



Hefei Meiling Co., Ltd.

The First Quarterly Report of 2016

April 2016

Section I. Important Notes

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

Mr. Liu Tibin, person in charge of the Company, Mr. Zhang Xiaolong, person in charger of accounting works and Mr. Luo Bo, person in charger of accounting organ (accounting officer) hereby confirm that the Financial Report of this Quarterly Report is authentic, accurate and complete.

Prompt of non-standard audit opinion

Applicable Not applicable

The First Quarterly Report of 2016 has not been audited.

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

Section II. Main financial data and changes of shareholders

I. Main accounting data and financial indexes

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

Yes No

	This Period	Same period of last year		Changes of this period over same period of last year
		Before adjustment	After adjustment	After adjustment
Operating income (RMB)	2,926,400,488.89	2,690,420,998.10	2,752,501,149.32	6.32%
Net profit attributable to shareholders of the listed company(RMB)	53,709,680.24	54,960,953.89	53,995,097.74	-0.53%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses(RMB)	41,338,292.32	54,838,638.93	54,838,638.93	-24.62%
Net cash flow arising from operating activities(RMB)	139,597,747.12	-126,760,952.62	-117,793,266.60	218.51%
Basic earnings per share (RMB/Share)	0.0703	0.0720	0.0707	-0.53%
Diluted earnings per share (RMB/Share)	0.0703	0.0720	0.0707	-0.53%
Weighted average ROE	1.53%	1.59%	1.53%	--
	End of this period	End of last period		Changes of this period-end over same period-end of last year
		Before adjustment	After adjustment	After adjustment
Total assets (RMB)	9,896,368,387.89	9,066,223,601.14	9,237,288,359.74	7.13%
Net assets attributable to shareholder of listed company (RMB)	3,428,845,753.98	3,384,574,993.19	3,475,377,586.34	-1.34%

Note: the Company successfully acquired 98.856% equity interests of Guangdong Changhong Ridian Science & Technology Company Limited (“Changhong Ridian”) in relevant bidding at the end of 2015, and completed business and commercial registration procedures in respect of this acquisition in early February 2016. Upon completion of the registration, the Company will hold 98.856% equity interests of Changhong Ridian. According to relevant provisions under No.33 of the Enterprise Accounting Standards-*consolidated financial statement*, with respect to subsidiaries and businesses acquired by the parent company due to business combination under the

same control during the reporting period, adjustments shall be made to the beginning figures in the consolidated statement, and relevant items in comparative statements shall be also adjusted, as if the consolidated reporting entity had been existing since the time when the ultimate controller begins to exercise control. Accordingly, beginning figures for the period and figures of the corresponding period of last year are restated.

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

Total share capital of the Company up to a trading day before disclosure (Share)	763,739,205
Fully diluted earnings per share calculated with the latest share capital (RMB/Share)	0.0703

Items of non-recurring gains and losses

Applicable Not applicable

In RMB

Item	Balance from year-begin to period-end	Note
Gains/losses from the disposal of non-current asset (including the write-off that accrued for impairment of assets)	-186,783.63	Found in "Non-operating income and expenditure"
Governmental subsidy reckoned into current gains/losses (not including the subsidy enjoyed in quota or ration according to national standards, which are closely relevant to enterprise's business)	8,327,386.64	Found in "Non-operating income and expenditure"
Held transaction financial asset, gains/losses of changes of fair values from transaction financial liabilities, and investment gains from disposal of transaction financial asset, transaction financial liabilities and financial asset available for sales, exclude the effective hedging business relevant with normal operations of the Company	4,986,301.37	Found in "Investment income"
Other non-operating income and expenditure except for the aforementioned items	845,109.54	Found in "Non-operating income and expenditure"
Less : impact on income tax	1,643,975.59	--
Impact on minority shareholders' equity (post-tax)	-43,349.59	--
Total	12,371,387.92	--

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

Applicable Not applicable

Item	Involved amount (RMB)	Reason
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Non-operation income	550,355.96	During the reporting period, the wholly owned subsidiary - Mianyang Meiling Software Technology Co., Ltd. has received VAT refunds of software products according to "Notice about VAT policy of software products by Ministry of Finance & State Administration of Taxation" CS No. [2011] 100 document, and adequately disclosed the company's business situation, in accordance with relevant provisions in the third article of the second item of CSRC "No. 1 explanatory announcement about information disclosure of the company publicly issues securities - non-recurring profit and loss (2008)", the public subsidies which are closely related to the company's business, conform to the national policies and regulations and continue to be enjoyed according to a certain standard rating or quantity should be included in the company's recurring gains and losses.
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II. Total number of shareholders at the end of this report period and top ten shareholders

1. Number of common shareholders and preference shareholders with voting rights recovered and top ten common shareholders

In shares

Total number of common shareholders at the end of report period	72,326	Total preference shareholders with voting rights recovered at end of reporting period (if applicable)	N/A			
Top ten shareholders						
Shareholder's name	Nature of shareholder	Proportion of shares held	Amount of shares held	Amount of restricted shares held	Number of share pledged/frozen	
					State of share	Amount
Sichuan Changhong Electric Co., Ltd.	State-owned legal person	21.58%	164,828,330	0	—	—
Hefei Industrial Investment Holding (Group) Co., Ltd.	State-owned legal person	6.26%	47,823,401	0	—	—
Changhong (Hong Kong) Trade Co., Ltd.	Foreign legal person	3.30%	25,165,823	0	—	—
CAO SHENGCHUN	Foreign natural person	1.75%	13,360,415	0	—	—
China Securities Finance Corporation Limited	Domestic general legal person	0.58%	4,399,500	0	—	—
NORGES BANK	Foreign legal person	0.55%	4,216,432	0	—	—
DEUTSCHE BANK AKTIENGESELLSCHAFT	Foreign legal person	0.48%	3,699,287	0	—	—

CMB - China Classic Configuration Hybrid Securities Investment Fund	Domestic non-state-owned legal person	0.46%	3,505,304	0	—	—
ICBC- South Longyuan Industry Theme Stock Securities Investment Fund	Domestic non-state-owned legal person	0.46%	3,488,500	0	—	—
Long Qinfang	Foreign natural person	0.42%	3,239,297	0	—	—
Top ten shareholders with unrestricted shares held						
Shareholder's name	Amount of unrestricted shares held	Type of shares				
		Type	Amount			
Sichuan Changhong Electric Co., Ltd.	164,828,330	RMB ordinary shares	164,828,330			
Hefei Industrial Investment Holding (Group) Co., Ltd.	47,823,401	RMB ordinary shares	47,823,401			
Changhong (Hong Kong) Trade Co., Ltd.	25,165,823	Domestically listed foreign shares	25,165,823			
CAO SHENGCHUN	13,360,415	Domestically listed foreign shares	13,360,415			
China Securities Finance Corporation Limited	4,399,500	RMB ordinary shares	4,399,500			
NORGES BANK	4,216,432	Domestically listed foreign shares	4,216,432			
DEUTSCHE BANK AKTIENGESELLSCHAFT	3,699,287	RMB ordinary shares	3,699,287			
CMB - China Classic Configuration Hybrid Securities Investment Fund	3,505,304	RMB ordinary shares	3,505,304			
ICBC- South Longyuan Industry Theme Stock Securities Investment Fund	3,488,500	RMB ordinary shares	3,488,500			
Long Qinfang	3,239,297	Domestically listed foreign shares	3,239,297			
Explanation on associated relationship among the aforesaid shareholders	Among the above shareholders, Changhong (Hong Kong) Trade Co., Ltd. is the wholly-owned subsidiary of Sichuan Changhong Electronic Co., Ltd.; there existed no associated relationship or belong to the concerted actors as specified in the Measures for the Administration of Information Disclosure of Shareholder Equity Changes of Listed Companies among Sichuan Changhong Electronic Co., Ltd., Changhong (Hong Kong) Trade Co., Ltd. and other top 8 shareholders; as the Company has not known whether there exists any business relationship among the other shareholders with unrestricted subscription or they belong to the concerted actors as specified in the Measures for the					

