

SHENZHEN CHIWAN PETROLEUM SUPPLY BASE CO., LTD.
FULL TEXT OF THIRD QUARTERLY REPORT OF 2016

Part I Important Notice

The Board of Directors, the Board of Supervisors, directors, supervisors and senior management guarantee that there are no omissions, misstatement, or misleading information in this quarterly report. The directors, supervisors and senior management are responsible, individually and jointly, for the authenticity, accuracy and integrity of the information herein.

All directors attended the board meeting.

Mr. Tian Junyan, Chairman of the Board, Mdm. Yu Zhongxia, Deputy General Manager & Financial Controller and Mdm. Sun Yuhui, Financial Manager, all guarantee the authenticity and integrity of the financial result in this report.

The report is written in both Chinese and English. In case of conflict between the two versions, Chinese version shall prevail.

PART II Major Accounting Data and Change of Shareholders

I. Major Accounting Data

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

Yes No

	September 30, 2016	December 31, 2015		Change (%)
Total Assets(RMB)	7,043,959,300.58	5,643,956,639.17		24.81%
Owner's Equity Attributed to Shareholders of Listed Company(RMB)	1,779,241,129.84	1,754,085,176.85		1.43%
	July to September, 2016	Change (%)	January to September, 2016	Change (%)
Operating Revenue(RMB)	169,557,114.04	-0.61%	500,605,402.69	4.79%
Net Profit Attributed to Shareholders of Listed Company (RMB)	4,324,601.47	-84.65%	24,429,054.96	-65.49%
Net Profit after Deducting Non-recurring Gains& Losses(RMB)	3,993,410.82	-85.66%	23,155,754.42	-65.63%
Net Cash Flows from Operating Activities(RMB)	--	--	247,963,374.78	6.90%
Basic Earnings per Share (RMB/Share)	0.02	-83.33%	0.11	-64.52%
Diluted Earnings per Share (RMB/Share)	Inapplicable	Inapplicable	Inapplicable	Inapplicable
Weighted Average Return on Equity (%)	0.24%	-1.38%	1.38%	-2.63%

Items of Non-recurring Gains and Losses

Applicable Inapplicable

Unit: RMB

Item	January to September, 2016	Notes
Disposal of non-current assets, including the part offset with the provision for impairment of assets	-1,274,204.03	
Government grants recognized in current year's profit or loss (except for the fixed or quantitative government grants closely related to the enterprise businesses according to the national unified standard)	2,665,491.92	
Other non-operating revenue and expenditure excluding the above-mentioned items	1,299,941.91	Mainly due to land use tax paid in 2015 by Qingdao Jiaozhou Baowan obtaining approval of tax exemption
Less: Influence on income tax	683,939.69	
Influence on minority interest (after tax)	733,989.57	
Total	1,273,300.54	--

For the Company's non-recurring gain/loss items as defined in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering their Securities to the Public – Non-recurring Gains and Losses and its non-recurring gain/loss items as illustrated in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering their Securities to the Public – Non-recurring Gains and Losses which have been defined as recurring gains and losses, it is necessary to explain the reason.

