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廈門國際港務股份有限公司  
**XIAMEN INTERNATIONAL PORT CO., LTD\***

*(A joint stock limited company incorporated in the People's Republic of China with limited liability)*  
**(Stock Code: 3378)**

## **OVERSEAS REGULATORY ANNOUNCEMENT**

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

The following announcement was released by Xiamen Port Development Co., Ltd, a subsidiary of Xiamen International Port Co., Ltd, whose A shares were listed on the Shenzhen Stock Exchange. The financial statements of Xiamen Port Development Co., Ltd for the first quarter ended 31 March 2018 were not audited, and have been prepared in accordance with the generally accepted accounting principles of the People's Republic of China (the "PRC").

By order of the Board  
**Xiamen International Port Co., Ltd**  
**Cai Changzhen**  
*Joint Company Secretary*

Xiamen, the PRC, 27 April 2018

*As at the date of this announcement, the executive Directors are Mr. Cai Liqun, Mr. Fang Yao, Mr. Chen Zhaohui and Mr. Ke Dong; the non-executive Directors are Mr. Chen Zhiping, Mr. Fu Chengjing, Mr. Huang Zirong and Ms. Bai Xueqing; and the independent non-executive Directors are Mr. Liu Feng, Mr. Lin Pengjiu, Mr. You Xianghua, Mr. Jin Tao and Mr. Ji Wenjuan.*

*\* For identification purpose only*

Stock Code: 000905

Stock Name: Xiamen Port

Announcement No.: 2018-23

# **TEXT OF 2018 FIRST QUARTERLY REPORT OF XIAMEN PORT DEVELOPMENT CO., LTD**

## **§ 1 IMPORTANT**

The board of directors (the “Board”), the supervisory committee and the directors, supervisors and senior management of the Company should warrant that the content of this quarterly report is true, accurate and complete, does not have any false representation, misleading statement or material omission, and should bear legal liability jointly and severally.

All directors have attended the board meeting for the reviewing of this quarterly report.

Mr. Ke Dong, legal representative of the Company, Mr. Wu Yansong, person-in-charge of the accounting works, and Ms. Chen Bin, person-in-charge of the accounting organ (accounting officer) hereby declare that they warrant the truthfulness, accuracy and completeness of the financial statements contained in this quarterly report.

## §2 GENERAL INFORMATION OF THE COMPANY

### 2.1 Key accounting data and financial indicators

Whether retroactive adjustments or restatements are required to be made by the Company to the accounting data for the previous years

Yes  Not

	This reporting period	The same period of last year	Increase/decrease this reporting period over the same period of last year
Operating income (RMB)	3,542,003,297.49	2,965,586,677.01	19.44%
Net profit attributable to the shareholders of the listed Company(RMB)	11,869,581.51	21,313,197.88	-44.31%
Net profit after deducting non-recurring gains/losses attributable to the shareholders of the listed Company(RMB)	3,282,860.52	19,009,158.67	-82.73%
Net cash flow from operating activities(RMB)	50,880,440.56	-267,748,222.85	119.00%
Basic earnings per share (RMB/share)	0.0224	0.0401	-44.14%
Diluted earnings per share(RMB/share)	0.0224	0.0401	-44.14%
Weighted average return rate on net assets	0.44%	0.82%	-0.38%
	End of this reporting period	End of last year	Increase/decrease end of this reporting period over end of last year
Total assets(RMB)	8,347,285,402.69	8,083,078,268.89	3.27%
Net assets attributable to the shareholders of the listed Company (RMB)	2,685,626,028.45	2,673,280,500.25	0.46%

