



**Sino Great Wall Co., Ltd.**  
**2015 Annual Report**

**April 2016**

## I. Important Notice, Table of Contents and Definitions

The Board of Directors and the directors, Supervisory Committee and supervisors and Senior Executives of the Company hereby warrant that at the year , there are no misstatement, misleading representation or important omissions in this report and shall assume joint and several liability for the authenticity, accuracy and completeness of the contents hereof.

Mr.Chen Lue , The Company leader, Mr. Cui Hongli, Chief financial officer and the Mr. Cui Hongli, the person in charge of the accounting department (the person in charge of the accounting )hereby confirm the authenticity and completeness of the financial report enclosed in this annual report.

All the directors attended the board meeting for reviewing the Annual Report.

There are detailed descriptions in the annual report about the possible risks may faced, but due to the influence of various factors, there may be some differences between the specific situations and the descriptions, furthermore, the company's description on the company's future development strategy does not constitute the solid commitment to the investors, so please be aware of the investment risks.

The profit distribution proposal reviewed and approved by the boarding meeting was summarized as follows: 446,906,582 for the base, the Company would distribute cash dividend to all the shareholders at the rate of CNY0 for every 10 shares (with tax inclusive) , 0 bonus shares (including tax) ,The Company will transfer the capital reserve to increase capital stock, 28 shares for every 10 shares.

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## Definition

Terms to be defined	Refers to	Definition
Company Law	Refers to	Company Law of the People's Republic of China
Securities Law	Refers to	Securities Law of the People's Republic of China
“CSRC”	Refers to	China Securities Regulatory Commission
Company, The Company, Sino Great Wall	Refers to	Sino Great Wall Co., Ltd.
Sino International	Refers to	Sino Great Wall International Engineering Co., Ltd.
BDO	Refers to	BDO China Shu Lun Pan Certified Public Accountants LLP
SZSE	Refers to	Shenzhen Stock Exchange
Reporting period	Refers to	January 1, 2015 to December 31, 2015
Yatian Decoration	Refers to	Shenzhen Yatian Decoration Design Engineering Co., Ltd.
Union Development	Refers to	Union Development Group Co., Ltd.
Union Holdings	Refers to	Union Holdings Co., Ltd.
Rich Crown Investment	Refers to	Rich Crown Investment Co., Ltd.

## II. Basic Information of the Company and Financial index

### I. Company Information

Stock abbreviation:	Sino Great Wall Sino-B	Stock code:	000018 200018
Stock exchange for listing	Shenzhen Stock Exchange		
Name in Chinese	神州长城股份有限公司		
Chinese Abbreviation	神州长城 神州 B		
English name (If any)	Sino Great Wall Co., Ltd.		
English Abbreviation (If any)	Sino Great Wall Sino-B		
Legal Representative	Chen Lue		
Registered address	26 Kuipeng Road, Kuiyong Town, Longgang District, Shenzhen		
Postal code of the Registered Address	518119		
Office Address	Sino Great Wall Building, No.3 Jinxiu Street,Economic Technology Development Zone , Beijing		
Postal code of the office address	100176		
Internet Web Site	www.sgwde.com		
E-mail	000018sz@sina.com		

### II. Contact person and contact manner

	Board secretary	Securities affairs Representative
Name	Yang Chunling	Liu Guofa
Contact address	Sino Great Wall Building, No.3 Jinxiu Street,Economic Technology Development Zone , Beijing	Sino Great Wall Building, No.3 Jinxiu Street,Economic Technology Development Zone , Beijing
Tel	010-89045855	010-89045855
Fax	010-89045856	010-89045856
E-mail	1208806865@qq.com	000018sz@sina.com

### III. Information disclosure and placed

Newspapers selected by the Company for information disclosure	Securities Times and Hongkong Commercial Daily.
Internet website designated by CSRC for publishing the Annual report of the Company	<a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a>
The place where the Annual report is prepared and placed	Securities Department , Sino Great Wall Building, No.3 Jinxiu Street,Economic Technology Development Zone , Beijing

#### IV.Changes in Registration

Organization Code	91440300618801483A
Changes in principal business activities since listing (if any)	<p>On October 13, 2015, the company held the 26<sup>th</sup> board meeting of the sixth session board of directors, at which the Proposal on Alteration of the Company's Business Scope was examined and approved. In the light of the major asset restructuring conducted by the company, the main business of the company shall be significantly changed. In order to meet the company's development requirements, the company planned to change the company's business scope to "Engineering design and construction, infrastructure investment, new energy construction and investment, medical investment, life technology research and development, equipment manufacturing, defense equipment, financial investment and real estate development (Finally, the business scope shall be the business scope approved by the Administration for Industry and Commerce) from the original business scope of "Production and operation of the textile industry products and its required raw materials, accessories, machinery and equipment, all kinds of fabrics and clothing and providing related services(Do not contain the products included in the existing license management, if has a license, then it will execute by the license). The Proposal on Alteration of the Company's Business Scope was examined and approved in the 2015 second extraordinary general shareholder meeting which was convened on October 29, 2015,</p>
Changes is the controlling shareholder in the past (is any)	<p>On October 14, 2015, the company completed the share-issuing of a total of 251,849,593 shares issued to 17 transaction objects such as Chen Lue for purchasing related assets, of which the issuing price is RMB 9.84 per share. Of which Chen Lue Holdings held 138,340,890 shares, taking for 32.86% of the company's share capital, The Largest shareholder of the company was changed to Mr. Chen Lue form Union Holdings Co., Ltd. And the actual controller of the Compnay was changed to Mr. Chen Lue from Union Developemnt Co., Ltd.</p> <p>On Nov 27, 2015, the company completed the non-public share-issuing to purchase the assets and raise the matching funds. The total share quantity of the non-public share-issuing for raising funds is 25,914,633 shares, with issuing price of RMB 9.84 per share, of which Chen Lue subscribed 14,735,772 shares of the newly increasing shares. After completing the non-public share-issuing, the company's total share capital shall be changed to 446,906,582 shares, of which Mr. Chen Lue holds 153,076,662 shares, taking for 34.25% of the company's total share capital, remained as the company's actual controlling shareholder and the actual controller.</p>

#### V. Other Relevant Information

CPAs engaged

Name of the CPAs	BDO China Shu Lun Pan Certified Public Accountants LLP
Office address:	10/F of the No.7 Building, No16 Yard, Mid of West 4 <sup>th</sup> Ring Road, Haidian DDistrict, Beijing

Names of the Certified Public Accountants as the signatories	Liao Jiahe, Xu Shibao
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The sponsor performing persist ant supervision duties engaged by the Company in the reporting period.

Applicable Not applicable

Sponsor name	Office address	Representatives	Period of supervision and guide
Huatai United Securities Co., Ltd.	6/F,A Unit, Fengming International Building, No.22, Fengsheng Hutong, Xicheng District, Beijing	Jia Chunhao, Mao Dawei, Wu Wenmin	September 27, 2015 to December 31,2018

The Financial advisor performing persist ant supervision duties engaged by the Company in the reporting period

Applicable Not applicable

Advisor Name	Office address	Representatives	Period of supervision and guide
Huatai United Securities Co., Ltd.	6/F,A Unit, Fengming International Building, No.22, Fengsheng Hutong, Xicheng District, Beijing	Jia Chunhao, Mao Dawei, Wu Wenmin	September 27, 2015 to December 31,2018

## VI.Summary of Accounting data and Financial index

May the Company make retroactive adjustment or restatement of the accounting data of the previous years due to change of the accounting policy and correction of accounting errors.

Yes No

	2015	2014	Changed over last year ( % )	2013
Operating Gross income ( RMB )	4,010,358,999.58	2,754,684,893.91	45.58%	2,035,212,861.16
Net profit attributable to the shareholders of the listed company ( RMB )	346,648,651.48	186,857,504.45	85.51%	103,518,058.00
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company ( RMB )	347,196,614.68	183,801,389.95	88.90%	101,026,921.20
Cash flow generated by business operation, net ( RMB )	-292,051,257.08	163,847,389.34	-278.25%	-182,151,177.61
Basic earning per share(RMB/Share)	1.50	0.74	102.70%	0.6120
Diluted gains per share(RMB/Share)(RMB/Share)	1.50	0.74	102.70%	0.6120
Net asset earning ratio ( % )	34.52%	24.54%	9.98%	17.46%

	End of 2015	End of 2014	Changed over last year ( % )	End of 2013
Gross assets (RMB)	4,017,462,824.63	2,447,572,750.57	64.14%	1,675,076,620.29
Net assets attributable to shareholders of the listed company (RMB)	1,282,256,738.74	761,471,188.44	68.39%	593,026,818.30

## VII. The differences between domestic and international accounting standards

### 1. Simultaneously pursuant to both Chinese accounting standards and international accounting standards disclosed in the financial reports of differences in net income and net assets.

Applicable  Not applicable

The Company had no difference of the net profit or net assets disclosed in financial report, under either IAS (International Accounting Standards) or Chinese GAAP(Generally Accepted Accounting Principles) in the period.

### 2. Differences of net profit and net assets disclosed in financial reports prepared under overseas and Chinese accounting standards.

Applicable  Not applicable

The Company had no difference of the net profit or net assets disclosed in financial report, under either foreign accounting rules or Chinese GAAP(Generally Accepted Accounting Principles) in the period.

## VIII. Main Financial Index by Quarters

In RMB

	First quarter	Second quarter	Third quarter	Fourth quarter
Operating income	825,262,582.68	1,255,946,636.48	835,406,170.68	1,093,743,609.74
Net profit attributable to the shareholders of the listed company	47,877,449.11	117,464,892.01	77,186,010.32	104,120,300.04
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company	47,519,957.09	117,483,194.26	77,869,941.81	104,323,521.52
Net Cash flow generated by business operation	-116,108,845.35	-127,687,027.48	-83,783,608.09	35,528,223.84

Whether significant variances exist between the above financial index or the index with its sum and the financial index of the quarterly report as well as semi-annual report index disclosed by the Company.

Yes  No



**IX. Items and amount of non-current gains and losses**

√Applicable    □Not applicable

In RMB

Items	Amount (2015)	Amount (2014)	Amount (2013)
Non-current asset disposal gain/loss(including the write-off part for which assets impairment provision is made)	-81,112.15	-137,889.40	
Government subsidy recognized in current gain and loss(excluding those closely related to the Company's business and granted under the state's policies)	342,246.00		
Capital occupation fees charged by non financial enterprises in the current profits and losses		5,214,416.45	3,232,123.00
Except the effective hedge business related to the normal operation business of the Company, the profit and loss in the changes of fair values caused by the holding of tradable financial assets and tradable financial liabilities as well as the investment returns in disposal of tradable financial assets, tradable financial liabilities and saleable financial assets		60,407.78	
Other non-operating income and expenditure except for the aforementioned items	-905,796.34	-1,062,500.49	89,392.74
Less: Amount of influence of income tax	-96,699.29	1,018,319.84	830,378.94
Total	-547,963.20	3,056,114.50	2,491,136.80

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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    √ Not applicable

None of Non-recurring gain /loss items recognized as recurring gain /loss/items as defined by the information disclosure explanatory Announcement No.1- Non –recurring gain/loss in the report period.

### III. Outline of Company Business

#### I .Main Business the Company is Engaged in During the Report Period

In 2015, The company has completed great asset replacement, purchased by issuing shares and raising supporting funds in the year, the total assets company has owned and liabilities company has made were exchanged with equivalent assets that all shareholders hold in Sino Great Wall International Engineering Co., Ltd., and differential sections were purchased by my company ,issuing shares for all shareholders hold in Sino Great Wall International Engineering Co., Ltd.,meanwhile, company has distributed supporting funds,255 million Yuan used for raising and restructuring shares, to Chen Lue and Hui tong 2.Since the major assets restructuring was accomplished, our primary services has shifted from previous producing and processing of textile into Engineering general contracting(overseas),decoration, mechanical and electrical installation, curtain wall design and construction, Investment and construction of hospital health industry, etc.

Domestic business in 2015: Company's building decoration business maintained steady growth and company's market standing in Domestic construction projects has been further promoted. Since domestic revenues accounted for 60 % of company's business income in 2015, it is still the main source of revenue: at the same time, the year of 2015 is the company's first year of strategic layout of medical business as well. Despite the fact that no income has been gained from medical business, works on different levels are carried out in a smooth way, and company has signed a cooperation agreement with Sichuan Jiale Enterprise Group, Beijing Anjie Asset Management Co., Ltd, Sinopharm Finance Lease Co., Ltd successively, and Launched extensive cooperation in fields like acquisition or construction of hospital projects, medical engineering contracting, health-care investment and financial leasing to provide a guarantee for promoting the rapid development of the company's medical business. Although the medical business still hasn't formed income, all the works have been progressing smoothly, which has provided the foundation of the fast development of the company's medical business.Talented personnel recruited from overseas personnel market formation for many years, diverse marketing channels and understanding construction capability have made the company's overseas spread throughout the Middle East, Southeast Asia and Africa. Moreover, large-scale projects are widely in construction or under construction in countries and regions like Qatar, Kuwait, Indonesia, Sri Lanka, Burma, Cambodia, and Algeria. In the above areas, the company has accumulated and created a good market reputation and corporate image, laying a good foundation for the company to win more project orders and further expand their business to other countries and regions. An extensive step to increase building and construction industry and health care industry would be conducted in future, promoting the sustained and rapid growth of the company.

#### II.Industry development and outlook of the company

In 2015, the global economic situation still was perplexing and complicated and the world economic growth was low, yet China has been entered into the new normal of adjusting industrial structure, stabling the growth and transformation and upgrading of the industries. The domestic architectural decoration industry was affected by the weak real estate market, resulted in a low growth; the company relying on the initiative advantage, brand influences and good business development ability has formed three core business segments of the Middle East, Southeast Asia and Africa, remained in a comparatively fast growth momentum. In the future, along with steady

growth of the Chinese economic and the speeding up of the urbanization of China and the increasing escalation of the consumption level of residents, the architectural decoration market such as in the transportation, culture, sports, medical and health facilities and new hotel construction will keep growing at a certain pace. As to the overseas market, along with the implementation and deepening of the national strategy of "One Belt, One Road" which brings a new round of growth opportunities, by virtue of the construction implemented of the contracted projects by the company, the accumulation and the establishment of good market reputation and image of the company, the company's overseas business will keep in a comparatively fast growth and the company's business scale and market share will continuously be increased.

Health-care industry: according to spirit of normative documents, Guidance on the Pilot Reform of Public Hospitals and Opinions of Further Encouraging and Guiding the Social Capital to Hold Medical Institutions released successively by five ministries including ministry of health, the company combined it with the status quo of the medical and health industry in China, on the basis of full investigation, com firmed strategic direction of development in future and actively carried out medical industry layout in 2015. for the acquisition of the company, the existing hospitals, hospital, a new construction of medical and health projects all the input and take direct investment, industry fund operation mode initiated and Realization of medical industry, landing, and strive to build the company into a building and medical services and drive the development of a group of outstanding enterprises.

By 2015,Sino Great Wall International Engineering Co., Ltd, a wholly-owned subsidiary of the company, ranked eighth in China's 100 top building decoration enterprises, and the project "Convention Center in Gansu five-star hotel complex project", which it participated in, won China's construction Engineering Luban Awards during 2014 to 2015.

## II .Major Changes in Main Assets

### 1. Major Changes in Main Assets

Main assets	Major changes
Fixed assets	The main reason is the Ministry of Finance of Kuwait , Cambodia Howley and NAGA crane and other equipment procurement project.
Construction in process	Kuwait Ministry of Defence procurement is mainly due to crane and other equipment is not installed

### 2. Main Conditions of Overseas Assets

√ Applicable □ Not applicable

Content of assets	Reason for the formation	Asset size	Location	Operation mode	Control measure to ensure the security of assets	Income(RMB )	Foreign assets accounted for net assets of the Company	Whether exist significant impairment risk
Fixed assets	The overseas purchase of	19,349,597.72	Kuwait, Kampuchea,				1.54%	No

	the tower crane, car		Qatar, Algeria					
Construction in process	The crane is not installed overseas	5,038,257.45	Kuwait,				0.39%	No

### III. Analysis On core Competitiveness

After the completion of the reorganization of the company, Sino Great Wall Co., Ltd is a national leader in integrated architectural engineering contractors, and boasts top comprehensive strength and competitiveness among the nation's public building decoration industry. In recent years, with the increasing efforts of expanding overseas marketing, and the number and scale of overseas projects continually improved, overseas business increased sharply.

#### 1. Service advantages of integration

The company has three national first-level qualifications, national building decoration, engineering design and construction, specialized contracting of Mechanical and electrical equipment installation projects and specialized contracting of the construction curtain wall projects ,and Foreign Project Contracting and Operation. Self-contained design and sound execution conditions help Sino Great Wall Co., Ltd provide customers with decorative, mechanical and electrical installation and whole industry chain of curtain, integrated services of construction and design. The company can independently complete a full implementation of the construction project without the need for specialized subcontractors, as it owns civil engineering, electrolytic skills, refined decoration, experience of curtain wall construction and construction team. In this way, advantages can be formed together in the field of construction engineering; we can rationalize arrangement of project procurement, employment and construction plans, and optimize project schedule, effectively shorten the construction period, reducing the overall cost of the project, to maximize project benefits.

#### 2. Preemptive advantages and brand effect of overseas business

Judging from the international and domestic economic situations and the construction market, the company assessed the situation ahead of others and made the layout of the overseas market, to form marketing team for overseas construction business in advance, cultivate abilities of project management training and business negotiation, and accumulate experience in the construction project. Familiar with the political and economic environment in overseas markets, the construction market environment and labor market and labor regulations, the company can make reasonable estimates about construction projects, effectively control construction projects and win customers' acceptance by offering the engineering of perfect quality. With winning the bid and completion of local landmarks, the company's visibility and influence in countries of the Middle East, Southeast Asia has been increasing promoted establishing a good corporate image and brand image.

#### 3. Advantages of talented personnel

Talent competition is the core part of enterprise competition, as talents are the most valuable asset of enterprises. In order to ensure the stability of the company's personnel, various effective measures has be carried out, including continuing to introduce talents, mobilizing and inspiring the enthusiasm and creativity of employees work, sharing incentives for business growth with employees, and giving part of the company directors, supervisors and senior management personnel and business backbones the privileged rights to purchase non-public shares. In this way, listed companies and employees share a mutual benefits, and their subjective initiative would be inspired, promoting the company's rapid development of overseas and domestic business The

Company's core business management team, experienced in operating and skillfully marketing, is of high quality and capability, like management capability, leaving good support for development of the company in future.

## IV. Management's Discussion and Analysis

### I. General

#### 1. Overall overview of business condition

Obstacles and difficulties were still in the way of global economic recovery in 2015, despite of the economy of US showing signs of improvement. The entire international economic environment is still fragile and on sluggish growth. To enhance China's economic growth momentum and strengthen supply-side structural reforms, domestic fixed asset investment has been decelerated, and real estate faced greater pressure of d-stocking. Under the new normal, domestic architectural decoration industry underwent slower growth rate than that of previous years. also bringing great pressure for the company's operation and management. However, with the advancement and implementation of the "one belt, one road" strategy, overseas construction decoration market still have dynamic growth potential. With the introduction of national health reform policy, the health care industry is also facing greater development opportunities.

Operating with international and domestic economic situation, the company developed a business plan "consolidating of the domestic decoration main industry, expanding overseas construction market, ensuring steady growth of the performance". With a clearly scientific development strategy and the unremitting efforts of all staff, the company's overall asset quality and profitability were significantly improved. In 2015, although domestic economic suffered a slow growth, the company has maintained good growth momentum with a good performance of the company's overseas business. In 2015, the company achieved operating income of 4.01 billion Yuan, an increase of 45.58 % over the previous year; operating profit of 431 million Yuan, an increase of 75.22% over the previous year; net profit attributable to parent company 347 million Yuan, an increase over the previous year 85.51%.

#### 2. Main works carried out by the company in 2015 are as follow:

##### (1) Maintaining stability in domestic decoration business

During the reporting period, the company will further consolidate the traditional decoration business market, promote the company's well-known brands and the implementation of characteristic operating strategy, and spare great efforts to develop and nurture high-end customers, making a steady increase of high-end customers in the company's share of the domestic business and continuing to improve brand influence Sino Great Wall. Moreover, we would also provide customers with comprehensive solutions, including high-quality and efficient architectural decoration, mechanical and electrical installation, curtain wall design and construction, and meanwhile actively explore relevant qualifications and industrial chain in innovative business model, improving the company decoration, engineering construction, creating a new performance and profit growth and constantly improving the company's profitability.

##### (2) Achieving good results in expanding overseas market business

In 2015, under the leadership of national policy "One Belt and One Road", relying on it's a good reputation in the overseas company and rich experience in marketing and construction, the company's overseas business grew rapidly in Myanmar, Indonesia, the Philippines, Sri Lanka and other places ,with new orders for large projects signed equivalent value of more than billion. Overseas projects are likely to use more the contracting management models, EPC and PPP, providing a strong guarantee for the company's performance in next few

years.

