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 THIRD 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 third quarter ended 30 September 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 third 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	26,085,486,074.88	25,479,855,440.54	2.38%
Net assets attributable to shareholders of the listed company	15,239,324,042.92	14,610,442,895.38	4.30%

	From the beginning of the year to the end of the reporting period (January to September)	From the beginning to the end of the reporting period of last year (January to September)	Change (%)
Net cash flow generated from operating activities	2,194,370,294.88	2,229,697,173.45	-1.58%

	From the beginning of the year to the end of the reporting period (January to September)	From the beginning to the end of the reporting period of last year (January to September)	Change (%)
Revenue	4,695,500,088.38	5,025,550,555.97	-6.57%
Net profit attributable to shareholders of the listed company	966,338,485.07	859,754,462.73	12.40%
Net profit attributable to shareholders of the listed Company after deducting non-recurring profit and loss	932,662,540.52	820,662,586.36	13.65%
Weighted average return on net assets (%)	6.44	6.05	Increased by 0.39 percentage point
Basic earnings per share (RMB/share)	0.17	0.15	13.33%
Diluted earnings per share (RMB/share)	0.17	0.15	13.33%

Items and amounts of non-recurring profit or loss

✓ Applicable □ Not applicable

Unit: Yuan Currency: RMB

Items	Amount for the current period (July to September)	Amount from the beginning of the year to the end of next reporting period (January to September)
Gains or losses on disposal of non-current assets	860,548.65	1,544,432.94
Government grants credited to profit or loss for the current period (except for the government grants that are closely related to 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)	12,882,666.31	41,289,466.99
Gains or losses on entrusted investment or asset management	1,952,415.58	3,248,978.00
Write back of the provision for impairment of accounts receivable, contract assets that is individually tested for impairment	884,762.54	2,892,625.54
Other non-operating income and expenses apart from the above items	-357,058.05	-3,826,342.23
Other profit or loss items that fall within the meaning of non-recurring profit and loss	2,133,100.00	2,133,100.00
Effect of minority interests (after tax)	-1,072,415.78	-1,577,692.66
Effect of income tax	-5,096,331.90	-12,028,624.03
Total	12,187,687.35	33,675,944.55

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 74,945

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: Share status	Pledged or frozen: Number	Type of shareholders
Hebei Port Group Co., Ltd.* (河北港口集團有限公司)	3,032,528,078	54.27		Nil		State-owned legal person
HKSCC Nominees Limited[Note]	827,532,382	14.81		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
Datong Coal Mine Group Co., Ltd.	41,437,588	0.74		Nil		State-owned legal person
Qinhuangdao Port Management Office of the People's Government of Shanxi Province* (山西省人民政府駐秦皇島港務管理辦公室)	30,538,764	0.55		Nil		State-owned legal person
Li Guo	27,760,000	0.50		Nil		Domestic natural person

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
Hebei Port Group Co., Ltd.* (河北港口集團有限公司)	3,032,528,078	RMB ordinary shares	3,032,528,078
HKSCC Nominees Limited[Note]	827,532,382	Foreign shares listed overseas	827,532,382
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
Datong Coal Mine Group Co., Ltd.	41,437,588	RMB ordinary shares	41,437,588
Qinhuangdao Port Management Office of the People's Government of Shanxi Province* (山西省人民政府駐秦皇島港務管理辦公室)	30,538,764	RMB ordinary shares	30,538,764
Li Guo	27,760,000	RMB ordinary shares	27,760,000

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. As at 30 September 2020, construction in progress amounted to RMB1,138,919,402.97, representing an increase of 39% as compared with that at the beginning of the year, mainly due to the increase in the construction of Phase 1 (expansion) of metal ores terminal project of Cangzhou Huanghuagang Mineral Port Co., Ltd. (滄州黃驊港礦石港務有限公司) ("**Cangzhou Mineral Port**"), a subsidiary of the Group.

