SINOTRANS

中國外運股份有限公司
SINOTRANS LIMITED

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

(Stock Code: 0598)

2019 THIRD QUARTERLY REPORT

The board of directors (the "**Board**") of Sinotrans Limited (the "**Company**") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively the "**Group**") for the third quarter ended 30 September 2019, which have been prepared in accordance with China Accounting Standards for Business Enterprises.

This announcement is made pursuant to the disclosure obligation under the Inside Information Provisions (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rules 13.09(2) and 13.10B of the Listing Rules.

By order of the Board
Sinotrans Limited
Li Shichu
Joint Company Secretary

Beijing, 29 October 2019

As at the date of this announcement, the board of directors of the Company comprises Li Guanpeng (Chairman), Song Dexing (Vice Chairman), Song Rong (executive director), Su Jian (non-executive director), Xiong Xianliang (non-executive director), Jiang Jian (non-executive director), Jerry Hsu (non-executive director), and four independent non-executive directors, namely Wang Taiwen, Meng Yan, Song Haiqing and Li Qian.

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I. IMPORTANT NOTICE

1.1 The Board of Directors and the Supervisory Committee of the Company and the Directors, Supervisors and Members of the Senior Management guarantee the truthfulness, accuracy and completeness of the contents in this Quarterly Report and confirm that there are no misrepresentations or misleading statements contained in or material omissions from this Quarterly Report, and accept several and joint legal responsibilities.

1.2 Absent Directors

Name of the absent Director	Position of the absent Director	Reason for the absence of the Director	Name of the proxy
Song Dexing	Director	Other business engagement	Li Guanpeng
Su jian	Director	Other business engagement	Xiong Xianliang
Jiang Jian	Director	Other business engagement	Xiong Xianliang
Jerry Hsu	Director	Other business engagement	Wang Taiwen

1.3 The Company's legal representative, Li Guanpeng; Chief Financial Officer, Wang Jiuyun; and head of the Financial Department ("person in charge of accounting"), Li Xiaoyan, hereby make the statement that they guarantee the financial statements contained in this Quarterly Report are true, accurate and complete.

1.4 The Third Quarterly Report of the Company is unaudited.

II. BASIC INFORMATION OF THE COMPANY

2.1 Key financial data

Unit: Yuan Currency: RMB

	As at the end of the reporting period	As at the end of last year	Change as at the end of the reporting period as compared with the end of last year (%)
Total assets	60,145,601,423.62	61,494,221,583.94	-2.19
Net assets attributable to shareholders of the Company	27,742,697,946.82	23,236,402,371.62	19.39
	From the beginning of the year to the end of the reporting period (January-September)	From the beginning of last year to the end of the reporting period of last year (January-September)	Change as compared with the corresponding period of last year (%)
Net cash flows from operating activities	-170,771,090.96	-156,228,879.98	N/A
	From the beginning of the year to the end of the reporting period (January-September)	From the beginning of last year to the end of the reporting period of last year (January-September)	Change as compared with the corresponding period of last year (%)
Operating income	55,854,565,973.46	55,743,017,047.66	0.20
Net profits attributable to shareholders of the Company	2,117,314,530.86	1,937,997,873.37	9.25
Net profits net of non-recurring profit or loss attributable to shareholders of the Company	1,851,125,301.39	1,568,902,246.70	17.99
Weighted average return on equity（%）	7.90	8.81	decreased by 0.91 percentage point
Basic earnings per share（Yuan/share）	0.2920	0.3204	-8.86
Diluted earnings per share（Yuan/share）	0.2920	0.3204	-8.86

Non-recurring profit and loss items and amounts

√Applicable □Not applicable

Unit:Yuan Currency:RMB

Items	Amount in current period (July-September)	From the beginning of the year to the end of the reporting period (January-September)	Note
Gains and losses from disposal of non-current assets	49,041,081.93	139,217,269.44	
Tax returns and abatement that are examined and approved beyond authority, or without official approval documents or occasional			
Government subsidies recognized in profit or loss (except government subsidies which are closely related to the Company's normal business operations, which comply with national policies and can be obtained continuously based on a set of standards by fixed amount or fixed quantity)	3,241,836.10	111,854,469.76	
Capital occupation fees charged from the non-financial enterprises and counted into the current profits or losses of the Company	3,059,419.68	9,882,690.62	
Gains arising from the differences between the investment cost and the portion of fair value of identifiable nets assets in subsidiaries, associates and joint ventures			
Gains and losses from exchange of non-monetary assets			
Gains and losses from entrusting others to invest or manage assets			
Asset impairment provisions due to force majeure factors such as natural disasters			
Gains and losses from debt restructuring			
Enterprise restructuring costs such as staff settlement expenses and integration costs			
Gains and losses that exceeds the fair value in transactions with unfair price			
Current net profit or loss of subsidiaries from the merger of enterprise under common control from the beginning of the period to the date of the merger			
Gains and losses arising from contingencies irrelevant to the Company normal business operations			

Items	Amount in current period (July-September)	From the beginning of the year to the end of the reporting period (January-September)	Note
Gains and losses from changes in fair value arising from held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities, and investment income arising from disposal of held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities and other debt investment other than effective hedging business related to the Company's normal business operations	2,500,000.00	9,308,421.18	
Reversal of impairment of accounts receivables and contract assets that had impairment test separately	4,761,577.51	20,308,074.21	
Gains and losses from external entrusted loans			
Gains and losses from changes in fair value of investment properties subsequently measured in the fair value model			
Impact on the current profits and losses by one-off adjustment according to laws and regulations related to tax and accounting			
Trusteeship fee income from entrusted operations	-	7,500,000.00	
Other non-operating income and expenses other than the above items	-2,572,927.64	30,124,423.25	
Other gains and losses classified to non-recurring profits or losses	15,179,039.61	20,474,910.36	Super deduction of value-added tax
Impact on non-controlling interests(after tax)	-1,245,780.52	-2,717,588.49	
Impact on income tax	-16,987,112.42	-79,763,440.86	
Total	56,977,134.25	266,189,229.47	

2.2 Total number of shareholders, the share ratio of the top 10 shareholders and the top 10 outstanding shareholders (or shares unlock-up) at the end of the reporting period

Unit: Share

Total number of shareholders			85,065			
Shareholding of the top ten shareholders						
Name of shareholder (Full Name)	Number of shares held at the end of the reporting period	Percentage (%)	Number of shares lock-up	Pledged or frozen status		Nature of shareholders
				Shares status	Number	
Sinotrans & CSC Holdings Co., Ltd.	2,461,596,200	33.26	2,461,596,200	Nil	0	State-owned legal person
HKSCC NOMINEES LIMITED	2,107,465,449	28.48	0	Unknown	Unknown	Overseas legal person
China Merchants Group Limited	1,600,597,439	21.63	1,442,683,444	Nil	0	State-owned legal person
Central Huijin Asset Management Ltd.（中央匯金資產管理有限責任公司）	51,346,878	0.69	0	Nil	0	State-owned legal person
China National Machinery Imp.& Exp. Corp.（中國機械進出口（集團）有限公司）	37,849,623	0.51	0	Nil	0	State-owned legal person
DEUTSCHE POST BETEILIGUNGEN HOLDING	35,616,000	0.48	0	Unknown	Unknown	Overseas legal person
China Securities Finance Corporation Limited（中國證券金融股份有限公司）	31,129,481	0.42	0	Nil	0	State-owned legal person
Hong Kong Securities Clearing Company Limited (香港中央結算有限公司)	17,714,373	0.24	0	Nil	0	Overseas legal person
Chen Jingjian	13,918,908	0.19	0	Nil	0	Domestic natural Person
BTG Hotels (Group) Co., Ltd. (北京首旅酒店(集團)股份有限公司)	13,354,749	0.18	0	Nil	0	State-owned legal person

