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*(a sino-foreign joint stock limited company incorporated in the People's Republic of China)*  
**(Stock Code: 2880)**

## **ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024**

The board (the “**Board**”) of directors (the “**Directors**”) of Liaoning Port Co., Ltd.\* (the “**Company**”) is pleased to announce the audited financial results of the Company and its subsidiaries (the Company and its subsidiaries, collectively referred to as the “**Group**”) prepared pursuant to China Accounting Standards for Business Enterprises for the year ended 31 December 2024 (the “**Reporting Period**”). The Group’s financial results for the Reporting Period have been audited by ShineWing Certified Public Accountants (Special General Partnership).

**CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2024***(All amounts in RMB unless otherwise stated)*

	31 December 2024	31 December 2023
ASSETS	Consolidated	Consolidated
<b>Current assets</b>		
Cash at bank and on hand	5,280,231,133.78	5,228,415,449.28
Financial assets at fair value through profit or loss	–	–
Financial assets held for trading	550,000.00	–
Notes receivable	91,552,251.26	310,015,462.53
Accounts receivable	3,006,265,639.15	3,304,178,653.31
Financing receivable	290,981,075.87	244,381,797.52
Advances to suppliers	61,769,964.36	64,467,545.03
Other receivables	437,014,468.58	470,919,335.20
Inventories	125,278,939.94	133,306,714.38
Contract assets	–	–
Non-current assets due within one year	–	13,200,000.00
Other current assets	382,779,997.66	347,699,193.06
<b>Total current assets</b>	<b>9,676,423,470.60</b>	<b>10,116,584,150.31</b>
<b>Non-current assets</b>		
Long-term receivables	–	–
Long-term equity investments	2,974,525,564.57	3,530,415,710.93
Investments in other equity instruments	217,510,342.27	171,327,899.72
Investment properties	173,987,548.13	191,466,945.47
Fixed assets	32,252,006,896.01	29,754,229,616.57
Construction in progress	2,703,392,158.23	1,811,375,985.83
Right-of-use assets	4,547,311,638.32	4,743,745,845.35
Intangible assets	6,153,470,438.19	5,350,090,830.48
Development expenditure	–	–
Goodwill	225,929,504.67	225,929,504.67
Long-term prepaid expenses	115,984,874.35	74,095,620.53
Deferred income tax assets	306,978,586.95	334,014,506.22
Other non-current assets	439,410,532.80	49,663,112.76
<b>Total non-current assets</b>	<b>50,110,508,084.49</b>	<b>46,236,355,578.53</b>
<b>Total assets</b>	<b>59,786,931,555.09</b>	<b>56,352,939,728.84</b>

<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>31 December 2024 Consolidated</b>	<b>31 December 2023 Consolidated</b>
<b>Current liabilities</b>		
Short-term borrowings	<b>55,328,483.98</b>	1,000,718,055.55
Financial liabilities at fair value through profit or loss	—	—
Notes payable	—	—
Accounts payable	<b>396,352,402.61</b>	322,512,777.37
Advances from customers	<b>5,343,315.63</b>	3,340,244.41
Contract liabilities	<b>285,023,142.74</b>	219,678,903.96
Employee benefits payable	<b>390,564,320.24</b>	365,477,587.55
Taxes payable	<b>116,664,170.88</b>	163,783,519.31
Other payables	<b>1,215,694,666.42</b>	715,251,442.84
Non-current liabilities due within one year	<b>2,896,948,015.01</b>	2,378,384,323.74
Other current liabilities	<b>15,479,173.86</b>	12,042,348.71
<b>Total current liabilities</b>	<b><u>5,377,397,691.37</u></b>	<u>5,181,189,203.44</u>
<b>Non-current liabilities</b>		
Long-term borrowings	<b>4,171,233,200.00</b>	566,000,000.00
Bonds payable	<b>998,550,456.06</b>	1,997,206,461.11
Lease liabilities	<b>4,845,764,366.97</b>	4,966,735,156.50
Long-term payables	<b>17,500,000.00</b>	17,500,000.00
Estimated liabilities	<b>152,078,538.56</b>	160,358,538.56
Deferred income	<b>505,050,028.68</b>	520,881,481.69
Deferred income tax liabilities	<b>259,522,947.24</b>	157,140,810.64
Other non-current liabilities	<b>56,737,436.20</b>	56,737,436.20
<b>Total non-current liabilities</b>	<b><u>11,006,436,973.71</u></b>	<u>8,442,559,884.70</u>
<b>Total liabilities</b>	<b><u>16,383,834,665.08</u></b>	<u>13,623,749,088.14</u>

<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>31 December 2024 Consolidated</b>	<b>31 December 2023 Consolidated</b>
<b>Shareholders' equity</b>		
Share capital	<b>23,905,474,669.00</b>	23,987,065,816.00
Capital surplus	<b>8,983,163,532.35</b>	9,012,945,301.26
Less: Treasury stock	<b>400,130,664.88</b>	–
Other comprehensive income	<b>123,007,660.04</b>	86,548,575.40
Specific reserve	<b>180,458,609.68</b>	180,604,889.52
Surplus reserve	<b>1,725,136,784.15</b>	1,599,751,522.71
Undistributed profits	<b>5,280,547,190.84</b>	4,734,941,958.54
Total equity attributable to shareholders of the parent company	<b><u>39,797,657,781.18</u></b>	<u>39,601,858,063.43</u>
Minority interests	<b>3,605,439,108.83</b>	3,127,332,577.27
<b>Total shareholders' equity</b>	<b><u>43,403,096,890.01</u></b>	<u>42,729,190,640.70</u>
<b>Total liabilities and shareholders' equity</b>	<b><u><u>59,786,931,555.09</u></u></b>	<b><u><u>56,352,939,728.84</u></u></b>

## CONSOLIDATED INCOME STATEMENT FOR 2024

(All amounts in RMB unless otherwise stated)

Item	For the 12 months ended 31 December 2024 Consolidated	For the 12 months ended 31 December 2023 Consolidated
<b>I. Revenue</b>	<b>11,066,690,041.36</b>	12,219,878,814.79
Less: Cost of sales	<b>8,687,395,940.62</b>	8,829,783,585.69
Taxes and surcharges	<b>128,772,218.26</b>	146,584,440.90
Selling expenses	<b>2,231,955.85</b>	1,787,276.41
Administrative expenses	<b>823,649,555.41</b>	735,736,896.11
Research and development expenses	<b>20,226,217.47</b>	39,294,670.66
Financial expenses	<b>382,865,431.74</b>	432,164,611.61
Including: Interest expenses	<b>447,276,518.35</b>	501,452,869.60
Interest income	<b>65,464,982.71</b>	75,403,616.14
Add: Other income	<b>198,370,004.17</b>	184,527,016.95
Investment income	<b>205,177,374.76</b>	97,079,157.84
Including: Investment income from associates and joint ventures	<b>-31,283,955.86</b>	79,338,157.47
Gains on changes in fair value	<b>—</b>	—
Credit impairment losses	<b>427,913,987.08</b>	-211,038,143.00
Asset impairment losses	<b>-68,603,564.35</b>	-99,940,178.96
Gains on disposals of assets	<b>16,310,464.53</b>	194,692.55
<b>II. Operating profit</b>	<b>1,800,716,988.20</b>	2,005,349,878.79
Add: Non-operating income	<b>9,984,990.02</b>	35,487,918.80
Less: Non-operating expenses	<b>15,670,928.72</b>	5,845,097.56
<b>III. Total profit</b>	<b>1,795,031,049.50</b>	2,034,992,700.03
Less: Income tax expenses	<b>443,006,365.31</b>	527,741,508.94

Item	For the 12 months ended 31 December 2024 Consolidated	For the 12 months ended 31 December 2023 Consolidated
<b>IV. Net profit</b>	<b>1,352,024,684.19</b>	1,507,251,191.09
Including: Net profit from continuing operations	<b>1,352,024,684.19</b>	1,507,251,191.09
Classified by ownership of the equity		
Net profit attributable to shareholders of the parent company	<b>1,143,973,474.80</b>	1,343,109,072.73
Gains or losses of minority interests	<b>208,051,209.39</b>	164,142,118.36
<b>V. Earnings per share</b>		
Basic earnings per share	<b>0.05</b>	0.06
Diluted earnings per share	<b>0.05</b>	0.06
<b>VI. Other comprehensive income, net of tax</b>	<b>36,503,782.61</b>	13,958,914.03
Other comprehensive income, net of tax, attributable to shareholders of the parent company	<b>36,459,084.64</b>	14,184,404.37
Other comprehensive income that may not be reclassified to profit or loss	<b>34,592,133.94</b>	11,069,180.18
Changes in fair value of investments in other equity instruments	<b>34,592,133.94</b>	11,069,180.18
Other comprehensive income that will be reclassified to profit or loss	<b>1,866,950.70</b>	3,115,224.19
Other comprehensive income convertible to profit or loss under equity method	—	—
Changes in fair value of available-for-sale Financial assets	—	—
Exchange differences on translation of foreign currency financial statements	<b>1,866,950.70</b>	3,115,224.19
Other comprehensive income, net of tax, attributable to minority interests	<b>44,697.97</b>	-225,490.34
<b>VII. Total comprehensive income</b>	<b>1,388,528,466.80</b>	1,521,210,105.12
Including: Attributable to shareholders of the parent company	<b>1,180,432,559.44</b>	1,357,293,477.10
Attributable to minority interests	<b>208,095,907.36</b>	163,916,628.02

## NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

(All amounts in RMB unless otherwise stated)

### I. GENERAL INFORMATION

Liaoning Port Co., Ltd. (formerly known as “Dalian Port (PDA) Company Limited” and hereinafter referred to as the “**Company**”) is a joint stock limited liability company incorporated in Liaoning Province, the People’s Republic of China. It was approved by Dazheng [2005] No. 153 of the People’s Government of Dalian City, Liaoning Province, and was jointly established by Dalian Port Corporation Limited (“**PDA Group**”), Dalian Rongda Investment Co., Ltd., Dalian Haitai Holdings Co., Ltd., Dalian DETA Holdings Co., Ltd. and Dalian Bonded Zhengtong Co., Ltd. (“**Bonded Zhengtong**”) on 16 November 2005. The Company has been approved by the Dalian Administration for Industry and Commerce of Liaoning Province, with the enterprise unified social credit code: 91210200782451606Q. The H shares and RMB ordinary shares (A-shares) issued by the Company were listed on The Stock Exchange of Hong Kong Limited and the Shanghai Stock Exchange on 28 April 2006 and 6 December 2010, respectively. The Company is headquartered in Xingang Commercial Building, Dayao Bay, Dalian Free Trade Zone, Liaoning Province.

In order to promote the integration of ports in Liaoning, upon the gratuitous transfer of the equity interests held by Dalian SASAC in PDA Group to Liaoning North East Asia Gang Hang Development Co., Ltd. (遼寧東北亞港航發展有限公司) (renamed as “Liaoning Port Group Limited”, hereinafter referred to as “**Liaoning Port Group**”) in February 2018, the de facto controller of the Company changed from Dalian SASAC to Liaoning SASAC. On 30 September 2019, the de facto controller of Liaoning Port Group was changed from Liaoning SASAC to China Merchants Group Limited (hereinafter referred to as “**China Merchants Group**”), and therefore the ultimate de facto controller of the Company was changed to China Merchants Group.

As considered and approved at the 2020 second extraordinary general meeting of the Company convened on 25 September 2020, the 2020 first A Shareholders class meeting, the 2020 first H Shareholders class meeting, and approved by the Reply on Approval of Dalian Port (PDA) Company Limited’s Merger with Yingkou Port Liability Co., Ltd. by Absorption and Fundraising (Zheng Jian Xu Ke [2020] No. 3690) issued by China Securities Regulatory Commission, the Company completed the merger by absorption through share swap on 4 February 2021. On 4 February 2021, upon the completion of such merger by absorption through share swap, the total share capital of the Company increased from 12,894,535,999 to 22,623,429,453, in which Yingkou Port Group Co., Ltd. (hereinafter referred to as “**Yingkou Port Group**”) has 30.57% equity interests. On 9 February 2021, the 9,728,893,454 A shares newly issued to the original shareholders of Yingkou Port involved in this merger by share swap were listed for trading. In accordance with the Reply by Zheng Jian Xu Ke [2020] No. 3690 to the Fundraising of the Company, the Company issued 1,363,636,363 RMB ordinary shares (A shares) to eight specific investors including Anshan Iron & Steel Co. Ltd. on 17 November 2021. Total share capital of the Company increased from 22,623,429,453 to 23,987,065,816, in which Yingkou Port Group has 28.83% equity interests.

The Company held the fifth extraordinary meeting of the seventh session of the Board of 2024 on 3 July 2024 and the first extraordinary general meeting of 2024 on 1 August 2024, at which the Proposal on the Share Repurchase Through Centralized Price Bidding by Liaoning Port Co., Ltd. was considered and approved. It is agreed that the Company shall repurchase its shares through centralized price bidding transactions, and all shares repurchased will be cancelled and the registered capital of the Company will be reduced.

The Company held the ninth extraordinary meeting of the seventh session of the Board of 2024 on 6 September 2024 and the second extraordinary general meeting of 2024 on 24 September 2024, at which the Proposal on the Second Share Repurchase Through Centralized Price Bidding by Liaoning Port Co., Ltd. was considered and approved. It is agreed that the Company shall repurchase its shares through centralized price bidding transactions, and all shares repurchased will be cancelled and the registered capital of the Company will be reduced.

As of 31 December 2024, the Company has accumulated the repurchase of 318,941,356 shares, of which 81,591,147 shares repurchased have been completed at the Shanghai Branch of China Securities Depository and Clearing Corporation Limited for the cancellation of the repurchased shares, and the total share capital of the Company was reduced from 23,987,065,816 shares to 23,905,474,669 shares.

According to the Agreement in relation to the Voting Right Entrustment of Liaoning Port Co., Ltd. between Dalian Port Corporation Limited and Yingkou Port Group Corporation Limited entered into by PDA Group and Yingkou Port Group on 29 March 2021, PDA Group agreed to fully entrust the exercise of shareholders' rights of its equity interests in the Company, other than right to earnings, right of disposition (including share pledge) and share options, to Yingkou Port Group, and the parent company of the Company was changed from PDA Group to Yingkou Port Group.

