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)

2020 FIRST QUARTERLY REPORT

The board of directors (the "**Board**") 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 2020. 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 All directors of the Company have attended the Board meeting to consider and approve the quarterly report.

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	Increase/decrease for the end of the reporting period as compared to the end of last year
Total assets	25,721,203,510.74	25,479,855,440.54	0.95
Net assets attributable to shareholders of the listed company	14,879,515,882.19	14,610,442,895.38	1.84

	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	586,706,545.87	629,625,325.46	-6.82

	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	1,390,695,541.93	1,639,294,531.54	-15.16
Net profit attributable to shareholders of the listed company	252,346,656.99	118,022,159.79	113.81
Net profit attributable to shareholders of the listed company after deducting extraordinary profit or loss	243,337,471.49	110,775,063.96	119.67
Weighted average return on net assets (%)	1.71	0.85	Increased by 0.86 percentage point
Basic earnings per share (RMB/share)	0.05	0.02	150.00
Diluted earnings per share (RMB/share)	0.05	0.02	150.00

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	61,522.11
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)	17,250,873.30
Gains or losses on entrusted investment or asset management	655,052.98
Other non-operating income and expenses apart from the above items	-5,718,273.19
Effect of minority interests (after tax)	-187,967.11
Effect of income tax	-3,052,022.59
Total	9,009,185.50

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 82,452

	Shareholding of top ten shareholders					
Name of shareholders (in full)	**Number of shares at the end of the reporting period**	**Shareholding percentage (%)**	**Number of shares subject to trading restriction**	**Pledged or frozen**		**Type of shareholders**
				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]	827,871,432	14.82		Unknown		Overseas legal person
State-owned Assets Supervision & Administration Commission of the People's Government of Qinhuangdao City	621,455,485	11.12		Nil		State
Hebei Construction Investment Transportation Investment Co., Ltd.* (河北建投交通投資有限責任公司)	209,866,757	3.76		Nil		State-owned legal person
Daqin Railway Co., Ltd.	42,750,000	0.77		Nil		State-owned legal person
COSCO SHIPPING (Tianjin) Co., Ltd.* (中遠海運(天津)有限公司)	41,437,588	0.74		Nil		State-owned legal person
Shougang Enterprises Group Co., Ltd.	41,437,588	0.74		Nil		State-owned legal person
China Life Investment Holding Company Limited	41,437,588	0.74		Nil		State-owned legal person
Datong Coal Mine Group Co., Ltd.	41,437,588	0.74		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)	41,247,362	0.74	41,247,362	Nil		Others

Shareholding 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]	827,871,432	Foreign shares listed overseas	827,871,432
State-owned Assets Supervision & Administration Commission of the People's Government of Qinhuangdao City	621,455,485	RMB ordinary shares	621,455,485
Hebei Construction Investment Transportation Investment Co., Ltd.* (河北建投交通投資有限責任公司)	209,866,757	RMB ordinary shares	209,866,757
Daqin Railway Co., Ltd.	42,750,000	RMB ordinary shares	42,750,000
COSCO SHIPPING (Tianjin) Co., Ltd.* (中遠海運(天津)有限公司)	41,437,588	RMB ordinary shares	41,437,588
Shougang Enterprises Group Co., Ltd.	41,437,588	RMB ordinary shares	41,437,588
China Life Investment Holding Company Limited	41,437,588	RMB ordinary shares	41,437,588
Datong Coal Mine Group Co., Ltd.	41,437,588	RMB ordinary shares	41,437,588
Hong Kong Securities Clearing Company Limited	14,923,465	RMB ordinary shares	14,923,465
Agricultural Bank of China Limited – China Securities 500 Index ETF Securities Investment Fund (中證500交易型開放式指數證券投資基金)	13,461,200	RMB ordinary shares	13,461,200

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.
Holders of preference shares with restored voting rights and their shareholdings	Not applicable

Note: As at the end of the reporting period, Hebei Port Group Co., Ltd. has a shareholding in the H Shares of the Company of 71,303,000 Shares through Hebei Port Group International (Hong Kong) Co., Ltd., its offshore wholly-owned subsidiary, representing 1.28% 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. On 31 March 2020, the addition of financial assets held for trading amounted to RMB170,000,000.00, mainly due to the increase in wealth management products purchased by Qinhuangdao Xin'gangwan Container Terminal Co.,Ltd. (秦皇島港新港灣集裝箱碼頭有限公司), a subsidiary of the Group.

