

Stock Code: 200468

Short Form of the Stock: NJ TEL B

Notice No.: 2019-045

Nanjing Putian Telecommunications Co., Ltd.

Text of Third Quarterly Report 2019

Section I. Important Note

Board of Directors, Supervisory Committee, all directors, supervisors and senior executives of Nanjing Putian Telecommunications Co., Ltd. (hereinafter referred to as the Company) hereby confirm that there are no any fictitious statements, misleading statements, or important omissions carried in this report, and shall take all responsibilities, individual and/or joint, for the reality, accuracy and completion of the whole contents.

All the directors are present the meeting of the Board for deliberating the Third Quarter Report of the Company in person.

Wang Wenkui, person in charge of the Company, head of the accounting works Wang Huailin and Wang Huailin, accounting body principals (accountant in charge) hereby confirms that the Financial Report of the Third Quarterly Report is authentic, accurate and complete.

Section II. Basic information of Company

I. Main accounting data and index

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

Yes No

	Current period-end	Period-end of last year	Increase/decrease	
Total assets (RMB)	1,808,039,811.07	2,120,744,292.41	-14.75%	
Net assets attributable to shareholders of listed company (RMB)	281,727,950.08	355,289,728.24	-20.70%	
	Current period	Increase/decrease in comparison with same period of last year	From year-begin to end of the Period	Increase/decrease in comparison with year-begin to Period-end of last year
Operating revenue (RMB)	277,519,139.93	-37.71%	1,034,716,511.73	-26.74%
Net profit attributable to shareholders of the listed company (RMB)	-16,033,203.08	-101.83%	-73,561,727.96	-300.54%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB)	-17,529,611.58	-525.19%	-76,390,167.19	-64.65%
Net cash flow arising from operating activities (RMB)	--	--	-174,200,790.16	30.78%
Basic earnings per share (RMB/Share)	-0.074	-100.00%	-0.342	-302.35%
Diluted earnings per share (RMB/Share)	-0.074	-100.00%	-0.342	-302.35%
Weighted average ROE	-5.53%	-3.17%	-23.10%	-17.72%

Items and amount of extraordinary profit (gains)/losses

Applicable Not applicable

In RMB

Item	Amount from year-begin to end of the Period	Note
Gains/losses from the disposal of non-current asset (including the write-off that accrued for impairment of assets)	-8,753.38	

Governmental subsidy reckoned into current gains/losses (not including the subsidy enjoyed in quota or ration according to national standards, which are closely relevant to enterprise's business)	2,778,036.68	
Gains/losses of debt restructuring	897,752.10	
Other non-operating income and expenditure except for the aforementioned items	-36,400.96	
Less: impact on income tax	266,154.33	
Impact on minority shareholders' equity (post-tax)	536,040.88	
Total	2,828,439.23	--

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. Statement of the total shareholders and shares-held of top ten shareholders at end of the Period

1. Number of common shareholders and preference shareholders with voting rights recovered and top ten common shareholders

In Share

Total number of common shareholders at the end of report period	8,970	Total preference shareholders with voting rights recovered at end of reporting period (if applicable)	0			
Top ten shareholders						
Shareholders	Nature of shareholder	Proportion of shares held	Amount of shares held	Amount of non-tradable shares held	Number of share pledged/frozen	
					State of share	Amount
China Potevio Company Limited	State-owned corporate	53.49%	115,000,000	115,000,000		
Shenwan Hongyuan Securities (Hong Kong) co., LTD	Overseas corporate	2.63%	5,646,500	0		

GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	Overseas corporate	2.55%	5,481,913	0		
Zheng Enyue	Domestic nature person	1.14%	2,449,739	0		
Sun Huiming	Domestic nature person	0.93%	2,007,110	0		
Guosen Securities (HK) Brokerage Company Limited	Overseas corporate	0.88%	1,901,882	0		
Gu Jinhua	Domestic nature person	0.87%	1,871,371	0		
BOCI SECURITIES LIMITED	Overseas corporate	0.68%	1,466,945	0		
Xiang Yan	Domestic nature person	0.42%	910,602	0		
Zheng Hongquan	Domestic nature person	0.39%	831,500	0		
Particular about top ten shareholders with tradable shares held						
Shareholders	Amount of tradable shares held	Type of shares				
		Type	Amount			
Shenwan Hongyuan Securities (Hong Kong) co., LTD	5,646,500	Domestically listed foreign shares	5,646,500			
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	5,481,913	Domestically listed foreign shares	5,481,913			
Zheng Enyue	2,449,739	Domestically listed foreign shares	2,449,739			
Sun Huiming	2,007,110	Domestically listed foreign shares	2,007,110			
Guosen Securities (HK) Brokerage Company Limited	1,901,882	Domestically listed foreign shares	1,901,882			

Gu Jinhua	1,871,371	Domestically listed foreign shares	1,871,371
BOCI SECURITIES LIMITED	1,466,945	Domestically listed foreign shares	1,466,945
Xiang Yan	910,602	Domestically listed foreign shares	910,602
Zheng Hongquan	831,500	Domestically listed foreign shares	831,500
Liang Wei	772,800	Domestically listed foreign shares	772,800
Explanation on associated relationship among the top ten shareholders or consistent action	Among the top ten shareholders, China Potevio Company Limited is neither a related party nor a person acting in concert with the others. It's unknown by the Company whether there are related parties or persons acting in concert among the other shareholders.		
Explanation on shareholders involving margin business about top ten common shareholders (if applicable)	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