The principal operating activities of the Company and its subsidiaries (hereinafter collectively referred to as the “**Group**”) include the provision of terminal business and logistics services such as international and domestic cargo loading and discharging, transportation, transshipment, storage, etc.; providing facilities and services for passenger waiting, embarking and disembarking; tallying and tugging services for vessels sailing on international and domestic lines; towage; port logistics and port information technology consultation services; engaging in crude oil storage in port area (operating with the permit); refined oil products storage (restricted to those applying for bonded qualification and those at port storage facilities), etc.

The parent company and ultimate parent company of the Group is Yingkou Port Group and China Merchants Group respectively, both of which were established in the PRC.

The financial statements were approved by the Company's Board of Directors on 27 March 2025.



The scope of consolidation of the consolidated financial statements is determined on the basis of control. The change of the scope of consolidation as of 31 December 2024 is as below:

### Companies excluded from the scope of consolidation during the period

Name of enterprise	Place of registration	Nature of business	Percentage of total shareholding held by the Group (%)	Percentage of total voting right of the Group (%)	Reason for not being a subsidiary
Dalian Port Lianheng Supply Chain Management Co., Ltd.	Dalian	Supply chain management services	51	51	<i>Note 1</i>
Dalian Jiye Logistics Co., Ltd.	Dalian	Logistics services	100	100	<i>Note 1</i>
Dalian Port Logistics Technology Co., Ltd.	Dalian	Software development	100	100	<i>Note 2</i>

*Note 1:* Dalian Port Lianheng Supply Chain Management Co., Ltd. and Dalian Jiye Logistics Co., Ltd., the subsidiaries of the Group, completed the deregistration in July 2024 and November 2024, respectively. The de-registration of these companies had no material impact on either the Group's consolidated and the company's financial positions as at 31 December 2024, or the consolidated and the company's operating results and cash flows for the year of 2024.

*Note 2:* In 2024, the Group integrated five information companies. As at 31 December 2024, China Merchants Port and Shipping Digital Technology (Liaoning) Co., Ltd. has completed the absorption and merger of Dalian Port Logistics Technology Co., Ltd., which has completed the registration of industrial and commercial deregistration; as at the date of this report, China Merchants Port and Shipping Digital Technology (Liaoning) Co., Ltd. has completed the absorption and merger of Dalian Ganglong Technology Co., Ltd. and Yingkou Gangxin Technology Co., Ltd., which have not completed the industrial and commercial deregistration.

### Business combination not under common control during the period

Name of enterprise	Acquisition date	Basis of determining acquisition date	Proportion of interests in an acquiree held before the acquisition date (%)	Proportion of interest in an acquiree held at the time of combination (excluding increase or decrease in equity after combination) (%)	Total fair value of the acquirer's identifiable net assets at the acquisition date							
					Total net book assets of the acquirer at the acquisition date	Method of determination	Transaction consideration	Goodwill arisen	Revenue from acquisition date to year end of the acquiree	Net Profit from acquisition date to year end of the acquiree	Cash flows from acquisition date to year end of the acquiree	
Dalian Changxing Island Port Investment and Development Co., Ltd.	30 September 2024	Transfer of effective control	46.58	46.58	589,836,438.44	880,318,462.69	Recoverable amount	453,513,474.25	-527,473.67	122,432,738.99	13,135,629.22	617,491,742.15
Dalian Changxing Island Port Co., Ltd.	30 September 2024	Transfer of effective control	40.00	40.00	-329,451,824.76	219,876,454.02	Recoverable amount	130,914,311.27	-1,188,252.57	27,654,409.67	-29,686,628.00	15,993,395.61

<b>Cost of combination</b>	<b>Dalian Changxing Island Port Investment and Development Co., Ltd.</b>	<b>Dalian Changxing Island Port Co., Ltd.</b>
Cash	—	—
Fair value of non-cash assets	<b>74,031,052.03</b>	8,784,145.56
Fair value share of equity held prior to the acquisition date on the acquisition date	<b>379,482,422.22</b>	122,130,165.71
Total cost of combination ( <i>Note</i> )	<b>453,513,474.25</b>	130,914,311.27
Less: Fair value of the identifiable net assets obtained	<b>454,040,947.92</b>	132,102,563.84
The amount by which the consolidation cost is less than the fair value share of identifiable net assets obtained	<b><u>-527,473.67</u></b>	<b><u>-1,188,252.57</u></b>

*Note:* As at 30 September 2024, the Company had a debtor-creditor relationship with Changxing Investment Development and Changxing Port. The Company estimated the fair value of the debts and recognised that the fair value of the debts between the Company and Changxing Investment Development on the acquisition date was RMB74,031,052.03, and the fair value of the debts between the Company and Changxing Port was RMB8,784,145.56. In accordance with the relevant accounting and regulatory requirements of the SSE, the Company treated them respectively as components of the merger consideration not under common control.

Changxing Investment Development and Changxing Port entrusted Zhongtongcheng Assets Appraisal Co., Ltd.\* (中通誠資產評估有限公司) to appraise the value of the entire shareholders' equity of Changxing Investment Development and Changxing Port, and issue valuation reports with report numbers of (Zhong Tong Ping Bao Zi No. [2024] 11210) and (Zhong Tong Ping Bao Zi No. [2024] 11211), respectively. According to the above two valuation reports, the fair value of the Company's equity interest in Changxing Investment Development and Changxing Port prior to the acquisition date was RMB379,482,422.22 and RMB122,130,165.71, respectively.

In summary, the Company recognised the sum of the fair value of the equity interest in Changxing Investment Development on the acquisition date and the fair value of the debts receivable from Changxing Investment Development prior to the acquisition date of RMB453,513,474.25 as the merger consideration for the combination of Changxing Investment Development not under common control, and recognised the sum of the fair value of the equity interest in Changxing Port on the acquisition date and the fair value of the debts receivable from Changxing Port prior to the acquisition date of RMB130,914,311.27 as the merger consideration for the combination of Changxing Port not under common control.

## II. BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the “Accounting Standards for Business Enterprises – Basic Standards” issued by the Ministry of Finance and the specific accounting standards, application guidelines, interpretations and other relevant regulations subsequently issued and revised (collectively “Accounting Standards for Business Enterprises” or “ASBEs”). In addition, the financial statements disclose relevant financial information in accordance with the “Regulations on Information Disclosure and Compilation of Companies Offering Securities to the Public No. 15-General Provisions on Financial Reporting”.

The financial statements are presented on a going concern basis.

## III. TAXES

### 1. Major categories of taxes and respective tax rates

Value-added tax (VAT)—The Group’s revenues from port operation, sales of goods, transport service, interests on related party borrowings, revenues from project construction and property leasing are subject to output VAT at a tax rate of 6%, 13%, 9%, 6%, 9% and 5%, respectively, which is levied after deducting deductible input VAT for the current year.

City maintenance and construction tax—It is levied at 7% on the turnover taxes paid.

Educational surcharge—It is levied at 5% on the turnover taxes paid.

Property tax—It is calculated at a tax rate of 1.2% based on 70% of the costs of properties; or it is calculated at a tax rate of 12% based on rental income.

Corporate income tax—It is levied at 25% on the taxable profit, except for certain subsidiaries of the Group established in Mainland China which enjoy tax preferences and those subsidiaries incorporated outside Mainland China which are subject to local income tax regulations.

### 2. Tax preferences

#### *Property tax and land use tax*

According to the Tentative Regulations of the People’s Republic of China on Urban Land Use Tax and the Regulations on Land Use Tax Exemption of Port Land of Transport Department (Guo Shui Di [1989] No. 123), certain land used for dock is exempted from land use tax. Accordingly, the lands held by the Group used for dock are exempted from land use tax.

According to the Tentative Regulations of the People’s Republic of China on Urban Land Use Tax, the land reclaimed from hill excavating and offshore filling and the reclaimed waste land will be exempted from land use tax for 5 to 10 years starting from the month of use. Accordingly, all lands reclaimed from offshore filling held by the Group were exempted from land use tax for the period.

According to the Tentative Regulations of the People's Republic of China on Urban Land Use Tax and the Notice of the Ministry of Finance and the State Administration of Taxation on Continuing the Implementation of the Preferential Policies for Urban Land Use Tax Regarding the Land Used by Logistics Enterprises for Bulk Commodity Storage Facilities (Cai Shui [2023] No. 5), from 1 January 2023 to 31 December 2027, the urban land use tax on the lands for bulk commodity storage facilities owned by the logistics enterprises (including for self-use and lease purposes) shall be calculated based on 50% of the applicable tax for the relevant grade of the land. Accordingly, the land use tax on the lands for bulk commodity storage facilities held by the Group is calculated at half of the relevant tax rate.

### ***Corporate income tax***

Dalian Port Logistics Network Co., Ltd. and Dalian Ganglong Technology Co., Ltd., the subsidiaries of the Group, obtained in 2023, the Certificates of High and New Technological Enterprise (Certificate No. GR202321200350, GR202321201126), and the term of validity of the certificate is three years; and in 2024, Dalian Jifa South Coast International Logistics Co., Ltd., a subsidiary of the Group, obtained the Certificate of High and New Technological Enterprise (Certificate No. GR202421200801), and the term of validity of the certificate is three years. Under Article 28 of the Corporate Income Tax Law of the People's Republic of China, for the current year, the income tax rate applicable to these companies is 15%.

Dalian Ocean Shipping Tally Co., Ltd., a subsidiary of the Group, obtained on 20 September 2022, the Certificate of Advanced Technology Service Enterprise (Certificate No. 20222102420047). Under the Notice on Promoting Nationwide the Enterprise Income Tax Policies for Advanced Technology Service Enterprises (Cai Shui [2017] No. 79), the Notice on Promoting Nationwide the Enterprise Income Tax Policies for Advanced Technology Service Enterprises in Pilot Areas for the Innovation and Development of Trade in Services (Cai Shui [2018] No. 44) and Measures for the Recognition and Administration of Advanced Technology Service Enterprises in Dalian (Revised) (Da Ke Gao Fa [2018] No. 151) jointly issued by the Ministry of Finance, the State Administration of Taxation, Ministry of Commerce, Ministry of Science and Technology and National Development and Reform Commission, for the current year, the income tax rate applicable to the company is 15%.

Pursuant to the Announcement of the Ministry of Finance and the State Administration of Taxation on Further Support of Tax Policies for Development of Small and Micro Enterprises and Individual Entrepreneurs (Announcement of the Ministry of Finance and the State Administration of Taxation [2023] No. 12), a small low-profit enterprise shall calculate its taxable income amount at a reduced rate of 25% and be subject to corporate income tax at 20% tax rate. This policy continues to be implemented until 31 December 2027. The above preferential tax policies were applicable for several subsidiaries of the Group, namely Dalian ETDZ Jin Xin Petro-chemistry Co., Ltd., Dalian Port Haiheng Ship Management Co., Ltd., Dalian Gangrun Gas Co., Ltd., Dalian International Container Services Co., Ltd., Dalian Changxing Island Economic Zone Wanpeng Port Construction Supervision & Consultation Co., Ltd., Inner Mongolia Lugang Bonded Logistics Park Co., Ltd., Caofeidian Port Container Logistics Co., Ltd. and Qinhuangdao Jigang Shipping Agency Co., Ltd. for the year.

Pursuant to the Notice of the Ministry of Finance and the State Administration of Taxation on Further Improvements to Policies for Weighted Pre-tax Deduction of Research and Development Expenses (Announcement of the Ministry of Finance and the State Administration of Taxation [2023] No. 7), an enterprise shall deduct 100% of the amount actually incurred as deductible expenses before tax in addition to the deduction allowed for the amount actually incurred since 1 January 2023, where the research and development expenses incurred by an enterprise do not form intangible assets and are included in current profit or loss. Where R&D expenses are recognised as intangible assets, starting from 1 January 2023, an enterprise shall calculate the amortisation of such assets as expenses before tax based on 200% of the costs of such assets. The above preferential tax policies were applicable for Dalian Container Terminal Co., Ltd. for the year.

#### ***“Six Taxes and Two Fees” Reduction Policy***

Pursuant to the Announcement of the Ministry of Finance and the State Administration of Taxation on Further Support of Tax Policies for Development of Small and Micro Enterprises and Individual Entrepreneurs (Announcement [2023] No. 12 of the Ministry of Finance and the State Administration of Taxation), from 1 January 2023 to 31 December 2027, small-scale taxpayers, small low-profit enterprises and individual entrepreneurs are subject to half reduction in resource tax (excluding water resources tax), city maintenance and construction tax, property tax, urban land use tax, stamp tax (excluding securities trading stamp tax), farmland occupation tax, educational surcharge, and local educational surcharge. The above preferential tax policies were applicable for several subsidiaries of the Group, namely Dalian ETDZ Jin Xin Petro-chemistry Co., Ltd., Dalian Port Haiheng Ship Management Co., Ltd., Dalian Zhuanghe Gangxing Investment Co., Ltd., Dalian Changxing Island Economic Zone Wanpeng Port Construction Supervision & Consultation Co., Ltd., Inner Mongolia Lugang Bonded Logistics Park Co., Ltd., Caofeidian Port Container Logistics Co., Ltd., Qinhuangdao Jigang Shipping Agency Co., Ltd., Dalian Ganglong Technology Co., Ltd., China Merchants Port and Shipping Digital Technology (Liaoning) Co., Ltd. and Dalian Ocean Shipping Tally Co., Ltd. for the year.

#### IV. NOTES TO THE KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

##### 1. Notes receivable

	31 December 2024	31 December 2023
Bank acceptance notes	<u>91,552,251.26</u>	<u>310,015,462.53</u>
Total	<u><b>91,552,251.26</b></u>	<u><b>310,015,462.53</b></u>

*Note:* The Group believes that the acceptor holding its bank acceptance notes has a high credit rating and there is no significant credit risk, so no provision for credit impairment was made.

The Group's notes receivable which have been endorsed or discounted but not mature yet as at the balance sheet date are as follows:

	31 December 2024	
	Derecognised	Not derecognised
Bank acceptance notes	<u><b>59,181,282.20</b></u>	<u><b>4,025,000.00</b></u>

As at 31 December 2024, the Group had no pledged notes receivable (31 December 2023: Nil).

