

Stock Code: 000505, 200505

Stock Abbr.: ZJKG, ZJB

Announcement No.:2014-061

HaiNan Pearl River Holdings Co., Ltd.

Abstract of the Report for the Third Quarter of 2014

Section I. Important Reminders

The Board of Directors, the Supervisory Committee, directors, supervisors and senior management staff of HaiNan Pearl River Holdings Co., Ltd. (hereinafter referred to as “the Company”) warrant that the information carried in this report is factual, accurate and complete, without any false record, misleading statement or material omission. And they shall be jointly and severally liable for that.

All directors have attended the board session for reviewing this report.

Zheng Qing, company principal, and Yang Daoliang, chief of the accounting work and chief of the accounting organ (chief of accounting), hereby confirm that the Financial Report enclosed in this report is factual, accurate and complete.

This report is prepared in both Chinese and English. Should there be any discrepancy between the two versions, the Chinese version shall prevail.

Section II. Financial Highlights & Change of Shareholders

I. Major accounting data and financial indexes

Does the Company adjust retrospectively or restate accounting data of previous years due to change of the accounting policy or correction of any accounting error?

Yes No

	30 Sept. 2014	31 Dec. 2013	Increase/decrease (%)	
Total assets (RMB Yuan)	1,451,587,923.06	1,237,713,804.04	17.28%	
Net assets attributable to shareholders of the Company (RMB Yuan)	454,106.65	116,714,215.59	-99.61%	
	Jul.-Sept. 2014	YoY increase/decrease (%)	Jan.-Sept. 2014	YoY increase/decrease (%)
Operating revenues (RMB Yuan)	46,972,357.01	-0.49%	171,656,857.80	11.16%
Net profit attributable to shareholders of the Company (RMB Yuan)	-41,996,808.97	-23.52%	-118,846,568.80	-20.71%
Net profit attributable to shareholders of the Company after extraordinary gains and losses (RMB Yuan)	-41,987,341.33	2.55%	-119,966,445.60	-3.45%
Net cash flows from operating activities (RMB Yuan)	--	--	-177,516,941.84	-173.99%
Basic EPS (RMB Yuan/share)	-0.10	-25.00%	-0.28	-21.74%
Diluted EPS (RMB Yuan/share)	-0.10	-25.00%	-0.28	-21.74%
Weighted average ROE (%)	-268.02%	-244.20%	-202.86%	-150.89%

Items and amounts of extraordinary gains and losses

Applicable Inapplicable

Unit: RMB Yuan

Item	Amount as of Jan.-Sept. 2014	Note
Gains/losses on the disposal of non-current assets (including the offset part of asset impairment provisions)	-311,850.01	
Capital occupation charges on non-financial enterprises that recorded into current gains and losses	951,854.08	
Gain/loss on debt restructuring	0.00	

Gains and losses on change in fair value from tradable financial assets and tradable financial liabilities, as well as investment income from disposal of tradable financial assets and tradable financial liabilities and financial assets available for sales, except for effective hedging related with normal businesses of the Company	0.00	
Non-operating incomes and expenses other than the above	-453,088.45	
Other gain/loss items that meet the definition of an extraordinary gain/loss	930,000.00	
Less: Income tax effects	-1,996.20	
Minority interests effects (after tax)	-964.98	
Total	1,119,876.80	--

Explain the reasons if the Company classifies an item as an extraordinary gain/loss according to the definition in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Extraordinary Gains and Losses, or classifies any extraordinary gain/loss item mentioned in the said explanatory announcement as a recurrent gain/loss item

Applicable Inapplicable

There was no such situation of the Company during the reporting period.

II. Total number of shareholders and shareholdings of the top ten shareholders at the period-end

1. Total number of common shareholders and shareholdings of the top ten common shareholders at the period-end

Unit: share

Total number of common shareholders at the period-end		36,249				
Shareholdings of the top ten common shareholders						
Name of shareholder	Nature of shareholder	Shareholding percentage (%)	Number of the shares held	Number of restricted shares held	Pledged or frozen shares	
					Status of shares	Number of shares
Beijing Wanfa	State-owned	26.36%	112,479,478			
LI LEON	Foreign	1.01%	4,323,806			
Xu Zhen	Domestic	0.53%	2,250,000			
Zhang Xiaoxia	Domestic	0.46%	1,949,250			
Hu Zhengxiu	Domestic	0.43%	1,845,400			
Chen Mingwei	Domestic	0.43%	1,827,900			
Liu Min	Domestic	0.36%	1,551,300			
Luo Xiaoming	Foreign	0.35%	1,502,890			
Guangzhou An	Domestic	0.35%	1,488,300			
Yang Hong	Domestic	0.33%	1,400,500			

