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## **Dalian Port (PDA) Company Limited\***

**大連港股份有限公司**

*(a sino-foreign joint stock limited company incorporated in the People's Republic of China)*

**(Stock Code: 2880)**

### **2017 FIRST QUARTERLY REPORT**

The Board of the Company hereby announces the 2017 First Quarterly Report of the Company. The financial statements contained in this report for the three months ended 31 March 2017 have been prepared in accordance with the PRC GAAP and are unaudited.

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

The board of directors (the “**Board**”) of Dalian Port (PDA) Company Limited (the “**Company**”) hereby announces the unaudited quarterly results (the “**2017 First Quarterly Report**”) of the Company for the three months ended 31 March 2017. The results have been prepared in accordance with the People’s Republic of China (the “**PRC**”) Accounting Rules and Standards (the “**PRC GAAP**”). This announcement is made pursuant to Rule 13.09 and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The 2017 First Quarterly Report is written in both Chinese and English. In the case of any discrepancies, the Chinese version of the report shall prevail over its English version.

## I. IMPORTANT NOTICE

- 1.1** The Board, the Supervisory committee, the directors, supervisors and senior management of the Company warrant that there is no false information, misleading statements or material omissions in this quarterly report, and collectively and individually assume liabilities for the truthfulness, accuracy and completeness of the information contained herein.
- 1.2** All directors of the Company attend the meeting of the Board to consider this quarterly report.
- 1.3** Mr. Zhang Yiming, an executive director of the Company, and Wang Ping, the chief accountant of the Company and the person in charge of the Accounting Department of the Company, warrant the truthfulness, accuracy and completeness of the financial statements contained in this quarterly report.
- 1.4** The first quarterly report of the Company is unaudited.

## II. CORPORATE INFORMATION

### 2.1 Summary of Accounting Data

Unit: Yuan; Currency: RMB

	As at the end of the reporting period	As at the end of the preceding year	Changes from the end of the preceding year to the end of the reporting period (%)
Total assets	32,832,357,528.24	31,902,064,959.99	2.92
Net Assets (attributable to equity holders of the Company)	17,931,842,860.27	17,773,316,925.97	0.89
	From the beginning of the year to the end of reporting period	The same period of the preceding year	Changes over the same period of the preceding year (%)
Net cash flows from operating activities	-46,324,348.68	126,782,704.86	-136.54
	From the beginning of the year to the end of reporting period	The same period of the preceding year	Changes over the same period of the preceding year (%)
Operating Revenue	2,450,728,496.24	2,333,042,289.73	5.04
Net profit attributable to equity holders of the Company	156,259,430.20	123,278,355.90	26.75
Net profit attributable to equity holders of the Company, net of non-recurring profit and loss	151,020,861.89	122,820,180.34	22.96
Weighted average return on net assets (%)	0.88	0.81	Increase by 0.07 percentage point
Basic earnings per share	0.012	0.010	20.00
Diluted earnings per share	0.012	0.010	20.00

Non-recurring profit or loss items and amount

Unit: Yuan; Currency: RMB

Items	For the period	Note
Profit and loss on disposal of non-current assets	2,791,373.71	
Gain or loss on entrusted investment or asset management	3,743,861.46	
Profit and loss arising from the fair value change of financial assets and liabilities held for trading and investment income from disposal of financial assets and liabilities held for trading and available-for-sale financial assets, other than effective hedging business conducted in the course of normal business of the Company	-1,312,330.49	
Gain or loss on commissioned loans	573,405.64	
Other non-operating income and expenses	669,089.33	
Other gain or loss items conforming with the definition of non-recurring gain or loss		
Effect of minority interests (after tax)	383,059.56	
Effect of income tax	-1,609,890.90	
Total	5,238,568.31	

## 2.2 Total number of shareholders, shareholdings of the top ten shareholders and the top ten shareholders not subject to selling restrictions as at the end of the Reporting Period

Unit: share

Total number of shareholders (account)			257,261			
Shareholdings of the top ten shareholders						
Name of shareholders (full name)	Number of shares held as at the end of the Reporting Period	Percentage (%)	Number of shares subject to selling restrictions as at the end of the Reporting Period	Status of shares (pledged or locked-up)		Nature of shareholders
				Status	Number	
Dalian Port Corporation Limited("PDA") <sup>note 1</sup>	5,310,255,162	41.18%	0	None	0	State-owned legal person
HKSCC NOMINEES LTD <sup>note 2</sup>	5,125,348,597	40.00%	0	None	0	Overseas legal person
The Central Huijin Asset Management Limited Liability Company	112,988,190	0.88%	0	None	0	State-owned legal person
Dalian Rongyuan Investment and Management Company Limited	39,408,200	0.31%	0	None	0	State-owned legal person
Dalian Zhengtong Bonded Co. Ltd.	19,704,100	0.15%	0	None	0	State-owned legal person
Dalian De Tex Holding Co.Ltd.	19,704,100	0.15%	0	None	0	State-owned legal person
Dalian Hi Tech Holding Co.Ltd.	19,704,100	0.15%	0	None	0	State-owned legal person
Agricultural Bank of China Limited - 中證500交易型開放式指數證券投資基金 (CSI 500 Constituent Trading Open-ended Fund)	12,574,537	0.10%	0	None	0	Domestic Non State-owned legal person
Wei Shipeng	10,000,082	0.08%	0	None	0	Domestic natural person
Cai Jiongjiong	8,515,000	0.07%	0	None	0	Domestic natural person

