秦皇島港股份有限公司
QINHUANGDAO PORT CO., LTD.*

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

(Stock Code: 3369)

2019 THIRD QUARTERLY REPORT

The board of directors (the "**Board**") of Qinhuangdao Port Co., Ltd.* (秦皇島港股份有限公司) (the "**Company**" or the "**Parent Company**" or "**QHD Port**") is pleased to announce the unaudited results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the third quarter ended 30 September 2019. This announcement is made pursuant to Rule 13.09(2) and Rule 13.10B of the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

I. IMPORTANT NOTICE

1.1 The Board, the supervisory committee, the directors, supervisors and senior management of the Company hereby warrant that the contents of this quarterly report are true, accurate and complete, and there are no false representations, misleading statements or material omissions, and are jointly and severally responsible for the legal liabilities of the Company.

1.2 All directors of the Company have attended the Board meeting to consider and approve the quarterly report.

1.3 CAO Ziyu, the head of the Company, GUO Xikun, the chief financial officer, and XIE Hui, the head of accounting department (Accounting Officer), warrant the truthfulness, accuracy and completeness of the financial statements in this quarterly report.

1.4 The third quarterly report of the Company is unaudited.

II. BASIC INFORMATION OF THE COMPANY

2.1 Principal financial data

Unit: Yuan Currency: RMB

	As at the end of the reporting period	As at the end of last year	Increase/decrease for the end of the reporting period as compared to the end of last year (%)
Total assets	26,004,132,208.37	25,959,191,003.13	0.17
Net assets attributable to shareholders of the listed Company	14,371,906,554.08	13,894,972,220.29	3.43

	From the beginning of the year to the end of the reporting period(January to September)	From the beginning to the end of the reporting period of last year(January to September)	Change (%)
Net cash flow generated from operating activities	2,229,697,173.45	2,527,253,196.11	-11.77

	From the beginning of the year to the end of the reporting period(January to September)	From the beginning to the end of the reporting period of last year(January to September)	Change (%)
Revenue	5,025,550,555.97	5,226,103,168.19	-3.84
Net profit attributable to shareholders of the listed Company	859,754,462.73	940,575,995.58	-8.59
Net profit attributable to shareholders of the listed Company after deducting non-recurring profits and losses	820,662,586.36	908,521,744.96	-9.67
Weighted average return on net assets (%)	6.05	6.78	Decreased by 0.73 percentage point
Basic earnings per share (RMB/Share)	0.15	0.17	-11.76
Diluted earnings per share (RMB/Share)	0.15	0.17	-11.76

ITEMS AND AMOUNTS OF NON-RECURRING PROFIT AND LOSS

√ 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	714,086.61	3,361,156.23	
Government grants credited to profit or loss for the current period (except for the government grants that are closely related to the normal operations of the Company which were accounted for in certain standard amount or volume in compliance with the requirement of the policies of the State and in accordance with uniform standard of the state)	8,634,050.83	31,258,297.04	
Gains or losses on entrusted investment or asset management	2,801,467.51	3,498,147.53	
Other non-operating income or expenses other than the above items	355,891.01	835,041.89	
Other profit or loss items that fall within the meaning of non-recurring profit and loss		16,886,790.00	
Effect of minority interests (after tax)	-1,244,882.92	-2,046,314.13	
Effect of income tax	-3,871,418.28	-14,701,242.19	
Total	7,389,194.76	39,091,876.37	

2.2 Total number of shareholders, the shareholding of top ten shareholders and top ten shareholders of circulating shares (or shareholders not subject to trading restriction) as at the end of the reporting period

Unit: share

Total number of shareholders	94,206

Shareholding of top ten shareholders

Name of shareholders (in full)	Number of shares at the end of the reporting period	Shareholding percentage (%)	Number of shares subject to trading restriction	Pledged or frozen		Type of shareholders
				Share status	Number	
Hebei Port Group Co., Ltd.* (河北港口集團有限公司)	3,032,528,078	54.27	3,032,528,078	Nil		State-owned legal person
HKSCC Nominees Limited[Note]	827,817,932	14.82		Unknown		Overseas legal person
State-owned Assets Supervision & Administration Commission of the People's Government of Qinhuangdao City	621,455,485	11.12		Nil		State
Hebei Construction Investment Transportation Investment Co., Ltd.* (河北建投交通投資有限責任公司)	209,866,757	3.76		Nil		State-owned legal person
Daqin Railway Co., Ltd.	42,750,000	0.77		Nil		State-owned legal person
COSCO SHIPPING (Tianjin) Co., Ltd.* (中遠海運（天津）有限公司)	41,437,588	0.74		Nil		State-owned legal person
Shougang Enterprises Group Co., Ltd.	41,437,588	0.74		Nil		State-owned legal person
China Life Investment Holding Company Limited	41,437,588	0.74		Nil		State-owned legal person
Datong Coal Mine Group Co., Ltd.	41,437,588	0.74		Nil		State-owned legal person
Account No. 1 of National Council for Social Security Fund* (全國社會保障基金理事會轉持一戶)	41,247,362	0.74	41,247,362	Nil		Others

Shareholding of top ten shareholders not subject to trading restriction

Name of shareholders	Number of shares not subject to trading restriction	Class and number of shares Class	Number
HKSCC Nominees Limited[Note]	827,817,932	Foreign shares listed overseas	827,817,932
State-owned Assets Supervision & Administration Commission of the People's Government of Qinhuangdao City	621,455,485	RMB ordinary shares	621,455,485
Hebei Construction Investment Transportation Investment Co., Ltd.* (河北建投交通投資有限責任公司)	209,866,757	RMB ordinary shares	209,866,757
Daqin Railway Co., Ltd.	42,750,000	RMB ordinary shares	42,750,000
COSCO SHIPPING (Tianjin) Co., Ltd.* (中遠海運（天津）有限公司)	41,437,588	RMB ordinary shares	41,437,588
Shougang Enterprises Group Co., Ltd.	41,437,588	RMB ordinary shares	41,437,588
China Life Investment Holding Company Limited	41,437,588	RMB ordinary shares	41,437,588
Datong Coal Mine Group Co., Ltd.	41,437,588	RMB ordinary shares	41,437,588
Agricultural Bank of China Limited – China Securities 500 Index ETF Securities Investment Fund (中證500交易型開放式指數證券投資基金)	15,424,600	RMB ordinary shares	15,424,600
Hong Kong Securities Clearing Company Limited	9,645,870	RMB ordinary shares	9,645,870

Explanations on the connected relationship or connected-party relationship among the aforementioned shareholders	The Company is not aware that there are any shareholders above with related party relationship or acting in concert under The Measures for the Administration of the Takeover of Listed Companies.
Holders of preference shares with restored voting rights and their shareholdings	Not applicable

Note: As at the end of the reporting period, Hebei Port Group Co., Ltd. has a shareholding in the H Shares of the Company of 71,303,000 Shares through Hebei Port Group International (Hong Kong) Co., Ltd., its offshore wholly-owned subsidiary, representing 1.28% of the total share capital of the Company. These shares were included in the total number of shares held by HKSCC Nominees Limited.