Shareholdings of the top ten non-restricted common shareholders			
Name of shareholder	Number of non-restricted common shares held at the period-end	Type of shares	
		Type	Number
Beijing Wanfa Real Estate Development Co., Ltd.	112,479,478	RMB ordinary share	112,479,478
LI LEON ZHAN WEI	4,323,806	Domestically listed foreign share	4,323,806
Xu Zhen	2,250,000	RMB ordinary share	2,250,000
Zhang Xiaoxia	1,949,250	Domestically listed foreign share	1,949,250
Hu Zhengxiu	1,845,400	RMB ordinary share	1,845,400
Chen Mingwei	1,827,900	Domestically listed foreign share	1,827,900
Liu Min	1,551,300	RMB ordinary share	1,551,300
Luo Xiaoming	1,502,890	RMB ordinary share	1,502,890
Guangzhou Anyang Computing Network Technology Co., L	1,488,300	RMB ordinary share	1,488,300
Li Hong	1,400,500	RMB ordinary share	1,400,500
Explanation on associated relationship or persons acting in concert among the above-mentioned shareholders	Among shareholders above, there exists no related-party relationship between the principal shareholder and other shareholders of the Company. Nor they are parties with concerted action as prescribed in the Information Disclosure Administrative Methods for Changes in Shareholding of Shareholders of Listed Companies. And it is unknown whether there is related-party relationship among other shareholders and whether they are prescribed parties with concerted action.		

Did any of the top 10 common shareholders or the top 10 non-restricted common shareholders of the Company carry out any agreed buy-back in the reporting period?

Yes No

No shareholder of the Company carried out any agreed buy-back in the reporting period.

2. Total number of preferred share holders and shareholdings of the top ten preferred share holders at the period-end

Applicable Inapplicable

Section III. Significant Events

I. Major changes of main accounting statement items and financial indicators in the reporting period, as well as reasons for the changes

√ Applicable □ Inapplicable

I. Items in the balance sheet

Item	30 Sept. 2014	31 Dec. 2013	Increase/decrease (%)	Main reason for the change
Prepayments	167,600,945.34	91,018,812.99	84.14%	The prepayment by subsidiary Mudanjiang Pearl River Wanjia Travel Investment and Development Group Co., Ltd. for construction of the Snow Village and the prepayment by subsidiary Hubei Pearl River Real Estate Development Co., Ltd. for the Meilin Phase III construction increased.
Dividends receivable	1,190,015.00	260,015.00	357.67%	The bonuses from Southwest Securities
Inventories	292,718,620.97	118,546,684.93	146.92%	The development costs of the Meilin Phase III Project of subsidiary Hubei Pearl River Real Estate Development Co., Ltd. increased.
Interest payable	133,009,632.50	101,140,724.11	31.51%	The interest on the borrowings of the Company and a sub-subsidiary—a Shanghai-based real estate company under Hai Nan Pearl River Enterprises Holdings

				Co., Ltd.—increased.
Other payables	736,997,412.76	555,911,820.21	32.57%	Borrowings from other enterprises increased.
Long-term borrowings	224,418,277.69	129,000,000.00	73.97%	Subsidiary Mudanjiang Pearl River Wanjia Travel Investment and Development Group Co., Ltd. borrowed from the Mudanjiang Taiping Road sub-branch of the Industrial and Commercial Bank of China, and the Company secured an entrustment loan from Guotai Yuanxin AMC via the Wuhan Huaqiao sub-branch of China Merchants Bank.
Minority interests	17,770,252.87	11,253,753.74	57.91%	The minority shareholders and the registered capital of subsidiary Hubei Pearl River Real Estate Development Co., Ltd. increased.

