in report of acquisition or equity change | | | | | | |
| Commitments in assets reorganization | | | | | | |
| Commitments make in initial public offering or re-financing | | | | | | |
| Equity incentive commitment | | | | | | |
| Other commitments for medium and small shareholders | | | | | | |
| Completed on time(Y/N) | N | | | | | |
| If the commitments is not fulfilled on time, shall explain the specify reason and the next work plan | Stock of the Company suspended since 15 Feb. 2017 for Luoniushan planning to fulfill the commitments. On 13 August 2017, the 12 proposals including "proposal of major assets acquisition under the name of Hainan Dadonghai Tourism Center Co., Ltd. and Report on Related Transactions (Pre-plan)" are not approved by the 11 th extraordinary meeting of 8 th BOD. On 15 Aug. 2017, the Company released a Notice to terminate the major assets reorganization and stock resumption on 17 August. | | | | | |



| | |
|--|---|
| | <p>On 4 December 2017, the “proposal of Change the commitment period by first majority shareholder” was approved by the Board and supervisory committee. Luoniushan Co., Ltd. –the first majority shareholder of the Company, plans to extend the commitment period for 2 years since 27 Dec. 2017, that is end of the reorganization commitment changed to 26 December 2019. and the 4th extraordinary shareholders general meeting 2017 has approved the above mentioned proposal dated 22 Dec. 2017</p> <p>On January 31, 2018, the company received the Notice on Planning for Suspension of Major Events sent by Luoniushan Co., Ltd., the company’s largest shareholder, to plan and prepare the major issues related to the company. Upon application by the company, the company’s stock (stock short name: Dadonghai A, Dadonghai B, stock code: 000613, 200613) was suspended since the opening on January 31, 2018. Upon application by the company, the company’s stock resumed trading on February 8, 2018, and was transferred to the major asset restructuring since the opening on February 14, 2018.</p> <p>On June 25, 2018, the company held the third interim meeting of the ninth board of directors which reviewed and approved the Proposal on Terminating the Planning for Major Asset Restructuring. After careful study, the board of directors of the company decided to terminate the planning for this major asset restructuring.</p> |
|--|---|

IV. Predict of the business performance from January to June 2018

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

The Company has no securities investment occurred in the 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

| Date | Method | Type of investors | Index for the interview and research |
|------------|-------------------------|-------------------|--|
| 2019-01-10 | Telephone communication | Individual | Investor Mr./Ms. Wang from Shenzhen, asking about the operation performance of 2018 without material required |
| 2019-02-22 | Telephone communication | Individual | Investor Mr./Ms. Zhang from Shanghai, asking about the operation performance of 2018 and time of annual report released, and without material required |
| 2019-03-19 | Telephone | Individual | Investor Mr./Ms. Lin from Beijing, asking about the operation performance of |



| | | | |
|--|---------------|--|---|
| | communication | | 2018 and performance of the first quarter without material required |
|--|---------------|--|---|

VIII. External security against the rules

Applicable Not applicable

The Company has no external security against the rules in the Period

IX. Controlling shareholders' and its related party's non-business capital occupying of the listed company

Applicable Not applicable

There are no controlling shareholders' and its related party's non-business capital occupying of the listed company



Section IV. Financial Statement

I. Financial statement

1. Balance sheet

Prepared by HAINAN DADONGHAI TOURISM CENTER (HOLDINGS) CO., LTD.

In RMB

| Item | 2019-3-31 | 2018-12-31 |
|---|---------------|---------------|
| Current assets: | | |
| Monetary fund | 16,590,245.87 | 15,364,355.30 |
| Settlement provisions | | |
| Capital lent | | |
| Tradable financial assets | | |
| Financial assets measured by fair value and with variation reckoned into current gains/losses | | |
| Derivative financial assets | | |
| Note receivable and account receivable | 547,588.58 | 426,434.87 |
| Including: Notes receivable | | |
| Accounts receivable | 547,588.58 | 426,434.87 |
| Account paid in advance | 111,708.57 | |
| Insurance receivable | | |
| Reinsurance receivables | | |
| Contract reserve of reinsurance receivable | | |
| Other account receivable | 1,037,439.12 | 458,242.73 |
| Including: Interest receivable | | |
| Dividends receivable | | |
| Buying back the sale of financial assets | | |
| Inventories | 200,282.44 | 221,390.19 |
| Contractual assets | | |
| Assets held for sale | | |
| Non-current assets maturing within one year | | |
| Other current assets | 1,946,568.31 | 1,846,219.79 |
| Total current assets | 20,433,832.89 | 18,316,642.88 |



