中國外運股份有限公司
SINOTRANS LIMITED

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

(Stock Code: 0598)

2020 THIRD QUARTERLY REPORT

The board of directors (the "**Board**") of Sinotrans Limited (the "**Company**") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively the "**Group**") for the third quarter ended 30 September 2020, which have been prepared in accordance with China Accounting Standards for Business Enterprises.

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

CONTENTS

I. IMPORTANT NOTICE

1.1 The Board of Directors and the Supervisory Committee of the Company and the Directors, Supervisors and members of the Senior Management guarantee the truthfulness, accuracy and completeness of the contents in this Quarterly Report and confirm that there are no misrepresentations or misleading statements contained in or material omissions from this Quarterly Report, and accept several and joint legal responsibilities.

1.2 Absent Directors

Name of the absent Director	Position of the absent Director	Reason for the absence of the Director	Name of the proxy
Song Rong	Director	Other business engagement	Li Guanpeng
Su Jian	Director	Other business engagement	Jiang Jian
Xiong Xianliang	Director	Other business engagement	Jiang Jian
Jerry Hsu	Director	Other business engagement	Wang Taiwen

1.3 The Company's legal representative, Li Guanpeng; Chief Financial Officer, Wang Jiuyun; and head of the Financial Department ("person in charge of accounting"), Mai Lina, hereby make the statement that they guarantee the financial statements contained in this Quarterly Report are true, accurate and complete.

1.4 The Third Quarterly Report of the Company is unaudited.

II. BASIC INFORMATION OF THE COMPANY

2.1 Key financial data

Unit: Yuan Currency: RMB

	As at the end of the reporting period	As at the end of last year	Change as at the end of the reporting period as compared with the end of last year (%)
Total assets	65,408,199,465.41	61,886,407,948.66	5.69
Net assets attributable to shareholders of the Company	29,550,608,756.37	28,438,616,352.12	3.91
	From the beginning of the year to the end of the reporting period (January-September)	From the beginning of last year to the end of the reporting period of last year (January-September)	Change as compared with the corresponding period of last year (%)
Net cash flows from operating activities	1,006,795,914.69	-170,771,090.96	N/A
	From the beginning of the year to the end of the reporting period (January-September)	From the beginning of last year to the end of the reporting period of last year (January-September)	Change as compared with the corresponding period of last year (%)
Operating income	62,290,465,505.16	55,854,565,973.46	11.52
Net profits attributable to shareholders of the Company	2,081,470,476.63	2,117,314,530.86	-1.69
Net profits net of non-recurring profit or loss attributable to shareholders of the Company	1,813,356,881.23	1,851,125,301.39	-2.04
Weighted average return on equity （%）	7.00	7.90	decreased by 0.9 percentage point
Basic earnings per share （Yuan/share）	0.2812	0.2920	-3.70
Diluted earnings per share （Yuan/share）	0.2812	0.2920	-3.70

Non-recurring profit or loss items and amounts

✓Applicable □Not applicable

Unit:Yuan Currency:RMB

Items	Amount in current period (July-September)	From the beginning of the year to the end of the reporting period (January-September)	Note
Gains and losses from disposal of non-current assets	6,828,306.79	20,770,942.71	
Tax returns and abatement that are examined and approved beyond authority, or without official approval documents or occasional			
Government subsidies recognized in current profit or loss, except government subsidies which are closely related to the Company's normal business operations, which comply with national policies and can be obtained continuously based on a set of standards by fixed amount or fixed quantity	47,782,820.18	196,534,997.51	
Capital occupation fees charged from the non-financial enterprises and counted into the current profits or losses of the Company	1,123,902.59	3,638,251.62	
Gains when the investment cost of acquiring a subsidiary, an associate and a joint venture is less than the fair value of the identifiable net assets of the invested entity			
Gains and losses from exchange of non-monetary assets			
Gains and losses from entrusting others to invest or manage assets			
Asset impairment provisions due to force majeure factors such as natural disasters			
Gains and losses from debt restructuring			
Enterprise restructuring costs such as staff settlement expenses and integration costs			
Gains and losses that exceeds the fair value in transactions with unfair price			
Current net profits or losses of subsidiaries from the merger of enterprise under common control from the beginning of the period to the date of the merger			
Gains and losses arising from contingencies irrelevant to the Company's normal business operations			

Items	Amount in current period (July-September)	From the beginning of the year to the end of the reporting period (January-September)	Note
Gains and losses from changes in fair value arising from held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities, and investment income arising from disposal of held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities and other debt investment other than effective hedging business related to the Company's normal business operations	645,287.24	1,195,460.56	
Reversal of impairment of accounts receivables and contract assets that had impairment test separately	404,646.80	778,961.49	
Gains and losses from external entrusted loans			
Gains and losses from changes in fair value of investment properties subsequently measured in the fair value model			
Impact on the current profits and losses by one-off adjustment according to laws and regulations related to tax and accounting			
Trusteeship fee income from entrusted operations	-	7,075,471.70	
Other non-operating income and expenses other than the above items	121,416,625.89	99,949,305.82	
Other gains and losses classified to non-recurring profits or losses	12,309,912.42	38,425,947.52	Additional VAT deduction
Impact on non-controlling interests (after tax)	-644,523.40	-8,657,014.31	
Impact on income tax	-49,492,575.15	-91,598,729.22	
Total	140,374,403.36	268,113,595.40	

2.2 Total number of shareholders, the shareholding status of the top 10 shareholders and the top 10 outstanding shareholders (or holders of unrestricted shares) at the end of the reporting period