(3) Gaining a initial success of medical health industry layout and working smoothly

In 2015, the company decided to regard health care as key direction of the company in future. Afterward, the company introduced the management authority and technical experts in the medical field, in conjunction with the company's senior personnel, to set up a new medical team and carry out the in-depth project study and research in nationwide. Moreover, they carefully organized project feasibility and screening and have deep contacts with the target project, and signed a cooperation agreement to conduct a joint medical investment business with Sichuan Jiale enterprise Group Co., Ltd. Andrzej asset management Limited and Sinopharm Group financial leasing Co., Ltd, giving full play to their respective advantages in terms of construction, finance, customer resources, brand, etc. and promoting the development of the company in the medical engineering contracting, health care investment business. Since the medical team was built, company medical business is progressing well and the layout of the medical industry enjoyed a initial success.

(4) Laying emphasis on incentives to storing talents for the company

During the reporting period, the company completed the election of the new Supervisory Board; a new senior management team was appointed; dozens of talents in marketing, technology, management and health care industries were recruited; three boards and one level, namely shareholders' board, board of directors, board of supervisors, governance level, has a clear structure. In 2015, parts of the company directors, supervisors and senior management personnel and business backbones participated in the subscription of the company's non-public offering of stocks by the customer-specific asset management plans set by Jiu Tai Hui Tong number two, and some of the staffs were involved in the first phase of the company's plan of employee's stock ownership. All measures above are conducive to the formation of mechanism where employees and all shareholders share mutual benefits and risks, urging executives and core team of the company to work in a more diligent way for company's development and laying a solid talent base development of the company in future.

## II .Main business analysis

### 1. General

Refer to relevant contents of “1.Summarization” in “Discussion and Analysis of Management”.

### 2. Revenue and cost

#### (1)Component of Business Income

In RMB

	2015		2014		Increase /decrease
	Amount	Proportion	Amount	Proportion	
Total business income	4,010,358,999.58	100%	2,754,684,893.91	100%	45.58%
Industry					
Decoration works	2,455,199,964.42	61.22%	2,557,064,400.00	92.82%	-3.98%
Engineering design	19,919,636.46	0.50%	21,436,293.91	0.78%	-7.08%

EPC	1,513,458,850.56	37.74%	176,184,200.00	6.40%	759.02%
Other	21,780,548.14	0.54%			
Product					
	4,010,358,999.58	100.00%	2,754,684,893.91	100.00%	100.00%
Area					
Domestic	2,436,352,972.25	60.75%	2,578,500,693.91	92.59%	-4.48%
Overseas	1,574,006,027.33	39.25%	176,184,200.00	6.40%	671.16%

## (2) Situation of Industry, Product and District Occupying the Company's Business Income and Operating Profit with Profit over 10%

√ Applicable □ Not applicable

In RMB

	Turnover	Operation cost	Gross profit rate(%)	Increase/decrease of revenue in the same period of the previous year(%)	Increase/decrease of business cost over the same period of previous year (%)	Increase/decrease of gross profit rate over the same period of the previous year (%)
Industry						
Decoration works	2,455,199,964.42	1,959,709,623.80	20.18%	-3.98%	-6.05%	9.54%
EPC	1,513,458,850.56	1,194,713,739.79	21.06%	641.49%	686.94%	-17.79%
Product						
Area						
Domestic	1,574,006,027.33	1,194,713,739.79	24.10%	671.16%	686.94%	-5.94%
Overseas	2,436,352,972.25	1,970,313,445.87	19.13%	-4.48%	-6.08%	7.77%

Under circumstances of adjustment in reporting period for statistic scope of main business data, adjusted main business based on latest on year's scope of period-end.

□ Applicable √ Not applicable

## (3) Whether the Company's Physical Sales Income Exceeded Service Income

□ Yes √ No

## (4) Degree of Performance of the Significant Sales Contract Signed up to this Report Period

√ Applicable □ Not applicable



On December 9, 2015, the company signed the general contract of USD 250 million of Colombo Free City Center with Sri Lanka, but the company still has not enter into the site. On January 8, 2016, the company won the bid of comprehensive development project of USD 285 million of Oxley-Gem(Cambodia)Co., Ltd, and the company had entered into the site in March, currently, the company completed the geological exploration and the temporary construction. On January 15, 2016, the company won the bid of two projects of Burma M tower and Min Apartment with bid amount respectively in USD 80 million and USD 120 million, and the company had entered into the site for construction of the projects in January. On March 8, 2016, the company won the bid of Indonesia EMERALD project, and the project still remained in the early stage of research, thus the company has not entered into the site.

### (5)Component of business cost

Industry Category

In RMB

Industry	Items	2015		2014		Increase /decrease
		Amount	Proportion	Amount	Proportion	
Decoration works	Labor wages	547,781,369.10	17.31%	615,001,376.10	27.34%	
Decoration works	Material	1,359,863,294.41	42.95%	1,394,068,420.78	61.96%	
Decoration works	Other	52,064,960.29	1.65%	76,883,845.43	3.42%	
Engineering design		10,603,822.07	0.34%	11,928,193.73	0.53%	
EPC	Labor wages	227,743,800.08	7.20%	11,051,656.16	0.49%	
EPC	Material	695,054,284.77	21.96%	92,194,400.99	4.10%	
EPC	Other	271,915,654.94	8.59%	48,571,723.35	2.16%	

Notes

### (6)Whether Changes Occurred in Consolidation Scope in the Report Period

Yes  No

In 2015, the company had completed the major asset replacement and the share-issuing to purchase the asset and raise matching funds, which swapped out the company's original total assets and liabilities, swapped in the equivalent part of the equity of the Sino Great Wall International Engineering Co., Ltd which was held by all the shareholders of Sino Great Wall International Engineering Co., Ltd. Sino Great Wall International Engineering Co., Ltd shall be included in the consolidation scope in 2015.

### (7)Relevant Situation of Significant Changes or Adjustment of the Business, Product or Service in the Company's Report Period

Applicable  Not applicable

In 2015, the company had completed the major asset replacement and the share-issuing to purchase the asset and raise matching funds, which swapped out the company's original total assets and liabilities, swapped in the equivalent part of the equity of the Sino Great Wall International Engineering Co., Ltd which was held by all the shareholders of Sino Great Wall International Engineering Co., Ltd., and differential sections were purchased by my company ,issuing shares for all shareholders hold in Sino Great Wall International Engineering Co., LTD ,meanwhile, company has distributed supporting funds,255 million Yuan used for raising and restructuring shares, to Chen lue and Hui tong After the completion of the major assets restructuring, the main business was changed to engaging in general contracting of project (overseas), decoration, mechanical and electrical installation, curtain wall design and construction and Investment and construction of hospital health industry from the textile production and processing.

### (8)Situation of Main Customers and Main Supplier

Information of the Company's top 5 customers

Total sales amount to top 5 sales customers (RMB)	1,626,764,008.69
Proportion of sales to top 5 customers in the annual sales(%)	40.42%

Information of the Company's top 5 customers

No	Name	Amount (RMB)	Proportion %
1	Powerchina Construction Group Ltd.	526,490,055.14	13.13%
2	China Harbour Engineering Company	436,824,730.24	10.89%
3	OXLEY DIAMOND(CAMBODIA)CO,LTD	239,425,033.36	5.97%
4	CHina Central Asia Group Co., Ltd	223,455,443.32	5.57%
5	Henan No.1 Thermal Power Construction Company	200,568,746.63	5.00%
Total	--	1,626,764,008.69	40.56%

Principal suppliers

Information of the Company's top 5 suppliers

Total Purchase amount to top 5 sales suppliers (RMB)	210,324,623.20
Proportion of purchase to top 5 suppliers in the annual purchase(%)	14.11%

Information about the top 5 suppliers

No	Name	Amount (RMB)	Proportion%^
1	Qinghei Heyi Trade Co., Ltd.	46,364,957.40	3.11%
2	GOLDEN B.S.T CONCRETE CO.,LTD	43,957,152.10	2.95%
3	Unibeton Ready Mix	42,154,215.58	2.83%
4	Zulin LS Engineering Co.Limited	41,504,469.88	2.78%

5	CHIP MONG GROUP LTD.	36,343,828.24	2.44%
Total	--	210,324,623.20	14.11%

### 3. Expenses

In RMB

	2015	2014	Increase/Decrease(%)	Notes
Sale expenses	13,686,172.10	16,414,043.95	-16.62%	Due to the reduction of marketing personnel
Administration expenses	154,562,327.86	84,770,936.89	87.64%	Due to the increase of overseas branches and the increase of domestic and overseas departments such as group, optoelectronic and medical.
Financial expenses	54,866,402.02	25,561,307.08	114.65%	For the increase in the Company's short-term loan and long-term loan as well as the increase in overseas L/G amortization

### 4. R& D Expenses

√ Applicable □ Not applicable

In order to strengthen the company's core competitiveness and meet the company's sustainable development, the company's main research directions in the reporting period were the decoration engineering design, general contracting of project and so on, currently, all the projects have been carried out on schedule, which was proved by the real facts and resulted in good economic and social benefits.

Situation of Research and Development Input by the Company

Items	2015	2014	Increase /decrease
Number of Research and Development persons (persons)	189	153	23.53%
Proportion of Research and Development persons	11.24%	10.25%	0.99%
Amount of Research and Development Investment (In RMB)	133,143,918.79	90,629,133.01	46.91%
Proportion of Research and Development Investment of Operation Revenue	3.32%	3.29%	0.03%

Amount of Research and Development Investment Capitalization (In RMB)	0.00	0.00	0.00%
Proportion of Capitalization Research and Development Investment of Research and Development Investment	0.00%	0.00%	0.00%

The Reason of the Prominent Change in Total Amount of Research and Development Input Occupying the Business Income Year on Year

Applicable  Not applicable

Explanation of the Reason for Substantial Changes in the Research and Development Input's Capitalization Rate and Its Reasonableness

Applicable  Not applicable

## 5. Cash Flow

In RMB

Items	2015	2014	Increase/Decrease(%)
Subtotal of cash inflow received from operation activities	4,257,440,458.70	2,032,366,032.40	109.48%
Subtotal of cash outflow received from operation activities	4,549,491,715.78	1,868,518,643.06	143.48%
Net cash flow arising from operating activities	-292,051,257.08	163,847,389.34	-278.25%
Subtotal of cash inflow received from investing activities	2,494.86	105,388.10	-97.63%
Subtotal of cash outflow for investment activities	28,713,135.66	30,045,696.54	-4.44%
Net cash flow arising from investment activities	-28,710,640.80	-29,940,308.44	-4.11%
Subtotal cash inflow received from financing activities	1,805,738,341.24	312,900,000.00	477.10%
Subtotal cash outflow for financing activities	1,146,676,943.40	269,562,115.66	325.39%
Net cash flow arising from financing activities	659,061,397.84	43,337,884.34	1,420.75%
Net increase in cash and cash equivalents	338,985,801.91	176,234,125.52	92.35%

Notes to the year-on-year change of the relevant data

√Applicable □ Not applicable

1. Net cash flows from operating activities decreased significantly over the previous year, which was mainly due to the short period of credit accounts of overseas project suppliers.

2. The net cash flow from financing activities increased compared to the last year mainly due to the increase of bank loans in the current period.

Notes to the big difference between cash flow from operating activities and net profit in the reporting year

√Applicable □ Not applicable

The large difference between the company's net cash flows from operating activities and the net profits of the year in the reporting period was mainly due to the increase of operating receivables.

### III. Analysis of Non-core Business

□ Applicable √ Not applicable

### IV. Condition of Asset and Liabilities

#### 1. Condition of Asset Causing Significant Change

In RMB

	End of 2015		End of 2014		Proportion increase/d decrease	Notes to the significant change
	Amount	Proportion in the total assets(%)	Amount	Proportion in the total assets(%)		
Monetary funds	695,384,561.31	17.30%	290,949,160.76	11.89%	5.42%	Due to the collection centralized at the end of the year and the deferred payment
Account receivable	2,352,808,087.33	58.55%	1,784,235,686.61	72.90%	-14.34%	Mainly due to the smooth process of the major project under implementation, and the increase of engineering revenue but because in the reporting period, there was no collection of it.
Inventory	168,133,668.91	4.18%	34,960,199.93	1.43%	2.76%	For the increase in raw material and inventory goods at the end of period and partial increase in the current project which has been completed but haven't been settled
Fixed assets	43,846,215.63	1.09%	10,346,069.91	0.42%	0.67%	Mainly for the purchase of tower crane in overseas projects

Construction in process	10,016,928.24	0.25%	11,856,578.49	0.48%	-0.23%	
Short-term loans	225,408,496.07	5.61%	282,450,873.41	11.54%	-5.93%	
Long-term loans	30,140,649.14	0.75%			0.75%	Due to the increase of the loan-term bank loans

## 2.Asset and Liabilities Measured by Fair Value

Applicable  Not applicable

Items	Amount at year beginning	Gain/loss on fair value change in the reporting period	Cumulative fair value change recorded into equity	Impairment provisions in the reporting period	Purchased amount in the reporting period	Sold amount in the reporting period	Amount at year end
Financial assets							
3. Available-for-sale financial assets	1,060,407.78	42,553.26					1,102,961.04
Subtotal of financial assets	1,060,407.78	42,553.26					1,102,961.04
Total	1,060,407.78	42,553.26					1,102,961.04
Financial Liabilities	0.00						0.00

Did any significant change occur to the attribute of the Company's main asset measurement during the reporting period?

Yes  No

## V. Investment situation

### 1. General

Applicable  Not applicable

### 2. Condition of Acquiring Significant Share Right Investment during the Report Period

Applicable  Not applicable

### 3. Situation of the Significant Non-equity Investment Undergoing in the Report Period

Applicable  Not applicable

### 4. Investment of Financial Asset

#### (1) Securities investment

Applicable  Not applicable

The Company had no securities investment in the reporting period.

#### (2) Investment in Derivatives

Applicable  Not applicable

The Company had no investment in derivatives in the reporting period.

### 5. Application of the raised capital

Applicable  Not applicable

#### (1) General application of the raised funds

Applicable  Not applicable

In RMB'0000

Year of Raising	Way of Raising	Total raised capital	Total Amount of the Raised Fund Used at the	Total amount of Raised Funds	Amount of raised capital of which the purpose was changed in the report	Accumulative amount of raised capital of which the purpose has been changed	Proportion of raised capital of which the purpose has been changed (%)	Total Amount of the Unused Raised Fund at the Current	Use and Whereabouts of the Unused Raised Fund	Amount of the Raised Fund with over 2 Years' Idling

					period			Period		
2015	Stocks issue	25,500	1,600	1,600	0	0	0.00%	23,900	In the special account to raise funds in storage	0
Total	--	25,500	1,600	1,600	0	0	0.00%	23,900	--	0

## Notes to use of raised capital

Upon the approval from the CSRC with the document of the 2015-No.1774 Zheng Jian Xu Ke -Reply of the Major Asset Restructuring and the Issue of Shares to Objects such as Chen Lue to Purchase Assets and Raise Matching Funds by Shenzhen Victor Onward Textile Industrial Co., Ltd, Sino Great Wall International Engineering Co.,Ltd( hereinafter referred to as: “company or the company”) had non-publicly issued 25,914,633 shares of RMB common share(A share), of which the par value per share was RMB 1.00, the issuing price per share was RMB 9.84, the total funds raised was RMB 254,999,988.72, and after deducting the issuance expenses of RMB 14,500,000.00 directly from the raised funds, the actual net amount of the raised funds is RMB 240,499,988.72.

## (2) Promised projects of raised capital

√ Applicable □ Not applicable

In RMB'0000

Committed investment projects and investment	Project changed(including partial change)	Total raised capital invested as committed	Total investment after adjustment (1)	Amount invested in the reporting period	Accumulated amount invested at the end of the reporting period(2)	Investment progress ended the reporting period(%)(3)=(2)/(1)	Date when the project has reached the predicted applicable status	Benefit realized in the reporting period	Has the predicted result be realized	Has any material change taken place in feasibility
Committed investment projects										
1. Overseas marketing network construction project	No	10,000	10,000						No	No
2.Informatization Construction Phase II	No	2,500	2,500						No	No
3.Related taxes and agency fees of this transaction	No	13,000	13,000	1,600	1,600	12.31%			No	No
Subtotal of committed investment projects	--	25,500	25,500	1,600	1,600	--	--		--	--



Investment orientation for und arising out of plan										
No									No	No
Subtotal investment orientation	--	0				--	--	0	--	--
Total	--	25,500	25,500	1,600	1,600	--	--	0	--	--
Situation about not coming up to schemed progress or expected revenue and the reason ( in specific project0	Not applicable									
Notes to significant change in feasibility of the project	Not applicable									
Amount, application and application progress of the unbooked proceeds	Not applicable									
About the change of the implementation site of the projects invested with the proceeds	Not applicable									
Adjustment of the implementation way of investment funded by raised capital	Not applicable									
About the initial investment in the projects planned to be invested with the proceeds and the replacement	Not applicable									
Using the idle proceeds to supplement the working capital on temporary basis	Not applicable									
Balance of the proceeds in process of project implementation and the cause	Not applicable									
About application and status of the proceeds	Not applicable									

unused	
Problems existing in application of the proceeds and the information disclosure or other issues	Not applicable

### (3) Changes of raised funds projects

Applicable  Not applicable

The Company had no raised funds in company reporting period.

## VI. Sales of major assets and equity

### 1. Sales of major assets

Applicable  Not applicable

The Company had no sales of major assets in the reporting period.

### 2. Sales of major equity

Applicable  Not applicable

## VII. Analysis of the Main Share Holding Companies and Share Participating Companies

Applicable  Not applicable

Situation of Main Subsidiaries and the Joint-stock Company with over 10% net profit influencing to the Company

In RMB

Company Name	Company type	Sectors engaged in	Registered capital	Total assets	Net assets	Turnover	Operating profit	Net Profit
Sino Great Wall International Engineering Co., Ltd.	Subsidiaries	Contract of construction project, decoration, healthcare investment	70,136,099.00	3,758,560,741.47	1,152,792,836.44	3988,440,464.76	437,543,279.15	357,624,099.32

Acquirement and disposal of subsidiaries in the Reporting period

Applicable  Not applicable

Company name	The method of obtaining and handling subsidiaries during the report period	The influence to the whole production and performance
Sino International	Assets reorganization	361,561,752.41

Notes

In 2015, the company had completed the major asset replacement and the share-issuing to purchase the asset and

raise matching funds, which swapped out the company's original total assets and liabilities, swapped in the equivalent part of the equity of the Sino Great Wall International Engineering Co., Ltd which was held by all the shareholders of Sino Great Wall International Engineering Co., Ltd. Sino Great Wall International Engineering Co., Ltd shall be included in the consolidation scope in 2015.

### VIII. Special purpose vehicle controlled by the Company

Applicable  Not applicable

### IX. Prospect for future development of the Company

#### 1. Strategy of the Company's Development

Based on the continuous consolidation of the existing business market, The company development strategy focuses on two aspects: 1, it reinforces "one belt one road" engineering contracting and investment; 2, it strengthens its efforts in investing in domestic medical care field. So far, the company has boasted many projects in Southeast Asia, South Asia, Middle East and Africa. The next step will be, in addition to enhancing development and investment in these countries, to focus on expanding the high-end markets in North America, South America, Australia and Europe. In the medical investment filed, besides the PPT-based investment and construction of hospitals, more capitals shall be invested in acquiring well-operated hospitals, arranging e-commerce model for medicine, and introducing advanced medical technology and leading medical service from foreign countries.

#### 2. Perspective of the Company's Operation in 2016

In 2016, the Company will surround the development strategy formulated by the board of directors, to emphasize on carrying out the following work:

##### (1) Perfect the construction qualification, extend the domestic business scope

In 2016, while ensuring the steady development in domestic decoration, the traditional main business, the Company will gradually perfect the contract qualification in construction, actively integrate decoration, mechanical and electrical installation, curtain wall design and installation, resource allocation of construction and contract, develop superior and high-end strategic partners, which is to provide integrated service of perfect, high-quality and efficient construction and decoration for clients.

##### (2) Improve the influence in overseas markets, extend overseas business share

In 2016, the Company will continue to going deep into the overseas market. With the boost of the national strategy of "One Belt and One Road", sufficiently master the construction opportunity from the countries and regions along the route, probe into carrying out cooperation with Asia Infrastructure Investment Bank and Silk Road Fund Co. Ltd. as well as other political financial institutions. By means of deeper cooperation, extend the Company's overseas business scale and improve the overseas influence of Sino Great Wall.

##### (3) Strive for implementation in partial medical projects, cultivate new growth points in profit.

In 2016, the Company will sufficiently make use of the good opportunities offered by the national medical reform, actively develop the range service in healthcare, seek for high-quality projects. On the basis of the work in 2015, the Company will open up deep communication with relevant party, innovate cooperation mode. By means of investigation, the Company will compile the feasibility analysis report, formulate the specific cooperation plan and the project implementation plan, promote the implementation of healthcare project to make material progress on the road to healthcare industry; The Company will start the new engine for its healthcare business development, improving the operation efficiency and profitability of the Company.

#### (4) Strengthen the talent team construction, enhance the team cohesion

In 2016, the Company will continue to intensify the HR development to reserve superior talents for the Company's future business development. By means of holding expert lectures, setting up online academy, strengthen the education and training of staff, promote staff's professional ability and comprehensive quality, constantly perfect the staff training and the examination and evaluation system, probe into talent incentive mechanism, accelerate the optimal construction of operation team, improve the cohesion and work efficiency of the top management team.

