

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **August 9, 2019**

**PINGTAN MARINE ENTERPRISE LTD.**

(Exact name of registrant as specified in its charter)

<b>Cayman Islands</b> (State or other jurisdiction of incorporation)	<b>001-35192</b> (Commission File Number)	<b>n/a</b> (IRS Employer Identification No.)
<b>18/F, Zhongshan Building A No. 154 Hudong Road Fuzhou, PRC</b> (Address of principal executive offices)		<b>350001</b> (Zip Code)
<b>86-10-6569-3988</b> (Registrant's telephone number, including area code)		
<b>Not Applicable</b> (Former name or former address, if changed since last report.)		

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Ordinary Shares, \$0.001 par value	PME	The NASDAQ Capital Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 2.02 Results of Operations and Financial Condition.**

On August 9, 2019, Pingtan Marine Enterprise Ltd. (the “Company”) issued a press release announcing financial results for the period ended June 30, 2019. A copy of the press release is furnished as Exhibit 99.1 to this Form 8-K.

*The information contained in this Item 2.02 and in the accompanying Exhibit 99.1 shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, or incorporated by reference in any filing under the Exchange Act or the Securities Act of 1933, as amended (the “Securities Act”), except as shall be expressly set forth by specific reference in such a filing.*

**Item 7.01 Regulation FD Disclosure.**

On August 9, 2019, the Company issued a press release announcing financial results for the period ended June 30, 2019. A copy of the press release is furnished as Exhibit 99.1 to this Form 8-K.

*The information contained in this Item 7.01 and in the accompanying Exhibit 99.1 shall not be deemed filed for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that section, or incorporated by reference in any filing under the Exchange Act or the Securities Act, except as shall be expressly set forth by specific reference in such a filing.*

**Item 9.01 Financial Statements and Exhibits.**

(d) EXHIBITS

99.1 [Press Release of Pingtan Marine Enterprise Ltd., dated August 9, 2019.](#)

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: August 9, 2019

**Pingtan Marine Enterprise Ltd.**

By: /s/ Roy Yu

Name: Roy Yu

Title: Chief Financial Officer



**PINGTAN MARINE ENTERPRISE REPORTS FINANCIAL RESULTS**  
**FOR THE SECOND QUARTER AND SIX MONTHS ENDED JUNE 30, 2019**

Company to Hold Conference Call on Monday, August 12, 2019, at 8:30 AM ET

**FUZHOU, China, August 9, 2019 – Pingtan Marine Enterprise Ltd. (Nasdaq: PME) (“Pingtan” or the “Company”)** a global fishing company based in the People’s Republic of China (PRC), today announced financial results for its second quarter and six months ended June 30, 2019.

**Second Quarter 2019 Financial Highlights (all results are compared to prior year period)**

- Revenue increased by 87.1% to \$25.5 million from \$13.6 million
- Gross profit increased by 33.2% to \$9.3 million from \$7.0 million
- Net income increased by 50.9% to \$5.0 million from net income of \$3.3 million
- Net income attributable to owners of the Company was \$4.6 million, or \$0.06 per basic and diluted share, compared to net income attributable to owners of the Company of \$2.9 million, or \$0.04 per basic and diluted share

**Management Comments**

Mr. Xinrong Zhuo, Chairman and CEO of the Company, commented, “In the second quarter of 2019, we continued to achieve overall favorable operational and financial performance. While we target at organized implementation of fishing fleet maintenance and vessel modification and rebuilding projects, the Company is also actively exploring for other available fishing areas in international waters. The Company’s management is currently focusing on accelerating the modification and rebuilding projects of 31 vessels, in particular: 15 light luring seine fishing vessels, 15 squid jigging vessels and 1 transport vessel. Among these rebuilt new vessels, 8 fishing vessels and 1 transport vessel are expected to be put into operation in the near future; 16 fishing vessels are in the process of modification and rebuilding; and the remaining 6 fishing vessels were approved in June by the Ministry of Agriculture and Rural Affairs and will soon start the modification and rebuilding projects. Upon completion, the 6 fishing vessels are allowed to operate in the international waters of the Indian Ocean. With these rebuilt kiloton new vessels being gradually put into operation, we believe the Company will see the operational and financial results of these vessels in subsequent quarters.”

