



Stock Code: 000613, 200613

Short Form of the Stock: Dadonghai-A, Dadonghai-B

# 海南大东海旅游中心股份有限公司

Hainan Dadonghai Tourism Centre (Holdings) Co., Ltd.



## The First Quarterly Report 2020 (Full Text)

**Disclosure Date: 25 April 2020**



## Section I. Important Notice

Board of Directors and the Supervisory Committee of Hainan Dadonghai Tourism Centre (Holdings) 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.

All Directors are attended the Board Meeting for Quarterly Report deliberation

Yuan Xiaoping, Person in charge of the Company, Fu Zongren, person in charge of accounting works and Fu Zongren, person in charge of accounting organ (accounting officer) hereby confirm that the Financial Report of this Quarterly Report is authentic, accurate and complete.



## Section II. Company Information

### I. Main accounting data and financial indexes

Whether it has retroactive adjustment or re-statement on previous accounting data or not

Yes  No

	Current Period	Same period of last year	Changes of this period over same period of last year
Operating income (RMB)	3,428,913.73	9,293,216.58	-63.10%
Net profit attributable to shareholders of the listed company (RMB)	-2,490,007.13	1,572,029.88	-258.39%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB)	-2,520,079.94	1,572,029.88	-260.31%
Net cash flow arising from operating activities (RMB)	-1,481,073.35	1,436,490.57	-203.10%
Basic earnings per share (RMB/Share)	-0.0068	0.0043	-258.14%
Diluted earnings per share (RMB/Share)	-0.0068	0.0043	-258.14%
Weighted average ROE	-3.22%	2.00%	-5.22%
	At the end of the reporting period	At the end of last year	Changes of this period-end over same period-end of last year (%)
Total assets (RMB)	84,318,496.17	87,521,184.25	-3.66%
Net assets attributable to shareholder of listed company (RMB)	75,996,716.83	78,486,603.96	-3.17%

Items and amounts of extraordinary profit (gains)/loss

Applicable  Not applicable

In RMB

Item	Amount from the year-begin to the period-end	Note
Gains/losses from the disposal of non-current asset (including the write-off that accrued for impairment of assets)	-19,129.52	Fixed asset retirement loss
Governmental subsidy calculated into current gains and losses(while closely related with the normal business of the Company, excluding the fixed-amount or fixed-proportion governmental subsidy according to the unified national standard)	49,202.33	VAT input tax plus deduction policy
Total	30,072.81	--

Concerning the extraordinary profit (gain)/loss defined by *Q&A Announcement No.1 on Information Disclosure for Companies*



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

Applicable  Not applicable

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

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

### 1. Common and preferred stockholders with voting rights recover and the top ten share-holding

In Share

Total common shareholders at the end of report period		29,824	Total preferred stockholders with voting rights recover at the end of report period		0	
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
Luoniushan Co., Ltd.	Domestic non-state-owned legal person	17.55%	63,885,980	0	Pledge	44,720,186
Yang Meiqin	Domestic nature person	4.47%	16,279,028	0		
Pan Anjie	Domestic nature person	4.01%	14,593,598	0		
Hainan Ya An Ju Property Service Co., Ltd.	Domestic non-state-owned legal person	2.25%	8,205,800	0		
Chen Jinlian	Domestic nature person	2.25%	7,766,400	0		
Pan Aiping	Domestic nature person	1.13%	4,110,738	0		
China Investment Securities (HK) Co., Ltd. – customer deposit	Overseas legal person	0.99%	3,622,300	0		
Shenwan Hongyuan (H.K.) Limited	Overseas legal person	0.84%	3,056,390	0		
Zhang Fengxiu	Domestic nature	0.84%	3,041,372	0		