2.3 Total number of and top ten holders of preference shares and their unrestricted shareholdings as at the end of the reporting period

☐ Applicable ✓ Not applicable

III. MATERIAL MATTERS

3.1 Details and reasons for significant changes of major accounting statement items and financial indicators

✓Applicable ☐ Not applicable

1. As at 30 September 2019, accounts receivable were RMB90,580,446.34, representing an increase of 32% from the beginning of the year, which was mainly due to the increase in ore business volume of the subsidiaries of the Group.

2. As at 30 September 2019, assets held for sale were RMB5,910,500.00, representing a decrease of 97% compared with the beginning of the year, which was mainly due to the disposal of the land use right to be collected by the Group at the end of the previous year during the year.

3. As at 30 September 2019, long-term prepaid expenses were RMB35,280,449.05, representing an increase of 2,883% over the beginning of the year, which was mainly due to an increase in the dredging costs of the Group.

4. As at 30 September 2019, accounts payable were RMB238,197,990.34, representing an increase of 47% over the beginning of the year, which was mainly due to the increase in operating payables by the Group.

5. As at 30 September 2019, contract liabilities were RMB647,675,100.14, representing an increase of 31% over the beginning of the year, which was mainly due to the increase in the advance of the port handling fees by the Group.

6. As at 30 September 2019, long-term employee benefits payable were RMB420,417,923.90, representing an increase of 32% over the beginning of the year, which mainly due to the increase in the number of employees of the Group who leave their posts and wait for retirement.

7. As at 30 September 2019, deferred income tax liabilities were RMB7,198,918.11, representing an increase of 37% as compared with the beginning of the year, which was mainly due to the temporary difference in taxation arising from the excess of fair value of the Group's other equity instruments investment over their original carrying amount.

8. As at 30 September 2019, other comprehensive income were RMB12,307,064.69, representing an increase of 1,228% as compared with the beginning of the year, which was mainly due to the changes in fair value of other equity instruments investment of the Group during the period.

9. As at 30 September 2019, special reserve amounted to RMB110,013,259.37, representing an increase of 36% as compared with the beginning of the year, which was mainly due to an increase in the production safety expense provided but unused of the Group.

10. As at 30 September 2019, net cash flows from investment activities were RMB-270,396,660.69, representing a decrease of 316% over the same period of the previous year, which was mainly due to an increase in term deposits of the Group for more than three months.

11. As at 30 September 2019, investment income amounted to RMB154,372,828.30, representing an increase of 76% as compared with that in the corresponding period of last year, which was mainly due to an increase in the net profit of the Group's investment companies.

12. As at 30 September 2019, gains from changes in fair value amounted to RMB0, representing a decrease of 100% as compared with that in the corresponding period of last year, which was mainly due to absence of gains from changes in fair value of the Group during the period.

13. As at 30 September 2019, credit impairment loss amounted to RMB-3,736,258.09, representing an increase of 82% from the corresponding period of last year, which was mainly due to the recovery of receivables for the previous years and a decrease in revised bad debts provision of the Group.

14. As at 30 September 2019, asset impairment loss amounted to RMB0, representing a decrease of 100% from the corresponding period of last year, which was mainly due to the Group's impairment provision for fixed assets and provision for decrease in price of inventories during the corresponding period of last year.

15. As at 30 September 2019, income of disposal of assets amounted to RMB1,600,453.26, representing a decrease of 58% from the corresponding period of last year, which was mainly due to a decrease in gains from disposal of non-current assets by the Group during the period.

3.2 Progress in respect of material matters and analysis of the related effects and solutions

✓ Applicable ☐ Not applicable

On 28 August 2019, the thirteenth meeting of the fourth session of the Board considered and approved the Proposal on the Connected Transaction in relation to the Factoring Business to be Carried Out by Tangshan Caofeidian Coal Port Co., Ltd. (唐山曹妃甸煤炭港務有限公司) and Jigang Commercial Factoring (Tianjin) Co., Ltd. (冀港商業保理(天津)有限公司). It is agreed that Tangshan Caofeidian Coal Port Co., Ltd., a subsidiary under the control of the Company, will carry out factoring business with Jigang Commercial Factoring (Tianjin) Co., Ltd., for a period of three years from the effective date of the Factoring Business Cooperation Framework Agreement signed by both parties. The annual factoring amount shall not exceed RMB300 million, which can be recycled. The financing rate shall not exceed 6% (finance interest + service fee). For details of this matter, please refer to the "Announcement on the Connected Transaction in relation to the Factoring Business to be Carried Out by a Holding Subsidiary" of the Company published on the Shanghai Stock Exchange on 29 August 2019 (Announcement No.: 2019-024).

3.3 Undertakings due but not completely performed during the reporting period

☐ Applicable ✓ Not applicable

3.4 Warning of projection on cumulative net profit for the period from the beginning of the year to the end of the next reporting period to be at a loss or expected to have material changes as compared to the corresponding period of last year and its explanation

☐ Applicable ✓ Not applicable

IV. APPENDIX

4.1 Financial statements

CONSOLIDATED BALANCE SHEET
30 September 2019

Prepared by: Qinhuangdao Port Co., Ltd.*

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	30 September 2019	31 December 2018
Current assets:		
Cash and bank balances	3,246,584,116.19	2,607,071,907.64
Settlement provisions		
Placements with banks and other financial institutions		
Financial assets held for trading	170,000,000.00	
Financial assets measured at fair value through profit or loss		
Derivative financial assets		
Bills receivable	151,501,949.09	151,588,176.50
Accounts receivable	90,580,446.34	68,555,390.54
Accounts receivable financing		
Prepayments	11,339,548.18	10,231,550.85
Premiums receivable		
Reinsurance accounts receivable		
Deposits receivable from reinsurance contracts		
Other receivables	25,962,837.92	30,259,192.87
Including: Interest receivable		
Dividends receivable		
Financial assets purchased under resale agreements		
Inventories	204,896,694.39	191,484,116.15
Contract assets		
Assets held for sale	5,910,500.00	193,986,794.76
Non-current assets due within one year		
Other current assets	96,614,333.28	101,730,209.68
Total current assets	4,003,390,425.39	3,354,907,338.99

