Qingdao Port International Co., Ltd.
青 島 港 國 際 股 份 有 限 公 司

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

(Stock Code: 06198)

2020 THIRD QUARTERLY REPORT

This announcement is made by Qingdao Port International Co., Ltd. (the "**Company**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board of directors (the "**Board**") of the Company is pleased to announce the unaudited quarterly results of the Company and its subsidiaries for the nine months ended 30 September 2020.

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 Directors absent from the Board meeting

Name of Director(s) absent from Board meeting	Position of the Director(s) absent from Board meeting	Reason for being absent from Board meeting	Representative
FENG Boming	Director	Other work commitment	JIA Funing

1.3 Mr. JIA Funing, the responsible person of the Company, Mr. FAN Xiwei, the principal in charge of accounting (主管會計工作負責人) and Mr. LIU Yongxia, the head of accounting department (accounting officer) (會計機構負責人(會計主管人員)), guarantee the truthfulness, accuracy and completeness of the financial statements in this quarterly report.

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 the previous year**	**Increase/decrease as at the end of the reporting period as compared with the end of the previous year (%)**
Total assets	56,097,595,193	52,785,301,395	6.28
Net assets attributable to shareholders of the listed company	32,026,472,155	30,357,380,875	5.50
	From the beginning of the year to the end of the reporting period (January – September)	**From the beginning of previous year to the end of the reporting period in previous year (January – September)**	**Increase/decrease as compared with the corresponding period of previous year (%)**
Net cash flows generated from operating activities	1,830,262,359	1,592,923,501	14.90
	From the beginning of the year to the end of the reporting period (January – September)	**From the beginning of previous year to the end of the reporting period in previous year (January – September)**	**Increase/decrease as compared with the corresponding period of previous year (%)**
Revenue	9,524,631,063	8,943,155,774	6.50
Net profit attributable to shareholders of the listed company	2,947,202,163	2,945,087,296	0.07
Net profit attributable to shareholders of the listed company after deducting non-recurring profit or loss	2,832,366,518	2,852,738,645	-0.71
Weighted average return on net assets (%)	9.48	10.26	decreased by 0.78 percentage point
Basic earnings per share (Yuan/share)	0.45	0.46	-2.17
Diluted earnings per share (Yuan/share)	0.45	0.46	-2.17

Items and amounts of non-recurring profit or loss

√ Applicable ☐ Not Applicable

Unit: Yuan Currency: RMB

Item	Amount for this reporting period (July – September)	Amount from the beginning of the year to the end of the reporting period (January – September)	Note
Net profit or loss from disposal of non-current assets	128,743	17,500,069	
Government grants recognized in profit or loss for the current period (except for government grants which are closely related to the normal operations of the Company, in compliance with national policies and subject to constant or fixed amount based on certain standards)	22,411,345	55,334,108	Government grants recognized in profit or loss for the current period
In addition to the effective hedging business related to the normal operation of the Company, gains and losses from changes in fair value of financial assets held-for-trading, derivative financial assets, trading financial liabilities and derivative financial liabilities, as well as the investment income from the disposal of trading financial assets, derivative financial assets, trading financial liabilities, derivative financial liabilities and other debt investment	734,857	3,455,106	Gains and losses from changes in fair value of financial assets held-for-trading other than effective hedging business related to the normal operations of the Company
Profit or loss from external entrusted loans of entities		1,906,722	Interest income from external entrusted loans of other entities other than Qingdao Port Finance Co., Ltd.
Net amount of other non-operating income and expenses other than the above items	11,071,997	11,482,673	Net amount of other non-operating income and expenses
Other items that meet the definition of non-recurring profit or loss	5,026,993	15,080,981	
Net income/loss from disposal of non-current assets		43,935,905	
Non-recurring gains and losses attributable to minority shareholders (after tax)	-8,586,736	-456,273	
Income tax effect	-152,091	-33,403,646	
Total	30,635,108	114,835,645	

2.2 Total number of shareholders, the shareholding of top 10 shareholders and the top 10 shareholders of circulating shares (or shareholders not subject to trading restrictions) as at the end of the reporting period

