

Stock Code: 001872/201872

Stock Name: CM Port Group/CM Port Group B

Announcement No. 2021-098



CHINA MERCHANTS PORT GROUP CO., LTD.
THE REPORT FOR THE THIRD QUARTER OF 2021

China Merchants Port Group Co., Ltd. (hereinafter referred to as the “Company”) and all the members of the Company’s Board of Directors hereby guarantee that the contents of this Report are factual, accurate and complete and free of any misrepresentations, misleading statements or material omissions.

Important Notes:

1. The Board of Directors (or the “Board”), the Supervisory Committee as well as the directors, supervisors and senior management of the Company hereby guarantee the factuality, accuracy and completeness of the contents of this Report, and shall be jointly and severally liable for any misrepresentations, misleading statements or material omissions therein.

2. Wang Xiufeng, the Company’s legal representative, Tu Xiaoping, the Company’s Chief Financial Officer, and Sun Ligan, the person-in-charge of the accounting organ hereby guarantee that the financial statements carried in this Report are factual, accurate and complete.

3. Indicate by tick mark whether the financial statements herein have been audited by an independent auditor.

Yes No

4. *Securities Times*, *Shanghai Securities News*, *Ta Kung Pao (HK)* and www.cninfo.com.cn have been designated by the Company for information disclosure. And all information about the Company shall be subject to what’s disclosed on the aforesaid media.

This Report has been prepared in both Chinese and English. Should there be any discrepancies or misunderstandings between the two versions, the Chinese version shall prevail.

I Key Financial Information

(I) Key Accounting Data and Financial Indicators

Indicate by tick mark whether there is any retrospectively restated datum in the table below.

Yes No

Reason:

Business combination under common control.

	Q3 2021	Q3 2020		YoY change (%)	Q1-Q3 2021	Q1-Q3 2020		YoY change (%)
		Original	Restated	Restated		Original	Restated	Restated

Operating revenue (RMB)	4,047,333,525.94	3,239,264,119.14	3,284,720,164.24	23.22%	11,387,276,388.20	9,161,761,277.62	9,247,217,881.20	23.14%
Net profit attributable to the listed company's shareholders (RMB)	756,770,050.94	642,339,845.93	647,576,926.18	16.86%	2,433,805,397.11	1,275,138,431.76	1,279,869,012.34	90.16%
Net profit attributable to the listed company's shareholders before exceptional gains and losses (RMB)	588,153,132.19	605,513,230.59	610,750,310.84	-3.70%	2,232,849,193.16	1,150,105,145.13	1,154,835,725.71	93.35%
Net cash generated from/used in operating activities (RMB)	—	—	—	—	4,759,841,014.84	3,736,814,020.41	3,745,235,630.79	27.09%
Basic earnings per share (RMB/share)	0.394	0.334	0.337	16.91%	1.266	0.663	0.666	90.09%
Diluted earnings per share (RMB/share)	0.394	0.334	0.337	16.91%	1.266	0.663	0.666	90.09%
Weighted average return on equity (%)	1.96%	1.81%	1.94%	0.02%	6.38%	3.54%	3.52%	2.86%
	30 September 2021	31 December 2020		Change (%)				
		Original	Restated	Restated				
Total assets (RMB)	170,526,198,246.65	168,543,611,777.21	168,728,326,345.77			1.07%		
Equity attributable to the listed company's	39,081,793,750.60	37,117,806,052.18	37,165,277,744.78			5.16%		

shareholders (RMB)				
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The total share capital at the end of the last trading session before the disclosure of this Report:

Total share capital at the end of the last trading session before the disclosure of this Report (share)	1,922,365,124
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Fully diluted earnings per share based on the latest total share capital above:

Dividend of preference shares paid	No preference shares
Fully diluted earnings per share based on the latest total share capital above (RMB/share)	1.2660

(II) Exceptional Gains and Losses

Unit: RMB

Item	Q3 2021	Q1-Q3 2021	Note
Gain or loss on disposal of non-current assets (inclusive of impairment allowance write-offs)	-2,106,370.19	2,624,903.57	-
Government subsidies charged to current profit or loss (exclusive of government subsidies continually given in the Company's ordinary course of business at fixed quotas or amounts as per the government's policies and standards)	22,622,058.93	314,955,081.46	-
Capital occupation charges on non-financial enterprises that are charged to current profit or loss	56,890,943.76	175,712,943.64	-
Current profit or loss on subsidiaries obtained in business combinations involving enterprises under common control from the period-beginning to combination dates, net		-3,255,790.50	-
Gain or loss on fair-value changes in held-for-trading financial assets and liabilities & income from disposal of held-for-trading financial assets and liabilities and available-for-sale financial assets (exclusive of the effective portion of hedges that arise in the Company's ordinary course of business)	710,254,464.12	221,721,597.67	-
Reversed portions of impairment allowances for receivables which are tested individually for impairment	1,256,056.54	1,350,155.71	-
Custodian fees earned from entrusted operation		471,698.11	-
Non-operating income and expense other than the	2,387,311.67	21,394,350.94	-

above			
Less: Income tax effects	255,938,893.38	181,241,337.40	-
Non-controlling interests effects (net of tax)	366,748,652.70	352,777,399.25	-
Total	168,616,918.75	200,956,203.95	--

Other items that meet the definition of exceptional gain/loss:

Applicable Not applicable

No such cases.

Explanation of why the Company reclassifies as recurrent an exceptional gain/loss item listed in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Exceptional Gain/Loss Items:

Applicable Not applicable

No such cases.

The Company had no exceptional gains or losses during Q1-Q3 2021.