Applicable Inapplicable

II. Number of Shareholders and Shares Held by Top Ten Shareholders

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

Total Common Shareholders at Period-end	5,967	Total Number of Preferred Shareholders with Resumed Voting Rights at Period-end (if any)	0			
Particulars about Top Ten Common Shareholders						
Name	Nature	Ratio (%)	Total shares held	Non-tradable shares held	Impawned or Frozen Shares	
					Status	Amount
CHINA NANSHAN DEVELOPMENT (GROUP) INCORPORATION	Domestic Legal Person	51.79%	119,420,000	119,420,000	-	0
China Logistics Holding(12) PTE.LTD.	Foreign Legal Person	19.90%	45,890,000	0	-	unknown
CHINA MECHANTS SECURITIES (HONGKONG) LTD	State-owned Legal Person	1.78%	4,095,154	0	-	unknown
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	Foreign Legal Person	1.74%	4,004,361	0	-	unknown
Shenwan Hongyuan Securities (H.K.) Limited	Foreign Legal Person	0.80%	1,849,709	0	-	unknown
YU ZHIXIANG	Domestic Natural Person	0.54%	1,243,500	0	-	unknown
HUANG YINGBIN	Domestic Natural Person	0.52%	1,200,478	0	-	unknown
GREENWOODS CHINA ALPHA MASTER FUND	Foreign Legal Person	0.43%	984,693	0	-	unknown
Haitong International Securities Company Limited-Account Client	Foreign Legal Person	0.37%	859,966	0	-	unknown
LI WEI	Domestic Natural Person	0.28%	636,000	0	-	unknown
Top Ten Tradable Shareholders						
Name	Shares Held	Type				
		Type	Amount			
China Logistics Holding(12) PTE.LTD.	45,890,000	B	45,890,000			
CHINA MECHANTS SECURITIES (HONGKONG) LTD	4,095,154	B	4,095,154			
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	4,004,361	B	4,004,361			
Shenwan Hongyuan Securities (H.K.) Limited	1,849,709	B	1,849,709			
YU ZHIXIANG	1,243,500	B	1,243,500			
HUANG YINGBIN	1,200,478	B	1,200,478			
GREENWOODS CHINA ALPHA MASTER FUND	984,693	B	984,693			
Haitong International Securities Company Limited-Account Client	859,966	B	859,966			
LI WEI	636,000	B	636,000			
SHA SHULI	528,011	B	528,011			
Statement on Associated Relationship or Consistent Action among the Above Shareholders	Among the top ten shareholders, the domestic legal entity shareholder, China Nanshan Development (Group) Incorporation has no affiliated relations with other shareholders and does not fall into the scope of united action person stipulated by “Regulation of Information Disclosure of the Change of Shareholding of listed company”. It is unknown that whether other tradable-share shareholders fall into the scope of united action person.					
Remarks on Shareholders Involved in Securities Margin Trading	N/A					

Whether shareholders appointed repurchase transaction during reporting period

Yes No

2. Preferred Shares

Applicable Inapplicable

Part III Significant Events

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

Applicable Inapplicable

Unit: RMB

No.	Item	1 st -3 rd Quarter of 2016	1 st -3 rd Quarter of 2015	Change (%)	Note
		30-Sep-2016	31-Dec-2015		
1	Cash and bank balances	448,589,380.96	321,121,926.73	39.69%	Mainly due to loan increasing
2	Prepayments	1,280,037.17	435,877.51	193.67%	Mainly due to prepayment on underwriting fees for medium term notes and land rents in advance for Nanshan Group
3	Interest receivable	256,008.54	1,138,739.73	-77.52%	Mainly due to the reduction in financial revenue caused by decreased financial products
4	Other current liabilities		235,000,000.00	-	Mainly due to redemption of bank financial products
5	Construction in progress	708,580,033.73	368,965,477.50	92.05%	Mainly due to increasing payments for new projects construction according to the process
6	Disposal of fixed assets	50,376.46		-	Mainly due to disposal of fixed assets
7	Intangible assets	1,998,647,388.27	1,450,042,826.68	37.83%	Mainly due to increasing land use right
8	Deferred tax assets	46,675,960.39	28,877,355.41	61.64%	Mainly due to increased provision for deferred income tax assets by parent company
9	Other non-current assets	924,213,127.40	277,619,704.84	232.91%	Mainly due to increased land prepayment for new projects
10	Short-term borrowings	700,000,000.00	300,000,000.00	133.33%	Mainly due to bank loans increasing
11	Accounts payable	9,274,323.72	13,502,745.52	-31.32%	Mainly due to land rents payable payoff from offshore oil service sector
12	Receipts in advance	10,332,903.02	4,294,109.24	140.63%	Mainly due to receipts in advance for warehouse rents and service
13	Interest payable	81,888,669.47	28,404,479.52	188.29%	Mainly due to increased loan balance
14	Non-current liabilities due within one year	1,056,607,978.40	707,396,728.40	49.37%	Mainly due to reclassification report for 400 million medium-term notes due within one year
15	Other current liabilities	360,000,000.00	6,000,000.00	5900.00%	Mainly due to increased borrowings from Nanshan Group
16	Long-term borrowings	896,083,000.45	489,834,250.45	82.94%	Mainly due to increased borrowings from Zhongkai Financial Company
17	Bonds payable	568,271,000.00	967,159,500.00	-41.24%	Mainly due to reclassification report for 400 million medium-term notes due within one year
18	Long-term payables		251,417,853.31	-	Mainly due to repayment of borrowings from Nanshan Group
19	Minority interests	830,653,923.88	317,006,332.01	162.03%	Mainly due to increased registered capital for Blogis by Nanshan Group
20	Selling expenses	933,957.61	1,559,819.54	-40.12%	Mainly due to decreased agent fees
21	General and administrative expenses	91,117,899.48	64,087,532.68	42.18%	Mainly due to increased labor costs , land use taxes and amortization of depreciation resulted from increasing new logistics parks

