天津港發展控股有限公司
Tianjin Port Development Holdings Limited

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 03382)

FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2013

FINANCIAL HIGHLIGHTS

For the year ended 31 December 2013

- Revenue was HK$22,108.8 million
- Profit attributable to equity holders of the Company was HK$811.0 million
- Basic earnings per share of HK13.2 cents
- Proposed final dividend of HK5.26 cents per share

The board of directors (the "Board") of Tianjin Port Development Holdings Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2013 as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2013

	Note	2013 HK$'000	2012 HK$'000
Revenue	2	**22,108,849**	17,934,680
Business tax and surcharge		**(67,560)**	(290,265)
Cost of sales		**(17,985,873)**	(13,671,856)
Gross profit		**4,055,416**	3,972,559
Other income and gains	3	**396,820**	160,558
Administrative expenses		**(2,017,083)**	(1,938,460)
Other operating expenses		**(9,929)**	(17,052)
Operating profit		**2,425,224**	2,177,605
Finance costs	4	**(427,670)**	(403,770)
Share of results of associates		**314,718**	229,436
Share of results of joint ventures		**86,972**	89,235
Profit before income tax	5	**2,399,244**	2,092,506
Income tax	6	**(466,645)**	(375,548)
Profit for the year		**1,932,599**	1,716,958
Attributable to:			
Equity holders of the Company		**811,047**	705,794
Non-controlling interests		**1,121,552**	1,011,164
		1,932,599	1,716,958
Earnings per share	8		
Basic (HK cents)		**13.2**	11.5
Diluted (HK cents)		**13.2**	11.5

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2013

	2013	2012
	HK$'000	*HK$'000*
Profit for the year	**1,932,599**	1,716,958
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss:		
Fair value (losses)/gains on available-for-sale financial assets, net of tax	**(9,712)**	44,347
Currency translation differences	**704,512**	86,052
Other comprehensive income for the year, net of tax	**694,800**	130,399
Total comprehensive income for the year	**2,627,399**	1,847,357
Total comprehensive income for the year attributable to:		
Equity holders of the Company	**1,152,172**	757,894
Non-controlling interests	**1,475,227**	1,089,463
	2,627,399	1,847,357

CONSOLIDATED BALANCE SHEET

As at 31 December 2013

	Note	**2013** *HK$'000*	2012 *HK$'000*
ASSETS			
Non-current assets			
Land use rights		**5,423,843**	5,109,441
Property, plant and equipment		**21,682,171**	17,079,593
Intangible assets		**47,121**	38,644
Interests in associates		**2,604,950**	2,367,092
Interests in joint ventures		**2,390,517**	2,133,705
Available-for-sale financial assets		**385,297**	438,690
Deferred income tax assets		**170,757**	162,068
		32,704,656	27,329,233
Current assets			
Inventories		**529,336**	420,786
Trade and other receivables	*9*	**4,538,709**	3,904,937
Restricted bank deposits		**585,093**	321,840
Cash and cash equivalents		**5,713,093**	5,263,950
		11,366,231	9,911,513
Total assets		**44,070,887**	37,240,746
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital		**615,800**	615,800
Other reserves		**5,659,497**	5,355,847
Retained earnings		**5,213,773**	4,500,111
		11,489,070	10,471,758
Non-controlling interests		**12,510,022**	11,189,020
Total equity		**23,999,092**	21,660,778

CONSOLIDATED BALANCE SHEET
As at 31 December 2013

	Note	**2013**	2012
		HK$'000	*HK$'000*
LIABILITIES			
Non-current liabilities			
Borrowings		**11,303,706**	7,812,791
Deferred income tax liabilities		**247,301**	218,465
Other long-term liabilities		**1,051**	1,019
		11,552,058	8,032,275
Current liabilities			
Trade and other payables	*10*	**6,169,059**	4,708,965
Current income tax liabilities		**119,660**	89,484
Borrowings		**2,231,018**	2,749,244
		8,519,737	7,547,693
Total liabilities		**20,071,795**	15,579,968
Total equity and liabilities		**44,070,887**	37,240,746
Net current assets		**2,846,494**	2,363,820
Total assets less current liabilities		**35,551,150**	29,693,053

Notes:

1. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS") and have been prepared under the historical cost convention, except for certain financial assets which are carried at fair value.

