

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



秦皇岛港股份有限公司

QINHUANGDAO PORT CO., LTD.*

(a joint stock limited liability company incorporated in the People's Republic of China)
(Stock Code: 03369)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

FINANCIAL HIGHLIGHTS

- The revenue of the Company amounted to RMB6,865.3756 million for the Year, representing a decrease of 2.69% as compared with the corresponding period of last year.
- The net profit of the Company amounted to RMB1,574.5902 million for the Year, representing an increase of 0.65% as compared with the corresponding period of last year.
- The net profit attributable to owners of the parent company of the Company amounted to RMB1,564.8978 million for the Year, representing an increase of 2.20% as compared with the corresponding period of last year.
- The Board recommended a final dividend of RMB0.85 per 10 Shares (tax inclusive) to shareholders for the Year.

The Board is pleased to announce the audited financial statements of the Company for the year ended 31 December 2024 prepared in accordance with the China Accounting Standards for Business Enterprises, together with the comparative figures for the Corresponding Period of 2023.

CONSOLIDATED BALANCE SHEET

31 December 2024

RMB

	Note IV	31 December 2024	31 December 2023
Assets			
Current assets			
Cash and bank balances	1	4,280,764,065.06	2,838,023,456.57
Bills receivable	2	38,638,013.00	49,965,475.00
Accounts receivable	3	91,240,275.48	67,817,955.73
Accounts receivable financing		56,275,477.79	74,502,289.57
Prepayments		31,310,326.20	30,560,118.08
Other receivables		167,937,083.02	131,647,857.46
Inventories	4	140,472,576.08	145,739,815.70
Other current assets		168,792,974.55	178,778,070.14
Total current assets		4,975,430,791.18	3,517,035,038.25
Non-current assets			
Long-term equity investments		3,797,392,993.22	3,821,426,321.81
Other equity instruments investments		713,888,490.67	1,091,562,136.20
Fixed assets	5	11,464,827,963.35	12,934,816,515.53
Construction in progress	6	2,222,928,377.48	815,220,131.65
Right-of-use assets		98,640,235.88	120,254,978.12
Intangible assets		2,850,760,032.41	2,928,202,819.21
Long-term prepaid expenses		13,673,877.88	4,797,193.38
Deferred income tax assets		312,907,916.77	365,511,874.01
Other non-current assets		1,429,562,960.64	2,427,279,951.61
Total non-current assets		22,904,582,848.30	24,509,071,921.52
Total assets		27,880,013,639.48	28,026,106,959.77

Liabilities and shareholders' equity

Current liabilities

Short-term borrowings	7	300,094,583.33	500,252,083.33
Accounts payable	8	324,223,205.39	253,421,149.43
Contract liabilities	9	681,995,496.70	564,480,062.57
Employee benefits payable		461,140,399.50	583,280,527.61
Taxes payable	10	22,480,015.81	21,764,786.44
Other payables		500,949,300.07	603,776,486.76
Non-current liabilities due within one year		684,673,557.52	633,718,528.57

Total current liabilities		2,975,556,558.32	3,160,693,624.71
---------------------------	--	-------------------------	------------------

Non-current liabilities

Long-term borrowings	11	4,211,393,604.00	4,995,881,608.50
Lease liabilities		–	7,219.53
Long-term payable		–	32,000,000.00
Long-term employee benefits payable		301,043,454.65	267,844,523.45
Deferred income		105,280,198.38	108,099,841.75

Deferred income tax liabilities		15,524,033.17	89,471,967.06
---------------------------------	--	----------------------	---------------

Total non-current liabilities		4,633,241,290.20	5,493,305,160.29
-------------------------------	--	-------------------------	------------------

Total liabilities		7,608,797,848.52	8,653,998,785.00
-------------------	--	-------------------------	------------------

Shareholders' equity

Share capital		5,587,412,000.00	5,587,412,000.00
Capital reserve		5,240,054,962.23	5,241,882,136.35
Other comprehensive income		478,763,351.17	645,070,189.30
Special reserve		59,619,879.38	119,947,727.76
Surplus reserve		1,870,675,590.72	1,754,087,442.20

Retained profit		6,092,739,910.78	5,075,119,932.68
-----------------	--	-------------------------	------------------

Total equity attributable to shareholders of the parent		19,329,265,694.28	18,423,519,428.29
---	--	--------------------------	-------------------

Minority interests		941,950,096.68	948,588,746.48
--------------------	--	-----------------------	----------------

Total shareholders' equity		20,271,215,790.96	19,372,108,174.77
----------------------------	--	--------------------------	-------------------

Total liabilities and shareholders' equity		27,880,013,639.48	28,026,106,959.77
--	--	--------------------------	-------------------

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2024

RMB

Consolidated income statement		Note IV	2024	2023
I.	Revenue	12	6,865,375,581.39	7,054,883,834.36
	Less: Operating costs	12	4,250,058,180.95	4,413,559,410.53
	Tax and surcharges		136,899,752.33	135,725,310.18
	Administrative expenses		874,398,181.09	746,412,812.10
	Research and development expenses		173,671,628.28	154,045,515.83
	Financial costs	13	56,624,973.78	105,653,575.66
	Including: Interest expense	13	172,337,813.80	236,306,728.69
	Interest income	13	116,304,013.05	130,974,478.65
	Add: Other income		16,254,765.19	64,104,619.72
	Investment income	14	421,204,791.03	311,501,884.52
	Including: Investment income from associates and joint ventures	14	351,915,363.98	275,501,884.52
	Credit impairment gain		9,416,923.91	3,859,652.04
	Asset impairment loss		(2,461,090.51)	(4,375,553.88)
	Gains from the disposal of assets		83,279,742.28	4,357,037.29
II.	Operating profits		1,901,417,996.86	1,878,934,849.75
	Add: Non-operating income	15	12,387,945.82	8,934,003.71
	Less: Non-operating expenses		13,549,025.49	4,726,814.58
III.	Total profit		1,900,256,917.19	1,883,142,038.88
	Less: Income tax expenses	16	325,666,696.83	318,669,264.72
IV.	Net profit		1,574,590,220.36	1,564,472,774.16
	(I) Classified by business continuity			
	1. Net profit from continuing operations		1,574,590,220.36	1,564,472,774.16
	(II) Classified by ownership			
	1. Net profit attributable to shareholders of the parent		1,564,897,805.73	1,531,202,403.96
	2. Minority interests		9,692,414.63	33,270,370.20

Consolidated income statement	<i>Note IV</i>	2024	2023
V. Other comprehensive income, net of tax		(121,730,800.56)	15,422,431.30
(I) Other comprehensive income attributable to shareholders of the parent, net of tax		(125,238,453.67)	5,364,568.86
1. Other comprehensive income not to be reclassified to profit or loss			
(1) Other comprehensive income not to be taken to profit or loss using the equity method		24,910,892.06	48,735,206.87
(2) Changes in fair value of investments in other equity instruments		(144,825,210.70)	(44,055,469.62)
2. Other comprehensive income to be reclassified into profit or loss			
(1) Exchange differences on foreign currency translation statement		1,039,287.56	684,831.61
(2) Profit or loss transferred from foreign operation disposed of for the current period		(6,363,422.59)	—
(II) Other comprehensive income attributable to minority shareholders, net of tax		3,507,653.11	10,057,862.44
VI. Total comprehensive income		1,452,859,419.80	1,579,895,205.46
(I) Total comprehensive income attributable to shareholders of the parent		1,439,659,352.06	1,536,566,972.82
(II) Total comprehensive income attributable to minority shareholders		13,200,067.74	43,328,232.64
VII. Earnings per share			
Basic and diluted earnings per share (RMB/Share)	<i>17</i>	0.28	0.27

NOTES TO FINANCIAL STATEMENTS

31 December 2024

I. GENERAL INFORMATION

Qinhuangdao Port Co., Ltd. (the “Company”) is a joint stock company with limited liability incorporated in Hebei Province, the People’s Republic of China on 31 March 2008. The H Shares and A shares of the Company were listed on The Stock Exchange of Hong Kong Limited on 12 December 2013 and the Shanghai Stock Exchange on 16 August 2017 respectively. The office address and headquarter of the Company is located at 35 Haibin Road, Qinhuangdao, Hebei Province.

The main operating activities of the Company and its subsidiaries (collectively referred to as the “Group”) are: provision of terminal facilities for vessels and provision of port services such as loading and discharging, stacking, warehousing, transportation, container stacking and less than container load services; other port related services such as lease and repair of harbor facilities, equipment and machinery, cargo weighing, port tallying and provision of power and electrical engineering services; and labor dispatch. The Group’s port services mainly handle coal and metal ores as well as other types of cargo including oil and liquefied chemicals and general cargo and containers.

