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北人印刷機械股份有限公司

BEIREN PRINTING MACHINERY HOLDINGS LIMITED

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 600860)

2012 FIRST QUARTERLY REPORT

1 IMPORTANT NOTICES

1.1 The board of directors (the “Board”), supervisory committee (the “Supervisory Committee”) and the directors (the “Directors”), supervisors and senior management of the Company warrant that this report does not contain any false information, misleading statements or material omission, and severally and jointly accept full responsibility for the truthfulness, accuracy and completeness of the contents herein contained.

1.2 In the event of any absence of any Director from the Board meeting, his/her name should be mentioned separately.

Name of the absent Director	Duty of the absent Director	Reason(s) for the absence	Name of the proxy
Xu Wencai	Independent Non-executive Director	Business trip	Wang Hui

1.3 The First Quarterly Financial Report of the Company has not been audited.

1.4 Name of Person-in-charge of the Company	Zhang Peiwu
Name of Person-in-charge of Accounting	Jiang Chi
Name of the director (the Head of accounting) of the accounting body	Qin Yu

Zhang Peiwu, the Person-in-charge of the Company, Jiang Chi, the Person-in-charge of Accounting, and Qin Yu, the director (the Head of accounting) of the accounting body, have declared that they guarantee the truthfulness and completeness of the financial statements contained in this quarterly report.

2 BASIC CORPORATE INFORMATION

2.1 Major accounting data and financial indices

Unit: RMB

	As at the end of the reporting period	As at the end of last year	Increase/ Decrease comparing the end of the reporting period with the end of last year (%)
Total assets (RMB)	1,493,954,315.59	1,485,441,846.03	0.57
Owners' equity (or shareholders' equity) (RMB)	748,964,965.77	756,382,308.67	-0.98
Net assets per share attributable to shareholders of listed company (RMB/share)	1.77	1.79	-1.12
	From the beginning of the year to the end of the reporting period		Increase/ Decrease as compared with the corresponding period last year (%)
Net cash flow from operating activities (RMB)		-62,564,952.85	-131.38
Net cash flow from operating activities per share (RMB/share)		-0.148	-131.25

		From the beginning of the year to the end of the reporting period	Increase/ Decrease comparing the reporting period with the corresponding period last year (%)
Net profit attributable to shareholders of listed company (RMB)	-7,417,342.90	-7,417,342.90	-188.05
Basic earnings per share (RMB/share)	-0.018	-0.018	-190.00
Basic earnings per share after extraordinary items (RMB/share)	-0.018	-0.018	-190.00
Diluted earnings per share (RMB/share)	-0.018	-0.018	-190.00
Weighted average return on net assets (%)	-0.99	-0.99	-2.11%
Weighted average return on net assets after extraordinary items (%)	-0.99	-0.99	-2.09%

Deducting extraordinary items and amount:

Items	Unit: RMB Amount
Profit/loss on disposal of non-current assets	-34,204.00
Government subsidy accounted into profit and loss for the current period (except for those closely associated with the ordinary operations of the Company which were accounted for in certain standard amount or volume in compliance with the requirement of the policies of the State and in accordance with uniform standard of the state)	7,655.78
Other non-operating income and expenses save for the above	61,608.05
Effect on minority interests (after tax)	-6,150.06
Total	<u>28,909.77</u>

2.2 Total number of shareholders and shareholding of top ten shareholders of shares not subject to trading moratorium at the end of reporting period

Unit: share

Total number of shareholders at the end of the reporting period	17,004 (including: 16,920 A share holders, 84 H share holders)
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Shareholding Of Top Ten Shareholders Of Circulating Shares Not Subject To Trading Moratorium

