

SHENZHEN CHIWAN PETROLEUM SUPPLY BASE CO., LTD.

FULL TEXT OF THIRD QUARTERLY REPORT OF 2017

Part I Important Notice

The Board of Directors, the Board of Supervisors, 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.

Except the following directors, other directors have attended the Board Meeting.

Absent Director	Post of the Absent Director	Reason	Authorized Person
Chen Lei	Director	Business Arrangement	N/A

Mr. Tian Junyan, Chairman of the Board, Mdm. Yu Zhongxia, Deputy General Manager & Financial Controller & Board Secretary 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 Basic Information

I. Major Accounting Data

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

Yes No

	September 30, 2017	December 31, 2016		Change (%)
Total Assets(RMB)	8,357,303,819.35	7,549,041,526.12		10.71%
Owner's Equity Attributed to Shareholders of Listed Company(RMB)	1,746,322,785.91	1,756,836,179.91		-0.60%
	July to September, 2017	Change (%)	January to September, 2017	Change (%)
Operating Revenue(RMB)	191,916,977.16	13.19%	548,680,875.95	9.60%
Net Profit Attributed to Shareholders of Listed Company (RMB)	-22,237,089.01	-614.20%	-11,169,385.54	-145.72%
Net Profit after Deducting Non-recurring Gains& Losses(RMB)	-22,941,423.02	-674.48%	-13,356,024.80	-157.68%
Net Cash Flows from Operating Activities(RMB)	--	--	266,521,439.65	7.48%
Basic Earnings per Share (RMB/Share)	-0.10	-600.00%	-0.05	-145.45%
Diluted Earnings per Share (RMB/Share)	-0.10	-600.00%	-0.05	-145.45%
Weighted Average Return on Equity (%)	-1.27%	-1.51%	-0.64%	-2.02%

Items of Non-recurring Gains and Losses

Applicable Inapplicable

Unit: RMB

Item	January to September, 2017	Notes
Disposal of non-current assets, including the part offset with the provision for impairment of assets	143,087.08	
Government grants recognized in current year's profit or loss (except for the fixed or quantitative government grants closely related to the enterprise businesses according to the national unified standard)	1,354,762.78	
Other non-operating revenue and expenditure excluding the above-mentioned items	2,150,125.22	
Less: Influence on income tax	874,387.40	
Influence on minority interest (after tax)	586,948.42	
Total	2,186,639.26	--

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. Number of Shareholders and Shares Held by Top Ten Shareholders

1. Total Numbers of Common Shareholders and Preferred Shareholders with Resumed Voting Rights and Particulars about Top Ten Shareholders at Period-end

Total Common Shareholders at Period-end	5,967	Total Number of Preferred Shareholders with Resumed Voting Rights at Period-end (if any)	0			
Particulars about Top Ten Common Shareholders						
Name	Nature	Ratio (%)	Total shares held	Non-tradable shares held	Impawned or Frozen Shares	
					Status	Amount
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
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	Foreign Legal Person	1.62%	3,745,871	0	-	unknown
CHINA MECHANTS SECURITIES (HONGKONG) LTD	State-owned Legal Person	1.58%	3,650,362	0	-	unknown
Shenwan Hongyuan Securities (H.K.) Limited	Foreign Legal Person	1.18%	2,717,139	0	-	unknown
HUANG YINGBIN	Domestic Natural Person	1.02%	2,352,398	0	-	unknown
YU ZHIXIANG	Domestic Natural Person	0.62%	1,422,339	0	-	unknown
Haitong International Securities Company Limited-Account Client	Foreign Legal Person	0.54%	1,234,105	0	-	unknown
GREENWOODS CHINA ALPHA MASTER FUND	Foreign Legal Person	0.43%	984,693	0	-	unknown
LI WEI	Domestic Natural Person	0.28%	650,400	0	-	unknown
Top Ten Tradable Shareholders						
Name	Shares Held	Type				
		Type	Amount			
China Logistics Holding(12) PTE.LTD.	45,890,000	B	45,890,000			
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	3,745,871	B	3,745,871			
CHINA MECHANTS SECURITIES (HONGKONG) LTD	3,650,362	B	3,650,362			
Shenwan Hongyuan Securities (H.K.) Limited	2,717,139	B	2,717,139			
HUANG YINGBIN	2,352,398	B	2,352,398			
YU ZHIXIANG	1,422,339	B	1,422,339			
Haitong International Securities Company Limited-Account Client	1,234,105	B	1,234,105			
GREENWOODS CHINA ALPHA MASTER FUND	984,693	B	984,693			
LI WEI	650,400	B	650,400			
SHA SHULI	568,711	B	568,711			
Statement on Associated Relationship or Consistent Action among the Above 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					

