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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)**

**2021 THIRD QUARTERLY REPORT**

In accordance with the applicable rules of the Shanghai Stock Exchange of the People's Republic of China (the "PRC") (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 2021 (the "Reporting Period") will be published on the Shanghai Stock Exchange on 29 October 2021. 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 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

**IMPORTANT NOTICE:**

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.

The person-in-charge of the Company, the person-in-charge of accounting affairs, and the head of the accounting department (officer in charge of accounting) have confirmed the truthfulness, accuracy and completeness of the information of financial statements contained in this Quarterly Report.

Whether the financial statements for the third quarter are audited

Yes    No

## I. PRINCIPAL FINANCIAL DATA

### (I) Principal accounting data and financial indicators

*Unit: Yuan Currency: RMB*

Item	Reporting Period	Change as compared with the corresponding period of the previous year (%)	From the beginning of the year to the end of the Reporting Period	Change from the beginning of the year to the end of the Reporting Period as compared with the corresponding period of the previous year (%)
Revenue	10,623,303,600.46	117.20	24,980,386,957.66	96.58
Net profit attributable to shareholders and other equity holders of the listed company	1,567,175,114.46	91.42	3,988,316,109.77	138.53
Net profit attributable to shareholders and other equity holders of the listed company, excluding extraordinary gains or losses	1,552,463,241.56	94.52	4,206,229,621.40	160.49
Net cash flow generated from operating activities	N/A	N/A	7,239,265,766.18	27.83
Basic earnings per share (RMB per share)	0.1300	104.72	0.3281	167.18
Diluted earnings per share (RMB per share)	0.1297	104.25	0.3277	166.86
Weighted average return on net assets (%)	7.16	Increased by 3.10 percentage points	18.87	Increased by 10.84 percentage points
				<b>Change at the end of the Reporting Period as compared with the end of the previous year (%)</b>
		<b>As at the end of the Reporting Period</b>	<b>As at the end of the previous year</b>	
Total assets		121,586,942,627.10	146,038,794,875.34	-16.74
Owners' equity attributable to shareholders and other equity holders of the listed company		27,515,599,094.65	24,370,007,060.10	12.91

*Note:* "Reporting Period" refers to the three-month period from the beginning of the current quarter to the end of the current quarter, the same below.

**(II) Items and amounts of non-recurring gain or loss***Unit: Yuan Currency: RMB*

<b>Item</b>	<b>Amount for the Reporting Period</b>	<b>Amount for the beginning of the year to the end of the Reporting Period</b>
Gain or loss on disposal of non-current assets (including the write-off of the asset impairment provision)	2,830,659.54	-218,197,271.06
Government subsidies (except for government subsidies which are closely related to the ordinary business scope of the Company and entitled in standard amounts or quantities in conformity with the provisions of policies of the State) attributable to gain or loss for the period	11,348,049.86	16,721,112.10
Reversal of impairment provisions for receivables subject to individual impairment test	1,395,307.39	10,981,490.54
Other non-operating income and expenses apart from the above items	703,283.31	-28,872,716.49
Less: Effect of income tax	1,565,427.20	-1,453,873.28
Effect of minority interests (after tax)	—	—
<b>Total</b>	<b>14,711,872.90</b>	<b>-217,913,511.63</b>

Explanation on extraordinary gain or loss items defined as recurring gain or loss items as illustrated in the Explanatory Announcement on Information Disclosure for Companies Offering Their Securities to the Public No. 1 – Extraordinary Gain or Loss