### 3. Main risks the Company are facing with and solutions

#### (1) Macro Economy and Political Influence

The construction industry which the Company engages in and the healthcare industry which the Company is getting involved in are substantially influenced by the macro economy and policy, Bringing potential risks to the company's market development and the company's operation and management.

Measures: Constantly pay close attention to the international and domestic economic situation, make reasonable judgement, timely adjust the operation strategy and marketing policy, formulate the preplan for coping with market changes, ensure that the operation goals of 2016 can be smoothly realized.

#### (2) Risks in Overseas Business Operation

In spite of the Company's years of experience in domestic construction, but various of differences exist between the international architecture construction environment and the domestic market, including marketing, technical standard, management. Whether to connect the domestic construction experience with the overseas projects well and how to avoid and evade the geographic political risk and exchange rate risk are still big tests for the Company.

Measures: Hire and introduce various kinds of top talents, improve the business operation level, strengthen the supervision and control in projects. In the case of choosing projects, focus on risk assessment, avoid and keep away from the countries and regions which are under unsteady social security and political environment as much as possible.

#### (3) Risk of Receivables Withdrawal

With the rapid development of the Company's business, the receivables increase continuously. How to manage receivables and reduce the withdrawal risk in order to avoid bad-debt losses caused by receivables in large amount which can not be withdrawn is also one of the risks the Company will face with.

Measures: Set up a special group, strengthen in push for receivables, track the change situation of the key clients' credit. Once founded hard to withdraw the receivables, the judicial procedure of arbitration will be started to maintain the legitimate rights of our company.

#### (4) Progress of the Project and Risk of the Quality

In view of construction business engaged by the Company, ensuring the project will be completed as scheduled and guaranteeing the quality conform with standards are always the goals which the Company pursues, which is also the problem the Company will face with all along. Once there is delay in construction time and issue in construction quality, it will constitute bad influence to the Company.

Measures: Strictly implement project management system, set up an elite management group, formulate detailed construction plans, supervise and monitor the construction progress and construction quality regularly, rectify problems on time when founded, ensure the construction period and quality.

## **X. Particulars about researches, visits and interviews received in this reporting period**

**1.Particulars about researches, visits and interviews received in this reporting period**

√ Applicable   □ Not applicable

Reception time	Way of reception	Types of visitors	Basic index
December 31,2015	Onsite investigation	Organization	The interactive relation with the investors on Shenzhen Stock Exchange platform about Sino Great Wall International Engineering Co., Ltd: Record of the investors relations activities on December 31, 2015.
Reception times			1
Reception agency amount			7
Reception personal number			0
Others			0
Whether to disclose, reveal or disclose non-public material information		No	

## V. Important Events

### I Specification of profit distribution of common shares and capitalizing of common reserves

Formulation, implementation and adjustment of profit distribution policy of common shares especially cash dividend policy during the reporting period

Applicable  Not applicable

The profit distribution preplan or proposal and the preplan or proposal of conversion of the capital reserve into share capital in the past three years(with the reporting period inclusive):

Profit distribution preplan for 2013:

1 As audited by Da Hua Certified Public Accountants(Special General Partnership) , the total profit of the Company for 2013 is RMB10,234,487 , After deduction of minority gains and losses of RMB-364,906 and income tax expenses of RMB 2,384,583, net profit is RMB8,214,810,the total year-end undistributed profit is RMB-108,059,131. The Company is neither to distribute profit nor to capitalize capital surplus for the current year.

Profit distribution preplan for 2014:

1 As audited by Da Hua Certified Public Accountants(Special General Partnership) , the total profit of the Company for 2014 is RMB4,740,872 , After deduction of minority gains and losses of RMB-3,709 and income tax expenses of RMB 453,676, net profit is RMB4,290,905,the total year-end undistributed profit is RMB-103,768,226. The Company is neither to distribute profit nor to capitalize capital surplus for the current year.

Profit distribution preplan for 2015:

based on the 2014 total share capital of 446.906582 million shares, The Company will transfer the capital reserve to increase capital stock, 28 shares for every 10 shares.

The preplan had reviewed and approved by the Board of Directors and planed to submit to the Annual General Meeting for approval.

Dividend distribution of the latest three years

In RMB

Year	Cash dividend (Including Tax)	Net profit attributable to the over of the parent company in the consolidated financial statements	Ratio in net profit attributable to the parent company in the consolidated financial statements	Amount of cash dividends from cash offer to repurchase shares of the funds	Proportion of cash dividends from cash offer to repurchase shares of the funds
2015	0.00	346,648,651.48	0.00%	0.00	0.00%
2014	0.00	186,857,504.45	0.00%	0.00	0.00%

2013	0.00	103,518,058.00	0.00%	0.00	0.00%
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In the reporting period, both the Company's profit and the parent company's retained earnings were positive however not cash dividend distribution proposal has been put forward.

Applicable  Not applicable

In the reporting period, it was profitable and the profits distributed among common shareholders were positive, but the reason for the profit-sharing scheme by cash was not proposed.	Purpose of and plans to use undistributed profits.
As the company is in the period of fast development, the company's construction contracting business needed to pay a certain proportion for the guarantee, so the funds demand is large, therefore according the company's actual operation and the principal of being helpful to the company's sustainable development, the company shall not carry out cash dividend distribution for the year 2015.	Used for daily operations and future business development and future annual profit distribution

## II. Profit distribution plan and capitalizing of common reserves plan for the Period

Applicable  Not applicable

Bonus shares for every ten shares(Shares)	0
Cash dividend for every ten shares (Yuan)(Tax-included)	0
Distribute additional (shares)for 10 shares	28
A total number of shares as the distribution basis(shares)	446,906,582
Total cash dividend (Yuan)(Tax-included)	0.00
Distribution of profits(RMB)	755,308,636.19
Proportion of cash dividend in the distributable profit (%)	0.00%
Cash dividend distribution policy	
Other	
Details of profit distribution or reserve capitalization plan	
<p>As audited by BDO China Shu Lun Pan Certified Public Accountants LLP, the total profit of the Company for 2015 is RMB430,792,029.49, Attributable to shareholders of the parent company's net profit of RMB 346,648,651.48. The profit distribution proposal reviewed as follows: 446.906582 million shares for the base, ,The Company will transfer the capital reserve to increase capital stock, 28 shares for every 10 shares and planned to submit to the Annual General Meeting for approval.</p>	

### III. Commitments to fulfill the situation

**1. The fulfilled commitments in the reporting period and under-fulfillment commitments by the end of the reporting period made by the company, shareholder, actual controller, acquirer, director, supervisor, senior management personnel and other related parties.**

√ Applicable    □ Not applicable

Commitment	Commitment maker	Type	Contents	Time of making commitment	Period of commitment	Fulfillment
Commitment on share reform	No	No	No		No	No
Commitment in the acquisition report or the report on equity changes	No	No	No		No	No
Commitments in assets reorganization	Chen Lue, He Feiyan		Shares acquired by purchases of assets through issuing shares: "I will not transfer the new shares of Victor Onward Holdings acquired through this restructuring, including but not limited to the public transfer through the stock market or by agreement, and I will not entrust anybody else to manage my shares of Victor Onward Holdings, within 36 months from the date new shares list and before the date I've carried out my obligations of performance compensation under this restructuring(subject to whatever is early, hereinafter referred to as "lock-up periods"). If the closing price of shares of Victor Onward Holdings were lower than this issue price for 20 continuous trading days in 6 months after the restructuring transaction has been completed, or the final closing price were lower than this issue price 6 months after the transaction has been completed, the lock-up periods of my shares of Victor Onward	March 19, 2015	36 months	Strict performing



		<p>Holdings are automatically prolonged for 6 months. (The above-mentioned issue price will be calculated according to the price after the adjustment of ex-dividend, etc. if ex-dividend behaviors of the company, including distribution of dividends, giving bonus, conversion of share capital, rationing shares, and etc., were happened during the above-mentioned periods. If the restructuring transaction were March 19,2015 36 months Strict performing Shenzhen Victor Onward Textile Industrial Co., Ltd. The Third Quarterly Report 2015. 14 investigated by judicial authorities or China Securities Regulatory Commission due to false record, misleading statement or major omission of the information provided or disclosed, I will not transfer my shares of the company before the conclusion of the case has been made clear. After the above-mentioned lock-up periods, I will sell or transfer the new shares of the company acquired from this restructuring following relevant regulations of China Securities Regulatory commission and Shenzhen Stock Exchange.</p>			
	Chen Lue	<p>Shares acquired by matching funds raised: “I will not transfer the new shares of Victor Onward Holdings acquired through this issuing by any way, including but not limited to the public transfer through the stock market or by agreement, within 36 months from the date new shares list. If</p>	March 19,2015	36 months	Strict performing

			regulation rules or regulators have longer requirements for lock-up periods, it should be executed accordingly.			
	Chen Lue		Up to the issue day of the letter, I and other corporations controlled by me haven't possessed funds of Sino Great Wall; After the transaction is completed, I and other companies controlled by me (if any), except for listed companies and their holding subsidiaries, will not possess the funds of listed companies or Sino Great Wall by any way, including cash in advance, other expenses, direct or indirect loans, assumption, etc. and try our best to avoid fund intercourse with listed companies or Sino Great Wall, which has nothing to do with normal operations. If Sino Great Wall got penalized by government administration departments due to the money lending which was happened before the transaction, I will bear the total compensation for the company's loss resulting from it by cash in order to guarantee Sino Great Wall won't suffer any loss. Meanwhile, I will actively urge Sino Great Wall to establish complete inner control system and funds management system within lawful authority.	March 19,2015	Long-term	Strict performing
	Chen Lue		In view of the fact that the houses rented by Sino Great Wall and its son subsidiaries, subsidiaries, haven't rental registration, I promise, if Sino Great Wall and its son subsidiaries, subsidiaries, were penalized by real estate management department or	March 19,2015	Long-term	Strict performing

			suffered other losses resulting from it, I agree to compensate the loss of the company by cash.			
	Chen Lue		During the reporting period, the project which Sino Great Wall is involved in is the decoration engineering construction project of Libo Grand Hotel (hereinafter referred to as “Libo project”) which the company contracted before the bidding process. Sino Great Wall is not involved in any other projects except for Libo project before bidding process. As to the violating issues existed in the Libo project, I promise as follows: if Sino Great Wall got penalized by government administration departments or suffered any economic loss resulted from it, I will compensate the company by cash; Meanwhile, I, within lawful authority, will also promise to urge the company to undertake related construction projects legally so as to avoid violating issues happened before implementation of bidding process, i.e., at the time for construction again.	March 19,2015	Long-term	Strict performing
	Chen Lue		“1. Up to October 13th,2014, the related expenses of the litigation and arbitration cases, including the actual price, compensation, penalty, ligation costs, etc. which the parent-subsidiary companies of Sino Great Wall needs to pay caused by the final results of ligation and arbitration cases, exceed the amount of liabilities which recognized in the “Audit Report” made for Sino Great Wall by Ruihua CPA (Special Ordinary Partnership) on the basis of the	March 19,2015	Long-term	Strict performing

		audit base day of July 31st, 2014, I promise to bear the balance by cash unconditionally so as to guarantee the parent-subidiaries of Sino Great Wall won't suffer any loss. 2. This commitment letter is irrevocable.			
	Chen Lue	1. On condition that ownership defect exists in the lease of house property of parent-subidiary companies of Sino Great Wall and its subsidiary corporation, which resulted in inability for parent-subidiary companies of Sino Great Wall and its subsidiary corporation to continue leasing this house property but having to relocate, or parent-subidiary companies of Sino Great Wall and its subsidiary corporation can't timely find suitable workplace for lawful operation in related area, I will undertake to compensate by cash for parent-subidiary companies of Sino Great Wall's losses which are caused by operation and finance due to the above-mentioned matters. 2. I undertake to unconditionally bear the relevant fines by cash for parent-subidiary companies of Sino Great Wall on condition that the rental house property of parent-subidiary companies of Sino Great Wall and its subsidiary corporation is in absence of handling procedures for filing house leasing ,which resulted in that parent-subidiary companies of Sino Great Wall and its subsidiary corporation are fined by property administrative department. 3.The commitment letter is irrevocable.	March 19,2015	Long-term	Strict performing

	Chen Lue	<p>“In condition that parent-subsidary companies of Sino Great Wall or its son subsidiary haven’t paid social security or housing fund for staff according to law, which resulted in any losses to Sino Great Wall , including the competent authorities’ requirement for Sino Great Wall or its subsidiary to make supplementary payment, to be punished and resourced, I will bear by full-amount cash for the fee of supplemental payment and the expense and fee for being punished or resourced, which is to guarantee Sino Great Wall and its subsidiary to avoid suffering from any loss ”.</p>	March 19,2015	Long-term	Strict performing
	Chen Lue	<p>“At present, Suzhou Lvbang has possessed one state-own land use right, of which the land certificate is Suzhou Guo Yong(2014) No.Y2014086”, locates in Danan Village, Dadian Town, Yongqiao District, Suzhou City with 32,966 square meters of area and the purpose for industry. Suzhou Lvbang possesses its own factory with 9,843.87 square meters of area above-mentioned, which is the building reserved on the former selling land. Suzhou Lvbang is carrying out refurbishing and reconstruction for this factory and has acquired “License of Construction Land Planning ”with No.2014-08-001 approved and issued by Yongqiao District, Suzhou City’s housing and rural construction bureau, of which other examination and approval procedures of construction are in the process of</p>	March 19,2015	Long-term	Strict performing

		handling “I undertake to actively supervise and urge Suzhou Lvbang on handling procedures of the approval process involved with factor refurbishing and reconstruction, and which is suffered from administrative punishment by relevant competent authorities in reason of claiming certificate of title, or in which any dispute or controversy exist in construction and ownership, which shall be my responsibility to carry out solution, and I undertake to compensate by cash for Suzhou Lvbang’s losses which are due to this matter, guaranteeing no losses occur to Sino Great Wall and Suzhou Lvbang for this matter.			
	Chen Lue	“According to the “Agreement of Significant Asset Replacement and Issue of Share to Buy Asset”(hereinafter referred to as “Agreement”) signed among Victor Onward Holdings, all shareholders of Sino Great Wall and Union Development Group Co., Ltd (hereinafter referred to as “Union Group”) on October 13, 2014, all the creditor’s rights and liabilities related to place-out asset before the delivery date of Victor Onward Holdings shall be Union Group’s responsibility to carry out solution; After the asset delivery date, if any losses occur to Victor Onward Holdings in reason of the liability transfer of asset delivery, personnel placement, unsettled dispute or controversy and other compensation related to place-out asset, payment obligation and	March 19,2015	Long-term	Strict performing

		<p>punishment, Union Group or the specified third party shall sufficiently compensate all losses for Victor Onward Holdings for the above matters. I undertake, if Union Group and the specified third party refuse to compensate the losses caused by the above mentioned matters for Victor Onward Holdings according to the “Agreement”, I will compensate by cash for the Victor Onward Company within 5 working day in advance. Meanwhile, I will reserve the resource rights for Union Group and the specified third party “.</p>			
	Chen Lue , He Feiyan	<p>According to “ Agreement of Shenzhen Victor Onward Textile Industrial Co., Ltd., Chen Lue and He Feiyan Concerning on Performance Compensation” and its supplemental agreement , Chen Lue’s promised Sino Great Wall that the net profit deducted by incidental losses and attributable to the parent companies’ owners after audition of 2015, 2016 and 2017 shall be respectively more than RMB 345.8 million, RMB 438.5 million and RMB 538.2 million. If the net profit of Sino Great Wall is less than the promised net profit mentioned above , Chen Lue and He Feiyan will compensate for listed company in accordance with “Performance Compensation Agreement” and its supplemental agreement</p>	May 11,2015	Long-term	Strict performing
	Chen Lue; He Feiyan, Wuxi Hengtai Jiuding Assets	<p>1. This reorganization is planned to place in asset. At present, complete separation has existed between me or other enterprises</p>	September 30,2015	Long-term	Strict performing

	<p>Management Centre (LP) ;Yantai Zhaoxuan Yuantai Jiuding Venture Investment Centre (LP) ;Suzhou Taiyao Zhongshan Jiuding Investment Centre (LP);Jiaying Jiahe Jiuding Investment Centre (LP)</p>	<p>under my possession (if any) and the listed company in staff, asset, finance, institution and business of Sino Great Wall. Independence exists in both staff, asset, finance, institution and business and no confusion exists. 2. I undertake, after this reorganization, to ensure the continued complete separation between me or other enterprises under my possession(if any) and the listed company in staff, asset, finance, institution and business, sustaining the independence in the listed company’s staff, asset, finance, institution and business, as follows: (1).The Ensurance of Independence for Listed Company’s Personnel Ensure that the general manager, the vice-general manger, the chief financial officer, the board secretary and the senior executives of the Company only accept salary in listed company, including no holding of any post except director and supervisor in my enterprise or other enterprises under my possession. 2.Ensure the complete independence exists among the listed company’s labor, personnel, and salary management and me. 3. The director, supervisor, general manager and other senior executives recommended by me have all been through the legal procedures, and I will not intervene the company’s board and the shareholder’s decision for appointing and dismissing personnel by exercising official power. (2)The Ensurance of the Asset Independence of Listed</p>			
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		<p>Company 1.Ensure that the listed company possesses business system related to operation and the relevant completely-independent asset.</p> <p>2.Ensure that no occupation of mine exists in capitals and assets of the listed company. 3.The</p> <p>Ensurance of the Financial Independence of Listed Company</p> <p>1.Ensure that the independent finance department and the independent financial calculating system set up by the listed company, which possess normative and independent financial and accounting rules. 2. Ensure that the listed company independently opens a bank account, not sharing the same bank account with me. 3.Ensure that the financial staff of the listed company holds no part-time post in my enterprise and other enterprises under my possession.</p> <p>4. Ensure that the listed company pays taxes according to law. 5. Ensure that the listed company makes the financial decision-making independently, I will not intervene the utilization of the listed company’s capital.</p> <p>(4)The Ensurance of the Institutional Independence of Listed Company 1.Ensure that the listed company sets up perfect governance structure for the share company’s legal person, which possesses independent and complete institutional framework</p> <p>2.Ensure that the shareholder’s meeting, the board of director, the independent director, the supervisor and the general</p>			
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		<p>managers exercise official powers according to laws, regulations and articles of incorporation (5)The Ensurance of the Business Independence of Listed Company</p> <p>1. Ensure that the listed company possesses the asset, staff, qualification and ability for independently holding business activities, which possesses the independent, autonomous and sustain operation ability catering to the market. 2. Ensure that I will not intervene the listed company’s business activities except exercising shareholder’s rights. 3.Ensure that I or other enterprises under my possession will avoid working on the listed company’s main business which possesses substantial competition. 4. Ensure to reduce the related transaction between me and the listed company or between other enterprises under my possession and the listed company as much as possible; When confirming necessary but unavoidable related transaction, I will ensure the fair operation according to the principle of market culture and the fair price, and fulfill the transaction procedures and the obligation of disclosing information according to relevant laws and regulations and normative document.</p>			
	<p>Wuxi Hengtai Jiuding Assets Management Centre (LP) ; Yantai Zhaoxuan Yuantai</p>	<p>“Once I or our unit acquire the newly-added share of Victor Onward Company through this transaction, no transfers will occur in any way within 12 months from the listing date, including but not limited to public transfer by</p>	<p>March 19,2015</p>	<p>12 months</p>	<p>Strict performing</p>

	<p>Jiuding Venture Investment Centre (LP) ; Suzhou Tianyao Zhongshan Jiuding Investment Centre (LP) ; Jiaxing Jiahe Jiuding Investment Centre (LP)</p>	<p>securities market or transfer by agreement, and no entrusting for others to manage my holding share of Victor Onward Holdings . Once the above-mentioned lockup period expires, I will implement the selling or transferring of the newly-added share of Victor Onward Holdings according to the relevant provision of CSRC and SZSE.</p>			
	<p>Chen Lue; He Feiyan, Wuxi Hengtai Jiuding Assets Management Centre (LP) ; Yantai Zhaoxuan Yuantai Jiuding Venture Investment Centre (LP) ; Suzhou Tianyao Zhongshan Jiuding Investment Centre (LP) ; Jiaxing Jiahe Jiuding Investment Centre (LP)</p>	<p>“1.Before this reorganization, the fairness and reasonableness of pricing and the legitimacy and effectiveness of decision-making procedure exist in the transaction(if any) between me or the enterprise under my possession(if any) and Sino Great Wall which is planned to place asset in, no related transaction with obvious unfairness exists ; 2.After this reorganization, I or the enterprise under my possession will avoid and reduce the related transaction with listed company as much as possible. As for any unavoidable or reasonable related transaction, I or the enterprise under my possession will sign the agreement according to laws and fulfill the lawful procedure, and fulfill relevant approval procedure for internal decision-making and timely fulfill the obligation of disclosing information according to law, following relevant laws, regulations, other normative documents and articles of listed company, which is to guarantee</p>	<p>March 19, 2015</p>	<p>Long-term</p>	<p>Strict performing</p>