	person				
Sun Huiming	Domestic nature person	0.79%	2,888,690	0	
Top ten shareholders with unrestricted shares held					
Shareholder's name	Amount of unlimited shares held	Type of shares			
		Type	Amount		
Luoniushan Co., Ltd.	63,885,980	RMB common share	63,885,980		
Yang Meiqin	16,279,028	Domestically listed foreign share	16,279,028		
Pan Anjie	14,593,598	Domestically listed foreign share	14,593,598		
Hainan Ya An Ju Property Service Co., Ltd.	8,205,800	RMB common share	8,205,800		
Chen Jinlian	7,766,400	Domestically listed foreign share	7,766,400		
Pan Aiping	4,110,738	Domestically listed foreign share	4,110,738		
China Investment Securities (HK) Co., Ltd. – customer deposit	3,622,300	RMB common share	3,622,300		
Shenwan Hongyuan (H.K.) Limited	3,056,390	Domestically listed foreign share	3,056,390		
Zhang Fengxiu	3,041,372	RMB common share	3,041,372		
Sun Huiming	2,888,690	Domestically listed foreign share	2,888,690		
Explanation on associated relationship among the aforesaid shareholders	Among the above mentioned shareholders, Hainan Ya An Ju Property Service Co., Ltd. is the wholly-owned subsidiary of Luoniushan Co., Ltd.; Yang Meiqin, Pan Anjie, Chen Jinlian and Pan Aiping are the persons acting in concert; the Company is unknown whether there exists associated relationship or belongs to the consistent actor regulated by the Management Measure of Information Disclosure on Change of Shareholding for Listed Company among the other shareholders.				
Explanation on top 10 common shareholders involving margin business	N/A				

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

Yes  No

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

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

Applicable  Not applicable



## Section III. Significant Events

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

√Applicable    □Not applicable

In RMB

Items of balance sheets	Current period	Same period of last year	+.- Changes ratio (%)	Reasons
Money funds	5,813,226.54	7,422,939.89	-21.69%	Sharp drop in operating income for the outbreak of COVID-19 in the reporting period.
Accounts receivable	178,217.45	311,083.92	-42.71%	Mainly due to the decrease in customers' accounts to be settled
Other account receivable	811,191.47	571,744.52	41.88%	Mainly due to outstanding loans and utility bills increased
Inventory	324,640.45	254,257.19	27.68%	Sharp decrease in inventory turnover for the outbreak of COVID-19 in the reporting period.
Wages payable	1,967,803.83	2,552,996.37	-22.92%	Decrease in salary expenses for the outbreak of COVID-19 in the reporting period.
Taxes payable	184,603.65	307,257.85	-39.92%	Decrease in tax payable for the outbreak of COVID-19 in the reporting period.
Items of profit statement	Current period	Same period of last year	+.- Changes ratio (%)	Reasons
Operating income	3,428,913.73	9,293,216.58	-63.10%	Mainly due to the outbreak of the COVID-19 in the reporting period
Taxes and surcharge	6,057.92	203,974.74	-97.03%	Decrease in tax payable for the outbreak of COVID-19 in the reporting period.
Management expenses	1,876,712.09	3,069,960.73	-38.87%	Mainly due to the decrease in salary expenses and intermediary expenses
Items of cash flow statement	Current period	Same period of last year	+.- Changes ratio (%)	Reasons
Cash received from selling goods and providing services	4,053,992.13	9,208,963.67	-55.98%	Sharp drop in operating income for the outbreak of COVID-19 in the reporting period.
Cash paid for purchasing goods and receiving	1,647,038.26	2,305,147.	-28.55%	Sharp drop in operating income for the



services		46		outbreak of COVID-19 in the reporting period.
Various taxes paid	229,689.86	670,948.53	-65.77%	Decrease in tax payable for the outbreak of COVID-19 in the reporting period.
Other cash paid relating to operating activities	579,623.32	1,455,031.51	-60.16%	Operating activities decline for the outbreak of COVID-19 in the reporting period
Cash paid for purchasing fixed assets, intangible assets and other long-term assets	129,060.00	226,600.00	-43.05%	Mainly due to the higher amount of the previous year

