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中遠海運控股股份有限公司
COSCO SHIPPING Holdings Co., Ltd.*

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1919)

THIRD QUARTERLY REPORT FOR 2019

Pursuant to the regulations of the China Securities Regulatory Commission of People's Republic of China (the "PRC"), COSCO SHIPPING Holdings Co., Ltd. (the "Company" or "COSCO SHIPPING Holdings", together with its subsidiaries, the "Group") is required to publish a quarterly report for each of the first and third quarters of a financial year.

All financial information set out in this quarterly report for the nine months ended 30 September 2019 (the "Reporting Period") is unaudited and prepared in accordance with the PRC Accounting Standards.

This announcement is made pursuant to Rule 13.09 and Rule 13.10B 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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

I. IMPORTANT NOTICE

- 1.1 The board of directors, supervisory committee, each of the directors, supervisors and senior management members of the Company confirm that there are no misrepresentation or misleading statements contained in or material omissions from this report, and accept joint and several responsibilities for the truthfulness, accuracy and completeness of the contents of this quarterly report.
- 1.2 All directors of the Company attended the meeting of the board of directors to consider and approve this quarterly report.

1.3 Xu Lirong (chairman of the Company), Yang Zhijian (an executive director and general manager), Zhang Mingwen (chief financial officer) and Xu Hongwei (general manager of the financial management department) hereby declare that they warrant the truthfulness, accuracy and completeness of the financial statements contained in the quarterly report.

1.4 The third quarterly report of the Company has not been audited.

II. BASIC INFORMATION OF THE COMPANY

2.1 Major financial data

Unit: Yuan Currency: Renminbi (“RMB”)

	As at the end of the Reporting Period	As at the end of last year	Increase/decrease at the end of the Reporting Period as compared to the end of last year (%)
Total assets	264,305,017,682.74	228,143,804,963.20	15.85
Net assets attributable to equity holders of the Company	30,804,576,027.86	22,886,213,478.10	34.60
	Beginning of the year to the end of the Reporting Period (January to September)	Beginning of last year to the end of the reporting period of last year (January to September)	Increase/decrease over the same period of last year (%)
Net cash flow generated from operating activities	15,002,048,739.90	4,474,089,680.33	235.31

	Beginning of the year to the end of the Reporting Period (January to September)	Beginning of last year to the end of the reporting period of last year (January to September)	Increase/decrease over the same period of last year (%)
Revenues	111,617,288,281.23	82,130,067,908.78	35.90
Net profit attributable to equity holders of the Company	2,116,273,910.64	862,585,991.64	145.34
Net profit attributable to equity holders of the Company, net of non-recurring profit or loss	1,888,777,480.68	-383,142,725.97	–
Weighted average return on net assets (%)	7.31	2.64	Increase by 4.67 percentage points
Basic earnings per share (RMB/share)	0.18	0.08	125.00
Diluted earnings per share (RMB/share)	0.18	0.08	125.00

Non-recurring profit or loss items and amounts

Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Amount for the current period (July to September)	Amount from the beginning of the year to the end of the Reporting Period (January to September)	Description
Gains or losses on disposal of non-current assets	56,039,481.62	60,436,359.29	
Government subsidies recorded in the profit or loss account for the current period (exclusive of government subsidies which are closely related to normal operating business of the Company and are entitled continuously pursuant to unified standard quota or amount under the State government policy)	123,739,883.80	209,170,288.37	
Apart from hedging instruments relating to the normal operating business of the Company, gains or losses from change in fair value of held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities and derivative financial liabilities, and investment income from disposal of held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities and other debt investment	-28,538,190.56	227,548,516.90	
Other non-operating income and expenses excluding the items above	14,863,676.97	5,446,333.45	
Effect of minority shareholders' interests (after tax)	-113,322,526.59	-213,718,935.40	
Effect of income tax	-9,816,066.78	-61,386,132.65	
Total	42,966,258.46	227,496,429.96	

2.2 Total number of shareholders and shareholdings of the ten largest shareholders and the ten largest holders of tradable shares (or shareholders not subject to selling restrictions) as at the end of the Reporting Period

Unit: Share(s)

Total number of shareholders **264,652**

Shareholdings of the top ten shareholders

Name of shareholder (full name)	Number of shares held as at the end of the period	Percentage (%)	Number of shares held subject to selling restrictions	Pledged or frozen status of shares		Nature of shareholder
					Number	
China Ocean Shipping Company Limited (“COSCO”)	4,557,594,644	37.18	0	Nil		State-owned legal person
HKSCC NOMINEES LIMITED	2,580,600,000	21.05	0	Unknown		Others
China COSCO Shipping Corporation Limited (“COSCO SHIPPING”)	1,021,627,435	8.33	1,021,627,435	Nil		State-owned legal person
Beijing Chengtong Financial Investment Co., Ltd.	306,488,177	2.50	0	Nil		State-owned legal person
China Securities Finance Corporation Limited	305,990,519	2.50	0	Nil		State-owned legal person
Wuhan Iron and Steel (Group) Corp. (武鋼集團有限公司)	250,000,000	2.04	0	Nil		State-owned legal person
Eastern Airlines Industry Investment Company Limited (東方航空產業投資有限公司)	224,867,724	1.83	224,867,724	Nil		State-owned legal person
China State Shipbuilding Corporation (中國船舶工業集團有限公司)	204,000,000	1.66	0	Nil		State-owned legal person
Ningbo Meishan Bonded Port Area Xin Da Ying Xin Investment Partnership (Limited Partnership) (寧波梅山保稅港區信達盈新投資合夥企業(有限合夥))	132,275,132	1.08	132,275,132	Nil		Domestic non-state-owned legal person
China Structural Reform Fund Corporation Limited (中國國有企業結構調整基金股份有限公司)	119,047,619	0.97	119,047,619	Nil		State-owned legal person

Shareholdings of the top ten shareholders not subject to selling restrictions

Name of shareholder	Number of outstanding tradable shares held not subject to selling restrictions	Type and number of shares Type	Number
COSCO	4,557,594,644	RMB ordinary shares	4,557,594,644
HKSCC NOMINEES LIMITED	2,580,600,000	Overseas listed foreign shares	2,580,600,000
Beijing Chengtong Financial Investment Co., Ltd.	306,488,177	RMB ordinary shares	306,488,177
China Securities Finance Corporation Limited	305,990,519	RMB ordinary shares	305,990,519
Wuhan Iron and Steel (Group) Corp.	250,000,000	RMB ordinary shares	250,000,000
China State Shipbuilding Corporation	204,000,000	RMB ordinary shares	204,000,000
China National Nuclear Corporation	72,000,000	RMB ordinary shares	72,000,000
Central Huijin Asset Management Limited	54,466,500	RMB ordinary shares	54,466,500
Hong Kong Securities Clearing Company Limited	54,302,243	RMB ordinary shares	54,302,243
China Merchants Bank Co., Ltd.-Boss CSI Central Enterprise Structure Adjustment Transaction Open Index Securities Investment Fund (招商銀行股份 有限公司－博時中證央企結構調整 交易型開放式指數證券投資基金)	42,337,397	RMB ordinary shares	42,337,397
Details of the related party relationship amongst, or concerted actions between, the above shareholders	COSCO is a wholly-owned subsidiary of COSCO SHIPPING, and the relationship among other shareholders are unknown.		
Details of preference shareholders with voting rights restored and number of shares held thereby	N/A		

Note: As of the end of the Reporting Period, COSCO held 87,635,000 H shares of the Company through its subsidiaries, representing 3.40% of the total issued H shares of the Company, which was included in the total number of shares held by HKSCC NOMINEES LIMITED. COSCO SHIPPING, by itself and through its subsidiaries, held 46.22% of the total issued shares of the Company in aggregate.

2.3 Total number of holders of preference shares and shareholdings of the ten largest holders of preference shares and the ten largest holders of preference shares not subject to selling restrictions as at the end of the Reporting Period

Applicable Not applicable

III. SIGNIFICANT EVENTS

3.1 Details of and reasons for material changes in the major financial statement items and financial indicators of the Company

✓ Applicable Not applicable

Balance sheet items:

(1) Assets held for sale

As at the end of September 2019, the balance of assets held for sale of the Group amounted to RMB10.662 billion, representing an increase of RMB6.070 billion, or 132.19% as compared to the end of last year. The Group has adopted the “Accounting Standards for Business Enterprises No. 21 – Leases” revised by the Ministry of Finance from 1 January 2019 (hereinafter referred to as the “New Leases Standards”), which resulted in an increase of RMB5.622 billion in the assets held for sale as at the implementation date of such new standards.

(2) Right-of-use assets

As at the end of September 2019, the balance of right-of-use assets of the Group amounted to RMB34.279 billion while there were no right-of-use assets as at the end of last year. The Group has adopted the New Leases Standards from 1 January 2019, which resulted in an increase of RMB38.372 billion in the right-of-use assets as at the implementation date of such new standards.