(a) The Group has adopted the following new standards, amendments and interpretation for the accounting period beginning 1 January 2013:

HKFRSs (Amendments)	*Annual Improvements to HKFRSs 2009-2011 Cycle*
HKAS 1 (Amendment)	*Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income*
HKAS 19 (2011)	*Employee Benefits*
HKAS 27 (2011)	*Separate Financial Statements*
HKAS 28 (2011)	*Investments in Associates and Joint Ventures*
HKFRS 7 (Amendment)	*Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities*
HKFRS 10	*Consolidated Financial Statements*
HKFRS 11	*Joint Arrangements*
HKFRS 12	*Disclosure of Interests in Other Entities*
HKFRS 10 (Amendment), HKFRS 11 (Amendment) and HKFRS 12 (Amendment)	*Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance*
HKFRS 13	*Fair Value Measurement*
HK(IFRIC) – Int 20	*Stripping Costs in the Production Phase of a Surface Mine*

The adoption of these new standards, amendments and interpretation has no significant impact on the results and financial position of the Group.

(b) The following new standards, amendments and interpretation which have been issued but are not yet effective have not been early adopted by the Group:

HKFRSs (Amendments)	*Annual Improvements to HKFRSs 2010-2012 Cycle*[2]
HKFRSs (Amendments)	*Annual Improvements to HKFRSs 2011-2013 Cycle*[2]
HKAS 19 (2011) (Amendment)	*Employee Benefits – Defined Benefit Plans: Employee Contributions*[2]
HKAS 32 (Amendment)	*Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities*[1]
HKAS 36 (Amendment)	*Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets*[1]
HKAS 39 (Amendment)	*Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting*[1]
HKFRS 9	*Financial Instruments*[4]
HKFRS 7 (Amendment) and HKFRS 9 (Amendment)	*Financial Instruments: Disclosures and Financial Instruments – Mandatory Effective Date of HKFRS 9 and Transition Disclosures*[4]
HKFRS 10 (Amendment), HKFRS 12 (Amendment) and HKAS 27 (2011) (Amendment)	*Investment Entities*[1]
HKFRS 14	*Regulatory Deferral Accounts*[3]
HK(IFRIC) – Int 21	*Levies*[1]

[1] Effective for annual periods beginning on or after 1 January 2014
[2] Effective for annual periods beginning on or after 1 July 2014
[3] Effective for annual periods beginning on or after 1 January 2016
[4] Available for application and the mandatory effective date will be determined when the outstanding phases of HKFRS 9 are finalised

The Group is in the process of making an assessment of the impact of these new standard, amendments and interpretation on the financial statements of the Group in the initial application.

2. SEGMENT INFORMATION

Segment information has been prepared in a manner consistent with the information which is regularly reviewed by the chief operating decision maker and used for the purposes of assessing performance and allocating resources between segments.

Principal activities of the three reportable segments are as follows:

Cargo handling – Provision of container handling and non-containerised cargo handling

Sales – Supply of fuel and sales of materials

Other port ancillary services – Tugboat services, agency services, tallying and other services

The segment information for the reportable segments is as follows:

	For the year ended 31 December 2013			
	Cargo handling	**Sales**	**Other port ancillary services**	**Total**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***
Total segment revenue	**7,043,541**	**13,175,442**	**3,601,577**	**23,820,560**
Inter-segment revenue	**–**	**(989,179)**	**(722,532)**	**(1,711,711)**
Revenue from external customers	**7,043,541**	**12,186,263**	**2,879,045**	**22,108,849**
Segment results	**3,007,095**	**117,052**	**998,829**	**4,122,976**
Business tax and surcharge				**(67,560)**
Other income and gains				**396,820**
Administrative expenses				**(2,017,083)**
Other operating expenses				**(9,929)**
Finance costs				**(427,670)**
Share of results of associates				**314,718**
Share of results of joint ventures				**86,972**
Profit before income tax				**2,399,244**