The parent and ultimate parent of the Group is Hebei Port Group Co., Ltd. (“HPG”), which was established in the People’s Republic of China.

These financial statements have been approved for issue by the Board of the Company by resolutions on 28 March 2025.

II. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Group implemented the Accounting Standards for Business Enterprises and relevant provisions issued by the Ministry of Finance. In addition, the Group disclosed relevant financial information in accordance with the Compilation Rules for Information Disclosure by Companies Offering Securities to the Public No. 15 – General Provisions on Financial Reporting (Rev. 2023).

According to the Hong Kong Listing Rules, as well as the requirements of the relevant documents of the Ministry of Finance and the China Securities Regulatory Commission, the Company provides a financial report prepared in accordance with the China Accounting Standards for Business Enterprises to all shareholders and has taken into account the disclosure requirements under the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited in the preparation of this financial report.

III. TAXATION

1. Major Categories of Taxes and Respective Tax Rates

Item	Tax Basis	Tax Rate
Value-added tax (“VAT”)	Output VAT at the applicable tax rate on the sales amount, after deducting deductible input VAT	13%, 6%
City maintenance and construction tax	VAT paid actually	7%
Enterprise income tax	Taxable profit	25%, 16.5%
Property tax	70% of the initial cost of the properties and rental income	1.2%, 12%
Land use tax	Actual area of land used	Unit tax amount prescribed in the tax law
Environmental protection tax	Taxable pollutant emissions and pollution equivalent	Applicable taxable amount stipulated by the Environmental Protection Tax Law

The description of taxpayers with different corporate income tax rates:

Name of taxpayer	Income Tax Rate
Qinhuangdao Port GangSheng (Hong Kong) Co., Limited (秦皇島港港盛(香港)有限公司)	16.5%

2. Tax Concessions

Land use tax

Pursuant to the Provisional Regulations of the People’s Republic of China on Land Use Tax in respect of Urban and Town Land 《(中華人民共和國城鎮土地使用稅暫行條例)》 and the Announcement of the Ministry of Finance and the State Taxation Administration on the Extended Implementation of the Preferential Policies on Land Use Tax in respect of Urban and Town Land for Bulk Commodity Storage Facility of Logistics Companies 《(財政部、國家稅務總局關於繼續實施物流企業大宗商品倉儲設施用地城鎮土地使用稅優惠政策的公告)》 (Cai Shui [2020] No. 16), during the period from 1 January 2020 to 31 December 2022, urban and town land use tax will be reduced by 50% of the rate applicable to the standards of such land owned in respect of bulk commodity storage facilities owned by logistics companies (including self-owned and leased land). In respect of land used for bulk commodity storage facilities owned by the Company and Cangzhou Mineral Port and Caofeidian Coal Port, subsidiaries of the Company, land use tax will be reduced by 50%. Pursuant to the Announcement on the Extended Implementation of the Preferential Policies on Land Use Tax in respect of Urban and Town Land for Bulk Commodity Storage Facilities of Logistics Companies 《(關於繼續實施物流企業大宗商品倉儲設施用地城鎮土地使用稅優惠政策的公告)》 (Announcement of the Ministry of Finance and the State Administration of Taxation, [2023] No. 5), the implementation term for the preferential policies on land use tax in respect of urban and town land for bulk commodity storage facilities of logistics companies shall be extended to 31 December 2027. The Company and Cangzhou Mineral Port and Caofeidian Coal Port, subsidiaries of the Company, still enjoyed the above-mentioned preferential policies in 2024.

VAT

According to the Announcement of the Ministry of Finance and the State Administration of Taxation on the Clarification of the VAT Exemption Policy and other Policies for Small-scale VAT Taxpayers (Announcement of the Ministry of Finance and the State Administration of Taxation, [2023] No. 1), the Company and some of its subsidiaries, as the taxpayers of the production service industry, are allowed to deduct their tax payable by adding 5% to the current deductible input tax, from 1 January 2023 to 31 December 2023.

According to the Announcement of the Ministry of Finance and the State Taxation Administration on the VAT Reduction and Exemption Policy for Small-scale VAT Taxpayers (the Announcement of the Ministry of Finance and the State Taxation Administration, [2023] No. 19), some subsidiaries of the Company are allowed to apply a 3% tax rate on taxable sales revenue and pay the VAT at a reduced tax rate of 1%; and apply a 3% pre-tax rate on prepaid VAT items and prepay the VAT at a reduced pre-tax rate of 1% from 1 August 2023 to 31 December 2027.

Enterprise income tax

According to the Implementation Rules of the PRC Enterprise Income Tax Law 《(中華人民共和國企業所得稅法實施條例)》 (Order No. 512 of the State Council) and the Circular on the Implementation of the Catalogue of the Key Public Infrastructure Projects Supported by the State and Entitled for Preferential Tax Treatment 《(國家稅務總局關於實施國家重點扶持的公共基礎設施項目企業所得稅優惠問題的通知)》 (Guo Shui Fa [2009] No. 80), Phase 1 (expansion) of metal ores terminal project in the bulk cargo area of Huanghua Port of Cangzhou Mineral Port, a subsidiary of the Group, is eligible for tax preferences for public infrastructure projects under key support of the State. Income derived by Phase 1 (expansion) of metal ores terminal project in the bulk cargo area of Huanghua Port of Cangzhou Mineral Port from the investment in, and the operation of, public infrastructure projects under key support from the State, is eligible for a tax exemption from enterprise income tax for the first year to the third year, and a 50% reduction in enterprise income tax for the fourth year to the sixth year, starting from the year in which the project first generates operating income. Phase 1 (expansion) of metal ores terminal project in the bulk cargo area of Huanghua Port of Cangzhou Mineral Port first generated its operating income in 2023, and started to be entitled to the tax preferences of enterprise income tax.

According to the relevant tax regulations for small and micro enterprises, from 1 January 2022 to 31 December 2024, for the part of small and low-profit enterprises whose annual taxable income does not exceed RMB3 million, it shall be included in the taxable income at a reduced rate of 25%, and the enterprise income tax shall be paid at the tax rate of 20%. Cangzhou Ocean Shipping Tally Co., Ltd. (滄州中理外輪理貨有限公司) and Tangshan Caofeidian Jigang General Port Co., Ltd. (唐山曹妃甸冀港通用港務有限公司), subsidiaries of the Group, are entitled to the above tax preferences.

IV. NOTES TO KEY ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. Cash and Bank Balances

<i>RMB</i>		
Item	31 December 2024	31 December 2023
Cash on hand	1,046.82	11,334.47
Bank deposits	620,509,512.01	762,221,357.30
Other cash and bank balances	500.00	500.00
Deposits with Hebei Port Group Finance Company Limited	<u>3,660,253,006.23</u>	<u>2,075,790,264.80</u>
Total	<u><u>4,280,764,065.06</u></u>	<u><u>2,838,023,456.57</u></u>
Aggregate amounts deposited overseas	<u><u>—</u></u>	<u><u>59,086,093.58</u></u>

2. Bills Receivable

<i>RMB</i>		
Item	31 December 2024	31 December 2023
Commercial acceptance bills	17,000,000.00	2,784,400.00
Bank acceptance bills	<u>21,638,013.00</u>	<u>47,181,075.00</u>
Total	<u><u>38,638,013.00</u></u>	<u><u>49,965,475.00</u></u>

As at 31 December 2024, the bills receivable pledged by the Group to issue bank acceptance bills was nil.

As at 31 December 2024, the bills receivable which was endorsed but undue as at the balance sheet date are as follows:

<i>RMB</i>		
Item	Derecognized	Not derecognized
Commercial acceptance bills	<u>—</u>	<u>8,000,000.00</u>
Total	<u><u>—</u></u>	<u><u>8,000,000.00</u></u>

The Group believes that the bills receivable held are not exposed to significant credit risk and will not incur material losses due to default of the bill acceptors, so no provision for bad debts has been made.