Shareholding of the top ten shareholders unlock-up			
Name of Shareholders	Number of shares unlock-up	Type and number of shares	
		Type	Number
HKSCC NOMINEES LIMITED	2,107,465,449	Shares listed overseas	2,107,465,449
China Merchants Group Limited	157,913,995	Ordinary shares denominated in RMB	157,913,995
Central Huijin Asset Management Ltd. (中央匯金資產管理有限責任公司)	51,346,878	Ordinary shares denominated in RMB	51,346,878
China National Machinery Imp. &Exp. Corp.(中國機械進出口（集團）有限公司)	37,849,623	Ordinary shares denominated in RMB	37,849,623
DEUTSCHE POST BETEILIGUNGEN HOLDING	35,616,000	Shares listed overseas	35,616,000
China Securities Finance Corporation Limited(中國證券金融股份有限公司)	31,129,481	Ordinary shares denominated in RMB	31,129,481
Hong Kong Securities Clearing Company Limited (香港中央結算有限公司)	17,714,373	Ordinary shares denominated in RMB	17,714,373
Chen Jingjian	13,918,908	Ordinary shares denominated in RMB	13,918,908
BTG Hotels (Group) Co., Ltd. (北京首旅酒店(集團)股份有限公司)	13,354,749	Ordinary shares denominated in RMB	13,354,749
Ping An Trust Company Limited- Jinyun 21 (Hongpu No.1) assembled funds trust（平安信託有限責任公司一金蘊 21 期（泓璞 1 號）集合資金信託）	12,893,306	Ordinary shares denominated in RMB	12,893,306
Description of the connected relationship or acting in concert among the above shareholders	Sinotrans & CSC Holdings Co., Ltd. is the wholly-owned subsidiary of China Merchants Group Limited.		
Description of the shares and voting rights restored of preferred shareholders	N/A		

Note：At the end of the reporting period, the Company has 84,939 holders of A shares and 126 registered holders of H shares.

2.3 Total number of preferred shareholders, the share ratio of the top ten holders of preferred shares and the top ten holders of preferred shares (or shares unlock-up) at the end of the reporting period

□Applicable ✓Not applicable

III. SIGNIFICANT EVENTS

3.1 Particulars of and reasons for significant changes of the major financial items and indicators of the Company

✓Applicable □Not applicable

（1） Items of Consolidated Statement of Financial Position

Unit: Yuan Currency: RMB

Items	30 September 2019	31 December 2018	Changes (%)	Major reasons for changes
Cash and bank balances	9,756,865,887.59	15,528,432,818.79	-37.17	The Company paid back approximately 3.5 billion loan, and 1.35 billion of advance payment and current account with non- related parties during the reporting period.
Inventories	130,317,182.32	266,600,487.08	-51.12	Certain trade contracts with the clients became mature during the reporting period and caused continuing outflows of inventories.
Non-current assets due within one year	47,201,527.20	74,928,213.64	-37.00	The Companies collected certain loans from some joint ventures during the reporting period.
Other equity instrument investments	220,480,230.92	154,458,821.08	42.74	The fair value of the listed companies shares held by the Company fluctuated during the reporting period.
Other non-current financial assets	663,646,409.03	493,936,852.61	34.36	The Company had new equity investment during the reporting period.
Right-of-use assets	1,891,683,036.07	-	N/A	The New Leases Standards became effective from January 1 2019, and there was no restatement requirement for the comparing statistics.
Development expenditure	42,748,031.80	30,511,836.16	40.10	The Company increased the investment to the construction of information technology during the reporting period.
Long-term prepaid expenses	152,394,088.99	263,995,854.52	-42.27	The Company adopted the New Leases Standards during the reporting period, and reclassified part of the long-term prepaid expenses to the right-of-use assets.
Other non-current assets	112,763,050.27	38,513,050.27	192.79	There was an increase of advance payment of land right-of-use of 74 million during the reporting period.

Items	30 September 2019	31 December 2018	Changes (%)	Major reasons for changes
Short-term borrowings	-	2,231,743,549.91	-100.00	The Company paid back all the short-term borrowings during the reporting period.
Other payables	1,396,415,976.47	3,045,689,490.76	-54.15	The Company paid back approximately 1.35 billion of advance payment and current account with non-related parties during the reporting period.
Non-current liabilities due within one year	2,058,132,790.64	1,166,302,753.40	76.47	Some of the long-term borrowings of comparing period was due within one year, and were reclassified to non-current liabilities due within one year during the reporting period.
Lease liabilities	1,454,706,145.22	-	N/A	The New Leases Standards became effective from January 1 2019, and there was no restatement requirement for the comparing statistics.
Long-term payables	196,568,135.84	656,231,579.79	-70.05	During the reporting period, the Company paid back 168 million of loans to related parties; and a subsidiary the Company acquired the non-controlling interest of its subsidiary, and caused the loan from the previous minority shareholder to decrease by 292 million.
Estimated liabilities	248,996,851.29	407,925,602.60	-38.96	The Company paid 96 million of lawsuit compensation and 70 million damage of safety accident during the reporting period.
Capital reserve	6,100,913,067.76	4,124,486,665.68	47.92	There generated capital surplus when the Company purchased non-controlling interests of Sinoair by means of issuing shares during the reporting period.
Non-controlling interests	1,425,353,955.41	4,617,038,534.14	-69.13	The Company purchased non-controlling interests of Sinoair by means of issuing shares during the reporting period.

（2） Items of Consolidated of Profit or Loss and Other Comprehensive Income

Unit: Yuan Currency: RMB

Items	January-September 2019	January-September 2018	Changes （%）	Major reasons for changes
Research and development expenses	23,370,220.87	5,620.20	415,725	The Company increased the investment to the construction of information technology during the reporting period.
Finance costs	155,734,992.59	223,144,982.91	-30.21	The foreign exchange income increased during the reporting period.
Other income	963,107,873.23	353,440,837.53	172.49	The government subsidies related to the China Railway Express to Europe increased because of the growth in the volume of such business during the reporting period.
Gain from changes in fair value	-	348,247,574.38	-100.00	The gain from changes in fair value for the corresponding period of last year mainly came from Americold shares held by the Company, which were sold out by the end of last year, thus there was no such item for the reporting period.
Credit loss impairment	-58,926,980.72	-120,451,200.99	N/A	The scale of accounts receivable and other receivables was smaller at the end of the reporting period than the end of the corresponding period, thus, the provision for the credit loss impairment was less compared with the corresponding period of last year.
Impairment of assets	-1,728,634.08	-3,076,120.00	N/A	The Company disposed some fixed assets with impairment provision.
Non-operating expenses	35,472,615.40	11,999,738.66	195.61	The provision of litigation compensation was increased during the reporting period.
Income tax expenses	404,432,596.71	610,225,041.23	-33.72	The provision of income tax was much lower during the reporting period because the gain from changes of fair value greatly decreased due to the disposal of Americold shares by the end of last year; and the Company stopped to consolidate Loscam International to the financial statements starting from the partly disposal of Loscam International’s stake at the end of last year.