Applicable     Not applicable

### (III) Changes for the major accounting data and financial indicators and the reasons thereof

√ Applicable    □ Not applicable

<b>Item name</b>	<b>Percentage change (%)</b>	<b>Main reason(s)</b>
Revenue during the Reporting Period	117.20	Mainly due to the year-on-year increase in revenue with better market sentiments of the container manufacturing segment
Revenue from the beginning of the year to the end of the Reporting Period	96.58	Mainly due to the year-on-year increase in revenue with better market sentiments of the container manufacturing segment
Net profit attributable to shareholders and other equity holders of the listed company from the beginning of the year to the end of the Reporting Period	138.53	Mainly due to the year-on-year increase in net profit from the container manufacturing segment and the investment service segment
Net profit attributable to shareholders and other equity holders of the listed company during the Reporting Period	91.42	Mainly due to the year-on-year increase in net profit from the container manufacturing segment and the investment service segment
Net profit attributable to shareholders and other equity holders of the listed company during the Reporting Period, excluding extraordinary gains or losses	94.52	Mainly due to the year-on-year increase in net profit from the container manufacturing segment and the investment service segment
Net profit attributable to shareholders and other equity holders of the listed company from the beginning of the year to the end of the Reporting Period, excluding extraordinary gains or losses	160.49	Mainly due to the year-on-year increase in net profit from the container manufacturing segment and the investment service segment
Basic earnings per share during the Reporting Period (RMB per share)	104.72	Mainly due to the year-on-year increase in net profit from shareholders attributable to the parent company
Basic earnings per share from the beginning of the year to the end of the Reporting Period (RMB per share)	167.18	Mainly due to the year-on-year increase in net profit from shareholders attributable to the parent company
Diluted earnings per share during the Reporting Period (RMB per share)	104.25	Mainly due to the year-on-year increase in net profit from shareholders attributable to the parent company
Diluted earnings per share from the beginning of the year to the end of the Reporting Period (RMB per share)	166.86	Mainly due to the year-on-year increase in net profit from shareholders attributable to the parent company

## II. SHAREHOLDER INFORMATION

### (I) Total number of shareholders of ordinary shares and shareholders of preference shares with restored voting rights and shareholdings of the top ten shareholders

*Unit: Shares*

Total number of shareholders of ordinary shares as at the end of the Reporting Period	309,901	Total number of shareholders of preference shares with restored voting rights as at the end of the Reporting Period (if any)	N/A
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#### Shareholding of the top 10 shareholders

Name of shareholder	Nature of shareholder	Number of shares held	Shareholding percentage (%)	Number of shares subject to selling restrictions	Pledged, marked or frozen Status of shares	Number
China Shipping Group Company Limited	State-owned corporation	4,410,624,386	38.00%	0	Nil	0
HKSCC NOMINEES LIMITED	Foreign corporation	3,657,185,248	31.51%	0	Unknown	Unknown
Hong Kong Securities Clearing Company Limited	Foreign corporation	110,566,347	0.95%	0	Nil	0
A securities account of COSCO SHIPPING Development Co., Ltd. designated for repurchase	State-owned corporation	79,627,003	0.69%	0	Nil	0
Henan Yiluo Investment Management Co., Ltd. – Letian No. 1 Yiluo private equity investment fund	Other	49,301,464	0.42%	0	Nil	0
China COSCO SHIPPING Corporation Limited	State-owned corporation	47,570,789	0.41%	0	Nil	0
Henan Yiluo Investment Management Co., Ltd. – Junan No. 12 Yiluo private equity investment fund	Other	38,451,223	0.33%	0	Nil	0
Henan Yiluo Investment Management Co., Ltd. – Yiluo No. 9 private equity investment fund	Other	34,875,100	0.30%	0	Nil	0
Henan Yiluo Investment Management Co., Ltd. – Huazhong No. 3 Yiluo private equity investment fund	Other	27,014,286	0.23%	0	Nil	0
Henan Yiluo Investment Management Co., Ltd. – Junan No. 6 Yiluo private equity investment fund	Other	25,018,800	0.22%	0	Nil	0