	For the year ended 31 December 2012			
	Cargo handling	Sales	Other port ancillary services	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Total segment revenue	7,097,251	8,941,376	3,190,529	19,229,156
Inter-segment revenue	–	(697,049)	(597,427)	(1,294,476)
Revenue from external customers	7,097,251	8,244,327	2,593,102	17,934,680
Segment results	3,322,388	15,211	925,225	4,262,824
Business tax and surcharge				(290,265)
Other income and gains				160,558
Administrative expenses				(1,938,460)
Other operating expenses				(17,052)
Finance costs				(403,770)
Share of results of associates				229,436
Share of results of joint ventures				89,235
Profit before income tax				2,092,506

3. OTHER INCOME AND GAINS

	2013	2012
	HK$'000	*HK$'000*
Exchange gain, net	**132,263**	27,154
Interest income from deposits	**99,800**	69,018
Dividend income from available-for-sale financial assets		
– listed investments	**4,758**	4,275
– unlisted investments	**12,417**	6,008
Gain on disposal of available-for-sale financial assets	**14,600**	–
Government subsidies	**122,086**	39,577
Others	**10,896**	14,526
	396,820	160,558

4. FINANCE COSTS

	2013	2012
	HK$'000	*HK$'000*
Interest expenses on borrowings	**633,753**	410,550
Less: Amount capitalised in construction in progress	**(206,083)**	(6,780)
	427,670	403,770

5. EXPENSES BY NATURE

	2013	2012
	HK$'000	*HK$'000*
Cost of goods sold	**11,968,556**	8,145,871
Employee benefit expenses, including directors' emoluments	**3,004,545**	2,756,772
Depreciation of property, plant and equipment	**936,941**	898,096
Amortisation of land use rights	**128,065**	117,406
Amortisation of intangible assets	**11,744**	10,001
Operating lease rental	**294,570**	322,374
Provision for impairment of trade receivables	**562**	11,452
Auditor's remuneration	**2,200**	2,200

6. INCOME TAX

	2013	2012
	HK$'000	*HK$'000*
PRC income tax		
– Current	**442,709**	387,722
– Deferred	**23,936**	(12,174)
	466,645	375,548

No Hong Kong profits tax has been provided for as the Group has no estimated assessable profits arising in or derived from Hong Kong for the year (2012: nil).

Provision for the PRC income tax has been calculated based on the estimated assessable profit for the year at the prevailing income tax rates applicable to the subsidiaries located in the PRC.

7. DIVIDENDS

	2013	2012
	HK$'000	*HK$'000*
Paid interim dividend: nil (2012: HK2.40 cents per ordinary share)	**–**	147,792
Proposed final dividend: HK5.26 cents (2012: HK2.19 cents) per ordinary share	**323,911**	134,860
	323,911	282,652

The Board proposed a final dividend of HK5.26 cents per ordinary share for the year ended 31 December 2013 (2012: HK2.19 cents). These financial statements do not reflect this dividend payable.

8. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is based on the following data:

	2013	2012
	HK$'000	*HK$'000*
Earnings		
Profit attributable to equity holders of the Company for calculating basic and diluted earnings per share	**811,047**	705,794

	2013	2012
Number of shares (thousands)		
Weighted average number of ordinary shares for calculating basic earnings per share	**6,158,000**	6,158,000
Effect of dilutive potential ordinary shares:		
– Share options	**1,744**	64
Weighted average number of ordinary shares for calculating diluted earnings per share	**6,159,744**	6,158,064

For the years ended 31 December 2013 and 31 December 2012, the computation of diluted earnings per share only assumes the exercise of the Company's outstanding share options which were granted during the year ended 31 December 2012 as the exercise prices of the share options granted in other years were higher than the average market price of the Company's shares.

