

Stock Code: 200468

Short Form of the Stock: NJTEL-B

Notice No.: 2018-064

Nanjing Putian Telecommunications Co., Ltd.
Text of 3Q Report of 2018

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.

Li Linzhen, person in charge of the Company, head of the accounting works Cao Xurong and Gao Wen, 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

Reasons of retroactive adjustment or re-statement

Accounting errors correction

	Current period-end	Period-end of last year		Increase/decrease
		Before the adjustment	After the adjustment	After the adjustment
Total assets (RMB)	1,990,465,215.00	2,116,312,318.51	2,114,332,229.50	-5.86%
Net assets attributable to shareholders of listed company (RMB)	331,883,784.26	352,228,571.54	350,248,482.53	-5.24%
	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)	445,518,808.43	-14.50%	1,412,369,413.38	-7.90%
Net profit attributable to shareholders of the listed company (RMB)	-7,943,829.27	-163.15%	-18,365,534.87	-2,648.81%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB)	-35,974,784.31	-439.16%	-46,396,489.91	-1,161.91%
Net cash flow arising from operating activities (RMB)	--	--	-251,675,588.51	-28.05%
Basic earnings per share (RMB/Share)	-0.037	-162.71%	-0.085	-2,733.33%
Diluted earnings per share (RMB/Share)	-0.037	-162.71%	-0.085	-2,733.33%
Weighted average ROE	-2.37%	-6.15%	-5.38%	-5.19%

Reasons of accounting policy change and accounting error correction

Note: being deliberated and approved by 10th session of 7th BOD held on 13 July 2018, the Annual Report 2017 and Financial Report of 3Q for 2017 have been corrected in accounting error (found more in the Notice of Correction for Earlier Accounting Errors released on 14 July 2018)

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)	28,399,924.88	
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)	5,900,010.07	
Gains/losses of debt restructuring	225,371.60	
Other non-operating income and expenditure except for the aforementioned items	-192,891.95	
Less: impact on income tax	221,737.32	
Impact on minority shareholders' equity (post-tax)	6,079,722.24	
Total	28,030,955.04	--

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	8,661	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	State-owned	53.49%	115,000,000	115,000,000		

Company Limited	corporate					
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	Overseas corporate	3.31%	7,114,027	0		
Shenwan Hongyuan Securities (Hong Kong) co., LTD	Overseas corporate	2.41%	5,186,500	0		
Zheng Enyue	Domestic nature person	1.12%	2,405,739	0		
Sun Huiming	Domestic nature person	0.93%	2,007,110	0		
Guosen Securities (HK) Brokerage Company Limited	Overseas corporate	0.87%	1,861,882	0		
Gu Jinhua	Domestic nature person	0.83%	1,783,771	0		
BOCI SECURITIES LIMITED	Overseas corporate	0.80%	1,716,945	0		
Wang Xiaoyan	Domestic nature person	0.60%	1,296,887	0		
LI SHERYN ZHAN MING	Overseas nature person	0.53%	1,145,100	0		
Particular about top ten shareholders with tradable shares held						
Shareholders	Amount of tradable shares held	Type of shares				
		Type	Amount			
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	7,114,027	Domestically listed foreign shares	7,114,027			
Shenwan Hongyuan Securities (Hong Kong) co., LTD	5,186,500	Domestically listed foreign shares	5,186,500			
Zheng Enyue	2,405,739	Domestically listed foreign shares	2,405,739			