Name of shareholder (Full name)	Number of circulating shares not subject to trading moratorium held at the end of the period	Class of shares
Beiren Group Corporation HKSCC NOMINEES LIMITED	201,620,000 98,543,199	Renminbi ordinary shares Foreign shares listed overseas
CITIC TRUST Co., Ltd. – 0808 Quanpei 03	3,021,542	Renminbi ordinary shares
China Foreign Economic and Trade Trust Co. Ltd. – Guomiao Phase I Trust Scheme	2,280,800	Renminbi ordinary shares
Beijing Tonglong Investment Consulting Co., Ltd.	1,290,551	Renminbi ordinary shares
Zhan Chunxin	900,000	Renminbi ordinary shares
Wu Zhiqiang	820,000	Renminbi ordinary shares
Wu Guangli	769,831	Renminbi ordinary shares
Li Hong	769,500	Renminbi ordinary shares
Tao Neng	748,477	Renminbi ordinary shares

3 SIGNIFICANT EVENTS

3.1 Details and reasons for material changes in major items of financial statement and financial indices of the Company

✓ Applicable ☐ Not Applicable

1. Cash and cash equivalents decreased by 41.92% compared with the beginning of the year, mainly due to the fact that the decrease in received payments from sale of goods was larger than the decrease in operating expenses;
2. Account receivable increased by 41.73% compared with the beginning of the year, mainly due to the fact that a portion of products which involved a relatively large amount of money were settled in installment as the Company adopted certain preferential policy on payment settlement and maintained larger proportion of quality guarantee deposits and settlement of agreed letter of credit for exporting equipment contract, in order to seize the market share as soon as possible;
3. Construction in progress increased by 37.27% compared with the beginning of the year, mainly due to increase in input in fixed assets;
4. Bills payables decreased by 63.25% compared with the beginning of the year, mainly due to the fact that bank acceptance bill was due;
5. Tax payable increased by 147.48% compared with the beginning of the year, mainly due to the increase in outstanding tax payable;
6. Interest payable increased by 46.90% compared with the beginning of the year, mainly due to the fact that the accrued interest payable was not due;
7. Financial expenses increased by 32.14% compared with the corresponding period last year, mainly due to the increase in loan principal in the current period compared with the corresponding period last year;
8. Non-operating income decreased by 47.91% compared with the corresponding period last year, mainly due to the decrease in debt restructuring in the current period;
9. Total profit decreased by 174.45% compared with the corresponding period last year, mainly due to the decrease in operating income and increase in operating cost;
10. Cash receipts from sale of goods and rendering of services decreased by 45.88% compared with the corresponding period last year, mainly due to the decrease in sale income;

11. Cash payments for goods and services acquired decreased by 36.50% compared with the corresponding period last year, mainly due to the decrease in payment for goods;
12. Payment of taxes and levy decreased by 66.58% compared with the corresponding period last year, mainly due to the decrease in outstanding tax payable at the beginning of the year compared with the corresponding period last year;
13. Cash paid for acquiring fixed assets, intangible assets and other long-term assets increased by 227.14% compared with the corresponding period last year, mainly due to the increase in input in fixed assets;
14. Cash paid for distribution of dividends or profits or payment of interest increased by 33.77% compared with the corresponding period last year, mainly due to the increase in the loan principal in the current period compared with the corresponding period last year.

3.2 The progress and impact of significant events and the analysis and explanation for the solutions

☐ Applicable ☒ Not Applicable

3.3 Status of fulfillment of commitments undertaken by the Company, shareholders and the actual controller

☐ Applicable ☒ Not Applicable

3.4 Warning and explanation of reasons as to the anticipated loss in accumulated net profit from the beginning of the year to the end of the next reporting period or significant changes of profit as compared with that of the corresponding period of last year

☐ Applicable ☒ Not Applicable

3.5 Implementation of cash dividend distribution policy during the reporting period

No cash dividend was distributed during the reporting period.

