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中遠海運發展股份有限公司
COSCO SHIPPING Development Co., Ltd.*

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 02866)

2022 THIRD QUARTERLY REPORT

In accordance with the applicable rules of the Shanghai Stock Exchange of the People's Republic of China (the **"PRC"**) (being the stock exchange on which the A shares of COSCO SHIPPING Development Co., Ltd. (the **"Company"** or **"COSCO SHIPPING Development"**, together with its subsidiaries, the **"Group"**) are listed), the quarterly report (the **"Quarterly Report"**) of the Company for the third quarter of 2022 (the **"Reporting Period"**) will be published on the Shanghai Stock Exchange on 29 October 2022. The financial information set out in the Quarterly Report was prepared in accordance with the Generally Accepted Accounting Principles of the PRC.

This announcement is made pursuant to Rule 13.09 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).

IMPORTANT NOTICE:

The board of directors, the supervisory committee, the directors, the supervisors and the senior management of the Company confirm the truthfulness, accuracy and completeness of this Quarterly Report and that there are no false information, misleading statements, or material omissions contained therein; and severally and jointly accept legal responsibility thereof.

The person-in-charge of the Company, the person-in-charge of accounting affairs, and the head of the accounting department (officer in charge of accounting) have confirmed the truthfulness, accuracy and completeness of the information of financial statements contained in this Quarterly Report.

Whether the financial statements for the third quarter are audited

☐ Yes ☒ No

I. PRINCIPAL FINANCIAL DATA

(I) Principal accounting data and financial indicators

Unit: Yuan Currency: RMB

Item	Reporting Period	The corresponding period of the previous year		Change as compared with the corresponding period of the previous year (%) After adjustment	From the beginning of the year to the end of the Reporting Period	The corresponding period of the previous year		Change from the beginning of the year to the end of the Reporting Period as compared with the corresponding period of the previous year (%) After adjustment
		Before adjustment	After adjustment			Before adjustment	After adjustment	
Revenue	5,774,917,470.88	10,623,303,600.46	11,665,193,452.13	-50.49	18,967,567,592.85	24,980,386,957.66	28,117,702,860.13	-32.54
Net profit attributable to shareholders of the listed company	1,027,019,819.10	1,567,175,114.46	2,555,418,281.13	-59.81	3,717,415,531.92	3,988,316,109.77	5,592,782,429.78	-33.53
Net profit attributable to shareholders of the listed company, excluding extraordinary gains or losses	1,014,343,128.89	1,552,463,241.56	1,552,463,241.56	-34.66	3,621,813,920.46	4,206,229,621.40	4,206,229,621.40	-13.89
Net cash flow generated from operating activities	N/A	N/A	N/A	N/A	8,113,643,239.16	7,239,265,766.18	6,096,083,666.29	33.10
Basic earnings per share (RMB per share)	0.0791	0.1300	0.2156	-63.31	0.2782	0.3281	0.4672	-40.45
Diluted earnings per share (RMB per share)	0.0790	0.1297	0.2153	-63.29	0.2780	0.3277	0.4667	-40.42
Weighted average return on net assets (%)	3.68	7.16	12.87	Decreased by 9.19 percentage points	12.88	18.87	26.46	Decreased by 13.58 percentage points
		As at the end of the Reporting Period		As at the end of the previous year				Change at the end of the Reporting Period as compared with the end of the previous year (%) After adjustment
		Before adjustment	After adjustment	Before adjustment	After adjustment			
Total assets		132,638,377,178.20	132,616,320,517.55	132,616,320,517.55				0.02
Owners' equity attributable to shareholders of the listed company		29,064,761,816.11	32,688,898,902.01	32,688,898,902.01				-11.09

Note: "Reporting Period" refers to the three-month period from the beginning of the current quarter to the end of the current quarter, the same below.

Reasons for retroactive adjustment or restatement

The Company completed the transaction of acquisition of assets by issuance of shares in 2021. Due to the business combination under common control, the comparative figures for the previous period were restated in accordance with the requirements of the Accounting Standards for Business Enterprises.

(II) Items and amounts of extraordinary gain or loss

<i>Unit: Yuan Currency: RMB</i>		
Item	Amount for the Reporting Period	Amount for the beginning of the year to the end of the Reporting Period
Gain or loss on disposal of non-current assets	13,702,350.95	36,397,825.59
Government subsidies (except for government subsidies which are closely related to the ordinary business scope of the Company and entitled in standard amounts or quantities in conformity with the provisions of policies of the State) attributable to gain or loss for the period	23,764,372.36	88,720,139.87
Reversal of impairment provisions for receivables and contract assets subject to individual impairment test	178,142.63	9,256,279.84
Other non-operating income and expenses apart from the above items	-17,491,004.97	-21,701,800.82
Other gain or loss items falling within the meaning of non-recurring gain or loss		
Less: Effect of income tax	7,477,170.76	17,070,833.02
Total	12,676,690.21	95,601,611.46

