



**SHENZHEN CHIWAN WHARF HOLDINGS LIMITED**

**THIRD QUARTER REPORT 2016**

**Date of disclosure: 28 October 2016**

## **Section I Important Statements**

The board of directors (the “Board”), the board of supervisors (the “Board of Supervisors”) as well as the directors, supervisors and senior management of Shenzhen Chiwan Wharf Holdings Limited (the “Company”) hereby guarantee the factuality, accuracy and completeness of the contents of this Report, and shall be jointly and severally liable for any false representation, misleading statements or material omissions in this Report.

All the directors attended the board meeting for the review of this Report.

Board Chairman Shi Wei, Chief Financial Officer Zhang Fang and Financial Manager Li Li hereby guarantee that the financial statements carried in this Report are factual, accurate and complete.

This Report has been prepared in both Chinese and English. Should there be any discrepancies or misunderstandings between the two versions, the Chinese version shall prevail.

## Section II Financial Highlights & Shareholder Changes

### I Highlights of accounting data and financial indicators

Whether the Company performs any retroactive adjustments to or restatements of its accounting data of last year due to change in accounting policies or correction of accounting errors

Yes  No

	30 September 2016	31 December 2015	+/- (%)	
Total assets (RMB)	6,710,692,291.27	6,913,772,876.99	-2.94%	
Net assets attributable to shareholders of the Company (RMB)	4,607,138,778.85	4,439,600,537.05	3.77%	
	July-September 2016	YoY +/- (%)	January-September 2016	YoY +/- (%)
Operating revenues (RMB)	513,538,393.69	0.73%	1,418,348,045.93	2.00%
Net profit attributable to shareholders of the Company (RMB)	160,704,737.43	-8.45%	427,240,244.40	2.33%
Net profit attributable to shareholders of the Company excluding exceptional profit and loss (RMB)	160,374,471.28	-8.50%	425,090,855.59	1.45%
Net cash flows from operating activities (RMB)	--	--	573,323,438.12	-11.12%
Basic earnings per share (RMB/share)	0.249	-8.46%	0.663	2.31%
Diluted earnings per share (RMB/share)	0.249	-8.46%	0.663	2.31%
Weighted average return on equity (%)	3.55%	-0.59%	9.41%	-0.45%

Unit: RMB

Item	January-September 2016	Note
Profit/loss on disposal of non-current assets (including offset asset impairment provisions)	-396,232.45	
Government grants charged to the profit/loss for the period (except for the government grants closely related to the business of the Company and given at a fixed quota or amount in accordance with nationally uniform standards)	792,260.53	
Non-operating revenue and expense other than the above	2,340,740.57	
Less: Corporate income tax	251,258.43	
Minority interests (after tax)	336,121.41	
Total	2,149,388.81	--

Explanation of why the Company classified an item as exceptional profit/loss according to the definition in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Exceptional Profit and Loss, or reclassified any exceptional profit/loss item given as an example in the said explanatory announcement to recurrent profit/loss

Applicable  Not applicable

## II Total number of shareholders and shareholdings of top 10 shareholders at the period-end

### 1. Total number of ordinary shareholders and preference shareholders who had resumed their voting right & shareholdings of top 10 shareholders at the period-end

Unit: share

Total number of shareholders at the end of the Reporting Period	34,249 shareholders in total, including 23,914 A-share holders and 10,335 B-share holders	Total number of preference shareholders who had resumed their voting right at the end of the Reporting Period	0			
Shareholdings of top 10 shareholders (all being non-restricted share holders)						
Name of shareholder	Nature of shareholder	Percentage of shareholding	Number of non-restricted shares held	Type of shares (A, B, H or other)	Shares pledged or frozen (share)	
CHINA NANSHAN DEVELOPMENT (GROUP) INC.	State-owned corporation	32.52%	209,687,067	A share	0	
SHENZHEN MALAI STORAGE CO., LTD.	Ordinary domestic corporation	25.00%	161,190,933	A share	0	
KEEN FIELD ENTERPRISES LIMITED	Foreign corporation	8.58%	55,314,208	B share	0	
CMBSA RE FTIF TEMPLETON ASIAN GRW FD GTI 5496	Foreign corporation	7.43%	47,914,954	B share	Unknown	
ZHU WUGUANG	Domestic individual	0.58%	3,973,723	3,769,399	A share	Unknown
				204,324	B share	
BBH A/C VANGUARD EMERGING MARKETS STOCK INDEX FUND	Foreign corporation	0.41%	2,617,518	B share	Unknown	
TEMPLETON ASIAN GROWTH FUND	Foreign corporation	0.39%	2,534,858	B share	Unknown	
SHENWAN HONGYUAN SECURITIES (HK) LIMITED	Foreign corporation	0.39%	2,486,586	B share	Unknown	
CHINA MERCHANTS SECURITIES (HK) CO., LTD.	State-owned corporation	0.34%	2,214,824	B share	Unknown	
NORGES BANK	Foreign corporation	0.26%	1,660,562	B share	Unknown	
Related or act-in-concert parties among the shareholders above	China Merchants Port Holdings Company Limited* (CMPort) is a shareholder of China Nanshan Development (Group) Inc.. (CND Group). Shenzhen Malai Storage Co., Ltd. (Malai Storage) and Keen Field Enterprises Limited are both wholly-funded subsidiaries of CMPort. Other than that, the Company does not know whether the other non-restricted shareholders are related parties or not.					

