



**Hefei Meiling Co., Ltd.  
The First Quarterly Report of 2015**

**April 2015**

## **Section I. Important Notes**

Board of Directors and the Supervisory Committee of Hefei Meiling Co., Ltd. (hereinafter referred to as the Company) and its directors, supervisors and senior executives should guarantee the reality, accuracy and completion of the quarterly report, there are no any fictitious statements, misleading statements or important omissions carried in this report, and shall take legal responsibilities, individual and/or joint.

Mr. Liu Tabin, person in charge of the Company, President Mr. Li Wei, Mr. Zhang Xiaolong, person in charge of accounting works and Mr. Tang Bin, person in charge of accounting organ (accounting officer) hereby confirm that the Financial Report of this Quarterly Report is authentic, accurate and complete.

The First Quarterly Report of 2015 has not been audited.

All Directors are attended the Board Meeting for Quarterly Report deliberation.

## Section II. Main financial data and changes of shareholders

### I. Main accounting data and financial indexes

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

Yes  No

	This Period	Same period of last year	Changes of this period over same period of last year
Operating income (RMB)	2,690,420,998.10	2,613,087,698.42	2.96%
Net profit attributable to shareholders of the listed company(RMB)	54,960,953.89	49,511,487.82	11.01%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses(RMB)	54,838,638.93	44,259,236.75	23.90%
Net cash flow arising from operating activities(RMB)	-126,760,952.62	-308,282,102.97	58.88%
Basic earnings per share (RMB/Share)	0.0720	0.0648	11.01%
Diluted earnings per share (RMB/Share)	0.0720	0.0648	11.01%
Weighted average ROE	1.59%	1.54%	0.05%
	End of this period	End of last period	Changes of this period-end over same period-end of last year
Total assets (RMB)	9,946,292,775.04	9,009,014,201.70	10.40%
Net assets attributable to shareholder of listed company (RMB)	3,476,300,439.44	3,422,746,664.67	1.56%

Total share capital of the Company up to a trading day before disclosure:

Total share capital of the Company up to a trading day before disclosure (Share)	763,739,205
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Whether shares capital changes and owners equity been affected due to new shares issued, additional offering, allotment of shares, equity incentive exercise and buy-back from this period-end to date of quarterly report disclosed or not

Yes  No

Items of non-recurring gains and losses

Applicable  Not applicable

In RMB

Item	Amount from year-begin to period-end	Note
Gains/losses from the disposal of non-current asset (including the write-off that accrued for impairment of assets)	-5,670,922.09	---
Governmental subsidy reckoned into current gains/losses (not including the subsidy enjoyed in quota or ration according to national standards, which are closely relevant to enterprise's business)	4,881,703.55	---
Held transaction financial asset, gains/losses of changes of fair values from transaction financial liabilities, and investment gains from disposal of transaction financial asset, transaction financial liabilities and financial asset available for sales, exclude the effective hedging business relevant with normal operations of the Company	81,770.00	---
Other non-operating income and expenditure except for the aforementioned items	640,688.49	---
Less : impact on income tax	-214,745.81	---
Impact on minority shareholders' equity (post-tax)	25,670.80	---
Total	122,314.96	--

Concerning the extraordinary profit (gain)/loss defined by *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*, and the items defined as recurring profit (gain)/loss according to the lists of extraordinary profit (gain)/loss in *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*, explain reasons

Applicable  Not applicable

In reporting period, the Company has no particular about items defined as recurring profit (gain)/loss according to the lists of extraordinary profit (gain)/loss in *Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Extraordinary Profit/loss*

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

### 1. Total number of common shareholders at the end of this report period and top ten common shareholders

In shares

Total number of common shareholders at the end of report period		56,430				
Top ten common shareholders						
Shareholder's name	Nature of shareholder	Proportion of shares held	Amount of shares held	Amount of restricted shares held	Number of share pledged/frozen	
					State of share	Amount

Sichuan Changhong Electric Co., LTD	State-owned legal person	21.58%	164,828,330	0	-	-
Hefei Xingtai Holding Group Co., Ltd.	State-owned legal person	6.26%	47,823,401	0	-	-
Changhong Electric (Hong Kong) Trading Co., Ltd.	Foreign legal person	3.30%	25,165,823	0	-	-
Zhengde life insurance Co., LTD-universal insurance products	Domestic non-state-owned legal person	3.15%	24,021,690	0	-	-
CAO SHENGCHUN	Foreign natural person	1.73%	13,215,556	0	-	-
Ma Guofeng	Domestic natural person	1.12%	8,528,670	0	-	-
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	Foreign legal person	0.96%	7,339,666	0	-	-
DEUTSCHE BANK AKTIENGESELLSCHAFT	Foreign legal person	0.94%	7,182,009	0	-	-
DRAGON BILLION CHINA MASTER FUND	Foreign legal person	0.698%	5,329,489	0	-	-
UBS AG	Foreign legal person	0.613%	4,682,450	0	-	-
Top ten common shareholders with unrestricted shares held						
Shareholder's name	Amount of unrestricted shares held	Type of shares				
		Type	Amount			
Sichuan Changhong Electric Co., LTD	164,828,330	RMB ordinary shares	164,828,330			
Hefei Xingtai Holding Group Co., Ltd.	47,823,401	RMB ordinary shares	47,823,401			
Changhong Electric (Hong Kong) Trading Co., Ltd.	25,165,823	Domestically listed foreign shares	25,165,823			
Zhengde life insurance Co., LTD-universal insurance products	24,021,690	RMB ordinary shares	24,021,690			
CAO SHENGCHUN	13,215,556	Domestically listed foreign shares	13,215,556			
Ma Guofeng	8,528,670	RMB ordinary shares	8,528,670			
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	7,339,666	Domestically listed foreign shares	7,339,666			
DEUTSCHE BANK AKTIENGESELLSCHAFT	7,182,009	RMB ordinary shares	7,182,009			
DRAGON BILLION CHINA MASTER FUND	5,329,489	Domestically listed foreign shares	5,329,489			
UBS AG	4,682,450	RMB ordinary shares	4,682,450			
Explanation on associated relationship among the aforesaid shareholders	Among the above shareholders, Changhong (Hong Kong) Trade Co., Ltd. is the wholly-owned subsidiary of Sichuan Changhong Electronic Co., Ltd.; there existed no associated relationship or belong to the					

	concerted actors as specified in the Measures for the Administration of Information Disclosure of Shareholder Equity Changes of Listed Companies among Sichuan Changhong Electronic Co., Ltd., Changhong (Hong Kong) Trade Co., Ltd. and other top 8 shareholders; and top ten shareholders with unrestricted subscription; as the Company has not known whether there exists any business relationship among the other shareholders with unrestricted subscription or they belong to the concerted actors as specified in the Measures for the Administration of Information Disclosure of Shareholder Equity Changes of Listed Companies.
Explanation on top ten common shareholders involving margin business (if applicable)	Up to 31 <sup>st</sup> of March 2015, among the top 10 common stockholders, shareholder Ma Guofeng holds 8,497,170 shares of the Company through guarantee of securities credit transaction account under the name of Guodu Securities Co., Ltd., and holds 31,500 shares of the Company through his common security account, totally 8,528,670 shares of the Company are held by Ma Guofeng.