Unit: Share

Total Number of Shareholders						75,806
Shareholding of the Top 10 Shareholders						
Name of Shareholder (Full Name)	**Number of Shares Held At the End of the Reporting Period**	**Percentage (%)**	**Number of Shares Lockup**	**Pledged or Frozen Status**		**Nature of Shareholder**
				Status of Shares	**Number**	
Sinotrans & CSC Holdings Co., Ltd.	2,472,216,200	33.40	2,461,596,200	Nil	0	State-owned legal person
HKSCC NOMINEES LIMITED	2,107,402,399	28.48	0	Unknown	Unknown	Overseas legal person
China Merchants Group Limited	1,600,597,439	21.63	1,442,683,444	Nil	0	State-owned legal person
Hong Kong Securities Clearing Company Limited (香港中央結算有限公司)	77,510,940	1.05	0	Nil	0	Overseas legal person
Central Huijin Asset Management Co., Ltd. (中央匯金資產管理有限責任公司)	51,346,878	0.69	0	Nil	0	State-owned legal person
DEUTSCHE POST BETEILIGUNGEN HOLDING	35,616,000	0.48	0	Unknown	Unknown	Overseas legal person
China Securities Finance Corporation Limited (中國證券金融股份有限公司)	31,129,481	0.42	0	Nil	0	State-owned legal person
Chen Jingjian	14,428,713	0.19	0	Nil	0	Domestic natural person
BTG Hotels (Group) Co., Ltd. (北京首旅酒店(集團)股份有限公司)	13,354,749	0.18	0	Nil	0	State-owned legal person
Shanghai Pinpoint InsttRuments Co. Ltd. - Pinpoint Bauhinia Blooming Fund (上海保銀投資管理有限公司－保銀紫荊怒放私募基金)	9,905,125	0.13	0	Nil	0	Unknown

Shareholding of the Top 10 Holders of Shares without Restrictions			
Name of Shareholder	**Number of Shares without Restrictions**	**Type and Number of Shares**	
		Type	**Number**
HKSCC NOMINEES LIMITED	2,107,402,399	Shares listed overseas	2,107,402,399
China Merchants Group Limited	157,913,995	Ordinary shares denominated in RMB	157,913,995
Hong Kong Securities Clearing Company Limited (香港中央結算有限公司)	77,510,940	Ordinary shares denominated in RMB	77,510,940
Central Huijin Asset Management Ltd. (中央匯金資產管理有限責任公司)	51,346,878	Ordinary shares denominated in RMB	51,346,878
DEUTSCHE POST BETEILIGUNGEN HOLDING	35,616,000	Shares listed overseas	35,616,000
China Securities Finance Corporation Limited (中國證券金融股份有限公司)	31,129,481	Ordinary shares denominated in RMB	31,129,481
Chen Jingjian	14,428,713	Ordinary shares denominated in RMB	14,428,713
BTG Hotels (Group) Co., Ltd. (北京首旅酒店(集團)股份有限公司)	13,354,749	Ordinary shares denominated in RMB	13,354,749
Shanghai Pinpoint InsttRuments Co. Ltd. - Pinpoint Bauhinia Blooming Fund (上海保銀投資管理有限公司－保銀紫荊怒放私募基金)	9,905,125	Ordinary shares denominated in RMB	9,905,125
Chen Lijuan	9,429,304	Ordinary shares denominated in RMB	9,429,304
Description of the related relationship or acting in concert among the above shareholders	Sinotrans & CSC Holdings Co., Ltd. is the wholly-owned subsidiary of China Merchants Group Limited.		
Description of the shares and voting rights restored of preferred shareholders	N/A		

Note： At the end of the reporting period, the Company had 75,679 holders of A shares and 127 registered holders of H shares.

2.3 Total number of preferred shareholders, the shareholding status of the top 10 shareholders of preferred shares and the top 10 holders of preferred shares without restrictions at the end of the reporting period

□Applicable ✓Not applicable

III. SIGNIFICANT MATTERS

3.1 Particulars of and reasons for significant changes of the major financial items and indicators of the Company

✓Applicable □Not applicable

（1） Items of Consolidated Statement of Financial Position

Unit: Yuan Currency: RMB

Item	As of 30 September 2020	As of 31 December 2019	Changes (%)	Major Reasons for the Changes
Held-for-trading financial assets	127,015.13	5,641,228.80	-97.75	RMB 5.5 million of targeted asset-backed notes was due during the reporting period.
Prepayments	2,972,193,479.22	2,246,807,826.72	32.29	The prepayments related to railway freight forwarding and air freight forwarding increased during the reporting period, because of the increase of freight and business volume.
Inventories	83,051,293.74	125,293,322.01	-33.71	The trade and business contracts with customers have expired or will expire during the reporting period and the inventory disposed continuously.
Other equity instrument investments	21,634,477.50	256,540,744.93	-91.57	All the shares of BOE Technology Group Co., Ltd. held have been disposed of during the reporting period.
Goodwill	2,329,067,213.93	172,612,157.55	1,249.31	The completion of the acquisition of KLG Group during the reporting period and consolidating it into the financial statements since 2020, result in the increase of goodwill.
Other non-current assets	324,041,637.41	225,023,784.54	44.00	The change in receivables and payables of Lanshi Port, the trusted asset under management, and the increased prepayment caused by payment of land-use right during the reporting period.
Short-term borrowings	2,141,936,125.36	1,202,384,395.00	78.14	The new offshore short-term financing equivalent to RMB716 million for the acquisition of KLG Group during the reporting period.
Bills payable	169,085,058.03	-	N/A	Certain subsidiaries of the Group used bills payable for settlement during the reporting period.
Dividends payable	95,806,017.97	47,911,902.30	99.96	Certain non-wholly-owned subsidiaries declared dividends during the reporting period, which have not been paid.

Item	As of 30 September 2020	As of 31 December 2019	Changes (%)	Major Reasons for the Changes
Non-current liabilities due within one year	8,300,686,599.96	3,268,689,764.93	153.95	The reclassification of the portion due within one year (RMB3.392 billion) under bonds payable and the portion due within one year (RMB2.217 billion) under long term borrowings into non-current liabilities due within one year during the reporting period, and the increase of the lease liabilities due within one year.
Long-term borrowings	2,552,179,885.08	5,026,139,244.02	-49.22	The reclassification of the portion due within one year under the long term borrowings into non-current liabilities due within one year during the reporting period.
Bonds payable	-	3,419,486,443.79	-100.00	The reclassification of the portion due within one year under the bonds payable into non-current liabilities due within one year during the reporting period.
Deferred tax liabilities	182,615,717.30	84,261,559.81	116.72	The change in the scope of consolidation during the reporting period led to the increase in temporary difference.
Other non-current liabilities	200,279,705.10	71,319,466.31	180.82	The liabilities related to Lanshi Port (the trusted asset under management) increased by RMB132 million (i.e. compensation received from the government for demolition and removal), during the reporting period.
Other comprehensive income	-343,101,095.66	-157,971,711.23	N/A	The disposal of all the shares of BOE Technology Group Co., Ltd. held, and the influences of translation differences on foreign currency financial statements of the oversea subsidiaries during the reporting period.