(3) Items of Consolidated Statement of Cash Flows

Unit: Yuan Currency: RMB

Items	January-September 2019	January-September 2018	Change (%)	Major reasons for changes
Sub-total of cash outflows from investment activities	1,404,494,532.60	2,823,679,671.38	-50.26	The scale of time deposit decreased during the reporting period.
Sub-total of cash inflows from financing activities	380,973,342.46	5,777,979,063.11	-93.41	The scale of borrowings was much smaller during the reporting period as compared with the corresponding period of last year.

3.2 Analysis and explanations of the progress of significant events and their impacts and solutions

✓Applicable □Not applicable

On 31 May 2018, the proposal on merger of Sinoair by absorption through share swap was considered and approved at the Company's 2018 extraordinary general meeting and the class general meeting. According to the proposal, for A shares issued for the merger by absorption through share swap and A shares converted from the original domestic shares, application for listing of such shares on the Shanghai Stock Exchange will be made. For details, please refer to the circular disclosed by the Company on the website of the Stock Exchange of Hong Kong Limited on 18 April 2018. On 8 October 2018, the merger by absorption through share swap was unconditionally passed by the China Securities Regulatory Commission. As of 10 January 2019, the Company has completed the issuance of 1,351,637,231 RMB ordinary shares (A shares), and public investors of ordinary shares of Sinoair have exchanged the 353,600,322 A shares of Sinoair for 1,351,637,231 A shares of the Company at a ratio of 1:3.8225. On 18 January 2019, A shares issued by the Company have been officially listed on Shanghai Stock Exchange. The registered capital of the Company has increased from RMB 6,049,166,644 to RMB 7,400,803,875. As of the date of this report, the Company is carrying forward the relevant legal procedures for the cancellation of the corporate qualification of Sinoair and the transfer of all its assets and liabilities to the Company.

3.3 Particulars of overdue and outstanding undertakings during the reporting period

□Applicable ✓Not applicable

3.4 Warning and reasons for the accumulated net profits expected to be a loss for the period from the beginning of the year to the end of the next reporting period or significant changes as compared with the corresponding period of last year

□Applicable ✓Not applicable

3.5 Government Grants

During July-September 2019, government grants received by the Company in relation to income amounted to RMB 430.9326 million in total, which mainly included government grants closely related to the Company's daily operations. The details of the large government grant projects of more than RMB5 million that the Company obtained during July-September 2019 were as follows:

Company Name	Items	Issuing government departments	Approval documents	Amount (RMB: million)
Sinotrans Liaoning Co., Ltd.	Shenyang China-Europe Railway Express Operational Platform Project	Shenyang Municipal Development And Reform Commission	Project Agreement between Shenyang Municipal Government and Sinotrans Limited to Cooperate to Develop Shenyang China-Europe Railway Express	33.0435
Sinotrans Dongguan Logistics Co., Ltd.	International Railway Container Railway Express Subsidy	Department of Finance of Guangdong Province, Dongguan Finance Department	Notice of Port Office of Guangdong Province and Department of Finance of Guangdong Province on Printing and Distributing the Implementation Rules of Freight Subsidy Funds in Guangdong-Europe Railway Express(Yuefuluhan [2017] No.96), Framework Agreement of China-Europe and China-Asia Railway Express Support Policy in Guangdong Province	44.9995
Central South China International Land Port Co., Ltd.	Hunan-Europe Railway Express Financial Subsidies	Changsha Commerce Port Department	Notice of Hunan Province Department of Finance on Printing and Distributing the Implementation Rules of Financial Subsidies Funds in Hunan-Europe Railway Express (Xiangcaiwai [2018] No.25)	245.7735
China Merchants Sinotrans New Silk Road Supply Chain Management Co., Ltd.	Russia-Xi'an Line in China-Europe Railway Express	Xi'an International Trade & Logistics Park Management Committee	Notice of Ministry of Finance of the PRC on Financial Subsidies in China-Europe Railway Express(Caiyu [2017] No.188), "Changan" International Freight Railway Express Cooperative Operation Agreement	89.5967
Total	/	/	/	413.4132

3.6 Certain operation statistics of the Company by business segments

Business Segment	Sub-Segment	Unit	January – September 2019	January – September 2018
Freight Forwarding				
	Sea Freight Forwarding	(in ten thousand TEUs)	**952.0**	937.2
	Air Freight Forwarding	(in million kilograms)	**340.3**	388.0
	Shipping Agency	(in ten thousand TEUs)	**1,929.2**	1,855.3
		(in million tonnes)	**302.3**	270.9
Logistics				
	Contract Logistics	(in million tonnes)	**29.1**	30.3
	Project Logistics	(in million tonnes)	**4.7**	8.4
	Chemical Logistics	(in million tonnes)	**0.95**	0.8
	Cold Chain Logistics	(in million tonnes)	**2.5**	2.2
Storage and Terminal Services				
	Warehouse and Yard Operation			
	Containers	(in ten thousand TEUs)	**660.7**	626.8
	Bulk Cargo	(in million tonnes)	**11.5**	11.6
	Terminal Services	(in ten thousand TEUs)	**276.1**	281.8
Other Services				
	Container Leasing	(in ten thousand TEUs per day)	**8.3**	8.4
	Shipping	(in ten thousand TEUs)	**225.2**	209.8
	Trucking	(in ten thousand TEUs)	**64.8**	59.5
	Express Services	(in ten thousand units)	**9,629.3**	6,507.9

Company name	Sinotrans Limited
Legal representative	Li Guanpeng
Date	29 October 2019

IV. APPENDIX

4.1 Financial Statements

Consolidated Statement of Financial Position

30 September 2019

Prepared by: Sinotrans Limited

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	**30 September 2019**	**31 December 2018**
Current assets:		
Cash and bank balances	9,756,865,887.59	15,528,432,818.79
Held-for-trading financial assets	400,141,382.52	400,140,176.57
Derivative financial assets		
Bills receivable	551,894,037.28	555,923,514.54
Accounts receivable	12,475,105,388.19	10,417,568,351.23
Receivables financing		
Prepayments	2,420,769,687.64	2,090,854,225.68
Other receivables	1,509,655,068.96	1,421,577,191.34
Including: interest receivables	3,854,419.84	11,361,382.76
dividend receivables	45,969,558.08	63,826,982.07
Inventories	130,317,182.32	266,600,487.08
Contract assets		
Held-for-sale assets	53,745,651.81	53,745,651.81
Non-current assets due within one year	47,201,527.20	74,928,213.64
Other current assets	549,515,373.31	559,144,645.56
Total current assets	27,895,211,186.82	31,368,915,276.24
Non-current assets:		
Debt investments		
Held-for-trading financial assets		
Other debt investments		
Held-to-maturity investments		
Long-term receivables	120,279,872.72	142,009,746.55
Long-term equity investments	6,893,082,633.16	6,973,522,714.05
Other equity instrument investments	220,480,230.92	154,458,821.08
Other non-current financial assets	663,646,409.03	493,936,852.61
Investment properties	2,476,429,209.10	2,478,006,337.36
Fixed assets	12,198,951,929.14	11,942,099,732.71
Construction in progress	1,977,082,363.73	1,997,349,529.53
Productive biological assets		
Oil and gas assets		
Right-of-use assets	1,891,683,036.07	
Intangible assets	5,129,931,047.73	5,228,339,127.68
Development expenditure	42,748,031.80	30,511,836.16
Goodwill	169,670,069.78	169,670,069.78