2. As at 30 September 2020, other non-current assets amounted to RMB271,506,471.86, representing an increase of 245% as compared with that at the beginning of the year, mainly due to the increase in prepayments for advance payment and engineering equipment expenses of Cangzhou Mineral Port, a subsidiary of the Group.

3. As at 30 September 2020, short-term borrowings amounted to RMB323,744,163.00, representing an increase of 113% 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) and Cangzhou Mineral Port, subsidiaries of the Group.

4. As at 30 September 2020, accounts payable amounted to RMB285,965,646.94, representing an increase of 74% as compared with that at the beginning of the year, mainly due to the increase in repair costs payable by the Group and the increase in other operating amounts.

5. As at 30 September 2020, contract liabilities amounted to RMB702,016,550.74, representing an increase of 33% as compared with that at the beginning of the year, mainly due to the increase in port handling fees received in advance by the Group.

6. As at 30 September 2020, lease liabilities amounted to RMB3,828,351.77, representing a decrease of 49% from the beginning of the year, mainly due to a portion of them classified by into non-current liabilities due within one year based on its liquidity.

7. As at 30 September 2020, provisions amounted to RMB13,404,183.67, representing a decrease of 60% as compared with that at the beginning of the year, mainly due to the payment of compensation made by Cangzhou Mineral Port (which merged Cangzhou Bohai Port Co., Ltd. (滄州渤海港務有限公司) in 2019) according to the verdict.

8. As at 30 September 2020, deferred income tax liabilities amounted to RMB20,942,962.56, representing an increase of 42% as compared with that at the beginning of the year, mainly due to the difference between tax base and accounting base in changes in fair value of investment in other equity instruments of the Group.

9. As at 30 September 2020, other comprehensive income amounted to RMB313,039,373.59, representing an increase of 73% as compared with that at the beginning of the year, mainly due to increase in fair value of other equity instruments investment of the Group during the period.

10. As at 30 September 2020, special reserve amounted to RMB141,734,165.58, representing an increase of 31% as compared with that at the beginning of the year, mainly due to an increase in the production safety expense provided but unused of the Group.

11. As at 30 September 2020, administrative expenses amounted to RMB456,749,191.81, representing a decrease of 42% as compared with that at the beginning of the year, mainly due to the future payment obligations of the costs on employees who leave their posts and wait for retirement on a one-off basis during the last period.

12. As at 30 September 2020, other income amounted to RMB41,584,621.41, representing an increase of 41% as compared with that in the corresponding period of last year, mainly due to increase in the Group's value-added tax additional deduction and other government subsidies.

13. As at 30 September 2020, credit impairment loss amounted to RMB2,320,375.95, representing an increase of 162% from the corresponding period of last year, which was mainly due to the recovery of receivables for the previous years and a revised bad debts provision of the Group.

14. As at 30 September 2020, income of disposal of assets amounted to RMB1,102,463.13, representing a decrease of 31% from the corresponding period of last year, which was mainly due to a decrease in gains from disposal of non-current assets by the Group during the period.

15. As at 30 September 2020, net non-operating revenue and expenses amounted to RMB-3,380,572.42, representing a decrease of 178% as compared with that in the corresponding period of last year, mainly due to a decrease in the government subsidies received and an increase in charitable donation payable by the Group.

16. As at 30 September 2020, net cash flows from investing activities amounted to RMB-1,123,831,708.74, representing a decrease of 316% 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.

17. As at 30 September 2020, net cash flows from financing activities amounted to RMB-698,285,408.99, representing an increase of 36% as compared with that in the corresponding period of last year, mainly due to the combined effect of the increase in net inflows in borrowings of the Group and the increase in distribution of dividends.