| | | |
|--|---------------|---------------|
| Non-current assets: | | |
| Loans and payments on behalf | | |
| Debt investment | | |
| Available-for-sale financial assets | | |
| Other debt investment | | |
| Held-to-maturity investments | | |
| Long-term receivables | | |
| Long-term equity investments | | |
| Investment in other equity instrument | | |
| Other non-current financial assets | | |
| Investment real estate | 8,265,849.54 | 8,384,480.43 |
| Fixed assets | 35,770,411.53 | 36,497,869.65 |
| Construction in progress | | |
| Productive biological assets | | |
| Oil and gas assets | | |
| Right-of-use assets | | |
| Intangible assets | 22,002,152.25 | 22,205,249.04 |
| R&D expenses | | |
| Goodwill | | |
| Long-term deferred expenses | 2,491,819.41 | 2,792,876.07 |
| Deferred income tax assets | | |
| Other non-current assets | | |
| Total non-current assets | 68,530,232.73 | 69,880,475.19 |
| Total assets | 88,964,065.62 | 88,197,118.07 |
| Current liabilities | | |
| Short-term loans | | |
| Loan from central bank | | |
| Capital borrowed | | |
| Tradable financial liability | | |
| Financial liability measured by fair value and with variation reckoned into current gains/losses | | |
| Derivative financial liability | | |
| Notes payable & account payable | 1,534,338.05 | 1,607,835.81 |
| Accounts received in advance | 1,135,399.17 | 1,291,293.05 |



| | | |
|---|----------------|----------------|
| Selling financial asset of repurchase | | |
| Absorbing deposit and interbank deposits | | |
| Agent buying and selling securities | | |
| Acting underwriting securities | | |
| Wage payable | 2,185,830.54 | 2,841,262.35 |
| Taxes payable | 685,716.52 | 450,861.87 |
| Other accounts payable | 2,572,370.13 | 2,727,483.66 |
| Including: Interest payable | | |
| Dividend payable | | |
| Handling fees and commissions payable | | |
| Reinsurance payable | | |
| Contractual liability | | |
| Liability held for sale | | |
| Non-current liabilities due within one year | | |
| Other current liabilities | | |
| Total current liabilities | 8,113,654.41 | 8,918,736.74 |
| Non-current liabilities: | | |
| Insurance contract reserve | | |
| Long-term loans | | |
| Bonds payable | | |
| Including: preferred stock | | |
| Perpetual capital securities | | |
| Lease liability | | |
| Long-term account payable | | |
| Long-term wage payable | | |
| Accrued liabilities | 1,489,685.04 | 1,489,685.04 |
| Deferred income | | |
| Deferred income tax liabilities | | |
| Other non-current liabilities | | |
| Total non-current liabilities | 1,489,685.04 | 1,489,685.04 |
| Total liabilities | 9,603,339.45 | 10,408,421.78 |
| Owners' equity: | | |
| Share capital | 364,100,000.00 | 364,100,000.00 |
| Other equity instrument | | |



| | | |
|---|-----------------|-----------------|
| Including: preferred stock | | |
| Perpetual capital securities | | |
| Capital public reserve | 54,142,850.01 | 54,142,850.01 |
| Less: Inventory shares | | |
| Other comprehensive income | | |
| Special reserve | | |
| Surplus reserve | | |
| Provision of general risk | | |
| Retained profit | -338,882,123.84 | -340,454,153.72 |
| Total owner's equity attributable to parent Company | 79,360,726.17 | 77,788,696.29 |
| Minority interests | | |
| Total owner's equity | 79,360,726.17 | 77,788,696.29 |
| Total liabilities and owner's equity | 88,964,065.62 | 88,197,118.07 |