		<p>the fairness and reasonableness in related transaction pricing, to guarantee the fairness of transaction condition and to guarantee not to utilize the related transaction to illegally transfer the capital and profit of listed company, and not to utilize this transaction to engage in any behaviors which will cause any losses to listed company or other shareholder's legitimate rights. Once I violate the above promises and cause losses to the listed company, I will compensate the listed company for the losses caused by the this matter.</p>			
	<p>Union Development Group Co., Ltd.</p>	<p>During the assets reorganization, the house property and land without property certificate in the disposed assets within the plant area of Kuixin Community of Kuichong Street of Longgang District and the expected compensations, as well as the expected compensations concerning to the regaining of plots planned as schools within the right of land use of Nanyou Industrial Park of Nanshan District have not been recorded in the assessment. Therefore, Union Group promises that after the reorganization, if Union or a third party appointed by Union receives compensations or incomes related to above-mentioned disposed assets which are house property and land without property certificate as well as regaining of plots planned as schools, Union will return the benefits to Victor Onward Holdings, in 10 working days since the collection. The</p>	<p>March 19, 2015</p>	<p>Long-term</p>	<p>Strict performing</p>

		<p>actual costs and fees during the possession of the house property and land and the paid as well as the unpaid but necessary costs and fees for the reception of the above-mentioned benefits for Union Group or its third party will be deducted from the income. The specific benefits and payable costs and fees should be confirmed jointly by Union Group and Victor Onward Holdings based on the actual situations. (Notes:On June 25, 2015,All shareholders of Victor Onward Holdings, Union Group and Sino Great Wall Signed supplementary agreement, and specified that the land and houses without ownership certificate of Victor Onward Holdings located at the factory area of Kuixin community of Kuichong street office of Longgang district (the land area is about 50,000 square meters, the built-up area of houses is about 25,000 square meters, among them about 18,000 square meters of buildings at built-up area are within the plan of removal and collection of government, hereinafter referred as “undocumented property) still belongs to Victor Onward Holdings. And the benefits and risks of the real estate without certificate are enjoyed and assumed by Victor Onward Holdings.”</p>			
	<p>Union Development Group Co., Ltd</p>	<p>According to the Term 5.5.3 of Agreement on Major Asset Replacement and Asset Purchase Through Issuing Shares (hereinafter referred to as</p>	<p>March 19,2015</p>	<p>Long-term</p>	<p>Strict performing</p>

		<p>Agreement) signed on October 13, 2014 by the company and all shareholders of Victor Onward Co. Ltd. and Sino Great Wall, Victor Onward Holdings should obtain the letter of approval concerning the transferred debts of the disposed assets from the creditor (including the guarantee, similarly hereinafter) before the date of assets delivery. In the situation of debts on Victor Onward Holdings due to the absence of creditor's consent, the company or the third party appointed by the company is in charge of paying off debts or reaching agreement on the solution with the creditor. When there are losses caused by improper solutions of the company or the third party appointed by the company, the company or the third party appointed by the company will fully compensate for the caused losses of Victor Onward Holdings in 5 working days after receiving the notice. According to the Term 5.5.4 of Agreement, after the date of assets delivery, any compensations, obligations of payment and penalties caused by disposed assets as well as unsettled disputes in Victor Onward Holdings will be undertaken and solved by the company or the third party appointed by the company, and Victor Onward Holdings assumes no responsibility. When there are losses caused by it, the company or the third party appointed by the company will fully compensate</p>			
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		<p>for the caused losses of Victor Onward Holdings in 5 working days after receiving the notice. According to the Term 5.6.1 of Agreement and based on the principle of “staff arrangement according to the assets”, the labor relations, social insurance relations including pension, medical treatment, unemployment, working injury and maternity, and other liable welfare and salary of all the staff in Victor Onward Holdings. (including but not limited to on-post Shenzhen Victor Onward Textile Industrial Co., Ltd. The Third Quarterly Report 2015. 25 employees, employees awaiting job assignments, retired employees, retained employees with suspend salary, transferred employees, and temporary employees, etc) will be transferred to the company or the third party appointed by the company. Compensations or related matters (if any) due to the termination of labor relationship in advance with Victor Onward Holdings, the company or the third party appointed by the company will be in charge of the payment. The company promises that for the losses caused by matters such as the above-mentioned debt transfers of disposed assets, personnel arrangement, unsettled disputes, potential debts, payment obligations and penalties, the company or the third party appointed by the company will fully compensate for the losses of Victor Onward Holdings due to</p>			
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			the above-mentioned matters based on the Agreement in cash.			
Commitments make in initial public offering or re-financing	No	No	No		No	No
Equity incentive commitment	No	No	No		No	No
Other commitments for medium and small shareholders	No	No	No		No	No
Completed on time(Y/N)	Yes					
If the commitments is not fulfilled on time, shall explain the specify reason and the next work plan	No					

**2.The existence of the company's assets or projects earnings forecasts and earnings reporting period is still in the forecast period, the company has assets or projects meet the original profit forecast made and the reasons explained**

Applicable  Not applicable

#### **IV.Particulars about the non-operating occupation of funds by the controlling shareholder**

Applicable  Not applicable

No non-operating occupation from controlling shareholders and its related party in the period.

#### **V.Explanation of the Supervisory Committee and Independent Directors (If applicable)on the Qualified Auditor's Report Issued by the CPAs.**

Applicable  Not applicable

#### **VI.Explain change of the accounting policy, accounting estimate and measurement methods as compared with the financial reporting of last year.**

Applicable Not applicable

#### **VII.Explain retrospective restatement due to correction of significant accounting errors in the reporting period**

Applicable  Not applicable

No major accounting errors within reporting period that needs retrospective restatement for the Company in the period.

#### **VIII.Explain change of the consolidation scope as compared with the financial reporting of last year.**

Applicable Not applicable



In 2015, the company had completed the major asset replacement and the share-issuing to purchase the asset and raise matching funds, which swapped out the company's original total assets and liabilities, swapped in the equivalent part of the equity of the Sino Great Wall International Engineering Co., Ltd which was held by all the shareholders of Sino Great Wall International Engineering Co., Ltd. Sino Great Wall International Engineering Co., Ltd shall be included in the consolidation scope in 2015.

## IX. Engagement/Disengagement of CPAs

### CPAs currently engaged

Name of the domestic CPAs	BDO China Shu Lun Pan Certified Public Accountants LLP
Remuneration for domestic accounting firm (RMB'0000)	150
Continuous life of auditing service for domestic accounting firm	1
Name of domestic CPA	Liao Jiahe, Xu Shibao
Name of the foreign CPAs (If any)	No
Remuneration for foreign accounting firm (RMB'0000)(If any)	0
Continuous life of auditing service for foreign accounting firm	No
Name of foreign CPA	No

Has the CPAs been changed in the current period

Yes  No

Whether to change the accounting firm during the audit period

Yes  No

To replace the accounting firm to perform the examination and approval procedures

Yes  No

Detailed description of the appointment, alteration of the accounting firm

1. The company's audit committee of the board of directors fully acquainted BDO China Shu Lun Pan Certified Public Accountants LLP, then agreed to change the accounting firm, engaged the BDO China Shu Lun Pan Certified Public Accountants LLP as the audit agency for the company's 2015 annual financial report, and the proposal had been submitted to the company's board of directors for the approval.

2. The Proposal on Alteration and Engaging of the 2015 Annual Audit Agency was examined and approved in the 5<sup>th</sup> meeting of the seventh session board of directors convened on March 14, 2016, which agreed to engage the BDO China Shu Lun Pan Certified Public Accountants LLP as the company's 2015 annual audit agency.

3. Alteration and engaging of the audit agency had been prior approved by the company's independent directors and the independent directors issued an independent opinion of assent on the item, reckoned that: BDO China Shu Lun Pan Certified Public Accountants LLP possessed the qualification to audit in securities-related business and possessed years of experiences and the ability to provide audit services for listed companies, so that shall meet the requirements by the company's financial audit and the related special audit work, and the accounting firm is able to carry out independent financial situation audit to the company. Therefore it was agreed the alteration and the

engaging of BDO China Shu Lun Pan Certified Public Accountants LLP as the company's 2015 annual audit agency, and agreed to submit the Proposal to the general shareholder meeting for approval. (Please see its details as the Prior Approval Opinion on the Alteration and Engaging of the Company's 2015 Annual Audit Agency, the Independent Opinion on the Proposals Related to the 5<sup>th</sup> Meeting of the Company's 7<sup>th</sup> Session Board of Directors from Independent Directors disclosed on www.cninfo.com.cn.)

4. The Proposal on Alteration and Engaging of the 2015 Annual Audit Agency was examined and approved in the company's 2016 first extraordinary general shareholder meeting convened on March 30, 2016, agreed the alteration and engaging the BDO China Shu Lun Pan Certified Public Accountants LLP as the company's 2015 annual audit agency.

Description of the CPAs, financial adviser or sponsor engaged for internal control auditing

Applicable Not applicable

In the current year, the company engaged BDO China Shu Lun Pan Certified Public Accountants LLP as the internal control audit accounting firm, during the period, the company totally pays RMB 1million for the internal control audit expenses.

In the year, due to the item of the major asset restructuring, the company engaged Huatai Securities Co., Ltd as the financial adviser, during the period, a total of RMB15 million was paid for financial advisory fees and underwriting fees.

#### **X. Situation of Facing Listing Suspension and Listing Termination after the Disclosure of the Yearly Report**

Applicable Not applicable

#### **XI. Bankruptcy reorganization**

Applicable Not applicable

No bankruptcy reorganization for the Company in reporting period.

#### **XII. Significant lawsuits and arbitrations of the Company**

Applicable Not applicable

No significant lawsuits and arbitrations occurred in the reporting period.

#### **XIII. Situation of Punishment and Rectification**

Applicable Not applicable

No penalty and rectification for the Company in reporting period.

#### **XIV. Credit Condition of the Company and its Controlling Shareholders and Actual Controllers**

Applicable Not applicable

During reporting period, there was no effective judgment of a court and large amount of debt maturity that the company, its controlling shareholders and actual controller failed to perform or pay off.

## XV.Implementation Situation of Stock Incentive Plan of the Company, Employee Stock Ownership Plan or Other Employee Incentive Measures

Applicable  Not applicable

The second meeting of the seventh board of directors, the second meeting of the seventh board of supervisors and the 2015 third extraordinary general shareholder meeting were respectively convened by the company on Nov 5, 2015 and Nov 23, 2015, at which the Proposal on the First Phase of Employee Stock Ownership Plan (draft) of Shenzhen Victor Onward Textile Industrial Co., Ltd was examined and approved.

Please refer to the published on November 7, 2015, the securities times, the Hong Kong Commercial Daily and cninfo (www.cninfo.com.cn) on the relevant announcement.

On December 24, 2015, the company as the asset trustor of the ESOP asset management plan, together with the asset manager- Xingzheng Securities Asset Management Co.,Ltd and the asset trustee- China Everbright Bank Co.,Ltd signed the contract of No.57 Xing Zheng Zi Guan Xin Zhong Assets Management Contract of the Collection Assets Management Plan which concretely explained and stipulated the information included the basic information of the collection plan, participating in and withdrawal of the collection plan, guarantee, classification of the collection plan, the management methods and the management rights of the customer assets in the collection plan, the establishment of the collection plan, the expenses of the collection plan, the proceeds and its distribution of the collection plan, investment philosophy and investment strategy, investment decision-making and risk control, restrictions and prohibited behaviors of investment, information disclosure of the collection plan, transfer of the share of the collection plan, non-transaction transfer ownership and freezing and so on.

Please refer to the published on December 29, 2015, the securities times, the Hong Kong Commercial Daily and cninfo (www.cninfo.com.cn) on the relevant announcement.

As of January 7, 2016, the company's first phase of the employee stock ownership plan has completed the share-purchasing by means of buying in the secondary security market, of which the average position price is RMB44.7578 per share, the total purchase quantity is 833,187 shares which account for 0.1864% of the company's total share capital, and the total turnover is RMB37,291,630. The lock-up period of the shares purchased under the plan is 12 months commenced from the date of this announcement.

Please refer to the published on January 8, 2016, the securities times, the Hong Kong Commercial Daily and cninfo (www.cninfo.com.cn) on the relevant announcement.

## XVI.Material related transactions

### 1. Related transactions in connection with daily operation

Applicable  Not applicable

Related parties	Relationship	Type of trade	Subjects of the related transactions	Principle of pricing the related transactions	Price of trade	Amount of trade RMB0'000	Ratio in similar trades	Trading limit approved (RMB'0000)	Whether over the approved limited or not	Way of payment	Market price of similar trade available	Date of disclosure	Index of information disclosure

									(Y/N)				
Qinghai Heyi Trade Co., Ltd.	The company where the Company's director holds the post of legal person	Procurement of goods/services	Material Goods	Market price	Market price	4,636.5	3.11%		No	Quarterly settlement	Market price		
Qianghai Heyi Mining Co., Ltd.	The company where the Company's director holds the post of legal person	Procurement of goods/services	Consultant fee	Market price	Market price	1,187	55.42%		No	Quarterly settlement	Market price		
Jiuxin Investment Management Co., Ltd.	5% or more shareholders are subject to the same control	Sale of goods / services	Decorative items	Market price	Market price	5,800	1.45%		No	Settlement by contract	Market price		
Beijing Baolilai Technology Co., Ltd.	5% or more shareholders are subject to the same control	Sale of goods / services	Decorative items	Market price	Market price	800	0.20%		No	Settlement by contract	Market price		
Total				--	--	12,423.5	--	0	--	--	--	--	--
Details of any sales return of a large				No									

amount	
Give the actual situation in the report period where a forecast had been made for the total amounts of routine related-party transactions by type to occur in the current period(if any)	No
Reason for any significant difference between the transaction price and the market reference price (if applicable)	Not applicable

## 2. Related-party transactions arising from asset acquisition or sold

Applicable Not applicable

No related transactions by assets acquisition and sold for the Company in reporting period.

## 3. Related-party transactions with joint investments

Applicable Not applicable

No main related transactions of joint investment outside for the Company in reporting period.

## 4. Credits and liabilities with related parties

Applicable Not applicable

Was there any non-operating credit or liability with any related party?

Applicable Not applicable

Creditor's rights of related parties

Related parties	Relationship	Causes of formation	Whether there is non operating funds occupied	Opening balance(RMB'0000)	Amount newly increased in the reporting period(RMB'0000)	Amount repaid in the reporting period(RMB'0000)	Interest rate	Interest in the reporting period(RMB'0000)	Ending balance (RMB'0000)
Influence of the related Creditor's rights upon the company's operation results and financial position.		Not applicable							

Due to related parties

Related parties	Relationship	Causes of formation	Opening balance(RMB'0000)	Amount newly increased in the reporting period(RMB'0000)	Amount repaid in the reporting period(RMB'0000)	Interest rate	Interest in the reporting period(RMB'0000)	Ending balance (RMB'0000)
Chen Lue	Controlling shareholder		0	78,018.76	39,990			38,028.76
Xian Zhi Juan	??		0	17,500	17,500			0
Qinghai Heyi Trade Co., Ltd.	The company where the Company's director holds the post of legal person		0	7,000	7,000			0
Influence of the related rights of credit and liabilities upon the company's operation results and financial position.	The Company's controlling shareholder and the related party's financial support of the Company benefits the Company's operation and future development							

## 5. Other significant related-party transactions

Applicable Not applicable

No other material related transactions.

**XVII.Particulars about significant contracts and their fulfillment****1. Particulars about trusteeship, contract and lease****(1) Trusteeship**

Applicable  Not applicable

No trusteeship, contract or leasing for the Company in reporting period.

**(2) Contract**

Applicable  Not applicable

No any contract for the Company in the reporting period.

**(3) Lease**

Applicable  Not applicable

No any lease for the Company in the reporting period..

**2.Guarantees**

Applicable  Not applicable

No any guarantees for the Company in the reporting period..

**3.Situation of Entrusting Others for Managing Spot Asset****(1)Situation of Entrusted Finance**

Applicable  Not applicable

No any Entrusted Finance for the Company in the reporting period..

**(2) Situation of Entrusted Loans**

Applicable  Not applicable

No any Entrusted loans for the Company in the reporting period..

**4. Other significant contract**

Applicable  Not applicable

**XVIII.Explanation about other significant matters**

Applicable  Not applicable

**No any Explanation about other significant matters**

**XIX.Major issues of subsidiary**

Applicable  Not applicable

**XX.Social responsibility**

Applicable  Not applicable

**XXI.Information about the corporate bonds**

Whether the listed company failed to honor the corporate bonds public issued and listed on the Stock Exchange in due or undue at the approval date of the annual report

No



## VI. Change of share capital and shareholding of Principal Shareholders

### I. Changes in share capital

#### 1. Changes in share capital

In shares

	Before the change		Increase/decrease (+, -)					After the Change	
	Amount	Proportion	Share allotment	Bonus shares	Capitalization of common reserve fund	Other	Subtotal	Quantity	Proportion
1. Shares with conditional subscription			277,764,226			116,400	277,880,626	277,880,626	100.00%
3. Other domestic shares			277,764,226			116,400	277,880,626	277,880,626	62.18%
Including : Domestic Legal person shares			99,888,348				99,888,348	99,888,348	22.35%
Domestic natural person shares			177,875,878			116,400	177,992,278	177,992,278	39.83%
II. Shares with unconditional subscription	169,142,356	100.00%	0			-116,400	-116,400	169,025,956	37.82%
1. Common shares in RMB	99,720,453	58.96%				-116,400	-116,400	99,604,053	22.29%
2. Foreign shares in domestic market	69,421,903	41.04%						69,421,903	15.53%
III. Total of capital shares	169,142,356	100.00%	277,764,226			0	277,764,226	446,906,582	100.00%

Reasons for share changed

√ Applicable □ Not applicable

In 2015, the company completed the major asset restructuring and the issue of shares to objects such as Chen Lue to purchase assets and raise matching funds, and the company's share capital changed.

Approval of Change of Shares

Applicable  Not applicable

On July 23, 2015, the CSRC issued the Reply of the Major Asset Restructuring and the Issue of Shares to Objects such as Chen Lue to Purchase Assets and Raise Matching Funds by Shenzhen Victor Onward Textile Industrial Co., Ltd-the 2015-No.1774 Zheng Jian Xu Ke document which approved the issuer to issue shares to 17 shareholders of Sino Great Wall Company such as Chen Lue for purchasing assets and approved the issuer non-publicly issue no more than 25,914,633 new shares to raise the matching funds; the Reply is effective in 12 months commenced from its issuing date.

Ownership transfer of share changes

Applicable  Not applicable

On October 14, 2015, the company completed the share-issuing of a total of 251,849,593 shares issued to 17 transaction objects such as Chen Lue for purchasing related assets, of which the issuing price is RMB 9.84 per share. After the completion of the assets swap, the company's share capital changed to 420,991,949 shares.

On November 27, 2015, the company completed the non-public share-issuing to purchase the assets and raise matching funds. The quantity of the non-public share-issuing for raising matching funds is 25,914,633 shares and the issue price is RMB9.84 per share. After the completion of the non-public share-issuing, the company's share capital changed to 446,906,582 shares.

Influence on the basic EPS and diluted EPS as well as other financial indexes of net assets per share attributable to common shareholders of Company in latest year and period

Applicable  Not applicable

The company completed the major assets restructuring in 2015, thus the company's share capital changed to 446,906,582 shares from 169,142,356 shares. Due to the good quality of the assets swapped in, the company's earnings per share and the net assets per share in the recent year and the period were significantly increased.