Explanation on extraordinary gain or loss items defined as recurring gain or loss items as illustrated in the Explanatory Announcement on Information Disclosure for Companies Offering Their Securities to the Public No. 1 – Extraordinary Gain or Loss

☐ Applicable ☒ Not applicable

(III) Changes for the major accounting data and financial indicators and the reasons thereof

√ Applicable □ Not applicable

Item name	Percentage change (%)	Main reason(s)
Revenue from operations	-32.54	Mainly due to the decrease in sales volume of the container manufacturing segment as affected by the fluctuations of shipping market during the Reporting Period.
Net profit attributable to shareholders of the listed company	-33.53	Mainly due to the year-on-year decline in the efficiency of container manufacturing business and the fair value of financial assets during the Reporting Period as affected by the fluctuations of shipping market and the fluctuations of the capital market.
Net cash flow generated from operating activities	33.10	Mainly due to the continued growth of operating cash inflows from the Company's leasing sector during the Reporting Period.
Basic earnings per share	-40.45	Mainly due to the year-on-year decrease in net profit attributable to shareholders of the parent company during the Reporting Period.
Diluted earnings per share	-40.42	Mainly due to the year-on-year decrease in net profit attributable to shareholders of the parent company during the Reporting Period.

II. SHAREHOLDER INFORMATION

(I) Total number of shareholders of ordinary shares and shareholders of preference shares with restored voting rights and shareholdings of the top ten shareholders

Unit: Shares

Total number of shareholders of ordinary shares as at the end of the Reporting Period	307,381	Total number of shareholders of preference shares with restored voting rights as at the end of the Reporting Period (if any)	N/A
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Shareholding of the top 10 shareholders

Name of shareholder	Nature of shareholder	Number of shares held	Shareholding percentage (%)	Number of shares subject to selling restrictions	Pledged, marked or frozen Status of shares	Number
China Shipping Group Company Limited	State-owned corporation	4,628,015,690	34.06%	217,391,304	Nil	0
HKSCC NOMINEES LIMITED	Foreign corporation	3,656,843,448	27.84%	0	Unknown	Unknown
COSCO SHIPPING Investment Holdings Co., Ltd.	State-owned corporation	1,447,917,519	10.66%	1,447,917,519	Nil	0
China State-owned Enterprises Mixed Ownership Reform Fund Co., Ltd.	Other	130,297,278	0.96%	0	Nil	0
Shanghai Yiluo Private Equity Fund Management Co., Ltd. – Letian No. 1 Yiluo private equity management fund	Other	48,353,764	0.36%	0	Nil	0
COSCO SHIPPING Development Co., Ltd.	State-owned corporation	47,570,789	0.35%	0	Nil	0
Shanghai Yiluo Private Equity Fund Management Co., Ltd. – Yiluo No. 9 private equity management fund	Other	34,769,400	0.26%	0	Nil	0
Shanghai Yiluo Private Equity Fund Management Co., Ltd. – Huazhong No. 3 Yiluo private equity management fund	Other	26,156,586	0.19%	0	Nil	0
Shanghai Yiluo Private Equity Fund Management Co., Ltd. – Junan No. 6 Yiluo private equity management fund	Other	25,018,800	0.18%	0	Nil	0
Wang Aijun	Domestic natural person	23,869,200	0.18%	0	Nil	0

Shareholding of the top 10 shareholders who are not subject to selling restrictions

Name of shareholder	Number of tradable shares held not subject to selling restrictions	Type and number of shares	
		Type of shares	Number
China Shipping Group Company Limited	4,410,624,386	RMB ordinary shares	4,410,624,386
HKSCC NOMINEES LIMITED		Overseas listed	
	3,656,843,448	foreign shares	3,656,843,448
China State-owned Enterprises Mixed Ownership Reform Fund Co., Ltd.	130,297,278	RMB ordinary shares	130,297,278
Shanghai Yiluo Private Equity Fund Management Co., Ltd. –			
Letian No. 1 Yiluo private equity management fund	48,353,764	RMB ordinary shares	48,353,764
China COSCO SHIPPING Corporation Limited	47,570,789	RMB ordinary shares	47,570,789
Shanghai Yiluo Private Equity Fund Management Co., Ltd. –			
Yiluo No. 9 private equity management fund	34,769,400	RMB ordinary shares	34,769,400
Shanghai Yiluo Private Equity Fund Management Co., Ltd. –			
Huazhong No. 3 Yiluo private equity management fund	26,156,586	RMB ordinary shares	26,156,586
Shanghai Yiluo Private Equity Fund Management Co., Ltd. –			
Junan No. 6 Yiluo private equity management fund	25,018,800	RMB ordinary shares	25,018,800
Wang Aijun	23,869,200	RMB ordinary shares	23,869,200
Shanghai Yiluo Private Equity Fund Management Co., Ltd. –			
Junhang No. 23 Yiluo private equity management fund	18,977,543	RMB ordinary shares	18,977,543