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

Name of shareholder	Number of tradable shares held not subject to selling restrictions	Type and number of shares	
		Type of shares	Number
China Shipping Group Company Limited	4,410,624,386	RMB ordinary shares	4,410,624,386
HKSCC NOMINEES LIMITED	3,657,185,248	Overseas listed foreign shares	3,657,185,248
Hong Kong Securities Clearing Company Limited	110,566,347	RMB ordinary shares	110,566,347
A securities account of COSCO SHIPPING Development Co., Ltd. designated for repurchase	79,627,003	RMB ordinary shares	79,627,003
Henan Yiluo Investment Management Co., Ltd. – Letian No. 1 Yiluo private equity investment fund	49,301,464	RMB ordinary shares	49,301,464
China COSCO SHIPPING Corporation Limited	47,570,789	RMB ordinary shares	47,570,789
Henan Yiluo Investment Management Co., Ltd. – Junan No. 12 Yiluo private equity investment fund	38,451,223	RMB ordinary shares	38,451,223
Henan Yiluo Investment Management Co., Ltd. – Yiluo No. 9 private equity investment fund	34,875,100	RMB ordinary shares	34,875,100
Henan Yiluo Investment Management Co., Ltd. – Huazhong No. 3 Yiluo private equity investment fund	27,014,286	RMB ordinary shares	27,014,286
Henan Yiluo Investment Management Co., Ltd. – Junan No. 6 Yiluo private equity investment fund	25,018,800	RMB ordinary shares	25,018,800
Explanation of the connected 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)	As at the end of the Reporting Period, China Shipping Group Company Limited directly held 4,410,624,386 A shares in COSCO SHIPPING Development, representing 38.00% of its entire share capital; China COSCO SHIPPING Corporation Limited held 47,570,789 A shares in COSCO SHIPPING Development, 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)	As 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 its entire share capital.	
	(5)	Among the above shareholders, Henan Yiluo Investment Management Co., Ltd. - Letian No. 1 Yiluo private equity investment fund, Henan Yiluo Investment Management Co., Ltd. - Junan No. 12 Yiluo private equity investment fund, Henan Yiluo Investment Management Co., Ltd. - Yiluo No. 9 private equity investment fund, Henan Yiluo Investment Management Co., Ltd. - Huazhong No. 3 Yiluo private equity investment fund, Henan Yiluo Investment Management Co., Ltd. - Junan No. 6 Yiluo private equity investment fund are fund products managed by Henan Yiluo Investment Management Co., Ltd. and are parties acting-in-concert.	
	(6)	The Company was not notified of any other connected relationship or acting-in-concert relationship among the above shareholders.	

Explanation of the participation of the top 10 shareholders and top 10 shareholders who are not subject to selling restrictions in margin trading and refinancing business (if any)

Henan Yiluo Investment Management Co., Ltd. – Letian No. 1 Yiluo private equity investment fund holds 49,301,464 shares through credit guarantee account. Henan Yiluo Investment Management Co., Ltd. – Junan No. 12 Yiluo private equity investment fund holds 37,430,323 shares through credit guarantee account. Henan Yiluo Investment Management Co., Ltd. – Huazhong No. 3 Yiluo private equity investment fund holds 26,644,286 shares through credit guarantee account. Henan Yiluo Investment Management Co., Ltd. – Junan No. 6 Yiluo private equity investment fund holds 23,953,400 shares through credit guarantee account.

### III. OTHER REMINDERS

Other important information about the Company’s operation in the Reporting Period that investors should be reminded of

Applicable     Not applicable

On 24 September 2021, the Listed Company Merger and Reorganization Examination Committee (the “**Merger and Reorganization Committee**”) of the China Securities Regulatory Commission (the “**CSRC**”) held the 24th working meeting of the Merger and Reorganization Committee this year to review the issuance of shares by COSCO SHIPPING Development Co., Ltd. (hereinafter referred to as the “**Company**”) to purchase assets and raise ancillary funds as well as connected transaction (hereinafter referred to as the “**Transaction**”). According to the announcement of the CSRC, the Transaction of the Company was approved unconditionally. On 20 October 2021, the Company received the Reply on the Application for the Issuance of Shares by COSCO SHIPPING Development Co., Ltd. to Purchase Assets and Raise Ancillary Funds to China Shipping Group Company Limited (Zheng Jian Xu Ke [2021] No.3283) from the CSRC. The board of directors of the Company will, in accordance with the requirements of the approval documents and the authorization of the general meeting of the Company, handle the issuance of shares to purchase assets and raise ancillary funds as well as connected transaction as soon as possible, and fulfill the obligation of information disclosure in a timely manner.