Whether shareholders appointed repurchase transaction during reporting period

Yes No

2. Preferred Shares

Applicable Inapplicable

Part III Significant Events

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

Applicable Inapplicable

Unit: RMB

No.	Item	1 st -3 rd Quarter of 2017	1 st -3 rd Quarter of 2016	Change (%)	Note for Difference
		30-Sep-2017	31-Dec-2016		
1	Accounts receivable	58,011,983.79	43,862,804.61	32.26%	Mainly due to collection of accounts receivables happened in final quarter of year normally
2	Prepayments	2,184,158.72	748,064.45	191.97%	Mainly due to prepayment on annual premium in advance
3	Interest receivable	247,334.24	423,404.92	-41.58%	Mainly due to the amount of term deposit is less than that of the beginning of this year
4	Other current liabilities	40,095,303.18	14,424,379.64	177.97%	Mainly due to the amount of input tax payable accrued more than that of the last period.
5	Disposal of fixed assets	1,141,043,040.82	877,096,096.64	30.09%	Mainly due to construction under progress transferred into fixed assets
6	Development expenditure	3,369,110.55	1,330,674.42	153.19%	Mainly due to investment of SAP System R&D increasing continuously
7	Deferred income tax assets	35,919,192.48	24,317,786.92	47.71%	Mainly due to deferred income tax proposed for the increasing logistics parks under construction in process for current period
8	Short-term borrowings	1,264,000,000.00	850,000,000.00	48.71%	Mainly due to the increase of short-term bank borrowings as the need for business development
9	Notes payable	64,799,741.68	16,200,019.20	300.00%	Mainly due to the increase of payment for construction in progress in the form of commercial paper
10	Interest payable	35,819,292.47	23,856,299.00	50.15%	Mainly due to the increase in the balance of borrowings during the period, resulting in increased interest occurring
11	Other payable	626,099,418.62	437,522,424.61	43.10%	Mainly due to the increase of project progress payable as a result of the expansion of the logistics parks construction scale
12	Non-current liabilities due within one year	260,158,369.08	633,057,978.40	-58.90%	Mainly due to repayment for medium-term note at maturity
13	Other current liabilities	0	564,000,000.00	-100.00%	Mainly due to loan repayment for short-term borrowing from Nanshan Group
14	Other non-current liabilities	1,564,006,193.81	511,018,207.18	206.06%	Mainly due to increase of long-term borrowing from Nanshan Group
15	Business taxes and levies	46,478,086.89	26,916,452.48	72.68%	Mainly due to accounting adjustment according to the relevant regulation, No.22 of 2016, named "Provisions on the accounting treatment of VAT" issued by the Ministry of Finance from May in 2016
16	Selling expenses	493,807.64	933,957.61	-47.13%	Mainly due to decrease of agent fees
17	Impairment losses of assets	-6,767.89	43,576.49	-115.53%	Mainly due to write off provision for bad debts
18	Investment income	2,787,457.45	23,106,021.85	-87.94%	Mainly due to decrease of business profit of associated CSE