Legal Representative: Yuan Xiaoping

Person in charge of accounting works: Fu Zongren

Person in charge of accounting institute: Fu Zongren

2. Balance Sheet of Parent Company

In RMB

| Item | 2019-3-31 | 2018-12-31 |
|---|---------------|---------------|
| Current assets: | | |
| Monetary fund | 16,089,801.18 | 14,864,055.73 |
| Tradable financial assets | | |
| Financial assets measured by fair value and with variation reckoned into current gains/losses | | |
| Derivative financial assets | | |
| Note receivable and account receivable | 547,588.58 | 426,434.87 |
| Including: Notes receivable | | |
| Accounts receivable | 547,588.58 | |
| Account paid in advance | 111,708.57 | |
| Other account receivable | 1,037,439.12 | 458,242.73 |
| Including: Interest receivable | | |
| Dividends receivable | | |
| Inventories | 200,282.44 | 221,390.19 |



| | | |
|--|---------------|---------------|
| Contractual assets | | |
| Assets held for sale | | |
| Non-current assets maturing within one year | | |
| Other current assets | 1,946,568.31 | 1,846,219.79 |
| Total current assets | 19,933,388.20 | 17,816,343.31 |
| Non-current assets: | | |
| Debt investment | | |
| Available-for-sale financial assets | | |
| Other debt investment | | |
| Held-to-maturity investments | | |
| Long-term receivables | | |
| Long-term equity investments | 1,000,000.00 | 1,000,000.00 |
| Investment in other equity instrument | | |
| Other non-current financial assets | | |
| Investment real estate | 8,265,849.54 | 8,384,480.43 |
| Fixed assets | 35,770,411.53 | 36,497,869.65 |
| Construction in progress | | |
| Productive biological assets | | |
| Oil and gas assets | | |
| Right-of-use assets | | |
| Intangible assets | 22,002,152.25 | 22,205,249.04 |
| R&D expenses | | |
| Goodwill | | |
| Long-term deferred expenses | 2,491,819.41 | 2,792,876.07 |
| Deferred income tax assets | | |
| Other non-current assets | | |
| Total non-current assets | 69,530,232.73 | 70,880,475.19 |
| Total assets | 89,463,620.93 | 88,696,818.50 |
| Current liabilities | | |
| Short-term loans | | |
| Tradable financial liability | | |
| Financial liability measured by fair value and with variation reckoned into current gains/losses | | |
| Derivative financial liability | | |
| Notes payable & account payable | 1,534,338.05 | 1,607,835.81 |
| Accounts received in advance | 1,135,399.17 | 1,291,293.05 |
| Contractual liability | | |
| Wage payable | 2,185,830.54 | 2,841,262.35 |



| | | |
|---|-----------------|-----------------|
| Taxes payable | 685,716.52 | 450,861.87 |
| Other accounts payable | 3,072,070.56 | 3,226,952.36 |
| Including: Interest payable | | |
| Dividend payable | | |
| Liability held for sale | | |
| Non-current liabilities due within one year | | |
| Other current liabilities | | |
| Total current liabilities | 8,613,354.84 | 9,418,205.44 |
| Non-current liabilities: | | |
| Long-term loans | | |
| Bonds payable | | |
| Including: preferred stock | | |
| Perpetual capital securities | | |
| Lease liability | | |
| Long-term account payable | | |
| Long-term wage payable | | |
| Accrued liabilities | 1,489,685.04 | 1,489,685.04 |
| Deferred income | | |
| Deferred income tax liabilities | | |
| Other non-current liabilities | | |
| Total non-current liabilities | 1,489,685.04 | 1,489,685.04 |
| Total liabilities | 10,103,039.88 | 10,907,890.48 |
| Owners' equity: | | |
| Share capital | 364,100,000.00 | 364,100,000.00 |
| Other equity instrument | | |
| Including: preferred stock | | |
| Perpetual capital securities | | |
| Capital public reserve | 54,142,850.01 | 54,142,850.01 |
| Less: Inventory shares | | |
| Other comprehensive income | | |
| Special reserve | | |
| Surplus reserve | | |
| Retained profit | -338,882,268.96 | -340,453,921.99 |
| Total owner's equity | 79,360,581.05 | 77,788,928.02 |
| Total liabilities and owner's equity | 89,463,620.93 | 88,696,818.50 |