Item	30 September 2019	31 December 2018
Long-term prepaid expenses	152,394,088.99	263,995,854.52
Deferred tax assets	201,248,264.36	212,892,635.40
Other non-current assets	112,763,050.27	38,513,050.27
Total non-current assets	32,250,390,236.80	30,125,306,307.70
Total assets	60,145,601,423.62	61,494,221,583.94
Current liabilities:		
Short-term borrowings		2,231,743,549.91
Held-for-trading financial liabilities		
Derivative financial liabilities		
Bills payable		
Accounts payable	9,683,165,298.86	9,056,129,695.54
Advances from customers		
Contract liabilities	2,931,482,153.43	2,576,275,224.01
Employee remuneration payable	1,377,658,870.07	1,470,491,147.30
Taxes and levies payable	410,991,106.86	481,975,148.65
Other payables	1,396,415,976.47	3,045,689,490.76
Including: interest payables	94,570,676.46	134,333,264.70
dividend payables	145,146,041.29	106,507,405.73
Held-for-trading liabilities		
Non-current liabilities due within one year	2,058,132,790.64	1,166,302,753.40
Other current liabilities	201,727,067.09	167,271,210.90
Total current liabilities	18,059,573,263.42	20,195,878,220.47
Non-current liabilities:		
Long-term borrowings	7,269,377,892.74	8,473,129,636.53
Bonds payable	3,348,011,506.88	3,497,076,575.36
Including: preference shares		
perpetual bonds		
Lease liabilities	1,454,706,145.22	
Long-term payables	196,568,135.84	656,231,579.79
Long-term employee remuneration payable	2,801,164.07	3,043,019.68
Estimated liabilities	248,996,851.29	407,925,602.60
Deferred income	386,213,157.78	395,905,585.01
Deferred tax liabilities	11,301,404.15	11,590,458.74
Other non-current liabilities		
Total non-current liabilities	12,917,976,257.97	13,444,902,457.71
Total liabilities	30,977,549,521.39	33,640,780,678.18
Shareholders' equity:		
Share capital	7,400,803,875.00	6,049,166,644.00
Other equity instruments		
Including: preference shares		
perpetual bonds		
Capital reserve	6,100,913,067.76	4,124,486,665.68

Item	30 September 2019	31 December 2018
Less: treasury shares		
Other comprehensive income	-196,385,400.38	-275,001,310.29
Special reserve	53,890,350.77	41,536,205.81
Surplus reserve	811,845,310.51	811,845,310.51
Retained earnings	13,571,630,743.16	12,484,368,855.91
Equity attributable to owners of the Company	27,742,697,946.82	23,236,402,371.62
Non-controlling interests	1,425,353,955.41	4,617,038,534.14
Total shareholders' equity	29,168,051,902.23	27,853,440,905.76
Total liabilities and shareholders' equity	60,145,601,423.62	61,494,221,583.94

Legal Representative: **Li Guanpeng**   Chief Financial Officer: **Wang Jiuyun**   Head of the Financial Department: **Li Xiaoyan**

Statement of Financial Position of the Company

30 September 2019

Prepared by: Sinotrans Limited

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	30 September 2019	31 December 2018
Current assets:		
Cash and bank balances	2,496,288,969.54	2,232,514,434.17
Held-for-trading financial assets	400,000,000.00	400,000,000.00
Derivative financial assets		
Bills receivable	37,655,507.67	22,838,736.35
Accounts receivable	756,643,145.61	1,175,939,622.77
Receivables financing		
Prepayments	13,254,995.74	27,737,883.02
Other receivables	9,588,139,206.28	7,770,199,706.08
Including: interest receivables	1,434,078.32	177,001.57
dividend receivables	324,735,891.21	84,271,356.22
Inventories		
Contract assets		
Held-for-sale assets		
Non-current assets due within one year	314,336,824.66	354,010,852.27
Other current assets	58,375,933.11	49,054,666.08
Total current assets	13,664,694,582.61	12,032,295,900.74
Non-current assets:		
Debt investments		
Held-for-trading financial assets		
Other debt investments		
Held-to-maturity investments		
Long-term receivables	1,554,048,937.67	1,606,581,598.47
Long-term equity investments	18,297,139,283.62	11,110,762,797.06
Other equity instrument investments		
Other non-current financial assets	778,061,638.78	630,314,038.78
Investment properties		
Fixed assets	39,793,927.06	47,976,127.19
Construction in progress	5,485,133.48	9,215,368.60
Productive biological assets		
Oil and gas assets		
Right-of-use assets	572,907,950.07	
Intangible assets	86,405,357.64	69,898,549.74
Development expenditure	27,198,627.13	23,314,238.03
Goodwill		
Long-term prepaid expenses	1,235,845.22	1,619,094.06
Deferred tax assets		
Other non-current assets		

Item	30 September 2019	31 December 2018
Total non-current assets	21,362,276,700.67	13,499,681,811.93
Total assets	35,026,971,283.28	25,531,977,712.67
Current liabilities:		
Short-term borrowings		
Held-for-trading financial liabilities		
Derivative financial liabilities		
Bills payable		
Accounts payable	542,556,378.04	538,121,606.24
Advances from customers		
Contract liabilities	23,899,554.53	59,614,593.16
Employee remuneration payable	122,444,037.23	116,379,594.67
Taxes and levies payable	11,227,774.07	3,914,293.99
Other payables	7,958,409,196.12	4,806,897,398.65
Including: interest payables	42,871,582.95	69,188,324.82
dividend payables	2,131,262.83	
Held-for-sale liabilities		
Non-current liabilities due within one year	1,515,235,728.19	1,000,000,000.00
Other current liabilities	11,391,457.01	
Total current liabilities	10,185,164,125.19	6,524,927,486.71
Non-current liabilities		
Long-term borrowings	116,875,000.00	1,624,000,000.00
Bonds payable	3,348,011,506.88	3,497,076,575.36
Including: preference shares		
perpetual bonds		
Lease liabilities	588,921,613.30	
Long-term payables		
Long-term employee remuneration payable		
Estimated liabilities		
Deferred income		
Deferred tax liabilities		
Other non-current liabilities		
Total non-current liabilities	4,053,808,120.18	5,121,076,575.36
Total liabilities	14,238,972,245.37	11,646,004,062.07
Shareholders' equity:		
Share capital	7,400,803,875.00	6,049,166,644.00
Other equity instruments		
Including: preference shares		
perpetual bonds		
Capital reserve	10,764,008,546.37	5,113,523,892.31
Less: treasury shares		
Other comprehensive income	-12,727,988.69	-13,225,231.95
Special reserve	4,242,567.43	4,439,943.32

Item	30 September 2019	31 December 2018
Surplus reserve	811,845,310.51	811,845,310.51
Retained earnings	1,819,826,727.29	1,920,223,092.41
Total shareholders’ equity	20,787,999,037.91	13,885,973,650.60
Total liabilities and shareholders’ equity	35,026,971,283.28	25,531,977,712.67