19	Non-business expenditure	419,948.22	2,200,471.00	-80.92%	Mainly due to elevators for the office building scraped prior period
20	Income tax expenses	26,945,711.72	16,600,279.63	62.32%	Mainly due to provision for deferred income tax in prior period incurred by parent company, and not happened in current period
21	Cash receipts from investment income	0	12,908,798.55	-100.00%	Mainly due to receipt of cash dividends from associated CSE in prior period
22	Net cash recovered from disposal of fixed assets, intangible assets and other long-term assets	126,535.00	84,062.00	50.53%	Mainly due to disposal on fixed assets in current period
23	Other cash receipts relating to investing activities	19,298,524.80	282,669,400.00	-93.17%	Mainly due to redemption of mature financial products in prior period
24	Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	589,230,197.34	1,378,769,375.08	-57.26%	Mainly due to decrease of construction and land payments in cash
25	Cash repayments of investing	2,000,000.00	0	0.00%	Mainly due to payment for registered capitals for Sichuan Wenxuan Baowan
26	Net cash paid for the acquisition of subsidiaries and other business units	0	254,466,925.21	-100.00%	Mainly due to acquisition of Beijing Konggang Baowan (Jinmu Company) in prior period
27	Other cash payments relating to investing activities	49,160.50	54,229,624.80	-99.91%	Mainly due to payment for financial products in prior period
28	Cash receipts from capital contributions	0	498,080,000.00	-100.00%	Mainly due to receipt of increased Blogis' registered capital by Nanshan Group in the same period of last year
29	Other cash receipts relating to financing activities	1,654,000,000.00	764,000,000.00	116.49%	Mainly due to increase of loans from Nanshan Group
30	Cash repayments of borrowings	1,015,355,000.00	209,110,000.00	385.56%	Mainly due to repayment for medium-term note at maturity and short term bank loans
31	Cash payments for distribution of dividends or profits or settlement of interest expenses	116,384,827.36	58,301,680.37	99.63%	Mainly due to increase of interests payment for increasing loans balance
32	Other cash payments relating to financing activities	1,192,751,550.71	737,921,183.14	61.64%	Mainly due to repayment loan for Nanshan Group

II. Significant Event and its Impact, and analysis and explanation of their solutions

√ Applicable □ Inapplicable

1. Significant Assets Reorganization

1st Session of 8th Board of Directors and 3rd Extraordinary Shareholders' General Meeting in 2016 have approved the proposal on Shenzhen New Nanshan Holdings (Group) issuing A share to absorb and merge Chiwan Base with raising funds. Legal person of Chiwan Base would be terminated and cancelled and meanwhile inherited and carried by New Nanshan Holding if such transaction successful approved. The above mentioned transaction has gained approved by Shenzhen Stock Exchange, State-owned Assets Supervision and Administration Commission and Commerce Ministry.

As the relevant policies involved in this transaction are not yet clear, Nanshan Holding and Chiwan Base need to implement the relevant matters. In view of the above situation, the Board has made prudent studies and has applied for the suspension of examining and verifying this administrative license project to CSRC, after the

implementation of relevant matters, the Board will apply for examining and verifying this administrative license project timely.

16th Telecommunication meeting of 8th of the Board and 2nd Extraordinary Shareholders' General Meeting in 2017 have approved to extend validity of resolution and its authorization for this transaction with the term of 12 month.

2. To Cooperate with Equity Investment Fund

Approved by 15th Telecommunication meeting of 8th of the Board and Annual Shareholders' General Meeting for 2016, the Company intends to cooperate with equity investment fund, and the fund of RMB 3.75 billion would be invested in the new Blogis Logiscics projects in 3-5 years according to the process of development.

3.To Increase Registered Capitals for 20 Subsidiaries

Approved by 15th Telecommunication meeting of 8th of the Board and Annual Shareholders' General Meeting for 2016, the Company intends to introduce strategic investors by means of increasing registered capitals for 20 subsidiaries both under construction and at preparatory period. The final cooperative investor would be determined through Property Rights Exchange Listing.