As at 31 December 2024, the Group had no discounted notes or notes that were converted into accounts receivable due to the drawer's inability to perform the contracts (31 December 2023: Nil).

## 2. Accounts receivable:

The credit terms of accounts receivable are usually 3 months. Accounts receivable are interest-free.

An ageing analysis of accounts receivable based on the recording date is as follows:

	31 December 2024	31 December 2023
Within 1 year (including 1 year)	540,642,653.27	1,177,666,220.46
1 to 2 years (including 2 years)	638,520,298.01	643,618,983.69
2 to 3 years (including 3 years)	621,236,479.31	611,354,293.58
Over 3 years	1,456,042,144.82	1,503,403,544.36
Sub-total	3,256,441,575.41	3,936,043,042.09
Less: Provision for credit loss	250,175,936.26	631,864,388.78
Total	<u>3,006,265,639.15</u>	<u>3,304,178,653.31</u>

Movements in the provision for bad debts of accounts receivable are as follows:

	Balance as at the beginning of the period/year	Impact of change in scope of consolidation	Provision for the period/year	Other changes	Reversal during the period/year	Reversal/write-off during the period/year	Balance as at the end of the period/year
2024	631,864,388.78	-1,624,283.83	-380,064,168.69	-	-	-	250,175,936.26
2023	458,880,041.04	-	167,901,081.34	8,149,633.27	-2,800,000.00	-266,366.87	631,864,388.78

As at 31 December 2024, details of accounts receivable of which provision for bad debts is made according to its credit risk rating by the Group are as follows:

	Book balance of estimated default	Expected credit loss rate	Expected credit loss for the entire duration
Portfolio A	375,479,644.99	0.00%-0.10%	38,827.42
Portfolio B	116,492,865.02	0.10%-0.30%	156,628.13
Portfolio C	2,693,266,594.43	0.30%-50.00%	179,036,743.99
Portfolio D	71,202,470.97	50.00%-100.00%	70,943,736.72
	<u>3,256,441,575.41</u>		<u>250,175,936.26</u>

As at 31 December 2024, a summary of the top five accounts receivable was as follows:

	Balance	Provision for credit loss	Percentage of total accounts receivable (%)
Total balances of top five accounts receivable	<u>2,733,765,642.03</u>	<u>177,052,692.23</u>	<u>83.94</u>

### 3. Financing receivable

	31 December 2024	31 December 2023
Bank acceptance notes measured at fair value	<u>290,981,075.87</u>	<u>244,381,797.52</u>
Total	<u><b>290,981,075.87</b></u>	<u><b>244,381,797.52</b></u>

As at 31 December 2024, the Group has no receivables financing pledged (31 December 2023: Nil).

As at 31 December 2024, the Group's receivables financing which have been endorsed or discounted but not mature yet as at the balance sheet date are as follows:

	31 December 2024	
	Derecognised	Not derecognised
Bank acceptance notes	<u><b>106,303,296.04</b></u>	<u><b>–</b></u>

### 4. Other receivables

Item	31 December 2024	31 December 2023
Interest receivable	–	4,842,630.35
Borrowings from related parties	–	4,842,630.35
Less: Provision for credit loss	–	1,342,470.30
Sub-total	<u>–</u>	<u>3,500,160.05</u>
Dividends receivable	<b>123,382,025.48</b>	156,452,807.01
Dalian Port Yidu Cold Chain Co., Ltd.	<b>72,317,796.35</b>	72,617,796.35
Dalian Jilong Logistics Co., Ltd.	<b>22,507,539.23</b>	22,507,539.23
Dalian Automobile Terminal Co., Ltd.	<b>12,800,000.00</b>	16,000,000.00
Dalian United International Shipping Agency Co., Ltd.	<b>8,569,000.00</b>	–
Dalian Singamas International Container Co., Ltd.	<b>3,049,158.68</b>	3,479,188.75
Ha'ou International Logistics Co., Ltd.	<b>2,641,218.93</b>	–
Dalian Dagang China Shipping Container Terminal Co., Ltd.	<b>1,457,312.29</b>	1,112,481.65
Dalian Wanpeng Port Engineering Testing Co., Ltd.	<b>40,000.00</b>	–
VTTI Terminals Dalian Co., Ltd.	–	15,000,000.00
China Merchants International Technology Company Limited (招商局國際科技有限公司)	–	25,735,801.03
Less: Provision for credit loss	<b>27,084,901.22</b>	21,030,742.83
Sub-total	<u><b>96,297,124.26</b></u>	<u>135,422,064.18</u>



Item	31 December 2024	31 December 2023
Other receivables	<b>414,263,310.84</b>	454,132,538.07
Government subsidies receivable	<b>307,413,298.21</b>	225,369,954.70
Receivables from income of entrusted management services	<b>8,050,000.00</b>	93,249,985.77
Settlement to be transferred	<b>1,592,090.17</b>	21,234,658.22
Public infrastructure maintenance expenses	<b>7,937,917.84</b>	10,100,888.22
Advances receivable	<b>16,407,087.19</b>	11,903,622.22
Receivables from deposit and security deposit	<b>14,836,730.72</b>	20,299,252.88
Receivables from project payment and guarantee deposit	<b>2,126,875.53</b>	4,721,938.13
Port miscellaneous expenses	<b>3,585,134.00</b>	3,605,011.76
Borrowings from related parties	–	23,000,000.00
Others	<b>52,314,177.18</b>	40,647,226.17
Less: Provision for credit loss	<b>73,545,966.52</b>	122,135,427.10
Sub-total	<b>340,717,344.32</b>	331,997,110.97
Total	<b>437,014,468.58</b>	470,919,335.20

The ageing analysis of other receivables is as follows:

	31 December 2024	31 December 2023
Within 1 year (including 1 year)	<b>188,091,618.31</b>	169,722,205.16
1 to 2 years (including 2 years)	<b>96,536,884.11</b>	83,396,601.14
2 to 3 years (including 3 years)	<b>55,849,920.74</b>	54,180,605.83
Over 3 years	<b>73,784,887.68</b>	146,833,125.94
Sub-total	<b>414,263,310.84</b>	454,132,538.07
Less: Provision for credit loss	<b>73,545,966.52</b>	122,135,427.10
Total	<b>340,717,344.32</b>	331,997,110.97

Movements in provision for bad debts of expected credit loss in relation to other receivables over the next 12 months and the entire duration are as follows:

	<b>Stage I</b>	<b>Stage II</b>	<b>Stage III</b>	<b>Total</b>
	<b>Expected credit loss over the next 12 months</b>	<b>Expected credit loss for the entire duration (without credit impairment)</b>	<b>Expected credit loss for the entire duration (with credit impairment)</b>	
Opening balance	1,962,787.98	9,582,935.50	110,589,703.62	122,135,427.10
Opening balance in the current year				
– Transfer to stage II	-68.90	68.90	–	–
– Transfer to stage III	-16.62	-48,238.58	48,255.20	–
– Reverse to stage I	639,000.00	–	-639,000.00	–
Provision in the year	13,386,488.31	3,382,034.83	-88,022,576.42	-71,254,053.28
Reversal in the year	–	–	–	–
Other changes	–	–	–	–
Impact of change in scope of consolidation	-51,856.34	-8,212,551.02	30,929,000.06	22,664,592.70
Closing balance	<u>15,936,334.43</u>	<u>4,704,249.63</u>	<u>52,905,382.46</u>	<u>73,545,966.52</u>

As at 31 December 2024, details of other receivables of which provision for bad debts is made according to the credit risk rating by the Group are as follows:

	<b>Book balance of estimated default</b>	<b>Expected credit loss rate</b>	<b>Expected credit loss over the next 12 months</b>	<b>Expected credit loss for the entire duration</b>
Provision for credit loss				
Portfolio A	341,538,882.92	0.00%-0.10%	15,934,055.22	–
Portfolio B	2,057,649.39	0.10%-0.30%	2,279.21	–
Portfolio C	17,597,964.80	0.30%-50.00%	–	4,704,249.63
Portfolio D	53,068,813.73	50.00%-100.00%	–	52,905,382.46
	<u>414,263,310.84</u>		<u>15,936,334.43</u>	<u>57,609,632.09</u>

As at 31 December 2024, a summary of the top five debtors by other receivables was as follows:

	<b>Balance</b>	<b>Provision for credit loss</b>	<b>% of total other receivables</b>
Total balances of top five other receivables	<u>350,799,201.35</u>	<u>61,456,384.28</u>	<u>84.68</u>

## 5. Inventories

<b>Item</b>	<b>Book balance</b>	<b>Closing balance provision for impairment of inventories</b>	<b>Carrying amount</b>	<b>Book balance</b>	<b>Opening balance provision for impairment of inventories</b>	<b>Carrying amount</b>
Raw materials	87,676,564.03	4,035,870.39	83,640,693.64	96,517,984.51	1,444,631.23	95,073,353.28
Inventories (finished goods)	13,641,102.90	3,569,820.98	10,071,281.92	17,175,511.99	2,697,873.64	14,477,638.35
Turnover materials	20,386,673.40	19,467.10	20,367,206.30	17,359,002.25	18,014.10	17,340,988.15
Contract performance cost	11,199,758.08	–	11,199,758.08	6,414,734.60	–	6,414,734.60
Others	<u>704,301.07</u>	<u>704,301.07</u>	<u>–</u>	<u>704,301.07</u>	<u>704,301.07</u>	<u>–</u>
Total	<u>133,608,399.48</u>	<u>8,329,459.54</u>	<u>125,278,939.94</u>	<u>138,171,534.42</u>	<u>4,864,820.04</u>	<u>133,306,714.38</u>

For the contract performance cost, the amortisation amount of RMB30,235,851.42 was recognised during the year.

Movements in the provision for impairment of inventories are as below:

<b>Item</b>	<b>Opening balance</b>	<b>Increase in the current period</b>	<b>Decrease in the current period</b>	<b>Closing balance</b>
		<b>Provision</b>	<b>Reversal or write-off</b>	
		<b>Others</b>	<b>Others</b>	
Raw materials	1,444,631.23	2,591,239.16	–	4,035,870.39
Inventories (finished goods)	2,697,873.64	871,947.34	–	3,569,820.98
Turnover materials	18,014.10	1,453.00	–	19,467.10
Others	<u>704,301.07</u>	<u>–</u>	<u>–</u>	<u>704,301.07</u>
Total	<u>4,864,820.04</u>	<u>3,464,639.50</u>	<u>–</u>	<u>8,329,459.54</u>

## 6. Investments in other equity instruments

Item	Cost	Changes in fair value accumulated in other comprehensive	Fair value	Current dividend income Equity instruments derecognised in the current period	Equity instruments still held
Jinzhou New Age Container Terminal Co., Ltd.	52,843,634.00	104,047,104.14	156,890,738.14	–	8,706,637.67
Qinhuangdao Port Xingangwan Container Terminal Co., Ltd.	60,000,000.00	-22,877,732.59	37,122,267.41	–	–
Dalian Port Design and Research Institute Co., Ltd.	634,600.00	5,164,740.62	5,799,340.62	–	580,000.00
Da-In Ferry Co., Ltd.	1,900,057.50	6,344,119.81	8,244,177.31	–	–
Dalian Xin Beiliang Co., Ltd.	16,184,400.00	-6,730,581.21	9,453,818.79	–	486,288.55
Total	<u>131,562,691.50</u>	<u>85,947,650.77</u>	<u>217,510,342.27</u>	<u>–</u>	<u>9,772,926.22</u>

## 7. Accounts payable

Accounts payable are interest-free and are usually settled within 3-6 months.

The ageing of accounts payable based on the recording date is analysed as follows:

Item	31 December 2024	31 December 2023
Within 1 year (including 1 year)	<b>356,428,911.28</b>	286,724,364.82
1 to 2 years (including 2 years)	<b>27,330,600.31</b>	9,403,164.90
2 to 3 years (including 3 years)	<b>2,287,932.43</b>	1,841,768.28
Over 3 years	<b>10,304,958.59</b>	24,543,479.37
Total	<u><b>396,352,402.61</b></u>	<u>322,512,777.37</u>

As at 31 December 2024, the Group has no major accounts payable with ageing over one year.