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### Factors Affecting Pingtan's Results of Operations

As previously disclosed, in early December 2014, the Indonesian government introduced a six-month moratorium on issuing new fishing licenses and renewals so that the country's Ministry of Maritime Affairs and Fisheries ("MMAF") could combat illegal fishing and rectify ocean fishing order. In February 2015, the Company ceased all fishing operations in Indonesia. During the moratorium, the Company was informed that fishing licenses of 4 vessels operated through PT Avona and the business license of PT Dwikarya were revoked. PT Avona and PT Dwikarya are two local entities through which the Company conducts business in Indonesia. As a result of the above and because license renewal is prohibited due to the general moratorium, all local fishing licenses of the Company's vessels in Indonesia are presently inactive.

In November 2015, the Indonesian government announced that the moratorium had concluded; however, the MMAF has neither implemented new fishing policies nor resumed the license renewal process. The Company does not know when exactly licensing and renewal will resume. We have been paying close attention to any new trends in fishing policy and have been actively exploring other business operations and redeploying vessels to other locations. Since the Company previously derived a majority of its revenue from this area, this ban has caused a significant drop in production and we believe the Company's financial results will continue to be adversely affected.

In September 2017, the Company was informed that the fishing licenses of 13 vessels deployed to the Indo-Pacific waters were suspended and the vessels were docked in the port by the Ministry of Agriculture and Fisheries ("MAF") of the Democratic Republic of Timor-Leste. The MAF alleged and investigated whether false statements were made by the Company during the licensing process and the vessels were simultaneously registered in Indonesia. The Company disputed these allegations and the government of Timor-Leste eventually agreed to release these vessels as no evidence was presented to support such allegations. The 13 vessels have returned to China for maintenance.

As of June 30, 2019, 12 of the Company's 141 vessels were operating in the Bay of Bengal in India; 37 were operating in international waters and 19 of the 37 have returned to China due to fishing off season or routine maintenance; 13 have returned to China from the Democratic Republic of Timor-Leste due to the reason described above; 1 transport vessel has been completed and was waiting for operation in the forthcoming quarter; 31 vessels were in different stages of modification and rebuilding projects. The remaining 47 vessels were licensed by the Ministry of Agriculture and Rural Affairs of the People's Republic of China to operate in the Arafura Sea in Indonesia, 16 of which returned to China for maintenance in the first half of 2019. The vessels in Indonesian waters, however, are not in operation because the licenses are currently inactive due to either the moratorium discussed above, the revocation of the fishery business license of the local entity through which the vessels operate, or, with respect to 4 vessels, the revocation of the local fishing licenses.

### Second Quarter 2019 Selected Financial Highlights

(\$ in millions, except shares and per share) data )

	<b>Three Months ended June 30,</b>	
	<b>2019</b>	<b>2018</b>
	<b>(UNAUDITED)</b>	<b>(UNAUDITED)</b>
Revenue	\$ 25.5	\$ 13.6
Cost of Revenue	\$ 16.2	\$ 6.7
Gross Profit	\$ 9.3	\$ 7.0
Gross Margin	36.4%	51.1%
Net Income	\$ 5.0	\$ 3.3
Basic and Diluted Weighted Average Shares	79.1	79.1
EPS (in \$)	\$ 0.06	\$ 0.04

**Balance Sheet Highlights**

(\$ in millions, except for book value per share)

	<u>6/30/2019</u>	<u>12/31/2018</u>
	(UNAUDITED)	(AUDITED)
Cash and Cash Equivalents	\$ 3.2	\$ 2.0
Total Current Assets	\$ 57.7	\$ 15.5
Total Assets	\$ 361.6	\$ 247.0
Total Current Liabilities	\$ 104.0	\$ 73.1
Total Long-term Debt, net of current portion	\$ 102.8	\$ 22.3
Total Liabilities	\$ 207.1	\$ 95.4
Shareholders' Equity	\$ 154.5	\$ 151.6
Total Liabilities and Shareholders' Equity	\$ 361.6	\$ 247.0
Book Value Per Share (in \$)	\$ 1.95	\$ 1.92

**Consolidated Financial and Operating Review**

*Revenue*

Revenue for the three months ended June 30, 2019 was \$25.5 million, an increase of \$11.9 million, or 87.1%, from \$13.6 million for the same period in 2018. The increase in revenue is primarily attributable to more vessels in operation, which resulted in an increase in sales volume, and due to the different sales mix, average unit sale price decreased, as compared to the same period in 2018.