Introduction	Disclosure Date	Disclosure Index
Draft on Shenzhen New Nanshan Holdings (Group) issuing A share to absorb and merge Chiwan Base with raising funds	2016.07.02	www.cninfo.com.cn
Approval by State-owned assets supervision and administration commission on Shenzhen New Nanshan Holdings (Group) issuing A share to absorb and merge Chiwan Base with raising funds	2016.08.02	www.cninfo.com.cn Announcement No.2016-80
Resolution announcement for 3 rd Extraordinary Shareholders' General Meeting in 2016	2016.08.05	www.cninfo.com.cn Announcement No. 2016-84
Approval by the Ministry of Commerce for significant assets for reconstructing plan	2016.08.30	www.cninfo.com.cn Announcement No. 2016-101
Acceptance Notice issued by China Securities Regulatory Commission for significant assets reconstructing plan	2016.09.01	www.cninfo.com.cn Announcement No. 2016-111
Suspending approval of significant assets reconstructing plan	2016.10.10	www.cninfo.com.cn Announcement No. 2016-122
Receipt of administrative notice for suspending approval issued by CSRC	2016.10.18	www.cninfo.com.cn Announcement No. 2016-127
Extending validity of resolution and its authorization for this transaction with the term of 12 month.	2017.07.15	www.cninfo.com.cn Announcement No.2017-44
Resolution announcement for 2 nd Extraordinary Shareholders' General Meeting in 2017	2017.08.03	www.cninfo.com.cn Announcement No.2017-50
Announcement of cooperating with Equity Investment Fund	2017.06.03	www.cninfo.com.cn Announcement No.2017-32
Announcement on Increasing Registered Capitals for 20 Subsidiaries	2017.06.03	www.cninfo.com.cn Announcement No.2017-33
Resolution announcement for Annual Shareholders' General Meeting for 2016	2017.06.27	www.cninfo.com.cn Announcement No.2017-39

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

Applicable Inapplicable

IV. Prediction of Business Performance for Year 2017

Applicable Inapplicable

V. Security Investment

Applicable Inapplicable

VI. Derivatives Investment

Applicable Inapplicable

VII. Reception of Investors and Medias

According to relative regulations of standard operational guidelines for listed companies issued by Shenzhen Stock Exchange and working system in management of investor relationship of the Company, the Company carried out the principles of fairness, justice and publicity when receiving interview and investigation and developing activities, guaranteed all investors enjoying right to learn the truth, other lawful rights and interests, introduced practical situation of the Company and prevented the Company from leaking information and related insider dealing.

The Company has ensured the communication ways successfully for the investors and received many enquires by telephone and irm.cninfo.com.cn. But there are no investors asking for visiting on the spot or submitting written questionnaires.

VIII. Illegal Guarantee

Applicable Inapplicable

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

Applicable Inapplicable

X. Social Responsibility

Applicable Inapplicable

Part IV Financial Statements

I. Financial Statements

1. Balance Sheet Consolidated

Currency: RMB

Items	Ending Balance	Beginning Balance
Current Assets:		
Cash and bank balances	632,783,050.43	524,609,097.58
Notes receivable	1,960,000.00	-
Accounts receivable	58,011,983.79	43,862,804.61
Prepayments	2,184,158.72	748,064.45
Interest receivable	247,334.24	423,404.92
Dividends receivable		-
Other receivables	71,088,632.64	63,863,606.97
Inventories	1,198,200.80	961,855.72
Other current assets	40,095,303.18	14,424,379.64
Total Current Assets	807,568,663.80	648,893,213.89
Non-current Assets:		-
Long-term equity investments	606,982,370.08	602,194,915.06
Investment properties	1,748,576,421.22	1,606,049,338.07
Fixed assets	1,141,043,040.82	877,096,096.64
Construction in progress	651,401,229.73	601,906,964.62
Disposal of fixed assets	-10,785.93	-
Intangible assets	2,505,933,245.91	2,245,211,656.35
Development expenditure	3,369,110.55	1,330,674.42
Goodwill	11,133,118.55	11,133,118.55
Deferred income tax assets	35,919,192.48	24,317,786.92
Other non-current assets	845,388,212.14	930,907,761.60
Total Non-current Assets	7,549,735,155.55	6,900,148,312.23
TOTAL ASSETS	8,357,303,819.35	7,549,041,526.12
Current Liabilities:		-
Short-term borrowings	1,264,000,000.00	850,000,000.00
notes payable	64,799,741.68	16,200,019.20
Accounts payable	14,172,169.30	11,500,505.03
Receipts in advance	6,825,026.42	9,185,065.04
Employee benefits payable	19,077,422.25	21,162,917.90
Taxes payable		