(3) Other non-current assets

As at the end of September 2019, the balance of other non-current assets of the Group amounted to RMB688 million, representing a decrease of RMB468 million or 40.48% as compared to the end of last year, primarily due to the decrease in the prepayments for construction of containers by Orient Overseas (International) Limited (a subsidiary of the Company) (“OOIL”), as compared to the end of last year.

(4) Short-term borrowings

As at the end of September 2019, the balance of short-term borrowings of the Group amounted to RMB14.101 billion, representing a decrease of RMB34.12 billion or 70.76% as compared to the end of last year. From January to September 2019, the Company adjusted the structure of long-term and short-term borrowings, which resulted in decrease in short-term borrowings and increase in long-term borrowings.

(5) Derivative financial liabilities

As at the end of September 2019, the Group had no derivative financial liabilities. As at the end of 2018, the balance of derivative financial liabilities of the Group amounted to RMB38 million, which was the balance of the value of international fuel oil futures contract of OOIL as at the end of last year.

(6) Notes payable

As at the end of September 2019, the balance of notes payable of the Group amounted to RMB0.4 billion, representing an increase of RMB343 million as compared to the end of last year, mainly because the balance of the unmatured bank's acceptance bills of the Group issued as at the end of September 2019 was greater than that as at the end of last year.

(7) Contract liabilities

As at the end of September 2019, the balance of contract liabilities of the Group amounted to RMB549 million, representing an increase of RMB183 million or 50% as compared to the end of last year. As at the end of September 2019, the balance of customer prepayments increased as compared to the end of last year.

(8) Liabilities held for sale

As at the end of September 2019, the balance of liabilities held for sale of the Group amounted to RMB6.444 billion, representing an increase of RMB5.2 billion, as compared to that as at the end of last year. The Group has adopted the New Leases Standards from 1 January 2019, which resulted in an increase of RMB5.783 billion in the liabilities held for sale on the implementation date of such new standards.

(9) Non-current liabilities due within one year

As at the end of September 2019, the balance of non-current liabilities due within one year of the Group amounted to RMB19.364 billion, representing an increase of RMB10.257 billion, or 112.63%, as compared to that as at the end of last year. The Group has adopted the New Leases Standards from 1 January 2019, which resulted in an increase of RMB6.001 billion in the non-current liabilities due within one year as at the implementation date such new standards. The medium-term notes in an amount of RMB5 billion of the Group will mature in September 2020, which were presented under debentures payable of last year, and were presented under non-current liabilities due within one year at the end of September 2019.

(10) Long-term borrowings

As at the end of September 2019, the balance of long-term borrowings of the Group amounted to RMB81.477 billion, representing an increase of RMB34.425 billion or 73.16% as compared to the end of last year. From January to September 2019, the Group adjusted the structure of long-term and short-term borrowings, which resulted in decrease in short-term borrowings and increase in long-term borrowings.

(11) Lease liabilities

As at the end of September 2019, the balance of lease liabilities of the Group amounted to RMB26.571 billion while there were no lease liabilities as at the end of last year. The Group has adopted the New Leases Standards from 1 January 2019, which resulted in an increase of RMB30.414 billion in the lease liabilities as at the implementation date of such new standards.

(12) Long-term payables

As at the end of September 2019, the balance of long-term payables of the Group amounted to RMB1 million, representing a decrease of RMB15.363 billion as compared to the end of last year. The Group has adopted the New Leases Standards from 1 January 2019, and transferred the balance of finance lease payables of RMB15.359 billion from long-term payables to lease liabilities as at the date of initial application.

(13) Other non-current liabilities

As at the end of September 2019, the balance of other non-current liabilities of the Group amounted to RMB1.603 billion, representing an increase of RMB1.55 billion as compared to the end of last year. At the end of September 2019, the balance of liabilities recognized for the commitment of acquisition of shares in Chancay Terminal in Peru by COSCO SHIPPING Ports Limited (a subsidiary of the Company) (“**COSCO SHIPPING Ports**”) amounted to RMB1.526 billion.

(14) Other comprehensive income

As at the end of September 2019, the balance of other comprehensive income of the Group was a net loss of RMB0.726 billion as compared to a net loss of RMB1.122 billion at the end of last year. This is primarily due to the impact of appreciation in US dollar to RMB exchange rate, and other comprehensive income - exchange differences on translation of financial statements in foreign currency increasing by RMB432 million.

Income statement items:

(1) Total revenue from operations

From January to September 2019, total revenue from operations of the Group amounted to RMB111.617 billion, representing an increase of RMB29.487 billion or 35.90% as compared to the same period of last year. The total revenue from operations increased 8.90% as compared to the same period of last year on a comparable basis (by consolidating the revenues of OOIL since the beginning of last year). Revenue from container shipping business amounted to RMB106.86 billion, representing an increase of RMB29.085 billion or 37.40% as compared to the same period of last year (among which the revenue of COSCO SHIPPING Lines Co., Ltd. (a subsidiary of the Company) (“**COSCO SHIPPING Lines**”) amounted to RMB72.543 billion, representing an increase of RMB6.344 billion or 9.58% as compared to the same period of last year); revenue from terminal business amounted to RMB6.774 billion, representing an increase of RMB1.551 billion or 29.69% as compared to the same period of last year (among which revenue of COSCO SHIPPING Ports amounted to RMB5.366 billion, representing an increase of RMB0.412 billion, or 8.31% as compared to the same period of last year).

(2) Operating costs

From January to September 2019, the operating costs of the Group amounted to RMB99.421 billion, representing an increase of RMB23.299 billion or 30.61% as compared to the same period of last year. The operating costs increased 5.15% as compared to the same period of last year on a comparable basis (by consolidating the costs of OOIL since the beginning of last year). Cost from container shipping business amounted to RMB96.916 billion, representing an increase of RMB23.622 billion or 32.23% as compared to the same period of last year (among which the operating costs of COSCO SHIPPING Lines amounted to RMB66.928 billion, representing an increase of RMB3.693 billion or 5.84% as compared to the same period of last year); terminal business cost amounted to RMB4.517 billion, representing an increase of RMB0.823 billion or 22.27% as compared to the same period of last year (among which operating costs of COSCO SHIPPING Ports amounted to RMB3.787 billion, representing an increase of RMB0.423 billion, or 12.58% as compared to the same period of last year).

(3) Administration expenses

From January to September 2019, the administration expenses of the Group amounted to RMB6.861 billion, representing an increase of RMB2.622 billion or 61.84% as compared to the same period of last year. Due to successful acquisition of OOIL, the administration expenses incurred by OOIL has been included in the administration expenses of the Group since 1 July 2018.

(4) Finance costs

From January to September 2019, the finance costs of the Group amounted to RMB3.729 billion, representing an increase of RMB1.782 billion as compared to the same period of last year, which was mainly due to the increase in the interest of borrowings in relation to the acquisition of OOIL, the change in the scope of consolidation of the financial statements and the increase in the interest expenses as a result of the adoption of the New Leases Standards.

(5) Non-operating income

From January to September 2019, the non-operating income of the Group amounted to RMB33 million, representing a decrease of RMB1.054 billion as compared to the same period of last year. This is due to a decrease in government subsidies unrelated to normal activities as compared to the same period of last year.

Cash flow statement items:

From January to September 2019, the Group recorded a net increase of RMB3.956 billion in the cash and cash equivalent, among which:

(1) Net cash flows from operations

From January to September 2019, the net cash inflow from operating activities of the Group amounted to RMB15.002 billion, representing an increase of RMB10.528 billion as compared to the same period of last year. This is primarily due to the improvement of operating results, the change in consolidation scope and the effects brought by the adoption of the New Leases Standards.

(2) Net cash flows from investing activities

From January to September 2019, the net cash outflow from investing activities of the Group amounted to RMB7.485 billion, mainly including the net cash outflow for the construction of container vessels, the acquisition and construction of containers and the terminal construction projects. For the same period of last year, the net cash outflow from the consideration for acquisition of OOIL amounted to RMB20.672 billion. Excluding this factor, the net cash outflow from investing activities decreased by RMB5.548 billion as compared to the same period of last year.

(3) Net cash flows from financing activities

From January to September 2019, the net cash outflow from financing activities of the Group amounted to RMB4.948 billion, among which the net cash inflow from the non-public issuance of A shares of the Company was RMB7.702 billion; borrowing from banks and other non-bank financial institutions amounted to RMB54.078 billion; repayment of indebtedness for banks and other non-financial institutions amounted to RMB55.919 billion; distribution of dividends and profit and repayment of interests amounted to RMB4.226 billion; rental payment for assets leases amounted to RMB1.268 billion. For the same period of last year, the net cash inflow from financing activities of the Group amounted to RMB36.848 billion, among which net cash inflow from the borrowings for the acquisition of OOIL amounted to RMB29.099 billion. Excluding this factor, the net cash inflow from financing activities of the Group amounted to RMB7.749 billion for the same period of last year.

