

**SHENZHEN CHIWAN PETROLEUM SUPPLY BASE CO., LTD.**  
**FULL TEXT OF FIRST QUARTERLY REPORT OF 2018**

**Part I Important Notice**

The Board of Directors, the Board of Supervisor, 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.

All directors attended the board meeting.

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 Situation

### 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

	January to March, 2018	January to March, 2017	Change (%)
Operating Revenue (RMB)	209,859,185.78	170,278,946.93	23.24%
Net Profit Attributed to Shareholders of Listed Company (RMB)	-12,526,015.66	82,409.67	-
Net Profit after Deducting Non-recurring Gains& Losses (RMB)	-14,651,391.89	-639,791.07	-2190.03%
Net Cash Flows from Operating Activities(RMB)	105,187,635.78	62,129,217.52	69.30%
Basic Earnings per Share (RMB/Share)	-0.05	0.0004	-
Diluted Earnings per Share (RMB/Share)	-	-	-
Weighted Average Return on Equity (%)	-0.74%	0.00%	-0.74%
	March 31, 2018	December 31, 2017	Change (%)
Total Assets (RMB)	9,393,624,895.94	9,329,053,815.28	0.69%
Owner's Equity Attributed to Shareholders of Listed Company (RMB)	1,689,361,585.89	1,701,648,761.35	-0.72%

Items of Non-recurring Gains and Losses

Applicable  Inapplicable

Unit: RMB

Item	January to March, 2018	Note
Disposal of non-current assets, including the part offset with the provision for impairment of assets	226,665.17	
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)	2,994,861.10	
Other non-operating revenue and expenditure excluding the above-mentioned items	-130,069.93	
Less: Influence on income tax	772,864.09	
Influence on minority interest (after tax)	193,216.02	
Total	2,125,376.23	--

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 shareholders in reporting period	5,114	Total Number of Preference Shareholders with Resumed Voting Rights at Period-end (if any)	0			
Top Ten Common Shareholders						
Name	Nature	Ratio (%)	Total shares held	Non-tradable shares	Impaired 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		-	
CHINA MECHANTS SECURITIES (HONGKONG) LTD	State-owned Legal Person	1.55%	3,571,926		-	
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	Foreign Legal Person	1.37%	3,147,844		-	
Shenwan Hongyuan Securities (H.K.) Limited	Foreign Legal Person	1.17%	2,702,039		-	
HUANG YINGBIN	Domestic Natural Person	1.02%	2,352,398		-	
YU ZHIXIANG	Domestic Natural Person	0.73%	1,673,100		-	
GREENWOODS CHINA ALPHA MASTER FUND	Foreign Legal Person	0.43%	984,693		-	
YU LINGFENG	Foreign Natural Person	0.37%	862,740		-	
Haitong International Securities Company Limited-Account Client	Foreign Legal Person	0.33%	763,274		-	
Top Ten Tradable Shareholders						
Name	Tradable Shares Held	Type				
		Type	Shares			
China Logistics Holding(12) PTE.LTD.	45,890,000	B	45,890,000			
CHINA MECHANTS SECURITIES (HONGKONG) LTD	3,571,926	B	3,571,926			
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	3,147,844	B	3,147,844			
Shenwan Hongyuan Securities (H.K.) Limited	2,702,039	B	2,702,039			
HUANG YINGBIN	2,352,398	B	2,352,398			
YU ZHIXIANG	1,673,100	B	1,673,100			
GREENWOODS CHINA ALPHA MASTER FUND	984,693	B	984,693			
YU LINGFENG	862,740	B	862,740			
Haitong International Securities Company Limited-Account Client	763,274	B	763,274			
LI WEI	580,000	B	580,000			
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 Top Ten Shareholders Involved in Securities Margin Trading	N/A					