Other information necessary to disclose for the company or need to disclosed under requirement from security regulators

Applicable  Not applicable

## 2. Change of shares with limited sales condition

Applicable  Not applicable

Applicable  Not applicable

In shares

Shareholder Name	Initial Restricted Shares	Number of Unrestricted Shares This Term	Number of Increased Restricted Shares This Term	Restricted Shares in the End of the Term	Reason for Restricted Shares	Date of Restriction Removal
Chen Lue			138,248,490	138,248,490	The major asset restructuring and the issue of shares to purchase assets	October 14, 2018

					and raise matching funds	
Chen Lue			14,735,772	14,735,772	The major asset restructuring and the issue of shares to purchase assets and raise matching funds	November 27,2018
Shanghai Financial Development Investment Fund(LP)	0		20,079,080	20,079,080	The major asset restructuring and the issue of shares to purchase assets and raise matching funds	October 14,2016
He Feiyan	0		14,421,173	14,421,173	The major asset restructuring and the issue of shares to purchase assets and raise matching funds	October 14,2018
Jiutai Fund – Bank of Communications – Jiutai Huitong No.2 specific customer asset management plan	0		11,178,861	11,178,861	The major asset restructuring and the issue of shares to purchase assets and raise matching funds	November 27,2016
Wuxi Hengtai Jiuding Assets Management Centre (LP)	0		10,087,004	10,087,004	The major asset restructuring and the issue of shares to	October 14,2016

					purchase assets and raise matching funds	
Foshan Haihui Heying Venture Investment Partnership (LP)	0		10,039,540	10,039,540	The major asset restructuring and the issue of shares to purchase assets and raise matching funds	October 14,2016
Jiangxi Taihao Venture Investment Centre(LP)	0		8,366,284	8,366,284	The major asset restructuring and the issue of shares to purchase assets and raise matching funds	October 14,2016
Yantai Zhaoxuan Yuantai Jiuding Venture Investment Centre(LP)	0		8,353,354	8,353,354	The major asset restructuring and the issue of shares to purchase assets and raise matching funds	October 14,2016
Suzhou Tianyao Zhongshan Jiuding Investment Centre(LP)	0		7,551,634	7,551,634	The major asset restructuring and the issue of shares to purchase assets and raise matching funds	October 14,2016
Jiaxing Jiahe Jiuding Investment Centre(LP)	0		7,499,912	7,499,912	The major asset restructuring and the issue of	October 14,2016

					shares to purchase assets and raise matching funds	
Beijing Xinhe Taida Investment Management Centre(LP)	0		6,693,140	6,693,140	The major asset restructuring and the issue of shares to purchase assets and raise matching funds	October 14,2016
Wu Chenxi	0		5,019,770	5,019,770	The major asset restructuring and the issue of shares to purchase assets and raise matching funds	October 14,2016
Beijing Longbai Huirun Investment Management Centre(GP)	0		5,019,770	5,019,770	The major asset restructuring and the issue of shares to purchase assets and raise matching funds	October 14,2016
Zhu Lijun	0		3,346,514	3,346,514	The major asset restructuring and the issue of shares to purchase assets and raise matching funds	October 14,2016
Shenzhen Septwolves Shenglian Equity	0		3,346,514	3,346,514	The major asset restructuring and	October 14,2016

Investment Fund Co., Ltd.						the issue of shares to purchase assets and raise matching funds	
Feng Renyi	0		1,673,255	1,673,255		The major asset restructuring and the issue of shares to purchase assets and raise matching funds	October 14,2016
Shenzhen Jiayuan Qihang Venture Investment Company(LP)	0		1,673,255	1,673,255		The major asset restructuring and the issue of shares to purchase assets and raise matching funds	October 14,2016
He Sen	0		430,904	430,904		The major asset restructuring and the issue of shares to purchase assets and raise matching funds	October 14,2016
Total	0	0	277,764,226	277,764,226	--	--	--

## II. Issuing and listing

### 1. Explanation of the Situation of the Security Issue(No Preferred Shares) in the Report Period

Applicable  Not applicable

Description of stock and its	Issuing date	Issuing price(Or interest rate)	Issuing quantity	Listing date	Quantity approved for	Expiration date of transaction
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Derivative securities					listing	
Stocks						
Restricted circulating share		9.84Yuan/share	251,849,593	October 14,2015	251,849,593	
Restricted circulating share		9.84/Yuan/share	25,914,633	November 27,2015	25,914,633	
Convertible Corporate Bonds, Detachable Convertible Bond and Corporate Bonds						
Other derivative securities						

## Notes

On July 23, 2015, the CSRC issued the Reply of the Major Asset Restructuring and the Issue of Shares to Objects such as Chen Lue to Purchase Assets and Raise Matching Funds by Shenzhen Victor Onward Textile Industrial Co., Ltd-the 2015-No.1774 Zheng Jian Xu Ke document which approved the issuer to issue shares to 17 shareholders of Sino Great Wall Company such as Chen Lue for purchasing assets and approved the issuer non-publicly issue no more than 25,914,633 new shares to raise the matching funds; the Reply is effective in 12 months commenced from its issuing date.

According to Acceptance Confirmation of Share Registration Application and Register of Securities Holders (the consolidated register of the registered and shareholders shall received in their account) issued by China Securities Depository and Clearing Co., Ltd Shenzhen Branch on September 24, 2015, the company's application documents of the new share registration of the non-public share-issuing have been in the process of acceptance and the underlying shares will listed in the Register of shareholders of the listed company after registration to account. The quantity of the new shares of the non-public share-issuing by the listed company is 251,849,593 shares (all are condition-limited for sales). After the completion of the non-public share-issuing, the total share capital of the listed company is 420,991,949 shares.

According to Acceptance Confirmation of Share Registration Application and Register of Securities Holders (the consolidated register of the registered and shareholders shall received in their account) issued by China Securities Depository and Clearing Co., Ltd Shenzhen Branch on November9, 2015, the company's application documents of the new share registration of the non-public share-issuing have been in the process of acceptance and the underlying shares will listed in the Register of shareholders of the listed company after registration to account. The quantity of the new shares of the non-public share-issuing by the listed company is 25,914,633 shares (all are condition-limited for sales). After the completion of the non-public share-issuing, the total share capital of the listed company is 446,906,582 shares.

## 2.Change of asset and liability structure caused by change of total capital shares and structure

√ Applicable □ Not applicable

Before October 14, 2015, the share capital of the company was 169,142,356 shares, of which Union Holdings held 43,141,032 shares, taking for 25.51% of the company's share capital, thus Union Holdings was the largest shareholder and the controlling shareholder. Union Development held 5,681,089 shares, taking for 3.36% of the company's share capital; Rich Crown Investment Co., Ltd. whose 99.99% stake held by Union Development held 6,114,556 shares, taking for 3.62% of the company's share capital. Due to Union Development held 31.32% stake of Union Holdings, thus Union Development was the controlling shareholder of Union Holdings. Therefore, the

equity proportion of the company's share capital directly and indirectly held by Union Development was 32.48%, and Union Development was the company's actual controller.

On October 14, 2015, the company completed the share-issuing of a total of 251,849,593 shares issued to 17 transaction objects such as Chen Lue for purchasing related assets, of which the issuing price is RMB 9.84 per share, of which Chen Lue subscribed 138,248,490 shares of the newly increasing shares.. After the completion of the assets swap, the company's share capital changed to 420,991,949 shares.. of which Mr. Chen Lue holds 138,340,890 shares, taking for 32.86% of the company's total share capital, The largest shareholder of the company was changed to Mr. Chen Lue from Union Holdings and the actual controller of the company was changed to Mr. Chen Lue from Union Development, henceforth, Mr. Chen lue has become the new controlling shareholder and the actual controller of the company (Note: due to the performance of the commitment of increasing holding shares, Mr. Chen Lue increased the holding shares by 92,400 shares through bidding trading on Shenzhen Stock Exchange on July 7, 2015).

On Nov 27, 2015, the company completed the non-public share-issuing to purchase the assets and raise the matching funds. The total share quantity of the non-public share-issuing for raising funds is 25,914,633 shares, with issuing price of RMB 9.84 per share, of which Chen Lue subscribed 14,735,772 shares of the newly increasing shares. After completing the non-public share-issuing, the company's total share capital shall be changed to 446,906,582 shares, of which Mr. Chen Lue holds 153,076,662 shares, taking for 34.25% of the company's total share capital, remained as the company's actual controlling shareholder and the actual controller.

### 3.About the existing employees' shares

Applicable√Not applicable

## III.Shareholders and actual controlling shareholder

### 1. Number of shareholders and shareholding

In Share

Total number of common shareholders at the end of the reporting period	15,008	Total shareholders at the end of the month from the date of disclosing the annual report	26,580	The total number of preferred shareholders voting rights restored at period-end (if any)(See Notes 8)	0	Total preferred shareholders at the end of the month from the date of disclosing the annual report	0	
Shareholding of shareholders holding more than 5% shares								
Shareholders	Nuture of shareholder	Proportion of shares held (%)	Number of shares held at period-end	Changes in reporting period	Amount of restricted shares held	Amount of un-restricted shares held	Number of share pledged/frozen	
							State of share	Amount



Chen Lue	Domestic Natural person	34.27%	153,136,462		153,098,412	38,050	Mortgage	90,621,209
Union Holdings Co., Ltd.	Domestic Non-State-owned legal person	9.65%	43,141,032		0	43,141,032		
STYLE-SUCCESS LIMITED	Foreign legal person	5.47%	24,466,029		0	24,466,029		
Shanghai Financial Development Investment Fund(LP)	Domestic Non-State-owned legal person	4.49%	20,079,080		20,079,080	0		
He Feiyan	Domestic Natural person	3.23%	14,421,173		14,421,173	0		
Jiutai Fund – Bank of Communications – Jiutai Huitong No.2 specific customer asset management plan	Other	2.50%	11,178,861		11,178,861	0		
Wuxi Hengtai Jiuding Assets Management Centre (LP)	Domestic Non-State-owned legal person	2.26%	10,087,004		10,087,004	0		
Foshan Haihui Heying Venture Investment Partnership(Limited Partnership)	Domestic Non-State-owned legal person	2.25%	10,039,540		10,039,540	0		
Jiangxi Taihao Venture Investment Centre(LP)	Domestic Non-State-owned legal person	1.87%	8,366,284		8,366,284	0		
Yantai Zhaoxuan Yuantai Jiuding Venture Investment Centre(LP)	Domestic Non-State-owned legal person	1.87%	8,353,354		8,353,354	0		
Strategy investors or general legal person becomes top 10 shareholders due to rights issued (if applicable)See Notes 3 )	On July 23, 2015, the CSRC issued the Reply of the Major Asset Restructuring and the Issue of Shares to Objects such as Chen Lue to Purchase Assets and Raise Matching Funds by Shenzhen Victor Onward Textile Industrial Co., Ltd-the 2015-No.1774 Zheng Jian Xu Ke document which approved the issuer to issue shares to 17 shareholders of Sino Great							

	Wall Company such as Chen Lue for purchasing assets. After the completion of the non-public share issuing, the above-said shareholders-Chen Lue, Shanghai Financial Development Investment Funds (Limited Partnership), He Fei Yan, Jiutai Asset Management- Bank of Communications- No.2 Jiutai Huitong Directional Issued Special Clients Asset Management Plan, Wuxi Hengtai Jiuding Asset Management Center (limited partnership), Foshan Haihui Double-win Venture Investment Partnership (limited partnership), Jiangxi Taihao Venture Investment Center (Limited partnership), Yantai Zhaoxuan Yuantai Jiuding Venture Investment Center (limited partnership) have become the company's top 10 shareholders.		
Explanation on associated relationship among the aforesaid shareholders	The largest shareholder of Mr. Chen Lue and the fifth largest shareholder of Ms. He Feiyan aforesaid are persons acting in concern, whether the other shareholders have associated relations are unknown.		
Shareholding of top 10 shareholders of unrestricted shares			
Name of the shareholder	Quantity of unrestricted shares held at the end of the reporting period	Share type	
		Share type	Quantity
Union Holdings Co., Ltd.	43,141,032	RMB Common shares	43,141,032
STYLE-SUCCESS LIMITED	24,466,029	Foreign shares placed in domestic exchange	24,466,029
Rich Crown Investment Co., Ltd.	6,114,556	Foreign shares placed in domestic exchange	6,114,556
Union Development Group Co., Ltd.	5,681,089	RMB Common shares	5,681,089
Liuzhou Jiali Real estate Development Co., Ltd.	3,600,000	RMB Common shares	3,600,000
Agricultural Bank of China—Changxin Domestic demand growth Securities Investment Fund	2,276,042	RMB Common shares	2,276,042
Zeng Ying	1,750,000	Foreign shares placed in domestic exchange	1,750,000
ICBC—South Innovation Economy Mixed securities Investment fund	1,738,302	RMB Common shares	1,738,302
National social security fund 114	1,697,784	RMB Common shares	1,697,784

ICBC—Fuguo research select flexible configuration mixed Securities Investment Fund	1,691,235	RMB Common shares	1,691,235
Explanation on associated relationship or consistent action among the top 10 shareholders of non-restricted negotiable shares and that between the top 10 shareholders of non-restricted negotiable shares and top 10 shareholders	The controlling shareholder of the above-mentioned largest shareholder Shenzhen Union Holdings Ltd. and third shareholder Rich Crown Investment Co., Ltd.. Is Union Development Group Ltd.		
Notes to the shareholders involved in financing securities (if any)(See Notes 4)	Among the shareholders above, Liuzhou Jiali Real estate Development Co., ltd. holds 3,600,000 shares of the Company through stock account with credit transaction and guarantee of Guohai Securities Co., Ltd.		

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. Controlling shareholder

Nature of Controlling Shareholders: Natural Person Holding

Type of Controlling Shareholders: Natural Person

Name	Nationality	Whether to obtain the right of abode in other countries or regions
Chen Lue	China	No
Main occupations and duties	Chairman and General Manager of the Company	
Situation of domestic and abroad holding listed companies in the reporting period.	None	

Change of the actual controller in the reporting period

Applicable  Not applicable

Name of the new controlling shareholder	Chen Lue
Date of change	October 14,2015
Specify website query index	The Listing Announcement and Alteration Report on Newly Increasing Shares of Shenzhen Victor Onward Textile Industrial Co., Ltd issued on Cninf, Securities Times and Hong Kong Commercial Daily.
Specify website disclosure date	October 13,2015

### 3. Information about the controlling shareholder of the Company

Actual controller nature: Domestic natural person

Actual controller type: Natural person

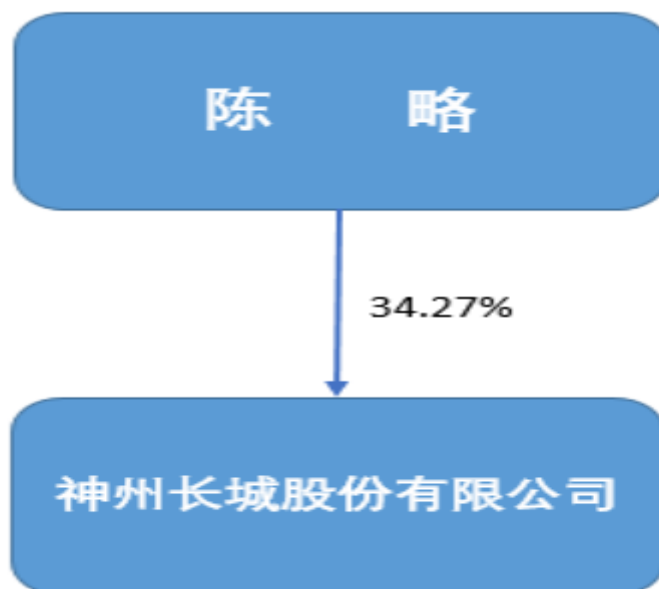
Name	Nationality	Whether to obtain the right of abode in other countries or regions
Chen Lue	China	No
Main occupations and duties	Chairman and General Manager of the Company	
Situation of domestic and abroad holding listed companies in the past 10 years	None	

Change of the actual controller in the reporting period

Applicable  Not applicable

Name of the new actual controller	Chen Lue
Date of change	October 14, 2015
Specify website query index	The Listing Announcement and Alteration Report on Newly Increasing Shares of Shenzhen Victor Onward Textile Industrial Co., Ltd issued on Cninf, Securities Times and Hong Kong Commercial Daily.
Specify website disclosure date	October 13, 2015

Block Diagram of the ownership and control relations between the company and the actual controller



The actual controller controls the company by means of trust or managing the assets in other way

Applicable  Not applicable

**4. Other corporate shareholder holding over 10% of the Company's shares**

Applicable Not applicable

**5. Situation of Share Limitation Reduction of Controlling Shareholders, Actual Controllers, Restructuring Party and Other Commitment Subjects**

Applicable Not applicable

No any Share Limitation Reduction of Controlling Shareholders, Actual Controllers, Restructuring Party and Other Commitment Subjects in the reporting period

## VII. Situation of the Preferred Shares

Applicable  Not Applicable

The Company had no preferred shares in the reporting period

## VIII. Information about Directors, Supervisors and Senior Executives

### I. Change in shares held by directors, supervisors and senior executives

Name	Positions	Office status	Sex	Age	Starting date of tenure	Expiry date of tenure	Shares held at the year-begin (share)	Amount of shares increased at the reporting period (share)	Amount of shares decreased at the reporting period (share)	Other changes increase/decrease	Shares held at the year-end (share)
Chen Lue	Board chairman, General Manager	In office	Male	45	October 29, 2015	October 28, 2018	0	153,136,462	0		153,136,462
Hu Yongfeng	Director	In office	Male	53	May 12, 2000	October 28, 2018	0	0	0		0
Li Erlong	Director, Deputy General Manager	In office	Male	40	October 29, 2015	October 28, 2018	0	3,000	0		3,000
Liang Rong	Director, Deputy General Manager	In office	Male	46	October 29, 2015	October 28, 2018	0	0	0		0
Wang Lei	Director	In office	Male	52	October 29, 2015	October 28, 2018	0	0	0		0
Ban Bin	Director	In office	Male	30	October 29, 2015	October 28, 2018	0	0	0		0
Tang Jianxin	Independent Director	In office	Male	50	October 29, 2015	October 28, 2018	0	0	0		0
Zhang Yufeng	Independent Director	In office	Male	52	October 29, 2015	October 28, 2018	0	0	0		0
Jiang Chongguang	Independent Director	In office	Male	40	October 29, 2015	October 28, 2018	0	0	0		0
Dong	Chairman	In office	Male	66	October 29, 2015	October 28, 2018	0	0	0		0

Binggen	of the supervisory committee				2015	28,2018					
Huang Shengde	Supervisor	In office	Male	37	October 29, 2015	October 28, 2018	0	0	0		0
Wu Xiaoming	Supervisor	In office	Male	35	October 29, 2015	October 28, 2018	0	0	0		0
Song Chenling	Deputy General Manager	In office	Female	43	October 29, 2015	October 28, 2018	0	0	0		0
Cui Hongli	CFO	In office	Female	43	October 29, 2015	October 28, 2018	0	0	0		0
Yang Chunling	Secretary to the board of directors	In office	Female	44	October 29, 2015	October 28, 2018	0	0	0		0
Ding Yue	Vice Board chairman	Office leaving	Male	57	October 18, 2011	October 29, 2015	0	0	0		0
Shu Yibo	Vice Board chairman	Office leaving	Female	43	October 18, 2011	October 29, 2015	0	0	0		0
Zhang Mei	Director	Office leaving	Female	40	October 18, 2011	October 29, 2015	0	0	0		0
Feng Junbin	Director	Office leaving	Male	53	October 18, 2011	October 29, 2015	0	0	0		0
Zhang Jinliang	Deputy General Manager, Secretary to the board of directors	Office leaving	Male	53	October 18, 2011	October 29, 2015	0	0	0		0
Jin Ligang	Independent Director	Office leaving	Male	56	October 18, 2011	October 29, 2015	0	0	0		0
Shen Songqim	Independent Director	Office leaving	Male	58	October 18, 2011	October 29, 2015	0	0	0		0



Huang Xiaoping	Supervisor	Office leaving	Female	58	October 18,2011	October 29,2015	0	0	0	0
Pan Weichao	Supervisor	Office leaving	Male	64	October 18,2011	October 29,2015	0	0	0	0
Ren Changzheng	Manager of Finance Dept	Office leaving	Male	40	October 18,2011	October 29, 2015	0	0	0	0
Total	--	--	--	--	--	--	0	153,139,462	0	153,139,462

## II. Change in shares held by directors, supervisors and senior executives

Name	Positions	Types	Date	Reason
Ding Yue	Vice Board chairman	Expiration of the term of office	October 29,2015	Expiration of the term of office
Shu Yibo	Vice Board chairman	Expiration of the term of office	October 29,2015	Expiration of the term of office
Zhang Mei	Director	Expiration of the term of office	October 29,2015	Expiration of the term of office
Feng Junbin	Director	Expiration of the term of office	October 29,2015	Expiration of the term of office
Zhang Jinliang	Director	Expiration of the term of office	October 29,2015	Expiration of the term of office
Jin Ligang	Independent director	Expiration of the term of office	October 29,2015	Expiration of the term of office
Shen Songqin	Independent director	Expiration of the term of office	October 29,2015	Expiration of the term of office
Chen Jinmei	Independent director	Expiration of the term of office	October 29,2015	Expiration of the term of office
Huang Xiaoping	Supervisor	Expiration of the term of office	October 29,2015	Expiration of the term of office
Pan Weichao	Supervisor	Expiration of the term of office	October 29,2015	Expiration of the term of office
Zhang Jinliang	Deputy general Manager, Board secretary	Expiration of the term of office	October 29,2015	Expiration of the term of office
Ren Changzheng	Manager of Finance Dept	Expiration of the term of office	October 29,2015	Expiration of the term of office

### III. Posts holding

Work Experience in the past five years of Directors, supervisors and senior Executives in Current office

#### (1) Director

Mr. Chen Lue, male, Chinese nationality, no overseas permanent residence, born in April 1970, currently the doctoral students of accounting specialty in Wuhan University, Senior Management MBA of Guanghua School of Management of Beijing University, Senior Management MBA of School of Economics and Management of Tsinghua University, Bachelor in major of Food Science and Nutritional Engineering of China Agricultural University, senior engineer. He had served as a technician in Zhuhai Fisheries Group Canned Food Factory, project manager in Guangdong Yuexi Construction Company, vice general manager in Guizhou Construction Engineering Group Dongguan Company, vice general manager in Shenzhen Great Wall Furniture Decoration Engineering Co., Ltd. Currently, he is the Vice Chairman of Beijing Decoration Association, Director of Informatization Committee of China Building Decoration Association, director of information technology committee, executive member of China Building Decoration Association, the first chairman of Beijing-Zhanjiang Business Association. From June 2006 to September 2014, he was the chairman of the Great Wall Construction Engineering Co. Ltd; from December 2007 to September 2014, he served as the general manager of the Great Wall Construction Engineering Co. Ltd; from May 2011 to September 2014, he served as the supervisor of Sino Great Wall Construction Engineering (Liaoning) Co., Ltd. since 2001, he has been the executive director and chairman of the board of the Sino Great Wall International Engineering Co., Ltd; since November 2007, he has been the executive director of Sino Great Wall (Beijing) Decoration Design Co., Ltd; since February 2011, he has been the supervisor of Sino Great Wall Decoration Engineering (Shenyang) Co., Ltd; since April 2014, he has been the executive director and general manager of Sino Great Wall Investment (Beijing) Co., Ltd; since September 2015, he has been the chairman and the general manager of Sino Great Wall Cubic Investment Co., Ltd; since October 2015, he has been the chairman of the board and the general manager of the company.