## II. Progress of important events and its influence as well as the analysis on solutions

√Applicable    □ Not applicable

1. The Lawyer's Letter received from Sanya Power Bureau: by preliminary accounting from Sanya Power Bureau, the 10313373 Kwh electricity was understated under the name of South China Hotel from July 2006 to April 2016. The Company is communicated and negotiates with Sanya Power Bureau in the above mentioned event without negotiation results so far.
2. Litigation matters: Hainan Dadonghai Tourism Centre Group Co., Ltd. borrowed 2.76 million yuan and 4.55 million yuan from Hainan Dadonghai Tourism Centre (Holdings) Co., Ltd. on October 16, 1996 and December 26, 1996 respectively. The two borrowings totaled 7.31 million yuan and haven't been repaid yet. The company submitted a "Civil Complaint" and related evidence materials to the Sanya Suburban People's Court (hereinafter referred to as the "Court"). At present, the case has been in court, and no court ruling has been received. The Company has written off the borrowings of the case in full amount in 2008. At present, and the company is unable to judge the impact of this lawsuit on the Company's current profit or future profit.
3. Litigations: On May 31, 2018, the Sanya Local Taxation Bureau Social Security Fee Collection and Administration Bureau issued a notice of payment deadline for social insurance premiums to the company's South China Hotel, ordering the company's South China Hotel to pay the unpaid social insurance premiums and late payment fees and interest from January 1, 2012 to December 31, 2012 of totaling 286,200.36 yuan. On May 17, 2018, the Sanya Local Taxation Bureau deducted the money from the deposit of the company's South China Hotel. According to the agreement of the "Responsibility Letter of the Target Management of South China Hotel" signed by South China Hotel and Sun Hongjie, Sun Hongjie should be responsible for the social insurance premium incurred from May 1, 2011 to April 30, 2016. The unpaid social insurance premium occurred during Sun Hongjie's target management responsibility, and Sun Hongjie should undertake the payment. So far, Sun Hongjie has not repaid the advance payment to the company's South China Hotel. To this end, the company appealed to the court. On 25 Feb. 2020, the Company received a court decision, that is Sun Hongjie was ordered to pay the company a total of 286200.36 yuan social insurance premiums, the late fees and interest that paid in advance by the Company from the date the judgment took effect. At present, the judgment has not yet taken legal effect.

Overview	Disclosure date	Inquiry index for the announcement released
The Lawyer's Letter received from Sanya Power Bureau: by preliminary accounting from Sanya Power Bureau, the 10313373 Kwh electricity was understated under the name of South China Hotel from July 2006 to April 2016. The Company is communicated and negotiates with Sanya Power Bureau in the above mentioned event without negotiation results so far.	2016-05-31	The "Notice of Lawyer's Letter received by Hainan Dadonghai Tourism Center (Holdings) Co., Ltd." (Notice No.: 2016-016) released on Securities Times, Hong Kong Commercial Daily and Juchao Website
Hainan Dadonghai Tourism Centre Group Co., Ltd. borrowed 2.76 million	2019-06-04	Announcement on Significant



yuan and 4.55 million yuan from Hainan Dadonghai Tourism Centre (Holdings) Co., Ltd. on October 16, 1996 and December 26, 1996 respectively. The two borrowings totaled 7.31 million yuan and haven't been repaid yet. Therefor, the company sued to the court. At present, the case has been in court, and no court ruling has been received. The Company has written off the borrowings of the case in full amount in 2008. At present, and the company is unable to judge the impact of this lawsuit on the Company's current profit or future profit.	Litigation (Announcement No.: 2019-017) published by Securities Times, Hong Kong Commercial Daily and www.cninfo.com.cn.
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Progress of implementation of shares repurchases

Applicable  Not applicable

Implementation progress of the reduction of repurchases shares by centralized bidding

Applicable  Not applicable

### III. Commitments completed in Period and those without completed till end of the Period from actual controller, shareholders, related parties, purchaser and companies

Applicable  Not applicable

Commitments	Acceptor	Type	Contents	Commitment time	Commitment period	Implementation
Share Merger Reform	Luoniushan Co., Ltd.	Share Merger Reform	On May 30, 2007, Luoniushan Co., Ltd. made commitments in the Company's "Instructions for reform of non-tradable shares" (Revision) and "Instructions for reform of non-tradable shares" (Abstract of revision) that in view of Dadonghai Company's losses in successive years and on the verge of delisting, in order to reverse the company's business difficulties, improve profitability and recover the continuous business capacity, Luoniushan Co., Ltd., the controlling shareholder of Dadonghai Company	2017-06-27	6 months	The original plan for major assets reorganization has been terminated