Item	30 September 2019	31 December 2018
Non-current assets:		
Loans and advances granted		
Debt investments		
Available-for-sale financial assets		
Other debt investments		
Held-to-maturity investment		
Long-term receivables		
Long-term equity investments	2,795,957,172.33	2,715,291,377.24
Other equity instruments investments	762,469,940.42	730,638,543.63
Other non-current financial assets		
Investment properties		
Fixed assets	14,655,981,633.67	15,629,606,304.57
Construction in progress	795,929,330.26	756,714,741.91
Productive biological assets		
Oil and gas assets		
Right-of-use assets	139,123,156.50	
Intangible assets	2,377,319,083.17	2,375,708,363.99
Development costs		
Goodwill		
Long-term prepaid expenses	35,280,449.05	1,182,783.93
Deferred tax assets	330,897,813.38	277,591,318.38
Other non-current assets	107,783,204.20	117,550,230.49
Total non-current assets	22,000,741,782.98	22,604,283,664.14
Total assets	26,004,132,208.37	25,959,191,003.13

Item	30 September 2019	31 December 2018
Current liabilities:		
Short-term borrowings	704,537,672.50	890,000,000.00
Loans from central bank		
Placements from banks and other financial institutions		
Financial liabilities held for trading		
Financial liabilities at fair value through profit or loss,		
Derivative financial liabilities		
Bills payable		
Accounts payable	238,197,990.34	162,505,803.68
Advances from customers		
Contract liabilities	647,675,100.14	493,959,950.74
Financial assets sold under repurchase agreements		
Deposits taking and deposits in inter-bank market		
Customer deposits for trading in securities		
Customer deposits for underwriting securities		
Employee Benefits Payable	565,740,293.62	453,048,065.29
Taxes Payable	192,109,853.11	208,865,299.36
Other Payables	950,347,446.91	1,346,007,940.53
Including: Interest payable	9,020,578.48	9,965,877.52
Dividends payable	9,176.04	1,380.27
Fee and commission payable		
Reinsurance accounts payable		
Liabilities held for sale		
Non-current liabilities due within one year	522,127,487.11	403,724,000.00
Other current liabilities	700,000.00	
Total current liabilities	3,821,435,843.73	3,958,111,059.60

Item	30 September 2019	31 December 2018
Non-current liabilities:		
Reserve for insurance policies		
Long-term borrowings	5,819,024,492.98	6,138,966,492.98
Debentures payable		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	11,501,824.09	
Long-term payable	238,800,000.00	238,800,000.00
Long-term employee benefits payable	420,417,923.90	319,011,081.78
Provisions	33,860,000.00	33,860,000.00
Deferred income	252,194,873.14	276,743,438.31
Deferred income tax liabilities	7,198,918.11	5,241,068.91
Other non-current liabilities		
Total non-current liabilities	6,782,998,032.22	7,012,622,081.98
Total liabilities	10,604,433,875.95	10,970,733,141.58
Owners' equity (Shareholders' equity)		
Paid-in capital	5,587,412,000.00	5,587,412,000.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserve	5,207,544,792.61	5,202,818,808.47
Less: Treasury shares		
Other comprehensive income	12,307,064.69	-1,091,254.83
Special reserve	110,013,259.37	80,726,967.97
Surplus reserve	1,235,538,930.68	1,235,538,930.68
General risk reserve		
Retained profit	2,219,090,506.73	1,789,566,768.00
Attributable to total owners' equity (Shareholders' equity) of the parent	14,371,906,554.08	13,894,972,220.29
Minority interests	1,027,791,778.34	1,093,485,641.26
Total owners' equity (Shareholders' equity)	15,399,698,332.42	14,988,457,861.55
Total liabilities and owners' equity (Shareholders' equity)	26,004,132,208.37	25,959,191,003.13

Legal representative of the Company: CAO Ziyu
Chief financial officer: GUO Xikun
Head of accounting department: XIE Hui

BALANCE SHEET OF THE PARENT COMPANY
30 September 2019

Prepared by: Qinhuangdao Port Co., Ltd.*

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	30 September 2019	31 December 2018
Current assets:		
Cash and bank balances	2,452,928,886.59	1,751,209,101.92
Financial assets held for trading		
Financial assets at fair value through profit or loss		
Derivative financial assets		
Bills receivable	44,322,403.90	79,348,287.00
Accounts receivable	45,840,444.73	59,740,571.30
Accounts receivable financing		
Prepayments	1,833,081.03	689,210.73
Other receivables	308,059.90	19,514,013.44
Including: Interests receivable		
Dividends receivable		
Inventories	146,486,787.04	142,299,917.02
Contract assets		
Assets held for sale	5,910,500.00	5,910,500.00
Non-current liabilities due within one year		
Other current assets		7,787,215.86
Total current assets	2,697,630,163.19	2,066,498,817.27

Item	30 September 2019	31 December 2018
Non-current assets:		
Debt investments		
Available-for-sale financial assets		
Other debt investments		
Held-to-maturity investment		
Long-term receivables		
Long-term equity investments	9,279,146,133.45	9,075,238,002.32
Investments in other equity instruments	572,410,376.69	527,838,286.62
Other non-current financial assets		
Investment properties		
Fixed assets	4,111,267,651.18	4,391,487,061.23
Construction in progress	21,900,552.37	14,588,051.67
Productive biological assets		
Oil and gas assets		
Right-of-use assets	17,483,325.62	
Intangible assets	390,935,860.73	387,203,686.27
Development costs		
Goodwill		
Long-term prepaid expenses		
Deferred tax assets	299,996,265.70	255,860,388.65
Other non-current assets	27,188,588.63	928,125.10
Total non-current assets	14,720,328,754.37	14,653,143,601.86
Total assets	17,417,958,917.56	16,719,642,419.13
Current liabilities:		
Short-term borrowings	624,537,672.50	750,000,000.00
Financial liabilities held for trading		
Financial assets at fair value through profit or loss		
Derivative financial liabilities		
Bills payable		
Accounts payable	127,474,714.94	89,904,379.61
Advances from customers		
Contract liabilities	466,814,911.15	405,413,878.13
Employee benefits payable	541,585,194.30	430,964,013.88
Taxes payable	158,068,900.00	160,070,135.27
Other payables	61,496,611.36	94,273,050.19
Including: Interest payable	659,939.59	947,031.25
Dividends payable	9,176.04	1,380.27
Liabilities held for sale		
Non-current liabilities due within one year	6,523,487.11	400,000.00
Other current liabilities		
Total current liabilities	1,986,501,491.36	1,931,025,457.08