For further details, please refer to the A shares interim announcements of the Company dated 24 September and 20 October 2021.

### IV. QUARTERLY FINANCIAL STATEMENTS

#### (I) Audit opinion type

Applicable     Not applicable

## (II) Financial statements

### Consolidated Balance Sheet 30 September 2021

Prepared by: COSCO SHIPPING Development Co., Ltd.

Unit: Yuan Currency: RMB Audit type: Unaudited

Item	30 September 2021	31 December 2020
<b>Current assets:</b>		
Cash	8,123,499,580.13	12,636,947,404.87
Deposit reservation for balance		
Placements with banks and other financial institutions		
Trading financial assets	226,091,228.24	654,224,047.94
Derivative financial assets		
Bills receivable	746,264.00	387,926,400.00
Accounts receivable	4,615,044,313.19	2,050,899,602.67
Receivables financing		
Funds paid in advance	1,373,724,269.69	732,415,544.19
Premiums receivable		
Reinsurance accounts receivable	29,493,863.20	6,938,190.88
Deposits receivable from reinsurance contracts		
Other receivables	161,451,392.16	180,599,865.49
Including: Interests receivable		
Dividends receivable		
Purchases of resold financial assets		
Inventories	1,666,405,056.71	962,410,481.56
Contract assets		
Assets held for sale		
Non-current assets due within one year	4,646,673,239.42	19,380,569,317.13
Other current assets	250,507,681.12	141,525,718.05
<b>Total current assets</b>	<b>21,093,636,887.86</b>	<b>37,134,456,572.78</b>



Item	30 September 2021	31 December 2020
<b>Non-current assets:</b>		
Loans and advances granted		
Debt investments		
Other debt investments		59,820,000.00
Long-term receivables	32,830,575,283.32	27,698,200,826.12
Long-term equity investments	25,603,326,158.92	21,022,573,976.71
Other equity instrument investments		
Other non-current financial assets	3,762,778,787.40	3,932,753,960.40
Investment property	87,009,414.27	98,143,910.97
Fixed assets	37,785,011,469.14	55,180,427,306.59
Construction in progress	198,099,199.03	131,679,264.71
Biological assets for production		
Fuel assets		
Right-of-use assets	70,786,791.92	115,199,245.22
Intangible assets	121,742,602.77	146,464,033.78
Development expenditure		
Goodwill		
Long-term deferred expenses	3,653,444.81	56,902,687.17
Deferred income tax assets	28,279,472.78	284,669,504.39
Other non-current assets	2,043,114.88	177,503,586.50
<b>Total non-current assets</b>	<b>100,493,305,739.24</b>	<b>108,904,338,302.56</b>
<b>Total assets</b>	<b>121,586,942,627.10</b>	<b>146,038,794,875.34</b>

<b>Item</b>	<b>30 September 2021</b>	<b>31 December 2020</b>
<b>Current liabilities:</b>		
Short-term borrowings	19,323,400,007.23	17,253,169,100.00
Borrowings from central bank		
Placements funds		
Trading financial liabilities		
Derivative financial liabilities		
Bills payable	33,334,400.48	1,399,717,718.49
Accounts payable	5,110,330,819.67	3,075,170,599.64
Funds received in advance	87,017,831.89	348,730,076.27
Contract liabilities	1,101,832,003.92	162,353,982.75
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	360,633,282.11	330,594,835.66
Taxes payable	332,839,982.17	233,791,831.21
Other payables	1,639,544,886.88	1,894,079,770.14
Including: Interests payable	255,881,215.23	415,174,055.66
Dividends payable	273,171,318.00	226,360,000.00
Handling charges and commissions payable		
Reinsurance accounts payable	37,475,933.20	25,724,639.84
Liabilities held for sale		
Non-current liabilities due within one year	16,933,545,868.61	37,135,491,553.85
Other current liabilities		3,000,000,000.00
<b>Total current liabilities</b>	<b>44,959,955,016.16</b>	<b>64,858,824,107.85</b>

