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 2014

FINANCIAL HIGHLIGHTS

For the year ended 31 December 2014

- Revenue was HK$33,560.0 million
- Profit attributable to equity holders of the Company was HK$819.1 million
- Basic earnings per share of HK13.3 cents
- Proposed final dividend of HK5.32 cents per share, representing a payout ratio of 40%

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 2014 as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2014

	Note	**2014**	2013
		HK$'000	*HK$'000*
Revenue	*2*	**33,559,969**	22,108,849
Business tax and surcharge		**(74,357)**	(67,560)
Cost of sales		**(28,917,206)**	(17,985,873)
Gross profit		**4,568,406**	4,055,416
Other income and gains	*3*	**292,439**	396,820
Administrative expenses		**(2,183,040)**	(2,017,083)
Other operating expenses		**(35,220)**	(9,929)
Operating profit		**2,642,585**	2,425,224
Finance costs	*4*	**(478,915)**	(427,670)
Share of results of associates		**374,553**	314,718
Share of results of joint ventures		**126,910**	86,972
Profit before income tax	*5*	**2,665,133**	2,399,244
Income tax	*6*	**(601,496)**	(466,645)
Profit for the year		**2,063,637**	1,932,599
Attributable to:			
Equity holders of the Company		**819,125**	811,047
Non-controlling interests		**1,244,512**	1,121,552
		2,063,637	1,932,599
Earnings per share	*8*		
Basic (HK cents)		**13.3**	13.2
Diluted (HK cents)		**13.3**	13.2

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2014

	2014	2013
	HK$'000	*HK$'000*
Profit for the year	**2,063,637**	1,932,599
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss:		
Fair value gains/(losses) on available-for-sale financial assets, net of tax	**162,170**	(9,712)
Currency translation differences	**(75,271)**	704,512
Other comprehensive income for the year, net of tax	**86,899**	694,800
Total comprehensive income for the year	**2,150,536**	2,627,399
Total comprehensive income for the year attributable to:		
Equity holders of the Company	**836,929**	1,152,172
Non-controlling interests	**1,313,607**	1,475,227
	2,150,536	2,627,399

CONSOLIDATED BALANCE SHEET

As at 31 December 2014

	Note	2014 HK$'000	2013 HK$'000
ASSETS			
Non-current assets			
Land use rights		**5,834,689**	5,423,843
Property, plant and equipment		**21,895,298**	21,682,171
Intangible assets		**51,115**	47,121
Interests in associates		**3,128,977**	2,604,950
Interests in joint ventures		**2,616,927**	2,390,517
Available-for-sale financial assets		**601,279**	385,297
Deferred income tax assets		**132,587**	170,757
		34,260,872	32,704,656
Current assets			
Inventories		**705,088**	529,336
Trade and other receivables	9	**6,595,327**	4,538,709
Restricted bank deposits		**845,938**	585,093
Time deposits with maturity over three months		**817,594**	–
Cash and cash equivalents		**5,890,558**	5,713,093
		14,854,505	11,366,231
Total assets		**49,115,377**	44,070,887
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital		**615,800**	615,800
Other reserves		**5,472,447**	5,659,497
Retained earnings		**5,917,549**	5,213,773
		12,005,796	11,489,070
Non-controlling interests		**13,521,761**	12,510,022
Total equity		**25,527,557**	23,999,092

CONSOLIDATED BALANCE SHEET

As at 31 December 2014

	Note	2014 HK$'000	2013 HK$'000
LIABILITIES			
Non-current liabilities			
Borrowings		**11,253,584**	11,303,706
Deferred income tax liabilities		**332,702**	247,301
Other long-term liabilities		**1,047**	1,051
		11,587,333	11,552,058
Current liabilities			
Trade and other payables	*10*	**8,050,178**	6,169,059
Current income tax liabilities		**153,980**	119,660
Borrowings		**3,796,329**	2,231,018
		12,000,487	8,519,737
Total liabilities		**23,587,820**	20,071,795
Total equity and liabilities		**49,115,377**	44,070,887
Net current assets		**2,854,018**	2,846,494
Total assets less current liabilities		**37,114,890**	35,551,150