(III) Changes in Key Financial Statement Line Items and Their Explanation

Unit: RMB

Balance sheet items	30 September 2021	31 December 2020 (restated)	Change (%)	Explanation of changes
Held-for-trading financial assets	4,014,175,763.34	850,165,448.59	372.16%	Increase in the net amount of structured deposits
Accounts receivable	2,042,295,859.17	1,393,349,417.02	46.57%	Increase in revenue
Other current assets	981,302,467.56	434,074,085.16	126.07%	Increase in the net amount of structured deposits
Construction in progress	3,477,770,660.71	5,381,430,606.18	-35.37%	Transfer of the Haixing intelligent harbor project to fixed assets
Short-term borrowings	6,265,806,927.57	10,483,775,548.93	-40.23%	Repayment of short-term borrowings upon maturity
Non-current liabilities due within one year	8,375,417,937.37	3,564,587,701.07	134.96%	Increase in corporate bonds due within one year
Other current liabilities	3,170,996,675.89	2,383,668,985.94	33.03%	New issue of super short-term commercial papers
Income statement items	Q1-Q3 2021	Q1-Q3 2020 (restated)	Change (%)	Explanation of changes
Other income	328,343,162.91	86,867,728.76	277.98%	Receipt of government subsidies for business development
Investment income	4,736,067,742.42	2,514,918,383.87	88.32%	Increase in the share of profits of associates and joint ventures
Gains from changes in fair	221,721,597.68	-488,315,935.84	145.41%	Adjustment to the calculation of

value				concession royalties payable by TCP Participações S.A.
Gains on disposal of assets	9,352,429.28	693,724,248.54	-98.65%	Recognition of income of Shantou Port from disposal of land in the same period of last year, with no comparable income in the current period
Income tax expenses	1,213,675,997.89	612,234,821.19	98.24%	Increase in operating income
Cash flow statement items	Q1-Q3 2021	Q1-Q3 2020 (restated)	Change (%)	Explanation of changes
Cash receipts from disposals and recovery of investments	8,880,000,000.00	5,802,647,276.82	53.03%	Maturity of structured deposits
Cash receipts from investments income	2,694,402,313.30	1,375,104,379.13	95.94%	Cash dividends received
Other cash payments relating to investing activities	16,434,653.35	3,011,289,010.12	-99.45%	Payment of loan to Terminal Link S.A.S. in the same period of last year, with no comparable payment in the current period
Cash receipts from borrowings	15,543,148,136.92	23,726,548,723.25	-34.49%	Decrease in short-term borrowings
Other cash payments relating to financing activities	13,196,969.01	757,948,189.24	-98.26%	Payment for the acquisition of a 10% interest in TCP Participações S.A. in the same period of last year, with no comparable payment in the current period

II Shareholder Information

(I) Numbers of Ordinary Shareholders and Preferred Shareholders with Resumed Voting Rights as well as Holdings of Top 10 Shareholders

Unit: share

Number of ordinary shareholders	30,134 (18,815 A-shareholders, 11,319 B-shareholders)		Number of preferred shareholders with resumed voting rights (if any)	0	
Top 10 shareholders					
Name of shareholder	Nature of shareholder	Shareholding percentage	Total shares held	Restricted shares held	Shares in pledge or frozen
CHINA MERCHANTS PORT INVESTMENT DEVELOPMENT COMPANY LIMITED	Foreign legal person	59.75%	1,148,648,648	1,148,648,648	0

CHINA MERCHANTS GANGTONG DEVELOPMENT (SHENZHEN) CO., LTD.	State-owned legal person	19.29%	370,878,000	0	0
SHENZHEN INFRASTRUCTURE INVESTMENT FUND-SHENZHEN INFRASTRUCTURE INVESTMENT FUND PARTNERSHIP (LIMITED PARTNERSHIP)	Funds, wealth management products, etc.	3.37%	64,850,182	0	0
CHINA-AFRICA DEVELOPMENT FUND	State-owned legal person	3.33%	64,102,564	0	0
BROADFORD GLOBAL LIMITED	State-owned legal person	2.88%	55,314,208	0	0
HONG KONG SECURITIES CLEARING COMPANY LTD.	Foreign legal person	0.18%	3,425,583	0	Unknown
ZHU HUI	Domestic natural person	0.15%	2,958,003	0	Unknown
CHINA MERCHANTS SECURITIES (HK) CO., LTD.	State-owned legal person	0.13%	2,573,555	0	Unknown
ARROWSTREET EMERGING MARKET ALPHA EXTENSION TRUST FUND	Foreign legal person	0.12%	2,247,991	0	Unknown
JIN XING	Domestic natural person	0.11%	2,166,700	0	Unknown

Top 10 unrestricted shareholders

Name of shareholder	Unrestricted ordinary shares held	Shares by type	
		Type	Shares
CHINA MERCHANTS GANGTONG DEVELOPMENT (SHENZHEN) CO., LTD.	370,878,000	RMB ordinary share	370,878,000
SHENZHEN INFRASTRUCTURE INVESTMENT FUND-SHENZHEN INFRASTRUCTURE INVESTMENT FUND PARTNERSHIP (LIMITED PARTNERSHIP)	64,850,182	RMB ordinary share	64,850,182
CHINA-AFRICA DEVELOPMENT FUND	64,102,564	RMB ordinary share	64,102,564
BROADFORD GLOBAL LIMITED	55,314,208	Domestically listed foreign	55,314,208

		share	
HONG KONG SECURITIES CLEARING COMPANY LTD.	3,425,583	RMB ordinary share	3,425,583
ZHU HUI	2,958,003	RMB ordinary share	2,958,003
CHINA MERCHANTS SECURITIES (HK) CO., LTD.	2,573,555	Domestically listed foreign share	2,573,555
ARROWSTREET EMERGING MARKET ALPHA EXTENSION TRUST FUND	2,247,991	Domestically listed foreign share	2,247,991
JIN XING	2,166,700	Domestically listed foreign share	2,166,700
MAI SHUQING	2,129,247	RMB ordinary share	2,129,247
Related or acting-in-concert parties among the shareholders above	China Merchants Gangtong Development (Shenzhen) Co., Ltd. is a controlled subsidiary of Broadford Global Limited, and Broadford Global Limited is the controlling shareholder of China Merchants Port Investment Development Company Limited. The Company does not know whether the other unrestricted shareholders are related parties or not.		
Top 10 shareholders engaged in securities margin trading (if any)	N/A		