Unit: Share

Total number of shareholders			69,521			
Shareholding of top 10 shareholders						
Name of shareholders (Full name)	**Number of shares held at the end of the reporting period**	**Shareholding percentage (%)**	**Number of shares subject to trading restrictions**	**Number of shares pledged or frozen**		**Nature of shareholders**
				Share status	**Number of shares**	
Qingdao Port (Group) Co., Ltd.	3,522,179,000	54.26	3,522,179,000	Nil		State-owned legal person
HKSCC NOMINEES LIMITED	1,098,797,930	16.93	0	Unknown		Foreign legal person
Shanghai China Shipping Terminal Development Co., Ltd.	1,015,520,000	15.64	0	Nil		Domestic non state-owned legal person
Shenzhen Malai Storage Co., Ltd.	112,000,000	1.73	0	Nil		Domestic non state-owned legal person
COSCO SHIPPING (Qingdao) Co., Ltd.	96,000,000	1.48	0	Nil		State-owned legal person
China Shipping Terminal Development Co., Ltd.	96,000,000	1.48	0	Nil		Domestic non state-owned legal person
Everbright (Qingdao) Financial Leasing Co., Ltd.	48,000,000	0.74	0	Nil		Domestic non state-owned legal person
Qingdao International Investment Co., Ltd.	48,000,000	0.74	0	Nil		State-owned legal person
Hong Kong Securities Clearing Company Limited	7,194,833	0.11	0	Nil		Foreign legal person
LIU Zhaoyang	2,745,146	0.04	0	Nil		Domestic natural person

Shareholding of top 10 shareholders not subject to trading restrictions			
Name of shareholders	**Number of shares not subject to trading restriction**	**Class and Number of Shares**	
		Class of Shares	**Number of Shares**
HKSCC NOMINEES LIMITED	1,098,797,930	Foreign shares listed overseas	1,098,797,930
Shanghai China Shipping Terminal Development Co., Ltd.	1,015,520,000	RMB ordinary shares	1,015,520,000
Shenzhen Malai Storage Co., Ltd.	112,000,000	RMB ordinary shares	112,000,000
COSCO SHIPPING (Qingdao) Co., Ltd.	96,000,000	RMB ordinary shares	96,000,000
China Shipping Terminal Development Co., Ltd.	96,000,000	RMB ordinary shares	96,000,000
Everbright (Qingdao) Financial Leasing Co., Ltd.	48,000,000	RMB ordinary shares	48,000,000
Qingdao International Investment Co., Ltd.	48,000,000	RMB ordinary shares	48,000,000
Hong Kong Securities Clearing Company Limited	7,194,833	RMB ordinary shares	7,194,833
LIU Zhaoyang	2,745,146	RMB ordinary shares	2,745,146
PAN Zhengli	2,512,600	RMB ordinary shares	2,512,600
Explanation on the related party relationship or acting in concerted relationship among the above shareholders	Shanghai China Shipping Terminal Development Co., Ltd., COSCO SHIPPING (Qingdao) Co., Ltd. and China Shipping Terminal Development Co., Ltd. are all controlled by CHINA COSCO SHIPPING CORPORATION LIMITED. Besides, the Company is not aware if other shareholders are related with each other or persons acting in concert under the Measures for the Administration of Disclosure of Shareholder Equity Changes of Listed Companies (《上市公司股東持股變動信息披露管理辦法》).		
Explanation on shareholders of preference shares with restored voting rights and the number of shares they held	Nil		

Notes: 1. HKSCC NOMINEES LIMITED holds H shares on behalf of multiple customers.

2. As at the end of the reporting period, Qingdao Port (Group) Co., Ltd. directly or indirectly held 54,153,000 H shares of the Company, representing 0.83% of the total share capital of the Company and such shares had been contained in the total number of shares held by HKSCC NOMINEES LIMITED.

3. As at the end of the reporting period, COSCO SHIPPING Ports Development Co., Ltd. (中遠海運港口發展有限公司) held 173,313,000 H shares of the Company, representing 2.67% of the total share capital of the Company and had been contained in the total number of shares held by HKSCC NOMINEES LIMITED. COSCO SHIPPING Ports Development Co., Ltd., Shanghai China Shipping Terminal Development Co., Ltd. (上海中海碼頭發展有限公司), China Shipping Terminal Development Co., Ltd. (中海碼頭發展有限公司) and COSCO SHIPPING (Qingdao) Co., Ltd. (中遠海運(青島)有限公司) are all controlled by CHINA COSCO SHIPPING CORPORATION LIMITED (中國遠洋海運集團有限公司).

2.3 The total number of holders of preference shares, shareholding of top 10 shareholders of preference shares and top 10 shareholders of preference shares who are not subject to trading restrictions as at the end of the reporting period

☐ Applicable √ Not Applicable

III. MATERIAL MATTERS

3.1 Details of and reasons for significant changes of major accounting statement items and financial indicators of the Company

√ Applicable ☐ Not Applicable

As at 30 September 2020, the other receivables were RMB3,334 million, increased by RMB1,508 million, or 82.6%, as compared to the beginning of this year, mainly due to the increase in the Company's loans to related parties and the increase in dividends receivable from joint ventures.

As at 30 September 2020, the other current assets were RMB2,206 million, decreased by RMB4,009 million, or 64.51%, as compared to the beginning of this year, mainly due to the decrease in interbank certificates of deposit and financial assets purchased under resale agreements purchased by Qingdao Port Finance Co., Ltd..

