

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



中遠海運發展股份有限公司
COSCO SHIPPING Development Co., Ltd.*

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 02866)

2019 THIRD QUARTERLY REPORT

In accordance with the applicable rules of the Shanghai Stock Exchange of the People's Republic of China (the "PRC") (the "Shanghai Stock Exchange") (being the stock exchange on which the A shares of COSCO SHIPPING Development Co., Ltd. (the "Company" or "COSCO SHIPPING Development", together with its subsidiaries, the "Group") are listed), the quarterly report (the "Quarterly Report") of the Company for the third quarter of 2019 (the "Reporting Period") will be published on the Shanghai Stock Exchange on 30 October 2019. The financial information set out in the Quarterly Report was prepared in accordance with the Generally Accepted Accounting Principles of the PRC.

This announcement is made pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

1. IMPORTANT NOTICES

- 1.1 The board of directors, the supervisory committee, the directors, the supervisors and the senior management of the Company confirm the truthfulness, accuracy and completeness of this Quarterly Report and that there are no false information, misleading statements, or material omissions contained therein; and severally and jointly accept legal responsibility thereof.
- 1.2 All members of the board of directors of the Company attended the meeting of the board of directors for the review and approval of this Quarterly Report.
- 1.3 Wang Daxiong, the person-in-charge of the Company, Lin Feng, the person-in-charge of accounting affairs, and Zhang Mingming, the head of the accounting department (officer in charge of accounting) have confirmed the truthfulness, accuracy and completeness of the financial statements contained in this Quarterly Report.
- 1.4 The Third Quarterly Report of the Company has not been audited.

2. COMPANY PROFILE

2.1 Principal financial data

	<i>Unit: Yuan Currency: RMB</i>		
	As at the end of the Reporting Period	As at the end of the previous year	Increase/decrease at the end of the Reporting Period as compared with the end of the previous year (%)
Total assets	145,880,245,439.56	137,837,424,339.45	5.84
Net assets attributable to equity holders of the listed company	23,742,435,625.51	18,040,136,634.21	31.61
	From the beginning of the year to the end of the Reporting Period (January to September)	From the beginning of the previous year to the end of the reporting period of previous year (January to September)	Increase/ decrease as compared with the corresponding period of last year (%)
Net cash flow from operating activities	4,331,729,731.43	3,933,943,036.85	10.11
	From the beginning of the year to the end of the Reporting Period (January to September)	From the beginning of the previous year to the end of the reporting period of previous year (January to September)	Increase/ decrease as compared with the corresponding period of last year (%)
Revenue	10,182,931,484.27	13,115,638,618.45	-22.36
Net profit attributable to equity holders of the listed company	1,291,108,810.51	805,545,449.26	60.28
Net profit attributable to equity holders of the listed company, excluding extraordinary gains or losses	1,151,606,639.35	725,275,792.34	58.78
Weighted average return on net assets (%)	6.06	4.95	Increased by 1.11 percentage points
Basic earnings per share (<i>RMB per share</i>)	0.1114	0.0689	61.68
Diluted earnings per share (<i>RMB per share</i>)	0.1114	0.0689	61.68

Items and amounts of extraordinary gains or losses

Applicable Not Applicable

Unit: Yuan Currency: RMB

Item	Amount for the Reporting Period (July to September)	Amount from the beginning of the year to the end of the Reporting Period (January to September)
Gain/loss from disposal of non-current assets	40,183,477.18	87,106,680.56
Government grants recognized in the income statement for the period (exclusive of those that are closely related to the normal operation of the Company and received in a certain amount or fixed quantity according to the requirements of state policy and state standards)	56,922,843.83	81,990,788.97
Custody fee income from entrusted operation		10,000,000.00
Other non-operating income/expenses excluding the items above	755,070.74	-3,122,447.58
Income tax effect	-20,985,227.03	-36,472,850.79
Total	<u>76,876,164.72</u>	<u>139,502,171.16</u>

2.2 Total number of shareholders, shareholding of the top 10 shareholders and the top 10 tradable shareholders (or shareholders who are not subject to selling restrictions) as at the end of the Reporting Period

Unit: Shares

Total number of shareholders (household) 337,663

Shareholding of the top 10 shareholders

Name of shareholders (Full name)	Number of shares held at the end of the period	Percentage (%)	Number of shares subject to selling restrictions	Number of shares pledged or frozen Status of shares	Number	Nature of shareholders
China Shipping Group Company Limited	4,410,624,386	38.00	0	Nil	0	State-owned corporation
HKSCC NOMINEES LIMITED	3,656,545,325	31.50	0	Unknown	Unknown	Foreign corporation
Guoxin Investment Co., Ltd.	454,632,706	3.92	0	Nil	0	State-owned corporation
State Development & Investment Corporation	247,909,807	2.14	0	Nil	0	State-owned corporation
China Securities Finance Corporation Limited	210,853,717	1.82	0	Nil	0	State-owned corporation
A securities account of COSCO Shipping Development Co., Ltd. designated for repurchase	79,627,003	0.69	0	Nil	0	State-owned corporation
Central Huijin Asset Management Ltd.	65,454,300	0.56	0	Nil	0	State-owned corporation
Agricultural Bank of China Limited – CSI 500 Exchange Traded Fund	42,968,222	0.37	0	Nil	0	Other
Hong Kong Securities Clearing Company Ltd.	39,073,180	0.34	0	Nil	0	Other
Aegon Industrial Fund – Bank of Shanghai – China Shipping (Group) Company	33,399,288	0.29	0	Nil	0	Other

Shareholding of the top 10 shareholders who are not subject to selling restrictions

Name of shareholders	Number of shares not subject to selling restrictions held	Type and number of shares	
		Type	Number
China Shipping Group Company Limited	4,410,624,386	RMB ordinary shares	4,410,624,386
HKSCC NOMINEES LIMITED	3,656,545,325	Overseas listed foreign shares	3,656,545,325
Guoxin Investment Co., Ltd.	454,632,706	RMB ordinary shares	454,632,706
State Development & Investment Corporation	247,909,807	RMB ordinary shares	247,909,807
China Securities Finance Corporation Limited	210,853,717	RMB ordinary shares	210,853,717
A securities account of COSCO Shipping Development Co., Ltd. designated for repurchase	79,627,003	RMB ordinary shares	79,627,003
Central Huijin Asset Management Ltd.	65,454,300	RMB ordinary shares	65,454,300
Agricultural Bank of China Limited – CSI 500 Exchange Traded Fund	42,968,222	RMB ordinary shares	42,968,222
Hong Kong Securities Clearing Company Ltd.	39,073,180	RMB ordinary shares	39,073,180
Aegon Industrial Fund – Bank of Shanghai – China Shipping (Group) Company	33,399,288	RMB ordinary shares	33,399,288

- Explanation of the related party relationship or acting-in-concert relationship among the above shareholders
- (1) The shares held by China Shipping Group Company Limited were not, among other things, pledged, frozen or under custody during the Reporting Period.
 - (2) HKSCC NOMINEES LIMITED is a private company, the principal business of which is holding shares for other companies or individuals.
 - (3) At the end of the Reporting Period, China Shipping Group Company Limited held 4,410,624,386 A shares in COSCO SHIPPING Development directly, representing 38.00% of its entire share capital; 47,570,789 A shares in COSCO SHIPPING Development through collective scheme, representing 0.41% of its entire share capital; thus held an aggregate of 4,458,195,175 A shares in COSCO SHIPPING Development, representing 38.41% of its entire share capital.
 - (4) At the end of the Reporting Period, China Shipping Group Company Limited held 100,944,000 H shares in COSCO SHIPPING Development, representing approximately 0.87% of the entire share capital.
 - (5) The Company was not notified of any related party relationship or acting-in-concert relationship among the above shareholders.