9. TRADE AND OTHER RECEIVABLES

In general, the Group grants a credit period of about 30 to 180 days to its trade customers. Included in trade and other receivables of HK$4,539 million (2012: HK$3,905 million) are trade and bank notes receivables (net of provision for impairment) of HK$3,460 million (2012: HK$3,041 million), the ageing analysis of which is as follows:

	2013	2012
	HK$'000	*HK$'000*
0 – 90 days	**3,225,587**	2,646,210
91 – 180 days	**159,530**	130,239
Over 180 days	**74,893**	264,357
	3,460,010	3,040,806

10. TRADE AND OTHER PAYABLES

Included in trade and other payables of HK$6,169 million (2012: HK$4,709 million) are trade and bank notes payables of HK$3,193 million (2012: HK$2,831 million), the ageing analysis of which is as follows:

	2013	2012
	HK$'000	*HK$'000*
0 – 90 days	**2,717,423**	2,487,244
91 – 180 days	**425,922**	238,633
181 – 365 days	**35,292**	21,026
Over 365 days	**14,102**	83,997
	3,192,739	2,830,900

REVIEW OF OPERATIONS AND RESULTS

ANNUAL RESULTS

For the year ended 31 December 2013, the Group achieved a total cargo throughput of 405.37 million tonnes, an increase of 4.6% over last year, of which total container throughput rose by 5.8% to 13.01 million TEUs. During the year under review, profit attributable to shareholders of the Company amounted to HK$811.0 million. Basic earnings per share was HK13.2 cents.

The Board recommends a final dividend of HK5.26 cents per share for 2013.

REVIEW OF OPERATIONS

Revenue

During the year under review, the Group recorded consolidated revenue of HK$22,108.8 million, representing an increase of 23.3% from last year. An analysis of revenue by segment is as follows:

	Revenue			
Type of business	**2013**	2012	Amount of change	Percentage of change
	HK$ million	*HK$ million*	*HK$ million*	
Non-containerised cargo handling business	**5,163.3**	5,206.3	–43.0	–0.8%
Container handling business	**1,880.2**	1,891.0	–10.8	–0.6%
Sales business	**12,186.3**	8,244.3	3,942.0	47.8%
Other port ancillary services business	**2,879.0**	2,593.1	285.9	11.0%
Total	**22,108.8**	17,934.7	4,174.1	23.3%

Non-containerised Cargo Handling Business

During the year under review, the Group achieved total non-containerised cargo throughput of 253.23 million tonnes, on par with last year, of which throughput of the subsidiary terminals decreased by 0.8% whereas throughput of the jointly controlled and affiliated terminals grew by 4.6%.

	Non-containerised cargo throughput			
Nature of terminal	**2013**	2012	Amount of change	Percentage of change
	million tonnes	*million tonnes*	*million tonnes*	
Subsidiary terminals	**209.53**	211.26	–1.73	–0.8%
Jointly controlled and affiliated terminals	**43.70**	41.79	1.91	4.6%
Total	**253.23**	253.05	0.18	0.1%

During the year under review, the Group achieved growth in the handling of metal ore, automobiles and steel. Due to the weakened demand of coal as a result of the slowdown of the economic growth in China, coal handling of the Group declined over the past year. In terms of total throughput, metal ore handling grew by 6.4% to 99.34 million tonnes, automobiles handling increased by 7.7% to 25.64 million tonnes, steel handling rose by 10.4% to 15.08 million tonnes, while crude oil handling decreased by 12.5% to 17.54 million tonnes and coal handling slipped by 7.9% to 72.46 million tonnes.

The blended average unit price for 2013 was affected by the implementation of the value added tax reform program in which value added tax was levied in lieu of business tax (the "VAT Reform") for the transportation industry and certain modern service industries in Tianjin since the end of 2012. The change in cargo mix of non-containerised cargo handling business improved the blended average unit price, offset the adverse impact of the VAT Reform. On a consolidated basis, the blended average unit price of the non-containerised cargo handling business was HK$24.6 per tonne, the same as last year. Revenue from the non-containerised cargo handling business amounted to HK$5,163.3 million, decreased by 0.8% over last year.