Whether top ten common shareholders or top ten common shareholders with un-restrict shares held have a buy-back agreement dealing in reporting period

Yes  No

The top ten common shareholders or top ten common shareholders with un-restrict shares held of the Company have no buy-back agreement dealing in reporting period.

**2. Total shareholders with preferred stock held at Period-end and shares held by top ten shareholders with preferred stock held**

Applicable  Not applicable

## Section III. Significant Events

### I. Particulars about material changes in items of main accounting statement and financial index and explanations of reasons

√ Applicable □ Not applicable

#### 1. Changes and reasons of items in balance sheet

In RMB

Item	Balance at period-end	Balance at year-begin	Changes ratio	Reasons of changes
Financial assets measured by fair value and whose change is recorded in current gains and losses	13,400.00	-	100.00%	Fair value change for the forward foreign exchange that carried out in the Period
Notes receivable	1,717,083,832.88	1,223,468,044.05	40.35%	Returned money for the notes are increased in the Period
Interest receivable	292,798.67	-	100.00%	The accrued interest for the time deposit are recognized by subsidiary, and no such item in last year
Long-term investment in equity	50,290,508.04	14,211,004.21	253.88%	The Company increased investment in associated company in the Period.
Other non-current assets	41,828,382.00	-	100.0%	The subsidiary Zhongshan Changhong newly added fixed deposit in the Period.
Short-term loans	784,563,968.16	407,508,739.07	92.53%	Short-term loans from parent company increased in the Period
Financial liabilities measured by fair value and whose change is recorded in current gains and losses	12,800.00	81,170.00	-84.23%	Same as" Financial assets measured by fair value and whose change is recorded in current gains and losses"
Payable taxes	90,873,668.42	51,153,350.18	77.65%	Sales in the Period increased
Long-term loans	49,232,952.80	18,947,000.00	159.85%	Long-term loans of subsidiary Zhongshan Changhong increased in the period.

#### 2. Changes and reasons of items in profit statement

In RMB

Item	Amount at this period	Amount at same period of last year	Changes ratio	Reasons of changes
Changing income of fair value(Loss is listed with "-")	81,770.00	-	100.00%	Same as" Financial assets measured by fair value and whose change is recorded in current gains and losses"
Investment income(loss is listed with "-")	171,415.10	-103,003.19	266.42%	Loss amount from associated enterprise increased year-on-year

Income from investment for associated enterprise and joint venture	171,415.10	-103,003.19	266.42%	Same as "Investment income"
Non-operation expenditure	6,174,911.26	188,790.42	3170.78%	Disposal of fixed assets increased y-o-y in the period.
Loss from disposal of non-current assets	5,685,698.09	174,619.08	3156.06%	Same as "non-operation expenditure"
Income tax expenses	9,522,918.59	5,988,153.23	59.03%	Taxable income tax from parent company increased y-o-y in the Period
Minority interest	-4,314,838.92	1,636,267.61	-363.70%	Due to the loss of some subsidiaries in the period.

### 3. Changes and reasons of items in cash flow statement

In RMB

Item	Amount at this period	Amount at same period of last year	Changes ratio	Reasons of changes
Tax refunds received	54,031,690.80	38,022,269.44	42.11%	Export rebates of subsidiary received in the Period growth year-on-year
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	1,234,432.00	40,729,958.40	-96.97%	Mainly because the remove loss arising from early release of "House Lease Contract" was paid to Mianyang Meiling Refrigeration by Sichuan Changhong Minsheng Logistics and the compensation received due to early termination option in the same period of last year while no such amount occurred in the Period.
Cash received related with other investment activities	17,219,641.80	12,044,788.48	42.96%	Interest income increased y-o-y in the period.
Cash paid for purchasing fixed, intangible and other long-term assets	36,881,430.75	27,741,973.71	32.94%	Amount for fixed assets paid in the Period increased y-o-y
Cash paid for investment	36,149,974.00	1,097,787.00	3192.99%	Same as "long-term investment in equity".
Cash paid for debt settlement	381,572,057.56	95,834,477.54	298.16%	Mainly because short-term loans of the parent company paid increased y-o-y in the period.
Cash paid for dividend/profit distribution or interest expenses	3,958,191.54	1,963,928.25	101.54%	The loans interest paid by parent company in the Period increased y-o-y
Cash paid related with	-	2,973,468.35	-100.00%	Minority equity from part of the subsidiary



other financing activities				decreased at same period last year while no such item in the Period
Impact on cash and cash equivalent from exchange rate movement	7,204,996.05	1,286,792.08	459.92%	Exchange rate of foreign currency changed in the Period

## II. Analysis and explanation of significant events and their influence and solutions

√ Applicable □ Not applicable

### (I) Particular about process of the fund raised and investment of fund raised in the report period

Privately A-stock offering of the Company was implemented in 2010, raised capital totally amounting to RMB 1,199,999,820, net raised capital of RMB 1,177,954,320 after deducted RMB 22,045,500 issuing expense (including RMB 20,500,000 underwriting fee and sponsor charge).

In 2013, the three construction projects with fund-raising investment have completed and reaching the design capacity, that is “Athena Luxury refrigerator production base”, “Freezer expansion project” and “Expansion project of environmental and energy-saving refrigerators”, meanwhile, “working capital supplementation” project implemented and recently, the Company has no other projects that suitable for investment by fund-raising. According to the operation requirement of the Company, being deliberated and approved by the Board, the supervisory committee and general meeting, balance of raising funds 284.440959 million Yuan (including interest 34.832977 million Yuan) up to 30 September 2013 and later interest are supplying the working capital of the Company permanently. The Company actually withdrawal 289.091987 million Yuan for working capital supplementation permanently up to 31 March 2015.

Ended as 31<sup>st</sup> March 2015, accumulated amount of RMB 879,419,564 were actually used for the raised fund projects, balance in specific raised funds accounting to RMB 52,617,656 (including RMB 3586058, not withdrawal for current capital supplementation permanently and the unpaid contract amount and qualify assurance fund RMB 49,031,598 in total). More details are as:

Athena luxury refrigerator production base: total investment accounting to RMB 528,508,417 after surplus deducted. The project accumulated invested RMB 503,396,607 up to 31<sup>st</sup> March 2015; balance in raised fund account was RMB 27,173,419, including RMB 25,111,864 ready for contract payment and quality assurance fund, and RMB 2,061,627 undrawn for supplement current capital of the Company.