2.3 Total number of holders of preference shares, shareholding of the top 10 holders of preference shares and top 10 holders of preference shares who are not subject to selling restrictions as at the end of the Reporting Period

Applicable Not Applicable

3. SIGNIFICANT EVENTS

3.1 Particulars of material changes in major accounting items and financial indicators of the Company and reasons

Applicable Not Applicable

1. The increase in the trading financial assets ledger at the end of the Reporting Period was mainly due to the purchase of bank wealth management products during the Reporting Period;
2. The increase in bills receivable by 549.35% at the end of the Reporting Period as compared with the beginning of the Reporting Period was mainly due to the increase in acceptance of bank bills receivable of the container manufacturing business during the Reporting Period;
3. The increase in accounts receivable by 58.26% at the end of the Reporting Period as compared with the beginning of the Reporting Period was mainly due to the increase in sales orders of containers as a result of their production scheduling at the end of the Reporting Period as compared with the beginning of the year;
4. The decrease in prepayments by 50.32% at the end of the Reporting Period as compared with the beginning of the Reporting Period was mainly due to the decrease in prepayments for raw materials at the end of the Reporting Period as compared with the beginning of the Reporting Period;
5. The increase in reinsurance premium by 342.35% at the end of the Reporting Period as compared with the beginning of the Reporting Period was mainly due to the expansion of the insurance agency business during the Reporting Period;
6. The decrease in other current assets by 70.71% at the end of the Reporting Period as compared with the beginning of the Reporting Period was mainly due to the decrease in deductible input tax at the end of the Reporting Period as compared with the end of last period;
7. The increase in other non-current financial assets by 17.32% at the end of the Reporting Period as compared with the beginning of the Reporting Period was mainly due to the increase in fair value of financial assets originally held by the Company at the end of the Reporting Period;
8. The increase in deferred income tax assets by 36.99% at the end of the Reporting Period as compared with the beginning of the Reporting Period was mainly due to the increase in impairment provision for assets at the end of the Reporting Period;
9. The increase in accounts payable by 31.46% at the end of the Reporting Period as compared with the beginning of the Reporting Period was mainly due to the increase in payables as compared with the beginning of the Reporting Period as a result of the outstanding accounts payable during the Reporting Period;

10. The increase in contract liabilities by 690.93% at the end of the Reporting Period as compared with the beginning of the Reporting Period was mainly due to the increase in funds received in advance for container manufacturing and insurance businesses during the Reporting Period as compared with the beginning of the Reporting Period;
11. The decrease in taxes payable by 30.55% at the end of the Reporting Period as compared with the beginning of the Reporting Period was mainly due to the payment of outstanding cross-period income tax during the Reporting Period;
12. The increase in other current liabilities ledger at the end of the Reporting Period was mainly due to the super short-term commercial bonds newly issued during the Reporting Period;
13. The increase in bonds payable by 154.62% at the end of the Reporting Period as compared with the beginning of the Reporting Period was mainly due to the increase in issue of corporate bonds during the Reporting Period;
14. The increase in the lease liability ledger at the end of the Reporting Period was mainly due to the implementation of the new leasing standards during the Reporting Period;
15. The increase in long term payables by 50.16% at the end of the Reporting Period as compared with the beginning of the Reporting Period was mainly due to the increase in leaseback projects of our subsidiaries during the Reporting Period;
16. The increase in other equity instruments by 250.00% at the end of the Reporting Period as compared with the beginning of the Reporting Period was mainly due to the issuance of renewable corporate bonds during the Reporting Period;
17. The increase in capital reserve by 1,869.48% at the end of the Reporting Period as compared with the beginning of the Reporting Period was mainly due to the changes in other equity of associates and joint ventures;
18. The increase in equity attributable to the owner of the parent company by 31.61% at the end of the Reporting Period as compared with the beginning of the Reporting Period was mainly due to the increase in profit from operations and the issuance of renewable corporate bonds during the Reporting Period;
19. The decrease in interest income by 100.00% during the Reporting Period as compared with the corresponding period of last year was mainly due to the deconsolidation of the former subsidiary finance company in July 2018;
20. The decrease in interest expenses by 100.00% during the Reporting Period as compared with the corresponding period of last year was mainly due to the deconsolidation of the former subsidiary finance company in July 2018;
21. The increase in taxes and surcharges by 64.91% during the Reporting Period as compared with the corresponding period of last year was mainly due to the increase in surcharges paid for value-added tax during the Reporting Period;
22. The decrease in selling expenses by 68.96% during the Reporting Period as compared with the corresponding period of last year was mainly due to the decrease in warehousing expenses during the Reporting Period;

23. The decrease in other gains by 31.05% during the Reporting Period as compared with the corresponding period of last year was mainly due to the decrease in government grants during the Reporting Period as compared with the corresponding period of last year;
24. The increase in gains from changes in fair value by 170.09% during the Reporting Period as compared with the corresponding period of last year was mainly due to the increase in the market price of CNPC Capital Company Limited and Minmetals Capital Co., Ltd. held by the Company during the Reporting Period as compared with the corresponding period of last year;
25. The increase in asset impairments loss ledger during the Reporting Period was mainly due to the provision for old and obsolete containers without economic feasibility for lease during the Reporting Period;
26. The increase in gains from disposal of assets by 45.22% during the Reporting Period as compared with the corresponding period of last year was mainly due to the increase in gains from disposal of fixed assets by the Company during the Reporting Period;
27. The increase in non-operating expenses by 29,813.57% during the Reporting Period as compared with the corresponding period of last year was mainly due to the increase in charitable donation expenses paid during the Reporting Period;
28. The decrease in income tax expenses by 65.69% during the Reporting Period as compared with the corresponding period of last year was mainly due to the decrease in the income tax payable during the Reporting Period;
29. The increase in net profit by 50.56% during the Reporting Period as compared with the corresponding period of last year was mainly due to the increase in profit from operations and the decrease in income tax expenses during the Reporting Period;
30. The increase in net cash inflow from operating activities by 10.11% during the Reporting Period as compared with the corresponding period of last year was mainly due to the deconsolidation of the subsidiary during the corresponding period of last year;
31. The increase in net cash inflow from investment activities by 64.79% during the Reporting Period as compared with the corresponding period of last year was mainly due to the decrease in expenses on purchase of fixed assets as compared with the corresponding period of last year;
32. The decrease in net cash inflow from financing activities by 463.38% during the Reporting Period as compared with the corresponding period of last year was mainly due to the share repurchase by the Company and the increase in financing expenses paid during the Reporting Period as compared with the corresponding period of last year.