3.2 Progress of significant events and their impacts as well as analysis and explanations for the solutions

✓ Applicable Not applicable

Description of events	Indexes for enquiry
<p>The Company adopted the A share option incentive scheme (the “Share Option Incentive Scheme”) after consideration and approval by the board of directors, the supervisory committee and the general meeting of the Company. The completion date for the registration of the share options granted in the first batch under the Share Option Incentive Scheme was 24 July 2019. The number of registered share options was 190,182,200 and the number of registered participants was 460.</p>	<p>No. of announcement: Lin 2019-061, 062</p>
<p>Due to change in work arrangements, with effect from 30 August 2019, Mr. Huang Xiaowen has voluntarily tendered his resignation as the vice chairman of and an executive director of the Company, Mr. Wang Haimin has voluntarily tendered his resignation as the general manager of the Company, Mr. Zhang Wei has voluntarily tendered his resignation as an executive director and a deputy general manager of the Company, and Mr. Zhu Jiandong has voluntarily tendered his resignation as a deputy general manager of the Company. Upon consideration and unanimous approval by the board of the Company, with effect from 30 August 2019, Mr. Wang Haimin, an executive director, was appointed as the vice chairman of the fifth session of the board of directors of the Company and Mr. Yang Zhijian was appointed as the general manager of the Company. After election at the general meeting of the Company, each of Mr. Yang Zhijian and Mr. Feng Boming was appointed as an executive director of the fifth session of the board of directors of the Company, with effect from 9 October 2019.</p>	<p>No. of announcement: Lin 2019-070, 078</p>

Description of events	Indexes for enquiry
<p>On 18 September 2019, upon consideration and approval by the board of the Company, COSCO SHIPPING Ports entered into three share purchase agreements with Shanghai International Port Group (HK) Co., Limited (“SIPG (HK)”), a wholly-owned subsidiary of Shanghai International Port (Group) Co., Ltd., in relation to the disposal of 100% equity interests of COSCO Ports (Nanjing) Limited, COSCO Ports (Yangzhou) Limited and Win Harverky Investments Limited (three wholly-owned subsidiaries directly held by COSCO SHIPPING Ports), to dispose of 16.14% of the equity interests of Nanjing Longtan Container Co., Ltd., 51% of the equity interests of Yangzhou Yuanyang Terminal International Ports Co., Ltd. (“Yangzhou Yuanyang Terminal”) and 51% of the equity interests of Zhangjiagang Win Hanverky Container Terminal Co., Ltd. (“Zhangjiagang Win Hanverky Terminal”) (including 9% equity interests of Yangzhou Yuanyang Terminal held by Zhangjiagang Win Hanverky Terminal) indirectly held by COSCO SHIPPING Ports to SIPG (HK) (the “Transaction”). As at the end of the Reporting Period, the Transaction was still in progress.</p>	<p>No. of announcement: Lin 2019-075</p>

3.3 Undertakings yet to be fulfilled within the Reporting Period

Applicable Not applicable

3.4 Warning and explanation in respect of forecast of probable loss in respect of the accumulated net profit from the beginning of the year to the end of the next reporting period or any significant changes as compared to the same period of last year

Applicable Not applicable

For the first three quarters of 2019, COSCO SHIPPING Holdings proactively responded to adverse external factors. Under the guiding principle of “outperform the market, drive innovation, and lead the era”, COSCO SHIPPING Holdings focused on improving the quality of shipping services, fully leveraged the advantages of scale and synergies after the acquisition of OOIL, and have achieved relatively good operating results; and as at the date of this report, the sale of the entire interests of LBCT LLC by a subsidiary of OOIL was completed, and will be recorded in the consolidated financial statements for the financial year ended 31 December 2019 of the Company (for details, please refer to the relevant announcements dated 30 April 2019 and 25 August 2019 published by the Company through the designated media for information disclosure (no: Lin 2019-040 and Lin 2019-081)). It is anticipated that the accumulated net profit for 2019 of the Group will increase significantly as compared to last year.

3.5 Operating data of business segments

Container shipping business

During the Reporting Period, the shipping volume of the Group’s container shipping business reached 19,102,555 TEU, representing an increase of 23.82% as compared to the same period of last year.

As at 30 September 2019, the fleet operated by the Group included 502 container vessels, with a total shipping capacity of 2,975,968 TEU.

Container shipping business

(1) Shipping volume

Shipping volume of the Group (TEU)

Routes	The third quarter			First three quarters accumulated		
	July to September 2019	July to September 2018	Change as compared to same period of last year %	January to September 2019	January to September 2018	Change as compared to same period of last year %
Trans-Pacific	1,247,132	1,224,046	1.89	3,481,745	2,680,514	29.89
Asia-Europe (including Mediterranean)	1,262,875	1,177,491	7.25	3,668,855	2,682,449	36.77
Intra-Asia (including Australia)	2,012,695	2,003,120	0.48	5,861,099	4,310,744	35.96
Other international markets (including Atlantic Ocean)	637,351	625,026	1.97	1,859,280	1,440,766	29.05
Mainland China	1,483,153	1,488,193	-0.34	4,231,576	4,313,574	-1.90
Total	6,643,206	6,517,876	1.92	19,102,555	15,428,047	23.82

Shipping volume of COSCO SHIPPING Lines (a subsidiary of the Group) (TEU)

Routes	The third quarter			First three quarters accumulated		
	July to September 2019	July to September 2018	Change as compared to the same period of last year (%)	January to September 2019	January to September 2018	Change as compared to the same period of last year (%)
Trans-Pacific	719,791	714,610	0.73	2,010,713	2,171,078	-7.39
Asia-Europe (including Mediterranean)	896,646	848,705	5.65	2,610,811	2,353,663	10.93
Intra-Asia (including Australia)	1,240,625	1,240,269	0.03	3,590,417	3,547,893	1.20
Other international markets (including Atlantic Ocean)	521,871	515,905	1.16	1,503,506	1,331,645	12.91
Mainland China	1,483,153	1,488,193	-0.34	4,231,576	4,313,574	-1.90
Total	4,862,086	4,807,682	1.13	13,947,023	13,717,853	1.67

(2) Revenue from routes

Revenue from routes by the Group (RMB' 000)

Routes	The third quarter			First three quarters accumulated		
	July to	July to	Change as	January to	January to	Change as
	September	September	compared to	September	September	compared to
	2019	2018	same period	2019	2018	same period
			of last year			of last year
			(%)			(%)
Trans-Pacific	11,351,772	10,397,999	9.17	30,415,437	21,293,028	42.84
Asia-Europe (including Mediterranean)	7,426,586	7,136,940	4.06	21,581,021	15,538,929	38.88
Intra-Asia (including Australia)	8,689,023	8,048,210	7.96	24,700,062	16,665,350	48.21
Other international markets (including Atlantic Ocean)	4,907,428	4,533,238	8.25	13,798,664	9,582,655	44.00
Mainland China	3,141,236	3,037,757	3.41	8,853,338	8,541,825	3.65
Total	35,516,045	33,154,144	7.12	99,348,522	71,621,787	38.71

Of which: the revenue of shipping routes of COSCO SHIPPING Lines (a subsidiary of the Group) (RMB' 000)

Routes	The third quarter			First three quarters accumulated		
	July to	July to	Change as	January to	January to	Change as
	September	September	compared to	September	September	compared to
	2019	2018	same period	2019	2018	same period
			of last year			of last year
			(%)			(%)
Trans-Pacific	6,494,054	5,981,586	8.57	17,556,762	16,876,616	4.03
Asia-Europe (including Mediterranean)	5,240,319	5,065,466	3.45	15,269,166	13,467,455	13.38
Intra-Asia (including Australia)	5,353,384	4,891,032	9.45	15,102,827	13,508,172	11.81
Other international markets (including Atlantic Ocean)	3,896,377	3,636,265	7.15	10,811,439	8,685,682	24.47
Mainland China	3,166,647	3,044,920	4.00	8,905,863	8,548,988	4.17
Total	24,150,781	22,619,269	6.77	67,646,057	61,086,913	10.74

Revenue from routes by the Group (equivalent to USD' 000)

Routes	The third quarter			First three quarters accumulated		
	July to	July to	Change as	January to	January to	Change as
	September	September	compared to	September	September	compared to
	2019	2018	of last year	2019	2018	of last year
			(%)			(%)
Trans-Pacific	1,627,946	1,532,228	6.25	4,437,813	3,232,455	37.29
Asia-Europe (including Mediterranean)	1,062,536	1,054,163	0.79	3,148,813	2,365,338	33.12
Intra-Asia (including Australia)	1,243,973	1,186,781	4.82	3,603,902	2,531,531	42.36
Other international markets (including Atlantic Ocean)	702,802	672,800	4.46	2,013,316	1,460,788	37.82
Mainland China	449,831	447,630	0.49	1,291,760	1,306,569	-1.13
Total	5,087,088	4,893,602	3.95	14,495,604	10,896,681	33.03

Of which: the revenue of shipping routes of COSCO SHIPPING Lines (a subsidiary of the Group) (equivalent to USD' 000)