Shareholdings of the top ten shareholders not subject to the selling restrictions			
Name of shareholders	Number of shares not subject to selling restrictions at the end of the Reporting Period	Class and number of shares	
		Class	Number
PDA	5,310,255,162	RMB ordinary shares (A shares)	5,310,255,162
HKSCC NOMINEES LTD <sup>note 2</sup>	5,125,348,597	H shares	5,125,348,597
The Central Huijin Asset Management Limited Liability Company	112,988,190	RMB ordinary shares (A shares)	112,988,190
Dalian Rongyuan Investment and Management Company Limited	39,408,200	RMB ordinary shares (A shares)	39,408,200
Dalian Zhengtong Bonded Co. Ltd.	19,704,100	RMB ordinary shares (A shares)	19,704,100
Dalian De Tex Holding Co. Ltd.	19,704,100	RMB ordinary shares (A shares)	19,704,100
Dalian Hi Tech Holding Co. Ltd.	19,704,100	RMB ordinary shares (A shares)	19,704,100
Agricultural Bank of China Limited - 中證500交易型開放式指數證券投資基金 (CSI 500 Constituent Trading Open-ended Fund)	12,574,537	RMB ordinary shares (A shares)	12,574,537
Wei Shipeng	10,000,082	RMB ordinary shares (A shares)	10,000,082
Cai Jiongjiong	8,515,000	RMB ordinary shares (A shares)	8,515,000
Description of the shareholders' association or concerted action	Among the above shareholders, PDA is a controlling shareholder of the Company. The Company is not aware of any connection between the other shareholders or whether they are parties acting in concert as defined under the rules.		
Description of preference shareholders with voting rights restored and their shareholdings	None		

Note 1: As at 31 March 2017, 588,248,000 H shares held by Dalian Port Corporation Limited were registered at HKSCC Nominees Limited.

Note 2: HKSCC Nominees Limited is the nominee holder of the H shares held by non-registered shareholders of the Company.

2,714,736,000 H shares held by China Merchants Holdings (International) Company Limited were registered at HKSCC Nominees Limited through Team Able International Limited, its wholly-owned subsidiary..

### III. SIGNIFICANT EVENTS

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

1. As at 31 March 2017, advances to suppliers amounted to RMB160,672,942.76, representing a decrease of 37.38% compared with the beginning of the year, which was mainly due to a decrease in the procurement business as a result of restructuring of the trading business of the Group (when the “Group” shall hereinafter refer to the Company and its subsidiaries) in 2017.
2. As at 31 March 2017, other receivables amounted to RMB552,344,319.98, representing an increase of 75.19% compared with the beginning of the year, which was mainly due to an increase in the automobile trading agency business of the Group in the first quarter of 2017.
3. As at 31 March 2017, other current assets amounted to RMB973,364,697.53, representing an increase of 91.30% compared with the beginning of the year, which was mainly due to short-term wealth management products launched by the Group in the first quarter of 2017.
4. As at 31 March 2017, disposals of fixed assets amounted to RMB3,569,876.48, representing an increase of 33.06% compared with the beginning of the year, which was mainly due to disposals of retired assets in the first quarter of 2017.
5. As at 31 March 2017, short-term borrowings amounted to RMB2,035,787,765.95, representing an increase of 307.62% compared with the beginning of the year, which was mainly due to new short-term bank loans made by the Group in the first quarter of 2017.
6. As at 31 March 2017, notes payable amounted to 0 (RMB), representing a decrease of 100.00% compared with the beginning of the year, which was mainly due to all notes payable by the Group became due and payable in the first quarter of 2017.
7. As at 31 March 2017, advances from customers amounted to RMB103,228,501.27, representing a decrease of 53.94% compared with the beginning of the year, which was mainly due to a decrease in the procurement business as a result of restructuring of the trading business of the Group in the first quarter of 2017.
8. As at 31 March 2017, employee benefits payable amounted to RMB102,243,098.80, representing a decrease of 55.24% compared with the beginning of the year, which was mainly due to payment of employee bonus by the Group in the first quarter of 2017.
9. As at 31 March 2017, tax payable amounted to RMB49,315,426.98, representing a decrease of 57.09% compared with the beginning of the year, which was mainly due to payment of higher Enterprise Income Tax payable by the Group at the end of the last year in the first quarter of 2017.