3.2 Analysis of the development of material events and their impacts and solutions

Applicable Not Applicable

The Company convened the third meeting of the sixth session of the Board and the second meeting of the sixth session of the supervisory committee on 11 October 2019, which considered and approved the Resolution in Relation to the Termination of the Company's Non-public Issuance of A Shares and Withdrawal of Application Documents (《關於終止公司非公開發行A股股票事項並撤回申請文件的議案》), and the independent directors expressed independent opinions thereon.

There have been changes in the capital market conditions and the financing opportunities since 2017 when the application for such non-public issuance was made by the Company. Taking into account various internal and external factors including the actual situation and the development plan of the Company, to safeguard the interests of investors and after numerous communications with the sponsor institutions and other parties, the Company intends to terminate such non-public issuance and apply to the CSRC for the withdrawal of the application for such non-public issuance by the Company.

The Company's termination of the non-public issuance of A shares was made after giving full consideration of factors such as the actual capital market conditions and the actual situation and development plan of the Company, and will not affect the normal operations of the Company or harm the interests of the Company and the shareholders as a whole, especially the minority shareholders.

(For details, please refer to the provisional announcement: 2019-078)

3.3 Undertakings that have not yet been duly fulfilled during the Reporting Period

Applicable Not Applicable

3.4 Profit warning and explanation of expected accumulated net loss from the beginning of the year to the end of the next reporting period or material changes over the corresponding period of the previous year

Applicable Not Applicable

4. APPENDIX

4.1 Financial statements

Consolidated Balance Sheet 30 September 2019

Prepared by: COSCO SHIPPING Development Co., Ltd.

Unit: Yuan Currency: RMB Audit type: Unaudited

Item	30 September 2019	31 December 2018
Current assets:		
Cash	14,351,304,858.98	16,200,858,634.68
Deposit reservation for balance		
Placements with banks and other financial institutions		
Trading financial assets	500,000,000.00	
Financial assets at fair value through profit or loss		
Derivative financial assets		
Bills receivable	49,870,000.00	7,680,000.00
Accounts receivable	1,612,489,691.61	1,018,869,861.93
Receivables financing		
Funds paid in advance	195,210,953.47	392,937,778.58
Premiums receivable		
Reinsurance accounts receivable	36,814,600.08	8,322,598.74
Deposits receivable from reinsurance contracts		
Other receivables	180,633,858.44	141,849,095.54
Including: Interests receivable	6,152,504.53	133.21
Dividends receivable	1,664,241.13	
Purchases of resold financial assets		
Inventories	1,018,852,687.08	1,017,748,208.36
Contract assets		
Assets held for sale		
Non-current assets due within one year	13,655,777,644.60	11,385,356,634.61
Other current assets	17,492,573.36	59,714,485.94
Total current assets	31,618,446,867.62	30,233,337,298.38

Item	30 September 2019	31 December 2018
Non-current assets:		
Loans and advances granted		
Debt investments		
Available-for-sale financial assets		
Other debt investments		
Held-to-maturity investments		
Long-term receivables	27,292,758,090.20	23,371,028,701.32
Long-term equity investment	25,095,590,902.74	23,822,602,553.54
Other equity instrument investments		
Other non-current financial assets	4,043,577,391.27	3,446,701,263.04
Investment property	107,212,961.48	104,442,708.81
Fixed assets	57,060,709,991.49	56,427,093,557.26
Construction in progress	35,201,104.57	27,316,400.81
Biological assets for production		
Fuel assets		
Right-of-use asset	156,277,301.83	
Intangible assets	135,470,393.56	132,769,503.44
Development expenditure		
Goodwill		
Long-term deferred expenses	58,984,774.16	54,773,747.88
Deferred income tax assets	270,876,941.41	197,740,223.33
Other non-current assets	5,138,719.23	19,618,381.64
Total non-current assets	114,261,798,571.94	107,604,087,041.07
Total assets	145,880,245,439.56	137,837,424,339.45

Item	30 September 2019	31 December 2018
Current liabilities:		
Short-term borrowings	14,202,703,500.00	17,882,448,000.00
Borrowings from central bank		
Placements funds		
Trading financial liabilities		
Financial liabilities at fair value through profit or loss		
Derivative financial liabilities		
Bills payable	1,157,139,210.00	1,297,288,400.00
Accounts payable	2,148,505,489.50	1,634,345,172.62
Funds received in advance	112,138,320.69	156,798,248.20
Contract liabilities	58,182,131.46	7,356,162.98
Funds from disposal of repurchased financial assets		
Deposit taking and deposit in inter-bank market		
Customer deposits for trading in securities		
Customer deposits for securities underwriting		
Staff remuneration payable	228,695,338.86	181,534,073.05
Taxes payable	189,533,378.70	272,907,412.99
Other payables	812,146,492.35	678,820,431.29
Including: Interests payable	435,247,302.60	367,226,001.61
Dividends payable		
Handling charges and commissions payable		
Reinsurance accounts payable	54,208,034.18	51,759,234.66
Liabilities classified as held-for-sale		
Non-current liabilities due within one year	31,952,470,781.14	32,728,425,344.38
Other current liabilities	2,515,555,342.46	
Total current liabilities	53,431,278,019.34	54,891,682,480.17

Item	30 September 2019	31 December 2018
Non-current liabilities:		
Deposits for insurance contracts		
Long term borrowings	53,849,605,318.28	57,346,798,273.09
Bonds payable	8,610,682,206.28	3,381,784,328.88
Including: Preferred shares		
Perpetual bonds		
Lease liability	185,231,765.79	
Long term payables	5,688,533,284.41	3,788,221,776.96
Long-term staff remuneration payable		
Projected liabilities		
Deferred income	11,871,854.58	13,034,790.57
Deferred income tax liabilities	346,023,170.55	371,812,112.04
Other non-current liabilities	14,584,194.82	3,953,943.53
Total non-current liabilities	68,706,531,794.71	64,905,605,225.07
Total liabilities	122,137,809,814.05	119,797,287,705.24
Owners' equity (or shareholders' equity)		
Paid-up capital (or share capital)	11,608,125,000.00	11,683,125,000.00
Other equity instruments	7,000,000,000.00	2,000,000,000.00
Including: Preferred shares		
Perpetual bonds	7,000,000,000.00	2,000,000,000.00
Capital reserve	320,800,480.25	16,288,610.85
Less: Treasury shares	233,428,071.84	
Other comprehensive income	-2,799,117,783.38	-2,774,310,688.26
Special reserve	1,709,155.33	
Surplus reserve	1,417,951,476.10	1,417,951,476.10
General risk provision		
Retained earnings	6,426,395,369.05	5,697,082,235.52
Total equity attributable to the owner of the parent company (or shareholders' equity)	23,742,435,625.51	18,040,136,634.21
Minority interests		
Total owners' equity (or shareholders' equity)	23,742,435,625.51	18,040,136,634.21
Total liabilities and owners' equity (or shareholders' equity)	145,880,245,439.56	137,837,424,339.45

Legal
representative:
Wang Daxiong

Person-in-charge of
accounting affairs:
Lin Feng

Head of the accounting
department:
Zhang Mingming

Balance Sheet of the Parent Company
30 September 2019

Prepared by: COSCO SHIPPING Development Co., Ltd.