Item	30 September 2019	31 December 2018
Non-current liabilities:		
Long-term borrowings		
Debentures payable		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	11,501,824.09	
Long-term payable	238,800,000.00	238,800,000.00
Long-term employee benefits payable	393,122,696.79	282,291,821.26
Provisions		
Deferred income	252,194,873.14	276,743,438.31
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	895,619,394.02	797,835,259.57
Total liabilities	2,882,120,885.38	2,728,860,716.65
Owners' equity(Shareholders' equity)		
Paid-in capital	5,587,412,000.00	5,587,412,000.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserve	5,197,336,468.67	5,197,336,468.67
Less: Treasury shares		
Other comprehensive income	-9,238,039.84	-26,185,253.11
Special reserve	86,602,612.17	63,494,074.77
Surplus reserve	1,235,400,585.91	1,235,400,585.91
Retained profit	2,438,324,405.27	1,933,323,826.24
Total owners' equity (Shareholders' equity)	14,535,838,032.18	13,990,781,702.48
Total liabilities and owners' equity (Shareholders' equity)	17,417,958,917.56	16,719,642,419.13

Legal representative of the Company: CAO Ziyu Chief financial officer: GUO Xikun Head of accounting department: XIE Hui

CONSOLIDATED INCOME STATEMENT
From January to September 2019

Prepared by: Qinhuangdao Port Co., Ltd.*

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	Amount for last three months of 2019 (July to September)	Amount for last three months of 2018 (July to September)	Amount for first nine months of 2019 (January to September)	Amount for first nine months of 2018 (January to September)
I. Total revenue	1,634,844,670.90	1,714,461,182.10	5,025,550,555.97	5,226,103,168.19
Including: Revenue	1,634,844,670.90	1,714,461,182.10	5,025,550,555.97	5,226,103,168.19
Interest income				
Premium earned				
Fee and commission income				
II. Total operating costs	1,257,763,079.33	1,468,502,606.00	4,109,625,409.07	4,119,457,167.27
Including: Operating costs	916,802,618.90	980,029,181.19	2,808,247,861.85	2,950,994,490.18
Interest expenses				
Fees and commission expenses				
Cash surrender value				
Claim settlement expenses, net				
Net insurance contract reserves				
Policy dividend expenses				
Reinsurance expenses				
Tax and surcharges	89,968,173.81	114,479,161.70	276,530,505.39	287,505,360.68
Sales costs	25,003.77		86,468.30	
Administrative expenses	178,565,689.56	297,183,791.57	792,867,240.45	639,529,291.19
Search and development costs	2,003,776.80	2,187,476.45	5,874,987.29	5,977,402.07
Financial costs	70,397,816.49	74,622,995.09	226,018,345.79	235,450,623.15
Including: Interest costs	82,826,948.70	85,461,759.22	255,494,453.17	263,583,798.49
Interest income	11,560,313.92	8,049,960.94	28,634,773.70	23,497,448.94

Item	Amount for last three months of 2019 (July to September)	Amount for last three months of 2018 (July to September)	Amount for first nine months of 2019 (January to September)	Amount for first nine months of 2018 (January to September)
Add: Other income	8,073,250.83	10,131,565.69	29,495,047.23	29,500,467.12
Investment income (loss expressed with "-")	17,458,803.26	9,329,219.61	154,372,828.30	87,912,497.63
Including: Investment income from associates and joint ventures	15,563,177.71	9,128,913.48	129,242,732.73	78,304,697.49
Derecognition of gains from financial assets measured at amortised cost				
Foreign exchange gain (loss expressed with "-")				
Gains on net exposure hedges (loss expressed with "-")				
Gains from changes in fair value (loss expressed with "-")				57,222.22
Impairment loss of credit (loss expressed with "-")	991,982.86	70,210.37	3,736,258.09	20,796,333.68
Asset impairment Loss (loss expressed with "-")				-60,902,308.29
Income of disposal of assets (loss expressed with "-")		-10,133.44	1,600,453.26	3,842,191.71
III. Operating profit(loss expressed with "-")	403,605,628.52	265,479,438.33	1,105,129,733.78	1,187,852,404.99
Add: Non-operating income	2,844,431.84	2,145,795.10	6,870,949.27	10,873,500.01
Less: Non-operating expenses	2,058,374.22	869,615.03	2,511,954.60	1,113,124.88
IV. Total profit (total loss expressed with "-")	404,391,686.14	266,755,618.40	1,109,488,728.45	1,197,612,780.12
Less: Income tax expenses	120,597,726.49	84,011,430.86	307,486,093.72	356,516,639.42
V. Net profit (net loss expressed with "-")	283,793,959.65	182,744,187.54	802,002,634.73	841,096,140.70
(I) Classified by continuity of operation				
1. Net profit from continuing operations (net loss expressed with "-")	283,793,959.65	182,744,187.54	802,002,634.73	841,096,140.70
2. Net profit from discontinued operations (net loss expressed with "-")				
(II) Classified by ownership of equity				
1. Net profit attributable to shareholders of the parent (net loss expressed with "-")	310,654,665.81	208,528,277.79	859,754,462.73	940,575,995.58
2. Minority interests (net loss expressed with "-")	-26,860,706.16	-25,784,090.25	-57,751,828.00	-99,479,854.88

Item	Amount for last three months of 2019 (July to September)	Amount for last three months of 2018 (July to September)	Amount for first nine months of 2019 (January to September)	Amount for first nine months of 2018 (January to September)
VI. Other comprehensive income, net of tax	2,065,677.86	1,856,933.00	8,716,114.74	-128,610,384.26
(I) Other comprehensive income that cannot be reclassified subsequently to profit or loss	2,065,677.86	1,856,933.00	13,398,319.52	-123,834,387.56
1. Re-measurement of changes in defined benefit plans			10,555,752.37	-126,042,663.24
2. Other comprehensive income that cannot be reclassified into the profit or loss under the equity method				
3. Changes in fair value of investment in other equity instruments			10,555,752.37	-126,042,663.24
4. Change in fair value of own credit risk				
(II) Other comprehensive income that may be reclassified to profit or loss	2,065,677.86	1,856,933.00	2,842,567.15	2,208,275.68
1. Other comprehensive income that may be reclassified into the profit and loss under the equity method	925,796.27		1,518,145.72	-15,001.80
2. Changes in fair value of other debt investment				
3. Gains and losses from changes in fair value of available-for-sale financial assets				
4. Amount included in other comprehensive income on reclassification of financial assets				
5. Held-to-maturity investments that are reclassified into the available-for-sale financial assets				
6. Provision for credit impairment of other debt investments				
7. Cash flows hedging reserve (effective portion of the hedging gains and losses in cash flows)				
8. Exchange differences arising from translation of foreign currency denominated financial statement	1,139,881.59	1,856,933.00	1,324,421.43	2,223,277.48
9. Others				
Other comprehensive income attributable to minority shareholders, net of tax			-4,682,204.78	-4,775,996.70
VII. Total comprehensive income	285,859,637.51	184,601,120.54	810,718,749.47	712,485,756.44
Total comprehensive income attributable to owners of the parent	312,720,343.67	210,385,210.79	873,152,782.25	816,741,608.02
Total comprehensive income attributable to minority shareholders	-26,860,706.16	-25,784,090.25	-62,434,032.78	-104,255,851.58
VIII. Earnings per share:				
(I) Basic earnings per share (RMB/share)	0.05	0.04	0.15	0.17
(II) Diluted earnings per share (RMB/share)	0.05	0.04	0.15	0.17