Explanation of the connected relationship or acting-in-concert relationship among the above shareholders	<p>(1) The shares held by China Shipping Group Company Limited were not, among other things, pledged, frozen or under custody during the Reporting Period.</p> <p>(2) As at the end of the Reporting Period, China Shipping Group Company Limited directly held 4,628,015,690 A shares in COSCO SHIPPING Development, representing 34.06% of its entire share capital; China COSCO SHIPPING Corporation Limited held 47,570,789 A shares in COSCO SHIPPING Development, representing 0.35% of its entire share capital; COSCO SHIPPING Investment Holdings Co., Limited held 1,447,917,519 A shares in COSCO SHIPPING Development, representing 10.66% of its entire share capital; thus held an aggregate of 6,123,503,998 A shares in COSCO SHIPPING Development, representing 45.07% of its entire share capital.</p> <p>(3) As at the end of the Reporting Period, COSCO SHIPPING Investment Holdings Co., Limited held 100,944,000 H shares in COSCO SHIPPING Development, representing approximately 0.74% of its entire share capital.</p> <p>(4) Among the above shareholders, Shanghai Yiluo Private Fund Management Co., Ltd. - Letian No. 1 Yiluo private equity investment fund, Shanghai Yiluo Investment Management Co., Ltd. - Junan No. 6 Yiluo private equity investment fund, Shanghai Yiluo Investment Management Co., Ltd. - Yiluo No. 9 private equity investment fund, Shanghai Yiluo Private Fund Management Co., Ltd. - Huazhong No. 3 Yiluo private equity investment fund and Shanghai Yiluo Private Fund Management Co., Ltd. - Junhang No. 23 Yiluo private equity investment fund are fund products of Shanghai Yiluo Private Fund Management Co., Ltd., and are parties acting-in-concert.</p> <p>(5) The Company was not notified of any other connected relationship or acting-in-concert relationship among the above shareholders.</p>
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Explanation of the participation of the top 10 shareholders and top 10 shareholders who are not subject to selling restrictions in margin trading and refinancing business (if any)	N/A
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III. OTHER REMINDERS

Other important information about the Company's operation in the Reporting Period that investors should be reminded of

☐ Applicable ☒ Not applicable

IV. QUARTERLY FINANCIAL STATEMENTS

(I) Audit opinion type

☐ Applicable ☒ Not applicable

(II) Financial statements

Consolidated Balance Sheet 30 September 2022

Prepared by: COSCO SHIPPING Development Co., Ltd.

Unit: Yuan Currency: RMB Audit type: Unaudited

Item	30 September 2022	31 December 2021
Current assets:		
Cash	15,517,554,436.64	18,019,560,160.08
Deposit reservation for balance		
Placements with banks and other financial institutions		
Trading financial assets	635,243,068.08	1,073,731,248.73
Derivative financial assets		
Bills receivable	10,684,155.31	
Accounts receivable	1,322,453,441.92	1,363,051,441.55
Receivables financing		
Funds paid in advance	366,295,803.04	721,851,146.45
Premiums receivable		
Reinsurance accounts receivable	30,472,330.81	9,254,194.45
Deposits receivable from reinsurance contracts		
Other receivables	99,230,443.57	112,411,554.79
Including: Interests receivable		
Dividends receivable		
Purchases of resold financial assets		
Inventories	6,657,714,004.58	6,901,763,427.87
Contract assets		
Assets held for sale		
Non-current assets due within one year	4,014,684,863.63	4,696,502,496.10
Other current assets	246,261,184.42	669,554,351.61
Total current assets	28,900,593,732.00	33,567,680,021.63

Item	30 September 2022	31 December 2021
Non-current assets:		
Loans and advances granted		
Debt investments		
Other debt investments		
Long-term receivables	33,254,982,156.18	31,126,841,201.26
Long-term equity investments	22,592,104,107.98	24,471,070,626.88
Other equity instrument investments		
Other non-current financial assets	3,419,533,817.31	4,012,293,982.81
Investment property	105,899,002.79	95,337,572.46
Fixed assets	42,624,385,499.24	38,080,878,861.30
Construction in progress	380,165,642.50	347,497,563.29
Biological assets for production		
Fuel assets		
Right-of-use assets	99,909,466.94	118,639,182.18
Intangible assets	590,000,524.69	593,390,083.52
Development expenditure	890,156.46	
Goodwill		
Long-term deferred expenses	2,352,248.05	3,825,053.89
Deferred income tax assets	43,161,298.97	41,153,724.08
Other non-current assets	624,399,525.09	157,712,644.25
Total non-current assets	103,737,783,446.20	99,048,640,495.92
Total assets	132,638,377,178.20	132,616,320,517.55