Unit: Yuan Currency: RMB Audit type: Unaudited

Item	30 September 2019	31 December 2018
Current assets:		
Cash and bank balances	5,263,493,206.83	4,939,171,959.93
Trading financial assets		
Financial assets at fair value through profit or loss		
Derivative financial assets		
Bills receivable		
Accounts receivable	445,116,102.60	286,052,318.09
Receivables financing		
Funds paid in advance	3,793,295.92	834,664.82
Other receivables	1,986,192,550.75	3,865,502,084.69
Including: Interests receivable	79,827,439.49	23,993,338.50
Dividends receivable	1,680,000,275.84	3,670,328,267.66
Inventories	268,864,633.13	310,930,268.97
Contract assets		
Assets held for sale		
Non-current assets due within one year		
Other current assets	2,882,187,000.00	5,690,000,000.00
Total current assets	10,849,646,789.23	15,092,491,296.50

Item	30 September 2019	31 December 2018
Non-current assets:		
Debt investments		
Available-for-sale financial assets		
Other debt investments		
Held-to-maturity investments		
Long-term receivables		
Long-term equity investment	37,769,272,445.18	37,714,383,192.36
Other equity instrument investments		
Other non-current financial assets	2,539,918,605.44	1,881,637,270.44
Investment property		
Fixed assets	12,000,982,277.94	12,586,851,196.52
Construction in progress	2,650,949.06	1,754,722.64
Biological assets for production		
Fuel assets		
Right-of-use asset	47,176,557.61	
Intangible assets	474,795.17	547,234.95
Development expenditure		
Goodwill		
Long-term deferred expenses	673,286.05	6,813,712.58
Deferred income tax assets		
Other non-current assets	3,421,870,000.00	2,358,960,000.00
Total non-current assets	55,783,018,916.45	54,550,947,329.49
Total assets	66,632,665,705.68	69,643,438,625.99
Current liabilities:		
Short-term borrowings	5,500,000,000.00	11,000,000,000.00
Trading financial liabilities		
Financial liabilities at fair value through profit or loss		
Derivative financial liabilities		
Bills payable		
Accounts payable	176,615,918.44	142,184,655.33
Funds received in advance	1,813,000.00	1,813,056.60
Contract liabilities		
Staff remuneration payable	41,367,840.90	78,005,273.45
Taxes payable	24,376,436.21	17,190,639.08
Other payables	6,982,096,926.38	6,896,073,228.40
Including: Interests payable	124,808,873.29	42,068,651.18
Dividends payable		
Liabilities classified as held-for-sale		
Non-current liabilities due within one year	5,779,575,872.94	6,547,000,000.00
Other current liabilities	2,515,555,342.46	
Total current liabilities	21,021,401,337.33	24,682,266,852.86

Item	30 September 2019	31 December 2018
Non-current liabilities:		
Long term borrowings	4,120,100,000.00	11,571,500,000.00
Bonds payable	5,000,000,000.00	1,500,000,000.00
Including: Preferred shares		
Perpetual bonds		
Lease liability	25,805,559.22	
Long term payables		
Long-term staff remuneration payable		
Projected liabilities		
Deferred income		
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	9,145,905,559.22	13,071,500,000.00
Total liabilities	30,167,306,896.55	37,753,766,852.86
Owners' equity (or shareholders' equity)		
Paid-up capital (or share capital)	11,608,125,000.00	11,683,125,000.00
Other equity instruments	7,000,000,000.00	2,000,000,000.00
Including: Preferred shares		
Perpetual bonds	7,000,000,000.00	2,000,000,000.00
Capital reserve	16,360,730,879.30	16,352,507,737.94
Less: Treasury shares	233,428,071.84	
Other comprehensive income	4,014,570.32	-1,702,741.57
Special reserve		
Surplus reserve	1,411,641,333.51	1,411,641,333.51
Retained earnings	314,275,097.84	444,100,443.25
Total owners' equity (or shareholders' equity)	36,465,358,809.13	31,889,671,773.13
Total liabilities and owners' equity		
(or shareholders' equity)	66,632,665,705.68	69,643,438,625.99

Legal
representative:
Wang Daxiong

Person-in-charge of
accounting affairs:
Lin Feng

Head of the accounting
department:
Zhang Mingming

Consolidated Income Statement
January to September 2019

Prepared by: COSCO SHIPPING Development Co., Ltd.

Unit: Yuan Currency: RMB Audit type: Unaudited

Item	Third quarter of 2019 (July to September)	Third quarter of 2018 (July to September)	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
I. Total operating revenue	3,345,320,226.24	4,892,245,876.65	10,212,837,046.15	13,456,675,305.67
Including: Revenue from operations	3,335,387,457.52	4,875,415,726.16	10,182,931,484.27	13,115,638,618.45
Interest income				305,439,280.83
Premiums earned				
Handling charges and commission income	9,932,768.72	16,830,150.49	29,905,561.88	35,597,406.39
II. Total cost of sales	3,271,055,631.82	4,835,176,296.97	10,739,309,264.12	13,430,414,521.88
Including: Operating cost	2,380,447,796.48	3,850,451,589.78	7,723,279,528.34	10,396,377,923.18
Interest expenses		2,132,791.35		112,623,886.60
Handling charges and commission expenses				489,264.13
Surrender payment				
Net expenditure for compensation payments				
Net provision for insurance liability				
Policyholder dividend expenses				
Reinsurance costs				
Taxes and surcharges	14,037,169.01	13,474,155.88	52,161,034.62	31,630,811.90
Selling expenses	4,867,084.40	4,591,751.32	10,491,072.94	33,797,499.32
Administrative expenses	236,976,425.51	162,302,727.95	659,360,349.87	578,202,764.11
Research expenses	32,634.97	95,017.57	88,306.38	647,518.92
Finance costs	634,694,521.45	802,128,263.12	2,293,928,971.97	2,276,644,853.72
Including: Interest expenses	753,052,778.10	909,678,365.07	2,465,493,146.94	2,372,220,019.24
Interest income	61,954,090.38	22,793,967.11	156,161,669.22	73,775,507.26
Add: Other gains	56,922,843.83	16,296,433.40	81,990,788.97	118,920,860.97
Investment income (loss is represented by “-”)	334,541,557.40	545,736,145.56	1,678,145,792.96	1,851,999,304.30
Including: Gains from investment in associates and joint ventures	286,616,122.02	566,863,323.02	1,628,552,590.69	1,796,368,977.76
Derecognition gains on financial assets measured at amortized cost				
Gains from foreign currency exchange (loss is represented by “-”)				
Gain from net exposure to hedging (loss is represented by “-”)				
Gains from changes in fair value (loss is represented by “-”)	-70,935,514.80	-67,995,456.71	426,940,160.46	-609,103,593.86
Credit impairment loss (loss is represented by “-”)	-19,964,911.91	-89,295,368.77	-261,812,055.84	-271,503,391.40
Asset impairments loss (loss is represented by “-”)			-80,732,182.50	
Gains from disposal of assets (loss is represented by “-”)	40,183,477.18	37,290,743.87	87,106,680.56	59,984,422.11