			made commitments to actively seek restructuring parties to reorganize the assets of Dadonghai Company at the appropriate time.			
Commitments in report of acquisition or equity change						
Commitments in assets reorganization						
Commitments make in initial public offering or re-financing						
Equity incentive commitment						
Other commitments for medium and small shareholders						
Completed on time (Y/N)	No					
If the commitments is not fulfilled on time, shall explain the specify reason and the next work plan	<p>Stock of the Company suspended since 15 Feb. 2017 for Luoniushan planning to fulfill the commitments. On 13 August 2017, the 12 proposals including “proposal of major assets acquisition under the name of Hainan Dadonghai Tourism Center Co., Ltd. and Report on Related Transactions (Pre-plan)” are not approved by the 11<sup>th</sup> extraordinary meeting of 8<sup>th</sup> BOD. On 15 Aug. 2017, the Company released a Notice to terminate the major assets reorganization and stock resumption on 17 August.</p> <p>On 4 December 2017, the “proposal of Change the commitment period by first majority shareholder” was approved by the Board and supervisory committee. Luoniushan Co., Ltd. –the first majority shareholder of the Company, plans to extend the commitment period for 2 years since 27 Dec. 2017, that is end of the reorganization commitment changed to 26 December 2019. And the 4<sup>th</sup> extraordinary shareholders general meeting 2017 has approved the above mentioned proposal dated 22 Dec. 2017.</p> <p>On January 31, 2018, the company received the Notice on Planning for Suspension of Major Events sent by Luoniushan Co., Ltd., the company’s largest shareholder, to plan and prepare the major issues related to the company. Upon application by the company, the company’s stock (stock short name: Dadonghai A, Dadonghai B, stock code: 000613, 200613) was suspended since the opening on January 31, 2018. Upon application by the company, the company’s stock resumed trading on February 8, 2018, and was transferred to the major asset restructuring since the opening on February 14, 2018.</p> <p>On June 25, 2018, the company held the third interim meeting of the ninth board of directors which reviewed and approved the Proposal on Terminating the Planning for Major Asset Restructuring. After careful study, the board of directors of the company decided to terminate the planning for this major asset restructuring.</p> <p>At present, the company has no information that should be disclosed but not disclosed.</p>					

**IV. Securities Investment**Applicable Not applicable

The Company has no securities investment occurred in the Period

**V. Trust financing**Applicable Not applicable

In 10 thousand Yuan

Type	Capital sources	Amount occurred	Outstanding balance	Overdue amount
Bank financial products	Own funds	500	500	0
Total		500	500	0

Details of the single major amount, or high-risk trust investment with low security, poor fluidity and non-guaranteed

Applicable Not applicable

Entrust financial expected to be unable to recover the principal or impairment might be occurred

Applicable Not applicable**VI. Derivative investment**Applicable Not applicable

No derivative investment in the Period.

**VII. Registration form for receiving research, communication and interview in the report period**Applicable Not applicable

Date	Method	Type of investors	Index for the interview and research
2020-01-15	Telephone communication	Individual	Investor Mr./Ms. Wang from Beijing, asking about the operation performance of 2019 and time of released, and without material required
2020-02-12	Telephone communication	Individual	Investor Mr./Ms. Chen from Guangdong, asking about the issues related to the circulation of restricted shares, and without material required
2020-03-17	Telephone communication	Individual	Investor Mr./Ms. Zhou from Shenzhen , asking about the relevant issues of the share reform commitments and without material required
2020-03-27	Telephone communication	Individual	Investor Mr./Ms. Yang from Shanghai, asking about the operation performance of 2019 and time of released, and without material required



### **VIII. External security against the rules**

Applicable  Not applicable

The Company has no external security against the rules in the Period

### **IX. Controlling shareholders' and its related party's non-business capital occupying of the listed company**

Applicable  Not applicable

There are no controlling shareholders' and its related party's non-business capital occupying of the listed company.



## Section IV. Financial Statement

### I. Financial statement

#### 1. Balance sheet

Prepared by HAINAN DADONGHAI TOURISM CENTER (HOLDINGS) CO., LTD.