2. On 31 March 2020, the prepayments amounted to RMB14,348,490.16, representing an increase of 33% as compared with that at the beginning of the year, mainly due to the increase in prepayments of purchase made by the Group.

3. On 31 March 2020, short-term borrowings amounted to RMB203,049,286.34, representing an increase of 34% as compared with that at the beginning of the year, mainly due to the increase in net short-term borrowings made by Tangshan Caofeidian Coal Port Co., Ltd. (唐山曹妃甸煤炭港務有限公司), a subsidiary of the Group.

4. On 31 March 2020, accounts payable amounted to RMB214,373,051.49, representing an increase of 30% as compared with that at the beginning of the year, mainly due to the increase in operating payables of the Group.

5. As at 31 March 2020, administrative expenses amounted to RMB130,108,115.66, representing a decrease of 71% as compared with that in the corresponding period of last year, mainly due to the provision for costs on employees who leave their posts and wait for retirement and no such costs incurred for the year.

6. As at 31 March 2020, other income amounted to RMB17,250,873.30, representing an increase of 89% as compared with that in the corresponding period of last year, mainly due to the fact that the Group has been entitled to VAT deduction policy since 1 April 2019 and the deducted VATs were included into other income.

7. As at 31 March 2020, impairment losses of credit amounted to RMB-523,996.66, representing an increase of 91% as compared with that in the corresponding period of last year, mainly due to the fact that the Group collectively recovered part of the trade receivables in the previous years and reversed the provision made for bad debts during the corresponding period of last year.

8. The total profit as of 31 March 2020 was RMB273,235,604.75, representing an increase of 86% as compared with that in the corresponding period of last year. Net profit was RMB201,721,498.42, representing an increase of 97% as compared with that in the corresponding period of last year, of which net profit attributable to shareholders of the parent was RMB252,346,656.99, representing an increase of 114% as compared with that in the corresponding period of last year. The decrease in the total operating cost during the current period was higher than the decrease in revenue, which was mainly due to the provision for costs on employees who leave their posts and wait for retirement during the same period last year of the Group and the declined revenue resulting from the decreased throughput affected by the novel coronavirus pneumonia epidemic during the current period.

9. As at 31 March 2020, income tax expenses amounted to RMB71,514,106.33, representing an increase of 60% as compared with that in the corresponding period of last year, mainly due to the increase in total profits of the Group for the current period.

10. As at 31 March 2020, net cash flows from investing activities amounted to RMB-984,492,365.79, representing a decrease of 65% as compared with that in the corresponding period of last year, mainly due to the increase in term deposits of the Group over 3 months.

11. As at 31 March 2020, net cash flows from financing activities amounted to RMB-54,955,579.86, representing a decrease of 223% as compared with that in the corresponding period of last year, mainly due to the decrease in borrowings obtained and the increase in borrowings repaid by the Group.