Item	Third quarter of 2019 (July to September)	Third quarter of 2018 (July to September)	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
III. Profit from operations (loss is represented by “-”)	415,012,046.12	499,102,077.03	1,405,166,966.64	1,176,558,385.91
Add: Non-operating income	633,966.19	2,562,270.70	3,155,606.67	4,377,781.51
Less: Non-operating expenses	-121,104.55	4,092.61	6,278,054.25	20,987.31
IV. Total profit (total loss is represented by “-”)	415,767,116.86	501,660,255.12	1,402,044,519.06	1,180,915,180.11
Less: Income tax expenses	28,130,313.87	23,112,287.03	110,935,708.55	323,351,948.77
V. Net profit (net loss is represented by “-”)	387,636,802.99	478,547,968.09	1,291,108,810.51	857,563,231.34
(I) Classified by continuity of operation				
1. Net profit from continuing operations (net loss expressed with “-”)	387,636,802.99	478,547,968.09	1,291,108,810.51	710,596,157.75
2. Net profit from discontinued operations (net loss expressed with “-”)				146,967,073.59
(II) Classified by ownership of equity				
1. Net profit attributable to owners of the parent company (net loss expressed with “-”)	387,636,802.99	478,547,968.09	1,291,108,810.51	805,545,449.26
2. Minority interests (net loss expressed with “-”)				52,017,782.08
VI. Net other comprehensive income after taxes	-116,895,676.00	-163,751,650.94	-24,807,095.12	-275,920,273.26
Net other comprehensive income attributable to owners of the parent company after taxes	-116,895,676.00	-163,751,650.94	-24,807,095.12	-275,920,273.26
(I) Items that may not be reclassified to profit or loss	-46,566.26		39,709,638.55	
1. Changes from the re-measurement of defined benefit plans				
2. Other comprehensive income that may not be reclassified to profit or loss under the equity method	-46,566.26		39,709,638.55	
3. Changes in fair value of investments in other equity instruments				
4. Changes in fair value of enterprise’s own credit risk				
(II) Items that may be reclassified to profit or loss	-116,849,109.74	-163,751,650.94	-64,516,733.67	-275,920,273.26
1. Other comprehensive income that may be reclassified to profit or loss under the equity method	91,606,543.23	144,551,912.20	200,769,256.93	151,099,423.74
2. Changes in fair value of other debt investments				
3. Gains or losses from changes in fair value of available-for-sale financial assets				
4. Financial assets reclassified into other comprehensive income				
5. Held-to-maturity investments reclassified into gains or losses of available-for-sale financial assets				
6. Credit impairment provision for other debt investments				
7. Reserve for cash flow hedging (effective portion of gains or losses of cash flow hedging)	-1,706,275.45	805,255.66	-28,769,590.93	10,332,703.96
8. Exchange differences from translation of financial statements	-206,749,377.52	-309,108,818.80	-236,516,399.67	-437,352,400.96
9. Others				
Net other comprehensive income attributable to minority interests after taxes				

Item	Third quarter of 2019 (July to September)	Third quarter of 2018 (July to September)	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
VII. Total comprehensive income	270,741,126.99	314,796,317.15	1,266,301,715.39	581,642,958.08
Total comprehensive income attributable to owners of the parent company	270,741,126.99	314,796,317.15	1,266,301,715.39	529,625,176.00
Total comprehensive income attributable to minority shareholders				52,017,782.08
VIII. Earnings per share:				
(1) Basic earnings per share (RMB per share)	0.0334	0.0409	0.1114	0.0689
(2) Diluted earnings per share (RMB per share)	0.0334	0.0409	0.1114	0.0689

Legal
representative:
Wang Daxiong

Person-in-charge of
accounting affairs:
Lin Feng

Head of the accounting
department:
Zhang Mingming

Income Statement of the Parent Company
January to September 2019

Prepared by: COSCO SHIPPING Development Co., Ltd.

Unit: Yuan Currency: RMB Audit type: Unaudited

Item	Third quarter of 2019 (July to September)	Third quarter of 2018 (July to September)	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
I. Revenue from operations	579,001,377.98	530,693,728.58	1,691,461,427.42	1,444,478,118.14
Less: Operating cost	409,437,073.67	417,150,205.87	1,253,419,096.14	1,261,582,042.11
Taxes and surcharges	7,169,820.34	1,854,289.34	17,142,814.14	6,230,868.72
Selling expenses				
Administrative expenses	43,788,074.68	37,292,773.15	107,858,216.50	130,920,226.34
Research and development expenses				
Finance costs	201,803,262.30	264,596,086.37	722,484,753.14	838,540,918.68
Including: Interest expenses	209,857,869.61	281,227,106.06	735,202,338.78	857,578,322.83
Interest income	16,479,343.57	17,964,613.89	46,157,750.31	54,612,046.76
Add: Other gains	50,083,085.00	50,083,085.00	1,362,162.00	
Investment income (loss is represented by "-")	89,662,740.66	368,720,180.51	168,603,333.04	446,970,441.15
Including: Gains from investment in associates and joint ventures	41,734,508.80	42,520,349.55	119,241,601.18	40,901,024.43
Derecognition gains on financial assets measured at amortized cost				
Gain from net exposure to hedging (loss is represented by "-")				
Gains from changes in fair value (loss is represented by "-")	-67,541,972.49	-45,817,539.87	486,064,460.55	-608,531,986.90
Credit impairment loss (loss is represented by "-")	893,768.24	694,035.87		-1,034,791.28
Asset impairments loss (loss is represented by "-")				
Gains from disposal of assets (loss is represented by "-")		1,158,769.19		1,176,612.14
II. Profit from operations (loss is represented by "-")	-10,099,231.60	134,555,819.55	295,307,426.09	-952,853,500.60
Add: Non-operating income		-111,184.80		919,543.58
Less: Non-operating expenses				
III. Total profit (total loss is represented by "-")	-10,099,231.60	134,444,634.75	295,307,426.09	-951,933,957.02
Less: Income tax expenses				
IV. Net profit (net loss is represented by "-")	-10,099,231.60	134,444,634.75	295,307,426.09	-951,933,957.02
(1) Net profit from continuing operations (net loss expressed with "-")	-10,099,231.60	134,444,634.75	295,307,426.09	-951,933,957.02
(2) Net profit from discontinued operations (net loss expressed with "-")				