Legal Representative:	Chief Financial Officer:	Head of the Financial Department:
Li Guanpeng	**Wang Jiuyun**	**Li Xiaoyan**

Consolidated Statement of Profit or Loss and
Other Comprehensive Income
January - September 2019

Prepared by: Sinotrans Limited

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	Third Quarter 2019(July to September)	Third Quarter 2018(July to September)	Period ended 30 September 2019(January to September)	Period ended 30 September 2018(January to September)
I. Total income from operations	18,133,982,891.33	19,248,906,916.39	55,854,565,973.46	55,743,017,047.66
Including: Operating income	18,133,982,891.33	19,248,906,916.39	55,854,565,973.46	55,743,017,047.66
II. Total costs of operation	18,136,219,407.37	18,897,656,328.09	55,245,071,157.00	54,389,443,369.91
Including: Operating costs	17,229,053,115.08	17,924,385,486.24	52,559,280,408.50	51,478,791,077.74
Tax and surcharges	46,843,166.30	36,364,866.52	144,705,669.58	133,070,424.86
Selling expenses	203,718,043.21	225,233,208.40	609,068,549.61	678,508,235.21
Administrative expenses	608,721,862.27	643,105,266.63	1,752,911,315.85	1,875,923,028.99
Research and development expenses	17,000,889.96	-1,930,985.84	23,370,220.87	5,620.20
Finance costs	30,882,330.55	70,498,486.14	155,734,992.59	223,144,982.91
Including: interest expenses	140,654,464.52	180,895,832.83	425,808,705.38	413,483,296.84
interest income	33,635,142.63	66,014,792.04	165,546,274.09	172,974,723.40
Add: Other income	470,066,457.39	167,832,998.10	963,107,873.23	353,440,837.53
Investment income (loss denoted by “-”)	338,983,692.04	274,723,052.70	964,630,907.13	888,018,590.39
Including: share of result of associates and joint ventures	336,835,396.70	263,939,471.39	929,832,167.57	871,526,439.27
income from derecognition of financial assets measured at amortised cost	-1,218,544.60	-585,818.11	-1,481,980.26	-4,026,161.26
Net exposure hedging income (loss donated by “-”)				
Gain from changes in fair value(loss denoted by “-”)		112,151,582.78		348,247,574.38
Credit loss impairment (loss denoted by “-”)	-36,654,021.30	-76,119,492.71	-58,926,980.72	-120,451,200.99
Impairment of assets (loss denoted by “-”)	-1,728,634.08	-2,780,190.61	-1,728,634.08	-3,076,120.00
Income from assets disposal(loss denoted by “-”)	48,973,872.12	19,799,612.75	113,044,600.93	105,935,339.99
III. Operating profits (loss denoted by “-”)	817,404,850.13	846,858,151.31	2,589,622,582.95	2,925,688,699.05
Add: non-operating income	11,289,256.03	22,789,134.72	65,597,038.65	52,569,093.64
Less: non-operating expenses	26,347,871.75	-49,931,003.33	35,472,615.40	11,999,738.66

Item	Third Quarter 2019(July to September)	Third Quarter 2018(July to September)	Period ended 30 September 2019(January to September)	Period ended 30 September 2018(January to September)
IV. Total profit (total loss denoted by "-")	802,346,234.41	919,578,289.36	2,619,747,006.20	2,966,258,054.03
Less: income tax expenses	170,074,157.04	165,898,269.65	404,432,596.71	610,225,041.23
V. Net profit (net loss denoted by "-")	632,272,077.37	753,680,019.71	2,215,314,409.49	2,356,033,012.80
(I) Classified by the continuity of operation				
1. Profit or loss from continuing operations (net loss denoted by "-")	632,272,077.37	753,680,019.71	2,215,314,409.49	2,356,033,012.80
2. Profit or loss from discontinued operations (net loss denoted by "-")				
(II) Classified by attribution of the ownership				
1. Profit or loss attributable to owners of the Company (net loss denoted by "-")	599,829,655.50	642,481,434.45	2,117,314,530.86	1,937,997,873.37
2. Profit or loss attributable to non-controlling interests (net loss denoted by "-")	32,442,421.87	111,198,585.26	97,999,878.63	418,035,139.43
VI. Other comprehensive income, net of tax	81,044,204.21	24,764,406.54	82,650,850.96	-254,555,070.72
Other comprehensive income attributable to owners of the Company, net of tax	81,800,744.49	29,530,261.79	78,615,909.91	-213,502,611.47
(I) Other comprehensive income not to be reclassified to profit or loss	19,670,637.63	14,583,227.92	66,021,409.84	-41,726,191.93
1. Amount of change arising from re-measurement of the defined benefit plan				
2. Other comprehensive income not to be reclassified into profit or loss under equity method				
3. Changes in fair value of other equity instruments investments	19,670,637.63	14,583,227.92	66,021,409.84	-41,726,191.93

Item	Third Quarter 2019(July to September)	Third Quarter 2018(July to September)	Period ended 30 September 2019(January to September)	Period ended 30 September 2018(January to September)
4. Changes in fair value attributable to the changes in credit risk				
(II) Other comprehensive income to be reclassified to profit or loss	62,130,106.86	14,947,033.87	12,594,500.07	-171,776,419.54
1. Other comprehensive income to be reclassified to profit or loss under equity method	47,134,642.56	2,350,966.49	54,928,090.41	
2. Changes in fair value of other debt investments				
3. Changes in fair value of Held-for trading financial assets				
4. Reclassification of financial assets				
5. Amount of gain or loss on Held-to-maturity financial assets to be reclassified into Held-for-trading financial assets				
6. Credit loss impairment of other debt investments				
7. Cash flow hedge reserve (effective portion of gains or losses from cash flow hedges)				
8. Translation differences of the financial statements in foreign currency	14,995,464.30	12,596,067.38	-42,333,590.34	-171,776,419.54
9. Others				
Other comprehensive income attributable to non-controlling interests, net of tax	-756,540.28	-4,765,855.25	4,034,941.05	-41,052,459.25
VII. Total comprehensive income	713,316,281.58	778,444,426.25	2,297,965,260.45	2,101,477,942.08
Total comprehensive income attributable to owners of the Company	681,630,399.99	672,011,696.24	2,195,930,440.77	1,724,495,261.90
Total comprehensive income attributable to non-controlling interests	31,685,881.59	106,432,730.01	102,034,819.68	376,982,680.18
VIII. Earnings per share				

Item	Third Quarter 2019(July to September)	Third Quarter 2018(July to September)	Period ended 30 September 2019(January to September)	Period ended 30 September 2018(January to September)
Basic earnings per share (RMB/share)	0.08	0.11	0.29	0.32
Diluted earnings per share (RMB/share)	0.08	0.11	0.29	0.32

Legal Representative: **Li Guanpeng**   Chief Financial Officer: **Wang Jiuyun**   Head of the Financial Department: **Li Xiaoyan**

Statement of Profit or Loss and
Other Comprehensive Income of the Company
January - September 2019