Legal Representative: Yuan Xiaoping



Person in charge of accounting works: Fu Zongren

Person in charge of accounting institute: Fu Zongren

3. Consolidated Profit Statement

In RMB

| Item | Current Period | Last Period |
|--|----------------|--------------|
| I. Total operation revenue | 9,293,216.58 | 9,888,991.83 |
| Including: Operation revenue | 9,293,216.58 | 9,888,991.83 |
| Interest income | | |
| Insurance gained | | |
| Handling fees and commissions income | | |
| II. Total operation cost | 7,721,186.70 | 7,915,088.44 |
| Including: Operation cost | 3,014,239.96 | 3,075,128.86 |
| Interest expense | | |
| Handling fees and commissions expenses | | |
| Cash surrender value | | |
| Net amount of expense of compensation | | |
| Net amount of withdrawal of insurance contract reserve | | |
| Bonus expense of guarantee slip | | |
| Reinsurance expense | | |
| Taxes and surcharge | 203,974.74 | 387,097.33 |
| Sales expenses | 1,425,443.74 | 1,401,184.37 |
| Administration expenses | 3,069,960.73 | 3,044,381.68 |
| R&D expenses | | |
| Financial expenses | 7,567.53 | 7,296.20 |
| Including: interest expenses | | |
| Interest income | 5,817.34 | 14,312.79 |
| Losses of devaluation of asset | | |
| Loss of credit impairment | | |
| Add: other income | | |
| Investment income (Loss is listed with "-") | | |
| Including: Investment income on affiliated Company and joint venture | | |
| Exchange income (Loss is listed with "-") | | |
| Net exposure hedging income (Loss is listed with "-") | | |
| Changing income of fair value(Loss is listed with "-") | | |
| Income on disposal of assets (Loss is listed with "-") | | |
| III. Operating profit (Loss is listed with "-") | 1,572,029.88 | 1,973,903.39 |



| | | |
|---|--------------|--------------|
| Add: Non-operating income | | |
| Less: Non-operating expense | | 477.98 |
| IV. Total Profit (Total loss is listed with “-”) | 1,572,029.88 | 1,973,425.41 |
| Less: Income tax expenses | | |
| V. Net profit (Net loss is listed with “-”) | 1,572,029.88 | 1,973,425.41 |
| (i) Classify by business continuity | | |
| 1. Continuous operating net profit (net loss listed with “-”) | 1,572,029.88 | 1,973,425.41 |
| 2. Termination of net profit (net loss listed with “-”) | | |
| (ii) Classify by ownership | | |
| 1. Net profit attributable to owner’s of parent company | 1,572,029.88 | 1,973,425.41 |
| 2. Minority shareholders’ gains and losses | | |
| VI. Net after-tax of other comprehensive income | | |
| Net after-tax of other comprehensive income attributable to owners of parent company | | |
| (i) Other comprehensive income items which will not be reclassified subsequently to profit of loss | | |
| 1. Changes of the defined benefit plans that re-measured | | |
| 2. Other comprehensive income under equity method that cannot be transfer to gain/loss | | |
| 3. Change of fair value of investment in other equity instrument | | |
| 4. Fair value change of enterprise's credit risk | | |
| 5. Other | | |
| (ii) Other comprehensive income items which will be reclassified subsequently to profit or loss | | |
| 1. Other comprehensive income under equity method that can transfer to gain/loss | | |
| 2. Change of fair value of other debt investment | | |
| 3. Gain/loss of fair value changes for available-for-sale financial assets | | |
| 4. Amount of financial assets re-classify to other comprehensive income | | |
| 5. Gain/loss of held-to-maturity investments that re-classify to available-for-sale financial asset | | |
| 6. Credit impairment provision for other debt investment | | |
| 7. Cash flow hedging reserve | | |
| 8. Translation differences arising on translation of foreign currency financial statements | | |
| 9. Other | | |
| Net after-tax of other comprehensive income attributable to minority | | |