3. Accounts Receivable

(1) Disclosure by aging

	RMB	
	31 December 2024	31 December 2023
Aging		
Within 1 year	94,263,405.21	71,028,396.67
1 to 2 years	1,820,349.70	3,629,733.00
2 to 3 years	2,639,193.00	1,924.00
Over 3 years	893,306.48	913,672.63
Total	99,616,254.39	75,573,726.30

(2) Disclosure by bad debts provision method

31 December 2024		RMB			
Item	Balance	Percentage (%)	Provision for bad debts	Percentage of provision (%)	Carrying amount
Individual provision for bad debts	2,565,299.00	2.58	2,565,299.00	100.00	–
Provision for bad debts made by portfolio of credit risk characteristics	97,050,955.39	97.42	5,810,679.91	5.99	91,240,275.48
Total	99,616,254.39	100.00	8,375,978.91		91,240,275.48

31 December 2023**RMB**

Item	Balance	Percentage (%)	Provision for bad debts	Percentage of provision (%)	Carrying amount
Individual provision for bad debts	3,252,364.00	4.30	3,252,364.00	100.00	—
Provision for bad debts made by portfolio of credit risk characteristics	72,321,362.30	95.70	4,503,406.57	6.23	67,817,955.73
Total	75,573,726.30	100.00	7,755,770.57		67,817,955.73

Individual provision for bad debts**RMB**

Item	31 December 2024				31 December 2023			
	Balance	Provision for bad debts	Percentage of provision (%)	Reason for provision	Balance	Provision for bad debts	Percentage of provision (%)	Reason for provision
China Ocean Shipping Agency Qinhuangdao Co., Ltd. (中國秦皇島外輪代理有限公司)	61,460.00	61,460.00	100.00	Debtor involved in litigation	61,460.00	61,460.00	100.00	Debtor involved in litigation
Penavico QHD Logistics Co., Ltd. (秦皇島外代物流有限公司)	2,503,839.00	2,503,839.00	100.00	Debtor involved in litigation	3,190,904.00	3,190,904.00	100.00	Debtor involved in litigation
Total	2,565,299.00	2,565,299.00	—		3,252,364.00	3,252,364.00	—	

Provision for bad debts made by portfolio**31 December 2024****RMB**

Item	Balance	Provision for bad debts	Percentage of provision (%)
Within 1 year	94,263,405.21	4,713,170.26	5.00
1 to 2 years	1,820,349.70	182,034.97	10.00
2 to 3 years	73,894.00	22,168.20	30.00
Over 3 years	893,306.48	893,306.48	100.00
Total	97,050,955.39	5,810,679.91	5.99

Account receivables are measured at the financial equivalent of the expected credit loss for lifetime ECL:

RMB

Item	Lifetime ECL (the credit impairment has not occurred)	Lifetime ECL (the credit impairment has occurred)	Total
31 December 2023	4,503,406.57	3,252,364.00	7,755,770.57
Provision for the year	2,133,268.80		2,133,268.80
Reversal for the year	<u>(825,995.46)</u>	<u>(687,065.00)</u>	<u>(1,513,060.46)</u>
31 December 2024	<u>5,810,679.91</u>	<u>2,565,299.00</u>	<u>8,375,978.91</u>

(3) Provision for bad debts

RMB

Item	31 December 2023	Provision for the year	Recovery in the year	Write-off in the year	31 December 2024
Individual provision for bad debts	3,252,364.00	–	(687,065.00)	–	2,565,299.00
Provision for bad debts made by aging group	<u>4,503,406.57</u>	<u>2,133,268.80</u>	<u>(825,995.46)</u>	<u>–</u>	<u>5,810,679.91</u>
Total	<u>7,755,770.57</u>	<u>2,133,268.80</u>	<u>(1,513,060.46)</u>	<u>–</u>	<u>8,375,978.91</u>

(4) The top five balances of account receivables classified by debtor

31 December 2024

RMB

Item	Balance		Provision for bad debts	
	Amount	Percentage (%)	Amount	Percentage of provision (%)
Hebei Xinshenggang International Logistics Co., Ltd. (河北新盛港國際物流有限公司)	34,586,379.86	34.72	1,729,318.99	5.00
Angang Group International Trade Co., Ltd. (安鋼集團國際貿易有限責任公司)	23,842,540.29	23.93	1,192,127.01	5.00
Tangshan Caofeidian Shiye Port Co., Ltd. (唐山曹妃甸實業港務有限公司)	3,802,481.21	3.82	281,141.55	7.39
CNOOC Energy Technology & Services Limited Sales & Service Branch (中海油能源發展股份有限公司銷售服務分公司)	3,721,814.00	3.74	186,090.70	5.00
Qinhuangdao COSCO Shipping Container Shipping Agency Co., Ltd. (秦皇島中遠海運集裝箱船務代理有限公司)	3,617,756.00	3.63	180,887.80	5.00
Total	<u>69,570,971.36</u>	<u>69.84</u>	<u>3,569,566.05</u>	<u>5.13</u>

4. Inventories

RMB

Item	31 December 2024			31 December 2023		
	Balance	Provision for impairment	Carrying amount	Balance	Provision for impairment	Carrying amount
Materials	65,497,823.93	6,882,339.06	58,615,484.87	55,563,643.76	7,242,740.48	48,320,903.28
Fuels	408,865.08	–	408,865.08	1,916,204.65	–	1,916,204.65
Spare parts	94,546,028.32	14,599,734.89	79,946,293.43	106,886,995.23	14,667,218.88	92,219,776.35
Low-cost consumables	<u>1,785,596.16</u>	<u>283,663.46</u>	<u>1,501,932.70</u>	<u>3,422,226.26</u>	<u>139,294.84</u>	<u>3,282,931.42</u>
Total	<u>162,238,313.49</u>	<u>21,765,737.41</u>	<u>140,472,576.08</u>	<u>167,789,069.90</u>	<u>22,049,254.20</u>	<u>145,739,815.70</u>

Change in provision for impairment of inventories is as follows:

RMB

Item	31 December 2023	Provision for the year	Decrease during the year Reversal	Write-off	31 December 2024
Materials	7,242,740.48	383,395.91	–	(743,797.33)	6,882,339.06
Spare parts	14,667,218.88	1,932,766.20	–	(2,000,250.19)	14,599,734.89
Low-cost consumables	<u>139,294.84</u>	<u>144,928.40</u>	<u>–</u>	<u>(559.78)</u>	<u>283,663.46</u>
Total	<u>22,049,254.20</u>	<u>2,461,090.51</u>	<u>–</u>	<u>(2,744,607.30)</u>	<u>21,765,737.41</u>

5. Fixed Assets

5.1 Summary of fixed assets

RMB

Item	31 December 2024	31 December 2023
Fixed assets	11,457,754,846.46	12,930,781,373.11
Disposal of fixed assets	<u>7,073,116.89</u>	<u>4,035,142.42</u>
Total	<u>11,464,827,963.35</u>	<u>12,934,816,515.53</u>

5.2 Fixed assets

(1) Fixed assets

	<i>RMB</i>					
	Properties and buildings	Terminal facilities	Machinery and equipment	Vessels and transportation equipment	Office and other equipment	Total
I. Original book value						
31 December 2023	7,145,375,528.35	9,185,624,100.84	11,496,972,888.06	488,613,211.59	253,129,990.73	28,569,715,719.57
Increase in the year	35,653,666.25	18,943,589.81	377,060,797.33	7,818,987.20	13,470,458.37	452,947,498.96
(1) Purchase	–	–	745,100.00	284,752.21	44,911.50	1,074,763.71
(2) Transferred from construction in progress	35,653,666.25	18,943,589.81	376,315,697.33	7,534,234.99	13,425,546.87	451,872,735.25
Decrease in the year	(219,639,754.19)	(982,731,156.93)	(253,906,293.62)	(403,345,594.33)	(11,806,425.38)	(1,871,429,224.45)
(1) Decrease arising from disposal of subsidiaries	–	–	–	(780,316.01)	(357,638.89)	(1,137,954.90)
(2) Disposal or retirement	(10,990,472.62)	(171,566.76)	(253,906,293.62)	(402,565,278.32)	(11,448,786.49)	(679,082,397.81)
(3) Transferred to construction in progress	(208,649,281.57)	(982,559,590.17)	–	–	–	(1,191,208,871.74)
31 December 2024	6,961,389,440.41	8,221,836,533.72	11,620,127,391.77	93,086,604.46	254,794,023.72	27,151,233,994.08
II. Accumulated depreciation						
31 December 2023	2,944,219,031.52	3,702,856,735.38	8,277,034,225.07	393,936,918.00	192,601,477.73	15,510,648,387.70
Increase in the year	291,469,822.43	316,696,131.95	549,752,057.10	11,271,809.80	15,285,734.52	1,184,475,555.80
(1) Provision	291,469,822.43	316,696,131.95	549,752,057.10	11,271,809.80	15,285,734.52	1,184,475,555.80
Decrease in the year	(84,042,617.67)	(448,642,063.84)	(236,506,336.25)	(342,782,283.02)	(11,384,062.23)	(1,123,357,363.01)
(1) Decrease arising from disposal of subsidiaries	–	–	–	(754,337.79)	(341,631.00)	(1,095,968.79)
(2) Disposal or retirement	(8,109,286.66)	(160,083.51)	(236,506,336.25)	(342,027,945.23)	(11,042,431.23)	(597,846,082.88)
(3) Transferred to construction in progress	(75,933,331.01)	(448,481,980.33)	–	–	–	(524,415,311.34)
31 December 2024	3,151,646,236.28	3,570,910,803.49	8,590,279,945.92	62,426,444.78	196,503,150.02	15,571,766,580.49
III. Provision for impairment						
31 December 2023	20,552,470.15	34,402,929.19	72,468,466.99	18,091.61	844,000.82	128,285,958.76
(1) Disposal or retirement	–	–	(6,573,052.41)	–	(339.22)	(6,573,391.63)
31 December 2024	20,552,470.15	34,402,929.19	65,895,414.58	18,091.61	843,661.60	121,712,567.13
IV. Carrying amount						
31 December 2024	3,789,190,733.98	4,616,522,801.04	2,963,952,031.27	30,642,068.07	57,447,212.10	11,457,754,846.46
31 December 2023	4,180,604,026.68	5,448,364,436.27	3,147,470,196.00	94,658,201.98	59,684,512.18	12,930,781,373.11

