

Stock code: 000018 , 200018 Stock ID : *ST Sino Great Wall , *ST Sino B Announcement No. 2019-104

Sino Great Wall Co., Ltd.

Summary of the Semi-Annual Report 2019

I. Important notes

The summary is abstract from full-text of summary of the semi-annual report, for more details information , investors should found in the full-text of summary of the semi-annual report that published on website of Shenzhen Stock Exchange and other website appointed by CSRC.

All the directors attended the board meeting for reviewing the Semi-Annual Report. No disagreement was raised by the directors, supervisors, and senior managements.

Non-standard auditor's opinion

Applicable Not applicable

Preliminary plan for profit distribution to the common shareholders or turning the capital reserve into the share capital for the reporting period, which has been reviewed and approved at the board meeting

Applicable Not applicable

The Company has no plan of cash dividends carried out, bonus issued and capitalizing of common reserves either.

Preliminary plan for profit distribution to the preference shareholders for the reporting period which has been reviewed and approved at the board meeting

Applicable Not applicable

II. Basic information about the company

1. Company profile

Stock ID	*ST Sino Great Wall , *ST Sino B	Stock code	000018、200018
Stock exchange	Shenzhen Stock Exchange		
Contact person and contact manner	Board secretary	Securities affairs Representative	
Name	Yang Chunling	Sun Yu	
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	
Email	1208806865@qq.com	000018sz@sina.com	

2. Major accounting data and financial indicators

Indicate by tick mark whether the Company needs to retroactively restate any of its accounting data.

Yes No

	Reporting period	Same period of last year	YoY+/- (%)
Operating income (RMB)	256,367,221.67	1,586,971,575.24	-83.85%
Net profit attributable to the shareholders of the listed company (RMB)	-1,416,774,391.50	143,999,455.72	-1,083.87%
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company (RMB)	-951,716,601.10	-33,506,685.35	2,740.38%
Cash flow generated by business operation, net (RMB)	-422,152,026.80	1,098,164,365.63	-138.44%
Basic earning per share(RMB/Share)	-0.8343	0.0848	-1,083.84%
Diluted gains per share(RMB/Share)	-0.8343	0.0848	-1,083.84%
Weighted average ROE(%)	-298.54%	6.61%	-305.15%
	As at the end of the reporting period	As at the end of last year	YoY+/- (%)
Gross assets (RMB)	7,971,610,486.31	9,603,455,934.89	-16.99%
Net assets attributable to shareholders of the listed company (RMB)	-1,184,353,287.94	235,202,473.51	-603.55%

3.Shareholders and shareholding

In Shares

Total Number of common shareholders at the end of the reporting period		69,421		Number of shareholders of preferred stocks of which voting rights recovered in the report period(If any)		0	
Shareholdings of Top 10 shareholders							
Shareholders	Nature of shareholder	Proportion of shares held (%)	Number of shares held at period -end	Amount of restricted shares held	Number of share pledged/frozen		
					State of share	Amount	
Chen Lue	Domestic Natural person	34.36%	583,454,556	437,590,917	Pledge	583,454,462	
					Freeze	583,454,556	
STYLE-SUCCESS LIMITED	Foreign legal person	5.47%	92,970,910				
Union Holdings Co., Ltd.	Domestic Non-State-owned legal person	5.18%	87,935,921				
He Feiyan	Domestic Natural person	3.23%	54,800,458		Freeze	54,800,458	
Jiutai Fund — Bank of Communications — Jiutai Huitong No.2 specific customer asset management plan	Other	2.40%	40,696,772				
Rich Crown Investment Co., Ltd.	Foreign legal person	1.37%	23,235,313				
Lei Shizhang	Domestic Natural person	0.88%	15,000,000				
Qinghai Heyi Industry	Domestic Non-State-owned	0.79%	13,357,084		Pledge	13,357,084	

Development Co., Ltd.	legal person					
Huang Huaian	Domestic Natural person	0.68%	11,480,000			
Liu Yong	Domestic Natural person	0.41%	7,044,352			
Explanation on associated relationship among the aforesaid shareholders	The largest shareholder of Mr. Chen Lue and the Fourth largest shareholder of Ms. He Feiyan aforesaid are persons acting in concerted; The controlling shareholder of the above-mentioned third shareholder Shenzhen Union Holdings Co.,Ltd. And Sixth shareholder Rich Crown Investment Co., Ltd.. Is Union Development Group Ltd.; It is unknown whether there is relationship between other shareholders and whether they are persons taking concerted action specified in the Regulations on Disclosure of Information about Change in Shareholding of Shareholders of Listed Companies.					
Notes to the shareholders involved in financing securities (if any)	Nil					

4. Change of the controlling shareholder or the actual controller

Change of the controlling shareholder in the reporting period

Applicable Not Applicable

There was no any change of the controlling shareholder of the Company in the reporting period.