Indicate by tick mark whether any of the top 10 ordinary shareholders or the top 10 unrestricted ordinary shareholders of the Company conducted any promissory repo during the Reporting Period.

Yes No

No such cases in the Reporting Period.

(II) Number of Preferred Shareholders and Shareholdings of Top 10 of Them

Applicable Not applicable

III Other Significant Events

(I) Private Placement of A-shares and Subscription of Shares in Ningbo Port

On 13 July 2021, the Proposal on the Plan for Private Placement of A-shares, the Proposal on Subscription by the Company as a Strategic Investor of Shares in a Private Placement of Ningbo Zhoushan Port Company Limited & Related-party Transaction, and other relevant proposals were approved unanimously at the 6th Extraordinary Meeting of the Company's 10th Board of Directors in 2021, and the 3rd Extraordinary Meeting of the Company's

10th Supervisory Committee in 2021, respectively. As such, the Company was agreed to introduce Zhejiang Provincial Seaport Investment & Operation Group Co. Ltd. (Seaport Group) as a strategic investor by carrying out a private placement of 577,000,000 A-shares (or 30% of the Company's total share capital before the issue) to Seaport Group to raise RMB10.917 billion. Meanwhile, the Company was agreed to subscribe for in cash, as a strategic investor, 3,646,971,029 A-shares in the 2021 private placement of Ningbo Zhoushan Port Company Limited (Ningbo Port). For further information, see Announcement No. 2021-053 on the Resolutions of the 6th Extraordinary Meeting of the 10th Board of Directors in 2021, Announcement No. 2021-054 on the Resolutions of the 3rd Extraordinary Meeting of the 10th Supervisory Committee in 2021, Announcement No. 2021-057 on Subscription by the Company as a Strategic Investor of Shares in a Private Placement of Ningbo Zhoushan Port Company Limited & Related-party Transaction, and other relevant announcements disclosed by the Company dated 14 July 2021.

On 26 August 2021, the Company disclosed that it had received the Reply on the Private Placement of A-shares of China Merchants Port Group Co., Ltd. (Guo Zi Chan Quan [2021] No. 457) issued by the State-owned Assets Supervision and Administration Commission of the State Council, which in principle consented to the plan of the Company for a private placement of no more than 576,709,537 A-shares to Zhejiang Provincial Seaport Investment & Operation Group Co. Ltd. (SS). For further information, see Announcement No. 2021-070 on Approval of Private Placement of A-shares by SASAC of the State Council disclosed by the Company dated 27 August 2021.

On 27 September 2021, the proposals in relation to the private placement of A-shares were approved at the 1st Extraordinary General Meeting of the Company in 2021. For further information, see Announcement No. 2021-087 on Announcement on Resolutions of the 1st Extraordinary General Meeting of 2021 disclosed by the Company dated 28 September 2021.

(II) Progress, Influence and Solutions in respect of Significant Events

1. Index to Information Disclosure

In the Reporting Period, the Company disclosed the following significant events:

Announcement No.	Date	Title
2021-051	1 July 2021	Announcement on the Resolutions of the 5 th Extraordinary Meeting of the 10 th Board of Directors in 2021
2021-052	1 July 2021	Announcement on 2021 Interest Payment for 2020 Public Offering of Corporate Bonds (Tranche 1) to Qualified Investors
2021-053	14 July 2021	Announcement on the Resolutions of the 6 th Extraordinary Meeting of the 10 th Board of Directors in 2021
2021-054	14 July 2021	Announcement on the Resolutions of the 3 rd Extraordinary Meeting of the 10 th Supervisory Committee in 2021
2021-055	14 July 2021	Announcement on Signing Conditionally Effective Share Subscription Agreement with Certain Entities & Related-party Transaction
2021-056	14 July 2021	Announcement on Signing Strategic Cooperation Framework Agreement with Zhejiang Provincial Seaport Investment & Operation Group Co. Ltd.
2021-057	14 July 2021	Announcement on Subscription by the Company as a Strategic Investor of Shares in a Private Placement of Ningbo Zhoushan Port Company Limited & Related-party Transaction
2021-058	14 July 2021	Announcement on No Punishments or Other Regulatory Measures from the Securities Regulator or the Stock Exchange in the Past 5 Years
2021-059	14 July 2021	Reminder on Changes in Shareholders' Equity in a Private Placement
2021-060	15 July 2021	Announcement on Estimated Increase in 2021 Interim Earnings
2021-061	15 July 2021	Announcement on Voluntary Disclosure of the Business Volume Data of June 2021
2021-062	15 July 2021	Announcement on Payout of 2020 Final Dividends
2021-063	17 July 2021	Reminder on the 4th Issue of SCP in 2021
2021-064	21 July 2021	Announcement on Results of the 4th Issue of SCP in 2021
2021-065	7 August 2021	Announcement on Resignation of Deputy General Manager Mr. Zheng Shaoping
2021-066	14 August 2021	Announcement on Voluntary Disclosure of the Business Volume Data of July 2021
2021-067	14 August 2021	Announcement on Resignation of Chairman of the Supervisory Committee
2021-068	24 August 2021	Announcement on the Resolutions of the 7 th Extraordinary Meeting of the 10 th Board of Directors in 2021