\* China Merchants Port Holdings Company Limited is formerly known as “China Merchants Holdings (International) Company Limited” (CMHI). The said name change took place on 10 August 2016.

Did any of the top 10 ordinary shareholders or the top 10 non-restricted ordinary shareholders of the Company conduct any promissory repo during the Reporting Period?

Yea  No

### 2. Total number of preference shareholders and shareholdings of the top 10 of them at the period-end

Applicable  Not applicable

## Section III Significant Events

### I Changes in main accounting statement items and financial indicators in the Reporting Period, as well as reasons for the changes

√ Applicable □ Not applicable

Unit: RMB

Item	30 September 2016	31 December 2015	+/-	+/- (%)	Main reason for change
Monetary funds	458,277,511.84	683,138,123.66	-224,860,611.82	-33%	More self-owned funds were used to repay debts
Accounts receivable	268,506,909.40	189,016,564.86	79,490,344.54	42%	Discounts have not yet been given as to the container handling revenue of the period; and there was a slight increase in the turnover days of accounts receivable
Other accounts receivable	36,503,112.16	14,908,748.44	21,594,363.72	145%	Payment of a second-phase watercourse occupancy fee (to be returned by the government)
Construction in progress	82,575,754.44	22,222,084.78	60,353,669.66	272%	Building of new plate silos for bulk cargos and berth renewal
Short-term borrowings	-	141,610,178.37	-141,610,178.37	-100%	Repayment of short-term borrowings with self-owned funds
Non-current liabilities due within one year	504,004,136.75	5,306,254.17	498,697,882.58	9398%	The "13 Chiwan 01" Corporate Bond was redeemed ahead of maturity, so the bonds payable of RMB500 million were reclassified into non-current liabilities due within one year
Other current liabilities	150,000,000.00	500,000,000.00	-350,000,000.00	-70%	Repayment of some short-term bonds with self-owned funds
Bonds payable	-	497,764,383.59	-497,764,383.59	-100%	The "13 Chiwan 01" Corporate Bond was redeemed ahead of maturity, so the bonds payable of RMB500 million were reclassified into non-current liabilities due within one year
Item	January-September 2016	January-September 2015	+/-	+/- (%)	Main reason for change
Finance costs	21,711,836.73	48,443,583.46	-26,731,746.73	-55%	Interest cost decreased as the average balance of interest-bearing debts and the average loan rate decreased
Corporate income tax	79,443,347.70	58,030,462.54	21,412,885.16	37%	Expiration of the income tax preferential policy (exemption for first three years and half reduction for second three years) of subsidiary Dongguan Chiwan Wharf Company Limited from this year
Cash received from other operating activities	8,890,587.84	39,974,117.19	-31,083,529.35	-78%	In the same period of last year, the money advanced for clients as to the Tonggu shipping lane was repaid and the first-phase watercourse occupancy fee was returned, while there were no such cases in the current period
Cash paid for other operating activities	62,502,243.86	21,666,665.93	40,835,577.93	188%	In the current period, the money advanced for clients increased and the second-phase watercourse occupancy fee was paid, while there were no such cases in the same period of last year
Cash received as return on investments	77,454,161.88	34,386,896.52	43,067,265.36	125%	In the current period, dividends from associate Mawan Wharf were received, while there were no such cases in the same period of last year
Cash received from issuance of bonds	150,000,000.00	800,000,000.00	-650,000,000.00	-81%	Decrease in short-term bonds issued

Repayment of borrowings	745,531,586.99	1,100,000,000.00	-354,468,413.01	-32%	The first phase of corporate bonds of RMB500 million was repaid in the same period of last year
Cash paid for interest expenses and distribution of dividends or profit	286,096,232.65	464,056,566.07	-177,960,333.42	-38%	In the same period of last year, controlled subsidiary Chiwan Container Terminal Co., Ltd. distributed minority distributed dividends to minority shareholders, while there were no such cases in the same period of last year