Mr. Hu Yongfeng, Chinese nationality, no overseas permanent residence, male, born in July 1962, graduated from East China Textile Engineering College in 1983, bachelor, senior engineer. He served as the director of the general office of the National Textile Association. From April 2008 to October 2015, he had served as the general manager of Shenzhen Victor Onward Textile Industrial Co., Ltd; from October 2000 to October 2015, he had served as the chairman of Shenzhen Victor Onward Textile Industrial Co., Ltd; currently, he is the vice-president of Hualian Development Group Co., Ltd and the vice-chairman of Union Holdings Co., Ltd; since October 2015, he has been served as the company's director.

Mr. Li Erlong, Chinese nationality, no overseas permanent residence, male, was born in September 1975, graduated from the Shandong Building Materials Engineering College, MBA of Tsinghua University. He had served as the assistant to director of the National Building Materials Quality Supervision and Inspection Center, the researcher for the China-Africa R&D Center of Artificial Crystal. Since March 2005, he has been served as the general manager of the Sino Great Wall International Engineering Co., Ltd; since November 2007, he has been the general manager of Beijing Sino Great Wall Decoration Design Co., Ltd.; since June 2014, he has been the executive director of the Sino Heji Environmental-protection Material Co., Ltd; since September 2015, he has been the director of Sino Cubic Investment Co., Ltd; since October 2015, he has been the company's director and vice general manager.

Mr. Liang Rong, Chinese nationality, no overseas permanent residence, male, born in December 1969, graduated from the specialty of civil and architectural engineering of Shantou University, senior management MBA of Nankai University, senior engineer. He had served as the assistant engineer in Zhuhai Xinzhou Real Estate Co., Ltd, material surveyor in Japan Shimizu Corporation, project manager in Shenzhen Great Wall Furniture

Decoration Engineering Co., Ltd. Since April 2003, he has been the executive general manager of Sino Great Wall International Engineering Co., Ltd; Since June 2014, he has been the director of the Sino Great Wall International Engineering Co., Ltd; since November 2014, he has been the director of the Sino Great Wall International Engineering Co., Ltd(Macau); since October 2015, he has been the company's director and vice general manager.

Mr. Wang Lei, Chinese nationality, no overseas permanent residence, male, born in March 1963, senior management MBA of School of economics and management of Tsinghua University, currently pursuing the finance EMBA of PBC School of Finance, senior engineer. He had Served as the general manager of Anshan Yongxin Engineering General Contracting Company, vice president of Chinese Enterprises Investment Company, director and general manager of Henan Shunyuan Aluminum Industry Co.,Ltd, director and vice chief-economist of Henan Coal Chemical Industry Group Co., Ltd. Since April 2013, he has been the chairman of Shanghai Heyi Supply Chain Management Co., Ltd.; since October 2015, he has been the company's director.

Mr. Bai Bin, Chinese nationality, no overseas permanent residence, male, born in 1985, master of law, possesses vocational qualification of lawyer and law. He had successively served as the lawyer of Beijing Jingda Law Firm, investment manager, Investment Director, general manager of the asset management department and so forth posts of Kunwu Jiuding Investment Management Co.,Ltd. Currently, he is the general manager of Jiuxin Asset Management Co.,Ltd, director of Sino High-speed Rail technology Co.,Ltd, director of Beijing UTS International Travel Service Co., Ltd, director of Sino Great Wall International Engineering Co., Ltd, director of Sichuan Dawei Science and Technology Co., Ltd and so on. Since October 2015, he has been the company's director.

Mr. Tang Jianxin, male, Chinese nationality, no overseas permanent residence, born in December 1965, Doctor, Professor, doctoral supervisor, registered auditor, Certified Public Valuer. He had served as the deputy director in Hainan Spring Auditor Firm, independent director of Wuhan Zhongnan Commercial Group Co., Ltd, independent director of Wuhan Sanzhen Industry Holding Co., Ltd. Since 1995, he has been teaching at Wuhan University. Currently, he is the professor and dean of accounting department of Wuhan University. From June 2008 to June 2014, he had been served as the independent director of Wuhan Zhongnan Commercial Group Co., Ltd.; from June 2009 to July 2015, he had been served as the independent director of Wuhan Sanzhen Industry Holding Co., Ltd; since August 2010, he has been the independent director of Shenzhen Hua Pengfei Modern Logistics Co., Ltd; since November 2011, he has been the independent director of Wuhan Zhongbai Group Co., Ltd.; since May 2013, he has been the independent director of Pingdingshan Tianan Coal Industry Co., Ltd; since October 2015, he has been the independent director of the company.

Mr. Zhang Yufeng, male, Chinese nationality, no overseas permanent residence, born in November 1963, Master's degree, EMBA of PBC School of Finance of Tsinghua University. He had served as the principal staff member of the discipline inspection team stationed in Ministry of health from the Commission for Discipline Inspection of the Central Committee of the CPC, Project Manager of China Hualian Real Estate Company, project manager of the Import and Export Department of China Construction Engineering Corporation, lawyer of Great Wall Law Firm of Department of Commerce. Currently, he is the director of Beijing Great Wall Law Firm; since June 2011, he has been the independent director of NetPosa Technologies Ltd; since May 2013, he has been the independent director of Bank of Langfang; since October 2015, he has been the independent director of the company.

Mr. Jiang Chongguang, male, Chinese nationality, no overseas permanent residence, born in 1975, PhD in finance of Chinese Academy of Social Sciences, PhD in economics, graduated from Peking University, Fordham University and Chinese Academy of Social Sciences. He had served as the middle, senior management staff in Haier Group, managing director of Singapore CKSP Group. Currently, he is the researcher of the Non-governmental

organization and Public Administration Research Center of Chinese Academy of Social Sciences, executive director of Health China Strategy Research Center; chief economist and director of Ivy capital; vice executive chairman of the China Old-age Health International Alliance; permanent financial adviser to China- Israel Exchange Association of the High-tech Committee of Israel Parliament; independent director of Singapore CKSP; expert and committee member of Hospital Management Research Institute of Tsinghua University; expert and committee member of China Social Medical Research Association of MOHRSS; since October 2015, he has been the independent director of the company.

## 2. Supervisors

Mr. Dong Binggen, male, born in July 1949, bachelor, senior engineer, graduated from East China Textile Engineering College in 1977. He had served as the vice president of Zhejiang Silk Industry Institute, general manager of China Garment General Corporation, chairman of China National Garment Association, and so on. Currently, he is the party secretary, chairman of the board and president of Union Development Group Co., Ltd; chairman of the board of Union Holdings Co., Ltd; since June 2002, he has been the chairman of the board of supervisors of the company.

Mr. Huang Shengde, male, born in January 1972; Hongkong Chinese; obtained the high Diploma of City University of Hongkong in architecture, bachelor (honorary degree) of University of South Australia in Architecture, MBA (financial) of the business school of The University of Manchester; he had served in the Hopewell Slip-form Engineering Co. Ltd, China Foundation Engineering Co. Ltd, Qian Tian Construction Co., Ltd, Hongkong Xing Sheng Construction Co. Ltd, Wu Teng (Hongkong) Co. Ltd, Beijing Xingrong Real Estate Development Co., Ltd, Yoma Strategic Holdings Co.,Ltd and Intecs Vantage Capitals Ltd; he had the management and professional qualifications, including the member of 2006-Hongkong Project Management Association, the member of 2006 Chinese Engineering Cost Association, the member of 2002 Hongkong Surveyors Association, the member of 2002 Royal Institution of Chartered Surveyors, the member of 2001 Australian Institute of Quantity Surveyors Association, the member of 2001-2004 British Cost Engineers Council and the member of 2001-2004 Australian Institute of architects. Currently, he is the vice general manager of Sino Great Wall International Engineering Co., Ltd mainly in charge of overseas business cooperation and business development; since October, 2015, he has been the company's supervisor.

Mr. Wu Xiaoming, male, Chinese nationality, no overseas permanent residence, born in November 1980, Bachelor in law, graduated from the law school of Guangdong Business College (now as Guangdong University of Finance & Economics) with major in law. He had served in Guangzhou Municipal Bureau of Quality and Technical Supervision Haizhu Branch ( now as Guangzhou Haizhu District Bureau of Quality and Technical Supervision); since December 2008, he has been the assistant to general manager and Legal Department Manager of Sino Great Wall International Engineering Co., Ltd; since June 2014, he has been the chairman of the board of supervisors of Sino Great Wall International Engineering Co., Ltd; since October 2015, he has been the company's supervisor.

## 3. Senior management personnel

Please see detailed work experience of Mr. Li Erlong and Mr. Liang Rong in the column of directors.

Mrs. Song Chenling, female, Chinese nationality, no overseas permanent residence, born in July 1972, bachelor, certified public accountant in china. She had been the teacher of Minjiang University, senior manager and assistant to partner of Shenzhen Dahua Tiancheng Accounting Firm, audit department manager, Assistant to general manager of audit center, assistant to general manager of financial center and general manager of funds center of Huafu Holding Co., Ltd; director, CFO, secretary of the board of directors, assistant to president and so on of Huafu Top Dyed Melange Yarn Co., Ltd; since March 2015, she has been serving in the Sino Great Wall International Engineering Co., Ltd; since October 2015, she has been the company's vice general manager.

Mrs. Cui Hongli, female, Chinese nationality, no overseas permanent residence, born in January 1972, graduated from Henan University of Finance and Economics, CPA. She had been served in China Luoyang Float Glass Group Co.,Ltd, Beijing Jiayou Real Estate Development Group Co.,Ltd and Yuancheng Industrial Group Co.,Ltd. Since July 2011, she has been the investment and finance department manager, CFO of Sino Great Wall International Engineering Co., Ltd; since October 2015, she has been the company's CFO.

Mrs. Yang Chunling, female, Chinese nationality, no overseas permanent residence, born in February 1971, Bachelor in economics, master in industrial engineering, accountant. She had served as employee in Sinotrans Henan Zhengzhou Logistic and Trading Company, Deputy Minister of the securities department of Aeolus Tyre Co., Ltd, vice general manager and secretary of the board of directors of Henan Yuhua New Material Co., Ltd. Since September 2015, she has been the director of Sino Cubic Investment Co., Ltd; since March 2014, she has been the secretary of the board of directors of Sino Great Wall International Engineering Co., Ltd; since October 2015, she has been the secretary of the board of directors of the company.

#### Office taking in shareholder companies

Applicable  Not applicable

#### Offices taken in other organizations

Applicable  Not applicable

Name	Name of other units	Position	Office term start from	Office term ended	Whether receiving remuneration from other units or not
Chen Lue	Sino Great Wall International Engineering Co., Ltd.	Board chairman	October 17,2001		Yes
Chen Lue	Beijing Sino Great Wall Decoration Design Co., Ltd.	Executive director	November 28,2007		No
Chen Lue	Sino Great Wall Investment (Beijing) Co., Ltd.	Executive director,General Manager	April 22, 2014		No
Chen Lue	China Sino Lifang Investment Co., Ltd.	Board chairman,General Manager	September 14,2015		No
Hu Yongfeng	Union Development Group Co., Ltd.	Vice President	May 18,2012	May 17,2015	No
Hu Yongfeng	Union Holdings Co., Ltd.	Vice Board chairman	June 21, 2013	June 20, 2016	No
Li Erlong	Sino Great Wall International Engineering Co., Ltd.	General Manager	March 1,2005		Yes
Li Erlong	Sino Great Wall International Engineering Co., Ltd.	Director	June 1,2014		No

Li Erlong	Beijing Sino Great Wall Decoration Design Co., Ltd.	Manager	November 28,2007		No
Li Erlong	Sino Heji Environmental Material Co., Ltd.	Executive director	September 2,2015		No
Li Erlong	China Sino Lifang Investment Co., Ltd.	Director	September 14,2015		No
Liang Rong	Sino Great Wall International Engineering Co., Ltd.	Executive General Manger	April 1,2003		Yes
Liang Rong	Sino Great Wall International Engineering Co., Ltd.	Director	June 1,2014		No
Liang Rong	Sino Great Wall International Engineering(Macao) Co., Ltd.	Director	November 17,2014		No
Wang Lei	Qinghai Heyi Mining Co., Ltd.	Board chairman	September 2, 2008		No
Wang Lei	Qinghai Heyi Trade Co., Ltd.	Board chairman	May 8, 2009		No
Wang Lei	Shanghai Heyi Supply chain Management Co., Ltd.	Board chairman	April 7, 2013		Yes
Bai Bin	Jiuxin Assets Management Co., Ltd.	General Manger	September 9,2015	September 8,2018	Yes
Bai Bin	Utour	Director	June 13,2014	June 12,2017	No
Bai Bin	Sichuan Dawei Technology Co., Ltd.	Director	May 10,2014	May 9,2017	No
Bai Bin	CHSR	Director	March 3,2015	May 17,2016	No
Bai Bin	Sino Great Wall International Engineering Co., Ltd.	Director	June 1,2014		No
Tang Jianxin	Wuhan University	Professor ofAccounting Department , Economics and Management School	December 1,2004		Yes
Tang Jianxin	Shenzhen Huapengfei Modern Logistics Co., Ltd.	Independent Director	August 1,2010		Yes
Tang Jianxin	Wuhan Zhongbai Group Co., Ltd.	Independent Director	November 1,2011		Yes
Tang Jianxin	Pingdingshan Tianan Coal Co., Ltd.	Independent	May 17,2013		Yes

		Director			
Zhang Yufeng	Beijing Great Wall Law Firm	Director			Yes
Zhang Yufeng	Beijing Netposa Technologies Co., Ltd.	Independent Director	June 1,2011		Yes
Zhang Yufeng	Langfang Bank	Independent Director	May 1,2013		Yes
Jiang Chongguang	Ivy Capital	Chief Economist, Director	May 1,2015		Yes
Jiang Chongguang	Centre of Health China Strategy Research of Chinese Academy of Social sciences	Executive director	May 1,2015		Yes
Jiang Chongguang	China Health & senior care International Alliance	Executive vice chairman	May 1,2014		Yes
Jiang Chongguang	High tech Committee of the Israeli parliament to exchange association	Lifelong Financial advisor	March 1,2014		Yes
Jiang Chongguang	Chinese Academy of Social Sciences, civil society organizations and Public Governance Research Center	Researcher	March 1,2014		Yes
Jiang Chongguang	Singapore CKSP	Independent Director	December 1,2015	January 1,2025	Yes
Jiang Chongguang	Institute for Hospital Management of Tsinghua University	Specialist director	December 1,2015	December 1,2018	Yes
Jiang Chongguang	Social Security Research Society of China	Specialist director	March 1,2016		Yes
Dong Binggen	Union Development Group Co., Ltd.	Secretary of Party committee, chairman of board of directors and President	May 18,2012	May 17,2015	Yes
Dong Binggen	Union Holdings Co., Ltd.	Board chairman	June 21, 2013	June 20, 2016	No
Huang Desheng	Sino Great Wall International Engineering Co., Ltd.	Deputy General Manager			Yes
Wu Xiaoming	Sino Great Wall International Engineering Co., Ltd.	Assistant General Manager,	December 1,2008		Yes

		Manager of Law Dept.			
Wu Xiaoming	Sino Great Wall International Engineering Co., Ltd.	Chairman of the supervisory committee	June 1,2014		Yes
Song Chenling	Sino Great Wall International Engineering Co., Ltd.		March 1,2015		Yes
Yang Chunling	Sino Great Wall International Engineering Co., Ltd.	Board secretary	March 1,2014		Yes
Yang Chunling	China Sino Lifang Investment Co., Ltd.	Director	September 1,2015		No
Cui Hongli	Sino Great Wall International Engineering Co., Ltd.	Manager of Investment Dept, CFO	July 1,2011		Yes
Notes	<p>Except the concurrently hold posts in the above-mentioned information, the company's directors, supervisors, senior management staff do not hold other posts or concurrently hold other posts in any other companies.</p> <p>The above-said company's non-independent directors, supervisors and senior management personnel receiving remunerations from the company who had received remunerations from the wholly-owned subsidiary-Sino Great Wall International Company from January 2015 to October 2015, but having received remunerations from the company since November 2015.</p>				

Punishments to the current and leaving board directors, supervisors and senior managers during the report period by securities regulators in the recent three years

Applicable  Not applicable

#### IV. Remuneration to directors, supervisors and senior executives

Decision-making procedures, basis for determination and actual payment of the remuneration to directors , supervisors and senior executives

The remuneration appraisal committee of the board of directors of the Company proposed remuneration standards according to the responsibilities, work scope and importance of directors, supervisors and senior executives, the earnings of the Company for the current year and the remuneration level of relevant post and submitted it to the board of directors for approval. After approval, the remuneration was paid on monthly basis. The remuneration of independent directors is subject to approval by the shareholders' meeting.

Remuneration to directors, supervisors and senior executives in the reporting period

Unit : RMB'0000

Name	Positions	Sex	Age	Office status	Total remuneration received from the shareholder	Remuneration actually received at the end of the reporting period
Chen Lue	Board Chairman,	Male	45	In Office	36.6	No



	General Manager						
Hu Yongfeng	Director	Male	53	In office	0	Yes	
Li Erlong	Director, Deputy General Manger	Male	40	In Office	28.2	No	
Liang Rong	Director, Deputy General Manger	Male	46	In office	27	No	
Wang Lei	Director	Male	52	In Office	0	Yes	
Bai Bin	Director	Male	30	In Office	0	No	
Tang Jianxin	Independent Director	Male	50	In office	1.83	No	
Zhang Yufeng	Independent Director	Male	52	In Office	1.83	No	
Jiang Chongguang	Independent Director	Male	40	In office	1.83	No	
Dong Binggen	Chairman of the supervisory committee	Male	66	In Office	0	Yes	
Huang Desheng	Supervisor	Male	37	In office	4.85	No	
Wu Xiaoming	Supervisor	Male	35	In Office	11.1	No	
Song Chenling	Deputy General Manger	Female	43	In office	5.1	No	
Cui Hongli	CFO	Female	43	In Office	22.56	No	
Yang Chunling	Secretary to the board of directors	Female	44	In Office	14.1	No	
Ding Yue	Vice Board Chairman	Male	57	Former	0	Yes	
Shu Yibo	Vice Board Chairman	Female	43	Former	0	Yes	
Zhang Mei	Director	Female	40	Former	0	Yes	
Feng Junbin	Director	Male	53	Former	0	Yes	
Zhang Jinliang	Deputy General Manager, Secretary to the board of directors	Male	53	Former	0	Yes	
Jin Ligang	Independent director	Male	56	Former	0	No	
She Songqin	Independent	Male	58	Former	0	No	

	director					
Chen Jinmei	Independent director	Female	63	Former	0	No
Huang Xiaoping	Supervisor	Female	58	Former	0	Yes
Pan Weichao	Supervisor	Male	64	Former	0	Yes
Ren Changzheng	Manager of Finance Dept	Male	40	Former	0	Yes
Total					155	

Incentive equity to directors, supervisors or/and senior executives in the reporting period

Applicable  Not applicable

## V. Particulars about employees.

### 1. Number of staff, professional structure and educational background

Number of in-service staff of the parent company (person)	10
Number of in-service staff of the main subsidiaries (person)	1,671
Total number of the in-service staff (person)	1,681
Total number of staff receiving remuneration in the current period (person)	1,681
The number of the parent company and the main subsidiary's retired staffs who need to bear the cost (person)	0
<b>Professional</b>	
Classified according by Professions	Number of persons (person)
Production	0
Sales	83
Technical	1,417
Financial	67
Administrative	114
Total	1,681
<b>Education</b>	
Classified according by Professions	Number of persons (person)
Postgraduate or above	46
Universities	765
Colleges	586
Other	284
Total	1,681

## 2. Remuneration policies

The company, in accordance with the principle of marketization, provides competitive salary and welfare of the industry, differentiates the salary based on the positions, rewards those who perform well, and determine the employee's salary level in accordance with the benefit, positions and sales performance.

## 3. Training plan

The company sticks to the concept of "people first" and values talent cultivation. To improve the employees' professional ability and occupational skills, standardize and improve its training management, and boost employees' enthusiasm for learning, applying, delivering and creating knowledge, the company organizes induction training and daily training for all employees and conducts induction training for fresh undergraduates recruited from university campus. It also opens up networking academy, where it has complete curriculum system for all employee to study independently and hold training lectures specially for improving professional skills or knowledge on a regular basis. The company also carries out points system for employee training. Employees' points gained from attending training will serve as an important basis for the performance assessment, personnel transfer, promotion, salary adjustment, etc..

## 4. Outsourcing situation

Applicable  Not Applicable

## IX. Administrative structure

### I. Basic state of corporate governance

The company's governance meets the requirements of regular documents on the governance of the listed companies issued by China Securities Regulatory Commission.

During the reporting period, The company has strictly abided by the relevant laws, rules and regulations requested on "Corporate Law", "Securities Law", "Listing Rules of Shenzhen Stock Exchange" and "Governance Rules of Listed Companies" and by China Securities Regulatory Commission, established and perfected the internal control management system, and constantly made the deep improvement of the corporate governance activities to further standardize the company operations and improve the management level. The company's governance meets the basic requirements of regular documents on the governance of the listed companies issued by China Securities Regulatory Commission.