	33,175,658.67	30,107,734.45
Interest payable	35,819,292.47	23,856,299.00
Other payables	626,099,418.62	437,522,424.61
Non-current liabilities due within one year	260,158,369.08	633,057,978.40
Other current liabilities		564,000,000.00
Total Current Liabilities	2,324,127,098.49	2,596,592,943.63
Non-current Liabilities:		-
Long-term borrowings	1,210,677,709.77	1,186,288,100.45
Bonds payable	569,753,000.00	568,641,500.00
Long-term payables		-
Special payable	1,309,524.80	-
Deferred income	48,360,025.63	49,599,079.39
Deferred tax liabilities	22,044,344.41	22,812,085.88
Other non-current liabilities	1,564,006,193.81	511,018,207.18
Total Non-current Liabilities	3,416,150,798.42	2,338,358,972.90
TOTAL LIABILITIES	5,740,277,896.91	4,934,951,916.53
SHAREHOLDERS' EQUITY:		-
Share capital	230,600,000.00	230,600,000.00
Capital reserve	234,141,186.09	234,141,186.09
Other comprehensive income	652,079.14	652,079.14
Special reserve	7,430,701.74	6,774,707.73
Surplus reserve	318,603,562.42	318,603,562.42
Unappropriated profits	954,895,256.52	966,064,644.53
Total shareholders' equity attributable to equity holders of the Company	1,746,322,785.91	1,756,836,179.91
Minority interests	870,703,136.53	857,253,429.68
TOTAL SHAREHOLDERS' EQUITY	2,617,025,922.44	2,614,089,609.59
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	8,357,303,819.35	7,549,041,526.12

Legal Representative: Tian Junyan

Chief Financial Officer: Yu Zhongxia

Financial Manager: Sun Yuhui

2. Balance Sheet

Parent company

Currency: RMB

Items	Ending Balance	Beginning Balance
Current Assets:		
Cash and bank balances	29,377,821.86	14,320,382.62
Accounts receivable	32,239,836.45	22,179,847.58
Prepayments	189,606.43	199,347.18
Interest receivable		-
Dividends receivable		-
Other receivables	181,260,292.85	458,310,323.30
Inventories	559,866.62	666,721.31
Other current assets		-
Total Current Assets	243,627,424.21	495,676,621.99
Non-current Assets:		
Long-term equity investments	3,269,848,308.52	3,235,207,239.36
Investment properties	111,356,373.03	115,535,029.89
Fixed assets	47,703,343.21	53,000,328.21
Construction in progress	1,973,004.61	2,626,533.00
Disposal of fixed assets	-12,305.08	-
Intangible assets	264,313,424.08	276,936,159.10
Deferred income tax assets		-
Other non-current assets	3,116,845.28	3,100,849.21
Total non-current assets	3,698,298,993.65	3,686,406,138.77
TOTAL ASSETS	3,941,926,417.86	4,182,082,760.76
Current Liabilities:		
Short-term borrowings	520,000,000.00	800,000,000.00
notes payable	3,553,780.83	-
Accounts payable	10,636,637.83	10,800,195.25
Employee benefits payable	7,748,021.78	8,499,705.90
Taxes payable	1,365,565.95	1,325,799.55
Interest payable	32,420,112.21	22,814,519.98
Other payables	80,653,877.65	85,907,775.53
Non-current liabilities due within one year	1,349,351.16	401,349,351.16
Other current liabilities		220,000,000.00
Total Current Liabilities		

	657,727,347.41	1,550,697,347.37
Non-current Liabilities:		-
Long-term borrowings	447,024,302.04	378,824,302.04
Bonds payable	569,753,000.00	568,641,500.00
Deferred tax liability		-
Other non-current liabilities	894,006,193.81	255,018,207.18
Total Non-current Liabilities	1,910,783,495.85	1,202,484,009.22
TOTAL LIABILITIES	2,568,510,843.26	2,753,181,356.59
SHAREHOLDERS' EQUITY:		-
Share capital	230,600,000.00	230,600,000.00
Capital reserve	204,534,849.49	204,534,849.49
Special reserve	6,986,490.52	6,468,869.88
Surplus reserve	318,603,562.42	318,603,562.42
Unappropriated profits	612,690,672.17	668,694,122.38
TOTAL SHAREHOLDERS' EQUITY	1,373,415,574.60	1,428,901,404.17
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	3,941,926,417.86	4,182,082,760.76