(2) As at 31 December 2024, the Group had no fixed assets which were temporarily idle.

(3) Fixed assets leased out under operating leases

RMB

Item	31 December 2024
Properties and buildings	30,514,753.87
Machinery and equipment	554,119.05
Office and other equipment	<u>1,113.00</u>
Total	<u><u>31,069,985.92</u></u>

(4) As at 31 December 2024, fixed assets without title certificate are as follows:

RMB

Item	31 December 2024	Reason for not obtaining the title certificate
Properties and buildings	<u><u>538,713,187.30</u></u>	In progress

6. Construction in progress

(1) Construction in progress

RMB

Item	31 December 2024	31 December 2023
Construction in progress	<u><u>2,222,928,377.48</u></u>	<u><u>815,220,131.65</u></u>

Item	31 December 2024			31 December 2023		
	Balance	Provision for impairment	Carrying amount	Balance	Provision for impairment	Carrying amount
Upgrading and reconstruction of multi-functional Port 1 and 2# berth	1,500,799,498.67	–	1,500,799,498.67	388,078,829.63	–	388,078,829.63
Qinhuangdao Port East Harbor Area Grain Corridor Project	123,027,330.83	–	123,027,330.83	7,290,462.97	–	7,290,462.97
Upgrading of stacker for Phase Two coal project	92,115,274.71	–	92,115,274.71	631,000.00	–	631,000.00
Upgrading of S3 and S4 stacker for Phase Four coal project	68,580,507.71	–	68,580,507.71	20,888,614.47	–	20,888,614.47
Dredging works for harbor and berths	55,930,039.03	–	55,930,039.03	–	–	–
Phase 2 Coal Terminal 1# Loaders Renewal Project	48,386,400.04	–	48,386,400.04	227,783.02	–	227,783.02
Purchase of working vessels for transportation	45,300,884.96	–	45,300,884.96	94,339.62	–	94,339.62
Upgrading of S5 stacker for Phase Four coal project	33,895,548.85	–	33,895,548.85	10,346,433.17	–	10,346,433.17
40T Gantry Crane Project	25,001,932.54	–	25,001,932.54	18,586,865.21	–	18,586,865.21
Reconstruction project of centralized control of dispatching signals in the West Harbor Area of QHD Port	18,465,011.93	–	18,465,011.93	–	–	–
Others	235,842,414.46	24,416,466.25	211,425,948.21	393,492,269.81	24,416,466.25	369,075,803.56
Total	<u>2,247,344,843.73</u>	<u>24,416,466.25</u>	<u>2,222,928,377.48</u>	<u>839,636,597.90</u>	<u>24,416,466.25</u>	<u>815,220,131.65</u>

(2) Movements of significant construction in progress for the year

Item	Budget	Balance for 31 December 2023	Increase in the year	Transferred from fixed assets during the year	Transferred to fixed assets, long-term prepaid expenses and intangible assets during the year	Other decrease	31 December 2024	Source of funds	Accumulated amounts of capitalized interest	Including: Capitalized interest for the year	Ratio of capitalized interest for the year (%)	Percentage of accumulated project input to budget (%)
Upgrading and reconstruction of multi-functional Port 1 and 2# berth	2,075,099,718.76	388,078,829.63	453,471,650.28	659,249,018.76	–	–	1,500,799,498.67	Loans from financial institutes and self-owned capital	1,855,476.39	1,855,476.39	2.69	72.32

(3) Provision for impairment of construction in progress:

RMB

Item	31 December 2023	Increase in the year	Decrease in the year	31 December 2024	Reason for provision
Basement Treatment Engineering	24,416,466.25	–	–	24,416,466.25	Recoverable amount lower than carrying amount

7. Short-term Borrowings

RMB

Item	31 December 2024	31 December 2023
Unsecured borrowings and interest payable	<u>300,094,583.33</u>	<u>500,252,083.33</u>
Total	<u><u>300,094,583.33</u></u>	<u><u>500,252,083.33</u></u>

As at 31 December 2024, the Group had no overdue borrowings, and the interest rate of the above borrowings was 2.27% (31 December 2023: 2.55% to 2.75%) per annum.

8. Accounts Payable

(1) Accounts payable

RMB

Item	31 December 2024	31 December 2023
Accounts payable	<u>324,223,205.39</u>	<u>253,421,149.43</u>

(2) Accounts payable by aging

RMB

Item	31 December 2024	31 December 2023
Within 1 year	285,432,658.94	210,450,324.92
1 to 2 years	23,146,846.44	22,746,375.74
2 to 3 years	14,414,563.65	19,405,919.47
Over 3 years	<u>1,229,136.36</u>	<u>818,529.30</u>
Total	<u><u>324,223,205.39</u></u>	<u><u>253,421,149.43</u></u>

As at 31 December 2024, the Group had no significant accounts payable aging more than 1 year.

9. Contract Liabilities

(1) Contract liabilities

RMB

Item	31 December 2024	31 December 2023
Port handling fees	679,862,379.03	562,413,448.07
Weighing fees	159,569.19	480,797.69
Others	1,973,548.48	1,585,816.81
Total	<u>681,995,496.70</u>	<u>564,480,062.57</u>

The contract liabilities mainly represent the payment received by the Group for providing port operation services to customers. There is no significant change in contract liabilities as at the end of the year as compared to those as at the end of the previous year, which is expected to be recognized as revenue within one year.

(2) Revenue recognized in the year that was included in the carrying amount of contract liabilities at the beginning of the year

In 2024, the Group recognized the revenue of 483,848,652.47 (2023: 515,154,192.01) that was included in the carrying amount of contract liabilities at the beginning of the year.

10. Taxes Payable

RMB

Item	31 December 2024	31 December 2023
Environmental protection tax	14,434,830.95	12,619,702.42
Enterprise income tax	2,298,400.05	5,236,686.50
Individual income tax	5,138,824.02	3,604,309.07
Stamp duty	263,248.00	212,256.47
VAT	323,355.53	84,409.49
Others	21,357.26	7,422.49
Total	<u>22,480,015.81</u>	<u>21,764,786.44</u>

11. Long-term Borrowings

RMB

Item	31 December 2024	31 December 2023
Unsecured borrowings	4,896,067,161.52	5,608,401,823.65
Less: Long-term borrowings due within one year	<u>684,673,557.52</u>	<u>612,520,215.15</u>
Total	<u><u>4,211,393,604.00</u></u>	<u><u>4,995,881,608.50</u></u>

As at 31 December 2024, the interest rate of the above borrowings ranged from 2.30% to 3.45% (31 December 2023: 2.65% to 3.55%) per annum.