As at 30 September 2020, the long-term receivables were RMB2,984 million, increased by RMB1,456 million, or 95.2%, as compared to the beginning of this year, mainly due to the increase in financial leasing and loans provided by Qingdao Port Finance Co., Ltd. to related parties.

As at 30 September 2020, the construction in progress was RMB3,690 million, increased by RMB1,180 million, or 47.0%, as compared to the beginning of this year, mainly due to the increase in the investment in the Dongjiakou Port Area Crude Oil Commercial Reserve Tanks Project.

As at 30 September 2020, the current portion of non-current liabilities were RMB2,187 million, increased by RMB1,952 million and the bonds payable were 0, decreased by RMB2,117 million, as compared to the beginning of this year, mainly due to that the corporate bonds issued by the Company will become mature in the first half of 2021 so as that the bonds payable of RMB2,117 million should be reclassified to the current portion of non-current liabilities.

From January to September 2020, the selling and distribution expenses were RMB24 million, increased by RMB11 million, or 85.9%, over the same period of the precious year, mainly due to the increase in business promotion and employee benefits.

From January to September 2020, the provision of asset impairment losses was RMB87 million, increased by RMB77 million, or 737.1%, as compared to the same period of the previous year, mainly due to the increase in loans provided to related parties and the corresponding provision for bad debts of receivables.

From January to September 2020, the gains on disposal of assets were RMB18 million, increased by RMB15 million, or 571.7%, as compared to the same period of the previous year, mainly due to the gains on disposal from the sale of old ships in the current period.

3.2 Progress 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

Company Name	Qingdao Port International Co., Ltd.
Legal Representative	JIA Funing
Date	29 October 2020

IV. APPENDIX

4.1 Financial Statements

CONSOLIDATED BALANCE SHEET

AS AT 30 SEPTEMBER 2020

Prepared by: QINGDAO PORT INTERNATIONAL CO., LTD.

Unit: Yuan Currency: RMB Audit status: Unaudited

Items	30 September 2020	31 December 2019
Current assets:		
Cash at bank and on hand	8,268,173,036	6,846,399,847
Deposit reservation for balance		
Placements with and loans to banks and other financial institutions		
Financial assets held for trading	1,140,883,500	952,673,153
Derivative financial assets		
Notes receivable	76,900,228	89,208,129
Accounts receivable	3,115,138,055	2,337,733,076
Financing receivables	538,354,608	705,149,454
Advances to suppliers	65,973,752	65,477,940
Insurance receivable		
Reinsurance accounts receivable		
Provision of cession receivable		
Other receivables	3,333,660,989	1,825,685,161
Including: Interests receivable	58,123,402	42,728,648
Dividends receivable	834,460,644	
Financial assets held under resale agreements		
Inventories	257,237,564	208,760,886
Contract assets	134,075,098	194,622,693
Assets held for sale		
Current portion of non-current assets	238,569,905	445,754,126
Other current assets	2,205,609,639	6,214,206,368
Total current assets	19,374,576,374	19,885,670,833
Non-current assets:		
Loans and advances to customers		
Debt investments		

Items	30 September 2020	31 December 2019
Other debt investments		
Long-term receivables	2,984,193,604	1,528,631,526
Long-term equity investments	9,759,359,645	9,139,130,196
Other equity instruments investments		
Other non-current financial assets	591,647,572	538,096,854
Investment properties	196,772,200	177,094,885
Fixed assets	14,434,398,047	14,341,335,334
Construction in progress	3,690,458,497	2,510,614,143
Bearer biological assets		
Oil and gas assets		
Right-of-use assets	559,294,842	541,354,681
Intangible assets	2,890,420,516	2,568,407,616
Development costs		
Goodwill	20,686,493	20,686,493
Long-term prepaid expenses	27,275,195	28,601,553
Deferred tax assets	918,745,122	906,362,986
Other non-current assets	649,767,086	599,314,295
Total non-current assets	36,723,018,819	32,899,630,562
TOTAL ASSETS	56,097,595,193	52,785,301,395
Current liabilities:		
Short-term borrowings	153,796,113	128,596,572
Due to central banks		
Placements from banks and other financial institutions		
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payable	850,010,538	1,164,769,783
Accounts payable	1,459,250,072	1,411,666,083
Advances from customers	76,624,000	22,251,659
Contract liabilities	161,791,731	245,532,722
Financial assets sold under repurchase agreements		
Deposits from customers, banks and non-bank financial institutions		
Acting trading securities		
Acting underwriting securities		