3.Income Statements QTD**Consolidated****Currency: RMB**

Items	Current Period	Same Period Last Year
I. Total operating income	191,916,977.16	169,557,114.04
Including: Operating income	191,916,977.16	169,557,114.04
II.Total operating costs	188,685,489.21	165,053,612.60
Including: Operating costs	84,447,873.78	75,166,272.44
Business taxes and levies	13,818,512.06	8,048,813.06
Selling expenses	241,630.76	16,934.98
General and administrative expenses	32,162,621.41	35,772,550.31
Financial expenses	58,014,899.20	46,023,380.18
Impairment losses of assets	-48.00	25,661.63
Add: Investment income	-14,240,387.94	8,143,627.57
Including: Income from investments in associates and joint ventures	-14,240,387.94	8,064,577.57
III. Operating profit	-11,008,899.99	12,647,129.01
Add: Non-operating income	1,298,288.82	2,188,851.93
Including: Gains from disposal of non-current assets	69,508.30	33,495.15
Less: Non-operating expenses	80,652.78	1,348,778.98
Including: Losses from disposal of non-current assets	4,271.97	1,298,498.40
IV. Gross profit	-9,791,263.95	13,487,201.96
Less: Income tax expenses	8,428,017.39	4,514,963.64
V. Net profit	-18,219,281.34	8,972,238.32
Net profit attributable to owners of the Company	-22,237,089.01	4,324,601.47
Profit or loss attributable to minority shareholders	4,017,807.67	4,647,636.85
VI. Post-tax net value of other comprehensive income		0.00
Post-tax net value of other comprehensive income attributable to owners of the Company		0.00
Including: Translation differences arising on translation of financial statements denominated in foreign currencies		0.00
Post-tax net value of other comprehensive income attributable to minority shareholders		0.00
VII. Total comprehensive income:	-18,219,281.34	8,972,238.32
Total comprehensive income attributable to owners of the Company	-22,237,089.01	4,324,601.47
Total comprehensive income attributable to minority shareholders	4,017,807.67	4,647,636.85
VIII. Earnings per share:		
(I) Basic earnings per share	-0.10	0.02
(II) Diluted earnings per share	Not applicable	Not applicable

Legal Representative: Tian Junyan

Chief Financial Officer: Yu Zhongxia

Financial Manager: Sun Yuhui

4. Income Statements QTD

Parent company

Currency: RMB

Items	Current Period	Same Period Last Year
I. Operating income	38,449,545.21	38,058,162.38
Less: Operating costs	21,304,321.46	23,154,062.05
Business taxes and levies	682,976.52	-110,129.03
General and administrative expenses	7,399,796.70	10,414,424.12
Financial expenses	30,726,821.98	28,996,224.57
Impairment loss of assets	0.00	115,139.98
Add: Investment income	-13,806,276.23	8,143,627.57
Including: Income from investments in associates and joint ventures	-13,806,276.23	8,064,577.57
II. Operating profit	-35,470,647.68	-16,367,931.74
Add: Non-operating income	3,566.32	385,092.23
Including: Gains from disposal of non-current assets	0.00	33,495.15
Less: Non-operating expenses	11,333.32	1,298,674.73
Including: Losses from disposal of non-current assets	0.00	1,297,373.40
III. Gross profit	-35,478,414.68	-17,281,514.24
Less: Income tax expenses	0.00	-6,335,482.34
IV. Net profit	-35,478,414.68	-10,946,031.90
V. Other comprehensive income		
VI. Total comprehensive income	-35,478,414.68	-10,946,031.90
VII. Earnings per share:		
(I) Basic earnings per share	Not applicable	Not applicable
(II) Diluted earnings per share	Not applicable	Not applicable

5. Income Statements

Consolidated

Currency: RMB

Items	Current Period	Same Period Last Year
I. Total operating income	548,680,875.95	500,605,402.69
Including: Operating income	548,680,875.95	500,605,402.69
II. Total operating costs	525,930,210.53	469,833,519.93
Including: Operating costs	240,524,279.96	218,435,775.07
Business taxes and levies	46,478,086.89	26,916,452.48
Selling expenses	493,807.64	933,957.61
General and administrative expenses	90,193,867.84	91,117,899.48
Financial expenses	148,246,936.09	132,385,858.80
Impairment losses of assets	-6,767.89	43,576.49
Add: Investment income	2,787,457.45	23,106,021.85
Including: Income from investments in associates and joint ventures	2,787,457.45	21,822,744.32
III. Operating profit	25,538,122.87	53,877,904.61
Add: Non-operating income	4,067,923.30	4,891,700.81
Including: Gains from disposal of non-current assets	143,576.73	61,272.80
Less: Non-operating expenses	419,948.22	2,200,471.00