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 amendments and interpretation for the accounting period beginning 1 January 2014:

HKAS 32 (Amendment)	*Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities*
HKAS 36 (Amendment)	*Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets*
HKAS 39 (Amendment)	*Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting*
HKFRS 10 (Amendment), HKFRS 12 (Amendment) and HKAS 27 (2011) (Amendment)	*Investment Entities*
HK(IFRIC) – Int 21	*Levies*

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

(b) The following new standards and amendments 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*[1]
HKFRSs (Amendments)	*Annual Improvements to HKFRSs 2012-2014 Cycle*[3]
HKAS 1 (Amendment)	*Presentation of Financial Statements – Disclosure Initiative*[3]
HKAS 16 (Amendment) and HKAS 38 (Amendment)	*Clarification of Acceptable Methods of Depreciation and Amortisation*[3]
HKAS 16 (Amendment) and HKAS 41 (Amendment)	*Bearer Plants*[3]
HKAS 19 (2011) (Amendment)	*Employee Benefits – Defined Benefit Plans: Employee Contributions*[2]
HKAS 27 (2011) (Amendment)	*Separate Financial Statements – Equity Method in Separate Financial Statements*[3]
HKAS 28 (2011) (Amendment) and HKFRS 10 (Amendment)	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[3]
HKFRS 9 (2014)	*Financial Instruments*[5]
HKFRS 10 (Amendment), HKFRS 12 (Amendment) and HKAS 28 (2011) (Amendment)	*Investment Entities: Applying the Consolidation Exception*[3]
HKFRS 11 (Amendment)	*Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operation*[3]
HKFRS 14	*Regulatory Deferral Accounts*[3]
HKFRS 15	*Revenue from Contracts with Customers*[4]

[1] Effective for annual periods beginning on or after 1 July 2014
[2] Effective for annual periods beginning on or after 1 July 2014, with limited exceptions
[3] Effective for annual periods beginning on or after 1 January 2016
[4] Effective for annual periods beginning on or after 1 January 2017
[5] Effective for annual periods beginning on or after 1 January 2018

In addition, the requirements of Part 9 "Accounts and Audit" of the new Hong Kong Companies Ordinance (Chapter 622) come into operation as from the Company's first financial year commencing on or after 3 March 2014 in accordance with section 358 of that Ordinance.

The Group is in the process of making an assessment of the impact of these new standards, amendments and the changes in the new Hong Kong Companies Ordinance 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 2014			
	Cargo handling	**Sales**	**Other port ancillary services**	**Total**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***
Total segment revenue	**7,814,657**	**23,733,101**	**3,821,545**	**35,369,303**
Inter-segment revenue	**–**	**(1,025,574)**	**(783,760)**	**(1,809,334)**
Revenue from external customers	**7,814,657**	**22,707,527**	**3,037,785**	**33,559,969**
Segment results	**3,308,376**	**290,111**	**1,044,276**	**4,642,763**
Business tax and surcharge				**(74,357)**
Other income and gains				**292,439**
Administrative expenses				**(2,183,040)**
Other operating expenses				**(35,220)**
Finance costs				**(478,915)**
Share of results of associates				**374,553**
Share of results of joint ventures				**126,910**
Profit before income tax				**2,665,133**

	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

3. OTHER INCOME AND GAINS

	2014	2013
	HK$'000	*HK$'000*
Exchange gain, net	**15,803**	132,263
Interest income		
– from deposits	**116,245**	99,800
– from loan to a joint venture	**2,993**	–
Dividend income from available-for-sale financial assets		
– listed investments	**5,598**	4,758
– unlisted investments	**7,903**	12,417
Gain on disposal of land use rights	**9,077**	–
Gain on disposal of available-for-sale financial assets	**–**	14,600
Government grants	**124,863**	122,086
Others	**9,957**	10,896
	292,439	396,820

