

Stock code: 000022 /200022

Short form: Chiwan Wharf A/Chiwan Wharf B

Announcement No. 2017-049



SHENZHEN CHIWAN WHARF HOLDINGS LIMITED
THIRD QUARTER REPORT 2017

Date of disclosure: October 30, 2017

Section I Important Statements

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

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

Board Chairman Bai Jingtao, Chief Financial Officer Yao Shenglan and Financial Manager Li Xiaopeng hereby guarantee that the financial statements carried in this Report are factual, accurate and complete.

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

Part II Company Fundamentals

I Key Consolidated Operating Results

Indicate by tick mark whether the Company needs to retrospectively restate any of its accounting data.

√ Yes □ No

	September 30, 2017	December 31, 2016	Change	
Total assets (RMB)	8,062,135,991.24	7,790,930,906.98	3.48%	
Equity attributable to owners of the parent (RMB)	4,864,342,734.09	4,736,505,836.65	2.70%	
	July-September 2017	YoY change	January-September 2017	YoY change
Net sales (RMB)	686,261,296.41	6.81%	1,862,912,314.40	4.93%
Net margin attributable to owners of the parent (RMB)	164,362,034.13	3.86%	440,423,391.63	3.68%
Net margin attributable to owners of the parent before exceptional gains and losses (RMB)	163,375,030.69	1.87%	438,986,151.58	3.27%
Net cash from operating activities (RMB)	--	--	916,388,412.10	19.23%
Basic earnings per share (RMB/share)	0.255	4.08%	0.683	3.02%
Diluted earnings per share (RMB/share)	0.255	4.08%	0.683	3.02%
Weighted average return on equity (%)	3.42%	-0.13%	9.07%	-0.34%

Reasons:

Business merger under the same control, for details, see “II Progress, Influence and Solutions Associated with Significant Events in Part III Significant Events”

	September 30, 2017	December 31, 2016		Change
		Before adjustment	After adjustment	After adjustment
Total assets (RMB)	8,062,135,991.24	6,620,476,709.79	7,790,930,906.98	3.48%
Equity attributable to owners of the parent (RMB)	4,864,342,734.09	4,709,815,552.89	4,736,505,836.65	2.70%
	July-September 2017	YoY change	January-September 2017	YoY change
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Exceptional gains and losses:

Applicable Not applicable

Unit: RMB

Item	January-September 2017	Note
Gains/Losses on disposal of non-current assets (inclusive of offset asset impairment provisions)	-382,001.25	
Governmental subsidy recorded into current gains/losses (exclusive of governmental subsidy closely relevant to business events, and quantified according to national unified standards)	1,058,201.77	
Non-operating income and expense other than above	2,126,781.23	
Less: Income tax effects	517,484.97	
Minority interests effects (after tax)	848,256.73	
Total	1,437,240.05	--

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

Applicable Not applicable

No such cases in the Reporting Period.

II Total Number of Shareholders and Shareholdings of Top 10 Shareholders at Period-End

1. Numbers of Common Shareholders and Preference Shareholders with Resumed Voting Rights, and Shareholdings of Top 10 Shareholders

Unit: share

Total number of shareholders at the end of the Reporting Period 数	36,333 shareholders in total, including 25,867 A-share holders and 10,466 B-share holders	Total number of preference shareholders who had resumed their voting right at the end of the Reporting Period	0		
Shareholdings of top 10 shareholders (all being non-restricted share holders)					
Name of shareholder	Nature of shareholder	Percentage of shareholding	Number of non-restricted shares held	Type of shares (A, B, H or other)	Shares pledged or frozen (share)
CHINA NANSHAN DEVELOPMENT (GROUP) INC.	State-owned corporation	32.52%	209,687,067	A share	0
SHENZHEN MALAI STORAGE CO., LTD.	Ordinary domestic corporation	25%	161,190,933	A share	0
KEEN FIELD ENTERPRISES LIMITED	Foreign corporation	8.58%	55,314,208	B share	0
CMBSA RE FTIF TEMPLETON ASIAN GRW FD GTI 5496	Foreign corporation	7.43%	47,914,954	B share	Unknown
NORGES BANK	Foreign corporation	0.43%	2,802,863	B share	Unknown
BBH A/C VANGUARD EMERGING MARKETS STOCK INDEX FUND	Foreign corporation	0.41%	2,617,518	B share	Unknown
CHINA MERCHANTS SECURITIES (HONGKONG) LIMITED	State-owned corporation	0.34%	2,218,562	B share	Unknown
CANADA POST CORPORATION REGISTERED PENSION PLAN	Foreign corporation	0.25%	1,631,396	B share	Unknown
VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	Foreign corporation	0.24%	1,530,596	B share	Unknown
GUOTAI JUNAN SECURITIES(HONGKONG) LIMITED	Foreign corporation	0.20%	1,317,877	B share	Unknown
Related or acting-in-concert parties among shareholders above	China Merchants Port Holdings Company Limited (CMPort) is a shareholder of China Nanshan Development (Group) Inc.. Shenzhen Malai Storage Co., Ltd. and Keen Field Enterprises Limited are both wholly-funded subsidiaries of CMPort. Other than that, the Company does not know whether the other non-restricted shareholders are related parties or not.				
Top 10 common shareholders conducting securities margin trading (if any)	N/A				