10. As at 31 March 2017, interest payable amounted to RMB216,388,799.78, representing an increase of 31.18% compared with the beginning of the year, which was mainly due to provisions for corporate bond and interest on ultra-short commercial paper in the first quarter of 2017.
11. As at 31 March 2017, current portion of long-term liabilities amounted to RMB535,760,912.27, representing a decrease of 48.85% compared with the beginning of the year, which was mainly due to partial payment of current portion of finance leasing obligation by the Group in the first quarter of 2017.
12. As at 31 March 2017, sales expenses amounted to RMB66,136.31, representing a decrease of 89.13% compared with the same period last year, which was mainly due to a decrease in advertisements place by the Group and participation in relevant exhibitions in the first quarter of 2017.
13. As at 31 March 2017, gains on the changes in the fair value amounted to RMB -1,414,426.00, representing an increase of 58.16% compared with the same period last year, which was mainly due to the changes in the fair value of stocks held by the Group in 2017.
14. As at 31 March 2017, investment income amounted to RMB113,262,965.51, representing an increase of 156.81% compared with the same period last year, which was mainly due to a general increase in operating results of the investees of the Group and government subsidies granted to some investees in 2017.
15. As at 31 March 2017, non-operating income amounted to RMB62,342,285.67, representing an increase of 115.17% compared with the same period last year, which was mainly due to an increase in government subsidies granted to the Group in the first quarter of 2017.
16. As at 31 March 2017, non-operating expenses amounted to RMB366,905.49, representing an increase of 598.24% compared with the same period last year, which was mainly due to payment of higher compensation by the Group in the first quarter of 2017 as compared with the same period last year.
17. As at 31 March 2017, net cash flows from operating activities amounted to RMB -46,324,348.68, representing a decrease of 136.54% compared with the same period last year, which was mainly due to the combined effect of an increase in payment by the trading business of the Group and payment of annual income tax in the first quarter of 2017.
18. As at 31 March 2017, net cash flows from investing activities amounted to RMB -392,635,292.64, representing a decrease of 72.26% compared with the same period last year, which was mainly due to the new wealth management products procured by the Group in 2017.
19. As at 31 March 2017, net cash flows from financing activities amounted to RMB983,504,562.26, representing a decrease of 70.87% compared with the same period last year, which was mainly due to higher proceeds raised from the placement of H shares by the Group in the first quarter of 2016.

### 3.2 Progress of significant events and analysis on their effects and solutions

None

### 3.3 Matters relating to undertakings which have passed the performance deadline and not yet performed or completed during the reporting period

None

### 3.4 Warnings and explanations on estimated loss or significant change (as compared to the same period of last year) in net accumulated profit from the beginning of the year to the end of the next reporting period

None

### 3.5 Throughput of terminal businesses

The following table sets out the throughput handled at the terminals and logistics business of the Group for the first quarter of 2017. These throughput data is an aggregate of all operating entities in which the Group had equity interests, irrespective of the percentage of equity interests held by the members of the Group.

Terminal Category		The first quarter		
		January to March 2017	January to March 2016	Change (%)
Oil/Liquefied Chemicals terminals ('0,000 tonnes)		1,722.6	1,554.2	10.8%
Container Terminals ('0,000 TEUs)	Dalian	216.9	210.6	3.0%
	Other Ports <sup>Note 3</sup>	27.4	18.4	48.9%
	Sub-total	244.3	229.0	6.7%
Automobile Terminals (vehicles: unit)		145,689	109,097	33.5%
Ores Terminals ('0,000 tonnes)		379.9	254.2	49.5%
General Cargo Terminals ('0,000 tonnes)		695.5	678.3	2.5%
Bulk Grain Terminals ('0,000 tonnes)		161.6	109.1	48.1%
Passenger and Ro-Ro Terminals	Passengers: '0,000 persons	78.9	70.1	12.6%
	Vehicles: '0,000 Units	34.9	37.6	-7.2%

Note 3: Throughput at other ports refers to an aggregate of the throughput of 錦州新時代集裝箱碼頭有限公司 (Jinzhou New Age Container Terminal Co., Ltd.), in which 15% equity interest is owned by the Group and 秦皇島港新港灣集裝箱碼頭有限公司 (Qinhuangdao Port New Harbour Container Terminal Co., Ltd.), in which 15% equity interest is owned by the Group.



In the first quarter of 2017, the throughput for the Oil Segment grew at a faster pace, which was mainly attributable to the increase of crude oil transshipment volume driven by the Group's acceleration of Bohai Rim trans-shipment system construction. Benefited by a recovery of macro-economic situation of Northeast China and a recovery of foreign trade, the container business experienced a stable increase in container throughput. The Group continued to push forward the establishment of comprehensive logistics service system at the automobile terminals which brought a higher growth in container throughput. The throughput of the ore terminal business experienced dramatic growth over the same period last year due to strengthened collaboration with customers to facilitate the construction of Iron Ore Blending Base based on the Groups' advantages of "Vessels+Blending". For the General Cargo business, the throughput of coal kept stable as the cargo terminals actively competed for the transshipment volume of coal. The throughput of bulk grain terminal saw a significant increase over the same period last year due to the Group's success in securing additional imported bulk grain. For the Passenger and Ro-Ro Terminals business, the passenger business recorded an increase in the number of passengers, which was attributable to the effects of shortening of the advanced booking period for the Spring Festival Travel in the year and driving tours. The ro-ro vehicle traffic dropped due to the sluggish ro-ro market.