Item	Third quarter of 2019 (July to September)	Third quarter of 2018 (July to September)	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
V. Net other comprehensive income after taxes	5,908,799.67		5,717,311.89	
(I) Items that may not be reclassified to profit or loss				
1. Changes from the re-measurement of defined benefit plans				
2. Other comprehensive income that may not be reclassified to profit or loss under the equity method				
3. Changes in fair value of investments in other equity instruments				
4. Changes in fair value of enterprise's own credit risk				
(II) Items that may be reclassified to profit or loss	5,908,799.67		5,717,311.89	
1. Other comprehensive income that may be reclassified to profit or loss under the equity method	5,908,799.67		5,717,311.89	
2. Changes in fair value of other debt investments				
3. Gains or losses from changes in fair value of available-for-sale financial assets				
4. Financial assets reclassified into other comprehensive income				
5. Held-to-maturity investments reclassified into gains or losses of available-for-sale financial assets				
6. Credit impairment provision for other debt investments				
7. Reserve for cash flow hedging (effective portion of gains or losses of cash flow hedging)				
8. Exchange differences from translation of financial statements				
9. Others				
VI. Total comprehensive income	-4,190,431.93	134,444,634.75	301,024,737.98	-951,933,957.02
VII. Earnings per share:				
(1) Basic earnings per share (RMB per share)				
(2) Diluted earnings per share (RMB per share)				

Legal
representative:
Wang Daxiong

Person-in-charge of
accounting affairs:
Lin Feng

Head of the accounting
department:
Zhang Mingming

Consolidated Cash Flow Statement

January to September 2019

Prepared by: COSCO SHIPPING Development Co., Ltd.

Unit: Yuan Currency: RMB Audit type: Unaudited

Item	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
I. Cash flow from operating activities:		
Cash received from sales of goods and provision of services	10,989,458,613.32	11,843,428,545.45
Net increase in deposits from customers and placements from banks and other financial institutions		448,986,279.42
Net increase in borrowings from central bank		
Net increase in placements from other financial institutions		
Cash received from premiums of original insurance contracts		
Net cash received from reinsurance business		
Net increase in deposits from policyholders and investments		
Cash received from interest, handling charges and commissions		324,825,375.72
Net increase in capital due to banks and other financial institutions		
Net increase in repurchases business fund		
Net cash received from trading in securities		
Receipt of tax rebates	328,617,255.05	149,829,771.83
Other cash received from activities related to operation	605,627,490.03	437,102,949.09
Sub-total of cash inflow from operating activities	11,923,703,358.40	13,204,172,921.51
Cash paid for goods purchased and service rendered	5,437,531,301.53	5,940,268,073.82
Net increase in loans and advances to customers		904,223,287.76
Net increase in placements with central bank and other financial institutions		
Cash paid for claims on original insurance contracts		
Net increase in placements with banks and other financial institutions		
Cash payment for interest, handling charges and commissions		99,551,161.00
Cash payment for policyholder dividend		
Cash paid to and on behalf of employees	1,010,524,985.26	1,061,730,944.68
Taxes paid	475,656,389.94	469,072,452.16
Other cash paid for activities relating to operation activities	668,260,950.24	795,383,965.24
Sub-total of cash outflow from operating activities	7,591,973,626.97	9,270,229,884.66
Net cash flows from operating activities	4,331,729,731.43	3,933,943,036.85

Item	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
II. Cash flow from investment activities:		
Cash received from disposal of investments	10,198,251,963.02	15,042,562,206.21
Cash received from gains in investments	930,987,209.18	378,364,470.23
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	179,172,216.62	180,750,021.49
Net cash received from disposal of subsidiaries and other operating entities		
Other cash received relating to investment activities	155,752,230.86	
Sub-total of cash inflow from investment activities	11,464,163,619.68	15,601,676,697.93
Cash paid for purchase of fixed assets, intangible assets and other long-term assets	16,229,911,296.69	15,584,060,171.33
Cash paid for investment	694,965,924.45	7,615,253,759.94
Net increase in pledged loans		
Net cash paid for acquiring subsidiaries and other operating entities		
Other cash paid related to investment activities		7,912,061,215.77
Sub-total of cash outflow from investment activities	16,924,877,221.14	31,111,375,147.04
Net cash flow from investment activities	-5,460,713,601.46	-15,509,698,449.11
III. Cash flow from financing activities:		
Proceeds received from investments	5,000,000,000.00	
Including: Proceeds received by subsidiaries from minority shareholder's investment		
Cash received from borrowings	50,242,727,352.40	28,621,186,685.05
Cash received from issue of bonds		1,860,000,000.00
Other cash received relating to financing activities	199,956,633.83	
Sub-total of cash inflow from financing activities	55,442,683,986.23	30,481,186,685.05
Cash paid for repayment of debts	51,707,906,950.10	26,848,137,947.08
Cash payments for dividend and profit distribution or interest repayment	3,650,047,512.77	2,913,240,893.40
Including: Dividend and profit paid by subsidiary to minority shareholders		
Other cash paid relating to financing activities	1,234,908,802.10	403,288,672.59
Sub-total of cash outflow from financing activities	56,592,863,264.97	30,164,667,513.07
Net cash flow from financing activities	-1,150,179,278.74	316,519,171.98
IV. Effect on cash and cash equivalents due to changes in foreign exchange rates	248,664,959.05	236,763,347.61
V. Net increase in cash and cash equivalents	-2,030,498,189.72	-11,022,472,892.67
Add: Balance of cash and cash equivalents at the beginning of the period	15,249,193,722.11	23,193,300,179.15
VI. Balance of cash and cash equivalents at the end of the period	13,218,695,532.39	12,170,827,286.48

Legal
representative:
Wang Daxiong

Person-in-charge of
accounting affairs:
Lin Feng

Head of the accounting
department:
Zhang Mingming

Cash Flow Statement of the Parent Company
January to September 2019

Prepared by: COSCO SHIPPING Development Co., Ltd.

Unit: Yuan Currency: RMB Audit type: Unaudited

Item	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
I. Cash flow from operating activities:		
Cash received from sales of goods and provision of services	1,503,450,001.33	1,303,500,780.93
Receipt of tax rebates		47,274,123.40
Other cash received from activities related to operation	4,097,190,006.97	4,105,677,174.28
Sub-total of cash inflow from operating activities	5,600,640,008.30	5,456,452,078.61
Cash paid for goods purchased and services rendered	237,330,981.76	263,423,774.14
Cash paid to and on behalf of employees	431,208,281.97	386,392,977.92
Taxes paid	136,581,594.28	108,847,594.36
Other cash paid for activities relating to operation	658,949,797.49	4,775,299,560.92
Sub-total of cash outflow from operating activities	1,464,070,655.50	5,533,963,907.34
Net cash flows from operating activities	4,136,569,352.80	-77,511,828.73
II. Cash flow from investment activities:		
Cash received from disposal of investments	20,866,225.00	670,000,000.00
Cash received from gains in investments	2,113,182,558.78	154,421,232.65
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		526,160.34
Net cash received from disposal of subsidiaries and other operating entities		
Other cash received relating to investment activities		
Sub-total of cash inflow from investment activities	2,134,048,783.78	824,947,392.99
Cash paid for purchase of fixed assets, intangible assets and other long-term assets	1,034,905.67	437,971.70
Cash paid for investment	2,017,000,000.00	723,100,000.00
Net cash paid for acquiring subsidiaries and other operating entities		
Other cash paid related to investment activities		
Sub-total of cash outflow from investment activities	2,018,034,905.67	723,537,971.70
Net cash flow from investment activities	116,013,878.11	101,409,421.29