22	Impairment losses of assets	43,576.49		-	Mainly due to provision for bad debts
23	Investment income	23,106,021.85	55,977,136.77	-58.72%	Mainly due to decreased investment income from associate (Chiwan Sembawang)
24	Non-operating expenses	2,200,471.00	306,507.99	617.92%	Mainly due to carrying forward the residual loss from scrapping elevators of Chiwan Petroleum Building
25	Refund of tax and levies	989,803.75	352,345.09	180.92%	Mainly due to receipts of land refund for last year
26	Other cash receipts relating to operating activities	33,213,230.32	23,793,386.97	39.59%	Mainly due to increased return of contract bonds and deposits
27	Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets	84,062.00	51,898.00	61.98%	Mainly due to disposal of fixed assets
28	Other cash payments relating to operating activities	282,669,400.00	1,101,075,486.51	-74.33%	Mainly due to decreased available funds for financial products
29	Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	1,378,769,375.08	368,213,505.53	274.45%	Mainly due to increased land and construction payments resulting from logistic parks development
30	Net cash outflows of procurement of subsidiaries and other business units	254,466,925.21		-	Mainly due to the acquisition of Beijing Jinmu Company
31	Other cash payments relating to investing activities	54,229,624.80	1,076,000,000.00	-94.96%	Mainly due to decreased available funds for financial products
32	Cash receipts from capital contributions	498,080,000.00		0.00%	Mainly due to receipt of Blogis registered capital expansion from Nanshan Group
33	Cash receipts from borrowings	1,014,570,000.00	401,884,214.59	152.45%	Mainly due to increased bank loans
34	Other cash receipts relating to financing activities	764,000,000.00		-	Mainly due to newly borrowings from Nanshan Group
35	Cash repayments of borrowings	209,110,000.00	2,752,000.00	7498.47%	Mainly due to repayment of short term bank loans

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

√ Applicable □ Inapplicable

The 1st Session of 8th Board of Directors and 3rd Extraordinary Shareholders' General Meeting of 2016 of the Company have reviewed and approved the proposal on Shenzhen New Nanshan Holdings (Group) (hereinafter referred to as "Nanshan Holdings") issuing A share to absorb and merge Chiwan Base with raising funds. Chiwan Base would be terminated the listing position and cancelled legal personality, meanwhile Nanshan Holdings would inherit and undertake all of the assets, liabilities, business, personnel, contracts and all other rights and obligations from the Company (Chiwan Base) if such transaction is successfully approved and completed.

The above mentioned transaction plan has been approved by Shenzhen Stock Exchange, State-owned Assets Supervision and Administration Commission and the Ministry of Commerce. Meanwhile the Company has already gained the Acceptance Notice on Application Documents issued by China Securities Regulatory Commission (CSRC).

Due to some uncertain policies for this matter to be clear and implement, according to the prudent decision by the Board of Directors, the Company and Nanshan Holdings have put forward application on suspending administrative review the above mentioned significant assets reconstructing plan, and received administrative notice for suspending approval issued by CSRC. The Company would restart to apply for administrative license in a timely manner. This suspension would not result in significant adverse impact.