## II Progress on significant events, as well as the influence and solutions

Applicable  Not applicable

## III Commitments of the Company, its shareholders, actual controller, acquirer, directors, supervisors, senior management or other related parties fulfilled in the Reporting Period or ongoing at the period-end

Applicable  Not applicable

Commitment	Commitment maker	Type of commitment	Contents	Time of making commitment	Period of commitment	Fulfillment
Share reform commitment	CND Group	Other	In order to enhance the shareholding confidence of tradable share holders, and encourage the core management and key personnel so that the interests of the management and all the shareholders can coincide, CND made a commitment to entrust, through the general meeting of the Company, the Board of Directors of the Company to formulate and carry out an equity incentive plan at a proper timing after the completion of the share division reform according to applicable laws and regulations.	April 2006	Standing	CND Group proposed in Mar. 2009 to the Company <The Report on Formulating and Carrying out the Equity Incentive Plan of Shenzhen Chiwan Wharf Holdings Limited>, which was reviewed and approved in the general meeting of the Company in May 2009. The Board of Directors of the Company was authorized to formulate and carry out an equity incentive plan at a proper timing according to applicable laws and regulations. In Jun. 2014, according to <The Methods (Trial) for State Holding Listed Companies to Carry out Equity Incentive> jointly promulgated by the State-owned Assets Supervision and Administration Commission of the State Council and the Ministry of Finance, as well as <The Administrative Methods (Trial) for Equity Incentive of Listed Companies> promulgated by CSRC, the equity incentive plan could not be successfully formulated due to policy and regulation changes, as well as some restrictions. Therefore, the Company has decided not to formulate and carry out the equity incentive plan for now. The Board of Directors will continue to follow and study relevant policies and regulations, and reconsider formulating and carrying out a new equity incentive plan according to the actual situation of the Company and executing the decision-making procedure.
Commitment in the acquisition report or the report on equity changes	CMPort	Commitment on horizontal competition, related-party transactions and capital	1. Commitments made by CMPort about share custody; 2. Commitment made by CMPort about guaranteeing the independency of the Company;	2012-09-17	Concerning horizontal competition, it is promised that the horizontal competition	In the process of execution

		occupation	3. Commitment made by CMPort about horizontal competition; and 4. Commitment made by CMPort about regulating related-party transactions		issue will be solved through ways such as asset reorganization in the coming 3-5 years. And the other three commitments are subject to the share custody period.	
	Malai Storage	Commitment on horizontal competition, related-party transactions and capital occupation	1. Commitment made by Malai Storage about guaranteeing the independency of the Company; 2. Commitment made by Malai Storage about horizontal competition; and 3. Commitment made by Malai Storage about regulating related-party transactions	2012-12-27	Whenever Malai Storage holds the Company's shares	In the process of execution
Other commitments made to minority shareholders	CND Group	Other	CND Group irrevocably and unconditionally agrees that if Chiwan Wharf suffers from any loss, expense, liability, demanded compensation or law suit due to any actual or potential illegality or unenforceability in any land use agreement or relevant documents signed or to be signed by CND Group or other related problems, CND Group promises to give full immunity to the recipient party of the land use right and its inheritor and the recipient person regarding the aforesaid matters.	2001-03-20; 2003-06-18; 2004-09-29	Standing	In the process of execution
	The Company	Other	If the Company cannot pay interest on time, pay principals upon maturity or is involved in any violation, it shall at least take the following measures: 1. Not to distribute profit to shareholders; 2. Suspend capital outlay projects such as significant outward investments or mergers; 3. Reduce or stop salaries and bonuses for directors and senior management staff; and 4. Not to remove the persons held chiefly responsible.	2013-10-18	Whenever any of the corporate bonds of "13 Chiwan 01" exists	Fulfilled. The "13 Chiwan 01" Corporate Bond has been redeemed on 18 October 2016.
Executed on time or not					Yes	
Explain in detail specific reasons for failing to fulfill commitment and plan for next step in case of commitment unfulfilled on time					N/A	

## IV Performance forecast for Y2016

Warning of possible loss or considerable YoY change in the accumulative net profit made during the year-beginning to the end of the next reporting period, as well as the reasons