Routes	The third quarter			First three quarters accumulated		
	July to	July to	Change as	January to	January to	Change as
	September	September	compared to	September	September	compared to
	2019	2018	of last year	2019	2018	of last year
			(%)			(%)
Trans-Pacific	931,072	881,243	5.65	2,561,647	2,581,470	-0.77
Asia-Europe (including Mediterranean)	749,681	748,825	0.11	2,227,872	2,060,000	8.15
Intra-Asia (including Australia)	766,594	721,478	6.25	2,203,602	2,066,228	6.65
Other international markets (including Atlantic Ocean)	558,223	540,585	3.26	1,577,461	1,328,573	18.73
Mainland China	453,499	448,726	1.06	1,299,424	1,307,665	-0.63
Total	3,459,069	3,340,857	3.54	9,870,006	9,343,936	5.63

(3) Major performance indicators

Major performance indicators of the container shipping business of the Group (RMB)

Items	January to September 2019	January to September 2018	Change as compared to same period of last year
Revenue from container shipping business (RMB' 000)	106,860,272	77,774,308	29,085,964
Including: Revenue from routes (RMB' 000)	99,348,522	71,621,787	27,726,735
EBIT (RMB' 000)	5,207,174	2,654,722	2,552,452
EBIT margin	4.87%	3.41%	1.46%
Net profit (RMB' 000)	2,205,680	1,156,585	1,049,095

Of which: major performance indicators of the container shipping business of COSCO SHIPPING Lines (a subsidiary of the Group) (RMB)

Items	January to September 2019	January to September 2018	Change as compared to same period of last year
Revenue from container shipping business (RMB' 000)	72,542,689	66,199,883	6,342,806
Including: Revenue from routes (RMB' 000)	67,646,057	61,086,913	6,559,144
EBIT (RMB' 000)	3,114,895	1,831,728	1,283,167
EBIT margin	4.29%	2.77%	1.52%
Net profit (RMB' 000)	1,000,840	600,074	400,766

Major performance indicators of the container shipping business of the Group
(USD equivalent)

Items	January to September 2019	January to September 2018	Change as compared to same period of last year
Revenue from container shipping business (USD' 000)	15,591,618	11,831,689	3,759,929
Including: Revenue from routes (USD' 000)	14,495,604	10,896,681	3,598,923
Revenue per TEU from international routes (USD/TEU)	887.89	862.85	25.04
EBIT (USD' 000)	759,761	401,165	358,596
Net profit (USD' 000)	321,823	173,542	148,281

Of which: major performance indicators of the container shipping business of COSCO SHIPPING Lines (a subsidiary of the Group) (USD equivalent)

Items	January to September 2019	January to September 2018	Change as compared to same period of last year
Revenue from container shipping business (USD' 000)	10,584,456	10,126,022	458,434
Including: Revenue from routes (USD' 000)	9,870,006	9,343,936	526,070
Revenue per TEU from international routes (USD/TEU)	882.16	854.53	27.63
EBIT (USD' 000)	454,484	280,184	174,300
Net profit (USD' 000)	146,029	91,788	54,241

Notes:

- (1) OOIL was consolidated into the Group's combined financial statements from 1 July 2018. As such, the shipping volume, revenue from routes and major performance indicators of the container shipping business of the Group include the amounts from January to September 2019 of COSCO SHIPPING Lines and OOIL in the period from January to September 2019, and the shipping volume, revenue from routes and major performance indicators of the container shipping business of the Group for the period from January to September 2018 include the amount from January to September 2018 of COSCO SHIPPING Lines and the amount from July to September 2018 of OOIL.
- (2) The revenue from routes and major performance indicators above were translated into US dollars at an average exchange rate of: RMB6.8537: USD1 from January to September 2019; RMB6.5376: USD1 for the figures of COSCO SHIPPING Lines from January to September 2018; RMB6.7842: USD1 for the figures of OOIL from July to September 2018.

Terminal business

From July to September 2019, the total throughput of the container terminal business of the Group reached 34,131,089 TEUs, representing an increase of 5.4% as compared to the same period of last year. The total throughput of container terminal business of January to September 2019 reached 97,111,064 TEUs, representing an increase of 9% as compared to the same period of last year.

The total throughput of the container terminal business of the Group (TEU)

Location of terminal	The third quarter			First three quarters accumulated		
	July to September 2019	July to September 2018	Change as compared to same period of last year (%)	January to September 2019	January to September 2018	Change as compared to same period of last year (%)
Bohai Rim	11,936,796	11,385,216	4.84	33,716,115	30,063,000	12.15
Yangtze River Delta	5,287,580	5,126,603	3.14	15,276,712	14,786,378	3.32
Southeast coast and other regions	1,453,456	1,446,481	0.48	4,343,829	4,258,976	1.99
Pearl River Delta	7,399,838	7,320,160	1.09	20,512,513	20,085,069	2.13
Southwest coast	433,202	341,068	27.01	1,157,997	984,667	17.60
Overseas	7,620,217	6,763,596	12.67	22,103,898	18,913,784	16.87

Location of terminal	The third quarter			First three quarters accumulated		
	July to September 2019	July to September 2018	Change as compared to same period of last year (%)	January to September 2019	January to September 2018	Change as compared to same period of last year (%)
Total	34,131,089	32,383,124	5.40	97,111,064	89,091,874	9.00
Of which: Controlled terminals	6,988,819	6,193,716	12.84	20,169,064	17,057,284	18.24
Non-controlled terminals	27,142,270	26,189,408	3.64	76,942,000	72,034,590	6.81

Notes:

- (1) OOIL was consolidated into the Group's consolidated financial statements from 1 July 2018. As such, the total throughput of the container terminal business of the Group in the period from January to September 2019 includes the amounts from January to September 2019 of COSCO SHIPPING Lines and OOIL, while the total throughput of the container terminal business of the Group in the period from January to September 2018 includes the amount from January to September 2018 of COSCO SHIPPING Lines and the amount from July to September 2018 of OOIL.
- (2) From July to September 2019, the total throughput of COSCO SHIPPING Ports amounted to 32,405,000 TEU, representing an increase of 5.24% as compared to the same period of last year, of which the throughput of controlled terminals amounted to 6,565,100 TEU, representing an increase of 13.06% as compared to the same period of last year; the throughput of non-controlled terminals amounted to 25,839,900 TEU, representing an increase of 3.42% as compared to the same period of last year; from January to September 2019, the total throughput of COSCO SHIPPING Ports amounted to 92,169,100 TEU, representing an increase of 5.33% as compared to the same period of last year, of which the throughput of controlled terminals amounted to 19,010,500 TEU, representing an increase of 14.04% as compared to the same period of last year; the throughput of non-controlled terminals amounted to 73,158,600 TEU, representing an increase of 3.29% as compared to the same period of last year.

Company name	COSCO SHIPPING Holdings Co., Ltd.
Legal representative	Xu Lirong
Date	30 October 2019

IV. APPENDIX

4.1 Financial Statements

Consolidated Balance Sheet 30 September 2019

Prepared by COSCO SHIPPING Holdings Co., Ltd.

	<i>Unit: Yuan</i>	<i>Currency: RMB</i>	<i>Audit type: Unaudited</i>
Item	30 September 2019	31 December 2018	
Current assets:			
Monetary assets	37,936,307,271.26	33,994,971,789.80	
Balance with clearing companies			
Placement with banks			
Held-for-trading financial assets	2,409,202,703.03	2,596,054,766.04	
Financial assets at fair value through profit or loss			
Derivative financial assets			
Notes receivable	267,255,882.48	289,594,090.02	
Accounts receivable	9,603,650,589.64	8,718,739,021.20	
Receivables financing			
Prepayments	2,244,767,779.94	2,443,270,371.23	
Premium receivables			
Receivables from reinsurers			
Reinsurance contracts reserve			
deposits receivables			
Other receivables	2,988,135,768.96	2,607,910,397.91	
Financial assets purchased under resale agreements			
Inventories	3,733,494,318.01	4,100,906,309.22	
Contract assets	205,189,762.34	161,769,253.27	
Assets held for sale	10,661,744,371.15	4,591,926,891.09	

Item	30 September 2019	31 December 2018
Non-current assets due within one year		
Other current assets	839,957,294.46	799,255,987.22
Total current assets	70,889,705,741.27	60,304,398,877.00
Non-current assets:		
Loans and advances to customers		
Debt investment	1,367,269,294.59	1,530,208,081.68
Available-for-sale financial assets		
Other debt investment		
Held-to-maturity investment		
Long-term receivables	1,186,829,611.63	1,194,537,205.81
Long-term equity investments	29,391,531,729.54	28,877,466,227.30
Investment in other equity instruments	2,072,295,514.06	2,083,637,895.25
Other non-current financial assets	620,045,796.70	499,441,923.20
Investment properties	2,418,334,025.34	2,372,365,255.19
Fixed assets	102,051,453,663.91	109,462,615,747.91
Construction-in-progress	4,179,666,068.67	5,804,171,107.03
Biological assets for production use		
Oil and gas assets		
Right-of-use assets	34,278,805,785.51	
Intangible assets	8,042,430,035.58	7,957,983,108.00
Development expenditure	1,442,692.29	
Goodwill	6,002,421,836.70	5,785,808,291.93
Long-term deferred expenses	50,912,408.63	54,358,365.18
Deferred income tax assets	1,063,752,776.32	1,060,468,928.27
Other non-current assets	688,120,702.00	1,156,343,949.45
Total non-current assets	193,415,311,941.47	167,839,406,086.20
Total assets	264,305,017,682.74	228,143,804,963.20