Company name	Dalian Port (PDA) Company Limited
Legal representative	Zhang Yiming
Date	28 April 2017

#### 4. APPENDIX

##### 4.1 Financial statements

### The Consolidated Balance Sheets 31 March 2017

Prepared by: Dalian Port (PDA) Company Limited

Unit: Yuan; Currency: RMB; Type of audit: Unaudited

Items	As at 31 March 2017	As at 31 December 2016
<b>Current Assets:</b>		
Cash and bank balances	7,267,732,551.29	6,741,279,123.84
Settlement reserves for balance		
Loans to banks and other financial institutions		
Financial assets at fair value through profit or loss	5,914,481.50	7,304,407.50
Derivative financial assets		
Notes receivable	126,599,552.57	158,645,593.12
Accounts receivable	640,862,333.97	658,558,980.91
Advances to suppliers	160,672,942.76	256,592,966.84
Premium receivables		
Reinsurance receivables		
Reinsurance contract reserves receivable		
Interest receivable	21,187,774.16	26,268,705.14
Dividends receivable	36,681,615.14	38,245,401.40
Other receivables	552,344,319.98	315,286,763.19
Financial assets purchased with agreement to re-sale		
Inventories	438,305,319.62	451,326,094.61
Assets classified as held for sale		
Non-current assets due within one year		
Other current assets	973,364,697.53	508,815,328.87
Total current assets	10,223,665,588.52	9,162,323,365.42

Items	As at 31 March 2017	As at 31 December 2016
<b>Non-current Assets:</b>		
Loans and advances to customers		
Available-for-sale financial assets	155,708,054.13	155,844,671.60
Held-to-maturity investments		
Long-term receivables	11,500,000.00	11,500,000.00
Long-term equity investments	5,009,088,834.51	4,902,156,720.70
Investment property	640,916,960.20	645,455,657.62
Fixed assets	13,812,663,563.86	13,974,066,537.95
Construction in progress	1,615,624,663.83	1,616,008,035.15
Construction materials		
Disposal of fixed assets	3,569,876.48	2,682,824.71
Bearer biological assets		
Oil and gas assets		
Intangible assets	1,012,640,997.22	1,090,143,242.15
Research and development expenses		
Goodwill	16,035,288.74	16,035,288.74
Long-term prepayments	55,550,048.20	53,726,901.82
Deferred tax assets	74,733,416.52	74,929,025.62
Other non-current assets	200,660,236.03	197,192,688.51
Total non-current assets	22,608,691,939.72	22,739,741,594.57
<b>TOTAL ASSETS</b>	<b>32,832,357,528.24</b>	<b>31,902,064,959.99</b>

Items	As at 31 March 2017	As at 31 December 2016
<b>Current Liabilities:</b>		
Short-term borrowings	2,035,787,765.95	499,427,798.80
Borrowings from central bank		
Receipts of deposits and deposits from other banks		
Loans from other banks		
Financial liabilities measured at fair value and its movement recorded through profit and loss		
Derivative financial liabilities		
Notes payable		1,250,000.00
Accounts payable	265,587,379.92	235,701,773.17
Advances from customers	103,228,501.27	224,121,958.94
Funds from selling out and repurchasing financial assets		
Fee and commission payable		
Employee benefits payable	102,243,098.80	228,430,661.29
Tax payable	49,315,426.98	114,922,450.93
Interest payable	216,388,799.78	164,961,241.06
Dividends payable	75,251,631.16	76,661,039.64
Other payables	464,949,052.31	516,421,553.09
Reinsurance accounts payables		
Reserves for insurance contracts		
Brokerage for trading securities		
Brokerage for consigning securities		
Liabilities classified as held for sale		
Non-current liabilities due within one year	535,760,912.27	1,047,523,521.42
Other current liabilities	3,060,935,918.30	3,038,041,251.61
Total current liabilities	6,909,448,486.74	6,147,463,249.95

Items	As at 31 March 2017	As at 31 December 2016
<b>Non-current liabilities:</b>		
Long-term borrowings	137,010,023.77	147,010,023.77
Bond payable	5,785,470,778.09	5,779,081,112.06
Including: Preference shares		
Perpetual bond		
Long-term payables	40,685,849.41	43,138,081.48
Long-term employee salary payable		
Special payables		
Provisions		
Deferred income	556,353,180.97	565,971,998.11
Deferred tax liabilities	13,469,391.48	13,843,600.37
Other non-current liabilities	106,043,139.69	99,241,941.00
Total non-current liabilities	6,639,032,363.41	6,648,286,756.79
<b>TOTAL LIABILITIES</b>	<b>13,548,480,850.15</b>	<b>12,795,750,006.74</b>
<b>Equity attributable to equity holders</b>		
Issued capital	12,894,535,999.00	12,894,535,999.00
Other equity instruments		
Including: Preference shares		
Perpetual bond		
Capital reserve	2,931,975,189.09	2,930,944,685.96
Less: Treasury shares		
Other consolidated income	43,398,452.65	47,375,566.99
Special reserve	34,902,149.00	29,604,575.28
Surplus reserve	676,643,140.78	676,643,140.78
General risk reserves		
Unappropriated profit	1,350,387,929.75	1,194,212,957.96
Equity attributable to equity holders of the Company	17,931,842,860.27	17,773,316,925.97
Minority interests	1,352,033,817.82	1,332,998,027.28
<b>TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS</b>	<b>19,283,876,678.09</b>	<b>19,106,314,953.25</b>
<b>TOTAL LIABILITIES AND EQUITY ATTRIBUTABLE TO EQUITY HOLDERS</b>	<b>32,832,357,528.24</b>	<b>31,902,064,959.99</b>