Item	30 September 2022	31 December 2021
Current liabilities:		
Short-term borrowings	18,883,479,710.19	26,413,827,417.57
Borrowings from central bank		
Placements funds		
Trading financial liabilities		
Derivative financial liabilities		
Bills payable	52,920,554.34	154,620,517.98
Accounts payable	4,328,218,419.62	3,847,092,654.18
Funds received in advance	488,314,276.12	22,287,394.01
Contract liabilities	2,154,484,161.98	1,313,943,948.47
Funds from disposal of repurchased financial assets		
Deposit taking and deposit in inter-bank market		
Customer deposits for trading in securities		
Customer deposits for securities underwriting		
Staff remuneration payable	957,155,951.79	872,078,500.20
Taxes payable	320,415,639.14	723,079,453.91
Other payables	979,898,438.46	1,015,328,876.22
Including: Interests payable		
Dividends payable		226,360,000.00
Handling charges and commissions payable		
Reinsurance accounts payable	67,373,781.73	52,551,560.93
Liabilities held for sale		
Non-current liabilities due within one year	20,794,656,128.39	19,465,895,753.83
Other current liabilities	4,025,978,904.12	
Total current liabilities	53,052,895,965.88	53,880,706,077.30

Item	30 September 2022	31 December 2021
Non-current liabilities:		
Deposits for insurance contracts		
Long-term borrowings	41,900,720,936.70	40,345,183,252.82
Bonds payable	8,000,000,000.00	5,000,000,000.00
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	52,161,023.67	66,466,129.02
Long-term payables	492,723,483.12	550,327,588.97
Long-term staff remuneration payable	15,021,610.66	18,293,082.84
Projected liabilities		
Deferred income	39,534,423.97	22,112,948.79
Deferred income tax liabilities	19,559,551.78	39,176,715.85
Other non-current liabilities	998,366.31	5,155,819.95
Total non-current liabilities	50,520,719,396.21	46,046,715,538.24
Total liabilities	103,573,615,362.09	99,927,421,615.54
Owners' equity (or shareholders' equity):		
Paid-up capital (or share capital)	13,586,477,301.00	13,586,477,301.00
Other equity instruments		5,000,000,000.00
Including: Preferred shares		
Perpetual bonds		5,000,000,000.00
Capital reserve	2,696,263,572.97	2,835,391,128.44
Less: Treasury shares	173,154,833.51	233,428,071.84
Other comprehensive income	-1,841,104,363.91	-2,633,898,864.82
Special reserve	1,702,035.31	
Surplus reserve	2,132,261,411.07	2,132,261,411.07
General risk provision		
Retained earnings	12,662,316,693.18	12,002,095,998.16
Total equity attributable to the owners of the parent company (or shareholders' equity)	29,064,761,816.11	32,688,898,902.01
Minority interests		
Total owners' equity (or shareholders' equity)	29,064,761,816.11	32,688,898,902.01
Total liabilities and owners' equity (or shareholders' equity)	132,638,377,178.20	132,616,320,517.55
Person-in-charge of the Company: Liu Chong	Person-in-charge of accounting affairs: Lin Feng	Head of the accounting department: Zhang Mingming

Balance Sheet of Parent Company

30 September 2022

*Prepared by: COSCO SHIPPING Development Co., Ltd.**Unit: Yuan Currency: RMB Audit type: Unaudited*

Item	30 September 2022	31 December 2021
Current assets:		
Cash	4,229,813,293.44	1,886,159,216.89
Trading financial assets	523,811,465.13	1,005,648,572.49
Derivative financial assets		
Bills receivable		
Accounts receivable	227,010,356.45	216,416,037.65
Receivables financing		
Funds paid in advance	16,129,592.29	11,530,923.46
Other receivables	3,139,560,409.18	4,787,324,082.16
Including: Interests receivable		
Dividends receivable	2,797,296,017.91	3,867,000,000.00
Inventories	52,558.00	52,252.00
Contract assets		
Assets held for sale		
Non-current assets due within one year	806,034,191.29	3,235,943,023.56
Other current assets	848,585,736.21	2,302,986,063.38
Total current assets	9,790,997,601.99	13,446,060,171.59

Item	30 September 2022	31 December 2021
Non-current assets:		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	46,517,716,319.11	48,489,902,711.88
Other equity instrument investments		
Other non-current financial assets	1,696,111,010.35	1,961,210,581.67
Investment property		
Fixed assets	3,195,108.70	4,563,214.76
Construction in progress	1,603,773.58	1,627,358.49
Biological assets for production		
Fuel assets		
Right-of-use assets	10,869,682.33	23,098,074.95
Intangible assets	11,714,570.47	10,817,932.49
Development expenditure		
Goodwill		
Long-term deferred expenses	72,198.01	127,317.79
Deferred income tax assets		
Other non-current assets	10,961,275,000.00	8,607,047,700.00
Total non-current assets	59,202,557,662.55	59,098,394,892.03
Total assets	68,993,555,264.54	72,544,455,063.62