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

☐ Applicable ✓ Not applicable

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 2020

Prepared by: Qinhuangdao Port Co., Ltd.*

Unit: yuan Currency: RMB Audit status: unaudited

Item	31 March 2020	31 December 2019
Current assets:		
Cash and bank balances	**3,098,717,308.70**	2,805,072,385.39
Settlement provisions		
Placements with banks and other financial institutions		
Financial assets held for trading	**170,000,000.00**	
Derivative financial assets		
Bills receivable	**169,269,151.50**	172,344,886.06
Accounts receivable	**94,160,523.25**	81,480,463.58
Financing from amounts receivable		
Prepayments	**14,348,490.16**	10,763,773.91
Premiums receivable		
Reinsurance accounts receivable		
Deposits receivable from reinsurance contracts		
Other receivables	**50,804,770.04**	47,843,613.54
Including: Interest receivable		
Dividends receivable		
Financial assets purchased under resale agreements		
Inventories	**190,179,762.28**	186,149,733.94
Contract assets		
Assets held for sale		
Non-current assets due within one year		
Other current assets	**107,677,286.71**	108,861,397.06
Total current assets	**3,895,157,292.64**	3,412,516,253.48

Item	**31 March 2020**	31 December 2019
Non-current assets:		
Loans and advances granted		
Debt investment		
Other debt investment		
Long-term receivables		
Long-term equity investments	**2,975,366,991.85**	2,933,977,826.03
Investments in other equity instruments	**792,793,162.66**	792,793,162.66
Other non-current financial assets		
Investment properties		
Fixed assets	**14,123,424,656.38**	14,386,455,466.64
Construction in progress	**827,249,027.31**	818,663,594.98
Productive biological assets		
Oil and gas assets		
Right-of-use assets	**133,052,826.41**	136,087,991.44
Intangible assets	**2,430,280,130.60**	2,442,851,949.55
Development costs		
Goodwill		
Long-term prepaid expenses	**67,384,876.85**	67,553,845.97
Deferred tax assets	**407,239,085.68**	410,276,375.66
Other non-current assets	**69,255,460.36**	78,678,974.13
Total non-current assets	**21,826,046,218.10**	22,067,339,187.06
Total assets	**25,721,203,510.74**	25,479,855,440.54

Item	31 March 2020	31 December 2019
Current liabilities:		
Short-term borrowings	**203,049,286.34**	151,811,497.31
Loans from central bank		
Placements from banks and other financial institutions		
Financial liabilities held for trading		
Derivative financial liabilities		
Bills payable		
Accounts payable	**214,373,051.49**	164,642,529.63
Advances from customers		
Contract liabilities	**543,884,372.74**	526,176,060.80
Financial assets sold under repurchase agreements		
Deposits taking and deposits in inter-bank market		
Customer deposits for trading in securities		
Customer deposits for underwriting securities		
Employee benefits payable	**605,077,406.92**	641,772,243.05
Taxes payable	**143,075,629.97**	136,546,991.12
Other payables	**586,463,897.09**	618,070,938.59
Including: Interest payable		
Dividends payable	**1,016.11**	1,101.94
Fee and commission payable		
Reinsurance accounts payable		
Liabilities held for sale		
Non-current liabilities due within one year	**698,184,626.78**	698,268,300.47
Other current liabilities		
Total current liabilities	**2,994,108,271.33**	2,937,288,560.97

Item	**31 March 2020**	31 December 2019
Non-current liabilities:		
Reserve for insurance policies		
Long-term borrowings	**5,857,682,492.98**	5,883,682,492.98
Debentures payable		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	**7,710,378.67**	7,521,511.19
Long-term payables	**238,400,000.00**	238,400,000.00
Long-term employee benefits payable	**532,928,001.35**	532,928,001.35
Provisions	**33,860,000.00**	33,860,000.00
Deferred income	**234,257,056.13**	243,113,352.90
Deferred income tax liabilities	**14,779,723.68**	14,779,723.68
Other non-current liabilities		
Total non-current liabilities	**6,919,617,652.81**	6,954,285,082.10
Total liabilities	**9,913,725,924.14**	9,891,573,643.07
Owners' equity (Shareholders' equity):		
Paid-in capital	**5,587,412,000.00**	5,587,412,000.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserve	**5,207,544,792.61**	5,207,544,792.61
Less: Treasury shares		
Other comprehensive income	**182,895,578.66**	181,333,327.86
Special reserve	**123,194,547.86**	108,030,468.84
Surplus reserve	**1,334,346,000.28**	1,334,346,000.28
General risk reserve		
Retained profit	**2,444,122,962.78**	2,191,776,305.79
Total equity attributable to owners of the parent (shareholders' equity)	**14,879,515,882.19**	14,610,442,895.38
Minority interests	**927,961,704.41**	977,838,902.09
Total owners' equity (shareholders' equity)	**15,807,477,586.60**	15,588,281,797.47
Total liabilities and owners' equity (shareholders' equity)	**25,721,203,510.74**	25,479,855,440.54