The legal representative of the  
Company:  
Zhang Yiming

The chief accountant of the  
Company:  
Wang Ping

The person in charge of the  
accounting department of the  
Company:  
Wang Ping

**The Company Balance Sheets**  
31 March 2017

Prepared by: Dalian Port (PDA) Company Limited

Unit: Yuan; Currency: RMB; Type of audit: Unaudited

Items	As at 31 March 2017	As at 31 December 2016
<b>Current Assets:</b>		
Cash and bank balances	5,227,259,556.58	4,490,888,768.04
Financial assets at fair value through profit or loss	5,323,292.50	5,425,002.50
Derivative financial assets		
Notes receivable	112,871,025.61	145,232,088.33
Accounts receivable	376,669,345.34	449,565,633.45
Advances to suppliers	20,840,768.19	7,369,685.66
Interest receivable	17,055,159.29	21,243,693.93
Dividends receivable	516,701,175.03	740,401,171.58
Other receivables	203,260,269.47	190,868,135.13
Inventories	47,425,349.73	46,191,556.39
Assets classified as held for sale		
Non-current assets due within one year	600,000,000.00	600,000,000.00
Other current assets	902,672,253.04	455,784,019.32
Total current assets	8,030,078,194.78	7,152,969,754.33
<b>Non-current Assets:</b>		
Available-for-sale financial assets	14,667,057.50	14,667,057.50
Held-to-maturity investments		
Long-term receivables	130,000,000.00	130,000,000.00
Long-term equity investments	7,690,462,910.54	7,591,701,915.12
Investment property		
Fixed assets	10,848,392,463.45	10,966,192,062.32
Construction in progress	1,411,714,875.97	1,414,006,013.32
Construction materials		
Disposal of fixed assets	3,529,035.16	2,669,061.99

Items	As at 31 March 2017	As at 31 December 2016
Bearer biological assets		
Oil and gas assets		
Intangible assets	439,090,440.74	439,892,583.78
Research and development expenses		
Goodwill		
Long-term prepayments	23,644,898.35	24,047,150.86
Deferred tax assets	14,527,314.35	14,532,771.02
Other non-current assets	118,610,000.00	126,192,418.40
Total non-current assets	20,694,638,996.06	20,723,901,034.31
<b>TOTAL ASSETS</b>	<b>28,724,717,190.84</b>	<b>27,876,870,788.64</b>
<b>Current Liabilities:</b>		
Short-term borrowings	1,300,000,000.00	
Financial liabilities measured at fair value and its movement recorded through profit and loss		
Derivative financial liabilities		
Notes payable		1,250,000.00
Accounts payable	30,564,421.76	44,429,643.26
Advances from customers	28,912,624.36	30,410,449.28
Employee benefits payable	59,610,313.78	125,478,879.47
Tax payable	9,850,600.18	59,324,591.12
Interest payable	211,345,705.01	148,499,806.46
Dividends payable		
Other payables	284,265,144.66	305,337,310.38
Liabilities classified as held for sale		
Non-current liabilities due within one year	500,000,000.00	1,000,000,000.00
Other current liabilities	3,060,935,918.30	3,038,041,251.61
Total current liabilities	5,485,484,728.05	4,752,771,931.58

Items	As at 31 March 2017	As at 31 December 2016
<b>Non-current liabilities:</b>		
Long-term borrowings		
Bond payable	4,988,084,130.39	4,987,460,792.60
Including: Preference shares		
Perpetual bond		
Long-term payables		
Long-term employee salary payable		
Special payables		
Provisions		
Deferred income	532,115,734.08	540,407,725.41
Deferred tax liabilities		
Other non-current liabilities	96,554,933.00	99,241,941.00
Total non-current liabilities	5,616,754,797.47	5,627,110,459.01
<b>TOTAL LIABILITIES</b>	<b>11,102,239,525.52</b>	<b>10,379,882,390.59</b>
<b>Equity attributable to equity holders</b>		
Issued capital	12,894,535,999.00	12,894,535,999.00
Other equity instruments		
Including: Preference shares		
Perpetual bond		
Capital reserves	3,042,327,073.12	3,041,812,149.99
Less: Treasury shares		
Other consolidated income		
Special reserve	25,493,816.70	21,421,192.02
Surplus reserve	631,762,878.03	631,762,878.03
Unappropriated profit	1,028,357,898.47	907,456,179.01
<b>TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS</b>	<b>17,622,477,665.32</b>	<b>17,496,988,398.05</b>
<b>TOTAL LIABILITIES AND EQUITY ATTRIBUTABLE TO EQUITY HOLDERS</b>	<b>28,724,717,190.84</b>	<b>27,876,870,788.64</b>