Items	30 September 2020	31 December 2019
Employee benefits payable	286,310,975	308,496,016
Taxes payable	366,649,050	248,863,830
Other payables	8,804,679,050	7,200,531,814
Including: Interests payable		
Dividends payable	8,564,176	312,469
Fee and commission payable		
Dividends payable for reinsurance		
Liabilities held for sale		
Current portion of non-current liabilities	2,187,281,015	235,633,528
Other current liabilities		
Total current liabilities	14,346,392,544	10,966,342,007
Non-current liabilities:		
Reserved fund for insurance contracts		
Long-term borrowings	109,989,768	132,882,988
Bonds payable		2,116,900,000
Including: Preference shares		
Perpetual bonds		
Leases liabilities	365,978,412	378,301,316
Long-term payables	93,858,471	43,095,019
Long-term employee benefits payable	2,423,809,400	2,419,020,000
Provisions	6,480,322	7,053,463
Deferred income	209,470,611	213,850,289
Deferred tax liabilities	21,964,422	22,295,437
Other non-current liabilities	2,733,231,714	2,888,198,834
Total non-current liabilities	5,964,783,120	8,221,597,346
TOTAL LIABILITIES	20,311,175,664	19,187,939,353
Owners' equity / shareholders' equity:		
Paid-in capital / share capital	6,491,100,000	6,491,100,000
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital surplus	12,339,391,255	12,326,352,961
Less: Treasury shares		
Other comprehensive income	181,558,682	182,668,672

Items	30 September 2020	31 December 2019
Specific reserve	14,042,408	3,914,265
Surplus reserve	1,278,378,901	1,278,378,901
General risk reserve	380,586,794	380,586,794
Undistributed profits	11,341,414,115	9,694,379,282
Total equity attributable to owners/ shareholders of the Company	32,026,472,155	30,357,380,875
Minority interests	3,759,947,374	3,239,981,167
Total owners' equity/shareholders' equity	35,786,419,529	33,597,362,042
TOTAL LIABILITIES AND OWNERS' EQUITY/SHAREHOLDERS' EQUITY	56,097,595,193	52,785,301,395

Legal representative: JIA Funing Principal in charge of accounting: FAN Xiwei
Head of accounting department: LIU Yongxia

BALANCE SHEET OF THE PARENT COMPANY
AS AT 30 SEPTEMBER 2020

Prepared by: QINGDAO PORT INTERNATIONAL CO., LTD.

Unit: Yuan Currency: RMB Audit status: Unaudited

Items	30 September 2020	31 December 2019
Current assets:		
Cash at bank and on hand	7,526,706,505	8,265,088,114
Financial assets held for trading		
Derivative financial assets		
Notes receivable	12,455,763	18,667,204
Accounts receivable	1,259,430,572	996,445,768
Financing receivables	329,565,872	451,458,292
Advances to suppliers	35,451,241	25,263,063
Other receivables	1,228,912,254	581,863,915
Including: Interests receivable	52,448,119	32,346,874
Dividends receivable	838,373,144	
Inventories	64,486,480	80,568,215
Contract assets	174,788,988	93,879,526
Assets held for sale		

Items	30 September 2020	31 December 2019
Current portion of non-current assets	880,724,819	624,635,554
Other current assets	44,326,192	36,686,394
Total current assets	11,556,848,686	11,174,556,045
Non-current assets:		
Debt investments		
Other debt investments		
Long-term receivables	1,843,000,000	1,858,000,000
Long-term equity investments	14,767,940,558	13,991,521,234
Other equity instruments investments		
Other non-current financial assets	71,421,487	71,421,487
Investment properties	1,451,089,244	1,489,093,569
Fixed assets	7,710,692,416	7,826,781,172
Construction in progress	1,906,920,193	1,333,853,492
Bearer biological assets		
Oil and gas assets		
Right-of-use assets	196,459,168	126,126,432
Intangible assets	2,045,035,365	2,073,151,241
Development costs		
Goodwill		
Long-term prepaid expenses	6,925,716	3,916,088
Deferred tax assets	7,651,847	37,658,479
Other non-current assets	568,718,474	261,044,621
Total non-current assets	30,575,854,468	29,072,567,815
TOTAL ASSETS	42,132,703,154	40,247,123,860
Current liabilities:		
Short-term borrowings	502,627,125	358,239,543
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payable	383,501,969	245,580,933
Accounts payable	530,242,761	467,119,764
Advances from customers	56,749,648	15,467,645
Contract liabilities	117,797,230	135,665,425
Employee benefits payable	226,684,172	240,552,578
Taxes payable	84,230,627	56,343,229

Items	30 September 2020	31 December 2019
Other payables	819,475,030	433,282,327
Including: Interests payable		
Dividends payable		
Liabilities held for sale		
Current portion of non-current liabilities	2,154,413,823	83,169,099
Other current liabilities		
Total current liabilities	4,875,722,385	2,035,420,543
Non-current liabilities:		
Long-term borrowings		
Bonds payable		2,116,900,000
Including: Preference shares		
Perpetual bonds		
Leases liabilities	49,855,131	80,955,456
Long-term payables	44,792,392	43,095,019
Long-term employee benefits payable	2,073,435,000	2,081,760,000
Provisions	6,480,322	7,053,463
Deferred income	146,606,234	140,389,104
Deferred tax liabilities		
Other non-current liabilities	2,733,178,434	2,888,115,299
Total non-current liabilities	5,054,347,513	7,358,268,341
TOTAL LIABILITIES	9,930,069,898	9,393,688,884
Owners' equity / shareholders' equity:		
Paid-in capital / share capital	6,491,100,000	6,491,100,000
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital surplus	16,268,188,930	16,255,150,636
Less: Treasury shares		
Other comprehensive income	191,510,000	191,510,000
Specific reserve		
Surplus reserve	1,278,378,901	1,278,378,901
Undistributed profits	7,973,455,425	6,637,295,439
Total owners'/ shareholders' equity	32,202,633,256	30,853,434,976