4. FINANCE COSTS

	2014	2013
	HK$'000	*HK$'000*
Interest expenses on borrowings	**638,399**	633,753
Less: Amount capitalised in construction in progress	**(159,484)**	(206,083)
	478,915	427,670

5. EXPENSES BY NATURE

	2014	2013
	HK$'000	*HK$'000*
Costs of goods sold	**22,308,939**	11,968,556
Employee benefit expenses, including directors' emoluments	**3,196,497**	3,004,545
Depreciation of property, plant and equipment	**994,916**	936,941
Amortisation of land use rights	**144,251**	128,065
Amortisation of intangible assets	**11,889**	11,744
Operating lease rental	**326,865**	294,570
Provision for impairment of trade receivables	**5,374**	562
Auditor's remuneration	**2,200**	2,200

6. INCOME TAX

	2014	2013
	HK$'000	*HK$'000*
PRC income tax		
– Current	**532,248**	442,709
– Deferred	**69,248**	23,936
	601,496	466,645

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 (2013: 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. DIVIDEND

	2014	2013
	HK$'000	*HK$'000*
Proposed final dividend of HK5.32 cents (2013: HK5.26 cents) per ordinary share	**327,606**	323,911

The Board proposed a final dividend of HK5.32 cents per ordinary share for the year ended 31 December 2014 (2013: HK5.26 cents). These financial statements do not reflect this dividend payable.

8. EARNINGS PER SHARE

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

	2014	2013
	HK$'000	*HK$'000*
Earnings		
Profit attributable to equity holders of the Company for calculating basic and diluted earnings per share	**819,125**	811,047

	2014	2013
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	**3,187**	1,744
Weighted average number of ordinary shares for calculating diluted earnings per share	**6,161,187**	6,159,744

Diluted earnings per share is calculated based on the profit attributable to equity holders of the Company and the weighted average number of ordinary shares in issue during the year, after adjusting for the number of dilutive potential ordinary shares from share options granted by the Company where dilutive.

9. TRADE AND OTHER RECEIVABLES

In general, the Group grants a credit period of about 30 to 180 days to its customers. The ageing analysis of the Group's trade and notes receivables (net of provision for impairment) was as follows:

	2014	2013
	HK$'000	*HK$'000*
0 – 90 days	**4,844,821**	3,225,587
91 – 180 days	**183,084**	159,530
Over 180 days	**70,947**	74,893
	5,098,852	3,460,010

10. TRADE AND OTHER PAYABLES

The ageing analysis of the Group's trade and notes payables was as follows:

	2014	2013
	HK$'000	*HK$'000*
0 – 90 days	**3,531,904**	2,717,423
91 – 180 days	**1,352,528**	425,922
181 – 365 days	**61,326**	35,292
Over 365 days	**1,023**	14,102
	4,946,781	3,192,739

REVIEW OF OPERATIONS AND RESULTS

ANNUAL RESULTS

For the year ended 31 December 2014, the Group achieved total cargo throughput of 445.78 million tonnes, an increase of 10.0% over last year, of which total container throughput grew by 8.0% to 14.06 million TEUs. During the year under review, profit attributable to shareholders of the Company amounted to HK$819.1 million. Basic earnings per share was HK13.3 cents.

The Board recommends a final dividend of HK5.32 cents per share for 2014.