(1). Shareholders and shareholders' general meeting: The Company convened and held shareholders' general meeting strictly according to the requirements of Opinions on Standardization of Shareholders' General Meeting of Listed Companies, formulated Rules of Procedure of Shareholders' General Meeting, ensured all shareholders, especially medium and small shareholders, enjoy equal position and can fully exercise their own rights.

(2). Relationship between the controlling shareholder and the Company: The acts of the controlling shareholder of the Company were standardized. It did not exceed the authority of the shareholders' general meeting to directly or indirectly intervene with the decision-making and operating activities of the Company. The Company is independent from its controlling shareholder in respect of personnel, assets, finance, organ and business. The board of directors, the supervisory committee and internal organ of the Company are able to operate independently.

(3) The Directors and The Board of Directors: the Board of Directors includes four special committees, such as Audit Committee, Nomination Committee, Strategy Committee and Remuneration and Appraisal Committee, which has provided a favorable support to the company for the decision-making related issues. Each special committee has operated according to their work responsibilities and procedure rules, made research and examination for the relative business and major issues of the company, and expressed the professional opinions in the Board of Directors to offer support and advice for the scientific decision-making of the Board and ensure the Board's work more scientific and efficient. Also, the organization of the Board of Directors is in line with the requirement of laws and regulations, and the independent directors play an important role in the corporate decision-making. So, the company attaches importance to the function of the independent directors. In the company's management, the independent directors make careful review and express the independent views for the financial audit, the affiliated transactions and other issues.

(4). Supervisors and the supervisory committee: The number and composition of the Supervisory Committee of the Company complied with the requirements of laws and regulations. The Supervisory Committee of the Company formulated the Rules of Procedure of the Supervisory Committee. The supervisors of the Company were able to perform their duties seriously, take the attitude of being responsible for all shareholders and supervise the legality and regulation conformity of the Company's finance and the duty performance of the directors, managers and other senior executives of the Company.

(5) The Company and The Affiliated Party: the affiliated transactions between the company and the affiliated

party are strictly managed and the audit of the affiliated transactions is performed in accordance with the relevant procedures. Also, the affiliated transactions are in compliance with the laws and regulations, and there not exist the issues that the major shareholders make use of the affiliated transactions to occupy the funds of the listed company.

(6)Information disclosure and transparency: The Company designated the secretary to the board of directors to be responsible for information disclosure, Regulations on Management of Information Disclosure, Regulations on Management of External Information Users and reception of shareholder and consultation. In the report period, the Company was able to truly, accurately, completely and timely disclose relevant information according to the provisions of laws, regulations and the Articles of Association of the Company. The Company will continue to operate in a standardized way strictly according to the requirements of relevant laws and regulations including the Company Law, further perfect company administration structure and establish and improve various regulations in light of the gap with the requirements of Standards of Administration of Listed Companies, ensure the maximization of shareholders' interests and safeguard the lawful rights and interests of all shareholders.

In the report period, The Company further increased information transparency and properly carried out publicity work for protection of investors. It timely answered the questions of investors and communicated with medium and small investors by making use of telephone, email, especially the platform for communication with investors set up by Shenzhen Stock Exchange to let them know itself better.

After the investors completed the field research of the company, the company timely compiled the Record of Investors Relations Activities which subsequently issued on the Interactive Platform of Shenzhen Stock Exchange, thus improved the transparency of the listed company.

Does there exist any difference in compliance with the corporate governance , the PRC Company Law and the relevant provisions of CSRC,

Yes  No

There exist no difference in compliance with the corporate governance , the PRC Company Law and the relevant provisions of CSRC.

## II. Independence and Completeness in business, personnel , assets, organization and finance

The company is completely separate with the controlling shareholder in terms of the business, personnel, assets, organizations, finance and other aspects, possessing independent and complete business and independent operating capacity.

1.Business: The Company has complete business and the ability of independent operation. It is completely independent from its controlling shareholder in respect of business. There is no unfair related transaction or horizontal competition between the company and the controlling shareholders or its affiliated enterprises.

2.Personnel: The company has a completely independent personnel management and salary system. The company's senior manager personnel all are work in the company and receiving remunerations, and they do not hold any other posts except the post of director or receive remunerations in the controlling shareholder and its affiliated enterprises. The company's financial staffs do not concurrently hold posts in the controlling shareholder and its affiliated enterprises.

3.Assets: The company possesses independent place of business, independent land use rights, ownership of buildings and so forth assets, possesses the production system related to the production and operation, legally possesses the equipments related to production and operation and has Independent purchase, sales system and

supporting facilities.

4.OrganiZation: The company established a sound internal operation management organization, independently exercising the operation and management rights, and there is no situation of confounding organization with the controlling shareholder and its affiliated enterprises.

5.Finance:The company has a standardized financial accounting system, with an independent financial accounting department, full-time accounting personnel and independent accounting system, being able to make financial decisions independently. The company has set up the independent bank account and independently pays the tax. The situation of the free-occupying of the company's assets and funds by the controlling shareholder and its affiliated enterprises does not exist.

### III. Horizontal Competitions

Applicable Not applicable

### IV. Annual General Meeting and Extraordinary Shareholders' Meetings in the Reporting Period

#### 1. Annual General Meeting

Sessions	Type	Investor participation ratio	Meeting Date	Disclosure date	Disclosure index
The first provisional shareholders' General meeting in 2015	Provisional shareholders' General Meeting	55.30%	March 16,2015	March 17,2015	The first provisional shareholders' General meeting in 2015 (No.2015-06106) published on Securities Times,Hong Kong Commercial Daily and Juchao Website ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ) on March 17,2015
Annual Genral Meeting of 2014	Annual General Meeting	47.42%	June 29,2015	June 30,2015	Annual General Meeting of 2014 (No.2015-06125) published on Securities Times,Hong Kong Commercial Daily and Juchao Website ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ) on June 30, March 17,2015.

The second provisional shareholders' General meeting in 2015	Provisional shareholders' General Meeting	61.57%	October 29,2015	October 30,2015	The second provisional shareholders' General meeting in 2015 (No.2015-06146) published on Securities Times,Hong Kong Commercial Daily and Juchao Website ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ) on October 30,2015
The third provisional shareholders' General meeting in 2015	Provisional shareholders' General Meeting	54.12%	November 23,2015	November 24,2015	The second provisional shareholders' General meeting in 2015 (No.2015-07017) published on Securities Times,Hong Kong Commercial Daily and Juchao Website ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> ) on November 24,2015

## 2. Request for extraordinary general meeting by preferred stockholders whose voting rights restore

Applicable  Not applicable

## V. Responsibility performance of independent directors in report period

### 1. The attending of independent directors to board meetings and shareholders' general meeting

The attending of independent directors						
Independent Directors	Number of Board meetings necessary to be attended in the reporting period	Number of spot attendances	Number of meetings attended by Communication	Number of attendances by representative	Number of absence	Failure to personally attend board meetings successively twice (Yes/No)

Shen Songqin	9	2	7	0	0	No
Chen Jinmei	9	2	7	0	0	No
Jin Ligang	9	2	6	1	0	No
Tang Jianxin	4	1	3	0	0	No
Zhang Yufeng	4	1	3	0	0	No
Jiang Chongguang	4	1	3	0	0	No
Number of general meetings attended by independent directors as non-voting delegates	4					

Notes to failure to personally attend Board Meetings Successively Twice

## 2. Objection of independent directors on some relevant issues

Objection of independent directors on some relevant issues

Yes  No

### 3. Other notes to duty performance of independent directors

Has an independent director's advice to the Company been accepted

Yes  No

Explanation on acceptance of or failure to accept an independent director's advice to the Company.

## VI. Duty Performance of Special Committees under the Board of Directors in the Reporting Period

The board of directors of the Company has special committees including audit committee, remuneration and appraisal committee, strategy committee and nomination committee. According to the scope of authority specified in the working rules for them, the committees conducted study and put forward opinions and suggestions for reference by the board of directors for decision making.

According to relevant regulations of CSRC, the audit committee of the board of directors of the Company did the following work during the preparation of the annual report of the Company for 2015:

1. On January 5, 2015, the Audit Committee of the company examined the audit work plans of the year 2014 annual financial report, heard the audit schedule and progress made by the accountants for annual audit, and agreed to the audit work of the 2014 annual financial report proposed by Accounting Office.

2. On January 9, 2015, the Audit Committee under the Board of Directors reviewed the year 2014 annual financial accounting statements offered by the company, and made the following comments: the year 2014 annual financial accounting statements basically reflected the assets condition and operation performance, the Audit Committee agreed to conduct the audit work of annual financial report on this basis, and advised the Finance Department to actively cooperate and coordinate this audit work, in order to strengthen communication and contact and timely reflect some issues in the process of audit and the advancement of audit work to the Audit Committee.

3. On January 21, 2015, the Audit Committee under the Board of Directors and the certificated accountants of



annual audit held a conference call. CPAs described the audit conditions on the phone, and the members of the Audit Committee believed that the views of CPAs on all major matters were basically reflect the company's financial condition on December 31, 2014 and the business performance and cash flows of the year 2014 truly and fairly. So, they didn't make objection to the preliminary results of the certificated accountants of annual audit.

4. On Febursry 9, 2015, the Audit Committee under the Board of Directors examined the company's 2014 annual audit report issued by Dahua Accounting Office Ltd. (special general partner), and the Audit Committee agreed to the audit results on the year 2014 annual accounting statements by Dahua Accounting Office Ltd. (special general partner) and agreed to submit the financial audit report to the Board of Directors to examine. For the summary report of the year 2014 annual audit work issued by Dahua Accounting Office Ltd. (special general partner), the Audit Committee believed that Dahua Accounting Office Ltd. (special general partner) has strictly followed the provisions of auditing regulations and standards to develop and complete the company's 2014 annual audit work with the sufficient auditing time, high professional quality and strong performance ability and sense of risk, the issued audit report fully reflected the company's financial condition, business performance and cash flows of the year 2014, and its audit conclusion truly reflected the actual situation of the company.

5. On October 29, in 2015, the Audit Committee of the board of directors deliberated the company's third quarter 2015 financial accounting statements, and issued the following deliberations: the third quarter 2015 financial accounting statements compiled by the company basically reflected the situation of the company's assets and the operation results, and the Audit Committee of the board of directors agreed to submit the financial accounting statements to the board of directors for deliberation.

6. On February 3, 2016, the audit committee of the board of directors reviewed the company's financial accounting statement 2014 and published the following opinions: the financial accounting statement 2014 prepared by the company basically reflected its financial standing and operating results, and audit committee agreed to engage in the yearly financial statement auditing work on this basis, requested the financial department to provide active cooperation in assisting with this audit, strengthen communication and contact, and timely reflect the problems and audit work progress to audit committee.

7. On March 10, 2016, the Audit Committee of the board of directors deliberated the Proposal on Alteration and Engaging of the 2015 Annual Audit Agency, considering the Dahua Certified Public Accountants (special general partnership) had provided audit service for the company in consecutive years, in order to ensure the independence and objectivity of the audit work, after the Audit Committee of the board conscientiously examined, then proposed the alteration and engaging BDO China Shu Lun Pan Certified Public Accountants LLP as the company's 2015 annual audit agency, of which the audit fees for financial and internal control audit is RMB 1.5 million. The Audit Committee agreed to submit the Proposal to the board of directors for deliberation.

8. On April 10, 2016, the audit committee of the board of directors reviewed the audit report 2015 issued by BDO China Shu Lun Pan Certified Public Accountants LLP. The audit committee agreed on the audit, agreed to submit the financial audit report to the board of directors for deliberation; meanwhile, to ensure the consistency of audit work, the audit committee suggested that the board of directors continue to appoint audit report 2015 issued by Shu Lun Pan Certified Public Accountants LLP as the audit institution for the year 2016.

The information about the duty performance of the remuneration and appraisal committee of the board of directors in year 2015:

1. On April 13, 2015, according to the provisions stipulated by Rules of Procedure for the Special Committee of the Board, the remuneration and appraisal committee of the board had deliberated the remunerations of the company's directors, supervisors and senior management personnel of year 2015 and reckoned that remunerations paid to the company's directors, supervisors and senior management personnel were fair, reasonable and conforming to the relevant company's the remuneration policy and the appraisal standard, then agreed to

submitted the item to the board of directors for deliberation.

Job performance condition of strategic committee of the board of directors in the year of 2015:

1. On December 17, 2015, the strategic committee of the board of directors reviewed the proposal of Sino Jiale Medical Investment Management Co., Ltd., a joint venture by the company and Sichuan Jiale Group Co., Ltd., and held that by establishing Sino Jiale Medical Investment Management Co., Ltd., the company would enter a promising medical industry, which was in line with its long-term strategic planning and laid a good foundation for its future development, and agreed to submit this proposal to the board of directors for review.

The information about the duty performance of the company's nomination committee in 2015:

1. On October 13, 2015, the nominating committee of the board of directors reviewed the qualifications of directors of the 7<sup>th</sup> session board of directors recommended by shareholders, held that the nominating procedures of the following director candidates, Chen Lue, Hu Yongfeng, Li Erlong, Liang Rong, Wang Lei and Bai Bin, and other independent directors, such as Tang Jianxin, Zhang Yufeng and Jiang Chongguang, complied with the regulations of articles of association, and agreed to submit the "Proposal about the General Election of the Board of Directors" to the board of directors for review.

On October 29, 2015, the nomination committee of the board deliberated the resumes and work performances of the seventh session senior management personnel recommend by the company and issued the following deliberations: 1. the intended hold-office personnel of Mr. Chen Lue, Mr. Li Erlong, Mr. Liang Rong, Ms. Song Chenling, Ms. Cui Hongli and Ms. Yang Chunling possess the suitable qualifications and the professional qualities for exercising their functions and powers; the situation which was in line with the Article 146 stipulated in Company Law of the People's Republic of China was not found; and the situation of whom being banned to enter the market and still remained by the CSRC's identification was not found, and they are legally qualified. 2. Ms. Song Chenling, the secretary of the board of directors, had obtained the qualification of the secretary of the board of listed company on Shenzhen Stock Exchange, with in line with the job qualification required by Company Law, Stock Listing Rules of Shenzhen Stock Exchange, Administrative Measures for the Qualifications of the Secretary of the Board of Directors and the Securities Affairs Representative of the Listed Company on Shenzhen Stock Exchange and other relevant laws and regulations. 3. Agreed to submit the above-mentioned Proposal on Engaging Senior Management Personnel to the board of directors for deliberation.

## VII. Work of the supervisory Committee

Did the supervisory Committee find any risk existing in performing the supervision activities in the reporting period

Yes No

The supervisory Committee has no objection against any matters under supervision in the reporting period

## VIII. Assessment and incentive Mechanism for Senior executives

The company established the evaluation system based on the targeted responsibility system, and adopted signing the annual responsibility appraisal agreement for the evaluation of the company's senior management personnel which specified the KPI and evaluation method with methods related to the evaluation results. During the reporting period, the company's had conformed to the measures of the targeted responsibility system to assess and evaluate the senior management personnel performances, which presented in the annual performance.

## **IX. Internal control situations**

### **1. Specific situations on major defects of internal control discovered during report period**

Yes  No

### **2. Internal Control audit report**

Applicable  Not applicable



## X. Financial Report

### I. Audit report

Type of audit opinion	Standard Unqualified Audit Opinion
Date for signing the auditor's report	April 13, 2016
Name of audit firm	BDO China Shu Lun Pan Certified Public Accountants LLP
Name of the certified accountants	Liao Jiahe, Xu Shibao

### Auditors' Report

#### Xin Kui Shi Bao Zi[2016]No.

#### To all shareholders of Sino Great Wall Co., Ltd.

We have audited the accompanying financial statements of Sino Great Wall Co., Ltd. (hereinafter referred to as "the Company") which comprise the consolidated statement of financial position and statement of financial position as at 31 December 2015, the consolidated statement of comprehensive income and statement of comprehensive income, the consolidated statement of changes in equity and statement of changes in equity, the consolidated statement of cash flows and statement of cash flows for the year then ended, and notes to the financial statements.

#### I. Executives' responsibilities on the Financial Statements

Preparing of the Financial Statements according to Enterprise Accounting Standard is the responsibility of the management of the Company. This responsibility is including: (1) to prepare the financial statements according to the accounting standard, and ensure its fair reflection of business position; (2) to design, implement and maintain the internal control system related to producing of the Financial Statements, to prevent the Financial Statements from major false presentation due to cheating or error

#### II. Responsibilities of the CPA

Our responsibilities are to issue auditing opinions on the Financial Statements basing on the auditing works we've done on them. We carried out the auditing works with compliance to Chinese CPA Auditing Standard, which requires us to plan and implement our works on the basis of professional ethic standards, and obtain reasonable guarantee that the Financial Statements are free of major false statements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider the internal control relevant to the entity's preparation of financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### III. Auditors' Opinions

In our opinion, the financial statements of Bengang Steel Plates Co., Ltd. present fairly, in all material respects, the consolidated financial position and financial position of the Company as at 31 December 2015, and the consolidated results of operations and results of operations and the consolidated cash flows and cash flows of the Company for the year then ended in accordance with the requirements of Accounting standards for Business Enterprises.

BDO Shu Lun Pan Certified Public Accountant LLP CPA China: Liao Jiahe  
Shanghai, China CPA China: Xu Shibao

April 15, 2016

## II. Financial Statements

\Statement in Financial Notes are carried in RMB/CNY

### 1.Consolidated Balance sheet

Prepared by : Sino Great Wall Co., Ltd.

December 31,2015

In RMB

Items	Year-end balance	Year-beginning balance
Current asset:		
Monetary fund	695,384,561.31	290,949,160.76
Settlement provision		
Outgoing call loan		
Financial assets measured at fair value with variations accounted into current income account	1,102,961.04	1,060,407.78
Derivative financial assets		
Bill receivable	220,448,747.94	60,626,099.41
Account receivable	2,352,808,087.33	1,784,235,686.61
Prepayments	77,707,568.38	34,811,508.11
Insurance receivable		
Reinsurance receivable		
Provisions of Reinsurance contracts receivable		
Interest receivable		
Dividend receivable		
Other account receivable	239,952,886.11	143,622,679.85
Repurchasing of financial assets		
Inventories	168,133,668.91	34,960,199.93

Assets held for sales		
Non-current asset due in 1 year	15,717,270.60	
Other current asset	14,138,411.87	1,541,206.01
Total of current assets	3,785,394,163.49	2,351,806,948.46
Non-current assets:		
Loans and payment on other's behalf disbursed		
Disposable financial asset		
Expired investment in possess		
Long-term receivable		
Long term share equity investment		
Property investment		
Fixed assets	43,846,215.63	10,346,069.91
Construction in progress	10,016,928.24	11,856,578.49
Engineering material		
Fixed asset disposal		
Production physical assets		
Gas & petrol		
Intangible assets	9,267,746.33	8,269,556.32
R & D petrol		
Goodwill	6,724,316.91	
Long-germ expenses to be amortized	18,909,785.69	10,498,658.53
Differed income tax asset	47,950,278.07	49,690,702.95
Other non-current asset	95,353,390.28	5,104,235.91
Total of non-current assets	232,068,661.15	95,765,802.11
Total of assets	4,017,462,824.63	2,447,572,750.57
Current liabilities		
Short-term loans	225,408,496.07	282,450,873.41
Loan from Central Bank		
Deposit received and hold for others		
Call loan received		
Financial liabilities measured at fair value with variations accounted into current income account		
Derivative financial liabilities		

Bill payable	143,410,167.17	88,862,834.52
Account payable	1,332,619,954.77	1,048,283,935.01
Advance payment	64,963,842.60	55,401,092.63
Selling of repurchased financial assets		
Fees and commissions receivable		
Employees' wage payable	12,669,619.20	9,992,309.43
Tax payable	277,672,541.09	157,790,765.34
Interest payable	527,969.26	621,111.11
Dividend payable		
Other account payable	635,200,976.60	32,683,538.73
Reinsurance fee payable		
Insurance contract provision		
Entrusted trading of securities		
Entrusted selling of securities		
Liabilities held for sales		
Non-current liability due in 1 year	7,135,752.00	
Other current liability		10,000,000.00
Total of current liability	2,699,609,318.76	1,686,086,460.18
Non-current liabilities:		
Long-term loan	30,140,649.14	
Bond payable		
Including: preferred stock		
Sustainable debt		
Long-term payable		
Long-term payable employees's remuneration		
Special payable		
Expected liabilities		
Deferred income		
Deferred income tax liability	15,444.16	15,101.95
Other non-current liabilities		
Total non-current liabilities	30,156,093.30	15,101.95
Total of liability	2,729,765,412.06	1,686,101,562.13
Owners' equity		



Share capital	446,906,582.00	70,136,099.00
Other equity instruments		
Including: preferred stock		
Sustainable debt		
Capital reserves	-50,367,862.22	176,467,549.00
Less: Shares in stock		
Other comprehensive income		-85.60
Special reserves	46,014,941.54	21,813,200.10
Surplus reserves	85,109,816.23	49,347,406.23
Common risk provision		
Undistributed profit	761,747,010.21	443,707,019.71
Total of owner's equity belong to the parent company	1,289,410,487.76	761,471,188.44
Minority shareholders' equity	-1,713,075.19	
Total of owners' equity	1,287,697,412.57	761,471,188.44
Total of liabilities and owners' equity	4,017,462,824.63	2,447,572,750.57