2020-03-31

In RMB

Items	2020-3-31	2019-12-31
Current assets:		
Monetary fund	5,813,106.54	7,422,939.89
Settlement provisions		
Capital lent		
Trading financial assets		
Derivative financial assets		
Note receivable		
Account receivable	178,217.45	311,083.92
Receivable financing		
Accounts paid in advance		
Insurance receivable		
Reinsurance receivables		
Contract reserve of reinsurance receivable		
Other account receivable	811,191.47	571,744.52
Including: Interest receivable		
Dividend receivable		
Buying back the sale of financial assets		
Inventories	324,640.45	254,257.19
Contractual assets		
Assets held for sale		
Non-current asset due within one year		
Other current assets	2,505,980.63	2,574,442.57
Total current assets	9,633,136.54	11,134,468.09
Non-current assets:		



Loans and payments on behalf		
Debt investment		
Other debt investment		
Long-term account receivable		
Long-term equity investment		
Investment in other equity instrument		
Other non-current financial assets		
Investment real estate	7,788,800.48	7,909,956.87
Fixed assets	34,261,468.14	35,075,195.98
Construction in progress	585,609.48	488,522.10
Productive biological asset		
Oil and gas asset		
Right-of-use assets		
Intangible assets	21,192,290.59	21,392,861.88
Expense on Research and Development		
Goodwill		
Long-term expenses to be apportioned	10,857,190.94	11,520,179.33
Deferred income tax asset		
Other non-current asset		
Total non-current asset	74,685,359.63	76,386,716.16
Total assets	84,318,496.17	87,521,184.25
Current liabilities:		
Short-term loans		
Loan from central bank		
Capital borrowed		
Trading financial liability		
Derivative financial liability		
Note payable		
Account payable	1,159,802.63	1,250,409.75
Accounts received in advance	837,298.45	786,715.42
Contractual liability		
Selling financial asset of repurchase		
Absorbing deposit and interbank deposit		
Security trading of agency		



Security sales of agency		
Wage payable	1,967,803.83	2,552,996.37
Taxes payable	184,603.65	307,257.85
Other account payable	2,682,705.74	2,647,515.86
Including: Interest payable		
Dividend payable		
Commission charge and commission payable		
Reinsurance payable		
Liability held for sale		
Non-current liabilities due within one year		
Other current liabilities		
Total current liabilities	6,832,214.30	7,544,895.25
Non-current liabilities:		
Insurance contract reserve		
Long-term loans		
Bonds payable		
Including: Preferred stock		
Perpetual capital securities		
Lease liability		
Long-term account payable		
Long-term wages payable		
Accrual liability	1,489,685.04	1,489,685.04
Deferred income		
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	1,489,685.04	1,489,685.04
Total liabilities	8,321,899.34	9,034,580.29
Owner's equity:		
Share capital	364,100,000.00	364,100,000.00
Other equity instrument		
Including: Preferred stock		
Perpetual capital securities		
Capital public reserve	54,142,850.01	54,142,850.01
Less: Inventory shares		



Other comprehensive income		
Reasonable reserve		
Surplus public reserve		
Provision of general risk		
Retained profit	-342,246,253.18	-339,756,246.05
Total owner's equity attributable to parent company	75,996,596.83	78,486,603.96
Minority interests		
Total owner's equity	75,996,596.83	78,486,603.96
Total liabilities and owner's equity	84,318,496.17	87,521,184.25

Legal Representative: Yuan Xiaoping

Person in charge of accounting works: Fu Zongren

Person in charge of accounting institute: Fu Zongren

## 2. Balance Sheet of Parent Company

In RMB

Item	2020-3-31	2019-12-31
Current assets:		
Monetary funds	5,811,935.70	7,421,452.59
Trading financial assets		
Derivative financial assets		
Note receivable		
Account receivable	178,217.45	311,083.92
Receivable financing		
Accounts paid in advance		
Other account receivable	811,191.47	571,744.52
Including: Interest receivable		
Dividend receivable		
Inventories	324,640.45	254,257.19
Contractual assets		
Assets held for sale		
Non-current assets maturing within one year		
Other current assets	2,505,980.63	2,574,442.57



