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

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

(Stock Code: 3369)

2018 FIRST QUARTERLY REPORT

The board (the “**Board**”) of directors of Qinhuangdao Port Co., Ltd.* (秦皇島港股份有限公司) (the “**Company**” or the “**Parent Company**” or “**QHD Port**”) is pleased to announce the unaudited results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the first quarter ended 31 March 2018. This announcement is made pursuant to Rule 13.09(2) and Rule 13.10B of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the inside information provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

I. IMPORTANT NOTICE

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

1.2 Directors absent from the Board meeting

Name of Director(s) absent from Board meeting	Position of the Director(s) absent from Board meeting	Reason for being absent from Board meeting	Representative
MI Xianwei	Non-executive director	Other work commitment	LI Jianping

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

1.4 The first quarterly report of the Company is unaudited.

II. BASIC INFORMATION OF THE COMPANY

2.1 Principal financial data

		Unit: yuan	Currency: RMB
	As at the end of the reporting period	As at the end of last year	Change (%)
Total assets	25,746,083,663.44	25,774,834,872.16	-0.11
Net assets attributable to shareholders of the listed company	13,765,559,860.78	13,405,330,048.63	2.69
	From the beginning of the year to the end of the reporting period	From the beginning to the end of the reporting period of last year	Change (%)
Net cash flows generated from operating activities	896,357,867.73	707,977,985.54	26.61
	From the beginning of the year to the end of the reporting period	From the beginning to the end of the reporting period of last year	Change (%)
Revenue	1,763,392,335.31	1,663,595,599.15	6.00
Net profit attributable to shareholders of the listed company	348,047,421.52	286,683,854.60	21.40
Net profit attributable to shareholders of the listed company after deducting extraordinary profit or loss	335,419,414.23	278,866,015.14	20.28
Weighted average return on net assets (%)	2.56	2.47	Increased by 0.09 percentage point
Basic earnings per share (RMB/share)	0.06	0.06	
Diluted earnings per share (RMB/share)	0.06	0.06	

Items and amounts of extraordinary profit or loss

Applicable Not applicable

Unit: yuan Currency: RMB

Item	Amount for the current period
Gains or losses on disposal of non-current assets	6,632,342.29
Government grants credited to profit or loss for the current period (except for those closely associated with the normal operations of the Company which were accounted for in certain standard amount or volume in compliance with the requirement of the policies of the State and in accordance with uniform standard of the state)	9,109,962.48
Gains or losses on entrusted investment or asset management	1,451,094.34
Non-operating income and expenses apart from other than the above items	307,846.14
Effect of minority interests (after tax)	-497,926.65
Effect of income tax	-4,375,311.31
Total	12,628,007.29

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

Unit: share

Total number of shareholders

132,476

Name of shareholders (in full)	Shareholding of top ten shareholders			Pledged or frozen		Type of shareholders
	Number of shares at the end of the reporting period	Shareholding percentage (%)	Number of shares subject to trading restriction	Share status	Number	
Hebei Port Group Co., Ltd.* (河北港口集團有限公司)	3,032,528,078	54.27	3,032,528,078	Nil		State-owned legal person
HKSCC Nominees Limited ^{Note}	827,866,000	14.82	0	Unknown		Overseas legal person
State-owned Assets Supervision & Administration Commission of the People's Government of Qinhuangdao City	621,455,485	11.12	621,455,485	Nil		State
Hebei Construction Investment Transportation Investment Co., Ltd.* (河北建投交通投資有限公司)	209,866,757	3.76	209,866,757	Nil		State-owned legal person
Account No. 1 of National Council for Social Security Fund* (全國社會保障基金理事會轉持一戶)	55,231,976	0.99	55,231,976	Nil		Others
Daqin Railway Co., Ltd.	42,750,000	0.77	42,750,000	Nil		State-owned legal person
China Shipping (Group) Company Limited	41,437,588	0.74	41,437,588	Nil		State-owned legal person
Shougang Enterprises Group Co., Ltd.	41,437,588	0.74	41,437,588	Nil		State-owned legal person
China Life Investment Holding Company Limited	41,437,588	0.74	41,437,588	Nil		State-owned legal person
Datong Coal Mine Group Co., Ltd.	41,437,588	0.74	41,437,588	Nil		State-owned legal person
Beijing Enterprises Group Company Limited	41,437,588	0.74	41,437,588	Nil		State-owned legal person

