

Key Financial Data And Financial Indicators

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

Unit: (RMB) Yuan

Items	2017	2016	Rate of Change(%)
Revenue	3,187,076,543.28	2,833,829,956.95	12.47%
Net profit attributed to shareholders of listed company	67,789,630.68	120,674,141.52	-43.82%
Net profit attributed to shareholders of listed company after deducting non-recurring gains/losses	8,849,599.24	77,886,223.01	-88.64%
Net cash flow from operating activities	443,968,213.41	346,405,206.15	28.16%
Basic Earnings per share	0.07	0.13	-46.15%
Diluted Earnings per share	0.07	0.13	-46.15%
Return on weighted average net assets (%)	0.86%	1.54%	-0.68%
	31 Dec 2017	31 Dec 2016	Rate of Change(%)
Total assets	10,297,070,333.79	10,058,697,177.39	2.37%
Total equity attributed to shareholders of listed company	7,952,683,812.58	7,854,924,309.44	1.24%

Consolidated Balance Sheet

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

Unit: (RMB) Yuan

Assets	31 Dec 2017	31 Dec 2016
<i>Current assets:</i>		
Currency capital	1,311,076,401.23	1,387,908,294.99
Financial assets measured with fair value and having change attributed to profit or loss of current period	7,754,940.28	8,904,000.50
Derivative financial assets		
Note receivable	332,466,685.65	335,985,359.54
Accounts receivable	1,978,596,542.32	1,722,568,205.90
Accounts prepaid	171,518,907.17	149,356,893.31
Interests receivable	809,082.11	2,893,936.10
Dividend receivable		
Other receivables	137,103,549.05	47,617,422.35
Inventory	1,574,640,679.60	1,860,171,792.71
Assets held for sale		
Non-current assets due within one year		
Other current assets	1,946,521,528.50	1,833,076,626.14
Total of current assets	7,460,488,315.91	7,348,482,531.54
<i>Non-current assets:</i>		
Saleable financial assets	48,017,434.62	56,833,314.14
Investment held to the maturity date		1,202,192.89
Long-term accounts receivable		
Long-term equity investment	24,210,448.92	19,429,664.35
Real estate for Investment		
Fixed assets	1,695,807,454.57	1,663,518,233.05
Engineering under construction	123,395,201.61	145,908,747.18
Engineering goods		
Liquidation of fixed assets		
Productive Biological assets		
Oil and gas assets	443,742,740.79	368,100,655.96
Intangible assets	309,813,395.00	313,937,745.21
Development expenditures		
Goodwill	67,270,800.33	47,486,214.82
Long-term deferred and prepaid expenses	155,088.84	56,000.00
Assets with deferred income taxes	121,027,903.25	89,747,851.32
Other non-current assets	3,141,549.95	3,994,026.93
Subtotal of non-current assets	2,836,582,017.88	2,710,214,645.85
Total of assets	10,297,070,333.79	10,058,697,177.39

Consolidated Balance Sheet (Continued)

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

Unit: (RMB) Yuan

Liabilities and equities	31 Dec 2017	31 Dec 2016
<i>Current liability:</i>		
Short-term loan	433,505,750.00	369,335,856.00
Financial liabilities measured with fair value and having change attributed to profit or loss of current period	1,974,449.56	
Derivative financial liabilities		
Note payable	230,781,069.27	123,436,680.53
Accounts payable	659,999,165.53	590,265,736.51
Advances from customers	314,364,182.98	246,777,812.31
Payroll payable	64,825,825.44	28,241,208.96
Tax payable	40,244,266.16	50,044,941.99
Interests payable	954,707.64	771,315.62
Dividend payable		
Other accounts payable	93,278,518.82	98,057,616.82
Liabilities held for sale		
Non-current liabilities due within one year	208,036,000.00	
Other current liabilities		
Total of current liabilities	2,047,963,935.40	1,506,931,168.74
<i>Non-current liabilities:</i>		
Long-term loan		226,186,400.00
Securities payable		
Long-term accounts payable		190,000,000.00
Special accounts payable		
Anticipation liability	7,545,054.59	7,055,572.56
Deferred income	58,538,214.41	55,246,750.29
Liabilities with the deferred income taxes	12,338,714.27	8,371,234.93
Other non-current liabilities		
Subtotal of non-current liabilities	78,421,983.27	486,859,957.78
Total of liabilities	2,126,385,918.67	1,993,791,126.52
<i>Owners' equity:</i>		
Share capital	957,853,992.00	957,853,992.00
Other equity instruments		
Capital reserve	3,701,176,803.82	3,700,606,532.22
Minus: inventory share		
Other composite income	-74,064,659.22	-132,199,879.84
Surplus reserve	310,597,566.84	308,409,409.05
Retained profit	3,057,120,109.14	3,020,254,256.01
Subtotal of equities attributable to the owners of parent company	7,952,683,812.58	7,854,924,309.44
Equities of the minority of shareholders	218,000,602.54	209,981,741.43
Subtotal of owners' equities	8,170,684,415.12	8,064,906,050.87
Total of liabilities and owners' equities	10,297,070,333.79	10,058,697,177.39