Sales volume increased by 151.0% to 15.4 million KG in the three months ended June 30, 2019 from 6.1 million KG in the same period of 2018. Due to different sales mix, however, average unit sale price decreased by 25.7% in the three months ended June 30, 2019, as compared to the three months ended June 30, 2018.

For the six months ended June 30, 2019, the Company's revenues were \$43.9 million compared to \$24.5 million in the first half of 2018. The increase was primarily due to the same reasons described above, i.e. more vessels in operation.

Sales volumes increased by 140.1% to 24.2 million KG in the six months ended June 30, 2019 from 10.1 million KG in the same period of 2018. Average unit sale price decreased 25.1% in the six months ended June 30, 2019, as compared to the six months ended June 30, 2018.

*Gross Margin*

The Company's gross margin was 36.4% for the three months ended June 30, 2019, compared to 51.1% in the prior year period. The decrease in gross margin for the three months ended June 30, 2019, as compared to the three months ended June 30, 2018, was primarily attributable to a drop of average unit sale price by 25.7% due to different catch mix delivered from the new fishing vessels that were deployed in different waters of high seas.

For the six months ended June 30, 2019, gross margin decreased to 30.4% from 51.3% in the same period of 2018. The decrease in gross margin for six months ended June 30, 2019, as compared to six months ended June 30, 2018, was primarily attributable to a drop of average unit sale price by 25.1% due to different catch mix delivered from the new fishing vessels that were deployed in different waters of high seas.

*Selling Expenses*

For the three months ended June 30, 2019, selling expenses were \$0.5 million compared to \$0.4 million in the prior year period. The increase was primarily attributable to the increase in insurance due to the different insured fishing vessel mix and increase in other miscellaneous selling expense, partially offset by the decrease in storage fees, shipping and handling fees, customs clearance charge and advertising expenses.

For the six months ended June 30, 2019, selling expenses were \$1.2 million compared to \$0.9 million in the same period of 2018. The increase was primarily due to the increase in other miscellaneous selling expense as a result of higher satellite communication fees and pilotage fees, increase in insurance due to the different insured fishing vessel mix, as well as an increase in storage fees, partially offset by a decrease in shipping and handling fees, customs clearance charges and advertising expenses.

*General & Administrative Expenses*

For the three months ended June 30, 2019, general and administrative expenses for the fishing business were \$2.1 million, compared to \$3.0 million in the prior year period, a decrease of 30%.

The decrease was primarily due to the decrease of \$0.7 million in depreciation in relation to non-operating vessels as, upon launch of the vessel modification and rebuilding projects, the number of non-operating vessels decreased by 30 in the second quarter of 2019 as compared to the same period in 2018; compensation and related benefits and professional fees also showed a large drop of \$0.6 million. The decrease was partially offset by the increase in impairment loss on vessels in the second quarter of 2019.

For the six months ended June 30, 2019, general and administrative expenses were \$6.9 million compared to \$6.1 million in the same period of 2018, an increase of 13.1%. The increase was primarily due to an impairment loss on vessels, which totaled \$2.5 million for the six months ended June 30, 2019. The increase was partially offset by the big decrease in depreciation in relation to non-operating vessels, compensation and related benefits, and professional fees.

*Net Income*

Net income for the three months ended June 30, 2019 was \$5.0 million, compared to net income of \$3.3 million in the same period of 2018.

For the six months ended June 30, 2019, net income was \$3.1 million, compared to \$4.3 million in the prior year period. Due to the modification and rebuilding projects, a non-recurring non-cash impairment loss of \$2.5 million was recorded for the six months ended June 30, 2019.