Change of the actual controller in the reporting period

Applicable Not applicable

There was no any change of the actual controller of the Company in the reporting period.

5. Number of preference shareholders and shareholdings of top 10 of them

Applicable Not applicable

No preference shareholders in the reporting period

6. Corporate bonds

Are there any corporate bonds publicly offered and listed on the stock exchange, which were undue before the approval date of this report or were due but could not be redeemed in full?

No

III. Performance discussion & analysis

1. Performance Review for Reporting period

Is the company subject to any disclosure requirements for special industries?

Yes

Civil Engineering Construction

In the first half of 2019, due to the escalation of trade tensions and the tightening of credit in major economies, the differentiation of major economies in the world has intensified and uncertainty has increased. The world economic situation is facing downward risks. China's overall economic operation is within a reasonable range, continuing the overall steady and steady development trend. Although the company is still affected by last year's national capital management policy and the different degrees of loan collection by financial institutions such as loan withdrawal and loan interruption, the company's operating capital is with difficulty in liquidity, which has triggered a series of chain reactions of operating difficulties. The company's operating income has been greatly reduced. The company has overcome many difficulties and actively responded to them. During the reporting period, the company actively solved the problem of back pay for some employees and increased the dunning

effort for accounts receivable, for which the initial results have been achieved currently. In the first half of 2019, the company realized operating income of 256 million yuan, with a year-on-year decrease of 83.85%; Operating profit was -951 million yuan, with a year-on-year decrease of 5583.63%; Net profit attributable to the parent company was -1.417 billion yuan, with a year-on-year decrease of 1083.87%.

In terms of engineering construction, the company overcame difficulties and obstacles, rooted in the existing business area and scale, and continued to steadily expand its business. During the reporting period, the company faced difficulties both domestically and abroad. In terms of foreign business, the company continues to maintain the normal operation of existing projects in Cambodia, Russia, Malaysia and Algeria. It actively promotes the settlement, litigation, accounts receivable recovery and activation of shutdown projects. Meanwhile, it is expected to sign a high-value business contract in 2019 by making use of the good relationship of existing major customers and tracking the target projects in Southeast Asia. In terms of domestic business, the first and second phases of the "Qinyuanli" real estate project in Chengdu, with a total construction area of about 200,000 square meters, have been capped. The Xiangfu District Hospital of Traditional Chinese Medicine in Kaifeng City, Henan Province and the Anyang Second People's Hospital are under active construction. Other large health projects such as medical care and old-age care are also being promoted.

The medical and health industry is an important pillar in the company's transformation and development strategy, and the company focuses on developing its own building capacity and brand in medical engineering construction. Through cooperation with relevant professional organizations, proton hospital projects will be actively promoted to be implemented, the scientific and technological content of the company's medical and health sector will be elevated, and the profitability of the medical and health business will be improved.

In smart housing sector, it will locate the trend and accurately position it, and comprehensively push forward the implementation of strategic development goals. In recent years, the Chinese government has successively issued relevant policies to vigorously promote the transformation of the construction industry to construction industrialization. The company's "Sino Great Wall Smart Housing Co., Ltd." set up in Zhanjiang, Guangdong, produces fabricated supporting products. During the reporting period, due to the financial environment, the production line has not yet been established and put into operation. Meanwhile, the company promoted the rural assembly business and made a preliminary layout in key regions of the country.

Faced with the financial difficulties, the company has made concerted efforts from top to bottom to conquer the difficulties. It has successively carried out a series of reforms and innovations in enterprise management mode, timely investigated and re-elected board members, integrated the senior management team, re-organized the business sectors, defined the responsibility assessment, strengthened the asset preservation, comprehensively optimized control and other measures to effectively stimulate enterprise development potential in adversity.

2. Matters related to financial report

(1) Reason for changes in accounting policies, accounting estimates and accounting methods as compared to the financial report for the prior year

Applicable Not applicable

No such cases in the reporting period.

(2) Reason for retrospective restatement to correct major accounting errors during the reporting period

Applicable Not applicable

No such cases in the reporting period.

(3) Reason for changes in scope of the consolidated financial statements as compared to the financial report for the prior year

Applicable Not applicable

(1) Newly established subsidiaries for the current period

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Name	Business plant	Registered	Share-holding ratio (%)	Acquired way
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		address	Directly	Indirectly	
Sino Great Wall Decoration Engineering (Beijing) Co., Ltd.	Beijing	Beijing	100		Establish

(2) Other reasons for decreasing of subsidiaries in the current period

Name	Share-holding ratio	Disposition way	The time point at which control is lost	Basis for determining the point of loss of control.	Disposition gains and losses
Suzhou Lvbang Woods Technology Co., Ltd.	100%	Sell	April 26,2019	Industrial & commercial registration of changes	