Freezer capacity expansion project: total investment accounting to RMB 251,883,547 after surplus deducted. The project accumulated invested RMB 227,963,813 up to 31<sup>st</sup> March 2015; balance in raised fund account was RMB 25,444,165, including RMB 23,919,734 ready for contract payment and quality assurance fund, and RMB 1,524,431 undrawn for supplement current capital of the Company.

### (II) Transaction with Changhong Finance Co., Ltd

Being decision by the Board and General Meeting, agreed the Company entered into 3-year term “Agreement on Financial Services” with the Sichuan Changhong Finance Co., Ltd. (hereinafter referred to as the Changhong Finance Company). In business scope of the Changhong Finance Company, providing a serial financial service as savings and loans required by the Company and its subordinate subsidiaries according to the Agreement; the related transactions with Changhong Finance from year-beginning to end of the Period are as:

Item	Opening balance	Increased during the Year	Decreased during the Year	Ending balance	Interest, handling charge paid or received
I. Savings in Changhong Group Finance Company	1,040,209,426.68	2,099,228,353.70	2,406,062,747.25	733,375,033.13	5,542,877.51
II. Borrowings from Changhong Group Finance Company	-	-	-	-	-
1.Short-term loans	-	-	-	-	-
2.Long-term loans	-	-	-	-	-
III. Other financial business	-	-	-	-	-
1.notes drawing	258,631,647.68	216,341,555.90	199,373,238.97	275,599,964.61	-
2.notes discounted	210,940,218.46	250,553,358.38	130,456,267.49	331,037,309.35	-
3. other	-	-	-	-	-

**(III) Overview of other significant events**

Overview	Date for disclosure	Information index for temporary report disclosure
On 6 <sup>th</sup> of March 2015, the Company received a “Notice” from the second-largest shareholder—Hefei Xingtai Holding Co., Ltd. (“Xingtai Holding” for short), in accordance with the integral deployment of Hefei state-owned enterprise reform, adjusted the state-owned capital operation institutes in Hefei, that is, plans to transfer the 49,477,513 shares of the Company held by Xingtai Holding to the plans-to-established Hefei Industrial Investment Holding (Group) Co., Ltd. for free. The Company will continue to follow the progress of the above mentioned event, and perform information disclosure duties timely in line with the relevant laws and regulations.	2015-3-7	Juchao Website: <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> (No.: 2015-001)
Concerning the “Meiling” kitchen ventilator manufactured by Zhongshan Branch of Hefei Meiling Small Appliances Co., Ltd., quality of the products are unqualified in the State supervisory sampling inspection of product quality, which was reported in the CCTV’s “3.15” evening party. The Company pay high attention to the reports and timely verify and released the “Clarification Announcement on “Meiling” kitchen ventilator unqualified in sampling inspection reported by CCTV’s “3.15” evening party” in appointed media for information disclosed, main contents are: Hefei Meiling Small Appliances Co., Ltd. and its Zhongshan Branch are not the subordinate subsidiary of the Company and have no any assets and equity relationship with the Company as well as the operation management connect; the Company has instructed Meiling Group to, from now on, remove the “Right to Use a Trademark License” that signed with Small Appliances Company; and required Small Appliances Company seal up for the unqualified products and returned to the	2015-3-16	Juchao Website: <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> (No.: 2015-002)

factory for repair, process return for those unqualified products that sold out or repair free of charge etc.		
Being deliberated and approved by 6 <sup>th</sup> meeting of 8 <sup>th</sup> session of the Board held on 24 <sup>th</sup> March 2015, agreed the Zhongke Meiling invested approximately RMB 156321900 for the relocation expansion project; after project completes, Zhongke Meiling will equipped with the production capacity of 26000 cryogenic refrigerators annually.	2015-3-26	Juchao Website: <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ( No.: 2015-003)
Being deliberated and approved by 6 <sup>th</sup> meeting of 8 <sup>th</sup> session of the Board held on 24 <sup>th</sup> March 2015, agreed to engaged Mr. Wu Dinggang as the deputy Chairman of the Company, Mr. Zhang Xiaolong as the deputy Chairman and finance manager of the Company.	2015-3-26	Juchao Website: <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ( No.: 2015-003)
In view of the serial accounting standards that revised and issued successively by Ministry of Finance in 2014, required to relevant regulations from the Ministry of Finance, being deliberated and approved by the 6 <sup>th</sup> meeting of 8 <sup>th</sup> session of the Board and Annual General Meeting of 2014 held respectively dated 24 <sup>th</sup> March 2015 and 17 <sup>th</sup> April 2015, agreed to carried out new accounting standards for business enterprises in line with relevant regulations and requirements, corresponding accounting policy shall be changed.	2015-3-26, 2015-4-18	Juchao Website: <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ( No.: 2015-003, No.: 2015-008, No.: 2015-015)
In accordance with the “Implementation of the Annual Performance Incentive Fund Plan” (“Incentive Plan” for short) and audited financial report of the 2014 and operation conditions, the Company qualified awarded condition of the incentive plan for year of 2014, being deliberated and approved by the 6 <sup>th</sup> meeting of 8 <sup>th</sup> session of the Board the 4 <sup>th</sup> meeting of 8 <sup>th</sup> board of supervisors and Annual General Meeting of 2014 held respectively dated 24 <sup>th</sup> March 2015 and 17 <sup>th</sup> April 2015, agreed to withdraw RMB 32,186,723.32 incentive funds from 10 percent of the net profit for year of 2014 audited, and reckoned into current gains/losses in line with relevant accounting policies rules.	2015-3-26, 2015-4-18	Juchao Website: <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ( No.: 2015-003, No.: 2015-004, No.: 2015-009, No.: 2015-015)
Being deliberated and approved by the 6 <sup>th</sup> meeting of 8 <sup>th</sup> session of the Board and Annual General Meeting of 2014 held respectively dated 24 <sup>th</sup> March 2015 and 17 <sup>th</sup> April 2015, agreed to carried out he forward exchange transaction from 1 <sup>st</sup> January 2015 to 30 <sup>th</sup> June 2016 with balance of the business up to US\$ 350 million, delivery terms for single business not longer than 2 years.	2015-3-26, 2015-4-18	Juchao Website: <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ( No.: 2015-003, No.: 2015-010, No.: 2015-015)
Being deliberated and approved by the 6 <sup>th</sup> meeting of 8 <sup>th</sup> session of the Board and Annual General Meeting of 2014 held respectively dated 24 <sup>th</sup> March 2015 and 17 <sup>th</sup> April 2015, on the premise of guarantee routine operation capital needs and investment risk control efficiently, agreed to invested for the preservation floating proceeds financing products with self-owned idle fund up to RMB one billion(the limit can scroll to use), for one-year term.	2015-3-26, 2015-4-18	Juchao Website: <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ( No.: 2015-003, No.: 2015-011, No.: 2015-015)