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### *Net Income Attributable to Owners of the Company*

Net income attributable to owners of the Company for the three months ended June 30, 2019 was \$4.6 million, or \$0.06 per basic and diluted share, compared to net income attributable to owners of the Company of \$2.9 million, or \$0.04 per basic and diluted share, in the same period of 2018.

For the six months ended June 30, 2019, net income attributable to owners of the Company was \$2.7 million, or \$0.03 per basic and diluted share, compared to net income attributable to owners of the Company of \$3.8 million, or \$0.05 per basic and diluted share, in the same period of 2018.

### **Conference Call Details**

Pingtang also announced that it will discuss financial results in a conference call Monday, August 12, 2019 – 8:30 a.m. ET.

The dial-in numbers are:

Live Participant Dial-in (Toll Free):	+1 877-407-0310
Live Participant Dial-in (International):	+1 201-493-6786

To listen to the live webcast, please go to <http://www.ptmarine.com> and click on the conference call link at the top of the page, or go to: <https://78449.themediaframe.com/dataconf/productusers/pme/mediaframe/31853/index1.html>. This webcast will be archived and accessible through the Company's website for approximately 30 days following the call.

### **About Pingtang**

Pingtang is a global fishing company engaging in ocean fishing through its subsidiary, Fujian Provincial Pingtang County Ocean Fishing Group Co., Ltd., or Pingtang Fishing.

### **Business Risks and Forward-Looking Statements**

This press release may contain forward-looking statements. The Private Securities Litigation Reform Act of 1995 provides a safe harbor under the Securities Act of 1933 and the Securities Exchange Act of 1934 for forward-looking statements. Words such as "estimate," "project," "forecast," "plan," "believe," "may," "expect," "anticipate," "intend," "planned," "potential," "can," "expectation" and similar expressions, or the negative of those expressions, may identify forward-looking statements. Although forward-looking statements reflect the good faith judgment of our management, such statements can only be based on facts and factors currently known by us. Consequently, forward-looking statements are inherently subject to risks and uncertainties and actual results and outcomes may differ materially from the results and outcomes discussed in or anticipated by the forward-looking statements. Risks include anticipated growth and growth strategies; need for additional capital and the availability of financing; locating or re-locating vessels in foreign waters and related license requirements; our ability to successfully manage relationships with customers, distributors and other important relationships; actions taken by government regulators, such as the Indonesian moratorium; technological changes; competition; demand for our products and services; the deterioration of general economic conditions, whether internationally, nationally or in the local markets in which we operate; legislative or regulatory changes that may adversely affect our business; operational, mechanical, climatic or other unanticipated issues that adversely affect the production capacity of the Company's fishing vessels and their ability to generate expected annual revenue and net income; and other risk factors contained in Pingtang's SEC filings available at [www.sec.gov](http://www.sec.gov), including Pingtang's most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. Readers are cautioned not to place undue reliance on any forward-looking statements, which speak only as of the date on which they are made. Pingtang undertakes no obligation to update or revise any forward-looking statements for any reason, except as required by law.

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**PINGTAN MARINE ENTERPRISE LTD. AND SUBSIDIARIES**  
**UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)**  
**(IN U.S. DOLLARS)**