Introduction	Disclosure Date	Disclosure Index
Draft on Shenzhen New Nanshan Holdings (Group) issuing A share to absorb and merge Chiwan Base with raising funds	2016.07.02	www.cninfo.com.cn
Approval by State-owned assets supervision and administration commission on Shenzhen New Nanshan Holdings (Group) issuing A share to absorb and merge Chiwan Base with raising funds	2016.08.02	www.cninfo.com.cn Announcement No.2016-80
Resolution announcement for 3 rd Extraordinary Shareholders' General Meeting in 2016	2016.08.05	www.cninfo.com.cn Announcement No. 2016-84
Approval by the Ministry of Commerce for significant assets for reconstructing plan	2016.08.30	www.cninfo.com.cn Announcement No. 2016-101
Acceptance Notice issued by China Securities Regulatory Commission for significant assets reconstructing plan	2016.09.01	www.cninfo.com.cn Announcement No. 2016-111
Suspending approval of significant assets reconstructing plan	2016.10.10	www.cninfo.com.cn Announcement No. 2016-122
Receipt of administrative notice for suspending approval issued by CSRC	2016.10.18	www.cninfo.com.cn Announcement No. 2016-127

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

Applicable Inapplicable

Commitments	Promisee	Type	Content	Beginning	Deadline	Status
Other Commitments	Nanshan Group	other	to land use	1997-8-1	25 Years	On duty
	Nanshan Group	other	to resolve payment difficulties if it happens to Zhongkai Financial Company	2014-1-6	3 Years	On duty
	The Company	other	to provide regular monthly financial reports to the controlling shareholder	2007-10-25	Long term effective	On duty
	The Company	commitment to the use of raised funds	About the issue of "medium-term notes for 2012" Commitment	2012-3-7	5 Years	On duty
	The Company	other	About the issue of "12 base debt" commitment	2013-1-9	7 Years	On duty
Fulfill Commitments timely	Yes					

IV. Prediction of Business Performance for Year 2016

Applicable Inapplicable

V. Security Investment

Applicable Inapplicable

VI. Derivatives Investment

Applicable Inapplicable

VII. Reception of Investors and Medias

Applicable Inapplicable

Time	Method	Type of Visitors	Disclosure Index
2016.7.13	Field	Institute	www.cninfo.com.cn (Investment Activity Record No.2016-03)
2016.7.29	Field	Institute	www.cninfo.com.cn (Investment Activity Record No.2016-04)

VIII. Illegal Guarantee

Applicable Inapplicable

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

Applicable Inapplicable

Part IV Financial Statements

I. Financial Statements

1. Balance Sheet Consolidated

Currency: RMB

Items	Ending Balance	Beginning Balance
Current Assets:		
Cash and bank balances	448,589,380.96	321,121,926.73
Notes receivable	-0.00	-
Accounts receivable	58,156,609.46	50,257,814.22
Prepayments	1,280,037.17	435,877.51
Interest receivable	256,008.54	1,138,739.73
Dividends receivable		-
Other receivables	67,063,312.01	58,666,231.60
Inventories	864,404.83	914,543.44
Other current assets		235,000,000.00
Total Current Assets	576,209,752.97	667,535,133.23
Non-current Assets:		-
Long-term equity investments	591,514,306.50	582,600,360.74
Investment properties	1,394,084,572.30	1,425,593,724.71
Fixed assets	803,983,782.56	842,722,056.06
Construction in progress	708,580,033.73	368,965,477.50
Disposal of fixed assets	50,376.46	-
Intangible assets	1,998,647,388.27	1,450,042,826.68
Deferred tax assets	46,675,960.39	28,877,355.41
Other non-current assets	924,213,127.40	277,619,704.84
Total Non-current Assets	6,467,749,547.61	4,976,421,505.94
TOTAL ASSETS	7,043,959,300.58	5,643,956,639.17
Current Liabilities:		-
Short-term borrowings	700,000,000.00	300,000,000.00
Accounts payable	9,274,323.72	13,502,745.52
Receipts in advance	10,332,903.02	4,294,109.24
Employee benefits payable	21,056,050.97	26,233,258.02
Taxes payable	19,398,800.62	20,937,276.95
Interest payable	81,888,669.47	28,404,479.52
Other payables	435,783,877.93	480,066,219.49
Non-current liabilities due within one year	1,056,607,978.40	707,396,728.40
Other current liabilities	360,000,000.00	6,000,000.00
Total Current Liabilities	2,694,342,604.13	1,586,834,817.14
Non-current Liabilities:		-
Long-term borrowings	896,083,000.45	489,834,250.45
Bonds payable	568,271,000.00	967,159,500.00
Long-term payables		251,417,853.31
Deferred income	50,425,115.23	51,251,151.07
Other non-current liabilities	224,942,527.05	226,367,558.34
Total Non-current Liabilities	1,739,721,642.73	1,986,030,313.17
TOTAL LIABILITIES	4,434,064,246.86	3,572,865,130.31
SHAREHOLDERS' EQUITY:		-
Share capital	230,600,000.00	230,600,000.00
Capital reserve	234,141,186.09	234,141,186.09
Other comprehensive income	652,079.14	652,079.14
Special reserve	6,668,669.51	5,941,771.48