II. Items in the income statement and the cash flow statement

Item	Jan.-Sept. 2014	Jan.-Sept. 2013	Increase/decrease (%)	Main reason for the change
Selling expenses	3,275,897.05	6,219,275.46	-47.33%	The sales personnel of subsidiary Mudanjiang Pearl River Wanjia Travel Investment and Development Group Co., Ltd.

				decreased. So did the total salaries.
Asset impairment loss	-4,520,566.97	-1,475,764.86	-206.32%	Some current accounts were received.
Investment gains	494,853.77	2,355,087.76	-78.99%	The bonuses from Southwest Securities decreased.
Non-business incomes	67,584.70	8,892,795.37	-99.24%	The same period of last year saw gains on debt restructuring with the Bank of Communications while the current period saw no such gains.
Minority shareholders' income	-4,442,699.05	-2,808,509.35	-58.19%	The minority interests of subsidiary Hubei Pearl River Real Estate Development Co., Ltd. increased and it suffered a loss in the current period.
Net cash flows from operating activities	-177,516,941.84	-64,788,775.13	-173.99%	Development investment increased for the "Meilin Qingcheng Phase III Project" of subsidiary Hubei Pearl River Real Estate Development Co., Ltd.
Net cash flows from investing activities	-56,400,900.79	-5,094,222.55	-1007.15%	The construction input to the Snow Village of

				subsidiary Mudanjiang Pearl River Wanjia Travel Investment and Development Group Co., Ltd. increased.
Net cash flows from financing activities	235,003,642.10	62,907,979.91	273.57%	Repaid borrowings decreased in the current period.

II. Progress and influence of significant events, as well as the analysis and explanation on solutions

Applicable Inapplicable

For details, please refer to related announcements.

Overview of the significant event	Date of disclosure	Index to the relevant announcement disclosed on the website
The Company borrowed RMB 250 million from Chongqing International Trust Co.,Ltd. ("Chongqing Trust" for short), which expired on 28 Sep. 2014; the Company shall return RMB 196,805,306.92 to Chongqing Trust., after negotiation, Chongqing Trust agreed with the Company rolling over the above loan for 1 year.	10 Oct. 2014	China Securities Journal, Ta Kung Pao, www.cninfo.com.cn ,

III. Commitments made by the Company or shareholders holding over 5% of the Company's shares in the reporting period or such commitments carried down into the reporting period

Applicable Inapplicable

IV. Predict the 2014 annual operating results

Warnings of possible loss or large-margin change of the accumulated net profit made during the period from the beginning of the year to the end of the next reporting period compared with the same period of the last year according to prediction, as well as explanations on the reasons

Applicable Inapplicable

V. Securities investment

Applicable Inapplicable

The Company did not invest in any securities in the reporting period.

Shareholdings in other listed companies

Applicable Inapplicable

Unit:(RMB Yuan)

Stock code	Stock abbr.	Initial investment	Number of shares held	Stake in the investee	Closing book value	Gain/loss in the reporting period	Changes in owners' equity in the reporting period
600369	XNZQ	RMB 150 million	7,750,000	0.27%	81,685,000.00		3,545,625.00
Total		RMB 150 million	7,750,000	0.27%	81,685,000.00		3,545,625.00

VI. Investments in derivatives

Applicable Inapplicable

The Company did not invest in any derivative in the reporting period.

VII. Researches, visits and interviews received in the reporting period

Applicable Inapplicable

Time	Place	Way of reception	Visitor type	Visitor	Main discussion and materials provided by the Company
22 Sep. 2014	Securities Department	By phone	Individual	Individual investor	Asked about the operation of all projects in the Company and replied to the contents of the Company's announcement
12 Sep. 2014	Securities Department	By phone	Individual	Individual investor	The Company's business performance
3 Sep. 2014	Securities Department	By phone	Individual	Individual investor	Asked about the number of the shareholder of the Company
4 Jul. 2014	Securities Department	By phone	Individual	Individual investor	Asked about the suspension of the

					Company's shares and replied to the contents of the Company's announcement
12 Sep. 2014	Securities Department	By phone	Individual	Individual investor	Asked about the progress of all projects in the Company and replied to the contents of the Company's announcement
28 Aug. 2014	Securities Department	By phone	Individual	Individual investor	The Company's business performance and replied to the contents of the Company's announcement

VIII. Influence of the newly published or revised accounting standards to the Company's consolidated financial statement.