Item	30 September 2022	31 December 2021
Current liabilities:		
Short-term borrowings	4,003,209,722.23	6,005,597,472.24
Trading financial liabilities		
Derivative financial liabilities		
Bills payable		
Accounts payable	168,039,347.16	167,594,303.20
Funds received in advance		
Contract liabilities		
Staff remuneration payable	65,269,356.11	126,459,140.07
Taxes payable	1,296,307.88	44,194,374.82
Other payables	2,455,088,857.53	4,556,006,243.11
Including: Interests payable		
Dividends payable		226,360,000.00
Liabilities held for sale		
Non-current liabilities due within one year	1,362,747,043.21	4,880,471,617.77
Other current liabilities	4,025,978,904.12	
Total current liabilities	12,081,629,538.24	15,780,323,151.21
Non-current liabilities:		
Long-term borrowings	10,587,000,000.00	5,870,000,000.00
Bonds payable	8,000,000,000.00	5,000,000,000.00
Including: Preferred shares		
Perpetual bonds		
Lease liabilities		3,634,270.27
Long-term payables		
Long-term staff remuneration payable	15,021,610.66	14,999,801.76
Projected liabilities		
Deferred income		
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	18,602,021,610.66	10,888,634,072.03
Total liabilities	30,683,651,148.90	26,668,957,223.24

Item	30 September 2022	31 December 2021
Owners' equity (or shareholders' equity):		
Paid-up capital (or share capital)	13,586,477,301.00	13,586,477,301.00
Other equity instruments		5,000,000,000.00
Including: Preferred shares		
Perpetual bonds		5,000,000,000.00
Capital reserve	21,792,982,153.95	21,872,088,471.49
Less: Treasury shares	173,154,833.51	233,428,071.84
Other comprehensive income	-3,487,567.60	2,458,815.81
Special reserve		
Surplus reserve	2,038,481,332.46	2,038,481,332.46
Retained earnings	1,068,605,729.34	3,609,419,991.46
Total owners' equity (or shareholders' equity)	38,309,904,115.64	45,875,497,840.38
Total liabilities and owners' equity		
(or shareholders' equity)	68,993,555,264.54	72,544,455,063.62
Person-in-charge of the Company: Liu Chong	Person-in-charge of accounting affairs: Lin Feng	Head of the accounting department: Zhang Mingming

Consolidated Income Statement

January to September 2022

Prepared by: COSCO SHIPPING Development Co., Ltd.

Unit: Yuan Currency: RMB Audit type: Unaudited

Item	First three quarters of 2022 (January to September)	First three quarters of 2021 (January to September)
I. Total operating revenue	19,004,388,406.91	28,161,027,239.23
Including: Revenue from operations	18,967,567,592.85	28,117,702,860.13
Interest income		
Premiums earned		
Handling charges and commission income	36,820,814.06	43,324,379.10
II. Total cost of sales	15,431,483,457.09	22,777,792,073.41
Including: Operating cost	14,280,486,358.31	20,319,584,515.29
Interest expenses		
Handling charges and commission expenses		
Surrender payment		
Net expenditure for compensation payments		
Net provision for insurance liability		
Policyholder dividend expenses		
Reinsurance costs		
Taxes and surcharges	85,729,703.99	90,103,925.54
Selling expenses	149,446,019.50	25,005,803.90
Administrative expenses	820,834,723.03	970,823,767.61
Research and development expenses	76,837,603.87	38,801,020.28
Finance costs	18,149,048.39	1,333,473,040.79
Including: Interest expenses	1,611,275,455.38	1,281,913,006.49
Interest income	77,331,552.99	58,298,810.91
Add: Other gains	88,720,139.87	32,354,436.39
Investment income (loss is represented by "-")	1,596,074,268.18	2,002,835,771.49
Including: Gains from investment in associates and joint ventures	1,429,484,783.50	1,776,828,124.30
Derecognition gains on financial assets measured at amortized cost		51,293,827.38
Gains from foreign currency exchange (loss is represented by "-")		
Gains from net exposure to hedging (loss is represented by "-")		