### III. Commitments from the Company or shareholder with over 5% share held in reporting period or continues to reporting period

√ Applicable □ Not applicable

Item of Commitments	Promisee	Content of commitments		Date	Term	Implementation
Commitments made in acquisition report or equity change report	Sichuan Changhong Electric Co., LTD (hereinafter referred to as the "Sichuan Changhong")	Promise and guarantee of horizontal competition avoidance made in "Acquisition Report of Hefei Meiling Co., Ltd"	1. The acquirer shall not engage in refrigerator business or activity which competes or will compete with business of HEFEI MEILING CO., LTD (hereinafter referred to as the "Meiling Electrical"), or that which has interest conflict with Meiling Electrical Appliances.	2007-6-12	Valid for long term	Strictly implemented
			2. The acquirer promises to apply shareholders' right on a legal and reasonable manner and shall not take any action to limit or affect the normal operation of Meiling Electrical Appliances.			Strictly implemented
			3. For any opportunity to engage in competing business, the acquirer will advise Meiling Electrical Appliances in written for engaging such business or not. If Meiling Electrical Appliances gives no clear written reply as to whether engaging the competing business or not within 20 days after receipt of the aforesaid letter, it shall be deemed that it will not engage in such business. The acquirer will only engage in non-competing business provided that Meiling Electrical Appliances confirms not to or is deemed to not engage in such non-competing business.			Strictly implemented
Commitment made during the non-public offer	Sichuan Changhong	Commitment regarding to reducing and preventing competition with Meiling Electrical Appliances	1. It will not engage in such business or activity that competes with or has interest conflict with that of Meiling Electrical Appliances except for the action taken for sake of Meiling Electrical Appliances as required by Meiling Electrical Appliances.	2010-6-24	Valid for long term	Strictly implemented
			2. The Company promises to apply shareholders' right on a legal and reasonable manner and shall not take any action to limit or affect the normal operation of Meiling Electrical Appliances.			
			3. In case that Meiling Electrical Appliances expects, on the basis of its existing business, to expand its operation scope into the business which the Company has already operated, the Company agrees to grant pre emptive right			

			to Meiling Electrical Appliances regarding such business if the same conditions are met, provided that the Company is still the controlling shareholder or actual controller of Meiling Electrical Appliances.			
		Commitment regarding to reducing and standardizing related transaction with Meiling Electrical Appliances	1. Measures will be adopted to prevent continued related transaction with Meiling Electrical Appliances: as to the related transaction that can not be prevented, it will sign related transaction agreement with Meiling Electrical Appliances under the market principles of “equally paid and mutual benefit”, and fairly determined the transaction price according to the market prevailing standards.	2010-6-24	Valid for long term	Strictly implemented
			2. Perform the necessary obligations to make related directors and related shareholder abstain from voting according to relevant regulation, and observe legal procedure for approving related transaction and information disclosure obligations.			
			3. Promise not to hurt legal interests of Meiling Electrical Appliances and other shareholders through related transaction.			
		Commit to authorized Changhong Air Conditioning and Zhongshan Air Conditioning Co., Ltd. (hereinafter referred to as the “Zhongshan Changhong”) to use “Changhong” trademark and relevant patents for free.		2010-11-6	Valid for long term	Strictly implemented
	The Company	1. Commit to disclose periodic reports on a truthful, accurate, complete, fair and prompt manner, to disclose all the information that have important influences over investors, to accept supervision under the CSRC and Shenzhen Stock Exchange.		2011-1-7	Valid for long term	Strictly implemented
		2. Commit to make public clarification in respect of such information that is released from any public media and may result in misleading influences on stock price once the Company is aware of such information.				
		3. The directors, supervisors, senior management and core technicians of the Company will accept opinions and criticism from the social publics, and they will not trade the Company’s securities, directly				

		or indirectly, with any inside information and other illegal methods. The Company promises that the documents submitted to Shenzhen Stock Exchange exist no false statement or material omission, and no relevant information will be disclosed during the application for listing without prior content from Shenzhen Stock Exchange.			
Commitment made in transfer of air conditioning assets property	Sichuan Changhong	1. Since the property transfer didn't involve the buildings and land currently used by Changhong Air Conditioning, Sichuan Changhong commits, upon the completion of equity transfer, to continue to lease such assets to Changhong Air Conditioning at market price;	2009-12-10	Valid for long term	Strictly implemented
		2. After completion of this property transfer, Sichuan Changhong commits to manage to prevent new related transaction with Meiling Electrical Appliances. For those which can not be prevented, Sichuan Changhong commits to determine the transaction price based on market accepted methods, so as to ensure fairness of related transaction and protection of the interest of Meiling Electrical Appliances.		Valid for long term	Strictly implemented
		3. Sichuan Changhong commits that it will not engage in air conditioning and refrigerator business or activity which competes or will compete with business of Meiling Electrical Appliances, or that which has interest conflict with Meiling Electrical Appliances.			
Commitments by Annual performance incentive fund, incentive objects while purchasing stock of the Company with performance incentive funds and owned fund	Some of the Directors, supervisors and senior executives of the Company as well as other incentive objects	1. Make promise not to reduce the shares of Meiling bought in every year during implementation of the performance incentive fund via any market ways in the later first year, which was allowed to be reduced by 50% according to the laws and regulations in the second year, and the remaining 50% was allowed to be reduced in the third year in accordance with the laws and regulations.	2013-8-15, 2014-7-3	Three years after current shares purchased	Implementing
		2. The directors, supervisors and senior management promised to manage in accordance with the relevant management approaches in accordance with the "Company Law", "Securities Law" and "The Company's shares held by the directors, supervisors and senior management of the listed company and its change management rules", as objects of annual performance incentive fund of Meiling, including but not limited to: during his tenure, the shares transferred each year shall not exceed 25% of the total number of shares held of the Company; shall not sell the shares of the Company within six months after bought it or purchase again six months after sold it; shall not transfer the shares held within six months after Dismission.	2013-8-15, 2014-7-3	From the date when annual incentive fund plan deliberated and approved by general meeting to 6 months after director, supervisor and senior executives resigned	Implementing
Perform the commitment promptly or not	√ Yes <input type="checkbox"/> No				

Specific reason For non-performance and the next plan	Not applicable
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**IV. Forecast of operation performance from Jan. – June of 2015**

Estimation on accumulative net profit from the beginning of the year to the end of next report period to be loss probably or the warning of its material change compared with the corresponding period of the last year and explanation on reason

Applicable  Not applicable

**V. Securities Investment**

Applicable  Not applicable

No security investment in Period.