Analysis on the maturity date of long-term borrowings is as follows:

RMB

Item	31 December 2024	31 December 2023
Within 1 year (including 1 year)	684,673,557.52	612,520,215.15
Within 2 years (including 2 years)	308,340,600.00	309,824,004.50
Within 2 to 5 years (including 5 years)	1,791,347,000.00	1,176,214,000.00
Over 5 years	<u>2,111,706,004.00</u>	<u>3,509,843,604.00</u>
Total	<u><u>4,896,067,161.52</u></u>	<u><u>5,608,401,823.65</u></u>

12. Operating Revenue and Operating Cost

(1) Operating revenue and operating cost

RMB

Item	2024		2023	
	Revenue	Cost	Revenue	Cost
Principal operations	6,843,179,529.89	4,239,866,475.11	7,035,734,499.35	4,404,980,404.73
Other operations	<u>22,196,051.50</u>	<u>10,191,705.84</u>	<u>19,149,335.01</u>	<u>8,579,005.80</u>
Total	<u><u>6,865,375,581.39</u></u>	<u><u>4,250,058,180.95</u></u>	<u><u>7,054,883,834.36</u></u>	<u><u>4,413,559,410.53</u></u>

(2) Breakdown of revenue from contracts with customers and operating cost

RMB

Item	2024		2023	
	Revenue	Cost	Revenue	Cost
Types of service				
Service in relation to coal and relevant products	4,600,177,154.02	2,538,233,187.53	4,860,509,886.00	2,674,852,807.32
Service in relation to metal ore and relevant products	1,376,954,505.93	912,719,507.00	1,326,984,491.21	915,332,881.82
Service in relation to general and other cargos	623,845,239.56	577,000,329.52	631,446,404.93	597,228,407.69
Container service	109,674,516.97	95,159,470.61	93,324,303.09	98,610,695.95
Service in relation to liquefied cargos	35,596,796.04	46,109,070.86	43,608,962.15	57,027,111.25
Others	119,127,368.87	80,836,615.43	99,009,786.98	70,507,506.50
Total	<u>6,865,375,581.39</u>	<u>4,250,058,180.95</u>	<u>7,054,883,834.36</u>	<u>4,413,559,410.53</u>
Places of business				
Qinhuangdao	4,207,521,770.59	2,426,361,816.20	4,310,106,901.84	2,520,153,961.99
Others	2,657,853,810.80	1,823,696,364.75	2,744,776,932.52	1,893,405,448.54
Total	<u>6,865,375,581.39</u>	<u>4,250,058,180.95</u>	<u>7,054,883,834.36</u>	<u>4,413,559,410.53</u>

(3) Descriptions on allocation to remaining performance obligations

RMB

Item	31 December 2024	31 December 2023
Within 1 year	<u>681,995,496.70</u>	<u>564,480,062.57</u>
Total	<u>681,995,496.70</u>	<u>564,480,062.57</u>

13. Financial Cost

RMB

Item	2024	2023
Interest expenses	174,193,290.19	237,332,426.74
Including interest expenses incurred on lease liabilities	528,934.06	1,369,515.48
Less: Interest income	116,304,013.05	130,974,478.65
Less: Capitalized interest	1,855,476.39	1,025,698.05
Foreign exchange gain or loss	404,594.17	140,312.65
Others	186,578.86	181,012.97
Total	56,624,973.78	105,653,575.66

14. Investment Income

RMB

Item	2024	2023
Long-term equity investment income accounted for under the equity method	351,915,363.98	275,501,884.52
Dividend income on other equity instrument investments during the holding period	61,918,200.00	36,000,000.00
Investment income arising from the disposal of long-term equity investment	7,371,227.05	—
Total	421,204,791.03	311,501,884.52

15. Non-operating Income

RMB

Item	2024	2023	Included in non-recurring profit and loss in 2024
Payables waived	17,954.93	774,092.73	17,954.93
Gains from spoilage and obsolescence of non-current assets	11,124,410.67	6,746,621.67	11,124,410.67
Others	1,245,580.22	1,413,289.31	1,245,580.22
Total	12,387,945.82	8,934,003.71	12,387,945.82

16. Income Tax Expense

(1) Table of income tax expense

	RMB	
Item	2024	2023
Current income tax expenses	281,185,994.86	244,591,715.40
Deferred income tax expenses	44,480,701.97	74,077,549.32
Total	325,666,696.83	318,669,264.72

(2) Reconciliations of accounting profit and income tax expense

	RMB	
Item	2024	2023
Total profit	1,900,256,917.19	1,883,142,038.88
Income tax expenses calculated at the statutory tax rate	475,064,229.30	470,785,509.72
Effect of different tax rates of subsidiaries	(46,875,938.05)	(52,209,115.61)
Effect of adjustments to income tax of previous periods	(8,941,245.45)	(1,740,198.29)
Effect of non-taxable income	(23,111,263.72)	(9,000,000.00)
Effect of share of profits and losses of joint ventures and associates	(86,886,913.42)	(68,875,471.13)
Effect of non-deductible costs, expenses and losses	12,735,772.48	12,383,782.20
Effect of utilization of deductible losses on deferred income tax assets not recognized in previous year	(1,911,266.68)	(4,690,737.78)
Effect of recognition of deductible temporary differences or deductible losses on deferred income tax assets not recognized in the previous period	–	(15,396,625.10)
Effect of deductible temporary differences or deductible losses on deferred tax assets not recognized in the current year	23,231,645.70	5,251,885.94
Effect of additional deduction of research and development costs	–	(4,534,409.52)
Others	(17,638,323.33)	(13,305,355.71)
Income tax expenses	325,666,696.83	318,669,264.72

17. Earnings per Share

(1) Basic earnings per share

Basic earnings per share are calculated by dividing the net profit for the period attributable to ordinary shareholders of the Company, minus cash dividends for the period distributed to holders of restricted share expected to be unlocked in the future, by the weighted average number of ordinary shares in issue (excluding the number of restricted shares and treasury shares).

<i>RMB</i>		
Item	2024	2023
Net profit for the period attributable to ordinary shareholders of the Company	1,564,897,805.73	1,531,202,403.96
Weighted average number of ordinary shares in issue of the Company	5,587,412,000.00	5,587,412,000.00
Basic earnings per share (RMB/Share)	0.28	0.27

(2) The Company had no dilutive potential ordinary shares in issue for the year 2024 (2023: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

I. OVERVIEW

1. Overall Situation

In 2024, China's economy maintained overall stability with steady progress, solid progress was made in high-quality development, and new strides were made in the Chinese path to modernization. China's GDP amounted to RMB134.9 trillion, representing a year-on-year increase of 5.0%, with the growth rate ranking among the top major economies in the world. Supported by the macroeconomic environment, the port industry sustained steady growth as a whole, with cargo Throughput increasing steadily and containers Throughput growing at a relatively fast pace. However, affected by changes in the external environment and adjustment of demand structure, coal Throughput basically remained flat, oil Throughput experienced a slight decline, and metal ores Throughput saw steady growth.

2. Overview of Port Industry in the PRC

- (1) In terms of the coal business, in 2024, as the advanced coal production capacity was steadily and orderly released, the role of coal to ensure the satisfaction of basic needs was fully played, the output of raw coal of industrial enterprises above designated size was 4.76 billion tonnes with a record high, representing a year-on-year increase of 1.3%. Coal imports remained at a high level. 543 million tonnes of coal were imported in 2024, representing a year-on-year increase of 14.4%. According to the statistics from China Port Association, in 2024, major port companies achieved a total coal Throughput of 1,327,000,000 tonnes, representing a year-on-year increase of 0.1%.
- (2) In terms of the iron ore business, the production volume of iron ore in China amounted to 1,042 million tonnes in 2024, representing a year-on-year increase of 1.2%. China's accumulated imports of iron ore amounted to 1,237 million tonnes, representing a year-on-year increase of 4.9%. The total production volume of crude steel in China amounted to 1,005 million tonnes, representing a year-on-year decrease of 1.7%, which achieved the expected target of production volume decline; the production volume of pig iron amounted to 852 million tonnes, representing a year-on-year decrease of 2.3%; and the production volume of steel amounted to 1,400 million tonnes, representing a year-on-year increase of 1.1%. According to the statistics from China Port Association, in 2024, major port companies achieved a total Throughput of 1,720 million tonnes of iron ore, representing a year-on-year increase of 4.3%.

- (3) In terms of the crude oil business, in 2024, as the oil and gas production showed a good momentum of stable increase, and the level of independent supply was steadily improved, the output of crude oil of industrial enterprises above designated size was 210 million tonnes, representing a year-on-year increase of 1.8%, and the annual output of crude oil maintained stable at over 200 million tonnes for three consecutive years; and the output of natural gas of industrial enterprises above designated size was 246.4 billion cubic meters, representing a year-on-year increase of 6.2%, with an increased annual output over 10 billion cubic meters for eight consecutive years. In 2024, a total of 553 million tonnes of crude oil were imported, representing a decrease of 1.9%; and a total of 132 million tonnes of natural gas were imported, representing an increase of 9.9%. According to the statistics from China Port Association, in 2024, major port companies achieved a total crude oil Throughput of 456,000,000 tonnes, representing a year-on-year decrease of 0.7%.