## 8. Contract liabilities

Item	31 December 2024	31 December 2023
All-in charges for port operations and port miscellaneous expenses	257,767,870.44	192,412,972.66
Freight	2,229,517.80	2,831,972.40
Others	25,025,754.50	24,433,958.90
Total	285,023,142.74	219,678,903.96

## 9. Other payables

Item	31 December 2024	31 December 2023
<b>Interest payable</b>	270,456,396.55	—
Interest payable on short-term borrowings	—	—
Interest payable on bonds	—	—
Interest of inter-company borrowings with instalment payments and principal due upon maturity	270,456,396.55	—
<b>Dividends payable</b>	187,293,731.99	187,078,249.46
Singapore Dalian Port Investment Pte. Ltd.	79,060,154.92	55,669,254.71
China Shipping Terminal Development Co., Ltd.	33,418,119.33	23,530,965.74
Nippon Yusen Kabushiki Kaisha	20,829,310.05	14,666,707.48
COSCO SHIPPING Ports (Dalian) Limited	13,227,372.07	9,313,894.54
Dalian City Construction Investment Group Co., Ltd.	11,648,655.69	11,648,655.69
COSCO SHIPPING Ports Development Co., Ltd.	11,129,237.19	7,836,518.16
Anshan Iron & Steel Co. Ltd.	8,000,000.00	—
Dalian Bonded Zhengtong Co., Ltd.	5,779,554.22	5,779,554.22
United States Sankyo Holdings Limited	2,334,071.40	2,036,793.56
NYK Bulk & Projects Carriers Ltd.	1,867,257.12	1,629,434.85
China Merchants International Technology Company Limited (招商局國際科技有限公司)	—	54,486,470.51
China Ocean Shipping Tally Co., Ltd.	—	480,000.00
<b>Other payables</b>	757,944,537.88	528,173,193.38
Project expenses and guarantee deposit	443,928,678.38	256,274,609.09
Land compensation	7,500,000.00	7,500,000.00
Deposit and security deposit	109,743,109.74	113,318,513.93
Freight	1,006,500.00	5,777,909.38
Others	195,766,249.76	145,302,160.98
Total	1,215,694,666.42	715,251,442.84

As at 31 December 2024, major other payables of the Group with ageing over one year are as follows:

<b>Item</b>	<b>Amounts</b>	<b>Reason for outstanding amount</b>
Ocean Harvest Container Co., Ltd.	<b>50,597,845.78</b>	The condition for payment is unsatisfied
Dalian Harbour Engineering Co., Ltd.	<b>32,336,877.11</b>	The condition for payment is unsatisfied
Wanbang (Shanghai) Shipping Industry Technology Co., Ltd. (萬邦(上海)船舶工業技術有限公司)	<b>13,740,000.00</b>	The condition for payment is unsatisfied
Jiangsu Zhengjian Construction Group Co., Ltd.	<b>12,998,389.26</b>	The condition for payment is unsatisfied
Sinopec Tenth Construction Co., Ltd.	<b>10,096,743.65</b>	The condition for payment is unsatisfied
No.3 Engineering Company Ltd. of CCCC First Harbor Engineering Company Ltd. (中交一航局第三工程有限公司)	<b>9,555,772.84</b>	The condition for payment is unsatisfied
Shanghai Zhenhua Heavy Industries Co. Ltd.	<b>8,188,075.38</b>	The condition for payment is unsatisfied
Dalian Enesky International Trade Co., Ltd.	<b>8,000,000.00</b>	The condition for payment is unsatisfied
Dalian Changxing Island Gangxing Land Development Co., Ltd. (大連長興島港興土地開發有限公司)	<b>7,512,222.16</b>	The condition for payment is unsatisfied
Dalian Beiliang Enterprise Group Co., Ltd.	<b>7,500,000.00</b>	The condition for payment is unsatisfied
<b>Total</b>	<b><u>160,525,926.18</u></b>	

#### **10. Revenue and cost of sales**

Revenue is as follows:

<b>Item</b>	<b>For the 12 months ended 31 December 2024</b>	<b>For the 12 months ended 31 December 2023</b>
Revenue from principal operations	<b>10,616,059,636.08</b>	11,796,067,601.17
Revenue from other operations	<b>450,630,405.28</b>	423,811,213.62
<b>Total</b>	<b><u>11,066,690,041.36</u></b>	<b><u>12,219,878,814.79</u></b>

Cost of sales is as follows:

<b>Item</b>	<b>For the 12 months ended 31 December 2024</b>	<b>For the 12 months ended 31 December 2023</b>
Cost of principal operations	<b>8,295,010,831.42</b>	8,476,211,625.17
Cost of other operations	<b>392,385,109.20</b>	353,571,960.52
<b>Total</b>	<b><u>8,687,395,940.62</u></b>	<b><u>8,829,783,585.69</u></b>

Revenue is as follows:

	<b>For the 12 months ended 31 December 2024</b>	<b>For the 12 months ended 31 December 2023</b>
Revenue from contracts with customers	<b>10,829,456,658.98</b>	11,980,322,830.12
Revenue from leasing services	<b>237,233,382.38</b>	239,555,984.67
<b>Total</b>	<b><u>11,066,690,041.36</u></b>	<b><u>12,219,878,814.79</u></b>

Breakdown of revenue is as follows:

2024

<b>Major operating region</b>	<b>Commodity</b>	<b>Labour services or services</b>	<b>Others</b>	<b>Total</b>
Within China	<u>140,954,150.20</u>	<u>10,483,913,300.89</u>	<u>441,822,590.27</u>	<u>11,066,690,041.36</u>
<b>Total</b>	<b><u>140,954,150.20</u></b>	<b><u>10,483,913,300.89</u></b>	<b><u>441,822,590.27</u></b>	<b><u>11,066,690,041.36</u></b>

Breakdown of revenue is as follows:

Major business segment	Commodity	Labour services or services	Others	Total
Container terminal and related logistics services	1,551,022.49	3,728,599,250.87	97,302,116.55	3,827,452,389.91
Oil/liquefied chemicals terminal and related logistics services	24,921,899.69	1,064,240,776.36	26,691,692.20	1,115,854,368.25
Bulk and general cargo terminal and related logistics services	2,235,656.74	3,694,564,422.71	12,805,811.98	3,709,605,891.43
Bulk grain terminal and related logistics services	6,558.73	677,939,748.78	11,850,189.57	689,796,497.08
Passenger and roll-on/roll-off terminal and related logistics services	6,039,306.12	192,395,845.41	17,428,494.55	215,863,646.08
Port value-added and ancillary services	106,199,706.43	1,012,099,368.07	105,179,968.70	1,223,479,043.20
Automobile terminal and related logistics services	–	60,989,814.42	4,128,464.72	65,118,279.14
Others	–	53,084,074.27	166,435,852.00	219,519,926.27
Total	<u>140,954,150.20</u>	<u>10,483,913,300.89</u>	<u>441,822,590.27</u>	<u>11,066,690,041.36</u>

Major business segment	Commodity	Labour services or services	Others	Total
<b>Time of revenue recognition</b>				
Recognised at a certain point of time				
Revenue from sales of goods	140,954,150.20	–	–	140,954,150.20
<b>Recognised over a certain period</b>				
Revenue from logistics services	–	800,230,116.37	–	800,230,116.37
Revenue from project construction and inspection services	–	108,725,580.46	–	108,725,580.46
Revenue from transportation	–	1,303,062,954.79	–	1,303,062,954.79
Revenue from port operation services	–	7,751,999,927.92	–	7,751,999,927.92
Revenue from port management services	–	334,612,984.07	–	334,612,984.07
Revenue from tallying services	–	53,894,973.69	–	53,894,973.69
Revenue from information services	–	122,377,805.90	–	122,377,805.90
Others	–	9,008,957.69	204,589,207.89	213,598,165.58
<b>Others</b>				
Revenue from leasing services	–	–	237,233,382.38	237,233,382.38
Total	<u>140,954,150.20</u>	<u>10,483,913,300.89</u>	<u>441,822,590.27</u>	<u>11,066,690,041.36</u>



The income recognised for the year and included in the book value of contract liability at the beginning of the year is as follows:

	<b>For the 12 months ended 31 December 2024</b>	<b>For the 12 months ended 31 December 2023</b>
Port miscellaneous expenses	<b>193,431,248.57</b>	244,837,177.40
Freight	<b>1,729,177.15</b>	23,577,151.68
Others	<b>21,363,521.71</b>	19,183,684.71
Total	<b><u>216,523,947.43</u></b>	<b><u>287,598,013.79</u></b>

#### **11. Financial expenses**

<b>Item</b>	<b>For the 12 months ended 31 December 2024</b>	<b>For the 12 months ended 31 December 2023</b>
Interest costs	<b>447,276,518.35</b>	501,452,869.60
Less: Amounts capitalised on interest	–	–
Interest expenses	<b>447,276,518.35</b>	501,452,869.60
Less: Interest income	<b>65,464,982.71</b>	75,403,616.14
Net exchange losses (net gain is represented by “-”)	<b>342,047.73</b>	4,993,183.05
Others	<b>711,848.37</b>	1,122,175.10
Total	<b><u>382,865,431.74</u></b>	<b><u>432,164,611.61</u></b>

#### **12. Credit impairment losses**

<b>Item</b>	<b>For the 12 months ended 31 December 2024</b>	<b>For the 12 months ended 31 December 2023</b>
Impairment losses on accounts receivable	<b>380,064,168.69</b>	-165,101,081.34
Impairment losses on other receivables	<b>61,049,818.39</b>	-45,987,061.66
Impairment losses on long-term receivables	–	50,000.00
Impairment losses on non-current assets within 1 year	<b><u>-13,200,000.00</u></b>	–
Total	<b><u>427,913,987.08</u></b>	<b><u>-211,038,143.00</u></b>

### 13. Other income

Item	For the 12 months ended 31 December 2024	For the 12 months ended 31 December 2023	Related to assets/ income
Relocation compensation	23,836,779.52	25,211,946.56	Related to assets
Production safety fund	1,271,978.56	1,271,978.56	Related to assets
Energy conservation and emission reduction special fund	927,112.24	939,395.81	Related to assets
Equipment reconstruction subsidies	9,117,011.82	9,140,453.38	Related to assets
Sea-railway combined transport subsidies	1,364,522.76	1,364,522.76	Related to assets
Transport junction passenger station project	10,303,338.60	11,418,327.70	Related to assets
Multi-mode transport demonstration project award	713,549.08	–	Related to assets
Operation subsidies	-1,508,500.80	–	Related to assets
Others related to assets	580,482.65	714,638.61	Related to assets
Operation subsidies	146,785,104.25	106,229,231.42	Related to income
Stable position subsidies	1,073,616.63	4,869,500.04	Related to income
Container subsidies	–	78,260.00	Related to income
Others related to income	2,601,473.34	54,201.32	Related to income
Total	<u>197,066,468.65</u>	<u>161,292,456.16</u>	

### 14. Investment income

Item	For the 12 months ended 31 December 2024	For the 12 months ended 31 December 2023
Income from long-term equity investments under equity method	-31,283,955.86	79,338,157.47
Investment income from disposal of subsidiaries	–	–
Investment income from disposal of long-term equity investments	11,205,897.17	6,360,918.83
Investment income during the holding period of financial assets at fair value through profit or loss	206,008,362.81	–
Investment income during the holding period of financial assets held for trading	7,770.83	–
Dividend income from other investments on hand in equity instruments	9,772,926.22	8,989,748.56
Investment income from disposal of financial assets at fair value through profit or loss	–	–
Investment income from disposal of financial assets held for trading	–	–
Investment income from wealth management products and entrusted investments	–	–
Others	9,466,373.59	2,390,332.98
Total	<u>205,177,374.76</u>	<u>97,079,157.84</u>

## 15. Income tax expenses

Item	For the 12 months ended 31 December 2024	For the 12 months ended 31 December 2023
Current income tax expenses	441,481,298.35	653,365,841.68
Deferred income tax expenses	<u>1,525,066.96</u>	<u>-125,624,332.74</u>
Total	<u><b>443,006,365.31</b></u>	<u><b>527,741,508.94</b></u>

The relationship of the total profit to the income tax expenses is as follows:

Item	For the 12 months ended 31 December 2024	For the 12 months ended 31 December 2023
Total profit	<u>1,795,031,049.50</u>	<u>2,034,992,700.03</u>
Income tax calculated at applicable tax rates	448,757,762.38	508,748,175.01
Effect of different tax rates applicable to certain subsidiaries	-4,549,465.60	-4,095,416.56
Adjustments for current income tax of prior period	4,697,280.61	787,921.25
Income not subject to tax	-103,681,045.29	-28,414,513.62
Expenses not deductible	18,708,194.63	15,979,023.16
Utilisation of deductible losses in previous years	-10,355,950.60	-3,080,994.67
Effect of unrecognised deductible temporary differences and deductible losses	83,505,754.30	39,759,548.47
Others	<u>5,923,834.88</u>	<u>-1,942,234.10</u>
Income tax expenses	<u><b>443,006,365.31</b></u>	<u><b>527,741,508.94</b></u>

## 16. Earnings per share (“EPS”)

The basic EPS is calculated by dividing the net profit for the period attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares in issue.

Item	For the 12 months ended 31 December 2024	For the 12 months ended 31 December 2023
Consolidated net profit attributable to ordinary shareholders of the parent company	1,143,973,474.80	1,343,109,072.73
Weighted average number of ordinary shares in issue of the Company	<u>23,964,342,573.00</u>	<u>23,987,065,816.00</u>
Basic earnings per share	<u>0.05</u>	<u>0.06</u>

As at 31 December 2024 and 31 December 2023, there were no dilutive potential ordinary shares in issue.

## 17. Dividend

	2024	2023
Proposed distribution of final dividend-RMB2.39 cents per share (tax included) (2023: RMB1.91 cents per share (tax included))	<u>564,957,484.53</u>	<u>458,152,957.09</u>

The proposal is subject to approval at the forthcoming annual general meeting of the Company and the dividend is expected to be distributed before 1 September 2025.

## 18. Segment information

### *Operating segments*

For management purposes, the Group is organised into business units based on its products and services and has seven reportable segments as follows:

- (1) Oil/liquefied chemicals terminal and related logistics services, which are responsible for loading and discharging, storage and transshipment of oil products and liquefied chemicals, port management services;
- (2) Container terminal and related logistics services, which are responsible for loading and discharging, storage and transshipment of containers, leasing of terminals and various container logistics services and sales of properties;
- (3) Bulk and general cargo terminal and related logistics services, which are responsible for loading and discharging of ore, general cargo and provision of related logistics services;

- (4) Bulk grain terminal and related logistics services, which are responsible for loading and discharging of grains and provision of related logistics services;
- (5) Passenger and roll-on/roll-off terminal and related logistics services, which are responsible for passenger transportation, general cargo roll-on and roll-off and provision of related logistics services;
- (6) Port value-added and ancillary services, which are responsible for tallying, tugging, transportation, power supply, information technology and construction services;
- (7) Automobile terminal and related logistics services, which are responsible for loading and discharging of automobile and provision of related logistics services.

Management monitors the operating results of each of the business units separately for the purpose of decision- making on resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted total profit. The adjusted total profit is measured consistently with the Group's total profit except for revenue and expenses attributable to headquarters. Segment assets and liabilities exclude assets and liabilities attributable to headquarters of the Company as these assets and liabilities are uniformly managed by the Group.

The above reportable segments are the basis on which the Group reports its segment information and no operating segments have been aggregated to form the reportable segments.

Reportable inter-segment revenue is eliminated on consolidation. Reportable inter-segment sales and purchases are conducted by the relevant companies in accordance with the terms mutually agreed between the parties.