Items and amount of extraordinary gains / losses

Applicable  Not applicable

Unit: RMB

Items	Amount from the beginning of the year to the end of the reporting period	Note
Gains/losses from disposal of non-current assets (including the written-off part of asset depreciation reserves withdrawn)	-590,847.64	
Government grants included in gains/losses for the current period (excluding those government subsidies closely related to corporate business, fixed in accordance with the national standard or enjoyed quantitatively)	10,801,214.60	
Gains/losses on fair value change of held-for-trading financial assets and liabilities and investment gain from disposal of held-for-trading financial assets and liabilities and available-for-sale financial assets, excluding effective hedging business relating to the ordinary operation business of the Company	3,227,736.07	
Reversal of receivables depreciation reserves tested for depreciation individually	550,195.43	
Other non-operating incomes and expenses (excluding items mentioned above)	1,077,271.24	
Less: effect of income tax	3,766,392.43	
Effect of minority interests (after tax)	2,712,456.28	
Total	8,586,720.99	--

Explain the reasons if the Company classified any extraordinary gains / losses items defined in the “*Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public — Extraordinary Gains / Losses*” as recurring gains / losses items, as well as those listed in the said explanatory announcement as recurring gains/losses items

Applicable  Not applicable

During the reporting period, there was no such situation concerning the Company classified any extraordinary gains / losses items defined or listed in the “*Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public — Extraordinary Gains / Losses*” as recurring gains / losses items.

## 2.2 Total number of shareholders and shareholdings of top ten shareholders at the end of the reporting period

### 2.2.1 Number of common shareholders and preferred shareholders with voting rights resumed and shareholding of the top ten shareholders

Unit: Number of shares

Total number of common shareholders at the end of the reporting period		57,139		Total number of preferred shareholders with voting rights resumed at the end of the reporting period (if any)		0	
Shareholdings of the top ten shareholders							
Name of shareholders	Nature of shareholders	Proportion of shareholding	Number of shares held	Number of shares held subject to lock-up	Position pledged or frozen		
					Status of shares	Number	
Xiamen International Port Co., Ltd (廈門國際港務股份有限公司)	State-owned legal person	55.13%	292,716,000	0			0
Ma Xinqi	Domestic natural person	1.41%	7,512,958	0			
Agricultural Bank of China Co., Ltd. - Jinyuan Shun'an Fengli Bond Securities Investment Fund (中國農業銀行股份有限公司—金元順安豐利債券型證券投資基金)	Other	0.69%	3,652,170	0			
Xue Tao	Domestic natural person	0.36%	1,934,310	0			
China Minsheng Banking Co., Ltd. - Jinyuan Shun'an Fengying Bond Securities Investment Fund (中國民生銀行股份有限公司—金元順安豐盈債券型證券投資基金)	Other	0.33%	1,751,382	0			
Yang Yang	Domestic natural person	0.27%	1,436,100	0			
Chen Zifan	Domestic natural person	0.23%	1,201,893	0			
Agricultural Bank of China Co., Ltd. - Jinyuan Shun'an Hybrid	Other	0.22%	1,153,402	0			

Premium Selection - Flexible Configuration Securities Investment Fund (中國農業銀行股份有限公司－金元順安優質精選靈活配置混合型證券投資基金)						
Ning Shen	Domestic natural person	0.20%	1,041,699	0		
Wang Huailin	Domestic natural person	0.19%	1,004,945	0		
Shareholdings of top ten shareholders holding shares without lock-up						
Name of shareholders	Number of shares held without lock-up	Class of shares		Class of shares	Number	
Xiamen International Port Co., Ltd (廈門國際港務股份有限公司)	292,716,000	Renminbi denominated ordinary shares	292,716,000			
Ma Xinqi	7,512,958	Renminbi denominated ordinary shares	7,512,958			
Agricultural Bank of China Co., Ltd. - Jinyuan Shun'an Fengli Bond Securities Investment Fund (中國農業銀行股份有限公司－金元順安豐利債券型證券投資基金)	3,652,170	Renminbi denominated ordinary shares	3,652,170			
Xue Tao	1,934,310	Renminbi denominated ordinary shares	1,934,310			
China Minsheng Banking Co., Ltd. - Jinyuan Shun'an Fengying Bond Securities Investment Fund (中國民生銀行股份有限公司－金元順安豐盈債券型證券投資基金)	1,751,382	Renminbi denominated ordinary shares	1,751,382			
Yang Yang	1,436,100	Renminbi denominated ordinary shares	1,436,100			
Chen Zifan	1,201,893	Renminbi denominated ordinary shares	1,201,893			
Agricultural Bank of China Co., Ltd. - Jinyuan Shun'an Hybrid Premium Selection - Flexible Configuration Securities Investment Fund (中國農業銀行股份有限公司－金元順安優質精選靈活配置混合型證券投資基金)	1,153,402	Renminbi denominated ordinary shares	1,153,402			
Ning Shen	1,041,699	Renminbi denominated ordinary shares	1,041,699			
Wang Huailin	1,004,945	Renminbi denominated ordinary shares	1,004,945			