Applicable Inapplicable

Hainan Pearl River Holding Company Limited
Consolidated Balance Sheet

30 Sep 2014

Expressed in Renminbi

Items	Notes	30-Sep-14	31-Dec-13
Current assets:			
Monetary funds	V.1	63,448,042.16	62,362,242.69
Financial assets held for trading			
Notes receivable			
Accounts receivable	V.2	12,191,496.14	13,143,175.36
Prepayments	V.3	167,600,945.34	91,018,812.99
Interest receivable			
Dividend receivable	V.4	1,190,015.00	260,015.00
Other receivables	V.5	271,204,575.93	287,625,206.34
Inventories	V.6	292,718,620.97	118,546,684.93
Non-current asset due within 1 year			
Other current assets		2,000,000.00	
Total current assets		810,353,695.54	572,956,137.31
Non-current assets:			
Available-for-sale financial assets	V.7	81,685,000.00	76,957,500.00
Held-to-maturity securities			
Long-term receivables			
Long-term equity investments	V.9	47,693,182.40	48,179,838.13
Investment real estates	V.10	22,888,338.86	23,984,418.97
Fixed assets	V.11	430,158,526.42	452,747,443.22
Construction in progress	V.12	10,244,104.09	10,188,964.09
Engineering material	V.13	606,206.60	606,206.60
Disposal of fixed assets			
Bearer biological assets			
Oil and gas assets			
Intangible assets	V.14	30,917,181.51	31,185,913.86
Expense on research and development			
Goodwill			
Long-term prepayments	V.15	17,041,687.64	20,907,381.86
Deferred income tax assets			
Other non-current asset			
Total non-current assets		641,234,227.52	664,757,666.73
Total assets		1,451,587,923.06	1,237,713,804.04

Corporate representative: Zheng Qing

Chief Accountant: Yang Daoliang

Accounting Supervisor: Yang Daoliang

Hainan Pearl River Holding Company Limited
Consolidated Balance Sheet

30 Sep 2014

Expressed in Renminbi

Items	Notes	30-Sep-14	31-Dec-13
Current liabilities:			
Short-term loans			
Financial liabilities held for trading			
Notes payable			
Accounts payable	V.19	35,493,645.57	34,758,922.28
Accounts received in advance	V.20	24,833,562.73	23,843,858.07
Accrued payroll	V.21	9,774,172.82	10,764,089.33
Taxes payable	V.22	7,457,467.27	8,600,877.07
Interest payable	V.23	133,009,632.50	101,140,724.11
Dividend payable	V.24	3,213,302.88	3,213,302.88
Other payables	V.25	736,997,412.76	555,911,820.21
Non-current liabilities due within 1 year	V.26	242,471,973.56	228,000,000.00
Other current liabilities			
Total current liabilities		1,193,251,170.09	966,233,593.95
Non-current liabilities:			
Long-term borrowings	V.27	224,418,277.69	129,000,000.00
Bonds payable			
Long-term payables			
Special payables			
Accrued liabilities			
Deferred income tax liabilities	V.16	15,694,115.76	14,512,240.76
Other non-current liabilities			
Total non-current liabilities		240,112,393.45	143,512,240.76
Total liabilities		1,433,363,563.54	1,109,745,834.71
Owner's equity:			
Share capital	V.28	426,745,404.00	426,745,404.00
Capital surplus	V.29	334,260,190.02	334,260,156.98
Less: treasury stock			
Surplus reserves	V.30	109,487,064.39	109,487,064.39
Other comprehensive income		56,830,720.63	53,285,095.63
Undistributed profits	V.31	-926,869,272.39	-807,063,505.41
Total owner's equity attributable to parent company		454,106.65	116,714,215.59
Minority interests		17,770,252.87	11,253,753.74
Total owner's equity		18,224,359.52	127,967,969.33
Total liabilities and owner's equity		1,451,587,923.06	1,237,713,804.04