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

BALANCE SHEET OF THE PARENT COMPANY

31 March 2020

Prepared by: Qinhuangdao Port Co., Ltd.*

Unit: yuan Currency: RMB Audit status: unaudited

Item	31 March 2020	31 December 2019
Current assets:		
Cash and bank balances	**2,321,724,699.00**	1,939,401,202.52
Financial assets held for trading		
Derivative financial assets		
Bills receivable	**96,800,000.00**	98,732,091.00
Accounts receivable	**53,904,883.41**	40,947,899.72
Financing from amounts receivable		
Prepayments	**3,975,775.95**	1,697,546.98
Other receivables	**2,057,552.17**	607,924.51
Including: Interests receivable		
Dividends receivable		
Inventories	**126,819,381.13**	125,905,679.48
Contract assets		
Assets held for sale		
Non-current assets due within one year		
Other current assets		38,411.46
Total current assets	**2,605,282,291.66**	2,207,330,755.67

Item	31 March 2020	31 December 2019
Non-current assets:		
Debt investment		
Other debt investment		
Long-term receivables		
Long-term equity investments	**9,475,039,615.82**	9,430,895,512.09
Investments in other equity instruments	**617,086,598.02**	617,086,598.02
Other non-current financial assets		
Investment properties		
Fixed assets	**3,957,564,876.82**	4,030,558,073.57
Construction in progress	**16,549,904.28**	24,481,805.29
Productive biological assets		
Oil and gas assets		
Right-of-use assets	**13,598,142.25**	15,540,733.92
Intangible assets	**390,092,603.80**	390,737,372.27
Development costs		
Goodwill		
Long-term prepaid expenses		
Deferred income tax assets	**345,094,551.47**	347,613,518.50
Other non-current assets	**27,341,739.93**	26,591,859.93
Total non-current assets	**14,842,368,032.39**	14,883,505,473.59
Total assets	**17,447,650,324.05**	17,090,836,229.26
Current liabilities:		
Short-term borrowings	**80,091,727.78**	80,163,252.78
Financial liabilities held for trading		
Derivative financial liabilities		
Bills payable		
Accounts payable	**113,678,946.39**	69,608,872.13
Advances from customers		
Contract liabilities	**440,460,942.16**	404,641,998.27
Employee benefits payable	**575,473,180.48**	611,203,208.77
Taxes payable	**109,742,928.82**	101,279,397.97
Other payables	**79,635,890.27**	65,378,838.95
Including: Interest payable		
Dividends payable	**1,016.11**	1,101.94
Liabilities held for sale		
Non-current liabilities due within one year	**6,661,590.01**	8,619,266.69
Other current liabilities		
Total current liabilities	**1,405,745,205.91**	1,340,894,835.56

Item	31 March 2020	31 December 2019
Non-current liabilities:		
Long-term borrowings		
Debentures payable		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	**7,710,378.67**	7,521,511.19
Long-term payables	**238,400,000.00**	238,400,000.00
Long-term employee benefits payable	**494,454,519.70**	494,454,519.70
Provisions		
Deferred income	**233,562,730.28**	242,419,027.05
Deferred income tax liabilities	**7,583,560.02**	7,583,560.02
Other non-current liabilities		
Total non-current liabilities	**981,711,188.67**	990,378,617.96
Total liabilities	**2,387,456,394.58**	2,331,273,453.52
Owners' equity (Shareholders' equity):		
Paid-in 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	**166,266,839.37**	165,610,885.84
Special reserve	**94,959,946.21**	82,639,037.09
Surplus reserve	**1,334,207,655.51**	1,334,207,655.51
Retained profit	**2,680,011,019.71**	2,392,356,728.63
Total owners' equity (shareholders' equity)	**15,060,193,929.47**	14,759,562,775.74
Total liabilities and owners' equity (shareholders' equity)	**17,447,650,324.05**	17,090,836,229.26