Explanation of the connected relationships or concerted actions for the above-mentioned shareholders	<ol style="list-style-type: none"> <li>1. Xiamen International Port Co., Ltd is the only one shareholder holding more than 5% (including 5%) of the Company's shares, which is the controlling shareholder of the Company, the connected nature is controlling parent company, the nature of the shareholding is state-owned legal person shares;</li> <li>2. The other top ten shareholders of the Company have no connected relation with the controlling shareholder of the listed company, and they are also not the concerted action person defined under “<i>Measures for the Administration of the Acquisition of Listed Companies</i>”, either;</li> <li>3. It is unknown that whether the connected relationship or concerted action relationship exists or not among other shareholders holding tradable shares.</li> </ol>
Explanation of top ten common shareholders involved in securities margin trading business (if any)	<ol style="list-style-type: none"> <li>1. Ma Xinqin holds 7,512,958 shares of the Company through Credit Transactions Guarantee Securities Accounts.</li> <li>2. Yang Yang holds 1,349,500 shares of the Company through Credit Transactions Guarantee Securities Accounts.</li> <li>3. Chen Zifan holds 1,190,793 shares of the Company through Credit Transactions Guarantee Securities Accounts.</li> </ol>

Whether top ten common shareholders or top ten common shareholders without lock-up of the Company carried out any agreed buy-back transactions during the reporting period

Yes  Not

No top ten common shareholders and top ten common shareholder without lock-up of the Company carried out any agreed buy-back transactions during the reporting period

### 2.2.2 Total number of preferred shareholders of the Company and the shareholdings of the top ten preferred shareholders

Applicable  Not applicable

### §3 IMPORTANT ISSUES

#### 3.1 Details for changes in major financial data and financial indicators and the reasons thereof during the reporting period

√ Applicable     Not applicable

1. Notes receivable increased by 88.92% from the beginning of the reporting period to the end of the same, which was mainly due to the increase in notes settlement of trading business during this reporting period.
2. Dividend receivables increased by RMB 996,200 at the end of the reporting period, which was mainly due to the 2017 dividend receivables by Port Logistics, a subsidiary of the Company, from Fujian E-port Co., Ltd. during the reporting period.
3. Other receivables increased by 48.35% from the beginning of the reporting period to the end of the same, which was mainly due to the increases in margin, deposits and payments and receipts made on behalf of others during this reporting period.
4. Inventories increased by 41.99% from the beginning of the reporting period to the end of the same, which was mainly due to the increase in the purchase of inventories for trading business during this reporting period.
5. Financial liabilities that were measured at fair value and whose changes were included in profit or loss for the current period decreased by 100% from the beginning of the reporting period to the end of the same, which was mainly due to the floating earnings from positions of futures investment as of the end of this reporting period
6. Salaries payable to employees decreased by 57.99% from the beginning of the reporting period to the end of the same, which was mainly due to the payment of year-end bonus provided last year during this reporting period.
7. Interests payable increased by 54.05% from the beginning of the reporting period to the end of the same, which was mainly due to the provision of the interest on corporate bond by the Company during this reporting period.
8. Cost of sales from January to March of 2018 increased by 47.75% as compared with the same period of last year, which was mainly due to the increases in staff cost, packaging and delivery charges as well as sundry charges as a result of the increase in trading business during this reporting period.
9. The financial expenses from January to March of 2018 increased by 194.94% as compared with the same period of last year, which was mainly due to the increase in loan interest during this reporting period.
10. Assets impairment losses from January to March of 2018 decreased by 142.69% as compared to the same period of last year, which was mainly due to the increase in the writing back of provision for bad debts during this reporting period.
11. Investment income from January to March of 2018 increased by 153.4% as compared to the same period of last year, which was mainly due to the decrease in investment loss confirmed by associated companies and joint ventures during this reporting period.
12. Loss on disposal of assets from January to March of 2018 decreased by 95.57% as compared to the same period of last year, which was mainly due to the decrease in disposal of non-current assets during the reporting period.
13. Non-operating expenses from January to March of 2018 increased by 193.96% as compared to the same period of last year, which was mainly due to the increase in loss on scrapping of non-current assets during this reporting period.