Item	30 September 2019	31 December 2018
Current liabilities:		
Short-term borrowings	14,100,607,971.39	48,220,619,222.24
Loans from central bank		
Placement from banks		
Held-for-trading financial liabilities		
Financial liabilities at fair value through profit or loss		
Derivative financial liabilities		38,195,750.35
Notes payable	400,000,000.00	57,500,000.00
Accounts payable	21,524,166,244.44	20,039,357,757.53
Advance from customers	57,958,816.60	60,212,162.09
Financial assets sold under agreements to repurchase		
Deposits and amounts due to banks		
Securities trading fees		
Securities underwriting fees		
Salaries payable	1,948,534,158.56	2,410,826,057.33
Tax payables	1,044,021,630.38	997,223,467.86
Other payables	7,035,873,369.74	6,238,051,672.44
Handling charges and commission payables		
Due to reinsurers		
Contract liabilities	549,072,609.88	366,068,807.71
Held-to-sale liabilities	6,444,280,253.79	1,244,432,425.50
Non-current liabilities due within one year	19,364,400,358.06	9,106,629,748.42
Other current liabilities	1,500,000,000.00	
Total current liabilities	73,968,915,412.84	88,779,117,071.47
Non-current liabilities:		
Insurance deposits payable		
Long-term borrowings	81,476,589,573.19	47,051,666,787.61
Debentures payable	13,138,905,259.96	17,828,847,537.62
Of which: Preference shares		
Perpetual bonds		

Item	30 September 2019	31 December 2018
Lease liabilities	26,570,882,805.79	
Long-term payables	1,314,373.59	15,363,683,361.49
Long-term employee benefits payable	317,331,442.30	334,058,519.51
Estimated liabilities	112,078,502.90	111,470,189.38
Deferred income	276,334,653.58	283,068,991.64
Deferred income tax liabilities	2,306,155,563.42	1,985,569,022.31
Other non-current liabilities	1,602,886,712.25	53,434,130.84
Total non-current liabilities	125,802,478,886.98	83,011,798,540.40
Total liabilities	199,771,394,299.82	171,790,915,611.87
Owners' equity (or shareholders' equity)		
Paid in capital (or share capital)	12,259,529,227.00	10,216,274,357.00
Other equity instruments		
Of which: Preferential shares		
Perpetual bonds		
Capital reserves	33,330,789,678.12	28,215,827,051.23
Less: Treasury shares		
Other comprehensive income	-725,883,098.42	-1,121,528,623.27
Special reserves		
Surplus reserves	851,619,535.66	851,619,535.66
Provision for ordinary risks		
Undistributed profit	-14,911,479,314.50	-15,275,978,842.52
Total equity attributable to owners (or shareholders) of the parent company	30,804,576,027.86	22,886,213,478.10
Minority interests	33,729,047,355.06	33,466,675,873.23
Total owners' equity (or shareholders' equity)	64,533,623,382.92	56,352,889,351.33
Total liabilities and owners' equity (or shareholders' equity)	264,305,017,682.74	228,143,804,963.20

Legal representative:	Person in charge of accounting:	Person in charge of the accounting department:
Xu Lirong	Zhang Mingwen	Xu Hongwei

Balance Sheet of the Parent Company

30 September 2019

Prepared by COSCO SHIPPING Holdings Co., Ltd.

Unit: Yuan Currency: RMB Audit type: Unaudited

Item	30 September 2019	31 December 2018
Current assets:		
Monetary assets	178,860,343.91	275,698,238.21
Held-for-trading financial assets		
Financial assets at fair value through profit or loss		
Derivative financial assets		
Notes receivable		
Accounts receivable		
Receivables financing		
Prepayments		
Other receivables	1,535,346,855.35	70,089,244.41
Inventories		
Contract assets		
Assets held for sale		
Non-current assets due within one year	4,986,168,417.03	
Other current assets	10,207,827.36	7,897,184.68
Total current assets	6,710,583,443.65	353,684,667.30

Item	30 September 2019	31 December 2018
Non-current assets:		
Debt investment		
Available-for-sale financial assets		
Other debt investment		
Held-to-maturity investment		
Long-term receivables	21,656,870.89	4,996,508,537.89
Long-term equity investments	40,345,004,994.84	34,350,611,774.87
Investment in other equity instruments		
Other non-current financial assets		
Investment properties		
Fixed assets	389,578.13	701,149.13
Construction-in-progress		
Biological assets for production use		
Oil and gas assets		
Right-of-use assets		
Intangible assets	1,880,496.99	2,889,291.05
Development expenditure		
Goodwill		
Long-term deferred expenses		
Deferred income tax assets		
Other non-current assets		
Total non-current assets	40,368,931,940.85	39,350,710,752.94
Total assets	47,079,515,384.50	39,704,395,420.24

Item	30 September 2019	31 December 2018
Current liabilities:		
Short-term borrowings		1,751,230,000.00
Held-for-trading financial liabilities		
Financial liabilities at fair value through profit or loss		
Derivative financial liabilities		
Notes payable		
Accounts payable		
Advance from customers		
Contract liabilities		
Salaries payable	39,306,075.47	55,177,298.54
Tax payables	472,068,406.27	471,966,622.62
Other payables	317,977,915.29	241,431,772.98
Held-to-sale liabilities		
Non-current liabilities due within one year	4,986,168,417.04	
Other current liabilities	1,500,000,000.00	
Total current liabilities	7,315,520,814.07	2,519,805,694.14
Non-current liabilities:		
Long-term borrowings		
Debentures payable	3,993,057,127.85	8,964,940,021.30
Of which: Preferential shares		
Perpetual bonds		
Lease liabilities		
Long-term payables		
Long-term employee benefits payable		
Estimated liabilities		
Deferred income		
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	3,993,057,127.85	8,964,940,021.30
Total liabilities	11,308,577,941.92	11,484,745,715.44

Item	30 September 2019	31 December 2018
Owners' equity (or shareholders' equity)		
Paid in capital (or share capital)	12,259,529,227.00	10,216,274,357.00
Other equity instruments		
Of which: Preferential shares		
Perpetual bonds		
Capital reserves	44,826,758,198.96	39,122,468,566.93
Less: Treasury shares		
Other comprehensive income		
Special reserves		
Surplus reserves	851,456,104.01	851,456,104.01
Undistributed profit	-22,166,806,087.39	-21,970,549,323.14
Total owners' equity (or shareholders' equity)	35,770,937,442.58	28,219,649,704.80
Total liabilities and owners' equity (or shareholders' equity)	47,079,515,384.50	39,704,395,420.24

Legal representative:	Person in charge	Person in charge
	of accounting:	of the accounting department:
Xu Lirong	Zhang Mingwen	Xu Hongwei

Consolidated Income Statement

January to September 2019

Prepared by COSCO SHIPPING Holdings Co., Ltd.

Unit: Yuan Currency: RMB Audit type: Unaudited

Item	The third quarter of 2019 (July to September)	The third quarter of 2018 (July to September)	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
1. Total revenue from operations	39,516,126,908.36	37,054,863,196.63	111,617,288,281.23	82,130,067,908.78
Including: Operating revenue	39,516,126,908.36	37,054,863,196.63	111,617,288,281.23	82,130,067,908.78
Interest income				
Premium earned				
Handling fee and commission income				
2. Total costs from operations	38,895,934,996.15	37,263,486,507.90	110,245,810,617.54	82,484,659,592.03
Including: Operating costs	35,188,427,228.19	34,012,727,808.96	99,420,679,739.02	76,121,467,806.70
Interest expenses				
Handling fee and commission expenses				
Surrenders				
Net claims expenses				
Net provisions for insurance contracts reserve				
Insurance policy dividend paid				
Reinsurance costs				
Tax and surcharges	70,285,278.66	58,372,692.40	184,372,004.02	139,349,743.49
Selling expenses	19,306,082.95	13,484,708.17	46,901,279.37	34,733,479.92
Administration expenses	2,427,438,245.86	2,227,349,256.57	6,860,959,522.30	4,239,328,334.49
Research & development expenses	2,376,368.98	-136,703.51	4,073,013.22	2,686,085.82
Finance costs	1,188,101,791.51	951,688,745.31	3,728,825,059.61	1,947,094,141.61
Of which: Interest expenses	1,530,703,915.97	1,169,812,136.04	4,635,102,359.11	2,304,268,164.23
Interest income	153,914,922.19	158,540,736.73	589,606,992.72	342,412,312.11