Surplus reserve	318,603,562.42	317,245,288.81
Unappropriated profits	988,575,632.68	965,504,851.33
Total shareholders' equity attributable to equity holders of the Company	1,779,241,129.84	1,754,085,176.85
Minority interests	830,653,923.88	317,006,332.01
TOTAL SHAREHOLDERS' EQUITY	2,609,895,053.72	2,071,091,508.86
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	7,043,959,300.58	5,643,956,639.17

Legal Representative: Tian Junyan

Chief Financial Officer: Yu Zhongxia

Financial Manager: Sun Yuhui

2. Balance Sheet**Parent Company**

Currency: RMB

Items	Ending Balance	Beginning Balance
Current Assets:		
Cash and bank balances	26,581,928.20	28,808,779.96
Accounts receivable	29,865,706.65	22,290,192.64
Prepayments	535,403.75	174,357.15
Interest receivable		1,031,342.47
Dividends receivable		-
Other receivables	455,876,062.55	1,519,389,018.64
Inventories	612,187.77	665,307.48
Other current assets		235,000,000.00
Total Current Assets	513,471,288.92	1,807,358,998.34
Non-current Assets:		-
Long-term equity investments	3,224,526,630.78	1,486,226,120.45
Investment properties	117,100,714.31	121,605,608.97
Fixed assets	55,727,124.33	62,672,792.29
Construction in progress	3,251,683.00	2,600,283.00
Disposal of fixed assets		-
Intangible assets	280,255,653.41	292,794,849.40
Deferred tax assets	25,882,234.91	9,635,782.89
Other non-current assets		255,366.60
Total non-current assets	3,706,744,040.74	1,975,790,803.60
TOTAL ASSETS	4,220,215,329.66	3,783,149,801.94
Current Liabilities:		-
Short-term borrowings	650,000,000.00	300,000,000.00
Accounts payable	8,730,759.62	13,115,420.11
Employee benefits payable	10,617,096.39	17,261,742.30
Taxes payable	1,848,066.44	2,508,111.41
Interest payable	80,971,695.54	28,118,306.33
Other payables	81,214,291.92	67,373,561.98
Non-current liabilities due within one year	1,051,349,351.16	701,349,351.16
Other current liabilities	10,000,000.00	-
Total Current Liabilities	1,894,731,261.07	1,129,726,493.29
Non-current Liabilities:		-
Long-term borrowings	280,024,302.04	181,224,302.04
Bonds payable	568,271,000.00	967,159,500.00
Deferred tax liability		-
Other non-current liabilities	15,355,544.97	16,367,558.34
Total Non-current Liabilities	863,650,847.01	1,164,751,360.38
TOTAL LIABILITIES	2,758,382,108.08	2,294,477,853.67
SHAREHOLDERS' EQUITY:		-
Share capital	230,600,000.00	230,600,000.00
Capital reserve	204,534,849.49	204,534,849.49
Special reserve	6,405,880.92	5,775,987.68
Surplus reserve	318,603,562.42	317,245,288.81
Unappropriated profits	701,688,928.75	730,515,822.29
TOTAL SHAREHOLDERS' EQUITY	1,461,833,221.58	1,488,671,948.27
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	4,220,215,329.66	3,783,149,801.94