Prepared by: Sinotrans Limited

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	Third Quarter 2019(July to September)	Third Quarter 2018(July to September)	Period ended 30 September 2019(January to September)	Period ended 30 September 2018(January to September)
I. Income from operations	661,166,368.05	896,361,705.80	1,487,702,981.35	1,557,528,073.85
Less: Operating costs	601,189,941.44	724,407,964.30	1,255,163,361.31	1,325,597,905.74
Tax and surcharges	108,051.00	-296,172.84	296,559.37	-188,121.84
Selling expenses	21,912,587.56	72,954,892.30	81,808,477.12	94,867,479.86
Administrative expenses	75,409,674.88	147,333,582.70	181,448,031.19	222,743,257.58
Research and development expenses	15,032,552.81	-15,032,552.81	19,158,196.46	
Finance costs	-34,259,189.54	42,046,097.83	-25,553,732.11	7,786,908.29
Including: interest expenses	67,401,487.88	112,172,840.45	209,278,485.88	179,574,328.33
interest income	63,925,481.01	53,152,631.37	194,986,733.85	117,078,112.38
Add: Other income		980,000.00		980,000.00
Investment income (loss denoted by "-")	-13,918,188.00	1,337,797,671.09	914,792,912.23	1,323,879,483.09
Including: share of result of associates and joint ventures	-8,918,188.00	40,392,026.71	21,137,743.22	31,473,838.71
income from derecognition of financial assets measured at amortised cost (loss denoted by"-")				
Net exposure hedging income (loss denoted by "-")				
Gain from changes in fair value (loss denoted by "-")				
Credit loss impairment (loss denoted by "-")	-9,730,632.40	1,011,838.56	-4,910,445.30	-8,718,793.84
Impairment of assets (loss denoted by "-")				
Income from assets disposal(loss denoted by "-")	-5,012.19	21,166.59	4,987.81	16,154.40
II. Operating profits (loss denoted by "-")	-41,881,082.69	1,264,758,570.56	885,269,542.75	1,222,877,487.87
Add: non-operating income	590.00	719,410.13	1,708,100.88	720,000.13
Less: non-operating expenses	1,983.30	-1,983.30	517,843.25	

Item	Third Quarter 2019(July to September)	Third Quarter 2018(July to September)	Period ended 30 September 2019(January to September)	Period ended 30 September 2018(January to September)
III. Total profit (total loss denoted by "-")	-41,882,475.99	1,265,479,963.99	886,459,800.38	1,223,597,488.00
Less: income tax expenses	1,594,952.77	-605,092.77	1,748,552.77	989,860.00
IV. Net profit (net loss denoted by "-")	-43,477,428.76	1,266,085,056.76	884,711,247.61	1,222,607,628.00
(I)Net profit from continuing operations (net loss denoted by "-")	-43,477,428.76	1,266,085,056.76	884,711,247.61	1,222,607,628.00
(II)Net profit from discontinued operations (net loss denoted by "-")				
V. Other comprehensive income, net of tax	497,597.00	124,364.66	497,243.26	621,961.66
(I) Other comprehensive income not to be reclassified to profit or loss				
1. Amount of change arising from re-measurement of the defined benefit plan				
2. Other comprehensive income not to be reclassified into profit or loss under equity method				
3. Changes in fair value of other equity instruments investments				
4. Changes in fair value of the enterprise's own credit risk				
(II) Other comprehensive income to be reclassified to profit or loss	497,597.00	124,364.66	497,243.26	621,961.66
1. Other comprehensive income to be reclassified to profit or loss under equity method				
2. Changes in fair value of other debt investments				
3. Changes in fair value of Held-for-trading financial assets				
4. Reclassification of financial assets				

Item	Third Quarter 2019(July to September)	Third Quarter 2018(July to September)	Period ended 30 September 2019(January to September)	Period ended 30 September 2018(January to September)
5. Amount of gain or loss on Held-to-maturity financial assets to be reclassified into Held-for-trading financial assets				
6. Credit loss impairment of other debt investments				
7. Cash flow hedge reserve (effective portion of gains or losses from cash flow hedges)				
8. Translation difference of the financial statements in foreign currency	497,597.00	124,364.66	497,243.26	621,961.66
9. Others				
VI. Total comprehensive income	-42,979,831.76	1,266,209,421.42	885,208,490.87	1,223,229,589.66
VIII. Earnings per share				
(I) Basic earnings per share (RMB/share)				
(II)Diluted earnings per share (RMB/share)				

Legal Representative: **Li Guanpeng** Chief Financial Officer: **Wang Jiuyun** Head of the Financial Department: **Li Xiaoyan**

Consolidated Statement of Cash Flows

January - September 2019

Prepared by: Sinotrans Limited

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	Period ended 30 September 2019 (January to September)	Period ended 30 September 2018 (January to September)
I. Cash flows from operating activities		
Cash received from sales of goods and providing services	57,793,259,800.12	55,027,971,226.92
Cash received from interests, fees and commissions	73,073,778.10	44,628,989.82
Tax rebate received	4,907,371.93	4,268,141.98
Cash received from other operating activities	917,740,125.93	897,636,928.53
Sub-total of cash inflows from operating activities	58,788,981,076.08	55,974,505,287.25
Cash paid for goods and services	52,151,034,558.20	49,109,706,697.31
Cash paid to and on behalf of employees	3,848,115,439.60	4,300,092,573.11
Cash paid for taxes and levies	1,257,746,744.66	1,217,720,094.74
Cash paid for other operating activities	1,702,855,424.58	1,503,214,802.07
Sub-total of cash outflows from operating activities	58,959,752,167.04	56,130,734,167.23
Net cash flows from operating activities	-170,771,090.96	-156,228,879.98
II. Cash flows from investment activities		
Cash received from the disposal of investments	23,803,165.44	1,400,240,000.00
Cash received from investment income	1,121,011,934.81	977,080,462.84
Net cash received from the disposal of fixed assets, intangible assets and other long-term assets	93,799,391.30	381,611,037.48
Net cash received from disposal of subsidiaries and other entities	11,276,208.02	7,758,421.89
Cash received from other investment activities	755,970,372.59	33,476,818.97
Sub-total of cash inflows from investment activities	2,005,861,072.16	2,800,166,741.18
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	1,052,950,287.59	1,523,779,869.41
Cash paid for investments	305,646,061.70	201,651,202.03
Net cash paid for acquisition of subsidiaries and other operating entities	500,000.00	25,054,586.34
Cash paid for other investment activities	45,398,183.31	1,073,194,013.60
Sub-total of cash outflows from investment activities	1,404,494,532.60	2,823,679,671.38
Net cash flows from investment activities	601,366,539.56	-23,512,930.20
III. Cash flows from financing activities		
Cash received from capital contributions	58,307,400.00	52,382,383.09

Item	Period ended 30 September 2019 (January to September)	Period ended 30 September 2018 (January to September)
Including: cash contribution to subsidiaries from non-controlling shareholders' investment	58,307,400.00	
Cash received from borrowings	146,826,153.37	5,541,749,399.18
Cash received from other financing activities	175,839,789.09	183,847,280.84
Sub-total of cash inflows from financing activities	380,973,342.46	5,777,979,063.11
Cash paid for repayment of debts	3,687,289,043.26	1,949,663,811.14
Cash paid for distribution of dividends or profits or settlement of interest	1,440,759,206.78	796,574,885.81
Including: dividends and profits paid by subsidiaries to non-controlling shareholders	83,165,908.03	796,574,885.81
Cash paid for other financing activities	1,363,694,136.86	3,060,676,987.55
Sub-total of cash outflows from financing activities	6,491,742,386.90	5,806,915,684.50
Net cash flows from financing activities	-6,110,769,044.44	-28,936,621.39
IV. Effects of changes in exchange rate on cash and cash equivalents	32,562,054.46	-68,967,416.51
V. Net increase (decrease) in cash and cash equivalents	-5,647,611,541.38	-277,645,848.08
Add: balance of cash and cash equivalents at the beginning of the period	15,317,824,974.56	9,709,382,226.84
VI. Balance of cash and cash equivalents at the end of the period	9,670,213,433.18	9,431,736,378.76