Segment information for 2024 is as follows:

Item	Oil/Liquefied chemicals terminal and related logistics services RMB'000	Container terminal and related logistics services RMB'000	Bulk and general cargo terminal and related logistics services RMB'000	Bulk grain terminal and related logistics services RMB'000	Passenger and roll-on/roll-off terminal and related logistics services RMB'000	Port value-added and ancillary services RMB'000	Automobile terminal and related logistics services RMB'000	Others RMB'000	Elimination RMB'000	Total RMB'000
Revenue from external customers	1,115,854	3,827,452	3,709,606	689,796	215,864	1,223,479	65,118	219,520	-	11,066,689
Inter-segment revenue	49,218	168,620	34,399	4,130	1,688	1,009,827	-	125,999	-1,393,881	-
Cost of sales	1,081,480	2,759,053	2,817,064	579,997	164,690	853,085	50,930	381,096	-	8,687,395
Taxes and surcharges	21,363	21,474	22,646	3,796	3,791	6,832	2,889	45,981	-	128,772
Selling expenses	-	-	-	-	-	-	-	2,232	-	2,232
Administrative expenses	61,007	164,083	83,885	29,991	30,305	187,271	14,002	253,105	-	823,649
Research and development expenses	-	2,833	-	-	-	17,386	-	7	-	20,226
Financial expenses	96,718	15,321	122,759	1,664	-723	6,684	-1,973	142,415	-	382,865
Asset impairment losses	-	-1,287	-	-	-	-2,591	-873	-63,852	-	-68,603
Credit impairment losses	378,796	209	13,792	3	-102	2,538	-	32,677	-	427,913
Investment income	167,241	54,573	30,425	-73,401	-6,378	16,930	14,716	1,072	-	205,178
Including: Investment income from associates and joint ventures	78,336	33,724	-94,137	-73,887	-6,378	16,342	14,716	-	-	-31,284
Gains on disposals of assets	-	2,036	-	-	-	-	56	14,218	-	16,310
Other income	25,530	147,248	230	112	10,870	1,139	2,565	10,675	-	198,369
Operating profit	426,853	1,067,467	707,699	1,062	22,191	170,237	15,734	-610,526	-	1,800,717
Non-operating income	51	4,129	1,053	851	130	2,266	5	1,501	-	9,986
Non-operating expenses	-	1,180	1,717	22	-	1,087	67	11,598	-	15,671
Total profit	426,904	1,070,416	707,035	1,891	22,321	171,416	15,672	-620,623	-	1,795,032
Income tax	130,381	164,121	26,647	188	-3	20,091	155	101,427	-	443,007
Net profit	296,523	906,297	680,388	1,704	22,323	151,324	15,516	-722,051	-	1,352,024
Total assets	14,536,068	11,517,224	14,537,868	2,673,218	1,289,533	2,626,041	820,531	15,219,949	-3,433,502	59,786,930
Total liabilities	5,178,898	1,575,823	4,439,621	344,627	215,078	607,801	15,581	7,439,907	-3,433,502	16,383,834
Supplementary information										
Depreciation and amortization expenses	403,756	549,119	638,062	151,836	49,790	260,196	12,902	328,387	-	2,394,048
Long-term equity investments in associates and joint ventures	1,132,350	844,612	16,024	175,633	270,260	214,522	321,126	-	-	2,974,527
Capital expenditures (i)	129,178	115,156	161,577	57,362	21,828	64,110	3,197	410,097	-	962,505

(i) Capital expenditures include the fixed assets, construction in progress, intangible assets, long-term prepaid expenses, capital expenditure of investment properties and right-of-use assets.

## **19. Non-adjustment events after the balance sheet date**

### **Repurchase shares through centralized price bidding**

The Company convened the 2024 ninth extraordinary meeting of the seventh session of the Board of Directors on 6 September 2024 and the 2024 second extraordinary general meeting on 24 September 2024 to consider and approve the “Proposal on the Second Share Repurchase through Centralized Price Bidding of Liaoning Port Co., Ltd.”, approving the Company to repurchase the Company’s shares through centralized price bidding, and that the shares repurchased will all be used for cancellation and reduction of registered capital of the Company.

As of 31 December 2024, the Company has repurchased a total of 237,350,200 A shares. As of the date of this report, the share repurchase is still ongoing.

### ***Profit distribution after the balance sheet date***

In accordance with the resolution considered and approved at the Board meeting of the Company convened on 27 March 2025, the profit distribution plan for 2024 will be made based on the balance of 23,638,388,474 shares after deducting the Company’s shares in the special repurchase account (267,086,195 shares) from the Company’s existing total share capital of 23,905,474,669 shares and a cash dividend of RMB0.239 (tax inclusive) per 10 shares is proposed to be distributed to all shareholders. The total amount of cash dividend to be distributed will be RMB564,957,484.53. Where there are any changes in the total capital of the Company occurred before the record date of implementation of dividend distribution, the total amount of distribution shall be adjusted by the Company according to the principle that the dividend per share remains unchanged. The resolution is pending for approval at the general meeting of the Company.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **SUMMARY**

In 2024, the world economy exhibited a trend of fluctuating development with economic growth showing signs of modest recovery; influenced by global geopolitical factors and other issues during the same period, the economic recovery remained weak. The domestic economy demonstrated strong resilience and potential, generally reflecting a positive and upward development trend. The annual gross domestic product reached approximately RMB134.9 trillion. Against such backdrop, the Group solidly pushed forward efforts to capture market share externally, strengthen reforms and promote integrated development internally, thereby ensuring steady and orderly production and operation.

The Group is the most convenient maritime gateway to the Pacific Ocean and facing the world in Northeast Asia. It is equipped with a comprehensive transportation network and is one of the major sea-rail inter-modal transportation and maritime transit ports in China. During the Reporting Period, the Group's core businesses and business models include: oil/liquefied chemicals terminal and related logistics services (Oil Segment), container terminal and related logistics services (Container Segment), automobile terminal and related logistics services (Automobile Segment), bulk and general cargo terminal and related logistics services (Bulk and General Cargo Segment), bulk grain terminal and related logistics services (Bulk Grain Segment), passenger and roll-on/roll-off terminal and related logistics services (Passenger and Ro-ro Segment), and value-added and ancillary port operations (Value-added Services Segment).

### **ANALYSIS OF THE INDUSTRY IN WHICH THE GROUP OPERATED DURING THE REPORTING PERIOD**

In the shipping industry, the M2 Alliance formed by MSC (Mediterranean Shipping Company) and Maersk has disbanded, with new shipbuilding orders reaching record high. The leading shipping enterprises further enhanced their capabilities to control the industry chain and supply chain, and continued to strengthen their capabilities in adjusting operational capacity, redesigning route layout, and extending the entire supply chain. In the port industry, the competition among ports was intensifying in the Bohai Rim region, and evolving towards clustering and channelisation.



## OVERALL RESULTS REVIEW

In 2024, the Group's net profit attributable to shareholders of the parent company amounted to RMB1,143,973,474.80, representing a decrease of RMB199,135,597.93 or 14.8% as compared with the net profit of RMB1,343,109,072.73 in 2023.

In 2024, the Group experienced a decrease in the bulk and general cargo business such as ores and steels with high margins, as well as a year-on-year decrease in warehousing revenue from oil products. However, the completion of the consolidation of Dalian Changxing Island Port Investment Development Co., Ltd. ("**Changxing Investment Development**") and Dalian Changxing Island Port Co., Ltd. ("**Changxing Port**") not under the same control partially led to an increase in investment income. Additionally, actions such as the reduction in the reversal of credit impairment losses from the recovery of long-term receivables and the decrease in financial expenses helped to narrow the decline in profits. On a consolidated basis, the Group's net profit attributable to the parent company reported a year-on-year decrease of 14.8%.

In 2024, the Group's basic earnings per share amounted to RMB4.77 cents, representing a decrease of RMB0.83 cent or 14.8% year-on-year as compared with RMB5.60 cents in 2023.

### Changes in the principal component items of net profit are as follows:

Item	2024 (RMB)	2023 (RMB)	Changes (%)
Net profit attributable to shareholders of the parent company	1,143,973,474.80	1,343,109,072.73	-14.8
Including:			
Revenue	11,066,690,041.36	12,219,878,814.79	-9.4
Cost of sales	8,687,395,940.62	8,829,783,585.69	-1.6
Gross profit	2,379,294,100.74	3,390,095,229.10	-29.8
Gross profit margin	21.5%	27.7%	Down by 6.2 percentage points
Administrative expenses	823,649,555.41	735,736,896.11	11.9
Sales expenses	2,231,955.85	1,787,276.41	24.9
Research and development expenses	20,226,217.47	39,294,670.66	-48.5
Financial expenses	382,865,431.74	432,164,611.61	-11.4
Asset impairment losses	68,603,564.35	99,940,178.96	-31.4
Credit impairment losses	-427,913,987.08	211,038,143.00	-302.8
Other income	198,370,004.17	184,527,016.95	7.5
Investment income	205,177,374.76	97,079,157.84	111.4
Net non-operating income (Note 1)	-5,685,938.70	29,642,821.24	-119.2
Income tax expenses	443,006,365.31	527,741,508.94	-16.1

Note 1: Net non-operating income = Non-operating income – Non-operating expenses

In 2024, the Group's revenue decreased by RMB1,153,188,773.43 or 9.4% year-on-year, mainly due to the impact of the decline in the volume of bulk and general cargo business such as ores and steels, the decline of warehousing revenue from oil products, and the decrease in the container logistics service business such as shipping export agency and automobile imported parts and components. However, factors such as the growth in the throughput of the bulk grain business such as corn and the completion of the consolidation of Changxing Investment Development and Changxing Port reduced the decline in revenue.

In 2024, the Group's cost of sales decreased by RMB142,387,645.07 or 1.6% year-on-year, mainly due to the decrease in cost control, labour costs, labour expenses, maintenance and material expenses and energy costs.

In 2024, the Group's gross profit decreased by RMB1,010,801,128.36 or 29.8% year-on-year. The gross profit margin was 21.5%, representing a decrease of 6.2 percentage points. The decrease was mainly due to the combined effect of the decrease in the bulk and general cargo business such as ores and steels with high margins, as well as the decline of warehousing revenue from oil products.

In 2024, the Group's administrative expenses increased by RMB87,912,659.30 or 11.9% year-on-year, mainly due to the impact of the consolidation of Changxing Investment Development and Changxing Port and the increase in labour costs and depreciation and amortization expenses.

In 2024, the Group's sales expenses increased by RMB444,679.44 or 24.9% year-on-year, mainly due to the business promotion activities carried out during the year.

In 2024, the Group's research and development expenses decreased by RMB19,068,453.19 or 48.5% year-on-year, mainly due to the decrease in research and development projects of the information companies during the year.

In 2024, the Group's financial expenses decreased by RMB49,299,179.87 or 11.4% year-on-year, mainly due to the repayment of some interest-bearing liabilities during the year.

In 2024, the Group's asset impairment losses decreased by RMB31,336,614.61 or 31.4% year-on-year, mainly due to the provision for impairment of construction in progress by the subsidiaries in the previous year.

In 2024, the Group's credit impairment losses decreased by RMB638,952,130.08 or 302.8% year-on-year, mainly due to the decrease in accounts receivable.

In 2024, the Group's other income increased by RMB13,842,987.22 or 7.5% year-on-year, which was mainly due to the increase in revenue of subsidy of China-Europe cross-border train lines and sea-rail intermodal transport.

In 2024, the Group's investment income increased by RMB108,098,216.92 or 111.4% year-on-year, mainly due to the completion of the consolidation of Changxing Investment Development and Changxing Port not under the same control.

In 2024, the Group's net non-operating income decreased by RMB35,328,759.94 or 119.2% year-on-year, mainly due to the impact of insurance claims received in the prior year.

In 2024, the Group's income tax expenses decreased by RMB84,735,143.63 or 16.1% year-on-year, mainly due to the decrease in taxable income caused by the changes in operating profit.

## **ASSETS AND LIABILITIES**

As of 31 December 2024, the Group's total assets and net assets attributable to shareholders of the parent company amounted to RMB59,786,931,555.09 and RMB39,797,657,781.18, respectively. The net asset value per share was RMB1.66, increasing slightly compared with the net asset value of RMB1.65 per share as of 31 December 2023.

As of 31 December 2024, the Group's total liabilities amounted to RMB16,383,834,665.08, of which total outstanding borrowings amounted to RMB7,886,819,576.40 (this part of the borrowings carries a fixed interest rate). The gearing ratio was 27.4% (the total liabilities of RMB16,383,834,665.08/the total assets of RMB59,786,931,555.09), representing an increase of 3.2 percentage points as compared with 24.2 % as at 31 December 2023, which was mainly due to the consolidation of Changxing Investment Development and Changxing Port.

## **FINANCIAL RESOURCES AND LIQUIDITY**

As of 31 December 2024, the Group had a balance of cash and cash equivalents of RMB5,248,560,887.43, representing an increase of RMB48,961,119.95 as compared to that of 31 December 2023.

As at 31 December 2024, the Group's net cash inflows generated from operating activities amounted to RMB4,287,348,345.76, net cash outflows for investment activities amounted to RMB221,381,900.89, and net cash outflows for financing activities amounted to RMB4,020,403,139.08.

Benefiting from the sufficient operating cash inflows of the Group, our ability to raise capital through multiple financing channels such as bond issuance and bank borrowings, and the Group's sound and prudent decision-making in assets and equity investment, the Group maintained its solid financial position and capital structure.

As of 31 December 2024, the Group's outstanding borrowings amounted to RMB7,886,819,576.40 (this part of the borrowings carries a fixed interest rate), in which RMB2,717,035,920.34 were borrowings repayable within one year, and RMB5,169,783,656.06 were borrowings repayable after one year.

The Group's net debt-equity ratio was 17.9% as of 31 December 2024, as compared with 13.5% as at 31 December 2023, mainly due to the increase in the debt scale as a result of the consolidation of Changxing Investment Development and Changxing Port.

As of 31 December 2024, the Group's unutilised bank line of credit amounted to RMB18.3 billion.

As an A-share and H-share dual-listed company, the Group enjoys access to both domestic and overseas capital markets for financing. China Chengxin International Credit Rating Company Limited, being an external rating agency, has assigned an issuer credit composite rating of AAA to the Group with stable credit rating outlook, indicating the Group's sound condition in capital market financing.

The Group closely monitored its interest rate risk and exchange rate risk. As of 31 December 2024, the Group had not entered into any foreign exchange hedging contracts. Please refer to the annual report to be disclosed for further details about the interest rate and exchange rate risks.