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

✓ Applicable ☐ Not applicable

On 14 September 2020, Cangzhou Bohai Port Co., Ltd.* (滄州渤海港務有限公司), a subsidiary of the Company, received the civil judgment ((2020) Ji Min Zhong No. 393) from the High People's Court of Hebei Province. Please refer to the announcement published on the website of the Stock Exchange on 15 September 2020 by the Company for more details on the matter.

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
30 September 2020

Prepared by: Qinhuangdao Port Co., Ltd.*

Unit: Yuan Currency: RMB Audit status: unaudited

Item	30 September 2020	31 December 2019
Current assets:		
Cash and bank balances	3,602,516,126.80	2,805,072,385.39
Settlement provisions		
Placements with banks and other financial institutions		
Financial assets held for trading	50,000,000.00	
Derivative financial assets		
Bills receivable	143,648,667.21	172,344,886.06
Accounts receivable	96,027,336.45	81,480,463.58
Financing from amounts receivable		
Prepayments	12,636,166.79	10,763,773.91
Premiums receivable		
Reinsurance accounts receivable		
Deposits receivable from reinsurance contracts		
Other receivables	52,248,047.01	47,843,613.54
Including: Interest receivable		
Dividends receivable		
Financial assets purchased under resale agreements		
Inventories	199,664,369.67	186,149,733.94
Contract assets		
Assets held for sale		
Non-current assets due within one year		
Other current assets	80,378,387.64	108,861,397.06
Total current assets	4,237,119,101.57	3,412,516,253.48

Item	30 September 2020	31 December 2019
Non-current assets:		
Loans and advances granted		
Debt investment		
Other debt investment		
Long-term receivables		
Long-term equity investments	3,093,940,438.03	2,933,977,826.03
Investments in other equity instruments	817,446,118.17	792,793,162.66
Other non-current financial assets		
Investment properties		
Fixed assets	13,584,562,853.83	14,386,455,466.64
Construction in progress	1,138,919,402.97	818,663,594.98
Productive biological assets		
Oil and gas assets		
Right-of-use assets	126,982,496.36	136,087,991.44
Intangible assets	2,392,503,123.18	2,442,851,949.55
Development costs		
Goodwill		
Long-term prepaid expenses	67,879,470.98	67,553,845.97
Deferred tax assets	354,626,597.93	410,276,375.66
Other non-current assets	271,506,471.86	78,678,974.13
Total non-current assets	21,848,366,973.31	22,067,339,187.06
Total assets	26,085,486,074.88	25,479,855,440.54

Item	30 September 2020	31 December 2019
Current liabilities:		
Short-term borrowings	323,744,163.00	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	285,965,646.94	164,642,529.63
Advances from customers		
Contract liabilities	702,016,550.74	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	623,639,921.68	641,772,243.05
Taxes payable	176,155,526.76	136,546,991.12
Other payables	447,351,288.29	618,070,938.59
Including: Interest payable		
Dividends payable	13,689.33	1,101.94
Fee and commission payable		
Reinsurance accounts payable		
Liabilities held for sale		
Non-current liabilities due within one year	504,089,957.25	698,268,300.47
Other current liabilities		
Total current liabilities	3,062,963,054.66	2,937,288,560.97

Item	30 September 2020	31 December 2019
Non-current liabilities:		
Reserve for insurance policies		
Long-term borrowings	5,952,037,997.98	5,883,682,492.98
Debentures payable		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	3,828,351.77	7,521,511.19
Long-term payables	238,400,000.00	238,400,000.00
Long-term employee benefits payable	432,047,411.64	532,928,001.35
Provisions	13,404,183.67	33,860,000.00
Deferred income	216,629,962.59	243,113,352.90
Deferred income tax liabilities	20,942,962.56	14,779,723.68
Other non-current liabilities		
Total non-current liabilities	6,877,290,870.21	6,954,285,082.10
Total liabilities	9,940,253,924.87	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	313,039,373.59	181,333,327.86
Special reserve	141,734,165.58	108,030,468.84
Surplus reserve	1,334,346,000.28	1,334,346,000.28
General risk reserve		
Retained profit	2,655,247,710.86	2,191,776,305.79
Total equity attributable to owners of the parent (shareholders' equity)	15,239,324,042.92	14,610,442,895.38
Minority interests	905,908,107.09	977,838,902.09
Total owners' equity (shareholders' equity)	16,145,232,150.01	15,588,281,797.47
Total liabilities and owners' equity (shareholders' equity)	26,085,486,074.88	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
30 September 2020