Total current assets	9,631,965.70	11,132,980.79
Non-current assets:		
Debt investment		
Other debt investment		
Long-term receivables		
Long-term equity investments	1,000,000.00	1,000,000.00
Investment in other equity instrument		
Other non-current financial assets		
Investment real estate	7,788,800.48	7,909,956.87
Fixed assets	34,261,468.14	35,075,195.98
Construction in progress	585,609.48	488,522.10
Productive biological assets		
Oil and natural gas assets		
Right-of-use assets		
Intangible assets	21,192,290.59	21,392,861.88
Research and development costs		
Goodwill		
Long-term deferred expenses	10,857,190.94	11,520,179.33
Deferred income tax assets		
Other non-current assets		
Total non-current assets	75,685,359.63	77,386,716.16
Total assets	85,317,325.33	88,519,696.95
Current liabilities		
Short-term borrowings		
Trading financial liability		
Derivative financial liability		
Notes payable		
Account payable	1,159,802.63	1,250,409.75
Accounts received in advance	837,298.45	786,715.42
Contractual liability		
Wage payable	1,967,803.83	2,552,996.37
Taxes payable	184,555.85	307,210.05
Other accounts payable	2,682,705.74	2,647,515.86
Including: Interest payable		





Dividend payable		
Liability held for sale		
Non-current liabilities due within one year		
Other current liabilities	999,468.70	999,468.70
Total current liabilities	7,831,635.20	8,544,316.15
Non-current liabilities:		
Long-term loans		
Bonds payable		
Including: preferred stock		
Perpetual capital securities		
Lease liability		
Long-term account payable		
Long term employee compensation payable		
Accrued liabilities	1,489,685.04	1,489,685.04
Deferred income		
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	1,489,685.04	1,489,685.04
Total liabilities	9,321,320.24	10,034,001.19
Owners' equity:		
Share capital	364,100,000.00	364,100,000.00
Other equity instrument		
Including: preferred stock		
Perpetual capital securities		
Capital public reserve	54,142,850.01	54,142,850.01
Less: Inventory shares		
Other comprehensive income		
Special reserve		
Surplus reserve		
Retained profit	-342,246,844.92	-339,757,154.25
Total owner's equity	75,996,005.09	78,485,695.76
Total liabilities and owner's equity	85,317,325.33	88,519,696.95

**3. Consolidated Profit Statement**

In RMB

Item	Current period	Last period
I. Total operating income	3,428,913.73	9,293,216.58
Including: Operating income	3,428,913.73	9,293,216.58
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	5,948,993.67	7,721,186.70
Including: Operating cost	2,918,770.59	3,014,239.96
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		
Tax and extras	6,057.92	203,974.74
Sales expense	1,141,749.32	1,425,443.74
Administrative expense	1,876,912.09	3,069,960.73
R&D expense		
Financial expense	5,503.75	7,567.53
Including: Interest expenses		
Interest income	1,609.47	5,817.34
Add: other income	49,202.33	
Investment income (Loss is listed with “-”)		
Including: Investment income on affiliated company and joint venture		
The termination of income recognition for financial assets measured by amortized cost(Loss is listed with “-”)		
Exchange income (Loss is listed with “-”)		
Net exposure hedging income (Loss is listed with “-”)		
Income from change of fair value (Loss is listed with “-”)		
Loss of credit impairment (Loss is listed with “-”)		
Losses of devaluation of asset (Loss is listed with “-”)		



Income from assets disposal (Loss is listed with “-”)		
III. Operating profit (Loss is listed with “-”)	-2,470,877.61	1,572,029.88
Add: Non-operating income		
Less: Non-operating expense	19,129.52	
IV. Total profit (Loss is listed with “-”)	-2,490,007.13	1,572,029.88
Less: Income tax expense		
V. Net profit (Net loss is listed with “-”)	-2,490,007.13	1,572,029.88
(i) Classify by business continuity		
1.continuous operating net profit (net loss listed with “-”)	-2,490,007.13	1,572,029.88
2.termination of net profit (net loss listed with “-”)		
(ii) Classify by ownership		
1.Net profit attributable to owner’s of parent company	-2,490,007.13	1,572,029.88
2.Minority shareholders’ gains and losses		
VI. Net after-tax of other comprehensive income		
Net after-tax of other comprehensive income attributable to owners of parent company		
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1.Changes of the defined benefit plans that re-measured		
2.Other comprehensive income under equity method that cannot be transfer to gain/loss		
3.Change of fair value of investment in other equity instrument		
4.Fair value change of enterprise's credit risk		
5. Other		
(ii) Other comprehensive income items which will be reclassified subsequently to profit or loss		
1.Other comprehensive income under equity method that can transfer to gain/loss		
2.Change of fair value of other debt investment		
3.Amount of financial assets re-classify to other comprehensive income		
4.Credit impairment provision for other debt investment		
5.Cash flow hedging reserve		
6.Translation differences arising on translation of foreign currency financial statements		