3. Income Statements QTD

Consolidated

Currency: RMB

Items	Current Period	Same Period Last Year
I. Total operating income	169,557,114.04	170,600,550.00
Including: Operating income	169,557,114.04	170,600,550.00
Less: Total operating costs	165,053,612.60	149,393,680.44
Including: Operating costs	75,166,272.44	74,755,187.33
Business taxes and levies	8,048,813.06	9,047,442.54
Selling expenses	16,934.98	1,292,201.53
General and administrative expenses	35,772,550.31	21,745,533.45
Financial expenses	46,023,380.18	42,553,315.59
Impairment losses of assets	25,661.63	0.00
Add: Investment income	8,143,627.57	19,817,551.38
Including: Income from investments in associates and joint ventures	8,064,577.57	13,678,482.38
II. Operating profit	12,647,129.01	41,024,420.94
Add: Non-operating income	2,188,851.93	693,362.95
Including: Gains from disposal of non-current assets	33,495.15	9,357.83
Less: Non-operating expenses	1,348,778.98	196,354.75
Including: Losses from disposal of non-current assets	1,298,498.40	189,898.69
III. Gross profit	13,487,201.96	41,521,429.14
Less: Income tax expenses	4,514,963.64	8,511,435.60
IV. Net profit	8,972,238.32	33,009,993.54
Net profit attributable to owners of the Company	4,324,601.47	28,165,868.96
Profit or loss attributable to minority shareholders	4,647,636.85	4,844,124.58
V. Post-tax net value of other comprehensive income		6,467.97
Post-tax net value of other comprehensive income attributable to owners of the Company		5,003.62
Including: Translation differences arising on translation of financial statements denominated in foreign currencies		5,003.62
Post-tax net value of other comprehensive income attributable to minority shareholders		1,464.35
VI. Total comprehensive income:	8,972,238.32	33,016,461.51
Total comprehensive income attributable to owners of the Company	4,324,601.47	28,170,872.58
Total comprehensive income attributable to minority shareholders	4,647,636.85	4,845,588.93
VII. Earnings per share:		
(I) Basic earnings per share	0.02	0.12
(II) Diluted earnings per share	Not applicable	Not applicable

Legal Representative: Tian Junyan

Chief Financial Officer: Yu Zhongxia

Financial Manager: Sun Yuhui

4. Income Statements QTD

Parent company

Currency: RMB

Items	Current Period	Same Period Last Year
I. Operating income	38,058,162.38	44,731,110.40
Less: Operating costs	23,154,062.05	26,135,871.73
Business taxes and levies	-110,129.03	1,039,509.84
General and administrative expenses	10,414,424.12	9,175,148.24
Financial expenses	28,996,224.57	17,344,309.45
Impairment loss of assets	115,139.98	0.00
Add: Investment income	8,143,627.57	19,817,551.38
Including: Income from investments in associates and joint ventures	8,064,577.57	13,678,482.38
II. Operating profit	-16,367,931.74	10,853,822.52
Add: Non-operating income	385,092.23	12,168.93
Including: Gains from disposal of non-current assets	33,495.15	1,368.93
Less: Non-operating expenses	1,298,674.73	2,003.94
Including: Losses from disposal of non-current assets	1,297,373.40	3.94
III. Gross profit	-17,281,514.24	10,863,987.51
Less: Income tax expenses	-6,335,482.34	-721,059.52
IV. Net profit	-10,946,031.90	11,585,047.03
V. Other comprehensive income		
VI. Total comprehensive income	-10,946,031.90	11,585,047.03
VII. Earnings per share:		
(I) Basic earnings per share	Not applicable	Not applicable
(II) Diluted earnings per share	Not applicable	Not applicable