**Beiren Printing Machinery
Holdings Limited
Zhang Peiwu
Legal Representative
26 April 2012**

4 APPENDIX

4.1 Consolidated Balance Sheet

As at 31 March 2012

Prepared by: Beiren Printing Machinery Holdings Limited

Unit: Yuan

Currency: RMB

Audit type: Unaudited

Items	Balance at the end of the period	Balance at the beginning of the year
Current assets:		
Cash and cash equivalents	94,013,994.54	161,866,351.06
Transaction settlement funds		
Lendings to banks		
Financial assets held for trading		
Bills receivable	16,781,845.62	20,263,400.00
Accounts receivable	232,395,335.75	163,969,806.39
Prepayments	34,515,001.28	30,187,908.20
Premiums receivable		
Reinsurance receivables		
Reinsurance contract reserves receivable		
Interest receivable		
Dividends receivable	113,600.00	113,600.00
Other receivables	19,301,595.81	17,583,975.31
Purchase and resale of financial assets		
Inventories	434,813,396.84	422,781,854.19
Non-current assets due within one year		
Other current assets		
Total current assets	<u>831,934,769.84</u>	<u>816,766,895.15</u>

Items	Balance at the end of the period	Balance at the beginning of the year
Non-current assets:		
Granted and entrusted loans and advances		
Available-for-sale financial assets		
Held-to-maturity investments		
Long-term receivables		
Long-term equity investments	15,490,415.44	15,660,364.86
Investment properties	6,692,036.48	6,739,095.77
Fixed assets	519,981,584.77	526,997,541.58
Construction in progress	4,364,246.16	3,179,294.90
Construction materials		
Disposal of fixed assets	14,511.56	
Productive biological assets		
Oil and gas assets		
Intangible assets	103,398,413.82	104,020,316.25
Development expenditure		
Goodwill		
Long-term unamortised expenses	9,367,320.00	9,367,320.00
Deferred income tax assets	2,711,017.52	2,711,017.52
Other non-current assets		
	<hr/>	<hr/>
Total non-current assets	662,019,545.75	668,674,950.88
	<hr/>	<hr/>
Total assets	<u>1,493,954,315.59</u>	<u>1,485,441,846.03</u>

Items	Balance at the end of the period	Balance at the beginning of the year
Current liabilities:		
Short-term borrowings	220,000,000.00	220,000,000.00
Borrowings from central bank		
Receipt of deposits and deposits from other banks		
Loans from other banks		
Financial liabilities held for trading		
Bills payables	6,228,600.00	16,950,000.00
Accounts payable	286,446,834.87	272,997,745.92
Receipts in advance	99,385,639.78	88,449,580.42
Funds from sale and repurchase of financial assets		
Handling charges and commission payable		
Wage payable	35,515,153.65	39,091,724.51
Tax payable	1,960,662.08	-4,129,380.97
Interest payable	1,104,629.83	751,944.17
Dividends payable		
Other payables	40,660,481.94	41,361,493.75
Reinsurance payables		
Insurance contract reserves		
Funds from securities trading agency		
Funds from securities underwriting agency		
Non-current liabilities due within one year		
Other current liabilities	1,836,815.99	2,257,016.55
	<hr/>	<hr/>
Total current liabilities	<u>693,138,818.14</u>	<u>677,730,124.35</u>

Items	Balance at the end of the period	Balance at the beginning of the year
Non-current liabilities:		
Long-term borrowings		
Bonds payable		
Long-term payables		
Special payables	31,484,541.62	31,685,168.05
Estimated liabilities	542,407.38	567,607.38
Deferred income tax liabilities		
Other non-current liabilities	916,476.22	716,275.66
Total non-current liabilities	32,943,425.22	32,969,051.09
Total liabilities	726,082,243.36	710,699,175.44
Owners' equity (or shareholders' equity):		
Paid-up capital (or share capital)	422,000,000.00	422,000,000.00
Capital reserve	522,877,777.87	522,877,777.87
Less: Treasury stock		
Special reserve		
Surplus reserve	43,172,707.88	43,172,707.88
General risk provision		
Undistributed profit	-239,085,519.98	-231,668,177.08
Exchange difference arising on translation of foreign currency statements		
Total owners' equity attributable to parent company	748,964,965.77	756,382,308.67
Minority interests	18,907,106.46	18,360,361.92
Total owners' equity	767,872,072.23	774,742,670.59
Total liabilities and owners' equity	1,493,954,315.59	1,485,441,846.03