2021-069	24 August 2021	Announcement on Resignation of Director and Senior Management & Re-election of Director and Appointment of CEO
2021-070	28 August 2021	Announcement on Approval of Private Placement of A-shares by SASAC of the State Council
2021-071	31 August 2021	Announcement on the Resolutions of the 4 th Meeting of the 10 th Board of Directors
2021-072	31 August 2021	Announcement on the Resolutions of the 4 th Meeting of the 10 th Supervisory Committee
2021-073	31 August 2021	Interim Report 2021 (Summary) (Chinese Version) Interim Report 2021 (Summary) (English Version)
2021-074	31 August 2021	Special Report of the Deposit and Use of Raised Funds for H1 2021
2021-075	31 August 2021	Announcement on Incorporation of HK Wholly-owned Subsidiary and Adjustment to Ownership Structure of the Subsidiary
2021-076	31 August 2021	Announcement on Adjustments to the Deposit and Loan Limits with China Merchants Bank & Related-party Transaction
2021-077	31 August 2021	Announcement on Release of 2021 Interim Results by Majority-owned Subsidiary
2021-078	31 August 2021	Announcement on Online Investor Meeting on 2021 Interim Results
2021-079	9 September 2021	Announcement on the Resolutions of the 8 th Extraordinary Meeting of the 10 th Board of Directors in 2021
2021-080	9 September 2021	Announcement on the Resolutions of the 4 th Extraordinary Meeting of the 10 th Supervisory Committee in 2021
2021-081	9 September 2021	Announcement on Majority-owned Subsidiary Signing Supplementary Agreement to Lease Agreement Regarding Concessions
2021-082	9 September 2021	Notice of the 1st Extraordinary General Meeting of 2021
2021-083	14 September 2021	Announcement on Alteration of Registered Information with Industry and Commerce Administration
2021-084	15 September 2021	Announcement on Voluntary Disclosure of the Business Volume Data of August 2021
2021-085	23 September 2021	Announcement on Redemption of the 2 nd Issue of SCP in 2021 upon Maturity
2021-086	25 September 2021	Reminder on the 5th Issue of SCP in 2021

2021-087	28 September 2021	Announcement on Resolutions of the 1st Extraordinary General Meeting of 2021
2021-088	28 September 2021	Announcement on the Resolutions of the 9 th Extraordinary Meeting of the 10 th Board of Directors in 2021
2021-089	29 September 2021	Announcement on Results of the 5th Issue of SCP in 2021

2. Progress of any Share Repurchase

Applicable Not applicable

3. Progress of any Reduction of the Repurchased Shares through Centralized Bidding

Applicable Not applicable

(III) Financial Investments

1. Securities Investments

Unit: RMB

Variety of securities	Code of securities	Name of securities	Initial investment cost	Accounting measurement method	Beginning carrying value	Gain/loss on fair value changes in the Reporting Period	Cumulative fair value changes recorded into equity	Purchased in the Reporting Period	Sold in the Reporting Period	Gain/loss in the Reporting Period	Ending carrying value	Accounting title	Funding source
Stock	601298	Qingdao Port	331,404,250.30	Fair value method	720,160,000.00	-69,440,000.00	-	-	-	29,366,400.00	650,720,000.00	Held-for-trading financial assets	Self-funded
Stock	06198	Qingdao Port	124,405,138.80	Fair value method	166,225,139.77	-24,736,441.54	-	-	-	10,812,917.01	139,242,228.69	Held-for-trading financial assets	Self-funded
Stock	600377	Jiangsu Expressway	1,120,000.00	Fair value method	10,786,800.00	-	-367,500.00	-	-	460,000.00	10,296,800.00	Investment in other equity instruments	Self-funded
Stock	400032	Petrochemical A1	3,500,000.00	Fair value method	382,200.00	-	-	-	-	-	382,200.00	Investment in other	Self-funded

												equity instruments	
Stock	600179	Antong Holdings	391,956.73	Fair value method	165,448.59	10,311.74	-	-	-	-	175,763.34	Held-for-trading financial assets	Self-funded
Stock	400009	Guang Jian 1	27,500.00	Fair value method	17,000.00	-	-	-	-	-	17,000.00	Investment in other equity instruments	Self-funded
Total			460,848,845.83	--	897,736,588.36	-94,166,129.80	-367,500.00	-	-	40,639,317.01	800,833,992.03	--	--

2. Investments in Derivative Financial Instruments

Applicable Not applicable

No such cases in the Reporting Period.

(IV) Progress of Projects Financed with Raised Funds

1. Funds Raised through Private Placement of Shares

Pursuant to the Reply of China Securities Regulatory Commission on the Approval of Shenzhen Chiwan Wharf Holdings Limited Offering Shares to China Merchants Investment Development Company Limited for Asset Acquisition and Raising the Matching Funds (ZJXK [2018] No. 1750) dated 31 October 2018, the Company issued, in a private placement, a total of 128,952,746 shares of RMB-denominated ordinary shares (A-shares) to two entities including China-Africa Development Fund at RMB17.16/share, raising a total of RMB2,212,829,121.36 (with the net amount after deducting issuance costs being RMB2,185,997,340.15). Following the arrival of the aforesaid funds, BDO China Shu Lun Pan Certified Public Accountants LLP issued a Capital Verification Report (XKSBZ [2019] No. ZI10673).