	Administration of Information Disclosure of Shareholder Equity Changes of Listed Companies.
Explanation on top ten common shareholders involving margin business (if applicable)	Not applicable

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

Yes No

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

2. Total shareholders with preferred stock held and shares held by top ten shareholders with preferred stock held

Applicable Not applicable

Section III. Significant Events

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

√ Applicable □ Not applicable

1. Changes and reasons of items in balance sheet

In RMB

Item	Balance at period-end	Balance at year-begin	Changes ratio	Reasons of changes
Monetary Fund	3,007,374,476.31	2,135,189,879.15	40.85%	Mainly due to recovery of entrusted financing principals by the Company and increase of bank borrowings.
Other receivable	26,686,197.96	39,494,835.30	-32.43%	Mainly due to receipt of export tax refund by parent company.
Other current assets	18,395,389.20	539,101,578.44	-96.59%	Mainly due to recovery of entrusted financing principals by parent company as the same expired in the period.
Development expenditure	70,080,324.34	53,344,827.72	31.37%	Mainly due to increase of research and development investment by the subsidiary Sichuan Air Conditioner in the period.
Short-term loans	339,440,767.02	58,680,093.19	478.46%	Mainly due to increase of short term borrowings of the parent company in the period.
Salary employees payable	77,390,262.12	115,297,429.40	-32.88%	Mainly due to grant of salary and year-end bonus as provided for in previous year in the period.
Taxes payable	101,877,955.85	70,530,483.54	44.45%	Mainly due to expansion of sales of the Company in the period.
Minority equity	55,809,062.90	36,290,904.66	53.78%	Mainly due to materialization of capital increase by minority shareholders to subsidiaries in the period.

2. Changes and reasons of items in profit statement

In RMB

Item	Amount at this period	Amount at same period of last year	Changes ratio	Reasons of changes
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Business taxes and additional	27,786,160.01	18,119,401.70	53.35%	Mainly due to increase of sales of the Company and credit of VAT of the subsidiary Sichuan Air Conditioner in the period.
Financial expenses	-5,371,504.22	-19,080,895.94	-71.85%	Mainly due to decrease of interest income of parent company and decrease of exchange gains of the Company in the period.
Assets impairment loss	18,384,472.57	9,428,760.49	94.98%	Mainly due to provision of bad debts for trade receivables which are increased due to growth of sales of the Company in the period.
Changing income of fair value (Loss is listed with “-”)	--	81,770.00	-100.00%	Mainly due to movement of fair value of forward exchange contract in the corresponding period of last year, and there is no such movement in this period.
Investment income (loss is listed with “-”)	358,659.99	171,415.10	109.23%	Mainly due to collection of entrusted financing income by the Company in this period, while there is no such income in the corresponding period of last year
Income from investment for associated enterprise and joint venture	-4,627,641.38	171,415.10	-2799.67%	Mainly due to year-on-year increase of losses recorded by associated corporations in this period.
Non-operation income	10,126,101.23	6,077,129.21	66.63%	Mainly due to increase of government grant received by the Company in the period.
Including: income from disposal of non-current assets	137,329.94	14,784.00	828.91%	Mainly due to increase of gains from disposal of fixed assets by parent company in the period.
Non-operating expenses	590,032.72	6,178,693.98	-90.45%	Mainly due to decrease of losses from disposal of long term assets by parent company in the period.
Including: loss from disposal of non-current assets	324,113.57	5,689,480.81	-94.30%	Same reason as “non-operating expenses” above.
Income tax	6,528,778.06	9,522,918.59	-31.44%	Mainly due to that profit before tax

expenses				of certain subsidiaries makes up losses recorded in previous year.
Minority interest	-1,050,229.32	-4,326,016.18	-75.72%	Mainly due to that certain non-wholly owned subsidiaries turned to make profit in this period instead of losses.

3. Changes and reasons of items in cash flow statement

In RMB

Item	Amount at this period	Amount at same period of last year	Changes ratio	Reasons of changes
Cash received from selling commodities and providing labor services	2,763,169,371.62	1,885,020,797.44	46.59%	Mainly due to increase of sales amount received by the Company in the period.
Tax refunds received	73,998,123.72	54,031,690.80	36.95%	Mainly due to increase of export tax refund received by the Company in the period.
Cash received related with other operating activities	10,898,715.23	6,487,030.96	68.01%	Mainly due to increase of government grant received by the Company in the period.
Cash paid for purchasing commodities and receiving labor service	2,164,889,172.42	1,523,411,470.90	42.11%	Mainly due to increase of procurement of raw materials and increase of note payables due for payment.
Cash received from recovering investment	500,000,000.00	-	100.00%	Mainly due to recovery of the due entrusted financing principals by the Company in this period, while there is no such recovery in the corresponding period of last year.
Cash received from investment income	4,986,301.37	-	100.00%	Mainly due to receipt of entrusted financing income by the Company in this period, while there is no such income in the corresponding period of last year.
Net cash received from disposal of fixed assets, intangible assets and other	216,587.52	1,234,432.00	-82.45%	Mainly due to decrease of disposal of long term assets by the Company in the period.

long-term assets				
Cash received related with other investment activities	11,813,596.67	17,362,060.65	-31.96%	Mainly due to decrease of interest income of parent company in the period.
Cash paid for investment	95,983,860.00	36,149,974.00	165.52%	Mainly due to acquisition of equity interests of business under the same control by parent company in the period.
Cash received from absorbing investment	16,661,794.74	-	100.00%	Mainly due to absorption of capital contribution from minority shareholders by subsidiaries in the period, while there is no such capital contribution in the corresponding period of last year.
Cash received from loans	384,191,670.80	686,048,061.59	-44.00%	Mainly due to increase of short term borrowings of parent company in the period.
Cash received related with other financing activities	3,451.80	-	100.00%	Mainly due to receipt of odd lots dividends by parent company in the period, while there is no such dividend in the corresponding period of last year.
Cash paid for debt settlement	48,119,369.00	391,572,057.56	-87.71%	Mainly due to decrease of repayment of short term borrowings by parent company in the period.
Cash paid for dividend/profit distribution or interest expenses	2,013,571.61	4,053,158.20	-50.32%	Mainly due to decrease of borrowing interest repaid by parent company in the period.
Impact on cash from exchange rate movement	-5,770,988.16	7,205,021.10	-180.10%	Mainly due to change of exchange rate in the period.

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

√ Applicable □ Not applicable

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

All projects invested with raised funds of non-public offering by the company in 2010 have been completed and reached the production index, accumulative invest capital for investment projects is 1,222,530,875 yuan. Up to March 31, 2016, account balance of raise funds is 20,499,015 yuan (of which the amount the company has not withdrawn for permanently supplementing the working funds is 244,084 yuan, and the total amount to pay the

contract and retention money is 20,254,931 yuan).