Corporate representative: Zheng Qing

Chief Accountant: Yang Daoliang

Accounting Supervisor: Yang Daoliang

Hainan Pearl River Holding Company Limited
Balance Sheet

30 Sep 2014

Expressed in Renminbi

Items	Notes	30-Sep-14	31-Dec-13
Current assets:			
Monetary funds		78,248.83	1,650,620.37
Financial assets held for trading			
Notes receivable			
Accounts receivable	XI.1	3,177,070.48	2,437,957.05
Prepayments		50,240,000.00	50,000,000.00
Interest receivable			
Dividend receivable		1,190,015.00	260,015.00
Other receivables	XI.2	601,116,693.62	599,990,581.53
Inventories		4,824,035.45	4,824,035.45
Non-current asset due within 1 year			
Other current assets			
Total current assets		660,626,063.38	659,163,209.40
Non-current assets:			
Available-for-sale financial assets		81,685,000.00	76,957,500.00
Held-to-maturity securities			
Long-term receivables			
Long-term equity investments	XI.3	298,475,626.76	298,915,199.18
Investment real estates		7,064,149.88	7,290,977.33
Fixed assets		14,984,140.18	16,056,715.04
Construction in progress			
Engineering material			
Disposal of fixed assets			
Bearer biological assets			
Oil and gas assets			
Intangible assets		1,469,629.23	1,505,376.96
Expense on research and development			
Goodwill			
Long-term prepayments		923,562.08	9,127,521.96
Deferred income tax assets			
Other non-current asset			
Total non-current assets		404,602,108.13	409,853,290.47
Total assets		1,065,228,171.51	1,069,016,499.87

Corporate representative: Zheng Qing

Chief Accountant: Yang Daoliang

Accounting Supervisor: Yang Daoliang

Hainan Pearl River Holding Company Limited
Balance Sheet

30 Sep 2014

Expressed in Renminbi

Items	Notes	30-Sep-14	31-Dec-13
Current liabilities:			
Short-term loans			
Financial liabilities held for trading			
Notes payable			
Accounts payable		2,482,949.70	2,482,949.70
Accounts received in advance		165,770.30	61,875.00
Accrued payroll		833,488.96	781,412.78
Taxes payable		7,119,233.38	6,966,593.30
Interest payable		83,780,236.64	61,988,940.20
Dividend payable		3,213,302.88	3,213,302.88
Other payables		395,024,797.15	403,455,124.29
Non-current liabilities due within 1 year		196,805,306.92	197,000,000.00
Other current liabilities			
Total current liabilities		689,425,085.93	675,950,198.15
Non-current liabilities:			
Long-term borrowings		30,001,611.00	
Bonds payable			
Long-term payables			
Special payables			
Accrued liabilities			
Deferred income tax liabilities		14,957,500.00	13,775,625.00
Other non-current liabilities			
Total non-current liabilities		44,959,111.00	13,775,625.00
Total liabilities		734,384,196.93	689,725,823.15
Owner's equity:			
Share capital		426,745,404.00	426,745,404.00
Capital surplus		337,276,529.56	337,276,496.52
Other comprehensive income		56,830,720.63	53,285,095.63
Surplus reserves		109,487,064.39	109,487,064.39
Undistributed profits		-599,495,744.00	-547,503,383.82
Total owner's equity		330,843,974.58	379,290,676.72
Total liabilities and owner's equity		1,065,228,171.51	1,069,016,499.87

Corporate representative:Zheng Qing

Chief Accountant:Yang Daoliang

Accounting Supervisor: Yang Daoliang

Hainan Pearl River Holding Company Limited
Consolidated Income Statement

Year ended 30 September 2014

Expressed in Renminbi

Items	Notes	Jul.-Sep. 2014	Jul.-Sep. 2013
I.Total operating income		46,972,357.01	47,202,742.92
Including: operating income	V.32	46,972,357.01	47,202,742.92
II.Total operating cost		90,001,936.72	91,267,715.61
Including: operating cost	V.32	41,230,238.81	39,178,126.18
Operating taxes and extras	V.33	2,719,104.56	3,259,795.48
Sales expenses	V.34	852,944.57	1,612,330.26
General and administrative expenses	V.35	22,396,268.46	23,184,600.41
Financial expenses	V.36	24,976,938.18	24,473,683.01
Loss of devaluation of assets	V.38	-2,173,557.86	-440,819.73
Add: Changing income of fair value			
Investment income	V.37	101,504.43	-201,429.17
Including: investment income on affiliated company and joint venture		148,587.74	
III.Operating profit		-42,928,075.28	-44,266,401.86
Add: Non-operating income	V.39	-3,763.51	8,819,519.77
Less: Non-operating expenses	V.40	328,712.23	4,119.85
Including: disposal loss of non-current asset			3,193.42
IV.Total profit		-43,260,551.02	-35,451,001.94
Less: income tax	V.41	248.51	33,134.28
V.Net profit		-43,260,799.53	-35,484,136.22
Net profit attributable to parent company's owner		-41,996,808.97	-34,001,104.90
Profit and loss of minority interests		-1,263,990.56	-1,483,031.32
VI.Other comprehensive income	V.43	11,566,875.00	31,023,131.63
Items that will not be reclassified subsequently to profit or loss:			
Items that may be reclassified subsequently to profit or loss:		11,566,875.00	31,023,131.63
i.Available for sale financial assets		11,566,875.00	31,023,131.63
VII.Total comprehensive income		-31,693,924.53	-4,461,004.59
Including: Total comprehensive income attributed to the owners of parent company		-30,429,933.97	-2,977,973.27
Total comprehensive income attributed to minority interests		-1,263,990.56	-1,483,031.32
VIII.Earnings per share			
i.Basic earnings per share	V.42	-0.10	-0.08
ii.Diluted earnings per share	V.42	-0.10	-0.08