| | | |
|---|--------------|--------------|
| shareholders | | |
| VII. Total comprehensive income | 1,572,029.88 | 1,973,425.41 |
| Total comprehensive income attributable to owners of parent Company | 1,572,029.88 | 1,973,425.41 |
| Total comprehensive income attributable to minority shareholders | | |
| VIII. Earnings per share: | | |
| (i) Basic earnings per share | 0.0043 | 0.0054 |
| (ii) Diluted earnings per share | 0.0043 | 0.0054 |

Legal Representative: Yuan Xiaoping

Person in charge of accounting works: Fu Zongren

Person in charge of accounting institute: Fu Zongren

4. Profit Statement of Parent Company

In RMB

| Item | Current Period | Last Period |
|--|----------------|--------------|
| I. Operation revenue | 9,293,216.58 | 9,888,991.83 |
| Less: Operation cost | 3,014,239.96 | 3,075,128.86 |
| Taxes and surcharge | 203,974.74 | 387,097.33 |
| Sales expenses | 1,425,443.74 | 1,401,184.37 |
| Administration expenses | 3,069,960.73 | 3,044,381.68 |
| R&D expenses | | |
| Financial expenses | 7,712.65 | 7,296.20 |
| Including: interest expenses | | |
| Interest income | 5,452.22 | 14,312.79 |
| Losses of devaluation of asset | | |
| Loss of credit impairment | | |
| Add: other income | | |
| Investment income (Loss is listed with "-") | | |
| Including: Investment income on affiliated Company and joint venture | | |
| Net exposure hedging income (Loss is listed with "-") | | |
| Changing income of fair value(Loss is listed with "-") | | |
| Income on disposal of assets (Loss is listed with "-") | | |
| II. Operating profit (Loss is listed with "-") | 1,571,884.76 | 1,973,903.39 |
| Add: Non-operating income | | |
| Less: Non-operating expense | | 477.98 |



| | | |
|--|--------------|--------------|
| III. Total Profit (Loss is listed with “-”) | 1,571,884.76 | 1,973,425.41 |
| Less: Income tax expenses | | |
| IV. Net profit (Net loss is listed with “-”) | 1,571,884.76 | 1,973,425.41 |
| (i) Continuous operating net profit (net loss listed with “-”) | 1,571,884.76 | 1,973,425.41 |
| (ii) Termination of net profit (net loss listed with “-”) | | |
| V. Net after-tax of other comprehensive income | | |
| (i) Other comprehensive income items which will not be reclassified subsequently to profit of loss | | |
| 1.Changes of the defined benefit plans that re-measured | | |
| 2.Other comprehensive income under equity method that cannot be transfer to gain/loss | | |
| 3.Change of fair value of investment in other equity instrument | | |
| 4.Fair value change of enterprise's credit risk | | |
| 5.Other | | |
| (ii) Other comprehensive income items which will be reclassified subsequently to profit or loss | | |
| 1.Other comprehensive income under equity method that can transfer to gain/loss | | |
| 2.Change of fair value of other debt investment | | |
| 3.Gain/loss of fair value changes for available-for-sale financial assets | | |
| 4.Amount of financial assets re-classify to other comprehensive income | | |
| 5.Gain/loss of held-to-maturity investments that re-classify to available-for-sale financial asset | | |
| 6.Credit impairment provision for other debt investment | | |
| 7.Cash flow hedging reserve | | |
| 8.Translation differences arising on translation of foreign currency financial statements | | |
| 9.Other | | |
| VI. Total comprehensive income | 1,571,884.76 | 1,973,425.41 |
| VII. Earnings per share: | | |
| (i) Basic earnings per share | 0.0043 | 0.0054 |
| (ii) Diluted earnings per share | 0.0043 | 0.0054 |