Item	The third quarter of 2019 (July to September)	The third quarter of 2018 (July to September)	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
Add: Other gains	281,490,056.32	158,728,279.26	542,383,722.07	258,290,968.47
Investment income (Loss denoted with “-”)	680,840,862.64	592,281,963.15	1,939,497,143.64	1,620,898,244.75
Including: Investment income from associated companies and joint ventures	567,463,179.40	516,705,502.49	1,657,718,726.96	1,534,191,075.37
Gains on derecognition of financial assets measured at amortized cost				
Exchange gains (Loss denoted with “-”)				
Income from net exposure to hedging (Loss denoted with “-”)				
Gain on fair value change (Loss denoted with “-”)	-36,654,346.47	-2,383,445.77	246,308,620.32	-2,383,445.77
Credit impairment losses (Loss denoted with “-”)	-7,564,154.52	3,768,424.19	-33,449,227.95	-13,084,745.82
Impairment loss on assets (Loss denoted with “-”)	-1,012,529.81	-636,794.89	-2,324,172.09	-942,785.32
Gains on disposal of assets (Loss denoted with “-”)	28,308,954.75	56,478,003.89	60,754,895.47	56,798,691.94
3. Operating profit (Loss denoted with “-”)	1,565,600,755.12	599,613,118.56	4,124,648,645.15	1,564,985,245.00
Add: Non-operating income	17,383,626.85	967,222,513.85	32,624,192.22	1,086,842,023.01
Less: Non-operating expenses	20,443,823.26	9,349,855.20	66,819,924.38	17,560,836.16
4. Total profit (Total loss denoted with “-”)	1,562,540,558.71	1,557,485,777.21	4,090,452,912.99	2,634,266,431.85
Less: Income tax expenses	206,366,630.04	197,033,236.09	566,194,186.28	504,676,164.91
5. Net profit (Net loss denoted with “-”)	1,356,173,928.67	1,360,452,541.12	3,524,258,726.71	2,129,590,266.94
(1) Classified by sustainability				
1. Net profit from continuing operations (Net loss denoted with “-”)	1,244,953,205.59	1,154,794,583.54	3,262,117,829.28	1,923,932,309.36
2. Net profit from discontinued operations (Net loss denoted with “-”)	111,220,723.08	205,657,957.58	262,140,897.43	205,657,957.58
(2) Classified by ownership				
1. Net profit attributable to shareholders of the parent company (Net loss denoted with “-”)	879,042,439.23	821,790,424.16	2,116,273,910.64	862,585,991.64
2. Minority interests (Net loss denoted with “-”)	477,131,489.44	538,662,116.96	1,407,984,816.07	1,267,004,275.30

Item	The third quarter of 2019 (July to September)	The third quarter of 2018 (July to September)	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
6. Other comprehensive income after tax, net	671,514,646.83	1,064,375,197.58	688,573,834.02	1,035,237,701.10
Other comprehensive income after tax attributable to owners of the parent company, net	404,533,566.14	622,392,166.27	421,456,649.57	680,915,419.75
(1) Other comprehensive income that may not be subsequently reclassified into profit or loss	-32,593,943.87	-73,485,131.94	-33,351,437.55	-136,673,608.68
1. Changes in net liabilities or net assets arising from the re-measurement of defined benefit plans	-32,624.82		-3,243,232.98	-6,480,000.00
2. Share of other comprehensive income of investee that may not be subsequently reclassified into profit or loss under equity method	99,149.87	-61,598.94	7,043,637.87	-12,620,626.27
3. Changes in fair value of other equity instruments investment	-32,660,468.92	-73,423,533.00	-37,151,842.44	-117,572,982.41
4. Changes in fair value of the company's own credit risk				
(2) Other comprehensive income that will be subsequently reclassified into profit or loss	437,127,510.01	695,877,298.21	454,808,087.12	817,589,028.43
1. Share of other comprehensive income of investee that will be subsequently reclassified into profit or loss under equity method	855,418.68	1,810,186.44	1,098,539.29	2,724,518.54
2. Changes in fair value of other debt investment				
3. Gains or losses from changes in fair value of available-for-sale financial assets				
4. The amount of financial assets reclassified into other comprehensive income				
5. Gains or losses from reclassification of held-to-maturity investment as held-for-trading financial assets				
6. Credit impairment provisions for other debt investment				
7. Reserves for cash flows hedges (Effective hedging portion of gains or losses arising from cash flow hedging instruments)	-401,330.28	1,264,003.00	-4,199,719.49	889,802.81
8. Exchange difference on translation of financial statements in foreign currency	436,673,421.61	692,803,108.77	457,909,267.32	813,974,707.08
9. Others				
Other comprehensive income after tax attributable to minority shareholders, net	266,981,080.69	441,983,031.31	267,117,184.45	354,322,281.35

Item	The third quarter of 2019 (July to September)	The third quarter of 2018 (July to September)	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
7. Total consolidated income	2,027,688,575.50	2,424,827,738.70	4,212,832,560.73	3,164,827,968.04
Total consolidated income attributable to equity holders of the parent company	1,283,576,005.37	1,444,182,590.43	2,537,730,560.21	1,543,501,411.39
Total consolidated income attributable to minority shareholders	744,112,570.13	980,645,148.27	1,675,102,000.52	1,621,326,556.65
8. Earnings per share				
(1) Basic earnings per share (RMB/share)	0.08	0.08	0.18	0.08
(2) Diluted earnings per share (RMB/share)	0.08	0.08	0.18	0.08

Legal representative:	Person in charge of accounting:	Person in charge of the accounting department:
Xu Lirong	Zhang Mingwen	Xu Hongwei

Income Statement of the Parent Company

January to September 2019

Prepared by COSCO SHIPPING Holdings Co., Ltd.

Unit: Yuan Currency: RMB Audit type: Unaudited

Item	The third quarter of 2019 (July to September)	The third quarter of 2018 (July to September)	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
1. Total revenue				
Less: Operating costs				
Tax and surcharges	26.40	-331,514.34	1,931,205.80	16,677.60
Selling expenses				
Administration expenses	4,649,294.01	11,518,993.33	28,417,401.18	30,142,610.79
Research & development expenses				
Finance costs	67,871,081.85	98,160,679.88	165,990,215.27	290,452,188.33
Of which: Interest expenses	77,477,553.08	96,381,385.84	237,702,702.63	284,061,882.71
Interest income	11,063,008.01	3,194,602.59	76,498,438.01	6,993,153.95
Add: Other gains	7,058.00		7,058.00	
Investment income (Loss denoted with "-")				
Including: Investment income from associated companies and joint ventures				
Gains on derecognition of financial assets measured at amortized cost				
Income from net exposure to hedging (Loss denoted with "-")				
Gain on fair value change (Loss denoted with "-")				
Credit impairment losses (Loss denoted with "-")				
Impairment loss on assets (Loss denoted with "-")				
Gains on disposal of assets (Loss denoted with "-")	75,000.00		75,000.00	

Item	The third quarter of 2019 (July to September)	The third quarter of 2018 (July to September)	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
2. Operating profit (Loss denoted with “-”)	-72,438,344.26	-109,348,158.87	-196,256,764.25	-320,611,476.72
Add: Non-operating income		427,945.93		441,249.52
Less: Non-operating expenses				
3. Total profit (Total loss denoted with “-”)	-72,438,344.26	-108,920,212.94	-196,256,764.25	-320,170,227.20
Less: Income tax expenses				
4. Net profit (Net loss denoted with “-”)	-72,438,344.26	-108,920,212.94	-196,256,764.25	-320,170,227.20
(1) Net profit from continuing operations (Net loss denoted with “-”)	-72,438,344.26	-108,920,212.94	-196,256,764.25	-320,170,227.20
(2) Net profit from discontinued operations (Net loss denoted with “-”)				
5. Other comprehensive income after tax, net				
(1) Other comprehensive income that may not be subsequently reclassified into profit or loss				
1. Changes in net liabilities or net assets arising from the re-measurement of defined benefit plans				
2. Share of other comprehensive income of investee that may not be subsequently reclassified into profit or loss under equity method				
3. Changes in fair value of other equity instruments investment				
4. Changes in fair value of the company’s own credit risk				
(2) Other comprehensive income that will be subsequently reclassified into profit or loss				
1. Share of other comprehensive income of investee that will be subsequently reclassified into profit or loss under equity method				
2. Changes in fair value of other debt investment				
3. Gains or losses from changes in fair value of available-for-sale financial assets				
4. The amount of financial assets reclassified into other comprehensive income				
5. Gains or losses from reclassification of held-to-maturity investment as held-for-trading financial assets				
6. Credit impairment provisions for other debt investment				

Item	The third quarter of 2019 (July to September)	The third quarter of 2018 (July to September)	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
7. Reserves for cash flows hedges (Effective hedging portion of gains or losses arising from cash flow hedging instruments)				
8. Exchange difference on translation of financial statements in foreign currency				
9. Others				
6. Total consolidated income	-72,438,344.26	-108,920,212.94	-196,256,764.25	-320,170,227.20
7. Earnings per share				
(1) Basic earnings per share (RMB/share)				
(2) Diluted earnings per share (RMB/share)				

Legal representative:	Person in charge of accounting:	Person in charge of the accounting department:
Xu Lirong	Zhang Mingwen	Xu Hongwei