Shareholdings of top ten shareholders not subject to trading restriction

Name of shareholders	Number of shares not subject to trading restriction	Class and number of shares Class	Number
HKSCC Nominees Limited ^{Note}	827,866,000	Foreign shares listed overseas	827,866,000
HOU Liyuan	3,653,905	RMB ordinary shares	3,653,905
Xinhua Printing Technologies Company Limited* (新化文印 科技股份有限公司)	2,429,800	RMB ordinary shares	2,429,800
YAO Weiliang	2,300,000	RMB ordinary shares	2,300,000
HUANG Weidong	1,700,000	RMB ordinary shares	1,700,000
LU Huazhi	1,670,400	RMB ordinary shares	1,670,400
YAN Xingzhuang	1,260,200	RMB ordinary shares	1,260,200
HUANG Suzhen	1,088,900	RMB ordinary shares	1,088,900
XIAO Guihua	1,056,900	RMB ordinary shares	1,056,900
WU Guowen	1,042,200	RMB ordinary shares	1,042,200

Explanations on the connected relationship or connected-party relationship among the aforementioned shareholders	The Company is not aware that there are any shareholders above with related party relationship or acting in concert under The Measures for the Administration of the Takeover of Listed Companies.
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Holders of preference shares with restored voting rights and their shareholdings	Not applicable
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Note: As at the end of the reporting period, Hebei Port Group has a shareholding in the H Shares of the Company of 66,388,500 Shares through Hebei Port Group International (Hong Kong) Co., Ltd., its offshore wholly-owned subsidiary, representing 1.19% of the total share capital of the Company. These shares were included in the total number of shares held by HKSCC Nominees Limited.

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

Applicable Not applicable

III. MATERIAL MATTERS

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

Applicable Not applicable

1. As at 31 March 2018, bills receivable amounted to RMB196,007,226.76, representing a decrease of 40.77% from the beginning of the year, which was mainly due to the Group's bills receivable that became due.
2. As at 31 March 2018, prepayments amounted to RMB10,153,298.34, representing an increase of 118.90% from the beginning of the year, which was mainly due to an increase in the procurement business.
3. As at 31 March 2018, interest receivable amounted to RMB3,638,123.00, representing an increase of 45.05% from the beginning of the year, which was mainly due to the provision made by the Group for interest income on wealth management products.
4. As at 31 March 2018, dividends receivable amounted to RMB56,000,000.00, which mainly comprised the dividends declared but remained undistributed by the associates of the Group.
5. As at 31 March 2018, other receivables amounted to RMB11,549,855.07, representing an increase of 46.84% from the beginning of the year, which was mainly due to normal fluctuation arising from ordinary course of business.
6. As at 31 March 2018, financial assets at fair value through other comprehensive income amounted to RMB709,674,267.95, mainly represent investments in non-trading equity interest instrument that are previously classified as available-for-sale financial assets and designated as financial assets at fair value through other comprehensive income by the Group from 1 January 2018, in implementation of the Accounting Standard for Business Enterprises No. 22 – Recognition and Measurement of Financial Instrument (amendment) (《企業會計準則第22號－金融工具確認和計量(修訂)》) and the Accounting Standard for Business Enterprises No. 37 – Presentation and Reporting of Financial Instrument (amendment) (《企業會計準則第37號－金融工具列報(修訂)》). The adjustment was made by the Group in accordance with the relevant regulations which had been issued by the Ministry of Finance as of the balance sheet date of the financial statements and in conjunction with the actual circumstances of the Group. If the Ministry of Finance subsequently publishes relevant guidelines or further clarification on these accounting standards, the Group is required to review the above adjustments. The review may lead to discrepancies between the data in the above presentation and the corresponding data presented in the financial report for the year of 2018.
7. As at 31 March 2018, dividends payable amounted to RMB9,487.33, representing a decrease of nearly 100% from the beginning of the year, which was mainly due to the payment of dividends declared in 2017 by the Group.

