

SHENZHEN CHIWAN PETROLEUM SUPPLY BASE CO., LTD. THE ABSTRACT OF INTERIM REPORT FOR YEAR 2016

I. Important Notice

1. This abstract of interim report is extracted from the full text of interim report for year 2016 which is published on www.cninfo.com.cn or website of Shenzhen Stock Exchange designated by CSRC simultaneously. Investors shall read the full text carefully for the details.

2. Company Profile

Share Abbreviation	Chiwan Base B	Share Code	200053
Stock Exchange	Shenzhen Stock Exchange		
Contact Person	Board Secretary	Securities Representative	
Name	Yu Zhongxia (on behalf)	Li Zizheng	
Telephone	0755-26694211	0755-26694211	
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Email	sa@chiwanbase.com	sa@chiwanbase.com	

II. Major Financial Data and Change of Shareholders

1. Major Financial Data

Retroactive Adjustment

Yes No

Unit: RMB

	Reporting period (Jan to June, 2016)	Last Period (Jan to June, 2015)	Change (%)
Operating Revenue	331,048,288.65	307,119,072.68	7.79%
Net Profit Attributed to Shareholders of Listed Company	20,104,453.49	42,629,933.48	-52.84%
Net Profit Net of Non-recurring Gain and Loss Attributed to Listed Company	19,162,343.58	39,523,619.59	-51.52%
Net Cash Flows from Operating Activities	151,110,099.80	123,934,017.49	21.93%
Basic Earnings per Share (RMB/Share)	0.09	0.18	-50.00%
Diluted Earnings per Share (RMB/Share)	N/A	N/A	N/A
Weighted Return on Equity (%)	1.14%	2.49%	-1.35 points
	June 30, 2016	December 31, 2015	Change (%)
Total Assets	6,422,091,617.87	5,643,956,639.17	13.79%

Owner's Equity Attributed to Shareholders of Listed Company	1,774,640,491.45	1,754,085,176.85	1.17%
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2. Particulars about Top Ten Common Shareholders

Unit: Share

Total common shareholders in reporting period	6,971					
Particulars about 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
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.					
Remarks on Shareholders Involved in Securities Margin Trading	N/A					

3. Particulars about Top Ten Preferred Shareholders

Applicable Inapplicable

4. Changes of Controlling Shareholder or Actual Controller

Changes of Controlling Shareholder in the Reporting Period

Applicable Inapplicable

Changes of Actual Controller in the Reporting Period

Applicable Inapplicable

III. Business Discussion and Analysis

In reporting period, the Company achieved operating revenue of RMB 330 million, increased by 7.79% and net

profit of RMB 20.10 million, decreased by 52.84% compared with the same period over last year respectively.

(1) Decrease of investment income is caused by decline of profit from associated CSE and investment income from entrusted financing, which is mainly due to the decrease of available financing funds along with the increase of project construction payment.

(2) Developing costs for newly projects increased by increase of newly built and in construction logistics parks.

(3) Financial expense increased sharply by rising interest expense for average balance of liabilities.

1. Changes of Major Financial Data

Unit: RMB

	Reporting period (Jan to June, 2016)	Last Period (Jan to June, 2015)	Percentage Change (%)	Notes
Operating Revenue	331,048,288.65	307,119,072.68	7.79%	
Operating Cost	143,269,502.63	140,446,455.32	2.01%	
Selling Expenses	917,022.63	267,618.01	242.66%	Mainly resulted from increasing agent fee for newly operated logistics parks
Administrative Expenses	55,345,349.17	42,341,999.23	30.71%	Resulted from rising labor costs and amortization of depreciation
Financial Expenses	86,362,478.62	78,223,257.17	10.41%	
Income Taxes Expenses	12,085,315.99	13,532,146.18	-10.69%	
Net Cash Flows from Operating Activities	151,110,099.80	123,934,017.49	21.93%	
Net Cash Flows from Investing Activities	-541,664,948.09	-164,588,975.62		Mainly due to increasing cash outflow brought by developing newly projects
Net Cash Flows from Financing Activities	717,032,189.77	35,713,148.41	1,907.75%	Mainly resulted from receipt of internal equity investment and loans from China Nanshan Development (Group) Incorporation
Net Increase in Cash and Cash Equivalents	326,477,341.48	-4,907,450.47		

No major changes on profit composition or profit resources occurred in reporting period

No future development or planning extended to reporting period that published in disclosure documents as prospectus, private placing memorandum and recapitalize statement.