Item	First three quarters of 2022 (January to September)	First three quarters of 2021 (January to September)
Gains from changes in fair value (loss is represented by “-”)	-633,722,806.75	25,990,295.79
Credit impairment loss (loss is represented by “-”)	-72,126,796.34	-312,370,937.06
Asset impairments loss (loss is represented by “-”)		
Gains from disposal of assets (loss is represented by “-”)	36,397,825.59	6,657,596.50
III. Profit from operations (loss is represented by “-”)	4,588,247,580.37	7,138,702,328.93
Add: Non-operating income	9,653,432.37	5,802,860.68
Less: Non-operating expenses	31,355,233.19	31,172,704.95
IV. Total profit (total loss is represented by “-”)	4,566,545,779.55	7,113,332,484.66
Less: Income tax expenses	849,130,247.63	1,520,549,990.86
V. Net profit (net loss is represented by “-”)	3,717,415,531.92	5,592,782,493.80
(I) Classified by continuity of operation		
1. Net profit from continuing operations (net loss expressed with “-”)	3,717,415,531.92	5,576,626,853.34
2. Net profit from discontinued operations (net loss expressed with “-”)		16,155,640.46
(II) Classified by ownership of equity		
1. Net profit attributable to shareholders of the parent company (net loss expressed with “-”)	3,717,415,531.92	5,592,782,429.78
2. Gains or losses of minority interests (net loss expressed with “-”)		64.02
VI. Net other comprehensive income after taxes	792,794,500.91	92,851,439.22
(I) Net other comprehensive income attributable to owners of the parent company after taxes	792,794,500.91	92,851,439.22
1. Items that may not be reclassified to profit or loss		12,980.44
(1) Changes from the re-measurement of defined benefit plans		
(2) Other comprehensive income that may not be reclassified to profit or loss under the equity method		12,980.44
(3) Changes in fair value of investments in other equity instruments		
(4) Changes in fair value of enterprise’s own credit risk		

Item	First three quarters of 2022 (January to September)	First three quarters of 2021 (January to September)
2. Items that may be reclassified to profit or loss	792,794,500.91	92,838,458.78
(1) Other comprehensive income that may be reclassified to profit or loss under the equity method	-69,823,164.49	11,163,093.47
(2) Changes in fair value of other debt investments		
(3) Financial assets reclassified into other comprehensive income		
(4) Credit impairment provision for other debt investments		
(5) Reserve for cash flow hedging	111,828,155.83	14,330,008.23
(6) Exchange differences from translation of financial statements	750,789,509.57	67,345,357.08
(7) Others		
(II) Net other comprehensive income attributable to minority interests after taxes		
VII. Total comprehensive income	4,510,210,032.83	5,685,633,933.02
(I) Total comprehensive income attributable to owners of the parent company	4,510,210,032.83	5,685,633,869.00
(II) Total comprehensive income attributable to minority interests		64.02
VIII. Earnings per share:		
(I) Basic earnings per share (RMB per share)	0.2782	0.4672
(II) Diluted earnings per share (RMB per share)	0.2780	0.4667
Person-in-charge of the Company: Liu Chong	Person-in-charge of accounting affairs: Lin Feng	Head of the accounting department: Zhang Mingming

Income Statement of the Parent Company
January to September 2022

Prepared by: COSCO SHIPPING Development Co., Ltd.

Unit: Yuan Currency: RMB Audit type: Unaudited

Item	Third quarter of 2022	Third quarter of 2021
I. Operating revenue	285,726,190.36	146,403,143.08
Less: Operating cost	2,798,656.62	6,896,836.08
Taxes and surcharges	9,959,679.62	17,405,345.42
Selling expenses		
Administrative expenses	98,257,425.72	102,810,851.42
Research and development expenses		
Finance costs	-103,583,256.10	382,575,212.84
Including: Interest expenses	643,410,202.75	544,696,673.84
Interest income	37,408,197.38	141,322,980.32
Add: Other gains	30,672,440.49	506,392.32
Investment income (loss is represented by "-")	678,639,438.57	2,983,932,717.77
Including: Gains from investment in associates and joint ventures	494,148,615.98	494,148,615.98
Derecognition gains on financial assets measured at amortized cost		
Gains from net exposure to hedging (loss is represented by "-")		
Gains from changes in fair value (loss is represented by "-")	-471,283,161.75	-54,424,208.04
Credit impairment loss (loss is represented by "-")		-20,619,217.54
Asset impairments loss (loss is represented by "-")		-1,013,858,903.91
Gains from disposal of assets (loss is represented by "-")		

Item	Third quarter of 2022	Third quarter of 2021
II. Profit from operations (loss is represented by “-”)	516,322,401.81	1,532,251,677.92
Add: Non-operating income	58,504.00	
Less: Non-operating expenses	331.03	602.87
III. Total profit (total loss is represented by “-”)	516,380,574.78	1,532,251,075.05
Less: Income tax expenses		
IV. Net profit (net loss is represented by “-”)	516,380,574.78	1,532,251,075.05
(I) Net profit from continuing operations (net loss expressed with “-”)	516,380,574.78	1,532,251,075.05
(II) Net profit from discontinued operations (net loss expressed with “-”)		
V. Net other comprehensive income after taxes	-5,946,383.41	-2,150,517.13
(I) Items that may not be reclassified to profit or loss		
1. Changes from the re-measurement of defined benefit plans		
2. Other comprehensive income that may not be reclassified to profit or loss under the equity method		
3. Changes in fair value of investments in other equity instruments		
4. Changes in fair value of enterprise’s own credit risk		
(II) Items that may be reclassified to profit or loss	-5,946,383.41	-2,150,517.13
1. Other comprehensive income that may be reclassified to profit or loss under the equity method	-5,946,383.41	-2,150,517.13
2. Changes in fair value of other debt investments		
3. Financial assets reclassified into other comprehensive income		
4. Credit impairment provision for other debt investments		
5. Reserve for cash flow hedging		
6. Exchange differences from translation of financial statements		
7. Others		
VI. Total comprehensive income	510,434,191.37	1,530,100,557.92
VII. Earnings per share:		
(I) Basic earnings per share (RMB per share)		
(II) Diluted earnings per share (RMB per share)		