Whether top ten common 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	Items	1 <sup>st</sup> Quarter of 2018	1 <sup>st</sup> Quarter of 2017	Change (%)	Causes for Difference
		Mar 31, 2018	Dec 31, 2017		
1	Cash and bank balances	517,105,395.92	982,213,436.30	-47.35%	Mainly due to construction and land payment and repayment of bank borrowings
2	Notes receivable	360,000.00	220,000.00	63.64%	Mainly due to receipt of bank acceptance bill from customers
3	Prepayments	11,342,841.95	2,585,219.62	338.76%	Mainly due to government infrastructure payment for projects under preparatory period.
4	Other current liabilities	100,123,521.60	170,039,604.36	-41.12%	Mainly due to redeem financial products at maturity
5	Development expenditure		1,434,927.55	-100.00%	Mainly due to SAP transferred into to intangible assets with completing developing
6	Other non-current liabilities	852,321,104.57	444,732,284.74	91.65%	Mainly due to land prepayments
7	Notes payable	419,449,184.52	133,947,792.79	213.14%	Mainly due to increased projects payment by means of commercial notes
8	Accounts payable	25,417,220.13	18,165,535.10	39.92%	Mainly due to increasing costs and expenses as increasing numbers of newly put into operation parks
9	Receipts in advance	5,481,549.63	9,466,019.52	-42.09%	Mainly due to warehousing service charge received in advance last year recognized as income in current period
10	Employee benefits payable	22,622,401.19	33,058,138.19	-31.57%	Mainly due to payment for last year-end bonus
11	Interest payable	30,268,647.24	16,205,921.85	86.78%	Mainly due to increased balance of interest and liabilities compared with last period
12	Selling expenses	106,203.78	197,841.36	-46.32%	Mainly due to decrease of agent fees
13	General and administrative expenses	42,032,572.46	27,952,945.45	50.37%	Mainly due to increase of labor expenses and depreciation amortization
14	Impairment losses of assets	-1,160.56	-6,719.89	-82.73%	Mainly due to decrease of disposal of fixed assets
15	Investment income	-12,702,104.04	5,671,053.06	-323.98%	Mainly due to loss of associated company (CSE) resulted by its decreasing business
16	Non-operating income	2,976,667.00	1,163,700.46	155.79%	Mainly due to receipt of interest subsidiary for key logistics companies
17	Non-operating expenditure	439,124.71	23,960.21	1732.72%	Mainly due to cargo damage indemnity happened in current period
18	Income tax expenses	12,184,703.91	9,122,393.45	33.57%	Mainly due to increasing total profit of operating Blogis parks
19	Refund of tax and levies	292,619.36			Mainly due to receipt of refunding land use tax by government's preferential policy
20	Other cash receipts relating to operating activities	23,691,459.59	6,662,342.24	255.60%	Mainly due to receipt of bidding deposit in current period
21	Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets	26,000.00	55,560.00	-53.20%	Mainly due to decrease of disposal of fixed assets
22	Other cash receipts	136,744,864.22			Mainly due to recovering principal of financial

	relating to investment activities				products and tender deposits
23	Net cash outflows of procurement of subsidiaries and other business units	1,045,879.42			Mainly due to balance payment for acquiring Jinnan Haier's equity
24	Other cash payments relating to investing activities	2,230,592.96			Mainly due to refunding bid deposits
25	Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	565,352,948.90	239,838,140.88	135.72%	Mainly due to increase of construction and land payments
26	Cash receipts from capital contributions	7,725,990.00			Mainly due to receipt of registered capital from minority shareholders of Guiyang Shuanglong project
27	Other cash receipts relating to financing activities	864,000,000.00	494,000,000.00	74.90%	Mainly due to increased loans from Nanshan Group
28	Cash repayments of borrowings	968,290,289.58	505,191,170.64	91.67%	Mainly due to increased repayment of bank borrowings
29	Cash payments for distribution of dividends or profits or settlement of interest expenses	30,360,812.23	48,477,329.55	-37.37%	Mainly due to decreased repayment of bank borrowings' interests
30	Other cash payments relating to financing activities	1,025,512,007.29	720,272,007.42	42.38%	Mainly due to increased repayment of loan and interests from Nanshan Group

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

Applicable  Inapplicable

The application on Shenzhen New Nanshan Holdings (Group) issuing shares to absorb and merge Chiwan Base has been approved by CSRC on February 12, 2018.