The legal representative of the  
Company:  
Zhang Yiming

The chief accountant of the  
Company:  
Wang Ping

The person in charge of the  
accounting department of the  
Company:  
Wang Ping



## The Consolidated Income Statements

January to March 2017

Prepared by: Dalian Port (PDA) Company Limited

Unit: Yuan; Currency: RMB; Type of audit: Unaudited

Items	Current period	Corresponding period of last year
I. Total Operating income	2,450,728,496.24	2,333,042,289.73
Including: Operating income	2,450,728,496.24	2,333,042,289.73
Interest expenses		
Premium earned		
Fees and commission income		
II. Total operating costs	2,423,204,930.12	2,235,673,327.93
Including: Operating costs	2,143,713,747.08	1,977,662,011.45
Interest expenses		
Fees and commission expense		
Surrender payment		
Net expenditure for compensation payments		
Net provision for insurance deposits		
Policyholder dividend Expenses		
Reinsurance costs		
Taxes and surcharges	11,276,188.65	9,178,620.15
Sales expenses	66,136.31	608,211.39
Administrative expenses	153,778,189.77	131,962,526.98
Financial expenses	114,380,668.31	116,261,957.96
Impairment losses	-10,000.00	
Add: Gains on changes in fair values (Loss listed with “-”)	-1,414,426.00	-3,380,400.00
Investment income (Loss listed with “-”)	113,262,965.51	44,104,454.90
Including: associates and jointly-controlled entities investment income	109,490,411.94	41,859,283.23
Exchange gain (Loss listed with “-”)		

Items	Current period	Corresponding period of last year
III. Operating profit (Loss listed with “-”)	139,372,105.63	138,093,016.70
Add: Non-operating income	62,342,285.67	28,973,135.96
Including: Gains on disposal of non-current assets	2,800,121.42	58,187.68
Less: Non-operating expenses	366,905.49	52,547.26
Including: Loss from disposal of non-current assets	8,747.71	31,184.48
IV. Total profit (Gross loss listed with “-”)	201,347,485.81	167,013,605.40
Less: Income tax expenses	25,175,697.65	30,372,132.91
V. Net profit (Net loss listed with “-”)	176,171,788.16	136,641,472.49
Net profit attributable to equity holders of company	156,259,430.20	123,278,355.90
Minority interests	19,912,357.96	13,363,116.59
VI. Other comprehensive income, net of tax	-3,977,114.34	-3,720,674.76
Other consolidated income attributable to equity holders of the Company, net of tax	-3,977,114.34	-3,720,674.76
(I) Other consolidated income that cannot be reclassified to profit or loss in subsequent periods		
1. Changes in net liabilities or net assets arising from the remeasurement of defined benefit plans		
2. Share of other comprehensive income of investee that will not be subsequently reclassified to profit and loss under equity method		
(II) Other consolidated income to be reclassified to profit or loss in subsequent periods	-3,977,114.34	-3,720,674.76
1. Share of investee’s other comprehensive income that will be reclassified subsequently to profit or loss		
2. Fair value changes in available for-sale financial assets		
3. Gains or losses on reclassification of held to maturity investments to available-for-sale financial assets		
4. Effective portion of cash flow from hedging gains and losses		
5. Exchange differences on foreign currency translations	-3,977,114.34	-3,720,674.76
6. Others		
Net other comprehensive income after tax attributable to minority interests		

Items	Current period	Corresponding period of last year
VII.Total consolidated income	172,194,673.82	132,920,797.73
Total consolidated income attributable to equity holders of the Company	152,282,315.86	119,557,681.14
Total consolidated income attributable to minority shareholders	19,912,357.96	13,363,116.59
VIII.Earnings per share		
(I) Basic earnings per share (RMB/share)	0.012	0.010
(II) Diluted earnings per share (RMB/share)	0.012	0.010

For the merger of enterprise under the same control occurred in this period, the new merger party achieved a net profit of 0 (RMB) before the merger; the new merger party achieved a net profit of 0 (RMB) during the last period.