Prepared by: Qinhuangdao Port Co., Ltd.*

Unit: Yuan   Currency: RMB   Audit status: unaudited

Item	30 September 2020	31 December 2019
Current assets:		
Cash and bank balances	2,659,199,507.96	1,939,401,202.52
Financial assets held for trading		
Derivative financial assets		
Bills receivable	34,000,000.00	98,732,091.00
Accounts receivable	50,451,114.06	40,947,899.72
Financing from amounts receivable		
Prepayments	2,528,271.02	1,697,546.98
Other receivables	1,611,521.49	607,924.51
Including: Interests receivable		
Dividends receivable		
Inventories	128,721,545.91	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	2,876,511,960.44	2,207,330,755.67

Item	30 September 2020	31 December 2019
Non-current assets:		
Debt investment		
Other debt investment		
Long-term receivables		
Long-term equity investments	9,580,090,090.34	9,430,895,512.09
Investments in other equity instruments	634,095,207.47	617,086,598.02
Other non-current financial assets		
Investment properties		
Fixed assets	3,782,427,213.90	4,030,558,073.57
Construction in progress	48,851,284.89	24,481,805.29
Productive biological assets		
Oil and gas assets		
Right-of-use assets	9,712,958.92	15,540,733.92
Intangible assets	386,133,270.15	390,737,372.27
Development costs		
Goodwill		
Long-term prepaid expenses		
Deferred income tax assets	311,032,075.69	347,613,518.50
Other non-current assets	54,014,618.59	26,591,859.93
Total non-current assets	14,806,356,719.95	14,883,505,473.59
Total assets	17,682,868,680.39	17,090,836,229.26

Item	30 September 2020	31 December 2019
Current liabilities:		
Short-term borrowings		80,163,252.78
Financial liabilities held for trading		
Derivative financial liabilities		
Bills payable		
Accounts payable	153,283,089.67	69,608,872.13
Advances from customers		
Contract liabilities	499,885,704.88	404,641,998.27
Employee benefits payable	590,109,424.82	611,203,208.77
Taxes payable	141,333,908.30	101,279,397.97
Other payables	58,475,877.97	65,378,838.95
Including: Interest payable		
Dividends payable	13,689.33	1,101.94
Liabilities held for sale		
Non-current liabilities due within one year	6,937,795.86	8,619,266.69
Other current liabilities		
Total current liabilities	1,450,025,801.50	1,340,894,835.56

Item	30 September 2020	31 December 2019
Non-current liabilities:		
Long-term borrowings		
Debentures payable		
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	3,828,351.77	7,521,511.19
Long-term payables	238,400,000.00	238,400,000.00
Long-term employee benefits payable	399,575,174.92	494,454,519.70
Provisions		
Deferred income	215,935,636.74	242,419,027.05
Deferred income tax liabilities	11,835,712.38	7,583,560.02
Other non-current liabilities		
Total non-current liabilities	869,574,875.81	990,378,617.96
Total liabilities	2,319,600,677.31	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	295,264,368.82	165,610,885.84
Special reserve	111,191,340.37	82,639,037.09
Surplus reserve	1,334,207,655.51	1,334,207,655.51
Retained profit	2,837,856,169.71	2,392,356,728.63
Total owners' equity (shareholders' equity)	15,363,268,003.08	14,759,562,775.74
Total liabilities and owners' equity (shareholders' equity)	17,682,868,680.39	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 September 2020