14. Net cash flow generated from operating activities during this reporting period increased by 119% as compared to the same period of last year, which was mainly due to the increases in cash received from sales of goods of trading business and provision of labour services during this reporting period.

15. Net cash flow generated from investment activities during this reporting period increased by 49.6% as compared to the same period of last year, which was mainly due to the consideration of RMB 350 million for the acquisition of Shihushan terminal company paid by the Company to Xiamen Port Holding Group Co., Ltd. according to the equity transfer agreement during the same period of last year.

16. Net increase in cash and cash equivalents during this reporting period increased by 98.02% as compared to the same period of last year, which was mainly due to the significant increase in net cash flow generated from operating activities during this reporting period.

### **3.2 Analysis and explanation of the progress of significant events and their effects and the solutions**

√ Applicable     Not applicable

At the 5th meeting of the 6th session of the board of directors held on 25 August 2017, the Company reviewed and passed all the resolutions regarding the public issue of securities by way of allotment of shares in 2017. The Company intended to raise funds of no more than RMB1.2 billion by way of allotment of shares to the original shareholders, which will be used in the acquisition of the 49% equity interest in Xiamen Port Group Shihushan Terminal Company Limited as well as the purchase of 4 tugboats and supplement of working capital after deducting the cost of issue.

In view of the completion of relevant audit and evaluation work under the acquisition, the Company revised and updated the relevant contents of such proposal of allotment of shares, and confirmed the final transaction price of the target equity interest at the 7th meeting of the 6th session of the board of directors held on 29 September 2017 and the 3rd extraordinary general meeting in 2017 held on 15 November 2017.

At the 46th meeting in 2018 of the 17th session of the Issuance Examination Committee of the CSRC held on 19 March 2018, the application for allotment of shares by the Company was reviewed and approved.

In view of the recent changes in environment and situation of the domestic capital market, the Company, after careful consideration and research, has revised the proposal of public issue of securities by way of allotment of shares to determine that it will no longer acquire the 49% equity interest in Xiamen Port Group Shihushan Terminal Company Limited, and has simultaneously adjusted the “proportion and quantity of allotment of shares” in this issue proposal of allotment of shares. At the 13th meeting of the 6th session of the board of directors held on 4 April 2018, the Company reviewed and passed the “Resolution regarding Adjustment to the Issue Proposal of Securities of the Allotment of Shares of the Company in 2017” (《關於調整公司 2017 年度配股發行方案的議案》) and the “Resolution regarding the Proposal of Public Issue of Securities by way of Allotment of Shares of Xiamen Port Development Co., Ltd in 2017 (Second Revision)” (《關於〈廈門港務發展股份有限公司 2017 年度配股公開發行證券預案 (第二次修訂稿)〉的議案》) and other relevant resolutions. After such revision, the total amount of funds raised by way of allotment of shares was adjusted from no more than RMB1.20 billion to no more than RMB520 million, while the proportion of allotment of shares was adjusted from 10:3 to 10:1.8.

At present, the relevant work of allotment of shares of the Company is being pushed forward, and the Company will timely make ongoing disclosure for the progress of such issue in accordance with the relevant requirements once we have achieved substantive progress.