（2） Items of Consolidated Statement of Profit or Loss and Other Comprehensive Income

Unit: Yuan　Currency: RMB

Item	**January-September 2020**	**January-September 2019**	**Changes (%)**	**Major Reasons for the Changes**
Research and development expenses	84,084,462.32	23,370,220.87	259.79	The increase of the investment in IT system research and development in order to accelerate digital construction during the reporting period.
Finance costs	426,810,682.03	155,734,992.59	174.06	The depreciation of the US dollars, and Belarusian Ruble led to foreign exchange losses during the reporting period.
Gain from changes in fair value	-41,195.83	-	N/A	The fair value fluctuations caused by some held-for-trading financial assets.
Credit loss impairment	-83,604,101.99	-58,926,980.72	N/A	The full impairment provision for long-term receivables related to Uni-top during the reporting period.
Impairment of assets	-500,000.00	-1,728,634.08	N/A	There was no impairment provision for fixed assets during the reporting period, while there was such matter during the corresponding period of last year.
Income from disposal of assets	20,716,604.13	113,044,600.93	-81.67	There was no disposal of the land during the reporting period, while there was such matter during the corresponding period of last year.
Non-operating income	142,361,791.62	65,597,038.65	117.02	The receipt of compensation income from Qianhai relocation during the reporting period.

(3) Items of Consolidated Statement of Cash Flows

Unit: Yuan Currency: RMB

Item	January-September 2020	January-September 2019	Changes (%)	Major Reasons for the Changes
Net cash flows from operating activities	1,006,795,914.69	-170,771,090.96	N/A	The improvement of the turnover of account receivables during the reporting period, and resulting in favorable cash inflow situation.
Net cash flows from investment activities	-236,129,222.86	601,366,539.56	-139.27	The acquisition of the remaining 20% equity interest in KLG Group, and paid net cash equivalent to RMB 517 million for it during the reporting period.
Net cash flows from financing activities	-1,389,393,932.45	-6,110,769,044.44	N/A	The scale of loans obtained during the reporting period increased compared to the corresponding period of last year, the repayment of various borrowings was large and the repayment of factoring during the corresponding period of last year.

3.2 Analysis and explanations of the progress of significant events and their impacts and solutions

✓Applicable □Not applicable

1. On 16 July 2020, the Company received the notice related to completion of the shareholding increase plan in the H Shares from the actual controlling shareholder of the Company, China Merchants Group Limited. From 28 May 2020 to 16 July 2020, China Merchants Group Limited has purchased in aggregate 85,795,000 H shares of the Company through Sinotrans Shipping Limited, representing approximately 1.16% of the total issued share capital of the Company, for the total amount of HK$ 147,558,740.00. And thus the shareholding increase plan has been completed. For details, please refer to the temporary announcement (No. Lin 2020-033) of the Company disclosed on the websites of the SSE (www.sse.com.cn) on 17 July 2020.

2. On 23 October 2020, the Company received the Notice of Completion of the Measures to Stabilize the Share Price from Sinotrans & CSC Holdings Co., Ltd, the controlling shareholder of the Company, the shareholding increase plan has been completed as the closing prices of the A shares of the Company have been higher than the latest audited net assets per share (being RMB 3.72 after the adjustment) for ten consecutive trading days from 9 October 2020 to 22 October 2020 which has met the conditions leading to the automatic termination of the shareholding increase plan as stated in the Letters of Commitment Regarding Stability of the Share Price of Sinotrans Limited. For details, please refer to the temporary announcement (No. Lin 2020-042) of the Company disclosed on the websites of the SSE (www.sse.com.cn) on 24 October 2020.

3.3 Particulars of overdue and outstanding undertakings during the reporting period

□Applicable ✓Not applicable

3.4 Warning and reasons for the accumulated net profits expected to be a loss for the period from the beginning of the year to the end of the next reporting period or significant changes as compared with the corresponding period of last year

□Applicable ✓Not applicable

3.5 Government subsidies

From July to September 2020, government grants received by the Group in relation to income amounted to RMB 427.5186 million in total, which mainly included government subsidies closely related to the Group's daily operations. The details of the large government grant projects of more than RMB 5 million obtained were as follows:

Unit Name	Items	Issuing Government Departments	Approval Documents	Amount (RMB: million)
Central South China International Land Port Co., Ltd.	Railway Express Financial Subsidies	Logistics and Port Office of Changsha Municipal Government	Notice of Hunan Province Department of Finance on Printing and Distributing the Implementation Rules of the Administration of Financial Subsidies Funds in Hunan-Europe Railway Express (Xiangcaiwai [2018] No.25) / Notice of the General Office of Changsha Municipal People’s Government on Issuing the Implementation Plan for Effectively Reducing the Impact of the Epidemic and Stabilizing Economic Operation in Changsha (Changzhengbanfa [2020] No.8)	174.5079
Sinotrans Logistics Northwest Co., Ltd	Railway Express Financial Subsidies	Xi’an International Trade & Logistics Park Management Committee	Notice of Ministry of Finance of the PRC on Financial Subsidies in China-Europe Railway Express(Caiyu [2017] No.188) / “Changan” International Freight Railway Express Cooperative Operation Agreement	117.5100
Sinotrans Northeastern Co., Ltd.	Railway Express Financial Subsidies	Shenyang Municipal Development And Reform Commission	Project Agreement to Cooperate to Develop Shenyang China-Europe Railway Express / Supplemental Agreement to Cooperate to Develop Shenyang China-Europe Railway Express	56.8305