8. As at 31 March 2018, the other comprehensive income amounted to RMB-54,926.30, representing a decrease of 103.23% from the beginning of the year, which was mainly due to exchange differences on translation of foreign operations as a result of fluctuation of exchange rates.
9. As at 31 March 2018, tax and surcharges amounted to RMB107,611,625.31, representing an increase of 278.74% from the corresponding period of last year, which was mainly due to the cost in relation to environment protection tax levied from 1 January 2018 and expensed in tax and surcharges.
10. As at 31 March 2018, asset impairment loss amounted to RMB4,351,262.31, representing a decrease of 34.50% from the corresponding period of last year, which was mainly due to the provision of bad debts for trade receivables by the Group according to the accounting policy.
11. As at 31 March 2018, investment income amounted to RMB6,929,846.08, representing a decrease of 74.03% from the corresponding period of last year, which was mainly due to a lower net profit from the Group's investment in entities.
12. As at 31 March 2018, other income and non-operating income amounted to RMB9,593,762.48 and RMB6,966,550.62 respectively, where non-operating income decreased by 32.71% from the corresponding period of last year, which was mainly due to the recognition of government grants by the Group according to the Accounting Standards for Business Enterprises No. 16 – Government Grants (《企業會計準則第16號-政府補助》).
13. As at 31 March 2018, non-operating expenses amounted to RMB26,362.19, representing a decrease of 88.89% from the corresponding period of last year, which was mainly due to the impairment of non-current assets of the Group arising from destruction or retirement.
14. As at 31 March 2018, income tax expenses amounted to RMB134,328,090.11, representing an increase of 37.98% from the corresponding period of last year, which was mainly due to the increase in total profit of the Group.
15. As at 31 March 2018, net cash flows generated from investing activities amounted to RMB642,087,133.78, representing an increase of 1,827.29% from the corresponding period of last year, which was mainly due to the recovery of time deposit of the Group with a maturity of over three months.
16. As at 31 March 2018, net cash flows generated from financing activities amounted to RMB-380,378,241.30, representing a decrease of 167.92% from the corresponding period of last year, which was mainly due to distribution of dividends of the Group.

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

Applicable Not applicable

On 25 April 2014, the Company and Cangzhou Port Group Co., Ltd. (滄州港務集團有限公司) (the “**Cangzhou Port Group**”) jointly invested in and established Cangzhou Huanghua Port Crude Oil Stevedoring Co., Ltd. (滄州黃驊港原油港務有限公司) (“**Cangzhou Crude Oil Stevedoring Co.**”) as the entity of the crude oil terminal project in the bulk cargo area of Huanghua Port (the “**Crude Oil Terminal Project**”), with a registered capital of RMB50 million, 65% and 35% of which was contributed by the Company and Cangzhou Port Group, respectively.

Recently, the first phase of the Crude Oil Terminal Project was approved by the Hebei Development and Reform Commission, with an estimated investment of RMB2.99 billion and a minimum ratio of capital injection of 30%. On this basis, the first phase of the project requires total investment of approximately RMB897 million by the shareholders. Based on the proportion of its capital contribution to Cangzhou Crude Oil Stevedoring Co., the Company is required to contribute approximately RMB583 million, of which the Company has invested RMB32.5 million in the establishment of Cangzhou Crude Oil Stevedoring Co.. Therefore, the Company will need to contribute RMB551 million.

At the 17th meeting of the 3rd session of the Board of Directors of the Company, the proposal to increase the Capital Increase by the Company to Cangzhou Crude Oil Stevedoring Co. by instalment with the cap amount up to RMB551 million was approved. The specific timing and scale of the contribution will be determined in the shareholders’ general meeting of Cangzhou Crude Oil Stevedoring Co. with reference to the progress of the project. It is expected that the Company will continue to hold 65% of shareholding of Cangzhou Crude Oil Stevedoring Co. upon the Capital Increase.

For further information on this matter, please refer to the Announcement issued by the Company on the Stock Exchange on 29 March 2018.

3.3 Undertakings due but not completely performed during the reporting period

Applicable Not applicable

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

Applicable Not applicable

IV. APPENDIX

4.1 Financial statements

CONSOLIDATED BALANCE SHEET

31 March 2018

Prepared by: Qinhuangdao Port Co., Ltd.*

Unit:yuan Currency: RMB Audit status: Unaudited

Item	Closing balance	Opening balance
Current assets:		
Cash and bank balances	2,422,166,434.37	1,983,285,014.18
Settlement provisions		
Placements with banks and other financial institutions		
Financial assets at fair value through profit or loss		
Derivative financial assets		
Bills receivable	196,007,226.76	330,915,367.80
Accounts receivable	94,369,462.93	82,993,153.85
Prepayments	10,153,298.34	4,638,406.01
Premiums receivable		
Reinsurance accounts receivable		
Deposits receivable from reinsurance contracts		
Interest receivable	3,638,123.00	2,508,123.00
Dividends receivable	56,000,000.00	
Other receivables	11,549,855.07	7,865,809.26
Financial assets purchased under resale agreements		
Inventories	192,677,215.37	200,222,526.56
Assets held for sale		
Non-current assets due within one year		
Other current assets	172,862,163.58	239,668,328.72
Total current assets	3,159,423,779.42	2,852,096,729.38