REVIEW OF OPERATIONS

Revenue

During the year under review, the Group recorded consolidated revenue of HK$33,560.0 million, representing an increase of 51.8% from last year. An analysis of revenue by segment is as follows:

	Revenue			
Type of business	**2014**	2013	Growth amount	Growth percentage
	HK$ million	*HK$ million*	*HK$ million*	
Non-containerised cargo handling business	**5,859.9**	5,163.3	696.6	13.5%
Container handling business	**1,954.8**	1,880.2	74.6	4.0%
Sales business	**22,707.5**	12,186.3	10,521.2	86.3%
Other port ancillary services business	**3,037.8**	2,879.0	158.8	5.5%
Total	**33,560.0**	22,108.8	11,451.2	51.8%

Non-containerised Cargo Handling Business

During the year under review, the Group achieved total non-containerised cargo throughput of 286.77 million tonnes, representing an increase of 13.2% from last year, of which throughput of the subsidiary terminals grew by 12.0% whereas throughput of the jointly controlled and affiliated terminals increased by 19.3%.

	Non-containerised cargo throughput			
Nature of terminal	**2014**	2013	Growth amount	Growth percentage
	million tonnes	*million tonnes*	*million tonnes*	
Subsidiary terminals	**234.63**	209.53	25.10	12.0%
Jointly controlled and affiliated terminals	**52.14**	43.70	8.44	19.3%
Total	**286.77**	253.23	33.54	13.2%

During the year under review, metal ore, coal and steel handled by the Group showed relatively strong growth. In terms of total throughput, metal ore handling grew by 11.2% to 110.50 million tonnes, coal handling rose by 22.6% to 88.85 million tonnes, automobiles handling increased by 2.2% to 26.21 million tonnes, steel handling grew by 32.8% to 20.02 million tonnes and crude oil handling rose by 6.8% to 18.74 million tonnes.

On a consolidated basis, the blended average unit price of the non-containerised cargo handling business was HK$25.0 per tonne, an increase of HK$0.4 or 1.6% from last year which was due to a higher proportion of foreign trade cargo throughput. Driven by both increase in cargo throughput and blended average unit price, revenue from the non-containerised cargo handling business increased by 13.5% to HK$5,859.9 million.

Container Handling Business

Currently, the Group operates all the container terminals at the port of Tianjin. During the year under review, the Group achieved total container throughput of 14.06 million TEUs, representing an increase of 8.0% from last year, of which throughput of the subsidiary terminals grew by 5.5% and throughput of the jointly controlled and affiliated terminals rose by 10.5%.

	Container throughput			
Nature of terminal	**2014**	2013	Growth amount	Growth percentage
	’000 TEUs	*’000 TEUs*	*’000 TEUs*	
Subsidiary terminals	**6,871**	6,510	361	5.5%
Jointly controlled and affiliated terminals	**7,186**	6,502	684	10.5%
Total	**14,057**	13,012	1,045	8.0%

During the year under review, the consolidated blended average unit price of the container handling business decreased by 1.5% to HK$284.5 per TEU as a result of the change in cargo mix. The growth in throughput brought an increase of 4.0% in revenue from the container handling business to HK$1,954.8 million.

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$22,707.5 million from the sales business segment, representing an increase of 86.3% over last year. The increase in sales volume of other materials such as metal ore and coal has brought the increase in sales revenue.

Other Port Ancillary Services Business

Other port ancillary services of the Group mainly include tugboat services, agency services and other services. The persistent growth in throughput brought an overall growth in the Group's other port ancillary services segment. During the year under review, shipping agency grew by 1.8% to 18,192 vessel calls; tugboat services increased by 1.1% to 51,108 vessel calls; cargo agency rose by 6.7% to 81.23 million tonnes of cargoes; and tallying services increased by 1.5% to 114.37 million tonnes of cargoes. Revenue from other port ancillary services business was HK$3,037.8 million, an increase of 5.5% over last year.

Costs

During the year under review, cost of sales of the Group amounted to HK$28,917.2 million, representing an increase of 60.8% over last year. Cost of cargo handling business was HK$4,506.3 million, representing an increase of 11.6% over last year, primarily due to the increase in direct costs such as labour costs and cargo reconfiguration costs as a result of the growth in cargo throughput. Cost of sales business amounted to HK$22,417.4 million, representing an increase of 85.7% over last year, mainly due to an increase in the sales volume which led to the increase in the cost of goods sold. Cost of other port ancillary services business was HK$1,993.5 million, an increase of 6.0% over last year, which was primarily due to the increase in direct costs such as labour costs and storage costs as a result of the growth in throughput.