## CONTINGENCIES

### Pending Litigations and Arbitrations

#### ***Pending litigation and arbitration concerning DCT Logistics Co., Ltd. (hereinafter referred to as "DCT Logistics"), a subsidiary of the Group***

From January 2020 to February 2021, Shunde (Dalian) Supply Chain Management Co., Ltd. (舜德(大連)供應鏈管理股份有限公司) (hereinafter referred to as "**Shunde**"), an independent third party of the Company, carried out business cooperation with certain companies including Qingdao Kaitou International Trade Co., Ltd. (青島開投國際貿易有限公司) (hereinafter referred to as "**Qingdao Kaitou**"), China Chengtong International Co., Ltd. (中國誠通國際貿易有限公司) (hereinafter referred to as "**Chengtong**"), Zhejiang Metals and Materials Co. (物產中大金屬集團有限公司) (hereinafter referred to as "**Zhejiang Metals**"), Fujian Rongjiang Import & Export Co., Ltd. (福建省榕江進出口有限公司) (hereinafter referred to as "**Rongjiang**"), Qingdao Zhong Yan Trading Co., Ltd. (青島中兗貿易有限公司) (hereinafter referred to as "**Qingdao Zhong Yan**") and other companies (hereinafter referred to as "**Import Agents**" or "**Warehousing Clients**") by entering into Import Agent Agreement or Agent Procurement Contract with such Import Agents, pursuant to which the Import Agents agreed to licence Shunde's imported goods and open letters of credit in the name of the Import Agents for the payment of imported goods, and the risks and liabilities

of related imported goods shall be borne by Shunde. Meanwhile, the Import Agents respectively signed a Customs Declaration Logistics Warehousing Agreement or Import Freight Forwarding Agreement with DCT Logistics, a subsidiary of the Group, agreeing that DCT Logistics handles import goods customs declaration, goods warehousing and custody services for the Import Agents.

In actual business, the expenses incurred under the Customs Declaration Logistics Warehousing Agreement or Import Freight Forwarding Agreement shall be settled by Shunde in accordance with the agreed rates under the Packing and Unpacking (Packing up) Agreement it signed with DCT Logistics. As Shunde failed to repay part of the import letter of credit payment to the Import Agents as scheduled, these Import Agents filed lawsuits against DCT Logistics in Dalian Maritime Court and other people's courts, respectively, requesting DCT Logistics and Shunde to return the relevant goods under the Customs Declaration Logistics Warehousing Agreement or the Import Freight Forwarding Agreement signed with DCT Logistics. In May 2021, DCT Logistics was approved by the Dalian Maritime Court to file a pre-litigation property preservation against Shunde. After thorough communication and negotiation with the parties to the litigation, one of the Warehousing Clients had settled with Shunde and withdrawn its lawsuit against Shunde and DCT Logistics, and this settlement arrangement did not involve any compensation obligation for DCT Logistics. The total claims of the other Warehousing Clients amounted to RMB1.06 billion. On 18 December 2023, Dalian Maritime Court issued a first instance judgement ((2022) Liao 72 Min Chu No. 1342 II) regarding the lawsuit case, holding that the case was suspected of involving economic crimes and should be transferred to the public security organs for investigation, thus it ruled to reject the prosecution of DCT Logistics.

On 24 November 2021, Ningbo Maritime Court issued a first instance judgement (Ningbo Maritime Court (2021) Zhe 72 Min Chu No. 1428) regarding the lawsuit case of Chengtong against DCT Logistics. The judgement ruled that DCT Logistics should pay RMB109.6946 million to Chengtong and the interest, based on the amount, to be calculated at prime rate for the corresponding period as announced by the National Interbank Funding Center from 23 March 2021 up to the date of actual payment. Other litigation claims from Chengtong were dismissed. On 9 December 2021, DCT Logistics appealed to the Higher People's Court of Zhejiang Province against the first instance judgment regarding the case of Chengtong. On 1 April 2022, the Higher People's Court of Zhejiang Province issued a civil ruling ((2022) Zhe Min Zhong No. 21), rejecting all of the claims of DCT Logistics. On 19 October 2022, DCT Logistics filed an application for retrial with the Higher People's Court of Zhejiang Province. On 6 March 2023, the Higher People's Court of Zhejiang Province issued a civil ruling ((2022) Zhe Min Shen No. 6364), rejecting the retrial application. On 12 October 2022, Dalian Jifa Port Logistics Co., Ltd. received the assistance execution notice ((2022) Zhe 72 Zhi No. 286) issued by the Ningbo Maritime Court, requiring to deposit the lease payment payable to DCT Logistics into the account designated by Ningbo Maritime Court. In this year, Dalian Jifa Port Logistics Co., Ltd. made a lease payment of RMB8.28 million to the account designated by Ningbo Maritime Court, and a total



of RMB18.63 million had been paid to the account designated by Ningbo Maritime Court for the lease payment. In February 2025, Dalian Jifa Port Logistics Co., Ltd. made a lease payment of RMB2.07 million to the account designated by Ningbo Maritime Court, and as at the date of this report, a total of RMB20.70 million had been paid to the account designated by Ningbo Maritime Court for the lease payment.

On 30 December 2021, Ningbo Maritime Court issued a first instance judgement (Ningbo Maritime Court (2021) Zhe 72 Min Chu No. 1205) regarding the lawsuit case of Zhejiang Metals against DCT Logistics. The judgement ruled that DCT Logistics should pay RMB10.2634 million to Zhejiang Metals and the interest, based on the amount, to be calculated at benchmark borrowing rate as announced by the National Interbank Funding Center from 1 September 2021 up to the date of actual payment. Other litigation claims from Zhejiang Metals were dismissed. On 28 February 2022, DCT Logistics appealed to the Higher People's Court of Zhejiang Province against the first instance judgment regarding the case of Zhejiang Metals. On 11 April 2022, the Higher People's Court of Zhejiang Province issued a civil ruling ((2022) Zhe Min Zhong No. 129), rejecting all of the claims of DCT Logistics. On 25 May 2022, Ningbo Maritime Court has deducted RMB8.8393 million from the bank deposits of DCT Logistics according to the judgments and rulings in force. On 19 October 2022, DCT Logistics filed an application for retrial with the Higher People's Court of Zhejiang Province. On 6 March 2023, the Higher People's Court of Zhejiang Province issued a civil ruling ((2022) Zhe Min Shen No. 6365), rejecting the retrial application.

On 31 December 2021, Dalian Maritime Court issued a first instance judgement (Dalian Maritime Court (2021) Liao 72 Min Chu No. 352) regarding the lawsuit case of Qingdao Kaitou against DCT Logistics. The judgement ruled that DCT Logistics should pay RMB299.3826 million to Qingdao Kaitou and the interest, based on the amount, to be calculated at prime rate for the corresponding period as announced by the National Interbank Funding Center from 27 March 2021 up to the date of actual payment. Other litigation claims from Qingdao Kaitou were dismissed. On 28 February 2022, DCT Logistics appealed to the Higher People's Court of Liaoning Province against the first instance judgment regarding the case of Qingdao Kaitou. On 16 August 2022, the Higher People's Court of Liaoning Province issued a civil ruling ((2022) Liao Min Zhong No. 715) as follows: 1) the civil judgment of Dalian Maritime Court (2021) Liao 72 Min Chu No. 352 was revoked; 2) the case was referred back to Dalian Maritime Court for retrial. On 22 December 2023, Dalian Maritime Court issued a first instance judgement (Dalian Maritime Court (2022) Liao 72 Min Chu No. 1348 I) regarding the lawsuit case of Qingdao Kaitou against DCT Logistics, rejecting the litigation of Qingdao Kaitou. On 11 January 2024, Qingdao Kaitou appealed to the Higher People's Court of Liaoning Province against the first instance judgment. On 9 December 2024, the Higher People's Court of Liaoning Province issued a civil ruling ((2024) Liao Min Zhong No. 610) as follows: the civil ruling of Dalian Maritime Court (2022) Liao 72 Min Chu No. 1348 I was revoked, and Dalian Maritime Court was directed to hear the case.

On 27 January 2022, Dalian Maritime Court issued a first instance judgement (Dalian Maritime Court (2021) Liao 72 Min Chu No. 372) regarding the lawsuit case of Rongjiang against DCT Logistics. The judgement ruled that DCT Logistics should compensate Rongjiang for the loss of goods of RMB336.0810 million and the interest, based on the amount, to be calculated at prime rate as announced by the National Interbank Funding Center from 7 April 2021 up to the date of actual payment, and DCT Logistics should compensate Rongjiang for liability insurance fees of litigation preservation of RMB254,800. Other litigation claims from Rongjiang were dismissed. On 1 March 2022, DCT Logistics appealed to the Higher People's Court of Liaoning Province against the first instance judgment regarding the case of Rongjiang. On 4 August 2022, the Higher People's Court of Liaoning Province issued a civil ruling ((2022) Liao Min Zhong No. 642) as follows: 1) the civil judgment of Dalian Maritime Court (2021) Liao 72 Min Chu No. 372 was revoked; 2) the case was referred back to Dalian Maritime Court for retrial. On 22 December 2023, Dalian Maritime Court issued a first instance judgement (Dalian Maritime Court (2022) Liao 72 Min Chu No. 1189 I) regarding the lawsuit case of Rongjiang against DCT Logistics, rejecting the litigation of Rongjiang. On 9 January 2024, Rongjiang appealed to the Higher People's Court of Liaoning Province against the first instance judgment. On 9 December 2024, the Higher People's Court of Liaoning Province issued a civil ruling ((2024) Liao Min Zhong No. 569) as follows: the civil ruling of Dalian Maritime Court (2022) Liao 72 Min Chu No. 1189 I was revoked, and Dalian Maritime Court was directed to hear the case.

On 19 June 2023, Dalian Maritime Court issued a first instance judgement (Dalian Maritime Court (2022) Liao 72 Min Chu No. 808) regarding the lawsuit case of Qingdao Zhong Yan against DCT Logistics. The judgement ruled that DCT Logistics should compensate Qingdao Zhong Yan for the loss of goods of RMB169.2464 million and the interest, based on the amount, to be calculated at prime rate as announced by the National Interbank Funding Center from 9 April 2021 up to the date of actual payment, and DCT Logistics should compensate Qingdao Zhong Yan for liability insurance fees of litigation preservation of RMB134,700. Other litigation claims from Qingdao Zhong Yan were dismissed. On 3 July 2023, DCT Logistics appealed to the Higher People's Court of Liaoning Province against the first instance judgment regarding the case of Qingdao Zhong Yan. On 24 December 2024, the Higher People's Court of Liaoning Province issued a civil ruling ((2023) Liao Min Zhong No. 1787) as follows: the appeal was dismissed and the original judgment was upheld. On 4 March 2025, the Dalian Maritime Court issued Notice of Enforcement (2025) Liao 72 Zhi No. 133, ordering DCT Logistics to pay Qingdao Zhong Yan RMB169.3861 million plus interest and to bear the enforcement fee of RMB236,800.

On 30 December 2022, Dalian Maritime Court issued a first instance judgement (Dalian Maritime Court (2022) Liao 72 Min Chu No. 1041) regarding the lawsuit case of Xinwen Mining Group Material Supply and Marketing Co., Ltd. (新汶礦業集團物資供銷有限責任公司) (hereinafter referred to as “**Xinwen Mining**”) against DCT Logistics. The judgement ruled that DCT Logistics should pay RMB12.5291 million and RMB2.3585 million for the loss of goods and other losses respectively to Xinwen Mining, and the interest, based on RMB12.5291 million and RMB2.3585 million, to be calculated at prime rate as announced by the National Interbank Funding Center from 6 May 2021 and 7 June 2021 respectively up to the date of actual payments, and DCT Logistics should pay RMB45,000 to Xinwen Mining for liability insurance fees of preservation. Other litigation claims from Xinwen Mining were dismissed. On 18 January 2023, DCT Logistics appealed to the Higher People’s Court of Liaoning Province against the first instance judgment regarding the case of Xinwen Mining. On 17 August 2023, the Higher People’s Court of Liaoning Province issued a civil ruling ((2023) Liao Min Zhong No. 881) as follows: the civil judgment of Dalian Maritime Court (2022) Liao 72 Min Chu No. 1041 was changed to “rule that DCT Logistics should pay RMB11.8276 million and RMB2.3585 million for the loss of goods and other losses respectively to Xinwen Mining, and the interest, based on RMB11.8276 million and RMB2.3585 million, to be calculated at prime rate as announced by the National Interbank Funding Center from 6 May 2021 and 7 June 2021 respectively up to the date of actual payments”, and the original judgment was upheld for other matters.

In May 2022, Chongqing Yu Feng Imp. & Exp. Co., Ltd. (重慶渝豐進出口有限公司) (hereinafter referred to as “**Chongqing Yu Feng**”) filed a lawsuit with Wuhan Maritime Court against DCT Logistics, demanding DCT Logistics to compensate for a loss of RMB120.2513 million and the loss of interest on that capital amount. On 6 September 2022, Wuhan Maritime Court issued a first instance judgement (Wuhan Maritime Court (2021) E 72 Min Chu No. 820) regarding the lawsuit case of Chongqing Yu Feng against DCT Logistics. The judgement ruled that DCT Logistics should pay to Chongqing Yu Feng RMB120.2513 million and the loss of interest, based on that amount, to be calculated at prime rate for the corresponding period as announced by the National Interbank Funding Center from 20 March 2021 up to the date of actual performance of the effective judgement. Other litigation claims from Chongqing Yu Feng were dismissed. On 16 September 2022, DCT Logistics appealed to Higher People’s Court of Hubei Province against the first instance judgment regarding the case of Chongqing Yu Feng. On 16 May 2023, the Higher People’s Court of Hubei Province issued a civil ruling ((2022) E Min Zhong No. 1361), rejecting all of the claims of DCT Logistics. On 17 November 2023, the Wuhan Maritime Court issued a ruling ((2023) E 72 Zhi No. 447 I) on the case regarding Chongqing Yu Feng’s application for the compulsory execution against DCT Logistics, terminating the current enforcement proceedings.



Having fully considered the amount of claims involved by DCT Logistics, the judgement issued by the court and the opinions of internal and external legal advisors, and taking into account that DCT Logistics is a limited company, and the Company and its other subsidiaries do not have guarantee liability or joint and several liability over any such liability of DCT Logistics, the Group had made provisions for estimated liabilities of RMB180 million which was equivalent to the recoverable amount of the book value of the net assets of DCT Logistics as of 31 December 2021. Due to the transfer of the bank deposits of DCT Logistics ordered by the court, the estimated liabilities for 2024 decreased by RMB8.28 million (2023: RMB10.35 million). As of 31 December 2024, the Group had made provisions for estimated liabilities of RMB152 million in aggregate in respect of those lawsuits.