Applicable  Not applicable

## V Securities investment

Applicable  Not applicable

Unit: RMB

Variety of securities	Code of securities	Name of securities	Initial investment cost	Number of shares held at period-beginning	Shareholding percentage at period-beginning	Number of shares held at period-end	Shareholding percentage at period-end	Closing book value	Gain/loss in Reporting Period	Accounting title	Source of stock
Stock	600377	Ninghu Expressway	1,120,000	1,000,000	0.02%	1,000,000	0.02%	8,810,000	400,000	Available-for-sale financial assets	Corporate shares, which are allowed for circulation after share reform
Stock	400032	Petro-chemical A1	3,500,000	780,000	0.26%	780,000	0.26%	382,200	-	Available-for-sale financial assets	Corporate shares
Stock	400009	Guang Jian 1	27,500	20,000	0.02%	20,000	0.02%	17,000	-	Available-for-sale financial assets	Corporate shares
Total			4,647,500	1,800,000	--	1,800,000	--	9,209,200	400,000	--	--

## VI Investment in derivative financial instruments

Applicable  Not applicable

No such cases in the Reporting Period.

## VII Visits paid to the Company for purposes of research, communication, interview, etc. during the Reporting Period

Applicable  Not applicable

Date of visit	Way of visit	Type of visitor	Index to main inquiry information
July-September 2016	Phone talk, one-on-one meeting and written inquiry (through the EasyIR platform of the Shenzhen Stock Exchange)	Individual and institution	Main inquiry: basic business condition, investments and financial condition of the Company; Materials provided: brochure of the Company; Index: SZSE EasyIR ( <a href="http://irm.cninfo.com.cn/ssessgs/S000022/index.html">http://irm.cninfo.com.cn/ssessgs/S000022/index.html</a> )

## VIII Illegal provision of guarantees for external parties

Applicable  Not applicable

No such cases in the Reporting Period.

## **IX Occupation of the Company's funds for non-operating purposes by the controlling shareholder and its related parties**

Applicable  Not applicable

No such cases in the Reporting Period.

## **X Internal control progress**

Pursuant to the "Internal Control Rules for Enterprises" and the mating guidelines, the Company has completed the following internal control tasks for the third quarter of 2016:

1. The internal control task groups of the Headquarters and the subsidiaries have reviewed the flow chart risk matrix assessment of last year, and have re-described work flows within the internal control improvement scope according to business changes this year so as to formulate an internal control risk matrix and a core flow chart for the Company for 2016.
2. The internal control task groups of the Headquarters and the subsidiaries have searched for defects in internal control by designing and running effectiveness tests.
3. The Company has searched for risks by going through the operation flows and has made a list of risks.

The Company carries out the internal control-related work according to the schedule for the internal control improvement plan for 2016. And the internal control project is right on schedule, with no derivation or delay.

## Section IV Financial Statements

### I Financial statements

#### 1. Consolidated balance sheet

Prepared by Shenzhen Chiwan Wharf Holdings Limited

30 September 2016

Unit: RMB

Item	Closing balance	Opening balance
Current assets:		
Monetary funds	458,277,511.84	683,138,123.66
Notes receivable	-	3,327,000.00
Accounts receivable	268,506,909.40	189,016,564.86
Accounts paid in advance	2,398,757.22	2,678,775.41
Interest receivable	-	72,773.05
Other accounts receivable	36,503,112.16	14,908,748.44
Inventories	18,201,575.88	17,300,307.66
Other current assets	12,139,057.93	12,889,208.71
Total current assets	796,026,924.43	923,331,501.79
Non-current assets:		
Available-for-sale financial assets	22,719,200.00	22,659,200.00
Long-term equity investments	1,471,106,800.36	1,447,024,975.16
Investment property	26,056,309.90	26,747,795.38
Fixed assets	3,074,869,243.93	3,213,180,964.08
Construction in progress	82,575,754.44	22,222,084.78
Intangible assets	1,027,091,516.63	1,046,896,621.98
Goodwill	10,858,898.17	10,858,898.17
Long-term deferred expenses	55,464,172.49	57,241,809.97
Deferred tax assets	11,274,320.82	11,274,320.82
Other non-current assets	132,649,150.10	132,334,704.86
Total non-current assets	5,914,665,366.84	5,990,441,375.20
Total assets	6,710,692,291.27	6,913,772,876.99