Indicate by tick mark whether any of the top 10 common shareholders or the top 10 non-restricted common shareholders of the Company conducted any promissory repo during the Reporting Period.

Yes No

No such cases in the Reporting Period.

2. Total Number of Preference Shareholders and Shareholdings of Top 10 of Them at Period-End

Applicable Not applicable

Part III Significant Events

I Changes in Key Consolidated Financial Statement Items and Reasons for Such Changes

√ Applicable □ Not applicable

Unit: RMB

Item	September 30, 2017	December 31, 2016	Change	Main reason for change
Monetary funds	874,564,296.60	607,380,440.10	43.99%	Smaller loan repayment amount with the Company's own funds, and receipt of government subsidy of RMB100 million
Accounts receivable	357,777,879.12	214,806,648.35	66.56%	Increased net sales and time difference of accounts receivable
Interest receivable	950,985.19	129,125.26	636.48%	Higher interest income from deposits
Short-term borrowings	155,000,000.00	241,270,000.00	-35.76%	Repayment of certain short-term borrowings
Accounts payable	139,067,248.54	100,280,495.74	38.68%	Higher payable for purchases and engineering services
Advances received	156,186,083.30	49,703,772.23	214.23%	Discounts in container handling revenue had not yet been returned to clients
Interest payable	9,123,534.28	3,577,374.14	155.03%	Interest provision was undue for payment
Deferred income	158,715,165.15	64,613,319.88	145.64%	A government subsidy received was charged to deferred income
Taxes payable	81,368,011.68	57,154,550.00	42.36%	Increase in income taxes payable by subsidiaries CCT and Dongguan Chiwan Terminal
Other current liabilities	100,000,000.00	250,043,052.29	-60.01%	Repayment of due commercial paper
Item	January-September 2017	January-September 2016	Change	Main reason for change
Taxes and surtaxes	8,230,223.38	4,472,881.74	84.00%	Reclassification of stamp duty, property tax, land use tax and the like as taxes and surtaxes
Finance costs	20,204,691.09	33,288,289.90	-39.30%	Decreases in average balance of interest-bearing liabilities and in interest cost
Asset impairment losses	-1,480,049.31	1,080,549.96	-236.97%	Partial reversal of bad-debt provisions associated with Hanjin Shipping
Cash generated by other operating activities	130,166,894.90	12,227,684.79	964.53%	Receipt of government subsidy of RMB100 million and of watercourse occupation refunds
Cash received as investment income	63,576,674.42	42,981,761.38	47.92%	Higher dividend received from joint venture China Overseas Harbour Affairs (Laizhou) Co., Ltd.

Net cash generated by disposal of fixed assets, intangible assets and other long-term assets	2,941,303.87	1,916,084.08	53.51%	More disposals of fixed assets
Cash received as borrowings	229,850,000.00	336,270,000.00	-31.65%	Lower amount of loans obtained
Repayment of borrowings	466,270,000.00	1,019,938,092.30	-54.28%	Lower loan repayment amount
Cash used in other financing activities	406,269.73	2,091,987.24	-80.58%	Decrease in financing costs resulted by lower amount of loans obtained

II Progress, Influence and Solutions Associated with Significant Events

Applicable Not applicable

The Company, China Merchants Port Holdings Company Limited, Fatten Investments Limited and Media Port Investments Limited have signed a Supplementary Agreement of Media Port Investments Limited Shareholder Agreement in Shenzhen dated August 23, 2017. According to the Supplementary Agreement, the Company was to take control of and bring into its consolidated financial statements Shenzhen Mawan Wharf Co., Ltd., Shenzhen Mawan Port Services Co., Ltd. and Shenzhen Mawan Warehouse & Terminals Co., Ltd. (collectively, the “Mawan Companies”). For more details, see the Announcement No. 2017-034 on Related Transaction of Signing Supplementary Agreement of Media Port Investments Limited Shareholder Agreement disclosed by the Company on <http://www.cninfo.com.cn> dated August 25, 2017.