2. Main Business Composition

Unit: RMB

	Operating Revenue	Operating Cost	Gross Profit Rate (%)	Change of Operating Revenue over the Same Period of Last Year (%)	Change of Operating Cost over the Same Period of Last Year (%)	Change of Gross Profit Rate over the Same Period of Last Year (%)
By Industries						
Warehouse and	272,125,816.56	101,419,318.86	62.73%	10.02%	6.83%	1.11%

Storage						
Loading and Unloading Services	15,980,239.56	17,277,315.12	-8.12%	-15.43%	9.21%	-24.40%
Harbor Management	6,713,077.34	2,844,590.28	57.63%	8.61%	-59.22%	70.48%
Office Leasing & other	36,174,864.71	21,728,278.37	39.94%	4.34%	-4.34%	5.45%
By Regions						
South China	105,948,471.71	61,648,343.20	41.81%	-3.49%	-14.16%	7.23%
East China	122,406,525.60	38,074,257.89	68.90%	3.30%	6.94%	-1.06%
North China	42,380,843.48	13,356,234.64	68.49%	2.44%	-4.88%	2.43%
Southwest China	44,997,418.34	22,970,443.81	48.95%	20.17%	21.01%	-0.35%
Central China	15,260,739.04	7,220,223.09	52.69%			-

3. Business Performance and Analysis of Main Subsidiaries and Associated Companies

3.1 Offshore Oil Logistics Business

In reporting period, international oil companies adjusted their exploration plan under the circumstance of the continued downturn of oil price, which caused demand shrink for offshore oil logistics business. Meanwhile, since CNOOC Huizhou Base put into operation, its subsidiaries moved from Chiwan Base to Huizhou Base, which formed serious challenges for the Company. In reporting period, offshore oil logistics business achieved operating revenue of RMB 68.84 million, decreasing by 12.89% and net profit of RMB 13.00 million, increasing by 17.38% compared with the same period over last year respectively.

3.2 Blogis Business

In reporting period, Blogis Holding achieved operating revenue of RMB 254.04 million, increased by 15.73% and net profit of RMB 48.11 million, increased by 10.67% compared with the same period over last year respectively.

Blogis companies have operated in good condition generally.

The storage price of operating Blogis companies has kept a slightly growth. To improve customers' stickiness and loyalty, Blogis has taken measures such as promoting establishment of standard operating system, strengthening core customers' management, optimizing the quality and efficiency of service, which would make fine preparation for expanding extended business.

With operation of Nanjing Baowan and Wuhan Baowan, those newly operated logistics parks made significant contribution to the Company in the first half year.

Blogis Development for the First Half of 2016

In reporting period, the Company has successfully signed transfer contracts of state owned lands for Jiaxing, Shaoxing, Xitong, etc, covering land area of 1,430 Mu. And Yuyao, Wuhan Qingshan and Chongqing Luohuang projects have signed investment agreements with local governments covering land area of 1,173 Mu.

3.3 Associated Companies

Shenzhen Chiwan Sembawang Engineering Co., Ltd (CSE): The Company holds 32% equity of CSE. CSE has contributed an investment income of RMB 10.93 million to the Company, decreased by 62% compared with the same period of last year.

Shenzhen Chiwan Offshore Petroleum Equipment Repair & Manufacture Co., Ltd. (CPEC): The Company holds 20% equity of CPEC. The investment income from CPEC has declined to RMB -1.17 million in reporting period.

China Development Finance Company Limited: The Company holds 20% equity. It contributed investment income of RMB4.00 million to the Company and an increase of 43% compared with same period of last year.

4. Project in Construction Progress

Tianjin Bingang Baowan: The project plans to construct two warehouses and is expected to be finished in the first half of 2017.

Wuxi Baowan: The construction of five warehouses and one multiple-used building has completed in March, 2016.

Zhenjiang Baowan: The construction of main body of nine warehouses and one multiple-used building has completed.

Jiaxing Baowan: The construction of two warehouses and one multiple-used building is expected to complete at the beginning of 2017.

Qingdao Jiaozhou Baowan: The construction of eight warehouses and one multiple-used building is expected to complete in the first half year of 2017.

Chengdu Oil and Gas Base: The construction of one workshop and storage yard is expected to complete at the end of 2016.

IV. Related Issues about Financial Report

1. Changes in Accounting Policy, Accounting Estimation and Way of Accounting in Comparison with the Latest Annual Report

Inapplicable

2. Retrospective Restatement Necessary for Correction of Significant Accounting Errors during the Reporting Period

Inapplicable

3. Changes in Range of the Consolidated Statements in Comparison with the Financial Report of the Previous Year

Newly-obtained Beijing Jinmu Caoye Co., Ltd. has been brought into the consolidated statements in reporting period.

4. Notes of the Board of Directions and Supervisory Committee on the Unqualified Auditor's Report Issued by the CPAs in Reporting Period

Inapplicable

Board of Directors
Shenzhen Chiwan Petroleum Supply Base Co., Ltd.
August 31, 2016