Unit Name	**Items**	**Issuing Government Departments**	**Approval Documents**	**Amount (RMB: million)**
Sinotrans Dongguan Logistics Co., Ltd.	Railway Express Subsidy	Department of Finance of Guangdong Province, Dongguan Finance Department	Notice of Port Office of Guangdong Province and Department of Finance of Guangdong Province on Printing and Distributing the Implementation Rules of Freight Subsidy Funds in Guangdong-Europe Railway Express (Yuefuluhan [2017] No.96) / Framework Agreement of China-Europe and China-Asia Railway Express Support Policy in Guangdong Province	24.9620
Sinotrans Global E-commerce Logistics Co., Ltd.	Charter subsidies	Hangzhou Xiaoshan International Airport Co., Ltd.	Notice of the General Office of the People's Government of Zhejiang Province on Printing and Distributing the Measures for the Administration of Special Funds for the Guidance and Cultivation of New International Air Lines at Hangzhou Aviation Port	16.0000
China Merchants Sinotrans New Silk Road Supply Chain Management Co., Ltd.	Railway Express Financial Subsidies	Xi'an International Trade & Logistics Park Management Committee	Notice of Ministry of Finance of the PRC on Financial Subsidies in China-Europe Railway Express (Caiyu [2017] No.188) / "Changan" International Freight Railway Express Cooperative Operation Agreement	9.2262
Shandong Sinotrans Asia-Europe IoT Operation Co., Ltd.	Railway Express Financial Subsidies	Transportation Bureau of Wendeng District, Weihai City	Administrative Measures on Subsidy Funds for China-Asia Railway Express of Wendeng District, Weihai City	5.5698
Total	/	/	/	404.6082

3.6 Operation statistics of principal business

	January – September 2020	January – September 2019
Logistics (in million tonnes)		
Contract Logistics*	23.4	28.6
Project Logistics	3.7	4.7
Chemical Logistics	2.4	2.5
Cold Chain Logistics	0.7	1.0
Forwarding and related business		
Sea Freight Forwarding (in ten thousand TEUs)	918.6	952.0
Air Freight Forwarding (in million kilograms)	363.3	340.3
Rail Freight Forwarding (in ten thousand TEUs)	13.5	8.2
Shipping Agency (in ten thousand TEUs)	1,690.6	1,929.2
Warehouse and Yard Operation (in million tons)	13.1	11.5
Warehouse and Yard Storage (million tons/ day)	430.7	432.9
E-commerce business		
Cross-border e-commerce logistics (in ten thousand units)	15,405.8	12,334.2
Logistics equipment sharing platform (ten thousand TEUs/day)	8.0	8.3

* Does not include the business volume of KLG Group

Company name	Sinotrans Limited
Legal representative	Li Guanpeng
Date	28 October 2020

IV. APPENDIX

4.1 Financial Statements

Consolidated Statement of Financial Position

30 September 2020

Prepared by: Sinotrans Limited

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	30 September 2020	31 December 2019
Current assets:		
Cash and bank balances	9,813,171,193.18	10,475,499,824.16
Held-for-trading financial assets	127,015.13	5,641,228.80
Derivative financial assets		
Bills receivable	14,828,495.76	18,389,129.53
Accounts receivable	13,004,673,157.54	10,114,964,014.88
Receivables financing	759,450,636.22	600,596,569.69
Prepayments	2,972,193,479.22	2,246,807,826.72
Other receivables	1,710,818,407.44	1,637,377,987.43
Including: interest receivable	1,365,210.46	1,281,663.75
dividends receivable	52,462,551.98	53,247,750.69
Inventories	83,051,293.74	125,293,322.01
Contract assets		
Held-for-sale assets		
Non-current assets due within one year	12,205,000.00	12,085,000.00
Other current assets	514,905,846.86	626,309,693.00
Total current assets	28,885,424,525.09	25,862,964,596.22
Non-current assets:		
Debt investments		
Long-term receivables	75,260,547.68	102,637,410.37
Long-term equity investments	7,185,459,910.47	9,368,359,302.17
Other equity instrument investments	21,634,477.50	256,540,744.93
Other non-current financial assets	682,765,623.48	692,424,249.35
Investment properties	2,367,611,431.03	2,384,160,216.45
Fixed assets	12,242,155,533.77	12,472,503,554.46
Construction in progress	2,426,980,492.63	2,154,496,943.35
Right-of-use assets	2,218,743,523.40	1,990,676,405.63
Intangible assets	6,106,642,270.16	5,688,540,222.83
Development expenditure	86,865,864.77	81,415,404.91
Goodwill	2,329,067,213.93	172,612,157.55
Long-term prepaid expenses	208,647,832.09	220,746,710.04
Deferred tax assets	246,898,582.00	213,306,245.86
Other non-current assets	324,041,637.41	225,023,784.54
Total non-current assets	36,522,774,940.32	36,023,443,352.44
Total assets	65,408,199,465.41	61,886,407,948.66

Items	30 September 2020	31 December 2019
Current liabilities:		
Short-term borrowings	2,141,936,125.36	1,202,384,395.00
Held-for-trading financial liabilities		
Derivative financial liabilities		
Bills payable	169,085,058.03	
Accounts payable	10,868,291,246.94	9,147,046,027.11
Advances from customers		
Contract liabilities	3,217,653,107.69	2,608,389,707.64
Employee remuneration payable	1,532,886,886.74	1,589,693,735.12
Taxes and dues payable	413,766,983.98	344,533,438.22
Other payables	1,796,869,617.34	2,322,174,917.92
Including: interest payable	29,175,897.57	26,339,510.69
dividends payable	95,806,017.97	47,911,902.30
Held-for-sale liabilities		
Non-current liabilities due within one year	8,300,686,599.96	3,268,689,764.93
Other current liabilities	179,452,603.84	177,858,416.72
Total current liabilities	28,620,628,229.88	20,660,770,402.66
Non-current liabilities:		
Long-term borrowings	2,552,179,885.08	5,026,139,244.02
Bonds payable		3,419,486,443.79
Including: preference shares		
perpetual bonds		
Lease liabilities	1,694,852,619.85	1,519,924,346.73
Long-term payables	187,303,173.36	197,265,698.20
Long-term employee remuneration payable	2,658,580.41	2,927,039.77
Estimated liabilities	266,668,873.38	269,495,938.63
Deferred income	371,541,750.20	383,338,591.29
Deferred tax liabilities	182,615,717.30	84,261,559.81
Other non-current liabilities	200,279,705.10	71,319,466.31
Total non-current liabilities	5,458,100,304.68	10,974,158,328.55
Total liabilities	34,078,728,534.56	31,634,928,731.21
Shareholders' equity:		
Share capital	7,400,803,875.00	7,400,803,875.00
Other equity instruments		
Including: preference shares		
perpetual bonds		
Capital reserve	6,073,463,974.13	6,072,706,510.86
Less: treasury shares		
Other comprehensive income	-343,101,095.66	-157,971,711.23
Special reserve	69,280,614.33	53,520,819.76
Surplus reserve	899,046,022.99	899,046,022.99
Retained earnings	15,451,115,365.58	14,170,510,834.74