As of 30 September 2021, a total of RMB9,126,206,468.29 of raised funds have been used, including: (1) RMB582,722,414.48 as the replacement for the self-financings that had been in advance input into project to be financed by raised funds; (2) RMB986,652,272.60 (after the arrival of the raised funds) for the Haixing Harbor Renovation Project (Phase II), with RMB324,533,139.29 in 2019, RMB424,734,590.46 in 2020, and RMB237,384,542.85 in Q1-Q3 2021; (3) RMB26,831,781.21 as issuance costs; (4) RMB6,630,000,000.00 was used for purchasing structured deposits, including RMB1,200,000,000.00 in 2019, RMB2,650,000,000.00 in 2020, and RMB2,780,000,000.00 in Q1-Q3 2021; and (5) RMB900,000,000.00 was used for purchasing seven-day notice deposits, including RMB900,000,000.00 in Q1-Q3 2021.

As of 30 September 2021, the interest income in the account of raised funds minus service charges stood at RMB2,107,035.43 (2019: RMB795,775.14; 2020: RMB1,142,652.22; Q1-Q3 2021: RMB168,608.07). The amount of structured deposits redeemed was RMB6,130,000,000.00 (2019: RMB100,000,000.00; 2020: RMB2,950,000,000.00; Q1-Q3 2021: RMB3,080,000,000.00). The amount of income from structured deposits was RMB36,243,726.02 (2019: RMB302,465.75; 2020: RMB28,538,767.13; Q1-Q3 2021: RMB7,402,493.14). The amount of seven-day notice deposits redeemed was RMB759,000,000.00 (Q1-Q3 2021: RMB759,000,000.00). The amount of income from seven-day notice deposits was RMB3,270,375.00.

As of 30 September 2021, the balance in the account of raised funds amounted to RMB658,243,789.52. The use and balance of the raised funds are as follows:

Unit: RMB

Item	Amount
Opening balance of raised funds (31 December 2020)	884,786,856.16
Less: raised funds that were directly used for project to be financed by raised funds in Q1-Q3 2021	237,384,542.85
Add: Income from structured deposits in Q1-Q3 2021	7,402,493.14
Income from seven-day notice deposits in Q1-Q3 2021	3,270,375.00
Net interest income from raised funds in Q1-Q3 2021	168,608.07
Closing balance of raised funds (30 September 2021)	658,243,789.52

2. Funds Raised through Corporate Bonds

On 7 July 2020, the Company issued RMB 2 billion of corporate bonds at the Shenzhen Stock Exchange, with a coupon rate of 3.36% and a term of three years. The funds raised would be used to acquire 1,606,855,919 ordinary shares in Zhanjiang Port (Group) Co., Ltd. (accounting for 27.3544% of Zhanjiang Port's total issued shares) from the issuer's wholly-owned subsidiary Chiwan Wharf Holdings (Hong Kong) Limited. As of 30 September 2021, the handover of the said equity interests has been completed. The first interest payment for the said corporate bonds was completed on 8 July 2021.

(V) Communications with the Investment Community such as Researches, Inquiries and Interviews Received during the Reporting Period

Date	Place	Way of communication	Type of communication party	Communication party	Index to basic information of researches
31 August 2021	China Merchants Port Building	By phone	Institution	Changjiang Securities, Essence Securities, Ping An Asset Management, Haitong Securities, Kymco Capital, Minsen Investment, Golden Eagle Fund, Hotland Innovation Asset Management, Greenwoods Asset, Zhaofeng Investment, Congrong Investment, Foresight Investment, Southern Raytai Fund, Taiping Fund	Basic business condition, investments and the financial condition of the Company; Materials provided: None;
1 July 2021 to 30 September 2021	China Merchants Port Building	By phone, or written inquiry (the EasyIR platform of SZSE or email)	Individual	-	Index: SZSE EasyIR (http://irm.cninfo.com.cn/ircs/index)
Times of communications					35
Number of institutions communicated with					14
Number of individuals communicated with					34
Number of other communication parties					0
Tip-offs or leakages of substantial confidential information during the communications					No

(VI) Progress Made on Internal Control

The focuses of risk control for Q3 2021 are as follows:

1. Establishment of internal control system

One unit was newly included as one of the ninth batch of units in 2021. As of 30 September 2021, a total of 25 units have been included in the risk control system to evaluate, covering all enterprises controlled by the Company. Based on the personnel changes of the Company and its subsidiaries, the list of members of the leading group and working group for risk management and internal control self-assessment was adjusted.

2. Further Improvement in coverage of internal control evaluation process

In 2021, 22 subsidiaries included in the Company's internal control system to self-evaluate as the first to eighth batch of units have completed the sorting out of all 12 business processes so as to make the internal control evaluation cover the core business of the Company; Ningbo Daxie China Merchants International Container Terminal Co., Ltd., newly added as one of the ninth batch of subordinate units, is sorting out 7 core processes (production management, sales and marketing, outsourcing management, contract management, procurement management, capital management and project management) and preparing the process manual to make the internal control process compliant.

3. Carrying out the establishment and evaluation of internal control system on a regular basis

As of 30 September 2021, all units have renewed their internal control self-evaluation working papers in accordance with the annual internal control evaluation plan and changes in business process and carried out the internal control self-evaluation work on a quarterly basis. The internal control working group of the Company has reviewed the internal control working papers submitted by each unit and notified the problems existing in the self-evaluation of each unit.