Item	Closing balance	Opening balance
Non-current assets:		
Loans and advances granted		
Available-for-sale financial assets		
Financial assets at fair value through other comprehensive income	709,674,267.95	709,674,267.95
Held-to-maturity investments		
Long-term receivables		
Long-term equity investments	2,632,912,500.53	2,682,297,961.17
Investment properties		
Fixed assets	15,860,435,984.00	16,153,724,611.99
Construction in progress	1,158,989,114.90	1,151,479,563.41
Construction materials		
Disposal of fixed assets	368,369.36	
Productive biological assets		
Oil and gas assets		
Intangible assets	1,876,966,578.95	1,888,306,218.94
Development costs		
Goodwill		
Long-term prepaid expenses	1,689,691.29	1,858,660.41
Deferred tax assets	208,440,540.11	202,160,180.82
Other non-current assets	137,182,836.93	133,236,678.09
Total non-current assets	22,586,659,884.02	22,922,738,142.78
Total assets	25,746,083,663.44	25,774,834,872.16

Item	Closing balance	Opening balance
Current liabilities:		
Short-term borrowings	1,300,000,000.00	1,300,000,000.00
Loans from central bank		
Deposits taking and deposits in inter-bank market		
Placements from banks and other financial institutions		
Financial liabilities at fair value through profit or loss		
Derivative financial liabilities		
Bills payable		
Accounts payable	216,432,996.04	218,205,613.84
Advances from customers	489,526,941.78	522,476,557.70
Financial assets sold under repurchase agreements		
Fee and commission payable		
Employee benefits payable	357,463,375.54	343,059,198.72
Taxes payable	128,720,274.78	101,926,736.87
Interest payable	10,979,350.20	11,080,299.21
Dividends payable	9,487.33	279,371,035.49
Other payables	924,096,657.72	970,848,422.55
Reinsurance accounts payable		
Reserve for insurance policies		
Customer deposits for trading in securities		
Customer deposits for underwriting securities		
Liabilities held for sale		
Non-current liabilities due within one year	344,924,000.00	333,924,000.00
Other current liabilities		
Total current liabilities	3,772,153,083.39	4,080,891,864.38

Item	Closing balance	Opening balance
Non-current liabilities:		
Long-term borrowings	6,467,490,492.98	6,490,490,492.98
Debentures payable		
Including: Preferred shares		
Perpetual bonds		
Long-term payables	239,200,000.00	239,200,000.00
Long-term employee benefits payable	48,654,080.25	48,654,080.25
Special payables		
Provisions	33,860,000.00	33,860,000.00
Deferred income		
Deferred income tax liabilities		
Other non-current liabilities	302,122,714.64	311,182,677.12
Total non-current liabilities	7,091,327,287.87	7,123,387,250.35
Total liabilities	10,863,480,371.26	11,204,279,114.73
Owners' equity		
Share capital	5,587,412,000.00	5,587,412,000.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserve	5,203,519,979.32	5,203,519,979.32
Less: Treasury shares		
Other comprehensive income	-54,926.30	1,702,929.18
Special reserve	65,373,411.67	51,433,165.56
Surplus reserve	1,140,530,908.83	1,140,530,908.83
General risk reserve		
Retained profit	1,768,778,487.26	1,420,731,065.74
Total equity attributable to owners of the parent	13,765,559,860.78	13,405,330,048.63
Minority interests	1,117,043,431.40	1,165,225,708.80
Total owners' equity	14,882,603,292.18	14,570,555,757.43
Total liabilities and owners' equity	25,746,083,663.44	25,774,834,872.16