Item	30 September 2021	31 December 2020
<b>Non-current liabilities:</b>		
Deposits for insurance contracts		
Long-term borrowings	44,130,592,876.41	45,527,948,093.17
Bonds payable	4,300,000,000.00	8,287,545,838.06
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	33,397,557.57	53,857,626.25
Long-term payables	494,127,971.66	2,607,811,275.88
Long-term staff remuneration payable	16,956,827.06	21,220,473.82
Projected liabilities		
Deferred income	8,770,691.94	9,933,627.93
Deferred income tax liabilities	112,243,047.08	104,888,101.64
Other non-current liabilities	14,517,230.27	196,758,670.64
<b>Total non-current liabilities</b>	49,110,606,201.99	56,809,963,707.39
<b>Total liabilities</b>	94,070,561,218.15	121,668,787,815.24
<b>Owners' equity (or shareholders' equity):</b>		
Paid-up capital (or share capital)	11,608,125,000.00	11,608,125,000.00
Other equity instruments	6,000,000,000.00	6,000,000,000.00
Including: Preferred shares		
Perpetual bonds	6,000,000,000.00	6,000,000,000.00
Capital reserve	-124,455,994.88	-113,856,976.63
Less: Treasury shares	233,428,071.84	233,428,071.84
Other comprehensive income	-2,233,861,829.28	-2,320,757,973.36
Special reserve	1,170,120.25	1,360,053.39
Surplus reserve	1,613,592,540.60	1,613,592,540.60
General risk provision		
Retained earnings	10,884,457,329.80	7,814,972,487.94
Total equity attributable to the owners of the parent company (or shareholders' equity)	27,515,599,094.65	24,370,007,060.10
Minority interests	782,314.30	
<b>Total owners' equity (or shareholders' equity)</b>	27,516,381,408.95	24,370,007,060.10
<b>Total liabilities and owners' equity (or shareholders' equity)</b>	121,586,942,627.10	146,038,794,875.34
Person-in-charge of the Company: Wang Daxiong	Person-in-charge of accounting affairs: Lin Feng	Head of the accounting department: Zhang Mingming

## Consolidated Income Statement

January to September 2021

Prepared by: COSCO SHIPPING Development Co., Ltd.

Unit: Yuan Currency: RMB Audit type: Unaudited

Item	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
<b>I. Total operating revenue</b>	25,023,711,336.76	12,746,602,135.73
Including: Revenue from operations	24,980,386,957.66	12,707,801,728.00
Interest income		
Premiums earned		
Handling charges and commission income	43,324,379.10	38,800,407.73
<b>II. Total cost of sales</b>	21,887,599,484.53	11,966,325,813.22
Including: Operating cost	19,756,118,516.82	9,649,345,752.92
Interest expenses		
Handling charges and commission expenses		
Surrender payment		
Net expenditure for compensation payments		
Net provision for insurance liability		
Policyholder dividend expenses		
Reinsurance costs		
Taxes and surcharges	59,700,102.17	42,084,416.86
Selling expenses	4,910,026.75	5,669,813.22
Administrative expenses	792,233,858.24	637,196,534.19
Research and development expenses	17,997,408.24	2,441.81
Finance costs	1,256,639,572.31	1,632,026,854.22
Including: Interest expenses	1,176,649,306.40	1,637,034,915.98
Interest income	55,098,064.37	120,297,229.14