**VI. Explanation on equity of other listed company held**

Applicable  Not applicable

Name	Type	Initial investment capital (RMB)	Shares held at period-begin (Share)	Proportion of shares held at period-begin (%)	Shares held at period-end (Share)	Proportion of shares held at period-end (%)	Book value at period-end (RMB)	Gains/losses in report period (RMB)	Accounting items	Resources
Huishang Bank Co., Ltd.	Commercial bank	5,000,000.00	10,737,573	0.0972%	10,737,573	0.0972%	5,000,000.00	0	Available for sale financial assets	Initial investment
Total		5,000,000.00	10,737,573	--	10,737,573	--	5,000,000.00	0	--	--

**VII. Derivative investment**

Applicable  Not applicable

In 10 thousand Yuan

Operator	Related relationship	Whether related trade or not	Type	Initial investment	Start date	End date	Investment amount at period-begin	Amount of reserve for devaluation of withdrawing (if applicable)	Investment amount at period-end	Ratio of investment amount at period-end in net assets of the Company at period-end	Actual gains/losses in period
Financial institution	N/A	No	Forward foreign exchange	5,019.93	2014-7-1	2015-12-31	13,319.13	N/A	13,319.13	3.83%	8.177



			contract								
Total	5,019.93	--	--	13,319.13	—	13,319.13	3.83%	8.177			
Capital resource(if applicable)	Self-owned capital										
Lawsuit involved (if applicable)	Not applicable										
Disclosure date for approval from the Board for investment of derivatives (if applicable)	2014-4-19										
Disclosure date for approval from board of shareholders for investment of derivatives (if applicable)	2014-6-6										
Risk analysis and controlling measures for derivatives holdings in the Period (including but not limited to market risk, liquidity risk, credit risks, operation risk and law risks etc.)	<p>Risk analysis:</p> <ol style="list-style-type: none"> <li>1. Market risk: domestic and international economic situation changes may lead to exchange rate fluctuations, forward foreign exchange transactions are under certain market risk. Forward foreign exchange business is aiming to reducing impact on corporate profits by foreign exchange settlement and sale prices, exchange rate fluctuations. The Company will follow up the exchange fluctuation, on the basis of target rate determined from the business, relying on the research of the foreign currency exchange rates, combined with prediction of consignments, and burdening ability to price variations due to exchange rate fluctuations, then determine the plan of forward foreign exchange contracts, and make dynamic management to the business, to ensure reasonable profit level.</li> <li>2. Liquidity risk: all foreign exchange transactions are based on a reasonable estimate of the future import and export business, to meet the requirements of the trade authenticity. In addition, forward foreign exchange transactions are processed with bank credit, will not affect liquidity of company funds.</li> <li>3. Bank default risk: if cooperative banks collapse within the contract time, the Company will not be able to transact the original foreign exchange contracts with contract price, which leads the risk of income uncertainty. Therefore, the Company chose five nationalized banks, Chinese-funded bank as Everbright Bank and CITIC, and part of the larger foreign Banks to conduct the trading of foreign exchange capital. These banks share a solid strength and management whose failure and the risk of loss may bring to the Company is very low.</li> <li>4. Operational risk: improper operation of the person in charge of forward foreign exchange transactions may cause related risk also. The Company has formulated related management system which defines the operation process and responsibility to prevent and control risks.</li> <li>5. The legal risks: unclear terms based in contract signed with banks for related transactions may lead legal risks when forward foreign exchange transactions are processing. The Company will strengthen legal review, and choose good bank to carry out this kind of business as to risk control.</li> </ol> <p>Control measures: The Company formulated a “Management System of Forward Foreign Exchange Trading” in 2014, business of the forward foreign exchange shall follow the principle of legitimacy, prudence, safety and effective-ness, and did not carried out the foreign exchange purely on profitability. All business with forward foreign exchange concerned is based with the normal operation and rely on specific operation business and aims at avoiding and preventing the FX risk. The system clearly defines the main types of forward foreign exchange trading business, operating principle, approval authority, management and internal operation process, etc., and raise request to the information isolation measures, internal risk system and risk treatment process, as well as</p>										

	information disclosure; the system is benefit a lot in strengthening the management of forward foreign exchange trading, prevent investment risks, perfected and improve the management mechanism in aspect of forward foreign exchange business and ensure the security of the assets.
Invested derivative products have changes in market price or fair value in the Period, as for analysis of the fair value of derivatives, disclosed specific applied methods and correlation assumption and parameter setting	The Company determines fair value in accordance with the Chapter VII “Determination of Fair Value” carried in the Accounting Standards for Business Enterprises No.22 - Recognition and Measurement of Financial Instruments. Fair-value is basically obtained according to prices offered by bank and other pricing services. While fair-value of derivatives is mainly obtained according to the balance between prices given by outstanding contracts and forward prices given by contracts signed during the reporting period with bank. The differences are identified as trading financial assets and liabilities. During the reporting period, forward foreign exchange contracts and losses of the Company is RMB 81,770.
Specific principle of the accounting policy and calculation for derivatives in the Period compared with last period in aspect of major changes	Not applicable
Special opinion on derivative investment and risk control by independent directors	After verification, independent director of the Company consider that: during the Period, forward exchange capital business transaction of the Company are carried out strictly in line with the relevant regulations of “Standard Operation Guide for Enterprise Listed in Main Board(Revised in 2015)” of the Shenzhen Stock Exchange, Article of Association, Management Measures for the Authorization and “Management System of the Forward Exchange Capital Transaction of Hefei Meiling Co., Ltd.” , within authorized scope of the General Meeting and the BOD, against the actual business, aiming at locks the income & costs, prevented and avoided risks of exchange rate fluctuation, and remains sound operation, the forward exchange capital business transaction has closely related with the routine operation needs of the Company, and the transaction benefit a lot in avoiding the FX risk arising from import and export business, and meet requirement of the operation development without any speculative operation, and no law and regulations violated been found; relevant business are performed corresponding decision-making process and without the interest of the Company, the whole shareholders, minority in particular, being violated.

#### VIII. Registration form for receiving research, communication and interview in the report period

Date	Place	Method	Type of investors	Investor	Contents discussed and materials supplied
2015-1-20	Conference room of the company	Spot investigation	Institution	Essences Securities, Zhong Ou Asset Management	Business production status of the Company, no material required
2015-1-30	Conference room of the company	Spot investigation	Institution	Founder Securities	Business production status of the Company, no material required
2015-2-5	Conference room of the company	Spot investigation	Institution	Great Wall Securities	Business production status of the Company, no material required
2015-2-11	Conference room of the company	Spot investigation	Institution	Sinolink Securities	Business production status of the Company, no material required
2015-4-2	Conference room of the company	Spot investigation	Institution	Minsheng Securities	Business production status of the Company, no material required

## Section IV. Financial Statement

### I. Financial statement

#### 1. Consolidate balance sheet

Prepared by Hefei Meiling Co., Ltd.