Legal Representative: **Li Guanpeng** Chief Financial Officer: **Wang Jiuyun** Head of the Financial Department: **Li Xiaoyan**

Statement of Cash Flows of the Company

January - September 2019

Prepared by: Sinotrans Limited

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	Period ended 30 September 2019(January to September)	Period ended 30 September 2018(January to September)
I. Cash flows from operating activities:		
Cash received from sales of goods and providing services	1,127,549,338.95	1,226,786,507.82
Tax rebate received		91,263.42
Cash received from other operating activities	198,307,921.17	80,149,054.75
Sub-total of cash inflow from operating activities	1,325,857,260.12	1,307,026,825.99
Cash paid for goods and services	1,150,339,053.28	1,156,303,351.75
Cash paid to and on behalf of employees	193,952,517.89	219,434,062.71
Cash paid for taxes and levies	3,355,786.42	11,976,221.96
Cash paid for other operating activities	957,992,631.71	23,702,812.87
Sub-total of cash outflows from operating activities	2,305,639,989.30	1,411,416,449.29
Net cash flows from operating activities	-979,782,729.18	-104,389,623.30
II. Cash flows from investment activities		
Cash received from the disposal of investments		1,400,000,000.00
Cash received from investment income	762,213,111.46	1,346,903,674.78
Net cash received from the disposal of fixed assets, intangible assets and other long-term assets	2,321,042.63	1,008,647.52
Net cash received from disposal of subsidiaries and other operation entities		
Cash received from other investment activities	2,867,356,304.37	1,445,901,260.73
Sub-total of cash inflows from investment activities	3,631,890,458.46	4,193,813,583.03
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	33,895,201.83	24,215,563.99
Cash paid for investments	147,747,600.00	
Net cash paid for acquisition of subsidiaries and other operating entities	100,000,000.00	
Cash paid for other investment activities	4,222,885,882.55	3,939,482,175.04
Sub-total of cash outflows from investment activities	4,504,528,684.38	3,963,697,739.03

Item	Period ended 30 September 2019(January to September)	Period ended 30 September 2018(January to September)
Net cash flows from investment activities	-872,638,225.92	230,115,844.00
III. Cash flows from financing activities		
Cash received from capital contributions		15,500,000.00
Cash received from borrowings	17,795,397,103.41	
Cash received from other financing activities	763,507,813.58	714,377,632.04
Sub-total of cash inflows from financing activities	18,558,904,916.99	729,877,632.04
Cash paid for repayment of debts	15,175,343,181.75	68,894,097.22
Cash paid for distribution of dividends or profits or settlement of interest	1,234,762,658.44	602,056,261.95
Cash paid for other financing activities	66,156,007.65	15,769,883.91
Sub-total of cash outflows from financing activities	16,476,261,847.84	686,720,243.08
Net cash flows from financing activities	2,082,643,069.15	43,157,388.96
IV. Effects of changes in exchange rate on cash and cash equivalents	33,552,421.32	-4,042,364.29
V. Net increase in cash and cash equivalents	263,774,535.37	164,841,245.37
Add: balance of cash and cash equivalents at the beginning of the period	2,232,379,636.67	326,727,167.08
VI. Balance of cash and cash equivalents at the end of the period	2,496,154,172.04	491,568,412.45

Legal Representative: **Li Guanpeng**   Chief Financial Officer: **Wang Jiuyun**   Head of the Financial Department: **Li Xiaoyan**

4.2 Adjustments of the related items in the financial statements at the beginning of this year due to the first implementation of the New Financial Instruments Standards, the New Revenue Standards and the New Leases Standards.

✓Applicable □ Not applicable

Consolidated Statement of Financial Position

Unit: Yuan Currency: RMB

Item	31 December 2018	1 January 2019	Adjustment amount
Current assets			
Cash and bank balances	15,528,432,818.79	15,528,432,818.79	
Held-for-trading financial assets	400,140,176.57	400,140,176.57	
Derivative financial assets			
Bills receivables	555,923,514.54	555,923,514.54	
Accounts receivable	10,417,568,351.23	10,417,568,351.23	
Receivables financing			
Prepayments	2,090,854,225.68	2,081,870,620.23	-8,983,605.45
Other receivables	1,421,577,191.34	1,416,074,189.51	-5,503,001.83
Including: interest receivables	11,361,382.76	11,361,382.76	
dividend receivables	63,826,982.07	63,826,982.07	
Inventories	266,600,487.08	266,600,487.08	
Contract assets			
Held-for-sale assets	53,745,651.81	53,745,651.81	
Non-current assets due within one year	74,928,213.64	74,928,213.64	
Other current assets	559,144,645.56	559,144,645.56	
Total current assets	31,368,915,276.24	31,354,428,668.96	-14,486,607.28
Non-current assets			
Debt investments			
Held-for-trading financial assets			
Other debt investments			
Held-to-maturity investments			
Long-term receivables	142,009,746.55	142,009,746.55	
Long-term equity investments	6,973,522,714.05	6,973,522,714.05	
Other equity instrument investments	154,458,821.08	154,458,821.08	
Other non-current financial assets	493,936,852.61	493,936,852.61	
Investment properties	2,478,006,337.36	2,478,006,337.36	
Fixed assets	11,942,099,732.71	11,942,099,732.71	
Construction in progress	1,997,349,529.53	1,997,349,529.53	
Productive biological assets			
Oil and gas assets			
Right-of-use assets		1,978,154,247.26	1,978,154,247.26
Intangible assets	5,228,339,127.68	5,228,339,127.68	
Development expenditure	30,511,836.16	30,511,836.16	