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2019	2018	2019	2018
REVENUE	\$ 25,463,094	\$ 13,606,170	\$ 43,887,303	\$ 24,490,438
COST OF REVENUE	16,196,280	6,650,634	30,539,838	11,934,350
GROSS PROFIT	9,266,814	6,955,536	13,347,465	12,556,088
OPERATING EXPENSES:				
Selling	535,276	380,350	1,245,205	861,801
General and administrative	1,365,250	1,521,671	4,960,640	3,081,268
General and administrative - depreciation	749,056	1,479,214	1,971,217	3,045,233
Grant income	-	-	-	(1,052,112)
Loss (gain) on fixed assets disposal	166,152	(2,705)	166,152	2,178,750
Total Operating Expenses	2,815,734	3,378,530	8,343,214	8,114,940
INCOME FROM OPERATIONS	6,451,080	3,577,006	5,004,251	4,441,148
OTHER INCOME (EXPENSE):				
Interest income	17,773	14,768	20,289	34,532
Interest expense	(1,598,082)	(195,309)	(2,127,247)	(657,568)
Foreign currency transaction (loss) gain	(139,715)	(407,777)	(49,631)	166,215
Gain from cost method investment	347,651	397,420	347,651	397,420
Loss on equity method investment	(271,227)	(50,164)	(381,843)	(61,115)
Other income (expense)	226,487	(685)	252,158	(685)
Total Other (Expense), net	(1,417,113)	(241,747)	(1,938,623)	(121,201)
INCOME BEFORE INCOME TAXES	5,033,967	3,335,259	3,065,628	4,319,947
INCOME TAXES	-	-	-	-
NET INCOME	\$ 5,033,967	\$ 3,335,259	\$ 3,065,628	\$ 4,319,947
LESS: NET INCOME ATTRIBUTABLE TO THE NON-CONTROLLING INTEREST	454,923	389,775	373,823	502,170
NET INCOME ATTRIBUTABLE TO OWNERS OF THE COMPANY	\$ 4,579,044	\$ 2,945,484	\$ 2,691,805	\$ 3,817,777
COMPREHENSIVE INCOME (LOSS):				
NET INCOME	5,033,967	3,335,259	3,065,628	4,319,947
OTHER COMPREHENSIVE (LOSS) INCOME				
Unrealized foreign currency translation loss	(3,066,793)	(7,654,890)	(167,444)	(2,050,982)
COMPREHENSIVE INCOME (LOSS)	\$ 1,967,174	\$ (4,319,631)	\$ 2,898,184	\$ 2,268,965
LESS: COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO THE NON-CONTROLLING INTEREST	209,407	(222,538)	334,384	338,071
COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO OWNERS OF THE COMPANY	\$ 1,757,767	\$ (4,097,093)	\$ 2,563,800	\$ 1,930,894
NET INCOME PER ORDINARY SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY				
Basic and diluted	\$ 0.06	\$ 0.04	\$ 0.03	\$ 0.05
WEIGHTED AVERAGE ORDINARY SHARES OUTSTANDING:				
Basic and diluted	79,055,053	79,055,053	79,055,053	79,055,053

**PINGTAN MARINE ENTERPRISE LTD. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS (UNAUDITED)**  
**(IN U.S. DOLLARS)**

	<b>June 30, 2019</b>	<b>December 31, 2018</b>
	<b>(Unaudited)</b>	
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash	\$ 3,173,279	\$ 1,966,855
Accounts receivable, net of allowance for doubtful accounts	8,716,346	6,307,492
Due from related parties	28,286,500	-
Inventories, net of reserve for inventories	8,576,940	5,840,207
Prepaid expenses	4,641,386	644,824
Other receivables	4,340,682	698,450
	<u>57,735,133</u>	<u>15,457,828</u>
<b>TOTAL CURRENT ASSETS</b>		
<b>OTHER ASSETS:</b>		
Cost method investment	3,054,679	3,059,797
Equity method investment	28,589,643	28,872,521
Right-of-use asset	784,411	-
Property, plant and equipment, net	271,426,858	199,571,425
	<u>303,855,591</u>	<u>231,503,743</u>
<b>TOTAL OTHER ASSETS</b>		
	<u>\$ 361,590,724</u>	<u>\$ 246,961,571</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 56,640,127	\$ 30,642,125
Accounts payable - related parties	382,936	3,244,843
Short-term bank loans	5,077,827	5,085,139
Long-term bank loans - current portion	22,182,786	8,487,295
Accrued liabilities and other payables	8,586,061	6,058,548
Lease liability	432,970	-
Due to related parties	10,677,834	19,555,277
	<u>103,980,541</u>	<u>73,073,227</u>
<b>TOTAL CURRENT LIABILITIES</b>		
<b>OTHER LIABILITIES:</b>		
Lease liability	312,038	-
Long-term bank loans - non-current portion	102,840,851	22,329,234
	<u>103,152,889</u>	<u>22,329,234</u>
<b>TOTAL OTHER LIABILITIES</b>		
	<u>\$ 207,133,430</u>	<u>\$ 95,402,461</u>
<b>COMMITMENTS AND CONTINGENCIES</b>		
<b>SHAREHOLDERS' EQUITY:</b>		
Equity attributable to owners of the company:		
Ordinary shares (\$0.001 par value; 225,000,000 shares authorized; 79,055,053 shares issued and outstanding at June 30, 2019 and December 31, 2018)	79,055	79,055
Additional paid-in capital	81,682,599	81,682,599
Retained earnings	52,284,874	49,593,069
Statutory reserve	14,760,112	14,760,112
Accumulated other comprehensive loss	(13,576,052)	(13,448,047)
	<u>135,230,588</u>	<u>132,666,788</u>
<b>TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>		
Non-controlling interest	19,226,706	18,892,322
	<u>154,457,294</u>	<u>151,559,110</u>
<b>TOTAL SHAREHOLDERS' EQUITY</b>		
	<u>\$ 361,590,724</u>	<u>\$ 246,961,571</u>