Legal representative of the Company: CAO Ziyu
Chief financial officer: GUO Xikun
Head of accounting department: XIE Hui

INCOME STATEMENT OF THE PARENT COMPANY
From January to September 2019

Prepared by: Qinhuangdao Port Co., Ltd.*

Unit: Yuan Currency: RMB Audit status: Unaudited

Item	Amount for last three months of 2019 (July to September)	Amount for last three months of 2018 (July to September)	Amount for first nine months of 2019 (January to September)	Amount for first nine months of 2018 (January to September)
I. Revenue	1,148,349,648.22	1,269,523,040.67	3,589,992,807.02	3,921,425,162.63
Less: Operating costs	542,464,402.84	646,880,926.64	1,672,451,502.06	1,932,204,176.74
Tax and surcharges	54,072,657.73	80,994,155.67	176,218,000.02	189,458,300.25
Sales costs				
Administrative expenses	139,341,121.36	256,874,522.04	692,571,039.64	538,709,293.08
Search and development costs	2,003,776.80	2,187,476.45	5,874,987.29	5,977,402.07
Financial costs	-6,223,470.81	-30,394.50	-2,658,066.39	12,400,390.70
Including: Interest costs	3,917,276.11	8,108,943.77	19,885,168.81	31,823,935.44
Interest income	9,380,682.65	5,253,921.39	21,676,172.48	14,760,552.86
Add: Other income	12,094,222.01	9,172,962.48	32,620,096.73	27,920,616.89
Investment income (loss expressed with "-")	14,838,075.26	62,124,415.10	131,702,916.81	126,507,219.15
Including: Investment income from associates and joint ventures	14,838,075.26	8,689,415.10	131,702,916.81	73,072,219.15
Derecognition of gains from financial assets measured at amortised cost				
Gains on net exposure hedges (loss expressed with "-")				
Gains from changes in fair value (loss expressed with "-")				
Impairment loss of credit (loss expressed with "-")	665,220.20	-435,397.71	7,787,444.29	22,227,783.30
Asset impairment loss (loss expressed with "-")				-60,902,308.29
Income of disposal of assets(loss expressed with "-")				3,852,325.15
II. Operating profit(loss expressed with "-")	444,288,677.77	353,478,334.24	1,217,645,802.23	1,362,281,235.99
Add: Non-operating income	2,796,122.54	2,144,438.10	6,722,757.85	10,242,942.45
Less: Non-operating expenses	246,429.83	629,447.34	607,378.36	856,484.88
III. Total profit (total loss expressed with "-")	446,838,370.48	354,993,325.00	1,223,761,181.72	1,371,667,693.56
Less: Income tax expenses	111,396,431.70	77,179,184.27	288,529,878.69	335,145,075.13

Item	Amount for last three months of 2019 (July to September)	Amount for last three months of 2018 (July to September)	Amount for first nine months of 2019 (January to September)	Amount for first nine months of 2018 (January to September)
IV. Net profit (net loss expressed with "-")				
(I) Net profit from continuing operations (net loss expressed with "-")	335,441,938.78	277,814,140.73	935,231,303.03	1,036,522,618.43
(II) Net profit from discontinued operations (net loss expressed with "-")	335,441,938.78	277,814,140.73	935,231,303.03	1,036,522,618.43
V. Other comprehensive income, net of tax	925,796.27		16,947,213.27	-121,086,729.70
(I) Other comprehensive income that cannot be reclassified subsequently to profit or loss			15,429,067.55	-121,071,727.90
1. Re-measurement of changes in defined benefit plans				
2. Other comprehensive income that cannot be reclassified into the profit or loss under the equity method				
3. Changes in fair value of investment in other equity instruments			15,429,067.55	-121,071,727.90
4. Change in fair value of own credit risk				
(II) Other comprehensive income that may be reclassified to profit or loss	925,796.27		1,518,145.72	-15,001.80
1. Other comprehensive income that may be reclassified into the profit and loss under the equity method	925,796.27		1,518,145.72	-15,001.80
2. Changes in fair value of other debt investment				
3. Gains and losses from changes in fair value of available-for-sale financial assets				
4. Amount included in other comprehensive income on reclassification of financial assets				
5. Held-to-maturity investments that are reclassified into the available-for-sale financial assets				
6. Provision for credit impairment of other debt investments				
7. Cash flows hedging reserve (effective portion of the hedging gains and losses in cash flows)				
8. Exchange differences arising from translation of foreign currency denominated financial statement				
9. Others				
VI. Total comprehensive income	336,367,735.05	277,814,140.73	952,178,516.30	915,435,888.73
VII. Earnings per share:				
(I) Basic earnings per share (RMB/share)				
(II) Diluted earnings per share (RMB/share)				

Legal representative of the Company: CAO Ziyu   Chief financial officer: GUO Xikun   Head of accounting department: XIE Hui