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

CONSOLIDATED INCOME STATEMENT
From January to March 2020

Prepared by: Qinhuangdao Port Co., Ltd.*

Unit: yuan Currency: RMB Audit status: unaudited

Item	**First quarter of 2020**	First quarter of 2019
I. Total revenue	**1,390,695,541.93**	1,639,294,531.54
Including: Revenue	**1,390,695,541.93**	1,639,294,531.54
Interest income		
Premium earned		
Fee and commission income		
II. Total operating costs	**1,169,692,563.22**	1,552,672,884.44
Including: Operating costs	**882,101,464.73**	924,004,602.67
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	**87,843,491.02**	94,720,641.92
Selling expenses		22,708.00
Administrative expenses	**130,108,115.66**	452,096,365.36
Research and development expenses	**1,529,969.64**	2,059,515.00
Financial costs	**68,109,522.17**	79,769,051.49
Including: Interest expenses	**78,914,415.88**	85,249,701.03
Interest income	**10,233,964.13**	7,938,061.14
Add: Other income	**17,250,873.30**	9,138,129.15
Investment income (loss expressed with "-")	**40,114,507.16**	45,312,236.61
Including: Investment income from associates and joint ventures	**39,459,454.18**	25,970,175.65
Income from derecognition of financial assets at amortization cost		
Foreign exchange gain (loss expressed with "-")		
Gains on net exposure hedges (loss expressed with "-")		

Item	First quarter of 2020	First quarter of 2019
Gains from changes in fair value (loss expressed with "-")		
Impairment loss of credit (loss expressed with "-")	**523,996.66**	5,959,521.92
Asset impairment loss(loss expressed with "-")		
Gain on disposal of assets (loss expressed with "-")		
III. Operating profit (loss expressed with "-")	**278,892,355.83**	147,031,534.78
Add: Non-operating income	**262,124.58**	308,177.82
Less: Non-operating expenses	**5,918,875.66**	99,729.86
IV. Total profit (total loss expressed with "-")	**273,235,604.75**	147,239,982.74
Less: Income tax expenses	**71,514,106.33**	44,775,800.94
V. Net profit (net loss expressed with "-")	**201,721,498.42**	102,464,181.80
(I) Classified by continuity of operation		
1.Net profit from continuing operations (net loss expressed with "-")	**201,721,498.42**	102,464,181.80
2.Net profit from discontinued operations (net loss expressed with "-")		
(II) Classified by ownership of equity		
1.Net profit attributable to shareholders of the parent (net loss expressed with "-")	**252,346,656.99**	118,022,159.79
2.Minority interests (net loss expressed with "-")	**-50,625,158.57**	-15,557,977.99
VI. Other comprehensive income, net of tax	**1,562,250.80**	-735,289.98
(I) Other comprehensive income attributable to owners of the parent, net of tax	**1,562,250.80**	-735,289.98
1.Other comprehensive income that cannot be reclassified to profit or loss		
(1)Re-measurement of changes in defined benefit plans		
(2)Other comprehensive income that cannot be reclassified into the profit or loss under the equity method		
(3)Changes in fair value of investment in other equity instruments		
(4)Change in fair value of own credit risk		