Items	30 September 2020	31 December 2019
Equity attributable to shareholders of the Company	29,550,608,756.37	28,438,616,352.12
Non-controlling interests	1,778,862,174.48	1,812,862,865.33
Total shareholders' equity	31,329,470,930.85	30,251,479,217.45
Total liabilities and shareholders' equity	65,408,199,465.41	61,886,407,948.66

Legal Representative: Li Guanpeng   Chief Financial Officer: Wang Jiuyun   Head of the Financial Department: Mai Lina

Statement of Financial Position of the Company

30 September 2020

Prepared by: Sinotrans Limited

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	30 September 2020	31 December 2019
Current assets:		
Cash and bank balances	3,468,011,629.55	4,073,217,980.63
Held-for-trading financial assets	-	5,500,000.00
Derivative financial assets		
Bills receivable	397,802.00	2,397,802.00
Accounts receivable	585,959,867.30	923,919,956.37
Receivables financing	19,219,770.23	31,467,958.31
Prepayments	14,173,207.26	42,499,589.99
Other receivables	9,920,845,980.34	9,724,300,157.45
Including: interest receivable		
dividends receivable	45,011,110.91	90,850,271.49
Inventories		
Contract assets		
Held-for-sale assets		
Non-current assets due within one year	474,753,841.96	474,753,841.96
Other current assets	52,132,932.56	49,001,005.00
Total current assets	14,535,495,031.20	15,327,058,291.71
Non-current assets:		
Debt investments		
Long-term receivables	1,451,002,755.48	1,395,344,773.34
Long-term equity investments	18,398,107,420.62	18,235,853,446.45
Other equity instrument investments		
Other non-current financial assets	901,731,350.32	901,731,350.32
Investment properties		
Fixed assets	39,537,323.24	37,188,420.62
Construction in progress	4,547,150.25	9,981,594.87
Right-of-use assets	547,203,680.73	566,551,383.29
Intangible assets	108,284,356.63	110,015,988.57
Development expenditure	82,299,032.61	68,007,661.41
Goodwill		
Long-term prepaid expenses	1,016,437.02	1,452,172.11
Deferred tax assets		
Other non-current assets		
Total non-current assets	21,533,729,506.90	21,326,126,790.98
Total assets	36,069,224,538.10	36,653,185,082.69
Current liabilities:		
Short-term borrowings		
Held-for-trading financial liabilities		
Derivative financial liabilities		

Items	30 September 2020	31 December 2019
Bills payable		
Accounts payable	486,494,240.66	465,817,720.54
Advances from customers		
Contract liabilities	23,424,193.37	52,705,643.61
Employee remuneration payable	71,452,523.00	108,608,409.41
Taxes and dues payable	12,519,964.34	10,656,185.73
Other payables	9,412,878,620.16	10,603,685,432.96
Including: interest payable		
dividends payable	334,629.85	290,637.89
Held-for-sale liabilities		
Non-current liabilities due within one year	3,407,797,298.12	515,427,269.58
Other current liabilities		
Total current liabilities	13,414,566,839.65	11,756,900,661.83
Non-current liabilities:		
Long-term borrowings	116,875,000.00	116,875,000.00
Bonds payable		3,419,486,443.79
Including: preference shares		
perpetual bonds		
Lease liabilities	572,818,678.30	585,032,846.05
Long-term payables		
Long-term employee remuneration payable		
Estimated liabilities		
Deferred income		
Deferred tax liabilities		
Other non-current liabilities		
Total non-current liabilities	689,693,678.30	4,121,394,289.84
Total liabilities	14,104,260,517.95	15,878,294,951.67
Shareholders' equity:		
Share capital	7,400,803,875.00	7,400,803,875.00
Other equity instruments		
Including: preference shares		
perpetual bonds		
Capital reserve	10,764,008,546.37	10,764,008,546.37
Less: treasury shares		
Other comprehensive income	-13,250,287.92	-12,970,901.77
Special reserve	3,961,492.30	4,080,696.43
Surplus reserve	899,046,022.99	899,046,022.99
Retained earnings	2,910,394,371.41	1,719,921,892.00
Total shareholders' equity	21,964,964,020.15	20,774,890,131.02
Total liabilities and shareholders' equity	36,069,224,538.10	36,653,185,082.69

Legal Representative: Li Guanpeng   Chief Financial Officer: Wang Jiuyun   Head of the Financial Department: Mai Lina