Legal Representative: Yuan Xiaoping

Person in charge of accounting works: Fu Zongren



Person in charge of accounting institute: Fu Zongren

5. Consolidated Cash Flow Statement

In RMB

| Item | Current Period | Last Period |
|---|----------------|---------------|
| I. Cash flows arising from operating activities: | | |
| Cash received from selling commodities and providing labor services | 9,208,963.67 | 10,522,232.38 |
| Net increase of customer deposit and interbank deposit | | |
| Net increase of loan from central bank | | |
| Net increase of capital borrowed from other financial institution | | |
| Cash received from original insurance contract fee | | |
| Net cash received from reinsurance business | | |
| Net increase of insured savings and investment | | |
| Net increase of amount from disposal financial assets that measured by fair value and with variation reckoned into current gains/losses | | |
| Cash received from interest, commission charge and commission | | |
| Net increase of capital borrowed | | |
| Net increase of returned business capital | | |
| Net cash received by agents in sale and purchase of securities | | |
| Write-back of tax received | | |
| Other cash received concerning operating activities | 393,610.54 | 323,410.03 |
| Subtotal of cash inflow arising from operating activities | 9,602,574.21 | 10,845,642.41 |
| Cash paid for purchasing commodities and receiving labor service | 2,305,147.46 | 2,665,733.25 |
| Net increase of customer loans and advances | | |
| Net increase of deposits in central bank and interbank | | |
| Cash paid for original insurance contract compensation | | |
| Net increase of financial assets held for transaction purposes | | |
| Net increase of capital lent | | |
| Cash paid for interest, commission charge and commission | | |
| Cash paid for bonus of guarantee slip | | |
| Cash paid to/for staff and workers | 3,734,956.14 | 3,300,722.59 |
| Taxes paid | 670,948.53 | 960,722.59 |
| Other cash paid concerning operating activities | 1,455,021.51 | 1,307,711.33 |
| Subtotal of cash outflow arising from operating activities | 8,166,073.64 | 8,234,889.76 |
| Net cash flows arising from operating activities | 1,436,500.57 | 2,610,752.65 |



| | | |
|---|---------------|---------------|
| II. Cash flows arising from investing activities: | | |
| Cash received from recovering investment | | |
| Cash received from investment income | | |
| Net cash received from disposal of fixed, intangible and other long-term assets | 16,000.00 | |
| Net cash received from disposal of subsidiaries and other units | | |
| Other cash received concerning investing activities | | |
| Subtotal of cash inflow from investing activities | 16,000.00 | |
| Cash paid for purchasing fixed assets, intangible assets and other long-term assets | 226,600.00 | 763,739.59 |
| Cash paid for investment | | |
| Net increase of mortgaged loans | | |
| Net cash received from subsidiaries and other units obtained | | |
| Other cash paid concerning investing activities | | |
| Subtotal of cash outflow from investing activities | 226,600.00 | 763,739.59 |
| Net cash flows arising from investing activities | -210,600.00 | -763,739.59 |
| III. Cash flows arising from financing activities | | |
| Cash received from absorbing investment | | |
| Including: Cash received from absorbing minority shareholders' investment by subsidiaries | | |
| Cash received from loans | | |
| Cash received from issuing bonds | | |
| Other cash received concerning financing activities | | |
| Subtotal of cash inflow from financing activities | | |
| Cash paid for settling debts | | |
| Cash paid for dividend and profit distributing or interest paying | | |
| Including: Dividend and profit of minority shareholder paid by subsidiaries | | |
| Other cash paid concerning financing activities | | |
| Subtotal of cash outflow from financing activities | | |
| Net cash flows arising from financing activities | | |
| IV. Influence on cash and cash equivalents due to fluctuation in exchange rate | | |
| V. Net increase of cash and cash equivalents | 1,225,900.57 | 1,847,013.06 |
| Add: Balance of cash and cash equivalents at the period -begin | 15,364,355.30 | 9,710,906.78 |
| VI. Balance of cash and cash equivalents at the period -end | 16,590,255.87 | 11,557,919.84 |