Administrative expenses for the year under review increased by 8.2% to HK$2,183.0 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 level of 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.

Share of Results of Associates and Joint Ventures

During the year under review, the Group's share of results of associates and joint ventures increased as a result of the continuous growth in throughput. The Group's share of results of associates was HK$374.6 million, representing an increase of 19.0% over last year. The Group's share of results of joint ventures was HK$126.9 million, representing an increase of 45.9% over last year.

OUTLOOK AND PROSPECTS

Looking ahead to 2015, the global economy is expected to continue on a moderate recovery path and China's economy will maintain a steady growth, while uncertainty remains. The Group will continue to face any challenge proactively, further enhance its port functions and broaden its scope of services, expedite the extension of the port services to its hinterland reach and the enlargement of hinterland coverage. The Group will also seize the opportunities from the building of the city of Tianjin into an international port city, Tianjin Free Trade Zone, opening up of the Binhai New Area and the construction of Tianjin Northern International Shipping Center and Logistic Center, strive to promote sustainable development of the Group.

FINANCIAL REVIEW

Capital Structure

The capital and reserves attributable to equity holders of the Company as at 31 December 2014 were HK$12,005.8 million.

As at 31 December 2014, the Company had an issued share capital of 6,158 million shares and the market capitalisation was HK$10,037.5 million (at the closing market price of the shares of the Company of HK$1.63 per share on 31 December 2014).

Cash Flow

For the year ended 31 December 2014, the net cash inflow of the Group amounted to HK$158.5 million.

The net cash inflow from operating activities amounted to HK$2,570.3 million, representing an increase of HK$1,108.7 million over last year.

The net cash outflow in investing activities amounted to HK$2,912.7 million, mainly attributable to HK$1,820.8 million used for capital expenditure, capital contribution of HK$390.0 million and HK$180.2 million to the associates and joint ventures respectively and an increase of HK$817.6 million in time deposits with maturity over three months.

The net cash inflow from financing activities amounted to HK$500.9 million, which included the payment of dividends and interest expenses of HK$1,400.0 million, an increase of HK$1,544.6 million in net borrowings and capital contribution of HK$367.3 million from the non-controlling shareholders of subsidiaries.

Liquidity and Financial Resources

As at 31 December 2014, the Group's cash and deposits (including restricted bank deposits and time deposits with maturity over three months) were HK$7,554.1 million (31 December 2013: HK$6,298.2 million) and principally denominated in Renminbi ("RMB"). The Group's total borrowings as at 31 December 2014 were HK$15,049.9 million (31 December 2013: HK$13,534.7 million), with HK$3,796.3 million repayable within one year, HK$9,760.0 million repayable after one year and within five years and HK$1,493.6 million repayable over five years. About 27.2% and 7.8% of the Group's borrowings were denominated in Hong Kong dollars ("HK$") and US dollars ("US$") respectively, and 65.0% were denominated in RMB.

During the year under review, the Group's interest expenses (including capitalised interest) amounted to HK$638.4 million, increased by 0.7% over last year.

As at 31 December 2014, the gearing ratio (ratio of total borrowings to total equity) and current ratio (ratio of current assets to current liabilities) of the Group were 59.0% (31 December 2013: 56.4%) and 1.2 (31 December 2013: 1.3) respectively. As at 31 December 2014, 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 foreign currency exchange rate and interest rate risk exposures. It is the Group's policy not to engage in speculative activities.