Consolidated Statement of Profit or Loss and
Other Comprehensive Income

January - September 2020

Prepared by: Sinotrans Limited

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	Third Quarter 2020 (July to September)	Third Quarter 2019 (July to September)	Period ended 30 September 2020 (January to September)	Period ended 30 September 2019 (January to September)
I. Total income from operations	22,599,488,983.40	18,133,982,891.33	62,290,465,505.16	55,854,565,973.46
Including: Operating income	22,599,488,983.40	18,133,982,891.33	62,290,465,505.16	55,854,565,973.46
II. Total costs of operation	22,469,048,360.67	18,136,219,407.37	61,772,638,764.91	55,245,071,157.00
Including: Operating costs	21,312,931,234.12	17,229,053,115.08	58,729,591,592.25	52,559,280,408.50
Tax and surcharges	44,256,879.39	46,843,166.30	126,269,916.07	144,705,669.58
Selling expenses	196,492,849.38	203,718,043.21	589,866,716.87	609,068,549.61
Administrative expenses	642,827,167.61	608,721,862.27	1,816,015,395.37	1,752,911,315.85
Research and development expenses	31,105,448.48	17,000,889.96	84,084,462.32	23,370,220.87
Financial costs	241,434,781.69	30,882,330.55	426,810,682.03	155,734,992.59
Including: interest expenses	96,522,490.18	140,654,464.52	352,148,540.77	425,808,705.38
interest income	32,340,182.95	33,635,142.63	114,756,922.94	165,546,274.09
Add: Other income	427,518,641.22	470,066,457.39	1,070,200,991.07	963,107,873.23
Investment income (loss denoted by "-")	444,457,216.76	338,983,692.04	1,025,357,050.14	964,630,907.13
Including: share of results of associates and joint ventures	443,986,727.92	336,835,396.70	1,025,284,799.69	929,832,167.57
income from derecognition of financial assets measured at amortised cost	-1,177,548.69	-1,218,544.60	-1,177,548.69	-1,481,980.26
Gain from changes in fair value (loss denoted by "-")	-41,195.83	-	-41,195.83	
Credit loss impairment (loss denoted by "-")	-20,787,655.82	-36,654,021.30	-83,604,101.99	-58,926,980.72
Impairment of assets (loss denoted by "-")	-500,000.00	-1,728,634.08	-500,000.00	-1,728,634.08
Income from disposal of assets (loss denoted by "-")	6,828,306.79	48,973,872.12	20,716,604.13	113,044,600.93
III. Operating profits (loss denoted by "-")	987,915,935.85	817,404,850.13	2,549,956,087.77	2,589,622,582.95
Add: non-operating income	104,560,334.27	11,289,256.03	142,361,791.62	65,597,038.65

Item	Third Quarter 2020 (July to September)	Third Quarter 2019 (July to September)	Period ended 30 September 2020 (January to September)	Period ended 30 September 2019 (January to September)
Less: non-operating expenses	6,653,393.27	26,347,871.75	42,412,485.80	35,472,615.40
IV. Total profit (total loss denoted by "-")	1,085,822,876.85	802,346,234.41	2,649,905,393.59	2,619,747,006.20
Less: income tax expenses	178,737,666.97	170,074,157.04	491,180,654.76	404,432,596.71
V. Net profit (net loss denoted by "-")	907,085,209.88	632,272,077.37	2,158,724,738.83	2,215,314,409.49
(I) Classified by the continuity of operations				
1. Net profit from continuing operations (net loss denoted by "-")	907,085,209.88	632,272,077.37	2,158,724,738.83	2,215,314,409.49
2. Net profit from discontinued operations (net loss denoted by "-")				
(II) Classified by attribution of the ownership				
1. Net profit attributable to shareholders of the Company (net loss denoted by "-")	866,346,557.01	599,829,655.50	2,081,470,476.63	2,117,314,530.86
2. Net profit attributable to non-controlling interests (net loss denoted by "-")	40,738,652.87	32,442,421.87	77,254,262.20	97,999,878.63
VI. Other comprehensive income, net of tax	-161,499,554.92	81,044,204.21	-152,927,994.45	82,650,850.96
(I) Other comprehensive income attributable to shareholders of the Company, net of tax	-132,438,722.62	81,800,744.49	-97,898,865.22	78,615,909.91
1. Other comprehensive income not to be reclassified to profit or loss	-18,116,938.89	19,670,637.63	-20,541,998.22	66,021,409.84
(1) Amount of change arising from re-measurement of the defined benefit plan				
(2) Other comprehensive income not to be reclassified into profit or loss under equity method				
(3) Changes in fair value of other equity instrument investments	-18,116,938.89	19,670,637.63	-20,541,998.22	66,021,409.84

Item	Third Quarter 2020 (July to September)	Third Quarter 2019 (July to September)	Period ended 30 September 2020 (January to September)	Period ended 30 September 2019 (January to September)
(4) Changes in fair value attributable to changes in credit risk				
2. Other comprehensive income to be reclassified to profit or loss	-114,321,783.73	62,130,106.86	-77,356,867.00	12,594,500.07
(1) Other comprehensive income to be reclassified to profit or loss under equity method	33,865,697.23	47,134,642.56	13,658,658.72	54,928,090.41
(2) Changes in fair value of other debt investments				
(3) Reclassification of financial assets				
(4) Credit loss impairment of other debt investments				
(5) Cash flow hedge reserve				
(6) Translation differences of the financial statements in foreign currency	-148,187,480.96	14,995,464.30	-91,015,525.72	-42,333,590.34
(7) Others				
(II) Other comprehensive income attributable to non-controlling interests, net of tax	-29,060,832.30	-756,540.28	-55,029,129.23	4,034,941.05
VII. Total comprehensive income	745,585,654.96	713,316,281.58	2,005,796,744.38	2,297,965,260.45
(I) Total comprehensive income attributable to shareholders of the Company	733,907,834.39	681,630,399.99	1,983,571,611.41	2,195,930,440.77
(II) Total comprehensive income attributable to non-controlling interests	11,677,820.57	31,685,881.59	22,225,132.97	102,034,819.68
VIII. Earnings per share				
(I) Basic earnings per share (RMB/share)	0.12	0.08	0.28	0.29
(II) Diluted earnings per share (RMB/share)	0.12	0.08	0.28	0.29

Legal Representative: Li Guanpeng   Chief Financial Officer: Wang Jiuyun   Head of the Financial Department: Mai Lina

Statement of Profit or Loss and
Other Comprehensive Income of the Company
January - September 2020