Prepared by: Qinhuangdao Port Co., Ltd.*

Unit: Yuan Currency: RMB Audit status: unaudited

Item		Third quarter of 2020 (July to September)	Third quarter of 2019 (July to September)	First quarters of 2020 (January to September)	First quarters of 2019 (January to September)
I.	Total revenue	1,700,098,009.26	1,634,844,670.90	4,695,500,088.38	5,025,550,555.97
	Including: Revenue	1,700,098,009.26	1,634,844,670.90	4,695,500,088.38	5,025,550,555.97
	Interest income				
	Premium earned				
	Fee and commission income				
II.	Total operating costs	1,291,298,544.37	1,257,763,079.33	3,693,883,777.03	4,109,625,409.07
	Including: Operating costs	981,401,981.49	916,802,618.90	2,764,052,832.38	2,808,247,861.85
	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	93,492,678.64	89,968,173.81	266,018,761.80	276,530,505.39
	Selling expenses		25,003.77		86,468.30
	Administrative expenses	151,311,534.68	178,565,689.56	456,749,191.81	792,867,240.45
	Research and development expenses	2,794,790.95	2,003,776.80	5,871,190.40	5,874,987.29
	Financial costs	62,297,558.61	70,397,816.49	201,191,800.64	226,018,345.79
	Including: Interest expenses	77,343,606.38	82,826,948.70	234,391,648.03	255,494,453.17
	Interest income	14,992,278.36	11,560,313.92	32,447,005.50	28,634,773.70

Item		Third quarter of 2020 (July to September)	Third quarter of 2019 (July to September)	First quarters of 2020 (January to September)	First quarters of 2019 (January to September)
	Add: Other income	12,011,942.00	8,073,250.83	41,584,621.41	29,495,047.23
	Investment income (loss expressed with "-")	60,179,754.80	17,458,803.26	155,241,193.30	154,372,828.30
	Including: Investment income from associates and joint ventures	56,094,239.22	15,563,177.71	144,759,115.30	129,242,732.73
	Income from derecognition of financial assets at amortization cost				
	Foreign exchange gain (loss expressed with "-")				
	Gains on net exposure hedges (loss expressed with "-")				
	Gains from changes in fair value (loss expressed with "-")				
	Impairment loss of credit (loss expressed with "-")	1,099,972.19	991,982.86	-2,320,375.95	3,736,258.09
	Asset impairment loss (loss expressed with "-")				
	Gain on disposal of assets (loss expressed with "-")	620,049.90		1,102,463.13	1,600,453.26
III.	Operating profit (loss expressed with "-")	482,711,183.78	403,605,628.52	1,197,224,213.24	1,105,129,733.78
	Add: Non-operating income	495,302.45	2,844,431.84	1,114,190.45	6,870,949.27
	Less: Non-operating expenses	608,061.75	2,058,374.22	4,494,762.87	2,511,954.60
IV.	Total profit (total loss expressed with "-")	482,598,424.48	404,391,686.14	1,193,843,640.82	1,109,488,728.45
	Less: Income tax expenses	106,106,779.64	120,597,726.49	304,136,367.58	307,486,093.72
V.	Net profit (net loss expressed with "-")	376,491,644.84	283,793,959.65	889,707,273.24	802,002,634.73
	(I) Classified by continuity of operation				
	1. Net profit from continuing operations (net loss expressed with "-")	376,491,644.84	283,793,959.65	889,707,273.24	802,002,634.73
	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 "-")	390,596,672.78	310,654,665.81	966,338,485.07	859,754,462.73
	2. Minority interests (net loss expressed with "-")	-14,105,027.94	-26,860,706.16	-76,631,211.83	-57,751,828.00