(II) Non-public issuance of share of the Company

The non-public issuance of the Company has been considered and approved at the 12th meeting of the 8th session of board of directors and the 2nd special general meeting of 2015 held on 18 November 2015 and 22 December 2015, respectively. Details are disclosed in the announcements (Nos. 2015-053, 2015-054, 2015-057, 2015-063, 2015-064, 2015-065, 2015-070, 2016-007, 2016-014, 2016-015, 2016-016, 2016-017 and 2016-018) of the Company dated 19 November, 23 December, 30 December 2015 and 25 March 2016 on the designated information disclosure media including Securities Times, China Securities, Hong Kong Commercial Daily and Juchao website(www.cninfo.com.cn) and the 2015 annual report of the Company.

Pursuant to the requirements under the Response Notice on Review of Administration Permit Projects of the CSRC (No. 153769) issued by the CSRC, the Company and relevant intermediate institutions made specific explanation on the issues listed on the Response Notice on 29 January 2016, and performed its obligation of information disclosure. Details are disclosed in the announcements (Nos. 2016-006 and 2016-012) of the Company dated 30 January and 24 February 2016 on the designated information disclosure media including Securities Times, China Securities, Hong Kong Commercial Daily and Juchao website(www.cninfo.com.cn) .

Taking into account the change of domestic securities market and the actual condition of the Company, in order to ensure smooth proceeding of this non-public issuance, it is agreed for the Company to make adjustments to the issue price, pricing principles and issuance quantity of this non-public issuance plan, and to extend the "term of this issuance resolution" as set out in such plan with others remained unchanged, subject to approval at the 17th meeting of the 8th board of directors and the 1st special general meeting of 2016. The adjusted non-public issuance plan has obtained consent from the relevant state-owned assets supervision and management authorities, pending for approval from the CSRC. Besides, according to the Guideline Opinions on Initial Offering, Refinancing and Immediate Dilution of Return arising from Material Assets Reorganization (Announcement of the CSRC No.2015-31), the Company established relevant measures relating to immediate dilution of return and compensation in respect of non-public issuance, and the directors and senior management of the Company made relevant undertakings. For details, please refer to the Company's announcements (Nos. 2016-009, 2016-010, 2016-011, 2016-014, 2016-015, 2016-016, 2016-017, 2016-018, 2016-019, 2016-024, 2016-036 and 2016-037) dated 24 February, 7 March, 19 March, 2 April and 6 April 2016 published on the designated information disclosure media including Securities Times, China Securities, Hong Kong Commercial Daily and Juchao website(www.cninfo.com.cn) .

(III) Implementation for annual performance incentive fund

On August 9, 2012 and August 28, 2012, the Company considers the adoption of "Hefei Meiling annual performance incentive fund implementation plan" (hereinafter referred to as "" stimulus "") on the 16th meeting of the 7th board of directors and the 2012-second provisional shareholders meeting. Details were disclosed on information disclosure media appointed by the Company as "Securities Times", "Chinese Securities Daily", "Hong Kong Commercial Daily" and the Juchao network (www.cninfo.com.cn) on August 10, 2012 and August 29th in the form of announcement (No.: 2012-028, No.:2012-035).

1. Implementation about 2012, 2013 and 2014 performance incentive fund provision and distribution plan

Please see the details in "The implementation of the company's annual incentive funds "of "XV-Implementation of the company's stock incentive plan, employee stock ownership plan or other employee incentives " at "Section Five-Important matters" in "2015 Annual Report" of the company disclosed on Mar. 25, 2016.

As at the end of this reporting period, stocks of the Company purchased by certain performance incentive grantees of 2012 (other than directors, supervisors and senior management) with the 2012 performance incentive funds granted to them and their own capital can be totally released, and stocks of the Company purchased by certain performance incentive grantees of 2013 (other than directors, supervisors and senior management) with the 2013 performance incentive funds granted to them and their own capital can be half released. The overall shareholding by these grantees is set out below. Stocks of the Company purchased by the performance incentive grantees of 2014 with the 2014 performance incentive funds granted to them and their own capital are held less than one year, so all the stocks purchased by these grantees are locked for sale. The existing directors, supervisors and senior management among the performance incentive grantees who purchase stocks of the Company under the 2012, 2013 and 2014 performance incentive plans have not reduced their shareholding.

2. Shareholding and reducing of performance incentive objects of the Company

Up to March 31, 2016, the total number of the company's stock held by incentive objects is 11,341,853 shares, accounting for 1.49% of the company's total share capital, of which A stock is 10,008,721 shares, accounting for about 1.31% of the company's total share capital, B stock is 1,333,132 shares, accounting for about 0.17% of the company's total share capital. Up to March 31, 2016, some 2012 & 2013 annual performance incentive objects (non directors, supervisors or senior management) have cumulatively reduced holding of 2,137,603 shares from September 2014 to the end of this reporting period, accounting for 0.28% of the company's total share capital.

(IV) Transaction with Sichuan Changhong Group Finance Co., Ltd

Subject to approval from the board of directors and general meeting of the Company, it is agreed for the Company to enter into Financial Service Agreement with Sichuan Changhong Group Finance Co., Ltd. ("Changhong Finance Company") for a term of three years. Pursuant to the agreement, Changhong Finance Company will provide a series of financial services including savings and loans within its operating scope according to requirements of the Company and its subsidiaries. From the beginning of this year to the end of reporting period, the connected transactions occurred between the Company and Changhong Finance Company are set out below:

Item	Opening balance	Increased during the Year	Decreased during the Year	Ending balance	Interest, handling charge paid or received
I. Savings in Changhong Group Finance Company	1,260,081,706.55	5,498,866,761.79	5,459,131,140.83	1,299,817,327.51	7,168,953.41
II. Borrowings from Changhong Group Finance Company	-	-	-	--	-
1.Short-term loans	-	-	-	--	-
2.Long-term loans	-	-	-	--	-
III. Other financial business	-	-	-	--	-
1.notes drawing	733,001,248.18	434,503,140.90	418,344,202.64	749,160,186.44	-
2.notes discounted	236,410,328.55	342,705,572.67	314,595,135.43	264,520,765.79	4,092,272.35

Note: the Company acquired Guangdong Changhong Ridian Technology Co., Ltd. (hereinafter referred to as

"Changhong Ridian") in early 2016, the above table already contains Changhong Ridian and Changhong Finance related transactions deposits, loans and other financial services.