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## The Company Income Statements

January to March 2017

Prepared by: Dalian Port (PDA) Company Limited

Unit: Yuan; Currency: RMB; Type of audit: Unaudited

Items	Current period	Corresponding period of last year
I. Operating income	700,501,336.01	724,105,575.96
Less: Operating costs	511,841,848.93	472,792,140.80
Taxes and surcharges	4,962,437.86	3,874,314.57
Sales expenses		
Administrative expenses	85,512,722.74	69,446,917.05
Financial expenses	105,100,479.72	98,139,709.67
Impairment losses	-10,000.00	
Add: Gains on changes in fair values (Loss listed with “-”)	-126,210.00	-3,380,400.00
Investment income (Loss listed with “-”)	105,379,097.67	68,760,436.17
Including: associates and jointly-controlled entities investment income	101,606,544.11	33,302,411.40
II. Operating profit (Loss listed with “-”)	98,346,734.43	145,232,530.04
Add: Non-operating income	26,506,253.54	8,449,033.57
Including: Gains on disposal of non-current assets	2,580,235.59	27,000.00
Less: Non-operating expenses	253,659.88	5,224.42
Including: Loss from disposal of non-current assets	8,232.71	
III. Total profit (Gross loss listed with “-”)	124,599,328.09	153,676,339.19
Less: Income tax expenses	3,697,608.63	10,431,081.59
IV. Net profit (Net loss listed with “-”)	120,901,719.46	143,245,257.60

Items	Current period	Corresponding period of last year
V. Other comprehensive income, net of tax		
(I) Other consolidated income that cannot be reclassified to profit or loss in subsequent periods		
1. Changes in net liabilities or net assets arising from the re-measurement of defined benefit plans		
2. Share of other comprehensive income of investee that will not be subsequently reclassified to profit and loss under equity method		
(II) Other consolidated income to be reclassified to profit or loss in subsequent periods		
1. Share of investee's other comprehensive income that will be reclassified subsequently to profit or loss		
2. Fair value changes in available-for-sale financial assets		
3. Gains or losses on reclassification of held to maturity investments to available-for-sale financial assets		
4. Effective portion of cash flow from hedging gains and losses		
5. Exchange differences on foreign currency translations		
6. Others		
VI. Total consolidated income	120,901,719.46	143,245,257.60
VII. Earnings per share:		
(I) Basic earnings per share (RMB/share)		
(II) Diluted earnings per share (RMB/share)		

The legal representative of the Company:  
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The person in charge of the accounting department of the Company:  
Wang Ping

## The Consolidated Cash Flow Statements

January to March 2017

Prepared by: Dalian Port (PDA) Company Limited

Unit: Yuan; Currency: RMB; Type of audit: Unaudited

Items	Current period	Corresponding period of last year
<b>I. Cash Flows from Operating Activities</b>		
Cash receipts from the sale of goods and the rendering of services	2,654,249,266.21	2,445,179,172.30
Net increase in deposits from customers and peer companies		
Net increase in borrowings from central bank		
Net increase in placements from other financial institutions		
Cash received from premiums under original insurance contracts		
Net cash received from reinsurance business		
Net increase in deposits from policyholder and investment funds		
Net increase in disposal of financial assets at fair value through profit or loss		
Cash received from interest, handling charges and commission		
Net increase in placements		
Net increase in capital from repurchase business		
Receive the tax return		2,155,613.50
Other cash receipts relating to operating activities	564,746,196.47	5,564,817.86
Sub-total of cash inflows from operating activities	3,218,995,462.68	2,452,899,603.66
Cash payments for goods purchased and services received	1,963,124,846.72	1,751,740,670.07
Net increase in loans and advances to customers		
Net increase in deposits with central bank and peer companies		
Cash paid for compensation payments under original insurance contracts		
Cash paid for interest, handling charges and commissions		
Cash paid for policyholder dividend		
Cash payments to and on behalf of employees	383,795,425.47	334,732,129.56
Payments of all types of taxes	121,911,632.20	95,851,574.23
Other cash payments relating to operating activities	796,487,906.97	143,792,524.94
Sub-total of cash outflows from operating activities	3,265,319,811.36	2,326,116,898.80
Net cash flow from operating activities	-46,324,348.68	126,782,704.86

Items	Current period	Corresponding period of last year
<b>II. Cash Flows from Investing Activities:</b>		
Cash receipts from disposals and returns of investments	374,216,548.00	160,000,000.00
Cash receipts from returns on investments	7,457,155.53	2,832,964.93
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets	81,000.00	11,200.00
Net cash received from disposal of subsidiaries and other business units		
Other cash receipts relating to investing activities	365,225,051.18	204,436,788.84
Sub-total of cash inflows from investing activities	746,979,754.71	367,280,953.77
Cash payments to acquire and construct fixed assets, intangible assets and other long-term assets	65,751,108.95	66,556,215.09
Cash payments to acquire investments	704,600,000.00	310,100,000.00
Net increase in pledged loans		
Net cash paid for acquiring subsidiaries and other business units		
Other cash payments relating to investing activities	369,263,938.40	218,551,986.57
Sub-total of cash outflows from investing activities	1,139,615,047.35	595,208,201.66
Net cash flows from investing activities	-392,635,292.64	-227,927,247.89