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

BALANCE SHEET OF THE PARENT COMPANY

31 March 2018

Prepared by: Qinhuangdao Port Co., Ltd.*

Unit: yuan Currency: RMB Audit status: Unaudited

Item	Closing balance	Opening balance
Current assets:		
Cash and bank balances	1,527,145,805.64	1,249,762,709.96
Financial assets at fair value through profit or loss		
Derivative financial assets		
Bills receivable	173,696,014.20	294,653,342.67
Accounts receivable	76,534,599.14	74,847,409.10
Prepayments	1,271,261.23	1,285,514.37
Interests receivable		
Dividends receivable	56,000,000.00	
Other receivables	586,607.76	731,040.95
Inventories	155,185,061.48	162,967,355.89
Assets held for sale		
Non-current assets due within one year		
Other current assets	710,769.29	30,638,550.66
Total current assets	1,991,130,118.74	1,814,885,923.60

Item	Closing balance	Opening balance
Non-current assets:		
Loans and advances granted		
Available-for-sale financial assets		
Financial assets at fair value through other comprehensive income	562,752,357.95	562,752,357.95
Held-to-maturity investments		
Long-term receivables		
Long-term equity investments	8,131,199,374.54	8,180,726,534.03
Investment properties		
Fixed assets	4,650,030,517.36	4,757,871,272.34
Construction in progress	91,682,480.90	84,151,765.68
Construction materials		
Disposal of fixed assets	368,369.36	
Productive biological assets		
Oil and gas assets		
Intangible assets	394,344,358.08	396,678,446.95
Development costs		
Goodwill		
Long-term prepaid expenses		
Deferred tax assets	181,369,144.40	175,041,813.81
Other non-current assets	821,836,028.70	821,218,028.70
Total non-current assets	14,833,582,631.29	14,978,440,219.46
Total assets	16,824,712,750.03	16,793,326,143.06
Current liabilities:		
Short-term borrowings	1,300,000,000.00	1,300,000,000.00
Financial liabilities at fair value through profit or loss		
Derivative financial liabilities		
Bills payable		
Accounts payable	121,372,361.71	162,595,046.29
Advances from customers	429,694,690.62	470,419,061.59
Employee benefits payable	352,087,718.55	336,748,093.99
Taxes payable	112,724,844.39	100,070,951.15
Interest payable	1,555,125.00	1,555,125.00
Dividends payable	9,487.33	279,371,035.49
Other payables	151,853,510.78	155,270,116.77
Liabilities held for sale		
Non-current liabilities due within one year	400,000.00	400,000.00
Other current liabilities		
Total current liabilities	2,469,697,738.38	2,806,429,430.28

Item	Closing balance	Opening balance
Non-current liabilities:		
Long-term borrowings		
Debentures payable		
Including: Preferred shares		
Perpetual bonds		
Long-term payables	239,200,000.00	239,200,000.00
Long-term employee benefits payable	48,654,080.25	48,654,080.25
Special payables		
Provisions		
Deferred income		
Deferred income tax liabilities		
Other non-current liabilities	302,122,714.64	311,182,677.12
Total non-current liabilities	589,976,794.89	599,036,757.37
Total liabilities	3,059,674,533.27	3,405,466,187.65
Owners' equity		
Share capital	5,587,412,000.00	5,587,412,000.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserve	5,197,336,468.67	5,197,336,468.67
Less: Treasury shares		
Other comprehensive income		15,001.80
Special reserve	50,334,887.52	38,032,747.30
Surplus reserve	1,140,392,564.06	1,140,392,564.06
Retained profit	1,789,562,296.51	1,424,671,173.58
Total owners' equity	13,765,038,216.76	13,387,859,955.41
Total liabilities and owners' equity	16,824,712,750.03	16,793,326,143.06