According to the above mentioned plan, Company's B stock would be terminated listing and delisted from Shenzhen Stock Exchange within 12 months on CSRC's approval, which would be carried out under the approval of SSE.

Introduction	Disclosure Date	Disclosure Index
Approval on Shenzhen New Nanshan Holdings (Group) issuing A share to absorb and merge Chiwan Base Issued by CSRC	2018.02.23	www.cninfo.com.cn Announcement No.2018-09

## III. Extended Unfulfilled Commitment by Actual Controller, Shareholders with More than 5% Shares, Relative party, Acquirer and Company

Applicable  Inapplicable

## IV. Prediction of Business Performance for the First Half Year of 2018

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](http://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

## Part IV Financial Statements

### 1. Balance Sheet

Consolidated

Currency: RMB

Items	Ending Balance	Beginning Balance
Current Assets:		
Cash and bank balances	517,105,395.92	982,213,436.30
Notes receivable	360,000.00	220,000.00
Accounts receivable	78,560,662.74	76,635,777.82
Prepayments	11,342,841.95	2,585,219.62
Interest receivable	611,647.92	617,115.57
Dividends receivable		
Other receivables	59,137,426.46	55,613,772.12
Inventories	1,758,102.40	1,988,174.38
Other current assets	100,123,521.60	170,039,604.36
<b>Total Current Assets</b>	<b>768,999,598.99</b>	<b>1,289,913,100.17</b>
Non-current Assets:		
Long-term equity investments	618,374,245.80	631,199,021.03
Investment properties	1,979,738,530.61	1,991,324,983.23
Fixed assets	1,110,510,187.09	1,128,643,886.35
Construction in progress	1,106,893,991.89	871,554,005.86
Disposal of fixed assets	6,845.40	
Intangible assets	2,897,573,584.48	2,915,073,038.50
Development expenditure		1,434,927.55
Goodwill	11,133,118.55	11,133,118.55
Deferred tax assets	48,073,688.56	44,045,449.30
Other non-current assets	852,321,104.57	444,732,284.74
<b>Total Non-current Assets</b>	<b>8,624,625,296.95</b>	<b>8,039,140,715.11</b>
<b>TOTAL ASSETS</b>	<b>9,393,624,895.94</b>	<b>9,329,053,815.28</b>
Current Liabilities:		
Short-term borrowings	1,314,000,000.00	1,264,000,000.00
notes payable	419,449,184.52	133,947,792.79
Accounts payable	25,417,220.13	18,165,535.10
Receipts in advance	5,481,549.63	9,466,019.52
Employee benefits payable	22,622,401.19	33,058,138.19
Taxes payable	41,937,355.60	34,340,044.22
Interest payable	30,268,647.24	16,205,921.85
Dividends payable	20,376,000.00	20,376,000.00
Other payables	709,585,748.06	883,765,604.68
Non-current liabilities due within one year	70,353,369.08	73,508,369.08
Other current liabilities		
<b>Total Current Liabilities</b>	<b>2,659,491,475.45</b>	<b>2,486,833,425.43</b>

Non-current Liabilities:		
Long-term borrowings	1,170,477,709.67	1,170,477,709.67
Bonds payable	559,989,000.00	559,989,000.00
Long-term payables		
Special payable	13,657,593.00	
Deferred income	60,213,989.79	60,627,007.71
Deferred tax liabilities	21,532,516.75	21,788,430.59
Other non-current liabilities	1,331,082,907.12	1,453,668,856.02
Total Non-current Liabilities	3,156,953,716.33	3,266,551,003.99
TOTAL LIABILITIES	5,816,445,191.78	5,753,384,429.42
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	7,729,713.10	7,490,872.88
Surplus reserve	318,603,562.42	318,603,562.42
Unappropriated profits	897,635,045.14	910,161,060.82
Total shareholders' equity attributable to equity holders of the Company	1,689,361,585.89	1,701,648,761.35
Minority interests	1,887,818,118.27	1,874,020,624.51
TOTAL SHAREHOLDERS' EQUITY	3,577,179,704.16	3,575,669,385.86
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	9,393,624,895.94	9,329,053,815.28