Items	Current period	Corresponding period of last year
<b>III. Cash Flow from Financing Activities:</b>		
Cash receipt from investors making investment in the enterprise		3,597,090,783.11
Including: Subsidiaries cash receipts from minority shareholders		
Cash receipts from borrowings	1,906,888,669.28	497,986,393.63
Cash received from issuing debentures		
Other cash payments relating to financing activities	62,040,277.15	60,100,000.00
Sub-total of cash inflows from financing activities	1,968,928,946.43	4,155,177,176.74
Cash repayments of amounts borrowed	955,724,344.59	701,665,805.17
Cash payments for distribution of dividends or profit or interest expenses	26,352,197.68	67,466,174.17
Including: Dividend and profit paid to minority shareholders by subsidiaries		
Other cash payments relating to financing activities	3,347,841.90	10,160,560.34
Sub-total of cash outflows from financing activities	985,424,384.17	779,292,539.68
Net cash flow from financing activities	983,504,562.26	3,375,884,637.06
<b>IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents</b>	-24,105,280.71	5,066,571.78
<b>V. Net Increase in Cash and Cash Equivalents</b>	520,439,640.23	3,279,806,665.81
Add: Beginning balance of cash and cash equivalents	6,376,088,087.66	2,728,928,183.51
<b>VI. Ending Balance of Cash and Cash Equivalents</b>	6,896,527,727.89	6,008,734,849.32

The legal representative of the  
Company:  
Zhang Yiming

The chief accountant of the  
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Wang Ping



## The Company Cash Flow Statements

January to March 2017

Prepared by: Dalian Port (PDA) Company Limited

Unit: Yuan; Currency: RMB; Type of audit: Unaudited

Items	Current period	Corresponding period of last year
<b>I. Cash Flows from Operating Activities:</b>		
Cash receipts from the sale of goods and the rendering of services	776,064,388.98	666,118,337.14
Receive the tax return		
Other cash receipts relating to operating activities	318,887,574.63	7,474,004.12
Sub-total of cash inflows from operating activities	1,094,951,963.61	673,592,341.26
Cash payments for goods purchased and services received	219,597,238.08	216,969,304.73
Cash payments to and on behalf of employees	231,316,439.20	171,844,016.01
Payments of all types of taxes	79,397,422.55	39,434,325.85
Other cash payments relating to operating activities	317,845,590.06	117,526,762.20
Sub-total of cash outflows from operating activities	848,156,689.89	545,774,408.79
Net cash flow from operating activities	246,795,273.72	127,817,932.47
<b>II. Cash Flows from Investing Activities:</b>		
Cash receipts from disposals and returns of investments	250,000,000.00	355,491,646.53
Cash receipts from returns on investments	237,025,618.73	9,549,645.94
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets		
Net cash received from disposal of subsidiaries and other business units		
Other cash receipts relating to investing Activities	1,348,663.73	1,778,246.12
Sub-total of cash inflows from investing activities	488,374,282.46	366,819,538.59
Cash payments to acquire and construct fixed assets, intangible assets and other long-term assets	60,266,341.00	54,737,067.14
Cash payments to acquire investments	700,000,000.00	252,000,000.00
Net cash paid for acquiring subsidiaries and other business units		
Other cash payments relating to investing activities	-98,778.69	
Sub-total of cash outflows from investing activities	760,167,562.31	306,737,067.14
Net cash flows from investing activities	-271,793,279.85	60,082,471.45

Items	Current period	Corresponding period of last year
<b>III. Cash Flow from Financing Activities:</b>		
Cash receipt from investors making investment in the enterprise		3,597,090,783.11
Cash receipts from borrowings	1,300,000,000.00	
Other cash payments relating to financing activities	277.15	
Sub-total of cash inflows from financing activities	1,300,000,277.15	3,597,090,783.11
Cash repayments of amounts borrowed	518,386,666.67	250,000,000.00
Cash payments for distribution of dividends or profit or interest expenses		35,149,287.39
Other cash payments relating to financing activities	153,361.81	218,000.00
Sub-total of cash outflows from financing activities	518,540,028.48	285,367,287.39
Net cash flow from financing activities	781,460,248.67	3,311,723,495.72
<b>IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents</b>	-20,619,511.58	8,668,137.47
<b>V. Net Increase in Cash and Cash Equivalents</b>	735,842,730.96	3,508,292,037.11
Add: Beginning balance of cash and cash equivalents	4,491,574,119.31	761,304,650.74
<b>VI. Ending Balance of Cash and Cash Equivalents</b>	5,227,416,850.27	4,269,596,687.85

The legal representative of the Company:  
Zhang Yiming

The chief accountant of the Company:  
Wang Ping

The person in charge of the accounting department of the Company:  
Wang Ping

By Order of the Board  
**WANG Jilu LEE, Kin Au Arthur**  
*Joint Company Secretaries*

Dalian, Liaoning Province, the PRC  
28 April 2017

*Executive Director:* ZHANG Yiming and WEI Minghui

*Non-executive Directors:* BAI Jingtao, XU Song, ZHENG Shaoping and YIN Shihui

*Independent non-executive Directors:* Wan Kam To, Peter, WANG Zhifeng and SUN Xiyun

*The Company is registered as Non-Hong Kong Company under Part XI of the previous Companies Ordinance (equivalent to Part 16 of the Companies Ordinance with effect from 3 March 2014) under the English name "Dalian Port (PDA) Company Limited".*

\* For identification purposes only