Item	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
Add: Other gains	16,721,112.10	61,884,755.27
Investment income (loss is represented by “-”)	2,002,835,771.49	1,578,878,821.00
Including: Gains from investment in associates and joint ventures	1,776,828,124.30	1,362,645,596.49
Derecognition gains on financial assets measured at amortized cost	51,293,827.38	12,007,344.55
Gains from foreign currency exchange (loss is represented by “-”)		
Gains from net exposure to hedging (loss is represented by “-”)		
Gains from changes in fair value (loss is represented by “-”)	25,990,295.79	-220,820,848.86
Credit impairment loss (loss is represented by “-”)	-320,146,835.63	-333,581,122.78
Asset impairments loss (loss is represented by “-”)		11,419,393.99
Gains from disposal of assets (loss is represented by “-”)	6,657,596.50	22,576,256.70
<b>III. Profit from operations (loss is represented by “-”)</b>	<b>4,868,169,792.48</b>	<b>1,900,633,577.83</b>
Add: Non-operating income	1,549,020.82	2,066,948.92
Less: Non-operating expenses	30,421,737.31	10,133,766.44
<b>IV. Total profit (total loss is represented by “-”)</b>	<b>4,839,297,075.99</b>	<b>1,892,566,760.31</b>
Less: Income tax expenses	850,980,902.20	220,530,443.20
<b>V. Net profit (net loss is represented by “-”)</b>	<b>3,988,316,173.79</b>	<b>1,672,036,317.11</b>
(I) Classified by continuity of operation		
1. Net profit from continuing operations (net loss expressed with “-”)	3,972,160,533.33	795,577,853.79
2. Net profit from discontinued operations (net loss expressed with “-”)	16,155,640.46	876,458,463.32
(II) Classified by ownership of equity		
1. Net profit attributable to shareholders of the parent company (net loss expressed with “-”)	3,988,316,109.77	1,672,036,317.11
2. Gains or losses of minority interests (net loss expressed with “-”)	64.02	

Item	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
<b>VI. Net other comprehensive income after taxes</b>	86,896,144.08	237,680,204.59
(I) Net other comprehensive income attributable to owners of the parent company after taxes	86,896,144.08	237,680,204.59
1. Items that may not be reclassified to profit or loss	12,980.44	-9,536,593.16
(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	12,980.44	-9,536,593.16
(3) Changes in fair value of investments in other equity instruments		
(4) Changes in fair value of enterprise's own credit risk		
2. Items that may be reclassified to profit or loss	86,883,163.64	247,216,797.75
(1) Other comprehensive income that may be reclassified to profit or loss under the equity method	11,163,093.47	-26,275,813.61
(2) Changes in fair value of other debt investments		
(3) Financial assets reclassified into other comprehensive income		
(4) Credit impairment provision for other debt investments		
(5) Reserve for cash flow hedging	14,330,008.23	-15,807,957.36
(6) Exchange differences from translation of financial statements	61,390,061.94	289,300,568.72
(7) Others		
(II) Net other comprehensive income attributable to minority interests after taxes		
<b>VII. Total comprehensive income</b>	4,075,212,317.87	1,909,716,521.70
(I) Total comprehensive income attributable to owners of the parent company	4,075,212,253.85	1,909,716,521.70
(II) Total comprehensive income attributable to minority interests	64.02	
<b>VIII. Earnings per share:</b>		
(I) Basic earnings per share (RMB per share)	0.3281	0.1228
(II) Diluted earnings per share (RMB per share)	0.3277	0.1228

For the business combination under common control effected in the current period, the net profit recognized by the consolidated party before the consolidation was nil, and the net profit recognized by the consolidated party in the previous period was nil.

Person-in-charge  
of the Company:  
Wang Daxiong

Person-in-charge  
of accounting affairs:  
Lin Feng

Head of the  
accounting department:  
Zhang Mingming

## Consolidated Cash Flow Statement

January to September 2021

*Prepared by: COSCO SHIPPING Development Co., Ltd.*

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

Item	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
<b>I. Cash flow from operating activities:</b>		
Cash received from sales of goods and provision of services	26,275,136,247.09	12,886,205,410.30
Net increase in deposits from customers and placements from banks and other financial institutions		
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		
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	668,497,731.79	179,233,023.85
Other cash received from activities relating to operation	304,146,710.63	337,663,235.97
<b>Sub-total of cash inflow from operating activities</b>	<b>27,247,780,689.51</b>	<b>13,403,101,670.12</b>
Cash paid for goods purchased and services rendered	17,440,591,048.78	5,445,861,678.93
Net increase in loans and advances to customers		
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		
Cash payment for policyholder dividend		
Cash paid to and on behalf of staff	1,220,392,347.01	1,229,546,116.37
Taxes paid	848,739,241.41	436,368,678.40
Other cash paid for activities relating to operating activities	498,792,286.13	628,125,341.91
<b>Sub-total of cash outflow from operating activities</b>	<b>20,008,514,923.33</b>	<b>7,739,901,815.61</b>
<b>Net cash flows generated from operating activities</b>	<b>7,239,265,766.18</b>	<b>5,663,199,854.51</b>