Prepared by: Sinotrans Limited

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	Third Quarter 2020 (July to September)	Third Quarter 2019 (July to September)	Period ended 30 September 2020 (January to September)	Period ended 30 September 2019 (January to September)
I. Income from operations	788,879,542.65	661,166,368.05	1,900,287,692.89	1,487,702,981.35
Less: Operating costs	714,522,740.98	601,189,941.44	1,697,526,221.43	1,255,163,361.31
Tax and surcharges	74,212.19	108,051.00	259,459.29	296,559.37
Selling expenses	18,994,597.21	21,912,587.56	58,589,970.99	81,808,477.12
Administrative expenses	62,862,408.24	75,409,674.88	161,634,796.21	181,448,031.19
Research and development expenses	21,054,790.04	15,032,552.81	62,078,875.53	19,158,196.46
Financial costs	53,382,525.94	-34,259,189.54	-6,044,061.58	-25,553,732.11
Including: interest expenses	51,576,775.07	67,401,487.88	165,350,855.85	209,278,485.88
interest income	71,025,530.72	63,925,481.01	211,138,115.79	194,986,733.85
Add: Other income				
Investment income (loss denoted by "-")	45,501,380.23	-13,918,188.00	2,149,839,618.31	914,792,912.23
Including: share of results of associates and joint ventures	41,027,883.58	-8,918,188.00	77,432,383.70	21,137,743.22
income from derecognition of financial assets measured at amortised cost				
Gain from changes in fair value (loss denoted by "-")				
Credit loss impairment (loss denoted by "-")	-1,769,842.74	-9,730,632.40	5,708,021.49	-4,910,445.30
Impairment of assets (loss denoted by "-")				
Income from disposal of assets (loss denoted by "-")	383.64	-5,012.19	-91.94	4,987.81
II. Operating profits (loss denoted by "-")	-38,279,810.82	-41,881,082.69	2,081,789,978.88	885,269,542.75
Add: non-operating income	1.19	590.00	339,785.74	1,708,100.88
Less: non-operating expenses	55,687.24	1,983.30	2,063,605.60	517,843.25
III. Total profit (total loss denoted by "-")	-38,335,496.87	-41,882,475.99	2,080,066,159.02	886,459,800.38

Item	Third Quarter 2020 (July to September)	Third Quarter 2019 (July to September)	Period ended 30 September 2020 (January to September)	Period ended 30 September 2019 (January to September)
Less: income tax expenses	1,509,348.94	1,594,952.77	1,509,348.94	1,748,552.77
IV. Net profit (net loss denoted by "-")"	-39,844,845.81	-43,477,428.76	2,078,556,810.08	884,711,247.61
(I) Net profit from continuing operations (net loss denoted by "-")"	-39,844,845.81	-43,477,428.76	2,078,556,810.08	884,711,247.61
(II) Net profit from discontinued operations (net loss denoted by "-")"				
V. Other comprehensive income, net of tax	-122,692.27	497,597.00	-279,386.15	497,243.26
(I) Other comprehensive income not to be reclassified to profit or loss				
1. Amount of change arising from re-measurement of the defined benefit plan				
2. Other comprehensive income not to be reclassified into profit or loss under equity method				
3. Changes in fair value of other equity instrument investments				
4. Changes in fair value attributable to changes in credit risk				
(II) Other comprehensive income to be reclassified to profit or loss	-122,692.27	497,597.00	-279,386.15	497,243.26
1. Other comprehensive income to be reclassified to profit or loss under equity method				
2. Changes in fair value of other debt investments	-			
3. Changes in fair value of Held-for-trading financial assets	-			
4. Credit loss impairment of other debt investments	-			

Item	Third Quarter 2020 (July to September)	Third Quarter 2019 (July to September)	Period ended 30 September 2020 (January to September)	Period ended 30 September 2019 (January to September)
5. Cash flow hedge reserve	-			
6. Translation differences of the financial statements in foreign currency	-122,692.27	497,597.00	-279,386.15	497,243.26
7. Others	-			
VI. Total comprehensive income	-39,967,538.08	-42,979,831.76	2,078,277,423.93	885,208,490.87
VII. Earnings per share				
(I) Basic earnings per share (RMB/share)				
(II) Diluted earnings per share (RMB/share)				

Legal Representative: Li Guanpeng   Chief Financial Officer: Wang Jiuyun   Head of the Financial Department: Mai Lina

Consolidated Statement of Cash Flows

January - September 2020

Prepared by: Sinotrans Limited

Unit: Yuan Currency: RMB Type of audit: Unaudited

Item	Period ended 30 September 2020 (January to September)	Period ended 30 September 2019 (January to September)
I. Cash flows from operating activities:		
Cash received from sales of goods and provision of services	62,199,526,483.97	57,793,259,800.12
Cash received from interests, fees and commissions	86,498,333.93	73,073,778.10
Tax rebate received	6,260,372.94	4,907,371.93
Cash received from other operating activities	1,368,249,288.06	917,740,125.93
Sub-total of cash inflows from operating activities	63,660,534,478.90	58,788,981,076.08
Cash paid for goods and services	55,707,898,209.35	52,151,034,558.20
Cash paid to and on behalf of employees	4,070,943,711.55	3,848,115,439.60
Cash paid for taxes and dues	981,221,403.82	1,257,746,744.66
Cash paid for other operating activities	1,893,675,239.49	1,702,855,424.58
Sub-total of cash outflows from operating activities	62,653,738,564.21	58,959,752,167.04
Net cash flows from operating activities	1,006,795,914.69	-170,771,090.96
II. Cash flows from investment activities:		
Cash received from the disposal of investments	256,615,105.57	23,803,165.44
Cash received from investment income	998,864,612.83	1,121,011,934.81
Net cash received from the disposal of fixed assets, intangible assets and other long-term assets	89,839,940.21	93,799,391.30
Net cash received from disposal of subsidiaries and other operating units		11,276,208.02
Cash received from other investment activities	321,841,260.11	755,970,372.59
Sub-total of cash inflows from investment activities	1,667,160,918.72	2,005,861,072.16
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	1,087,549,693.23	1,052,950,287.59
Cash paid for investments	11,500,000.00	305,646,061.70
Net cash paid for acquisition of subsidiaries and other operating units	521,941,024.98	500,000.00
Cash paid for other investment activities	282,299,423.37	45,398,183.31
Sub-total of cash outflows from investment activities	1,903,290,141.58	1,404,494,532.60
Net cash flows from investment activities	-236,129,222.86	601,366,539.56
III. Cash flows from financing activities:		
Cash received from capital contributions	82,838,252.00	58,307,400.00