Item		Third quarter of 2020 (July to September)	Third quarter of 2019 (July to September)	First quarters of 2020 (January to September)	First quarters of 2019 (January to September)
VI.	Other comprehensive income, net of tax	94,246,997.80	2,065,677.86	134,515,342.90	8,716,114.74
	(I) Other comprehensive income attributable to owners of the parent, net of tax	94,246,997.80	2,065,677.86	131,706,045.73	13,398,319.52
	1. Other comprehensive income that cannot be reclassified to profit or loss	95,799,513.87		132,809,775.93	10,555,752.37
	(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	95,799,513.87		117,129,356.47	
	(3) Changes in fair value of investment in other equity instruments			15,680,419.46	10,555,752.37
	(4) Change in fair value of own credit risk				
	2. Other comprehensive income that may be reclassified to profit or loss	-1,552,516.07	2,065,677.86	-1,103,730.20	2,842,567.15
	(1) Other comprehensive income that may be reclassified into the profit and loss under the equity method	212,210.95	925,796.27	-232,330.58	1,518,145.72
	(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	-1,764,727.02	1,139,881.59	-871,399.62	1,324,421.43
	(7) Others				
	(II) Other comprehensive income attributable to minority shareholders, net of tax			2,809,297.17	-4,682,204.78
VII.	Total comprehensive income	470,738,642.64	285,859,637.51	1,024,222,616.14	810,718,749.47
	(I) Total comprehensive income attributable to owners of the parent	484,843,670.58	312,720,343.67	1,098,044,530.80	873,152,782.25
	(II) Total comprehensive income attributable to minority shareholders	-14,105,027.94	-26,860,706.16	-73,821,914.66	-62,434,032.78
VIII.	Earnings per share:				
	(I) Basic earnings per share (RMB/share)	0.07	0.05	0.17	0.15
	(II) Diluted earnings per share (RMB/share)	0.07	0.05	0.17	0.15

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 September 2020

Prepared by: Qinhuangdao Port Co., Ltd.*

Unit: Yuan Currency: RMB Audit status: unaudited

Item		Third quarter of 2020 (July to September)	Third quarter of 2019 (July to September)	First quarters of 2020 (January to September)	First quarters of 2019 (January to September)
I.	**Revenue**	1,125,258,062.01	1,148,349,648.22	3,136,154,349.00	3,589,992,807.02
	Less: Operating costs	565,980,125.13	542,464,402.84	1,575,487,049.14	1,672,451,502.06
	Tax and surcharges	55,421,473.64	54,072,657.73	157,598,470.22	176,218,000.02
	Selling expenses				
	Administrative expenses	126,800,271.80	139,341,121.36	377,671,948.85	692,571,039.64
	Research and development expenses	2,794,790.95	2,003,776.80	5,871,190.40	5,874,987.29
	Financial costs	-12,458,770.60	-6,223,470.81	-24,999,046.05	-2,658,066.39
	Including: Interest expenses	273,564.98	3,917,276.11	2,129,692.84	19,885,168.81
	Interest income	12,650,327.53	9,380,682.65	26,102,810.33	21,676,172.48
	Add: Other income	11,733,642.52	12,094,222.01	40,154,201.24	32,620,096.73
	Investment income (loss expressed with "-")	55,163,597.71	14,838,075.26	144,102,170.87	131,702,916.81
	Including: Investment income from associates and joint ventures	55,190,091.88	14,838,075.26	144,128,665.04	131,702,916.81
	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 "-")	948,193.44	665,220.20	2,299,442.70	7,787,444.29
	Asset impairment loss (loss expressed with "-")				
	Gain on disposal of assets(loss expressed with "-")				
II.	**Operating profit (loss expressed with "-")**	454,565,604.76	444,288,677.77	1,231,080,551.25	1,217,645,802.23
	Add: Non-operating income	514,738.49	2,796,122.54	939,435.89	6,722,757.85
	Less: Non-operating expenses	192,042.95	246,429.83	3,345,224.46	607,378.36