7.Other		
Net after-tax of other comprehensive income attributable to minority shareholders		
VII. Total comprehensive income	-2,490,007.13	1,572,029.88
Total comprehensive income attributable to owners of parent Company	-2,490,007.13	1,572,029.88
Total comprehensive income attributable to minority shareholders		
VIII. Earnings per share:		
(i) Basic earnings per share	-0.0068	0.0043
(ii) Diluted earnings per share	-0.0068	0.0043

Legal Representative: Yuan Xiaoping

Person in charge of accounting works: Fu Zongren

Person in charge of accounting institute: Fu Zongren

#### 4. Profit Statement of Parent Company

In RMB

Item	Current period	Last period
I. Operating income	3,428,913.73	9,293,216.58
Less: Operating cost	2,918,770.59	3,014,239.96
Taxes and surcharge	6,057.92	203,974.74
Sales expenses	1,141,749.32	1,425,443.74
Administration expenses	1,876,712.09	3,069,960.73
R&D expenses		
Financial expenses	5,387.29	7,712.65
Including: interest expenses		
Interest income	1,595.93	5,452.22
Add: other income	49,202.33	
Investment income (Loss is listed with "-")		
Including: Investment income on affiliated Company and joint venture		
The termination of income recognition for financial assets measured by amortized cost (Loss is listed with "-")		
Net exposure hedging income (Loss is listed with "-")		
Changing income of fair value (Loss is listed with "-")		
Loss of credit impairment (Loss is listed with "-")		



Losses of devaluation of asset (Loss is listed with “-”)		
Income on disposal of assets (Loss is listed with “-”)		
II. Operating profit (Loss is listed with “-”)	-2,470,561.15	1,571,884.76
Add: Non-operating income		
Less: Non-operating expense	19,129.52	
III. Total Profit (Loss is listed with “-”)	-2,489,690.67	1,571,884.76
Less: Income tax		
IV. Net profit (Net loss is listed with “-”)	-2,489,690.67	1,571,884.76
(i)continuous operating net profit (net loss listed with ‘-’)	-2,489,690.67	1,571,884.76
(ii) termination of net profit (net loss listed with ‘-’)		
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 of the defined benefit plans that re-measured		
2.Other comprehensive income under equity method that cannot be transfer to gain/loss		
3.Change of fair value of investment in other equity instrument		
4.Fair value change of enterprise's credit risk		
5. Other		
(II) Other comprehensive income items which will be reclassified subsequently to profit or loss		
1.Other comprehensive income under equity method that can transfer to gain/loss		
2.Change of fair value of other debt investment		
3.Amount of financial assets re-classify to other comprehensive income		
4.Credit impairment provision for other debt investment		
5.Cash flow hedging reserve		
6.Translation differences arising on translation of foreign currency financial statements		
7.Other		
VI. Total comprehensive income	-2,489,690.67	1,571,884.76
VII. Earnings per share:		
(i) Basic earnings per share	-0.0068	0.0043
(ii) Diluted earnings per share	-0.0068	0.0043

**5. Consolidated Cash Flow Statement**

In RMB

Item	Current period	Last period
<b>I. Cash flows arising from operating activities:</b>		
Cash received from selling commodities and providing labor services	4,053,992.13	9,208,963.67
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		
Cash received from interest, commission charge and commission		
Net increase of capital borrowed		
Net increase of returned business capital		
Net cash received by agents in sale and purchase of securities		
Write-back of tax received		
Other cash received concerning operating activities	75,302.86	393,610.54
<b>Subtotal of cash inflow arising from operating activities</b>	<b>4,129,294.99</b>	<b>9,602,574.21</b>
Cash paid for purchasing commodities and receiving labor service	1,647,038.26	2,305,147.46
Net increase of customer loans and advances		
Net increase of deposits in central bank and interbank		
Cash paid for original insurance contract compensation		
Net increase of capital lent		
Cash paid for interest, commission charge and commission		
Cash paid for bonus of guarantee slip		
Cash paid to/for staff and workers	3,154,016.90	3,734,956.14
Taxes paid	229,689.86	670,948.53
Other cash paid concerning operating activities	579,623.32	1,455,031.51
<b>Subtotal of cash outflow arising from operating activities</b>	<b>5,610,368.34</b>	<b>8,166,083.64</b>
<b>Net cash flows arising from operating activities</b>	<b>-1,481,073.35</b>	<b>1,436,490.57</b>
<b>II. Cash flows arising from investing activities:</b>		
Cash received from recovering investment		
Cash received from investment income		