Legal representative of the Company:
CAO Ziyu

Chief financial officer:
GUO Xikun

Head of accounting department:
XIE Hui

CONSOLIDATED INCOME STATEMENT

From January to March 2018

Prepared by: Qinhuangdao Port Co., Ltd.*

Unit: yuan Currency: RMB Audit status: Unaudited

Item	Amount for the current period	Amount for the last period
I. Total revenue	1,763,392,335.31	1,663,595,599.15
Including: Revenue	1,763,392,335.31	1,663,595,599.15
Interest income		
Premium earned		
Fee and commission income		
II. Total operating costs	1,353,051,988.19	1,316,419,002.34
Including: Operating costs	984,681,831.71	1,012,183,870.66
Interest expenses		
Fees and commission expenses		
Cash surrender value		
Claim settlement expenses, net		
Net insurance contract reserves		
Policy dividend expenses		
Reinsurance expenses		
Tax and surcharges	107,611,625.31	28,413,067.82
Selling expenses		
Administrative expenses	168,680,116.74	182,915,914.31
Financial costs	87,727,152.12	86,263,103.83
Asset impairment loss	4,351,262.31	6,643,045.72
Add: Gains from changes in fair value (loss expressed with “-”)		
Investment income (loss expressed with “-”)	6,929,846.08	26,684,889.39
Including: Investment income from associates and joint ventures	5,478,751.74	26,080,216.78
Gain on disposal of assets (loss expressed with “-”)		
Foreign exchange gain (loss expressed with “-”)		
Other income	9,593,762.48	

Item	Amount for the current period	Amount for the last period
III. Operating profit (loss expressed with “-”)	426,863,955.68	373,861,486.20
Add: Non-operating income	6,966,550.62	10,353,486.70
Less: Non-operating expenses	26,362.19	237,240.10
IV. Total profit (total loss expressed with “-”)	433,804,144.11	383,977,732.80
Less: Income tax expenses	134,328,090.11	97,354,430.28
V. Net profit (net loss expressed with “-”)	299,476,054.00	286,623,302.52
(I) Classified by continuity of operation		
1. Net profit from continuing operations(net loss expressed with “-”)	299,476,054.00	286,623,302.52
2. Net profit from discontinued operations (net loss expressed with “-”)		
(II) Classified by ownership of equity		
1. Minority interests	-48,571,367.52	-60,552.08
2. Net profit attributable to shareholders of the parent	348,047,421.52	286,683,854.60
VI. Other comprehensive income, net of tax	-1,757,855.48	-335,837.94
Other comprehensive income attributable to owners of the parent, net of tax	-1,757,855.48	-335,837.94
(I) Other comprehensive income that cannot be reclassified subsequently to profit or loss		
1. Re-measurement of changes in net liabilities or net assets of defined benefit plans		
2. Share in the other comprehensive income that cannot be reclassified into the profit or loss by the invested entity under the equity method		

Item	Amount for the current period	Amount for the last period
(II)Other comprehensive income that may be reclassified subsequently to profit or loss	-1,757,855.48	-335,837.94
1. Share in the other comprehensive income that may be reclassified into the profit and loss by the investee under the equity method	-15,001.80	
2. Gains and losses from changes in fair value of available-for-sale financial assets		
3. Held-to-maturity investments that are reclassified into the available-for-sale financial assets		
4. Effective portion of the hedging gains and losses in cash flows		
5. Exchange differences arising from translation of foreign currency denominated financial statement	-1,742,853.68	-335,837.94
6. Others		
Other comprehensive income attributable to minority shareholders, net of tax		
VII. Total comprehensive income	297,718,198.52	286,287,464.58
Total comprehensive income attributable to owners of the parent	346,289,566.04	286,348,016.66
Total comprehensive income attributable to minority shareholders	-48,571,367.52	-60,552.08
VIII.Earnings per share:		
(I) Basic earnings per share (RMB/share)	0.06	0.06
(II)Diluted earnings per share (RMB/share)	0.06	0.06
Legal representative of the Company:	Chief financial officer:	Head of accounting department:
CAO Ziyu	GUO Xikun	XIE Hui

INCOME STATEMENT OF THE PARENT COMPANY

From January to March 2018

Prepared by: Qinhuangdao Port Co., Ltd.*

Unit: yuan Currency: RMB Audit status: Unaudited

Item	Amount for the current period	Amount for the last period
I. Revenue	1,337,973,110.50	1,284,649,513.64
Less: Operating costs	642,345,570.58	764,246,739.69
Tax and surcharges	68,239,816.35	23,200,511.20
Selling expenses		
Administrative expenses	139,704,134.13	155,810,799.44
Financial costs	13,092,407.51	20,820,845.54
Asset impairment loss	4,253,678.78	5,840,853.58
Add: Gains from changes in fair value (loss expressed with “-”)		
Investment income (loss expressed with “-”)	5,337,052.89	26,263,103.14
Including: Investment income from associates and joint ventures	5,337,052.89	26,263,103.14
Gain on disposal of assets (loss expressed with “-”)		
Other income	9,109,962.48	
II. Operating profit (loss expressed with “-”)	484,784,518.52	340,992,867.33
Add: Non-operating income	6,705,306.85	8,904,419.00
Less: Non-operating expenses	16,486.14	236,720.10
III. Total profit (total loss expressed with “-”)	491,473,339.23	349,660,566.23
Less: income tax expenses	126,582,216.30	81,998,600.57