Container Handling Business

Currently, the Group operates all the container handling businesses at the port of Tianjin. During the year under review, the Group achieved total container throughput of 13.01 million TEUs, representing an increase of 5.8% from last year, of which throughput of the subsidiary terminals increased by 6.9% and throughput of the jointly controlled and affiliated terminals grew by 4.6%.

	Container throughput			
Nature of terminal	**2013**	2012	Amount of change	Percentage of change
	'000 TEUs	*'000 TEUs*	*'000 TEUs*	
Subsidiary terminals	**6,510**	6,087	423	6.9%
Jointly controlled and affiliated terminals	**6,502**	6,216	286	4.6%
Total	**13,012**	12,303	709	5.8%

During the year under review, the increase in the proportion of domestic trade container throughput and the adverse impact of the VAT Reform caused a decrease in the consolidated blended average unit price of the container handling business by 7.0% to HK$288.8 per TEU. Revenue from the container handling business was HK$1,880.2 million, dropped by 0.6% over last year.

Sales Business

The Group's sales business mainly engaged in the supply of fuel to the inbound vessels, the sales of supplies and other materials. During the year under review, the Group recorded revenue of HK$12,186.3 million from the sales business segment, representing an increase of 47.8% over last year. The increase in sales volume of other materials, such as metal ore and coal, has brought the increase in the sales revenue.

Other Port Ancillary Services Business

Other port ancillary services of the Group mainly include tugboat services, agency services and other services. The Group's persistent growth in throughput brought overall growth in the other port ancillary services segment. During the year under review, tugboat services increased by 1.9% to 50,565 vessel calls; tallying services increased by 5.3% to 112.64 million tonnes of cargoes; shipping agency remained stable to 17,864 vessel calls; cargo agency, on the other hand, decreased by 3.5% to 76.13 million tonnes of cargoes. Revenue from other port ancillary services business was HK$2,879.0 million, an increase of 11.0% over last year.

Costs

During the year under review, cost of sales of the Group amounted to HK$17,985.9 million, representing an increase of 31.6% over last year. Cost of cargo handling business was HK$4,036.4 million, representing an increase of 6.9% over last year, primarily due to the increase in direct costs of cargo handling business such as labour costs and cargo reconfiguration costs as a result of the growth in cargo throughput. Cost of sales business amounted to HK$12,069.2 million, representing an increase of 46.7% over last year, mainly due to an increase in the sales volume which led to the increase in the cost of goods sold.

Administrative expenses for the year under review increased by 4.1% to HK$2,017.1 million. Staff cost is the key component of the administrative expenses. The Group will continue to take effective measures in cost control and management. In addition to the maintaining of prudent human resources policies which include the outsourcing of its non-core functions so as to maintain an optimal labour force, the Group will carry out technology innovation and operational optimisation measures with an aim of reducing energy consumption and operating costs of the Group as a whole.

OUTLOOK AND PROSPECTS

With the improvement in the second half of 2013 extending into 2014, the global economy is expected to sustain a moderate recovery whereas China's economy will maintain a steady growth this year, though uncertainties still exist. The Group will continue to face any challenge proactively, optimise and realign its business structure, further enhance port functions and broaden its scope of services. The Group will also seize the opportunities from the economic development in the central and western China, the building of city of Tianjin into an international port city and the opening up of the Binhai New Area to expand its business and development and achieve steady and sustainable growth with unremitting efforts.

FINANCIAL REVIEW

Capital Structure

The capital and reserves attributable to equity holders of the Company as at 31 December 2013 were HK$11,489.1 million.

As at 31 December 2013, the Company had an issued share capital of 6,158 million shares and the market capitalisation was HK$8,190.1 million (at the closing market price of the shares of the Company of HK$1.33 per share on 31 December 2013).

Cash Flow

For the year ended 31 December 2013, the net cash inflow of the Group amounted to HK$226.6 million.

The net cash inflow from operating activities amounted to HK$1,461.6 million, representing a decrease of HK$810.0 million over last year. The increase in restricted bank deposits caused a decrease in cash inflow of HK$263.3 million.

The net cash outflow in investing activities amounted to HK$3,109.3 million, mainly attributable to HK$3,382.9 million used for capital expenditure.