4. Completing the internal control as planned

The Company has prepared the Report of China Merchants Port Group Co., Ltd. on Internal Control System Evaluation of 2020. At the same time, it has cooperated with the external internal control audit project team to complete the internal control audit and obtained the internal control audit report on time. The Company worked out the "Three-year Coverage" work plan for supervising and inspecting internal control systems for all

subsidiaries incorporated into the Company's internal control system and intended to conduct the supervision and inspection of eight units of them in 2021. As of 30 September 2021, the supervision and inspection on the internal control system of six subsidiaries have been completed with the internal control evaluation defect lists.

(VII) Deposits in and Loans Provided by a Finance Company

The Proposal on Signing Financial Service Agreement with Sinotrans & CSC Finance Co., Ltd. was reviewed and approved on the 2nd Meeting of the 9th Board of Directors held by the Company on 23 August 2017, in which, the Company was agreed to signed the Financial Service Agreement with Sinotrans & CSC Finance Co., Ltd. (renamed China Merchants Group Finance Co., Ltd. from August 2017) with the period of three years.

The Proposal on Adjusting Limit of Deposits and Loans and Signing Supplementary Agreement to Financial Service Agreement with China Merchants Group Finance Co., Ltd and the Related-party Transactions was reviewed and approved on the 5th Meeting of the 9th Board of Directors held by the Company on 28 March 2019, in which, the Company was agreed to signed Supplementary Agreement to Financial Service Agreement with China Merchants Group Finance Co., Ltd.

The Proposal on Adjusting Limit of Deposits and Loans and Signing Supplementary Agreement II to Financial Service Agreement with China Merchants Group Finance Co., Ltd and the Related-party Transactions was reviewed and approved on the 4th Extraordinary General Meeting of 2019 held by the Company on 11 December 2019, in which, the Company was agreed to signed Supplementary Agreement II to Financial Service Agreement with China Merchants Group Finance Co., Ltd.

At the end of the Reporting Period, deposits in and loans provided by China Merchants Group Finance Co., Ltd. were as follows:

Unit: RMB'0,000

Item	Beginning balance	Q1-Q3 Increase	Q1-Q3 Decrease	Ending balance
I. Deposits in China Merchants Group Finance Co., Ltd.	156,892.42	781,893.88	847,974.27	90,812.03
II. Loans provided by China Merchants Group Finance Co., Ltd.	312,156.42	154,411.13	368,916.34	97,651.21

IV Financial Statements**(I) Financial Statements****1. Consolidated Balance Sheet**

Prepared by China Merchants Port Group Co., Ltd.

30 September 2021

Unit: RMB

Item	30 September 2021	31 December 2020 (restated)
Current assets:		
Cash and bank balances	9,422,998,745.09	11,918,423,758.71
Settlement reserve		
Interbank loans granted		
Held-for-trading financial assets	4,014,175,763.34	850,165,448.59
Derivative financial assets		
Notes receivable	22,898,302.97	5,391,994.84
Accounts receivable	2,042,295,859.17	1,393,349,417.02
Receivables financing	273,181,118.99	217,449,966.41
Prepayments	100,688,610.61	51,217,870.43
Premiums receivable		
Reinsurance receivables		
Receivable reinsurance contract		
Other receivables	3,621,063,795.90	3,561,292,313.98
Including: Interest receivable		
Dividend receivable	372,525,685.67	258,137,208.69
Financial assets purchased under		
Inventories	225,395,762.09	214,823,976.30
Contract assets		
Assets held for sale	337,442,757.28	337,442,757.28
Non-current assets due within one	47,819,561.11	67,692,473.44
Other current assets	981,302,467.56	434,074,085.16
Total current assets	21,089,262,744.11	19,051,324,062.16
Non-current assets:		
Loans and advances to customers		
Investments in debt obligations		
Investments in other debt obligations		
Long-term receivables	3,526,219,158.58	3,887,949,993.10
Long-term equity investments	68,054,780,857.48	66,242,411,222.90
Investments in other equity	180,977,057.74	181,467,057.74
Other non-current financial assets	814,384,541.48	910,807,452.56

Investment properties	5,417,725,647.58	5,558,755,275.21
Fixed assets	30,938,571,995.47	29,479,755,159.21
Construction in progress	3,477,770,660.71	5,381,430,606.18
Productive living assets		
Oil and gas assets		
Right-of-use assets	8,791,549,452.75	9,087,741,812.94
Intangible assets	18,053,369,986.13	18,772,180,542.10
Development expenditure	88,895,127.03	64,237,735.23
Goodwill	6,587,100,200.23	6,675,939,930.13
Long-term prepaid expenses	891,158,072.07	874,999,735.91
Deferred tax assets	385,940,282.32	420,857,076.76
Other non-current assets	2,228,492,462.97	2,138,468,683.64
Total non-current assets	149,436,935,502.54	149,677,002,283.61
Total assets	170,526,198,246.65	168,728,326,345.77
Current liabilities:		
Short-term borrowings	6,265,806,927.57	10,483,775,548.93
Borrowings from the central bank		
Interbank loans obtained		
Held-for-trading financial liabilities		
Derivative financial liabilities		
Notes payable	4,272,355.53	7,081,772.32
Accounts payable	696,026,194.96	607,972,699.59
Receipts in advance	9,649,369.15	39,510,127.90
Contract liabilities	222,220,344.65	157,442,109.67
Financial assets sold under		
Customer deposits and interbank		
Payables for acting trading of		
Payables for underwriting of		
Employee benefits payable	798,093,830.69	726,897,125.42
Taxes payable	2,586,853,498.95	2,370,258,689.99
Other payables	3,224,425,462.87	2,481,217,568.40
Including: Interest payable		
Dividends payable	1,052,581,499.32	70,388,849.49
Handling charges and commissions		
Reinsurance payables		
Liabilities directly associated with		
Non-current liabilities due within one year	8,375,417,937.37	3,564,587,701.07
Other current liabilities	3,170,996,675.89	2,383,668,985.94
Total current liabilities	25,353,762,597.63	22,822,412,329.23