Item	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
III. Cash flow from financing activities:		
Cash received from investments	5,000,000,000.00	
Cash received from borrowings	17,700,000,000.00	12,480,000,000.00
Cash received from issue of bonds		
Other cash received relating to financing activities	199,956,633.83	280,000,000.00
Sub-total of cash inflow from financing activities	22,899,956,633.83	12,760,000,000.00
Cash paid for repayment of debts	25,428,400,000.00	12,529,100,000.00
Cash payments for dividend and profit distribution or interest repayment	842,076,585.99	903,133,491.55
Other cash paid relating to financing activities	364,090,392.41	40,106,656.70
Sub-total of cash outflow from financing activities	26,634,566,978.40	13,472,340,148.25
Net cash flow from financing activities	-3,734,610,344.57	-712,340,148.25
IV. Effect on cash and cash equivalents due to changes in foreign exchange rates		
	6,304,994.39	24,711,946.62
V. Net increase in cash and cash equivalents		
	524,277,880.73	-663,730,609.07
Add: Balance of cash and cash equivalents at the beginning of the period	4,739,115,326.10	3,516,505,994.86
VI. Balance of cash and cash equivalents at the end of the period	5,263,393,206.83	2,852,775,385.79

Legal
representative:
Wang Daxiong

Person-in-charge of
accounting affairs:
Lin Feng

Head of the accounting
department:
Zhang Mingming

4.2 Adjusting to the relevant items of the financial statements at the beginning of the first adoption year due to the first adoption of new financial instrument standards, new income standards and new leasing standards

Applicable Not Applicable

Consolidated Balance Sheet

Unit: Yuan Currency: RMB

Item	31 December 2018	1 January 2019	Adjusted amounts
Current assets:			
Cash and bank balances	16,200,858,634.68	16,200,858,634.68	
Deposit reservation for balance			
Placements with banks and other financial institutions			
Trading financial assets			
Financial assets at fair value through profit or loss			
Derivative financial assets			
Bills receivable	7,680,000.00	7,680,000.00	
Accounts receivable	1,018,869,861.93	1,018,869,861.93	
Receivables financing			
Funds paid in advance	392,937,778.58	392,937,778.58	
Premiums receivable			
Reinsurance accounts receivable	8,322,598.74	8,322,598.74	
Deposits receivable from reinsurance contracts			
Other receivables	141,849,095.54	141,849,095.54	
Including: Interests receivable	133.21	133.21	
Dividends receivable			
Purchases of resold financial assets			
Inventories	1,017,748,208.36	1,017,748,208.36	
Contract assets			
Assets held for sale			
Non-current assets due within one year	11,385,356,634.61	11,853,531,692.36	468,175,057.75
Other current assets	59,714,485.94	59,714,485.94	
Total current assets	30,233,337,298.38	30,701,512,356.13	468,175,057.75

Item	31 December 2018	1 January 2019	Adjusted amounts
Non-current assets:			
Loans and advances granted			
Debt investments			
Available-for-sale financial assets			
Other debt investments			
Held-to-maturity investments			
Long-term receivables	23,371,028,701.32	23,742,419,469.08	371,390,767.76
Long-term equity investment	23,822,602,553.54	23,822,602,553.54	
Other equity instrument investments			
Other non-current financial assets	3,446,701,263.04	3,446,701,263.04	
Investment property	104,442,708.81	104,442,708.81	
Fixed assets	56,427,093,557.26	56,427,093,557.26	
Construction in progress	27,316,400.81	27,316,400.81	
Biological assets for production			
Fuel assets			
Right-of-use asset		147,746,165.06	147,746,165.06
Intangible assets	132,769,503.44	132,769,503.44	
Development expenditure			
Goodwill			
Long-term deferred expenses	54,773,747.88	54,773,747.88	
Deferred income tax assets	197,740,223.33	197,740,223.33	
Other non-current assets	19,618,381.64	19,618,381.64	
Total non-current assets	107,604,087,041.07	108,123,223,973.89	519,136,932.82
Total assets	137,837,424,339.45	138,824,736,330.02	987,311,990.57

Item	31 December 2018	1 January 2019	Adjusted amounts
Current liabilities:			
Short-term borrowings	17,882,448,000.00	17,882,448,000.00	
Borrowings from central bank			
Placements funds			
Trading financial liabilities			
Financial liabilities at fair value through profit or loss			
Derivative financial liabilities			
Bills payable	1,297,288,400.00	1,297,288,400.00	
Accounts payable	1,634,345,172.62	1,634,345,172.62	
Funds received in advance	156,798,248.20	156,798,248.20	
Contract liabilities	7,356,162.98	7,356,162.98	
Funds from disposal of repurchased financial assets			
Deposit taking and deposit in inter-bank market			
Customer deposits for trading in securities			
Customer deposits for securities underwriting			
Staff remuneration payable	181,534,073.05	181,534,073.05	
Taxes payable	272,907,412.99	272,907,412.99	
Other payables	678,820,431.29	678,820,431.29	
Including: Interests payable	367,226,001.61	367,226,001.61	
Dividends payable			
Handling charges and commissions payable			
Reinsurance accounts payable	51,759,234.66	51,759,234.66	
Liabilities classified as held-for-sale			
Non-current liabilities due within one year	32,728,425,344.38	33,240,074,274.83	511,648,930.45
Other current liabilities			
Total current liabilities	54,891,682,480.17	55,403,331,410.62	511,648,930.45

Item	31 December 2018	1 January 2019	Adjusted amounts
Non-current liabilities:			
Deposits for insurance contracts			
Long term borrowings	57,346,798,273.09	57,346,798,273.09	
Bonds payable	3,381,784,328.88	3,381,784,328.88	
Including: Preferred shares			
Perpetual bonds			
Lease liability		478,902,095.95	478,902,095.95
Long term payables	3,788,221,776.96	3,788,221,776.96	
Long-term staff remuneration payable			
Projected liabilities			
Deferred income	13,034,790.57	13,034,790.57	
Deferred income tax liabilities	371,812,112.04	371,812,112.04	
Other non-current liabilities	3,953,943.53	3,953,943.53	
Total non-current liabilities	64,905,605,225.07	65,384,507,321.02	478,902,095.95
Total liabilities	119,797,287,705.24	120,787,838,731.64	990,551,026.40
Owners' equity (or shareholders' equity):			
Paid-up capital (or share capital)	11,683,125,000.00	11,683,125,000.00	
Other equity instruments	2,000,000,000.00	2,000,000,000.00	
Including: Preferred shares			
Perpetual bonds	2,000,000,000.00	2,000,000,000.00	
Capital reserve	16,288,610.85	16,288,610.85	
Less: Treasury shares			
Other comprehensive income	-2,774,310,688.26	-2,774,310,688.26	
Special reserve			
Surplus reserve	1,417,951,476.10	1,417,951,476.10	
General risk provision			
Retained earnings	5,697,082,235.52	5,693,843,199.69	-3,239,035.83
Total equity attributable to the owner of the parent company (or shareholders' equity)	18,040,136,634.21	18,036,897,598.38	-3,239,035.83
Minority interests			
Total owners' equity (or shareholders' equity)	18,040,136,634.21	18,036,897,598.38	-3,239,035.83
Total liabilities and owners' equity (or shareholders' equity)	137,837,424,339.45	138,824,736,330.02	987,311,990.57

Explanation on adjustment of every item:

Applicable Not Applicable

All the above adjustments represent adjustments to relevant items of the financial statements at the beginning of the first adoption year due to the first adoption of new leasing standards.