Corporate representative: Zheng Qing

Chief Accountant: Yang Daoliang

Accounting Supervisor: Yang Daoliang

Hainan Pearl River Holding Company Limited
Income Statement

Year ended 30 September 2014

Expressed in Renminbi

Items	Notes	Jul.-Sep. 2014	Jul.-Sep. 2013
I.Total operating income	XI.4	256,035.63	290,872.20
Less:Operating costs	XI.4	88,898.40	88,898.40
Operating taxes and extras		10,978.01	16,288.84
Sales expenses			
General and administrative expenses		2,921,519.16	5,385,677.19
Financial expenses		15,406,762.60	16,490,490.12
Loss of devaluation of assets		11,671.80	-431,920.19
Add:Changing income of fair value			
Investment income	XI.5	-92,929.94	-170,780.17
Including: investment income on affiliated company and joint venture			
II.Operating profit		-18,276,724.28	-21,429,342.33
Add: Non-operating income			8,644,350.59
Less: Non-operating expenses		846.74	523.93
Including: disposal loss of non-current asset			
III.Total profit		-18,277,571.02	-12,785,515.67
Less: income tax			
IV.Net profit		-18,277,571.02	-12,785,515.67
V.Other comprehensive income		11,566,875.00	31,023,131.63
Items that will not be reclassified subsequently to profit or loss:			
Items that may be reclassified subsequently to profit or loss:		11,566,875.00	31,023,131.63
i.Available for sale financial assets		11,566,875.00	31,023,131.63
VI.Total comprehensive income		-6,710,696.02	18,237,615.96
VII.Earnings per share			
i.Basic earnings per share			
ii.Diluted earnings per share			

Corporate representative:Zheng Qing

Chief Accountant:Yang Daoliang

Accounting Supervisor: Yang Daoliang

Hainan Pearl River Holding Company Limited
Consolidated Income Statement

Year ended 30 September 2014

Expressed in Renminbi

Items	Notes	Jan.-Sep. 2014	Jan.-Sep. 2013
I.Total operating income		171,656,857.80	154,425,764.05
Including: operating income	V.32	171,656,857.80	154,425,764.05
II.Total operating cost		294,539,856.73	266,654,230.88
Including: operating cost	V.32	132,986,396.81	117,018,038.63
Operating taxes and extras	V.33	10,024,253.71	9,620,082.67
Sales expenses	V.34	3,275,897.05	6,219,275.46
General and administrative expenses	V.35	76,954,289.37	69,925,679.95
Financial expenses	V.36	75,819,586.76	65,346,919.03
Loss of devaluation of assets	V.38	-4,520,566.97	-1,475,764.86
Add: Changing income of fair value			
Investment income	V.37	494,853.77	2,355,087.76
Including: investment income on affiliated company and joint venture		-439,572.42	-708,925.24
III.Operating profit		-122,388,145.16	-109,873,379.07
Add: Non-operating income	V.39	67,584.70	8,892,795.37
Less: Non-operating expenses	V.40	832,523.16	75,427.15
Including: disposal loss of non-current asset		2,311.83	18,727.23
IV.Total profit		-123,153,083.62	-101,056,010.85
Less: income tax	V.41	136,184.23	208,612.05
V.Net profit		-123,289,267.85	-101,264,622.90
Net profit attributable to parent company's owner		-118,846,568.80	-98,456,113.55
Profit and loss of minority interests		-4,442,699.05	-2,808,509.35
VI.Other comprehensive income	V.43	3,545,625.00	2,068,208.78
Items that will not be reclassified subsequently to profit or loss:			
Items that may be reclassified subsequently to profit or loss:		3,545,625.00	2,068,208.78
i.Available for sale financial assets		3,545,625.00	2,068,208.78
VII.Total comprehensive income		-119,743,642.85	-99,196,414.12
Including: Total comprehensive income attributed to the owners of parent company		-115,300,943.80	-96,387,904.77
Total comprehensive income attributed to minority interests		-4,442,699.05	-2,808,509.35
VIII.Earnings per share			
i.Basic earnings per share	V.42	-0.28	-0.23
ii.Diluted earnings per share	V.42	-0.28	-0.23