Including: Losses from disposal of non-current assets	8,357.97	1,335,476.83
IV. Gross profit	29,186,097.95	56,569,134.42
Less: Income tax expenses	26,945,711.72	16,600,279.63
V. Net profit	2,240,386.23	39,968,854.79
Net profit attributable to owners of the Company	-11,169,385.54	24,429,054.96
Profit or loss attributable to minority shareholders	13,409,771.77	15,539,799.83
VI. Post-tax net value of other comprehensive income		0.00
Post-tax net value of other comprehensive income attributable to owners of the Company		0.00
Including: Translation differences arising on translation of financial statements denominated in foreign currencies		0.00
Post-tax net value of other comprehensive income attributable to minority shareholders		0.00
VII. Total comprehensive income:	2,240,386.23	39,968,854.79
Total comprehensive income attributable to owners of the Company	-11,169,385.54	24,429,054.96
Total comprehensive income attributable to minority shareholders	13,409,771.77	15,539,799.83
VIII. Earnings per share:		
(I) Basic earnings per share	-0.05	0.11
(II) Diluted earnings per share	Not applicable	Not applicable

6. Income Statements

Parent company

Currency: RMB

Items	Current Period	Same Period Last Year
I. Operating income	109,329,125.54	106,902,523.44
Less: Operating costs	63,250,314.41	68,683,282.45
Business taxes and levies	2,037,114.18	1,556,544.84
General and administrative expenses	22,561,017.66	28,405,086.38
Financial expenses	80,880,630.10	73,951,437.00
Impairment loss of assets		80,014.45
Add: Investment income	3,221,569.16	23,106,021.85
Including: Income from investments in associates and joint ventures	3,221,569.16	21,822,744.32
II. Operating profit	-56,178,381.65	-42,667,819.83
Add: Non-operating income	191,010.34	411,217.25
Including: Gains from disposal of non-current assets	66,896.90	33,495.15
Less: Non-operating expenses	16,078.90	1,416,462.29
Including: Losses from disposal of non-current assets	1,843.85	1,298,373.40
III. Gross profit	-56,003,450.21	-43,673,064.87
Less: Income tax expenses		-16,204,444.94
IV. Net profit	-56,003,450.21	-27,468,619.93
V. Other comprehensive income		
VI. Total comprehensive income	-56,003,450.21	-27,468,619.93
VII. Earnings per share:		
(I) Basic earnings per share	Not applicable	Not applicable
(II) Diluted earnings per share	Not applicable	Not applicable

7.Cash Flow Statements		
Consolidated		Currency: RMB
Items	Current Period	Same Period Last Year
I. Cash Flows from Operating Activities:		
Cash receipts from sales of goods and rendering of services	565,489,984.82	524,956,851.97
Refund of tax and levies	52,705.99	989,803.75
Other cash receipts relating to operating activities	31,026,778.59	25,350,394.30
Sub-total of cash inflows from operating activities	596,569,469.40	551,297,050.02
Cash payments for goods purchased and services received	101,987,778.36	103,347,618.78
Cash payments to and on behalf of employees	78,644,345.77	72,868,326.06
Payments of various taxes	110,404,200.48	93,904,500.08
Other cash payments relating to operating activities	39,011,705.14	33,213,230.32
Sub-total of cash outflows from operating activities	330,048,029.75	303,333,675.24
Net Cash Flows from Operating Activities	266,521,439.65	247,963,374.78
II. Cash Flows from Investing Activities:	-	-
Cash receipts from investment income		12,908,798.55
Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets	126,535.00	84,062.00
Other cash receipts relating to investing activities	19,298,524.80	282,669,400.00
Sub-total of cash inflows from investing activities	19,425,059.80	295,662,260.55
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	589,230,197.34	1,378,769,375.08
Cash payments to acquire investments	2,000,000.00	
Net cash outflows of procurement of subsidiaries and other business units		254,466,925.21
Other cash payments relating to investing activities	49,160.50	54,229,624.80
Sub-total of cash outflows from investing activities	591,279,357.84	1,687,465,925.09
Net Cash Flows from Investing Activities	-571,854,298.04	-1,391,803,664.54
III. Cash Flows from Financing Activities:	-	-
Cash receipts from capital contributions		498,080,000.00
Cash receipts from borrowings	1,084,000,000.00	1,014,570,000.00
Other cash receipts relating to financing activities	1,654,000,000.00	764,000,000.00
Sub-total of cash inflows from financing activities	2,738,000,000.00	2,276,650,000.00
Cash repayments of borrowings	1,015,355,000.00	209,110,000.00
Cash payments for distribution of dividends or profits or settlement of interest expenses	116,384,827.36	58,301,680.37
Other cash payments relating to financing activities	1,192,751,550.71	737,921,183.14

