

Key Financial Data And Financial Indicators

Prepared by: Yantai Jereh Oilfield Services Group Co., Ltd.

Unit: (RMB) Yuan

Items	2016	2015	Rate of Change(%)
Revenue	2,833,829,956.95	2,826,572,017.20	0.26%
Net profit attributed to shareholders of listed company	120,674,141.52	144,774,755.42	-16.65%
Net profit attributed to shareholders of listed company after deducting non-recurring gains/losses	77,886,223.01	115,672,777.50	-32.67%
Net cash flow from operating activities	346,405,206.15	68,967,597.63	402.27%
Basic Earnings per share	0.13	0.15	-13.33%
Diluted Earnings per share	0.13	0.15	-13.33%
Return on weighted average net assets (%)	1.54%	1.85%	-0.31%
	31 Dec 2016	31 Dec 2015	Rate of Change(%)
Total assets	10,058,697,177.39	10,392,856,346.64	-3.22%
Total equity attributed to shareholders of listed company	7,854,924,309.44	7,792,966,939.20	0.80%

Consolidated Balance Sheet

Prepared by: Yantai Jereh Oilfield Services Group Co., Ltd.

Unit: (RMB) Yuan

Assets	31 Dec 2016	31 Dec 2015
<i>Current assets:</i>		
Currency capital	1,387,908,294.99	1,833,117,994.57
Financial assets measured with fair value and having change attributed to profit or loss of current period	8,904,000.50	11,435,036.09
Derivative financial assets		
Note receivable	335,985,359.54	316,877,415.07
Accounts receivable	1,722,568,205.90	1,833,093,510.38
Accounts prepaid	149,356,893.31	195,474,724.97
Interests receivable	2,893,936.10	4,101,251.93
Dividend receivable		
Other receivables	47,617,422.35	72,571,189.21
Inventory	1,860,171,792.71	2,180,111,400.70
Assets held for sale		
Non-current assets due within one year		
Other current assets	1,833,076,626.14	1,110,233,534.04
Total of current assets	7,348,482,531.54	7,557,016,056.96
<i>Non-current assets:</i>		
Saleable financial assets	56,833,314.14	108,469,144.10
Investment held to the maturity date	1,202,192.89	19,480,800.00
Long-term accounts receivable		
Long-term equity investment	19,429,664.35	38,969,899.57
Real estate for Investment		
Fixed assets	1,663,518,233.05	1,721,714,166.71
Engineering under construction	145,908,747.18	211,160,031.33
Engineering goods		
Liquidation of fixed assets		
Productive Biological assets		
Oil and gas assets	368,100,655.96	307,057,429.09
Intangible assets	313,937,745.21	268,673,605.46
Development expenditures		
Goodwill	47,486,214.82	35,686,038.26
Long-term deferred and prepaid expenses	56,000.00	188,000.00
Assets with deferred income taxes	89,747,851.32	73,377,503.40
Other non-current assets	3,994,026.93	51,063,671.76
Subtotal of non-current assets	2,710,214,645.85	2,835,840,289.68
Total of assets	10,058,697,177.39	10,392,856,346.64

Chief Executive Officer:

Chief Financial Officer:

Financial manager:

Consolidated Balance Sheet (Continued)

Prepared by: Yantai Jereh Oilfield Services Group Co., Ltd.