Item	First quarter of 2020	First quarter of 2019
2.Other comprehensive income that may be reclassified to profit or loss	**1,562,250.80**	-735,289.98
(1)Other comprehensive income that may be reclassified into the profit and loss under the equity method	**655,953.53**	196,248.24
(2)Changes in fair value of other debt investment		
(3)Amount included in other comprehensive income on reclassification of financial assets		
(4)Provision for credit impairment of other debt investments		
(5)Cash flows hedging reserve		
(6)Exchange differences arising from translation of foreign currency denominated financial statement	**906,297.27**	-931,538.22
(7)Others		
(II) Other comprehensive income attributable to minority shareholders, net of tax		
VII. Total comprehensive income	**203,283,749.22**	101,728,891.82
(I) Total comprehensive income attributable to owners of the parent	**253,908,907.79**	117,286,869.81
(II) Total comprehensive income attributable to minority shareholders	**-50,625,158.57**	-15,557,977.99
VIII. Earnings per share:		
(I)Basic earnings per share (RMB/share)	**0.05**	0.02
(II)Diluted earnings per share (RMB/share)	**0.05**	0.02

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

INCOME STATEMENT OF THE PARENT COMPANY
From January to March 2020

Prepared by: Qinhuangdao Port Co., Ltd.*

Unit: yuan Currency: RMB Audit status: unaudited

Item		First quarter of 2020	First quarter of 2019
I.	**Revenue**	**957,898,027.90**	1,174,927,096.90
	Less: Operating costs	**507,742,122.78**	568,052,703.57
	Tax and surcharges	**54,433,063.13**	61,742,176.36
	Selling expenses		
	Administrative expenses	**104,850,208.84**	421,516,396.67
	Research and development expenses	**1,529,969.64**	2,059,515.00
	Financial costs	**-8,096,408.85**	5,184,160.44
	Including: Interest expenses	**767,033.33**	7,748,437.52
	Interest income	**8,074,180.02**	5,078,030.54
	Add: Other income	**17,003,672.47**	9,138,129.15
	Investment income (loss expressed with “-”)	**42,214,392.09**	27,836,559.11
	Including: Investment income from associates and joint ventures	**42,214,392.09**	27,836,559.11
	Income from derecognition of financial assets at amortization cost		
	Gains on net exposure hedges (loss expressed with “-”)		
	Gains from changes in fair value (loss expressed with “-”)		
	Impairment loss of credit (loss expressed with “-”)	**1,219,571.23**	6,997,773.10
	Asset impairment loss (loss expressed with “-”)		
	Gain on disposal of assets(loss expressed with “-”)		
II.	**Operating profit (loss expressed with “-”)**	**357,876,708.15**	160,344,606.22
	Add: Non-operating income	**110,475.81**	297,427.62
	Less: Non-operating expenses		12,965.92
III.	**Total profit (total loss expressed with “-”)**	**357,987,183.96**	160,629,067.92
	Less: Income tax expenses	**70,332,892.88**	37,164,189.71

Item	**First quarter of 2020**	First quarter of 2019
IV. Net profit (net loss expressed with "-")	**287,654,291.08**	123,464,878.21
(I) Net profit from continuing operations (net loss expressed with "-")	**287,654,291.08**	123,464,878.21
(II) Net profit from discontinued operations (net loss expressed with "-")		
V. Other comprehensive income, net of tax	**655,953.53**	196,248.24
(I) Other comprehensive income that cannot be reclassified to profit or loss		
1. Re -measurement of changes in defined benefit plans		
2. Other comprehensive income that cannot be reclassified into the profit or loss under the equity method		
3. Changes in fair value of investment in other equity instruments		
4. Change in fair value of own credit risk		
(II) Other comprehensive income that may be reclassified to profit or loss	**655,953.53**	196,248.24
1. Other comprehensive income that may be reclassified into the profit and loss under the equity method	**655,953.53**	196,248.24
2. Changes in fair value of other debt investment		
3. Amount included in other comprehensive income on reclassification of financial assets		
4. Provision for credit impairment of other debt investments		
5. Cash flows hedging reserve		
6. Exchange differences arising from translation of foreign currency denominated financial statement		
7. Others		
VI. Total comprehensive income	**288,310,244.61**	123,661,126.45
VII. Earnings per share:		
(I) Basic earnings per share (RMB/share)		
(II) Diluted earnings per share (RMB/share)		