Item		Third quarter of 2020 (July to September)	Third quarter of 2019 (July to September)	First quarters of 2020 (January to September)	First quarters of 2019 (January to September)
III.	**Total profit (total loss expressed with "-")**	454,888,300.30	446,838,370.48	1,228,674,762.68	1,223,761,181.72
	Less: Income tax expenses	101,691,219.57	111,396,431.70	280,308,241.60	288,529,878.69
IV.	**Net profit (net loss expressed with "-")**	353,197,080.73	335,441,938.78	948,366,521.08	935,231,303.03
	(I) Net profit from continuing operations (net loss expressed with "-")	353,197,080.73	335,441,938.78	948,366,521.08	935,231,303.03
	(II) Net profit from discontinued operations (net loss expressed with "-")				
V.	**Other comprehensive income, net of tax**	96,011,724.82	925,796.27	129,653,482.98	16,947,213.27
	(I) Other comprehensive income that cannot be reclassified to profit or loss	95,799,513.87		129,885,813.56	15,429,067.55
	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	95,799,513.87		117,129,356.47	
	3. Changes in fair value of investment in other equity instruments			12,756,457.09	15,429,067.55
	4. Change in fair value of own credit risk				
	(II) Other comprehensive income that may be reclassified to profit or loss	212,210.95	925,796.27	-232,330.58	1,518,145.72
	1. Other comprehensive income that may be reclassified into the profit and loss under the equity method	212,210.95	925,796.27	-232,330.58	1,518,145.72
	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**	449,208,805.55	336,367,735.05	1,078,020,004.06	952,178,516.30
VII.	**Earnings per share:**				
	(I) Basic earnings per share (RMB/share)				
	(II) Diluted earnings per share (RMB/share)				

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

CONSOLIDATED STATEMENT OF CASH FLOWS
From January to September 2020

Prepared by: Qinhuangdao Port Co., Ltd.*

Unit: Yuan Currency: RMB Audit status: unaudited

Item	First quarters of 2020 (January to September)	First quarters of 2019 (January to September)
I. Cash flows from operating activities:		
Cash received from sale of goods or rendering of services	5,087,186,834.66	5,415,417,993.65
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		19,055,047.91
Cash received relating to other operating activities	87,586,244.31	55,195,901.80
Sub-total of cash inflows	5,174,773,078.97	5,489,668,943.36
Cash paid for goods and services	909,379,619.70	973,873,089.30
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	1,259,463,017.25	1,311,142,833.76
Cash paid for all taxes	581,487,955.13	779,519,835.08
Cash paid relating to other operating activities	230,072,192.01	195,436,011.77
Sub-total of cash outflows	2,980,402,784.09	3,259,971,769.91
Net cash flows from operating activities	2,194,370,294.88	2,229,697,173.45

Item		First quarters of 2020 (January to September)	First quarters of 2019 (January to September)
II.	**Cash flows from investing activities**		
	Cash received from return of investment	1,160,420,435.78	970,876,008.74
	Cash received from investment income	114,902,718.40	60,696,699.27
	Net cash received from disposal of fixed assets, intangible assets and other long-term assets	4,033,001.30	191,459,087.50
	Net cash received for the disposal of subsidiaries and other business entities	21,523,116.22	14,075,064.86
	Cash received relating to other investing activities	1,300,879,271.70	1,237,106,860.37
	Sub-total of cash inflows	771,941,966.28	569,542,444.66
	Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	1,652,769,014.16	931,961,076.40
	Cash paid for investments		
	Net increase in pledged loans		
	Net cash paid for acquiring subsidiaries and other business entities		
	Cash paid relating to other investing activities		6,000,000.00
	Sub-total of cash outflows	2,424,710,980.44	1,507,503,521.06
	Net cash flows from investing activities	-1,123,831,708.74	-270,396,660.69