Sub-total of cash outflows from financing activities	2,324,491,378.07	1,005,332,863.51
Net Cash Flows from Financing Activities	413,508,621.93	1,271,317,136.49
IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents	-1,810.69	-9,392.50
V. Net Increase(Decrease)in Cash and Cash Equivalents	108,173,952.85	127,467,454.23
Add: Opening balance of Cash and Cash Equivalents	524,609,097.58	321,121,926.73
VI. Closing Balance of Cash and Cash Equivalents	632,783,050.43	448,589,380.96

8.Cash Flow Statements

Parent company

Currency: RMB

Items	Current Period	Same Period Last Year
I. Cash Flows from Operating Activities:		
Cash receipts from sales of goods and rendering of services	104,645,872.99	104,018,577.54
Refund of tax and levies		985,094.24
Other cash receipts relating to operating activities	6,807,789.81	6,001,790.86
Sub-total of cash inflows from operating activities	111,453,662.80	111,005,462.64
Cash payments for goods purchased and services received	29,558,163.34	38,773,666.50
Cash payments to and on behalf of employees	29,509,063.58	38,624,704.71
Payments of various taxes	6,748,529.33	8,207,001.92
Other cash payments relating to operating activities	5,789,305.11	15,006,793.86
Sub-total of cash outflows from operating activities	71,605,061.36	100,612,166.99
Net Cash Flows from Operating Activities	39,848,601.44	10,393,295.65
II. Cash Flows from Investing Activities:	-	-
Cash receipts from investment income		12,908,798.55
Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets	55,000.00	1,012.00
Other cash receipts relating to investing activities	285,900,087.45	484,414,620.00
Sub-total of cash inflows from investing activities	285,955,087.45	497,324,430.55
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	12,038,148.45	3,686,825.50
Cash paid to acquire investments	31,419,500.00	307,676,564.58
Other cash payments relating to investing activities	919,832.93	139,040,903.63
Sub-total of cash outflows from investing activities	44,377,481.38	450,404,293.71
Net Cash Flows from Investing Activities	241,577,606.07	46,920,136.84
III. Cash Flows from Financing Activities:	-	-
Cash receipts from borrowings	340,000,000.00	650,000,000.00
Other cash receipts relating to financing activities	1,127,816,999.97	428,216,926.37

Sub-total of cash inflows from financing activities	1,467,816,999.97	1,078,216,926.37
Cash repayments of borrowings	951,800,000.00	201,200,000.00
Cash payments for distribution of dividends or profits or settlement of interest expenses	66,332,597.85	42,465,652.80
Other cash payments relating to financing activities	716,053,170.39	894,082,165.32
Sub-total of cash outflows from financing activities	1,734,185,768.24	1,137,747,818.12
Net Cash Flows from Financing Activities	-266,368,768.27	-59,530,891.75
IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents		-9,392.50
V. Net Increase(Decrease) in Cash and Cash Equivalents	15,057,439.24	-2,226,851.76
Add: Opening balance of Cash and Cash Equivalents	14,320,382.62	28,808,779.96
VI. Closing Balance of Cash and Cash Equivalents	29,377,821.86	26,581,928.20

II. Audit Report

Audit Opinion

The third quarterly report is unaudited.

Board of Directors
Shenzhen Chiwan Petroleum Supply Base Co., Ltd.
October 31, 2017