(IV) Overview of other significant events

Overview	Date for disclosure	Information index for temporary report disclosure
As approved by resolution on the 14 th meeting of the 8 th board of directors, the Company is approved to acquire 98.856% equity interests of Guangdong Changhong Ridian Science & Technology Company Limited ("Changhong Ridian") in relevant bidding at the end of 2015, at the consideration of RMB95.65 million. During the reporting period, the business and commercial registration has been completed in respect of this equity transfer.	2015-12-19; 2015-12-24; 2016-1-5; 2016-2-4;	Juchao Website: http://www.cninfo.com.cn (No.: 2015-061, 2015-062, 2015-066, 2015-067, 2016-001, 2016-008)
In order to ensure orderly proceeding of smart living project, as approved by resolution on the 15 th meeting of the 8 th board of directors, the Company is approved to invest in incorporation of Changmei Technology Company.	2016-1-8	Juchao Website: http://www.cninfo.com.cn (No.: 2016-002)
Commitment Letter on No Reduction of Shareholding in Meiling Appliances within a half year issued by the first largest shareholder of the Company-Sichuan Changhong Appliances Company Limited.	2016-1-19	Juchao Website: http://www.cninfo.com.cn (No.: 2016-003)
Due to change of personal job, Mr. Li Jin, the former vice chairman of the Board, applied to resign as the director and vice chairman of the 8 th board of directors and member of the strategic committee and remuneration and examination committee.	2016-1-21	Juchao Website: http://www.cninfo.com.cn (No.: 2016-004)
Zhongke Meiling Low Temperature Technology Company Limited ("Zhongke Meiling"), a controlling subsidiary of the Company, is officially listed on the national middle and small enterprise stock transfer system on 24 February 2016, in way of agreement transfer, with the securities abbreviation and stock code being Zhongke Meiling and 835892 respectively.	2016-1-30; 2016-2-24;	Juchao Website: http://www.cninfo.com.cn (No.: 2016-005, 2016-013)
As approved by the board of directors and general meeting, it is agreed for the Company and its subsidiaries to carry out forward exchange capital transactions during the period from 1 July 2016 to 30 June 2017, the transaction balance shall not exceed USD500 million and settlement period for a single transaction shall not last for over 2 years.	2016-3-19; 2016-4-7;	Juchao Website: http://www.cninfo.com.cn (No.: 2016-020, 2016-022, 2016-037)
As approved by the board of directors and general meeting, it is agreed for the Company to continue financial service cooperation with Sichuan Finance Company, and to enter into Financial Service Agreement with a term of three years, in respect of which, the independent directors issued prior consent and approval opinions.	2016-3-19; 2016-4-7;	Juchao Website: http://www.cninfo.com.cn (No.: 2016-020, 2016-021, 2016-023, 2016-024, 2016-037)
The former second largest shareholder of the Company-Hefei Xingtai Financial Holdings (Group) Company Limited transferred 49,477,513 stated owned shares of the Company held by it to Hefei Industrial Investment Holdings (Group) Company Limited at nil consideration. As of the end of the reporting period, transfer registration procedures for this equity transfer has	2016-3-25	Juchao Website: http://www.cninfo.com.cn (No.: 2016-026)

been completed.		
The board of directors agreed to appoint Mr. Xu Bangjun as a candidate of non-independent director of the 8 th board of directors, with a term same as the 8 th board of directors, which is subject to approval from the 2015 annual general meeting of the Company.	2016-3-25	Juchao Website: http://www.cninfo.com.cn (No.: 2016-027)
The board of directors agreed the subsidiary Zhongshan Changhong Appliances Company (“Zhongshan Changhong”) to jointly, with the partner RUBA GENERAL TRADING FZE (a company based in The United Arab Emirates), increase capital injection into Changhong Ruba Trading Company(Private) Limited in cash according to the existing shareholding proportion. Changhong Ruba Trading Company (Private) Limited is a joint venture sales company established by the two parties in Pakistan, the total amount of the increased capital is USD6.40 million.	2016-3-25	Juchao Website: http://www.cninfo.com.cn (No.: 2016-027, 2016-032)
The board of directors agreed the subsidiaries Zhongshan Changhong and Sichuan Changhong Air Conditioner Company to jointly establish PT.CHANGHONG MEILING ELECTRIC INDONESIA in Indonesia, with registered capital of USD6.0 million.	2016-3-25	Juchao Website: http://www.cninfo.com.cn (No.: 2016-027, 2016-033)
As approved by resolution at the 19 th meeting of the 8 th board of directors, it is agreed for the Company to apply from Hefei Branch of China Merchants Bank a special credit facility with the maximum amount of RMB300 million involving notes related businesses. The term of credit facility is one year, and the facility is mainly used on note related business by way of note pledge.	2016-3-25	Juchao Website: http://www.cninfo.com.cn (No.: 2016-027, 2016-034)

III. Commitments that the company, shareholders, actual controller, offeror, directors, supervisors, senior management or other related parties have fulfilled during the reporting period and have not yet fulfilled by the end of reporting period

√Applicable □ Not applicable

Commitment	Acceptor	Content		Date	Term	Implementation
Commitments made in acquisition report or equity change report	Sichuan Changhong Electric Co., LTD (hereinafter referred to as the “Sichuan Changhong”)	About committed and promised in order to prevent horizontal competition in the Acquisition Report of Hefei Meiling Co., Ltd.	1. The acquirer shall not engage in refrigerator business or activity which competes or will compete with business of Meiling Electrical Appliances Co., Ltd. (hereinafter referred to as the “Meiling Electrical Appliances”), or that which has interest conflict with Meiling Electrical Appliances.	2007-6-12	Valid for long term	Strictly implemented
			2. The acquirer promises to apply shareholders’ right on a legal and reasonable manner and shall not take any action to limit or affect the normal operation of Meiling Electrical Appliances.			
			3. For any opportunity to engage in competing business, the acquirer will advise Meiling Electrical Appliances in written for engaging such business or not. If Meiling Electrical Appliances gives no clear written reply as to whether engaging the competing business or not within 20 days after receipt of the aforesaid letter, it shall be deemed that it will not engage in such business. The acquirer will only engage in non-competing business provided that Meiling Electrical Appliances confirms not to or is deemed to not engage in such non-competing business.			
Commitment made during the	Sichuan Changhong	Commitment regarding to reducing and preventing	1. It will not engage in such business or activity that competes with or has interest conflict with that of Meiling Electrical Appliances except for the action	2010-6-24	Valid for long term	Strictly implemented

non-public offer		competition with Meiling Electrical Appliances	<p>taken for sake of Meiling Electrical Appliances as required by Meiling Electrical Appliances.</p> <p>2. The Company promises to apply shareholders' right on a legal and reasonable manner and shall not take any action to limit or affect the normal operation of Meiling Electrical Appliances.</p> <p>3. In case that Meiling Electrical Appliances expects, on the basis of its existing business, to expand its operation scope into the business which the Company has already operated, the Company agrees to grant pre-emptive right to Meiling Electrical Appliances regarding such business if the same conditions are met, provided that the Company is still the controlling shareholder or actual controller of Meiling Electrical Appliances.</p>			ted
		Commitment regarding to reducing and standardizing related transaction with Meiling Electrical Appliances	<p>1. Measures will be adopted to prevent continued related transaction with Meiling Electrical Appliances: as to the related transaction that can not be prevented, it will sign related transaction agreement with Meiling Electrical Appliances under the market principles of "equally paid and mutual benefit", and fairly determined the transaction price according to the market prevailing standards.</p> <p>2. Perform the necessary obligations to make related directors and related shareholder abstain from voting according to relevant regulation, and observe legal procedure for approving related transaction and information disclosure obligations.</p> <p>3. Promise not to hurt legal interests of Meiling Electrical Appliances and other shareholders through</p>	2010-6-24	Valid for long term	Strictly implemented