Items	30 September 2020	31 December 2019
TOTAL LIABILITIES AND OWNERS' EQUITY/SHAREHOLDERS' EQUITY	42,132,703,154	40,247,123,860

Legal representative: JIA Funing Principal in charge of accounting: FAN Xiwei
Head of accounting department: LIU Yongxia

CONSOLIDATED INCOME STATEMENT

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2020

Prepared by: QINGDAO PORT INTERNATIONAL CO., LTD.

Unit: Yuan Currency: RMB Audit status: Unaudited

Items	Third quarter of 2020 (July – September)	Third quarter of 2019 (July – September)	First three quarters of 2020 (January – September)	First three quarters of 2019 (January – September)
I. Revenue	3,452,527,611	2,943,373,794	9,524,631,063	8,943,155,774
Including: Operating Revenue	3,452,527,611	2,943,373,794	9,524,631,063	8,943,155,774
Interest income				
Earned premium				
Fee and commission income				
II. Cost of sales	2,386,862,955	2,030,746,341	6,319,001,758	6,182,119,390
Including: Operating costs	2,233,872,046	1,966,821,408	5,978,637,238	5,887,542,047
Interest expenses				
Fee and commission expenses				
Surrender value				
Compensation expenses, net				
Drawing reserves for insurance contracts, net				
Policyholder dividends				
Reinsurance expenses				
Taxes and surcharges	26,440,473	24,551,590	77,704,345	76,869,745
Selling and distribution expenses	9,830,044	3,564,531	24,495,432	13,179,843
General and administrative expenses	132,517,219	114,179,550	352,642,820	375,980,611
Research and development expenses	4,035,137	843,109	10,641,992	13,840,523
Financial expenses	-19,831,964	-79,213,847	-125,120,069	-185,293,379
Including: Interest expenses	56,108,647	58,751,926	154,914,282	174,755,852
Interest income	157,880,761	140,978,240	384,245,246	401,917,396
Add: Other income	19,390,039	16,384,152	52,291,157	94,009,439

Items	Third quarter of 2020 (July – September)	Third quarter of 2019 (July – September)	First three quarters of 2020 (January – September)	First three quarters of 2019 (January – September)
Investment income/ (losses in "-")	329,260,001	329,645,995	1,097,429,575	1,104,449,923
Including: Investment income from associates and joint ventures	305,725,907	358,615,325	973,735,864	1,072,901,967
Gains or loss on derecognize of financial assets measured at amortized cost				
Exchange gains/ (losses in "-")				
Net exposure hedging income/ (losses in "-")				
Gains/ (losses in "-") on changes in fair value	734,857	476,932	3,455,106	3,140,290
Losses/ (losses in "-") on credit impairment	-13,291,013	10,803,181	-87,196,237	-10,416,617
Losses/ (losses in "-") on asset impairment				
Gains/ (losses in "-") on disposal of assets	128,743	3,818,665	17,500,069	2,605,249
III. Operating profit/ (losses in "-")	1,401,887,283	1,273,756,378	4,289,108,975	3,954,824,668
Add: Non-operating income	11,959,486	16,118,549	17,927,514	26,858,432
Less: Non-operating expenses	909,134	7,400,090	6,444,841	9,888,038
IV. Total profit/ (total losses in "-")	1,412,937,635	1,282,474,837	4,300,591,648	3,971,795,062
Less: Income tax expenses	318,436,139	242,380,096	887,380,625	753,714,059
V. Net profit/ (net losses in "-")	1,094,501,496	1,040,094,741	3,413,211,023	3,218,081,003
(I) Classified by continuity of operations				
1. Net profit from continuing operations (net losses in "-")	1,094,501,496	1,040,094,741	3,413,211,023	3,218,081,003
2.Net profit from discontinued operations (net losses in "-")				
(II) Classified by ownership of the equity				
1. Attributable to shareholders of the Company (net losses in "-")	934,379,724	937,066,077	2,947,202,163	2,945,087,296
2. Minority interests (net losses in "-")	160,121,772	103,028,664	466,008,860	272,993,707
VI. Other comprehensive income, net of tax	10,536,200	-5,467,200	-1,585,700	78,815,431
(I) Attributable to shareholders of the Company, net of tax	7,375,340	-3,827,040	-1,109,990	83,308,723
1. Other comprehensive income items which will not be subsequently reclassified to profit or loss				93,986,921
(1) Changes in remeasurement of defined benefit plan obligations				93,986,921