Item	Amount for the current period	Amount for the last period
IV. Net profit (net loss expressed with “-”)	364,891,122.93	267,661,965.66
(I) Net profit from continuing operations (net loss expressed with “-”)	364,891,122.93	267,661,965.66
(II) Net profit from discontinued operations (net loss expressed with “-”)		
V. Other comprehensive income, net of tax	-15,001.80	
(I) Other comprehensive income that cannot be reclassified subsequently to profit or loss		
1. Re-measurement of changes in net liabilities or net assets of defined benefit plans		
2. Share in the other comprehensive income that cannot be reclassified into the profit or loss by the invested entity under the equity method		
(II) Other comprehensive income that may be reclassified subsequently to profit or loss	-15,001.80	
1. Share in the other comprehensive income that may be reclassified into the profit and loss by the investee under the equity method	-15,001.80	
2. Gains and losses from changes in fair value of available-for-sale financial assets		
3. Held-to-maturity investments that are reclassified into the available-for-sale financial assets		
4. Effective portion of the hedging gains and losses in cash flows		
5. Exchange differences arising from translation of foreign currency denominated financial statement		
6. Others		
VI. Total comprehensive income	364,876,121.13	267,661,965.66
VII. Earnings per share:		
(I) Basic earnings per share (RMB/share)		
(II) Diluted earnings per share (RMB/share)		

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

CONSOLIDATED STATEMENT OF CASH FLOWS

From January to March 2018

Prepared by: Qinhuangdao Port Co., Ltd.*

Unit: yuan Currency: RMB Audit status: Unaudited

Item	Amount for the current period	Amount for the last period
I. Cash flows from operating activities:		
Cash received from sale of goods or rendering of services	1,947,742,430.54	1,741,353,479.83
Net increase in customer deposits and due to banks and other financial institutions		
Net increase in loans from central banks		
Net increase in borrowings from other financial institutions		
Cash from premiums on original insurance contracts		
Net cash received from reinsurance business		
Net increase in deposits from policyholders and investments		
Net increase of the disposal of financial assets at fair value through profit or loss		
Cash received from interest, handling fees and commissions		
Net increase in borrowing funds		
Net increase in repurchase business funds		
Tax rebate received		
Cash received relating to other operating activities	14,403,056.32	9,182,920.93
Sub-total of cash inflows	1,962,145,486.86	1,750,536,400.76
Cash paid for goods and services	295,300,375.42	261,981,517.76
Net increase in loans and advances to customers		
Net increase in placements with central bank and other financial institutions		
Cash paid for claims on original insurance contracts		
Cash payment for interest, handling fees and commissions		
Cash payment for policyholder dividend		
Cash paid to and on behalf of employees	448,058,920.29	573,217,440.02
Cash paid for all taxes	215,161,867.92	136,548,060.80
Cash paid relating to other operating activities	107,266,455.50	70,811,396.64
Sub-total of cash outflows	1,065,787,619.13	1,042,558,415.22
Net cash flows from operating activities	896,357,867.73	707,977,985.54