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	49,284,249.22	24,298,495.61
Accounts receivable	30,107,250.23	28,470,872.86
Prepayments	1,163,211.04	214,753.89
Interest receivable		
Dividends receivable		24,624,000.00
Other receivables	193,062,728.89	179,297,697.89
Inventories	459,872.65	532,282.82
Other current assets		296,828.63
Total Current Assets	274,077,312.03	257,734,931.70
Non-current Assets:		
Long-term equity investments	3,242,966,553.86	3,255,617,742.38
Investment properties	108,983,964.43	110,263,602.94
Fixed assets	44,024,612.06	45,844,193.63
Construction in progress	5,516,969.69	6,375,362.66
Disposal of fixed assets	6,245.40	0
Intangible assets	256,120,052.47	260,372,705.11
Deferred tax assets		
Other non-current assets	3,146,633.47	2,769,591.20
Total non-current assets	3,660,765,031.38	3,681,243,197.92
TOTAL ASSETS	3,934,842,343.41	3,938,978,129.62
Current Liabilities:		
Short-term borrowings	470,000,000.00	470,000,000.00
notes payable	2,115,518.62	1,429,224.30
Accounts payable	22,478,854.50	16,356,995.95
Employee benefits payable	4,538,188.17	7,505,157.50
Taxes payable	1,726,567.70	1,070,275.12
Interest payable	27,836,001.86	13,519,751.08
Other payables	74,411,825.40	77,311,871.51
Non-current liabilities due within one year	6,149,351.16	6,149,351.16
Other current liabilities		
Total Current Liabilities	609,256,307.41	593,342,626.62
Non-current Liabilities:		
Long-term borrowings	440,424,302.04	440,424,302.04
Bonds payable	559,989,000.00	559,989,000.00
Special payable	13,657,593.00	
Deferred tax liability		
Other non-current liabilities	943,331,518.23	943,668,856.02
Total Non-current Liabilities	1,957,402,413.27	1,944,082,158.06
TOTAL LIABILITIES	2,566,658,720.68	2,537,424,784.68

SHAREHOLDERS' EQUITY:		
Share capital	230,600,000.00	230,600,000.00
Capital reserve	204,534,849.49	204,534,849.49
Special reserve	7,229,967.97	7,006,357.26
Surplus reserve	318,603,562.42	318,603,562.42
Unappropriated profits	607,215,242.85	640,808,575.77
TOTAL SHAREHOLDERS' EQUITY	1,368,183,622.73	1,401,553,344.94
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	3,934,842,343.41	3,938,978,129.62