5. Income Statements YTD

Consolidated

Currency: RMB

Items	Current Period	Same Period Last Year
I. Total operating income	500,605,402.69	477,719,622.68
Including: Operating income	500,605,402.69	477,719,622.68
Less: Total operating costs	469,833,519.93	431,567,754.73
Including: Operating costs	218,435,775.07	215,201,642.65
Business taxes and levies	26,916,452.48	29,942,187.10
Selling expenses	933,957.61	1,559,819.54
General and administrative expenses	91,117,899.48	64,087,532.68
Financial expenses	132,385,858.80	120,776,572.76
Impairment losses of assets	43,576.49	
Add: Investment income	23,106,021.85	55,977,136.77
Including: Income from investments in associates and joint ventures	21,822,744.32	44,307,836.56
II. Operating profit	53,877,904.61	102,129,004.72
Add: Non-operating income	4,891,700.81	5,702,686.13
Including: Gains from disposal of non-current assets	61,272.8	58,816.9
Less: Non-operating expenses	2,200,471.00	306,507.99
Including: Losses from disposal of non-current assets	1,335,476.83	196,421.14
III. Gross profit	56,569,134.42	107,525,182.86
Less: Income tax expenses	16,600,279.63	22,043,581.78
IV. Net profit	39,968,854.79	85,481,601.08
Net profit attributable to owners of the Company	24,429,054.96	70,795,802.44
Profit or loss attributable to minority shareholders	15,539,799.83	14,685,798.64
V. Post-tax net value of other comprehensive income		-1,085,665.35
Post-tax net value of other comprehensive income attributable to owners of the Company		-839,870.71
Including: Translation differences arising on translation of financial statements denominated in foreign currencies		-839,870.71
Post-tax net value of other comprehensive income attributable to minority shareholders		-245,794.64
VI. Total comprehensive income:	39,968,854.79	84,395,935.73
Total comprehensive income attributable to owners of the Company	24,429,054.96	69,955,931.73
Total comprehensive income attributable to minority shareholders	15,539,799.83	14,440,004.00
VII. Earnings per share:		
(I) Basic earnings per share	0.11	0.31
(II) Diluted earnings per share	Not applicable	Not applicable

6.Income Statements YTD

Parent company

Currency: RMB

Items	Current Period	Same Period Last Year
I. Operating income	106,902,523.44	123,765,873.99
Less: Operating costs	68,683,282.45	82,607,183.57
Business taxes and levies	1,556,544.84	4,396,666.87
General and administrative expenses	28,405,086.38	29,423,652.90
Financial expenses	73,951,437.00	49,817,001.81
Impairment loss of assets	80,014.45	
Add: Investment income	23,106,021.85	55,921,465.53
Including: Income from investments in associates and joint ventures	21,822,744.32	44,307,836.56
II. Operating profit	-42,667,819.83	13,442,834.37
Add: Non-operating income	411,217.25	853,067.61
Including: Gains from disposal of non-current assets	33,495.15	38,296.45
Less: Non-operating expenses	1,416,462.29	19,738.70
Including: Losses from disposal of non-current assets	1,298,373.40	60.48
III. Gross profit	-43,673,064.87	14,276,163.28
Less: Income tax expenses	-16,204,444.94	-5,468,310.96
IV. Net profit	-27,468,619.93	19,744,474.24
V. Other comprehensive income		
VI. Total comprehensive income	-27,468,619.93	19,744,474.24
VII. Earnings per share:		
(I) Basic earnings per share	Not applicable	Not applicable
(II) Diluted earnings per share	Not applicable	Not applicable