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

CONSOLIDATED STATEMENT OF CASH FLOWS
From January to March 2020

Prepared by: Qinhuangdao Port Co., Ltd.*

Unit: yuan Currency: RMB Audit status: unaudited

Item	**First quarter of 2020**	First quarter of 2019
I. Cash flows from operating activities:		
Cash received from sale of goods or rendering of services	**1,481,891,945.78**	1,668,043,306.33
Net increase in customer deposits and due to banks and other financial institutions		
Net increase in loans from central bank		
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		
Cash received from interest, handling fees and commissions		
Net increase in borrowing funds		
Net increase in repurchase business funds		
Net cash received from customer deposits for trading in securities		
Tax rebate received		18,768,652.40
Cash received relating to other operating activities	**23,094,340.64**	14,555,072.16
Sub-total of cash inflows	**1,504,986,286.42**	1,701,367,030.89
Cash paid for goods and services	**259,133,808.21**	273,347,658.41
Net increase in Loans and advances to customers		
Net increase in deposits in central bank and interbank		
Cash paid for compensation payments under original insurance contract		
Net increase in loans to banks and other financial institutions		
Interests, service charges and commission paid		
Cash paid for insurance policy dividend		
Cash paid to and on behalf of employees	**383,010,472.10**	470,745,456.20
Cash paid for all taxes	**209,581,093.59**	266,938,716.91
Cash paid relating to other operating activities	**66,554,366.65**	60,709,873.91
Sub-total of cash outflows	**918,279,740.55**	1,071,741,705.43
Net cash flows from operating activities	**586,706,545.87**	629,625,325.46

Item		**First quarter of 2020**	First quarter of 2019
II.	**Cash flows from investing activities**		
	Cash received from return of investment	**186,500,000.00**	
	Cash received from investment income	**694,356.16**	613,698.63
	Net cash received from disposal of fixed assets, intangible assets and other long-term assets	**172,258.00**	188,076,721.54
	Net cash received for the disposal of subsidiaries and other business entities		
	Cash received relating to other investing activities	**15,532,157.10**	14,075,064.86
	Sub-total of cash inflows	**202,898,771.26**	202,765,485.03
	Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	**70,791,573.14**	382,574,917.28
	Cash paid for investments	**1,116,568,314.16**	417,876,008.74
	Net increase in pledged loans		
	Net cash paid for acquiring subsidiaries and other business entities		
	Cash paid relating to other investing activities	**31,249.75**	
	Sub-total of cash outflows	**1,187,391,137.05**	800,450,926.02
	Net cash flows from investing activities	**-984,492,365.79**	-597,685,440.99
III.	**Cash flows from financing activities**		
	Cash received from capital contribution		
	Including: cash received from minority shareholders by subsidiaries		
	Cash received from borrowings	**50,000,000.00**	71,200,000.00
	Cash received relating to other financing activities		
	Sub-total of cash inflows	**50,000,000.00**	71,200,000.00
	Cash paid for repayments of borrowings	**24,000,000.00**	3,000,000.00
	Cash paid for distribution of dividends or profits and for interest expenses	**78,820,949.61**	85,219,412.66
	Including: dividends and profits paid to minority shareholders by subsidiaries		
	Cash paid relating to other financing activities	**2,134,630.25**	
	Sub-total of cash outflow	**104,955,579.86**	88,219,412.66
	Net cash flows from financing activities	**-54,955,579.86**	-17,019,412.66
IV.	**Effect of foreign exchange rate changes on cash and cash equivalents**	**1,841,125.15**	-3,133,041.50
V.	**Net increase in cash and cash equivalents**	**-450,900,274.63**	11,787,430.31
	Add: Balance of cash and cash equivalents at the beginning of the period	**2,115,226,869.17**	1,984,473,726.56
VI.	**Balance of cash and cash equivalents at the end of the period**	**1,664,326,594.54**	1,996,261,156.87