### 3. Income Statements

Consolidated

Currency: RMB

Items	Current Period	Same Period Last Year
I. Total operating income	209,859,185.78	170,278,946.93
Including: Operating income	209,859,185.78	170,278,946.93
Less: Total operating costs	194,522,623.07	163,053,549.34
Including: Operating costs	87,744,469.21	77,699,657.83
Taxes and levies	16,122,274.08	15,728,536.44
Selling expenses	106,203.78	197,841.36
General and administrative expenses	42,032,572.46	27,952,945.45
Financial expenses	48,518,264.10	41,481,288.15
Impairment losses of assets	-1,160.56	-6,719.89
Add: Investment income	-12,702,104.04	5,671,053.06
Including: Income from investments in associates and joint ventures	-12,824,775.26	5,671,053.06
Gains (losses) from disposal of assets	109,646.13	
Other income	444,267.92	
II. Operating profit	3,188,372.72	12,896,450.65
Add: Non-operating income	2,976,667.00	1,163,700.46
Less: Non-operating expenses	439,124.71	23,960.21
III. Gross profit	5,725,915.01	14,036,190.90
Less: Income tax expenses	12,184,703.91	9,122,393.45
IV. Net profit	-6,458,788.90	4,913,797.45
1. Net profit (loss) from continuing operations	-6,458,788.90	4,913,797.45
2. Net profit (loss) from discontinued operations		
Net profit attributable to owners of the Company	-12,526,015.66	82,409.67
Profit or loss attributable to minority shareholders	6,067,226.76	4,831,387.78
V. Post-tax net value of other comprehensive income		
Post-tax net value of other comprehensive income attributable to owners of the Company		
Including: Translation differences arising on translation of financial statements denominated in foreign currencies		
Post-tax net value of other comprehensive income attributable to minority shareholders		
VI. Total comprehensive income:	-6,458,788.90	4,913,797.45
Total comprehensive income attributable to owners of the Company	-12,526,015.66	82,409.67
Total comprehensive income attributable to minority shareholders	6,067,226.76	4,831,387.78
VII. Earnings per share:		
(I) Basic earnings per share	-0.05	0.0004
(II) Diluted earnings per share	Not applicable	Not applicable

#### 4. Income Statements

Parent company

Currency: RMB

Items	Current Period	Same Period Last Year
I. Operating income	34,928,681.55	31,088,730.85
Less: Operating costs	20,653,955.95	21,175,688.80
Taxes and levies	816,215.62	621,961.26
General and administrative expenses	7,590,719.62	7,383,095.35
Financial expenses	28,919,368.00	23,771,450.33
Impairment loss of assets	12,601.43	
Add: Investment income	-12,651,188.52	5,671,053.06
Including: Income from investments in associates and joint ventures	-12,651,188.52	5,671,053.06
Gains (losses) from disposal of assets	109,646.13	
Other income		
II. Operating profit	-35,605,721.46	-16,192,411.83
Add: Non-operating income	2,013,588.54	150,445.57
Less: Non-operating expenses	1,200.00	2,429.23
III. Gross profit	-33,593,332.92	-16,044,395.49
Less: Income tax expenses		
IV. Net profit	-33,593,332.92	-16,044,395.49
1. Net profit (loss) from continuing operations	-33,593,332.92	-16,044,395.49
2. Net profit (loss) from discontinued operations		
V. Other comprehensive income		
VI. Total comprehensive income	-33,593,332.92	-16,044,395.49
VII. Earnings per share:		
(I) Basic earnings per share	Not applicable	Not applicable
(II) Diluted earnings per share	Not applicable	Not applicable

## 5. 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	215,536,056.29	172,187,577.34
Refund of tax and levies	292,619.36	
Other cash receipts relating to operating activities	23,691,459.59	6,662,342.24
Sub-total of cash inflows from operating activities	239,520,135.24	178,849,919.58
Cash payments for goods purchased and services received	36,591,170.18	31,169,452.88
Cash payments to and on behalf of employees	43,473,018.62	34,442,680.24
Payments of various taxes	38,117,586.46	37,349,576.78
Other cash payments relating to operating activities	16,150,724.20	13,758,992.16
Sub-total of cash outflows from operating activities	134,332,499.46	116,720,702.06
Net Cash Flows from Operating Activities	105,187,635.78	62,129,217.52
II. Cash Flows from Investing Activities:		
Cash receipts from investment income		
Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets	26,000.00	55,560.00
Other cash receipts relating to investing activities	136,744,864.22	
Sub-total of cash inflows from investing activities	136,770,864.22	55,560.00
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	565,352,948.90	239,838,140.88
Cash payments to acquire investments		
Net cash outflows of procurement of subsidiaries and other business units	1,045,879.42	
Other cash payments relating to investing activities	2,230,592.96	
Sub-total of cash outflows from investing activities	568,629,421.28	239,838,140.88
Net Cash Flows from Investing Activities	-431,858,557.06	-239,782,580.88
III. Cash Flows from Financing Activities:		
Cash receipts from capital contributions	7,725,990.00	
Including: cash from minority stockholders' investment in subsidiaries	7,725,990.00	
Cash receipts from borrowings	1,014,000,000.00	864,000,000.00
Other cash receipts relating to financing activities	864,000,000.00	494,000,000.00
Sub-total of cash inflows from financing activities	1,885,725,990.00	1,358,000,000.00
Cash repayments of borrowings	968,290,289.58	505,191,170.64
Cash payments for distribution of dividends or profits or settlement of interest expenses	30,360,812.23	48,477,329.55
Other cash payments relating to financing activities	1,025,512,007.29	720,272,007.42
Sub-total of cash outflows from financing activities	2,024,163,109.10	1,273,940,507.61
Net Cash Flows from Financing Activities	-138,437,119.10	84,059,492.39
IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents		-1,810.75
V. Net Increase(Decrease)in Cash and Cash Equivalents	-465,108,040.38	-93,595,681.72
Add: Opening balance of Cash and Cash Equivalents	982,213,436.30	524,609,097.58
VI. Closing Balance of Cash and Cash Equivalents	517,105,395.92	431,013,415.86