		related transaction.			
		Commit to authorized Changhong Air Conditioning and Zhongshan Air Conditioning Co., Ltd. (hereinafter referred to as the “Zhongshan Air Conditioning”) to use “Changhong” trademark and relevant patents for free.	2010-11-6	Valid for long term	Strictly implemented
	The Company	1. Commit to disclose periodic reports on a truthful, accurate, complete, fair and prompt manner, to disclose all the information that have important influences over investors, to accept supervision under the CSRC and Shenzhen Stock Exchange.	2011-1-7	Valid for long term	Strictly implemented
		2. Commit to make public clarification in respect of such information that is released from any public media and may result in misleading influences on stock price once the Company is aware of such information.			
		3. The directors, supervisors, senior management and core technicians of the Company will accept opinions and criticism from the social publics, and they will not trade the Company’s securities, directly or indirectly, with any inside information and other illegal methods. The Company promises that the documents submitted to Shenzhen Stock Exchange exist no false statement or material omission, and no relevant information will be disclosed during the application for listing without prior content from Shenzhen Stock Exchange.			
Commitment made in transfer of air conditioning assets property	Sichuan Changhong	1. Since the property transfer didn’t involve the buildings and land currently used by Changhong Air Conditioning, Sichuan Changhong commits, upon the completion of equity transfer, to continue to lease such assets to Changhong Air Conditioning at market price.	2009-12-10	Valid for long term	Strictly implemented
		2. After completion of this property transfer, Sichuan Changhong commits to manage to prevent new related transaction with Meiling Electrical Appliances. For those which can not be prevented, Sichuan Changhong commits to determine the transaction price based on market accepted methods, so as to			

		ensure fairness of related transaction and protection of the interest of Meiling Electrical Appliances.			
		3. Sichuan Changhong commits that it will not engage in air conditioning and refrigerator business or activity which competes or will compete with business of Meiling Electrical Appliances, or that which has interest conflict with Meiling Electrical Appliances.			
Commitments by Annual performance incentive fund, incentive objects while purchasing stock of the Company with performance incentive funds and owned fund	Some of the Directors, supervisors and senior executives of the Company as well as other incentive objects	1. Make promise not to reduce the shares of Meiling bought in every year during implementation of the performance incentive fund via any market ways in the later first year, which was allowed to be reduced by 50% according to the laws and regulations in the second year, and the remaining 50% was allowed to be reduced in the third year in accordance with the laws and regulations.	2013-8-15; 2014-7-3; 2015-7-21	Three years after current shares purchased	Implementing
		2. The directors, supervisors and senior management promised to manage in accordance with the relevant management approaches in accordance with the "Company Law", "Securities Law" and "The Company's shares held by the directors, supervisors and senior management of the listed company and its change management rules", as objects of annual performance incentive fund of Meiling, including but not limited to: during his tenure, the shares transferred each year shall not exceed 25% of the total number of shares held of the Company; shall not sell the shares of the Company within six months after bought it or purchase again six months after sold it; shall not transfer the shares held within six months after Dismission.	2013-8-15; 2014-7-3; 2015-7-21	From the date when annual incentive fund plan deliberated and approved by general meeting to 6 months after director, supervisor and senior executives resigned	Implementing
Commitments of not to reducing the shares	Sichuan Changhong Electric Co., LTD and persons acting in concert Changhong	1. Based on market conditions and as allowed by laws and rules, multiple measures were adopted adequately to increase shareholding of Meiling Appliances, so as to demonstrate its firm confidence on the PRC economy and Meiling Appliances with its actual actions, maintain sound development of capital market and promote recovery of healthy market;	2015-7-9	Valid for long term	Strictly implemented
		2. The Company continued to support operation and development of listed company. It is committed to bringing steady and real return to investors.			

	(Hong Kong) Trading Company Limited	3. Sichuan Changhong has committed that Sichuan Changhong and its persons acting in concert - Changhong (Hong Kong) Trading Co., Ltd. shall not reduce holdings of "Meiling" and "Anhui Meiling B" within six months since January 18, 2016, if the holdings of "Meiling" and "Anhui Meiling B" increase due to Meiling bonus issue or share capital increased by transferring, the company will still abide by the above commitment. To violate the above commitment, all gains by reducing holdings will belong to Meiling.		2016-1-18	2016-7-18	Implementing
Commitment made during the non-public offer	Directors and senior executives of the Company	Commitment on compensation of immediate dilution of return arising from non-public issuance of shares	1. I hereby undertake not to deliver interests to other entities or individuals without consideration or at unfair conditions, nor to prejudice the Company's interests by other means.	2016-2-23	Till the completion of projects invested with the proceeds from this non-public issuance of shares	Implementing
			2. I hereby undertake to restrain my role related consumption behaviors.			
			3. I hereby undertake not to conduct any investment and consumption which is not related to performance of duties with utilization of any company assets.			
			4. I hereby undertake that the remuneration system determined by the board of directors or the remuneration and examination committee be linked to implementation of the compensation of return measures.			
			5. In case that the Company adopts share based incentive plan in future, I hereby undertake that the exercise conditions of the incentive plan to be announced by the Company be linked to implementation of the compensation of return measures.			
			6. For the period from the date of this commitment to the date of completion of this non-public issuance of shares, if the CSRC makes other new regulatory			

			<p>requirements on compensation of return measures and the commitment thereof, and in case that the above commitments cannot satisfy these new requirements from the CSRC, I hereby undertake to issue supplementary commitment in compliance with the latest CSRC requirements.</p>			
			<p>As one of the principals responsible for compensation of return measures, I, in case of break of the above commitments or refuse to perform the above commitments, agree to receive relevant punishment or to adopt relevant administration measures according to the systems, rules and regulations of the CSRC and Shenzhen Stock Exchange.</p>			
<p>Perform the commitment promptly or not</p>	<p><input checked="" type="checkbox"/>Yes <input type="checkbox"/>No</p>					
<p>If the commitments is not fulfilled on time, shall explain the specify reason and the next work plan</p>	<p>Not applicable</p>					

IV. Forecast of operation performance from Jan. – June of 2016

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

Applicable Not applicable

V. Securities Investment

Applicable Not applicable

No security investment in Period.

VI. Derivative investment

Applicable Not applicable

No derivative investment in Period.

VII. Trust financing

Applicable Not applicable

In 10 thousand Yuan

Name	Whether related trade or not	Type	Trust financing amount	Start date	End date	Criteria for fixing reward	Principal actually collected in the Period	Amount of reserve for devaluation of withdrawing (if applicable)	Anticipated income	Actual gains/losses in period	Actual collected gains/losses in period
Anhui Province branch of Bank of Communications	No	Floating proceeds products	50,000	2015-10-20	2016-1-19	3.9% annual yield	50,000	-	486.16	498.63	498.63
Total			50,000	--	--	--	50,000	-	486.16	498.63	498.63
Capital resource			Self-owned temporary idle capital								

Principal uncollected for overdue and accumulated earnings	0
Lawsuit involved (if applicable)	-
Disclosure date for approval from the Board for trust financing (if applicable)	2015-3-26
Disclosure date for approval from board of shareholders for trust financing (if applicable)	2015-4-18
Whether has trust financing plan in future	No

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

Applicable Not applicable

Time	Way	Type	Basic situation index of investigation
2016-1-7	Field research	Institute	http://irm.cninfo.com.cn/ircs/ssgs/companyIrmForSzse.do?stockcode=000521
2016-1-15	Field research	Institute	http://irm.cninfo.com.cn/ircs/ssgs/companyIrmForSzse.do?stockcode=000521
2016-1-22	Field research	Institute	http://irm.cninfo.com.cn/ircs/ssgs/companyIrmForSzse.do?stockcode=000521
2016-1-26	Field research	Institute	http://irm.cninfo.com.cn/ircs/ssgs/companyIrmForSzse.do?stockcode=000521

IX. Guarantee outside against the regulation

Applicable Not applicable

The Company had no guarantee outside against the regulation in the reporting period.