Item	Closing balance	Opening balance
Current liabilities:		
Short-term borrowings	-	141,610,178.37
Accounts payable	94,957,590.94	91,453,838.66
Accounts received in advance	61,252,355.23	40,504,130.84
Payroll payable	71,374,925.64	77,084,662.63
Taxes and fares payable	57,814,750.60	48,134,602.74
Interest payable	27,601,095.86	18,519,838.93
Dividends payable	88,715,008.17	88,715,008.17
Other accounts payable	46,169,681.48	76,713,923.82
Non-current liabilities due within one year	504,004,136.75	5,306,254.17
Other current liabilities	150,000,000.00	500,000,000.00
Total current liabilities	1,101,889,544.67	1,088,042,438.33
Non-current liabilities:		
Bonds payable	-	497,764,383.59
Long-term accounts payable	7,993,005.60	-
Special payables	34,737,511.65	34,990,596.50
Deferred income	59,107,549.71	61,757,528.45
Deferred tax liabilities	1,922,500.00	1,907,500.00
Total non-current liabilities	103,760,566.96	596,420,008.54
Total liabilities	1,205,650,111.63	1,684,462,446.87
Owners' equity:		
Share capital	644,763,730.00	644,763,730.00
Capital reserve	167,480,381.25	165,564,739.15
Other comprehensive income	-7,844,646.43	-7,889,646.43
Special reserve	6,410,240.18	3,719,755.58
Surplus reserve	520,074,434.56	520,074,434.56
Retained earnings	3,276,254,639.29	3,113,367,524.19
Equity attributable to owners of the Company	4,607,138,778.85	4,439,600,537.05
Minority interests	897,903,400.79	789,709,893.07
Total owners' equity	5,505,042,179.64	5,229,310,430.12
Total liabilities and owners' equity	6,710,692,291.27	6,913,772,876.99

The financial statements from Page 9 to Page 17 are signed by:

Legal representative: Shi Wei

Accounting head for this Report: Zhang Fang

Head of the accounting organ: Li Li

**2. Balance sheet of the Company**

Unit: RMB

Item	Closing balance	Opening balance
<b>Current assets:</b>		
Monetary funds	179,341,363.65	331,615,767.60
Accounts receivable	18,128,046.67	20,084,782.32
Accounts paid in advance	924,369.00	489,500.00
Dividends receivable	108,370,429.14	217,818,690.44
Other accounts receivable	624,750,185.58	679,107,748.88
Inventories	991,008.33	1,026,023.04
Other current assets	658,138.06	487,860.51
<b>Total current assets</b>	<b>933,163,540.43</b>	<b>1,250,630,372.79</b>
<b>Non-current assets:</b>		
Available-for-sale financial assets	22,719,200.00	22,659,200.00
Long-term accounts receivable	11,004,284.75	11,004,284.75
Long-term equity investments	2,024,283,723.10	2,000,153,426.29
Investment property	15,923,942.05	16,358,585.53
Fixed assets	182,273,313.58	192,230,359.90
Construction in progress	23,014,113.44	1,945,894.40
Intangible assets	62,884,454.70	65,112,021.93
Long-term deferred expenses	4,201,495.30	4,391,427.41
<b>Total non-current assets</b>	<b>2,346,304,526.92</b>	<b>2,313,855,200.21</b>
<b>Total assets</b>	<b>3,279,468,067.35</b>	<b>3,564,485,573.00</b>
<b>Current liabilities:</b>		
Accounts payable	12,843,540.25	15,487,513.65
Accounts received in advance	-	152,681.00
Payroll payable	46,097,352.86	47,533,873.50
Taxes and fares payable	882,043.52	1,571,813.93
Interest payable	28,967,805.49	20,381,890.98
Dividends payable	37,608,540.65	37,608,540.65
Other accounts payable	465,859,134.76	327,263,528.94
Non-current liabilities due within one year	498,364,931.54	-
Other current liabilities	150,000,000.00	500,000,000.00
<b>Total current liabilities</b>	<b>1,240,623,349.07</b>	<b>949,999,842.65</b>
<b>Non-current liabilities:</b>		
Bonds payable	-	497,764,383.59
Long-term payables	116,662,000.00	-
Deferred tax liabilities	1,922,500.00	1,907,500.00
<b>Total non-current liabilities</b>	<b>118,584,500.00</b>	<b>499,671,883.59</b>
<b>Total liabilities</b>	<b>1,359,207,849.07</b>	<b>1,449,671,726.24</b>
<b>Owners' equity:</b>		
Share capital	644,763,730.00	644,763,730.00
Capital reserve	240,001,254.59	239,043,433.54
Other comprehensive income	5,867,500.00	5,822,500.00
Special reserve	1,515,136.75	1,465,450.61
Surplus reserve	520,074,434.56	520,074,434.56
Retained earnings	508,038,162.38	703,644,298.05
<b>Total owners' equity</b>	<b>1,920,260,218.28</b>	<b>2,114,813,846.76</b>
<b>Total liabilities and owners' equity</b>	<b>3,279,468,067.35</b>	<b>3,564,485,573.00</b>