The net cash inflow from financing activities amounted to HK$1,874.3 million, mainly from the issue of medium-term notes of HK$2,543.9 million, the capital contribution of HK$424.0 million from the non-controlling shareholders of subsidiaries and the net increase in loans of HK$225.8 million. Payment of dividends and interest expenses led to an outflow of HK$1,319.1 million.

Liquidity and Financial Resources

As at 31 December 2013, the Group's cash and deposits (including restricted bank deposits) were HK$6,298.2 million (31 December 2012: HK$5,585.8 million) and principally denominated in Renminbi ("RMB"). The Group's total borrowings as at 31 December 2013 were HK$13,534.7 million (31 December 2012: HK$10,562.0 million), with HK$2,231.0 million repayable within one year, HK$9,104.4 million repayable after one year and within five years and HK$2,199.3 million repayable over five years. 26.3% and 5.7% of the Group's borrowings were denominated in Hong Kong dollars ("HK$") and US dollars ("US$") respectively, and 68.0% were denominated in RMB. About 61.0% of the Group's borrowings bore interest at floating rate while the remaining were at fixed interest rate.

In 2013, Tianjin Port Holdings Co., Ltd., a subsidiary of the Group, issued fixed rate medium-term notes in an aggregate principal amount of RMB2,000.0 million (equivalent to approximately HK$2,543.9 million) in four tranches for a term of 5 years. The first and second tranches of medium-term notes with the principal amount of RMB1,000.0 million are repayable on 31 January 2018 and bear fixed interest rate at 4.98% per annum. The third and fourth tranches of medium-term notes with the principal amount of RMB1,000.0 million are repayable on 20 June 2018 and bear fixed interest rate at 4.83% per annum.

During the year under review, the Group's interest expenses (including capitalised interest) amounted to HK$633.8 million, representing an increase of 54.4% over last year, mainly due to the increase in borrowings and borrowing interest rates.

As at 31 December 2013, the gearing ratio (ratio of total borrowings to total equity) and current ratio (ratio of current assets to current liabilities) of the Group were 56.4% (31 December 2012: 48.8%) and 1.3 (31 December 2012: 1.3) respectively. As at 31 December 2013, none of the Group's assets were pledged.

Financial Management and Policy

The Group's head office in Hong Kong is responsible for the financial risk management and the finance department is responsible for the daily management of the Group. One of the major objectives of the Group's treasury is to manage its exposure to risk in foreign currency exchange rates and interest rates. It is the Group's policy not to engage in speculative activities.

The operations of the Group are located in the PRC and its functional currency is RMB, hence, the Group is exposed to foreign exchange risk primarily from the assets and liabilities that are denominated in currency other than the functional currency. As at 31 December 2013, most of the Group's assets and liabilities were denominated in RMB except for certain HK$ and US$ bank borrowings. During the year, the Group recorded an exchange gain of HK$132.3 million.

The Group's interest rate risk arises primarily from the fluctuation on the interest rates of borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk; borrowings issued at fixed rates expose the Group to fair value interest rate risk. As at 31 December 2013, the Group's total borrowings were HK$13,534.7 million, of which 61.0% bore interest at floating rate while the remaining 39.0% were at fixed interest rate. As the Group issued fixed rate medium-term notes of RMB2,000.0 million (equivalent to approximately HK$2.543.9 million) for a term of 5 years in early 2013, the proportion of fixed rate borrowings of the Group increased from 26.7% by the end of 2012 to 39.0% at the end of 2013.

The Group closely monitors its foreign exchange rates and interest rate risks exposure from time to time. During the year under review, no hedging arrangement was entered into in respect of foreign currency investment.

SIGNIFICANT INVESTMENTS

The Group's capital expenditures are primarily for construction project of new terminals, and renovation of terminals and depot. Significant capital expenditures of the Group were as follows:

1. Tianjin Port Yuanhang Bulk Cargo Terminal Co., Ltd., a subsidiary of the Group, invests in the depot expansion project of Tianjin Port Yuanhang Bulk Cargo Terminal. Total investment of the project amounts to RMB1,500.0 million (equivalent to approximately HK$1,907.9 million). The amount paid in 2013 was RMB365.0 million (equivalent to approximately HK$464.3 million). As at 31 December 2013, the total amount paid was RMB1,059.0 million (equivalent to approximately HK$1,347.0 million).