X. Non-operational fund occupation from controlling shareholders and its related party

Applicable Not applicable

Section IV. Financial Statement

I. Financial statement

1. Consolidate balance sheet

Prepared by Hefei Meiling Co., Ltd.

In RMB

Item	Balance at period-end	Balance at period-begin
Current assets:		
Monetary funds	3,007,374,476.31	2,135,189,879.15
Settlement provisions	-	-
Capital lent	-	-
Financial liability measured by fair value and with variation reckoned into current gains/losses	-	-
Derivative financial liability	-	-
Notes receivable	1,469,342,400.75	1,286,332,682.74
Accounts receivable	1,473,335,295.44	1,338,396,321.83
Accounts paid in advance	77,871,853.12	68,041,820.73
Insurance receivable	-	-
Reinsurance receivables	-	-
Contract reserve of reinsurance receivable	-	-
Interest receivable	1,540,027.02	1,238,199.65
Dividend receivable	-	-
Other receivables	26,686,197.96	39,494,835.30
Purchase restituted finance asset	-	-
Inventories	1,532,773,157.93	1,554,946,209.51
Divided into assets held for sale	-	-
Non-current asset due within one year	-	-
Other current assets	18,395,389.20	539,101,578.44
Total current assets	7,607,318,797.73	6,962,741,527.35
Non-current assets:		
Loans and payments on behalf		

Finance asset available for sales	17,000,000.00	17,000,000.00
Held-to-maturity investment	-	-
Long-term account receivable	-	-
Long-term equity investment	70,425,919.51	74,239,547.01
Investment property	13,882,067.97	14,084,213.51
Fixed assets	1,279,981,725.75	1,267,493,931.98
Construction in progress	51,949,453.28	56,504,880.99
Engineering material	-	-
Disposal of fixed asset	75,773,138.47	75,773,138.47
Productive biological asset	-	-
Oil and gas asset	-	-
Intangible assets	586,352,801.14	593,449,698.85
Expense on Research and Development	70,080,324.34	53,344,827.72
Goodwill	-	-
Long-term expenses to be apportioned	-	-
Deferred income tax asset	79,603,387.70	78,435,177.86
Other non-current asset	44,000,772.00	44,221,416.00
Total non-current asset	2,289,049,590.16	2,274,546,832.39
Total assets	9,896,368,387.89	9,237,288,359.74
Current liabilities:		
Short-term loans	339,440,767.02	58,680,093.19
Loan from central bank	-	-
Absorbing deposit and interbank deposit	-	-
Capital borrowed	-	-
Financial liability measured by fair value and with variation reckoned into current gains/losses	-	-
Derivative financial liability	-	-
Notes payable	1,961,170,250.32	2,172,064,923.79
Accounts payable	2,037,352,117.03	1,604,075,191.50
Accounts received in advance	348,432,938.56	295,604,800.16
Selling financial asset of repurchase	-	-
Commission charge and commission payable	-	-

Wage payable	77,390,262.12	115,297,429.40
Taxes payable	101,877,955.85	70,530,483.54
Interest payable	173,468.38	214,328.89
Dividend payable	2,200,499.91	2,200,499.91
Other accounts payable	730,256,218.70	643,567,087.33
Reinsurance payables	-	-
Insurance contract reserve	-	-
Security trading of agency	-	-
Security sales of agency	-	-
Divided into liability held for sale	-	-
Non-current liabilities due within 1 year	11,147,235.60	11,153,067.68
Other current liabilities	-	-
Total current liabilities	5,609,441,713.49	4,973,387,905.39
Non-current liabilities:		
Long-term loans	299,787,008.80	243,004,866.40
Bonds payable	-	-
Including: preferred stock	-	-
Perpetual capital securities	-	-
Long-term account payable	-	-
Long-term wages payable	35,988,442.98	38,211,463.86
Special accounts payable	-	-
Projected liabilities	335,990,014.55	338,125,014.55
Deferred income	130,506,391.19	132,890,618.54
Deferred income tax liabilities	-	-
Other non-current liabilities	-	-
Total non-current liabilities	802,271,857.52	752,231,963.35
Total liabilities	6,411,713,571.01	5,725,619,868.74
Owner's equity:		
Share capital	763,739,205.00	763,739,205.00
Other equity instrument	-	-
Including: preferred stock	-	-
Perpetual capital securities	-	-
Capital public reserve	1,429,225,754.29	1,529,184,356.13

Less: Inventory shares	-	-
Other comprehensive income	-2,563,411.37	-2,280,500.61
Reasonable reserve	-	-
Surplus public reserve	367,066,994.18	367,066,994.18
Provision of general risk	-	-
Retained profit	871,377,211.88	817,667,531.64
Total owner's equity attributable to parent company	3,428,845,753.98	3,475,377,586.34
Minority interests	55,809,062.90	36,290,904.66
Total owner's equity	3,484,654,816.88	3,511,668,491.00
Total liabilities and owner's equity	9,896,368,387.89	9,237,288,359.74

Legal Representative: Liu Tibin

Person in charge of accounting works: Zhang Xiaolong

Person in charge of accounting institute: Luo Bo

2. Balance Sheet of Parent Company

In RMB

Item	Closing balance	Opening balance
Current assets:		
Monetary funds	2,490,663,083.80	1,654,499,494.28
Financial liability measured by fair value and with variation reckoned into current gains/losses	-	-
Derivative financial liability	-	-
Notes receivable	1,016,945,850.78	828,061,004.44
Accounts receivable	730,388,140.83	943,328,995.97
Account paid in advance	206,065,050.88	302,567,578.88
Interest receivable	-	-
Dividends receivable	-	-
Other receivables	40,179,659.93	53,255,891.89
Inventories	849,605,142.79	869,593,027.59
Divided into assets held for sale	-	-
Non-current assets maturing within one year	-	-
Other current assets	14,360,164.83	522,617,641.34
Total current assets	5,348,207,093.84	5,173,923,634.39
Non-current assets:		

Available-for-sale financial assets	17,000,000.00	17,000,000.00
Held-to-maturity investments	-	-
Long-term receivables	-	-
Long-term equity investments	932,211,020.76	840,634,581.05
Investment property	11,687,431.81	11,805,903.99
Fixed assets	891,449,408.47	890,217,780.00
Construction in progress	20,172,314.13	20,365,686.01
Project materials	-	-
Disposal of fixed assets	43,479,954.71	43,479,954.71
Productive biological assets	-	-
Oil and natural gas assets	-	-
Intangible assets	436,337,289.64	438,227,183.15
Research and development costs	1,136,027.62	2,162,829.06
Goodwill	-	-
Long-term deferred expenses	-	-
Deferred income tax assets	68,430,968.96	70,170,515.47
Other non-current assets	-	-
Total non-current assets	2,421,904,416.10	2,334,064,433.44
Total assets	7,770,111,509.94	7,507,988,067.83
Current liabilities:		
Short-term borrowings	324,424,335.02	34,411,720.00
Financial liability measured by fair value and with variation reckoned into current gains/losses	-	-
Derivative financial liability	-	-
Notes payable	1,206,325,161.85	1,395,443,530.25
Accounts payable	1,161,785,139.05	1,114,807,199.47
Accounts received in advance	166,487,785.67	145,333,375.62
Wage payable	15,085,453.81	42,847,802.62
Taxes payable	39,601,854.80	20,425,867.86
Interest payable	173,468.38	214,328.89
Dividend payable	2,200,499.91	2,200,499.91
Other accounts payable	704,820,937.63	686,009,980.82
Divided into liability held for sale	-	-