Unit: (RMB) Yuan

Liabilities and equities	31 Dec 2016	31 Dec 2015
<i>Current liability:</i>		
Short-term loan	369,335,856.00	586,067,388.01
<small>Financial liabilities measured with fair value and having change attributed to profit or loss of current period</small>		
Derivative financial liabilities		
Note payable	123,436,680.53	190,836,918.65
Accounts payable	590,265,736.51	567,020,530.07
Advances from customers	246,777,812.31	552,408,176.30
Payroll payable	28,241,208.96	32,790,417.76
Tax payable	50,044,941.99	72,337,277.40
Interests payable	771,315.62	6,670,743.24
Dividend payable		
Other accounts payable	98,057,616.82	65,914,585.43
Liabilities held for sale		
Non-current liabilities due within one year		
Other current liabilities		
Total of current liabilities	1,506,931,168.74	2,074,046,036.86
<i>Non-current liabilities:</i>		
Long-term loan	226,186,400.00	234,070,000.00
Securities payable		
Long-term accounts payable	190,000,000.00	
Special accounts payable		
Anticipation liability	7,055,572.56	6,583,949.24
Deferred income	55,246,750.29	45,650,573.14
Liabilities with the deferred income taxes	8,371,234.93	7,528,781.85
Other non-current liabilities		
Subtotal of non-current liabilities	486,859,957.78	293,833,304.23
Total of liabilities	1,993,791,126.52	2,367,879,341.09
<i>Owners' equity:</i>		
Share capital	957,853,992.00	957,853,992.00
Other equity instruments		
Capital reserve	3,700,606,532.22	3,698,010,029.70
Minus: inventory share		
Other composite income	-132,199,879.84	-99,622,225.80
Surplus reserve	308,409,409.05	275,621,624.28
Retained profit	3,020,254,256.01	2,961,103,519.02
Subtotal of equities attributable to the owners of parent company	7,854,924,309.44	7,792,966,939.20
Equities of the minority of shareholders	209,981,741.43	232,010,066.35
Subtotal of owners' equities	8,064,906,050.87	8,024,977,005.55
Total of liabilities and owners' equities	10,058,697,177.39	10,392,856,346.64

Chief Executive Officer:

Chief Financial Officer:

Financial manager:

Consolidated Income Statement

Prepared by: Yantai Jereh Oilfield Services Group Co., Ltd.

Unit: (RMB) Yuan

Items	2016	2015
I .Total Revenue	2,833,829,956.95	2,826,572,017.20
Including: operating revenue	2,833,829,956.95	2,826,572,017.20
II .Total Costs	2,790,270,770.58	2,735,726,752.38
Including: Cost of sales	2,081,857,141.70	1,919,574,592.14
Taxes and additional charges	40,587,124.49	32,711,191.00
Sales expenses	275,058,434.87	245,141,259.65
Administrative expenses	371,405,783.28	395,965,746.94
Finance expenses	-103,576,503.69	16,784,693.03
Impairment losses	124,938,789.93	125,549,269.62
Plus: changes in fair value	-2,676,055.88	-6,285,233.93
Investment income	59,025,875.02	59,294,424.70
Including: investment income from associates and jointly controlled entities	-4,468,500.12	-4,728,724.11
III. Operating profit	99,909,005.51	143,854,455.59
Plus: non-business revenue	59,021,758.88	48,765,080.43
Including: Net gain from disposal of non-current assets	850,530.78	4,374,181.02
Minus: non-business expense	1,890,061.98	3,684,137.98
Including: loss in disposal of non-current assets	369,203.08	1,930,306.89
IV. Profit before income tax	157,040,702.41	188,935,398.04
Minus: income tax	37,143,320.47	44,317,990.24
V .Net profit for the year	119,897,381.94	144,617,407.80
Attributable to: Equity of parent company	120,674,141.52	144,774,755.42
Minority interests	-776,759.58	-157,347.62
VI. Other composite income after tax	-32,022,001.82	-51,181,600.47
Other composite income attributed to owners of parent company after tax	-32,577,654.04	-50,426,775.52
1) Other composite income unable to be reclassified into profit and loss afterwards		
(1) Change of net liabilities or net assets through remeasuring and setting beneficial plan		
(2) Part shared in other composite income unable to be reclassified into profit and loss in the invested unit under equity method		
2) Other composite income to be reclassified into profit and loss afterwards	-32,577,654.04	-50,426,775.52
(1) Part shared in other composite income to be reclassified into profit and loss in the invested unit under equity method		
(2) Profit and loss from change of fair value of salable financial assets	-51,635,829.96	-8,658,855.47
(3) Profit and loss from held-to-maturity investments reclassified into salable financial assets		
(4) Effective part of the profit and loss from hedge of cash flow		
(5) Conversion difference of foreign currency in financial statement	19,058,175.92	-41,767,920.05
(6) other		
Other composite income attributed to minority shareholders after tax	555,652.22	-754,824.95
VII. Total amount of composite income	87,875,380.12	93,435,807.33
Attributable to: Total composite income attributable to owners of parent company	88,096,487.48	94,347,979.90
Total composite income attributable to minority shareholders	-221,107.36	-912,172.57
VIII. Earnings per share:		
1. Basic Earnings per share	0.13	0.15
2. Diluted Earnings per share	0.13	0.15