Legal Representative: Chen Lue

Person in charge of accounting: Cui Hongli

Accounting Dept Leader: Cui Hongli

## 2. Balance sheet of Parent Company

In RMB

Items	Year-end balance	Year-beginning balance
Current asset:		
Monetary fund	239,145,251.31	23,480,977.00
Financial assets measured at fair value with variations accounted into current income account		
Derivative financial assets		
Bill receivable		
Account receivable	29,083.30	
Prepayments		
Interest receivable		

Dividend receivable		
Other account receivable		81,098,215.00
Inventories		
Assets held for sales		
Non-current asset due in 1 year		
Other current asset		
Total of current assets	239,174,334.61	104,579,192.00
Non-current assets:		
Disposable financial asset		
Expired investment in possess		
Long-term receivable		
Long term share equity investment	3,079,451,536.66	36,788,953.00
Property investment		7,738,085.00
Fixed assets		818,770.00
Construction in progress		
Engineering material		
Fixed asset disposal		
Production physical assets		
Gas & petrol		
Intangible assets		1,780,153.00
R & D petrol		
Goodwill		
Long-germ expenses to be amortized		
Deferred income tax asset	382.68	
Other non-current asset		
Total of non-current assets	3,079,451,919.34	47,125,961.00
Total of assets	3,318,626,253.95	151,705,153.00
Current liabilities		
Short-term loans		
Financial liabilities measured at fair value with variations accounted into current income account		
Derivative financial liabilities		
Bill payable		
Account payable		113,337.00

Advance payment		302,540.00
Employees' wage payable		627,181.00
Tax payable	98,150,372.30	844,600.00
Interest payable		
Dividend payable		
Other account payable	803,339.56	16,235,868.00
Liabilities held for sales		
Non-current liability due in 1 year		
Other current liability		2,069,247.00
Total of current liability	98,953,711.86	20,192,773.00
Non-current liabilities:		
Long-term loan		
Bond payable		
Including: preferred stock		
Sustainable debt		
Long-term payable		
Employees' wage payable		
Special payable		
Expected liabilities		
Deferred income		836,792.00
Deferred income tax liability		4,180,138.00
Other non-current liabilities		
Total of Non-current liabilities		5,016,930.00
Total of liability	98,953,711.86	25,209,703.00
Owners' equity		
Share capital	446,906,582.00	169,142,356.00
Other equity instrument		
Including: preferred stock		
Sustainable debt		
Capital reserves	2,489,294,901.37	31,606,598.00
Less: Shares in stock		
Other comprehensive income		-4,398,234.00
Special reserves		
Surplus reserves	26,309,287.00	26,309,287.00

Undistributed profit	257,161,771.72	-96,164,557.00
Total of owners' equity	3,219,672,542.09	126,495,450.00
Total of liabilities and owners' equity	3,318,626,253.95	151,705,153.00

### 3. Consolidated Income Statement

In RMB

Items	Report period	Same period of the previous year
I. Income from the key business	4,010,358,999.58	2,754,684,893.91
Incl: Business income	4,010,358,999.58	2,754,684,893.91
Interest income		
Insurance fee earned		
Fee and commission received		
II. Total business cost	3,578,964,860.85	2,508,518,562.40
Incl: Business cost	3,165,027,185.66	2,249,699,616.54
Interest expense		
Fee and commission paid		
Insurance discharge payment		
Net claim amount paid		
Insurance policy dividend paid		
Insurance policy dividend paid		
Reinsurance expenses		
Business tax and surcharge	79,485,669.04	84,062,008.47
Sales expense	13,686,172.10	16,414,043.95
Administrative expense	154,562,327.86	84,770,936.89
Financial expenses	54,866,402.02	25,561,307.08
Asset impairment loss	111,337,104.17	48,010,649.47
Add: Gains from change of fir value (“-”for loss)	42,553.26	60,407.78
Investment gain (“-”for loss)		
Incl: investment gains from affiliates		
Gains from currency exchange (“-”for loss)		
III. Operational profit (“-”for loss)	431,436,691.98	246,226,739.29
Add : Non-operational income	380,733.08	5,225,065.55
Including: Income from disposal of	4,455.00	9,494.10

non-current assets		
Less: Non business expenses	1,025,395.57	1,211,038.99
Incl: Loss from disposal of non-current assets	85,567.15	147,383.50
IV.Total profit(“-”for loss)	430,792,029.49	250,240,765.85
Less: Income tax expenses	77,535,139.79	63,383,261.40
V. Net profit	353,256,889.70	186,857,504.45
Net profit attributable to the owners of parent company	353,802,400.50	186,857,504.45
Minority shareholders' equity	-545,510.80	
VI. Other comprehensive income	85.60	-85.60
Net of profit of other comprehensive income attributable to owners of the parent company.	85.60	-85.60
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period		
1.Re-measurement of defined benefit plans of changes in net debt or net assets		
2.Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
(II) Other comprehensive income that will be reclassified into profit or loss.	85.60	-85.60
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss.		
2.Gains and losses from changes in fair value available for sale financial assets		
3.Held-to-maturity investments reclassified to gains and losses of available for sale financial assets		
4.The effective portion of cash flow hedges and losses		
5.Translation differences in currency financial statements	85.60	-85.60
6.Other		
7.Net of profit of other comprehensive income attributable to Minority		

shareholders' equity		
VII. Total comprehensive income	353,256,975.30	186,857,418.85
Total comprehensive income attributable to the owner of the parent company	353,802,486.10	186,857,418.85
Total comprehensive income attributable minority shareholders	-545,510.80	
VIII. Earnings per share		
( I ) Basic earnings per share	1.53	0.74
(II)Diluted earnings per share	1.53	0.74

The current business combination under common control, the net profits of the combined party before achieved net profit of RMB 0, last period the combined party realized RMB 0.

Legal Representative:Chen Lue

Person in charge of accounting: Cui Hongli

Accounting Dept Leader: Cui Hongli

#### 4. Income statement of the Parent Company

In RMB

Items	Amount in this period	Amount in last period
I. Income from the key business	2,318,061.00	2,940,815.00
Incl: Business cost	237,620.18	337,173.00
Business tax and surcharge	153,652.28	283,063.00
Sales expense		
Administrative expense	8,954,347.86	8,811,899.00
Financial expenses	3,370,704.26	-2,056,535.00
Asset impairment loss	-13,038.09	9,846.00
Add: Gains from change of fir value (“-”for loss )		
Investment gain (“-”for loss )	383,969,705.11	
Incl: investment gains from affiliates		
II. Operational profit (“-”for loss )	373,584,479.62	-4,444,631.00
Add : Non-operational income	73,450,480.94	
Including: Income from disposal of non-current assets		
Less: Non business expenses		219,259.00

Incl: Loss from disposal of non-current assets		214,259.00
III.Total profit("-"for loss)	447,034,960.56	-4,663,890.00
Less: Income tax expenses	93,708,631.85	
IV. Net profit ( "-"for net loss )	353,326,328.72	-4,663,890.00
V.Net of profit of other comprehensive income	4,398,234.00	
(I) Other comprehensive income items that will not be reclassified into gains/losses in the subsequent accounting period		
1.Re-measurement of defined benefit plans of changes in net debt or net assets		
2.Other comprehensive income under the equity method investee can not be reclassified into profit or loss.		
(II) Other comprehensive income that will be reclassified into profit or loss.	4,398,234.00	
1.Other comprehensive income under the equity method investee can be reclassified into profit or loss.		
2.Gains and losses from changes in fair value available for sale financial assets		
3.Held-to-maturity investments reclassified to gains and losses of available for sale financial assets		
4.The effective portion of cash flow hedges and losses		
5.Translation differences in currency financial statements	4,398,234.00	
6.Other		
VI. Total comprehensive income	357,724,562.72	-4,663,890.00
VII. Earnings per share:		
(I) Basic earnings per share	0.70	-0.03
(II)Diluted earnings per share	0.70	-0.03

## 5. Consolidated Cash flow statement

In RMB

Items	Amount in this period	Amount in last period
I.Cash flows from operating activities		
Cash received from sales of goods or rendering of services	2,882,512,458.95	1,974,893,037.39
Net increase of customer deposits and capital kept for brother company		
Net increase of loans from central bank		
Net increase of inter-bank loans from other financial bodies		
Cash received against original insurance contract		
Net cash received from reinsurance business		
Net increase of client deposit and investment		
Net increase of amount from disposal financial assets that measured by fair value and with variation reckoned into current gains/losses		
Net increase of inter-bank fund received		
Net increase of trade financial asset disposal		
Net increase of repurchasing business		
Tax returned	250,556.49	
Other cash received from business operation	1,374,677,443.26	57,472,995.01
Sub-total of cash inflow	4,257,440,458.70	2,032,366,032.40
Cash paid for purchasing of merchandise and services	2,566,176,221.01	1,511,763,302.72
Net increase of client trade and advance		
Net increase of savings in central bank and brother company		
Cash paid for original contract claim		
Cash paid for interest, processing fee		



and commission		
Cash paid for policy dividend		
Cash paid to staffs or paid for staffs	194,602,987.57	103,253,732.47
Taxes paid	150,781,903.84	97,801,842.46
Other cash paid for business activities	1,637,930,603.36	155,699,765.41
Sub-total of cash outflow from business activities	4,549,491,715.78	1,868,518,643.06
Cash flow generated by business operation, net	-292,051,257.08	163,847,389.34
<b>II. Cash flow generated by investing</b>		
Cash received from investment retrieving	68.86	
Cash received as investment gains	2,426.00	
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets		105,388.10
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received		
Sub-total of cash inflow due to investment activities	2,494.86	105,388.10
Cash paid for construction of fixed assets, intangible assets and other long-term assets	25,179,343.19	30,045,696.54
Cash paid as investment		
Net increase of loan against pledge		
Net cash received from subsidiaries and other operational units	3,533,792.47	
Other cash paid for investment activities		
Sub-total of cash outflow due to investment activities	28,713,135.66	30,045,696.54
Net cash flow generated by investment	-28,710,640.80	-29,940,308.44
<b>III. Cash flow generated by financing</b>		
Cash received as investment	242,223,784.52	
Incl: Cash received as investment from minor shareholders		

Cash received as loans	783,614,556.72	235,000,000.00
Cash received from bond placing		0.00
Other financing –related ash received	779,900,000.00	77,900,000.00
Sub-total of cash inflow from financing activities	1,805,738,341.24	312,900,000.00
Cash to repay debts	737,683,498.86	170,000,000.00
Cash paid as dividend, profit, or interests	33,711,743.66	14,221,066.64
Incl: Dividend and profit paid by subsidiaries to minor shareholders	0.00	0.00
Other cash paid for financing activities	375,281,700.88	85,341,049.02
Sub-total of cash outflow due to financing activities	1,146,676,943.40	269,562,115.66
Net cash flow generated by financing	659,061,397.84	43,337,884.34
IV. Influence of exchange rate alternation on cash and cash equivalents	686,301.95	-1,010,839.72
V.Net increase of cash and cash equivalents	338,985,801.91	176,234,125.52
Add: balance of cash and cash equivalents at the beginning of term	243,759,954.90	67,525,829.38
VI .Balance of cash and cash equivalents at the end of term	582,745,756.81	243,759,954.90

## 6. Cash flow statement of the Parent Company

In RMB

Items	Amount in this period	Amount in last period
I.Cash flows from operating activities		
Cash received from sales of goods or rendering of services	2,246,511.00	3,745,065.00
Tax returned		
Other cash received from business operation	99,238,423.81	1,947,804.00
Sub-total of cash inflow	101,484,934.81	5,692,869.00
Cash paid for purchasing of merchandise and services		
Cash paid to staffs or paid for staffs	1,026,970.10	2,095,020.00
Taxes paid	14,621,408.55	990,609.00

Other cash paid for business activities	95,712,355.22	4,683,764.00
Sub-total of cash outflow from business activities	111,360,733.87	7,769,393.00
Cash flow generated by business operation, net	-9,875,799.06	-2,076,524.00
<b>II. Cash flow generated by investing</b>		
Cash received from investment retrieving		
Cash received as investment gains		
Net cash retrieved from disposal of fixed assets, intangible assets, and other long-term assets		
Net cash received from disposal of subsidiaries or other operational units		
Other investment-related cash received	40,084.65	
Sub-total of cash inflow due to investment activities	40,084.65	
Cash paid for construction of fixed assets, intangible assets and other long-term assets		
Cash paid as investment		
Net cash received from subsidiaries and other operational units		
Other cash paid for investment activities		
Sub-total of cash outflow due to investment activities		
Net cash flow generated by investment	40,084.65	
<b>III. Cash flow generated by financing</b>		
Cash received as investment	240,499,988.72	
Cash received as loans		
Cash received from bond placing		
Other financing-related cash received		
Sub-total of cash inflow from financing activities	240,499,988.72	
Cash to repay debts		
Cash paid as dividend, profit, or		

interests		
Other cash paid for financing activities		
Sub-total of cash outflow due to financing activities		
Net cash flow generated by financing	240,499,988.72	
IV. Influence of exchange rate alternation on cash and cash equivalents		
V.Net increase of cash and cash equivalents	230,664,274.31	-2,076,524.00
Add: balance of cash and cash equivalents at the beginning of term	8,480,977.00	10,557,501.00
VI ..Balance of cash and cash equivalents at the end of term	239,145,251.31	8,480,977.00

## 7. Consolidated Statement on Change in Owners' Equity

Amount in this period

In RMB

Items	Amount in this period												
	Owner's equity Attributable to the Parent Company											Minor shareholders' equity	Total of owners' equity
	Share Capital	Other Equity instrument			Capital reserves	Less: Shares in stock	Other Comprehensive Income	Specialized reserve	Surplus reserves	Common risk provision	Attributable profit		
		preferred stock	Sustainable debt	Other									
I. Balance at the end of last year	70,136,099.00				176,467,549.00		-85.60	21,813,200.10	49,347,406.23		443,707,019.71		761,471,188.44
Add: Change of accounting policy													
Correcting of previous errors													
Merger of entities under common control													
Other													
II. Balance at the beginning of current year	70,136,099.00				176,467,549.00		-85.60	21,813,200.10	49,347,406.23		443,707,019.71		761,471,188.44

III.Changed in the current year	376,770,483.00				-226,835,411.22		85.60	24,201,741.44	35,762,410.00		318,039,990.50	-1,713,075.19	526,226,224.13
(1) Total comprehensive income							85.60				353,802,400.50	-545,510.80	353,256,975.30
(II) Investment or decreasing of capital by owners	25,914,633.00				226,661,441.01								252,576,074.01
1. Ordinary Shares invested by holders	25,914,633.00				217,585,355.72								243,499,988.72
2. Holders of other equity instruments invested capital													
3. Amount of shares paid and accounted as owners' equity													
4. Other					9,076,085.29								9,076,085.29
(III) Profit allotment									35,762,410.00		-35,762,410.00	-1,167,564.39	-1,167,564.39
1.Providing of surplus reserves									35,762,410.00		-35,762,410.00		
2.Providing of common risk provisions													
3. Allotment to the													

owners (or shareholders)													
4. Other												-1,167,564.39	-1,167,564.39
(IV) Internal transferring of owners' equity													
1. Capitalizing of capital reserves (or to capital shares)													
2. Capitalizing of surplus reserves (or to capital shares)													
3. Making up losses by surplus reserves.													
4. Other													
(V). Special reserves								24,201,741.44					24,201,741.44
1. Provided this year								34,558,557.84					34,558,557.84
2. Used this term								-10,356,816.40					-10,356,816.40
(VI) Other	350,855,850.00				-453,496,852.23								-102,641,002.23
IV. Balance at the end of this term	446,906,582.00				-50,367,862.22			46,014,941.54	85,109,816.23		761,747,010.21	-1,713,075.19	1,287,697,412.57

Amount in last year

Items	Amount in last year												
	Owner's equity Attributable to the Parent Company											Minor shareholders' equity	Total of owners' equity
	Share Capital	Other Equity instrument			Capital reserves	Less: Shares in stock	Other Comprehensive Income	Specialized reserve	Surplus reserves	Common risk provision	Attributable profit		
		preferred stock	Sustainable debt	Other									
I. Balance at the end of last year	70,136,099.00				176,467,549.00			40,226,248.81	30,658,666.98		275,538,254.51		593,026,818.30
Add: Change of accounting policy													
Correcting of previous errors													
Merger of entities under common control													
Other													
II. Balance at the beginning of current year	70,136,099.00				176,467,549.00			40,226,248.81	30,658,666.98		275,538,254.51		593,026,818.30
III. Changed in the current year							-85.60	-18,413,048.71	18,688,739.25		168,168,765.20		168,444,370.14
(1) Total comprehensive							-85.60				186,857,504.45		186,857,418.85



income													
(II) Investment or decreasing of capital by owners													
1. Ordinary Shares invested by shareholders													
2. Holders of other equity instruments invested capital													
3. Allotment to the owners (or shareholders)													
4. Other													
(III) Profit allotment									18,688,739.25		-18,688,739.25		
1. Providing of surplus reserves									18,688,739.25		-18,688,739.25		
2. Providing of common risk provisions													
3. Allotment to the owners (or shareholders)													
4. Other													
(IV) Internal transferring of													

owners' equity													
1. Capitalizing of capital reserves (or to capital shares)													
2. Capitalizing of surplus reserves (or to capital shares)													
3. Making up losses by surplus reserves.													
4. Other													
(V) Special reserves								-18,413,048.71					-18,413,048.71
1. Provided this year								29,063,209.57					29,063,209.57
2. Used this term								47,476,258.28					47,476,258.28
(VI) Other													
IV. Balance at the end of this term	70,136,099.00				176,467,549.00		-85.60	21,813,200.10	49,347,406.23		443,707,019.71		761,471,188.44

### 8. Statement of change in owner's Equity of the Parent Company

Amount in this period

In RMB

Items	Amount in this period										
	Share Capital	Other Equity instrument			Capital reserves	Less: Shares in stock	Other Comprehensiv e Income	Specialized reserve	Surplus reserves	Attributable profit	Total of owners' equity
		preferre d stock	Sustai nable debt	Other							
I. Balance at the end of last year	169,142,356.00				31,606,598.00		-4,398,234.00		26,309,287.00	-96,164,557.00	126,495,450.00
Add: Change of accounting policy											
Correcting of previous errors											
Other											
II. Balance at the beginning of current year	169,142,356.00				31,606,598.00		-4,398,234.00		26,309,287.00	-96,164,557.00	126,495,450.00
III. Changed in the current year	277,764,226.00				2,457,688,303.37		4,398,234.00			353,326,328.72	3,093,177,092.09
(1) Total comprehensive income							4,398,234.00			353,326,328.72	357,724,562.72
(II) Investment or decreasing of	277,764,226.00				2,457,688,303.37						2,735,452,529.3

capital by owners											7
1. Ordinary Shares invested by shareholders	277,764,226.00				2,443,935,757.84						2,721,699,983.84
2. Holders of other equity instruments invested capital											
3. Allotment to the owners (or shareholders)											
4. Other					13,752,545.53						13,752,545.53
(III) Profit allotment											
1. Providing of surplus reserves											
2. Allotment to the owners (or shareholders)											
3. Other											
(IV) Internal transferring of owners' equity											
1. Capitalizing of capital reserves (or to capital shares)											
2. Capitalizing of surplus reserves											

(or to capital shares)											
3. Making up losses by surplus reserves.											
4. Other											
(V) Special reserves											
1. Provided this year											
2. Used this term											
(VI) Other											
IV. Balance at the end of this term	446,906,582.00				2,489,294,901.37				26,309,287.00	257,161,771.72	3,219,672,542.09

Amount in last year

In RMB

Items	Amount in last year										
	Share Capital	Other Equity instrument			Capital reserves	Less: Shares in stock	Other Comprehensive Income	Specialized reserve	Surplus reserves	Attributable profit	Total of owners' equity
		preferred stock	Sustainable debt	Other							
I. Balance at the end of last year	169,142,356.00				31,606,598.00		-4,398,234.00		26,309,287.00	-91,500,667.00	131,159,340.00
Add: Change of											

accounting policy											
Correcting of previous errors											
Other											
II. Balance at the beginning of current year	169,142,356.00				31,606,598.00		-4,398,234.00		26,309,287.00	-91,500,667.00	131,159,340.00
III. Changed in the current year										-4,663,890.00	-4,663,890.00
(1) Total comprehensive income										-4,663,890.00	-4,663,890.00
(II) Investment or decreasing of capital by owners											
1. Ordinary Shares invested by shareholders											
2. Holders of other equity instruments invested capital											
3. Allotment to the owners (or shareholders)											
4. Other											
(III) Profit											

allotment												
1. Providing of surplus reserves												
2. Allotment to the owners (or shareholders)												
3. Other												
(IV) Internal transferring of owners' equity												
1. Capitalizing of capital reserves (or to capital shares)												
2. Capitalizing of surplus reserves (or to capital shares)												
3. Making up losses by surplus reserves.												
4. Other												
(V) Special reserves												
1. Provided this year												
2. Used this term												
(VI) Other												

IV. Balance at the end of this term	169,142,356.00				31,606,598.00		-4,398,234.00		26,309,287.00	-96,164,557.00	126,495,450.00
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