Non-current liabilities due within 1 year	7,481,483.68	7,487,315.76
Other current liabilities	-	-
Total current liabilities	3,628,386,119.80	3,449,181,621.20
Non-current liabilities:		
Long-term loans	256,341,900.00	199,341,900.00
Bonds payable	-	-
Including: preferred stock	-	-
Perpetual capital securities	-	-
Long-term account payable	-	-
Long-term wages payable	35,988,442.98	38,211,463.86
Special accounts payable	-	-
Projected liabilities	335,990,014.55	338,125,014.55
Deferred income	66,186,338.39	68,050,877.23
Deferred income tax liabilities	-	-
Other non-current liabilities	-	-
Total non-current liabilities	694,506,695.92	643,729,255.64
Total liabilities	4,322,892,815.72	4,092,910,876.84
Owners' equity:		
Share capita	763,739,205.00	763,739,205.00
Other equity instrument	-	-
Including: preferred stock	-	-
Perpetual capital securities	-	-
Capital public reserve	1,493,143,491.54	1,497,987,446.59
Less: Inventory shares	-	-
Other comprehensive income	-	-
Reasonable reserve	-	-
Surplus reserve	366,848,828.50	366,848,828.50
Retained profit	823,487,169.18	786,501,710.90
Total owner's equity	3,447,218,694.22	3,415,077,190.99
Total liabilities and owner's equity	7,770,111,509.94	7,507,988,067.83

Legal Representative: Liu Tabin

Person in charge of accounting works: Zhang Xiaolong

Person in charge of accounting institute: Luo Bo

3. Consolidated Profit Statement

In RMB

Item	Current Period	Last Period
I. Total operating income	2,926,400,488.89	2,752,501,149.32
Including: Operating income	2,926,400,488.89	2,752,501,149.32
Interest income	-	-
Insurance gained	-	-
Commission charge and commission income	-	-
II. Total operating cost	2,877,106,988.41	2,693,460,769.50
Including: Operating cost	2,286,732,134.67	2,152,651,043.15
Interest expense	-	-
Commission charge and commission expense	-	-
Cash surrender value	-	-
Net amount of expense of compensation	-	-
Net amount of withdrawal of insurance contract reserve	-	-
Bonus expense of guarantee slip	-	-
Reinsurance expense	-	-
Operating tax and extras	27,786,160.01	18,119,401.70
Sales expenses	451,951,041.92	432,609,102.60
Administration expenses	97,624,683.46	99,733,357.50
Financial expenses	-5,371,504.22	-19,080,895.94
Losses of devaluation of asset	18,384,472.57	9,428,760.49
Add: Changing income of fair value (Loss is listed with "-")	-	81,770.00
Investment income (Loss is listed with "-")	358,659.99	171,415.10
Including: Investment income on affiliated company and joint venture	-4,627,641.38	171,415.10
Exchange income (Loss is listed with "-")	-	-
III. Operating profit (Loss is listed with	49,652,160.47	59,293,564.92

“-”)		
Add: Non-operating income	10,126,101.23	6,077,129.21
Including: Disposal gains of non-current asset	137,329.94	14,784.00
Less: Non-operating expense	590,032.72	6,178,693.98
Including: Disposal loss of non-current asset	324,113.57	5,689,480.81
IV. Total Profit (Loss is listed with “-”)	59,188,228.98	59,192,000.15
Less: Income tax expense	6,528,778.06	9,522,918.59
V. Net profit (Net loss is listed with “-”)	52,659,450.92	49,669,081.56
Net profit attributable to owner’s of parent company	53,709,680.24	53,995,097.74
Minority shareholders’ gains and losses	-1,050,229.32	-4,326,016.18
VI. Net after-tax of other comprehensive income	-401,296.49	-309,624.32
Net after-tax of other comprehensive income attributable to owners of parent company	-282,910.76	-243,495.58
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss	-	-
1. Changes as a result of re-measurement of net defined benefit plan liability or asset	-	-
2. Share of the other comprehensive income of the investee accounted for using equity method which will not be reclassified subsequently to profit and loss	-	-
(II) Other comprehensive income items which will be reclassified subsequently to profit or loss	-282,910.76	-243,495.58
1. Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit or loss	-	-
2. Gains or losses arising from changes in fair value of	-	-

available-for-sale financial assets		
3. Gains or losses arising from reclassification of held-to-maturity investment as available-for-sale financial assets	-	-
4. The effect hedging portion of gains or losses arising from cash flow hedging instruments	-	-
5. Translation differences arising on translation of foreign currency financial statements	-282,910.76	-243,495.58
6. Other	-	-
Net after-tax of other comprehensive income attributable to minority shareholders	-118,385.73	-66,128.74
VII. Total comprehensive income	52,258,154.43	49,359,457.24
Total comprehensive income attributable to owners of parent Company	53,426,769.48	53,751,602.16
Total comprehensive income attributable to minority shareholders	-1,168,615.05	-4,392,144.92
VIII. Earnings per share:		
(i) Basic earnings per share	0.0703	0.0707
(ii) Diluted earnings per share	0.0703	0.0707

Legal Representative: Liu Tabin

Person in charge of accounting works: Zhang Xiaolong

Person in charge of accounting institute: Luo Bo

4. Profit Statement of Parent Company

In RMB

Item	Current Period	Last Period
I. Operating income	1,550,458,365.77	1,501,709,121.95
Less: Operating cost	1,305,236,415.06	1,253,513,363.69
Operating tax and extras	12,227,268.52	10,329,956.47
Sales expenses	163,483,635.62	144,475,730.93
Administration expenses	46,061,487.37	50,319,095.61
Financial expenses	-7,456,125.90	-14,222,182.00
Losses of devaluation of asset	-140,138.17	2,036,087.98
Add: Changing income of fair value(Loss is listed with “-”)	-	81,770.00

Investment income (Loss is listed with “-”)	5,760,147.93	85,130.93
Including: Investment income on affiliated company and joint venture	773,846.56	85,130.93
II. Operating profit (Loss is listed with “-”)	36,805,971.20	55,423,970.20
Add: Non-operating income	7,031,366.56	2,608,543.71
Including: Disposal gains of non-current asset	92,759.42	-
Less: Non-operating expense	310,277.05	6,042,964.39
Including: Disposal loss of non-current asset	244,077.48	5,668,797.10
III. Total Profit (Loss is listed with “-”)	43,527,060.71	51,989,549.52
Less: Income tax expense	6,541,602.43	7,598,058.95
IV. Net profit (Net loss is listed with “-”)	36,985,458.28	44,391,490.57
V. Net after-tax of other comprehensive income	-	-
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss	-	-
1. Changes as a result of re-measurement of net defined benefit plan liability or asset	-	-
2. Share of the other comprehensive income of the investee accounted for using equity method which will not be reclassified subsequently to profit and loss	-	-
(II) Other comprehensive income items which will be reclassified subsequently to profit or loss	-	-
1. Share of the other comprehensive income of the investee accounted for using equity method which will be reclassified subsequently to profit or loss	-	-
2. Gains or losses arising from changes in fair value of	-	-

available-for-sale financial assets		
3. Gains or losses arising from reclassification of held-to-maturity investment as available-for-sale financial assets	-	-
4. The effect hedging portion of gains or losses arising from cash flow hedging instruments	-	-
5. Translation differences arising on translation of foreign currency financial statements	-	-
6. Other	-	-
VI. Total comprehensive income	36,985,458.28	44,391,490.57
VII. Earnings per share:		
(i) Basic earnings per share	0.0484	0.0581
(ii) Diluted earnings per share	0.0484	0.0581