**3. Consolidated income statement for the Reporting Period**

Unit: RMB

Item	July-September 2016	July-September 2015
1. Operating revenues	513,538,393.69	509,817,001.86
Less: Operating costs	265,743,927.10	252,784,856.53
Business tax and surtaxes	969,574.16	1,794,432.45
Administrative expenses	40,374,224.18	42,462,416.71
Finance costs	7,458,222.38	14,272,783.17
Asset impairment loss	715,864.11	111,324.23
Add: Return on investment (“-” means loss)	31,862,762.84	34,558,398.42
Including: Share of profit/loss of associates and joint ventures	31,862,762.84	31,337,178.42
2. Operating profit (“-” means loss)	230,139,344.60	232,949,587.19
Add: Non-operating revenue	603,723.93	1,316,850.16
Less: Non-operating expense	4,703.46	957,964.03
Including: Loss on disposal of non-current assets	4,683.46	934,566.57
3. Total profit (“-” means loss)	230,738,365.07	233,308,473.32
Less: Corporate income tax	29,782,340.94	23,571,931.38
4. Net profit (“-” means loss)	200,956,024.13	209,736,541.94
Net profit attributable to owners of the Company	160,704,737.43	175,532,433.81
Minority interests’ income	40,251,286.70	34,204,108.13
5. Other comprehensive income net of tax	352,500.00	-1,290,000.00
Other comprehensive income net of tax attributable to owners of the Company	352,500.00	-1,290,000.00
5.1 Other comprehensive income that will not be reclassified into profit/loss	-	-
5.1.1 Changes in net liabilities or assets with a defined benefit plan upon re-measurement	-	-
5.1.2 Share of other comprehensive income of investees that cannot be reclassified into profit/loss under the equity method	-	-
5.2 Other comprehensive income to be subsequently reclassified into profit/loss	352,500.00	-1,290,000.00
5.2.1 Share of other comprehensive income of investees that will be reclassified into profit/loss under the equity method	-	-
5.2.2 Profit/loss on fair value changes of available-for-sale financial assets	352,500.00	-1,290,000.00
5.2.3 Currency translation differences	-	-
Other comprehensive income net of tax attributable to minority interests	-	-
6. Total comprehensive income	201,308,524.13	208,446,541.94
Attributable to owners of the Company	161,057,237.43	174,242,433.81
Attributable to minority interests	40,251,286.70	34,204,108.13
7. Earnings per share		
7.1 Basic earnings per share	0.249	0.272
7.2 Diluted earnings per share	0.249	0.272

**4. Income statement of the Company for the Reporting Period**

Unit: RMB

Item	July-September 2016	July-September 2015
1. Operating revenues	58,898,536.26	66,688,234.98
Less: Operating costs	36,460,684.75	40,752,274.42
Business tax and surtaxes	60,217.85	969,490.03
Administrative expenses	16,795,578.39	17,670,340.06
Finance costs	4,596,652.68	6,437,819.88
Asset impairment loss	149.26	-
Add: Return on investment (“-” means loss)	16,559,186.27	20,593,318.24
Including: Share of profit/loss of associates and joint ventures	16,559,186.27	17,372,098.24
2. Operating profit (“-” means loss)	17,544,439.60	21,451,628.83
Add: Non-operating revenue	6,362.35	453,036.08
Less: Non-operating expense	20.00	618,164.84
Including: Loss on disposal of non-current assets	-	609,746.85
3. Total profit (“-” means loss)	17,550,781.95	21,286,500.07
Less: Corporate income tax	-	44,720.39
4. Net profit (“-” means loss)	17,550,781.95	21,241,779.68
5. Other comprehensive income net of tax	352,500.00	-1,290,000.00
5.1 Other comprehensive income that will not be reclassified into profit/loss	-	-
5.1.1 Changes in net liabilities or assets with a defined benefit plan upon re-measurement	-	-
5.1.2 Share of other comprehensive income of investees that cannot be reclassified into profit/loss under the equity method	-	-
5.2 Other comprehensive income to be subsequently reclassified into profit/loss	352,500.00	-1,290,000.00
5.2.1 Share of other comprehensive income of investees that will be reclassified into profit/loss under the equity method	-	-
5.2.2 Profit/loss on fair value changes of available-for-sale financial assets	352,500.00	-1,290,000.00
5.2.3 Currency translation differences	-	-
6. Total comprehensive income	17,903,281.95	19,951,779.68