Consolidated Statement of Cash Flows

January to September 2019

Prepared by COSCO SHIPPING Holdings 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)
1. Cash flow generated from operating activities:		
Cash from sale of products and provision of services	109,943,633,319.72	80,680,202,098.78
Net increase in deposits from customers and business partners		
Net increase in borrowings from central bank		
Net increase in loans from other financial institutions		
Cash premiums received under original insurance policies		
Net cash received from reinsurance business		
Net increase in deposit from insurance policy holders and investment		
Cash received for interest, handling fee and commission		
Net increase in borrowings		
Net gain from repurchase of business		
Net cash received from trading securities		
Tax rebate received	664,875,165.69	1,083,163,039.68
Cash received from other operating activities	4,971,624,509.48	6,122,617,856.46
Cash inflow from operating activities - subtotal	115,580,132,994.89	87,885,982,994.92
Cash paid for purchase of products and services	85,458,108,530.95	69,726,919,691.60
Net increase in loans and advances to customers		
Net increase in deposits with central bank and other business partners		
Cash benefits paid for original insurance policies		
Net increase in placement with banks		
Cash paid for interest, handling fee and commission		
Cash dividends paid for insurance policies		
Cash paid to and for employees	8,800,185,305.78	6,852,114,215.89

Item	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
Cash paid for various taxes	1,315,922,368.18	1,060,055,747.01
Cash paid for other operating activities	5,003,868,050.08	5,772,803,660.09
Cash outflow from operating activities - subtotal	100,578,084,254.99	83,411,893,314.59
Net cash flow generated from operating activities	15,002,048,739.90	4,474,089,680.33
2. Cash flow generated from investment activities:		
Cash from recovery of investments	540,396,635.24	77,293,054.37
Cash from investment income	1,485,664,969.98	1,059,826,120.54
Net cash received from disposal of fixed assets, intangible assets and other long- term assets	112,810,473.19	113,690,289.86
Net cash received from disposal of subsidiaries and other business units		76,411,500.90
Cash received from other investment activities	248,957,505.28	248,703,534.39
Cash inflow from investment activities – subtotal	2,387,829,583.69	1,575,924,500.06
Cash paid for acquisition and installation of fixed assets, intangible assets and other long term assets	9,263,278,891.25	14,239,529,279.54
Cash paid for investments	576,529,975.96	368,657,374.34
Net increase in secured loans		
Net cash paid for acquiring subsidiaries and other operating entities		20,672,465,809.34
Cash paid for other investment activities	33,221,976.97	85,997.42
Cash outflow from investment activities – subtotal	9,873,030,844.18	35,280,738,460.64
Net cash flow generated from investment activities	-7,485,201,260.49	-33,704,813,960.58

Item	First three quarters of 2019 (January to September)	First three quarters of 2018 (January to September)
3. Cash flow generated from financing activities:		
Cash received from investments	7,708,478,556.29	52,931,098.08
Including: Cash received by subsidiaries from investment by minority shareholders	4,350,147.69	52,931,098.08
Cash received from borrowings	54,077,629,970.69	59,941,932,190.15
Cash received from other financing activities		36,608,395.64
Cash inflow from financing activities - subtotal	61,786,108,526.98	60,031,471,683.87
Cash paid for repayment of indebtedness	55,919,325,749.33	20,704,699,360.84
Cash paid for distribution of dividends, profit or interest	4,226,833,484.77	2,256,794,834.89
Including: Dividends and profit distributed to minority shareholders by subsidiaries	333,842,093.69	131,711,013.99
Cash paid for other financing activities	6,588,055,530.86	222,348,927.39
Cash outflow from financing activities - subtotal	66,734,214,764.96	23,183,843,123.12
Net cash flow generated from financing activities	-4,948,106,237.98	36,847,628,560.75
4. Effects of changes in exchange rates on cash and cash equivalents	1,387,329,048.76	948,869,276.89
5. Net increase in cash and cash equivalents	3,956,070,290.19	8,565,773,557.39
Add: Balance of cash and cash equivalents at the beginning of the period	32,837,729,046.74	25,738,525,700.19
6. Balance of cash and cash equivalents at the end of the period	36,793,799,336.93	34,304,299,257.58

Legal representative: Xu Lirong
Person in charge of accounting: Zhang Mingwen

Person in charge of the
accounting department: Xu Hongwei

Statement of Cash Flows of the Parent Company

January to September 2019

Prepared by COSCO SHIPPING Holdings Co., Ltd.

Unit: Yuan Currency: RMB Audit type: Unaudited

Item	First three quarters of 2019 (January to September)	Amounts for first three quarters of 2018 (January to September)
1. Cash flow generated from operating activities:		
Cash from sale of products and provision of services		
Tax rebate received		
Cash received from other operating activities	72,878,735.65	20,221,691.74
Cash inflow from operating activities - subtotal	72,878,735.65	20,221,691.74
Cash paid for purchase of products and services		
Cash paid to and for employees	33,979,911.32	21,906,391.19
Cash paid for various taxes	2,012,287.74	16,677.60
Cash paid for other operating activities	50,780,091.73	62,444,671.28
Cash outflow from operating activities - subtotal	86,772,290.79	84,367,740.07
Net cash flow generated from operating activities	-13,893,555.14	-64,146,048.33
2. Cash flow generated from investment activities:		
Cash from recovery of investments		
Cash from investment income		1,888,888.89
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		435,120.00
Net cash received from disposal of subsidiaries and other business units		
Cash received from other investment activities	217,510,875.00	217,510,875.00
Cash inflow from investment activities - subtotal	217,510,875.00	219,834,883.89
Cash paid for acquisition and installation of fixed assets, intangible assets and other long term assets	40,767.00	38,950.00
Cash paid for investments	7,451,344,083.11	384,784,178.00

Item	First three quarters of 2019 (January to September)	Amounts for first three quarters of 2018 (January to September)
Net cash paid for acquiring subsidiaries and other operating entities		
Cash paid for other investment activities		200,000,000.00
Cash outflow from investment activities – subtotal	7,451,384,850.11	584,823,128.00
Net cash flow generated from investment activities	-7,233,873,975.11	-364,988,244.11
3. Cash flow generated from financing activities:		
Cash received from investments	7,704,128,408.60	
Cash received from borrowings	1,500,000,000.00	
Cash received from other financing activities		
Cash inflow from financing activities - subtotal	9,204,128,408.60	
Cash paid for repayment of indebtedness	1,751,230,000.00	
Cash paid for distribution of dividends, profit or interest	291,719,690.00	314,764,648.00
Cash paid for other financing activities	12,068,800.49	73,351.16
Cash outflow from financing activities - subtotal	2,055,018,490.49	314,837,999.16
Net cash flow generated from financing activities	7,149,109,918.11	-314,837,999.16
4. Effects of changes in exchange rates on cash and cash equivalents	1,819,717.84	3,102,709.38
5. Net increase in cash and cash equivalents	-96,837,894.30	-740,869,582.22
Add: Balance of cash and cash equivalents at the beginning of the period	275,698,238.21	1,124,628,856.95
6. Balance of cash and cash equivalents at the end of the period	178,860,343.91	383,759,274.73

Legal representative: Person in charge
Xu Lirong of accounting:
Zhang Mingwen

Person in charge of the
accounting department:
Xu Hongwei

4.2 Adjustment to the relevant items in the financial statements at the beginning of the year after the first implementation of the new financial instrument standard, the new revenue standard and the new lease standard

Applicable Not applicable

Consolidated Balance Sheet

Item	<i>Unit: Yuan</i>		<i>Currency: RMB</i>
	31 December 2018	1 January 2019	Adjustment
Current assets:			
Monetary assets	33,994,971,789.80	33,994,971,789.80	
Balance with clearing companies			
Placement with banks			
Held-for-trading financial assets	2,596,054,766.04	2,596,054,766.04	
Financial assets at fair value through profit and loss			
Derivative financial assets			
Notes receivable	289,594,090.02	289,594,090.02	
Accounts receivable	8,718,739,021.20	8,718,739,021.20	
Receivables financing			
Prepayments	2,443,270,371.23	2,424,613,327.81	-18,657,043.42
Premium receivables			
Receivables from reinsurers			
Reinsurance deposits receivables			
Other receivables	2,607,910,397.91	2,607,910,397.91	
Financial assets purchased under resale agreements			
Inventories	4,100,906,309.22	4,100,906,309.22	
Contract assets	161,769,253.27	161,769,253.27	
Assets held for sale	4,591,926,891.09	10,213,803,968.89	5,621,877,077.80
Non-current assets due within one year			
Other current assets	799,255,987.22	799,255,987.22	
Total current assets	60,304,398,877.00	65,907,618,911.38	5,603,220,034.38