Legal Representative: Liu Tibin

Person in charge of accounting works: Zhang Xiaolong

Person in charge of accounting institute: Luo Bo

5. Consolidated Cash Flow Statement

In RMB

Item	Current Period	Last Period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	2,763,169,371.62	1,885,020,797.44
Net increase of customer deposit and interbank deposit	-	-
Net increase of loan from central bank	-	-
Net increase of capital borrowed from other financial institution	-	-
Cash received from original insurance contract fee	-	-
Net cash received from reinsurance business	-	-
Net increase of insured savings and	-	-

investment		
Net increase of amount from disposal financial assets that measured by fair value and with variation reckoned into current gains/losses	-	-
Cash received from interest, commission charge and commission	-	-
Net increase of capital borrowed	-	-
Net increase of returned business capital	-	-
Write-back of tax received	73,998,123.72	54,031,690.80
Other cash received concerning operating activities	10,898,715.23	6,487,030.96
Subtotal of cash inflow arising from operating activities	2,848,066,210.57	1,945,539,519.20
Cash paid for purchasing commodities and receiving labor service	2,164,889,172.42	1,523,411,470.90
Net increase of customer loans and advances	-	-
Net increase of deposits in central bank and interbank	-	-
Cash paid for original insurance contract compensation	-	-
Cash paid for interest, commission charge and commission	-	-
Cash paid for bonus of guarantee slip	-	-
Cash paid to/for staff and workers	329,027,920.11	268,577,049.07
Taxes paid	79,046,193.58	80,040,160.08
Other cash paid concerning operating activities	135,505,177.34	191,304,105.75
Subtotal of cash outflow arising from operating activities	2,708,468,463.45	2,063,332,785.80
Net cash flows arising from operating activities	139,597,747.12	-117,793,266.60
II. Cash flows arising from investing activities:		
Cash received from recovering	500,000,000.00	-

investment		
Cash received from investment income	4,986,301.37	-
Net cash received from disposal of fixed, intangible and other long-term assets	216,587.52	1,234,432.00
Net cash received from disposal of subsidiaries and other units	-	-
Other cash received concerning investing activities	11,813,596.67	17,362,060.65
Subtotal of cash inflow from investing activities	517,016,485.56	18,596,492.65
Cash paid for purchasing fixed, intangible and other long-term assets	36,348,248.79	36,883,835.95
Cash paid for investment	95,983,860.00	36,149,974.00
Net increase of mortgaged loans	-	-
Net cash received from subsidiaries and other units obtained	-	-
Other cash paid concerning investing activities	-	-
Subtotal of cash outflow from investing activities	132,332,108.79	73,033,809.95
Net cash flows arising from investing activities	384,684,376.77	-54,437,317.30
III. Cash flows arising from financing activities		
Cash received from absorbing investment	16,661,794.74	-
Including: Cash received from absorbing minority shareholders' investment by subsidiaries	-	-
Cash received from loans	384,191,670.80	686,048,061.59
Cash received from issuing bonds	-	-
Other cash received concerning financing activities	3,451.80	-
Subtotal of cash inflow from financing activities	400,856,917.34	686,048,061.59
Cash paid for settling debts	48,119,369.00	391,572,057.56

Cash paid for dividend and profit distributing or interest paying	2,013,571.61	4,053,158.20
Including: Dividend and profit of minority shareholder paid by subsidiaries	-	-
Other cash paid concerning financing activities	-	-
Subtotal of cash outflow from financing activities	50,132,940.61	395,625,215.76
Net cash flows arising from financing activities	350,723,976.73	290,422,845.83
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate	-5,770,988.16	7,205,021.10
V. Net increase of cash and cash equivalents	869,235,112.46	125,397,283.03
Add: Balance of cash and cash equivalents at the period -begin	2,121,161,238.01	2,709,097,193.11
VI. Balance of cash and cash equivalents at the period -end	2,990,396,350.47	2,834,494,476.14

Legal Representative: Liu Tabin

Person in charge of accounting works: Zhang Xiaolong

Person in charge of accounting institute: Luo Bo

6. Cash Flow Statement of Parent Company

In RMB

Item	Current Period	Last Period
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	1,459,425,734.39	919,267,902.33
Write-back of tax received	42,807,549.95	35,315,414.37
Other cash received concerning operating activities	5,404,054.78	1,969,905.92
Subtotal of cash inflow arising from operating activities	1,507,637,339.12	956,553,222.62
Cash paid for purchasing commodities and receiving labor	1,197,030,174.41	973,813,926.55

service		
Cash paid to/for staff and workers	134,305,529.47	90,288,074.11
Taxes paid	21,297,508.43	25,736,819.33
Other cash paid concerning operating activities	60,265,931.74	66,618,277.52
Subtotal of cash outflow arising from operating activities	1,412,899,144.05	1,156,457,097.51
Net cash flows arising from operating activities	94,738,195.07	-199,903,874.89
II. Cash flows arising from investing activities:		
Cash received from recovering investment	500,000,000.00	-
Cash received from investment income	4,986,301.37	-
Net cash received from disposal of fixed, intangible and other long-term assets	205,587.52	965,112.00
Net cash received from disposal of subsidiaries and other units	-	-
Other cash received concerning investing activities	7,772,259.09	14,255,616.51
Subtotal of cash inflow from investing activities	512,964,147.98	15,220,728.51
Cash paid for purchasing fixed, intangible and other long-term assets	24,183,155.13	15,521,939.44
Cash paid for investment	95,650,000.00	6,000,000.00
Net cash received from subsidiaries and other units	-	-
Other cash paid concerning investing activities	-	-
Subtotal of cash outflow from investing activities	119,833,155.13	21,521,939.44
Net cash flows arising from investing activities	393,130,992.85	-6,301,210.93
III. Cash flows arising from financing activities		
Cash received from absorbing	-	-

investment		
Cash received from loans	380,831,650.44	619,816,005.59
Cash received from issuing bonds	-	-
Other cash received concerning financing activities	9,427,786.43	4,801,561.18
Subtotal of cash inflow from financing activities	390,259,436.87	624,617,566.77
Cash paid for settling debts	35,028,969.00	347,191,657.56
Cash paid for dividend and profit distributing or interest paying	1,601,868.57	3,496,983.19
Other cash paid concerning financing activities	96,569.57	19,697,344.21
Subtotal of cash outflow from financing activities	36,727,407.14	370,385,984.96
Net cash flows arising from financing activities	353,532,029.73	254,231,581.81
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate	-5,237,628.13	6,512,404.39
V. Net increase of cash and cash equivalents	836,163,589.52	54,538,900.38
Add: Balance of cash and cash equivalents at the period -begin	1,654,499,494.28	2,390,446,316.58
VI. Balance of cash and cash equivalents at the period -end	2,490,663,083.80	2,444,985,216.96

Legal Representative: Liu Tibin

Person in charge of accounting works: Zhang Xiaolong

Person in charge of accounting institute: Luo Bo

II. Audit report

Whether the 1st quarterly report has been audited or not

Yes No

The 1st quarterly report of the Company has not been audited

Hefei Meiling Co., Ltd.

Chairman: Liu Tibin

28 April 2016