Item	Period ended 30 September 2020 (January to September)	Period ended 30 September 2019 (January to September)
Including: cash received by subsidiaries from capital contributions of non-controlling interests	82,838,252.00	58,307,400.00
Cash received from borrowings	1,598,126,085.86	146,826,153.37
Cash received from other financing activities	83,004,136.53	175,839,789.09
Sub-total of cash inflows from financing activities	1,763,968,474.39	380,973,342.46
Cash paid for repayment of debts	1,481,373,343.82	3,687,289,043.26
Cash paid for distribution of dividends or profits or settlement of interest	1,234,393,657.95	1,440,759,206.78
Including: dividends and profits paid by the subsidiaries to non-controlling interests	75,727,471.24	83,165,908.03
Cash paid for other financing activities	437,595,405.07	1,363,694,136.86
Sub-total of cash outflows from financing activities	3,153,362,406.84	6,491,742,386.90
Net cash flows from financing activities	-1,389,393,932.45	-6,110,769,044.44
IV. Effects of changes in exchange rate on cash and cash equivalents	-25,632,433.05	32,562,054.46
V. Net increase (decrease) in cash and cash equivalents	-644,359,673.67	-5,647,611,541.38
Add: balance of cash and cash equivalents at the beginning of the period	10,387,299,779.72	15,317,824,974.56
VI. Balance of cash and cash equivalents at the end of the period	9,742,940,106.05	9,670,213,433.18

Legal Representative: Li Guanpeng   Chief Financial Officer: Wang Jiuyun   Head of the Financial Department: Mai Lina

Statement of Cash Flows of the Company

January - September 2020

Prepared by: Sinotrans Limited

Unit: Yuan Currency: RMB Type of audit: Unaudited

Items	Period ended 30 September 2020 (January to September)	Period ended 30 September 2019 (January to September)
I. Cash flows from operating activities:		
Cash received from sales of goods and provision of services	2,085,415,596.05	1,127,549,338.95
Tax rebate received		
Cash received from other operating activities	146,033,498.81	198,307,921.17
Sub-total of cash inflow from operating activities	2,231,449,094.86	1,325,857,260.12
Cash paid for goods and services	1,626,821,590.55	1,150,339,053.28
Cash paid to and on behalf of employees	210,381,797.17	193,952,517.89
Cash paid for taxes and dues	515,944.03	3,355,786.42
Cash paid for other operating activities	527,706,377.67	957,992,631.71
Sub-total of cash outflows from operating activities	2,365,425,709.42	2,305,639,989.30
Net cash flows from operating activities	-133,976,614.56	-979,782,729.18
II. Cash flows from investment activities:		
Cash received from the disposal of investments	5,838,607.47	
Cash received from investment income	2,214,335,606.40	762,213,111.46
Net cash received from the disposal of fixed assets, intangible assets and other long-term assets	3,185.07	2,321,042.63
Net cash received from disposal of subsidiaries and other operating units		
Cash received from other investment activities	2,498,400,234.69	2,867,356,304.37
Sub-total of cash inflows from investment activities	4,718,577,633.63	3,631,890,458.46
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	48,688,298.17	33,895,201.83
Cash paid for investments		147,747,600.00
Net cash paid for acquisition of subsidiaries and other operating units	90,929,753.74	100,000,000.00
Cash paid for other investment activities	2,582,886,167.29	4,222,885,882.55
Sub-total of cash outflows from investment activities	2,722,504,219.20	4,504,528,684.38
Net cash flows from investment activities	1,996,073,414.43	-872,638,225.92
III. Cash flows from financing activities:		
Cash received from capital contributions		
Cash received from borrowings	19,480,340,477.03	17,795,397,103.41
Cash received from other financing activities	36,162,601.77	763,507,813.58
Sub-total of cash inflows from financing activities	19,516,503,078.80	18,558,904,916.99
Cash paid for repayment of debts	6,552,420,806.68	15,175,343,181.75

Items	Period ended 30 September 2020 (January to September)	Period ended 30 September 2019 (January to September)
Cash paid for distribution of dividends or profits or settlement of interest	979,125,026.00	1,234,762,658.44
Cash paid for other financing activities	14,463,677,859.51	66,156,007.65
Sub-total of cash outflows from financing activities	21,995,223,692.19	16,476,261,847.84
Net cash flows from financing activities	-2,478,720,613.39	2,082,643,069.15
IV. Effects of changes in exchange rate on cash and cash equivalents	-17,766,865.35	33,552,421.32
V. Net increase in cash and cash equivalents	-634,390,678.87	263,774,535.37
Add: balance of cash and cash equivalents at the beginning of the period	4,073,083,183.13	2,232,379,636.67
VI. Balance of cash and cash equivalents at the end of the period	3,438,692,504.26	2,496,154,172.04

Legal Representative: Li Guanpeng   Chief Financial Officer: Wang Jiuyun   Head of the Financial Department: Mai Lina

4.2 Adjustments of the related items in the financial statements at the beginning of this year due to the first implementation of the New Revenue Standards and the New Leases Standards.

□Applicable ✓Not applicable

4.3 Descriptions of the retroactive adjustments to the comparative data in the previous periods due to the first implementation of the New Revenue Standards and the New Leases Standards.

□Applicable ✓Not applicable

4.4 Audit report

□Applicable ✓Not applicable

By order of the Board
Sinotrans Limited
Li Shichu
Company Secretary

Beijing, 28 October 2020

As at the date of this announcement, the board of directors of the Company comprises Li Guanpeng (Chairman), Song Dexing (Vice Chairman), Song Rong (executive director), Su Jian (non-executive director), Xiong Xianliang (non-executive director), Jiang Jian (non-executive director), Jerry Hsu (non-executive director), and four independent non-executive directors, namely Wang Taiwen, Meng Yan, Song Haiqing and Li Qian.