Item	31 December 2018	1 January 2019	Adjustment
Non-current assets:			
Loans and advances to customers			
Debt investment	1,530,208,081.68	1,530,208,081.68	
Available-for-sale financial assets			
Other debt investment			
Held-to-maturity investments			
Long-term receivables	1,194,537,205.81	1,194,537,205.81	
Long-term equity investments	28,877,466,227.30	28,526,332,438.18	-351,133,789.12
Investment in other equity instruments	2,083,637,895.25	2,083,637,895.25	
Other non-current financial assets	499,441,923.20	499,441,923.20	
Investment properties	2,372,365,255.19	2,372,365,255.19	
Fixed assets	109,462,615,747.91	90,541,384,064.48	-18,921,231,683.43
Construction-in-progress	5,804,171,107.03	5,877,521,240.32	73,350,133.29
Biological assets for production use			
Oil and gas assets			
Right-of-use assets		38,371,696,272.08	38,371,696,272.08
Intangible assets	7,957,983,108.00	7,669,314,636.05	-288,668,471.95
Development expenditure			
Goodwill	5,785,808,291.93	5,785,808,291.93	
Long-term deferred expenses	54,358,365.18	54,358,365.18	
Deferred income tax assets	1,060,468,928.27	1,060,718,492.32	249,564.05
Other non-current assets	1,156,343,949.45	1,156,343,949.45	
Total non-current assets	167,839,406,086.20	186,723,668,111.12	18,884,262,024.92
Total assets	228,143,804,963.20	252,631,287,022.50	24,487,482,059.30

Item	31 December 2018	1 January 2019	Adjustment
Current liabilities:			
Short-term borrowings	48,220,619,222.24	48,220,619,222.24	
Loans from central bank			
Placement with banks			
Held-for-trading financial liabilities			
Financial liabilities at fair value through profit and loss			
Derivative financial liabilities	38,195,750.35	38,195,750.35	
Notes payable	57,500,000.00	57,500,000.00	
Accounts payable	20,039,357,757.53	20,039,357,757.53	
Advance from customers	60,212,162.09	60,212,162.09	
Financial assets sold under agreements to repurchase			
Deposits and amounts due to banks			
Securities trading fees			
Securities underwriting fees			
Salaries payable	2,410,826,057.33	2,410,826,057.33	
Tax payables	997,223,467.86	997,223,467.86	
Other payables	6,238,051,672.44	6,217,194,142.33	-20,857,530.11
Handling charges and commission payables			
Due to reinsurers			
Contract liabilities	366,068,807.71	366,068,807.71	
Held-to-sale liabilities	1,244,432,425.50	7,026,688,172.67	5,782,255,747.17
Non-current liabilities due within one year	9,106,629,748.42	15,108,485,438.86	6,001,855,690.44
Other current liabilities			
Total current liabilities	88,779,117,071.47	100,542,370,978.97	11,763,253,907.50

Item	31 December 2018	1 January 2019	Adjustment
Non-current liabilities:			
Insurance deposits payable			
Long-term borrowings	47,051,666,787.61	47,051,666,787.61	
Debentures payable	17,828,847,537.62	17,828,847,537.62	
Of which: Preference shares			
Perpetual bonds			
Lease liabilities		30,413,836,726.21	30,413,836,726.21
Long-term payables	15,363,683,361.49	4,720,157.36	-15,358,963,204.13
Long-term employee benefits payable	334,058,519.51	334,058,519.51	
Estimated liabilities	111,470,189.38	111,470,189.38	
Deferred income	283,068,991.64	283,068,991.64	
Deferred income tax liabilities	1,985,569,022.31	1,985,569,022.31	
Other non-current liabilities	53,434,130.84	53,434,130.84	
Total non-current liabilities	83,011,798,540.40	98,066,672,062.48	15,054,873,522.08
Total liabilities	171,790,915,611.87	198,609,043,041.45	26,818,127,429.58
Owners' equity			
(or shareholders' equity):			
Paid in capital (or share capital)	10,216,274,357.00	10,216,274,357.00	
Other equity instruments			
Of which: Preference shares			
Perpetual bonds			
Capital reserves	28,215,827,051.23	28,215,827,051.23	
Less: Treasury shares			
Other comprehensive income	-1,121,528,623.27	-1,147,339,747.99	-25,811,124.72
Special reserves			
Surplus reserves	851,619,535.66	851,619,535.66	
Provision for ordinary risks			
Undistributed profit	-15,275,978,842.52	-17,017,063,837.21	-1,741,084,994.69

Item	31 December 2018	1 January 2019	Adjustment
Total equity attributable to owners of the parent company (or shareholders' equity)	22,886,213,478.10	21,119,317,358.69	-1,766,896,119.41
Minority interests	33,466,675,873.23	32,902,926,622.36	-563,749,250.87
Total owners' equity (or shareholders' equity)	56,352,889,351.33	54,022,243,981.05	-2,330,645,370.28
Total liabilities and owners' equity (or shareholders' equity)	228,143,804,963.20	252,631,287,022.50	24,487,482,059.30

Description of the adjustment to each item:

Applicable Not applicable

Balance Sheet of the Parent Company

	<i>Unit: Yuan</i>	<i>Currency: RMB</i>	
Item	31 December 2018	1 January 2019	Adjustment
Current assets:			
Monetary assets	275,698,238.21	275,698,238.21	
Held-for-trading financial assets			
Financial assets at fair value through profit and loss			
Derivative financial assets			
Notes receivable			
Accounts receivable			
Receivables financing			
Prepayments			
Other receivables	70,089,244.41	70,089,244.41	
Inventories			
Contract assets			
Assets held for sale			
Non-current assets due within one year			
Other current assets	7,897,184.68	7,897,184.68	
Total current assets	353,684,667.30	353,684,667.30	
Non-current assets:			
Debt investment			
Available-for-sale financial assets			
Other debt investment			
Held-to-maturity investments			
Long-term receivables	4,996,508,537.89	4,996,508,537.89	
Long-term equity investment	34,350,611,774.87	34,350,611,774.87	
Investment in other equity instruments			
Other non-current financial assets			

Item	31 December 2018	1 January 2019	Adjustment
Investment properties			
Fixed assets	701,149.13	701,149.13	
Construction-in-progress			
Biological assets for production use			
Oil and gas assets			
Right-of-use assets			
Intangible assets	2,889,291.05	2,889,291.05	
Development expenditure			
Goodwill			
Long-term deferred expenses			
Deferred income tax assets			
Other non-current assets			
Total non-current assets	39,350,710,752.94	39,350,710,752.94	
Total assets	39,704,395,420.24	39,704,395,420.24	
Current liabilities:			
Short-term borrowings	1,751,230,000.00	1,751,230,000.00	
Held-for-trading financial liabilities			
Financial liabilities at fair value through profit and loss			
Derivative financial liabilities			
Notes payable			
Accounts payable			
Advance from customers			
Contract liabilities			
Salaries payable	55,177,298.54	55,177,298.54	
Tax payables	471,966,622.62	471,966,622.62	
Other payables	241,431,772.98	241,431,772.98	
Held-to-sale liabilities			
Non-current liabilities due within one year			
Other current liabilities			
Total current liabilities	2,519,805,694.14	2,519,805,694.14	

Item	31 December 2018	1 January 2019	Adjustment
Non-current liabilities:			
Long-term borrowings			
Debentures payable	8,964,940,021.30	8,964,940,021.30	
Of which: Preference shares			
Perpetual bonds			
Lease liabilities			
Long-term payables			
Long-term employee benefits payable			
Estimated liabilities			
Deferred income			
Deferred income tax liabilities			
Other non-current liabilities			
Total non-current liabilities	8,964,940,021.30	8,964,940,021.30	
Total liabilities	11,484,745,715.44	11,484,745,715.44	
Owners' equity (or shareholders' equity):			
Paid in capital (or share capital)	10,216,274,357.00	10,216,274,357.00	
Other equity instruments			
Including: Preference shares			
Perpetual bonds			
Capital reserves	39,122,468,566.93	39,122,468,566.93	
Less: Treasury shares			
Other comprehensive income			
Special reserves			
Surplus reserves	851,456,104.01	851,456,104.01	
Undistributed profit	-21,970,549,323.14	-21,970,549,323.14	
Total owners' equity (or shareholders' equity)	28,219,649,704.80	28,219,649,704.80	
Total liabilities and owners' equity (or shareholders' equity)	39,704,395,420.24	39,704,395,420.24	

Description of the adjustment to each item:

Applicable ✓ Not applicable

4.3 Description of the retrospective adjustment to the comparative data in the previous period after the first implementation of the new financial instrument standard and the new lease standard

Applicable ✓ Not applicable

4.4 Audit report

Applicable ✓ Not applicable

By Order of the Board
COSCO SHIPPING Holdings Co., Ltd.
Guo Huawei
Company Secretary

Shanghai, the People's Republic of China
30 October 2019

As at the date of this announcement, the directors of the Company are Mr. XU Lirong¹ (Chairman), Mr. WANG Haimin¹ (Vice Chairman), Mr. YANG Zhijian¹, Mr. FENG Boming¹, Mr. YANG, Liang Yee Philip², Mr. WU Dawei², Mr. ZHOU Zhonghui² and Mr. TEO Siong Seng².

¹ *Executive director*

² *Independent non-executive director*

* *For identification purpose only*