Legal Representative of the
Company:
Zhao Guorong

Person-in-charge of
Accounting:
Jiang Chi

Director of the accounting
body:
Qin Yu

Balance Sheet of the Parent Company*As at 31 March 2012*

Prepared by: Beiren Printing Machinery Holdings Limited

*Unit: Yuan**Currency: RMB**Audit type: Unaudited*

Items	Balance at the end of the period	Balance at the beginning of the year
Current assets:		
Cash and cash equivalents	80,848,702.83	133,470,663.08
Financial assets held for trading		
Bills receivable	13,733,345.62	16,108,400.00
Accounts receivable	142,714,053.56	102,108,162.49
Prepayments	8,273,831.33	2,001,561.11
Interest receivable	318,798.34	343,324.17
Dividends receivable	113,600.00	113,600.00
Other receivables	8,190,572.81	7,085,647.86
Inventories	297,247,633.74	289,129,226.98
Non-current assets due within one year		
Other current assets	95,000,000.00	95,000,000.00
	<hr/>	<hr/>
Total current assets	646,440,538.23	645,360,585.69
	<hr/>	<hr/>

Items	Balance at the end of the period	Balance at the beginning of the year
Non-current assets:		
Available-for-sale financial assets		
Held-to-maturity investments		
Long-term receivables		
Long-term equity investments	165,303,114.70	165,473,064.12
Investment properties	6,692,036.48	6,739,095.77
Fixed assets	400,058,396.48	406,098,867.03
Construction in progress	3,530,410.24	2,816,487.16
Construction materials		
Disposal of fixed assets	14,511.56	
Productive biological assets		
Oil and gas assets		
Intangible assets	84,131,408.87	84,638,825.87
Development expenditure		
Goodwill		
Long-term unamortised expenses	9,367,320.00	9,367,320.00
Deferred income tax assets		
Other non-current assets		
Total non-current assets	669,097,198.33	675,133,659.95
Total assets	1,315,537,736.56	1,320,494,245.64
Current liabilities:		
Short-term borrowings	210,000,000.00	210,000,000.00
Financial liabilities held for trading		
Bills payable		
Accounts payable	173,377,155.87	176,242,675.31
Receipts in advance	20,735,580.63	12,730,422.05
Wage payable	17,909,602.78	22,320,919.37
Tax payable	1,131,978.51	-4,622,406.84
Interest payable	1,104,629.83	751,944.17
Dividends payable		
Other payables	56,785,140.58	58,521,768.96
Non-current liabilities due within one year		
Other current liabilities	1,706,815.99	1,706,815.99
Total current liabilities	482,750,904.19	477,652,139.01

Items	Balance at the end of the period	Balance at the beginning of the year
Non-current liabilities:		
Long-term borrowings		
Bonds payable		
Long-term payables		
Special payables	25,973,413.38	25,973,413.38
Estimated liabilities	542,407.38	567,607.38
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	26,515,820.76	26,541,020.76
Total liabilities	509,266,724.95	504,193,159.77
Owners' equity (or shareholders' equity):		
Paid-up capital (or share capital)	422,000,000.00	422,000,000.00
Capital reserve	518,165,762.89	518,165,762.89
Less: Treasury stock		
Special reserve		
Surplus reserve	38,071,282.24	38,071,282.24
General risk provision		
Undistributed profit	-171,966,033.52	-161,935,959.26
Total owners' equity (or shareholders' equity)	806,271,011.61	816,301,085.87
Total liabilities and owners' equity (or shareholders' equity)	1,315,537,736.56	1,320,494,245.64