Save for the above contingencies, as at 31 December 2024, the Group did not have other major guarantees and other contingencies required to be specified.

## **CAPITAL EXPENDITURE**

As at 31 December 2024, the Group's capital expenditure amounted to RMB962,504,897.77, which was mainly funded by the surplus cash generated from operating activities and other external financing.

**An analysis of the performance of each business segment of the Group in 2024 is as follows:**

### **Oil Segment**

The following table sets out the throughput completed by the Group's oil/liquefied chemicals terminal in 2024 as compared with that of 2023:

	<b>2024</b>	<b>2023</b>	<b>Increase/ (decrease)</b>
	<b>(<i>'0,000 tonnes</i>)</b>	<b>(<i>'0,000 tonnes</i>)</b>	
Crude oil	<b>4,192.9</b>	3,610.9	16.1%
Liquefied chemicals	<b>146.7</b>	128.4	14.3%
LNG	<b>195.2</b>	251.3	(22.3%)
Others	<b>1,544.4</b>	1,484.1	4.1%
	<hr/>	<hr/>	<hr/>
Total	<b>6,079.2</b>	5,474.7	11.0%
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

In 2024, the Group handled a total of 60.792 million tonnes of oil/liquefied chemicals throughput, representing a year-on-year increase of 11.0%.

In 2024, the Group's crude oil throughput was 41.929 million tonnes, representing a year-on-year increase of 16.1%, of which imported crude oil throughput was 25.482 million tonnes, representing a year-on-year increase of 19.5%. In 2024, the Group achieved an increase in crude oil throughput, as it strived to secure the crude oil transshipment businesses of China National Offshore Oil Corporation (CNOOC) and the crude oil supply guarantee business for refineries in the hinterland.

In 2024, the Group's liquefied chemicals throughput was 1.467 million tonnes, representing a year-on-year increase of 14.3%. Such increase was mainly due to the addition of MTBE export business.

In 2024, the Group's LNG throughput was 1.952 million tonnes, representing a year-on-year decrease of 22.3%. Such decrease was due to the impact of increased supply from gas pipeline offsetting China's hinterland demand for seaborne LNG imports.

In 2024, the Group's other products throughput amounted to 15.444 million tonnes, representing a year-on-year increase of 4.1%. The recovery in the Group's other products (mainly refined oil) throughput was mainly due to a lower base of refined oil products transshipment in 2024 as a result of large refinery maintenance in the hinterland.

The performance of the Oil Segment is set out as follows:

Item	2024 (RMB)	2023 (RMB)	Change (%)
Revenue	<b>1,115,854,368.25</b>	1,650,277,132.48	-32.4
Percentage of the Group's revenue	<b>10.1%</b>	13.5%	Down by 3.4 percentage points
Gross profit	<b>34,373,878.24</b>	605,074,769.81	-94.3
Percentage of the Group's gross profit	<b>1.4%</b>	17.8%	Down by 16.4 percentage points
Gross profit margin	<b>3.1%</b>	36.7%	Down by 33.6 percentage points

In 2024, the revenue from the Oil Segment decreased by RMB534.42 million or 32.4% year-on-year, mainly due to the impact of lower warehousing revenue.

In 2024, the gross profit of the Oil Segment decreased by RMB570.70 million or 94.3% year-on-year, and the gross profit margin decreased by 33.6 percentage points year-on-year, mainly due to the impact of the decrease in warehousing revenue while the continuous generation of related fixed costs.

## Container Segment

The following table sets out the throughput completed by the Group's container terminal in 2024 as compared with that of 2023:

	<b>2024</b> <i>(‘0,000 TEUs)</i>	<b>2023</b> <i>(‘0,000 TEUs)</i>	<b>Increase/ (decrease)</b>
Container	<b><u>1,086.2</u></b>	<b><u>1,026.3</u></b>	<b><u>5.8%</u></b>

In 2024, in terms of container throughput, the Group handled a total of 10.862 million TEUs, representing a year-on-year increase of 5.8%. The main reasons were as follows: First, the Group improved the container shipping route network, promoted the construction of hubs and corridors, and upgrading the service capacity of shipping routes, and expanded 9 new container shipping routes throughout the year. Second, the Group actively strived for ad-hoc shipping call business to effectively supplement the port's direct shipping capacity. Third, the Group continued to optimise the transshipment services in branch lines of Bohai Rim region, and continuously stepped up the development of cargo sources, and the branch line network covered 16 ports such as Liaoning, Hebei, Shandong and Jiangsu, with a year-on-year increase of 9% in transshipment volume. Fourth, the Group continuously promoted the cooperation between the port and shipping companies, and strengthened the domestic and overseas trade cooperation, and strengthened incremental businesses such as transshipment of domestic and overseas trade shipping companies and empty container allocation (distribution) business. Fifth, the Group continued to develop specialised logistics projects and intensify its efforts to compete for “bulk-to-container” cargo sources.

The performance of the Container Segment is set out as follows:

Item	<b>2024</b> <b>(RMB)</b>	<b>2023</b> <b>(RMB)</b>	<b>Change</b> <b>(%)</b>
Revenue	<b>3,827,452,389.91</b>	3,877,110,859.32	-1.3
Percentage of the Group's revenue			Up by 2.9
	<b>34.6%</b>	31.7%	percentage points
Gross profit	<b>1,068,399,737.63</b>	1,196,074,223.94	-10.7
Percentage of the Group's gross profit			Up by 9.6
	<b>44.9%</b>	35.3%	percentage points
Gross profit margin			Down by 2.9
	<b>27.9%</b>	30.8%	percentage points

In 2024, the revenue from the Container Segment decreased by RMB49.66 million or 1.3% year-on-year, mainly due to combined effect of the decrease in revenue from container logistics services such as shipping export agency and automobile imported parts and components, the decrease in business revenue from Bohai Rim region, as well as the increase in revenue from loading and discharging and port services driven by the increase in container volume.

In 2024, the gross profit of the Container Segment decreased by RMB127.67 million or 10.7% year-on-year, and the gross profit margin decreased by 2.9 percentage points year-on-year, mainly due to the impact of the market impact, resulting in a decrease in the price of the ship leasing business and the container logistics business, and an increase in the related depreciation costs.

## Automobile Segment

The following table sets out the throughput completed by the Group's automobile terminal in 2024 as compared with that of 2023:

		2024	2023	Increase/ (decrease)
Vehicles (units)	Foreign trade	65,197	86,086	(24.3%)
	Domestic trade	666,453	722,135	(7.7%)
	Total	731,650	808,221	(9.5%)
Equipment (tonnes)		47,630	31,690	50.3%

In 2024, the Group handled a total of 731,650 vehicles in automobile terminal, representing a year-on-year decrease of 9.5%. The decrease in domestic trade business of commercial vehicle was due to multiple factors, such as insufficient ro-ro transportation capacity and the impact of new energy vehicles on the fuel vehicle consumption market, while the foreign trade business of commercial vehicle recorded a decrease due to the decrease in demand for Japanese and Korean commercial vehicles transiting through our port and the imposition of countervailing duty by the European Union on the import of electric vehicles from the PRC. The Group actively promoted the diversified development of foreign trade business of commercial vehicle, and launched liner routes for FAW-branded commercial vehicles to be exported to Southeast Asia and the Persian Gulf.

The performance of the Automobile Segment is set out as follows:

Item	2024 (RMB)	2023 (RMB)	Change (%)
Revenue	65,118,279.14	63,487,746.07	2.6
Percentage of the Group's revenue	0.6%	0.5%	Up by 0.1 percentage point
Gross profit	14,188,590.98	15,251,235.72	-7.0
Percentage of the Group's gross profit	0.6%	0.4%	Up by 0.2 percentage point
Gross profit margin	21.8%	24.0%	Down by 2.2 percentage points

In 2024, the revenue from the Automobile Terminal Segment increased by RMB1.63 million or 2.6% year-on-year, mainly due to the increase in the business volume of Dalian Haijia Automobile Terminal Co., Ltd..

In 2024, the gross profit of the Automobile Terminal Segment decreased by RMB1.06 million or 7.0% year-on-year, and the gross profit margin decreased by 2.2 percentage points year-on-year, mainly due to the combined effect of the increase in the business volume of Dalian Haijia Automobile Terminal Co., Ltd. while the decrease in gross profit of Dalian Harbour ECL Logistics Co., Ltd..

### Bulk and General Cargo Segment

The following table sets out the throughput completed by the Group's Bulk and General Cargo Segment in 2024 as compared with that of 2023:

	<b>2024</b>	<b>2023</b>	<b>Increase/ (decrease)</b>
	<b>(<i>'0,000 tonnes</i>)</b>	<b>(<i>'0,000 tonnes</i>)</b>	
Steel	<b>2,138.2</b>	2,340.4	(8.6%)
Iron ore	<b>5,413.5</b>	6,340.0	(14.6%)
Others	<b>8,486.0</b>	7,921.5	7.1%
Total	<b><u>16,037.7</u></b>	<b><u>16,601.9</u></b>	<b><u>(3.4%)</u></b>

In 2024, the throughput of the Group's Bulk and General Cargo Segment amounted to 160.377 million tonnes, representing a year-on-year decrease of 3.4%.

In 2024, the throughput of the Group's steel segment amounted to 21.382 million tonnes, representing a year-on-year decrease of 8.6%. Such year-on-year decrease in steel throughput was due to the overall situation of "weak supply and demand" in the domestic steel market and the steel demand of downstream terminal was released slowly.

In 2024, the throughput of the Group's iron ore segment amounted to 54.135 million tonnes, representing a year-on-year decrease of 14.6%. Such year-on-year decrease in throughput was mainly due to the continuous loss of steel enterprises, the production limit and production reduction of some steel mills, and the reduction of imported ore consumption, coupled with some steel mills adjusting the proportion of using more domestic ore.

The performance of the Bulk and General Cargo Segment is set out as follows:

Item	2024 (RMB)	2023 (RMB)	Change (%)
Revenue	3,709,605,891.43	4,218,416,727.01	-12.1
Percentage of the Group's revenue			Down by 1.0
	33.5%	34.5%	percentage point
Gross profit	892,542,044.58	1,238,294,215.19	-27.9
Percentage of the Group's gross			Up by 1.0
profit	37.5%	36.5%	percentage point
Gross profit margin			Down by 5.3
	24.1%	29.4%	percentage points

In 2024, the revenue from the Bulk and General Cargo Segment decreased by RMB508.81 million or 12.1% year-on-year, mainly due to the decrease in revenue from loading and discharging as a result of the decrease in the business volume of ore and steel due to market impact.

In 2024, the gross profit of the Bulk and General Cargo Segment decreased by RMB345.75 million or 27.9% year-on-year, and the gross profit margin decreased by 5.3 percentage points year-on-year, mainly due to the decrease in revenue as a result of the decrease in business volume of ore and steel with high margins, while the labour and service costs and depreciation expenses also decreased, but the amount of decrease in cost was higher than the amount of decrease in revenue.

### Bulk Grain Segment

The following table sets out the throughput completed by the Group's bulk grain terminal in 2024 as compared with that of 2023:

	2024 ( <i>'0,000 tonnes</i> )	2023 ( <i>'0,000 tonnes</i> )	Increase/ (decrease)
Corn	870.7	751.9	15.8%
Soybean	382.0	362.2	5.5%
Others	311.1	413.9	(24.8%)
Total	<u>1,563.8</u>	<u>1,528.0</u>	<u>2.3%</u>

In 2024, the throughput of the Group's bulk grain terminal amounted to 15.638 million tonnes, representing a year-on-year increase of 2.3%.

In 2024, the Group completed the corn throughput of 8.707 million tonnes, representing a year-on-year increase of 15.8%. The profitability of the breeding industry improved, coupled with the tightening of national food import policies, resulting in a decrease in imported substitutes. This led to an increase in demand for corn, significantly boosting the volume of corn transported through the “Northern Grain to Southern Ports” route.

In 2024, the Group completed the soybean throughput of 3.82 million tonnes, representing a year-on-year increase of 5.5%. Global soybean prices hit a low point, leading to a turnaround from losses to profits in hog farming. Inland oil processing plants also saw a rise in crushing volume. Additionally, an increase in national soybean imports this year collectively boosted the import volume of soybeans at ports.

The performance of the Bulk Grain Segment is set out as follows:

Item	2024 (RMB)	2023 (RMB)	Change (%)
Revenue	<b>689,796,497.08</b>	674,199,483.87	2.3
Percentage of the Group’s revenue			Up by 0.7
	<b>6.2%</b>	5.5%	percentage point
Gross profit	<b>109,799,326.78</b>	151,703,681.83	-27.6
Percentage of the Group’s gross			Up by 0.1
profit	<b>4.6%</b>	4.5%	percentage point
Gross profit margin			Down by 6.6
	<b>15.9%</b>	22.5%	percentage points

In 2024, the revenue from the Bulk Grain Segment increased by RMB15.60 million or 2.3% year-on-year, mainly due to the increase in the volume of corn and soybean business.

In 2024, the gross profit of the Bulk Grain Segment decreased by RMB41.90 million or 27.6% year-on-year, and the gross profit margin decreased by 6.6 percentage points year-on-year, mainly due to the increase in shipping costs and depreciation in the open-top container business.



## Passenger and Ro-Ro Segment

The following table sets out the throughput completed by the Group's passenger and roll-on/roll-off terminal in 2024 as compared with that of 2023:

	2024	2023	Increase/ (decrease)
Passengers throughput ( <i>'0,000 persons</i> )	<b>308.2</b>	352.3	(12.5%)
Ro-Ro throughput ( <i>'0,000 units</i> ) ( <i>Note 1</i> )	<b>85.7</b>	98.1	(12.6%)

*Note 1:* The Ro-Ro throughput refers to the ro-ro vehicle throughput at the passenger and roll-on/roll-off terminals of the Group and the entities it has invested in.