## 6. Cash Flow Statements

Parent company

Currency: RMB

Items	Current Period	Same Period Last Year
<b>I. Cash Flows from Operating Activities:</b>		
Cash receipts from sales of goods and rendering of services	35,093,998.60	32,713,735.71
Refund of tax and levies		
Other cash receipts relating to operating activities	6,843,169.85	471,856.43
Sub-total of cash inflows from operating activities	41,937,168.45	33,185,592.14
Cash payments for goods purchased and services received	4,145,241.53	7,550,636.22
Cash payments to and on behalf of employees	29,608,608.06	12,179,881.92
Payments of various taxes	1,507,689.30	2,505,956.82
Other cash payments relating to operating activities	6,906,084.83	2,847,223.33
Sub-total of cash outflows from operating activities	42,167,623.72	25,083,698.29
Net Cash Flows from Operating Activities	-230,455.27	8,101,893.85
<b>II. Cash Flows from Investing Activities:</b>		
Cash receipts from investment income	24,624,000.00	
Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets	26,000.00	55,000.00
Other cash receipts relating to investing activities	18,498,099.85	279,127,586.54
Sub-total of cash inflows from investing activities	43,148,099.85	279,182,586.54
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	164,884.44	2,573,192.74
Cash paid to acquire investments		3,500,000.00
Other cash payments relating to investing activities	1,000,000.00	253,127.22
Sub-total of cash outflows from investing activities	1,164,884.44	6,326,319.96
Net Cash Flows from Investing Activities	41,983,215.41	272,856,266.58
<b>III. Cash Flows from Financing Activities:</b>		
Cash receipts from borrowings	270,000,000.00	270,000,000.00
Other cash receipts relating to financing activities	272,069,028.80	233,086,919.11
Sub-total of cash inflows from financing activities	542,069,028.80	503,086,919.11
Cash repayments of borrowings	270,000,000.00	500,000,000.00
Cash payments for distribution of dividends or profits or settlement of interest expenses	10,340,855.36	38,734,071.32
Other cash payments relating to financing activities	278,495,179.97	236,874,778.35
Sub-total of cash outflows from financing activities	558,836,035.33	775,608,849.67
Net Cash Flows from Financing Activities	-16,767,006.53	-272,521,930.56
<b>IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents</b>		
<b>V. Net Increase(Decrease) in Cash and Cash Equivalents</b>	24,985,753.61	8,436,229.87
Add: Opening balance of Cash and Cash Equivalents	24,298,495.61	14,320,382.62
<b>VI. Closing Balance of Cash and Cash Equivalents</b>	49,284,249.22	22,756,612.49

## **II. Audit Report**

### Audit Opinion

The first quarterly report is unaudited.

Board of Directors  
Shenzhen Chiwan Petroleum Supply Base Co., Ltd.  
April 27, 2018