Legal Representative: Yuan Xiaoping

Person in charge of accounting works: Fu Zongren



Person in charge of accounting institute: Fu Zongren

6. Cash Flow Statement of Parent Company

In RMB

| Item | Current Period | Last Period |
|---|----------------|---------------|
| I. Cash flows arising from operating activities: | | |
| Cash received from selling commodities and providing labor services | 9,208,963.67 | 10,522,232.38 |
| Write-back of tax received | | |
| Other cash received concerning operating activities | 393,235.42 | 323,410.03 |
| Subtotal of cash inflow arising from operating activities | 9,602,199.09 | 10,845,642.41 |
| Cash paid for purchasing commodities and receiving labor service | 2,305,147.46 | 2,665,733.25 |
| Cash paid to/for staff and workers | 3,734,956.14 | 3,300,722.59 |
| Taxes paid | 670,948.53 | 960,722.59 |
| Other cash paid concerning operating activities | 1,454,801.51 | 1,307,711.33 |
| Subtotal of cash outflow arising from operating activities | 8,165,853.64 | 8,234,889.76 |
| Net cash flows arising from operating activities | 1,436,345.45 | 2,610,752.65 |
| II. Cash flows arising from investing activities: | | |
| Cash received from recovering investment | | |
| Cash received from investment income | | |
| Net cash received from disposal of fixed, intangible and other long-term assets | 16,000.00 | |
| Net cash received from disposal of subsidiaries and other units | | |
| Other cash received concerning investing activities | | |
| Subtotal of cash inflow from investing activities | 16,000.00 | |
| Cash paid for purchasing fixed assets, intangible assets and other long-term assets | 226,600.00 | 763,739.59 |
| Cash paid for investment | | |
| Net cash received from subsidiaries and other units obtained | | |
| Other cash paid concerning investing activities | | |
| Subtotal of cash outflow from investing activities | 226,600.00 | 763,739.59 |
| Net cash flows arising from investing activities | -210,600.00 | -763,739.59 |
| III. Cash flows arising from financing activities | | |
| Cash received from absorbing investment | | |
| Cash received from loans | | |
| Cash received from issuing bonds | | |
| Other cash received concerning financing activities | | |



| | | |
|--|---------------|---------------|
| Subtotal of cash inflow from financing activities | | |
| Cash paid for settling debts | | |
| Cash paid for dividend and profit distributing or interest paying | | |
| Other cash paid concerning financing activities | | |
| Subtotal of cash outflow from financing activities | | |
| Net cash flows arising from financing activities | | |
| IV. Influence on cash and cash equivalents due to fluctuation in exchange rate | | |
| V. Net increase of cash and cash equivalents | 1,225,745.45 | 1,847,013.06 |
| Add: Balance of cash and cash equivalents at the period -begin | 14,864,055.73 | 9,710,906.78 |
| VI. Balance of cash and cash equivalents at the period -end | 16,089,801.18 | 11,557,919.84 |

Legal Representative: Yuan Xiaoping

Person in charge of accounting works: Fu Zongren

Person in charge of accounting institute: Fu Zongren

II. Explanation on financial statement adjustment

1. Financial statement adjustment at the beginning of the first year when implementation of new financial instrument rules, new revenue rules and new leasing rules

Applicable Not applicable

2. Retrospective adjustment of the comparative data for initial implementation of new financial instrument rules and new leasing rules

Applicable Not applicable

III. Audit report

Whether the 1st quarterly report has been audited or not

Yes No

The 1st quarterly report of the Company was unaudited.

HAINAN DADONGHAI TOURISM CENTER (HOLDINGS) CO., LTD.

Chairman: Yuan Xiaoping

23 April 2019