Balance Sheet of the Parent Company

Unit: Yuan Currency: RMB

Item	31 December 2018	1 January 2019	Adjusted amounts
Current assets:			
Cash and bank balances	4,939,171,959.93	4,939,171,959.93	
Trading financial assets			
Financial assets at fair value through profit or loss			
Derivative financial assets			
Bills receivable			
Accounts receivable	286,052,318.09	286,052,318.09	
Receivables financing			
Funds paid in advance	834,664.82	834,664.82	
Other receivables	3,865,502,084.69	3,865,502,084.69	
Including: Interests receivable	23,993,338.50	23,993,338.50	
Dividends receivable	3,670,328,267.66	3,670,328,267.66	
Inventories	310,930,268.97	310,930,268.97	
Contract assets			
Assets held for sale			
Non-current assets due within one year			
Other current assets	5,690,000,000.00	5,690,000,000.00	
Total current assets	15,092,491,296.50	15,092,491,296.50	

Item	31 December 2018	1 January 2019	Adjusted amounts
Non-current assets:			
Debt investments			
Available-for-sale financial assets			
Other debt investments			
Held-to-maturity investments			
Long-term receivables			
Long-term equity investment	37,714,383,192.36	37,714,383,192.36	
Other equity instrument investments			
Other non-current financial assets	1,881,637,270.44	1,881,637,270.44	
Investment property			
Fixed assets	12,586,851,196.52	12,586,851,196.52	
Construction in progress	1,754,722.64	1,754,722.64	
Biological assets for production			
Fuel assets			
Right-of-use asset		45,286,251.17	45,286,251.17
Intangible assets	547,234.95	547,234.95	
Development expenditure			
Goodwill			
Long-term deferred expenses	6,813,712.58	6,813,712.58	
Deferred income tax assets			
Other non-current assets	2,358,960,000.00	2,358,960,000.00	
Total non-current assets	54,550,947,329.49	54,596,233,580.66	45,286,251.17
Total assets	69,643,438,625.99	69,688,724,877.16	45,286,251.17

Item	31 December 2018	1 January 2019	Adjusted amounts
Current liabilities:			
Short-term borrowings	11,000,000,000.00	11,000,000,000.00	
Trading financial liabilities			
Financial liabilities at fair value through profit or loss			
Derivative financial liabilities			
Bills payable			
Accounts payable	142,184,655.33	142,184,655.33	
Funds received in advance	1,813,056.60	1,813,056.60	
Contract liabilities			
Staff remuneration payable	78,005,273.45	78,005,273.45	
Taxes payable	17,190,639.08	17,190,639.08	
Other payables	6,896,073,228.40	6,896,073,228.40	
Including: Interests payable	42,068,651.18	42,068,651.18	
Dividends payable			
Liabilities classified as held-for-sale			
Non-current liabilities due within one year	6,547,000,000.00	6,556,634,635.97	9,634,635.97
Other current liabilities			
Total current liabilities	24,682,266,852.86	24,691,901,488.83	9,634,635.97
Non-current liabilities:			
Long term borrowings	11,571,500,000.00	11,571,500,000.00	
Bonds payable	1,500,000,000.00	1,500,000,000.00	
Including: Preferred shares			
Perpetual bonds			
Lease liability		36,199,523.33	36,199,523.33
Long term payables			
Long-term staff remuneration payable			
Projected liabilities			
Deferred income			
Deferred income tax liabilities			
Other non-current liabilities			
Total non-current liabilities	13,071,500,000.00	13,107,699,523.33	36,199,523.33
Total liabilities	37,753,766,852.86	37,799,601,012.16	45,834,159.30

Item	31 December 2018	1 January 2019	Adjusted amounts
Owners' equity (or shareholders' equity):			
Paid-up capital (or share capital)	11,683,125,000.00	11,683,125,000.00	
Other equity instruments	2,000,000,000.00	2,000,000,000.00	
Including: Preferred shares			
Perpetual bonds	2,000,000,000.00	2,000,000,000.00	
Capital reserve	16,352,507,737.94	16,352,507,737.94	
Less: Treasury shares			
Other comprehensive income	-1,702,741.57	-1,702,741.57	
Special reserve			
Surplus reserve	1,411,641,333.51	1,411,641,333.51	
Retained earnings	444,100,443.25	443,552,535.12	-547,908.13
Total owners' equity			
(or shareholders' equity)	31,889,671,773.13	31,889,123,865.00	-547,908.13
Total liabilities and owners' equity			
(or shareholders' equity)	69,643,438,625.99	69,688,724,877.16	45,286,251.17

Explanation on adjustment of every item:

Applicable Not Applicable

All the above adjustments represent adjustments to relevant items of the financial statements at the beginning of the first adoption year due to the first adoption of new leasing standards.

4.3 Explanation on retrospective adjustment to the comparative figures of the previous period due to the first adoption of new financial instrument standards and new leasing standards

Applicable Not Applicable

4.4 Audit Report

Applicable Not Applicable

CAUTION STATEMENT

The board of directors hereby reminds the investors that the above extracts from the Quarterly Report are prepared on the basis of the Group's internal information and management accounts and have not been reviewed or audited by the auditors. **Investors should be aware of market risks and should not rely unduly on the extracts from the Quarterly Report above. In addition, investors should exercise caution when dealing in the shares of the Company.**

By order of the Board
COSCO SHIPPING Development Co., Ltd.
Yu Zhen
Company Secretary

Shanghai, the PRC
30 October 2019

As at the date of this announcement, the Board comprises Mr. Wang Daxiong, Mr. Liu Chong and Mr. Xu Hui, being executive directors, Mr. Feng Boming, Mr. Huang Jian and Mr. Liang Yanfeng, being non-executive directors, and Mr. Cai Hongping, Ms. Hai Chi Yuet, Mr. Graeme Jack, Mr. Lu Jianzhong and Ms. Zhang Weihua, being independent non-executive directors.

* *The Company is a registered non-Hong Kong company as defined in the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and it is registered under its Chinese name and under the English name "COSCO SHIPPING Development Co., Ltd."*