Net cash received from disposal of fixed, intangible and other long-term assets	300.00	16,000.00
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities		
Subtotal of cash inflow from investing activities	300.00	16,000.00
Cash paid for purchasing fixed, intangible and other long-term assets	129,060.00	226,600.00
Cash paid for investment		
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	129,060.00	226,600.00
Net cash flows arising from investing activities	-128,760.00	-210,600.00
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Including: Cash received from absorbing minority shareholders' investment by subsidiaries		
Cash received from loans		
Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities		
Cash paid for settling debts		
Cash paid for dividend and profit distributing or interest paying		
Including: Dividend and profit of minority shareholder paid by subsidiaries		
Other cash paid concerning financing activities		
Subtotal of cash outflow from financing activities		
Net cash flows arising from financing activities		
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate		
V. Net increase of cash and cash equivalents	-1,609,833.35	1,225,890.57
Add: Balance of cash and cash equivalents at the period -begin	7,422,939.89	15,364,355.30
VI. Balance of cash and cash equivalents at the period -end	5,813,106.54	16,590,245.87

## 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	4,053,992.13	9,208,963.67
Write-back of tax received		
Other cash received concerning operating activities	75,289.32	393,235.42
Subtotal of cash inflow arising from operating activities	4,129,281.45	9,602,199.09
Cash paid for purchasing commodities and receiving labor service	1,647,038.26	2,305,147.46
Cash paid to/for staff and workers	3,154,016.90	3,734,956.14
Taxes paid	229,689.86	670,948.53
Other cash paid concerning operating activities	579,293.32	1,454,801.51
Subtotal of cash outflow arising from operating activities	5,610,038.34	8,165,853.64
Net cash flows arising from operating activities	-1,480,756.89	1,436,345.45
II. Cash flows arising from investing activities:		
Cash received from recovering investment		
Cash received from investment income		
Net cash received from disposal of fixed, intangible and other long-term assets	300.00	16,000.00
Net cash received from disposal of subsidiaries and other units		
Other cash received concerning investing activities		
Subtotal of cash inflow from investing activities	300.00	16,000.00
Cash paid for purchasing fixed, intangible and other long-term assets	129,060.00	226,600.00
Cash paid for investment		
Net cash received from subsidiaries and other units obtained		
Other cash paid concerning investing activities		
Subtotal of cash outflow from investing activities	129,060.00	226,600.00
Net cash flows arising from investing activities	-128,760.00	-210,600.00
III. Cash flows arising from financing activities		
Cash received from absorbing investment		
Cash received from loans		
Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities		
Cash paid for settling debts		
Cash paid for dividend and profit distributing or interest paying		
Other cash paid concerning financing activities		
Subtotal of cash outflow from financing activities		
Net cash flows arising from financing activities		





IV. Influence on cash and cash equivalents due to fluctuation in exchange rate		
V. Net increase of cash and cash equivalents	-1,609,516.89	1,225,745.45
Add: Balance of cash and cash equivalents at the period -begin	7,421,452.59	14,864,055.73
VI. Balance of cash and cash equivalents at the period -end	5,811,935.70	16,089,801.18

## II. Explanation on financial statement adjustment

### 1. Financial statement adjustment at the beginning of the first year when implementation of new revenue rules and new leasing rules from 2020

Applicable Not applicable

### 2. Retrospective adjustment of the comparative data for initial implementation of new revenue rules and new leasing rules from 2020

Applicable Not applicable

## III. Audit report

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

Yes No

The 1<sup>st</sup> quarterly report of the Company was unaudited.

HAINAN DADONGHAI TOURISM CENTER (HOLDINGS) CO., LTD.

Chairman: Yuan Xiaoping

23 April 2020