In RMB

Item	Balance at period-end	Balance at period-begin
Current assets:		
Monetary funds	2,789,974,703.24	2,665,219,013.80
Settlement provisions		
Capital lent		
Financial liability measured by fair value and with variation reckoned into current gains/losses	13,400.00	
Derivative financial liability		
Notes receivable	1,717,083,832.88	1,223,468,044.05
Accounts receivable	1,463,087,559.80	1,160,192,277.00
Accounts paid in advance	114,564,518.77	92,501,704.06
Insurance receivable		
Reinsurance receivables	0.00	
Contract reserve of reinsurance receivable		
Interest receivable	292,798.67	
Dividend receivable		
Other receivables	34,508,148.96	28,729,328.80
Purchase restituted finance asset		
Inventories	1,695,652,779.30	1,765,761,407.86
Divided into assets held for sale		
Non-current asset due within one year		
Other current assets		
Total current assets	7,815,177,741.62	6,935,871,775.57
Non-current assets:		
Loans and payments on behalf		

Finance asset available for sales	5,500,000.00	5,500,000.00
Held-to-maturity investment		
Long-term account receivable		
Long-term equity investment	50,290,508.04	14,211,004.21
Investment property	14,690,650.08	14,892,795.62
Fixed assets	1,199,349,580.43	1,223,763,920.86
Construction in progress	60,318,479.96	62,766,707.57
Engineering material		
Disposal of fixed asset	75,828,843.84	75,808,843.84
Productive biological asset		
Oil and gas asset		
Intangible assets	564,925,111.20	561,864,209.63
Expense on Research and Development	28,522,023.60	25,194,157.09
Goodwill	5,313,913.50	5,313,913.50
Long-term expenses to be apportioned		
Deferred income tax asset	84,547,540.77	83,826,873.81
Other non-current asset	41,828,382.00	
Total non-current asset	2,131,115,033.42	2,073,142,426.13
Total assets	9,946,292,775.04	9,009,014,201.70
Current liabilities:		
Short-term loans	784,563,968.16	407,508,739.07
Loan from central bank		
Absorbing deposit and interbank deposit		
Capital borrowed		
Financial liability measured by fair value and with variation reckoned into current gains/losses	12,800.00	81,170.00
Derivative financial liability		
Notes payable	1,679,101,287.74	1,553,110,292.55
Accounts payable	1,973,663,345.56	1,681,116,965.38
Accounts received in advance	362,224,782.00	296,641,377.09
Selling financial asset of repurchase		
Commission charge and commission payable		

Wage payable	126,112,423.96	156,537,212.29
Taxes payable	90,873,668.42	51,153,350.18
Interest payable		
Dividend payable	2,237,640.91	2,237,640.91
Other accounts payable	863,573,617.05	872,725,707.68
Reinsurance payables		
Insurance contract reserve		
Security trading of agency		
Security sales of agency		
Divided into liability held for sale		
Non-current liabilities due within 1 year	11,153,514.40	11,153,512.52
Other current liabilities		
Total current liabilities	5,893,517,048.20	5,032,265,967.67
Non-current liabilities:		
Long-term loans	49,232,952.80	18,947,000.00
Bonds payable		
Including: preferred stock		
Perpetual capital securities		
Long-term account payable		
Long-term wages payable	39,986,000.96	40,317,465.61
Special accounts payable		
Projected liabilities	345,239,973.14	347,107,686.15
Deferred income	129,619,471.79	131,995,227.77
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	564,078,398.69	538,367,379.53
Total liabilities	6,457,595,446.89	5,570,633,347.20
Owner's equity:		
Share capital	763,739,205.00	763,739,205.00
Other equity instrument		
Including: preferred stock		
Perpetual capital securities		
Capital public reserve	1,465,796,255.49	1,466,959,939.03

Less: Inventory shares		
Other comprehensive income	-3,506,394.57	-3,262,898.99
Reasonable reserve		
Surplus public reserve	359,857,106.14	359,857,106.14
Provision of general risk		
Retained profit	890,414,267.38	835,453,313.49
Total owner's equity attributable to parent company	3,476,300,439.44	3,422,746,664.67
Minority interests	12,396,888.71	15,634,189.83
Total owner's equity	3,488,697,328.15	3,438,380,854.50
Total liabilities and owner's equity	9,946,292,775.04	9,009,014,201.70

Legal Representative: Liu Tibin

Person in charge of accounting works: Zhang Xiaolong

Person in charge of accounting institute: Tang Bin

## 2. Balance Sheet of Parent Company

In RMB

Item	Closing balance	Opening balance
Current assets:		
Monetary funds	2,444,985,216.96	2,392,059,424.25
Financial liability measured by fair value and with variation reckoned into current gains/losses	13,400.00	
Derivative financial liability		
Notes receivable	1,209,918,075.19	828,127,854.78
Accounts receivable	913,628,392.28	809,847,584.71
Account paid in advance	178,793,327.37	176,658,393.90
Interest receivable		
Dividends receivable		
Other receivables	40,506,865.68	54,910,749.80
Inventories	814,992,398.29	795,329,785.95
Divided into assets held for sale		
Non-current assets maturing within one year		
Other current assets		
Total current assets	5,602,837,675.77	5,056,933,793.39
Non-current assets:		

Available-for-sale financial assets	5,000,000.00	5,000,000.00
Held-to-maturity investments		
Long-term receivables		
Long-term equity investments	839,455,003.54	833,369,872.61
Investment property	12,161,320.48	12,279,792.66
Fixed assets	865,003,980.83	885,435,282.76
Construction in progress	48,404,633.58	48,527,533.03
Project materials		
Disposal of fixed assets	43,424,954.71	43,404,954.71
Productive biological assets		
Oil and natural gas assets		
Intangible assets	431,379,817.22	434,092,342.78
Research and development costs	1,910,850.20	509,879.01
Goodwill		
Long-term deferred expenses		
Deferred income tax assets	75,380,684.46	76,189,511.02
Other non-current assets		
Total non-current assets	2,322,121,245.02	2,338,809,168.58
Total assets	7,924,958,920.79	7,395,742,961.97
Current liabilities:		
Short-term borrowings	687,324,988.16	373,242,339.07
Financial liability measured by fair value and with variation reckoned into current gains/losses	12,800.00	81,170.00
Derivative financial liability		
Notes payable	945,588,895.10	1,036,334,282.38
Accounts payable	1,236,559,087.82	1,151,471,839.41
Accounts received in advance	330,093,820.36	152,745,865.71
Wage payable	64,382,541.27	77,090,385.79
Taxes payable	50,938,595.25	23,323,462.51
Interest payable		
Dividend payable	2,237,640.91	2,237,640.91
Other accounts payable	700,314,145.88	712,029,942.44
Divided into liability held for sale		