Legal Representative of the
Company:
Zhang Peiwu

Person-in-charge of
Accounting:
Jiang Chi

Director of the accounting
body:
Qin Yu

4.2 Consolidated Income Statement

January – March 2012

Prepared by: Beiren Printing Machinery Holdings Limited

Unit: Yuan

Currency: RMB

Audit type: Unaudited

Items	Amount for the current period	Amount for the prior period
1. Total operating income	183,411,474.32	193,216,257.74
Including: Operating income	183,411,474.32	193,216,257.74
Interest income		
Premium income		
Handling charges and commission income		
2. Total operating cost	190,147,183.09	184,099,687.48
Including: Operating cost	145,505,810.59	142,746,495.35
Interest expenses		
Handling charges and commission expenses		
Payment of surrenders		
Net claim expenses		
Net provision for insurance contract reserves		
Policy dividend payment		
Expenses for reinsurance accepted		
Business tax and surcharge	1,035,747.82	1,398,523.48
Sales expenses	12,467,881.31	12,548,919.41
Administrative expenses	27,927,504.30	24,976,309.04
Financial expenses	3,210,239.07	2,429,440.20
Impairment loss on assets		
Add: Gain on change in fair value (loss expressed with “-”)		
Gain on investment (loss expressed with “-”)	-169,949.42	-21,299.66
Including: Gain on investments in associates and joint ventures	-169,949.42	-21,299.66
Exchange gain (loss expressed with “-”)		

Items	Amount for the current period	Amount for the prior period
3. Operating profit (loss expressed with “-”)	-6,905,658.19	9,095,270.60
<i>Add:</i> Non-operating income	69,605.08	133,621.90
<i>Less:</i> Non-operating expenses	34,545.25	
Including: Loss on disposal of non-current assets	34,204.00	
4. Total profit (total loss expressed with “-”)	-6,870,598.36	9,228,892.50
<i>Less:</i> Income tax expenses		
5. Net profit (net loss expressed with “-”)	-6,870,598.36	9,228,892.50
Net profit attributable to owners of parent company	-7,417,342.90	8,424,266.77
Minority interests	546,744.54	804,625.73
6. Earnings per share:		
(1) Basic earnings per share	-0.018	0.02
(2) Diluted earnings per share	-0.018	0.02
7. Other comprehensive income		
8. Total comprehensive income	-6,870,598.36	9,228,892.50
Total comprehensive income attributable to owners of parent company	-7,417,342.90	8,424,266.77
Total comprehensive income attributable to minority shareholders	546,744.54	804,625.73

For the merge of enterprises under common control occurring in the current period, the net profit recognised by the merged party before the combination is: RMB0.

Legal Representative of the
Company:
Zhang Peiwu

Person-in-charge of
Accounting:
Jiang Chi

Director of the accounting
body:
Qin Yu

Income Statement of the Parent Company

January – March 2012

Prepared by: Beiren Printing Machinery Holdings Limited

Unit: Yuan

Currency: RMB

Audit type: Unaudited

Items	Amount for the current period	Amount for the prior period
1. Operating income		
Less: Operating cost	81,772,009.77	91,101,339.30
Business tax and surcharge	69,191,881.58	65,278,612.52
Sales expenses	682,289.63	916,017.08
Administrative expenses	4,145,455.57	3,623,028.54
Financial expenses	16,011,734.33	14,676,939.33
Impairment loss on assets	1,614,936.33	1,027,754.83
Add: Gain on change in fair value (loss expressed with “-”)		
Gain on investment (loss expressed with “-”)	-169,949.42	-21,299.66
Including: Gains on investments in associates and joint ventures	-169,949.42	-21,299.66
2. Operating profit (loss expressed with “-”)	-10,044,237.09	5,557,687.34
Add: Non-operating income	14,504.08	80,208.06
Less: Non-operating expenses	341.25	
Including: Loss on disposal of non-current assets		
3. Total profit (total loss expressed with “-”)	-10,030,074.26	5,637,895.40
Less: Income tax expenses		
4. Net profit (net loss expressed with “-”)	-10,030,074.26	5,637,895.40
5. Earnings per share:		
(1) Basic earnings per share		
(2) Diluted earnings per share		
6. Other comprehensive income		
7. Total comprehensive income		