II. RESULTS OF OPERATION AND FINANCIAL PERFORMANCE

1. Operating Revenue

The operating revenue of the Company amounted to RMB6,865.3756 million for the Year, representing a year-on-year decrease of 2.69%, which was mainly due to the decrease in the coal Throughput.

2. Operating Costs

The operating costs of the Company amounted to RMB4,250.0582 million for the Year, representing a year-on-year decrease of 3.70%, which was primarily attributable to the implementation of cost reduction and cost saving measures by the Company.

3. Gross Profit Margin

The gross profit of the Company for the Year amounted to RMB2,615.3174 million, representing a year-on-year decrease of 0.98%. The gross profit margin of the Company for the Year was 38.09%, representing an increase of 0.65 percentage point as compared with that of the corresponding period last year.

4. Segment Analysis (Business Review)

During the Reporting Period, the Company achieved a total cargo Throughput of 414.00 million tonnes, representing an increase of 22.05 million tonnes or 5.63%, as compared with the Throughput of 391.95 million tonnes in the Corresponding Period of 2023.

The Throughput generated from each of the ports of the Company is as follows:

	2024		2023			
	Throughput	Percentage of total Throughput	Throughput	Percentage of total Throughput	Increase/ (Decrease)	Increase/ (Decrease)
	(million tonnes)	(%)	(million tonnes)	(%)	(million tonnes)	(%)
Qinhuangdao Port	182.74	44.14	184.60	47.10	(1.86)	(1.01)
Caofeidian Port	132.59	32.03	122.15	31.16	10.44	8.55
Huanghua Port	98.67	23.83	85.20	21.74	13.47	15.81
Total	<u>414.00</u>	<u>100.00</u>	<u>391.95</u>	<u>100.00</u>	<u>22.05</u>	<u>5.63</u>

During the Reporting Period, the Company achieved a cargo Throughput of 182.74 million tonnes in Qinhuangdao Port, representing a decrease of 1.86 million tonnes or 1.01% from 184.60 million tonnes for the Corresponding Period of 2023, which was mainly because that coal, as the Company's main cargo category, was impacted by factors such as competition from imported coal, reduced production in major coal-producing regions, and the growing influence of new energy sources, leading to the decrease in coal Throughput in Qinhuangdao Port.

The Company achieved a cargo Throughput of 132.59 million tonnes in Caofeidian Port, representing an increase of 10.44 million tonnes or 8.55% from 122.15 million tonnes for the Corresponding Period of 2023, which was mainly attributed to the fact that the metal ores Throughput of Caofeidian Port recorded a new high through incremental measures such as actively attracting cargo sources and carrying out water-to-water transportation business.

The Company achieved a cargo Throughput of 98.67 million tonnes in Huanghua Port, representing an increase of 13.47 million tonnes or 15.81% from 85.20 million tonnes for the Corresponding Period of 2023. The primary reason for such increase was that a subsidiary of the Company, Cangzhou Mineral Port, significantly enhanced its port handling capacity by implementing measures such as enabling full-load night navigation for 200,000-tonne vessels and establishing waiting areas for departing ships, all while maintaining overall market stability.

The cargo Throughput of each type of cargos the Company handled is set out below:

	2024		2023			
	Throughput	Percentage of total Throughput	Throughput	Percentage of total Throughput	Increase/ (Decrease)	Increase/ (Decrease)
	(million tonnes)	(%)	(million tonnes)	(%)	(million tonnes)	(%)
Coal	208.83	50.44	216.88	55.33	(8.05)	(3.71)
Metal ore	156.62	37.83	132.18	33.72	24.44	18.49
Oil and liquefied chemicals	1.73	0.42	1.99	0.51	(0.26)	(13.07)
Container	16.13	3.90	14.33	3.66	1.80	12.56
General and other cargos	30.69	7.41	26.57	6.78	4.12	15.51
Total	414.00	100.00	391.95	100.00	22.05	5.63

(1) Coal handling services

During the Reporting Period, the Company achieved a Throughput of 208.83 million tonnes of coal, representing a decrease of 8.05 million tonnes or 3.71% from 216.88 million tonnes for the Corresponding Period of 2023. Such decrease was mainly because the domestic coal market demand was weak, and the rapid development of renewable energy has suppressed coal demand; in addition, imported coal has impacted the domestic coal market, with the imported coal in China increased by 14.4% year-on-year in 2024, squeezing the domestic coal shipment volume. Furthermore, price inversions between upstream and downstream sectors have dampened the enthusiasm of traders to ship coal, leading to a decline in the Company's coal Throughput.

(2) Metal ore handling services

During the Reporting Period, the Company achieved a Throughput of 156.62 million tonnes of metal ores, representing an increase of 24.44 million tonnes or 18.49% from 132.18 million tonnes for the Corresponding Period of 2023. Such increase was mainly because the increase in global economic activities has driven the growth in demand for metal ores, and the accelerated development of construction, manufacturing and infrastructure sectors has increased the demand for metal materials such as steel and aluminum, thereby boosting the increase in the Throughput of metal ores.

(3) Oil and liquefied chemicals handling services

During the Reporting Period, the Company achieved a Throughput of 1.73 million tonnes of oil and liquefied chemicals, representing a decrease of 0.26 million tonnes or 13.07% from 1.99 million tonnes for the Corresponding Period of 2023. Such decrease was mainly due to the aging of offshore oil platforms, which led to a gradual decline in platform production.

(4) Container handling services

During the Reporting Period, the Company achieved a Throughput of 1,256,490 TEUs of containers, equivalent to a total Throughput of 16.13 million tonnes, representing an increase in the number of containers of 161,125 TEUs (i.e. 14.71%) from 1,095,365 TEUs, equivalent to a total Throughput of 14.33 million tonnes, for the Corresponding Period of 2023, respectively. Such increase was mainly due to the Company's continuous enrichment of routes and optimized layout, and the launch of dedicated railway services. At the same time, the Company vigorously carried out diversified businesses, driving the development of "Bulk Cargoes to Containers" and "General Cargoes to Containers" businesses, leading to an increase in cargo sources.

(5) General Cargos handling services

During the Reporting Period, the Company achieved a Throughput of general and other cargoes of 30.69 million tonnes, representing an increase of 4.12 million tonnes or 15.51% from 26.57 million tonnes for the Corresponding Period of 2023. The increase was mainly due to combined effects of many factors such as the recovery of domestic and foreign trade demand, industrial structure adjustment and optimization, policy support, improvement in port service quality, continuous enhancement of supporting facilities, and the development of green logistics.

(6) Ancillary port services and value-added services

The Company also provides a variety of ancillary port services and value-added services. Ancillary port services of the Group include tallying and transshipping services. Value-added services mainly include tallying, coal blending and tariff-free warehouse and export supervisory warehouse services. In 2024, the operating revenue of ancillary port services and value-added services of the Company amounted to RMB183.0874 million, representing a decrease of RMB56.9140 million or 23.71% from RMB240.0014 million for the Corresponding Period of 2023.

5. Tax and Surcharges

During the Year, the tax and surcharges of the Company amounted to RMB136.8998 million, representing a year-on-year increase of 0.87%, remaining flat as compared to the previous year.

6. Financial Costs

The financial costs of the Company amounted to RMB56.6250 million for the Year, representing a year-on-year decrease of 46.41%, which was mainly attributable to the reduction of interest expenses through the reduction of loan scale and loan interest rates.

7. Impairment Losses of Credit

The impairment losses of credit of the Company amounted to RMB-9.4169 million for the Year, representing a year-on-year decrease of 143.98%, which was mainly attributable to the collection of receivables by our subsidiary, Cangzhou Mineral Port, offsetting the loss on bad debts recognized in previous year.

8. Impairment Losses of Assets

The impairment losses of assets of the Company amounted to RMB2.4611 million for the Year, representing a year-on-year decrease of 43.75%, which was mainly due to the combined impact of increased provision for impairment of inventory during the Year and the provision for impairment loss on fixed assets in previous year.

9. Other Income

During the Year, other income of the Company amounted to RMB16.2548 million, representing a year-on-year decrease of 74.64%, which was mainly attributable to completion of the transfer of some deferred income items and the expiration of policies related to additional deduction of VATs.

10. Investment Income

During the Year, the investment income of the Company amounted to RMB421.2048 million, representing a year-on-year increase of 35.22%, which was mainly attributable to the increase in net profits of associates of the Company.

11. Net Non-operating Revenue and Expenses

During the Year, the net non-operating revenue and expenses of the Company amounted to RMB-1.1611 million, representing a year-on-year decrease of 127.60%, which was mainly attributable to the increase in losses from spoilage and obsolescence of non-current assets.

12. Income Tax Expense

The income tax expense of the Company increased by RMB6.9974 million to RMB325.6667 million for the Year from RMB318.6693 million last year, and the effective income tax rate of the Company was 17.14%, representing a year-on-year increase of 0.22 percentage points, which was basically the same as in the previous year.

13. Net Profit

The net profit of the Company for the Year amounted to RMB1,574.5902 million, representing a year-on-year increase of 0.65%, of which net profit attributable to owners of the parent company amounted to RMB1,564.8978 million, representing a year-on-year increase of 2.20%. Net profit margin of the Company was 22.94%, representing a year-on-year increase of 0.76 percentage points.

14. Donation

The charity contributions and other donations of the Company made during the Year amounted to nil.

15. Retained Profits at the end of the Year

As at 31 December 2024, the retained profits at the end of the Year available for distribution to shareholders of the Company amounted to RMB6,092.7399 million.

16. Cash Flows

During the Year, the net cash flows generated from operating activities of the Company amounted to RMB2,415.1470 million, representing a year-on-year increase of 0.89%, mainly due to the fact that our cost reduction and cost saving measures significantly offset the decrease in cash inflows of operating activities driven by the decrease in the coal Throughput.

During the Year, the net cash flows generated from investing activities of the Company amounted to RMB-789.9185 million, representing a year-on-year increase of 71.17%, mainly due to the year-on-year decrease in net investment in the time deposits with a maturity of more than three months.

During the Year, the net cash flows generated from financing activities of the Company amounted to RMB-1,567.8049 million, representing a year-on-year decrease of 11.06%, mainly due to the year-on-year decrease equally in borrowings obtained and repaid by subsidiaries.

17. Exchange Rate Risks

The operations of the Company mainly locate in the PRC, and overwhelming majority of business assets, liabilities, operating revenue and expenses are settled in RMB, while debts denominated in foreign currencies are mainly used to pay overseas agency fees. As such, the Company has not adopted any foreign exchange hedging arrangement(s).

18. Bank Loans and Other Borrowings

As at 31 December 2024, the details of the Company's bank loans and other borrowings are set out in Note IV-7 and 11 to the financial statements of this announcement.

19. Pledge of Assets and Contingent Liabilities

The Company had no pledge of assets and contingent liabilities during the Year.

20. Management of Working Capital

	31 December 2024	31 December 2023
Current ratio	1.67	1.11
Quick ratio	1.56	1.01
Turnover days of trade receivables	4.23	2.96
Turnover days of trade payables	24.80	21.24

As at 31 December 2024, the Company's current ratio and quick ratio were 1.67 and 1.56, respectively, representing an increase as compared with the current ratio of 1.11 and quick ratio of 1.01 as at 31 December 2023. The turnover days of trade receivables for the year 2024 were 4.23 days and the turnover days of trade payables were 24.80 days, representing an increase of 1.27 days as compared with the turnover days of trade receivables of 2.96 days in 2023 and an increase of 3.56 days as compared with the turnover days of trade payables of 21.24 days in 2023, respectively. All indicators above are within the appropriate range.

21. Overview of Major Investment

The Company had no major acquisitions or investments during the Year.

22. Gearing Ratio

As at 31 December 2024, the gearing ratio of the Company was 27.29%. Gearing ratio is calculated as total liabilities divided by total assets.

III. FUTURE PROSPECTS

In the future, the Company will be guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and the spirit of the 20th National Congress of the Communist Party of China, firmly establish new development concepts, thoroughly implement the directions of building a world-class port by the state and the spirit of the important speech delivered by General Secretary Xi Jinping during his inspection tour in Hebei, comprehensively grasp the strategic deployment and profound connotation of the construction of a Chinese-style modern Hebei scene. Guided by the strategic development plan of Hebei Port Group, the Group will adhere to the principle of consolidating and improving the competitive advantages of dry Bulk Cargo ports, enhancing the supply chain service ability and promoting the comprehensive development level of ports, and adhere to the overall development idea of “resource planning, technology empowerment and external expansion”, to strive to build a world-class dry Bulk Cargo port enterprise with industry leadership, complete functions, intelligence, green, safety and efficiency, and powerful safeguard.

In 2025, the Company’s prospects for various businesses are as follows:

Coal Business

The Company will remain steadfast in its marketing efforts, maintain high-frequency and high-quality customer visits, leverage the role of account managers to optimize the cargo structure and create room for growth in high-quality cargo sources, enhance the utilization of storage yards and berths, continuously strengthen service awareness, closely monitor key business processes, reinforce inspection and assessment mechanisms, conduct regular follow-ups on issues of concern to customers, such as loading and unloading quality, measurement accuracy, coal quality inspection, and dust control, to effectively safeguard customer interests at the port.

Metal Ore Business

Benefiting from the sustained development of the steel industry and supportive policy environment, the Company anticipates stable business volumes in the ore sector for the year 2025. To this end, the Company will continue to strengthen customer relationship management, actively gather feedback and understand customer’s needs, promptly address issues, and collaboratively explore market opportunities to achieve mutually beneficial growth. With the rapid advancement of the digital economy, the Company will actively explore the application of new technologies in its ore business, and continuously enhance operational efficiency and service quality, so as to strengthen its market competitiveness.

Business of General Bulk

Facing intense market competition and an ever-changing policy environment, the Company will continue to strengthen its internal capabilities, optimize services, and actively explore new growth opportunities and development directions. With the gradual recovery of the global economy, international trade volumes are expected to increase, which will drive the development of the port's general cargo business. As a key port operator in the Bohai Rim, the Company's general cargo business is poised to benefit from this trend and achieve growth.

OTHER INFORMATION

(I) Use of Proceeds of H Shares

The H Shares of QHD Port have been listed and traded on the Stock Exchange since 12 December 2013. After deducting related expenses, the net proceeds from H Shares of QHD Port amounted to HK\$3,823 million. From QHD Port's listing of H Shares in December 2013 to date, the use of proceeds from H Shares disclosed in the section "Future Plans and Use of Proceeds" in the H Share Prospectus (except for working capital and general corporate purposes) has been completed as planned, with the actual amount of proceeds slightly more than the allocated amount set out in the H Share Prospectus. In order to increase the efficiency of the use of proceeds from H Shares, the Board of Directors of QHD Port considers that it is necessary to adjust the planned use of proceeds from H Shares and has resolved to approve the adjustment of the unused proceeds from H Shares into working capital and general corporate purposes. The Board believes that the above all adjustments to the use of proceeds from H Shares will increase the flexibility of the Company's financial management and reduce other financing costs as well as are in line with the overall interests of QHD Port and its shareholders. For details, please refer to the announcement published on the website of the Stock Exchange on 27 October 2017.

During the Reporting Period, the Company has used the proceeds from H Shares of HK\$2.5089 million mainly for working capital and general corporate purposes. As at 31 December 2024, HK\$3,850.0422 million of the proceeds from H Shares have been used by the Company and HK\$9.2475 million of the proceeds from H Shares remain unused, including the self-raised funds for the payment of the listing expenses of HK\$24.0174 million and the net interest income relating to the proceeds from H Shares of HK\$12.5164 million. During the Reporting Period, the use of proceeds from H Shares by the Company was in line with the planned use as disclosed in previous announcements and had no material change.

The balance of proceeds from H Shares of HK\$9.2475 million is expected to be used for the working capital and general corporate purposes of the Company in the next five years, including the payment of dividend to the shareholders of H Shares, if any, and the payment of relevant fees to the overseas intermediaries in relation to the listing of H Shares. "The balance of proceeds from H Shares" shall represent the balance of proceeds from H Shares kept in the designated account.

(II) Events after the Reporting Period

The Company had no important event after the Reporting Period.

(III) Purchase, Sale or Redemption of Listed Shares of QHD Port

Neither the Company nor its subsidiaries purchased, sold or redeemed any of the listed shares, including sales of treasury shares (as defined in the Listing Rules), if any, of QHD Port during the Reporting Period. As at 31 December 2024, the Company did not hold any treasury shares.

(IV) Compliance with the Listing Rules and the Corporate Governance Code

During the Reporting Period, save as disclosed below, to the knowledge of the Directors of QHD Port, the Company has complied with the Listing Rules and the code provisions of the Corporate Governance Code without any deviation from such provisions.

(V) Compliance with Model Code

During the Reporting Period, the Company has adopted the Model Code as the code of conduct for securities transactions by the Directors and supervisors of the Company to regulate the securities transactions made by the Directors and supervisors. Upon specific enquiries by the Company, all the Directors and supervisors confirmed that they had complied with the provisions of the Model Code during the Reporting Period.

(VI) Dividends

The profit distribution plan for the year 2024: on the basis of total share capital of 5,587,412,000 shares as at 31 December 2024, the Company proposes to pay cash dividend of RMB0.85 (tax inclusive) for every 10 shares to all shareholders, with a total cash dividend amounting to RMB474,930,020.00.

If there is any change to the total share capital registered at the date of the subsequent implementation of interest distribution, the Company intends to keep the total distribution unchanged and makes corresponding adjustment to the distribution ratio.

In accordance with the Enterprise Income Tax Law of the PRC and its implementation rules, which became effective from 1 January 2008, where a PRC domestic enterprise distributes dividends for financial periods beginning from 1 January 2008 to non-resident enterprise shareholders, the PRC domestic enterprise is required to withhold 10% corporate income tax for such non-resident enterprise shareholders. Therefore, as a PRC domestic enterprise, the Company will, after withholding 10% of final dividends as corporate income tax, distribute the final dividends to non-resident enterprise shareholders, i.e. any shareholders who hold the Company's Shares in the name of non-individual shareholders, including but not limited to HKSCC Nominees Limited, or other nominees, trustees, or holders of H Shares registered in the name of other organizations and groups.

Due to changes in the PRC tax laws and regulations, according to the Announcement on the List of Fully and Partially Invalid and Repealed Tax Regulatory Documents issued by the State Administration of Taxation 《(關於公佈全文失效廢止、部份條款失效廢止的稅收規範性文件目錄的公告)》 on 4 January 2011, individual shareholders who hold the Company's H Shares and whose names appeared on the H Share Register of the Company can no longer be exempted from individual income tax pursuant to the Notice of the State Administration of Taxation Concerning the Taxation of Gains on Transfer and Dividends from Shares (Equities) Received by Foreign Investment Enterprises, Foreign Enterprises and Foreign Individuals (Guo Shui Fa [1993] No. 045) 《(關於外商投資企業、外國企業和外籍個人取得股票(股權)轉讓收益和股息所得稅收問題的通知)》(國稅發[1993]045號)) issued by the State Administration of Taxation, whilst pursuant to the letter titled Tax Arrangements on Dividends Paid to Hong Kong Residents by Mainland Companies issued by the Stock Exchange to the issuers on 4 July 2011 and the Notice on Matters Concerning the Levy and Administration of Individual Income Tax after the Repeal of Guo Shui Fa [1993] No. 045 of State Administration of Taxation (Guo Shui Han [2011] No. 348) 《(國家稅務總局關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知)》(國稅函[2011]348號)), it is confirmed that the overseas resident individual shareholders holding shares of domestic non- foreign invested enterprises issued in Hong Kong are entitled to the relevant preferential tax treatments pursuant to the provisions in the tax arrangements between the countries where they reside and the PRC or the tax arrangements between the PRC and Hong Kong or the Macau Special Administrative Region of the PRC. Therefore, the Company will withhold 10% of the dividend as individual income tax, unless it is otherwise specified in the relevant tax regulations and tax agreements, in which case the Company will withhold individual income tax of such dividends in accordance with the tax rates and according to the relevant procedures as specified by the relevant regulations.

If the relevant proposal on profit distribution is approved at the 2024 annual general meeting, the dividends will be paid to shareholders before 29 August 2025.

Further details on the profit distribution plan will be published by the Company as and when appropriate.

The Company's H Share registrar, Computershare Hong Kong Investor Services Limited, is at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.

(VII) Independent Non-executive Directors and the Audit Committee

As at 31 December 2024, QHD Port had four independent non-executive Directors, accounting for more than one-third of members of the Board. Among them, one independent non-executive Director possesses professional accounting qualifications and financial management experience.

The audit committee of the Board of the Company has reviewed the annual results for the Year and the financial statements for the year ended 31 December 2024 of the Company prepared under the China Accounting Standards for Business Enterprises.

(VIII) Auditor

The Company has appointed Deloitte Touche Tohmatsu Certified Public Accountants LLP as the domestic auditor of the Company and to audit the financial statements for the Year.

(IX) Publication of Annual Results and Annual Report

This annual results announcement will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.qhdport.com). In accordance with the requirements under the Listing Rules of the Stock Exchange applicable in the Reporting Period, the 2024 annual report containing all information about the Company set out in this preliminary results announcement for the year ended 31 December 2024 will be published on the websites of the Stock Exchange and the Company in due course, and the printing copies thereof will be dispatched to the shareholders upon their requests.

DEFINITIONS AND GLOSSARY OF TECHNICAL TERMS

“A Share(s)”	the domestic listed RMB ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which are listed on the SSE
“Berth”	the place of a dock designated for a vessel to moor
“Board”	the board of Directors of the Company
“Bulk Cargo”	cargo that is transported in bulk and measured by weight including dry bulk cargo and liquid bulk cargo
“Cangzhou Mineral Port”	Cangzhou Huanghuagang Mineral Port Co., Ltd.* (滄州黃驊港礦石港務有限公司), a company established in the PRC with limited liability on 10 April 2012, with 97.59% of its equity interest held by the Company as at the date of this announcement
“Caofeidian Coal Port”	Tangshan Caofeidian Coal Port Co., Ltd.* (唐山曹妃甸煤炭港務有限公司), a company established in the PRC with limited liability on 29 October 2009, with 51.00% of its equity interest held by the Company as at the date of this announcement
“Caofeidian Port”	Caofeidian Port Zone in Tangshan Port, Tangshan City, Hebei Province
“Company”	Qinhuangdao Port Co., Ltd.* and its subsidiaries
“Corporate Governance Code”	the Corporate Governance Code set out in Appendix C1 to the Listing Rules of the Stock Exchange
“Corresponding Period of 2023”	the twelve months ended 31 December 2023
“Director(s)”	the director(s) of the Company
“General Cargo(s)”	a general terms for cargos of various varieties, nature and packaging forms
“Hebei Port Group”	Hebei Port Group Co., Ltd.* (河北港口集團有限公司), a limited liability company incorporated under the laws of the PRC, previously known as Qinhuangdao Port Group Co., Ltd.* (秦皇島港務集團有限公司), which directly holds 58.27% equity interest of the Company
“Hinterland”	Hinterland connected with the port by means of transportation, a territory scope in the port where cargos are generated from or cargos to be transhipped through the port are consumed
“H Share(s)”	the Hong Kong listed ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Stock Exchange

“Huanghua Port”	Huanghua Port in Cangzhou City, Hebei Province
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Model Code”	Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules of the Stock Exchange
“QHD Port”	Qinhuangdao Port Co., Ltd.* (秦皇島港股份有限公司), a joint stock limited liability company incorporated under the laws of the PRC on 31 March 2008
“Qinhuangdao Port”	Qinhuangdao Port in Qinhuangdao City, Hebei Province
“Reporting Period” or “Year”	the twelve months ended 31 December 2024
“RMB”	Renminbi, unless otherwise specified
“SSE”	the Shanghai Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Terminal”	designated for mooring vessels, loading and unloading cargos and boarding travelers
“TEU(s)”	a statistical conversion unit for containers, a container of twenty feet in length (i.e. one TEU)
“Throughput”	a measure of the volume of cargo handled by a port, where cargos are transshipped, each unloading and loading process is measured separately as part of throughput

By order of the Board
Qinhuangdao Port Co., Ltd.*
ZHANG Xiaoqiang
Chairman

Qinhuangdao, Hebei Province, the PRC
28 March 2025

As at the date of this announcement, the executive Directors of the Company are Mr. ZHANG Xiaoqiang, Mr. NIE Yuzhong and Mr. GAO Feng; the non-executive Directors are Mr. LI Yingxu and Ms. XIAO Xiang; and the independent non-executive Directors are Mr. ZHAO Jinguang, Ms. ZHU Qingxiang, Mr. LIU Li and Mr. ZHOU Qing.