Items	Third quarter of 2020 (July – September)	Third quarter of 2019 (July – September)	First three quarters of 2020 (January – September)	First three quarters of 2019 (January – September)
(2) Shares of other comprehensive income of the investee accounted for using equity method that will not be subsequently reclassified to profit or loss				
(3) Changes in fair value of other equity instruments investments				
(4) Changes in fair value of company credit risk				
2. Other comprehensive income items which will be subsequently reclassified to profit or loss	7,375,340	-3,827,040	-1,109,990	-10,678,198
(1) Shares of other comprehensive income of the investee accounted for using equity method that will be subsequently reclassified to profit or loss				
(2) Changes in fair value of other debt investments	7,375,340	-3,827,040	-1,109,990	-10,678,198
(3) The amount of financial assets reclassified into other comprehensive income				
(4) Credit impairment losses of other debt investments				
(5) Gains or losses on hedging instrument in a cash flow hedge				
(6) Translation differences on translation of foreign currency financial statements				
(7) Others				
(II) Attributable to minority shareholders, net of tax	3,160,860	-1,640,160	-475,710	-4,493,292
VII. Total comprehensive income	1,105,037,696	1,034,627,541	3,411,625,323	3,296,896,434
(I) Attributable to shareholders of the Company	941,755,064	933,239,037	2,946,092,173	3,028,396,019
(II) Attributable to minority interests	163,282,632	101,388,504	465,533,150	268,500,415
VIII. Earnings per share:				
(I) Basic earnings per share (Yuan/share)	0.14	0.15	0.45	0.46
(II) Diluted earnings per share (Yuan/share)	0.13	0.15	0.45	0.46

Legal representative: JIA Funing Principal in charge of accounting: FAN Xiwei
Head of accounting department: LIU Yongxia

INCOME STATEMENT OF THE PARENT COMPANY
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2020

Prepared by: QINGDAO PORT INTERNATIONAL CO., LTD.

Unit: Yuan Currency: RMB Audit status: Unaudited

Items	Third quarter of 2020 (July – September)	Third quarter of 2019 (July – September)	First three quarters of 2020 (January – September)	First three quarters of 2019 (January – September)
I. Revenue	1,678,084,923	1,465,332,206	4,683,434,944	4,293,969,019
Less: Cost of sales	1,241,163,984	1,060,854,584	3,396,319,068	2,962,390,499
Taxes and surcharges	18,757,838	19,242,647	55,896,949	60,304,196
Selling and distribution expenses	6,967,938	4,163,870	17,227,863	13,179,843
General and administrative expenses	77,693,595	79,737,536	205,788,578	228,429,837
Research and development expenses	687,495	2,458,535	1,820,982	10,543,058
Financial expenses	34,161,608	-27,922,337	19,437,598	-87,027,244
Including: Interest expenses	28,333,036	96,632,103	77,789,080	158,387,561
Interest income	33,636,858	63,660,323	116,663,980	222,516,820
Add: Other income	12,346,201	5,940,914	26,980,487	11,607,122
Investment income/(losses in “-”)	481,505,549	630,649,131	1,968,111,354	1,591,460,789
Including: Investment income from associates and joint ventures	323,369,726	342,914,865	988,848,526	1,062,461,615
Gains or losses on derecognize of financial assets measured at amortized cost				
Net exposure hedging income/ (losses in “-”)				
Gains / (losses in “-”) on changes in fair value				
Losses/ (losses in “-”) on credit impairment	1,201,569	1,497,287	-6,664,820	-15,390,742
Losses/ (losses in “-”) on asset impairment				
Gains / (losses in “-”) on disposal of assets	128,744	2,729,666	14,466,541	1,677,794
II. Operating profit/ (losses in “-”)	793,834,528	967,614,369	2,989,837,468	2,695,503,793
Add: Non-operating income	6,812,532	10,382,057	10,773,528	17,786,256
Less: Non-operating expenses	529,735	-158,725	2,588,431	
III. Total profit/ (total losses in “-”)	800,117,325	978,155,151	2,998,022,565	2,713,290,049