Overview of Significant Events	Date of Disclosure	Query Index to the Websites on which Interim Reports Disclosed
<p>Announcement on Resolutions of the Eleventh Meeting of the Sixth Session of the Board of Directors of Xiamen Port Development Co., Ltd.</p> <p>Xiamen Port's Announcement regarding the Determination of the Ratio of the Allotment of Shares</p>	4 January 2018	Securities Times B48, China Securities Journal B021, the website of CNINFO(巨潮資訊網) ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> )
<p>Xiamen Port's Announcement regarding the Reply in respect of the Feedback on the Application Documents for the Allotment of Shares</p> <p>The Reply Made by Xiamen Port and Zhongtai Securities in respect of the Feedback on the Application Documents for the Allotment of Shares of Xiamen Port Development Co., Ltd</p>	11 January 2018	the website of CNINFO(巨潮資訊網) ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> )
<p>The Reply Made by Xiamen Port and Zhongtai Securities in respect of the Letter relating to Preparing for the Meeting of the Issuance Examination Committee of the CSRC in relation to the relevant Project</p> <p>Xiamen Port's Announcement regarding the Reply in respect of the Letter relating to Preparing for the Meeting of the Issuance Examination Committee of the CSRC in relation to the relevant Project</p>	6 March 2018	the website of CNINFO(巨潮資訊網) ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> )
<p>Xiamen Port's Announcement regarding Obtaining the Examination Approval of the Application for the Allotment of Shares by the Issuance Examination Committee of the China Securities Regulatory Commission</p>	21 March 2018	Securities Times B006, China Securities Journal B49, the website of CNINFO(巨潮資訊網) ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> )
<p>Announcement on Resolutions of the Thirteenth Meeting of the Sixth Session of the Board of Directors of Xiamen Port Development Co., Ltd.</p> <p>Xiamen Port's Proposal of Public Issue of Securities by way of Allotment of Shares in 2017 (Second Revision)</p> <p>Xiamen Port's Feasibility Analysis Report on the Investment Project for Raising Fund by Allotment of Shares in 2017 (Second Revision)</p> <p>Xiamen Port's Announcement in relation to the Risk Alert for the Dilution of Current Returns as a result of the Allotment of Shares and the Remedial Measures to be Adopted(Revised)</p> <p>Xiamen Port's Announcement in relation to the Explanation on the Amendment to the Proposal of Public Issue of Securities by way of Allotment of Shares in 2017</p>	4 April 2018	Securities Times B9, China Securities Journal B012, the website of CNINFO(巨潮資訊網) ( <a href="http://www.cninfo.com.cn">http://www.cninfo.com.cn</a> )

### 3.3 Overdue commitments that have not been fully fulfilled by commitments – related parties, such as actual controllers of the Company, shareholders, related parties, the acquirers and the Company, during the reporting period

Applicable     Not applicable

There were no overdue commitments that had not been fully fulfilled by the commitments-related parties including actual controllers of the Company, shareholders, related parties, the acquirers and the Company during the reporting period.

### 3.4 Estimation of operating results for the period from January to June of 2018

Estimation of accumulative net profit from the beginning of the year to the end of next report period to be loss probably or warning of its significant change compared with the corresponding period of last year and explanation of the reasons

Applicable  Not applicable

Estimated results: significant decrease in the same direction

Numeric data type of the estimated results: interval number

	From the beginning of the year to the end of the next reporting period			Corresponding period of last year	Increases/Decreases			
Estimated accumulated net profit (RMB ten thousand)	1,277.03	--	3,192.57	6,385.15	Decrease	50.00%	--	80.00%
Basic earnings per share (RMB/Share)	0.02	--	0.06	0.12	Decrease	50.00%	--	80.00%
Explanation on the estimated results	Due to the increase in the Company's financial expenses , a certain decrease in the gross profit margin of the terminal business and a certain decrease in the gross profit margin of the sales business.							

### 3.5 Securities investment

Applicable  Not applicable

The Company was not involved in any securities investment during the reporting period.