CONSOLIDATED STATEMENT OF CASH FLOWS
From January to September 2019

Prepared by: Qinhuangdao Port Co., Ltd.*

Unit: yuan Currency: RMB Audit status: unaudited

Item	First nine months of 2019 (January to September)	First nine months of 2018 (January to September)
I. Cash flows from operating activities:		
Cash received from sale of goods or rendering of services	5,415,417,993.65	5,811,552,878.79
Net increase in customer deposits and due to banks and other financial institutions		
Net increase in loans from central bank		
Net increase in borrowings from other financial Institutions		
Cash from premiums on original insurance contracts		
Net cash received from reinsurance business		
Net increase in deposits from policyholders and investments		
Cash received from interest, handling fees and Commissions		
Net increase in borrowing funds		
Net increase in repurchase business funds		
Net cash received from customer deposits for trading in securities		
Tax rebate received	19,055,047.91	
Cash received relating to other operating activities	55,195,901.80	42,708,631.18
Sub-total of cash inflows	5,489,668,943.36	5,854,261,509.97
Cash paid for goods and services	973,873,089.30	927,254,899.64
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 fees and Commissions		
Cash payment for policyholder dividend		
Cash paid to and on behalf of employees	1,311,142,833.76	1,469,270,169.48
Cash paid for all taxes	779,519,835.08	678,019,494.00
Cash paid relating to other operating activities	195,436,011.77	252,463,750.74
Sub-total of cash outflows	3,259,971,769.91	3,327,008,313.86
Net cash flows from operating activities	2,229,697,173.45	2,527,253,196.11

Item	First nine months of 2019 (January to September)	First nine months of 2018 (January to September)
II. Cash flows from investing activities:		
Cash received from disposal of investments	970,876,008.74	889,472,540.00
Cash received from return on investments	60,696,699.27	68,186,859.73
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	191,459,087.50	9,493,629.73
Net cash received from disposal of subsidiaries and other business entities		
Cash received relating to other investing activities	14,075,064.86	100,000,000.00
Sub-total of cash inflows	1,237,106,860.37	1,067,153,029.46
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	569,542,444.66	361,747,478.31
Cash paid for investments	931,961,076.40	530,385,904.68
Net increase in pledged loans		
Net cash paid for acquisition of subsidiaries and other business entities		
Cash paid relating to other investing activities	6,000,000.00	49,598,181.08
Sub-total of cash outflows	1,507,503,521.06	941,731,564.07
Net cash flows from investing activities	-270,396,660.69	125,421,465.39
III. Cash flows from financing activities:		
Cash received from capital contribution		24,500,000.00
Including: Cash received from capital contribution by minority shareholders to subsidiaries		
Cash received from borrowings	885,737,672.50	950,000,000.00
Cash received relating to other financing activities		
Sub-total of cash inflows	885,737,672.50	974,500,000.00
Cash paid for repayments of borrowings	1,278,862,000.00	1,508,862,000.00
Cash paid for distribution of dividends or profits and for interest expenses	687,711,662.66	895,544,688.92
Including: Dividends or profit paid to minority shareholders by subsidiaries		
Cash paid relating to other financing activities	6,877,297.65	
Sub-total of cash outflows	1,973,450,960.31	2,404,406,688.92
Net cash flows from financing activities	-1,087,713,287.81	-1,429,906,688.92

Item	First nine months of 2019 (January to September)	First nine months of 2018 (January to September)
IV. Effect of foreign exchange rate changes on cash and cash equivalents	4,119,914.20	14,627,669.27
V. Net increase in cash and cash equivalents	875,707,139.15	1,237,395,641.85
Add: Balance of cash and cash equivalents at the beginning of the period	1,984,473,726.56	999,146,654.18
VI. Balance of cash and cash equivalents at the end of the period	2,860,180,865.71	2,236,542,296.03

Legal representative of the Company: CAO Ziyu   Chief financial officer: GUO Xikun   Head of accounting department: XIE Hui

STATEMENT OF CASH FLOWS OF THE PARENT COMPANY
From January to September 2019

Prepared by: Qinhuangdao Port Co., Ltd.*

Unit: yuan Currency: RMB Audit status: unaudited

Item	First nine months of 2019 (January to September)	First nine months of 2018 (January to September)
I. Cash flows from operating activities:		
Cash received from sale of goods or rendering of services	3,908,085,312.70	4,416,951,311.92
Tax rebate received	19,064,314.95	
Cash received relating to other operating activities	35,324,061.49	22,696,982.92
Sub-total of cash inflows	3,962,473,689.14	4,439,648,294.84
Cash paid for goods and services	540,269,983.38	614,022,672.34
Cash paid to and on behalf of employees	1,139,271,766.53	1,302,662,419.17
Cash paid for all taxes	639,735,595.23	602,759,459.07
Cash paid relating to other operating activities	155,481,071.18	209,988,419.13
Sub-total of cash outflows	2,474,758,416.32	2,729,432,969.71
Net cash flows from operating activities	1,487,715,272.82	1,710,215,325.13
II. Cash flows from investing activities:		
Cash received from disposal of investments	587,876,008.74	757,503,640.00
Cash received from return on investments	51,337,662.89	56,000,000.00
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	3,382,792.74	9,500,493.17
Net cash received from disposal of subsidiaries and other business entities		
Cash received relating to other investing activities		
Sub-total of cash inflows	642,596,464.37	823,004,133.17
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	117,592,258.76	54,527,680.73
Cash paid for investments	480,461,076.40	435,111,524.97
Net cash paid for acquisition of subsidiaries and other business entities		
Cash paid relating to other investing activities	6,000,000.00	
Sub-total of cash outflows	604,053,335.16	489,639,205.70
Net cash flows from investing activities	38,543,129.21	333,364,927.47

Item	First nine months of 2019 (January to September)	First nine months of 2018 (January to September)
III. Cash flows from financing activities:		
Cash received from capital contribution		
Cash received from borrowings	624,537,672.50	750,000,000.00
Cash received relating to other financing activities		
Sub-total of cash inflows	624,537,672.50	750,000,000.00
Cash paid for repayments of borrowings	750,000,000.00	1,300,000,000.00
Cash paid for distribution of dividends or profits and for interest expenses	451,444,290.92	659,752,532.02
Cash paid relating to other financing activities	6,877,297.65	
Sub-total of cash outflows	1,208,321,588.57	1,959,752,532.02
Net cash flows from financing activities	-583,783,916.07	-1,209,752,532.02
IV. Effect of foreign exchange rate changes on cash and cash equivalents	2,758,339.05	12,406,941.52
V. Net increase in cash and cash equivalents	945,232,825.01	846,234,662.10
Add: Balance of cash and cash equivalents at the beginning of the period	1,251,209,101.92	385,924,349.96
VI. Balance of cash and cash equivalents at the end of the period	2,196,441,926.93	1,232,159,012.06

Legal representative of the Company: CAO Ziyu

Chief financial officer: GUO Xikun

Head of accounting department: XIE Hui

4.2 Adjustments of relevant items of financial statements at the beginning of the year for implementation of new accounting standards for financial instruments, new accounting standards for revenue and new accounting standards for leases for the first time