As of the end of September 2017, the Company had finished appointing directors to Media Port Investments Limited, taking control of the Mawan Companies in form and substance. As per the Accounting Standard No. 33 for Business Enterprises—Consolidated Financial Statements, the Company has included the Mawan Companies in its consolidated financial statements as of September 2017; and restated the opening amounts and the amounts of the same period of last year of the comparative financial statements according to the requirements of business mergers under the same control. After the said consolidation, the Company has seen sound financial data, as well as significant improvements in total assets, owners’ equity, net sales, net margin and net cash from operating activities. Meanwhile, the difference arising from the translation of the foreign-currency financial statements of Media Port Investments Limited, which has been newly consolidated, resulted in an increase of RMB26.69 million in equities attributable to owners of the parent, and the net profit and earnings per share of the parent company are basically unchanged. For the specific financial data, see “Part IV Financial Statements” in the Company’s 2017 Third Quarter Report.

Summary of significant event	Disclosure date	Index to related announcement
Related Transaction of Signing Supplementary Agreement of Media Port Investments Limited Shareholder Agreement	08/25/2017	Announcement No. 2017-034 disclosed by the Company on http://www.cninfo.com.cn

III Commitments that the Company’s Actual Controller, Shareholders, Related Parties and Acquirers, as well as the Company and Other Commitment Makers, Failed to Fulfill on Time during Reporting Period

Applicable Not applicable

No such cases in the Reporting Period.

IV Forecast of 2017 Annual Operating Results

Warning of a possible loss on or a significant year-over-year change in accumulative net margin during the period the beginning of the current year through the end of the next reporting period, as well as the reasons:

Applicable Not applicable

V Securities Investments

Applicable Not applicable

Variety of securities	Code of securities	Name of securities	Initial investment cost	Accounting measurement model	Opening book value	Gain/losses on fair value changes in current period	Cumulative fair value changes recorded into equity	Purchased in current period	Sold in current period	Gain/loss in current period	Closing book value	Accounting title	Source of funds
Domestic and foreign stock	400032	Petrochemical A1	3,500,000	Cost method	382,200	-	-	-	-	-	382,200	Available-for-sale financial assets	Self-owned funds
Domestic and foreign stock	400009	Guang Jian 1	27,500	Cost method	17,000	-	-	-	-	-	17,000	Available-for-sale financial assets	Self-owned funds
Domestic and foreign stock	600377	Jiangsu Express way	1,120,000	Fair value method	8,550,000	-	1,260,000	-	-	420,000	9,810,000	Available-for-sale financial assets	Self-owned funds
Total			4,647,500	--	8,949,200	-	1,260,000	-	-	420,000	10,209,200	--	--
Disclosure date of announcement of Board of Directors for review and approval of securities investment											N/A		
Disclosure date of announcement of shareholder meeting for review and approval of securities investment (if any)											N/A		

VI Investments in Derivative Financial Instruments

Applicable Not applicable

No such cases in the Reporting Period.

VII Visits Paid to the Company for Purposes of Research, Communication, Interview, etc. during Reporting Period

Applicable Not applicable

Date of visit	Way of visit	Type of visitor	About
July-September 2017	Phone talk, one-on-one meeting and written inquiry (through the EasyIR platform of the Shenzhen Stock Exchange)	Individual and institution	Main inquiry: basic business condition, investments and financial condition of the Company; Materials provided: brochure of the Company; Index: SZSE EasyIR (http://irm.cninfo.com.cn/ssessgs/S000022/index.html)

VIII Irregularities Arising from Provision of Guarantees for Third Parties

Applicable Not applicable

No such cases in the Reporting Period.

IX Occupation of the Company's Funds by Its Controlling Shareholder or Related Parties for Non-Operating Purposes

Applicable Not applicable

No such cases in the Reporting Period.

X Internal Control Progress

Pursuant to the "Internal Control Rules for Enterprises" and the mating guidelines, the Company has completed the following internal control tasks for the third quarter of 2017:

1. The internal control task groups of the Headquarters and the subsidiaries have reviewed the flow chart risk matrix assessment of last year, and have re-described work flows within the internal control improvement scope according to business changes this year so as to formulate an internal control risk matrix and a core flow chart for the Company for 2017.
2. The internal control task groups of the Headquarters and the subsidiaries have searched for defects in internal control by walk-through tests.
3. The Company has searched for risks by going through the operation flows and has made a list of risks.

The Company carries out the internal control-related work according to the schedule for the internal control improvement plan for 2017. And the internal control project is right on schedule, with no derivation or delay.

X Targeted Measures Taken to Help People Lift Themselves out of Poverty

The Company did not take such measures in the third quarter of the year and has no such plans for now.

For and on behalf of the Board

Bai Jingtao

Chairman

Shenzhen Chiwan Wharf Holdings Limited

Dated October 30, 2017