Item	31 December 2018	1 January 2019	Adjustment amount
Goodwill	169,670,069.78	169,670,069.78	
Long-term prepaid expense	263,995,854.52	159,769,365.35	-104,226,489.17
Deferred tax assets	212,892,635.40	212,892,635.40	
Other non-current assets	38,513,050.27	38,513,050.27	
Total non-current assets	30,125,306,307.70	31,999,234,065.79	1,873,927,758.09
Total assets	61,494,221,583.94	63,353,662,734.75	1,859,441,150.81
Current liabilities			
Short-term borrowings	2,231,743,549.91	2,231,743,549.91	
Held-for-trading financial liabilities			
Derivative financial liabilities			
Bills payables			
Accounts payable	9,056,129,695.54	9,037,861,747.34	-18,267,948.20
Advances from customers			
Contract liabilities	2,576,275,224.01	2,576,275,224.01	
Employee remuneration payable	1,470,491,147.30	1,470,491,147.30	
Taxes and levies payable	481,975,148.65	481,975,148.65	
Other payables	3,045,689,490.76	3,045,737,935.59	48,444.83
Including: interest payables	134,333,264.70	134,333,264.70	
dividend payables	106,507,405.73	106,507,405.73	
Held-for-sale liabilities			
Non-current liabilities due within one year	1,166,302,753.40	1,553,905,059.88	387,602,306.48
Other current liabilities	167,271,210.90	163,729,096.61	-3,542,114.29
Total current liabilities	20,195,878,220.47	20,561,718,909.29	365,840,688.82
Non-current liabilities			
Long-term borrowings	8,473,129,636.53	8,473,129,636.53	
Bonds payable	3,497,076,575.36	3,497,076,575.36	
Including: preference shares			
perpetual bonds			
Lease liabilities		1,574,632,544.99	1,574,632,544.99
Long-term payables	656,231,579.79	656,231,579.79	
Long-term employee remuneration payable	3,043,019.68	3,043,019.68	
Estimated liabilities	407,925,602.60	407,925,602.60	
Deferred income	395,905,585.01	395,905,585.01	
Deferred tax liabilities	11,590,458.74	11,590,458.74	
Other non-current liabilities			
Total non-current liabilities	13,444,902,457.71	15,019,535,002.70	1,574,632,544.99
Total liabilities	33,640,780,678.18	35,581,253,911.99	1,940,473,233.81
Shareholders' equity:			
Share capital	6,049,166,644.00	6,049,166,644.00	
Other equity instruments			
Including: preference shares			
perpetual bonds			

Item	31 December 2018	1 January 2019	Adjustment amount
Capital reserve	4,124,486,665.68	4,124,486,665.68	
Less: treasury shares			
Other comprehensive income	-275,001,310.29	-275,001,310.29	
Special reserve	41,536,205.81	41,536,205.81	
Surplus reserve	811,845,310.51	811,845,310.51	
Retained earnings	12,484,368,855.91	12,416,420,716.05	-67,948,139.86
Equity attributable to owners of the Company	23,236,402,371.62	23,168,454,231.76	-67,948,139.86
Non-controlling interests	4,617,038,534.14	4,603,954,591.00	-13,083,943.14
Total shareholders' equity	27,853,440,905.76	27,772,408,822.76	-81,032,083.00
Total liabilities and shareholders' equity	61,494,221,583.94	63,353,662,734.75	1,859,441,150.81

Descriptions of each item adjusted:

✓Applicable □ Not applicable

The Company adopted the New Leases Standards from 1 January 2019:1. Adjust the beginning balance of right-of-use assets and lease liabilities; 2. Adjust the carrying amounts of lease payables and prepaid rental at the end of the previous year from the accounts payable and prepayments to lease liabilities.

Statement of Financial Position of the Company

Unit: Yuan Currency: RMB

Item	31 December 2018	1 January 2019	Adjustment amount
Current assets			
Cash and bank balances	2,232,514,434.17	2,232,514,434.17	
Held-for-trading financial assets	400,000,000.00	400,000,000.00	
Derivative financial assets			
Bills receivable	22,838,736.35	22,838,736.35	
Accounts receivable	1,175,939,622.77	1,175,939,622.77	
Receivables financing			
Prepayments	27,737,883.02	27,737,883.02	
Other receivables	7,770,199,706.08	7,770,199,706.08	
Including: interest receivables	177,001.57	177,001.57	
dividend receivables	84,271,356.22	84,271,356.22	
Inventories			
Contract assets			
Held-for-sale assets			
Non-current assets due within one year	354,010,852.27	354,010,852.27	
Other current assets	49,054,666.08	49,054,666.08	
Total current assets	12,032,295,900.74	12,032,295,900.74	
Non-current assets			
Debt investments			
Held–for-trading financial assets			
Other debt investments			

Item	31 December 2018	1 January 2019	Adjustment amount
Held-to-maturity investments			
Long-term receivables	1,606,581,598.47	1,606,581,598.47	
Long-term equity investments	11,110,762,797.06	11,110,762,797.06	
Other equity instrument investments			
Other non-current financial assets	630,314,038.78	630,314,038.78	
Investment properties			
Fixed assets	47,976,127.19	47,976,127.19	
Construction in progress	9,215,368.60	9,215,368.60	
Productive biological assets			
Oil and gas assets			
Right-of-use assets		592,219,454.01	592,219,454.01
Intangible assets	69,898,549.74	69,898,549.74	
Development expenditure	23,314,238.03	23,314,238.03	
Goodwill			
Long-term prepaid expenses	1,619,094.06	1,619,094.06	
Deferred tax assets			
Other non-current assets			
Total non-current assets	13,499,681,811.93	14,091,901,265.94	592,219,454.01
Total assets	25,531,977,712.67	26,124,197,166.68	592,219,454.01
Current liabilities			
Short-term borrowings			
Held-for-trading financial liabilities			
Derivative financial liabilities			
Bills payable			
Accounts payable	538,121,606.24	538,121,606.24	
Advances from customers			
Contract liabilities	59,614,593.16	59,614,593.16	
Employee remuneration payables	116,379,594.67	116,379,594.67	
Taxes and levies payable	3,914,293.99	3,914,293.99	
Other payables	4,806,897,398.65	4,806,897,398.65	
Including: interest payables	69,188,324.82	69,188,324.82	
dividend payables			
Held-for-sale liabilities			
Non-current liabilities due within one year	1,000,000,000.00	1,014,762,447.38	14,762,447.38
Other current liabilities	-	-	-
Total current liabilities	6,524,927,486.71	6,539,689,934.09	14,762,447.38
Non-current liabilities			
Long-term borrowings	1,624,000,000.00	1,624,000,000.00	
Bonds payable	3,497,076,575.36	3,497,076,575.36	
Including: preference shares			
perpetual bonds			
Lease liabilities		600,460,115.61	600,460,115.61

Item	31 December 2018	1 January 2019	Adjustment amount
Long-term payables			
Long-term employee remuneration payable			
Estimated liabilities			
Deferred income			
Deferred tax liabilities			
Other non-current liabilities			
Total non-current liabilities	5,121,076,575.36	5,721,536,690.97	600,460,115.61
Total liabilities	11,646,004,062.07	12,261,226,625.06	615,222,562.99
Shareholders' equity:			
Share capital	6,049,166,644.00	6,049,166,644.00	
Other equity instruments			
Including: preference shares			
perpetual bonds			
Capital reserve	5,113,523,892.31	5,113,523,892.31	
Less: treasury shares			
Other comprehensive income	-13,225,231.95	-13,225,231.95	
Special reserve	4,439,943.32	4,439,943.32	
Surplus reserve	811,845,310.51	811,845,310.51	
Retained earnings	1,920,223,092.41	1,897,219,983.43	-23,003,108.98
Total shareholders' equity	13,885,973,650.60	13,862,970,541.62	-23,003,108.98
Total liabilities and shareholders' equity	25,531,977,712.67	26,124,197,166.68	592,219,454.01

Descriptions of each item adjusted:

✓Applicable □ Not applicable

The Company adopted the New Leases Standards from 1 January 2019:1. Adjust the beginning balance of right-of-use assets and lease liabilities; 2. Adjust the carrying amounts of lease payables and prepaid rental at the end of the previous year from the accounts payable and prepayments to lease liabilities.

4.3 Descriptions of the retroactive adjustments to the comparative data in the previous periods due to the first implementation of the New Financial Instruments Standards and the New Leases Standards.

□Applicable ✓Not applicable

4.4 Audit report

□Applicable ✓Not applicable