In 2024, the throughput of the Group's passengers segment was 3.082 million persons, representing a year-on-year decrease of 12.5%, while the throughput of the Group's ro-ro segment was 0.857 million units, representing a year-on-year decrease of 12.6%. Due to the increase in freight and passenger ticket prices by shipping companies, the large passenger and ro-ro vessels "Xianglong Island" and "Shunlonghai" were transferred to operate in the South China Sea. Prolonged suspensions on the "Lvshun-Penglai" and "Yingkou-Weifang" routes resulted in a year-on-year decline in the ro-ro vehicle business.

The performance of the Passenger and Ro-Ro Segment is set out as follows:

Item	2024 (RMB)	2023 (RMB)	Change (%)
Revenue	<b>215,863,646.08</b>	228,208,230.93	-5.4
Percentage of the Group's revenue	<b>2.0%</b>	1.9%	Up by 0.1 percentage point
Gross profit	<b>51,173,518.83</b>	54,357,051.89	-5.9
Percentage of the Group's gross profit	<b>2.2%</b>	1.6%	Up by 0.6 percentage point
Gross profit margin	<b>23.7%</b>	23.8%	Down by 0.1 percentage point

In 2024, the revenue from the Passenger and Ro-Ro Segment decreased by RMB12.34 million or 5.4% year-on-year, mainly due to the decrease in large passenger and ro-ro shipping capacity.

In 2024, the gross profit of the Passenger and Ro-Ro Segment decreased by RMB3.18 million or 5.9% year-on-year, and the gross profit margin decreased by 0.1 percentage point year-on-year, mainly due to the decrease in shipping capacity of the passenger business.

## Value-added Services Segment

### Tugging

The Group completed a tugging volume of 50,000 times.

The performance of the Value-added Services Segment is set out as follows:

Item	2024 (RMB)	2023 (RMB)	Change (%)
Revenue	<b>1,223,479,043.20</b>	1,357,315,907.96	-9.9
Percentage of the Group's revenue	<b>11.1%</b>	11.1%	Stable
Gross profit	<b>370,393,555.77</b>	353,590,885.83	4.8
Percentage of the Group's gross profit	<b>15.6%</b>	10.4%	Up by 5.2 percentage points
Gross profit margin	<b>30.3%</b>	26.1%	Up by 4.2 percentage points

In 2024, the revenue from the Value-added Services Segment decreased by RMB133.84 million or 9.9% year-on-year, mainly due to the decrease in investment in information service projects and engineering projects, as well as the decreasing railroad revenue as a result of the decrease in the loading and discharging business volume of ore, steel and grain, and the decrease in revenue from electricity fee.

In 2024, the gross profit of the Value-added Services Segment increased by RMB16.80 million or 4.8% year-on-year, and the gross profit margin increased by 4.2 percentage points year-on-year, mainly due to the impact of the decrease in the labour and service costs, depreciation expenses and safety production expenses.

## **ANALYSIS OF CORE COMPETITIVENESS DURING THE REPORTING PERIOD**

The Group has a natural deep-water port and has an advantage in terms of the depth of the largest berth, and is more prominent in terms of the number of berths and other infrastructural hardware. In 2024, aiming at high-quality development, the Group focused on improving quality and efficiency as well as innovation and collaboration while extending the scope and functions of its services and improving the quality of its services, as a result of which it has achieved stable growth in its production and its business operations remained highly competitive in the port industry.

### **1. Advantages in terms of logistics system**

In 2024, the Group took advantage of its locations and berths to integrate logistics resources of ports and formulate personalized and one-stop integrated logistics service solutions for customers. At the same time, the Group will continue to improve the integrated logistics system of three-channel and four-dimension with the guidance of market demand.

### **2. Advantages in terms of value-added services**

The Group attached significant importance to cultivating the value-added services for the port and shipping industries such as whole-process logistics, port information services, bonded warehousing, blending and processing and near-port trading, and cooperated with railway authorities, shipping companies and the Port Customs to actively extend its port service chain, expand port functions and improve its value-added service capabilities.

## **DISCUSSION AND ANALYSIS BY THE BOARD OF DIRECTORS ON THE FUTURE DEVELOPMENT OF THE COMPANY**

### **(I) Competitive landscape and development trend in the industry**

In terms of the international economic situation, geopolitical and economic conflicts, international trade frictions and big power games will aggravate the fragmentation of the global supply chain and industrial chain. Global inflationary pressure will continue, and central banks will face challenges in their monetary policies. As a result, the global economy will remain in a turbulent downward cycle and world trade growth will decline. The growth is expected in emerging markets and developing economies in Asia. In terms of the domestic economic situation, the national economy is expected to show a stable to improving trend. With the gradual growing of the domestic consumer market, steady growth in investment demand, and continued promotion of technological innovation and industrial upgrading, the domestic economy is expected to enjoy more promising and upward development opportunities. In terms of the economic situation in the hinterland, the further deepening of the Northeast China revitalisation strategies will promote the upgrading of traditional industries and the development of emerging industries. The China-Russia trade continues to be deepened, and the bright outlook of the economic development in Northeast China will bring incremental growth to the port business.

The Group has vital business presence in the three provinces of Northeast China, eastern Inner Mongolia and the Bohai Rim region, with its cargo sources being oil products, containers, ro-ro commercial vehicles, iron ore, coal, steel, grain, bulk and general cargo as well as passengers and ro-ro, demonstrating a comprehensive range of cargo types, and high risk resilience.

### **(II) Possible risk exposures**

2025 will see more uncertainties in the development of the world economy. Trade protectionism and geopolitical risks may intensify, affecting the stability of the global supply chain and the development of international trade. Large port facilities in Bohai Rim will be further improved. Integration of major ports in Hebei and that in Shandong will both make progress in phases, and through transshipment in Bohai Rim and the layout of sea-rail inter-modal transport, the Group will increase efforts in land-sea two-way securing of goods supply in hinterlands. The consolidation effect will continue to be stronger and the regional competition pattern will be severe. The total output of the hinterland economy in northeast China is lower than that of provinces around Bohai, and the production and operation of ports will face challenges posed by imbalanced development, lack of a diversified industrial structure, and weak economic growth in various regions.

### **(III) The Company's development strategy**

In 2025, the Group will adhere to the working principle of “competing for the market externally, strengthening through reform internally, maintaining tradition while innovating, and enhancing quality and efficiency”, insist on the market-oriented and customer-centric approach, deepen our core port business, stabilize existing operations, and explore opportunities for growth. We will enhance service efficiency, further develop and solidify port services, strengthen collaboration, and expand cooperation with internal and external customers. The Group will make effort to build an integrated service system of “hub + channel + network” and fully promote the construction of the northeast Asia international shipping center, international logistics center, and the “world-class” strong ports.

In 2025, the Group's major initiatives for market development in its business segments are set out as follows:

#### ***Oil Segment***

The Group will promptly monitor the quota application status of key refining and chemical enterprises in the hinterland and changes in raw material import channels to solidify transshipment business with key customers. We will focus on the demand in the crude oil storage market, utilizing the tank resources of Liaoning Port to attract storage business. We will pay continuous attention to the development of new energy sources in the hinterland, improve port functions, and attract green methanol marine business.

#### ***Container Segment***

The Group will strengthen the construction of the container shipping route system, actively expand the network of ocean routes, and steadily advance the construction of hub channels. We will perfect RCEP regional routes, refine Southeast Asia routes, research and develop direct routes to emerging markets, create high-quality routes to Japan, and provide specialized services. We will improve the layout of domestic shipping routes, actively expand inland waterway routes, increase the frequency and capacity of north-south mainline services, and build a maritime service network covering major coastal and river ports nationwide. We will continuously improve the service network of the Bohai Rim branch lines, enhance the development of transshipment business for shipping companies, deepen market penetration in hinterland regions, intensify efforts in developing sources of goods, and establish a container transshipment system centered around the region radiated by the Group's capacity. We will leverage the advantages of the Group's route service network and port logistics resources, integrate whole-process logistics with customer trade demands, and increase efforts in expanding whole-process logistics services such as bulk-to-container and sea-rail combined transportation to better meet the diverse service needs of customers.

### ***Passengers and Ro-Ro Segment***

The Group will make use of the opportunities from the stable operation of ro-ro shipping capacity in large passenger and cargo segment to actively secure ro-ro vehicle and passenger business, and strive to develop a golden waterway in Bohai Rim region. The Group will vigorously develop the ro-ro cargo ships as well as drop and pull transportation business. We will collaborate with cruise companies to enhance international passenger transportation market promotion and marketing efforts, striving to attract international cruise ship calls and embarkation capacity, and fully expanding international passenger volume.

### ***Automobile Segment***

Leveraging the liner routes for foreign trade and export, we will further explore business opportunities in exported goods. We will develop sources of goods such as Chery and BYD in the East China for the northbound return journey, promote the regular operation of the project, and facilitate the stability of the north-south water transportation routes. We will coordinate with the national railway union plan to expand transit transportation business volume.

### ***Bulk and General Cargo Segment***

The Group will continuously deepen the cooperation with strategic customers and strengthen the securing of competitive goods supply. Through the internal and external collaborative development, the Group will further improve the construction of liner shipping routes system for bulk and general cargo. We will build an integrated supply chain service brand for iron ore, formulate a sound supply chain value-added service system integrating “direct sales + processing + trading + distribution”, actively strive for the qualification of “national strategic reserve facilities (國家戰略儲備庫)” for iron ore, promote the landing of the Simandou Iron Mine Project, and carry out diversified value-added services for iron ore. The Group will continue to work on transportation of grains from the north to the south, deeply explore national policy sources of grains and promote the integrated operation of bulk grain trucks.

## COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

During the year ended 31 December 2024, the Company has complied with the code provisions set out in Part 2 of Appendix C1 to the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

## MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

The Company has adopted a code of conduct regarding securities transactions by directors and supervisors (the “**Code of Securities Transactions**”) on terms no less exacting than the standards required under the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix C3 to the Listing Rules. In reply to specific enquiries made by the Company, all directors and supervisors have confirmed that they complied with the provisions of the Code of Securities Transactions during the year ended 31 December 2024.

## PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

On 3 July 2024, the Company convened the fifth extraordinary meeting of the seventh session of the Board of 2024, in which the resolution relating to the plan of the repurchase of A shares of the Company (“**A Shares**”) through centralized price bidding (the “**First Share Repurchase Plan**”) was considered and approved. The total amount of funds for the First Share Repurchase Plan shall not be less than RMB100 million (inclusive) and not more than RMB120 million (inclusive), and the price shall not be more than RMB1.99 per share (inclusive). The term shall be no more than 12 months from the date on which the general meeting of the Company considers and approves the First Share Repurchase Plan. For details, please refer to the announcement of the Company dated 3 July 2024.

On 6 September 2024, the Company convened the ninth extraordinary meeting of the seventh session of the Board of 2024, in which the resolution relating to the plan of the repurchase of A Shares through centralized price bidding (the “**Second Share Repurchase Plan**”) was considered and approved. The total amount of funds for the Second Share Repurchase Plan shall not be less than RMB420 million (inclusive) and not more than RMB840 million (inclusive), and the price shall not be more than RMB1.87 per share (inclusive). The term shall be no more than 12 months from the date on which the general meeting of the Company considers and approves the Second Share Repurchase Plan. For details, please refer to the announcement of the Company dated 6 September 2024.



Details of the A Shares repurchased on the Shanghai Stock Exchange during the Reporting Period are set out as follows:

Period of repurchases	No. of A Shares repurchased	Price per share paid		Aggregate purchase price (RMB)
		Highest (RMB)	Lowest (RMB)	
15 August 2024 to 26 September 2024	81,591,147 <sup>(1)</sup>	1.31	1.21	100,999,948
13 November 2024 to 31 December 2024	237,350,209 <sup>(2)</sup>	1.76	1.55	400,130,664

*Notes:*

- (1) As at the date of this announcement, all of the repurchased 81,591,147 A Shares pursuant to the First Share Repurchase Plan has been cancelled by the Company.
- (2) As at the date of this announcement, all of the repurchased 237,350,209 A Shares pursuant to the Second Share Repurchase Plan had not been cancelled by the Company.

Save as disclosed in this announcement, neither the Company nor its subsidiaries have purchased, sold or redeemed any of the Company's listed securities during the Reporting Period.

## REVIEW OF CONSOLIDATED FINANCIAL STATEMENTS

The Company's Audit Committee has reviewed the accounting standards and practices adopted by the Group and the annual results for the year ended 31 December 2024.

## SCOPE OF WORK OF THE COMPANY'S AUDITOR

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in this announcement have been agreed by the Company's auditor to the amounts set out in the Group's audited consolidated financial statements for the year.

## FINAL DIVIDEND

The Board proposed to distribute a final dividend of RMB0.0239 per share for the year ended 31 December 2024 (PRC withholding tax included), aggregating to a total dividend of RMB564,957,484.53. The proposal is subject to approval at the forthcoming annual general meeting of the Company and the dividend is expected to be distributed before 1 September 2025. The record date and closure of books for determining entitlement to the final dividend and attending the forthcoming annual general meeting will be announced in due course.



## KEY EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this announcement, there are no key events affecting the Group subsequent to 31 December 2024.

## PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

The annual results announcement for the year ended 31 December 2024 has been published on the Company's website at [www.liaoganggf.cn](http://www.liaoganggf.cn) and the website of the Stock Exchange at [www.hkex.com.hk](http://www.hkex.com.hk). The 2024 annual report of the Company will be published on the above websites of the Company and the Stock Exchange in due course and will be dispatched to the Company's H shareholders by means of receipt of corporate communication they selected.

By Order of the Board  
**Liaoning Port Co., Ltd.\***  
**WANG Huiying**  
*Company Secretary*

Dalian City, Liaoning Province, the PRC  
27 March 2025

As at the date of this announcement, the Board comprises:

*Executive Directors:* WANG Zhixian and WEI Minghui

*Non-executive Directors:* LI Guofeng, WANG Zhu, HUANG Zhenzhou and YANG Bing

*Independent Non-executive Directors:* LIU Chunyan, CHENG Chaoying and CHAN Wai Hei

\* *The Company is registered as a Non-Hong Kong Company under Part XI of the previous Companies Ordinance (equivalent to Part 16 of the Companies Ordinance with effect from 3 March 2014) under the English name "Liaoning Port Co., Ltd."*

\* *For identification purposes only*