Sun Huiming	2,007,110	Domestically listed foreign shares	2,007,110
Guosen Securities (HK) Brokerage Company Limited	1,861,882	Domestically listed foreign shares	1,861,882
Gu Jinhua	1,783,771	Domestically listed foreign shares	1,783,771
BOCI SECURITIES LIMITED	1,716,945	Domestically listed foreign shares	1,716,945
Wang Xiaoyan	1,296,887	Domestically listed foreign shares	1,296,887
LI SHERYN ZHAN MING	1,145,100	Domestically listed foreign shares	1,145,100
Jin Yunhua	950,162	Domestically listed foreign shares	950,162
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	2018-9-30 (RMB)	2017-12-31 (RMB)	Changed amount (RMB)	+,- (%)	Main reasons for major changes
Monetary fund	153,091,055.74	327,477,701.36	-174,386,645.62	-53.25%	Sale capital return declined in the period
Account paid in advance	267,127,123.43	53,821,937.79	213,305,185.64	396.32%	Paying the goods with note in the period
Other receivables	39,077,565.92	29,325,423.73	9,752,142.19	33.25%	Receivable suspense debits increased
Stock	259,822,219.91	489,898,057.36	-230,075,837.45	-46.96%	Parts of the stock send out goods in the period with sales resulted
Other current assets	7,387,134.97	45,282,892.44	-37,895,757.47	-83.69%	Products are sale in the period, taxes deductible
Construction in progress	7,145,662.62	2,163,267.89	4,982,394.73	230.32%	Factory construction and re-construction in the period
Taxes Payable	9,538,970.12	18,883,017.18	-9,344,047.06	-49.48%	Taxes for the year declined
Deferred income	3,996,315.00	8,664,102.90	-4,667,787.90	-53.88%	Part of the government subsidy used for distribute resettlement personnel are used in the period, which has originally reconed into deferred income
Undistributed profit	-64,951,526.51	-46,585,991.64	-18,365,534.87	-39.42%	Net profit of the Company loss (18.37) million Yuan in the period
Items	From Jan. to Sept. of 2018	From Jan. to Sept. of 2017	Changed amount (RMB)	+,- (%)	Main reasons for major changes
Other income	7,303,121.76	4,414,191.87	2,888,929.89	65.45%	The government subsidy with daily operation activity concerned recognized in the period increased from a year earlier
Investment income	333,659.41	-849,185.37	1,182,844.78	139.29%	Profit from share-participated enterprise increased on a y-o-y basis

Assets disposal income	28,492,927.93	0.00	28,492,927.93		Received expropriation compensation for part of the house of the Company and subsidiary Bada Communication are levied by the government in the period
Operating profit	-8,592,622.57	14,676,548.93	-23,269,171.50	-158.55%	1. Affected by centralized purchasing of operators, the industry comes more and more fierce, revenue from product sales are declined, the gross profit decreased as well; meanwhile, part of the operational entities have influence on operation for business site removal and relocation; 2. in reporting period, periodic expenses goes up from a year earlier mainly because the Company in stranded condition and reducing the body, internal industrial structure are adjustment and more investment on R&D
Total profit	-4,969,717.67	18,268,473.68	-23,238,191.35	-127.20%	
Net profit	-6,802,722.33	12,066,927.76	-18,869,650.09	-156.37%	
Net profit attributable to owners' of parent company	-18,365,534.87	-668,127.00	-17,697,407.87	-2648.81%	
Income tax expense	1,833,004.66	6,201,545.92	-4,368,541.26	-70.44%	Profit from subsidiary has declined on a y-o-y basis in the period
Subtotal cash inflow from investment activities	35,621,425.52	444,774.40	35,176,651.12	7908.87%	Received expropriation compensation by the Company and subsidiary Bada Communication in the period
Net cash flow arising from investment activities	24,138,218.08	-8,474,958.17	32,613,176.25	384.82%	Net cash flow from investment activity increased from a year earlier for received expropriation compensation by the Company and subsidiary Bada Communication in the period
Net cash flow arising from financing activities	-2,745,163.86	-113,109,354.78	110,364,190.92	97.57%	Bank loans in the period increased on a y-o-y basis

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

√Applicable □ Not applicable

Approved by Shenzhen Stock Exchange, the Company return to the market since 15 August 2018, short name of the stock turns to “NJ TEL B” from ST NT B. More details see the reports.

Overview	Date for disclosure	Information index for temporary report disclosure
Stock Resumption Listing Approved by Shenzhen Stock Exchange	2018-08-01	Juchao Website (www.cninfo.com.cn)
Announcement of Resumption of Listing	2018-08-07	Juchao Website (www.cninfo.com.cn)

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. Estimation of operation performance for year of 2018

Estimation on accumulative net profit from the beginning of the year to the end of next report period to be loss probably or the warning of its material change compared with the corresponding period of the last year and explanation on reason

Applicable Not applicable

V. Particular about security investment

Applicable Not applicable

The Company had no security investment in Period.

VI. Trust financing

Applicable Not applicable

The Company had no trust financing in Period.

VII. Particulars about derivatives investment

Applicable Not applicable

The Company had no derivatives investment in Period.

VIII. 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.

IX. Guarantee outside against the regulation

Applicable Not applicable

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

X. 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 2018