7. Cash Flow Statements YTD

Consolidated

Currency: RMB

Items	Current Period	Same Period Last Year
I. Cash Flows from Operating Activities:		
Cash receipts from sales of goods and rendering of services	524,956,851.97	505,787,852.23
Refund of tax and levies	989,803.75	352,345.09
Other cash receipts relating to operating activities	25,350,394.30	29,761,167.63
Sub-total of cash inflows from operating activities	551,297,050.02	535,901,364.95
Cash payments for goods purchased and services received	103,347,618.78	98,437,114.06
Cash payments to and on behalf of employees	72,868,326.06	68,840,132.00
Payments of various taxes	93,904,500.08	112,876,298.41
Other cash payments relating to operating activities	33,213,230.32	23,793,386.97
Sub-total of cash outflows from operating activities	303,333,675.24	303,946,931.44
Net Cash Flows from Operating Activities	247,963,374.78	231,954,433.51
II. Cash Flows from Investing Activities:	-	-
Cash receipts from investment income	12,908,798.55	14,329,928.96
Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets	84,062.00	51,898.00
Other cash receipts relating to investing activities	282,669,400.00	1,101,075,486.51
Sub-total of cash inflows from investing activities	295,662,260.55	1,115,457,313.47
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	1,378,769,375.08	368,213,505.53
Cash payments to acquire investments		
Net cash outflows of procurement of subsidiaries and other business units	254,466,925.21	
Other cash payments relating to investing activities	54,229,624.80	1,076,000,000.00
Sub-total of cash outflows from investing activities	1,687,465,925.09	1,444,213,505.53
Net Cash Flows from Investing Activities	-1,391,803,664.54	-328,756,192.06
III. Cash Flows from Financing Activities:	-	-
Cash receipts from capital contributions	498,080,000.00	
Cash receipts from borrowings	1,014,570,000.00	401,884,214.59
Other cash receipts relating to financing activities	764,000,000.00	
Sub-total of cash inflows from financing activities	2,276,650,000.00	401,884,214.59
Cash repayments of borrowings	209,110,000.00	2,752,000.00
Cash payments for distribution of dividends or profits or settlement of interest expenses	58,301,680.37	76,371,998.01
Other cash payments relating to financing activities	737,921,183.14	317,563,700.00
Sub-total of cash outflows from financing activities	1,005,332,863.51	396,687,698.01
Net Cash Flows from Financing Activities	1,271,317,136.49	5,196,516.58
IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents	-9,392.50	-517,440.35
V. Net Increase(Decrease)in Cash and Cash Equivalents	127,467,454.23	-92,122,682.32
Add: Opening balance of Cash and Cash Equivalents	321,121,926.73	375,328,861.18
VI. Closing Balance of Cash and Cash Equivalents	448,589,380.96	283,206,178.86

8. Cash Flow Statements YTD

Parent company

Currency: RMB

Items	Current Period	Same Period Last Year
I. Cash Flows from Operating Activities:		
Cash receipts from sales of goods and rendering of services	104,018,577.54	136,713,211.06
Refund of tax and levies	985,094.24	330,695.52
Other cash receipts relating to operating activities	6,001,790.86	3,434,343.65
Sub-total of cash inflows from operating activities	111,005,462.64	140,478,250.23
Cash payments for goods purchased and services received	38,773,666.50	43,060,967.07
Cash payments to and on behalf of employees	38,624,704.71	39,842,018.91
Payments of various taxes	8,207,001.92	37,448,865.56
Other cash payments relating to operating activities	15,006,793.86	14,022,943.41
Sub-total of cash outflows from operating activities	100,612,166.99	134,374,794.95
Net Cash Flows from Operating Activities	10,393,295.65	6,103,455.28
II. Cash Flows from Investing Activities:	-	-
Cash receipts from investment income	12,908,798.55	14,329,928.96
Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets	1,012.00	
Other cash receipts relating to investing activities	484,414,620.00	1,151,855,957.74
Sub-total of cash inflows from investing activities	497,324,430.55	1,166,185,886.70
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	3,686,825.50	8,981,375.39
Cash paid to acquire investments	307,676,564.58	26,099,820.00
Other cash payments relating to investing activities	139,040,903.63	1,109,980,158.29
Sub-total of cash outflows from investing activities	450,404,293.71	1,145,061,353.68
Net Cash Flows from Investing Activities	46,920,136.84	21,124,533.02
III. Cash Flows from Financing Activities:	-	-
Cash receipts from borrowings	650,000,000.00	300,000,000.00
Other cash receipts relating to financing activities	428,216,926.37	7,026,617.93
Sub-total of cash inflows from financing activities	1,078,216,926.37	307,026,617.93
Cash repayments of borrowings	201,200,000.00	650,000.00
Cash payments for distribution of dividends or profits or settlement of interest expenses	42,465,652.80	64,866,831.23
Other cash payments relating to financing activities	894,082,165.32	324,162,727.28
Sub-total of cash outflows from financing activities	1,137,747,818.12	389,679,558.51
Net Cash Flows from Financing Activities	-59,530,891.75	-82,652,940.58
IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents	-9,392.50	-716,044.49
V. Net Increase(Decrease) in Cash and Cash Equivalents	-2,226,851.76	-56,140,996.77
Add: Opening balance of Cash and Cash Equivalents	28,808,779.96	110,176,958.92
VI. Closing Balance of Cash and Cash Equivalents	26,581,928.20	54,035,962.15

II. Audit Report

Audit Opinion

The third quarterly report is unaudited.

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