✓ Applicable ☐ Not applicable

CONSOLIDATED BALANCE SHEET

Unit: yuan Currency: RMB

Item	31 December 2018	1 January 2019	Adjusted
Current assets:			
Cash and bank Balances	2,607,071,907.64	2,607,071,907.64	
Settlement provisions			
Placements with banks and other financial institutions			
Financial assets held for trading			
Financial assets at fair value through profit or loss			
Derivative financial assets			
Bills receivable	151,588,176.50	151,588,176.50	
Accounts receivable	68,555,390.54	68,555,390.54	
Accounts receivable financing			
Prepayments	10,231,550.85	10,231,550.85	
Premiums receivable			
Reinsurance accounts receivable			
Deposits receivable from reinsurance contracts			
Other receivables	30,259,192.87	30,259,192.87	
Including: Interests receivable			
Dividends receivable			
Financial assets purchased under resale agreements			
Inventories	191,484,116.15	191,484,116.15	
Contract assets			
Assets held for sale	193,986,794.76	193,986,794.76	
Non-current liabilities due within one year			
Other current assets	101,730,209.68	101,730,209.68	
Total current assets	3,354,907,338.99	3,354,907,338.99	

Item	31 December 2018	1 January 2019	Adjusted
Non-current assets:			
Loans and advances granted			
Debt investments			
Available-for-sale financial assets			
Other debt investments			
Held-to-maturity investment			
Long-term receivables			
Long-term equity investments	2,715,291,377.24	2,715,291,377.24	
Other equity instruments investments	730,638,543.63	730,638,543.63	
Other non-current financial assets			
Investment properties			
Fixed assets	15,629,606,304.57	15,504,688,753.61	-124,917,550.96
Construction in progress	756,714,741.91	756,714,741.91	
Productive biological assets			
Oil and gas assets			
Right-of-use assets		148,228,651.66	148,228,651.66
Intangible assets	2,375,708,363.99	2,375,708,363.99	
Development costs			
Goodwill			
Long-term prepaid expenses	1,182,783.93	1,182,783.93	
Deferred tax assets	277,591,318.38	277,591,318.38	
Other non-current assets	117,550,230.49	117,550,230.49	
Total non-current assets	22,604,283,664.14	22,627,594,764.84	23,311,100.70
Total assets	25,959,191,003.13	25,982,502,103.83	23,311,100.70

Item	31 December 2018	1 January 2019	Adjusted
Current liabilities			
Short-term borrowings	890,000,000.00	890,000,000.00	
Loans from central bank			
Placements from banks and other financial institutions			
Financial liabilities held for trading			
Financial liabilities at fair value through profit or loss,			
Derivative financial liabilities			
Bills payable			
Accounts payable	162,505,803.68	162,505,803.68	
Advances from customers			
Contract liabilities	493,959,950.74	493,959,950.74	
Financial assets sold under repurchase agreements			
Deposits taking and deposits in inter-bank market			
Customer deposits for trading in securities			
Customer deposits for underwriting securities			
Employee benefits payable	453,048,065.29	453,048,065.29	
Taxes Payable	208,865,299.36	208,865,299.36	
Other Payables	1,346,007,940.53	1,346,007,940.53	
Including: Interest payable	9,965,877.52	9,965,877.52	
Dividends payable	1,380.27	1,380.27	
Fee and commission payable			
Reinsurance accounts payable			
Liabilities held for sale			
Non-current liabilities due within one year	403,724,000.00	412,107,118.41	8,383,118.41
Other current liabilities			
Total current liabilities	3,958,111,059.60	3,966,494,178.01	8,383,118.41

Item	31 December 2018	1 January 2019	Adjusted
Non-current assets:			
Reserve for insurance policies			
Long-term borrowings	6,138,966,492.98	6,138,966,492.98	
Debentures payable			
Including: Preferred shares			
Perpetual bonds			
Lease liabilities		14,927,982.29	14,927,982.29
Long-term payable	238,800,000.00	238,800,000.00	
Long-term employee benefits payable	319,011,081.78	319,011,081.78	
Provisions	33,860,000.00	33,860,000.00	
Deferred income	276,743,438.31	276,743,438.31	
Deferred income tax liabilities	5,241,068.91	5,241,068.91	
Other non-current liabilities			
Total non-current liabilities	7,012,622,081.98	7,027,550,064.27	14,927,982.29
Total liabilities	10,970,733,141.58	10,994,044,242.28	23,311,100.70
Owners' equity(Shareholders' equity):			
Paid-in capital	5,587,412,000.00	5,587,412,000.00	
Other equity instruments			
Including: Preferred shares			
Perpetual bonds			
Capital reserve	5,202,818,808.47	5,202,818,808.47	
Less: Treasury shares			
Other comprehensive income	-1,091,254.83	-1,091,254.83	
Special reserve	80,726,967.97	80,726,967.97	
Surplus reserve	1,235,538,930.68	1,235,538,930.68	
General risk reserve			
Retained profit	1,789,566,768.00	1,789,566,768.00	
Attributable to total owners' equity (shareholders' equity) of the parent	13,894,972,220.29	13,894,972,220.29	
Minority interests	1,093,485,641.26	1,093,485,641.26	
Total owners' equity (Shareholders' equity)	14,988,457,861.55	14,988,457,861.55	
Total liabilities and owners' equity (Shareholders' equity)	25,959,191,003.13	25,982,502,103.83	23,311,100.70

Description of adjustments to the items:

✓ Applicable ☐ Not applicable

For the significant operating leases disclosed in the 2018 financial statement whose minimum lease payments have not been paid, the Group adjusts the difference between the present value discounted at the incremental borrowing rate of the Group as the lessee on 1 January 2019 and the lease liabilities included in the balance sheet as at 1 January 2019, as follows:

Minimum lease payments for significant operating leases as at 31 December 2018	104,306,975.00
Less: Minimum lease payments with simplified processing	95,080,161.00
Including: short-term leases	94,909,761.00
Lease with remaining lease term of less than 12 months	170,400.00
Add: Reasonably determined increase in the minimum lease payments due to the exercise of the option to renew the lease	15,922,541.24
Minimum lease payments under the New Lease Standard as at 1 January 2019	25,149,355.24
Weighted average incremental borrowing rate as at 1 January 2019	4.75%
Lease liabilities as at 1 January 2019	23,311,100.70

The impact of the implementation of the New Lease Standard on the balance sheet items as at 1 January 2019 is as follows:

Consolidated Balance Sheet

	Balance sheet value	**Assuming under the original standard**	**Impact**
Fixed assets	–	124,917,550.96	-124,917,550.96
Use-of-right assets	148,228,651.66	–	148,228,651.66
Lease liabilities	23,311,100.70	–	23,311,100.70
Including: Non-current liabilities due within one year	8,383,118.41	–	8,383,118.41