## 5. Consolidated income statement for the period from the year-beginning to the end of the Reporting Period

Unit: RMB

Item	January-September 2016	January-September 2015
1. Operating revenues	1,418,348,045.93	1,390,605,010.64
Less: Operating costs	757,902,451.69	716,212,368.12
Business tax and surtaxes	4,137,516.57	5,711,929.33
Administrative expenses	122,322,092.89	126,664,288.63
Finance costs	21,711,836.73	48,443,583.46
Asset impairment loss	1,003,908.27	264,601.66
Add: Return on investment (“-” means loss)	101,163,019.25	83,393,395.74
Including: Share of profit/loss of associates and joint ventures	94,870,831.40	79,792,175.74
2. Operating profit (“-” means loss)	612,433,259.03	576,701,635.18
Add: Non-operating revenue	3,242,937.74	2,329,480.93
Including: Profit on disposal of non-current assets	106,159.61	179,365.30
Less: Non-operating expense	506,169.09	1,053,548.73
Including: Loss on disposal of non-current assets	502,392.06	989,074.87
3. Total profit (“-” means loss)	615,170,027.68	577,977,567.38
Less: Corporate income tax	79,443,347.70	58,030,462.54
4. Net profit (“-” means loss)	535,726,679.98	519,947,104.84
Net profit attributable to owners of the Company	427,240,244.40	417,509,806.15
Minority interests’ income	108,486,435.58	102,437,298.69
5. Other comprehensive income net of tax	45,000.00	495,000.00
Other comprehensive income net of tax attributable to owners of the Company	45,000.00	495,000.00
5.1 Other comprehensive income that will not be reclassified into profit/loss	-	-
5.1.1 Changes in net liabilities or assets with a defined benefit plan upon re-measurement	-	-
5.1.2 Share of other comprehensive income of investees that cannot be reclassified into profit/loss under the equity method	-	-
5.2 Other comprehensive income to be subsequently reclassified into profit/loss	45,000.00	495,000.00
5.2.1 Share of other comprehensive income of investees that will be reclassified into profit/loss under the equity method	-	-
5.2.2 Profit/loss on fair value changes of available-for-sale financial assets	45,000.00	495,000.00
5.2.3 Currency translation differences	-	-
Other comprehensive income net of tax attributable to minority interests	-	-
6. Total comprehensive income	535,771,679.98	520,442,104.84
Attributable to owners of the Company	427,285,244.40	418,004,806.15
Attributable to minority interests	108,486,435.58	102,437,298.69
7. Earnings per share		
7.1 Basic earnings per share	0.663	0.648
7.2 Diluted earnings per share	0.663	0.648

## 6. Income statement of the Company for the period from the year-beginning to the end of the Reporting Period

Unit: RMB

Item	January-September 2016	January-September 2015
1. Operating revenues	164,608,566.39	193,836,073.60
Less: Operating costs	101,410,635.59	110,413,003.41
Business tax and surtaxes	1,607,995.47	3,524,798.36
Administrative expenses	50,174,669.41	53,931,419.86
Finance costs	9,691,227.40	24,105,858.54
Asset impairment loss	2,044.50	-
Add: Return on investment (“-” means loss)	65,596,852.64	50,007,108.74
Including: Share of profit/loss of associates and joint ventures	59,304,664.79	46,405,888.74
2. Operating profit (“-” means loss)	67,318,846.66	51,868,102.17
Add: Non-operating revenue	1,637,736.57	776,144.42
Less: Non-operating expense	232,546.52	630,241.24
Including: Loss on disposal of non-current assets	232,526.52	609,746.85
3. Total profit (“-” means loss)	68,724,036.71	52,014,005.35
Less: Corporate income tax	-22,956.92	44,720.39
4. Net profit (“-” means loss)	68,746,993.63	51,969,284.96
5. Other comprehensive income net of tax	45,000.00	495,000.00
5.1 Other comprehensive income that will not be reclassified into profit/loss	-	-
5.1.1 Changes in net liabilities or assets with a defined benefit plan upon re-measurement	-	-
5.1.2 Share of other comprehensive income of investees that cannot be reclassified into profit/loss under the equity method	-	-
5.2 Other comprehensive income to be subsequently reclassified into profit/loss	45,000.00	495,000.00
5.2.1 Share of other comprehensive income of investees that will be reclassified into profit/loss under the equity method	-	-
5.2.2 Profit/loss on fair value changes of available-for-sale financial assets	45,000.00	495,000.00
5.2.3 Currency translation differences	-	-
6. Total comprehensive income	68,791,993.63	52,464,284.96