2. Tianjin Port Yuanhang International Ore Terminal Co., Ltd., a subsidiary of the Group, invests in the construction project of specialised iron ore terminals at Tianjin Port Nanjiang berth no. 26. Total investment of the construction project amounts to RMB2,990.0 million (equivalent to approximately HK$3,803.1 million). The amount paid in 2013 was RMB1,881.0 million (equivalent to approximately HK$2,392.5 million). As at 31 December 2013, the total amount paid was RMB2,320.0 million (equivalent to approximately HK$2,950.9 million).

CONTINGENT LIABILITIES

The Group did not have any material contingent liabilities as at 31 December 2013.

GOING CONCERN

On the basis of current financial projections and facilities available, the Group has adequate financial resources to continue its operation in the foreseeable future. Accordingly, the Group continues to prepare its financial statements on a going concern basis.

EMPLOYEES

As at 31 December 2013, the Group had approximately 11,100 employees. Remuneration packages are assessed in accordance with the nature of job duties, individual performance and market trends. The remuneration policies are also regularly reviewed by the Group. Incentives of the management's remuneration package are paid in form of cash bonuses as well as share options.

REVIEW OF PRELIMINARY ANNOUNCEMENT

The figures in respect of the preliminary announcement of the Group's results for the year ended 31 December 2013 have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PricewaterhouseCoopers on the preliminary announcement.

DIVIDEND

The Board recommends a final dividend of HK5.26 cents per share for 2013.

Subject to the approval of shareholders of the Company at the forthcoming annual general meeting to be held on 5 June 2014 (the "AGM"), the final dividend will be payable on or about 8 July 2014 to the shareholders of the Company whose names appear on the register of members of the Company on 13 June 2014.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed for the following periods:

1. from 3 June 2014 to 5 June 2014, both days inclusive, during which period no transfer of shares will be registered for the purpose of ascertaining the shareholders of the Company entitled to attend and vote at the AGM. In order to be eligible to attend and vote at the AGM, all completed transfer forms accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong (which will be relocated to Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong with effect from 31 March 2014), not later than 4:30 p.m. on 30 May 2014; and

2. from 11 June 2014 to 13 June 2014, both days inclusive, during which period no transfer of shares will be registered for the purpose of ascertaining the shareholders of the Company entitled to the final dividend to be approved at the AGM. In order to qualify for the final dividend, all completed transfer forms accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong (which will be relocated to Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong with effect from 31 March 2014), not later than 4:30 p.m. on 10 June 2014.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2013.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company complied with all the code provisions of the Corporate Governance Code (the "CG Code") throughout the year ended 31 December 2013 as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its code of conduct regarding securities transactions by the directors of the Company (the "Directors"). Having made specific enquiry with the Directors, all the Directors confirmed that they have complied with the required standards as set out in the Model Code throughout the year ended 31 December 2013.

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") comprises three independent non-executive Directors, namely Professor Japhet Sebastian Law, Dr. Cheng Chi Pang, Leslie and Mr. Zhang Weidong. Dr. Cheng is the chairman of the Audit Committee. The annual results for the year ended 31 December 2013 have been reviewed by the Audit Committee.

PUBLICATION OF FINAL RESULTS

This results announcement is published on the website of the Company at www.tianjinportdev.com and the HKExnews website at www.hkexnews.hk.

By Order of the Board
Tianjin Port Development Holdings Limited
Yu Rumin
Chairman

Hong Kong, 26 March 2014

As at the date of this announcement, the Board consists of Mr. Yu Rumin, Mr. Tian Changsong, Mr. Li Quanyong, Mr. Wang Rui and Mr. Dai Yan as executive Directors; Professor Japhet Sebastian Law, Dr. Cheng Chi Pang, Leslie and Mr. Zhang Weidong as independent non-executive Directors.