Item	Amount for the current period	Amount for the last period
II. Cash flows from investing activities:		
Cash received from disposal of investments	710,503,640.00	347,012,000.00
Cash received from return on investments	311,896.81	604,672.61
Net cash received from disposal of fixed assets, Intangible assets and other long-term assets	4,938,057.50	50,071,749.92
Net cash received from disposal of subsidiaries and other business entities		
Cash received relating to other investing activities		
Sub-total of cash inflows	715,753,594.31	397,688,422.53
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	72,966,460.53	188,527,047.91
Cash paid for investments	700,000.00	175,845,800.00
Net increase in pledged loans		
Net cash paid for acquisition of subsidiaries and other business entities		
Cash paid relating to other investing activities		
Sub-total of cash outflows	73,666,460.53	364,372,847.91
Net cash flows from investing activities	642,087,133.78	33,315,574.62
III. Cash flows from financing activities:		
Cash received from capital contribution		
Including: Cash received from capital contribution by minority shareholders to subsidiaries		
Cash received from borrowings		1,203,954,784.48
Cash received from issue of bonds		
Cash received relating to other financing activities		
Sub-total of cash inflows		1,203,954,784.48
Cash paid for repayments of borrowings	12,000,000.00	508,204,784.48
Cash paid for distribution of dividends or profits and for interest expenses	368,378,241.30	134,688,392.49
Including: Dividends or profit paid to minority shareholders by subsidiaries		
Cash paid relating to other financing activities		1,000,000.00
Sub-total of cash outflow	380,378,241.30	643,893,176.97
Net cash flows from financing activities	-380,378,241.30	560,061,607.51
IV. Effect of foreign exchange rate changes on cash and cash equivalents		
	-3,046,980.02	-1,837,328.97
V. Net increase in cash and cash equivalents		
Add: Balance of cash and cash equivalents at the beginning of the period	1,155,019,780.19	1,299,517,838.70
	999,146,654.18	1,149,805,681.56
VI. Balance of cash and cash equivalents at the end of the period		
	2,154,166,434.37	2,449,323,520.26

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

STATEMENT OF CASH FLOWS OF THE PARENT COMPANY

From January to March 2018

Prepared by: Qinhuangdao Port Co., Ltd.*

Unit: yuan Currency: RMB Audit status: Unaudited

Item	Amount for the current period	Amount for the last period
I. Cash flows from operating activities		
Cash received from sale of goods or rendering of services	1,492,051,117.09	1,343,758,139.83
Tax rebate received		
Cash received relating to other operating activities	7,838,649.01	5,342,980.90
Sub-total of cash inflows	1,499,889,766.10	1,349,101,120.73
Cash paid for goods and services	216,622,845.49	159,708,697.54
Cash paid to and on behalf of employees	394,322,817.27	521,342,712.25
Cash paid for all taxes	201,375,551.95	112,633,168.12
Cash paid relating to other operating activities	97,351,770.43	60,167,728.66
Sub-total of cash outflows	909,672,985.14	853,852,306.57
Net cash flows from operating activities	590,216,780.96	495,248,814.16
II. Cash flows from investing activities:		
Cash received from disposal of investments	707,503,640.00	300,000,000.00
Cash received from return on investments		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	4,938,057.50	71,749.92
Net cash received from disposal of subsidiaries and other business entities		
Cash received relating to other investing activities		
Sub-total of cash inflows	712,441,697.50	300,071,749.92
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	20,045,518.95	75,465,147.33
Cash paid for investments		
Net cash paid for acquisition of subsidiaries and other business entities		
Cash paid relating to other investing activities		
Sub-total of cash outflows	20,045,518.95	75,465,147.33
Net cash flows from investing activities	692,396,178.55	224,606,602.59

Item	Amount for the current period	Amount for the last period
III. Cash flows from financing activities		
Cash received from capital contribution		
Cash received from borrowings		500,000,000.00
Cash received relating to other financing activities		
Sub-total of cash inflows		500,000,000.00
Cash paid for repayments of borrowings		
Cash paid for distribution of dividends or profits and for interest expenses	290,085,160.70	25,068,896.27
Cash paid relating to other financing activities		1,000,000.00
Sub-total of cash outflow	290,085,160.70	26,068,896.27
Net cash flows from financing activities	-290,085,160.70	473,931,103.73
IV. Effect of foreign exchange rate changes on cash and cash equivalents		
	-1,306,343.13	-1,501,522.80
V. Net increase in cash and cash equivalents		
	991,221,455.68	1,192,284,997.68
Add: Balance of cash and cash equivalents at the beginning of the period	385,924,349.96	289,518,004.63
VI. Balance of cash and cash equivalents at the end of the period		
	1,377,145,805.64	1,481,803,002.31

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

4.2 Audit report

Applicable Not applicable

On behalf of the Board
Qinhuangdao Port Co., Ltd.*
CAO Ziyu
Chairman

Qinhuangdao, Hebei Province, the People's Republic of China
26 April 2018

As at the date of this announcement, the executive directors of the Company are CAO Ziyu, YANG Wensheng, WANG Lubiao, and MA Xiping; the non-executive directors of the Company are LI Jianping and MI Xianwei; and the independent non-executive directors of the Company are LI Man Choi, ZHAO Zhen, ZANG Xiuqing and HOU Shujun.

* for identification purpose only