**PINGTAN MARINE ENTERPRISE LTD. AND SUBSIDIARIES**  
**UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(IN U.S. DOLLARS)**

	<b>For the Six Months Ended</b>	
	<b>June 30,</b>	
	<b>2019</b>	<b>2018</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net income	\$ 3,065,628	\$ 4,319,947
Adjustments to reconcile net income from operations to net cash provided by operating activities:		
Depreciation	5,071,259	4,762,731
Decrease in allowance for doubtful accounts	-	(40,412)
(Decrease) increase in reserve for inventories	(358,040)	59,293
Loss on equity method investment	381,843	61,115
Loss on disposal of fixed assets	-	2,178,750
Impairment loss of fishing vessels	2,475,442	-
Changes in operating assets and liabilities:		
Accounts receivable	(2,452,909)	2,542,265
Inventories	(2,426,497)	(2,694,938)
Prepaid expenses	2,569	(763,537)
Other receivables	(375,533)	165,932
Other receivables - related party	(20,230)	-
Accounts payable	1,973,993	(1,260,101)
Accounts payable - related parties	(2,896,036)	(553,347)
Accrued liabilities and other payables	2,572,773	(1,013,530)
Accrued liabilities and other payables - related party	(1,290)	-
Due to related parties	1,221,527	4,075,326
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>8,234,499</b>	<b>11,839,494</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment	(59,984,190)	(6,157,014)
Proceeds from government grants for fishing vessels construction	3,623,171	2,286,575
Deposit for purchase of land use right	(7,373,762)	-
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(63,734,781)</b>	<b>(3,870,439)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Repayments of short-term bank loans	-	(8,500,000)
Proceeds from long-term bank loans	100,283,152	-
Repayments of long-term bank loans	(4,719,207)	(3,060,696)
Due to related parties	(10,220,387)	2,991,809
Due from related parties	(28,678,209)	-
Payments made for dividend	-	(1,581,101)
<b>NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>	<b>56,665,349</b>	<b>(10,149,988)</b>
<b>EFFECT OF EXCHANGE RATE ON CASH, CASH EQUIVALENTS AND RESTRICTED CASH</b>	<b>41,357</b>	<b>(178,341)</b>
<b>NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH</b>	<b>1,206,424</b>	<b>(2,359,274)</b>
<b>CASH, CASH EQUIVALENTS AND RESTRICTED CASH - beginning of period</b>	<b>1,966,855</b>	<b>3,826,727</b>
<b>CASH, CASH EQUIVALENTS AND RESTRICTED - end of period</b>	<b>\$ 3,173,279</b>	<b>\$ 1,467,453</b>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</b>		
Cash paid for:		
Interest	\$ 2,095,373	\$ 423,528
Income taxes	\$ -	\$ -
<b>RECONCILIATION TO AMOUNTS ON CONSOLIDATED BALANCE SHEETS:</b>		
Cash and cash equivalents	3,173,279	1,467,453
<b>TOTAL CASH, CASH EQUIVALENTS AND RESTRICTED CASH</b>	<b>\$ 3,173,279</b>	<b>\$ 1,467,453</b>
<b>NON-CASH INVESTING AND FINANCING ACTIVITIES:</b>		
Acquisition of property and equipment by decreasing prepayment for long-term assets	\$ -	\$ 11,873,429
Property and equipment acquired on credit as payable	\$ 24,435,995	12,968,879