Non-current liabilities:		
Insurance contract reserve		
Long-term borrowings	7,381,989,561.96	7,406,322,693.81
Bonds payable	17,295,108,554.84	21,090,545,845.56
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	1,160,833,898.37	1,327,850,984.08
Long-term payables	1,208,843,008.56	1,228,461,573.69
Long-term employee benefits	483,414,438.19	507,714,699.46
Provisions	167,434,030.76	100,406,745.66
Deferred income	1,086,564,159.69	1,113,180,823.99
Deferred tax liabilities	4,465,995,190.02	4,347,553,142.73
Other non-current liabilities	2,494,308,561.24	2,982,220,894.03
Total non-current liabilities	35,744,491,403.63	40,104,257,403.01
Total liabilities	61,098,254,001.26	62,926,669,732.24
Shareholders' equity:		
Share capital	1,922,365,124.00	1,922,365,124.00
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserve	23,295,617,732.36	22,839,598,324.56
Less: Treasury stock		
Other comprehensive income	-1,076,173,923.64	-826,697,303.06
Special reserve	16,867,746.91	10,201,178.30
Surplus reserves	890,690,322.28	890,690,322.28
General reserve		
Unappropriated profit	14,032,426,748.69	12,329,120,098.70
Total shareholders' equity attributable to shareholders of the parent	39,081,793,750.60	37,165,277,744.78
Minority interests	70,346,150,494.79	68,636,378,868.75
Total shareholders' equity	109,427,944,245.39	105,801,656,613.53
Total liabilities and shareholders' equity	170,526,198,246.65	168,728,326,345.77

Legal Representative: Wang Xiufeng

Chief Financial Officer: Tu Xiaoping

Head of Accounting Department: Sun Ligan

2. Consolidated income statement for Q1~Q3

Unit: RMB

Item	Q1~Q3 2021	Q1~Q3 2020 (restated)
1. Operating income	11,387,276,388.20	9,247,217,881.20
Including: Operating income	11,387,276,388.20	9,247,217,881.20
Interest income		
Premium income		
Handling charge and commission income		
2. Costs and expenses	9,131,716,482.40	8,217,625,503.24
Including: Operating costs	6,548,603,891.39	5,713,339,462.97
Interest expense		
Handling charge and commission expense		
Surrenders		
Net claims paid		
Net amount provided as policy reserve		
Expenditure on policy dividends		
Reinsurance premium expense		
Taxes and surcharges	133,990,419.75	119,699,869.79
Selling expense		
Administrative expenses	1,172,298,701.24	1,133,073,801.82
Research and development expenses	144,232,447.88	111,332,290.36
Finance expenses	1,132,591,022.14	1,140,180,078.30
Including: Interest expense	1,351,792,050.87	1,485,045,813.18
Interest income	279,112,021.80	232,187,519.66
Add: Other income	328,343,162.91	86,867,728.76
Investment income (Loss is marked with "-")	4,736,067,742.42	2,514,918,383.87
Including: Income from investments in associates and joint ventures	4,663,792,324.91	2,360,720,358.35
Income from the derecognition of financial assets at amortized cost (Loss is marked with "-")		
Foreign exchange gain (Loss is marked with "-")		
Net gain on exposure hedges (Loss is marked with "-")		
Gains from changes in fair value (Loss is marked with "-")	221,721,597.68	-488,315,935.84
Gains from impairment of credit (Loss is marked with "-")	-2,687,424.43	-861,941.16
Gains from impairment of assets (Loss is marked with "-")	0.00	947,693.77
Gains on disposal of assets (Loss is marked with "-")	9,352,429.28	693,724,248.54
3. Operating profit (Loss is marked with "-")	7,548,357,413.66	3,836,872,555.90
Add: Non-operating income	33,883,439.32	36,812,886.60

Less: Non-operating expenses	18,602,014.05	31,024,511.92
4. Gross profit (Loss is marked with "-")	7,563,638,838.93	3,842,660,930.58
Less: Income tax expenses	1,213,675,997.89	612,234,821.19
5. Net profit (Loss is marked with "-")	6,349,962,841.04	3,230,426,109.39
5.1 Categorization by continuity of operation		
5.1.1 Net profit from continuing operation (Loss is marked with "-")	6,349,962,841.04	3,230,426,109.39
5.1.2 Net profit from discontinued operation (Loss is marked with "-")		
5.2 Categorization by attribution of ownership		
5.2.1 Net profit attributable to owners of the parent	2,433,805,397.11	1,279,869,012.34
5.2.2 Profit or loss attributable to minority shareholders	3,916,157,443.93	1,950,557,097.05
6. Other comprehensive income, net of tax	-814,503,149.36	-1,796,050,700.29
Other comprehensive income attributable to owners of the parent, net of tax	-248,982,700.94	-559,234,512.22
6.1 Other comprehensive income that will not be reclassified to profit or loss	-574,136.83	-1,261,655.72
6.1.1 Changes from remeasurement of the defined benefit plan		
6.1.2 Other comprehensive income that cannot be reclassified to profit or loss under the equity method	-206,636.83	-1,146,755.72
6.1.3 Fair value changes of investments in other equity instruments	-367,500.00	-114,900.00
6.1.4 Changes in the fair value of the company's credit risks		
6.1.5 Other		
6.2 Other comprehensive income that will be reclassified subsequently to profit or loss	-248,408,564.11	-557,972,856.50
6.2.1 Other comprehensive income that can be reclassified to profit or loss under the equity method	-22,030,401.63	31,965,904.16
6.2.2 Changes in the fair value of investments in other debt obligations		
6.2.3 Other comprehensive income arising from the reclassification of financial assets		
6.2.4 Allowance for credit impairments in investments in other debt obligations		
6.2.5 Reserve for cash flow hedges		
6.2.6 Translation differences of financial statements denominated in foreign currencies	-226,378,162.48	-589,938,760.66
6.2.7 Other		
Other comprehensive income attributable to minority interests, net of tax	-565,520,448.42	-1,236,816,188.07
7. Total comprehensive income attributable to	5,535,459,691.68	1,434,375,409.10