Legal Representative of the
Company:
Zhang Peiwu

Person-in-charge of
Accounting:
Jiang Chi

Director of the accounting
body:
Qin Yu

4.3 Consolidated Cash Flow Statement

January – March 2012

Prepared by: Beiren Printing Machinery Holdings Limited

Unit: Yuan

Currency: RMB

Audit type: Unaudited

Items	Amount for the current period	Amount for the prior period
1. Cash flow from operating activities:		
Cash receipts from sale of goods and rendering of services	89,325,112.51	165,061,019.76
Net increase deposits from customer and other banks		
Net increase in borrowings from central bank		
Net increase in loans from other financial institutions		
Cash received from insurance policy premium		
Net cash received from reinsurance		
Net increase in policyholder deposit and investments		
Net increase in disposal of financial assets held for trading		
Cash received from interests, handling charges and commission		
Net increase in loans from other banks		
Net increase in capital from repurchase business		
Receipts of taxes and levy refunds	6,102.74	721,835.73
Other cash receipts in operating activities	2,171,137.80	7,209,609.40
Subtotal of cash inflows from operating activities	91,502,353.05	172,992,464.89
Cash payments for goods and services acquired	78,928,070.79	124,292,833.49
Net increase in customers' loans and advances		
Net increase in placements with central bank and other banks		
Cash paid for insurance contract claims		
Cash paid for interests, handling charges and commission		
Cash paid for policy dividend		
Cash paid to and on behalf of employees	56,960,171.09	47,748,692.40
Payment of taxes and levy	4,426,145.76	13,245,515.41
Other cash payments in operating activities	13,752,918.26	14,744,941.62
Subtotal of cash outflows from operating activities	154,067,305.90	200,031,982.92
Net cash flow from operating activities	-62,564,952.85	-27,039,518.03

Items	Amount for the current period	Amount for the prior period
2. Cash flow from investing activities:		
Cash receipts from sale of investment		
Cash receipts from investment income		
Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets	1,320.00	350.00
Net cash receipts from disposal of subsidiaries and other business units		
Other cash receipts in investing activities		
Subtotal of cash inflows from investing activities	1,320.00	350.00
Cash paid for acquiring fixed assets, intangible assets and other long-term assets	2,323,149.00	674,308.17
Cash paid for investments		
Net increase in pledged loans		
Net cash received from subsidiaries and other business units		
Other cash payments in investing activities		
Subtotal of cash outflows from investing activities	2,323,149.00	674,308.17
Net cash flow from investing activities	-2,321,829.00	-673,958.17
3. Cash flow from financing activities:		
Cash proceeds from absorbing investment		
Including: Cash receipts from absorbing minority shareholders' investments by subsidiary		
Cash receipts from borrowings	135,000,000.00	138,000,000.00
Cash receipts from issue of bonds		
Other cash receipts in financing activities		28,286.47
Subtotal of cash inflows from financing activities	135,000,000.00	138,028,286.47
Cash paid for repayment of debts	135,000,000.00	113,250,000.00
Cash paid for distribution of dividends or profits or payment of interest	2,966,074.39	2,217,275.42
Including: Subsidiary's payment of dividends and profits to minority shareholders		
Other cash payments in financing activities		152,882.28
Subtotal of cash outflows from financing activities	137,966,074.39	115,620,157.70
Net cash flow from financing activities	-2,966,074.39	22,408,128.77