Person-in-charge
of the Company:
Liu Chong

Person-in-charge of
accounting affairs:
Lin Feng

Head of the
accounting department:
Zhang Mingming

Consolidated Cash Flow Statement

January to September 2022

Prepared by: COSCO SHIPPING Development Co., Ltd.

Unit: Yuan Currency: RMB Audit type: Unaudited

Item	First three quarters of 2022 (January to September)	First three quarters of 2021 (January to September)
I. Cash flow from operating activities:		
Cash received from sales of goods and provision of services	21,039,004,221.26	28,977,876,048.65
Net increase in deposits from customers and placements from banks and other financial institutions		
Net increase in borrowings from central bank		
Net increase in placements from other financial institutions		
Cash received from premiums of original insurance contracts		
Net cash received from reinsurance business		
Net increase in deposits from policyholders and investments		
Cash received from interest, handling charges and commissions		
Net increase in capital due to banks and other financial institutions		
Net increase in repurchases business fund		
Net cash received from trading in securities		
Receipt of tax rebates	1,565,984,442.95	1,919,891,265.87
Other cash received from activities relating to operation	472,083,473.33	345,437,596.79
Sub-total of cash inflow from operating activities	23,077,072,137.54	31,243,204,911.31
Cash paid for goods purchased and services rendered	11,314,498,349.14	21,004,716,913.66
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		
Net increase in placements with banks and other financial institutions		
Cash payment for interest, handling charges and commissions		
Cash payment for policyholder dividend		
Cash paid to and on behalf of staff	1,777,449,827.40	2,222,081,495.07
Taxes paid	1,383,320,072.76	1,197,689,383.63
Other cash paid for activities relating to operating activities	488,160,649.08	722,633,452.66
Sub-total of cash outflow from operating activities	14,963,428,898.38	25,147,121,245.02
Net cash flows generated from operating activities	8,113,643,239.16	6,096,083,666.29

Item	First three quarters of 2022 (January to September)	First three quarters of 2021 (January to September)
II. Cash flow generated from investment activities:		
Cash received from disposal of investments	9,377,791,617.79	15,634,016,530.76
Cash received from gains in investments	468,022,475.16	562,901,979.81
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	558,418,197.96	50,504,461.54
Net cash received from disposal of subsidiaries and other operating entities		1,052,929,237.58
Other cash received relating to investment activities	240,566.94	96,229,027.53
Sub-total of cash inflow from investment activities	10,404,472,857.85	17,396,581,237.22
Cash paid for purchase of fixed assets, intangible assets and other long-term assets	7,871,740,151.86	30,027,923,871.51
Cash paid for investment	142,206,174.31	450,362,925.00
Net increase in pledged loans		
Net cash paid for acquiring subsidiaries and other operating entities		
Other cash paid relating to investment activities	32,677,410.74	95,609,188.93
Sub-total of cash outflow from investment activities	8,046,623,736.91	30,573,895,985.44
Net cash flow generated from investment activities	2,357,849,120.94	-13,177,314,748.22
III. Cash flow from financing activities:		
Proceeds received from investments		1,000,000,000.00
Including: Proceeds received by subsidiaries from minority interests' investment		1,000,000,000.00
Cash received from borrowings	44,137,873,387.31	59,374,843,718.49
Other cash received relating to financing activities	64,587,689.25	0.00
Sub-total of cash inflow from financing activities	44,202,461,076.56	60,374,843,718.49
Cash paid for repayment of debts	48,173,590,296.70	53,513,132,791.67
Cash payments for dividend and profit distribution or interest	4,938,651,368.60	2,897,803,786.78
Including: Dividend and profit paid by subsidiaries to minority interests		
Other cash paid relating to financing activities	5,128,230,238.32	331,760,649.71
Sub-total of cash outflow from financing activities	58,240,471,903.62	56,742,697,228.16
Net cash flow generated from financing activities	-14,038,010,827.06	3,632,146,490.33

Item		First three quarters of 2022 (January to September)	First three quarters of 2021 (January to September)
IV. Effect on cash and cash equivalents due to changes in foreign exchange rates		1,043,699,669.01	-123,402.13
V. Net increase in cash and cash equivalents		-2,522,818,797.95	-3,449,207,993.73
Add: Balance of cash and cash equivalents at the beginning of the period		17,871,147,611.49	12,789,494,019.10
VI. Balance of cash and cash equivalents at the end of the period		15,348,328,813.54	9,340,286,025.37
Person-in-charge of the Company: Liu Chong	Person-in-charge of accounting affairs: Lin Feng	Head of the accounting department: Zhang Mingming	

Cash Flow Statement of the Parent Company

January to September 2022

Prepared by: COSCO SHIPPING Development Co., Ltd.