The operations of the Group are in the PRC and its functional currency is RMB. The Group is exposed to foreign exchange risk primarily from the assets and liabilities that are denominated in currencies other than the functional currency. As at 31 December 2014, most of the Group's assets and liabilities were denominated in RMB except for certain HK$ and US$ bank borrowings. During the year under review, the Group recorded an exchange gain of HK$15.8 million (2013: 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 while borrowings issued at fixed rates expose the Group to fair value interest rate risk. As at 31 December 2014, the Group's total borrowings were HK$15,049.9 million, of which 62.9% bore interest at floating rate while the remaining 37.1% were at fixed interest rate.

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

SIGNIFICANT INVESTMENTS

1. 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$1,901.4 million). The amount paid in 2014 was RMB123.0 million (equivalent to approximately HK$155.9 million). As at 31 December 2014, the total amount paid was RMB1,182.0 million (equivalent to approximately HK$1,498.3 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 ("Yuanhang International Ore Terminal"). Total investment of the construction project amounts to RMB2,990.0 million (equivalent to approximately HK$3,790.1 million). The amount paid in 2014 was RMB420.0 million (equivalent to approximately HK$532.4 million). As at 31 December 2014, the total amount paid was RMB2,740.0 million (equivalent to approximately HK$3,473.2 million).

Yuanhang International Ore Terminal is a 300,000-tonne specialised ore terminal located at Nanjiang Port Area of the port of Tianjin with designed annual handling capacity of 23 million tonnes. In November 2014, Yuanhang International Ore Terminal was open for public.

2. In February 2014, Tianjin Port Holdings Co., Ltd. ("Tianjin Port Co", a non wholly-owned subsidiary of the Group) approved the capital injection of RMB222.5 million (equivalent to approximately HK$282.0 million) to Tianjin Port Finance Co., Ltd. ("Tianjin Port Finance", a 48% owned associate of the Group). The capital injection will enhance the ability of Tianjin Port Finance to provide financing and better financial services to the Group. Upon completion of the capital injection, the percentage shareholding interest of the Group in Tianjin Port Finance remains unchanged. The capital injection was completed in May 2014.

3. In October 2014, Tianjin Port Co approved the capital injection of RMB629.8 million (equivalent to approximately HK$798.3 million) to Shenhua Tianjin Coal Terminal Co., Ltd. ("Shenhua Tianjin", a 45% owned associate of the Group). The capital injection is for the formation of a wholly-owned subsidiary of Shenhua Tianjin and the investment in the construction of Shenhua coal terminals (Phase II) by such subsidiary. Upon completion of the capital injection, the percentage shareholding interest of the Group in Shenhua Tianjin remains unchanged. As at 31 December 2014, the capital contribution made by the Group amounted to RMB81.2 million (equivalent to approximately HK$103.0 million).

CONTINGENT LIABILITIES

The Group did not have any material contingent liabilities as at 31 December 2014.

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 2014, the Group had approximately 10,500 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 2014 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 HK5.32 cents per share for 2014.

Subject to the approval of shareholders of the Company at the forthcoming annual general meeting to be held on 3 June 2015 (the "AGM"), the final dividend will be payable on or about 15 July 2015 to the shareholders of the Company whose names appear on the register of members of the Company on 11 June 2015.

CLOSURE OF REGISTER OF MEMBERS

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

1. from 1 June 2015 to 3 June 2015, 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 transfer forms and the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on 29 May 2015; and

2. from 9 June 2015 to 11 June 2015, 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 transfer forms and the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on 8 June 2015.

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 2014.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company complied with all the code provisions of the Corporate Governance Code throughout the year ended 31 December 2014 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 2014.

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 2014 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
Zhang Lili
Chairman

Hong Kong, 25 March 2015

As at the date of this announcement, the Board consists of Ms. Zhang Lili, Mr. Zheng Qingyue, Mr. Li Quanyong, Mr. Wang Rui and Ms. Shi Jing as executive Directors; Professor Japhet Sebastian Law, Dr. Cheng Chi Pang, Leslie and Mr. Zhang Weidong as independent non-executive Directors.