Items	Third quarter of 2020 (July – September)	Third quarter of 2019 (July – September)	First three quarters of 2020 (January – September)	First three quarters of 2019 (January – September)
Less: Income tax expenses	139,253,885	99,311,319	361,695,248	328,220,666
IV. Net profit/ (net losses in “-”)	660,863,440	878,843,832	2,636,327,317	2,385,069,383
(I) Net profit/ (net losses in “-”) from continuing operations	660,863,440	878,843,832	2,636,327,317	2,385,069,383
(II) Net profit from discontinued operations/ (net losses in “-”)				
V. Other comprehensive income, net of tax				81,710,000
(I) Other comprehensive income items that will not be subsequently reclassified to profit or loss				81,710,000
1. Changes in remeasurement of defined benefit plan obligations				81,710,000
2. Shares of other comprehensive income of the investee accounted for using equity method that will not be subsequently reclassified to profit or loss				
3. Changes in fair value of other equity instruments investments				
4. Changes in fair value of company credit risk				
(II) Other comprehensive income items which will be subsequently reclassified to profit or loss				
1. Shares of other comprehensive income of the investee accounted for using equity method that will be subsequently reclassified to profit or loss				
2. Changes in fair value of other debt investments				
3. The amount of financial assets reclassified into other comprehensive income				
4. Credit impairment losses of other debt investments				
5. Gains or losses on hedging instrument in a cash flow hedge				
6. Translation differences on translation of foreign currency financial statements				

Items	Third quarter of 2020 (July – September)	Third quarter of 2019 (July – September)	First three quarters of 2020 (January – September)	First three quarters of 2019 (January – September)
7. Others				
VI. Total comprehensive income	717,713,439	878,843,832	2,693,177,316	2,466,779,383
VII. Earnings per share:				
(I) Basic earnings per share (Yuan/share)				
(II) Diluted earnings per share (Yuan/share)				

Legal representative: JIA Funing　　Principal in charge of accounting: FAN Xiwei
Head of accounting department: LIU Yongxia

CONSOLIDATED CASH FLOW STATEMENT

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2020

Prepared by: QINGDAO PORT INTERNATIONAL CO., LTD.

Unit: Yuan　Currency: RMB　Audit status: Unaudited

Items	First three quarters of 2020 (January – September)	First three quarters of 2019 (January – September)
1. Cash flows from operating activities:		
Cash received from sales of goods or rendering of services	9,313,000,398	8,450,794,478
Increase in customer deposits and interbank deposits		
Increase in balances with central banks		
Increase in placements with and loans to banks and non-bank financial institutions		
Cash received from the premiums of the original insurance contract		
Cash received from reinsurance		
Cash received from the increase of household savings and investment funds		
Cash received from interest charges and commissions		
Increase in placements with and loans from banks and non-bank financial institutions		
Cash received from repurchase funds		
Cash received from the agent of buying and selling securities		
Refund of taxes and surcharges		

Items	First three quarters of 2020 (January – September)	First three quarters of 2019 (January – September)
Cash received relating to other operating activities	612,595,839	327,336,870
Sub-total of cash inflows	9,925,596,237	8,778,131,348
Cash paid for goods or receipt of services	5,281,215,488	4,351,544,568
Increase in loans and advances to customers		
Increase in deposits with banks and non-bank financial institutions		
Cash paid for a claim under an original insurance contract		
Increase in placements with and loans to banks and non-bank financial institutions		
Cash paid relating to interest charges and commissions		
Cash paid to the policy dividends		
Cash paid to and on behalf of employees	1,536,832,585	1,628,709,155
Payments of taxes and surcharges	1,062,951,953	956,806,856
Cash paid relating to other operating activities	214,333,852	248,147,268
Sub-total of cash outflows	8,095,333,878	7,185,207,847
Net cash flows from operating activities	1,830,262,359	1,592,923,501
2. Cash flows from investing activities:		
Cash received from disposal of investments	12,272,832,144	10,429,494,986
Cash received from returns on investments	516,427,532	816,725,026
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	53,654,823	13,205,177
Net cash received from the disposal of subsidiaries and other operating units		
Cash received relating to other investing activities	1,793,799,740	2,784,967,244
Sub-total of cash inflows	14,636,714,239	14,044,392,433
Cash paid to acquire fixed assets, intangible assets and other long-term assets	2,229,655,697	998,300,702
Cash paid to acquire investments	10,024,241,188	11,454,724,456
Net increase in pledged loans		

Items	First three quarters of 2020 (January – September)	First three quarters of 2019 (January – September)
Cash paid to acquire subsidiaries and other operating units		
Cash paid relating to other investing activities	4,281,473,549	2,605,803,934
Sub-total of cash outflows	16,535,370,434	15,058,829,092
Net cash flows from investing activities	-1,898,656,195	-1,014,436,659
3. Cash flows from financing activities:		
Cash received from capital contributions	82,450,000	1,984,929,768
Including: Cash received from capital contributions by minority shareholders of subsidiaries	82,450,000	6,000,000
Cash received from borrowings	519,287,620	955,677,757
Cash received relating to other financing activities	1,669,168,924	1,692,222,150
Sub-total of cash inflows	2,270,906,544	4,632,829,675
Cash repayments of borrowings	689,190,412	2,064,992,683
Cash payments for distribution of dividends, profits or interest expenses	1,469,630,010	2,749,514,717
Including: Cash payments for distribution of dividends or profit to minority shareholders by subsidiaries	32,717,338	55,155,857
Cash paid relating to other financing activities	163,368,416	102,655,225
Sub-total of cash outflows	2,322,188,838	4,917,162,625
Net cash flows from financing activities	-51,282,294	-284,332,950
4. Effect of foreign exchange rate changes on cash and cash equivalent	-4,362,374	32,401,744
5. Net increase in cash and cash equivalent	-124,038,504	326,555,636
Add: Cash and cash equivalent at the beginning of the period	3,998,246,081	4,014,278,650
6. Cash and cash equivalent at the end of the period	3,874,207,577	4,340,834,286