Non-current liabilities due within 1 year	7,487,762.48	7,487,760.60
Other current liabilities		
Total current liabilities	4,024,940,277.23	3,536,044,688.82
Non-current liabilities:		
Long-term loans	7,932,800.00	7,932,800.00
Bonds payable		
Including: preferred stock		
Perpetual capital securities		
Long-term account payable		
Long-term wages payable	39,986,000.96	40,317,465.61
Special accounts payable		
Projected liabilities	345,239,973.14	347,107,686.15
Deferred income	73,666,103.11	75,538,045.61
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	466,824,877.21	470,895,997.37
Total liabilities	4,491,765,154.44	4,006,940,686.19
Owners' equity:		
Share capita	763,739,205.00	763,739,205.00
Other equity instrument		
Including: preferred stock		
Perpetual capital securities		
Capital public reserve	1,497,987,059.46	1,497,987,059.46
Less: Inventory shares		
Other comprehensive income		
Reasonable reserve		
Surplus reserve	359,638,940.46	359,638,940.46
Retained profit	811,828,561.43	767,437,070.86
Total owner's equity	3,433,193,766.35	3,388,802,275.78
Total liabilities and owner's equity	7,924,958,920.79	7,395,742,961.97

Legal Representative: Liu Tabin

Person in charge of accounting works: Zhang Xiaolong

Person in charge of accounting institute: Tang Bin



## 3. Consolidated Profit Statement

In RMB

Item	Current Period	Last Period
I. Total operating income	2,690,420,998.10	2,613,087,698.42
Including: Operating income	2,690,420,998.10	2,613,087,698.42
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	2,630,356,619.59	2,562,013,868.70
Including: Operating cost	2,097,474,045.52	2,018,641,090.35
Interest expense		
Commission charge and commission expense		
Cash surrender value		
Net amount of expense of compensation		
Net amount of withdrawal of insurance contract reserve		
Bonus expense of guarantee slip		
Reinsurance expense		
Operating tax and extras	17,929,304.57	14,403,856.24
Sales expenses	427,170,446.81	453,546,274.45
Administration expenses	97,415,477.98	85,284,013.66
Financial expenses	-19,099,709.75	-17,475,765.00
Losses of devaluation of asset	9,467,054.46	7,614,399.00
Add: Changing income of fair value (Loss is listed with "-")	81,770.00	
Investment income (Loss is listed with "-")	171,415.10	-103,003.19
Including: Investment income on affiliated company and joint venture	171,415.10	-103,003.19
Exchange income (Loss is listed with "-")		
III. Operating profit (Loss is listed with "-")	60,317,563.61	50,970,826.53

Add: Non-operating income	6,026,381.21	6,353,872.55
Including: Disposal gains of non-current asset	14,776.00	1,453,778.85
Less: Non-operating expense	6,174,911.26	188,790.42
Including: Disposal loss of non-current asset	5,685,698.09	174,619.08
IV. Total Profit (Loss is listed with “-”)	60,169,033.56	57,135,908.66
Less: Income tax expense	9,522,918.59	5,988,153.23
V. Net profit (Net loss is listed with “-”)	50,646,114.97	51,147,755.43
Net profit attributable to owner’s of parent company	54,960,953.89	49,511,487.82
Minority shareholders’ gains and losses	-4,314,838.92	1,636,267.61
VI. Net after-tax of other comprehensive income	-309,624.32	1,000,627.56
Net after-tax of other comprehensive income attributable to owners of parent company	-243,495.58	600,376.54
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1. Changes as a result of re-measurement of net defined benefit plan liability or asset		
2. Share of the other comprehensive income of the investee accounted for using equity method which will not be reclassified subsequently to profit and loss		
(II) Other comprehensive income items which will be reclassified subsequently to profit or loss	-243,495.58	600,376.54
1. Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit or loss		
2. Gains or losses arising from changes in fair value of available-for-sale financial assets		

3. Gains or losses arising from reclassification of held-to-maturity investment as available-for-sale financial assets		
4. The effect hedging portion of gains or losses arising from cash flow hedging instruments		
5. Translation differences arising on translation of foreign currency financial statements	-243,495.58	600,376.54
6. Other		
Net after-tax of other comprehensive income attributable to minority shareholders	-66,128.74	400,251.02
VII. Total comprehensive income	50,336,490.65	52,148,382.99
Total comprehensive income attributable to owners of parent Company	54,717,458.31	50,111,864.36
Total comprehensive income attributable to minority shareholders	-4,380,967.66	2,036,518.63
VIII. Earnings per share:		
(i) Basic earnings per share	0.0720	0.0648
(ii) Diluted earnings per share	0.0720	0.0648

Legal Representative: Liu Tibin

Person in charge of accounting works: Zhang Xiaolong

Person in charge of accounting institute: Tang Bin

#### 4. Profit Statement of Parent Company

In RMB

Item	Current Period	Last Period
I. Operating income	1,501,709,121.95	1,216,776,629.46
Less: Operating cost	1,253,513,363.69	1,025,006,130.11
Operating tax and extras	10,329,956.47	5,618,273.43
Sales expenses	144,475,730.93	103,582,595.46
Administration expenses	50,319,095.61	43,935,338.17
Financial expenses	-14,222,182.00	-13,296,404.90
Losses of devaluation of asset	2,036,087.98	34,533,501.11
Add: Changing income of fair value(Loss is listed with “-”)	81,770.00	

Investment income (Loss is listed with “-”)	85,130.93	-20,120.98
Including: Investment income on affiliated company and joint venture	85,130.93	-20,120.98
II. Operating profit (Loss is listed with “-”)	55,423,970.20	17,377,075.10
Add: Non-operating income	2,608,543.71	4,607,507.27
Including: Disposal gains of non-current asset		678,096.91
Less: Non-operating expense	6,042,964.39	174,339.08
Including: Disposal loss of non-current asset	5,668,797.10	174,339.08
III. Total Profit (Loss is listed with “-”)	51,989,549.52	21,810,243.29
Less: Income tax expense	7,598,058.95	3,552,494.72
IV. Net profit (Net loss is listed with “-”)	44,391,490.57	18,257,748.57
V. Net after-tax of other comprehensive income		
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1. Changes as a result of re-measurement of net defined benefit plan liability or asset		
2. Share of the other comprehensive income of the investee accounted for using equity method which will not be reclassified subsequently to profit and loss		
(II) Other comprehensive income items which will be reclassified subsequently to profit or loss		
1. Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit or loss		
2. Gains or losses arising from changes in fair value of		

available-for-sale financial assets		
3. Gains or losses arising from reclassification of held-to-maturity investment as available-for-sale financial assets		
4. The effect hedging portion of gains or losses arising from cash flow hedging instruments		
5. Translation differences arising on translation of foreign currency financial statements		
6. Other		
VI. Total comprehensive income	44,391,490.57	18,257,748.57
VII. Earnings per share:		
(i) Basic earnings per share	0.0581	0.0239
(ii) Diluted earnings per share	0.0581	0.0239