### 3.6 Investments in derivatives

Applicable  Not applicable

Unit: RMB (in ten thousands)

The name of operators of derivatives investment	Connected relationship	Connected transaction (Yes/No)	Category of Derivatives investment	Original amount of derivatives investment	Beginning date	Closing date	Investment amount at the beginning of the period	Purchase amount during the reporting period	Sales amount during the reporting period	Amount of impairment provision (if any)	Investment amount at the end of the period	Percentage of investment amount at the end of the period to the Company's net assets at the end of the reporting period	Actual amount of profit or loss during the reporting period
Guomao Futures Company Limited	Non-connected party	No	Polyethylene	0	21 December 2017	31 May 2018	1,840.75	0	0		1,840.75	0.69%	0
Guomao Futures Company Limited	Non-connected party	No	Polypropylene	0	18 December 2017	31 May 2018	1,817.29	389.31	0		1,427.98	0.53%	24.66
Total				0	--	--	3,658.04	389.31	0		3,268.73	1.22%	24.66

Capital resource of derivatives investment	Self-owned capital.
Litigation involved(if applicable)	Not applicable
The disclosure date of the Board's announcement in relation to the approval of derivatives investment (if any)	24 March 2018
The disclosure date of the announcement of the general meeting in relation to the approval of derivatives investment (if any)	
Description of risk analysis and control measures of derivatives position during the reporting period (including but not limited to market risk, liquidity risk, credit risk, operation risk, legal risk etc.)	<p>The risk analysis of positions in derivatives during the reporting period: the Company carries out only spot hedging operations other than speculative and arbitraging ones, for the purpose of avoiding operating risks. Spot hedging is exposed to mainly risks relating to market system, consisting of margin system, price limit system and debt-free day system. Mandatory liquidation will be carried out, if margin calls are not met in a timely manner, while the price changes adversely; in respect of the price volatility risk, the future market prices are highly sensitive to various factors, and hence subject to continuous fluctuations; in respect of the internal control risk, risks may arise from defective internal control, as the process of futures trading is highly professional and complicated.</p> <p>Risk control measures taken are as follows: to carefully select futures brokerage companies, set up a reasonable institutional framework of future business, and make proper staffing and deployment; to strictly control the scale of funds underlying hedging, and make good plans on, and use of margin; to strictly abide by the operation rules of hedging, adhere to the hedging purposes, never make speculative trading, and hedge the price volatility risk to the greatest extent; to formulate a special internal control system, making specific provisions on the hedging quota, type, authority of examination and approval, internal approval process, reporting system of internal risks, procedure of risks handling, and information disclosure; and to work out a processing program for erroneous trading, etc.</p>
Changes in market price or fair value of derivatives invested during the reporting period, where specific methods and relevant assumptions and parameters used, shall be disclosed in the analysis of derivatives' fair value	The Company's derivative investments business represents futures and hedging business. On 31 March 2018, the Company held 305 lots (1,525 tons) of polypropylene in the futures market, with the average price of position opening of RMB9,200.672 per ton and settlement price of RMB8,701 per ton; the Company held 380 lots (1,900 tons) of polyethylene with the average price of position opening of RMB9,688.158 per ton and settlement price of RMB9,235 per ton; the floating gain was RMB1,623,000.
Description of any significant changes in the Company's accounting policies and specific auditing principles of derivatives during the reporting period from the previous reporting period	No significant change.
Special opinion of independent directors on derivative investment and risk control by the Company	As the Company used futures instruments only to fixed prices, the risks can be properly controlled, as long as the process of the futures management system of the Company is followed.

### 3.7 Registration form for the activities of receiving investigation and research, communication and interview during the reporting period

Applicable  Not applicable

Time	Mode	Type of target	Index to basic situation of investigation and research
23 March 2018	Written inquiries	Individual	About the operation of the Company
23 March 2018	Written inquiries	Individual	About the operation of the Company
25 March 2018	Written inquiries	Individual	About the 2017 annual profit distribution of the Company

### **3.8 Illegal external guarantees**

Applicable  Not applicable

The Company had no illegal external guarantees during the reporting period.

### **3.9 The listed company's non-operating capital occupied by controlling shareholders and their related parties**

Applicable  Not applicable

No non-operating capital of the listed company was occupied by controlling shareholders and their related parties in the Company during the reporting period.