Item	First three quarters of 2021 (January to September)	First three quarters of 2020 (January to September)
<b>II. Cash flow generated from investment activities:</b>		
Cash received from disposal of investments	15,678,946,835.47	16,032,241,290.69
Cash received from gains in investments	562,901,979.81	416,608,874.26
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	50,504,461.54	159,319,895.32
Net cash received from disposal of subsidiaries and other operating entities	1,052,929,237.58	
Other cash received relating to investment activities	386,229,027.53	247,668,691.03
<b>Sub-total of cash inflow from investment activities</b>	<b>17,731,511,541.93</b>	<b>16,855,838,751.30</b>
Cash paid for purchase of fixed assets, intangible assets and other long-term assets	29,973,122,234.98	20,153,572,489.82
Cash paid for investment	450,362,925.00	2,068,288,000.00
Net increase in pledged loans		
Net cash paid for acquiring subsidiaries and other operating entities		
Other cash paid relating to investment activities	385,609,188.93	
<b>Sub-total of cash outflow from investment activities</b>	<b>30,809,094,348.91</b>	<b>22,221,860,489.82</b>
<b>Net cash flow generated from investment activities</b>	<b>-13,077,582,806.98</b>	<b>-5,366,021,738.52</b>
<b>III. Cash flow from financing activities:</b>		
Proceeds received from investments	1,000,000,000.00	
Including: Proceeds received by subsidiaries from minority interests' investment	1,000,000,000.00	
Cash received from borrowings	54,001,843,718.49	51,808,998,478.12
Other cash received relating to financing activities		57,146,333.56
<b>Sub-total of cash inflow from financing activities</b>	<b>55,001,843,718.49</b>	<b>51,866,144,811.68</b>
Cash paid for repayment of debts	50,089,132,791.67	49,484,236,615.95
Cash payments for dividend and profit distribution or interest repayment	2,783,960,429.13	3,588,219,194.23
Including: Dividend and profit paid by subsidiaries to minority interests		
Other cash paid relating to financing activities	328,051,203.95	395,505,844.33
<b>Sub-total of cash outflow from financing activities</b>	<b>53,201,144,424.75</b>	<b>53,467,961,654.51</b>
<b>Net cash flow generated from financing activities</b>	<b>1,800,699,293.74</b>	<b>-1,601,816,842.83</b>
<b>IV. Effect on cash and cash equivalents due to changes in foreign exchange rates</b>	<b>10,202,116.90</b>	<b>-20,157,435.87</b>
<b>V. Net increase in cash and cash equivalents</b>	<b>-4,027,415,630.16</b>	<b>-1,324,796,162.71</b>
Add: Balance of cash and cash equivalents at the beginning of the period	12,046,801,047.06	9,635,095,552.61
<b>VI. Balance of cash and cash equivalents at the end of the period</b>	<b>8,019,385,416.90</b>	<b>8,310,299,389.90</b>

Person-in-charge  
of the Company:  
Wang Daxiong

Person-in-charge  
of accounting affairs:  
Lin Feng

Head of the  
accounting department:  
Zhang Mingming



**(III) Adjusting to the relevant items of financial statements at the beginning of the first adoption year due to the first adoption of new leasing standards since 2021**

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.**  
**Cai Lei**  
*Joint Company Secretary*

Shanghai, the PRC  
29 October 2021

*As at the date of this announcement, the Board comprises Mr. Wang Daxiong, Mr. Liu Chong and Mr. Xu Hui, being executive directors, Mr. Huang Jian, Mr. Liang Yanfeng and Mr. Ip Sing Chi, being non-executive directors, and Mr. Cai Hongping, Mr. Lu Jianzhong, Ms. Zhang Weihua and Mr. Shao Ruiqing, 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."*