## 7. Consolidated cash flow statement for the period from the year-beginning to the end of the Reporting Period

Unit: RMB

Item	January-September 2016	January-September 2015
1. Cash flows from operating activities:		
Cash received from sale of commodities and rendering of service	1,403,015,694.32	1,349,697,267.36
Cash received from other operating activities	8,890,587.84	39,974,117.19
Subtotal of cash inflows from operating activities	1,411,906,282.16	1,389,671,384.55
Cash paid for goods and services	419,855,993.57	370,402,226.06
Cash paid to and for employees	265,019,787.62	254,888,013.61
Taxes and fares paid	91,204,818.99	97,694,399.85
Cash paid for other operating activities	62,502,243.86	21,666,665.93
Subtotal of cash outflows from operating activities	838,582,844.04	744,651,305.45
Net cash flows from operating activities	573,323,438.12	645,020,079.10
2. Cash flows from investing activities:		
Cash received as return on investments	77,454,161.88	34,386,896.52
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	1,916,084.08	281,694.10
Subtotal of cash inflows from investing activities	79,370,245.96	34,668,590.62
Cash paid to acquire fixed assets, intangible assets and other long-term assets	99,165,354.36	93,438,339.56
Subtotal of cash outflows from investing activities	99,165,354.36	93,438,339.56
Net cash flows from investing activities	-19,795,108.40	-58,769,748.94
3. Cash flows from financing activities:		
Cash received as borrowings	100,000,000.00	138,736,732.40
Cash received from issuance of bonds	150,000,000.00	800,000,000.00
Subtotal of cash inflows from financing activities	250,000,000.00	938,736,732.40
Repayment of borrowings	745,531,586.99	1,100,000,000.00
Cash paid for interest expenses and distribution of dividends or profit	286,096,232.65	464,056,566.07
Including: dividends or profit paid by subsidiaries to minority interests	-	204,931,608.76
Cash paid for other financing activities	519,859.19	1,738,520.08
Sub-total of cash outflows from financing activities	1,032,147,678.83	1,565,795,086.15
Net cash flows from financing activities	-782,147,678.83	-627,058,353.75
4. Effect of foreign exchange rate changes on cash and cash equivalents	3,758,737.29	-2,242,864.59
5. Net increase in cash and cash equivalents	-224,860,611.82	-43,050,888.18
Add: Opening balance of cash and cash equivalents	683,138,123.66	468,635,486.47
6. Closing balance of cash and cash equivalents	458,277,511.84	425,584,598.29

## 8. Cash flow statement of the Company for the period from the year-beginning to the end of the Reporting Period

Unit: RMB

Item	January-September 2016	January-September 2015
1. Cash flows from operating activities:		
Cash received from sale of commodities and rendering of service	174,937,200.38	193,128,253.22
Cash received from other operating activities	546,013,547.01	731,590,999.68
Subtotal of cash inflows from operating activities	720,950,747.39	924,719,252.90
Cash paid for goods and services	52,622,670.73	49,300,093.04
Cash paid to and for employees	91,312,092.54	96,166,672.38
Taxes and fares paid	5,385,005.34	11,818,616.49
Cash paid for other operating activities	336,708,507.74	535,813,840.98
Subtotal of cash outflows from operating activities	486,028,276.35	693,099,222.89
Net cash flows from operating activities	234,922,471.04	231,620,030.01
2. Cash flows from investing activities:		
Cash received as return on investments	151,872,638.18	253,192,782.75
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	1,702,651.36	1,322,137.50
Subtotal of cash inflows from investing activities	153,575,289.54	254,514,920.25
Cash paid to acquire fixed assets, intangible assets and other long-term assets	21,315,019.70	2,294,682.86
Subtotal of cash outflows from investing activities	21,315,019.70	2,294,682.86
Net cash flows from investing activities	132,260,269.84	252,220,237.39
3. Cash flows from financing activities:		
Cash received as borrowings	220,540,000.00	-
Cash received from issuance of bonds	150,000,000.00	800,000,000.00
Subtotal of cash inflows from financing activities	370,540,000.00	800,000,000.00
Repayment of borrowings	600,000,000.00	1,100,000,000.00
Cash paid for interest expenses and distribution of dividends or profit	285,565,620.49	258,146,654.29
Cash paid for other financing activities	519,859.19	1,738,520.08
Sub-total of cash outflows from financing activities	886,085,479.68	1,359,885,174.37
Net cash flows from financing activities	-515,545,479.68	-559,885,174.37
4. Effect of foreign exchange rate changes on cash and cash equivalents	-3,911,665.15	472,635.99
5. Net increase in cash and cash equivalents	-152,274,403.95	-75,572,270.98
Add: Opening balance of cash and cash equivalents	331,615,767.60	281,427,034.32
6. Closing balance of cash and cash equivalents	179,341,363.65	205,854,763.34

## **II Auditor's report**

Is this Report audited?

Yes  No

This Report is unaudited.

For and on behalf of the Board

Shi Wei

Chairman

Shenzhen Chiwan Wharf Holdings Limited

Dated 28 October 2016