Shareholders of the parent	2,184,822,696.17	720,634,500.12
Minority shareholders	3,350,636,995.51	713,740,908.98
8. Earnings per share		
8.1 Basic earnings per share	1.266	0.666
8.2 Diluted earnings per share	1.266	0.666

3. Consolidated Cash Flow Statement for Q1~Q3

Unit: RMB

Item	Q1~Q3 2021	Q1~Q3 2020 (restated)
1. Cash flows from operating activities:		
Cash receipts from sales of goods and rendering of services	10,888,133,177.65	8,959,720,002.58
Net increase in customer deposits and interbank deposits		
Net increase in borrowings from the central bank		
Net increase in loans from other financial institutions		
Premiums received on original insurance contracts		
Net proceeds from reinsurance		
Net increase in deposits and investments of policy holders		
Interest, handling charges and commissions received		
Net increase in interbank loans obtained		
Net increase in proceeds from repurchase transactions		
Net proceeds from acting trading of securities		
Receipts of tax refunds	98,009,957.10	15,314,795.60
Other cash receipts relating to operating activities	806,276,880.40	853,770,966.24
Sub-total of cash inflows	11,792,420,015.15	9,828,805,764.42
Cash payments for goods purchased and services received	3,059,419,442.45	2,590,413,953.61
Net increase in loans and advances to customers		
Net increase in deposits in the central bank and in interbank loans granted		
Payments for claims on original insurance contracts		
Net increase in interbank loans granted		
Interest, handling charges and commissions paid		
Policy dividends paid		
Cash payments to and on behalf of employees	2,364,304,903.63	2,086,495,070.57
Payments of various types of taxes	1,019,507,748.75	790,669,285.29
Other cash payments relating to operating activities	589,346,905.48	615,991,824.16
Sub-total of cash outflows	7,032,579,000.31	6,083,570,133.63
Net Cash Flows from Operating Activities	4,759,841,014.84	3,745,235,630.79
2. Cash flows from investing activities:		
Cash receipts from disposals and recovery of investments	8,880,000,000.00	5,802,647,276.82
Cash receipts from investments income	2,694,402,313.30	1,375,104,379.13
Net cash receipts from disposal of fixed assets, intangible assets and other long-term assets	72,796,360.75	373,091,292.57
Net cash receipts from disposal of subsidiaries and other operating units		

Other cash receipts relating to investing activities	437,177,590.74	978,146,461.61
Sub-total of cash inflows	12,084,376,264.79	8,528,989,410.13
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	1,634,283,903.07	1,856,157,208.39
Cash payments to acquire investments	12,757,321,671.10	10,944,362,282.33
Net increase in pledged loans granted		
Net cash payments for acquisitions of subsidiaries and other business units		
Other cash payments relating to investing activities	16,434,653.35	3,011,289,010.12
Sub-total of cash outflows	14,408,040,227.52	15,811,808,500.84
Net cash flows from investing activities	-2,323,663,962.73	-7,282,819,090.71
3. Cash flows from financing activities:		
Cash receipts from capital contributions	1,960,000.00	
Including: Cash receipts from capital contributions from Minority shareholder of subsidiary	1,960,000.00	
Cash receipts from borrowings	15,543,148,136.92	23,726,548,723.25
Other cash receipts relating to financing activities		1,877,099,037.43
Sub-total of cash inflows	15,545,108,136.92	25,603,647,760.68
Cash repayments of borrowings	17,826,164,384.14	17,803,978,213.32
Cash payments for distribution of dividends or profits or settlement of interest expenses	2,584,070,937.80	2,537,837,832.05
Including: Payments for distribution of dividends or profits to Minority shareholder of subsidiary	986,496,128.84	787,156,872.11
Other cash payments relating to financing activities	13,196,969.01	757,948,189.24
Sub-total of cash outflows	20,423,432,290.95	21,099,764,234.61
Net cash flows from financing activities	-4,878,324,154.03	4,503,883,526.07
4. Effect of foreign exchange rate changes on cash and cash equivalents	-74,581,012.67	-64,516,925.71
5. Net increase in cash and cash equivalents	-2,516,728,114.59	901,783,140.44
Add: Opening balance of Cash and Cash Equivalents	11,899,943,358.25	7,787,660,214.80
6. Closing balance of cash and cash equivalents	9,383,215,243.66	8,689,443,355.24

(II) Adjustments to the Financial Statements**1. Adjustments to the Financial Statements at the Beginning of the Initial Execution Year of the New Standards Governing Leases from 2021**

Applicable Not applicable

2. Retrospective Restatement of Previous Comparative Data due to the Initial Execution of the New Standards Governing Leases from 2021

Applicable Not applicable

(III) Independent Auditor's Report

Indicate by tick mark whether the financial statements above have been audited by an independent auditor.

Yes No

These financial statements have not been audited by such an auditor.

The Board of Directors
China Merchants Port Group Co., Ltd.
30 October 2021