Item	First quarters of 2020 (January to September)	First quarters of 2019 (January to September)
III. Cash flows from financing activities		
Cash received from capital contribution		
Including: cash received from minority shareholders by subsidiaries		
Cash received from borrowings	1,203,000,000.00	885,737,672.50
Cash received relating to other financing activities	1,203,000,000.00	885,737,672.50
Sub-total of cash inflows	1,153,123,786.20	1,278,862,000.00
Cash paid for repayments of borrowings	741,757,732.04	687,711,662.66
Cash paid for distribution of dividends or profits and for interest expenses		
Including: dividends and profits paid to minority shareholders by subsidiaries		
Cash paid relating to other financing activities	6,403,890.75	6,877,297.65
Sub-total of cash outflow	1,901,285,408.99	1,973,450,960.31
Net cash flows from financing activities	-698,285,408.99	-1,087,713,287.81
IV. Effect of foreign exchange rate changes on cash and cash equivalents	-1,284,419.52	4,119,914.20
V. Net increase in cash and cash equivalents	370,968,757.63	875,707,139.15
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	2,486,195,626.80	2,860,180,865.71

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

STATEMENT OF CASH FLOWS OF THE PARENT COMPANY
From January to September 2020

Prepared by: Qinhuangdao Port Co., Ltd.*

Unit: Yuan Currency: RMB Audit status: unaudited

Item	First quarters of 2020 (January to September)	First quarters of 2019 (January to September)
I. Cash flows from operating activities:		
Cash received from sale of goods or rendering of services	3,417,277,636.49	3,908,085,312.70
Tax rebate received		19,064,314.95
Cash received relating to other operating activities	45,031,847.04	35,324,061.49
Sub-total of cash inflows	3,462,309,483.53	3,962,473,689.14
Cash paid for goods and services	456,264,251.56	540,269,983.38
Cash paid to and on behalf of employees	1,087,472,601.94	1,139,271,766.53
Cash paid for all taxes	468,132,318.98	639,735,595.23
Cash paid relating to other operating activities	173,587,318.39	155,481,071.18
Sub-total of cash outflows	2,185,456,490.87	2,474,758,416.32
Net cash flows from operating activities	1,276,852,992.66	1,487,715,272.82
II. Cash flows from investing activities		
Cash received from return of investment	491,701,414.16	587,876,008.74
Cash received from investment income	104,500,000.00	51,337,662.89
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	2,396,809.30	3,382,792.74
Net cash received for the disposal of subsidiaries and other business entities	3,519,021.62	
Cash received relating to other investing activities	6,000,000.00	
Sub-total of cash inflows	608,117,245.08	642,596,464.37
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	79,635,358.26	117,592,258.76
Cash paid for investments	1,039,568,314.16	480,461,076.40
Net cash paid for acquiring subsidiaries and other business entities		
Cash paid relating to other investing activities		6,000,000.00
Sub-total of cash outflows	1,119,203,672.42	604,053,335.16
Net cash flows from investing activities	-511,086,427.34	38,543,129.21

Item		First quarters of 2020 (January to September)	First quarters of 2019 (January to September)
III.	**Cash flows from financing activities**		
	Cash received from capital contribution		
	Cash received from borrowings		
	Cash received relating to other investing activities		624,537,672.50
	Sub-total of cash inflows		624,537,672.50
	Cash paid for repayments of borrowings	80,000,000.00	750,000,000.00
	Cash paid for distribution of dividends or profits and for interest expenses	503,344,073.94	451,444,290.92
	Cash paid relating to other financing activities	6,403,890.75	6,877,297.65
	Sub-total of cash outflow	589,747,964.69	1,208,321,588.57
	Net cash flows from financing activities	-589,747,964.69	-583,783,916.07
IV.	**Effect of foreign exchange rate changes on cash and cash equivalents**	-220,295.19	2,758,339.05
V.	**Net increase in cash and cash equivalents**	175,798,305.44	945,232,825.01
	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**	1,609,199,507.96	2,196,441,926.93

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
29 October 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.