Consolidated Income Statement

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

Unit: (RMB) Yuan

Items	2017	2016
I .Total Revenue	3,187,076,543.28	2,833,829,956.95
Including: operating revenue	3,187,076,543.28	2,833,829,956.95
II .Total Costs	3,250,576,132.18	2,790,270,770.58
Including: Cost of sales	2,332,899,471.62	2,081,857,141.70
Taxes and additional charges	41,086,201.40	40,587,124.49
Sales expenses	278,550,308.42	275,058,434.87
Administrative expenses	348,422,381.88	371,405,783.28
Finance expenses	90,008,745.20	-103,576,503.69
Impairment losses	159,609,023.66	124,938,789.93
Plus: changes in fair value	-2,719,993.11	-2,676,055.88
Investment income	74,295,725.51	59,025,875.02
Including: investment income from associates and jointly controlled entities	559,567.73	-4,468,500.12
Income from assets disposal	-35,388.47	481,327.70
Other income	62,284,010.14	
III. Operating profit	70,324,765.17	100,390,333.21
Plus: non-business revenue	5,878,205.65	58,171,228.10
Minus: non-business expense	3,688,079.12	1,520,858.90
IV. Profit before income tax	72,514,891.70	157,040,702.41
Minus: income tax	-3,208,232.27	37,143,320.47
V .Net profit for the year	75,723,123.97	119,897,381.94
1) Classify by operating sustainability		
(1) Net profit from continuing operation	75,723,123.97	119,897,381.94
(2) Net profit from discontinuing operation		
2) Classify by attribution of ownership		
(1) Equity of parent company	67,789,630.68	120,674,141.52
(2) Minority interests	7,933,493.29	-776,759.58
VI. Other composite income after tax	58,208,950.25	-32,022,001.82
Other composite income attributed to owners of parent company after tax	58,135,220.62	-32,577,654.04
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	58,135,220.62	-32,577,654.04
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	50,519,370.72	-51,635,829.96
(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	7,615,849.90	19,058,175.92
(6) other		
Other composite income attributed to minority shareholders after tax	73,729.63	555,652.22
VII. Total amount of composite income	133,932,074.22	87,875,380.12
Attributable to: Total composite income attributable to owners of parent company	125,924,851.30	88,096,487.48
Total composite income attributable to minority shareholders	8,007,222.92	-221,107.36
VIII. Earnings per share:		
1. Basic Earnings per share	0.07	0.13
2. Diluted Earnings per share	0.07	0.13

Consolidated Cash Flow Statement

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

Unit: (RMB) Yuan

Items	2017	2016
I. Cash flows from operating activities		
Cash received from sales of goods or rendering of services	2,981,563,259.75	2,835,263,496.08
Tax refunding	59,266,267.50	33,420,162.49
Cash received related to other operating activities	146,274,670.96	101,567,087.79
Subtotal of cash inflow from the operating activities	3,187,104,198.21	2,970,250,746.36
Cash paid for goods and services	1,697,256,445.76	1,651,153,856.37
Cash paid to and on behalf of employees	471,910,344.87	472,742,421.80
Tax payments	205,889,174.29	222,621,087.22
Cash paid relating to other operating activities	368,080,019.88	277,328,174.82
Cash outflow subtotal of operating activities	2,743,135,984.80	2,623,845,540.21
Net cash flow from operating activities	443,968,213.41	346,405,206.15
II. Cash flow from investment activities		
Cash received from disposal of investments		2,818,379.58
Cash received from investment return	3,500,000.00	6,426,187.01
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	5,505,458.42	49,712,864.62
Net cash amount received from the disposal of subcompanies and other business units		
Cash received related to other investment activities	1,837,950,392.16	1,102,380,391.16
Subtotal of cash inflow from the investment activities	1,846,955,850.58	1,161,337,822.37
Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets	124,193,237.24	144,627,278.98
Cash paid to acquire investments	13,726,821.13	1,000,000.00
Net cash amount paid to acquire the subcompanies and other operating units	92,781,438.06	17,892,323.75
Cash paid related to other investment activities	1,893,450,000.00	1,757,427,583.84
Cash outflow subtotal of investment activities	2,124,151,496.43	1,920,947,186.57
Net amount of cash flow received from the investment activities	-277,195,645.85	-759,609,364.20
III. Cash flow from financing activities:		
Cash received by investors		
Cash received from loans	467,162,000.00	927,996,232.00
Cash received related to other financing activities	42,455,572.01	189,919,033.97
Subtotal of cash inflow from the financing activities	509,617,572.01	1,117,915,265.97
Repayments of loans	425,204,816.00	944,974,355.12
Cash paid for distribution of dividends, profits and repayment of interests	49,058,572.69	59,763,593.74
Cash payments related to other financing activities	314,324,795.79	146,397,496.54
Sub-total of cash outflow from the financing activities	788,588,184.48	1,151,135,445.40
Net cash flow from financing activities	-278,970,612.47	-33,220,179.43
IV. Effect of foreign exchange fluctuation on cash and cash equivalents	-34,305,394.35	56,275,549.40
V. Net increase amount of cash and cash equivalents	-146,503,439.26	-390,148,788.08
Plus: Balance of cash and cash equivalents at the beginning of the period	1,308,705,227.08	1,698,854,015.16
VI. Balance of cash and cash equivalents at the end of the period	1,162,201,787.82	1,308,705,227.08