Items		Amount for the current period	Amount for the prior period
4.	Effect of exchange rate changes on cash and cash equivalents	499.72	-507.00
5.	Net increase in cash and cash equivalents	-67,852,356.52	-5,305,854.43
	Add: Balance of cash and cash equivalents at the beginning of the period	161,866,351.06	119,043,008.51
6.	Balance of cash and cash equivalents at the end of the period	94,013,994.54	113,737,154.08
Legal Representative of the Company: Zhang Peiwu		Person-in-charge of Accounting: Jiang Chi	Director of the accounting body: Qin Yu

Cash Flow Statement of the Parent Company

January-March 2012

Prepared by: Beiren Printing Machinery Holdings Limited

Unit: Yuan

Currency: RMB

Audit type: Unaudited

Items	Amount for the current period	Amount for the prior period
1. Cash flow from operating activities:		
Cash receipts from sale of goods and rendering of services	45,937,801.13	87,860,942.86
Receipts of taxes and levy refunds	6,102.74	126,519.81
Other cash receipts in operating activities	2,034,836.77	4,470,481.71
Subtotal of cash inflows from operating activities	47,978,740.64	92,457,944.38
Cash payments for goods and services acquired	51,056,230.01	70,573,793.52
Cash paid to and on behalf of employees	33,517,429.11	26,384,646.81
Payment of taxes and levy	1,800,029.97	7,652,026.12
Other cash payments in operating activities	12,087,786.52	12,703,031.61
Subtotal of cash outflows from operating activities	98,461,475.61	117,313,498.06
Net cash flow from operating activities	-50,482,734.97	-24,855,553.68
2. Cash flow from investing activities:		
Cash receipts from sale of investment	80,000,000.00	
Cash receipts from investment income		
Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets		350.00
Net cash receipts from disposal of subsidiaries and other business units		
Other cash received relating to investing activities	1,465,275.83	
Subtotal of cash inflows from investing activities	81,465,275.83	350.00
Cash paid for acquiring fixed assets, intangible assets and other long-term assets	784,850.00	
Cash paid for investments	80,000,000.00	80,000,000.00
Net cash received from subsidiaries and other business units		
Other cash payments in investing activities		
Subtotal of cash outflows from investing activities	80,784,850.00	80,000,000.00
Net cash flow from investing activities	680,425.83	-79,999,650.00

Items	Amount for the current period	Amount for the prior period
3. Cash flow from financing activities:		
Cash proceeds from absorbing investment		
Cash receipts from borrowings	135,000,000.00	135,000,000.00
Cash receipts from the issue of bonds		
Other cash receipts in financing activities		
Subtotal of cash inflows from financing activities	135,000,000.00	135,000,000.00
Cash paid for repayment of debts	135,000,000.00	55,000,000.00
Cash paid for distribution of dividends or profits or payment of interest	2,820,150.83	933,675.00
Other cash payments in financing activities		
Subtotal of cash outflows from financing activities	137,820,150.83	55,933,675.00
Net cash flow from financing activities	-2,820,150.83	79,066,325.00
4. Effect of exchange rate changes on cash and cash equivalents	499.72	-507.00
5. Net increase in cash and cash equivalents	-52,621,960.25	-25,789,385.68
Add: Balance of cash and cash equivalents at the beginning of the period	133,470,663.08	74,222,278.37
6. Balance of cash and cash equivalents at the end of the period	80,848,702.83	48,432,892.69

Legal Representative of the
Company:
Zhang Peiwu

Person-in-charge of
Accounting:
Jiang Chi

Director of the accounting
body:
Qin Yu

As at the date of this announcement, the Board of the Company comprises Mr. Zhang Peiwu as executive director, Mr. Teng Mingzhi, Mr. Li Shenggao and Ms. Wei Li as non-executive directors and Mr. Xu Wencai, Ms. Wang Hui, Mr. Xie Bingguang and Mr. Wang Deyu as independent non-executive directors.