BALANCE SHEET OF THE PARENT COMPANY

Unit: yuan Currency: RMB

Item	31 December 2018	1 January 2019	Adjusted
Current assets:			
Cash and bank balances	1,751,209,101.92	1,751,209,101.92	
Financial assets held for trading			
Financial assets measured at fair value through profit or loss			
Derivative financial assets			
Bills receivable	79,348,287.00	79,348,287.00	
Accounts receivable	59,740,571.30	59,740,571.30	
Accounts receivable financing			
Prepayments	689,210.73	689,210.73	
Other receivables	19,514,013.44	19,514,013.44	
Including: Interest receivable			
Dividends receivable			
Inventories	142,299,917.02	142,299,917.02	
Contract assets			
Assets held for sale	5,910,500.00	5,910,500.00	
Non-current assets due within one year			
Other current assets	7,787,215.86	7,787,215.86	
Total current assets	2,066,498,817.27	2,066,498,817.27	

Item	31 December 2018	1 January 2019	Adjusted
Non-current assets:			
Debt investments			
Available-for-sale financial assets			
Other debt investments			
Held-to-maturity investment			
Long-term receivables			
Long-term equity investments	9,075,238,002.32	9,075,238,002.32	
Other equity instruments investments	527,838,286.62	527,838,286.62	
Other non-current financial assets			
Investment properties			
Fixed assets	4,391,487,061.23	4,391,487,061.23	
Construction in progress	14,588,051.67	14,588,051.67	
Productive biological assets			
Oil and gas assets			
Right-of-use assets		23,311,100.70	23,311,100.70
Intangible assets	387,203,686.27	387,203,686.27	
Development costs			
Goodwill			
Long-term prepaid expenses			
Deferred tax assets	255,860,388.65	255,860,388.65	
Other non-current assets	928,125.10	928,125.10	
Total non-current assets	14,653,143,601.86	14,676,454,702.56	23,311,100.70
Total assets	16,719,642,419.13	16,742,953,519.83	23,311,100.70

Item	31 December 2018	1 January 2019	Adjusted
Current assets:			
Short-term borrowings	750,000,000.00	750,000,000.00	
Financial liabilities held for trading			
Financial liabilities at fair value through profit or loss,			
Derivative financial liabilities			
Bills payable			
Accounts payable	89,904,379.61	89,904,379.61	
Advances from customers			
Contract liabilities	405,413,878.13	405,413,878.13	
Employee Benefits Payable	430,964,013.88	430,964,013.88	
Taxes Payable	160,070,135.27	160,070,135.27	
Other Payables	94,273,050.19	94,273,050.19	
Including: Interest payable	947,031.25	947,031.25	
Dividends payable	1,380.27	1,380.27	
Liabilities held for sale			
Non-current liabilities due within one year	400,000.00	8,783,118.41	8,383,118.41
Other current liabilities			
Total current liabilities	1,931,025,457.08	1,939,408,575.49	8,383,118.41
Non-current liabilities:			
Long-term borrowings			
Debentures payable			
Including: Preferred shares			
Perpetual bonds			
Lease liabilities		14,927,982.29	14,927,982.29
Long-term payable	238,800,000.00	238,800,000.00	
Long-term employee benefits payable	282,291,821.26	282,291,821.26	
Provisions			
Deferred income	276,743,438.31	276,743,438.31	
Deferred income tax liabilities			
Other non-current liabilities			
Total non-current liabilities	797,835,259.57	812,763,241.86	14,927,982.29
Total liabilities	2,728,860,716.65	2,752,171,817.35	23,311,100.70

Item	31 December 2018	1 January 2019	Adjusted
Owners' equity(Shareholders' equity):			
Paid-in capital	5,587,412,000.00	5,587,412,000.00	
Other equity instruments			
Including: Preferred shares			
Perpetual bonds			
Capital reserve	5,197,336,468.67	5,197,336,468.67	
Less: Treasury shares			
Other comprehensive income	-26,185,253.11	-26,185,253.11	
Special reserve	63,494,074.77	63,494,074.77	
Surplus reserve	1,235,400,585.91	1,235,400,585.91	
Retained profit	1,933,323,826.24	1,933,323,826.24	
Total owners' equity (Shareholders' equity)	13,990,781,702.48	13,990,781,702.48	
Total liabilities and owners' equity(Shareholders' equity)	16,719,642,419.13	16,742,953,519.83	23,311,100.70

Description of adjustments to the items:

✓ Applicable ☐ Not applicable

For the significant operating leases disclosed in the 2018 financial statement whose minimum lease payments have not been paid, the Group adjusts the difference between the present value discounted at the incremental borrowing rate of the Group as the lessee on 1 January 2019 and the lease liabilities included in the balance sheet as at 1 January 2019, as follows:

Minimum lease payments for significant operating leases as at 31 December 2018	104,306,975.00
Less: Minimum lease payments with simplified processing	95,080,161.00
Including: short-term leases	94,909,761.00
Lease with remaining lease term of less than 12 months	170,400.00
Add: Reasonably determined increase in the minimum lease payments due to the exercise of the option to renew the lease	15,922,541.24
Minimum lease payments under the New Lease Standard as at 1 January 2019	25,149,355.24
Weighted average incremental borrowing rate as at 1 January 2019	4.75%
Lease liabilities as at 1 January 2019	23,311,100.70

The impact of the implementation of the New Lease Standard on the balance sheet items as at 1 January 2019 is as follows:

Company Balance Sheet

	Balance sheet value	Assuming under the original standard	Impact
Use-of-right assets	23,311,100.70	–	23,311,100.70
Lease liabilities	23,311,100.70	–	23,311,100.70
Including: Non-current liabilities due within one year	8,383,118.4	–	8,383,118.41

4.3 Explanations on retrospective adjustments of previously comparative figures due to implementation of new accounting standards for financial instruments and new accounting standards for leases for the first time

☐ Applicable ✓ Not applicable

4.4 Audit report

☐ Applicable ✓ Not applicable

By order of the Board
Qinhuangdao Port Co., Ltd.*
CAO Ziyu
Chairman

Qinhuangdao, Hebei Province, the People's Republic of China
28 October 2019

As at the date of this announcement, the executive directors of the Company are CAO Ziyu, YANG Wensheng, and MA Xiping; the non-executive directors of the Company are LIU Guanghai, LI Jianping and XIAO Xiang; and the independent non-executive directors of the Company are ZANG Xiuqing, HOU Shujun, CHEN Ruihua and XIAO Zuhe.