Top ten common shareholders or top ten common shareholders with un-restrict shares not held have a buy-back agreement dealing in reporting period

2. Total of shareholders with preferred stock held and the top ten shareholdings

Applicable Not applicable

Section III. Important events

I. Particular about major changes from items of main accounting statements and financial indexes as well as reasons

√ Applicable □ Not applicable

Items	2019-9-30 (RMB)	2018-12-31 (RMB)	Changed amount (RMB)	+,- (%)	Main reasons for major changes
Monetary fund	141,688,791.27	261,938,068.72	-120,249,277.45	-45.91%	Account paid for procurement increased in the period
Account paid in advance	32,143,134.36	188,848,712.69	-156,705,578.33	-82.98%	The invoice of procurement repaid to suppliers in earlier was collected in the period, and written down the account paid in advance
Construction in progress	17,366,462.65	9,472,383.76	7,894,078.89	83.34%	Investment for the construction of product research & manufacturing center of subsidiary Putian Datang in the period
Account received in advance	23,954,615.81	259,545,648.66	-235,591,032.85	-90.77%	Part of the products were sold to offset the account received in advance during the period
Taxes Payable	2,494,979.34	17,230,159.02	-14,735,179.68	-85.52%	VAT payable declined at end of the period
Long term payable	26,315,789.49		26,315,789.49		Carry out financial leasing business in the period, and has a balance of financial leasing payable at end of the period
Total non-current liabilities	32,320,662.49	7,296,315.00	25,024,347.49	342.97%	Carry out financial leasing business in the period, and the long-term payable increased at end of the period
Retained profit	-114,288,504.76	-40,726,776.80	-73,561,727.96	-180.62%	Loss in the reporting period, and the accumulated retained profit declined.
	From Jan. to Sept. of 2019	From Jan. to Sept. of 2018	Changed amount (RMB)	+,- (%)	
Financial expenses	24,032,020.74	16,474,946.82	7,557,073.92	45.87%	Financing interest and expenses increased on a y-o-y basis
Investment income	-441,778.63	333,659.41	-775,438.04	-232.40%	Joint-stock enterprise has more losses over that of last period

Assets disposal income	51,857.87	28,492,927.93	-28,441,070.06	-99.82%	No material assets disposal occurred in the period
Non-operation income	2,546,510.07	3,975,586.87	-1,429,076.80	-35.95%	Non-operating income as government grants reckoned into current gains/losses are declined over that of last period
Operating profit	-66,101,632.53	-8,592,622.57	-57,509,009.96	-669.28%	1. During the reporting period, the industry has in the transition-period of 4G and 5G construction, affected by the capital expenditure and purchasing policies of key customers, sales income of the Company declined over that of last period; 2. The Company strengthen risk controls and industrial restructuring in the period, and removed the venue, operating costs is higher relatively; 3. the non-recurring income decreased over that of last period.
Total profit	-63,844,230.26	-4,969,717.67	-58,874,512.59	-1184.67%	
Net profit	-65,196,745.52	-6,802,722.33	-58,394,023.19	-858.39%	
Net profit attributable to owners' of parent company	-73,561,727.96	-18,365,534.87	-55,196,193.09	-300.54%	
Net cash flow arising from operation activities	-174,200,790.16	-251,675,588.51	77,474,798.35	30.78%	
Subtotal cash inflow from investment activities	1,616,022.97	35,621,425.52	-34,005,402.55	-95.46%	The net cash collected from disposal fixed assets, intangible assets and other long-term assets in the period declined over that of last period
Net cash flow arising from investment activities	-6,588,145.80	24,138,218.08	-30,726,363.88	-127.29%	The net cash collected from disposal fixed assets, intangible assets and other long-term assets in the period declined over that of last period
Net cash flow arising from financing activities	54,383,791.05	-2,745,163.86	57,128,954.91	2081.08%	The loans paid on due in the period decreased over that of lat period
Net increase in cash and cash equivalents	-126,300,367.44	-230,374,891.34	104,074,523.90	45.18%	The net cash flow arising from operating and financing activities in the period are increased over that of last period

II. Progress and influence of the main events as well as solution analysis specification

Applicable Not applicable

Progress of shares buy-back

Applicable Not applicable

Implementation progress of the reduction of repurchases shares by centralized bidding

Applicable Not applicable

III. Commitments that the company, shareholders, actual controller, offeror, directors, supervisors, senior management or other related parties have fulfilled during the reporting period and have not yet fulfilled by the end of reporting period

Applicable Not applicable

There are no commitments that the company, shareholders, actual controller, offeror, directors, supervisors, senior management or other related parties have fulfilled during the reporting period and have not yet fulfilled by the end of reporting period.

IV. Particular about security investment

Applicable Not applicable

The Company had no security investment in Period.

V. Trust financing

Applicable Not applicable

The Company had no trust financing in Period.

VI. Particulars about derivatives investment

Applicable Not applicable

The Company had no derivatives investment in Period.

VII. Registration form for receiving research, communication and interview in the report period

Applicable Not applicable

No registration form for receiving research, communication or interview in the Period.

VII. Guarantee outside against the regulation

Applicable Not applicable

The Company had no guarantee outside against the regulation in the reporting period.

IX. Non-operational fund occupation from controlling shareholders and its related party

Applicable Not applicable

The Company had no non-operational fund occupation form controlling shareholders and its related party in the period.

Board of Directors of
Nanjing Putian Telecommunications Co., Ltd.
31 October 2019