Corporate representative: Zheng Qing

Chief Accountant: Yang Daoliang

Accounting Supervisor: Yang Daoliang

Hainan Pearl River Holding Company Limited**Income Statement****Year ended 30 September 2014****Expressed in Renminbi**

Items	Notes	Jan.-Sep. 2014	Jan.-Sep. 2013
I.Total operating income	XI.4	764,493.39	872,616.60
Less:Operating costs	XI.4	266,695.20	266,695.20
Operating taxes and extras		32,731.67	48,866.52
Sales expenses			
General and administrative expenses		12,262,413.57	16,407,806.60
Financial expenses		46,476,199.37	46,074,535.80
Loss of devaluation of assets		-5,792,278.88	-10,660,882.71
Add:Changing income of fair value			
Investment income	XI.5	490,427.58	2,392,715.76
Including: investment income on affiliated company and joint venture		-439,572.42	-671,297.24
II.Operating profit		-51,990,839.96	-48,871,689.05
Add: Non-operating income			8,644,350.78
Less: Non-operating expenses		1,520.22	6,790.16
Including: disposal loss of non-current asset			
III.Total profit		-51,992,360.18	-40,234,128.43
Less: income tax			
IV.Net profit		-51,992,360.18	-40,234,128.43
V.Other comprehensive income		3,545,625.00	2,068,208.78
Items that will not be reclassified subsequently to profit or loss:			
Items that may be reclassified subsequently to profit or loss:		3,545,625.00	2,068,208.78
i.Available for sale financial assets		3,545,625.00	2,068,208.78
VI.Total comprehensive income		-48,446,735.18	-38,165,919.65
VII.Earnings per share			
i.Basic earnings per share			
ii.Diluted earnings per share			

Corporate representative:Zheng Qing

Chief Accountant:Yang Daoliang

Accounting Supervisor: Yang Daoliang

Hainan Pearl River Holding Company Limited
Consolidated Cash Flow Statement

Year ended 30 September 2014

Expressed in Renminbi

Items	Notes	Jan.-Sep. 2014	Jan.-Sep. 2013
I.Cash flows from operating activities:			
Cash received from sales of goods or rendering of services		168,677,691.27	150,363,104.72
Refunds of taxes			
Cash received relating to other operating activities	V.44(1)	46,522,309.71	31,350,987.80
Subtotal of cash inflows		215,200,000.98	181,714,092.52
Cash paid for goods and services		216,093,878.66	63,227,126.91
Cash paid to and on behalf of employees		110,506,572.34	90,916,572.94
Payments of all types of taxes		14,998,983.36	16,193,706.56
Cash paid relating to other operating activities	V.44(2)	51,117,508.46	76,165,461.24
Subtotal of cash outflows		392,716,942.82	246,502,867.65
Net cash flows from operating activities	V.45(1)	-177,516,941.84	-64,788,775.13
II.Cash flows from investing activities:			
Cash received from return of investments		36,060,000.00	35,000,000.00
Cash received from return on investments		37,638.27	3,064,013.00
Net cash received from the sale of fixed assets, intangible assets and other long-term assets		1,431,297.50	629,757.00
Net cash received from selling subsidiary company and joint venture			
Cash received relating to other investing activities	V.44(3)	13,871.23	5,647,661.11
Subtotal of cash inflows		37,542,807.00	44,341,431.11
Cash paid to acquire fixed assets, intangible assets and other long-term assets		74,743,707.79	16,435,653.66
Cash paid to acquire investments		8,000,000.00	33,000,000.00
Net cash paid to purchase subsidiary company and joint venture			
Cash paid relating to other investing activities		11,200,000.00	
Subtotal of cash outflows		93,943,707.79	49,435,653.66
Net cash flows from investing activities		-56,400,900.79	-5,094,222.55
III.Cash flows from financing activities:			
Cash received from investments by others		10,000,000.00	2,100,000.00
Cash received from borrowings		360,251,611.00	379,000,000.00
Cash received relating to other financing activities			1,300,000.00
Subtotal of cash inflows		370,251,611.00	382,400,000.00
Cash repayments of amounts borrowed		81,561,359.75	262,000,000.00
Cash paid for distribution of dividends or profits and for interest expenses		27,395,486.41	40,650,248.94
Cash paid relating to other financing activities	V.44(4)	26,291,122.74	16,841,771.15
Subtotal of cash outflows		135,247,968.90	319,492,020.09
Net cash flows from financing activities		235,003,642.10	62,907,979.91
IV.Effect of foreign exchange rate changes on cash			
V.Net increase in cash and cash equivalents			
		1,085,799.47	-6,975,017.77
Add: balance of cash and cash equivalents at the beginning of the year		62,362,242.69	65,762,871.33
VI.Balance of cash and cash equivalents at the end of the year			
		63,448,042.16	58,787,853.56