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

STATEMENT OF CASH FLOWS OF THE PARENT COMPANY

From January to March 2020

Prepared by: Qinhuangdao Port Co., Ltd.*

Unit: yuan Currency: RMB Audit status: unaudited

Item		First quarter of 2020	First quarter of 2019
I.	**Cash flows from operating activities:**		
	Cash received from sale of goods or rendering of services	**1,043,483,014.71**	1,217,462,651.55
	Tax rebate received		18,768,652.40
	Cash received relating to other operating activities	**19,680,821.33**	9,746,820.57
	Sub-total of cash inflows	**1,063,163,836.04**	1,245,978,124.52
	Cash paid for goods and services	**125,417,995.37**	161,168,288.48
	Cash paid to and on behalf of employees	**328,220,870.63**	411,048,162.06
	Cash paid for all taxes	**147,402,578.66**	211,373,833.32
	Cash paid relating to other operating activities	**52,596,003.78**	52,568,867.63
	Sub-total of cash outflows	**653,637,448.44**	836,159,151.49
	Net cash flows from operating activities	**409,526,387.60**	409,818,973.03
II.	**Cash flows from investing activities**		
	Cash received from return of investment		
	Cash received from investment income		
	Net cash received from disposal of fixed assets, intangible assets and other long-term assets		426.78
	Net cash received for the disposal of subsidiaries and other business entities		
	Cash received relating to other investing activities		
	Sub-total of cash inflows		426.78
	Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	**25,349,156.73**	24,707,817.78
	Cash paid for investments	**739,568,314.16**	387,876,008.74
	Net cash paid for acquiring subsidiaries and other business entities		
	Cash paid relating to other investing activities		
	Sub-total of cash outflows	**764,917,470.89**	412,583,826.52
	Net cash flows from investing activities	**-764,917,470.89**	-412,583,399.74

Item	First quarter of 2020	First quarter of 2019
III. Cash flows from financing activities		
Cash received from capital contribution		
Cash received from borrowings		
Cash received relating to other investing activities		
Sub-total of cash inflows		
Cash paid for repayments of borrowings		
Cash paid for distribution of dividends or profits and for interest expenses	**838,558.33**	7,748,437.52
Cash paid relating to other financing activities	**2,134,630.25**	
Sub-total of cash outflow	**2,973,188.58**	7,748,437.52
Net cash flows from financing activities	**-2,973,188.58**	-7,748,437.52
IV. Effect of foreign exchange rate changes on cash and cash equivalents	**1,119,454.19**	-2,297,874.17
V. Net increase in cash and cash equivalents	**-357,244,817.68**	-12,810,738.40
Add: Balance of cash and cash equivalents at the beginning of the period	**1,433,401,202.52**	1,251,209,101.92
VI. Balance of cash and cash equivalents at the end of the period	**1,076,156,384.84**	1,238,398,363.52

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

4.2 Adjustments to financial statements of the current year at its beginning for the initial application of the new income standards and new lease standards since 2020 are shown as below

☐ Applicable ✓ Not applicable

4.3 Explanations on retrospective adjustments of previously comparative figures due to implementation of new accounting standards for financial instruments and new accounting standards for leases for the first time

☐ Applicable ✓ Not applicable

4.4 Audit report

☐ Applicable ✓ Not applicable

By order of the Board
Qinhuangdao Port Co., Ltd.*
CAO Ziyu
Chairman

Qinhuangdao, Hebei Province, the People's Republic of China
28 April 2020

As at the date of this announcement, the executive directors of the Company are CAO Ziyu, YANG Wensheng, and MA Xiping; the non-executive directors of the Company are LIU Guanghai, LI Jianping and XIAO Xiang; and the independent non-executive directors of the Company are ZANG Xiuqing, HOU Shujun, CHEN Ruihua and XIAO Zuhe.