Unit: Yuan Currency: RMB Audit type: Unaudited

Item	Third quarter of 2022	Third quarter of 2021
I. Cash flow from operating activities:		
Cash received from sales of goods and provision of services	979,986.06	866,043,165.59
Receipt of tax rebates		
Other cash received from activities relating to operation	6,483,227,182.81	9,437,562,656.29
Sub-total of cash inflow from operating activities	6,484,207,168.87	10,303,605,821.88
Cash paid for goods purchased and services rendered	2,112,879.97	113,094,890.61
Cash paid to and on behalf of staff	160,184,033.51	151,318,753.81
Taxes paid	85,039,781.18	45,069,209.53
Other cash paid for activities relating to operating activities	7,269,334,642.82	7,869,186,879.98
Sub-total of cash outflow from operating activities	7,516,671,337.48	8,178,669,733.93
Net cash flows generated from operating activities	-1,032,464,168.61	2,124,936,087.95
II. Cash flow generated from investment activities:		
Cash received from disposal of investments	12,903,758,899.91	35,295,339.72
Cash received from gains in investments	1,849,205,336.68	128,397,244.30
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	75,000.00	0.00
Net cash received from disposal of subsidiaries and other operating entities		
Other cash received relating to investment activities		
Sub-total of cash inflow from investment activities	14,753,039,236.59	171,376,428.02
Cash paid for purchase of fixed assets, intangible assets and other long-term assets	3,231,132.07	5,876,985.21
Cash paid for investment	8,735,898,900.00	2,211,649,500.00
Net cash paid for acquiring subsidiaries and other operating entities		1,150,118,601.83
Other cash paid relating to investment activities		
Sub-total of cash outflow from investment activities	8,739,130,032.07	3,367,645,087.04
Net cash flow generated from investment activities	6,013,909,204.52	-3,196,268,659.02

Item	Third quarter of 2022	Third quarter of 2021
III. Cash flow from financing activities:		
Proceeds received from investments		
Cash received from borrowings	18,700,000,000.00	14,000,000,000.00
Other cash received relating to financing activities	49,736,023.53	
Sub-total of cash inflow from financing activities	18,749,736,023.53	14,000,000,000.00
Cash paid for repayment of debts	12,482,000,000.00	13,258,100,000.00
Cash payments for dividend and profit distribution or interest repayment	3,883,543,533.66	1,000,883,027.38
Other cash paid relating to financing activities	5,017,568,094.89	14,654,839.50
Sub-total of cash outflow from financing activities	21,383,111,628.55	14,273,637,866.88
Net cash flow generated from financing activities	-2,633,375,605.02	-273,637,866.88
IV. Effect on cash and cash equivalents due to changes in foreign exchange rates	-3,877,558.47	-5,342,010.87
V. Net increase in cash and cash equivalents	2,344,191,872.42	-1,350,312,448.82
Add: Balance of cash and cash equivalents at the beginning of the period	1,881,955,508.21	2,774,605,426.57
VI. Balance of cash and cash equivalents at the end of the period	4,226,147,380.63	1,424,292,977.75
Person-in-charge of the Company: Liu Chong	Person-in-charge of accounting affairs: Lin Feng	Head of the accounting department: Zhang Mingming

Adjusting to the relevant items of financial statements at the beginning of the first adoption year due to the first adoption of new accounting standards or interpretations of standards since 2022

☐ Applicable ☒ Not applicable

CAUTION STATEMENT

The board of directors hereby reminds the investors that the above extracts from the Quarterly Report are prepared on the basis of the Group's internal information and management accounts and have not been reviewed or audited by the auditors. **Investors should be aware of market risks and should not rely unduly on the extracts from the Quarterly Report above. In addition, investors should exercise caution when dealing in the shares of the Company.**

By order of the Board
COSCO SHIPPING Development Co., Ltd.
Cai Lei
Joint Company Secretary

Shanghai, the PRC
28 October 2022

As at the date of this announcement, the Board comprises Mr. Liu Chong and Mr. Zhang Mingwen, being executive directors, Mr. Huang Jian, Mr. Liang Yanfeng and Mr. Ip Sing Chi, being non-executive directors, and Mr. Cai Hongping, Mr. Lu Jianzhong, Ms. Zhang Weihua and Mr. Shao Ruiqing, being independent non-executive directors.

* *The Company is a registered non-Hong Kong company as defined in the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and it is registered under its Chinese name and under the English name "COSCO SHIPPING Development Co., Ltd."*