Corporate representative: Zheng Qing

Chief Accountant: Yang Daoliang

Accounting Supervisor: Yang Daoliang

Hainan Pearl River Holding Company Limited

Cash Flow Statement

Year ended 30 September 2014

Expressed in Renminbi

Items	Notes	Jan.-Sep. 2014	Jan.-Sep. 2013
I.Cash flows from operating activities:			
Cash received from sales of goods or rendering of services		1,072,726.00	885,215.20
Refunds of taxes			
Cash received relating to other operating activities		9,706,686.76	57,930,297.95
Subtotal of cash inflows		10,779,412.76	58,815,513.15
Cash paid for goods and services			
Cash paid to and on behalf of employees		3,664,015.28	4,332,624.69
Payments of all types of taxes		586,046.67	865,562.55
Cash paid relating to other operating activities		44,209,303.65	17,887,380.95
Subtotal of cash outflows		48,459,365.60	23,085,568.19
Net cash flows from operating activities	XI.6	-37,679,952.84	35,729,944.96
II.Cash flows from investing activities:			
Cash received from return of investments		36,060,000.00	35,000,000.00
Cash received from return on investments			3,064,013.00
Net cash received from the sale of fixed assets, intangible assets and other long-term assets			
Net cash received from selling subsidiary company and joint venture			
Cash received relating to other investing activities			5,647,661.11
Subtotal of cash inflows		36,060,000.00	43,711,674.11
Cash paid to acquire fixed assets, intangible assets and other long-term assets		6,560.00	277,435.00
Cash paid to acquire investments		29,500,000.00	103,329,500.00
Net cash paid to purchase subsidiary company and joint venture			
Cash paid relating to other investing activities			
Subtotal of cash outflows		29,506,560.00	103,606,935.00
Net cash flows from investing activities		6,553,440.00	-59,895,260.89
III.Cash flows from financing activities:			
Cash received from investments by others			
Cash received from borrowings		65,401,611.00	322,000,000.00
Cash received relating to other financing activities			
Subtotal of cash inflows		65,401,611.00	322,000,000.00
Cash repayments of amounts borrowed		17,194,693.08	250,000,000.00
Cash paid for distribution of dividends or profits and for interest expenses		11,956,273.88	30,607,788.83
Cash paid relating to other financing activities		6,696,502.74	12,641,771.15
Subtotal of cash outflows		35,847,469.70	293,249,559.98
Net cash flows from financing activities		29,554,141.30	28,750,440.02
IV.Effect of foreign exchange rate changes on cash			
V.Net increase in cash and cash equivalents			
		-1,572,371.54	4,585,124.09
Add:balance of cash and cash equivalents at the beginning of the year		1,650,620.37	2,641,297.45
VI.Balance of cash and cash equivalents at the end of the year			
		78,248.83	7,226,421.54

Corporate representative:Zheng Qing

Chief Accountant:Yang Daoliang

Accounting Supervisor: Yang Daoliang