Legal representative: JIA Funing   Principal in charge of accounting: FAN Xiwei
Head of accounting department: LIU Yongxia

CASH FLOW STATEMENT OF THE PARENT COMPANY

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2020

Prepared by: QINGDAO PORT INTERNATIONAL CO., LTD.

Unit: Yuan Currency: RMB Audit status: Unaudited

Items	First three quarters of 2020 (January – September)	First three quarters of 2019 (January – September)
1. Cash flows from operating activities:		
Cash received from sales of goods or rendering of services	3,589,471,429	2,904,894,615
Refund of taxes and surcharges		
Cash received relating to other operating activities	414,018,338	397,897,177
Sub-total of cash inflows	4,003,489,767	3,302,791,792
Cash paid for goods and services	1,784,169,317	1,179,441,868
Cash paid to and on behalf of employees	947,924,250	969,652,856
Payments of taxes and surcharges	391,679,068	467,508,315
Cash paid relating to other operating activities	114,260,780	71,235,092
Sub-total of cash outflows	3,238,033,415	2,687,838,131
Net cash flows from operating activities	765,456,352	614,953,661
2. Cash flows from investing activities:		
Cash received from disposal of investments	4,885,038,620	3,351,867
Cash received from returns on investments	1,141,016,465	1,074,490,822
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	22,889,394	6,514,774
Net cash received from the disposal of subsidiaries and other operating units	7,856,558	5,990,993
Cash received relating to other investing activities	963,501,443	1,048,000,000
Sub-total of cash inflows	7,020,302,480	2,138,348,456
Cash paid to acquire fixed assets, intangible assets and other long-term assets	693,761,168	266,720,177
Cash paid to acquire investments	6,777,426,418	4,155,818,171
Cash paid to acquire subsidiaries and other operating units		
Cash paid relating to other investing activities	1,116,641,911	659,000,000

Items	First three quarters of 2020 (January – September)	First three quarters of 2019 (January – September)
Sub-total of cash outflows	8,587,829,497	5,081,538,348
Net cash flows from investing activities	-1,567,527,017	-2,943,189,892
3. Cash flows from financing activities:		
Cash received from capital contributions		1,978,929,768
Cash received from borrowings	447,000,000	253,000,000
Cash received relating to other financing activities		
Sub-total of cash inflows	447,000,000	2,231,929,768
Cash repayments of borrowings	302,800,000	1,473,801,712
Cash payments for interest expenses and distribution of dividends or profits	1,392,622,072	2,589,704,739
Cash paid relating to other financing activities	31,953,046	4,425,266
Sub-total of cash outflows	1,727,375,118	4,067,931,717
Net cash flows from financing activities	-1,280,375,118	-1,836,001,949
4. Effect of foreign exchange rate changes on cash and cash equivalent	-1,146,799	22,784,360
5. Net increase in cash and cash equivalent	-2,083,592,582	-4,141,453,820
Add: Cash and cash equivalent at the beginning of the period	6,829,500,453	6,819,212,911
6. Cash and cash equivalent at the end of the period	4,745,907,871	2,677,759,091

Legal representative: JIA Funing Principal in charge of accounting: FAN Xiwei
Head of accounting department: LIU Yongxia

4.2 Adjustments of relevant items of financial statements at the beginning of the year for implementation of new accounting standards for revenue and new accounting standards for leases for the first time since 2020

□ Applicable √ Not applicable

4.3 Explanations on retrospective adjustments of previously comparative figures due to implementation of new accounting standards for revenue and new accounting standards for leases for the first time since 2020

□ Applicable √ Not applicable

4.4 Audit report

☐ Applicable √ Not applicable

By order of the Board

Qingdao Port International Co., Ltd.

Chairman

JIA Funing

Qingdao, the PRC, 29 October 2020

As at the date of this announcement, the executive Directors of the Company are Mr. JIA Funing and Mr. WANG Xinze; the non-executive Directors are Mr. SU Jianguang, Mr. FENG Boming, Mr. WANG Jun and Ms. WANG Fuling; and the independent non-executive Directors are Ms. LI Yan, Mr. JIANG Min and Mr. LAI Kwok Ho.