Legal Representative: Liu Tibin

Person in charge of accounting works: Zhang Xiaolong

Person in charge of accounting institute: Tang Bin

## 5. Consolidated Cash Flow Statement

In RMB

Item	Current Period	Last Period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	1,817,683,475.44	1,607,319,295.45
Net increase of customer deposit and interbank deposit		
Net increase of loan from central bank		
Net increase of capital borrowed from other financial institution		
Cash received from original insurance contract fee		
Net cash received from reinsurance business		
Net increase of insured savings and		

investment		
Net increase of amount from disposal financial assets that measured by fair value and with variation reckoned into current gains/losses		
Cash received from interest, commission charge and commission		
Net increase of capital borrowed		
Net increase of returned business capital		
Write-back of tax received	54,031,690.80	38,022,269.44
Other cash received concerning operating activities	5,210,846.22	17,463,443.87
Subtotal of cash inflow arising from operating activities	1,876,926,012.46	1,662,805,008.76
Cash paid for purchasing commodities and receiving labor service	1,471,567,032.43	1,490,404,973.31
Net increase of customer loans and advances		
Net increase of deposits in central bank and interbank		
Cash paid for original insurance contract compensation		
Cash paid for interest, commission charge and commission		
Cash paid for bonus of guarantee slip		
Cash paid to/for staff and workers	263,818,130.30	211,187,557.21
Taxes paid	79,377,370.18	75,731,980.76
Other cash paid concerning operating activities	188,924,432.17	193,762,600.45
Subtotal of cash outflow arising from operating activities	2,003,686,965.08	1,971,087,111.73
Net cash flows arising from operating activities	-126,760,952.62	-308,282,102.97
II. Cash flows arising from investing activities:		
Cash received from recovering		

investment		
Cash received from investment income		
Net cash received from disposal of fixed, intangible and other long-term assets	1,234,432.00	40,729,958.40
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities	17,219,641.80	12,044,788.48
Subtotal of cash inflow from investing activities	18,454,073.80	52,774,746.88
Cash paid for purchasing fixed, intangible and other long-term assets	36,881,430.75	27,741,973.71
Cash paid for investment	36,149,974.00	1,097,787.00
Net increase of mortgaged loans		
Net cash received from subsidiaries and other units obtained		
Other cash paid concerning investing activities		
Subtotal of cash outflow from investing activities	73,031,404.75	28,839,760.71
Net cash flows arising from investing activities	-54,577,330.95	23,934,986.17
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Including: Cash received from absorbing minority shareholders' investment by subsidiaries		
Cash received from loans	686,048,061.59	716,333,000.05
Cash received from issuing bonds		
Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities	686,048,061.59	716,333,000.05
Cash paid for settling debts	381,572,057.56	95,834,477.54

Cash paid for dividend and profit distributing or interest paying	3,958,191.54	1,963,928.25
Including: Dividend and profit of minority shareholder paid by subsidiaries		
Other cash paid concerning financing activities		2,973,468.35
Subtotal of cash outflow from financing activities	385,530,249.10	100,771,874.14
Net cash flows arising from financing activities	300,517,812.49	615,561,125.91
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate	7,204,996.05	1,286,792.08
V. Net increase of cash and cash equivalents	126,384,524.97	332,500,801.19
Add: Balance of cash and cash equivalents at the period -begin	2,645,879,017.88	2,238,884,137.50
VI. Balance of cash and cash equivalents at the period -end	2,772,263,542.85	2,571,384,938.69

Legal Representative: Liu Tabin

Person in charge of accounting works: Zhang Xiaolong

Person in charge of accounting institute: Tang Bin

## 6. Cash Flow Statement of Parent Company

In RMB

Item	Current Period	Last Period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	919,267,902.33	936,702,970.03
Write-back of tax received	35,315,414.37	32,722,151.29
Other cash received concerning operating activities	1,969,905.92	3,086,145.94
Subtotal of cash inflow arising from operating activities	956,553,222.62	972,511,267.26
Cash paid for purchasing commodities and receiving labor	973,813,926.55	1,097,447,589.58



service		
Cash paid to/for staff and workers	90,288,074.11	82,535,290.35
Taxes paid	25,736,819.33	19,957,054.76
Other cash paid concerning operating activities	66,618,277.52	74,575,556.76
Subtotal of cash outflow arising from operating activities	1,156,457,097.51	1,274,515,491.45
Net cash flows arising from operating activities	-199,903,874.89	-302,004,224.19
II. Cash flows arising from investing activities:		
Cash received from recovering investment		
Cash received from investment income		
Net cash received from disposal of fixed, intangible and other long-term assets	965,112.00	729,950.00
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities	14,255,616.51	12,445,872.25
Subtotal of cash inflow from investing activities	15,220,728.51	13,175,822.25
Cash paid for purchasing fixed, intangible and other long-term assets	15,521,939.44	22,506,664.19
Cash paid for investment	6,000,000.00	4,950,000.00
Net cash received from subsidiaries and other units		
Other cash paid concerning investing activities		
Subtotal of cash outflow from investing activities	21,521,939.44	27,456,664.19
Net cash flows arising from investing activities	-6,301,210.93	-14,280,841.94
III. Cash flows arising from financing activities		
Cash received from absorbing		

investment		
Cash received from loans	619,816,005.59	655,241,500.05
Cash received from issuing bonds		
Other cash received concerning financing activities	4,801,561.18	50,210,844.95
Subtotal of cash inflow from financing activities	624,617,566.77	705,452,345.00
Cash paid for settling debts	347,191,657.56	65,300,977.54
Cash paid for dividend and profit distributing or interest paying	3,496,983.19	1,228,608.27
Other cash paid concerning financing activities	19,697,344.21	1,813,437.05
Subtotal of cash outflow from financing activities	370,385,984.96	68,343,022.86
Net cash flows arising from financing activities	254,231,581.81	637,109,322.14
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate	6,512,404.39	245,030.45
V. Net increase of cash and cash equivalents	54,538,900.38	321,069,286.46
Add: Balance of cash and cash equivalents at the period -begin	2,390,446,316.58	1,996,577,625.49
VI. Balance of cash and cash equivalents at the period -end	2,444,985,216.96	2,317,646,911.95

Legal Representative: Liu Tibin

Person in charge of accounting works: Zhang Xiaolong

Person in charge of accounting institute: Tang Bin

## II. Audit report

Whether the 1<sup>st</sup> quarterly report has been audited or not

Yes  No

Hefei Meiling Co., Ltd.

Chairman: Liu Tibin

18 April 2015