Chief Executive Officer:

Chief Financial Officer:

Financial manager:

Consolidated Cash Flow Statement

Prepared by: Yantai Jereh Oilfield Services Group Co., Ltd.

Unit: (RMB) Yuan

Items	2016	2015
I. Cash flows from operating activities		
Cash received from sales of goods or rendering of services	2,835,263,496.08	3,194,229,347.26
Tax refunding	33,420,162.49	49,411,661.94
Cash received related to other operating activities	101,567,087.79	153,158,351.55
Subtotal of cash inflow from the operating activities	2,970,250,746.36	3,396,799,360.75
Cash paid for goods and services	1,651,153,856.37	2,310,144,110.41
Cash paid to and on behalf of employees	472,742,421.80	488,147,739.19
Tax payments	222,621,087.22	224,223,481.79
Cash paid relating to other operating activities	277,328,174.82	305,316,431.73
Cash outflow subtotal of operating activities	2,623,845,540.21	3,327,831,763.12
Net cash flow from operating activities	346,405,206.15	68,967,597.63
II. Cash flow from investment activities		
Cash received from disposal of investments	2,818,379.58	1,876,172.60
Cash received from investment return	6,426,187.01	
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	49,712,864.62	10,485,510.94
Net cash amount received from the disposal of subcompanies and other business units		4,417,619.31
Cash received related to other investment activities	1,102,380,391.16	1,102,020,710.51
Subtotal of cash inflow from the investment activities	1,161,337,822.37	1,118,800,013.36
Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets	144,627,278.98	469,925,377.02
Cash paid to acquire investments	1,000,000.00	127,212,260.05
Net cash amount paid to acquire the subcompanies and other operating units	17,892,323.75	
Cash paid related to other investment activities	1,757,427,583.84	1,018,207,578.60
Cash outflow subtotal of investment activities	1,920,947,186.57	1,615,345,215.67
Net amount of cash flow received from the investment activities	-759,609,364.20	-496,545,202.31
III. Cash flow from financing activities:		
Cash received by investors		
Cash received from loans	927,996,232.00	1,779,288,090.25
Cash received related to other financing activities	189,919,033.97	434,254,210.08
Subtotal of cash inflow from the financing activities	1,117,915,265.97	2,213,542,300.33
Repayments of loans	944,974,355.12	1,750,594,272.13
Cash paid for distribution of dividends, profits and repayment of interests	59,763,593.74	224,925,384.34
Cash payments related to other financing activities	146,397,496.54	430,210,458.51
Sub-total of cash outflow from the financing activities	1,151,135,445.40	2,405,730,114.98
Net cash flow from financing activities	-33,220,179.43	-192,187,814.65
IV. Effect of foreign exchange fluctuation on cash and cash equivalents	56,275,549.40	1,195,381.89
V. Net increase amount of cash and cash equivalents	-390,148,788.08	-618,570,037.44
Plus: Balance of cash and cash equivalents at the beginning of the period	1,698,854,015.16	2,317,424,052.60
VI. Balance of cash and cash equivalents at the end of the period	1,308,705,227.08	1,698,854,015.16

Chief Executive Officer:

Chief Financial Officer:

Financial manager: