山东港口
SHANDONG PORT GROUP

青岛港国际股份有限公司
QINGDAO PORT INTERNATIONAL CO., LTD.

(A joint stock company established in the People's Republic of China with limited liability)

Stock Code: 06198.HK 601298.SH

2026 INTERIM REPORT

CONTENTS

DEFINITIONS

The following expressions have the meanings set out below unless the context requires otherwise:

"A share(s)"	share(s) with a nominal value of RMB1.00 each issued by the Company, which are listed on the main board of the Shanghai Stock Exchange and traded in RMB (stock code: 601298)
"Audit Committee"	the audit committee of the board of the Company
"Board"	the board of directors of the Company
"CFS"	container freight station, of which, container freight station at loading ports refers to the location designated by carriers for the receiving of cargo to be loaded into containers by the carrier, while container freight station at discharge or destination ports refers to the location designated by carriers for de-vanning of containerized cargo
"China Shipping Terminal Development"	China Shipping Terminal Development Co., Ltd.* (中海碼頭發展有限公司), a company established on 21 March 2001 in the PRC with limited liability and a wholly-owned subsidiary of COSCO Shipping Ports Development Co., Ltd.* (中遠海運港口發展有限公司)
"Company" or "Qingdao Port"	Qingdao Port International Co., Ltd.* (青島港國際股份有限公司), a joint stock company established on 15 November 2013 in the PRC with limited liability
"Consolidated Group Companies"	the Company's subsidiaries (including the Company's branches), which are consolidated into the consolidated financial statements of the Company
"Corporate Governance Code"	the Corporate Governance Code as set out in Appendix C1 to the Hong Kong Listing Rules
"COSCO Logistics"	COSCO SHIPPING Logistics and Supply Chain Management Co., Ltd.* (中遠海運物流供應鏈有限公司), a company established in the PRC with limited liability on 24 April 2001, being a subsidiary of China COSCO Shipping Corporation Limited* (中國遠洋海運集團有限公司)
"COSCO SHIPPING Group"	China COSCO Shipping Corporation Limited* (中國遠洋海運集團有限公司), a company established on 5 February 2016 in the PRC with limited liability and the ultimate controlling shareholder of COSCO SHIPPING Ports and Shanghai China Shipping Terminal, indirectly holding approximately 21.78% equity interests in the Company as at 30 June 2026
"COSCO SHIPPING Ports"	COSCO SHIPPING Ports Limited* (中遠海運港口有限公司), a company established on 19 October 1994 in Bermuda with limited liability, which shares listed on the main board of the Hong Kong Stock Exchange (Stock Code: 01199), indirectly holding approximately 20.30% equity interests in the Company as at 30 June 2026
"Director(s)"	the director(s) of the Company

DEFINITIONS

"Distributable Profit"	calculated by net profit attributable to the shareholders of the Company in the scope of the consolidated financial statements prepared in the PRC Accounting Standards for Business Enterprise, deducting recovery of accumulated losses, appropriation to statutory surplus reserve and other necessary reserve by the parent company and subsidiaries as well as the impact of the appraisal value-added amount of the asset invested in the Company by Qingdao Port Group, the promoter at the establishment of the Company, on net profit for the year, etc.
"Ganglianhai Logistics"	Qingdao Ganglianhai International Logistics Co., Ltd.* (青島港聯海國際物流有限公司), a company established in the PRC with limited liability on 2 January 2018. Qingdao Port Logistics and COSCO Logistics each holds 50% equity interests of it
"Group"	the Company and its branches and subsidiaries, when references are made to operational data such as throughput, including joint ventures and associated companies of the Company, but without taking into account the Company's respective shareholding percentages in its subsidiaries, joint ventures and associated companies
"H share(s)"	the overseas listed foreign share(s) with a nominal value of RMB1.00 each in the share capital of the Company, which are listed on the main board of the Hong Kong Stock Exchange (stock code: 06198) and are traded in HKD
"HKD"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Hong Kong Stock Exchange"	the Stock Exchange of Hong Kong Limited
"Latest Practicable Date"	28 August 2026
"LNG"	liquefied natural gas
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Hong Kong Listing Rules
"Nomination Committee"	the nomination committee of the board of the Company
"PRC" or "China"	the People's Republic of China, and for the purpose of this report, excluding Hong Kong, Macau and Taiwan
"Qingdao Port Group"	Shandong Port Qingdao Port Group Co., Ltd.* (山東港口青島港集團有限公司), a company established on 12 August 1988 in the PRC with limited liability, the controlling shareholder of the Company, holding approximately 55.56% equity interests in the Company as at 30 June 2026

"Qingdao Port Logistics"	Qingdao Port International Logistics Co., Ltd.* (青島港國際物流有限公司), a company established in the PRC with limited liability on 2 February 2004 and a wholly-owned subsidiary of the Company, which is mainly engaged in the business of logistics and port value-added services, such as business of CFS, agency and warehousing services
"Remuneration Committee"	the remuneration committee of the board of the Company
"RMB"	Renminbi, the lawful currency of the PRC
"SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Shandong Port Group"	Shandong Port Group Co., Ltd.* (山東省港口集團有限公司), a company established on 2 August 2019 in the PRC with limited liability, holding 100% equity interests in Qingdao Port Group, and an indirect controlling shareholder of the Company, with Shandong SASAC as the de facto controller
"Shandong SASAC"	State-owned Assets Supervision and Administration Commission of the People's Government of Shandong Province*(山東省人民政府國有資產監督管理委員會), which is the de facto controller of the Company
"Shanghai China Shipping Terminal"	Shanghai China Shipping Terminal Development Co., Ltd.* (上海中海碼頭發展有限公司), a company established on 18 February 2008 in the PRC with limited liability and a wholly-owned subsidiary of China Shipping Terminal Development, holding approximately 15.64% equity interests in the Company as at 30 June 2026
"Shareholder(s)"	the shareholders of the Company
"Strategy Development and ESG Committee"	the strategy development and ESG committee of the board of the Company
"TEU"	an abbreviation of Twenty-Foot Equivalent Unit, an international measuring unit with the standard a container with a length of 20 feet, a width of 8 feet and a height of 8 feet and 6 inches, also known as the international unit of standard container

* The Chinese name(s) of the PRC entities have been translated into English in this report for reference only. In the event of any discrepancies between the Chinese names of the PRC entities and their respective English translations, the Chinese version shall prevail.

* Certain amounts and percentage figures included in this report have been subject to rounding.

CORPORATE INFORMATION

CHINESE NAME OF THE COMPANY

青島港國際股份有限公司

ENGLISH NAME OF THE COMPANY

Qingdao Port International Co., Ltd.

LEGAL REPRESENTATIVE

Mr. SU Jianguang

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

(1) Headquarters in the PRC:
No. 12 Jingba Road
Huangdao District, Qingdao
Shandong Province, PRC

(2) Principal Place of Business in Hong Kong:
31/F, Tower Two, Times Square
1 Matheson Street, Causeway Bay
Hong Kong

DATES OF LISTING

6 June 2014 (H shares)
21 January 2019 (A shares)

PLACES OF LISTING

Main board of the Hong Kong Stock Exchange (H shares)
Main board of the Shanghai Stock Exchange (A shares)

ABBREVIATED CHINESE STOCK NAME

青島港 (applied to both H shares and A shares)

ABBREVIATED ENGLISH STOCK NAME

Qingdao Port (only applied to H shares)

STOCK CODES

06198 (H shares)
601298 (A shares)

TELEPHONE

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qggj@qdport.com

WEBSITE

http://www.qingdao-port.com

BOARD OF DIRECTORS

(1) Executive Directors

Mr. SU Jianguang *(Chairman)*
Mr. ZHANG Baohua *(General Manager)*

(2) Non-executive Directors

Mr. BI Tao *(Vice Chairman)*
Ms. WU Yu
Mr. CUI Liang
Ms. WANG Fuling

(3) Independent Non-executive Directors

Mr. CHAU Kwok Keung
Ms. LI Xiaohui
Mr. JIANG Xinglu

COMPANY SECRETARY

Ms. SUN Hongmei

AUTHORISED REPRESENTATIVES

Mr. SU Jianguang
Ms. SUN Hongmei

SPECIAL COMMITTEES OF THE BOARD

(1) Strategy Development and ESG Committee

Mr. SU Jianguang *(Chairman)*
Mr. BI Tao
Ms. WU Yu
Mr. ZHANG Baohua
Mr. CUI Liang
Ms. WANG Fuling
Mr. JIANG Xinglu

(2) Nomination Committee

Mr. JIANG Xinglu *(Chairman)*
Mr. SU Jianguang
Ms. LI Xiaohui

(3) Remuneration Committee

Ms. LI Xiaohui *(Chairman)*
Mr. BI Tao
Mr. CHAU Kwok Keung

(4) Audit Committee

Mr. CHAU Kwok Keung *(Chairman)*
Ms. WANG Fuling
Ms. LI Xiaohui

H SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716
17th Floor, Hopewell Centre
183 Queen's Road East, Wanchai
Hong Kong

LEGAL ADVISERS

(1) As to Hong Kong law

Zhong Lun Law Firm LLP
4th Floor, Jardine House
1 Connaught Place
Central, Hong Kong

(2) As to PRC law

AllBright Law Offices
9,11,12/F, Shanghai Tower
No. 501, Yincheng Middle Road
Pudong New Area
Shanghai, PRC

AUDITOR

ShineWing Certified Public Accountants (Special general partnership)
8/F, Block A, Fu Hua Mansion
No. 8, Chaoyangmen Beidajie
Dongcheng District, Beijing, PRC

PRINCIPAL BANKERS

Bank of Qingdao Co., Ltd.
Bank of Communications Co., Ltd.
Bank of Industrial and Commercial Co., Ltd.

COMPANY PROFILE

The Port of Qingdao commenced operations in 1892. It occupies the central position among ports in Northeast Asia and is an important hub of international trade in the West Pacific.

The Company was established on 15 November 2013, listed on the main board of the Hong Kong Stock Exchange on 6 June 2014 and listed on the main board of the Shanghai Stock Exchange on 21 January 2019.

The Group is the primary operator of the Port of Qingdao and operates five port areas, including the Qianwan Port Area, the Huangdao Oil Port Area, the Dongjiakou Port Area, the Dagang Port Area in Qingdao and the Weihai Port Area. It is mainly engaged in stevedoring and ancillary services for containers, metal ore, coal, crude oil and other cargoes, logistics and port value-added services, port ancillary services and other services.

As of 30 June 2026, the Group operated 115 berths, which included 73 special berths dedicated to handling a single type of cargo and 42 general berths capable of handling metal ore, coal and other general cargo.

Leveraging on the natural deep-water capacity and industry-leading facilities and equipment, services and management, the Group can provide customers with comprehensive and diversified integrated supply chain services. The Group possesses world-leading stevedoring efficiency, and the fully automated container terminal achieved an average crane efficiency of 62.62 units per hour, setting a new world record for handling efficiency for the thirteenth time.

MANAGEMENT DISCUSSION AND ANALYSIS

I. INTERNATIONAL AND DOMESTIC SITUATION

1. General Situation

The port industry is an important fundamental industry of national economic and social development. The development level of the port industry is closely related to the development of global and domestic economies, and especially to the development of international and domestic trade.

So far this year, facing many unstable and uncertain external factors, China has effectively implemented more proactive and impactful macro policies. Foreign trade has maintained good growth momentum, new drivers of growth are experiencing rapid expansion, and the resilience of its development continues to be demonstrated. In the first half of 2026, the gross domestic product (GDP) of the PRC increased by 4.7% as compared to the same period in the prior year, the total value of imports and exports of cargo increased by 16.9% as compared to the same period in the prior year, of which exports increased by 13.4% as compared to the same period in the prior year, and imports increased by 22.1% as compared to the same period in the prior year (source: National Bureau of Statistics).

2. Operation of the Port Industry

In the first half of 2026, the cargo throughput of the coastal ports in China increased by 2.0% as compared to the same period in the prior year, among which, the container throughput increased by 5.9% as compared to the same period in the prior year (source: Ministry of Transport of the PRC). In the first half of 2026, the cargo throughput and container throughput of the port of Qingdao both ranked fourth among the coastal ports in China, and continued to rank second among the coastal ports in China and first among the ports in northern China in terms of foreign trade throughput (source: Ministry of Transport of the PRC).

II. REVIEW OF BUSINESS AND FINANCIAL RESULTS OF THE GROUP

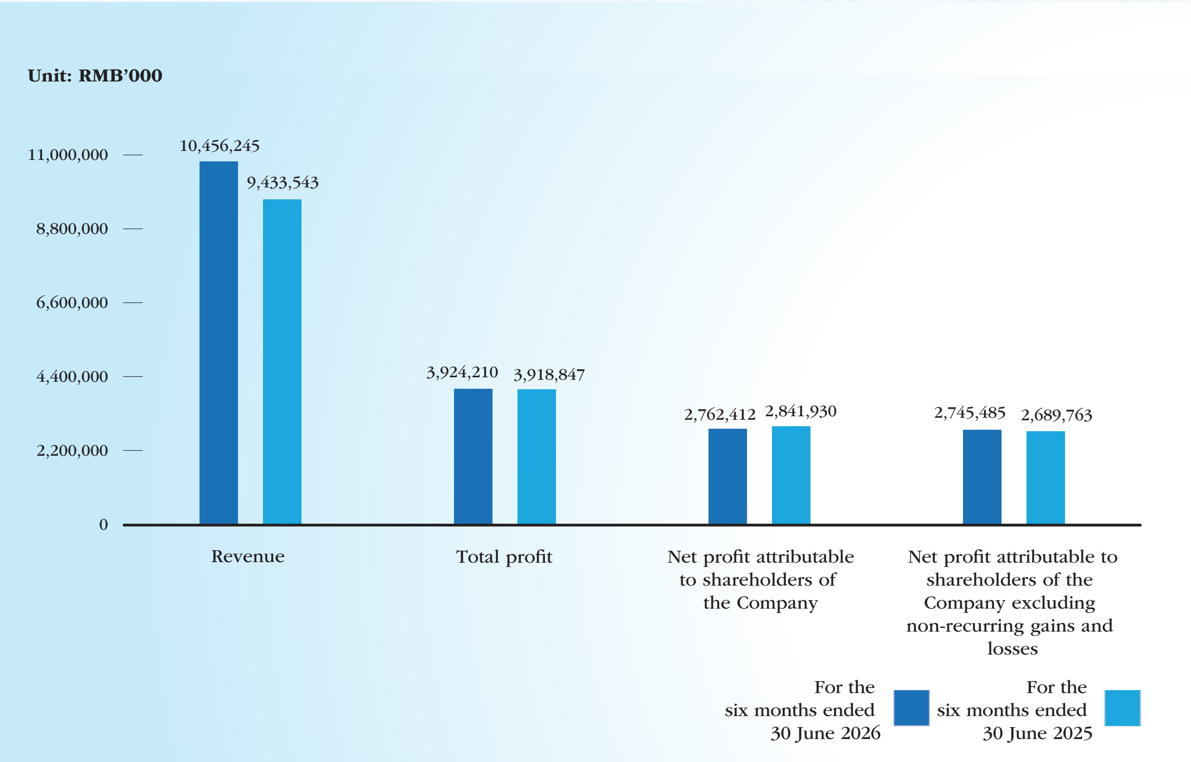
1. Overall Review

Since 2026, facing a complex and volatile external environment featured by profound adjustments in the global landscape and escalating geopolitical conflicts, the Group has focused on the goal of building a world-class maritime port, seized opportunities arising from policy empowerment, established new trade corridors, developed new clients, expanded new projects, cultivated new business, accelerated to become a world-class integrated supply chain service provider, maintained steady growth in cargo throughput and further improved the port's radiation capacity, and its position as the "estuary" of the Yellow River basin and a "bridgehead" in opening up has been further cemented and its hub status has been further enhanced.

For the six months ended 30 June 2026, the cargo throughput of the Group (without taking into account the respective shareholding percentages held by the Company in its relevant joint ventures and associated companies) reached 373.14 million tons, representing an increase of 3.2% as compared to the same period in the prior year; among which, the throughput of the container reached 18.22 million TEUs, representing an increase of 7.0% as compared to the same period in the prior year; the throughput of the dry bulk cargo and break bulk cargo reached 118 million tons, representing a decrease of 7.5% as compared to the same period in the prior year; the throughput of the liquid bulk cargo reached 54 million tons, representing an increase of 8.4% as compared to the same period in the prior year.

The details of major operating indicators were as follows:

Comparison of Major Operating Results Indicators



For the six months ended 30 June 2026, the Group recorded a revenue of RMB10,456 million, representing an increase of RMB1,023 million, or 10.8%, as compared to the same period in the prior year, mainly due to the fact that the container handling and ancillary services business experienced an increase of revenue as compared to the same period in the prior year resulting from the increased business volume and optimization of the commercial policies, and the logistics and port value-added services business experienced an increase of revenue resulting from the increase in logistics business benefiting from the increase in container business.

For the six months ended 30 June 2026, the Group recorded a total profit of RMB3,924 million, representing an increase of RMB5 million, or 0.1%, as compared to the same period in the prior year, mainly due to an increase in profit of the container handling and ancillary services business.

For the six months ended 30 June 2026, the Group recorded a net profit attributable to the shareholders of the Company of RMB2,762 million, representing a decrease of RMB80 million, or 2.8%, as compared to the same period in the prior year, mainly due to the significant gains generated from changes in the fair value of equity investments without significant influence recognized in the same period of the prior year.

For the six months ended 30 June 2026, the Group recorded a net profit attributable to the shareholders of the Company excluding non-recurring gains and losses of RMB2,745 million, representing an increase of RMB56 million, or 2.1%, as compared to the same period in the prior year, mainly due to an increase in profit of the container handling and ancillary services business.

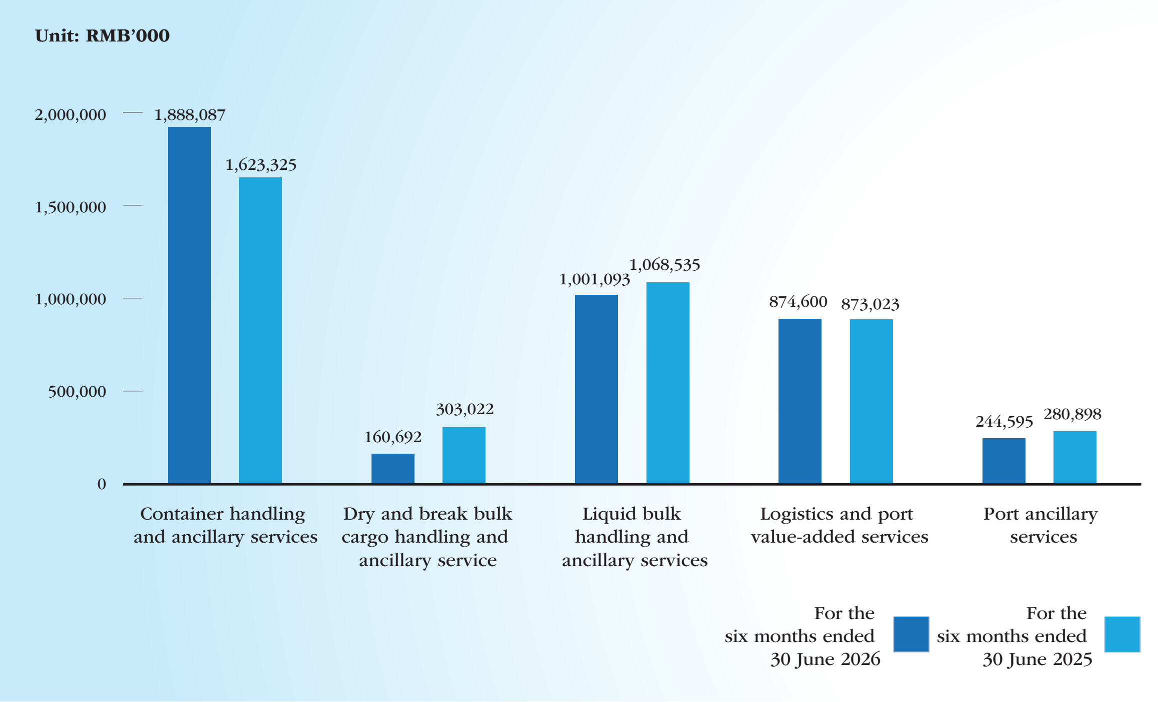
2. Segment Review

Table of Each Segment Results

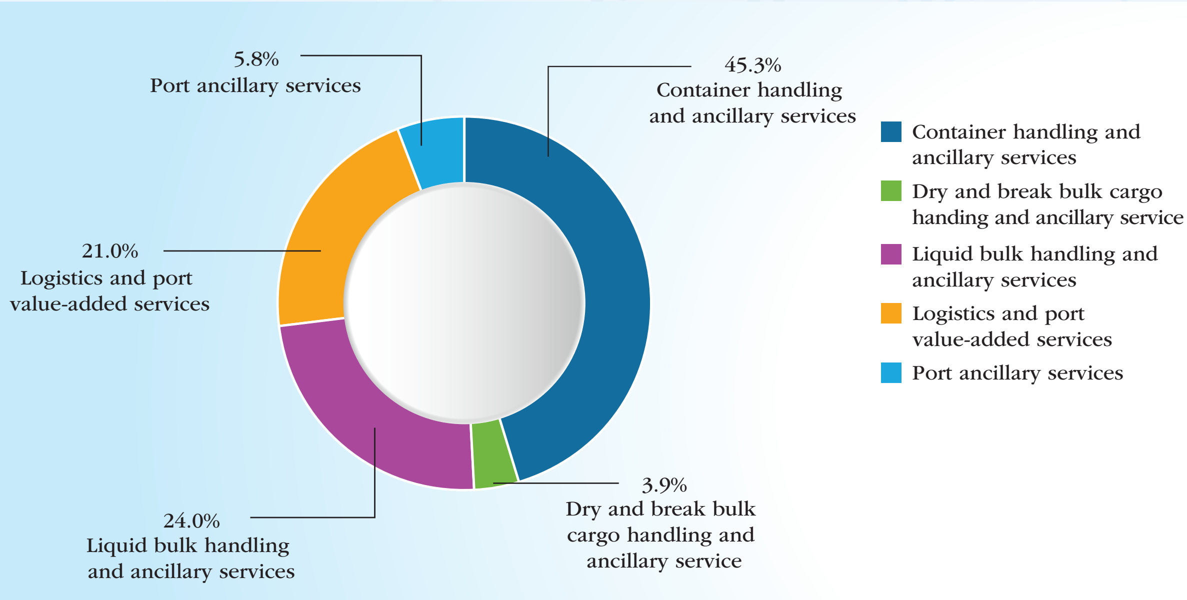
Unit: RMB'000

	For the six months ended 30 June				
	2026		2025		**Percentage**
Business Segments	**Amount**	**Proportion**	Amount	Proportion	**Changed**
Container handling and ancillary services	**1,888,087**	**45.3%**	1,623,325	39.1%	**16.3%**
Dry and break bulk cargo handling and ancillary services	**160,692**	**3.9%**	303,022	7.3%	**-47.0%**
Liquid bulk handling and ancillary services	**1,001,093**	**24.0%**	1,068,535	25.8%	**-6.3%**
Logistics and port value-added services	**874,600**	**21.0%**	873,023	21.0%	**0.2%**
Port ancillary services	**244,595**	**5.8%**	280,898	6.8%	**-12.9%**
Total results before inter-segment elimination	**4,169,067**	**100.0%**	4,148,803	100.0%	**0.5%**

Comparison of Each Segment Results



Breakdown of Each Segment Results for the Six Months Ended 30 June 2026



The business segment results were specifically as follows:

(1) Container handling and ancillary services

For the six months ended 30 June 2026, the Group adhered to the land-sea linkage, accelerating the construction of "International Shipping Hub in Northeast Asia" with full efforts. The new results were mainly achieved as follows:

a. the Group continued to promote the expansion of the seaward market and cooperated with shipping companies to expand the shipping lines network and open new transshipment channels. In the first half of 2026, the Group newly added 15 container shipping lines, and the volume of international transshipment containers increased by 13% as compared to the same period in the prior year, further enhancing its status as the hub port; and

b. the Group leveraged the advantages of land-sea linkage, made more efforts to expand landward market. In the first half of 2026, the Group newly added one inland port and one sea-rail intermodal train route, further strengthening its radiating influence on the inland areas.

For the six months ended 30 June 2026, the revenue of container handling and ancillary services amounted to RMB2,230 million, representing an increase of RMB816 million, or 57.7%, as compared to the same period in the prior year; the cost of sales amounted to RMB552 million, representing an increase of RMB264 million, or 91.6%, as compared to the same period in the prior year, mainly due to the increase in the volume of container business bringing an increase in both revenue and costs; the segment results amounted to RMB1,888 million, representing an increase of RMB265 million, or 16.3%, as compared to the same period in the prior year, mainly due to an increase of container business volume and optimization of the commercial policies.

(2) Dry and break bulk cargo handling and ancillary services

For the six months ended 30 June 2026, affected by the combined impact of multiple factors, including supply chain disruptions, weak downstream demand and intensified market competition, the Group's dry and break bulk cargo handling and ancillary services business declined as compared to the same period in the prior year. The Group actively responded to changes in the situation, deepened strategic cooperation with customers, expanded new hinterland markets and conducted value-added services. The new breakthroughs were mainly achieved as follows:

a. the Group made more efforts in targeted marketing to expand the customer group of dry and break bulk cargo, and developed 6 new customers of dry bulk cargo and 18 new customers of break bulk cargo in the first half of 2026, resulting in an increase of 0.56 million tons and an increase of 1.78 million tons in cargo source, respectively;

b. aiming at the customized ore needs of end customers, such as steel mills and aluminum plants, the Group made more efforts to cooperate with top-tier traders, bringing an increase of approximately 4 million tons in cargo source from traders in the first half of 2026 as compared to the same period in the prior year; and

c. the Group vigorously developed value-added services such as ore blending and beneficiation, which drove the growth of cargo source. In the first half of 2026, portside processing projects such as ore blending and beneficiation recorded an increase of 2.05 million tons as compared to the same period in the prior year.

For the six months ended 30 June 2026, the revenue of dry and break bulk cargo handling and ancillary services amounted to RMB2,011 million, representing a decrease of RMB312 million, or 13.4%, as compared to the same period in the prior year; the cost of sales amounted to RMB1,662 million, representing a decrease of RMB181 million, or 9.8%, as compared to the same period in the prior year; the segment results amounted to RMB161 million, representing a decrease of RMB142 million, or 47.0%, as compared to the same period in the prior year, mainly due to the decrease in the business volume of iron ore, bauxite, coal and other cargoes.

(3) Liquid bulk handling and ancillary services

For the six months ended 30 June 2026, the Group fully leveraged its core competitive advantages, such as specialized deep-water terminals and oil tank storage facilities. The main breakthroughs were achieved as follows:

a. leveraging the comprehensive advantages of the port's large terminals and large oil tanks, the Group carried out targeted marketing. In the first half of 2026, the Group developed 3 new customers and added approximately 0.85 million tons of new cargo source; and

b. the Group seized the favorable opportunities brought by the policy and the acceleration in refinery capacity to optimize and improve the organization and efficiency of the distribution. In the first half of 2026, the distribution volume of crude oil increased by 8.7% as compared to the same period in the prior year.

For the six months ended 30 June 2026, the revenue of liquid bulk handling and ancillary services amounted to RMB1,661 million, representing an increase of RMB47 million, or 2.9%, as compared to the same period in the prior year, mainly due to the fact that the revenue from the stevedoring and warehousing services of oil product recorded an increase due to supply staying relatively stable and production capacity recovering at certain regional refineries; the cost of sales amounted to RMB603 million, representing a decrease of RMB52 million, or 7.9%, as compared to the same period in the prior year; the segment results amounted to RMB1,001 million, representing a decrease of RMB67 million, or 6.3%, as compared to the same period in the prior year, mainly due to the significant gains generated from changes in the fair value of equity investments without significant influence recognized in the same period of the prior year, excluding the impact of the above factor, the segment results increased by 8.2% as compared to the same period in the prior year.

(4) Logistics and port value-added services

For the six months ended 30 June 2026, the Group adhered to the development direction of improving the comprehensive service system for the industrial chain and supply chain and achieved new progress in market expansion, project breakthrough, business innovation and other aspects:

a. the Group expanded CFS business and enhanced cooperation with shipping companies and agency companies to boost the volume of CFS business. In the first half of 2026, the CFS business increased by 12.5% as compared to the same period in the prior year;

b. the Group expanded the booking business and deeply involved in ocean freight booking business, further enlarging the scale of its agency business. In the first half of 2026, the ocean freight booking business increased by 31.4% as compared to the same period in the prior year; and

c. the Group expanded the tally business, strengthened port service functions and improved service quality. In the first half of 2026, the container tally business increased by 10.9% as compared to the same period in the prior year.

For the six months ended 30 June 2026, the revenue of logistics and port value-added services amounted to RMB3,956 million, representing an increase of RMB469 million, or 13.5%, as compared to the same period in the prior year; the cost of sales amounted to RMB2,924 million, representing an increase of RMB373 million, or 14.6%, as compared to the same period in the prior year, mainly due to the increase in the container business bringing an increase in the revenue and costs of logistics business. The segment results amounted to RMB875 million, representing an increase of RMB2 million, or 0.2%, as compared to the same period in the prior year, mainly due to the increase in profit from CFS and tally business, but the exchange rate fluctuation of the US dollar resulted in higher exchange losses and newly added external expenses resulted in profit reduction.

(5) Port ancillary services

For the six months ended 30 June 2026, the revenue of port ancillary services amounted to RMB599 million, representing an increase of RMB2 million, or 0.4%, as compared to the same period in the prior year; the cost of sales amounted to RMB399 million, representing an increase of RMB11 million, or 3.0%, as compared to the same period in the prior year; the segment results recorded RMB245 million, representing a decrease of RMB36 million, or 12.9%, as compared to the same period in the prior year, mainly due to the decrease in investment income related to the port machinery manufacturing business.

3. Financial Position Analysis

Unit: RMB'000

Item	As at 30 June 2026	As at 31 December 2025	Amount Changed	Percentage Changed
Accounts receivable	**2,708,785**	1,960,784	**748,001**	**38.1%**
Other current assets	**193,938**	532,326	**-338,388**	**-63.6%**
Investment properties	**707,246**	130,143	**577,103**	**443.4%**
Construction in progress	**2,104,246**	1,351,134	**753,112**	**55.7%**
Right-of-use assets	**653,559**	313,098	**340,461**	**108.7%**
Short-term borrowings	**203,385**	99,837	**103,548**	**103.7%**
Taxes payable	**503,759**	377,045	**126,714**	**33.6%**
Other payables	**5,429,739**	3,931,883	**1,497,856**	**38.1%**

As at 30 June 2026, the Group's accounts receivable increased by RMB748 million, or 38.1%, as compared to the beginning of this year, mainly due to an increase in the handling charges receivable.

As at 30 June 2026, the Group's other current assets decreased by RMB338 million, or 63.6%, as compared to the beginning of this year, mainly due to a decrease in prepaid corporate income tax.

As at 30 June 2026, the Group's investment properties increased by RMB577 million, or 443.4%, as compared to the beginning of this year, mainly due to the newly-added warehouse and yard facilities for external lease.

As at 30 June 2026, the Group's construction in progress increased by RMB753 million, or 55.7%, as compared to the beginning of this year, mainly due to an increase in terminal construction investment.

As at 30 June 2026, the Group's right-of-use assets increased by RMB340 million, or 108.7%, as compared to the beginning of this year, mainly due to the newly-added leased warehouse and yard facilities.

As at 30 June 2026, the Group's short-term borrowings increased by RMB104 million, or 103.7%, as compared to the beginning of this year, mainly due to the newly-added short-term borrowings raised by subsidiaries for the production and operation.

As at 30 June 2026, the Group's taxes payable increased by RMB127 million, or 33.6%, as compared to the beginning of this year, mainly due to an increase in the corporate income tax payable.

As at 30 June 2026, the Group's other payables increased by RMB1,498 million, or 38.1%, as compared to the beginning of this year, mainly due to the increase in payables for dividends, engineering equipment and agency business.

4. Cash Flow Analysis

For the six months ended 30 June 2026, the Group's net cash inflow amounted to RMB1,292 million, among which:

(1) the net cash inflow from operating activities amounted to RMB3,295 million, representing an increase of RMB536 million as compared to the same period in the prior year, mainly due to the increase in cash received from sales of goods and rendering of services in the current period as compared to the same period in the prior year;

(2) the net cash outflow from investing activities amounted to RMB1,560 million, representing an increase of RMB860 million as compared to the same period in the prior year, mainly due to the net inflow of RMB563 million from the maturity of time deposits with maturity over three months in the current period, and the net outflow of RMB6 million for purchasing such deposits in the same period of the prior year. Dividends received in the current period were RMB302 million, representing an increase of RMB177 million as compared to the same period in the prior year. The payment for purchase and construction of fixed assets and intangible assets in the current period amounted to RMB2,583 million, representing an increase of RMB1,645 million as compared to the same period in the prior year; and

(3) the net cash outflow from financing activities amounted to RMB425 million while the net inflow in the same period of the prior year amounted to RMB1,171 million, mainly due to the net outflow of RMB109 million from borrowing activities in the current period, as compared with a net inflow of RMB1,303 million from borrowing activities in the same period of the prior year. Dividends paid by subsidiaries in the current period amounted to RMB114 million, representing an increase of RMB43 million as compared to the same period in the prior year. Lease liability repayments paid in the current period amounted to RMB149 million, representing an increase of RMB100 million as compared to the same period in the prior year.

5. Working Capital and Financial Resources

As at 30 June 2026, the Group's cash at bank and on hand amounted to RMB15,353 million. The Group's total interest-bearing liabilities amounted to RMB4,171 million, among which, liabilities bearing interest with floating rates amounted to RMB3,297 million.

6. Capital Structure

As at 30 June 2026, the total shareholders' equity of the Group amounted to RMB51,869 million, representing an increase of RMB1,753 million as compared to the beginning of this year, among which, the equity interests attributable to the shareholders of the Company increased by RMB1,487 million and the equity interests of minority shareholders increased by RMB266 million. The increase in the equity interests attributable to the shareholders of the Company was mainly due to the increase of RMB2,762 million in operating profit and the dividends declared by the Company for the second half of 2025 decreased by RMB1,290 million; and the increase in the equity interests of minority shareholders was mainly due to the increase of RMB280 million in operating profit, the increase of RMB98 million in combination of subsidiaries not under common control, and the decrease of RMB114 million of dividends declared by the subsidiaries of the Company for the year of 2025.

As at 30 June 2026, the Company had issued 6,491,100,000 shares, comprising 5,392,075,000 A shares and 1,099,025,000 H shares, representing 83.07% and 16.93% of the total issued shares of the Company, respectively. The A share market capitalization and H share market capitalization of the Company were approximately RMB43,406 million and HKD6,924 million, respectively (which were calculated based on the closing price of RMB8.05 per share on the Shanghai Stock Exchange and the closing price of HKD6.30 per share on the Hong Kong Stock Exchange as at 30 June 2026).

7. Gearing Ratio

As at 30 June 2026, the Group's cash at bank and on hand exceeded interest-bearing liabilities.

8. Interest Rate and Exchange Rate Risks

As at 30 June 2026, the Group did not have cash at bank and on hand and receivables with floating interest rates, the payables with floating interest rates were RMB3,297 million. The Group has assessed the interest rate risk and anticipated that changes in interest rate would have no material impact on the Group.

The Group's main business activities are operated in the PRC and settled mainly in RMB. Therefore, changes in exchange rates do not have material impact on the Group.

The Group will continue to closely monitor interest rate and exchange rate risks. The Group did not enter into any hedging arrangement with respect to interest rate and exchange rate risks for the six months ended 30 June 2026.

9. Main Financial Indicators

	At the end of 30 June/ For the six months ended 30 June		
Indicators	**2026**	2025	**Change (+/-)**
Return on total assets	**4.42%**	4.85%	– 0.43 percentage point
Weighted average return on net assets	**5.86%**	6.47%	– 0.61 percentage point
Basic earnings per share	**RMB0.43 per share**	RMB0.44 per share	– RMB0.01 per share
Basic earnings per share excluding non-recurring gains and losses	**RMB0.42 per share**	RMB0.41 per share	+RMB0.01 per share
Gross profit margin	**41.28%**	39.32%	+1.96 percentage points
Interest coverage ratio	**60.60 times**	61.95 times	– 1.35 times
Asset-liability ratio	**26.92%**	26.82%	+0.10 percentage point
Current ratio	**1.93 times**	1.99 times	– 0.06 time

For the six months ended 30 June 2026, the return on total assets of the Group was 4.42%, representing a decrease of 0.43 percentage point as compared to the same period in the prior year, mainly due to the increase of average total assets and the decrease of net profit in the current period.

For the six months ended 30 June 2026, the weighted average return on net assets of the Group was 5.86%, representing a decrease of 0.61 percentage point as compared to the same period in the prior year, mainly due to the increase of weighted average net assets and the decrease of net profit attributable to the shareholders of the Company in the current period.

For the six months ended 30 June 2026, the basic earnings per share of the Group were RMB0.43 per share, representing a decrease of RMB0.01 per share as compared to the same period in the prior year, mainly due to the decrease in net profit attributable to the shareholders of the Company.

For the six months ended 30 June 2026, the basic earnings per share excluding non-recurring gains and losses of the Group were RMB0.42 per share, representing an increase of RMB0.01 per share as compared to the same period in the prior year, mainly due to increase in net profit attributable to the shareholders of the Company excluding non-recurring gains and losses.

For the six months ended 30 June 2026, the gross profit margin of the Group was 41.28%, representing an increase of 1.96 percentage points as compared to the same period in the prior year, mainly due to the increase in the gross profit of the container handling and ancillary services business.

For the six months ended 30 June 2026, the interest coverage ratio of the Group was 60.60 times, representing a decrease of 1.35 times as compared to the same period in the prior year, mainly due to the higher non-recurring profits in the prior year, which resulted in a higher ratio in the prior year than in the current year.

At the end of 30 June 2026, the asset-liability ratio of the Group was 26.92%, representing an increase of 0.10 percentage point as compared to the same end date in the prior year, mainly due to the increase of accounts payable, contract liabilities and other current liabilities.

At the end of 30 June 2026, the current ratio of the Group was 1.93 times, representing a decrease of 0.06 time as compared to the same end date in the prior year, mainly due to the increase of accounts payable, contract liabilities and other current liabilities.

III. CAPITAL EXPENDITURE

For the six months ended 30 June 2026, the capital expenditure of the Group was RMB2,592 million, which was mainly invested in the Phase I of the eastern container terminal at Langyatai bay operation area, the general-purpose terminal at the bottom of the bay, the north jetty III 7-8 berths at the Dongjiakou port area and other projects.

IV. SIGNIFICANT ENTRUSTED WEALTH MANAGEMENT

For the six months ended 30 June 2026, the details of the significant entrusted wealth management of the Group were set out as below:

Unit: RMB'000

Entrustee	Product type	Balance	Start date	Expiry date	Source of funding
HUA XIA BANK CO., Limited	Structured deposit	200,000	2026-2-6	2026-5-7	Self-owned funds
Bank of Communications Co., Ltd.	Structured deposit	200,000	2026-2-6	2026-5-18	Self-owned funds

Note: The above listed is the entrusted wealth management with a single investment amount of more than RMB200 million.

V. SIGNIFICANT ACQUISITION AND DISPOSAL

The Group has conducted two significant acquisition transactions, both of which were connected transactions, during the reporting period.

(A) Connected transaction in relation to the inclusion of Ganglianhai Logistics into the consolidated financial statements

On 14 January 2026, the Board approved the resolution in relation to the amendment to the articles of association of Ganglianhai Logistics. Prior to the completion of the amendment, the financial statements of Ganglianhai Logistics were not included into the consolidated financial statements of Qingdao Port Logistics or COSCO Logistics. Upon the completion of the amendment, the voting rights of Qingdao Port Logistics in the general meeting of Ganglianhai Logistics have been further enhanced. Therefore, Qingdao Port Logistics gained the control over Ganglianhai Logistics and included its financial statements into the Group's consolidated financial statements commenced from 1 January 2026. Ganglianhai Logistics has become a subsidiary of the Company. For further details, please refer to the announcement of the Company dated 14 January 2026.

(B) Connected transaction in relation to the purchase of assets

On 18 June 2026, the Board approved that the Company entered into the asset transfer agreement with Qingdao Port Group, pursuant to which, the Company proposed to purchase the land use rights, buildings (structures), machinery and equipment, and electronic devices from Qingdao Port Group at a consideration of RMB65,539,879.86 (tax inclusive). For further details, please refer to the announcement of the Company dated 18 June 2026. As at the date of this report, the transaction under the asset transfer agreement has not yet been completed.

VI. MORTGAGE AND PLEDGE OF ASSETS

On 30 June 2026, the Group's collateral for secured borrowings included investment properties (storage yards and land use rights) with a carrying amount of RMB516,460,705, fixed assets (storage yard facilities) with a carrying amount of RMB110,944,923, and intangible assets (land use rights) with a carrying amount of RMB7,860,109. The above collateral was released from pledge on 28 July 2026.

VII. CONTINGENT LIABILITIES

As at 30 June 2026, the Group did not have any significant contingent liabilities.

VIII. EMPLOYEES

As at 30 June 2026, the Company engaged 2,976 employees, and the Company and its subsidiaries engaged 9,747 employees in total. The employees' remunerations of the Group include basic salaries and performance incentives. The growth of employees' remunerations is determined by their working performance, economic environment, and supply and demand conditions of human resource market, under the "two matches" principle matching the employees' income growth with the growth of the Company's operating results and the increase of production rate. Meanwhile, the Group's remuneration policy is reviewed and adjusted on a regular basis as well. Adhering to its "people-centered" philosophy and safeguarding the legitimate rights and interests of employees, the Group contributes social insurances, enterprise annuity and supplementary medical insurance as required by the relevant regulations of the PRC to provide an extra welfare scheme to its employees. The Company provides regular training for its employees, including internal training and advanced courses offered by external professional institutions, to enable employees to stay abreast of the latest developments in the market and the industry.

IX. DESCRIPTION OF OTHER OPERATING MATTERS

As the Dagang port area is planned to be transformed and upgraded into an international home port for cruise liners, some businesses of the Dagang port area will be gradually relocated to the Dongjiakou port area and the Qianwan port area. In March 2020, the construction of Qingdao international cruise homeport launch zone commenced, and the project has been progressing in accordance with the planned schedule. As of 30 June 2026, the construction of international home port for cruise liners had no effect on the main business of the Dagang port area.

The Government of Qingdao Economic and Technological Development Zone proposed to adopt a new urban planning scheme that may relocate the port operations in the Huangdao oil port area and operations of certain clients around the Huangdao oil port area to the Dongjiakou port area. As at 30 June 2026, the Group did not receive any relocation plan or relevant notice, and did not obtain any information in relation to such relocation of clients and businesses to the Dongjiakou port area, and the operation of the Huangdao oil port area was not affected.

X. SUBSEQUENT EVENTS

There is no material subsequent event of the Group from 30 June 2026 up to the Latest Practicable Date.

XI. OUTLOOK FOR THE SECOND HALF OF 2026

In the second half of 2026, opportunities and challenges will coexist. The conditions supporting the long-term sound development of the Chinese economy and the basic trends remain unchanged. The Group will assess the situation, plan ahead, actively integrate into the integrated reform of Shandong Port, and adhere to the principles of focusing on its core business, transformation and upgrading, innovative development and performance-orientation, to create greater value for the Shareholders and the society.

Firstly, the Group will strengthen the capacity expansion and efficiency enhancement. The Group will increase the density of its shipping lines network, build international logistics corridors, enhance transshipment efficiency, expand the inland ports, and increase the frequency of sea-rail intermodal trains, consolidating its position as an international shipping hub in Northeast Asia. The Group will enhance infrastructure capacity, deploy additional container stevedoring equipment, accelerate the construction progress of major projects in Dongjiakou port area, bring the renovated container berths in Qianwan port area into operation, further improving the service quality and efficiency.

Secondly, the Group will strengthen the transformation and development. The Group will adhere to the digital and intelligent transformation and the quality enhancement of supply chain, promote the deep integration of port resources and industrial chains, accelerate the implementation and industrial incubation of 26 artificial intelligence application scenarios in the port, and substantially complete the construction of the artificial intelligence application pilot base which is among the first batch in the country and the only one in the port industry. The Group will expand the green energy bunkering business and achieve regular bunkering of methanol, LNG and other fuels.

Thirdly, the Group will strengthen the foundations and consolidate fundamentals. The Group will improve its governance system, optimize the decision-making procedures, standardize information disclosure, and enhance the level of governance standardization. The Group will improve the whole-chain compliance management system, optimize risk early warning and emergency response mechanisms, and strictly guard against risks. The Group will deepen the management of the "three basics", i.e. basic units, fundamentals and basic skills, and coordinate efforts in intrinsic safety, customer service, quality improvement, cost reduction and profit growth, so as to build a model of modern corporate governance.

OTHER INFORMATION

I. COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability.

The Company has complied with all code provisions set out in the Corporate Governance Code for the six months ended 30 June 2026.

II. SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as the code of conduct for the Directors to conduct securities transactions. After making specific enquiries to all Directors, they all confirmed that they had complied with the required standards set out in the Model Code for the six months ended 30 June 2026.

III. DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in this report, no rights for any Directors or their respective spouse or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company were granted by the Company or a specified undertaking of the Company (as defined in Companies (Directors' Report) Regulation) to them, or were any such rights exercised by them; or was the Company or a specified undertaking of the Company (as defined in Companies (Directors' Report) Regulation) a party to any arrangement to enable the Directors or their respective spouse or children under 18 years of age, to acquire such rights in any other body corporate for the six months ended 30 June 2026.

IV. CHANGES IN DIRECTORS' AND THE CHIEF EXECUTIVE'S INFORMATION

On 8 May 2026, Mr. LI Wucheng resigned as a non-executive Director, a vice chairman of the Board, a member of the Strategy Development and ESG Committee and a member of the Remuneration Committee. For further details, please refer to the announcement of the Company dated 8 May 2026.

On 18 June 2026, Mr. BI Tao was appointed as a non-executive Director, a vice chairman of the Board, a member of the Strategy Development and ESG Committee and a member of the Remuneration Committee. For further details, please refer to the announcement of the Company dated 18 June 2026.

On 20 March 2026, Ms. WU Yu resigned as the chief executive officer of OOCL Logistics Limited* (東方海外物流有限公司), on 11 May 2026, she resigned as the deputy general manager of COSCO SHIPPING Lines Co., Ltd.* (中遠海運集裝箱運輸有限公司), on 1 June 2026, she resigned as the deputy general manager of COSCO SHIPPING Holdings Co., Ltd.* (中遠海運控股股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 601919; a company listed on the Hong Kong Stock Exchange, stock code: 01919).

On 26 June 2026, Mr. CHAU Kwok Keung was appointed as an independent non-executive director of Tsingtao Brewery Company Limited* (青島啤酒股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 600600; a company listed on the Hong Kong Stock Exchange, stock code: 00168).

Save as disclosed above, there were no changes to the Directors' or the chief executive's information as required to be disclosed in this report pursuant to Rule 13.51B(1) of the Hong Kong Listing Rules for the six months ended 30 June 2026.

V. REVIEW OF FINANCIAL STATEMENTS BY THE AUDIT COMMITTEE

The Audit Committee has reviewed the unaudited interim results and the interim report of the Company for the six months ended 30 June 2026.

VI. PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

No purchase, sale or redemption of any listed securities of the Company was made by the Company or any of its subsidiaries for the six months ended 30 June 2026 (including sale of the treasury shares).

As at 30 June 2026, there were no treasury shares held by the Company (whether held or deposited in the Central Clearing and Settlement System, or otherwise).

VII. INTERIM DIVIDEND, WITHHOLDING OF INCOME TAX AND CLOSURE OF REGISTER

The Board has considered and approved the distribution of 35% of the Company's Distributable Profit for the first half of 2026 as the interim dividend, with the total interim dividend of RMB907.9015 million (tax inclusive), representing approximately 33% of the net profit attributable to the shareholders of the Company in the consolidated financial statements of the Company for the first half of 2026. As at 30 June 2026, based on the total share capital of 6,491,100,000 shares of the Company, the Company will distribute an interim dividend of RMB1.399 per 10 shares (tax inclusive) to all shareholders. The above interim dividend will be paid within two months (no later than 28 October 2026) after the consideration and approval by the Board. Dividends for H shares will be denominated and declared in RMB and paid in HKD. The applicable exchange rate for the payment of the interim dividend is RMB1=HKD1.1557, being the average mid-point rate published by the People's Bank of China on its website for the period of five working days immediately prior to the date of the declaration of the distribution of dividend. Therefore, the interim dividend for H shares will be HKD1.6168 per 10 shares (tax inclusive).

The Company has appointed Computershare Hong Kong Trustees Limited as the receiving agent of the Company in Hong Kong (the "**Receiving Agent**") and will pay to such Receiving Agent the interim dividend declared for payment to the Shareholders of H shares. The interim dividend will be paid by the Receiving Agent and relevant cheques will be despatched by the Company's H share registrar, Computershare Hong Kong Investor Services Limited, no later than 28 October 2026 to the Shareholders of H shares entitled to receive such dividend by ordinary post at their own risk.

The Company will withhold for payment of the income tax strictly in accordance with the laws or requirements of the relevant government departments on behalf of the Shareholders whose names appear on the Company's register of members for H shares on Monday, 14 September 2026. For relevant details, please refer to the dividend announcement form for interim dividend for the six months ended 30 June 2026 of the Company published on 28 August 2026.

For details of payment of dividends to the Shareholders of A shares, please refer to the announcement of the Company to be separately published on the Shanghai Stock Exchange.

In order to determine the eligibility of being entitled to the interim dividend of 2026 for H shares, the H share register of the Company will be closed from Monday, 14 September 2026 to Monday, 21 September 2026 (both days inclusive), during which no H share transfer will be registered. The H Shareholders whose names appear on the register of members of the Company on Monday, 14 September 2026 (being the record date) are entitled to the interim dividend. Holders of the Company's H shares who wish to receive the interim dividend are required to deposit the transfer documents together with the relevant share certificates at the H share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. Friday, 11 September 2026 for registration.

VIII. INTERESTS AND SHORT POSITIONS OF THE DIRECTORS AND THE CHIEF EXECUTIVE IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

So far as the Directors are aware, as at 30 June 2026, none of the Directors or the chief executive or their associates had any interest or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO): (i) which will be required, pursuant to Section 352 of the SFO, to be recorded in the register kept by the Company, or (ii) which will be required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

IX. INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN THE SHARES AND UNDERLYING SHARES

So far as the Directors are aware, as at 30 June 2026, the following persons (other than the Directors and the chief executive of the Company) will be taken or deemed to have interests and short positions in the shares or underlying shares of the Company which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or pursuant to Section 336 of the SFO, to be recorded in the register kept by the Company:

Name	Class of Shares	Capacity/Nature of interest	Number of shares held(1)	Approximate percentage of shareholding in the registered capital of the Company	Approximate percentage of shareholding in the total number of issued A shares of the Company	Approximate percentage of shareholding in the total number of issued H shares of the Company
Qingdao Port Group	A share	Beneficial owner(2)	3,522,179,000 (L)	54.26%	65.32%	–
	H share	Beneficial owner(2)	84,185,000 (L)	1.30%	–	7.66%
Shandong Port Group	A share	Interest in a controlled corporation(2)	3,522,179,000 (L)	54.26%	65.32%	–
	H share	Interest in a controlled corporation(2)	84,185,000 (L)	1.30%	–	7.66%
COSCO SHIPPING Ports Development Co., Ltd.	H share	Beneficial owner(5)	206,363,000 (L)	3.18%	–	18.78%
Shanghai China Shipping Terminal	A share	Beneficial owner(3)	1,015,520,000 (L)	15.64%	18.83%	–

Name	Class of Shares	Capacity/Nature of interest	Number of shares held[1]	Approximate percentage of shareholding in the registered capital of the Company	Approximate percentage of shareholding in the total number of issued A shares of the Company	Approximate percentage of shareholding in the total number of issued H shares of the Company
COSCO SHIPPING Ports	A share	Interest in a controlled corporation[3]	1,111,520,000 (L)	17.12%	20.61%	–
	H share	Interest in a controlled corporation[5]	206,363,000 (L)	3.18%	–	18.78%
China COSCO (Hong Kong) Limited	A share	Interest in a controlled corporation[3]	1,111,520,000 (L)	17.12%	20.61%	–
	H share	Interest in a controlled corporation[5]	206,363,000 (L)	3.18%	–	18.78%
COSCO SHIPPING Holdings Co., Ltd.	A share	Interest in a controlled corporation[3]	1,111,520,000 (L)	17.12%	20.61%	–
	H share	Interest in a controlled corporation[5]	206,363,000 (L)	3.18%	–	18.78%
China Ocean Shipping Co., Ltd.	A share	Interest in a controlled corporation[3]	1,207,520,000 (L)	18.60%	22.39%	–
	H share	Interest in a controlled corporation[5]	206,363,000 (L)	3.18%	–	18.78%
COSCO SHIPPING Group	A share	Interest in a controlled corporation[4]	1,207,520,000 (L)	18.60%	22.39%	–
	H share	Interest in a controlled corporation[5]	206,363,000 (L)	3.18%	–	18.78%
FMR LLC	H share	Interest in a controlled corporation	64,966,625 (L)	1.00%	–	5.91%
FIL Limited	H share	Interest in a controlled corporation[6]	76,613,905 (L)	1.18%	–	6.97%
Pandanus Associates Inc.	H share	Interest in a controlled corporation[6]	76,613,905 (L)	1.18%	–	6.97%
Pandanus Partners L.P.	H share	Interest in a controlled corporation[6]	76,613,905 (L)	1.18%	–	6.97%

Notes:

(1) The letter "L" denotes long position in such securities.

(2) As at 30 June 2026, Qingdao Port Group was wholly-owned by Shandong Port Group. The Company was informed that as at 30 June 2026, Qingdao Port Group held 84,185,000 H shares of the Company, representing approximately 7.66% of the total number of issued H shares of the Company. As at the date of holding the H shares of the Company by Qingdao Port Group and as at the date of this report, based on the information obtained by the Company from public sources and so far as the Directors are aware, the Company had sufficient public float and the issued shares of the Company held by the public is no less than 16.62%, and is therefore in compliance with the Hong Kong Listing Rules.

(3) 96,000,000 A shares and 1,015,520,000 A shares of the Company are directly held by China Shipping Terminal Development and Shanghai China Shipping Terminal, respectively. Shanghai China Shipping Terminal is wholly-owned by China Shipping Terminal Development. China Shipping Terminal Development is wholly-owned by COSCO SHIPPING Ports Development Co., Ltd., which is wholly-owned by COSCO SHIPPING Ports. China COSCO (Hong Kong) Limited, which is wholly-owned by COSCO SHIPPING Holdings Co., Ltd., owned 72.65% interests (in which 72.65% interests was held by its wholly-owned subsidiary) in COSCO SHIPPING Ports. COSCO SHIPPING Holdings Co., Ltd. is 21.71% owned by COSCO SHIPPING Group and 21.71% owned by China Ocean Shipping Co., Ltd., and China Ocean Shipping Co., Ltd. is wholly-owned by COSCO SHIPPING Group. As such, each of COSCO SHIPPING Ports, China COSCO (Hong Kong) Limited, COSCO SHIPPING Holdings Co., Ltd., China Ocean Shipping Co., Ltd. and COSCO SHIPPING Group is deemed to be interested in 1,111,520,000 A shares of the Company.

(4) In addition to the 96,000,000 A shares and 1,015,520,000 A shares of the Company directly held by China Shipping Terminal Development and Shanghai China Shipping Terminal, respectively, there are 96,000,000 A shares of the Company directly held by COSCO Shipping (Qingdao) Co., Ltd., which is wholly-owned by COSCO SHIPPING Group. As such, COSCO SHIPPING Group is deemed to be interested in 96,000,000 A shares of the Company and deemed to be interested in 1,207,520,000 A shares of the Company in total.

(5) 206,363,000 H shares of the Company are directly held by COSCO SHIPPING Ports Development Co., Ltd., which is wholly-owned by COSCO SHIPPING Ports. Based on the shareholding relationships set out under note (3) above, each of COSCO SHIPPING Ports, China COSCO (Hong Kong) Limited, COSCO SHIPPING Holdings Co., Ltd., China Ocean Shipping Co., Ltd. and COSCO SHIPPING Group is deemed to be interested in 206,363,000 H shares of the Company.

(6) FIL Limited is deemed to be interested in 76,613,905 H shares of the Company indirectly held by its controlled entities/corporations. Pandanus Partners L.P. indirectly held 48.83% of the equity interests in FIL Limited. Pandanus Partners L.P. is indirectly wholly-owned by Pandanus Associates Inc. Accordingly, Pandanus Partners L.P. and Pandanus Associates Inc. are also deemed to be interested in the aforesaid 76,613,905 H shares of the Company.

Save as disclosed above, as at 30 June 2026, none of the persons had interest or short positions in the shares and underlying shares of the Company which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which will be required, pursuant to Section 336 of the SFO, to be recorded in the register kept by the Company.

CONSOLIDATED BALANCE SHEET

30 June 2026
(All amounts in RMB Yuan unless otherwise stated)

Assets	Note IV	30 June 2026 (Unaudited)	31 December 2025
Current assets			
Cash at bank and on hand	(1)	15,353,260,420	14,486,405,958
Financial assets held for trading	(2)	105,103,548	7,139,277
Notes receivable	(3)	35,681,194	37,440,164
Accounts receivable	(4)	2,708,784,517	1,960,784,025
Financing receivables	(5)	195,264,436	119,318,404
Advances to suppliers	(6)	293,322,125	189,185,855
Other receivables	(7)	1,378,990,948	1,177,392,549
Including: Dividend receivable	(7)	105,446,354	102,282,706
Inventories	(8)	70,277,787	56,791,574
Contract assets	(9)	121,192,880	139,939,213
Held for sale assets		–	–
Current portion of non-current assets	(10)	1,831,104	1,803,007
Other current assets	(11)	193,938,352	532,326,174
Total current assets		20,457,647,311	18,708,526,200
Non-current assets			
Long-term receivables	(12)	28,848,113	28,848,113
Long-term equity investments	(13)	15,672,626,973	15,588,269,337
Other non-current financial assets	(14)	344,054,651	344,054,651
Investment properties	(15)	707,245,822	130,142,532
Fixed assets	(16)	25,107,180,418	25,108,593,338
Construction in progress	(17)	2,104,245,567	1,351,133,593
Right-of-use assets	(18)	653,558,872	313,098,355
Intangible assets	(19)	4,036,643,638	3,120,269,011
Including: Data resources		57,448	100,534
Development costs	(20)	104,276,941	111,337,591
Goodwill	(21)	28,014,688	28,014,688
Long-term prepaid expenses	(22)	63,464,681	57,534,035
Deferred tax assets	(23)	1,007,383,268	948,435,160
Other non-current assets	(24)	656,783,561	740,510,541
Total non-current assets		50,514,327,193	47,870,240,945
Total assets		70,971,974,504	66,578,767,145

CONSOLIDATED BALANCE SHEET (Continued)

30 June 2026
(All amounts in RMB Yuan unless otherwise stated)

Liabilities and shareholders' equity	Note IV	30 June 2026 (Unaudited)	31 December 2025
Current liabilities			
Short-term borrowings	(25)	203,384,707	99,836,576
Notes payable	(26)	259,845,483	258,794,437
Accounts payable	(27)	1,881,363,453	1,536,214,860
Advances from customers	(28)	35,833,703	455,901
Contract liabilities	(29)	753,488,854	563,880,381
Employee benefits payable	(30)	703,295,485	766,604,904
Taxes payable	(31)	503,758,886	377,044,527
Other payables	(32)	5,429,739,103	3,931,882,854
Including: Dividend payable	(32)	1,298,731,941	7,900,926
Current portion of non-current liabilities	(33)	754,736,225	569,728,091
Other current liabilities	(34)	52,157,571	43,482,891
Total current liabilities		10,577,603,470	8,147,925,422
Non-current liabilities			
Long-term borrowings	(35)	3,281,172,773	3,140,172,638
Lease liabilities	(36)	399,470,880	179,673,327
Long-term payables	(37)	226,424,839	346,424,839
Deferred income	(38)	546,957,863	461,722,149
Long-term employee benefits payable	(39)	2,441,794,081	2,452,100,000
Deferred tax liabilities	(23)	51,552,701	51,621,388
Other non-current liabilities	(40)	1,577,513,807	1,682,633,930
Total non-current liabilities		8,524,886,944	8,314,348,271
Total liabilities		19,102,490,414	16,462,273,693
Shareholders' equity			
Share capital	(41)	6,491,100,000	6,491,100,000
Capital surplus	(42)	11,725,070,153	11,716,522,337
Other comprehensive income	(43)	(348,972,991)	(350,458,967)
Specific reserve	(44)	23,788,087	18,393,719
Surplus reserve	(45)	3,245,550,000	3,245,550,000
Undistributed profits	(46)	26,063,743,214	24,591,762,352
Total equity attributable to shareholders of the Parent Company		47,200,278,463	45,712,869,441
Minority interests		4,669,205,627	4,403,624,011
Total shareholders' equity		51,869,484,090	50,116,493,452
Total liabilities and shareholders' equity		70,971,974,504	66,578,767,145

The accompanying notes form an integral part of these financial statements.

Legal representative: Principal in charge of accounting: Head of accounting department:

COMPANY BALANCE SHEET

30 June 2026
(All amounts in RMB Yuan unless otherwise stated)

Assets	Note XV	30 June 2026 (Unaudited)	31 December 2025
Current assets			
Cash at bank and on hand	(1)	8,737,438,898	8,069,785,783
Financial assets held for trading		100,754,795	–
Notes receivable		–	950,000
Accounts receivable	(2)	791,804,293	377,857,971
Financing receivables	(3)	82,220,429	46,118,571
Advances to suppliers		109,688,723	79,883,890
Other receivables	(4)	357,279,175	379,903,038
Including: Dividend receivable	(4)	133,639,723	142,780,185
Inventories		12,379,130	10,517,953
Current portion of non-current assets		–	55,079,826
Other current assets		62,244,904	360,700,038
Total current assets		10,253,810,347	9,380,797,070
Non-current assets			
Long-term receivables		–	–
Long-term equity investments	(5)	24,015,951,374	23,849,822,946
Other non-current financial assets		344,054,651	344,054,651
Investment properties	(6)	1,142,605,949	1,023,059,549
Fixed assets	(7)	11,271,567,303	11,288,890,620
Construction in progress	(8)	1,854,014,714	1,212,901,488
Right-of-use assets		309,130,229	111,030,184
Intangible assets	(9)	2,846,255,284	1,917,356,584
Including: Data resources		57,448	100,534
Development costs		83,313,276	87,273,187
Long-term prepaid expenses		–	–
Deferred tax assets		109,834,942	100,307,613
Other non-current assets		425,186,775	367,475,771
Total non-current assets		42,401,914,497	40,302,172,593
Total assets		52,655,724,844	49,682,969,663

COMPANY BALANCE SHEET (Continued)

30 June 2026
(All amounts in RMB Yuan unless otherwise stated)

Liabilities and shareholders' equity	Note XV	30 June 2026 (Unaudited)	31 December 2025
Current liabilities			
Notes payable		54,972,738	12,717,770
Accounts payable		631,764,868	486,777,084
Advances from customers		105,968,212	80,739,070
Contract liabilities		197,957,736	97,429,021
Employee benefits payable		399,261,387	463,534,269
Taxes payable		53,828,690	23,498,317
Other payables		3,364,303,639	1,929,941,633
Including: Dividend payable		1,290,430,680	–
Current portion of non-current liabilities		161,437,081	39,513,676
Other current liabilities		8,084,093	5,882,877
Total current liabilities		4,977,578,444	3,140,033,717
Non-current liabilities			
Long-term borrowings		–	7,620,074
Lease liabilities		192,415,020	77,962,454
Long-term payables		226,424,839	226,424,839
Deferred income		302,044,046	256,205,746
Long-term employee benefits payable		1,481,465,000	1,455,820,000
Other non-current liabilities		1,581,869,849	1,682,633,929
Total non-current liabilities		3,784,218,754	3,706,667,042
Total liabilities		8,761,797,198	6,846,700,759
Shareholders' equity			
Share capital		6,491,100,000	6,491,100,000
Capital surplus	(11)	16,006,464,900	15,997,917,085
Other comprehensive income	(12)	(141,529,929)	(143,125,235)
Surplus reserve		3,245,550,000	3,245,550,000
Undistributed profits	(13)	18,292,342,675	17,244,827,054
Total shareholders' equity		43,893,927,646	42,836,268,904
Total liabilities and shareholders' equity		52,655,724,844	49,682,969,663

The accompanying notes form an integral part of these financial statements.

Legal representative: Principal in charge of accounting: Head of accounting department:

CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2026
(All amounts in RMB Yuan unless otherwise stated)

Item		Note IV	**For the six months ended 30 June 2026 (Unaudited)**	For the six months ended 30 June 2025 (Unaudited)
I.	**Revenue**	(47)	**10,456,245,338**	9,433,543,341
	Less: Cost of sales	(47), (53)	**(6,140,276,326)**	(5,724,512,180)
	Taxes and surcharges	(48)	**(91,139,253)**	(90,360,083)
	Selling and distribution expenses	(49), (53)	**(29,463,486)**	(29,042,936)
	General and administrative expenses	(50), (53)	**(548,715,155)**	(544,928,490)
	Research and development expenses	(51), (53)	**(87,344,064)**	(70,425,278)
	Financial expenses	(52)	**(47,840,786)**	(22,166,385)
	Including: Interest expenses		**(65,844,195)**	(63,449,255)
	Interest income		**65,114,062**	66,466,960
	Add: Other income	(54)	**30,714,097**	58,785,470
	Investment income	(55)	**434,771,979**	769,758,649
	Including: Investment income from associates and joint ventures		**436,713,087**	769,164,806
	Gains on changes in fair value	(56)	**(2,035,729)**	140,600,516
	Credit impairment reversals/(losses)	(57)	**(54,057,675)**	(20,380,080)
	Asset impairment losses	(58)	**2,236,437**	983,029
	Gains on disposal of assets	(59)	**16,176,268**	19,452,347
II.	**Operating profit**		**3,939,271,645**	3,921,307,920
	Add: Non-operating income	(60)	**8,949,463**	4,530,594
	Less: Non-operating expenses	(61)	**(24,010,778)**	(6,991,112)
III.	**Total profit**		**3,924,210,330**	3,918,847,402
	Less: Income tax expense	(62)	**(882,072,019)**	(784,580,913)
IV.	**Net profit**		**3,042,138,311**	3,134,266,489
	Including: Net profit of the acquiree in a business combination under common control before the combination date		**–**	–
	Classified by continuity of operations			
	Net profit from continuing operations		**3,042,138,311**	3,134,266,489
	Net profit from discontinued operations		**–**	–
	Classified by ownership of the equity			
	Minority interests		**279,726,769**	292,336,412
	Net profit attributable to shareholders of the Parent Company		**2,762,411,542**	2,841,930,077

CONSOLIDATED INCOME STATEMENT (Continued)

For the six months ended 30 June 2026
(All amounts in RMB Yuan unless otherwise stated)

Item	Note IV	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
V. Other comprehensive income, net of tax	(43)	**1,485,976**	(1,137,945)
Attributable to shareholders of the Parent Company, net of tax		**1,485,976**	(1,137,945)
Other comprehensive income items that will not be subsequently reclassified to profit or loss			
Changes in remeasurement of defined benefit plan obligations		**–**	–
Other comprehensive income that will not be transferred subsequently to profit or loss under the equity method		**–**	–
Other comprehensive income items that will be subsequently reclassified to profit or loss		**1,485,976**	(1,137,945)
Changes in fair value of other debt investments		**–**	–
Other comprehensive income that will be transferred subsequently to profit or loss under the equity method		**1,485,976**	(1,137,945)
Attributable to minority shareholders, net of tax		**–**	–
VI. Total comprehensive income		**3,043,624,287**	3,133,128,544
Attributable to shareholders of the Company		**2,763,897,518**	2,840,792,132
Attributable to minority interests		**279,726,769**	292,336,412
VII. Earnings per share			
Basic earnings per share (RMB)	(63)(a)	**0.43**	0.44
Diluted earnings per share (RMB)	(63)(b)	**0.43**	0.44

The accompanying notes form an integral part of these financial statements.

Legal representative: Principal in charge of accounting: Head of accounting department:

COMPANY INCOME STATEMENT

For the six months ended 30 June 2026
(All amounts in RMB Yuan unless otherwise stated)

Item		Note XV	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
I.	**Revenue**	(14)	3,091,125,871	2,959,029,014
	Less: Cost of sales	(14)(16)	(2,260,286,969)	(2,224,251,043)
	Taxes and surcharges		(40,439,585)	(41,524,056)
	Selling and distribution expenses	(16)	(73,812,792)	(14,398,047)
	General and administrative expenses	(16)	(263,162,336)	(265,565,084)
	Research and development expenses	(16)	(32,750,350)	(23,218,527)
	Financial expenses	(15)	11,682,504	22,559,766
	Including: Interest expenses		(9,045,410)	(3,129,463)
	Interest income		37,362,409	42,045,984
	Add: Other income		7,074,919	8,311,437
	Investment income	(17)	2,040,783,294	2,688,432,408
	Including: Investment income from associates and joint ventures		409,447,732	717,269,558
	Gains on changes in fair value		754,795	142,914,934
	Credit impairment losses		(14,405,270)	(6,869,580)
	Gains on disposal of assets		244,771	244,569
II.	**Operating profit**		2,466,808,852	3,245,665,791
	Add: Non-operating income		2,289,106	2,057,654
	Less: Non-operating expenses		(16,344,458)	(155,764)
III.	**Total profit**		2,452,753,500	3,247,567,681
	Less: Income tax expense	(18)	(114,807,199)	(150,928,678)
IV.	**Net profit**		2,337,946,301	3,096,639,003
	Classified by continuity of operations			
	Net profit from continuing operations		2,337,946,301	3,096,639,003
	Net profit from discontinued operations		–	–
V.	**Other comprehensive income, net of tax**		1,595,306	(1,137,945)
	Other comprehensive income items that will not be subsequently reclassified to profit or loss			
	Changes in remeasurement of defined benefit plan obligations		–	–
	Other comprehensive income items that will be subsequently reclassified to profit or loss		1,595,306	(1,137,945)
	Other comprehensive income that will be transferred subsequently to profit or loss under the equity method		1,595,306	(1,137,945)
VI.	**Total comprehensive income**		2,339,541,607	3,095,501,058

The accompanying notes form an integral part of these financial statements.

Legal representative: Principal in charge of accounting: Head of accounting department:

CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 30 June 2026
(All amounts in RMB Yuan unless otherwise stated)

Item		Note IV	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
I.	**Cash flows from operating activities**			
	Cash received from sales of goods or rendering of services		10,592,560,653	9,845,191,973
	Refund of taxes and surcharges		454,508,034	85,066,419
	Cash received relating to other operating activities	(64)(a)	260,453,296	265,047,995
	Subtotal of cash inflows		11,307,521,983	10,195,306,387
	Cash paid for goods and services		(4,371,803,616)	(4,375,424,767)
	Cash paid to and on behalf of employees		(1,923,020,112)	(1,841,670,398)
	Payments of taxes and surcharges		(1,334,372,045)	(1,029,779,562)
	Cash paid relating to other operating activities	(64)(b)	(383,432,586)	(189,411,334)
	Subtotal of cash outflows		(8,012,628,359)	(7,436,286,061)
	Net cash flows from operating activities		3,294,893,624	2,759,020,326
II.	**Cash flows from investing activities**			
	Cash received from disposal of investments		1,808,514,169	315,000,000
	Cash received from returns on investments		303,870,791	127,121,465
	Net cash received from disposal of fixed assets, intangible assets, and other long-term assets		67,969,062	128,170,387
	Net cash received from disposal of subsidiaries and other business units		–	–
	Cash received relating to other investing activities	(64)(c)	194,803,452	–
	Subtotal of cash inflows		2,375,157,474	570,291,852
	Cash paid to acquire fixed assets, intangible assets, and other long-term assets		(2,583,226,672)	(938,634,829)
	Cash paid to acquire investments		(1,351,820,869)	(331,180,941)
	Net cash paid to acquire subsidiaries and other business units		–	–
	Subtotal of cash outflows		(3,935,047,541)	(1,269,815,770)
	Net cash flows used in investing activities		(1,559,890,067)	(699,523,918)

For the six months ended 30 June 2026
(All amounts in RMB Yuan unless otherwise stated)

Item	Note IV	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
III. Cash flows from financing activities			
Cash received from capital contributions		–	40,692,799
Including: Cash received from capital contributions by minority shareholders of subsidiaries		–	40,692,799
Cash received from borrowings		239,201,339	1,712,673,630
Cash received relating to other financing activities		–	–
Subtotal of cash inflows		239,201,339	1,753,366,429
Cash repayments of borrowings		(348,481,219)	(270,406,754)
Cash payments for distribution of dividends, profits, or interest expenses		(166,322,131)	(124,647,498)
Including: Cash payments for distribution of profits to minority shareholders of subsidiaries		(113,961,300)	(70,607,417)
Cash paid relating to other financing activities	(64)(d)	(149,103,345)	(187,708,089)
Subtotal of cash outflows		(663,906,695)	(582,762,341)
Net cash flows used in financing activities		(424,705,356)	1,170,604,088
IV. Effect of foreign exchange rate changes on cash		(18,537,071)	2,892,002
V. Net increase/(decrease) in cash	(65)(a)	1,291,761,130	3,232,992,498
Add: Cash at the beginning of the period		12,746,849,218	12,207,737,448
VI. Cash at the end of the period	(65)(a)	14,038,610,348	15,440,729,946

The accompanying notes form an integral part of these financial statements.

Legal representative: Principal in charge of accounting: Head of accounting department:

COMPANY CASH FLOW STATEMENT

For the six months ended 30 June 2026
(All amounts in RMB Yuan unless otherwise stated)

Item	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
I. Cash flows from operating activities		
Cash received from sales of goods or rendering of services	2,321,673,938	2,259,097,310
Refund of taxes and surcharges	421,992,157	–
Cash received relating to other operating activities	406,276,730	335,588,264
Subtotal of cash inflows	3,149,942,825	2,594,685,574
Cash paid for goods and services	(1,156,768,127)	(1,164,078,313)
Cash paid to and on behalf of employees	(770,396,981)	(773,383,272)
Payments of taxes and surcharges	(310,902,949)	(210,194,019)
Cash paid relating to other operating activities	(208,848,763)	(136,136,525)
Subtotal of cash outflows	(2,446,916,820)	(2,283,792,129)
Net cash flows from operating activities	703,026,005	310,893,445
II. Cash flows from investing activities		
Cash received from disposal of investments	1,400,000,000	–
Cash received from returns on investments	1,857,571,640	1,880,419,567
Net cash received from disposal of fixed assets, intangible assets, and other long-term assets	3,606,178	5,322,823
Net cash received from disposal of subsidiaries and other business units	–	4,057,882
Cash received relating to other investing activities	55,000,000	1,610,063,889
Subtotal of cash inflows	3,316,177,818	3,499,864,161
Cash paid to acquire fixed assets, intangible assets, and other long-term assets	(1,833,559,017)	(259,637,455)
Cash paid to acquire investments	(1,000,000,000)	(134,000,000)
Cash paid relating to other investing activities	–	(270,027,000)
Subtotal of cash outflows	(2,833,559,017)	(663,664,455)
Net cash flows used in investing activities	482,618,801	2,836,199,706

For the six months ended 30 June 2026
(All amounts in RMB Yuan unless otherwise stated)

Item	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
III. Cash flows from financing activities		
Cash received from borrowings	**8,342,730**	8,249,675
Subtotal of cash inflows	**8,342,730**	8,249,675
Cash repayments of borrowings	**(209,867)**	–
Cash payments for distribution of dividends, profits, or interest expenses	**(3,186,955)**	(58,680)
Cash paid relating to other financing activities	**(46,360,129)**	–
Subtotal of cash outflows	**(49,756,951)**	(58,680)
Net cash flows used in financing activities	**(41,414,221)**	8,190,995
IV. Effect of foreign exchange rate changes on cash	**(144,704)**	(1,976)
V. Net increase/(decrease) in cash	**1,144,085,881**	3,155,282,170
Add: Cash at the beginning of the period	**6,938,384,629**	6,371,485,536
VI. Cash at the end of the period	**8,082,470,510**	9,526,767,706

The accompanying notes form an integral part of these financial statements.

Legal representative: Principal in charge of accounting: Head of accounting department:

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the six months ended 30 June 2026
(All amounts in RMB Yuan unless otherwise stated)

		Equity attributable to shareholders of the Parent Company								
Item	Note IV	Share capital	Capital surplus	Other comprehensive income	Specific reserve	Surplus reserve	General risk reserve	Undistributed profits	Minority interests	Total shareholders' equity
Closing balance at 31 December 2024		6,491,100,000	11,725,620,802	(572,243,667)	15,925,932	3,234,169,702	–	21,593,359,687	4,304,153,943	46,792,086,399
Changes in accounting policies		–	–	–	–	–	–	–	–	–
Opening balance at 1 January 2025		6,491,100,000	11,725,620,802	(572,243,667)	15,925,932	3,234,169,702	–	21,593,359,687	4,304,153,943	46,792,086,399
Movements for the six months ended 30 June 2025 (Unaudited)										
Total comprehensive income										
Net profit		–	–	–	–	–	–	2,841,930,077	292,336,412	3,134,266,489
Other comprehensive income	(43)	–	–	(1,137,945)	–	–	–	–	–	(1,137,945)
Total comprehensive income		–	–	(1,137,945)	–	–	–	2,841,930,077	292,336,412	3,133,128,544
Capital contribution and withdrawal by shareholders		–	–	–	–	–	–	–	–	–
Capital contribution by minority shareholders in subsidiaries		–	(5,589,428)	–	–	–	–	–	46,282,227	40,692,799
Business combinations under common control		–	–	–	–	–	–	–	–	–
Profit distribution										
Distribution to shareholders	(46)	–	–	–	–	–	–	(1,302,763,770)	(71,633,080)	(1,374,396,850)
Specific reserve										
Appropriation to safety fund		–	–	–	61,730,470	–	–	–	15,721,168	77,451,638
Utilization of safety fund		–	–	–	(56,995,374)	–	–	–	(11,828,346)	(68,823,720)
Changes in defined benefit plans carried forward to retained earnings		–	–	7,480,000	–	–	–	(7,480,000)	–	–
Recognition of other changes in equity of associates and joint ventures	(42)	–	(1,491,495)	–	–	–	–	–	–	(1,491,495)
Closing balance at 30 June 2025 (Unaudited)		6,491,100,000	11,718,539,879	(565,901,612)	20,661,028	3,234,169,702	–	23,125,045,994	4,575,032,324	48,598,647,315

For the six months ended 30 June 2026
(All amounts in RMB Yuan unless otherwise stated)

		Equity attributable to shareholders of the Parent Company							Minority interests	Total shareholders' equity
Item	Note IV	Share capital	Capital surplus	Other comprehensive income	Specific reserve	Surplus reserve	General risk reserve	Undistributed profits		
Closing balance at 31 December 2025		6,491,100,000	11,716,522,337	(350,458,967)	18,393,719	3,245,550,000	-	24,591,762,352	4,403,624,011	50,116,493,452
Changes in accounting policies		-	-	-	-	-	-	-	-	-
Opening balance at 1 January 2026		6,491,100,000	11,716,522,337	(350,458,967)	18,393,719	3,245,550,000	-	24,591,762,352	4,403,624,011	50,116,493,452
Movements for the six months ended 30 June 2026 (Unaudited)										
Total comprehensive income										
Net profit		-	-	-	-	-	-	2,762,411,542	279,726,769	3,042,138,311
Other comprehensive income	(43)	-	-	1,485,976	-	-	-	-	-	1,485,976
Total comprehensive income		-	-	1,485,976	-	-	-	2,762,411,542	279,726,769	3,043,624,287
Capital contribution and withdrawal by shareholders		-	-	-	-	-	-	-	-	-
Business combinations not under common control		-	-	-	-	-	-	-	98,260,159	98,260,159
Business combinations under common control		-	-	-	-	-	-	-	-	-
Profit distribution										
Distribution to shareholders	(46)	-	-	-	-	-	-	(1,290,430,680)	(114,361,635)	(1,404,792,315)
Specific reserve										
Appropriation to safety fund		-	-	-	64,968,513	-	-	-	12,266,738	77,235,251
Utilization of safety fund		-	-	-	(59,574,145)	-	-	-	(10,310,415)	(69,884,560)
Changes in defined benefit plans carried forward to retained earnings		-	-	-	-	-	-	-	-	-
Recognition of other changes in equity of associates and joint ventures	(42)	-	8,547,816	-	-	-	-	-	-	8,547,816
Closing balance at 30 June 2026 (Unaudited)		6,491,100,000	11,725,070,153	(348,972,991)	23,788,087	3,245,550,000	-	26,063,743,214	4,669,205,627	51,869,484,090

The accompanying notes form an integral part of these financial statements.

Legal representative: Principal in charge of accounting: Head of accounting department:

COMPANY STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the six months ended 30 June 2026
(All amounts in RMB Yuan unless otherwise stated)

Item	Note XV	Share capital	Capital surplus	Other comprehensive income	Specific reserve	Surplus reserve	Undistributed profits	Total shareholders' equity
Opening balance at 1 January 2025		6,491,100,000	16,004,144,473	(269,611,399)	–	3,234,169,702	15,189,188,316	40,648,991,092
Movements for the six months ended 30 June 2025 (Unaudited)								
Total comprehensive income								
Net profit		–	–	–	–	–	3,096,639,003	3,096,639,003
Other comprehensive income	(12)	–	–	(1,137,945)	–	–	–	(1,137,945)
Total comprehensive income		–	–	(1,137,945)	–	–	3,096,639,003	3,095,501,058
Profit distribution								
Distribution to shareholders	(13)	–	–	–	–	–	(1,302,763,770)	(1,302,763,770)
Specific reserve								
Appropriation to safety fund		–	–	–	23,093,766	–	–	23,093,766
Utilization of safety fund		–	–	–	(23,093,766)	–	–	(23,093,766)
Recognition of other changes in equity of associates and joint ventures	(11)	–	(1,491,314)	–	–	–	–	(1,491,314)
Closing balance at 30 June 2025 (Unaudited)		6,491,100,000	16,002,653,159	(270,749,344)	–	3,234,169,702	16,983,063,549	42,440,237,066

COMPANY STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (Continued)

For the six months ended 30 June 2026
(All amounts in RMB Yuan unless otherwise stated)

Item	Note XV	Share capital	Capital surplus	Other comprehensive income	Specific reserve	Surplus reserve	Undistributed profits	Total shareholders' equity
Opening balance at 1 January 2026		6,491,100,000	15,997,917,085	(143,125,235)	-	3,245,550,000	17,244,827,054	42,836,268,904
Movements for the six months ended 30 June 2026 (Unaudited)								
Total comprehensive income								
Net profit		-	-	-	-	-	2,337,946,301	2,337,946,301
Other comprehensive income	(12)	-	-	1,595,306	-	-	-	1,595,306
Total comprehensive income		-	-	1,595,306	-	-	2,337,946,301	2,339,541,607
Profit distribution								
Distribution to shareholders	(13)	-	-	-	-	-	(1,290,430,680)	(1,290,430,680)
Specific reserve								
Appropriation to safety fund		-	-	-	26,215,603	-	-	26,215,603
Utilization of safety fund		-	-	-	(26,215,603)	-	-	(26,215,603)
Recognition of other changes in equity of associates and joint ventures	(11)	-	8,547,815	-	-	-	-	8,547,815
Closing balance at 30 June 2026 (Unaudited)		6,491,100,000	16,006,464,900	(141,529,929)	-	3,245,550,000	18,292,342,675	43,893,927,646

The accompanying notes form an integral part of these financial statements.

Legal representative: Principal in charge of accounting: Head of accounting department:

I GENERAL INFORMATION

Qingdao Port International Co., Ltd. (the "Company") is a joint stock limited company incorporated in Qingdao of Shandong Province of the People's Republic of China (the "PRC") on 15 November 2013 (the "Company's Date of Incorporation") by Qingdao Port (Group) Co., Ltd. (now renamed as Shandong Port Qingdao Port Group Co., Ltd., hereinafter "Qingdao Port Group") as the leading promoter together with other promoters including Malai Storage (Shenzhen) Co., Ltd. (now renamed as China Merchants Port Modern Logistics Technology (Shenzhen) Co., Ltd., hereinafter "Malai Storage"), Qingdao Ocean Shipping Co., Ltd. (now renamed as COSCO Shipping (Qingdao) Co., Ltd., hereinafter "Qingdao Ocean"), China Shipping Terminal Development Co., Ltd. ("China Shipping Terminal"), Everbright Holdings (Qingdao) Financial Leasing Co., Ltd. (now renamed as Qingdao Guangsheng Investment Co., Ltd., hereinafter "Everbright Holdings Qingdao") and Qingdao International Investment Co., Ltd. ("Qingdao International Investment") (collectively referred to as "Other Promoters"), with its current registered address at No. 12 Jingba Road, Huangdao District, Qingdao, Shandong Province, the PRC and the office address at No. 7 Gangji Road, Shibei District, Qingdao, Shandong Province, the PRC.

Pursuant to *Qingdao State-Owned Assets Supervision & Administration Commission's Reply on Approval of Establishment of Limited Liability Company and Listing of H-Shares by Qingdao Port (Group) Co., Ltd.* (Qing Guo Zi Gui [2013] No. 29) and restructuring plan, Qingdao Port Group restructures and establishes a limited liability company. The total share capital of the Company at incorporation is 4,000,000,000 shares (Par value at RMB1). The total capital contributions subscribed by the initiators and the share capital converted are as follows (Amounts in ten thousand Yuan):

Name of promoter	Form of contribution	Amount of contribution	Share capital	Capital surplus	Shareholding
Qingdao Port Group	Asset and liability	1,065,228	360,000	705,228	90.0%
Malai Storage	Cash at bank and on hand	33,141	11,200	21,941	2.8%
Qingdao Ocean	Cash at bank and on hand	28,406	9,600	18,806	2.4%
China Shipping Terminal	Cash at bank and on hand	28,406	9,600	18,806	2.4%
Everbright Holdings Qingdao	Cash at bank and on hand	14,203	4,800	9,403	1.2%
Qingdao International Investment	Cash at bank and on hand	14,203	4,800	9,403	1.2%
Total		1,183,587	400,000	783,587	100.0%

The Company issued 705,800,000 foreign-listed H-shares overseas at its Initial Public Offering on 6 June 2014. The issuing price per share is HKD3.76 (approximately RMB2.98). The amount of raised capital less capitalized listing expenses was RMB1,995,921,171, including share capital of RMB705,800,000 (705,800,000 shares, par value at RMB1) and capital surplus of RMB1,290,121,171.

The Company exercised the overallotment option on 2 July 2014 and issued an additional 72,404,000 foreign-listed H shares overseas. The issuing price per share was HKD3.76 (approximately RMB2.99). The amount raised in over-allotment was RMB216,167,727, including share capital of RMB72,404,000 (72,404,000 shares, par value at RMB1) and capital surplus of RMB143,763,727.

Furthermore, 77,821,000 state-owned shares held by Qingdao Port Group (equivalent to 10% of the issued H-shares) were converted to H-shares and transferred to the National Council for Social Security Fund of the PRC as a portion of shares in the IPO and over-allotment for sale.

I GENERAL INFORMATION (Continued)

The completion of the placing of 243,000,000 new H shares of the Company (the "Placing") took place on 18 May 2017 at the placing price of HKD4.32 per H Share (equivalent to approximately RMB3.81). The total share capital of the Company increased to 5,021,204,000 shares as a result of the issue of the Placing Shares.

The Company made a private placement of 1,015,520,000 domestic shares to Shanghai China Shipping Terminal Development Co., Ltd. ("Shanghai China Shipping Terminal") on 22 May 2017 at a subscription price of RMB5.71 per share. After the completion of the private placement of the Domestic Shares, the total number of shares issued by the Company increased to 6,036,724,000 shares.

On 21 January 2019, the Company completed the initial public offering of 454,376,000 ordinary shares (A shares) and was listed on the main board of the Shanghai Stock Exchange with a par value of RMB1.00 per share at the issuing price of RMB4.61 per share. After the completion of the issuance of A shares, the total number of shares issued by the Company increased to 6,491,100,000 shares.

As at 30 June 2026, the total share capital of the Company is 6,491,100,000 shares with a par value of RMB1.00, including 5,392,075,000 A-shares and 1,099,025,000 H-shares, accounting for 83.07% and 16.93% respectively of the total share capital of the Company. Among them, Qingdao Port Group holds a 55.56% equity interest in the Company.

Qingdao Port Group is the parent company of the Company. The ultimate parent company of the Company is Shandong Port Group Co., Ltd. ("Shandong Port Group").

The main scope of business of the Company and its subsidiaries (collectively the "Group") includes port and port-related services such as stevedoring, stacking, logistics of containers, metal ores, coal, crude oil, grains, break bulk cargo, and port supporting business including electricity and fuel supply to the port area.

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

The specific accounting policies and estimates adopted by the Group based on its actual production and operational characteristics include measurement for the provision of expected credit losses on receivables and contract assets (Note II(9)), depreciation of fixed assets, amortization of intangible assets and right-of-use assets (Note II(13), (16), (25)), provision of supplemental retirement benefits (Note II(19)), and recognition and measurement of revenue (Note II(22)), etc.

(1) Basis of preparation for financial statements

(a) Basis for preparation

The financial statements of the Group have been prepared on the basis of transactions and events that actually occurred, in accordance with the *Accounting Standards for Business Enterprises* and its application guidelines, interpretations and other relevant regulations (hereinafter collectively referred to as ASBE) issued by the Ministry of Finance and the disclosure-related provisions of the *Public Information Disclosure and Compilation Rules for Public Offering of Securities No. 15 – General Provisions for Financial Reporting* (revised in 2023) issued by the China Securities Regulatory Commission (CSRC).

The new Hong Kong *Companies Ordinance* came into effect on 3 March 2014. Certain relevant matters in these financial statements have been disclosed in accordance with the disclosure requirements under the Hong Kong *Companies Ordinance* and the *Listing Rules* of The Stock Exchange of Hong Kong Limited.

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(1) Basis of preparation for financial statements (Continued)

(b) Preparation basis of consolidated financial statements

Prior to the establishment of the Company, Qingdao Port Group was reorganised under the plan approved by the State-owned Assets Supervision and Administration Commission of Qingdao Municipal People's Government ("Qingdao SASAC") and transferred certain business into the Company; therefore, the matter was deemed a business combination involving enterprises under common control. Pursuant to the Accounting Standards for Business Enterprises, at the preparation of the consolidated financial statements of the Group, the assets and liabilities contributed by Qingdao Port Group at the Company's Date of Incorporation remain presented at their original carrying amounts rather than at the appraisal values approved by the competent state-owned assets management authorities in the reorganization. The difference between the appraisal values and the carrying amounts is charged against the shareholders' equity in the consolidated financial statements.

On the other hand, certain subsidiaries of the Company appraised their assets and liabilities in the process of transformation from state-owned enterprises into limited liability companies. In light of *Interpretation No. 1 to the Accounting Standards for Business Enterprises*, the assets and liabilities of such reorganized companies shall, on the incorporation dates, be consolidated into the consolidated financial statements of the Group based on the appraisal values approved by the competent state-owned assets management authorities.

Basis for preparing the Company's financial statements: At preparation of the Company's financial statement, the assets and liabilities of Qingdao Port Group that were contributed to the Company are recognized based on the appraisal values approved by the competent state-owned assets management authorities, stated on the Company's financial statements.

(c) Going concern

The Group has assessed the ability to continue as a going concern for the twelve months from 30 June 2026 and has not identified any events or circumstances that raise significant doubt as to its ability to continue as a going concern. The financial statements are prepared on a going concern basis.

(2) Statement of compliance with the Accounting Standards for Business Enterprises

The financial statements comply with the requirements of the Accounting Standards for Business Enterprises and truly, accurately, and completely present the financial position of the Company and the Group as at 30 June 2026 and the results of their operations and cash flows for the six-month period ended 30 June 2026, and other related information.

(3) Accounting period

The accounting period of the Group is from 1 January to 31 December of the calendar year.

(4) Recording currency

The recording currency is Renminbi (RMB).

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(5) Methodology for determining materiality criteria and basis for selection

The Group follows the principle of materiality in the preparation and disclosure of its financial statements. The disclosures in the notes to the financial statements that involve materiality judgments and the methodology for determining and selecting the materiality criteria are as follows:

Disclosures involving the judgment of materiality criteria	Methodology for determining materiality criteria and basis for selection
Significant transactions	Accounts aged more than one year, and the proportion of the balance of individual transactions to the closing balance of the account exceeds 10% and the amount of individual transactions exceeds RMB50 million.
Recovery or reversal of significant provision for bad debts for receivables	The amount of provision for bad debts for receivables recovered or reversed individually exceeds RMB50 million.
Subsidiary with significant minority interests Significant non-wholly owned subsidiaries	Minority interests exceed 10% of consolidated shareholders' equity or 20% of consolidated net income.
Significant joint ventures/significant associates	Book value as a proportion of consolidated total assets exceeds 5% or income from long-term equity investments accounted for under the equity method exceeds 5% of consolidated net income.
Significant capitalized research and development projects	National and provincial key research and development projects
Significant outsourced in-process research projects	Total investment in a single project exceeds RMB50 million.
Significant construction in progress projects	Single construction in progress balance or additions more than RMB100 million
Significant commitments	Single contract value more than RMB10 million

(6) Accounting for business combinations under common control and not under common control

(a) Business combinations under common control

The consideration paid and net assets obtained by the Group in a business combination are measured at the carrying amount. If the acquiree was acquired from the third party by the ultimate controlling party in previous years, it shall be based on the carrying amount of the assets and liabilities of the acquiree (including the goodwill formed by the acquisition of the acquiree by the ultimate controlling party) in the consolidated financial statements of the ultimate controlling party. The difference between the carrying amount of the net assets obtained from the combination and the carrying amount of the consideration paid for the combination is treated as an adjustment to capital surplus (capital premium). If the capital surplus (capital premium) is not sufficient to absorb the difference, the remaining balance is adjusted against retained earnings. Costs that are directly attributed to the combination are included in profit or loss in the period in which they are incurred. Transaction costs associated with the issuance of equity or debt securities for the business combination are included in the initially recognized amounts of the equity or debt securities.

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(6) Accounting for business combinations under common control and not under common control (Continued)

(b) Business combinations not under common control

The cost of combination and identifiable net assets obtained by the Group in a business combination are measured at fair value at the acquisition date. When the cost of the combination exceeds the acquirer's interest in the fair value of the acquiree's identifiable net assets, the difference is recognized as goodwill; when the cost of the combination is lower than the acquirer's interest in the fair value of the acquiree's identifiable net assets, the difference is recognized in profit or loss for the current period. Costs that are directly attributed to the combination are included in profit or loss in the period in which they are incurred. Transaction costs associated with the issuance of equity or debt securities for the business combination are included in the initially recognized amounts of the equity or debt securities.

(c) Preparation of consolidated financial statements

The consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries.

Subsidiaries are consolidated from the date on which the Group obtains control and are de-consolidated from the date that such control ceases. For a subsidiary that is acquired in a business combination involving enterprises under common control, it is included in the consolidated financial statements from the date when it, together with the Company, comes under common control of the ultimate controlling party. The portion of the net profits realized before the combination date is presented separately in the consolidated income statement.

In preparing the consolidated financial statements, if the accounting policies or accounting periods adopted by a subsidiary and the Company are not consistent, the necessary adjustments are made to the financial statements of the subsidiary in accordance with the Company's accounting policies and accounting periods. For subsidiaries acquired from business combinations involving enterprises not under common control, the individual financial statements of the subsidiaries are adjusted based on the fair value of the identifiable net assets at the acquisition date.

All significant intra-group balances, transactions, and unrealized profits are eliminated from the consolidated financial statements. The portion of subsidiaries' owners' equity and the portion of subsidiaries' net profits and losses and comprehensive incomes for the period not attributable to the Company are recognized as minority interests, net profit attributed to minority interests and total comprehensive incomes attributed to minority interests and presented separately in the consolidated financial statements under shareholders' equity, net profits and total comprehensive income respectively. Where the loss for the current period attributable to the minority shareholders of the subsidiaries exceeds the share of the minority interests in the opening balance of owners' equity, the excess is deducted against minority interests. Unrealized profits and losses resulting from the sales of assets by the Company to its subsidiaries are fully eliminated against net profit attributable to owners of the parent. Unrealized profits and losses resulting from the sales of assets by a subsidiary to the Company are eliminated and allocated between net profit attributable to owners of the parent and minority interests in accordance with the allocation proportion of the parent in the subsidiary. Unrealized gains and losses on internal transactions arising from the sale of assets between subsidiaries are allocated and set off against net income attributable to shareholders of the parent company and minority interests in accordance with the parent company's proportionate share of the seller's subsidiaries.

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(6) Accounting for business combinations under common control and not under common control (Continued)

(c) Preparation of consolidated financial statements (Continued)

If the accounting treatment of a transaction is inconsistent in the financial statements at the Group level and at the Company or its subsidiary level, an adjustment will be made from the perspective of the Group.

If the control over the subsidiary is lost due to the disposal of a portion of an equity investment or other reasons, the remaining equity investment in the consolidated financial statements is remeasured at its fair value at the date when the control is lost. The sum of consideration received from the disposal of equity investment and the fair value of the remaining equity investment, net of the sum of the share of net assets of the former subsidiary based on continuous calculation since the acquisition date at the previous proportion of shareholding and goodwill, is recognised as investment income for the current period when the control is lost. In addition, other comprehensive income and other changes in owners' equity (excluding other comprehensive income from changes arising from remeasurement by investees on net liabilities or net assets of defined benefit plans and from accumulative changes in fair value of investments in equity instrument not held for trading held by investees that are classified as fair value through other comprehensive income), which are related with the equity investment in the former subsidiary, are transferred to profit or loss for the current period when the control is lost.

Acquisition of minority interests in subsidiaries

After the control over the subsidiary is gained, whole or partial minority interests of the subsidiary owned by minority shareholders are acquired from the subsidiary's minority shareholders. In the consolidated financial statements, the subsidiary's assets and liabilities are reflected at the amount based on continuous calculation since the acquisition date or the combination date. The difference between additional long-term equity investments for the purchase of minority interests and the share of net assets of the subsidiary calculated at the increased proportion of shareholding based on continuous calculation since the acquisition date or the combination date is treated as an adjustment to capital surplus. If the capital surplus (capital premium or share premium) is not sufficient to absorb the difference, the remaining balance is adjusted against retained earnings.

(7) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits that can be readily drawn on demand, and short-term and highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(8) Foreign currency operations and translation of foreign currency financial statements

(a) Foreign currency transactions

Upon initial recognition of a foreign currency transaction, the Group translates the foreign currency amount into the amount in local currency of accounts using the spot exchange rate on the date of the transaction. At the balance sheet date, monetary items denominated in foreign currencies are translated into RMB using the spot exchange rate at the balance sheet date. The resulting translation differences are recognized directly in profit or loss for the current period, except for the exchange differences arising from special borrowings in foreign currencies for the acquisition or production of assets eligible for capitalization, which are treated in accordance with the principle of capitalization.

(b) Translation of foreign currency financial statements

Assets and liabilities items in the foreign currency balance sheet are translated using the spot exchange rate at the balance sheet date; owners' equity items, except for "undistributed profits", are translated at the spot exchange rate at the time of the operation; and income and expense items in the income statement are translated using the spot exchange rate at the date of the transaction. The foreign currency statement translation differences arising from the above translation are presented in other comprehensive income. Cash flows in foreign currencies are translated using the spot rate at the date the cash flows occur. The amount of the effect of exchange rate changes on cash is presented separately in the cash flow statement.

(9) Financial instruments

A financial instrument is a contract that forms a financial asset of one party and forms a financial liability or equity instrument of the other party. When the Group becomes a party to a financial instrument contract, the relevant financial assets or financial liabilities are recognized.

(a) Classification and measurement of financial assets

Based on the business model for financial asset management and the contractual cash flow characteristics of financial assets, the Group classifies the financial assets as: (1) financial assets measured at amortized cost; (2) financial assets at fair value through other comprehensive income; (3) financial assets at fair value through profit or loss.

Financial assets are measured at fair value at initial recognition. For financial assets at fair value through profit and loss, the related transaction costs are directly recognized in profit or loss. For other financial assets, the related transaction costs are included in initially recognized amounts. Accounts receivable or notes receivable arising from sales of products or rendering of services, excluding or without regard to significant financing components, are initially recognized at the consideration that is entitled to be charged by the Group as expected.

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(9) Financial instruments (Continued)

(a) Classification and measurement of financial assets (Continued)

Debt instruments

Debt instruments held by the Group are instruments that meet the definition of financial liabilities from the perspective of the issuer, and are measured with the following three methods, respectively:

Measured at amortized cost:

The Group's business model for financial asset management aims to receive contractual cash flows. The contractual cash flow characteristics of such financial assets are consistent with a basic loan arrangement, which means the cash flow generated at certain dates is only the payment for the principal and corresponding interest based on the unpaid principal. The interest income of such financial assets is recognized using the effective interest method. Such financial assets mainly comprise cash at bank and on hand, notes receivable, accounts receivable, other receivables, debt investments, and long-term receivables. Debt investments and long-term receivables due within 1 year (inclusive) at the balance sheet date are included in the current portion of non-current assets; debt investments with maturities of no more than 1 year (inclusive) at acquisition are included in other current assets.

Measured at fair value through other comprehensive income:

The Group's business model for financial asset management aims to receive contractual cash flows and hold the financial assets for sale. The contractual cash flow characteristics of such financial assets are consistent with a basic loan arrangement. Such financial assets are measured at fair value through other comprehensive income. However, impairment losses or gains, exchange gains or losses, and interest income calculated using the effective interest method are included in profit or loss in the current period. Such financial assets mainly comprise financing receivables and other debt investments, etc. Other debt investments due within 1 year (inclusive) at the balance sheet date are included in the current portion of non-current assets; other debt investments with maturities of no more than 1 year (inclusive) at acquisition are included in other current assets.

Measured at fair value through profit or loss:

Debt instruments not classified as financial assets measured at amortized cost or at fair value through other comprehensive income are presented as financial assets at fair value through profit or loss by the Group. At initial recognition, the Group designates a portion of financial assets as those measured at fair value through profit or loss to eliminate or significantly reduce accounting mismatches. Financial assets with maturities over 1 year and expected to be held over 1 year at the balance sheet date are presented as other non-current financial assets; the others are presented as financial assets held for trading.

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(9) Financial instruments (Continued)

(a) Classification and measurement of financial assets (Continued)

Equity instruments

Investments in equity instruments over which the Group exerts no control, joint control, or significant influence, are presented as financial assets held for trading and are measured at fair value through profit or loss; financial assets expected to be held over 1 year at the balance sheet date are presented as other non-current financial assets.

(b) Impairment of financial instruments

Relevant loss provision is recognized for financial assets measured at amortized cost, investments in debt instruments at fair value through other comprehensive income, contract assets, and lease receivables based on Expected Credit Loss ("ECL").

The Group recognizes expected credit losses by calculating the probability-weighted amount of the present value of the difference between the cash flows receivable under a contract and the cash flows expected to be received, weighted by the risk of default, taking into account reasonable and substantiated information about past events, current conditions and projections of future economic conditions that are available at the balance sheet date without undue additional cost and effort.

For notes receivable, accounts receivable, financing receivables, and contract assets arising from ordinary operating activities, such as sales of goods and rendering of services, the Group measures the loss provision based on lifetime expected credit losses, regardless of whether or not there is a significant financing component. For lease receivables, the Group also elects to measure the loss allowance based on lifetime expected credit losses.

Except for notes receivable, accounts receivable, financing receivables, contract assets, and lease receivables mentioned above, at each balance sheet date, the Group measures separately the expected credit losses on financial instruments in different stages. If the credit risk of a financial instrument has not increased significantly since initial recognition, it is in the first stage, the Group shall measure its loss allowance based on expected credit losses over the next 12 months; if the credit risk of a financial instrument has increased significantly since initial recognition but no credit impairment has occurred, it is in the second stage, the Group shall measure its loss allowance based on expected credit losses over its entire duration; if a financial instrument has been credit impaired since initial recognition, it is in the third stage, the Group shall measure its loss allowance based on expected credit loss over its entire duration.

For financial instruments with low credit risk at the balance sheet date, the Group assumes that their credit risk has not increased significantly since initial recognition and considers them to be in the first stage of financial instruments and shall measure its loss provision based on expected credit losses over the next 12 months.

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(9) Financial instruments (Continued)

(b) Impairment of financial instruments (Continued)

The Group calculates interest income on financial instruments in the first and second stages based on the book balance and effective interest rate of the instruments before provision for impairment. For financial instruments in the third stage, interest income is calculated based on their book balance less amortized cost after provision for impairment and effective interest rate.

The credit risk characteristics of each class of financial assets for which expected credit losses are calculated on an individual basis are significantly different from other financial assets within this category. When information on expected credit losses cannot be assessed at a reasonable cost for a single financial asset, the Group classifies receivables into portfolios based on credit risk characteristics and calculates expected credit losses on a portfolio basis. And the determination of the portfolio and the accrual methodology are as follows:

Grouping of financing receivables and notes receivable:

Portfolio name	Basis for determining the portfolio
Grouping of financing receivables	Bank acceptance notes
Grouping A of notes receivable	Trade acceptance notes receivable from companies in the scope of consolidation (For company financial statements)
Grouping B of notes receivable	Trade acceptance notes receivable from other companies outside the scope of consolidation

Accounts receivable portfolio:

Portfolio name	Basis for determining the portfolio
Portfolio A – Consolidated in-scope portfolio	Accounts receivable from companies within the scope of consolidation (applicable to the company's financial statements)
Portfolio B – Accounts receivable from related parties outside the scope of consolidation and third parties	Accounts receivable from companies outside the scope of consolidation

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(9) Financial instruments (Continued)

(b) Impairment of financial instruments (Continued)

Grouping of other receivables and long-term receivables:

Portfolio name	Basis for determining the portfolio
Internal company portfolios	Other receivables and long-term receivables from companies within the scope of consolidation (applicable to the company's financial statements)
Portfolio of receivables from agency business	Receivables from companies outside the scope of consolidation from the agency business portfolio
Deposit and guarantee portfolios	Receivables from companies outside the scope of consolidation from the deposit and guarantee portfolios
Dividend receivable portfolio	Receivables from companies outside the scope of consolidation from the dividend receivable portfolio
Other portfolios	Receivables from companies outside the scope of consolidation from the other portfolio

For the receivables, lease receivables, notes receivable, financing receivable, and contract assets derived from daily business activities such as sales of goods and rendering of services, the Group calculates the expected credit loss by referring to the historical credit loss experience, combining the current situation and the forecast of future economic conditions, and based on the exposure at default and lifetime expected credit loss rate throughout its lifetime. Other receivables and long-term receivables classified as a portfolio, the Group shall calculate the expected credit losses, based on historical credit loss experience, current conditions, and forecasts of future economic conditions, by the default risk exposures and expected credit loss rates within the next 12 months or over the entire duration.

The Group recognises the gains or losses in profit or loss of the provision or reversal of the impairment. In the case of a debt instrument held at fair value through other comprehensive income, the Group adjusts other comprehensive income while recording gain or loss in profit and loss.

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(9) Financial instruments (Continued)

(c) Derecognition

A financial asset is derecognized when any of the below criteria is met: (1) the contractual rights to receive the cash flows from the financial asset expire; (2) the financial asset has been transferred and the Group transfers substantially all the risks and rewards of ownership of the financial asset to the transferee; or (3) the financial asset has been transferred and the Group has not retained control of the financial asset, although the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset.

On derecognition of investments in other equity instruments, the difference between the carrying amount and the sum of the consideration received and the cumulative changes in fair value that had been recognized directly in other comprehensive income is recognized in retained earnings. On derecognition of other financial assets, the difference between the carrying amount and the sum of the consideration received and the cumulative changes in fair value that had been recognized directly in other comprehensive income, is recognized in profit or loss in the current period.

(d) Classification, recognition basis, and measurement of financial liabilities

Financial liabilities are classified into the following categories at initial recognition: financial liabilities measured at amortized cost and financial liabilities at fair value through profit or loss.

The financial liabilities of the Group mainly comprise of financial liabilities measured at amortized cost, including notes payable, accounts payable, other payables, borrowings, long-term payables and lease liabilities. Such financial liabilities are recognized initially at fair value, net of transaction costs incurred, and subsequently measured using the effective interest method. Such financial liabilities with maturities no more than one year (inclusive) are classified as current liabilities. Other financial liabilities with maturities over one year but are due within one year (inclusive) at the balance sheet date are classified as the current portion of non-current liabilities. Others are classified as non-current liabilities.

A financial liability is derecognized or partly derecognized when the current obligation is discharged or partly discharged. The difference between the carrying amount of the financial liability or the derecognized part of the financial liability and the consideration paid is recognized in profit or loss in the current period.

(e) Determination of fair value of financial instruments

The fair value of a financial instrument that is traded in an active market is determined at the quoted price in the active market. The fair value of a financial instrument that is not traded in an active market is determined by using a valuation technique. At valuation, the Group uses valuation techniques that are applicable in the current situation and supported by adequate available data and other information, selects inputs with the same characteristics as those of assets or liabilities considered in relevant transactions of assets or liabilities by market participants, and gives priority to the use of relevant observable inputs. The Group uses unobservable inputs when relevant observable inputs are not available or feasible.

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(10) Inventories

Inventories include amounts of materials and finished goods, spare parts, fuel, low value consumables, and are stated at the lower of cost and net realizable value.

Inventories are initially measured at cost. The cost of inventories includes purchase cost, processing cost and other costs. Inventories are maintained on a perpetual inventory basis; the weighted-average cost method is used to determine the actual cost of inventories when they are claimed or issued. Low-value consumables and packaging are amortized using the one-time reversal method.

At the balance sheet date, inventories are measured at the lower of cost or net realizable value. If the cost of inventories is higher than their net realizable value, a provision for impairment of inventories is made and recognized in current profit or loss. Net realizable value is the estimated selling price of inventories in the ordinary course of activities less costs estimated to be incurred to completion, estimated selling expenses and related taxes.

The inventories of goods sold directly, such as goods in stock, work-in-process and materials held for sale, is determined on the basis of the estimated selling prices of such inventories less estimated selling expenses and related taxes; the inventories of materials held for use in production is determined on the basis of the estimated selling prices of finished goods produced less estimated costs to be incurred up to the time of completion, estimated selling expenses and related taxes. For inventories sold in the same region and with the same or similar end uses, the Group determines the provision for decline in value on an aggregate basis.

(11) Long-term equity investments

Long-term equity investments comprise the Company's long-term equity investments in its subsidiaries, and the Group's long-term equity investments in its joint ventures and associates.

Subsidiaries are the investees over which the Company is able to exercise control. A joint venture is a joint arrangement which is structured through a separate vehicle over which the Group has joint control together with other parties and only has rights to the net assets of the arrangement based on legal forms, contractual terms and other facts and circumstances. An associate is the investee over which the Group has significant influence by participating in the financial and operating policy decisions.

Investments in subsidiaries are presented in the Company's financial statements using the cost method, and are adjusted to the equity method when preparing the consolidated financial statements. Investments in joint ventures and associates are accounted for using the equity method.

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(11) Long-term equity investments (Continued)

(a) Determination of investment cost

For long-term equity investments acquired through business combinations involving enterprises under common control, the investment cost shall be the absorbing party's share of the carrying amount of owners' equity of the party being absorbed at the combination date; for long-term equity investments formed through business combinations involving enterprises not under common control, the investment cost shall be the combination cost.

For long-term equity investments acquired not through business combinations, regarding the long-term equity investment acquired by payment in cash, the initial investment cost shall be the purchase price actually paid; for long-term equity investments acquired by issuing equity securities, the initial investment cost shall be the fair value of the equity securities issued.

(b) Subsequent measurement and recognition of related profit or loss

For long-term equity investments accounted for using the cost method, they are measured at the initial investment costs, and cash dividends or profit distribution declared by the investees are recognized as investment income in profit or loss.

For long-term equity investments accounted for using the equity method, where the initial investment cost of a long-term equity investment exceeds the Group's share of the fair value of the investee's identifiable net assets at the acquisition date, the long-term equity investment is measured at the initial investment cost; where the initial investment cost is less than the Group's share of the fair value of the investee's identifiable net assets at the acquisition date, the difference is included in profit or loss and the cost of the long-term equity investment is adjusted upwards accordingly.

For long-term equity investments accounted for using the equity method, the Group recognizes the investment income pursuant to its share of net profit or loss of the investee. The Group discontinues recognizing its share of the net losses of an investee after the carrying amounts of the long-term equity investment, together with any long-term interests that in substance form part of the investor's net investment in the investee are reduced to zero. However, if the Group has obligations for additional losses and the criteria with respect to recognition of provisions under the accounting standards on contingencies are satisfied, the Group continues to recognize the investment losses and the provisions. The changes of the Group's share of the investee's owner's equity other than those arising from the net profit or loss, other comprehensive income, and profit distribution are recognized in the Group's capital surplus, and the carrying amounts of the long-term equity investment are adjusted accordingly. The carrying amount of the investment is reduced by the Group's share of the profit distribution or cash dividends declared by an investee.

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(11) Long-term equity investments (Continued)

(b) Subsequent measurement and recognition of related profit or loss (Continued)

The unrealized profits or losses arising from the transactions between the Group and its investees are eliminated in proportion to the Group's equity interest in the investees, based on which the investment gain or losses are recognized. In the preparation of the consolidated financial statements, as for the portion attributable to the Group of unrealised gains or losses in which the assets are invested or sold to the investees by the Group in downstream transactions, the Group offsets the portion attributable to the Group of the unrealised revenue and costs or gains or losses on disposal of assets on the basis of offsetting against the Company's financial statements and adjusts investment income accordingly; as for the portion attributable to the Group of unrealised gains or losses in which the assets are invested or sold to the Group by the investees in upstream transactions, the Group offsets the portion attributable to the Group of the unrealised gains or losses in internal transactions included in the carrying amount of the related assets on the basis of offsetting against the Company's financial statements, and adjusts the carrying amount of long-term equity investments accordingly. Any losses resulting from transactions between the Group and its investees attributable to asset impairment losses are not eliminated.

When the Group increases the percentage of shareholding in an investee due to additional investment, but the investee remains an associate or a joint venture, it shall be accounted for using the equity method with the updated percentage of shareholding. When the additional investment cost of a long-term equity investment exceeds the Group's share of the fair value of the investee's identifiable net assets at the additional investment date, the cost of long-term equity investment is not adjusted; when the additional investment cost is less than the Group's share of the fair value of the investee's identifiable net assets at the additional investment date, the difference is included in non-operating income and the cost of the long-term equity investment is adjusted upwards accordingly. While making the adjustment, goodwill relating to the original and additional investment or the amount included in profit or loss should be considered.

(c) Basis for determining the existence of control, joint control, or significant influence over investees

Control is the power to govern an investee, so as to obtain variable returns from its involvement with the investee, and has the ability to use its power over the investee to affect the amount of the investor's returns.

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

(d) Impairment of long-term equity investments

The carrying amounts of long-term equity investments in subsidiaries, joint ventures, and associates are reduced to the recoverable amounts when the recoverable amounts are below their carrying amounts (Note II(17)).

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(12) Investment properties

Investment properties, including land use rights that have already been leased out, buildings that are held for the purpose of leasing, and buildings that are being constructed or developed for the future purpose as leasing, are measured initially at cost. Subsequent expenditures incurred in relation to an investment property are included in the cost of the investment property when it is probable that the associated economic benefits will flow to the Group and their costs can be reliably measured; otherwise, the expenditures are recognized in profit or loss in the period in which they are incurred.

The Group adopts the cost model for subsequent measurement of investment properties. Land use rights are amortized on a straight-line basis over their approved use period of 35 – 50 years. Buildings and storage facilities are depreciated to their estimated net residual values over their estimated useful lives. The estimated useful lives, the estimated net residual values expressed as a percentage of cost, and the annual depreciation rates of buildings, storage facilities, and land use rights are as follows:

	Estimated useful lives	Estimated net residual values	Annual depreciation/ amortization rates
Buildings	30 years	4%	3.2%
Storage facilities	20-45 years	4%	2.1%-4.8%
Land use rights	35-50 years	–	2.0%-2.9%

When an investment property is transferred to owner-occupied properties, it is reclassified as a fixed asset or intangible asset on the date of the transfer. When an owner-occupied property is transferred out for earning rentals or for capital appreciation, the fixed asset or intangible asset is reclassified as investment property at its book value on the date of the transfer. When transferred, the book value before transfer shall be recorded as the cost after transfer.

The investment property's estimated useful life, net residual value, and depreciation method applied are reviewed and adjusted as appropriate at each year-end.

An investment property is derecognized on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. The net amount of proceeds from the sale, transfer, retirement, or damage of an investment property after its book value and related taxes and expenses is recognized in profit or loss for the current period.

The carrying amount of an investment property is reduced to the recoverable amount if the recoverable amount is below the carrying amount (Note II(17)).

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(13) Fixed assets

(a) Recognition and initial measurement of fixed assets

Fixed assets comprise buildings, port facilities, storage facilities, loading equipment, machinery and equipment, vessels, transportation equipment, communication facilities, office equipment, and other equipment.

Fixed assets are recognized when it is probable that the related economic benefits will flow to the Group and the costs can be reliably measured. Fixed assets purchased or constructed by the Group are initially measured at cost at the time of acquisition. The fixed assets contributed by the State shareholders at the reorganization of the Company into a corporation are recognized based on the evaluated amounts as approved by the state-owned assets administration department.

Subsequent expenditures incurred for a fixed asset are included in the cost of the fixed asset when it is probable that the associated economic benefits will flow to the Group and the related cost can be reliably measured. The carrying amount of the replaced part is derecognized. All the other subsequent expenditures are recognized in profit or loss in the period in which they are incurred.

(b) Depreciation methods of fixed assets

Fixed assets are depreciated using the straight-line method to allocate the cost of the assets to their estimated residual values over their estimated useful lives. For the fixed assets that have been provided for impairment loss, the related depreciation charge is prospectively determined based on the adjusted carrying amounts over their remaining useful lives. The estimated useful lives, the estimated residual values expressed as a percentage of cost and the annual depreciation rates of fixed assets are as follows:

	Estimated useful lives	Estimated net residual values	Annual depreciation rate
Buildings	30 years	4%	3.2%
Port facilities	20-45 years	4%	2.1%-4.8%
Storage facilities	20-45 years	4%	2.1%-4.8%
Loading equipment	10-20 years	4%	4.8%-9.6%
Machinery and equipment	5-18 years	4%	5.3%-19.2%
Vessels	18 years	5%	5.3%
Transportation equipment	10-12 years	4%	8.0%-9.6%
Communication facilities	5-8 years	4%	12.0%-19.2%
Office equipment and other equipment	5-12 years	4%	8.0%-19.2%

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(13) Fixed assets (Continued)

(b) Depreciation methods of fixed assets (Continued)

The estimated useful life and the estimated net residual value of a fixed asset and the depreciation method applied to the asset are reviewed and adjusted as appropriate at each year-end. The carrying amount of a fixed asset is reduced to the recoverable amount if the recoverable amount is below the carrying amount (Note II(17)).

(c) Disposal of fixed assets

A fixed asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The amount of proceeds from disposals on sale, transfer, retirement, or damage of a fixed asset net of its carrying amount and related taxes and expenses is recognized in profit or loss for the current period.

(14) Construction in progress

Construction in progress is measured at actual cost. Actual cost comprises construction costs, installation costs, borrowing costs that are eligible for capitalization, and other costs necessary to bring the fixed assets ready for their intended use. Construction in progress is transferred to fixed assets when the assets are ready for their intended use, and depreciation begins from the following month. The carrying amount of construction in progress is reduced to the recoverable amount when the recoverable amount is below the carrying amount (Note II(17)).

(15) Borrowing costs

The borrowing costs that are directly attributable to acquisition and construction of an asset that needs a substantially long period of time for its intended use commence to be capitalized and recorded as part of the cost of the asset when expenditures for the asset and borrowing costs have been incurred, and the activities relating to the acquisition and construction that are necessary to prepare the asset for its intended use have commenced. The capitalization of borrowing costs ceases when the asset under acquisition or construction becomes ready for its intended use, and the borrowing costs incurred thereafter are recognized in profit or loss for the current period. Capitalization of borrowing costs is suspended during periods in which the acquisition or construction of an asset is interrupted abnormally and the interruption lasts for more than 3 months, until the acquisition or construction is resumed.

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(15) Borrowing costs (Continued)

The capitalized amount of specific borrowings intended to be used for the acquisition and construction of qualifying assets is determined by the interest expenses incurred in the period, less interest income from the unused borrowings deposited at a bank or investment income from temporary investments.

The capitalized amount of general borrowings intended to be used for the acquisition and construction of qualifying assets is determined by the weighted average of the excess of accumulated capital expenditure over capital expenditure of the special borrowings multiplied by the weighted average effective interest rate of the utilized general borrowings. The effective interest rate is the rate at which the future cash flows of the borrowings over the expected lifetime or a shorter applicable period are discounted into the initial recognized amount of the borrowings.

(16) Intangible assets

Intangible assets include land use rights, sea area use rights, and computer software, and are measured at cost. The intangible assets contributed by the State shareholders at the reorganization of the Company into a corporation are recognized based on the evaluated amounts as approved by the state-owned assets administration department.

(a) Land use rights

Land use rights are amortized on a straight-line basis over their approved use period of 35 – 50 years. If the acquisition costs of the land use rights and the buildings located thereon cannot be reasonably allocated between the land use rights and the buildings, all of the acquisition costs are recognized as fixed assets.

(b) Sea area use right

Sea area use rights are initially recorded at their cost on acquisition and amortized on a straight-line basis over their useful lives of 45-50 years.

(c) Software

Software is initially recorded at its cost on acquisition and amortized on a straight-line basis over its estimated useful life of 5 years.

(d) Periodical review of useful life and amortization method

For an intangible asset with a finite useful life, review of its useful life and amortization method is performed at each year-end, with adjustments made as appropriate.

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(16) Intangible assets (Continued)

(e) Research and development

The Group's research and development expenses mainly include materials used in research and development, employee benefits of the research and development department, depreciation and amortisation of equipment and software used for research and development, research and development test, research and development service fee, and licensing fee.

Expenditure on the research phase is recognized in profit or loss in the period in which it is incurred. Expenditure on the development phase is capitalized only if all of the following conditions are satisfied:

- It is technically feasible to complete the intangible asset so that it will be available for use or sale;
- Management intends to complete the intangible asset, and use or sell it;
- It can be demonstrated how the intangible asset will generate economic benefits;
- There are adequate technical, financial and other resources to complete the development and the ability to use or sell the intangible asset; and
- The expenditure attributable to the intangible asset during its development phase can be reliably measured.

Other development expenditures that do not meet the conditions above are recognized in profit or loss in the period in which they are incurred. Development costs previously recognized as expenses are not recognized as an asset in a subsequent period. Capitalized expenditure on the development phase is presented as development costs in the balance sheet and transferred to intangible assets at the date that the asset is ready for its intended use.

(f) Impairment of intangible assets

The carrying amount of intangible assets is reduced to its recoverable amount when its recoverable amount is lower than its carrying amount (Note II(17)).

(17) Impairment of long-term assets

Fixed assets, construction in progress, investment properties, right-of-use assets, intangible assets with a finite useful life, and long-term equity investments in subsidiaries, joint ventures, and associates are tested for impairment if there is any indication that assets may be impaired at the balance date. Intangible assets that are not ready for their intended use are tested at least annually for impairment, irrespective of whether there is any indication that they may be impaired. If the result of the impairment test indicates that the recoverable amount of an asset is less than its carrying amount, a provision for impairment and an asset impairment loss are recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and the present value of the future cash flows expected to be derived from the asset. Provision for asset impairment is determined and recognized on the individual asset basis. If it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount of a group of assets to which the asset belongs is determined. A group of assets is the smallest group of assets that is able to generate independent cash inflows.

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(17) Impairment of long-term assets (Continued)

Goodwill that is separately presented in the financial statements is tested at least annually for impairment, irrespective of whether there is any indication that it may be impaired. In conducting the test, the carrying value of goodwill is allocated to the related asset group or groups of asset groups that are expected to benefit from the synergies of the business combination. If the result of the test indicates that the recoverable amount of an asset group or a group of asset groups, including the allocated goodwill, is lower than its carrying amount, the corresponding impairment loss is recognized. The impairment loss is first deducted from the carrying amount of goodwill that is allocated to the asset group or group of asset groups, and then deducted from the carrying amounts of other assets within the asset group or group of asset groups in proportion to the carrying amounts of assets other than goodwill.

Once the above asset impairment losses are recognized, they will not be reversed for the value recovered in the subsequent periods.

(18) Long-term prepaid expenses

Long-term prepaid expenses include the expenditures for improvements to right-of-use assets, and other expenditures that have been incurred but should be recognized as expenses over more than one year in the current and subsequent periods. Long-term prepaid expenses are amortized on a straight-line basis over the expected beneficial period and are presented at actual expenditures net of accumulated amortization.

(19) Employee benefits

Employee benefits include short-term employee benefits, post-employment benefits, termination benefits, and other long-term employee benefits provided in various forms of consideration in exchange for service rendered by employees or compensation for the termination of the employment relationship.

(a) Short-term employee benefits

Short-term employee benefits include employee wages or salaries, bonuses, allowances and subsidies, staff welfare, premiums or contributions on medical insurance, work injury insurance and maternity insurance, housing funds, union running costs and employee education costs, and short-term paid absences. The employee benefit liabilities are recognized in the accounting period in which the service is rendered by the employees, with a corresponding charge to the profit or loss for the current period or the cost of relevant assets. Employee benefits, which are non-monetary benefits, are measured at fair value.

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(19) Employee benefits (Continued)

(b) Post-employment benefits

The Group classifies post-employment benefit plans as either defined contribution plans or defined benefit plans. Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into a separate fund and will have no obligation to pay further contributions; and defined benefit plans are post-employment benefit plans other than defined contribution plans. During the reporting period, the Group's post-employment benefits mainly include basic pensions, unemployment insurance, corporate annuity, and supplemental retirement benefits. The first three items are under defined contribution plans, and the last one is under defined benefit plans.

As at 30 June 2026, the Group had no forfeited contributions (i.e., contributions processed by the Group on behalf of employees who withdrew from the scheme before the contributions became their own) for the set deposit and withdrawal plan to reduce the current and future contribution levels. For defined benefit plans, the Group has not yet established scheme assets and therefore there is no relevant information on the market value, contribution level, or material surplus or shortfall of scheme assets to disclose.

(c) Basic pensions

The Group’s employees participate in the basic pension plan set up and administered by the local authorities of the Ministry of Human Resources and Social Security. Monthly payments of premiums on the basic pensions are calculated pursuant to prescribed bases and percentages by the relevant local authorities. When employees retire, the relevant local authorities are obliged to pay their basic pensions to them. The amounts based on the above calculations are recognized as liabilities in the accounting period in which the service has been rendered by the employees, with a corresponding charge to the profit or loss for the current period or the cost of relevant assets.

(d) Corporate annuity

Employees who retire on or subsequent to 1 January 2016 enjoy the corporate annuity plan set up by the Group in accordance with the State’s corporate annuity regulations, apart from basic pensions. The annuity is accrued by the Group in proportion to the payroll. During the accounting period in which employees provide services, the amount calculated in line with the above-mentioned proportion is recognized as a liability and is included in profit or loss for the current period.

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(19) Employee benefits (Continued)

(e) Supplemental retirement benefits

Pursuant to the *Minutes of the 29th Executive Meeting of the 14th People's Government of Qingdao City* issued by the General Office of Qingdao Municipal Government on 19 August 2013, the Group, besides the pension plan specified by the State, offers supplemental retirement benefits to employees retired or to be retired prior to 31 December 2015 and the surviving family members involved, which is under defined benefit plans. Pursuant to the *Interim Measures for Supplementary Medical Insurance Management of Qingdao Port International Co., Ltd.* (Qing Gang Guo Ji Ren Zi [2020] No. 104), the Group provides supplementary medical benefits and other supplemental benefits to employees retired or are to be retired in the future. The above supplemental retirement benefits belong to a defined benefit plan. The supplemental retirement benefits borne by the Group are recognized as liabilities, actuarially evaluated using the projected unit credit method, and presented as the present value of expected future cash outflow. Actuarial gains and losses are included in other comprehensive income in the period when incurred, and past service cost is recognized in the period when incurred. The supplemental retirement benefits are discounted at the interest rate of government bonds that have terms to maturity approximating the terms of the related supplemental retirement benefits.

The supplemental retirement benefits expected to be paid within one year since the balance sheet date are classified as employee benefits payable.

The supplemental retirement benefits borne by the Company for subsidiaries are deemed as investments in subsidiaries and are recorded in long-term equity investments.

On 13 September 2024, the Standing Committee of the Fourteenth National People's Congress adopted the *Decision of the Standing Committee of the National People's Congress on the Implementation of a Gradual Delay in the Mandatory Retirement Age* at its eleventh meeting. Pursuant to it, the statutory retirement age of employees was delayed, and employees were given a limited choice of early and delayed retirement, with the retirement age of those who chose early retirement not being lower than the original statutory retirement age. Changes in the net asset or net liability of an enterprise's defined benefit plans as a result of changes in the new policies are changes in the defined benefit plans, which are recognized in profit or loss for the current period and should be implemented from the date of the changes.

(f) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits as liabilities and corresponding charge to profit or loss at the earlier of the following dates: when the Group cannot unilaterally withdraw the offer of termination benefits because of an employment termination plan or a curtailment proposal; when the Group recognizes costs or expenses related to the restructuring that involves the payment of termination benefits.

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(19) Employee benefits (Continued)

(g) Early retirement benefits

The Group offers early retirement benefits to those employees who accept early retirement arrangements. The early retirement benefits refer to the salaries and social security contributions to be paid to and for the employees who accept voluntary retirement before the normal retirement date prescribed by the State, as approved by the management. The Group pays early retirement benefits to those early retired employees from the early retirement date until the normal retirement date. The Group accounts for the early retirement benefits in accordance with the treatment of termination benefits, in which the salaries and social security contributions to be paid to and for the early retired employees from the off-duty date to the normal retirement date are recognized as liabilities with a corresponding charge to the profit or loss for the current period. The differences arising from the changes in the respective actuarial assumptions of the early retirement benefits and the adjustments of benefit standards are recognized in profit or loss in the period when they occur.

The termination benefits expected to be paid within one year since the balance sheet date are classified as employee benefits payable.

(20) Provisions

Present obligations arising from product quality warranties, loss contracts, etc., are recognized as provisions when the fulfillment of such obligations is likely to result in an outflow of economic benefits and the amount can be reliably measured.

Provisions are measured initially on the basis of the best estimate of the expenditure required to settle the related present obligation, taking into account factors such as the risks and uncertainties associated with the contingency and the time value of money. When the impact of the time value of money is significant, the best estimate is determined by discounting the relevant future cash outflows; the increase in the book value of the provision resulting from the unwinding of the discount over time is recognized as an interest expense.

On the balance sheet date, the book value of the provision is reviewed and appropriately adjusted to reflect the current best estimate.

Provisions that are expected to be settled within one year from the balance sheet date are presented as current liabilities.

(21) Dividend distribution

Cash dividend is recognized as a liability for the period in which the dividend is approved by the shareholders' meeting.

(22) Revenue recognition principles and measurement methods

The Group recognizes revenue at the amount of consideration to which the Group expects to be entitled when customers obtain control of relevant goods or services.

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(22) Revenue recognition principles and measurement methods (Continued)

(a) Rendering of services

The corresponding revenue recognition methods are summarised as follows:

– Income from services is recognized based on the progress of completed services over a period of time, including stevedoring of goods (including metal ores, coal, crude oil, grains, break bulk cargo, containers), port management, logistics and transportation, tugboat and barging, ocean shipping tallying, construction and other services, which is determined based on proportion of costs incurred to date to the estimated total costs. On the balance sheet date, the Group re-estimates the progress of completed services to reflect the changes in compliance with the contract.

– Income from stacking of goods like metal ores, coal, crude oil, grains, break bulk cargo, and containers is recognized on a straight-line basis over the service period.

When the revenue is recognized pursuant to the progress of completed services by the Group, the amounts with unconditional collection rights obtained by the Group are recognized as accounts receivable, and the rest are recognized as contract assets. Meanwhile, loss provision for accounts receivable and contract assets is recognized based on ECL (Note II(9)). If the contract amount received or receivable exceeds the amount for the completed services, the difference is recognized as contract liabilities. Contract assets and contract liabilities under the same contract are presented on a net basis.

Contract costs include contract performance costs and contract acquisition costs. Costs for rendering of services are recognized as contract performance costs, and are carried forward to cost of sales from main operations pursuant to the progress of services completed when the revenue is recognized. The Group will recognize the incremental costs incurred in obtaining the contracts as contract acquisition costs. For the costs to obtain a contract with an amortisation period of one year, the costs are charged in the current profit or loss when incurred. For the costs to obtain a contract with the amortisation period beyond one year, the costs are charged in the current profit or loss on the same basis as revenue from rendering services recognised under the relevant contract. If the carrying amount of contract costs exceeds the residual considerations expected to be obtained from the provision of the services, less the costs expected to be incurred, the Group makes provision for impairment for the difference and recognizes it as asset impairment losses. As at the balance sheet date, based on whether the amortisation period of the costs to fulfil a contract is more than one year when initially recognised, the amount of the Group's costs to fulfil a contract net of related provision for asset impairment is presented as inventories or other non-current assets. For costs to obtain a contract with an amortisation period beyond one year at the initial recognition, the amount net of related provision for asset impairment is presented as other non-current assets.

The Group assesses whether it is the principal or an agent in the transactions regarding whether the Group has control of goods or services when transferring the goods to the customer or rendering services. Provided that the Group has the control of goods (or services) before the transfer of the goods or rendering of services, it is the principal and should recognise revenue for the gross amount of consideration received or receivable; otherwise, it is the agent and should recognise revenue at the amount of commissions and fees to which the Group expects to be entitled.

(b) Sale of goods

Revenue from sales of oil and electricity is recognized when the control of goods is transferred to the buyer.

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(23) Government grants

Government grants are transfers of monetary or non-monetary assets from the government to the Group at nil consideration, including refund of taxes, financial subsidies, etc.

Government grant is recognized when the conditions attached to it can be complied with and the government grant can be received. For a government grant in the form of a transfer of monetary assets, the grant is measured at the amount received or receivable. For a government grant in the form of a transfer of non-monetary assets, it is measured at fair value; if the fair value is not reliably determinable, the grant is measured at nominal amount.

Government grants related to assets are those obtained for forming long-term assets by purchase, construction, or acquisition in other ways. Grants related to income are government grants other than those related to assets.

Government grants related to the acquisition of long-term assets are recorded as deferred income and recognised in profit or loss on a reasonable and systematic basis over the useful lives of the assets.

Government grants related to income for supporting the Group's business development and contributing to talents and scientific research, which compensate the future costs, expenses or losses are recorded as deferred income and recognized in profit or loss upon the recognition of the related costs, expenses or losses; government grants related to income that compensate incurred costs, expenses or losses are recognized in current profit or loss directly.

The Group uses the same presentation method for similar government grants.

Government grants that are related to ordinary activities are included in operating profit; otherwise, they are recorded in non-operating income or expenses.

(24) Deferred tax assets and deferred tax liabilities

Deferred tax assets and deferred tax liabilities are calculated and recognized based on the differences arising between the tax bases of assets and liabilities and their carrying amounts (temporary differences). Deferred tax asset is recognized for the deductible losses that can be carried forward to subsequent years for deduction of the taxable profit in accordance with the tax laws. No deferred tax liability is recognized for a temporary difference arising from the initial recognition of goodwill. No deferred tax asset or deferred tax liability is recognized for the temporary differences resulting from the initial recognition of assets or liabilities due to a transaction other than a business combination, which affects neither accounting profit nor taxable profit (or deductible loss) and which does not give rise to equal taxable and deductible temporary differences. At the balance sheet date, deferred tax assets and deferred tax liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled.

Deferred tax assets are only recognized for deductible temporary differences, deductible losses, and tax credits to the extent that it is probable that taxable profit will be available in the future against which the deductible temporary differences, deductible losses, and tax credits can be utilized.

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(24) Deferred tax assets and deferred tax liabilities (Continued)

Deferred tax liabilities are recognized for temporary differences arising from investments in subsidiaries, associates, and joint ventures, except where the Group is able to control the timing of reversal of the temporary difference, and it is probable that the temporary difference will not reverse in the foreseeable future. When it is probable that the temporary differences arising from investments in subsidiaries, associates, and joint ventures will be reversed in the foreseeable future and that the taxable profit will be available in the future against which the temporary differences can be utilized, the corresponding deferred tax assets are recognized.

Deferred tax assets and deferred tax liabilities that simultaneously meet the following conditions are presented net of offsets:

- the deferred taxes are related to the same taxpayer within the Group and the same taxation authority;
- that taxpayer within the Group has a legally enforceable right to offset current tax assets against current tax liabilities.

(25) Leases

Lease refers to a contract in which the lessor transfers the use right of the assets to the lessee for a certain period of time to obtain the consideration.

(a) The Group as the lessee:

The Group recognizes right-of-use assets on the beginning date of the lease period and lease liabilities based on the present value of the unpaid amount of lease payments. Lease payments include a fixed payment and the amount to be paid based on reasonable assurance that the purchase option will be exercised or the lease option will be terminated. The flexible rental based on the sales amount is not included in the lease payment and is recognized in profit or loss for the current period when actually incurred. Lease liabilities that are to be paid within one year (inclusive) since the balance sheet date are included in the current portion of non-current liabilities.

The Group's right-of-use assets comprise buildings, port facilities, storage facilities, loading equipment, machinery and equipment, and vessels etc. Right-of-use assets are initially measured at cost, which includes the initially measured amount of lease liabilities, the lease payment, and initial direct costs on or before the beginning date of the lease period, deducting the lease incentives already received. If the Group can reasonably assure to obtain the ownership of lease assets when the lease period is due, depreciation is charged over the residual useful life of lease assets. Otherwise, depreciation is charged over the shorter of the lease period and the residual useful life of lease assets. The carrying amounts of right-of-use assets are reduced to the recoverable amounts when the recoverable amounts are below their carrying amounts.

For short-term leases with lease periods not exceeding 12 months and leases of low-value assets, the Group chooses not to recognize the right-of-use assets and lease liabilities. And the related rental expenses are either recognized over the period of the lease in current profit or loss or capitalized as part of the cost of related assets on a straight-line basis.

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(25) Leases (Continued)

(a) The Group as the lessee: (Continued)

The Group shall account for a lease modification as a separate lease if both: (1) the modification increases the scope of the lease by adding the right to use one or more underlying assets; (2) the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the contract.

For a lease modification that is not accounted for as a separate lease, except that the contract changes are accounted for by applying the practical expedient as stipulated by the Ministry of Finance, the Group shall redetermine the lease term at the effective date of the lease modification, and remeasure the lease liability by discounting the revised lease payments using a revised discount rate. For a lease modification that decreases the scope of the lease or shortens the lease term, the Group decreases the carrying amount of the right-of-use asset, and recognises in profit or loss any gain or loss relating to the partial or full termination of the lease. For other leases which lead to the remeasurement of lease liabilities, the Group correspondingly adjusts the carrying amount of the right-of-use asset.

For eligible rent concessions agreed on existing lease contracts, the Group applies the practical expedient and records the undiscounted concessions in profit or loss when the agreement is reached to discharge the original payment obligation with corresponding adjustment of lease liabilities.

(b) The Group as the lessor:

A lease that has substantially transferred almost all the risks and rewards related to the ownership of the leased asset is a financial lease. Other leases are operating leases.

(i) Operating lease

When the Group leases out self-owned port facilities, storage facilities, buildings and etc., the rental income from the operating lease is recognized on a straight-line basis over the lease period.

For a lease modification, the Company accounts for it as a new lease from the effective date of the modification, and considers any lease payments received in advance or receivable relating to the lease before modification as receivables of the new lease.

(ii) Financial lease

As at the beginning date of the lease period, the Group recognizes finance lease receivables for finance leases and derecognizes related assets. Finance lease receivables are included in long-term receivables and finance lease receivables that are to be received within one year (inclusive) since the balance sheet date are included in the current portion of non-current assets.

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(26) Held for sale and discontinued operations

A non-current asset or a disposal group is classified as held for sale when both of the following conditions are satisfied: (1) the non-current asset or the disposal group is available for immediate sale in its present condition subject to usual practices for sale of such non-current asset or disposal group; (2) the Group has signed a legal binding sale agreement with other parties and has obtained appropriate approval, and the sale is to be completed within one year.

Non-current assets (except for financial assets and deferred tax assets) that meet the recognition criteria for held for sale are recognized at the amount equal to the lower of the fair value less costs to sell and the carrying amount. Any excess of the original carrying amount over the fair value, less the costs to sell, is recognized as asset impairment losses.

Such non-current assets and assets/liabilities included in disposal groups classified as held for sale are accounted for as current assets/liabilities, and are presented separately in the balance sheet.

A discontinued operation is a separately identified component of the Group that either has been disposed of or is classified as held for sale, and satisfies one of the following conditions: (1) represents a separate major line of business or geographical area of operations; (2) is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; and (3) is a subsidiary acquired exclusively with a view to resale.

Profit or loss from the discontinued operations stated in the income statement includes the profit or loss arising from the operation and disposal.

(27) Specific reserve

In accordance with the provisions of the Ministry of Finance, the Ministry of Emergency Management, and local government, the Group appropriates a special reserve for production safety based on revenue from businesses related to storage of dangerous goods, pipeline transportation, and common cargo transportation in the previous year.

Specific reserve is mainly for safety expenses on facilities such as stevedoring, transportation, and stacking.

The provision for specific reserve is recognized as relevant cost or profit or loss for the current period, and it is also included in the specific reserve. The specific reserve is written down when withdrawal of the safety fund is of expense. If it is capital expenditure, the expenditure incurred is recorded in construction in progress and recognized as fixed assets when the project is completed and is ready for the intended use, and meanwhile, a specific reserve is written down at the cost of the fixed assets, and accumulated depreciation is recognized at the same amount. Consequently, such fixed assets are not depreciated in subsequent periods.

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(28) Segment information

The Group identifies operating segments based on the internal organization structure, management requirements, and internal reporting system, and discloses segment information of reportable segments, which is determined on the basis of operating segments.

An operating segment is a component of the Group that satisfies all of the following conditions: (1) the component is able to generate revenue and incur expenses from its ordinary activities; (2) whose operating results are regularly reviewed by the Group's management to make decisions about resources to be allocated to the segment and to assess its performance, and (3) for which the information on financial position, operating results and cash flows is available to the Group. If two or more operating segments have similar economic characteristics and satisfy certain conditions, they are aggregated into one single operating segment.

(29) Fair value measurement

The Group measures investments in equity instruments at fair value at each balance sheet date. Fair value is the price that a market participant would receive for selling an asset or pay for transferring a liability in an orderly transaction occurring on the measurement date.

Assets and liabilities that are measured or disclosed at fair value in the financial statements are identified within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole: level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that are available at the measurement date; level 2 inputs are inputs other than level 1 inputs that are directly or indirectly observable for the related assets or liabilities; and level 3 inputs are unobservable inputs for the underlying assets or liabilities.

The fair value of financial instruments traded in an active market is determined at the quoted market price, and for financial instruments that are not traded in an active market, the Group determines the fair value using valuation techniques, and the valuation models used are mainly discounted cash flow models. The inputs to the valuation technique consist mainly of the risk-free rate, credit premium, and liquidity premium for debt, and the valuation multiplier and liquidity discount for equity.

The fair value of Level 3 is determined based on the Group's valuation models, such as discounted cash flow models. The Group also considers the initial transaction price, recent transactions in identical or similar financial instruments, or full third-party transactions in comparable financial instruments. On 30 June 2026, Level 3 financial assets measured at fair value are valued using significant unobservable inputs such as discount rates, but the fair value is not materially sensitive to reasonable changes in these significant unobservable inputs.

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(29) Fair value measurement (Continued)

The Group determines the fair value of unlisted equity investments based on the expected future cash flows discounted at the current discount rate for other financial instruments with similar contractual terms and risk characteristics. This requires the Group to estimate expected future cash flows, credit risk, volatility, and discount rates, and is therefore uncertain.

At each balance sheet date, the Group reassesses the assets and liabilities recognized in the financial statements that are measured at fair value on a continuous basis to determine whether a transition has occurred between the fair value measurement hierarchy.

(30) Critical accounting estimates and judgements

The Group continually evaluates the critical accounting estimates and key judgements applied based on historical experience and other factors, including expectations of future events that are believed to be reasonable.

(a) Critical accounting estimates and assumptions

The critical accounting estimates and key assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next accounting year are outlined below:

(i) Estimate on depreciation of fixed assets

The Group's management estimates the expected useful lives and residual values of fixed assets, and reviews them periodically. The estimates are based on the historical actual useful lives and industry practices of fixed assets with a similar nature and function. In the processing of using fixed assets, the economic environment, technical environment, and other environments may have a significant impact on the useful lives and expected net residual values of fixed assets; and also changes in the economic environment, technical environment, and other environments may also lead to significant changes in the expected realization method of economic benefits related to fixed assets. If there are significant changes from previously estimated useful lives and residual values, the amount of depreciation expenses may change.

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(30) Critical accounting estimates and judgements (Continued)

(a) Critical accounting estimates and assumptions (Continued)

(ii) Actuarial calculation of supplemental retirement benefits

The liabilities recognized from supplemental retirement benefits by the Group are calculated on an actuarial basis using a number of assumptions. The assumptions include discount rates, salaries and welfare growth rate, and mortality rates, etc. Any differences between the actual results and assumptions are accounted for in the current period in accordance with relevant accounting policies. Although the Group considers its assumptions are reasonable, changes in experience data and assumptions will affect the amounts of early retirement benefit and supplemental retirement benefits liabilities and other comprehensive income associated with supplemental retirement benefits of the Group.

(iii) Measurement of ECL

The Group calculates ECL pursuant to exposure at default and ECL rate, and determines ECL rate based on the probability of default and the loss given default or ageing matrix. When determining the ECL rate, the Group adopts data like historical credit loss experience in combination with the current situation and forward-looking information to adjust historical data. When considering forward-looking information, the Group has taken into account different macroeconomic scenarios.

(31) Significant changes in accounting policies and accounting estimates

(a) Significant changes in accounting policies

On 5 December 2025, the Ministry of Finance issued the *Interpretation No. 19 to the Accounting Standards for Business Enterprises* (Cai Kuai [2025] No. 32). It sets out requirements concerning the accounting treatment of indemnification assets in business combinations not under common control; the accounting treatment of relevant capital surplus upon disposal of subsidiaries originally acquired through business combinations under common control; the derecognition of financial liabilities settled via electronic-payment systems; the assessment of contractual cash-flow characteristics of financial assets and relevant disclosures; and disclosures for equity instruments designated at fair value through other comprehensive income. This Interpretation shall be effective from 1 January 2026.

On 4 June 2026, the Ministry of Finance issued the *Interpretation No. 20 to the Accounting Standards for Business Enterprises* (Cai Kuai [2026] No. 7). It sets out requirements concerning the assessment and accounting treatment of contractual cash-flow characteristics of financial assets (including non-recourse financial assets and contract-linked instruments), and the accounting treatment and relevant disclosures when a currency lacks convertibility. This Interpretation shall be effective from 4 June 2026. For new businesses falling within the scope of this Interpretation arising from 1 January 2026 up to the effective date hereof, enterprises shall make adjustments in accordance with this Interpretation.

II SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(31) Significant changes in accounting policies and accounting estimates (Continued)

(a) Significant changes in accounting policies (Continued)

In accordance with the effective dates stipulated by the Ministry of Finance, the Company has made corresponding changes to its existing accounting policies with effect from 1 January 2026. This change in accounting policies is implemented by the Company in accordance with the relevant provisions issued by the Ministry of Finance. It does not involve retrospective adjustments to prior periods and will not have a material impact on the Company's financial position, operating results and cash flows.

(b) Significant changes in accounting estimates

During the reporting period, the Group had no significant changes in accounting estimates that required disclosure.

III TAXATION

(1) The main categories and rates of taxes applicable to the Group are set out below:

Category	Tax base	Tax rate
Enterprise income tax	Taxable income	20% and 25%
Value-added tax ("VAT")	Taxable value-added amount (Tax payable is calculated using the taxable sales amount multiplied by the applicable tax rate, less deductible input VAT of the current period)	0%, 6%, 9%, and 13%
	Taxable revenue amount	3% and 5%
Land use tax	Actual size of the land occupied	RMB3.2-11.2 per square meter per year
Property tax	If levied on an ad valorem basis, 1.2% of the remaining value after a one-time deduction of 30% from the original value of the property; if levied on a rental basis, 12% of the rental income	1.2% and 12%
City maintenance and construction tax	Value-added tax	7%
Educational surcharge	Value-added tax	3%
Local education surcharge	Value-added tax	2%

III TAXATION (Continued)

(1) The main categories and rates of taxes applicable to the Group are set out below: (Continued)

Descriptions of taxpayers with different corporate income tax rates:

Name of taxpayer	Income tax rate
Qingdao Port Culture & Media Co., Ltd. ("Cultural & Media")	20%
Qingdao Port Lianshun Shipping Co., Ltd. ("GLS Shipping")	20%
Qingdao Port Land Port (Jiaozhou) International Logistics Co., Ltd. ("Land Port Logistics")	20%
Qingdao Port Eimskip Coldchain Logistics Co., Ltd. ("Eimskip Coldchain")	20%
Qingdao Shengshi International Logistics Co., Ltd. ("Shengshi Logistics")	20%
Weihai Gangfeng Shipping Agency Co., Ltd. ("Gangfeng Shipping Agency")	20%
China Ocean Shipping Tally Weihai Co., Ltd. ("China Ocean Shipping Tally Weihai")	20%
Qingdao Gangjia Logistics Co., Ltd. ("Gangjia Logistics")	20%
Qingdao Port International Development (HK) Co., Ltd. ("International Development")	8.25%/16.5%

(a) VAT

During the six-month period ended 30 June 2026, in addition to sales and commodity trading of fuel oil, hydropower, etc., the Company and certain subsidiaries also provide services such as transportation, stevedoring, port management, tugboat and barging, tallying, and tangible movable property leasing. Value-added tax is applicable to the above-mentioned businesses. The value-added tax rate applicable to the sales of fuel oil, electricity, commodity trading, and tangible movable property leasing services is 13%; the value-added tax rate applicable to stevedoring services, port management services, tugboat and barging services, ocean shipping tallying, and other services is 6%; the value-added tax rate applicable to the provision of transportation services, the provision of construction and installation projects, etc., and the transfer of real estate such as docks, storage yards, land use rights, and the lease of real estate services is 9%; the transfer or lease of real estate acquired before 30 April 2016 is taxed pursuant to the simplified taxation method, and the applicable tax rate is 3% or 5%.

(b) Withholding and payment of enterprise income tax

According to Guo Shui Han [2008] No. 897, the *Notice on Issues Concerning the Withholding and Payment of Enterprise Income Tax on the Distribution of Dividends by Chinese Resident Enterprises to Shareholders of Overseas H-share Non-resident Enterprises* issued by the State Taxation Administration on 6 November 2008, the Company withholds and pays enterprise income tax at a rate of 10% when paying dividends to shareholders of overseas H-share non-resident enterprises.

III TAXATION (Continued)

(2) Tax incentives

(a) Enterprise income tax

In accordance with Cai Shui [2008] No. 116 and Cai Shui [2008] No. 46, Qingdao Port Haiye Dongjiakou Oil Products Co., Ltd. ("Dongjiakou Oil Products"). Qingdao Port Dongjiakou Liquid Chemical Terminal Co., Ltd. ("Liquid Chemical Terminal"), and Qingdao Port Multi-purpose Terminal Co., Ltd. ("QMT"), the subsidiaries of the Company, engaged in public infrastructure projects specially supported by the state, so the corresponding loading and unloading business to Dongjiakou Oil Products and Liquid Chemical Terminal would be exempted from enterprise income tax for three years starting from 2021 and eligible for a 50% tax reduction for the next three years. 2026 is the third year of income tax reduced by half. The corresponding terminal loading and unloading business to QMT would be exempted from enterprise income tax for three years starting from 2022 and eligible for a 50% tax reduction for the next three years. 2026 is the second year of income tax reduced by half.

According to relevant provisions of the *Announcement on Policies of Deducting Enterprise Income Tax for Equipment and Apparatus* (Cai Shui [2023] No. 37) issued by the Ministry of Finance and the State Taxation Administration, the newly purchased equipment and apparatus by the Group with a value of less than RMB5 million during the period between 1 January 2024 and 31 December 2027 are allowed to be included in the current period's expenses and deducted in calculating taxable income, and depreciation will no longer be calculated annually.

According to the first provision in the *Announcement on Further Improving the Pre-tax Additional Deduction Policy for R&D Expenses* ([2023] No. 7), if the actual R&D expenses incurred by the Group in carrying out R&D activities do not form intangible assets and are included in profit or loss for the current period, on the basis of the actual deduction according to the regulations, from 1 January 2023, 100% of the actual amount will be additionally deducted before tax; if an intangible asset is formed, from 1 January 2023, the expenses are amortized before tax at 200% of the cost of the intangible asset.

According to the *Announcement on Enterprise Income Tax Policies for Digital and Intelligent Reconstruction of Specialized Equipment for Energy and Water Conservation, Environmental Protection, and Safe Production* (Cai Shui [2024] No. 9), the portion of the inputs for digital and intelligent reconstruction of specialized equipment incurred by an enterprise during the period from 1 January 2024 to 31 December 2027 that does not exceed 50% of the original tax base of the specialized equipment at the time of its acquisition may be credited against the enterprise's tax payable for the year at 10%. If the enterprise's tax payable for the year is insufficient for credit, the credit may be carried forward to subsequent years, but the carry-forward period shall not exceed five years.

For the six-month period ending 30 June 2026, according to the State Taxation Administration Announcement No. 12 of 2023, Cultural & Media, GLS Shipping, Land Port Logistics, Eimskip Coldchain, Shengshi Logistics, Gangfeng Shipping Agency, China Ocean Shipping Tally Weihai, and Gangjia Logistics, subsidiaries of the Company, are all small, low-profit enterprises. The portion of the annual taxable income of the above enterprises not exceeding RMB3 million shall be included in the taxable income at the reduced percentage of 25%, and the enterprise income tax shall be prepaid at the rate of 20%.

III TAXATION (Continued)

(2) Tax incentives (Continued)

(b) VAT

Pursuant to the relevant provisions of the *Notice on Comprehensively Promoting the Pilot Project of Replacing Business Tax with VAT* (Cai Shui No. 36 [2016]) issued by the Ministry of Finance and the State Taxation Administration, Shandong Port Lianhua Pipeline Petroleum Transportation Co., Ltd. ("Shandong Port Lianhua") and Gangjia Logistics, subsidiaries of the Company, as a general taxpayer providing pipeline transportation services, for those whose actual VAT burden exceeds 3%, the policy of levy-and-refund will be implemented; Qingdao Port International Logistics Co., Ltd. ("QDP Logistics"), GLS Shipping, Qingdao Port E-Link International Logistics Co., Ltd. ("Qingdao Port E-Link"), Shangang Luhai Quantai (Qingdao) Supply Chain Co., Ltd. ("Luhai Quantai"), Qingdao Port Jieyuntong Logistics Co., Ltd. ("Jieyuntong Logistics"), Qingdao Port Qianwangang Bonded Logistics Center Co., Ltd. ("Bonded Logistics Center"), Land Port Logistics, Qingdao Port Pulp Logistics Co., Ltd. ("Pulp Logistics"), Zhonglin Qinggang Supply Chain Co., Ltd. ("Qinggang Supply Chain"), Qingdao Port Jimo Port International Logistics Co., Ltd. ("Jimo Logistics"), and Weihai International Logistics Park Development Co., Ltd. ("Logistics Park Development"), subsidiaries of the Company, as taxpayers of international goods transportation agency services, are exempted from value-added tax ("VAT") on the direct or indirect international goods transportation agency services.

(c) Land use tax for terminal land

For the six-month period ending 30 June 2026, according to the *Announcement on Continuing the Implementation of the Preferential Urban Land Use Tax Policies for the Land Used by Logistics Enterprises for Bulk Commodity Storage Facilities* (Cai Shui [2023] No. 5) issued by the Ministry of Finance and the State Taxation Administration, the Group's warehousing area owned (for self-using and leasing) or leased for bulk commodities was subject to 50% tax reduction of land use tax. According to the *Regulation on Issue of Land Use Tax Exemption of Port Land of Transport Department* (Guo Shui Di Zi [1989] No. 123), the Group's land exclusively for ports (Berths, including quayside, deep-water floating quay, embankment, dam, etc.) was exempted from land use tax.

(d) Additional tax

For the six-month period ending 30 June 2026, pursuant to the *Announcement of the Ministry of Finance and the State Taxation Administration on Tax Policies Related to Further Supporting the Development of Micro and Small Enterprises and Individual Businesses* (Cai Shui [2023] No. 12), from 1 January 2023 to 31 December 2027, VAT small-scale taxpayers, small low-profit enterprises, and individual businesses are subject to 50% tax reduction of the resource tax (excluding the water resource tax), city maintenance and construction tax, property tax, urban land use tax, stamp duty (excluding securities transaction stamp duty), farmland occupation tax, educational surcharge, and local education surcharge. Cultural & Media, GLS Shipping, Land Port Logistics, Eimskip Coldchain, Shengshi Logistics, Gangfeng Shipping Agency, China Ocean Shipping Tally Weihai, and Gangjia Logistics, subsidiaries of the Group, are small low-profit enterprises and are entitled to 50% surtax reduction for the current period.

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(1) Cash at bank and on hand

	30 June 2026 (Unaudited)	31 December 2025
Cash on hand	–	–
Cash at bank	2,089,274,975	1,966,558,193
Deposits of Shandong Port Finance Company	13,142,261,295	12,465,896,078
Other cash balances	46,189,030	4,888,455
Interest receivable	75,535,120	49,063,232
	15,353,260,420	14,486,405,958
Including: Amounts deposited abroad	42,357,658	44,133,675

As at 30 June 2026, other cash balances included deposits for the issuance of bank acceptance notes of RMB2,759,864 (31 December 2025: RMB2,711,455), and deposits for the issuance of letters of guarantee and other guarantees of RMB43,429,166 (31 December 2025: RMB2,177,000).

(2) Financial assets held for trading

	30 June 2026 (Unaudited)	31 December 2025
Structured deposit	100,754,795	–
Stock investments	4,348,753	7,139,277
	105,103,548	7,139,277

(3) Notes receivable

	30 June 2026 (Unaudited)	31 December 2025
Bank acceptance notes	22,105,827	11,133,608
Trade acceptance notes	13,933,603	27,165,933
Less: Provision for bad debts	(358,236)	(859,377)
	35,681,194	37,440,164

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(3) Notes receivable (Continued)

(a) As at 30 June 2026, the Group had no pledged notes receivable (31 December 2025: nil).

(b) As at 30 June 2026, the Group's trade acceptance notes endorsed or discounted but not matured and the notes accepted by banks with lower credit ratings amounted to RMB8,044,178, and all of them were not derecognised.

(c) **Provision for bad debts**

For notes receivable arising from the sale of goods and the rendering of services in the ordinary course of operating activities, the Group measures the loss provision based on lifetime expected credit losses ("ECL"), regardless of whether there is a significant financing component.

Provisions for bad debts of notes receivable are analyzed by category as follows:

	30 June 2026 (Unaudited)				31 December 2025			
	Book balance		Provision for bad debts		Book balance		Provision for bad debts	
	Amount	Ratio	Amount	Accrual ratio	Amount	Ratio	Amount	Accrual ratio
Provision for bad debts on an individual basis	–	–	–	–	–	–	–	–
Provision for bad debts on a portfolio basis	36,039,430	100.00%	(358,236)	0.99%	38,299,541	100.00%	(859,377)	2.24%
	36,039,430	100.00%	(358,236)	0.99%	38,299,541	100.00%	(859,377)	2.24%

As at 30 June 2026, the Group had no notes receivable for which the provision for bad debts was made on the individual basis. There were no actual write-offs of notes receivable and provision for bad debts during the period.

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(4) Accounts receivable

	30 June 2026 (Unaudited)	31 December 2025
Accounts receivable	2,915,386,897	2,118,813,598
Less: Provision for bad debts	(206,602,380)	(158,029,573)
	2,708,784,517	1,960,784,025

Certain businesses of the Group are dealt in the form of cash, advances from customers, bank acceptance notes, or trade acceptance notes. Remaining businesses are attached with credit terms of 30 to 90 days.

(a) The aging of accounts receivable based on their recording dates is analyzed as follows:

	30 June 2026 (Unaudited)	31 December 2025
Within 1 year	2,583,520,653	1,790,723,870
1 to 2 years	181,573,819	201,503,758
2 to 3 years	45,958,621	52,023,043
Over 3 years	104,333,804	74,562,927
	2,915,386,897	2,118,813,598

Accounts receivable are mainly recorded based on the date of the transaction. The aging of accounts receivable presented based on their recording dates is basically the same as the aging represented based on the dates of the invoice.

(b) As at 30 June 2026, accounts receivable and contract assets with the top five closing balances, grouped by the party in arrears:

	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	As a percentage of the total closing balance of accounts receivable and contract assets (%)	Closing balance of bad debt provision for accounts receivable and contract assets
Total amount of the top five accounts receivable and contract assets	641,569,310	54,711,534	696,280,844	22.89	(64,766,558)

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(4) Accounts receivable (Continued)

(c) For the six months ended 30 June 2026, the Group had no accounts receivable that had been derecognized due to the transfer of financial assets (for the 6 months ended 30 June 2025: nil).

(d) **Provision for bad debts**

The Group measures the loss provision for accounts receivable based on lifetime expected credit losses, regardless of whether or not there is a significant financing component.

Provisions for bad debts of accounts receivable are analyzed as follows:

	30 June 2026 (Unaudited)			
	Book balance		**Provision for bad debts**	
	Amount	**% of total balance**	**Amount**	**Lifetime ECL rate**
Provision for bad debts on a portfolio basis (ii)				
Accounts receivable from related parties outside the scope of consolidation and third parties	**2,915,386,897**	**100.00%**	**(206,602,380)**	**7.09%**
	2,915,386,897	**100.00%**	**(206,602,380)**	**7.09%**

	31 December 2025			
	Book balance		Provision for bad debts	
	Amount	% of total balance	Amount	Lifetime ECL rate
Provision for bad debts on a portfolio basis (ii)				
Accounts receivable from related parties outside the scope of consolidation and third parties	2,118,813,598	100.00%	(158,029,573)	7.46%
	2,118,813,598	100.00%	(158,029,573)	7.46%

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(4) Accounts receivable (Continued)

(d) Provision for bad debts (Continued)

(i) As at 30 June 2026, there were no accounts receivable for which the related provision for bad debts was provided on the individual basis.

(ii) Provisions for bad debts of accounts receivable on a portfolio basis are analyzed as follows:

Accounts receivable from related parties outside the scope of consolidation and third parties:

	30 June 2026 (Unaudited)		
	Book balance	**Provision for bad debts**	
	Amount	**Lifetime ECL rate**	**Amount**
Within 1 year	**2,583,520,653**	**4.49%**	**(116,124,325)**
1 to 2 years	**181,573,819**	**10.00%**	**(18,157,382)**
2 to 3 years	**45,958,621**	**30.00%**	**(13,787,586)**
Over 3 years	**104,333,804**	**56.10%**	**(58,533,087)**
	2,915,386,897		**(206,602,380)**

	31 December 2025		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL rate	Amount
Within 1 year	1,790,723,870	4.57%	(81,820,089)
1 to 2 years	201,503,758	10.00%	(20,150,376)
2 to 3 years	52,023,043	30.00%	(15,606,913)
Over 3 years	74,562,927	54.25%	(40,452,195)
	2,118,813,598		(158,029,573)

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(4) Accounts receivable (Continued)

(d) Provision for bad debts (Continued)

(iii) There were no bad debt provisions reversed during the period, and the provision for bad debts on a portfolio basis amounted to RMB47,540,108. Changes in the scope of consolidation resulted in an increase of RMB1,120,699 in the provision for bad debts, while the debt forgiveness by Eimskip Coldchain reduced the bad debt by RMB88,000. There were no actual write-offs of accounts receivable and provision for bad debts during the period.

(e) As at 30 June 2026, the Group had no pledged accounts receivable (31 December 2025: nil).

(5) Financing receivables

	30 June 2026 (Unaudited)	31 December 2025
Bank acceptance notes	195,264,436	119,318,404

(a) Certain bank acceptance notes satisfied the derecognition criteria and were endorsed or discounted by the Group for the purpose of daily treasury management, thereby these bank acceptance notes with good credit ratings were categorized as financial assets at fair value through other comprehensive income.

For the six months ended 30 June 2026, the Group transferred substantially all the risks and rewards of ownership of the endorsed and discounted bank acceptance notes to other parties. The book values of derecognized bank acceptance notes were RMB154,549,454 and RMB17,451,202 respectively, and losses on discount of RMB74,048 were included in investment income (Note IV (55)).

As at 30 June 2026, the Group measures the provision for bad debts based on the lifetime ECL. As the credit risk characteristics of the bank acceptance notes held by the Group were similar, no provision for impairment was made individually. In addition, there was no significant credit risk associated with its bank acceptance notes, and it was not expected that there would be any significant losses from non-performance by these banks.

(b) As at 30 June 2026, the Group had no pledged bank acceptance notes presented as financing receivables (31 December 2025: nil).

(c) As at 30 June 2026, the bank acceptance notes that the Group has endorsed or discounted but not matured amounted to RMB50,009,912 (31 December 2025: RMB109,757,590) and have been derecognized.

(d) For the six months ended 30 June 2026, the Group did not have any write-offs of significant financing receivables (for the six months ended 30 June 2025: nil).

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(6) Advances to suppliers

(a) The aging of advances to suppliers is analyzed as follows:

	30 June 2026 (Unaudited)		31 December 2025	
	Amount	**% of total balance**	Amount	% of total balance
Within 1 year	**280,855,961**	**95.75%**	183,143,548	96.81%
1 to 2 years	**12,389,985**	**4.22%**	5,863,070	3.10%
2 to 3 years	**46,623**	**0.02%**	179,237	0.09%
Over 3 years	**29,556**	**0.01%**	–	–
	293,322,125	**100.00%**	189,185,855	100.00%

As at 30 June 2026, advances to suppliers aged over one year amounted to RMB12,466,164 (31 December 2025: RMB6,042,307).

(b) As at 30 June 2026, advances to suppliers with top five closing balances, grouped by the party in arrears, are summarized and analyzed as follows:

	Amount	**% of the total balance of advances to suppliers**
Total amount of the top five accounts advances to suppliers	146,361,126	49.90%

(7) Other receivables

	30 June 2026 (Unaudited)	31 December 2025
Dividend receivable	**105,446,354**	102,282,706
Other receivables	**1,273,544,594**	1,075,109,843
	1,378,990,948	1,177,392,549

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(7) Other receivables (Continued)

The classification of dividend receivable is as follows:

	30 June 2026 (Unaudited)	31 December 2025
Qingdao Port Dongjiakou Ore Terminal Co., Ltd.("QDOT")	81,810,723	81,810,723
Unitrans Group Co., Ltd. ("UG")	22,826,631	–
Qingdao Gulf Liquid Chemical Port Co., Ltd. ("Gulf Liquid Chemical")	770,000	–
Sanya Yalong Bay Development Co., Ltd. ("Sanya Yalong Bay")	39,000	39,000
Shandong Yuanhai Zhirong Supply Chain Development Co., Ltd. ("Yuanhai Zhirong") (former name: Qingdao Shenzhou International Freight Forwarding Co., Ltd.)	–	19,892,941
Shandong Port Overseas Development Group Qingdao Co., Ltd. ("Overseas Development Qingdao")	–	540,042
	105,446,354	102,282,706

The analysis of other receivables by nature of payment is as follows:

	30 June 2026 (Unaudited)	31 December 2025
Receivables from agency business (i)	949,443,535	723,222,570
Receivables from equity transfers (ii)	182,803,324	182,803,324
Deposit and guarantee	61,061,457	61,010,562
Supplementary medical insurance pooling funds (iii)	60,407,317	65,145,440
Land resumption compensation (iv)	19,849,303	27,963,850
Advances for land use rights receivable (v)	13,884,074	13,884,074
Others	40,686,027	48,340,264
	1,328,135,037	1,122,370,084
Less: Provision for bad debts	(54,590,443)	(47,260,241)
	1,273,544,594	1,075,109,843

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(7) Other receivables (Continued)

(i) Receivables from agency business mainly represent payments made by the Group on behalf of shipowners for handling the necessary formalities for vessels' entry and exit from the ports.

(ii) Receivables from equity transfers represent amounts due to the Group from the disposal of its equity interest in Shandong Binhai Hongrun Pipeline Stock Limited in 2025.

(iii) Supplementary medical welfare pooling funds represent the prepaid funds deposited into the account of the Shandong Branch of Ping An Endowment Insurance Co., Ltd. for the payment of employees' supplementary medical welfare. The Group expects that the recovery risk is low.

(iv) The opening balance of land resumption compensation represented compensation receivable for three state-owned construction land use rights of QMT, a subsidiary of the Group, which were taken back by the Huangdao District Natural Resources Bureau of Qingdao City in 2024. The amount was received during the period. The closing balance represented compensation receivable for two newly acquired land use rights of QMT for reclaiming land from the sea, which were taken back by the Huangdao District Natural Resources Bureau of Qingdao City during the period.

(v) Advances for land use rights receivable are the prepayments to the People's Government of Manshan Town, Weihai Lingang Economic and Technological Development Zone and Weihai Lingang State Owned Assets Management Co., Ltd., in a prior year for the purchase of land, by Logistics Park Development, a subsidiary of the Company. Due to the change in government planning, Logistics Park Development will not purchase the piece of land and the payment is to be recovered, and the Group expects that the payment will be fully recovered.

(a) The aging of other receivables is analyzed as follows:

	30 June 2026 (Unaudited)	31 December 2025
Within 1 year	**1,215,144,952**	1,025,878,068
1 to 2 years	**42,948,080**	26,188,808
2 to 3 years	**16,042,973**	28,265,155
Over 3 years	**53,999,032**	42,038,053
	1,328,135,037	1,122,370,084

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(7) Other receivables (Continued)

(b) Loss provisions and the movement in the book balance

	Stage 1					Stage 3		
	ECL over the next 12 months (on a portfolio basis)		ECL over the next 12 months (on an individual basis)		Subtotal	Lifetime ECL (credit impairment has occurred) (on an individual basis)		Total
	Book balance	Provision for bad debts	Book balance	Provision for bad debts	Provision for bad debts	Book balance	Provision for bad debts	Provision for bad debts
31 December 2025	1,099,084,291	(44,596,522)	20,622,074	–	(44,596,522)	2,663,719	(2,663,719)	(47,260,241)
Increase in the current period (Unaudited)	205,764,953	(7,330,202)	–	–	(7,330,202)	–	–	(7,330,202)
Decrease in the current period (Unaudited)	–	–	–	–	–	–	–	–
30 June 2026 (Unaudited)	**1,304,849,244**	**(51,926,724)**	**20,622,074**	**–**	**(51,926,724)**	**2,663,719**	**(2,663,719)**	**(54,590,443)**

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(7) Other receivables (Continued)

(b) Loss provisions and the movement in the book balance (Continued)

As at 30 June 2026, the Group did not have any other receivables in Stage 2 (31 December 2025: nil). The analyses of other receivables in the Stage 1 and Stage 3 are as follows:

(i) As at 30 June 2026, other receivables for which the provision for bad debts was made on an individual basis are analyzed as follows:

	Book balance	ECL rate over the next 12 months	Provision for bad debts	Reason
Stage 1				
Land compensation receivable	6,738,000	–	–	i)
Advances for land use rights receivable	13,884,074	–	–	ii)
	20,622,074		–	

	Book balance	Lifetime ECL rate	Provision for bad debts	Reason
Stage 3				
Receivables from Shandong Andeli Feed Co., Ltd.	2,663,719	100%	(2,663,719)	iii)
	2,663,719		(2,663,719)	

i) As at 30 June 2026, an amount of RMB6,738,000 was receivable from the Weihai Lingang Economic and Technological Development Zone Finance and Capital Bureau, which represents the compensation payment granted by Weihai Lingang District for using part of Logistics Park Development's logistics land for the railroad planning, which the Group expects to be fully recovered.

ii) As at 30 June 2026, receivables from the People's Government of Manshan Town, Weihai Lingang Economic and Technological Development Zone, and Weihai Lingang State Owned Assets Management Co., Ltd. totaled RMB13,884,074, which were the prepayments in prior years for the purchase of land, by Logistics Park Development, a subsidiary of the Group. Due to the change in government planning, Logistics Park Development will not purchase the piece of land, and the Group expects that the payment will be fully recovered.

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(7) Other receivables (Continued)

(b) Loss provisions and the movement in the book balance (Continued)

(i) As at 30 June 2026, other receivables for which the provision for bad debts was made on an individual basis are analyzed as follows: (Continued)

iii) As at 30 June 2026, the receivable from Shandong Andeli Feed Co., Ltd. amounted to RMB2,663,719. The company is listed as a defaulter, and the amount is expected to be unrecoverable. The Group has made a full provision for bad debts in respect of the payment.

(ii) As at 31 December 2025, other receivables for which the provision for bad debts was made on an individual basis are analyzed as follows:

	Book balance	ECL rate over the next 12 months	Provision for bad debts	Reason
Stage 1				
Land compensation receivable	6,738,000	–	–	i)
Advances for land use rights receivable	13,884,074	–	–	ii)
	20,622,074		–	

	Book balance	Lifetime ECL rate	Provision for bad debts	Reason
Stage 3				
Receivables from Shandong Andeli Feed Co., Ltd.	2,663,719	100%	(2,663,719)	iii)
	2,663,719		(2,663,719)	

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(7) Other receivables (Continued)

(b) Loss provisions and the movement in the book balance (Continued)

(iii) As at 30 June 2026 and 31 December 2025, other receivables for which the related provision for bad debts was made on a portfolio basis are all within Stage 1, which are analyzed as follows:

	30 June 2026 (Unaudited)			31 December 2025		
	Book balance	Loss provisions		Book balance	Loss provisions	
	Amount	Amount	Accrual ratio	Amount	Amount	Accrual ratio
Portfolio of receivables from agency business	946,779,816	(30,591,458)	3.23%	720,558,851	(22,998,847)	3.19%
Deposit and guarantee portfolios	61,061,457	–	–	61,010,562	–	–
Other portfolios	297,007,971	(21,335,266)	7.18%	317,514,878	(21,597,675)	6.80%
	1,304,849,244	(51,926,724)		1,099,084,291	(44,596,522)	

(c) The provision for bad debts was RMB7,196,619 during the period, and the amount of the provision for bad debts reversed was RMB177,911. Changes in the scope of consolidation resulted in an increase of RMB395,992 in the provision for bad debts, while the debt forgiveness by Eimskip Coldchain reduced the bad debt by RMB84,498. There were no actual write-offs of other receivables and provision for bad debts during the period.

(d) As at 30 June 2026, other receivables with the top five closing balances, grouped by the party in arrears, are analyzed as follows:

	Nature	Balance	Aging	% of total balance of other receivables	Provision for bad debts
Qingdao Qingke Free Trade Industrial Park Operation Management Co., Ltd.	Receivables from equity transfers	182,803,324	Within 1 year	13.76%	(9,140,166)
Beijing Foton International Automobile Co., Ltd.	Receivables from agency business	59,181,939	Within 1 year	4.46%	(1,774,103)
Shandong Branch of Ping An Annuity Insurance Company of China, Ltd.	Supplementary medical insurance pooling funds	55,377,802	Within 1 year, 1 to 2 years, 2-3 years	4.17%	–
Worldex International Logistics Qingdao Co., Ltd.	Receivables from agency business	54,386,076	Within 1 year	4.09%	(1,788,446)
QDOT	Receivables from agency business	51,780,570	Within 1 year	3.90%	(1,553,417)
		403,529,711		30.38%	(14,256,132)

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(7) Other receivables (Continued)

(e) As at 30 June 2026, the Group did not recognize government grants at amounts receivable (31 December 2025: nil).

(f) As at 30 June 2026, the Group had no pledged other receivables (31 December 2025: nil).

(g) As at 30 June 2026, the Group had no overdue dividend receivable (31 December 2025: nil).

(8) Inventories

(a) Inventories are categorized as follows:

	30 June 2026 (Unaudited)			31 December 2025		
	Book balance	Provision for decline in the value of inventories	Book value	Book balance	Provision for decline in the value of inventories	Book value
Materials and finished goods	49,188,309	–	49,188,309	24,117,862	–	24,117,862
Fuel	18,109,103	–	18,109,103	29,095,000	–	29,095,000
Spare parts	1,690,944	–	1,690,944	1,991,706	–	1,991,706
Others	1,289,431	–	1,289,431	1,587,006	–	1,587,006
	70,277,787	–	70,277,787	56,791,574	–	56,791,574

(b) Changes in book balances of inventories for the current year are analyzed as follows:

	31 December 2025	Increase in the current period (Unaudited)	Decrease in the current period (Unaudited)	30 June 2026 (Unaudited)
Materials and finished goods	24,117,862	361,419,860	(336,349,413)	49,188,309
Fuel	29,095,000	440,302,434	(451,288,331)	18,109,103
Spare parts	1,991,706	6,201,107	(6,501,869)	1,690,944
Others	1,587,006	7,888,110	(8,185,685)	1,289,431
	56,791,574	815,811,511	(802,325,298)	70,277,787

(c) As at 30 June 2026, the management of the Group considered that there was no impairment of the inventories, therefore no provision for the decline in value of inventories was required (31 December 2025: nil).

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(9) Contract assets

	30 June 2026 (Unaudited)	31 December 2025
Contract assets	126,056,582	147,039,352
Less: Provision for impairment of contract assets	(4,863,702)	(7,100,139)
	121,192,880	139,939,213

(a) The Group measures the loss provision for contract assets based on lifetime expected credit losses, regardless of whether or not there is a significant financing component. As at 30 June 2026, none of the Group's contract assets were overdue, and there were no contract assets for which individual impairment provisions had been made.

(b) No provision for bad debts was recognized during the period, and the amount of provision for bad debts reversed was RMB2,236,437, and there were no write-offs of significant contract assets and provision for bad debts during the period.

(10) Current portion of non-current assets

	30 June 2026 (Unaudited)	31 December 2025
Long-term receivables due within one year	1,831,104	1,803,007

(11) Other current assets

	30 June 2026 (Unaudited)	31 December 2025
VAT input to be deducted	187,946,011	253,665,375
Prepaid taxes	5,992,341	278,660,799
	193,938,352	532,326,174

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(12) Long-term receivables

	30 June 2026 (Unaudited)	31 December 2025
Receivables from Hunan Ccoop Commercial Management Co., Ltd. ("Hunan Ccoop") i)	30,679,217	30,651,120
Less: Current portion	(1,831,104)	(1,803,007)
Provision for bad debts	–	–
	28,848,113	28,848,113

(a) Loss provisions and the movement in the book balance

	Stage 3 Lifetime ECL (credit impairment has occurred)		Total
	Book balance	Provision for bad debts	Provision for bad debts
31 December 2025	30,651,120	–	–
Increase in the current period (Unaudited)	462,321	–	–
Decrease in the current period (Unaudited)	(434,224)	–	–
30 June 2026 (Unaudited)	30,679,217	–	–

i) As at 30 June 2026, the Group did not have long-term receivables at Stage 1 and Stage 2 (31 December 2025: nil). The receivable at Stage 3 of RMB30,679,217 was from Hunan Ccoop (31 December 2025: RMB30,651,120). Due to its poor performance, Hunan Ccoop was unable to pay the amount, and therefore provided the property of its parent company, Ccoop Group Co., Ltd., as collateral for the payment. According to the court's re-ruling, the amount was undertaken by Ccoop Group Co., Ltd. and would be repaid in installments within 10 years. RMB434,224 was repaid for the six months ended 30 June 2026. The Group believed that the recovery risk is relatively low and therefore no provision for bad debts was made.

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(12) Long-term receivables (Continued)

(b) As at 30 June 2026 and 31 December 2025, the Group had no long-term receivables in Stage 1 and Stage 2. The analysis of long-term receivables in Stage 3 is as follows:

(i) As at 30 June 2026, long-term receivables for which the provision for bad debts was made on an individual basis are analyzed as follows:

Stage 3	**Book balance**	**Lifetime ECL rate**	**Provision for bad debts**	**Reason**
Receivables from Hunan Ccoop	**28,848,113**	**–**	**–**	**Note IV (12) (a)**

As at 31 December 2025, long-term receivables for which the related provision for bad debts was made on an individual basis are analyzed as follows:

Stage 3	Book balance	Lifetime ECL rate	Provision for bad debts	Reason
Receivables from Hunan Ccoop	28,848,113	–	–	Note IV (12) (a)

(13) Long-term equity investments

	30 June 2026 (Unaudited)	31 December 2025
Joint ventures (a)	**11,816,954,639**	11,740,816,323
Associates (b)	**3,855,672,334**	3,847,453,014
	15,672,626,973	15,588,269,337

As at 30 June 2026, the Group's management considered that there was no indication that long-term equity investments might be impaired, therefore, no provision for impairment was made (31 December 2025: nil).

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(13) Long-term equity investments (Continued)

(a) Joint ventures

Investments in joint ventures are set out below:

	31 December 2025	Movements in the current year: Decrease in investments	Share of net profit/(loss) under equity method	Adjustments to other comprehensive income	Changes in other equities	Cash dividends or profits declared	Unrealized gains or losses on intra-group transactions	30 June 2026
Qingdao Qianwan Container Terminal Co., Ltd. ("QQCT") (i)	8,983,455,620	–	312,507,530	–	9,489,912	–	233,659	9,305,686,721
Qingdao Shihua Crude Oil Terminal Co., Ltd. ("Qingdao Shihua")	1,205,320,490	–	21,008,340	–	–	(162,490,035)	2,228,407	1,066,067,202
QDOT	556,177,617	–	(10,822,838)	–	–	–	559,968	545,914,747
Qingdao Qianwan West Port United Terminal Co., Ltd. ("West United") (ii)	364,840,583	–	(25,807,612)	–	393,428	–	872,232	340,298,631
Qingdao PetroChina Storage Co., Ltd. ("PetroChina Storage")	159,091,135	–	2,343,850	–	138,893	(528,612)	–	161,045,266
Huaneng Qingdao Port Co., Ltd. ("Huaneng Qingdao")	139,395,844	–	3,102,716	–	232,658	–	744,850	143,476,068
Qingdao Port Dongjiakou Wanbang Logistics Co., Ltd. ("Dongjiakou Wanbang Logistics") (iii)	67,138,646	–	938,002	–	–	–	–	68,076,648
Qingdao Evergreen Container Storage & Transportation Co., Ltd. ("Evergreen Container") (iv)	64,828,218	(64,828,218)	–	–	–	–	–	–
Qingdao Orient International Container Storage & Transportation Co., Ltd. ("Orient Container")	53,936,012	–	6,409,496	–	–	–	–	60,345,508
Qingdao Port Dongjiakou Sinotrans Logistics Co., Ltd. ("Dongjiakou Sinotrans Logistics")	52,479,243	–	183,655	–	–	(3,126,352)	–	49,536,546
Qingdao United International Shipping Agency Co., Ltd. ("United Shipping Agency")	32,272,614	–	732,333	–	–	(4,813,037)	–	28,191,910

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(13) Long-term equity investments (Continued)

(a) Joint ventures (Continued)

		Movements in the current year						
	31 December 2025	Decrease in investments	Share of net profit/(loss) under equity method	Adjustments to other comprehensive income	Changes in other equities	Cash dividends or profits declared	Unrealized gains or losses on intra-group transactions	30 June 2026
Qingdao Ganglianhai International Logistics Co., Ltd. ("Ganglianhai Logistics")	22,816,888	(22,816,888)	–	–	–	–	–	–
Qingdao Port Yuanhai Shipping Agency Co., Ltd. ("Yuanhai Shipping Agency")	14,169,164	–	192,117	–	–	–	–	14,361,281
Qingdao Ganglianrong International Logistics Co., Ltd. ("Ganglianrong Logistics")	13,969,808	–	1,979,335	–	–	–	–	15,949,143
Hailu International Port Operation Management Co., Ltd. ("Hailu International")	4,246,922	–	388,239	(109,330)	–	–	–	4,525,831
Yuanhai Zhirong	4,163,929	–	9,315,208	–	–	–	–	13,479,137
Qingdao Port (Linyi) High-speed Logistics Co., Ltd. ("Linyi Expressway")	2,513,590	(2,514,169)	579	–	–	–	–	–
	11,740,816,323	(90,159,275)	322,470,950	(109,330)	10,254,891	(170,958,036)	4,639,116	11,816,954,639

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(13) Long-term equity investments (Continued)

(a) Joint ventures (Continued)

(i) The Company's shareholding in QQCT is 51% and the other party's shareholding is 49%. Pursuant to QQCT's Articles of Association, the Meeting of Shareholders serves as its highest authority, and the significant financial and operational decisions need to be approved by all Shareholders. The Company cannot unilaterally exercise control over QQCT and therefore accounts for QQCT as a joint venture.

(ii) The Company holds a 51% equity interest in West United. In accordance with the Articles of Association of West United, its highest authority is the Meeting of Shareholders but its significant operational decisions should be voted by the Board of Directors with the authorization of the Meeting of Shareholders. The Company can designate 3 out of 5 board members in West United. The significant financial and operational decisions of West United need to be approved by all directors. The Company cannot unilaterally exercise control over West United, and therefore, West United is accounted for as a joint venture.

(iii) The Company holds a 51% equity interest in Dongjiakou Wanbang Logistics. In accordance with the Articles of Association of Dongjiakou Wanbang Logistics, its highest authority is the Board of Directors. The Company can designate 4 out of 7 board members in Dongjiakou Wanbang Logistics. The significant financial and operational decisions of Dongjiakou Wanbang Logistics need to be approved by all directors. The Company cannot unilaterally exercise control over Dongjiakou Wanbang Logistics, and therefore it is accounted for as a joint venture.

(iv) The Company included Evergreen Container, formerly a joint venture, in the scope of consolidation during the period. For details regarding this change in the scope of consolidation, please refer to Note V.

(v) The Company included Ganglianhai Logistics, formerly a joint venture, in the scope of consolidation during the period. For details regarding this change in the scope of consolidation, please refer to Note V.

Information of interests in joint ventures are set out in Note VI (2).

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(13) Long-term equity investments (Continued)

(b) Associates

Investments in associates are set out below:

	31 December 2025	Movements in the current year: Share of net profit/(loss) under equity method	Adjustments to other comprehensive income	Changes in other equities	Cash dividends or profits declared	Unrealized gains or losses on intra-group transactions	30 June 2026
Shandong Port Group Finance Co., Ltd. ("Shandong Port Finance Company")	1,765,136,011	65,180,489	1,726,231	–	(77,547,426)	–	1,754,495,305
Shandong Zhenhua Petroleum Energy Storage Co., Ltd. ("Shandong Zhenhua Energy")	487,384,401	15,808,934	–	647,614	–	–	503,840,949
Qingdao Port (Group) Engineering Co., Ltd. ("Qingdao Port Engineering")	331,878,978	10,535,210	–	(2,777,638)	–	(472,288)	339,164,262
COSCO Shipping Ports (Abu Dhabi) Co., Ltd. ("COSCO Abu Dhabi")	254,321,418	(11,722,596)	–	–	–	–	242,598,822
Qingdao Qingyin Financial Leasing Co., Ltd. ("Qingyin Leasing")	199,825,050	16,333,527	–	–	(9,000,000)	–	207,158,577
UG	193,303,590	26,249,529	–	–	(45,653,262)	–	173,899,857
Shandong Luhai Equipment Group Qingdao Co., Ltd. ("Luhai Equipment Qingdao")	157,723,085	8,035,812	–	381,994	–	–	166,140,891
Gulf Liquid Chemical	115,680,088	2,162,006	–	–	(770,000)	–	117,072,094
Qinggang International Trade Logistics	102,029,194	5,986,982	–	–	–	–	108,016,176
Xishuangbanna Natural Rubber Storage and Transportation Center Co., Ltd. ("Xishuangbanna Storage and Transportation")	67,600,222	119,573	–	–	–	–	67,719,795
Shandong Port Science and Technology Group Qingdao Co., Ltd. ("Technology Company")	65,552,769	3,717,479	–	–	–	–	69,270,248
Shangang Luhai International Logistics (Jinan) Co., Ltd. ("Shangang Luhai Jinan")	40,373,464	(2,619,379)	–	40,954	–	–	37,795,039
Shandong Port Energy Co., Ltd. ("Shandong Port Energy")	16,079,732	32,869	–	–	(1,037,066)	–	15,075,535
Shandong Sinotrans Chemical International Logistics Co., Ltd. ("Sinotrans Chemical Logistics")	16,000,203	(9,889)	–	–	–	–	15,990,314
Weihai Hailian Container Co., Ltd. ("Hailian Container")	8,913,835	1,418,645	–	–	–	–	10,332,480
Qingdao Qianwan Xinhe International Supply Chain Service Co., Ltd. ("Qianwan Xinhe Supply Chain")	8,352,261	1,658,718	–	–	–	–	10,010,979
Global Shipping Business Network Limited ("GSBN")	6,230,211	287,044	(130,925)	–	–	–	6,386,330
Overseas Development Qingdao	6,154,543	(384,667)	–	–	–	–	5,769,876
Shangang Energy Development (Qingdao) Co., Ltd. ("Shangang Energy Development")	4,913,959	20,846	–	–	–	–	4,934,805
	3,847,453,014	142,811,132	1,595,306	(1,707,076)	(134,007,754)	(472,288)	3,855,672,334

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(14) Other non-current financial assets

	30 June 2026 (Unaudited)	31 December 2025
Equity investments in financial assets measured at fair value through profit or loss	344,054,651	344,054,651

Other non-current financial assets represent the Group's investments in equity of unlisted companies, which are Shandong Harbor Construction Group, Sinopec Qingdao, Sanya Yalong Bay Development Co., Ltd., and Luhai Equipment Group with shareholding of 9.29%, 0.80%, 0.06%, and 16.56%, respectively, over which the Group has no control, joint control or significant influence.

(15) Investment properties

	Buildings and storage facilities	Land use rights	Total
Original cost			
31 December 2025	167,722,039	46,099,867	213,821,906
Purchase (Unaudited)	651,238,010	23,454,512	674,692,522
Transfer from intangible assets (Unaudited)	–	54,603,135	54,603,135
Transfer from construction in progress (Unaudited)	10,237,085	–	10,237,085
Transferred for self-use (Unaudited)	(110,944,923)	(51,117,858)	(162,062,781)
30 June 2026 (Unaudited)	718,252,211	73,039,656	791,291,867
Accumulated depreciation and amortization			
31 December 2025	(67,138,223)	(16,541,151)	(83,679,374)
Accrual (Unaudited)	(9,543,548)	(2,322,686)	(11,866,234)
Transfer from intangible assets (Unaudited)	–	(13,202,610)	(13,202,610)
Transferred for self-use (Unaudited)	–	24,702,173	24,702,173
30 June 2026 (Unaudited)	(76,681,771)	(7,364,274)	(84,046,045)
Book value			
30 June 2026 (Unaudited)	641,570,440	65,675,382	707,245,822
31 December 2025	100,583,816	29,558,716	130,142,532

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(15) Investment properties (Continued)

	Buildings and storage facilities	Land use rights	Total
Original cost			
31 December 2024	133,539,137	247,131,244	380,670,381
Transferred for self-use (Unaudited)	(1,258,697)	(54,111,100)	(55,369,797)
30 June 2025 (Unaudited)	132,280,440	193,020,144	325,300,584
Accumulated depreciation and amortization			
31 December 2024	(48,769,471)	(50,541,129)	(99,310,600)
Accrual (Unaudited)	(2,228,732)	(1,372,296)	(3,601,028)
Transferred for self-use (Unaudited)	559,190	11,472,807	12,031,997
30 June 2025 (Unaudited)	(50,439,013)	(40,440,618)	(90,879,631)
Book value			
30 June 2025 (Unaudited)	81,841,427	152,579,526	234,420,953
31 December 2024	84,769,666	196,590,115	281,359,781

For the six-month period ended 30 June 2026, the Group leased out a portion of self-used buildings, storage facilities, and land use rights (Note IV (16), Note IV (19)) and had signed the lease contracts. The fixed assets and intangible assets involved in the above leases had been transferred to investment properties accordingly.

As at 30 June 2026, the Group's management considered that there was no indication that investment properties might be impaired, therefore, no provision for impairment was made (31 December 2025: nil).

For the six-month period ended 30 June 2026, no borrowing costs were capitalized in investment properties by the Group (for the six-month period ended 30 June 2025: nil).

As at 30 June 2026, the Group had no properties and land use rights without certificates (31 December 2025: nil).

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(15) Investment properties (Continued)

As at 30 June 2026, the storage facilities with a book value of RMB500,866,302 (original cost of RMB500,866,302) and the land with a book value of RMB15,594,403 (original cost of RMB15,594,403) were simultaneously used as collateral for mortgage borrowings (Note IV (35)). The collateral was released on 28 July 2026 (31 December 2025: nil).

The increase resulting from business combinations was due to the inclusion of Evergreen Container and Ganglianhai Logistics in the scope of consolidation during the period.

QDP Logistics, a subsidiary of the Group, entered into a property rights transaction contract and a supplemental agreement to the property rights transaction contract with Pukai Investment (Shanghai) Co., Ltd. during the period. According to the agreement, 100% of the equity interest in Luhai Warehousing would be acquired at a consideration of RMB426,997,527. During the current period, the investment properties valued at RMB635,265,738 were obtained as a result of the acquisition of subsidiaries that do not constitute a business.

(16) Fixed assets

	30 June 2026 (Unaudited)	31 December 2025
Fixed assets	25,097,333,289	25,101,319,987
Disposal of fixed assets	9,847,129	7,273,351
	25,107,180,418	25,108,593,338

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(16) Fixed assets (Continued)

	Buildings	Port facilities	Storage facilities	Loading equipment	Machinery and equipment	Vessels	Transportation equipment	Communication facilities	Office equipment and other equipment	Total
Original cost										
31 December 2025	1,541,616,697	15,564,013,656	12,856,094,970	4,671,921,388	1,940,066,703	1,896,401,237	197,027,538	530,447,495	101,716,807	39,299,306,491
Increase in the current period (Unaudited)										
Purchase	80,289,240	–	–	33,637,565	23,060,600	–	6,162,463	25,174,007	1,401,630	169,725,505
Transfer from construction in progress	23,471,466	327,316,533	15,326,158	2,026,130	5,981,194	–	–	17,392,511	12,560	391,526,552
Transfer from investment properties	–	–	110,944,923	–	–	–	–	–	–	110,944,923
Increase resulting from business combinations	284,567	55,970	13,068,412	22,100,477	2,715,766	–	1,353,347	6,309,811	1,069,457	46,957,807
Others	17,401,065	267,489	6,847,755	105,193	449,661	–	–	3,555,728	–	28,626,891
Decrease in the current period (Unaudited)										
Disposal and scrapping	(10,933,081)	(6,046,296)	(41,004,192)	(25,004,580)	(12,316,878)	–	(1,588,080)	(1,089,610)	(543,593)	(98,526,310)
Others	(150,306)	(16,011,002)	(2,517,901)	(1,012,672)	(2,334,295)	–	–	(33,786)	–	(22,059,962)
30 June 2026 (Unaudited)	1,651,979,648	15,869,596,350	12,958,760,125	4,703,773,501	1,957,622,751	1,896,401,237	202,955,268	581,756,156	103,656,861	39,926,501,897
Accumulated depreciation										
31 December 2025	(442,209,315)	(4,714,748,594)	(3,027,706,855)	(3,089,461,205)	(1,267,352,196)	(1,118,966,535)	(114,850,909)	(329,708,700)	(68,094,348)	(14,173,098,657)
Increase in the current period (Unaudited)										
Accrual	(46,529,128)	(147,154,739)	(251,427,749)	(61,871,086)	(85,369,412)	(22,362,477)	(5,888,602)	(36,719,962)	(2,282,068)	(659,605,223)
Others	–	–	–	–	(80,769)	–	–	(331,808)	–	(412,577)
Increase resulting from business combinations	(237,618)	(11,334)	(10,917,261)	(10,106,654)	(1,290,874)	–	(1,080,190)	(3,887,024)	(749,789)	(28,280,744)
Decrease in the current period (Unaudited)										
Disposal and scrapping	5,477,437	4,806,943	8,053,166	23,739,538	11,714,961	–	1,521,142	1,033,132	500,385	56,846,704
Others	–	–	–	–	233,896	–	3,406	32,434	–	269,736
30 June 2026 (Unaudited)	(483,498,624)	(4,857,107,724)	(3,281,998,699)	(3,137,699,407)	(1,342,144,394)	(1,141,329,012)	(120,295,153)	(369,581,928)	(70,625,820)	(14,804,280,761)
Impairment provision										
31 December 2025	(24,887,847)	–	–	–	–	–	–	–	–	(24,887,847)
Accrual (Unaudited)	–	–	–	–	–	–	–	–	–	–
30 June 2026 (Unaudited)	(24,887,847)	–	–	–	–	–	–	–	–	(24,887,847)
Net book value										
30 June 2026 (Unaudited)	1,143,593,177	11,012,488,626	9,676,761,426	1,566,074,094	615,478,357	755,072,225	82,660,115	212,174,228	33,031,041	25,097,333,289
31 December 2025	1,074,519,535	10,849,265,062	9,828,388,115	1,582,460,183	672,714,507	777,434,702	82,176,629	200,738,795	33,622,459	25,101,319,987

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(16) Fixed assets (Continued)

	Buildings	Port facilities	Storage facilities	Loading equipment	Machinery and equipment	Vessels	Transportation equipment	Communication facilities	Office equipment and other equipment	Total
Original cost										
31 December 2024	1,291,523,053	15,019,418,945	12,365,003,883	4,667,026,691	1,750,543,528	1,764,278,077	193,128,933	406,107,892	99,194,908	37,556,225,910
Increase in the current period (Unaudited)										
Purchase	290,039	–	–	8,802,168	30,974,574	93,827,434	2,482,510	10,990,274	1,283,328	148,650,327
Transfer from construction in progress	11,269,667	287,833,336	359,171,069	4,924,891	81,061,163	7,172,566	–	11,900,185	–	763,332,877
Transfer from investment properties	1,258,697	–	–	–	–	–	–	–	–	1,258,697
Others	–	319,424	–	–	4,483,154	–	–	261,858	–	5,064,436
Decrease in the current period (Unaudited)										
Disposal and scrapping	(1,343,900)	(1,953,847)	(2,217,194)	(17,674,639)	(7,268,328)	(5,025,031)	(318,412)	(3,795,047)	(579,493)	(40,175,891)
Others	(1,648,010)	(2,135,826)	(34,006,049)	(4,661,775)	(746,205)	–	–	(436,012)	(711,413)	(44,345,290)
30 June 2025 (Unaudited)	1,301,349,546	15,303,482,032	12,687,951,709	4,658,417,336	1,859,047,886	1,860,253,046	195,293,031	425,029,150	99,187,330	38,390,011,066
Accumulated depreciation										
31 December 2024	(424,891,125)	(4,293,076,520)	(2,558,232,809)	(3,055,371,101)	(1,117,433,517)	(1,052,173,103)	(110,192,915)	(276,192,387)	(64,352,419)	(12,951,915,896)
Increase in the current period (Unaudited)										
Accrual	(21,181,642)	(188,274,106)	(207,913,465)	(58,997,488)	(69,048,576)	(34,934,692)	(5,436,239)	(24,945,673)	(2,739,210)	(613,471,091)
Transfer from investment properties	(559,190)	–	–	–	–	–	–	–	–	(559,190)
Others	–	(584)	–	–	(1,521,461)	–	–	(88,104)	–	(1,610,149)
Decrease in the current period (Unaudited)										
Disposal and scrapping	941,315	642,159	309,036	16,951,373	6,933,176	4,801,757	305,650	3,641,292	534,984	35,060,742
Others	584	18,052	187,894	1,034,724	523,743	–	–	74,787	521,221	2,361,005
30 June 2025 (Unaudited)	(445,690,058)	(4,480,690,999)	(2,765,649,344)	(3,096,382,492)	(1,180,546,635)	(1,082,306,038)	(115,323,504)	(297,510,085)	(66,035,424)	(13,530,134,579)
Impairment provision										
31 December 2024	(24,887,847)	–	–	–	–	–	–	–	–	(24,887,847)
Accrual (Unaudited)	–	–	–	–	–	–	–	–	–	–
30 June 2025 (Unaudited)	(24,887,847)	–	–	–	–	–	–	–	–	(24,887,847)
Net book value										
30 June 2025 (Unaudited)	830,771,641	10,822,791,033	9,922,302,365	1,562,034,844	678,501,251	777,947,008	79,969,527	127,519,065	33,151,906	24,834,988,640
31 December 2024	841,744,081	10,726,342,425	9,806,771,074	1,611,655,590	633,110,011	712,104,974	82,936,018	129,915,505	34,842,489	24,579,422,167

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(16) Fixed assets (Continued)

The book value of fixed assets leased out by the Group through operating leases is as follows:

	Buildings	Port facilities	Storage facilities	Loading equipment	Total
Original cost					
31 December 2025	47,599,182	2,231,239,579	924,917,845	15,046,041	3,218,802,647
Increase in the current period (Unaudited)	1,619,358	–	6,290,483	–	7,909,841
Decrease in the current period (Unaudited)	–	(238,182)	–	(15,046,041)	(15,284,223)
30 June 2026 (Unaudited)	49,218,540	2,231,001,397	931,208,328	–	3,211,428,265
Accumulated depreciation					
31 December 2025	(19,256,206)	(661,932,786)	(252,160,594)	(8,285,955)	(941,635,541)
Accrual (Unaudited)	(555,381)	(18,288,213)	(8,043,439)	(526,840)	(27,413,873)
Transfer in (Unaudited)	(122,087)	–	(3,145,242)	–	(3,267,329)
Decrease in the current period (Unaudited)	–	78,137	–	8,812,795	8,890,932
30 June 2026 (Unaudited)	(19,933,674)	(680,142,862)	(263,349,275)	–	(963,425,811)
Net book value					
30 June 2026 (Unaudited)	29,284,866	1,550,858,535	667,859,053	–	2,248,002,454
31 December 2025	28,342,976	1,569,306,793	672,757,251	6,760,086	2,277,167,106

The lease contracts signed by the Group as a lessor have no residual value guarantee clauses.

Depreciation charged on fixed assets for the six months ended 30 June 2026 amounted to RMB659,605,223 (for the six months ended 30 June 2025: RMB613,471,091), of which depreciation charged to the cost of sales, research and development expenses, and selling and distribution expenses amounted to RMB623,916,518, RMB6,548,981 and RMB51,610, respectively (for the six months ended 30 June 2025: RMB593,830,016, RMB1,420,302, and RMB44,075).

For the six months ended 30 June 2026, the original cost transferred from construction in progress to fixed assets was RMB391,526,552 (for the six months ended 30 June 2025: RMB763,332,877).

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(16) Fixed assets (Continued)

As at 30 June 2026, the port facilities with a book value of RMB151,340,787 (original cost of RMB201,418,699) (31 December 2025: book value of RMB153,506,289 and original cost of RMB201,418,699) were used as collateral for the sale-leaseback arrangement of RMB120,000,000 (Note IV (37)).

As at 30 June 2026, the storage facilities with a book value of RMB110,944,923 (original cost of RMB110,944,923) was used as collateral for mortgage borrowings (Note IV (35)). The collateral was released on 28 July 2026 (31 December 2025: nil).

(a) The amount of the provision for impairment of fixed assets of the subsidiary, Logistics Park Development, was RMB24,887,847 (31 December 2025: RMB24,887,847).

(b) As at 30 June 2026 and 31 December 2025, the Group had no significant fixed assets temporarily idle.

(c) Fixed assets without the certificate of ownership:

As at 30 June 2026, properties with the book value of RMB33,232,346 (original cost: RMB37,711,534) (31 December 2025: book value of RMB24,432,994 and original cost of RMB27,911,462) were located on non-ownership land. Properties with the book value of RMB249,872,913 (original cost: RMB291,349,482) (31 December 2025: book value of RMB254,305,860 and original cost of RMB291,349,482) had not yet completed the financial accounts for the completion of the projects or not yet completed the necessary procedures before obtaining the certificates of ownership. The certificates of ownership had not been processed.

(d) The increase resulting from business combinations was due to the inclusion of Evergreen Container and Ganglianhai Logistics in the scope of consolidation during the period.

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(17) Construction in progress

	30 June 2026 (Unaudited)	31 December 2025
Construction in progress (a)	2,103,812,327	1,350,837,063
Construction materials	433,240	296,530
	2,104,245,567	1,351,133,593

(a) Construction in progress

	30 June 2026 (Unaudited)			31 December 2025		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Dongjiakou Port Oil Products Phase I and Phase II Project	–	–	–	325,616,474	–	325,616,474
Dongjiakou Port Area North Three Embankment 7-8# Causeway	351,135,690	–	351,135,690	256,530,955	–	256,530,955
Railway Capacity Expansion and Reconstruction Project on the North Bank of Qianwan Port Area, Qingdao Port	232,903,835	–	232,903,835	100,182,724	–	100,182,724
General Cargo Terminal in the Inner Reaches of Langyatai Bay Operation Zone, Dongjiakou Port	564,797,436	–	564,797,436	29,615,531	–	29,615,531
Eastern Container Terminal at Langyatai Bay Operation Area, Dongjiakou Port, Qingdao Port	91,267,368	–	91,267,368	30,795,704	–	30,795,704
Road Reconstruction and Supporting Pipe Network Project on the North Bank of Qianwan Port Area, Qingdao Port	268,095,015	–	268,095,015	227,084,206	–	227,084,206
Other projects	595,612,983	–	595,612,983	381,011,469	–	381,011,469
	2,103,812,327	–	2,103,812,327	1,350,837,063	–	1,350,837,063

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(17) Construction in progress (Continued)

(a) Construction in progress (Continued)

(i) Changes in significant construction in progress

Project name	Budget	31 December 2025	Increase in the current period (Unaudited)	Transfer to fixed assets (Unaudited)	Other decreases in the current period (Unaudited)	30 June 2026 (Unaudited)	Percentage of progress investment to the budget (%)	Project progress (%)	Accumulative amount of capitalized borrowing costs	Including: Borrowing costs capitalized in the current period	Capitalization rate in the current period	Sources of capital
Dongjiakou Port Oil Products Phase I and Phase II Project	825,755,775	325,616,474	-	(325,616,474)	-	-	100	100	-	-	-	Internal capital
Dongjiakou Port Area North Three Embankment 7-8# Causeway	3,713,860,000	256,530,955	94,604,735	-	-	351,135,690	8	8	-	-	-	Internal capital
Railway Capacity Expansion and Reconstruction Project on the North Bank of Qianwan Port Area, Qingdao Port	1,467,000,000	100,182,724	132,721,111	-	-	232,903,835	17	17	-	-	-	Internal capital
General Cargo Terminal in the Inner Reaches of Langyatai Bay Operation Zone, Dongjiakou Port	6,614,580,000	29,615,531	763,378,605	-	(228,196,700)	564,797,436	8	8	-	-	-	Internal capital
Eastern Container Terminal at Langyatai Bay Operation Area, Dongjiakou Port, Qingdao Port	9,097,067,100	30,795,704	375,402,664	-	(314,931,000)	91,267,368	1	1	-	-	-	Internal capital
Road Reconstruction and Supporting Pipe Network Project on the North Bank of Qianwan Port Area, Qingdao Port	612,690,000	227,084,206	41,010,809	-	-	268,095,015	47	47	-	-	-	Internal capital
Other projects	-	381,011,469	400,568,733	(65,910,078)	(120,057,141)	595,612,983	-	-	85,177	-	-	Internal capital, borrowings from banks
		1,350,837,063	1,807,686,657	(391,526,552)	(663,184,841)	2,103,812,327			85,177	-		

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(17) Construction in progress (Continued)

(a) Construction in progress (Continued)

(i) Changes in significant construction in progress (Continued)

Project name	Budget	31 December 2024	Increase in the current period (Unaudited)	Transfer to fixed assets (Unaudited)	Other decreases in the current period (Unaudited)	30 June 2025 (Unaudited)	Percentage of progress investment to the budget (%)	Project progress (%)	Accumulative amount of capitalized borrowing costs	Including: Borrowing costs capitalized in the current period	Capitalization rate in the current period	Sources of capital
Dongjiakou Port Oil Products Phase I and Phase II Project	825,755,775	325,616,474	-	-	-	325,616,474	71	71	-	-	-	Internal capital
Dongjiakou General Wharf Grain Silo Phase III Project	1,132,850,000	5,425,152	16,445,136	(2,678,676)	-	19,191,612	98	98	3,507,507	-	-	Internal capital, borrowings from banks, and borrowings from the Finance Company
Liquid Chemical Terminal Tank Farm Project	1,886,900,000	641,744,200	79,982,752	(705,502,094)	-	16,224,858	80	80	2,027,491	775,560	2.76%	Internal capital, borrowings from the Finance Company
Other projects	-	271,638,745	113,038,560	(55,152,107)	(19,067,843)	310,457,355	-	-	54,215	54,215	2.38%	Internal capital, borrowings from banks
		1,244,424,571	209,466,448	(763,332,877)	(19,067,843)	671,490,299			5,589,213	829,775		

As at 30 June 2026, the Group's management considered that there was no indication that construction in progress might be impaired, therefore, no provision for impairment was made (31 December 2025: nil).

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(18) Right-of-use assets

	Buildings	Port facilities	Storage facilities	Machinery and equipment	Total
Original cost					
31 December 2025	229,029,398	–	281,822,347	50,329,877	561,181,622
Increase in the current period (Unaudited)					
New lease contracts	52,235,831	–	418,664,411	702,165	471,602,407
Lease changes	–	–	17,573,632	–	17,573,632
Increase resulting from business combinations	5,780,213	–	–	290,626	6,070,839
Decrease in the current period (Unaudited)					
Lease changes	–	–	(22,968,903)	–	(22,968,903)
Expiration of lease	–	–	–	–	–
30 June 2026 (Unaudited)	287,045,442	–	695,091,487	51,322,668	1,033,459,597
Accumulated depreciation					
31 December 2025	(94,801,181)	–	(122,812,483)	(30,469,603)	(248,083,267)
Increase in the current period (Unaudited)					
Accrual	(32,608,805)	–	(91,433,576)	(7,252,538)	(131,294,919)
Lease changes	–	–	(17,573,632)	–	(17,573,632)
Increase resulting from business combinations	(1,751,580)	–	–	(169,532)	(1,921,112)
Decrease in the current period (Unaudited)					
Lease changes	–	–	18,972,205	–	18,972,205
Expiration of lease	–	–	–	–	–
30 June 2026 (Unaudited)	(129,161,566)	–	(212,847,486)	(37,891,673)	(379,900,725)
Book value					
30 June 2026 (Unaudited)	157,883,876	–	482,244,001	13,430,995	653,558,872
31 December 2025	134,228,217	–	159,009,864	19,860,274	313,098,355

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(18) Right-of-use assets (Continued)

	Buildings	Port facilities	Storage facilities	Machinery and equipment	Total
Original cost					
31 December 2024	220,707,823	96,187,617	460,610,673	89,192,689	866,698,802
Increase in the current period (Unaudited)					
New lease contracts	18,144,408	–	5,868,228	18,666,348	42,678,984
Lease changes	–	–	–	–	–
Decrease in the current period (Unaudited)					
Lease changes	–	–	–	–	–
Expiration of lease	(882,591)	–	–	(6,346,529)	(7,229,120)
30 June 2025 (Unaudited)	237,969,640	96,187,617	466,478,901	101,512,508	902,148,666
Accumulated depreciation					
31 December 2024	(55,017,006)	(17,737,084)	(176,047,303)	(48,110,978)	(296,912,371)
Increase in the current period (Unaudited)					
Accrual	(25,411,094)	(1,734,055)	(37,058,371)	(10,790,424)	(74,993,944)
Lease changes	–	–	–	–	–
Decrease in the current period (Unaudited)					
Lease changes	–	–	–	–	–
Expiration of lease	844,388	–	–	6,345,244	7,189,632
30 June 2025 (Unaudited)	(79,583,712)	(19,471,139)	(213,105,674)	(52,556,158)	(364,716,683)
Book value					
30 June 2025 (Unaudited)	158,385,928	76,716,478	253,373,227	48,956,350	537,431,983
31 December 2024	165,690,817	78,450,533	284,563,370	41,081,711	569,786,431

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(19) Intangible assets

	Land use rights	Software	Sea area use rights	Others	Self-developed data resource intangibles	Total
Original cost						
31 December 2025	3,438,332,309	487,561,882	81,828,449	48,228,848	258,518	4,056,210,006
Increase in the current period (Unaudited)						
Purchase	22,182,341	6,639,869	921,036,700	–	–	949,858,910
Increase resulting from business combinations	–	357,948	–	–	–	357,948
Transfer from investment properties	51,117,858	–	–	–	–	51,117,858
Internal research and development	–	63,837,677	–	–	–	63,837,677
Decrease in the current period (Unaudited)						
Disposal	–	(10,253,654)	(5,733,537)	(30,190,625)		(46,177,816)
Transfer to investment properties	(54,603,135)	–	–	–	–	(54,603,135)
30 June 2026 (Unaudited)	3,457,029,373	548,143,722	997,131,612	18,038,223	258,518	5,020,601,448
Accumulated amortization						
31 December 2025	(616,959,521)	(260,339,361)	(10,255,281)	(48,228,848)	(157,984)	(935,940,995)
Increase in the current period (Unaudited)						
Accrual	(33,850,013)	(36,981,622)	(6,582,440)	–	(43,086)	(77,457,161)
Increase resulting from business combinations	–	(285,748)	–	–	–	(285,748)
Transfer from investment properties	(24,702,173)	–	–	–	–	(24,702,173)
Decrease in the current period (Unaudited)						
Scrapping and disposal	–	10,253,654	781,378	30,190,625	–	41,225,657
Transfer to investment properties	13,202,610	–	–	–	–	13,202,610
30 June 2026 (Unaudited)	(662,309,097)	(287,353,077)	(16,056,343)	(18,038,223)	(201,070)	(983,957,810)
Book value						
30 June 2026 (Unaudited)	2,794,720,276	260,790,645	981,075,269	–	57,448	4,036,643,638
31 December 2025	2,821,372,788	227,222,521	71,573,168	–	100,534	3,120,269,011

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(19) Intangible assets (Continued)

	Land use rights	Software	Sea area use rights	Others	Self-developed data resource intangibles	Total
Original cost						
31 December 2024	3,249,342,541	360,735,534	69,064,760	48,228,848	258,518	3,727,630,201
Increase in the current period (Unaudited)						
Purchase	–	2,542,701	–	–	–	2,542,701
Internal research and development	–	29,719,220	–	–	–	29,719,220
Transfer from investment properties	54,111,100	–	–	–	–	54,111,100
Others	–	383,517	–	–	–	383,517
Decrease in the current period (Unaudited)						
Disposal	–	(3,133)	–	–	–	(3,133)
Transfer to held-for-sale	(17,327,271)	–	–	–	–	(17,327,271)
30 June 2025 (Unaudited)	3,286,126,370	393,377,839	69,064,760	48,228,848	258,518	3,797,056,335
Accumulated amortization						
31 December 2024	(515,067,307)	(199,834,038)	(9,725,490)	(48,121,682)	(71,811)	(772,820,328)
Increase in the current period (Unaudited)						
Accrual	(34,623,839)	(28,100,295)	(717,445)	–	(43,086)	(63,484,665)
Transfer from investment properties	(11,472,807)	–	–	–	–	(11,472,807)
Others	–	(5,773)	–	–	–	(5,773)
Decrease in the current period (Unaudited)						
Disposal	–	3,133	–	–	–	3,133
Transfer to held-for-sale	4,943,539	–	–	–	–	4,943,539
30 June 2025 (Unaudited)	(556,220,414)	(227,936,973)	(10,442,935)	(48,121,682)	(114,897)	(842,836,901)
Book value						
30 June 2025 (Unaudited)	2,729,905,956	165,440,866	58,621,825	107,166	143,621	2,954,219,434
31 December 2024	2,734,275,234	160,901,496	59,339,270	107,166	186,707	2,954,809,873

Amortization charged on intangible assets for the six months ended 30 June 2026 amounted to RMB77,457,161 (for the six months ended 30 June 2025: RMB63,484,665), of which amortization charged to land use rights in construction in progress amounted to RMB0 (for the six months ended 30 June 2025: RMB670,714).

As at 30 June 2026, the land use rights with a book value of RMB7,860,109 (original cost of RMB7,860,109) was used as collateral for mortgage borrowings (Note IV (35)). The collateral was released on 28 July 2026 (31 December 2025: nil).

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(19) Intangible assets (Continued)

As at 30 June 2026, the Group had no land without certificates (31 December 2025: nil).

As at 30 June 2026, the Group's management considered that there was no indication that intangible assets might be impaired, therefore, no provision for impairment was made (31 December 2025: nil).

As at 30 June 2026, the proportion of intangible assets generated from internal research and development of the Group to the book value of intangible assets was 4.70% (31 December 2025: 6.25%)

Data resources: the useful life of the Dry Bulk Terminal Cargo Transhipment Analysis dataset is 3 years, and the amortization uses the straight-line method with no residue value.

The increase resulting from business combinations was due to the inclusion of Evergreen Container and Ganglianhai Logistics in the scope of consolidation during the period.

The Company's development costs are set out as follows:

			Decrease in the current period			
	31 December 2025	Increase in the current period (Unaudited)	Recognized in profit or loss (Unaudited)	Recognized as intangible assets (Unaudited)	Other decreases (Unaudited)	**30 June 2026 (Unaudited)**
Information system maintenance and software	111,337,591	150,683,973	(87,344,064)	(63,837,677)	(6,562,882)	**104,276,941**

For the six months ended 30 June 2026, the Company's total development costs amounted to RMB150,683,973 (for the six months ended 30 June 2025: RMB115,022,287), of which, RMB87,344,064 (for the six months ended 30 June 2025: RMB70,425,278) was recognized as research and development expenses in the current period, and RMB63,837,677 (for the six months ended 30 June 2025: RMB29,719,220) was recognized as intangible assets in the current period. As at 30 June 2026, the proportion of intangible assets generated from internal research and development of the Company to the book value of intangible assets was 4.70% (30 June 2025: 5.38%).

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(20) Development costs

For the six months ended 30 June 2026, the Group's total costs for research and development were presented by nature as follows:

	For the six months ended 30 June 2026		
	Research and development expenses (Unaudited)	Development costs (Unaudited)	Total (Unaudited)
Consumed materials	6,662,923	2,324,071	8,986,994
Employee benefits	69,931,074	3,991,827	73,922,901
Depreciation and amortization	7,739,879	200,094	7,939,973
Technical services	–	56,823,917	56,823,917
Others	3,010,188	–	3,010,188
	87,344,064	63,339,909	150,683,973

For the six months ended 30 June 2025, the Group's total costs for research and development were presented by nature as follows:

	For the six months ended 30 June 2025		
	Research and development expenses (Unaudited)	Development costs (Unaudited)	Total (Unaudited)
Consumed materials	3,124,416	1,549,381	4,673,797
Employee benefits	62,445,070	51,191	62,496,261
Depreciation and amortization	1,638,781	–	1,638,781
Technical services	–	42,930,081	42,930,081
Others	3,217,011	66,356	3,283,367
	70,425,278	44,597,009	115,022,287

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(20) Development costs (Continued)

(a) As at 30 June 2026, changes in development costs eligible for capitalization of the Group were analyzed as follows:

	31 December 2025	Increase in the current period (Unaudited)	Transfer to intangible assets in the current period (Unaudited)	Other decreases (Unaudited)	**30 June 2026 (Unaudited)**
Digital and Intelligent Transformation of the Finance Shared Service Center (i)	19,858,882	2,187,736	(7,667,374)	–	**14,379,244**
Integration and Demonstration of Key Technologies in Hydrogen Port (ii)	11,993,628	2,324,071	–	–	**14,317,699**
Others	79,485,081	58,828,102	(56,170,303)	(6,562,882)	**75,579,998**
	111,337,591	63,339,909	(63,837,677)	(6,562,882)	**104,276,941**

The criteria for the Group's important capitalized R&D projects are national and provincial key R&D projects, which are listed as follows:

(i) The Digital and Intelligent Transformation of the Finance Shared Service Center Project has completed the development and launch of several functional modules, including the integration of "Shared Services and Cashier," the "Le Qi" digital and electronic invoice application, the "Liang Jin" control system, the digital upgrade of revenue management, etc. The timing for project capitalization begins when the project passes the review and is officially approved. Upon completion, the project is expected to enable the digitization of core financial business processes and enhance digital and intelligent operational capabilities. Development of the remaining features and the overall project acceptance are expected to be completed in 2026.

(ii) The Integration and Demonstration of Key Technologies in Hydrogen Port Project has completed the first hydrogen refueling station in the port area, the construction of four hydrogen rail cranes, and other related facilities, and the starting point of project capitalization is the completion of the project through the review. After the completion of the project, it is expected to be used for the demonstration and application of key technologies such as hydrogen energy supply system and hydrogen energy power system, and the project acceptance is expected to be completed by 2026.

For the six months ended 30 June 2026, the Group had no impairment of development expenditure items (for the six months ended 30 June 2025: nil).

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(21) Goodwill

	31 December 2025	Increase in the current period (Unaudited)	Decrease in the current period (Unaudited)	30 June 2026 (Unaudited)
Goodwill -				
Gangxin Oil Products	27,996,716	–	–	27,996,716
Mercuria Logistics	10,129,085	–	–	10,129,085
QMT	8,706,923	–	–	8,706,923
Yuntai Logistics	4,686,830	–	–	4,686,830
Liquid Chemical Terminal	1,850,485	–	–	1,850,485
	53,370,039	–	–	53,370,039
Less: Impairment provision -				
Yuntai Logistics	(4,686,830)	–	–	(4,686,830)
Gangxin Oil Products	(20,668,521)	–	–	(20,668,521)
	(25,355,351)	–	–	(25,355,351)
	28,014,688	–	–	28,014,688

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(21) Goodwill (Continued)

The Group's goodwill was all allocated to related asset groups or combinations of asset groups on the acquisition date, without any change of goodwill allocation for the six months ended 30 June 2026. The allocation was summarized by the minimum asset group as follows:

	30 June 2026 (Unaudited)	31 December 2025
Liquid bulk cargo ancillary services		
– Gangxin Oil Products	27,996,716	27,996,716
– Liquid Chemical Terminal	1,850,485	1,850,485
Dry bulk and general cargo handling and ancillary services		
– Mercuria Logistics	10,129,085	10,129,085
Container handling		
– QMT	8,706,923	8,706,923
Logistics and transportation business		
– Yuntai Logistics	4,686,830	4,686,830
	53,370,039	53,370,039

During the goodwill impairment test, the Group compares the book value of the relevant assets or combinations of asset groups (including goodwill) with their recoverable amount. If the recoverable amount is lower than the book value, the difference shall be recognised in profit or loss for the current period.

(22) Long-term prepaid expenses

	31 December 2025	Increase in the current period (Unaudited)	Amortization in the current period (Unaudited)	30 June 2026 (Unaudited)
Repair and renovation expenses	57,498,603	10,788,995	(4,822,917)	63,464,681
Others	35,432	–	(35,432)	–
	57,534,035	10,788,995	(4,858,349)	63,464,681

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(23) Deferred tax assets and deferred tax liabilities

(a) Deferred tax assets before offsetting

	30 June 2026 (Unaudited)		31 December 2025	
	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Assets revaluation surplus	2,325,074,888	581,268,722	2,364,383,903	591,095,976
Elimination of intra-group unrealized profit	748,455,935	187,113,984	729,142,819	182,285,705
Lease liabilities	641,542,967	160,385,742	320,610,565	80,152,641
Accrued expenses	374,047,276	93,488,905	439,195,502	109,775,950
Revenue discount payable	288,543,800	72,135,949	–	–
Provision for asset impairment	261,170,583	65,270,054	208,147,730	52,014,825
Government grants	189,738,078	47,434,520	177,086,446	44,271,612
Early retirement benefits	96,319,229	24,079,807	99,773,525	24,943,381
Others	16,437,290	4,109,323	16,936,106	4,234,027
	4,941,330,046	1,235,287,006	4,355,276,596	1,088,774,117
Including:				
Expected to be recovered within one year (including one year)		178,424,699		178,150,408
Expected to be recovered after one year		1,056,862,307		910,623,709
		1,235,287,006		1,088,774,117

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(23) Deferred tax assets and deferred tax liabilities (Continued)

(b) Deferred tax liabilities before offsetting

	30 June 2026 (Unaudited)		31 December 2025	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Right-of-use assets	649,512,779	162,378,195	312,898,727	78,224,682
Business combinations not under common control	184,107,414	46,026,853	187,096,954	46,774,238
Depreciation of fixed assets	254,096,711	63,524,178	240,300,669	60,075,168
Changes in fair value of other non-current financial assets	27,545,029	6,886,257	27,545,029	6,886,257
Others	2,563,822	640,956	–	–
	1,117,825,755	279,456,439	767,841,379	191,960,345
Including:				
Expected to be recovered within one year (including one year)		37,931,607		48,026,120
Expected to be recovered after one year		241,524,832		143,934,225
		279,456,439		191,960,345

(c) Deductible temporary differences and deductible losses that are not recognized as deferred tax assets of the Group are analyzed as follows:

	30 June 2026 (Unaudited)	31 December 2025
Deductible temporary differences	18,215,786	30,978,994
Deductible losses	121,405,656	117,483,696
	139,621,442	148,462,690

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(23) Deferred tax assets and deferred tax liabilities (Continued)

(d) Deductible losses that are not recognized as deferred tax assets will expire in the following years:

	30 June 2026 (Unaudited)	31 December 2025
2026	–	4,112,075
2027	20,492,861	20,492,861
2028	–	–
2029	79,372,802	84,947,003
2030	7,931,757	7,931,757
2031	13,608,236	–
	121,405,656	117,483,696

(e) The net balances of deferred tax assets and liabilities after offsetting are as follows:

	30 June 2026 (Unaudited)		31 December 2025	
	Offsetting amount	Amount after offsetting	Offsetting amount	Amount after offsetting
Deferred tax assets	(227,903,738)	1,007,383,268	(140,338,957)	948,435,160
Deferred tax liabilities	(227,903,738)	51,552,701	(140,338,957)	51,621,388

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(24) Other non-current assets

	30 June 2026 (Unaudited)	31 December 2025
Foundation oil (i)	308,861,575	308,861,575
Construction and equipment expenditures prepaid	252,287,250	210,232,732
Taxes for advance receipt of port facilities rental payments (ii)	90,592,846	96,335,304
Prepaid VAT	5,041,890	5,041,890
Prepayment for the purchase of real estate (iii)	–	120,039,040
	656,783,561	740,510,541

(i) The Company and its subsidiary, Weifang Port Lianhua Storage Co., Ltd. ("Weifang Port Lianhua"), Dongjiakou Oil Products, Dongying Port Lianhua Pipeline Oil Transportation Co., Ltd. ("Dongying Port Lianhua"), and Gangxin Oil Products purchased some crude oil for the purpose of production and filled in the crude oil pipeline and tanks, so as to ensure the precision of oil product metering and increase the tank pressure for production safety.

(ii) Taxes for advance receipt of port facilities rental payments are mainly the related taxes paid in advance for the rental received in full for the lease of the Group's certain land use rights, port facilities, storage facilities, and other assets (collectively "Port Facilities") in Qianwan Port Area to QQCT, a joint venture of the Group, with a lease term of 30 years. By the end of 2010, the Group had received the rental payments in full. The Group recognized the taxes paid in relation to port facilities rental payments as other non-current assets and amortized the amount of taxes paid to the item of taxes and surcharges based on the rental income recognized in each period.

(iii) The prepayment for the purchase of real estate in 2025 consisted of a payment of RMB120,039,040 made by Container Development Company to Qingdao International Cruise Port Development and Construction Co., Ltd. ("International Cruise Port Development and Construction") for the purchase of office space. The procedures for the purchase of the office space have been completed, the asset is ready for its intended use, and the corresponding prepayment for the purchase of real estate has been capitalized.

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(25) Short-term borrowings

	Currency	30 June 2026 (Unaudited)	31 December 2025
Unsecured borrowings	RMB	203,260,000	99,760,000
Interest on borrowings	RMB	124,707	76,576
		203,384,707	99,836,576

As at 30 June 2026, the Group had no overdue short-term borrowings with interest rates ranging from 2.5% – 2.7% (31 December 2025: 2.35% – 3.15%).

(26) Notes payable

	30 June 2026 (Unaudited)	31 December 2025
Trade acceptance notes	245,435,968	227,549,937
Bank acceptance notes	14,409,515	31,244,500
	259,845,483	258,794,437

As at 30 June 2026, the Group did not have any notes payable due and unpaid (31 December 2025: nil).

(27) Accounts payable

	30 June 2026 (Unaudited)	31 December 2025
Subcontract handling expenses payable	746,132,964	510,323,537
Subcontract agency fee payable	269,281,692	194,033,816
Transportation expenses payable	232,992,165	123,949,743
Repair expenses payable	206,401,840	231,969,765
Material expenditure payable	201,390,660	238,524,685
Subcontract costs payable	55,188,124	106,328,993
Rental expenses payable	36,551,096	34,070,457
Warehousing expenses payable	14,353,959	7,504,633
Others	119,070,953	89,509,231
	1,881,363,453	1,536,214,860

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(27) Accounts payable (Continued)

(a) The aging of accounts payable based on their recording dates is analyzed as follows:

	30 June 2026 (Unaudited)	31 December 2025
Within 1 year	1,593,145,033	1,310,920,219
Over 1 year	288,218,420	225,294,641
	1,881,363,453	1,536,214,860

Accounts payable are mainly recorded based on the date of the transaction. The aging of accounts payable presented based on their recording dates is basically the same as the aging presented based on the dates of the invoice.

As at 30 June 2026, accounts payable aged over one year amounted to RMB288,218,420 (31 December 2025: RMB225,294,641), which mainly represented subcontracted handling expenses and subcontracted payments for works not yet reaching the agreed payment period or the works had not yet been settled, and the amount had not yet been finally settled.

(28) Advances from customers

	30 June 2026 (Unaudited)	31 December 2025
Rental expenses	35,833,703	455,901
	35,833,703	455,901

(29) Contract liabilities

	30 June 2026 (Unaudited)	31 December 2025
Loading fee received in advance	428,674,956	499,392,294
Revenue discount payable	288,543,800	31,231,217
Subcontract agency fee received in advance	10,211,352	12,587,218
Material and equipment fee received in advance	7,175,371	9,290,551
Construction fee received in advance	3,410,048	1,308,394
Others	15,473,327	10,070,707
	753,488,854	563,880,381

Contract liabilities, including the book value of RMB532,649,164 as at 31 December 2025, were transferred to revenue for the six months ended 30 June 2026, and the revenue discount of RMB31,231,217 has not yet been settled.

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(30) Employee benefits payable

	30 June 2026 (Unaudited)	31 December 2025
Short-term employee benefits (a)	**548,091,496**	615,049,346
Defined contribution plans (b)	**9,127,832**	8,235,558
Termination benefits payable (c)	**24,333,722**	22,120,000
Defined benefit plans payable (d)	**121,742,435**	121,200,000
	703,295,485	766,604,904

(a) Short-term employee benefits

	31 December 2025	Increase in the current period (Unaudited)	Decrease in the current period (Unaudited)	30 June 2026 (Unaudited)
Wages and salaries, bonus, allowances and subsidies	541,553,977	1,039,773,357	(1,098,102,241)	**483,225,093**
Employee welfare	124,035	83,749,609	(82,697,018)	**1,176,626**
Social security contributions	–	100,991,820	(100,991,820)	**–**
Including: Medical insurance	–	94,019,796	(94,019,796)	**–**
Work injury insurance	–	6,972,024	(6,972,024)	**–**
Housing fund	–	104,738,116	(104,738,116)	**–**
Labor union funds and employee education funds	14,321,565	27,228,052	(23,733,752)	**17,815,865**
Outsourcing costs	59,049,769	262,732,435	(275,908,292)	**45,873,912**
	615,049,346	1,619,213,389	(1,686,171,239)	**548,091,496**

(b) Defined contribution plans

	31 December 2025	Increase in the current period (Unaudited)	Decrease in the current period (Unaudited)	30 June 2026 (Unaudited)
Basic pensions	–	141,413,130	(141,413,130)	**–**
Unemployment insurance	–	6,186,673	(6,186,673)	**–**
Corporate annuity	8,235,558	73,059,927	(72,167,653)	**9,127,832**
	8,235,558	220,659,730	(219,767,456)	**9,127,832**

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(30) Employee benefits payable (Continued)

(b) Defined contribution plans (Continued)

Monthly payments of premiums on the basic pensions and unemployment insurance are calculated according to the bases and percentage prescribed by local authorities of the Ministry of Human Resource and Social Security, and the payment shall not be used to offset the amount that the Group shall pay for its employees in the future.

(c) Termination benefits payable

	30 June 2026 (Unaudited)	31 December 2025
Early retirement benefits payable (Current portion)	24,333,722	22,120,000

Early retirement benefits borne by the Group are recognized as long-term employee benefits payable (Note IV (39)), the current portion of which is presented as employee benefits payable.

(d) Defined benefit plans

	30 June 2026 (Unaudited)	31 December 2025
Supplemental retirement benefits (Current portion)	121,742,435	121,200,000

Supplemental retirement benefits borne by the Group are recognized as long-term employee benefits payable (Note IV (39)), the current portion of which is presented as employee benefits payable.

(31) Taxes payable

	30 June 2026 (Unaudited)	31 December 2025
Enterprise income tax payable	414,276,759	312,756,780
Unpaid VAT	53,574,849	23,056,240
Land use tax payable	18,589,839	17,832,481
Property tax payable	6,135,322	4,205,049
Stamp duty payable	2,557,973	4,284,705
Individual income tax payable	2,118,414	10,500,151
Others	6,505,730	4,409,121
	503,758,886	377,044,527

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(32) Other payables

	30 June 2026 (Unaudited)	31 December 2025
Construction and equipment expenditures payable (i)	2,674,987,811	2,591,830,684
Dividend payable	1,298,731,941	7,900,926
Payables and advances from agent business (ii)	1,014,853,791	885,714,383
Supplemental retirement benefits payable to related parties (iii)	176,374,346	188,404,936
Guarantees and deposits payable	69,455,633	46,930,627
Others	195,335,581	211,101,298
	5,429,739,103	3,931,882,854

(i) Construction and equipment expenditures payable are mainly payables for project construction, which remain outstanding as they have not yet reached the payment period or relevant projects have not been finally settled and accepted.

(ii) Payables and collections from agency business mainly represent funds collected on behalf of shipowners by the Group for handling the necessary formalities for vessels' entry and exit from the ports.

(iii) Supplemental retirement benefits payable to related parties mainly represent supplemental retirement benefits paid by the related parties on behalf of the Group, which should be paid to related parties. Such amounts have not been paid yet.

(iv) As at 30 June 2026, other payables aged over 1 year of RMB1,620,491,738 (31 December 2025: RMB1,612,669,334) were mainly construction and equipment expenditures payable which remain outstanding as they have not yet reached the payment period or relevant projects have not been finally settled and accepted.

(33) Current portion of non-current liabilities

	30 June 2026 (Unaudited)	31 December 2025
Long-term borrowings due within one year (Note IV (35))	369,073,504	425,994,685
Long-term payables due within one year (Note IV (37))	122,896,398	2,592,137
Lease liabilities due within one year (Note IV (36))	262,766,323	141,141,269
	754,736,225	569,728,091

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(34) Other current liabilities

	30 June 2026 (Unaudited)	31 December 2025
Output VAT corresponding to contract liabilities	44,113,393	37,642,440
Notes receivable endorsed but not derecognized	8,044,178	5,840,451
	52,157,571	43,482,891

(35) Long-term borrowings

	Currency	30 June 2026 (Unaudited)	31 December 2025
Unsecured borrowings	RMB	3,425,310,599	3,563,445,880
Mortgage borrowings	RMB	222,225,375	–
Interest on borrowings	RMB	2,710,303	2,721,443
Less: Long-term borrowings due within one year (Note IV (33))	RMB	(369,073,504)	(425,994,685)
		3,281,172,773	3,140,172,638

As at 30 June 2026, the Group has no overdue long-term borrowings with interest rates ranging from 2.12%-4.50% (31 December 2025: 2.25%-4.90%).

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(36) Lease liabilities

	30 June 2026 (Unaudited)	31 December 2025
Lease liabilities	662,237,203	320,814,596
Less: Lease liabilities due within one year (Note IV (33))	(262,766,323)	(141,141,269)
	399,470,880	179,673,327

As at 30 June 2026, there was no variable lease payment based on a certain percentage of sales and no lease payments related to signed but not yet started lease contracts.

As at 30 June 2026, the future minimum lease payments of short-term leases and low-value asset leases adopting the practical expedient are RMB5,224,361, which should be paid within one year.

(37) Long-term payables

	30 June 2026 (Unaudited)	31 December 2025
Sale-leaseback arrangement deemed as mortgage loan	120,708,131	120,495,649
Less: Current portion (Note IV (33))	(120,708,131)	(495,649)
Government special bonds	200,592,334	200,500,555
Less: Current portion (Note IV (33))	(592,334)	(500,555)
Payment of welfare expenses	28,020,772	28,020,772
Less: Current portion of welfare (Note IV (33))	(1,595,933)	(1,595,933)
	226,424,839	346,424,839

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(38) Deferred income

	31 December 2025	Increase in the current period (Unaudited)	Decrease in the current period (Unaudited)	**30 June 2026 (Unaudited)**	Reason for formation
Government grants (a)	461,722,149	99,717,588	(14,481,874)	**546,957,863**	Funds earmarked for external waterways, etc.

(a) Government grants

	31 December 2025	Increase in the current period (Unaudited)	Recorded in other income in the current period (Unaudited)	**30 June 2026 (Unaudited)**	Asset-related/ Income-related
Funds earmarked for external waterways (i)	103,960,366	–	(1,957,222)	**102,003,144**	Asset-related
Special subsidy for food security (ii)	94,607,703	–	(749,556)	**93,858,147**	Asset-related
Central Budgetary Funds-GF special-purpose funds (iii)	–	48,950,000	–	**48,950,000**	Asset-related
National Pilot Base for Artificial Intelligence Applications (Transport sector-port operation and management track) (iv)	11,893,880	29,754,280	–	**41,648,160**	Asset-related
Qiangang Company terminal equipment upgrade and renovation project in Qianwan port area of Qingdao Port (v)	35,000,000	–	–	**35,000,000**	Asset-related
Infrastructure supporting subsidy for the Logistics Center Project in Weihai Port	33,860,042	–	(494,720)	**33,365,322**	Asset-related
Carrier construction of the Qingdao International Digital Port Center Project	30,000,000	–	–	**30,000,000**	Asset-related
Langya-Taiwan Operating Area sea-rail intermodal yard project	20,000,000	–	–	**20,000,000**	Asset-related
Qingdao International Digital Port Center Project (Provisional Name) project carrier construction	17,130,000	1,550,000	–	**18,680,000**	Asset-related
2021 YFB4001803 integration and demonstration of key technologies in hydrogen port	–	18,620,000	–	**18,620,000**	Asset-related
Other government grants	115,270,158	843,308	(11,280,376)	**104,833,090**	Asset-related/ Income-related
	461,722,149	99,717,588	(14,481,874)	**546,957,863**	

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(38) Deferred income (Continued)

(a) Government grants (Continued)

(i) Funds earmarked for external waterways are funds received by the Group from the Ministry of Transport and the Ministry of Finance, which are used to subsidize the external waterways expansion project, and are amortized and recognized in the current profit or loss on an average basis over the service life of the asset.

(ii) The Central Financial Fund Subsidy for Food Security refers to the project support fund received by Qingdao Port Dongjiakou General Terminal Co., Ltd. ("Dongjiakou General Terminal") from the National Food and Strategic Reserves Administration. This subsidy is used for the Phase II Project of grain silos, and after the construction of this asset is completed and it is transferred to fixed assets, it will be recognized in the current profit or loss on an average basis over the service life of the asset.

(iii) The Central Budgetary Funds-GF special-purpose funds consists of funds received by Shandong Weihai Port Development Co., Ltd. ("Weihai Port Development") from the Weihai Municipal Development and Reform Commission. These funds are designated for the construction of No.3 Ro-Ro Berth in Ro-Ro Terminal Area and will be amortized evenly over the asset's useful life and recognized in current period profit or loss after the asset is completed and transferred to fixed assets.

(iv) The funds for the Pilot Base for Artificial Intelligence Applications Project are special-purpose funds received by the Group from the Qingdao Municipal Development and Reform Commission, intended for the construction of assets related to the Pilot Base for Artificial Intelligence Applications Project; the subsidy funds are disbursed directly by the Qingdao Municipal Development and Reform Commission to the project contractor and will be amortized evenly over the useful life of the assets after they are completed and capitalized as fixed assets, and recognized in current period profit or loss.

(v) The Qiangang Company terminal equipment upgrade and renovation project in Qianwan port area of Qingdao Port represents the equipment upgrade subsidy received by the Qiangang Branch, which is used for the upgrade and renovation of the company's outdated equipment. After the construction of this asset is completed and it is transferred to fixed assets, it will be recognized in the current profit or loss on an average basis over the service life of the asset.

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(39) Long-term employee benefits payable

	30 June 2026 (Unaudited)	31 December 2025
Early retirement benefits payable (a)	95,313,629	98,770,000
Supplemental retirement benefits (b)	2,492,556,609	2,496,650,000
Less: Current portion	(146,076,157)	(143,320,000)
	2,441,794,081	2,452,100,000

Early retirement benefits payable represent the liabilities recognized by the Group for salaries and social security contributions to be paid for the period from the date an employee ceases to provide services to the normal retirement date. Supplemental retirement benefits payable represent the liabilities recognized by the Group through the actuarial valuation of the benefits to be assumed in the future and by discounting the expected future cash outflows using the interest rate of treasury bonds with same terms as that of the supplemental retirement benefits. On 13 September 2024, the Standing Committee of the Fourteenth National People's Congress adopted the *Decision of the Standing Committee of the National People's Congress on the Implementation of a Gradual Delay in the Mandatory Retirement Age* at its eleventh meeting, and the delayed retirement policy was formally implemented from 1 January 2025 onwards. The policy provides for a gradual delay in the statutory retirement age for male employees from the original age of 60 to 63, and for female employees from the original ages of 50 and 55 to 55 and 58, respectively, and the change in policy will have a significant impact on long-term employee benefits payable.

The Group has engaged the independent actuary, Towers Watson Management Consulting (Shenzhen) Co., Ltd., Beijing Branch, to carry out the actuarial valuation. Towers Watson Management Consulting (Shenzhen) Co., Ltd., Beijing Branch is a professionally accredited actuarial firm. The signing actuary of the actuarial report, Wu Haichuan, is a full member of both the Society of Actuaries (SOA) and the Chinese Actuarial Association (CAA), and therefore meets the qualification requirements for issuing relevant actuarial opinions on the Group's early retirement benefits and supplemental retirement benefits.

Early retirement benefits payable and supplemental retirement benefits payable that will be paid within one year are presented as employee benefits payable (Note IV (30)).

(a) Early retirement benefit liabilities of the Group:

	30 June 2026 (Unaudited)	31 December 2025
Early retirement benefit liabilities	95,313,629	98,770,000
Less: Current portion	(24,333,722)	(22,120,000)
	70,979,907	76,650,000

(b) Supplemental retirement benefit liabilities of the Group:

	30 June 2026 (Unaudited)	31 December 2025
Supplemental retirement benefit liabilities	2,492,556,609	2,496,650,000
Less: Current portion	(121,742,435)	(121,200,000)
	2,370,814,174	2,375,450,000

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(39) Long-term employee benefits payable (Continued)

(c) Movements for the Group's early retirement benefits are analyzed as follows:

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Opening balance	98,770,000	105,960,000
Amount recognized in the current profit or loss		
– Service cost	5,111,045	5,751,908
– Net interest on the net liabilities	155,202	570,000
– Remeasurement amount	–	–
Transfer of consolidated financial statements of entities not under common control	3,953,840	–
Payment of benefits	(12,676,458)	(15,341,844)
Closing balance	95,313,629	96,940,064

The key assumptions adopted by the Group for the early retirement benefits payable at the balance sheet date are as follows:

	30 June 2026 (Unaudited)	31 December 2025
Discount rate – early retirement benefits	1.50%	1.50%

Early retirement benefits included in the current profit or loss:

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
General and administrative expenses	5,111,045	5,751,908
Financial expenses	155,202	570,000

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(39) Long-term employee benefits payable (Continued)

(d) Movements for the Group's supplemental retirement benefits are analyzed as follows:

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Opening balance	2,496,650,000	2,725,120,000
Amount recognized in the current profit or loss		
– Service cost	20,427,395	23,780,000
– Net interest on the net liabilities	27,498,500	26,625,000
Remeasurement amount		
– Actuarial losses for the period	–	–
Personnel transfer-out upon disposal of subsidiaries	–	–
Payment of benefits	(52,019,286)	(40,048,415)
Closing balance	2,492,556,609	2,735,476,585

(e) The Group's supplemental retirement benefit liabilities payable as at the balance sheet date are calculated using the projected unit credit method. The key actuarial assumptions used to assess the liabilities are as follows:

	30 June 2026 (Unaudited)	31 December 2025
Discount rate – supplemental retirement benefits	2.25%	2.25%
Medical benefit growth rate (elderly care, etc.)	0-5%	0-5%

The supplemental retirement benefits expose the Group to various risks, among which the main risk is the risk of interest rate fluctuations of treasury bonds. A fall in interest rates of treasury bonds will lead to an increase in liabilities.

For the six months ended 30 June 2026 and the year 2025, the assumption for future mortality rate is based on the statistics of the China Life Annuitant Mortality Table (2010-2013) translated forward by three years. The related actuarial assumptions are as follows:

	30 June 2026 (Unaudited)	31 December 2025
Supplemental retirement benefits –		
Average age	51.46	50.96
Expected future average remaining life expectancy	31.38	31.88

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(39) Long-term employee benefits payable (Continued)

(f) The sensitivity analysis of the principal actuary assumptions adopted in the present value of the supplemental retirement benefits of the Group is as follows:

		Impact on the present value of defined benefit plan obligation	
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate – supplemental retirement benefits	25 basis points	3.77% down	4.03% up
Medical benefit growth rate	100 basis points	5.32% up	3.96% down

The above sensitivity analysis is based on a change in an assumption while holding other assumptions constant. In practice, however, all assumptions are usually correlated. When calculating the present value of the defined benefit obligation in the sensitivity analysis, the projected unit credit method has been applied.

(g) As at 30 June 2026, the maturity analysis of undiscounted defined benefit obligations is as follows:

	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Supplemental retirement benefits	121,730,000	120,810,000	359,165,000	5,483,915,000	6,085,620,000

(h) Supplemental retirement benefits included in the current profit or loss:

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
General and administrative expenses	**20,427,395**	23,780,000
Financial expenses	**27,498,500**	26,625,000

(40) Other non-current liabilities

	30 June 2026 (Unaudited)	31 December 2025
Lease payments collected in advance	**1,577,513,807**	1,682,633,930

Lease payments collected in advance mainly comprise port facilities lease payments collected in advance from related party QQCT, dock basin lease payments collected in advance from Qingdao Qianwan Container Terminal Co., Ltd ("QQCTN") and Qingdao Qianwan United Container Terminal Co., Ltd ("QQCTU") with a period of 30 years.

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(41) Share capital

	31 December 2025	Movements in the current period (Unaudited)	30 June 2026 (Unaudited)
Foreign shares issued overseas	1,099,025,000	–	1,099,025,000
RMB denominated common stock	5,392,075,000	–	5,392,075,000
	6,491,100,000	–	6,491,100,000

	31 December 2024	Movements in the current period (Unaudited)	30 June 2025 (Unaudited)
Foreign shares issued overseas	1,099,025,000	–	1,099,025,000
RMB denominated common stock	5,392,075,000	–	5,392,075,000
	6,491,100,000	–	6,491,100,000

The Company issued 705,800,000 foreign-listed H-shares to overseas investors at its Initial Public Offering on 6 June 2014. The issuing price per share was HKD3.76 (approximately RMB2.98), and the share capital increased to 4,705,800,000 shares after the issue.

The Company exercised the over-allotment option on 2 July 2014 and issued an additional 72,404,000 foreign-listed H shares overseas. The issuing price per share was HKD3.76 (approximately RMB2.99), and the share capital increased to 4,778,204,000 shares after the exercise of the over-allotment option. Furthermore, 77,821,000 state-owned shares held by Qingdao Port Group (equivalent to 10% of the issued H-shares) were converted to H-shares and transferred to the National Council for Social Security Fund of the PRC as a portion of shares in the IPO and over-allotment for sale. The above funds were verified by ShineWing Certified Public Accountants (LLP), along with the issue of a capital verification report No. XYZH/2014QDA2002.

The Company completed the placement of 243,000,000 new H-shares on 18 May 2017 at a placing price of HKD4.32 per share (approximately RMB3.81). The share capital increased to 5,021,204,000 shares upon the completion of the placement. The above funds were verified by PricewaterhouseCoopers Zhong Tian LLP, along with the issue of a capital verification report of PwC ZT Yan Zi (2017) No. 527.

The Company made a private placement of 1,015,520,000 ordinary shares denominated in RMB to Shanghai China Shipping Terminal on 22 May 2017 at a subscription price of RMB5.71 per share. After the completion of the private placement of the Domestic Shares, the share capital increased to RMB6,036,724,000. The above funds were verified by PricewaterhouseCoopers Zhong Tian LLP, along with the issue of a capital verification report of PwC ZT Yan Zi (2017) No. 526.

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(41) Share capital (Continued)

Pursuant to the China Securities Regulatory Commission's Securities Regulatory Approval [2018] No. 1839 issued on 14 November 2018, "Approval of the Initial Public Offering of Qingdao Port International Co., Ltd.", the Company was approved to issue 454,376,000 ordinary shares denominated in RMB to the public at an issuing price of RMB4.61 per share on 21 January 2019. The above funds were received in January 2019 and verified by PricewaterhouseCoopers Zhong Tian LLP, along with the issue of a capital verification report of PwC ZT Yan Zi (2019) No. 0026. The total amount of funds raised this time was RMB2,094,673,360. The Company's share capital increased by RMB454,376,000. After deducting the issue cost of RMB115,743,592, the remaining was RMB1,524,553,768 and included in capital surplus (share premium).

(42) Capital surplus

	31 December 2025	Increase in the current year (Unaudited)	Decrease in the current year (Unaudited)	**30 June 2026 (Unaudited)**
Share premium				
Capital premium contributed by Qingdao Port Group (i)	7,052,279,474	–	–	**7,052,279,474**
Capital premium contributed by Other Promoters (i)	783,586,608	–	–	**783,586,608**
Issue of new shares (ii)	8,652,856,972	–	–	**8,652,856,972**
Shares issue expenses (ii)	(242,175,098)	–	–	**(242,175,098)**
Reversal of revaluation appreciation effect from business combination under common control	(4,830,045,213)	–	–	**(4,830,045,213)**
Income tax effect recognized from revaluation appreciation	887,819,497	–	–	**887,819,497**
Business combinations under common control	(416,942,220)	–	–	**(416,942,220)**
Subsidiary minority shareholders paid a premium	15,245,576	–	–	**15,245,576**
Acquisition of minority interests (iii)	(181,223,121)	–	–	**(181,223,121)**
Impact of capital increase by minority shareholders (iv)	(1,232,555)	–	–	**(1,232,555)**
Other capital surplus –				
Share of changes in equity other than comprehensive income and profit distribution of investees under the equity method (v)	(2,466,449)	8,547,816	–	**6,081,367**
Effect of the disposal of 49% equity interest in Yuntai Logistics	(1,181,134)	–	–	**(1,181,134)**
	11,716,522,337	8,547,816	–	**11,725,070,153**

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(42) Capital surplus (Continued)

	31 December 2024	Increase in the current period (Unaudited)	Decrease in the current period (Unaudited)	30 June 2025 (Unaudited)
Share premium				
Capital premium contributed by Qingdao Port Group (i)	7,052,279,474	–	–	7,052,279,474
Capital premium contributed by Other Promoters (i)	783,586,608	–	–	783,586,608
Issue of new shares (ii)	8,652,856,972	–	–	8,652,856,972
Shares issue expenses (ii)	(242,175,098)	–	–	(242,175,098)
Reversal of revaluation appreciation effect from business combination under common control	(4,830,045,213)	–	–	(4,830,045,213)
Income tax effect recognized from revaluation appreciation	887,819,497	–	–	887,819,497
Business combinations under common control	(416,942,220)	–	–	(416,942,220)
Subsidiary minority shareholders paid a premium	15,245,576	–	–	15,245,576
Acquisition of minority interests (iii)	(181,192,815)	–	(30,306)	(181,223,121)
Other capital surplus				
Share of changes in equity other than comprehensive income and profit distribution of investees under the equity method (v)	5,369,155	–	(1,461,189)	3,907,966
Effect of the disposal of 49% equity interest in Yuntai Logistics	(1,181,134)	–	–	(1,181,134)
Impact of capital increase by minority shareholders	–	–	(5,589,428)	(5,589,428)
	11,725,620,802	–	(7,080,923)	11,718,539,879

(i) The Company is a stock limited company jointly established by Qingdao Port Group and Other Promoters. The assets and liabilities as well as cash at bank and on hand contributed by Qingdao Port Group amounted to RMB10,252,279,474 and RMB400,000,000 respectively, which were approved by Qingdao SASAC. Cash at bank and on hand contributed by Other Promoters amounted to RMB1,183,586,608. The contributions totaled RMB11,835,866,082, including share capital of RMB4,000,000,000 (4,000,000,000 shares, par value at RMB1) and capital surplus of RMB7,835,866,082.

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(42) Capital surplus (Continued)

(ii) The Company issued 705,800,000 foreign-listed H-shares to overseas investors at its Initial Public Offering on 6 June 2014. The amount of raised capital less capitalized issue cost was RMB1,995,921,171, including share capital of RMB705,800,000 (705,800,000 shares, par value at RMB1) and capital surplus of RMB1,290,121,171. The Company exercised the overallotment option on 2 July 2014 and issued an additional 72,404,000 foreign-listed H shares overseas. The amount of raised capital was RMB216,167,727, including share capital of RMB72,404,000 (72,404,000 shares, par value at RMB1) and capital surplus of RMB143,763,727.

The Company completed the placement of 243,000,000 new H-shares on 18 May 2017. The amount of raised capital less capitalized issue cost was RMB912,553,972, including share capital of RMB243,000,000 (243,000,000 shares, par value at RMB1) and capital surplus of RMB669,553,972.

The Company made a private placement of 1,015,520,000 Domestic Shares on 22 May 2017. The consideration for issuing the Domestic Shares less capitalized issue cost was RMB5,798,209,236, including share capital of RMB1,015,520,000 (1,015,520,000 shares, par value at RMB1) and capital surplus of RMB4,782,689,236.

The Company issued 454,376,000 ordinary shares denominated in RMB (A-shares) at its Initial Public Offering on 21 January 2019. The amount of raised capital less capitalized issue cost was RMB1,978,929,768, including share capital of RMB454,376,000 (454,376,000 shares, par value at RMB1) and capital surplus of RMB1,524,553,768.

(iii) In January 2023, the Company purchased 5% of the equity interests of Dongjiakou Oil Products, a subsidiary of the Company, from Mercuria Energy Asia Investment Pte Ltd. After the transaction, the Company held 70% equity interests of Dongjiakou Oil Products. Capital surplus was adjusted by RMB7,737,484 as a result of this transaction.

QDP Logistics is a wholly-owned subsidiary of the Company, and Weihai Port Development is a 51% owned subsidiary of the Company. In September 2023, QDP Logistics purchased 51%, 55%, and 100% of the equity interests of Logistics Park Development, Shipping Agency, and Gangfeng Shipping Agency, respectively, from Weihai Port Development. Capital surplus was adjusted by RMB(112,608,296) as a result of this transaction.

In October 2023, the Company purchased from Weihai Port Development the 2% and 51% equity interests, respectively, in Weihai Qingwei Container Terminal Co., Ltd. ("Qingwei Container") and China Ocean Shipping Tally Weihai held by it. During the current period, an adjustment of RMB(30,306) was made to the original consideration, and from this transaction, a cumulative adjustment of RMB(39,614,688) was made to the capital surplus.

(iv) In January 2025, Ark Intelligent Port and Navigation Port Services (Qingdao) Co., Ltd. ("Ark Intelligent"), a subsidiary of the Company, has conducted a capital increase and share expansion. The Company has made additional capital contributions to Ark Intelligent and introduced four new minority shareholders, with Ark Intelligent's registered capital increased from RMB20,000,000.00 to RMB80,000,000.00. All shareholders' subscribed capital contributions have been fully paid in by 31 January 2025. After this capital increase, the Company's shareholding ratio in Ark Intelligent has decreased from 100% to 55%, resulting in a cumulative adjustment to capital surplus of RMB(1,232,555).

(v) Changes in capital surplus during the period represent changes of RMB8,547,816 in equity in investees accounted for under the equity method other than other comprehensive income and profit distribution (For the six-month period ended 30 June 2025: RMB(1,461,189)).

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(43) Other comprehensive income

	Other comprehensive income in the balance sheet				Other comprehensive income in the income statement for the six-month period ended 30 June 2026				
	31 December 2025	Attributable to the parent company after taxes (Unaudited)	Impact of disposal of subsidiaries (Unaudited)	30 June 2026 (Unaudited)	Amount incurred before income tax (Unaudited)	Less: Transfer from other comprehensive income to retained earnings (Unaudited)	Less: Income tax expense (Unaudited)	Attributable to the parent company after taxes (Unaudited)	Attributable to minority interests after taxes (Unaudited)
Other comprehensive income items that will not be subsequently reclassified to profit or loss									
Changes in remeasurement of defined benefit plan obligations	(331,729,482)	-	-	(331,729,482)	-	-	-	-	-
Other comprehensive income that will not be transferred subsequently to profit or loss under the equity method	(10,964,457)	-	-	(10,964,457)	-	-	-	-	-
Other comprehensive income items that will be subsequently reclassified to profit or loss									
Other comprehensive income that will be transferred subsequently to profit or loss under the equity method (i)	(7,765,028)	1,485,976	-	(6,279,052)	1,485,976	-	-	1,485,976	-
	(350,458,967)	1,485,976	-	(348,972,991)	1,485,976	-	-	1,485,976	-

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(43) Other comprehensive income (Continued)

(i) The change in other comprehensive income for the investee accounted for under the equity method in this period was RMB1,485,976.

	Other comprehensive income in the balance sheet			Other comprehensive income in the income statement for the six-month period ended 30 June 2025			
	31 December 2024	Attributable to the parent company after taxes (Unaudited)	30 June 2025 (Unaudited)	Amount incurred before income tax (Unaudited)	Less: Income tax expense (Unaudited)	Attributable to the parent company after taxes (Unaudited)	Attributable to minority interests after taxes (Unaudited)
Other comprehensive income items that will not be subsequently reclassified to profit or loss							
Changes in remeasurement of defined benefit plan obligations	(546,543,443)	7,480,000	(539,063,443)	7,480,000	–	7,480,000	–
Other comprehensive income that will not be transferred subsequently to profit or loss under the equity method	(20,593,464)	–	(20,593,464)	–	–	–	–
Other comprehensive income items that will be subsequently reclassified to profit or loss							
Other comprehensive income that will be transferred subsequently to profit or loss under the equity method	(5,106,760)	(1,137,945)	(6,244,705)	–	–	–	–
	(572,243,667)	6,342,055	(565,901,612)	7,480,000	–	7,480,000	–

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(44) Specific reserve

	31 December 2025	Increase in the current period (Unaudited)	Decrease in the current period (Unaudited)	**30 June 2026 (Unaudited)**
Safety fund	18,393,719	64,968,513	(59,574,145)	**23,788,087**

(45) Surplus reserve

	31 December 2025	**Appropriation in the current period (Unaudited)**	**Decrease in the current period (Unaudited)**	**30 June 2026 (Unaudited)**
Statutory surplus reserve	**3,245,550,000**	**–**	**–**	**3,245,550,000**

	31 December 2024	Appropriation in the current period (Unaudited)	Decrease in the current period (Unaudited)	30 June 2025 (Unaudited)
Statutory surplus reserve	3,234,169,702	–	–	3,234,169,702

In accordance with the Company Law and the Company's Articles of Association, the Company should appropriate 10% of net profit for the year to the statutory surplus reserve, and the Company can cease appropriation when the statutory surplus reserve accumulated to more than 50% of the registered capital. The statutory surplus reserve can be used to make up for the loss or increase the share capital after approval from the appropriate authorities. The cumulative amount of the Company's statutory surplus reserve has reached 50% of its registered capital, and no further withdrawals will be made.

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(46) Undistributed profits

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Undistributed profits at the beginning of the period	**24,591,762,352**	21,593,359,687
Business combinations under common control	**–**	–
Changes in accounting policies	**–**	–
Undistributed profits at the beginning of the period	**24,591,762,352**	21,593,359,687
Add: Net profit for the period attributable to shareholders of the parent company	**2,762,411,542**	2,841,930,077
Distribution to shareholders (a)	**(1,290,430,680)**	(1,302,763,770)
Other comprehensive income carried forward to retained earnings	**–**	(7,480,000)
Undistributed profits at the end of the period	**26,063,743,214**	23,125,045,994

(a) In accordance with the resolution at the Company's Board of Directors' meeting, the Company distributed 45% of its distributable profits of 2025 as a cash dividend, with a total of RMB2,242.0259 million dividend (including tax) (the Company's total cash dividend for the year 2025 accounted for approximately 43% of the net profit attributable to shareholders of the listed company as presented in the consolidated financial statements). Based on the Company's total share capital of 6,491,100,000 shares, the Company distributed a cash dividend of RMB3.454 per 10 shares (including tax) to all shareholders, of which the Company distributed an interim dividend for 2025 of RMB951.5953 million (a cash dividend of RMB1.466 (including tax) per 10 shares) to all shareholders on 24 December 2025. Following approval by the shareholders' meeting, the remaining dividend of RMB1,290.4306 million (cash dividend of RMB1.988 (including tax) per 10 shares) was distributed on 10 August 2026.

The Company will distribute 35% of the profits available for distribution in the first half of 2026 as an interim dividend, with a total dividend payout of RMB907.9015 million (including tax) (representing approximately 33% of the net profit attributable to shareholders of the listed company as reported in the Company's consolidated financial statements for the first half of 2026). As of 30 June 2026, based on the Company's total issued share capital of 6,491,100,000 shares, it will pay an interim dividend of RMB1.399 (including tax) per 10 shares to all shareholders. The aforementioned interim dividend will be paid within two months after it is reviewed and approved by the Company's Board of Directors (no later than 28 October 2026).

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(47) Revenue and cost of sales

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Revenue from main operations	9,877,511,720	8,943,543,218
Revenue from other operations	578,733,618	490,000,123
	10,456,245,338	9,433,543,341

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Cost of sales from main operations	(5,758,235,202)	(5,438,465,341)
Cost of sales from other operations	(382,041,124)	(286,046,839)
	(6,140,276,326)	(5,724,512,180)

(a) Revenue and cost of sales from main operations

	For the six months ended 30 June 2026 (Unaudited)		For the six months ended 30 June 2025 (Unaudited)	
	Revenue from main operations	Cost of sales from main operations	Revenue from main operations	Cost of sales from main operations
Container handling and ancillary services	2,230,047,052	(552,421,802)	1,413,847,329	(288,262,519)
Dry bulk and general cargo handling and ancillary services	2,010,778,825	(1,661,929,268)	2,322,751,665	(1,842,900,332)
Liquid bulk cargo handling and ancillary services	1,660,856,198	(603,073,218)	1,614,176,597	(655,063,497)
Logistics and port value-added services	3,955,774,415	(2,923,961,886)	3,486,368,707	(2,550,887,324)
Port ancillary services – engineering and other labor services	20,055,230	(16,849,028)	106,398,920	(101,351,669)
	9,877,511,720	(5,758,235,202)	8,943,543,218	(5,438,465,341)

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(47) Revenue and cost of sales (Continued)

(b) Revenue and cost of sales from other operations

	For the six months ended 30 June 2026 (Unaudited)		For the six months ended 30 June 2025 (Unaudited)	
	Revenue from other operations	Cost of sales from other operations	Revenue from other operations	Cost of sales from other operations
Rental income (i)	171,625,947	(97,468,741)	183,758,364	(92,462,107)
Sales of fuel, electricity and others	407,107,671	(284,572,383)	306,241,759	(193,584,732)
	578,733,618	(382,041,124)	490,000,123	(286,046,839)

(i) The Group's rental income is from leasing port facilities, storage facilities, buildings, machinery and equipment, and transportation equipment. For the six months ended 30 June 2026, there's no variable rental income recognized based on the certain percentage of the lessee's sales amount.

For the six months ended 30 June 2026, all of the above revenue types are performance obligations fulfilled within a certain period of time, with the exception of "Port ancillary service – sales of fuel, electricity and others", which is primarily performance obligations fulfilled at a point in time, and "Rental income".

As at 30 June 2026, the amounts of revenue corresponding to contract obligations that were signed but not fulfilled or not completely fulfilled were RMB753,488,854 (31 December 2025: RMB563,880,381), all of which is expected to be recognized by the Group as revenue in 2026.

(48) Taxes and surcharges

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)	Calculation and payment standard
Land use tax	36,539,599	35,439,611	RMB3.2-11.2/ square meter/per year
City maintenance and construction tax	17,249,278	16,508,245	7%
Educational surcharge	12,322,342	11,791,558	3%, 2%
Property tax	13,364,486	10,964,809	Levied on a rental or ad valorem basis
Stamp duty	5,299,025	9,428,940	Proportional tax rate, norm quota tax rate
Others	6,364,523	6,226,920	
	91,139,253	90,360,083	

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(49) Selling and distribution expenses

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Employee benefits	21,350,218	20,939,245
Business promotion expenses	622,060	1,524,884
Business entertainment expenses	3,097,396	2,604,078
Travel expenses	1,548,237	1,520,657
Others	2,845,575	2,454,072
	29,463,486	29,042,936

(50) General and administrative expenses

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Employee benefits	343,319,329	345,066,081
Property management fees	31,624,271	33,890,764
Depreciation of fixed assets	26,343,791	18,176,698
Depreciation of right-of-use assets	20,956,736	20,229,585
Amortization of intangible assets	20,849,765	19,902,803
Office expenses and travel expenses	30,635,306	32,475,643
Vehicle expenses	13,826,628	12,578,030
Publicity and education expenses	10,383,062	8,218,795
Fuel and utility fees	7,041,845	8,577,564
Rental expenses	6,585,868	9,781,746
Intermediary service fees	3,925,058	9,501,871
Consumption of labor protection equipment and other raw materials	2,418,359	3,424,378
Repair expenses	188,152	676,166
Others	30,616,985	22,428,366
	548,715,155	544,928,490

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(51) Research and development expenses

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Employee benefits	69,931,074	62,445,070
Consumed materials	6,662,923	3,124,416
Depreciation and amortization	7,739,879	1,638,781
Others	3,010,188	3,217,011
	87,344,064	70,425,278

(52) Financial expenses

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Borrowings and other interest expenses	52,702,083	54,645,977
Add: Interest expense on lease liabilities	13,142,112	9,633,053
Less: Capitalized interest	–	(829,775)
Interest expenses	65,844,195	63,449,255
Less: Interest income	(65,114,062)	(66,466,960)
Effect of actuarial calculation of employee benefits	27,653,702	27,195,000
Exchange gains or losses	18,537,070	(2,892,003)
Others	919,881	881,093
	47,840,786	22,166,385

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(53) Expenses by nature

The cost of sales, selling and distribution expenses, general and administrative expenses, and research and development expenses in the income statement are categorized by nature as follows:

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Subcontract cost	**2,406,853,110**	2,102,480,324
Employee benefits	**1,808,816,327**	1,618,518,968
Cost for outsourcing transportation	**723,146,450**	831,558,230
Depreciation of fixed assets	**656,860,900**	613,471,091
Cost of sales for purchasing fuel and electricity	**244,717,804**	247,579,104
Fuel and utility fees	**169,067,496**	171,495,867
Consumption of other materials	**135,510,776**	152,037,214
Depreciation of right-of-use assets	**131,294,919**	74,993,944
Labor outsourcing	**88,090,582**	93,289,192
Rental expenses (i)	**78,162,927**	116,025,679
Amortization of intangible assets	**77,457,161**	62,813,951
Repair expenses (ii)	**55,454,926**	42,153,961
Property service fees	**42,272,879**	37,603,594
Office expenses and travel expenses	**40,831,548**	45,004,032
Information technology service fees	**22,387,768**	25,688,284
Consumed materials for construction contracts	**14,254,277**	59,635,935
Depreciation of investment properties	**11,866,234**	3,601,028
Security service fees	**10,431,440**	9,385,298
Long-term prepaid expenses	**4,858,349**	4,999,467
Consulting fee	**3,309,702**	4,949,351
Auditor's fee	**1,761,995**	4,657,032
– Audit services for listed companies	**1,729,867**	2,351,622
– Other audit services within the Group	**32,128**	1,310,180
– Non-audit services	**–**	995,230
Others	**78,391,461**	46,967,338
	6,805,799,031	6,368,908,884

(i) As stated in Note II (25), the Group's lease expenses for short-term leases and low-value leases, for which simplified accounting methods are applied, are recognized directly in profit or loss for the period. For the six-month period ended 30 June 2026, the amount was RMB78,162,927 (for the six-month period ended 30 June 2025: RMB116,025,679).

(ii) For the daily maintenance, and repair expenses of fixed assets that do not meet the criteria of capitalisation, the Group included the costs related to the production and processing of inventories in the costs of inventories and recognised as cost of sale accordingly, and included the costs related to the research and development department, the administrative department, and the sale department in research and development expenses, general and administrative expenses, and selling and distribution expenses, respectively.

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(54) Other income

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
VAT refunded as soon as collected	6,073,913	13,556,873
Government grants		
– Income related	9,327,292	32,018,105
– Asset related	14,056,874	12,196,339
Others	1,256,018	1,014,153
	30,714,097	58,785,470

(55) Investment income

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Income from long-term equity investments accounted for under the equity method	436,713,087	769,164,806
Investment income from holding of financial assets held for trading	2,068,650	–
Investment income from holding other non-current financial assets	–	594,188
Losses on discount of financing receivables and notes receivable qualifying for derecognition	(74,048)	(345)
Investment income from the disposal of long-term equity investments	(3,059,212)	–
Others	(876,498)	–
	434,771,979	769,758,649

There is no significant restriction on the Group's recovery of investment income.

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(56) Gains on changes in fair value

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Financial assets held for trading	(2,035,729)	(2,314,418)
Other non-current financial assets	–	142,914,934
	(2,035,729)	140,600,516

(57) Credit impairment losses

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Impairment reversals/(losses) on notes receivable	501,141	92,689
Impairment reversals/(losses) on accounts receivable	(47,540,108)	(20,979,232)
Impairment reversals/(losses) on other receivables	(7,018,708)	506,463
	(54,057,675)	(20,380,080)

(58) Asset impairment losses

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Impairment reversals/(losses) on contract assets	2,236,437	983,029
	2,236,437	983,029

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(59) Gains on disposal of assets

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Gains on disposal of held for sale disposal groups	**–**	10,861,075
Gains on disposal of non-current assets		
Including: Gains on disposal of fixed assets	**12,313,167**	8,582,237
Gains on disposal of intangible assets	**3,863,101**	–
Gains on disposal of right-of-use assets	**–**	9,035
	16,176,268	19,452,347

(60) Non-operating income

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)	**Amount included in non-recurring profit and loss for the year**
Gains on destruction and scrapping of non-current assets	**2,353,460**	2,071,803	**2,353,460**
Including: Scrapping of fixed assets	**2,353,460**	2,071,803	**2,353,460**
Compensation and indemnity	**538,176**	–	**538,176**
Payments not required	**2,322,506**	1,703	**2,322,506**
Others	**3,735,321**	2,457,088	**3,735,321**
	8,949,463	4,530,594	**8,949,463**

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(61) Non-operating expenses

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)	Amount included in non-recurring profit and loss for the year
Losses on scrapping of non-current assets	3,349,973	675,049	3,349,973
Including: Losses on scrapping of fixed assets	3,342,020	675,049	3,342,020
Compensation	147,831	–	147,831
Penalty and overdue fine	20,512,974	6,309,871	20,512,974
Others	–	6,192	–
	24,010,778	6,991,112	24,010,778

(62) Income tax expense

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Current income tax calculated based on tax law and related regulations	941,394,360	761,940,297
Deferred income tax	(59,322,341)	22,640,616
	882,072,019	784,580,913

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(62) Income tax expense (Continued)

The reconciliation from income tax calculated based on the applicable tax rates and total profit presented in the consolidated financial statements to the income tax expenses:

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Total profit	**3,924,210,330**	3,918,847,402
Income tax expenses calculated at applicable tax rates	**981,052,582**	979,711,850
The effect of preferential tax rates	**(17,290,593)**	(10,994,753)
Effect of adjusting income taxes of prior periods	**15,677,684**	(17,282,621)
Non-taxable income	**(109,178,272)**	(193,589,072)
Costs, expenses and losses not deductible	**11,026,567**	25,512,130
Utilisation of deductible losses not recognized as deferred tax assets in prior periods	**(3,562,998)**	(3,133,813)
Deductible temporary differences for which no deferred tax asset was recognised in the current year	**4,347,049**	4,357,192
Income tax expense	**882,072,019**	784,580,913

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(63) Earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing consolidated net profit attributable to ordinary shareholders of the parent company by the weighted average number of ordinary shares outstanding of the parent company:

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Consolidated net profit attributable to ordinary shareholders of the parent company	2,762,411,542	2,841,930,077
Weighted average number of ordinary shares outstanding	6,491,100,000	6,491,100,000
Basic earnings per share	0.43	0.44
Including:		
– Basic earnings per share from continuing operations	0.43	0.44
– Basic earnings per share from discontinued operations	–	–

(b) Diluted earnings per share

Diluted earnings per share is calculated by dividing net profit attributable to ordinary shareholders of the parent company, adjusted based on the dilutive potential ordinary shares, by the adjusted weighted average number of ordinary shares outstanding of the Company. As there were no dilutive potential ordinary shares for the six months ended 30 June 2026 (for the year ended 31 December 2025: nil), diluted earnings per share were equal to basic earnings per share.

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(64) Notes to the cash flow statement

(a) Cash received relating to other operating activities

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Lease payments received	110,042,295	100,926,350
Government grants	78,865,599	67,843,022
Interest from cash at bank	39,102,934	29,639,762
Receipt of deposits and guarantees	–	22,238,367
Receipts for logistics business collected on behalf	–	12,012,301
Others	32,442,468	32,388,193
	260,453,296	265,047,995

The Group's collection and payment of agency procurement and other businesses are cash received or paid on behalf of customers, and cash flow is shown on a net basis.

(b) Cash paid relating to other operating activities

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Payment on behalf of logistics business	94,900,746	–
Payment for retirees	64,049,876	48,680,422
Office expenses and entertainment expenses	45,553,639	32,362,404
Payment of deposit and guarantee	45,385,402	–
Payment of property management fees and heating cost	31,624,271	33,890,764
Intermediary service fees	22,228,152	4,462,919
Vehicle expenses	13,826,628	12,578,030
Publicity and education expenses	10,383,062	8,218,795
Rental expenses	6,585,868	9,781,746
Railway freight paid on behalf	2,992,403	7,461,296
Bank service charges	919,881	881,092
Others	44,982,658	31,093,866
	383,432,586	189,411,334

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(64) Notes to the cash flow statement (Continued)

(c) Cash received relating to other investing activities

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Cash and cash equivalents held by subsidiaries at the date of consolidation	**194,803,452**	–
	194,803,452	–

(d) Cash paid relating to other financing activities

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Repayment of entrusted borrowings from Qingdao Port Group	**–**	136,700,000
Repayments of lease liabilities	**149,029,297**	48,307,744
Repayment of the principal of borrowings under finance leases	**–**	2,700,000
Interest from discounting notes receivable	**74,048**	345
	149,103,345	187,708,089

For the six months ended 30 June 2026, the total lease-related cash outflow paid by the Group was RMB267,335,191 (for the six months ended 30 June 2025: RMB104,835,515). Except for the amount paid for repayment of lease liabilities included in the financing activities, the remaining cash outflows were included in operating activities.

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(65) Supplementary information to the cash flow statement

(a) Supplementary information to the cash flow statement

Reconciliation from net profit to cash flows from operating activities

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Net profit	3,042,138,311	3,134,266,489
Add/Less: Asset impairment losses	(2,236,437)	(983,029)
Credit impairment losses	54,057,675	20,380,080
Depreciation of right-of-use assets	131,294,919	74,993,944
Depreciation of fixed assets and investment properties	671,471,457	617,072,119
Amortization of intangible assets	77,457,161	62,813,951
Amortization of long-term prepaid expenses	4,858,349	4,999,467
Gains on disposal of fixed assets, intangible assets, and other long-term assets	(16,176,268)	(19,452,347)
Amortization of deferred income	(14,481,874)	(12,396,339)
Losses on scrapping of fixed assets	996,513	(1,396,754)
Gains on changes in fair value	2,035,729	(140,600,516)
Financial expenses	84,381,265	60,557,253
Investment income	(434,771,979)	(769,758,649)
Decrease/(Increase) in deferred taxes	(59,322,340)	22,640,617
Decrease/(Increase) in inventories	(13,486,213)	(2,806,823)
Decrease/(Increase) in operating receivables	(905,732,773)	(271,229,577)
Increase/(Decrease) in operating payables	665,059,437	(48,024,358)
Others	7,350,692	27,944,798
Net cash flows from operating activities	3,294,893,624	2,759,020,326

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(65) Supplementary information to the cash flow statement (Continued)

(a) Supplementary information to the cash flow statement (Continued)

Significant operating activities, investing activities, and financing activities that do not involve cash receipts and payments

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Goods and services purchased by endorsement of notes receivable	156,443,453	164,865,614
Long-term assets acquired by endorsement of notes receivable	32,505,871	70,315,124
Increase of right-of-use assets in the current period	471,602,407	42,678,984

Net increase/(decrease) in cash

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Cash at the end of the period	14,038,610,348	15,440,729,946
Less: Cash at the beginning of the period	(12,746,849,218)	(12,207,737,448)
Net increase in cash	1,291,761,130	3,232,992,498

Cash and cash equivalents

	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)
Cash at bank and on hand (Note IV (1))	15,353,260,420	15,929,613,467
Less: Fixed deposits with a term of over 3 months	(1,192,925,922)	(421,980,941)
Other restricted cash balance	(46,189,030)	(11,612,795)
Interest receivable	(75,535,120)	(55,289,785)
Cash at the end of the period	14,038,610,348	15,440,729,946

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(66) Monetary items denominated in foreign currencies

	30 June 2026 (Unaudited)		
	Balance in foreign currencies	Conversion rate	RMB balance
Cash at bank and on hand –			
USD	53,023,119	6.8109	361,135,161
EUR	4,239,154	7.7671	32,925,933
HKD	1,917	0.8686	1,665
			394,062,759
Accounts receivable –			
USD	47,860,022	6.8109	325,969,824
JPY	1,992,832	0.0420	83,699
			326,053,523
Other receivables –			
USD	61,577,466	6.8109	419,397,963
Accounts payable –			
USD	27,142,560	6.8109	184,865,262
JPY	301,305	0.0420	12,655
			184,877,917
Other payables –			
USD	56,186,636	6.8109	382,681,559

The above mentioned foreign currencies refer to all currencies except RMB.

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(67) Assets with restrictions on ownership or use

	30 June 2026			
Item	Book balance	Book value	Restricted types	Restrictions
Cash at bank and on hand	46,189,030	46,189,030	Others	Security deposits for the issuance of acceptance notes and letters of guarantee, etc.
Investment properties	516,460,705	516,460,705	Collateral	Collateral for mortgage borrowings
Fixed assets	110,944,923	110,944,923	Collateral	Collateral for mortgage borrowings
Intangible assets	7,860,109	7,860,109	Collateral	Collateral for mortgage borrowings
Total	681,454,767	681,454,767	—	—

(Continued)

	31 December 2025			
Item	Book balance	Book value	Restricted types	Restrictions
Cash at bank and on hand	4,888,455	4,888,455	Others	Security deposits for the issuance of acceptance notes and letters of guarantee, etc.
Total	4,888,455	4,888,455	—	—

IV NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(68) Leases

1. As the lessee

(1) Lease expenses for short-term leases or low-value assets accounted for under the simplified method

The Group's lease expenses for short-term leases and low-value leases are recognized directly in profit or loss for the period. For the six-month period ended 30 June 2026, the amount was RMB78,162,927 (for the six-month period ended 30 June 2025: RMB116,025,679).

(2) Sale and leaseback transaction and criteria for determination

Mercuria Logistics, a subsidiary of the Group, entered into a sale and leaseback arrangement with Qingdao Port International Financial Leasing Co., Ltd. ("Qinggang Leasing Company") involving port facilities with a book value of RMB151,340,787 (original cost: RMB201,418,699). Since this sale and leaseback arrangement does not constitute a sale as defined in *Accounting Standards for Business Enterprises No. 14 – Revenue*, the Group continues to recognize the transferred assets while simultaneously recognizing the corresponding financial liabilities.

Total cash outflows related to leases amounted to RMB267,335,191.

2. As the lessor

(1) Operating leases as the lessor

Item	Rental income	Including: Income related to variable lease payments not included in lease receipts
Buildings and venues, etc.	193,727,079	–
Total	193,727,079	–

(2) Undiscounted lease receivables for the next five years

Item	Annual undiscounted lease payments receivable	
	30 June 2026	31 December 2025
Year 1	**147,379,199**	192,856,113
Year 2	**5,409,053**	8,774,311
Year 3	**4,852,676**	8,021,736
Year 4	**4,729,300**	5,346,580
Year 5	**4,729,300**	5,000,900
Total undiscounted lease payments receivable after Year 5	**25,024,803**	23,765,333
Total undiscounted lease payments receivable	**192,124,331**	243,764,973

V CHANGES OF THE SCOPE OF CONSOLIDATION

1. Business combinations not under common control

(1) Business combinations not under common control that occurred during the current period

Name of the equity-interest acquiree	Acquisition date of equity interests	Acquisition cost of equity interests	Percentage of equity interests acquired
Evergreen Container	1 January 2026	61,536,245	45%
Ganglianhai Logistics	1 January 2026	23,049,193	50%

Acquisition method of equity interests	Basis for determination of the acquisition date	Acquiree's revenue from acquisition date to period-end (Unaudited)	Acquiree's net profit from acquisition date to period-end (Unaudited)	Acquiree's cash flows from acquisition date to period-end (Unaudited)
Business combinations not under common control	Obtain control	125,788,016	34,143,419	(21,561,717)
Business combinations not under common control	Obtain control	38,631,819	3,087,754	8,123,971

(2) Business combination cost and goodwill

Business combination cost	Evergreen Container
– The fair value on the acquisition date of equity interests held prior to the acquisition date	61,536,245
Total consolidation costs	61,536,245
Less: Share of the fair value of identifiable net assets acquired	61,536,245
Goodwill/Amount where the consolidation cost is less than the fair-value share of identifiable net assets acquired	–

Methods for determining the fair value of consolidation costs:

Shanghai Dongzhou Asset Appraisal Co., Ltd. issued the *Asset Appraisal Report on Fair Value of Identifiable Assets and Liabilities of Qingdao Evergreen Container Storage & Transportation Co., Ltd. in Connection with the Purchase Price Allocation for Financial Reporting Purposes by Qingdao Port International Logistics Co., Ltd.* (Dongzhou Appraisal [2026] No. 0335). Details of the appraisal are set out below:

1. Appraisal base date: 31 December 2025
2. Appraisal method: Asset-based approach

V CHANGES OF THE SCOPE OF CONSOLIDATION (Continued)

1. Business combinations not under common control (Continued)

(2) Business combination cost and goodwill (Continued)

The asset-based approach is an appraisal method that determines the value of the appraisal subject on the basis of the appraisee's statement of financial position as at the appraisal base date, by reasonably valuing all on-balance-sheet assets and liabilities as well as identifiable off-balance-sheet assets and liabilities of the enterprise. Where the asset-based approach is adopted for enterprise-value appraisal, circumstances may exist where not every asset and liability can be fully identified and separately valued.

Business combination cost	**Ganglianhai Logistics**
– The fair value on the acquisition date of equity interests held prior to the acquisition date	23,049,193
Total consolidation costs	23,049,193
Less: Share of the fair value of identifiable net assets acquired	23,049,193
Goodwill/Amount where the consolidation cost is less than the fair-value share of identifiable net assets acquired	–

Methods for determining the fair value of consolidation costs:

Beijing Tianyuankai Asset Appraisal Co., Ltd. issued the *Asset Appraisal Report on Fair Value of Identifiable Assets, Liabilities and Contingent Liabilities of Qingdao Ganglianhai International Logistics Co., Ltd. in Connection with the Purchase Price Allocation Proposed by Qingdao Port International Logistics Co., Ltd.* (Tianyuankai Appraisal [2026] No. 000010). Details of the appraisal are set out below:

1. Appraisal base date: 31 December 2025
2. Appraisal methods: Cost approach, market approach

In this appraisal, considering the actual circumstances of the subject property and taking various influencing factors into account, appropriate valuation methods were applied to assess the value of each category of assets based on the specific characteristics of the identifiable assets, liabilities, and contingent liabilities. The assets and liabilities were recognized in accordance with the valuation procedures, and their values were presented on a net asset basis.

V CHANGES OF THE SCOPE OF CONSOLIDATION (Continued)

1. Business combinations not under common control (Continued)

(3) The acquiree's identifiable assets and liabilities as of the acquisition date

Item	Evergreen Container	
	Fair value at the acquisition date	Book value at the acquisition date
Assets:		
Cash at bank and on hand	138,984,447	138,984,447
Accounts receivable	23,403,476	23,403,476
Advances to suppliers	1,329,503	1,329,503
Other receivables	15,711,974	15,711,974
Inventories	116,102	116,102
Net fixed assets	17,358,134	16,583,299
Right-of-use assets	4,149,727	4,149,727
Intangible assets	72,200	24,671
Long-term prepaid expenses	3,896,469	3,896,469
Deferred tax assets	477,822	477,822
Liabilities:		
Accounts payable	31,526,851	31,526,851
Advances from customers	546,400	546,400
Contract liabilities	210,362	210,362
Employee benefits payable	5,091,646	5,091,646
Taxes payable	5,154,548	5,154,548
Other payables	22,180,253	22,180,253
Lease liabilities	75,507	75,507
Long-term payables	3,953,840	3,953,840
Deferred tax liabilities	13,236	13,236
Net assets	136,747,211	135,924,847
Less: Minority interests	75,210,966	74,758,666
Net assets acquired	61,536,245	61,166,181

V CHANGES OF THE SCOPE OF CONSOLIDATION (Continued)

1. Business combinations not under common control (Continued)

(3) The acquiree's identifiable assets and liabilities as of the acquisition date (Continued)

Item	Ganglianhai Logistics	
	Fair value at the acquisition date	Book value at the acquisition date
Assets:		
Cash at bank and on hand	40,733,664	40,733,664
Accounts receivable	11,587,708	11,587,708
Advances to suppliers	393,207	393,207
Other receivables	774,855	774,855
Inventories	58,962	58,962
Other current assets	309,880	309,880
Net fixed assets	1,318,932	736,805
Right-of-use assets	1,682,139	1,682,139
Long-term prepaid expenses	837,786	837,786
Deferred tax assets	291,359	291,359
Liabilities:		
Accounts payable	5,938,850	5,938,850
Contract liabilities	69,639	69,639
Employee benefits payable	1,636,904	1,636,904
Taxes payable	1,121,539	1,121,539
Other payables	941,246	941,246
Current portion of non-current liabilities	595,958	595,958
Lease liabilities	1,165,436	1,165,436
Deferred tax liabilities	420,535	420,535
Net assets	46,098,385	45,516,258
Less: Minority interests	23,049,192	22,758,129
Net assets acquired	23,049,193	22,758,129

2. Changes in the scope of consolidation due to other reasons

On 20 April 2026, QDP Logistics, a subsidiary of the Group, entered into an equity transfer agreement and a supplemental agreement to the equity transfer agreement with Pukai Investment (Shanghai) Co., Ltd., pursuant to which it agreed to acquire 100% of the equity interest in Luhai Warehousing for a consideration of RMB426,997,527. The acquisition was completed on 30 April 2026. The Group believes that the fair value of Luhai Warehouse's total assets is nearly equivalent to the fair value of its investment property, that it satisfies the concentration test, and that Luhai Warehouse has no personnel and lacks the capacity for input, processing, and output. Therefore, the Group has determined that this does not constitute the acquisition of a business and, consequently, will not be accounted for as a business combination under non-common control.

VI EQUITY INTEREST IN OTHER ENTITIES

(1) Equity interest in subsidiaries

(a) Constitution of the enterprise group

Name of subsidiaries	Category of entity	Major business location	Place of registration	Business nature	Registered capital *(Ten thousand yuan) (Unless otherwise noted)*	Shareholding ratio Direct	Shareholding ratio Indirect	Acquisition method
Qingdao Port International Oil Port Co., Ltd. ("International Oil Port")	Limited Liability Company	Qingdao, China	Qingdao, China	Storage service	10,000	100%	–	Set-up or investment
QDP Logistics	Limited Liability Company	Qingdao, China	Qingdao, China	Integrated logistics	101,000	100%	–	Set-up or investment
Jieyuntong Logistics	Limited Liability Company	Qingdao, China	Qingdao, China	Freight forwarder	2,000	–	51%	Set-up or investment
Qingdao Port Lianjie International Logistics Co., Ltd. ("Lianjie Logistics")	Limited Liability Company	Qingdao, China	Qingdao, China	Depot business	5,000	–	58%	Set-up or investment
Qingdao Port E-Link	Limited Liability Company	Qingdao, China	Qingdao, China	Freight forwarder	1,000	–	65%	Set-up or investment
Luhai Quantai	Limited Liability Company	Qingdao, China	Qingdao, China	Freight forwarder	4,000	–	54%	Set-up or investment
GLS Shipping	Limited Liability Company	Qingdao, China	Qingdao, China	Shipping agency	2,250	–	100%	Set-up or investment
Bonded Logistics Center	Limited Liability Company	Qingdao, China	Qingdao, China	Storage service	5,000	–	100%	Business combinations not under common control
Qingdao Port Lianxin International Logistics Co., Ltd. ("Lianxin International Logistics")	Limited Liability Company	Qingdao, China	Qingdao, China	Depot business	2,000	–	58%	Set-up or investment
Logistics Park Development	Limited Liability Company	Weihai, China	Weihai, China	Logistics and warehousing	10,000	–	100%	Business combinations under common control
Qingdao Port Jiefeng International Logistics Co., Ltd. ("Jiefeng International Logistics")	Limited Liability Company	Qingdao, China	Qingdao, China	Depot business	1,500	–	51%	Set-up or investment
Pulp Logistics	Limited Liability Company	Qingdao, China	Qingdao, China	Freight forwarder	1,000	–	55%	Set-up or investment
Qinggang Supply Chain	Limited Liability Company	Qingdao, China	Qingdao, China	Freight forwarder	5,000	–	65%	Set-up or investment
Yuntai Logistics	Limited Liability Company	Qingdao, China	Qingdao, China	Freight forwarder	8,000	–	51%	Business combinations not under common control

VI EQUITY INTEREST IN OTHER ENTITIES (Continued)

(1) Equity interest in subsidiaries (Continued)

(a) Constitution of the enterprise group (Continued)

Name of subsidiaries	Category of entity	Major business location	Place of registration	Business nature	Registered capital *(Ten thousand yuan) (Unless otherwise noted)*	Shareholding ratio Direct	Shareholding ratio Indirect	Acquisition method
Qingdao Port Lianhua International Logistics Co., Ltd. ("Lianhua International Logistics")	Limited Liability Company	Qingdao, China	Qingdao, China	Freight forwarder	2,000	–	60%	Set-up or investment
Land Port Logistics	Limited Liability Company	Qingdao, China	Qingdao, China	Freight forwarder	500	–	100%	Set-up or investment
Eimskip Coldchain	Limited Liability Company	Qingdao, China	Qingdao, China	Logistics and transportation	2,000	–	70%	Set-up or investment
Jimo Logistics	Limited Liability Company	Qingdao, China	Qingdao, China	Freight forwarder	15,000	–	60%	Set-up or investment
Shengshi Logistics	Limited Liability Company	Qingdao, China	Qingdao, China	Freight forwarder	1,000	–	58%	Set-up or investment
Gangfeng Shipping Agency	Limited Liability Company	Weihai, China	Weihai, China	Shipping agency	50	–	100%	Business combinations under common control
Evergreen Container	Limited Liability Company	Qingdao, China	Qingdao, China	Freight forwarder	4250	–	45%	Business combinations not under common control
Ganglianhai Logistics	Limited Liability Company	Qingdao, China	Qingdao, China	Freight forwarder	3000	–	50%	Business combinations not under common control
Luhai Warehouse	Limited Liability Company	Qingdao, China	Qingdao, China	Storage service	17,501.56	–	100%	Acquisition by purchase
Shandong Port Lianhua	Limited Liability Company	Qingdao, China	Qingdao, China	Fuel storage	86,600	51%	–	Set-up or investment
Dongying Port Lianhua	Limited Liability Company	Dongying, China	Dongying, China	Fuel storage	38,000	–	70%	Set-up or investment
Weifang Port Lianhua	Limited Liability Company	Weifang, China	Weifang, China	Fuel storage	25,000	–	100%	Set-up or investment
Qinggang Power Supply Co., Ltd. ("Qinggang Power Supply")	Limited Liability Company	Qingdao, China	Qingdao, China	Electricity, heat production, and supply	15,000	100%	–	Set-up or investment
Dongjiakou Oil Products	Limited Liability Company	Qingdao, China	Qingdao, China	Storage service	41,479	70%	–	Business combinations not under common control

VI EQUITY INTEREST IN OTHER ENTITIES (Continued)

(1) Equity interest in subsidiaries (Continued)

(a) Constitution of the enterprise group (Continued)

Name of subsidiaries	Category of entity	Major business location	Place of registration	Business nature	Registered capital *(Ten thousand yuan) (Unless otherwise noted)*	Shareholding ratio Direct	Shareholding ratio Indirect	Acquisition method
Weihai Port Development	Limited Liability Company	Weihai, China	Weihai, China	Loading and unloading, storage, logistics	10,035	51%	–	Business combinations under common control
Qingdao Port Barge Co., Ltd. ("Barge Limited")	Limited Liability Company	Qingdao, China	Qingdao, China	Ship towing services	45,000	100%	–	Set-up or investment
Qingdao Port International Container Development Co., Ltd. ("Container Development Co")	Limited Liability Company	Qingdao, China	Qingdao, China	Container cargo forwarder	3,000	100%	–	Set-up or investment
Qingdao Qinggang Tongda Energy Co., Ltd. ("Tongda Energy")	Limited Liability Company	Qingdao, China	Qingdao, China	Liquefied natural gas operations	14,250	100%	–	Set-up or investment
Qingdao Ocean Shipping Tally Co., Ltd. ("Ocean shipping tallying")	Limited Liability Company	Qingdao, China	Qingdao, China	Ocean shipping tallying	199	84%	–	Set-up or investment
Dongjiakou General Terminal	Limited Liability Company	Qingdao, China	Qingdao, China	Cargo handling	140,000	80%	–	Set-up or investment
("Qingdong Pipeline")	Limited Liability Company	Qingdao, China	Qingdao, China	Pipeline oil transportation	50,000	51%	–	Set-up or investment
Qingwei Container	Limited Liability Company	Weihai, China	Weihai, China	Stevedore, unloading, handling, and warehousing	14,000	51%	49%	Business combinations under common control
QMT	Limited Liability Company	Qingdao, China	Qingdao, China	Cargo handling	131,020	100%	–	Business combinations not under common control
Mercuria Logistics	Limited Liability Company	Qingdao, China	Qingdao, China	Cargo handling	USD 49.30 million	62%	–	Business combinations not under common control
Liquid Chemical Terminal	Limited Liability Company	Qingdao, China	Qingdao, China	Cargo handling	71,000	51%	–	Business combinations not under common control
Qingdao Qianwan Nangang Oil & Gas Co., Ltd. ("Nangang Oil & Gas")	Limited Liability Company	Qingdao, China	Qingdao, China	Liquefied natural gas operations	7,900	55%	–	Set-up or investment
Qingdao Port Emergency Rescue Co., Ltd. ("Emergency Rescue")	Limited Liability Company	Qingdao, China	Qingdao, China	Emergency rescue services	5,000	100%	–	Set-up or investment
Qingdao Port Svitzer Towage Co., Ltd. ("Svitzer Towage")	Limited Liability Company	Qingdao, China	Qingdao, China	Tug lighter	21,000	55%	–	Set-up or investment

VI EQUITY INTEREST IN OTHER ENTITIES (Continued)

(1) Equity interest in subsidiaries (Continued)

(a) Constitution of the enterprise group (Continued)

Name of subsidiaries	Category of entity	Major business location	Place of registration	Business nature	Registered capital *(Ten thousand yuan) (Unless otherwise noted)*	Shareholding ratio Direct	Shareholding ratio Indirect	Acquisition method
Qingdao Huagang Petroleum Storage Co., Ltd. ("Huagang Petroleum Storage")	Limited Liability Company	Qingdao, China	Qingdao, China	Fuel storage	29,200	51%	–	Set-up or investment
Gangxin Oil Products	Limited Liability Company	Qingdao, China	Qingdao, China	Fuel handling	21,566	90%	–	Business combinations not under common control
Qingdao Port Construction & Management Centre Co., Ltd. ("Construction & Management Centre")	Limited Liability Company	Qingdao, China	Qingdao, China	Engineering management	4,000	100%	–	Set-up or investment
Shandong Qingzi Logistics Co., Ltd. ("Qingzi Logistics")	Limited Liability Company	Qingdao, China	Zibo, China	Logistics services and pipeline transportation	20,000	100%	–	Set-up or investment
Ark Intelligent	Limited Liability Company	Qingdao, China	Qingdao, China	Storage service	8,000	55%	–	Set-up or investment
Qingdao Port Tongze Trading Co., Ltd. ("Tongze Trading")	Limited Liability Company	Qingdao, China	Qingdao, China	Merchandising	1,000	100%	–	Set-up or investment
Cultural & Media	Limited Liability Company	Qingdao, China	Qingdao, China	Promotional design	300	100%	–	Set-up or investment
Gangjia Logistics	Limited Liability Company	Qingdao, China	Qingdao, China	Logistics and transportation	500	51%	–	Set-up or investment
China Ocean Shipping Tally Weihai	Limited Liability Company	Weihai, China	Weihai, China	Tallying	130	51%	33%	Business combinations under common control
International Development	Limited Liability Company	Hong Kong, China	Hong Kong, China	Investment management	46,057	100%	–	Business combinations under common control
Qingdao Port Dongjiakou Oil Storage Co., Ltd. ("Dongjiakou Oil Storage")	Limited Liability Company	Qingdao, China	Qingdao, China	Stevedore, unloading, handling, and warehousing	25,000	60%	–	Set-up or investment
Gangda Oil Products	Limited Liability Company	Qingdao, China	Qingdao, China	Storage service	1,000	100%	–	Set-up or investment
Gangxing Oil Products	Limited Liability Company	Qingdao, China	Qingdao, China	Storage service	1,000	100%	–	Set-up or investment

VI EQUITY INTEREST IN OTHER ENTITIES (Continued)

(1) Equity interest in subsidiaries (Continued)

(a) Constitution of the enterprise group (Continued)

Description of the difference between the equity interest in a subsidiary and the voting rights ratio:

The Company holds 62% of equity interests in Mercuria Logistics. The decisions on Mercuria Logistics' relevant operating activities are made by the Board of Directors, and the Board's resolutions are at least subject to the approval of more than half of the directors who attend the Board's meeting. The Company can designate 3 out of 5 board members in Mercuria Logistics, so the percentage of the voting rights held by the Company is 60%.

The percentage of shareholding in Eimskip Coldchain held by the Company is 70%. The decisions on Eimskip Coldchain's relevant operating activities are made by the Board of Directors, and the Board's resolutions are at least subject to the approval of more than half of the directors who attend the Board's meeting. The Company can designate 3 out of 5 board members in Eimskip Coldchain, so the percentage of the voting rights held by the Company is 60%.

The actual percentage of shareholding in Dongjiakou General Terminal held by the Company is 80%. The decisions on Dongjiakou General Terminal's relevant operating activities are made by the Board of Directors, and the Board's resolutions are at least subject to the approval of more than half of the directors who attend the Board's meeting. The Company can designate 4 out of 6 board members in Dongjiakou General Terminal, so the percentage of the voting rights held by the Company is 67%.

The actual percentage of shareholding in Svitzer Towage held by the Company is 55%. The decisions on Svitzer Towage's relevant operating activities are made by the Board of Directors, and the Board's resolutions are at least subject to the approval of more than half of the directors who attend the Board's meeting. The Company can designate 3 out of 5 board members in Svitzer Towage, so the percentage of the voting rights held by the Company is 60%.

The actual percentage of shareholding in Liquid Chemical Terminal held by the Company is 51%. The decisions on Liquid Chemical Terminal's relevant operating activities are made by the Board of Directors, and the Board's resolutions are at least subject to the approval of more than half of the directors who attend the Board's meeting. The Company can designate 3 out of 5 board members in Liquid Chemical Terminal, so the percentage of the voting rights held by the Company in Liquid Chemical Terminal is 60%.

The Company holds a 50% stake in Ganglianhai Logistics. In accordance with the provisions of the Articles of Association, except for three major matters – changes to registered capital, corporate mergers, divisions, or dissolutions, and amendments to the Articles of Association, which require the unanimous consent of all shareholders, all other resolutions of the shareholders' meeting are deemed approved upon the consent of QDP Logistics, a wholly-owned subsidiary of the Company. Furthermore, decisions regarding Ganglianhai Logistics' business operations are made by the Board of Directors. Board resolutions must be approved by at least a majority of the directors present at the Board meeting. The Board of Directors of Ganglianhai Logistics consists of five members, and the Company has the right to appoint three directors; therefore, the Company holds 60% of the voting rights on the Board.

VI EQUITY INTEREST IN OTHER ENTITIES (Continued)

(1) Equity interest in subsidiaries (Continued)

(a) Constitution of the enterprise group (Continued)

The Company holds a 45% equity interest in Evergreen Container, and Lisheng Enterprise Co., Ltd. (hereinafter referred to as "Lisheng") holds a 15% equity interest. In accordance with the Company's Articles of Association, except for matters involving changes to registered capital, corporate mergers, demergers, dissolution, changes in corporate form, or amendments to the Articles of Association, which require the unanimous consent of all shareholders, other matters requiring a resolution of the shareholders' meeting must be approved by shareholders representing a majority of the voting rights. When exercising voting rights, Lisheng agrees to vote in accordance with the same position as QDP Logistics. Furthermore, decisions regarding Evergreen Container's business operations are made by the Board of Directors, and Board resolutions must be approved by at least a majority of the directors present at the Board meeting. The Board of Directors of Evergreen Container consists of seven members, and the Company has the right to appoint four directors; therefore, the Company holds 57% of the voting rights on the Board.

As of 30 June 2026, the Company's subsidiaries are all unlisted enterprises and have not issued stocks or bonds.

(2) Interests in joint ventures and associates

(a) General information of material joint ventures

	Major business location	Place of registration	Business nature	Whether strategic to the Group's activities	Shareholding ratio	
					Direct	Indirect
QQCT	Qingdao, China	Qingdao, China	Container handling and storage	Yes	51%	–

The above equity investments are measured using the equity method by the Group.

VI EQUITY INTEREST IN OTHER ENTITIES (Continued)

(2) Interests in joint ventures and associates (Continued)

(b) Summarized financial information of material joint ventures

	30 June 2026 (Unaudited) QQCT	31 December 2025 QQCT
Current assets	7,488,181,878	6,334,291,604
Including: Cash	6,833,447,624	5,971,992,364
Non-current assets	11,897,971,910	11,930,994,825
Total assets	19,386,153,788	18,265,286,429
Current liabilities	(2,745,978,679)	(2,123,520,838)
Non-current liabilities	(1,208,054,596)	(1,355,471,407)
Total liabilities	(3,954,033,275)	(3,478,992,245)
Minority interests	377,550,288	363,091,492
Equity attributable to shareholders of the parent company	15,054,570,225	14,423,202,692

Considering the impact of the fair value of identifiable assets and liabilities at acquisition (i):

	30 June 2026 (Unaudited) QQCT	31 December 2025 QQCT
Current assets	7,488,181,878	6,334,291,604
Including: Cash	6,833,447,624	5,971,992,364
Non-current assets	12,086,037,813	12,119,060,728
Total assets	19,574,219,691	18,453,352,332
Current liabilities	(2,745,978,679)	(2,123,520,838)
Non-current liabilities	(1,255,071,072)	(1,402,487,883)
Total liabilities	(4,001,049,751)	(3,526,008,721)
Minority interests	384,140,326	369,681,530
Equity attributable to shareholders of the parent company	15,189,029,614	14,557,662,081

VI EQUITY INTEREST IN OTHER ENTITIES (Continued)

(2) Interests in joint ventures and associates (Continued)

(b) Summarized financial information of material joint ventures (Continued)

	30 June 2026 (Unaudited) QQCT	31 December 2025 QQCT
Share of net assets calculated based on the shareholding percentage (i)	**7,704,722,693**	7,382,725,251
Adjusting events		
– Goodwill	**1,672,785,426**	1,672,785,426
– Unrealized profits in internal transactions	**(71,821,398)**	(72,055,057)
Book value of investments in joint ventures	**9,305,686,721**	8,983,455,620

	For the six months ended 30 June 2026 (Unaudited) QQCT	For the six months ended 30 June 2025 (Unaudited) QQCT
Revenue	**2,961,333,297**	3,399,973,796
Financial expenses	**(7,227,496)**	8,554,946
Income tax expense	**177,034,062**	352,766,764
Net profit	**626,941,736**	1,144,358,010
Net profit attributable to the parent company	**612,759,862**	1,127,209,297
Other comprehensive income	**–**	–
Total comprehensive income	**612,759,862**	1,127,209,297

VI EQUITY INTEREST IN OTHER ENTITIES (Continued)

(2) Interests in joint ventures and associates (Continued)

(b) Summarized financial information of material joint ventures (Continued)

Considering the impact of the fair value of identifiable assets and liabilities at acquisition (i):

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
	QQCT	QQCT
Net profit	610,311,180	1,097,687,193
Net profit attributable to the parent company	610,311,180	1,080,538,480
Other comprehensive income	–	–
Total comprehensive income	610,311,180	1,080,538,480
Dividends received by the Group from joint ventures	–	–

(i) The Group calculates the corresponding share of net assets on the basis of the amounts attributed to the parent company in the consolidated financial statements of the joint ventures in proportion to its shareholding. The amounts in the consolidated financial statements of the joint ventures take into account the fair value of the identifiable assets and liabilities of the joint ventures at the time of acquisition of the investment and the impact of the harmonization of accounting policies. The assets involved in the transactions between the Group and joint ventures do not constitute a business.

VI EQUITY INTEREST IN OTHER ENTITIES (Continued)

(2) Interests in joint ventures and associates (Continued)

(c) Summarized financial information of insignificant joint ventures and associates

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Joint ventures:		
Total book value of investments	2,511,267,918	1,552,040,213
Total of the following by percentage of shareholding		
Net profit (i)	9,963,420	10,328,003
Other comprehensive income (i)	(109,330)	6,679,503
Total comprehensive income	9,854,090	17,007,506
Associates:		
Total book value of investments	3,855,672,334	2,082,317,003
Total of the following by percentage of shareholding		
Net profit (i)	142,811,132	152,808,871
Other comprehensive income (i)	1,595,306	(454,232)
Total comprehensive income	144,406,438	152,354,639

(i) The net profit and other comprehensive income have taken into account the impacts of both the fair value of the identifiable assets and liabilities upon the acquisition of investments in joint ventures and associates, and conformed to accounting policies of the Group.

VII SEGMENT INFORMATION

The Group's management assesses the Group's performance and determines reportable segments by service category. Different service categories require different technologies and marketing strategies. The Group, therefore, separately manages the production and operation of each reportable segment and evaluates their operating results respectively, in order to make decisions on resource allocation to these segments and to assess their performance.

The Group identified 5 reportable segments as follows:

– Container handling and ancillary services: loading and discharging of containers, storage and port management.

– Dry bulk and general cargo handling and ancillary services: loading, discharging, and storage of metal ores, coal, grains, break bulk cargo, and other cargo, and port management.

– Liquid bulk cargo handling and ancillary services: loading, discharging, storage, and transport of crude oil and other liquid bulk cargo, and port management.

– Logistics and port value-added services: CFS, provision of cargo logistics, agency, towing, tallying, and other services.

– Port ancillary services: supplying electricity power, fuel, and others to the harbor area.

The Group's major operational activities are carried out in Mainland China. The Group's management does not separately manage the production and operation by region. Therefore, segment performance is not separately presented by region.

Inter-segment transfer prices are mutually agreed with reference to the market price. The assets are allocated based on the operations of the segment and the physical location of the asset. The liabilities are allocated based on the operations of the segment.

VII SEGMENT INFORMATION (Continued)

(a) The segment information for the six months ended 30 June 2026, and as at 30 June 2026, is presented as follows (unaudited):

	Container handling and ancillary services	Dry bulk and general cargo handling and ancillary services	Liquid bulk cargo handling and ancillary services	Logistics and port value-added services	Port ancillary services	Undistributed amount	Inter-segment offsetting	Total
Revenue from external customers	2,230,047,052	2,010,778,825	1,660,856,198	3,955,774,415	598,788,848	-	-	10,456,245,338
Revenue from inter-segment transactions	121,146,071	87,231,847	42,300,747	24,764,148	510,006,478	-	(785,449,291)	-
External operating costs	(552,421,802)	(1,661,929,268)	(603,073,218)	(2,923,961,886)	(398,890,152)	-	-	(6,140,276,326)
Inter-segment transaction costs	(115,241,867)	(111,211,452)	(58,653,537)	(33,882,340)	(406,629,394)	-	725,618,590	-
Interest income	4,360,241	2,616,346	5,023,808	14,860,134	2,545,334	35,708,199	-	65,114,062
Interest expenses	(2,757,327)	(20,889,109)	(3,670,550)	(10,316,670)	(589,210)	(4,513,688)	(23,107,641)	(65,844,195)
Investment income from associates and joint ventures	302,437,238	(31,350,684)	43,551,537	51,423,303	66,484,865	-	4,166,828	436,713,087
Asset impairment losses	-	-	-	121,087	2,115,350	-	-	2,236,437
Credit impairment losses	(23,683,666)	1,317,330	(7,031,142)	(16,380,349)	(8,279,848)	-	-	(54,057,675)
Depreciation and amortization	(39,144,057)	(212,669,106)	(287,313,244)	(162,553,348)	(130,053,664)	(53,348,467)	-	(885,081,886)
Total profit	1,888,086,818	160,692,120	1,001,093,151	874,599,961	244,595,441	(214,295,206)	(30,561,955)	3,924,210,330
Income tax expense	(390,836,068)	(27,691,629)	(220,717,322)	(212,502,008)	(22,745,253)	(7,579,739)	-	(882,072,019)
Net profit	1,497,250,750	133,000,491	780,375,829	662,097,953	221,850,188	(221,874,945)	(30,561,955)	3,042,138,311
Total assets	14,245,850,976	12,468,771,569	16,799,887,250	9,374,664,793	7,484,734,397	11,407,963,324	(809,897,805)	70,971,974,504
Total liabilities	860,883,338	3,168,849,601	4,208,131,751	3,354,895,413	4,834,865,878	3,671,979,332	(997,114,899)	19,102,490,414
Non-cash expenses other than depreciation and amortization	890,868	19,708,455	5,131,902	13,627,863	6,331,626	4,616,910	-	50,307,624
Long-term equity investments in associates and joint ventures	9,558,618,023	1,029,689,446	1,848,025,511	669,758,663	2,566,535,330	-	-	15,672,626,973
Increase in non-current assets (i)	671,035,478	1,354,673,976	16,895,108	975,957,651	519,546,029	36,578,743	-	3,574,686,985

(i) Non-current assets exclude financial assets, long-term equity investments, and deferred tax assets.

VII SEGMENT INFORMATION (Continued)

(b) The segment information for the six months ended 30 June 2025, and as at 31 December 2025, is presented as follows:

	Container handling and ancillary services	Dry bulk and general cargo handling and ancillary services	Liquid bulk cargo handling and ancillary services	Logistics and port value-added services	Port ancillary services	Undistributed amount	Inter-segment offsetting	Total
Revenue from external customers	1,413,847,329	2,322,751,665	1,614,176,597	3,486,368,707	596,399,043	–	–	9,433,543,341
Revenue from inter-segment transactions	121,051,552	105,381,856	25,740,620	26,060,119	466,784,909	–	(745,019,056)	–
External operating costs	(288,262,519)	(1,842,900,332)	(655,063,497)	(2,550,887,324)	(387,398,508)	–	–	(5,724,512,180)
Inter-segment transaction costs	(125,562,831)	(131,338,221)	(41,053,160)	(28,805,486)	(360,124,772)	–	686,884,470	–
Interest income	5,567,079	2,146,599	4,187,788	15,108,621	2,186,428	37,270,445	–	66,466,960
Interest expenses	(7,329,100)	(21,361,051)	(44,463,292)	(4,798,454)	(1,041,712)	(3,112,753)	18,657,107	(63,449,255)
Investment income from associates and joint ventures	560,485,461	(18,288,460)	53,853,538	69,842,207	98,745,117	–	4,526,943	769,164,806
Asset impairment losses	–	–	–	475,396	507,633	–	–	983,029
Credit impairment losses	(367,963)	(601,013)	5,220,999	(5,190,116)	(19,441,987)	–	–	(20,380,080)
Depreciation and amortization	(32,539,246)	(162,549,750)	(279,025,227)	(110,361,121)	(127,237,583)	(48,166,556)	–	(759,879,483)
Total profit	1,623,325,485	303,022,419	1,068,535,205	873,023,050	280,897,988	(176,175,364)	(53,781,381)	3,918,847,402
Income tax expense	(250,671,591)	21,473,651	(170,949,319)	(200,695,268)	(21,518,378)	(162,220,008)	–	(784,580,913)
Net profit	1,372,653,894	324,496,070	897,585,886	672,327,782	259,379,610	(338,395,372)	(53,781,381)	3,134,266,489
Total assets	13,606,128,720	11,144,023,850	16,766,165,225	7,961,602,977	7,872,115,136	9,951,432,917	(722,701,680)	66,578,767,145
Total liabilities	601,727,955	2,676,735,741	4,265,110,754	2,500,580,633	4,860,542,965	2,294,533,308	(736,957,663)	16,462,273,693
Non-cash expenses other than depreciation and amortization	193,220	960,000	31,411,587	9,266,734	8,880,963	19,444,998	–	70,157,502
Long-term equity investments in associates and joint ventures	9,246,690,873	1,060,414,044	1,967,476,114	762,177,257	2,297,189,631	254,321,418	–	15,588,269,337
Increase in non-current assets (i)	451,647,480	352,826,142	255,987,310	414,020,779	210,996,677	644,163,643	(9,478,712)	2,320,163,319

(i) Non-current assets exclude financial assets, long-term equity investments, and deferred tax assets.

The Group's total revenue from major external transactions and the Group's non-current assets, other than financial assets and deferred tax assets, are predominantly acquired or located in China.

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

(1) The parent company

(a) General information of the parent company

	Category of entity	Place of registration	Legal representative	Business nature
Qingdao Port Group	Limited Liability Company	Qingdao, China	Su Jianguang	Port operations and management

The Company's ultimate controlling party is Shandong Provincial State-owned Assets Supervision and Administration Commission.

(b) Registered capital and changes in registered capital of the parent company

	31 December 2025	Increase in the current period	Decrease in the current period	**30 June 2026**
Qingdao Port Group	1,860,000,000	–	–	**1,860,000,000**

(c) The percentages of shareholding and voting rights in the Company held by the parent company

	30 June 2026		31 December 2025	
	Shareholding	**Voting right ratio**	Shareholding	Voting right ratio
Qingdao Port Group	**55.56%**	**55.56%**	55.56%	55.56%

(2) Subsidiaries

The general information and other related information of the subsidiaries are set out in Note VI.

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(3) Information of joint ventures and associates

Except for the information of significant joint ventures and associates disclosed in Note VI, joint ventures and associates with which the Group having related party transactions are as follows:

Name of company	Relationship with the Group
Qingdao Shihua	Joint venture
West United	Joint venture
Huaneng Qingdao	Joint venture
Dongjiakou Wanbang Logistics	Joint venture
QDOT	Joint venture
Dongjiakou Sinotrans Logistics	Joint venture
PetroChina Storage	Joint venture
QQCT	Joint venture
Linyi Expressway	Joint venture
United Shipping Agency	Joint venture
Yuanhai Zhirong	Joint venture
Ocean Shipping Agency	Joint venture
Orient Container	Joint venture
Ganglianrong Logistics	Joint venture
Hailu International	Joint venture
Gulf Liquid Chemical	Associates
Shangang Luhai Jinan	Associates
Qingyin Leasing	Associates
Overseas Development Qingdao	Associates
Qingdao Port Engineering	Associates
Technology Company	Associates
GSBN	Associates
Sealand Equipment Qingdao	Associates
Shandong Port Finance Company	Associates
Shandong Zhenhua Energy	Associates
Shangang Energy Development	Associates
UG	Associates
Qianwan Xinhe Supply Chain	Associates
Qinggang International Trade Logistics	Associates
Xishuangbanna Storage and Transportation	Associates
Hailian Container	Associates
Shandong Port Energy	Associates
COSCO Abu Dhabi	Associates
Sinotrans Chemical Logistics	Associates

Note: Linyi Expressway was cancelled in April 2026.

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(4) Other related parties

Name of company	Relationship with the Group
QQCTU	A joint venture of QQCTN with the same key management personnel as the Company
Qingdao Qianwan United Advance Container Terminal Co., Ltd. ("QQCTUA")	A joint venture of QQCTU with the same key management personnel as the Company
QQCTN	A subsidiary of QQCT
Weihai Port Union Logistics Co., Ltd. ("Weihai Port Union Logistics")	A subsidiary of an associate of the Group
Shenzhen Zoomlion International Shipping Agency Co., Ltd. ("Shenzhen Zoomlion International Shipping Agency")	A subsidiary of an associate of the Group
Qingdao Dongjiakou Railway Co., Ltd. ("Dongjiakou Railway")	An associate of Shandong Port Group
Qingdao Huanhai Bay Development and Construction Co., Ltd. ("Huanhai Bay Development and Construction")	An associate of Shandong Port Group
Rizhao Gangda Shipbuilding Heavy Industry Co., Ltd. ("Gangda Shipbuilding Heavy Industry")	A subsidiary of Shandong Port Group
Shangang Park Management (Qingdao) Co., Ltd. ("Shanhai Property Qingdao")	A subsidiary of Shandong Port Group
Shandong Port Luhai International Logistics Group Development Co., Ltd. ("Shangang Luhai Logistics Development")	A subsidiary of Shandong Port Group
Technology Company	A subsidiary of Shandong Port Group
Shandong Harbor Construction	A subsidiary of Shandong Port Group
Shandong Port Luhai International Logistics Liaocheng Co., Ltd. ("Shangang Luhai Liaocheng")	A subsidiary of Shandong Port Group
Shangang Park Management (Weihai) Co., Ltd. ("Shangang Park Management Weihai")	A subsidiary of Shandong Port Group
Shangang Shanhai Security (Shandong) Co., Ltd. ("Shandong Shanhai Security")	A subsidiary of Shandong Port Group
Shandong Ocean Shipping Group Co., Ltd. ("Shandong Ocean Shipping Group")	A subsidiary of Shandong Port Group
Shangang Express (Qingdao) Shipping Co., Ltd. ("Shangang Express")	A subsidiary of Shandong Port Group
Shangang Service Development	A subsidiary of Shandong Port Group
Shandong Port Luhai International Logistics Rizhao Co., Ltd. ("Luhai Logistics Rizhao")	A subsidiary of Shandong Port Group
Shandong Land Sea Equipment Group Yantai Co., Ltd. ("Shandong Land Sea Equipment Group Yantai")	A subsidiary of Shandong Port Group
Shandong Port Group Culture Media Co., Ltd. ("Shangang Culture Media")	A subsidiary of Shandong Port Group
Shangang Shanhai Production Guarantee (Shandong) Co., Ltd. ("Shangang Production Guarantee")	A subsidiary of Shandong Port Group
Shangang Luhai International Logistics (Xinjiang) Co., Ltd. ("Shangang Luhai Xinjiang")	A subsidiary of Shandong Port Group

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(4) Other related parties (Continued)

Name of company	Relationship with the Group
Shandong Port & Shipping Lianfa Shipping Co., Ltd. ("Port & Shipping Lianfa")	A subsidiary of Shandong Port Group
Shandong Lujian Technology Co., Ltd. ("Shandong Lujian")	A subsidiary of Shandong Port Group
Qingdao Qinggang International Travel Service Co., Ltd. ("Qinggang Travel Service")	A subsidiary of Shandong Port Group
Shandong Luhaitong Digital Technology Co., Ltd. ("Shandong Luhaitong Digital")	A subsidiary of Shandong Port Group
Shangang Transportation Service (Shandong) Co., Ltd. ("Shangang Transportation Service")	A subsidiary of Shandong Port Group
Shandong Lujian Asset Operation Co., Ltd. ("Lujian Asset Operation")	A subsidiary of Shandong Port Group
Shangang Park Management (Weifang) Co., Ltd. ("Park Management (Weifang)")	A subsidiary of Shandong Port Group
Shandong Port & Shipping Energy Trading Co., Ltd. ("Port & Shipping Energy")	A subsidiary of Shandong Port Group
Shandong Port Group Dongying Port Co., Ltd. ("Shandong Port Dongying Port")	A subsidiary of Shandong Port Group
Shandong Zenghe Supply Chain Co., Ltd. ("Zenghe Supply Chain")	A subsidiary of Shandong Port Group
Shandong Port International Trade Group Co., Ltd. ("Shangang International Trade")	A subsidiary of Shandong Port Group
Shandong Port Luhai International Logistics Group Co., Ltd. ("Luhai International Logistics")	A subsidiary of Shandong Port Group
Weihai Jiaodong International Container Shipping Co., Ltd. ("Jiaodong International Container Shipping")	A subsidiary of Shandong Port Group
Shandong Port Sunshine Huicai Service Co., Ltd. ("Shangang Sunshine Huicai")	A subsidiary of Shandong Port Group
Shandong Ocean Shipping Group Weihai Co., Ltd. ("Shandong Ocean Shipping Group Weihai")	A subsidiary of Shandong Port Group
Shandong Port International Trade Group Rizhao Co., Ltd. ("Shangang International Trade Rizhao Company")	A subsidiary of Shandong Port Group
Shangang Luhai International Logistics (Lanzhou) Co., Ltd. ("Shangang Luhai Lanzhou")	A subsidiary of Shandong Port Group
Shandong Port International Trade Group Qingdao Co., Ltd. ("Shandong Port International Trade Qingdao Company")	A subsidiary of Shandong Port Group
Yantai International Container Terminal Co., Ltd. ("Yantai Container")	A subsidiary of Shandong Port Group
Shandong Bingang Oil Terminal Co., Ltd. ("Bingang Oil")	A subsidiary of Shandong Port Group
SPG Evertrans GLORY Minerals (Shandong) Co., Ltd. ("Evertrans GLORY Minerals (Shandong)")	A subsidiary of Shandong Port Group

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(4) Other related parties (Continued)

Name of company	Relationship with the Group
Shandong Land Sea Equipment Group Rizhao Co., Ltd. ("Land Sea Equipment Group Rizhao")	A subsidiary of Shandong Port Group
Shandong Port Group Weifang Port Co., Ltd. ("Shandong Port Weifang Port")	A subsidiary of Shandong Port Group
Shandong Port Municipal Construction Co., Ltd. ("Port Municipal Construction")	A subsidiary of Shandong Port Group
Weifang Port Bulk Cargo Terminal Co., Ltd. ("Weifang Bulk Terminal")	A subsidiary of Shandong Port Group
Qingdao International Cruise Line Co., Ltd. ("International Cruises")	A subsidiary of Shandong Port Group
Shandong Port Group Binzhou Port Co., Ltd. ("Shangang Group Binzhou Port")	A subsidiary of Shandong Port Group
Shandong Bohai Bay Port Barge Co., Ltd. ("Bohai Bay Barge")	A subsidiary of Shandong Port Group
Shandong Port Industry-City Integration Development Group Weihai Co., Ltd. ("Shangang Industry-City Integration Weihai")	A subsidiary of Shandong Port Group
Shangang Luhai Jinan	A subsidiary of Shandong Port Group
Shandong Port Technology Group Co., Ltd. ("Shangang Technology Group")	A subsidiary of Shandong Port Group
Qingdao Cardiovascular Hospital Co., Ltd. ("Cardiovascular Hospital")	A subsidiary of Shandong Port Group
Shangang Luhai International Logistics (Zhengzhou) Co., Ltd. ("Shangang Luhai Zhengzhou")	A subsidiary of Shandong Port Group
Rizhao Port Container Development Co., Ltd. ("Rizhao Port Container Development")	A subsidiary of Shandong Port Group
Shandong Port Marine Equipment Co., Ltd. ("Marine Equipment")	A subsidiary of Shandong Port Group
Hainan Port Huiyida Supply Chain Management Co., Ltd. ("Hainan Port Huiyida Supply Chain")	A subsidiary of Shandong Port Group
Shandong Port Land-sea Medlog (Qingdao) International Logistics Co., Ltd. ("Land-sea Medlog Logistics")	A subsidiary of Shandong Port Group
Weifang Port Wood Chip Wharf Co., Ltd. ("Wood Wharf")	A subsidiary of Shandong Port Group
Shandong Port Luhai International Logistics Bohai Bay Co., Ltd. ("Luhai Logistics Bohai Bay")	A subsidiary of Shandong Port Group
Shandong Port Group International Investment Development Co., Ltd. ("Shangang International Investment")	A subsidiary of Shandong Port Group
Qingdao Port Lianyun International Logistics Co., Ltd. ("Lianyun International Logistics")	A subsidiary of Shandong Port Group
Yantai Port Container Terminal Co., Ltd. ("Yantai Port Container Terminal")	A subsidiary of Shandong Port Group
Shangang Luhai (Jinan) Hotel Management Co., Ltd. ("Shangang Luhai Hotel Management")	A subsidiary of Shandong Port Group
Shandong Port Medical Care and Health Management Group Co., Ltd. ("Shangang Medical Care")	A subsidiary of Shandong Port Group

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(4) Other related parties (Continued)

Name of company	Relationship with the Group
Longkou Port Shipping Agency Co., Ltd. ("Longkou Port Shipping Agency")	A subsidiary of Shandong Port Group
Shandong Province Crew Training Center Co., Ltd. ("Crew Training Center")	A subsidiary of Shandong Port Group
Shandong Marine Corporation Yantai Co., Ltd. ("Shandong Marine Corporation Yantai")	A subsidiary of Shandong Port Group
Henan Rizhao Port Logistics Co., Ltd. ("Henan Rizhao Port Logistics")	A subsidiary of Shandong Port Group
Rizhao Port Jifa Yuanda International Logistics Co., Ltd. ("Rizhao Port Jifa Yuanda")	A subsidiary of Shandong Port Group
Shangang Luhai International Logistics (Jining) Co., Ltd. ("Luhai International (Jining)")	A subsidiary of Shandong Port Group
Yantai Port Holdings Co., Ltd. ("Yantai Port Holdings")	A subsidiary of Shandong Port Group
Shandong Port Land-Sea Sailing (Jinan) Supply Chain Technology Co., Ltd. ("Land-Sea Sailing (Jinan)")	A subsidiary of Shandong Port Group
Qingdao West Coast New Area Shangang Shanhai Youpei Culture and Art Training School Co., Ltd. ("Youpei Culture Training School")	A subsidiary of Shandong Port Group
Jinan Lugang Industrial Development Co., Ltd. ("Jinan Lugang Industrial Development")	A subsidiary of Shandong Port Group
Shangang Shipping Information Technology Co., Ltd. ("Shangang Technology Rizhao Company")	A subsidiary of Shandong Port Group
Shandong Rizhao Bibo Ecological Technology Co., Ltd. ("Rizhao Bibo Tea Industry")	A subsidiary of Shandong Port Group
Shandong Marine Corporation Rizhao Co., Ltd. ("Marine Corporation Rizhao")	A subsidiary of Shandong Port Group
Yantai Port International Shipping Agency Co., Ltd. ("Yantai Port International Shipping Agency")	A subsidiary of Shandong Port Group
China Yantai Shipping Agency Co., Ltd. ("Yantai Shipping Agency")	A subsidiary of Shandong Port Group
Rizhao Harbor Engineering Testing Co., Ltd. ("Rizhao Harbor Engineering Testing")	A subsidiary of Shandong Port Group
Rizhao Lingang International Logistics Co., Ltd. ("Rizhao Lingang International Logistics")	A subsidiary of Shandong Port Group
Rizhao CHIMBUSCO Marine Bunker Supply Limited Company ("Rizhao CHIMBUSCO Marine Bunker")	A subsidiary of Shandong Port Group
Shangang Luhai International Logistics (Hainan) Co., Ltd. ("Shangang Luhai Hainan")	A subsidiary of Shandong Port Group
Shandong Ocean Shipping Group Bohai Bay Co., Ltd. ("Shandong Ocean Shipping Group Bohai Bay")	A subsidiary of Shandong Port Group

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(4) Other related parties (Continued)

Name of company	Relationship with the Group
Shandong International Commodity Exchange Co., Ltd. ("Shandong Commodity Exchange")	A subsidiary of Shandong Port Group
Shandong Port & Shipping Oil Transportation Co., Ltd. ("Port & Shipping Oil Transportation")	A subsidiary of Shandong Port Group
Shangang Overseas Supply Chain (Qingdao) Co., Ltd. ("Shangang Overseas Supply Chain")	A subsidiary of Shandong Port Group
Shangang Luhai International Logistics (Chongqing) Co., Ltd. ("Shangang Luhai International Logistics (Chongqing)")	A subsidiary of Shandong Port Group
Dalian DMU International Logistics Co., Ltd. ("DMU International Logistics")	A subsidiary of Shandong Port Group
Shandong Port Cruise Development Group Co., Ltd. ("Shandong Port Cruise Development")	A subsidiary of Shandong Port Group
Shandong Marine Corporation Energy Transportation Co., Ltd. ("Marine Corporation Energy Transportation")	A subsidiary of Shandong Port Group
Shangang Land Sea (Jinan) Supply Chain Management Co., Ltd. ("Shangang Land Sea (Jinan) Supply Chain")	A subsidiary of Shandong Port Group
Qingdao Shangang Creative Industry Co., Ltd. ("Shangang Creative")	A subsidiary of Shandong Port Group
Shandong Luhai Equipment Group Co., Ltd. ("Luhai Equipment Group")	A subsidiary of Shandong Port Group
Shandong Land-Sea Linkage Fund Management Co., Ltd. ("Land-Sea Linkage Fund Management")	A subsidiary of Shandong Port Group
Weifang Port Container Terminal Co., Ltd. ("Weifang Container")	A subsidiary of Shandong Port Group
Shandong Port Group (Hainan) Co., Ltd. ("Shangang Group Hainan Company")	A subsidiary of Shandong Port Group
Shandong Gangquan Supply Chain Management Co., Ltd. ("Gangquan Supply Chain Management")	A subsidiary of Shandong Port Group
Longkou Port Group Co., Ltd. ("Longkou Port Group")	A subsidiary of Shandong Port Group
Shangang Luhai South Korea Co., Ltd. ("Shangang Luhai South Korea")	A subsidiary of Shandong Port Group
Weihai Gangsheng Shipping Co., Ltd. ("Weihai Gangsheng Shipping")	A subsidiary of Shandong Port Group
Yellow River Delta Construction Engineering Co., Ltd. ("Yellow River Delta Construction")	A subsidiary of Shandong Port Group
Shangang Park Management (Yantai) Co., Ltd. ("Park Management (Yantai)")	A subsidiary of Shandong Port Group
Shangang Park Management (Rizhao) Co., Ltd. ("Park Management (Rizhao)")	A subsidiary of Shandong Port Group
Yantai Port Yulong Pipeline Transportation Storage and Logistics Co., Ltd. ("Yantai Yulong Pipeline Transportation Storage")	A subsidiary of Shandong Port Group

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(4) Other related parties (Continued)

Name of company	Relationship with the Group
Shangang Luhai International Logistics (Taian) Co., Ltd. ("Luhai International Logistics Taian")	A subsidiary of Shandong Port Group
Shangang Luhai International Logistics (Zaozhuang) Co., Ltd. ("Luhai International Logistics Zaozhuang")	A subsidiary of Shandong Port Group
Shanghai Port Tongyida Financial Leasing Co., Ltd. ("Port Tongyida Financial Leasing")	A subsidiary of Shandong Port Group
Changsha Yinghai Intelligent Technology Co., Ltd. ("Changsha Yinghai Intelligent Technology")	A subsidiary of Shandong Port Group
Binzhou Gangjian Gas Station Co., Ltd. ("Binzhou Gangjian Gas Station")	A subsidiary of Shandong Port Group
Shangang Land Sea Smart Cold Chain Logistics (Qingdao) Co., Ltd. ("Shangang Land Sea Cold Chain Logistics (Qingdao)")	A subsidiary of Shandong Port Group
Shangang Port and Shipping Material Supply (Shandong) Co., Ltd. ("Shangang Port and Shipping Material Supply")	A subsidiary of Shandong Port Group
Shandong Lujian Testing Co., Ltd. ("Shandong Lujian")	A subsidiary of Shandong Port Group
Shangang TRAFIGURA International Trade (Shandong) Co., Ltd. ("TRAFIGURA International Trade")	A subsidiary of Shandong Port Group
Shandong Luhai Equipment Group Haiyang Co., Ltd. ("Luhai Equipment Haiyang")	A subsidiary of Shandong Port Group
Weihai Shichang Port and Shipping Business Co., Ltd. ("Weihai Shichang Liquor")	A subsidiary of Shandong Port Group
Zibo Inland Port Management and Operation Co., Ltd. ("Zibo Inland Port")	A subsidiary of Shandong Port Group
Rizhao Port Co., Ltd. ("Rizhao Port Co., Ltd.")	A subsidiary of Shandong Port Group
Rizhao Port Lanshan Port Services Co., Ltd. ("Rizhao Port Lanshan Port")	A subsidiary of Shandong Port Group
Taiyi Data Technology (Shandong) Co., Ltd. ("Taiyi Data Technology")	A subsidiary of Shandong Port Group
Shandong Port Luhai International Logistics Yantai Co., Ltd. ("Luhai Logistics Yantai")	A subsidiary of Shandong Port Group
Shandong Gangwan Navigation Engineering Co., Ltd. ("Shandong Navigation Engineering")	A subsidiary of Shandong Port Group
Shandong Port Engineering Management Consulting Co., Ltd. ("Shandong Port Engineering Management")	A subsidiary of Shandong Port Group
Weihai Lujian Technology Service Co., Ltd. ("Weihai Lujian")	A subsidiary of Shandong Port Group
Binzhou Gangtong Pipeline Co., Ltd. ("Binzhou Gangtong Pipeline")	A subsidiary of Shandong Port Group
Weihai Dingxin Construction Engineering Co., Ltd. ("Weihai Dingxin Construction")	A subsidiary of Shandong Port Group
Shandong Port Chengyida Financing Guarantee Co., Ltd ("Chengyida Financing Guarantee")	Controlled by the same parent company
Qingdao Port Investment and Construction (Group) Co., Ltd. ("QDP Investment Group")	Controlled by the same parent company

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(4) Other related parties (Continued)

Name of company	Relationship with the Group
Shandong Gangxin Capital Investment Co., Ltd. ("Gangxin Capital Investment")	Controlled by the same parent company
Shandong Weihai Port International Passenger Transport Co., Ltd. ("Weihai Port International Passenger Transport")	Controlled by the same parent company
Qinggang Leasing Company	Controlled by the same parent company
Shandong Port Commercial Factoring Co., Ltd. ("Commercial Factoring")	Controlled by the same parent company
Qingdao Harbour Vocational And Technical College ("Harbour Vocational College")	Controlled by the same parent company
Weihai Gangtong Information Technology Co., Ltd. ("Weihai Gangtong Technology")	Controlled by the same parent company
Shandong Port Weihai Port Co., Ltd. ("Weihai Port Group")	Controlled by the same parent company
Shandong Port Microfinance Co., Ltd. ("Microfinance")	Controlled by the same parent company
International Cruise Port Development and Construction	Controlled by the same parent company
Shandong Dadao Resource Recycling Co., Ltd. ("Dadao Resource Recycling")	Controlled by the same parent company
Shandong Gangxin Futures Co., Ltd. ("Shandong Gangxin Futures")	Controlled by the same parent company
Shandong Port Insurance Brokers Co., Ltd. ("Shangang Insurance Brokers")	Controlled by the same parent company
Shandong Port Fund Management Co., Ltd. ("Shangang Fund Management")	Controlled by the same parent company
Qingdao Wynn Insurance Agency Co., Ltd. ("Wynn Insurance")	Controlled by the same parent company
China COSCO Shipping Corporation Limited ("COSCO SHIPPING Group") (i)	Minority shareholders with significant influence over the Group
China Marine Bunker Qingdao Co., Ltd. ("China Marine Bunker Qingdao")	A company controlled by COSCO Shipping Group
Qingdao COSCO SHIPPING Container Lines Co., Ltd. ("Qingdao COSCO SHIPPING Containers")	A company controlled by COSCO Shipping Group
Orient Overseas Container Line (China) Co., Ltd. ("OOCL Containers")	A company controlled by COSCO Shipping Group
China Ocean Shipping Agency Co., Ltd. ("China Ocean Shipping Agency")	A company controlled by COSCO Shipping Group
Qingdao Ocean & Great Asia Logistics Co., Ltd. ("Ocean & Great Asia")	A company controlled by COSCO Shipping Group
Qingdao COSCO SHIPPING Logistics Co., Ltd. ("COSCO SHIPPING Logistics")	A company controlled by COSCO Shipping Group
China Rizhao Shipping Agency Co., Ltd. ("Rizhao Shipping Agency")	A company controlled by COSCO Shipping Group
Zhejiang Xinggang International Freight Forwarding Co., Ltd. ("Xinggang International Freight")	A company controlled by COSCO Shipping Group

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(4) Other related parties (Continued)

Name of company	Relationship with the Group
Xinxinhai Shipping Co., Ltd. ("Xinxinhai Shipping")	A company controlled by COSCO Shipping Group
Orient Overseas Container Line Co., Ltd. ("OOCL Containers")	A company controlled by COSCO Shipping Group
Shanghai COSCO SHIPPING Tanktainer Co., Ltd. ("COSCO Weizhi Tank Container Logistics")	A company controlled by COSCO Shipping Group
Coheung Marine Shipping Company Limited ("Coheung Marine Shipping")	A company controlled by COSCO Shipping Group
Qingdao Zhongran Yinda Gas Station Co., Ltd. ("Yinda Gas Station")	A company controlled by COSCO Shipping Group
COSCO SHIPPING Lines Co., Ltd. ("COSCO SHIPPING Containers")	A company controlled by COSCO Shipping Group
Shanghai Pan Asia Shipping Co., Ltd. ("Shanghai Pan Asia")	A company controlled by COSCO Shipping Group
China Qingdao Shipping Agency Co., Ltd. ("Qingdao Shipping Agency")	A company controlled by COSCO Shipping Group
Qingdao COSCO SHIPPING Customs Brokerage Co., Ltd. ("COSCO SHIPPING Customs Brokerage")	A company controlled by COSCO Shipping Group
Guangzhou Ocean Special Transportation Co., Ltd. ("Ocean Special Transportation")	A company controlled by COSCO Shipping Group
Orient Overseas Logistics (China) Co., Ltd. ("OOCL Logistics")	A company controlled by COSCO Shipping Group
Shenzhen Yihaitong Global Supply Chain Management Co., Ltd. ("Yihaitong Global Supply Chain")	A company controlled by COSCO Shipping Group
Qingdao COSCO SHIPPING Logistics Supply Chain Co., Ltd. ("COSCO SHIPPING Logistics Supply Chain")	A company controlled by COSCO Shipping Group
Xin Sanli Container Service Co., Ltd. ("Xin Sanli Container")	A company controlled by COSCO Shipping Group
Rizhao Zhongli Outer Shipping Tally Co., Ltd. ("Rizhao Zhongli Outer Shipping Tally")	A company controlled by COSCO Shipping Group
Henan COSCO SHIPPING Container Lines Co., Ltd. ("Henan COSCO SHIPPING Containers")	A company controlled by COSCO Shipping Group
Xi'an Ocean Logistics Co., Ltd. ("Xi'an Ocean Logistics")	A company controlled by COSCO Shipping Group
Jiangsu COSCO SHIPPING Container Lines Co., Ltd. ("Jiangsu COSCO Containers")	A company controlled by COSCO Shipping Group
Tianjin Yuanchang Refrigerated Container Service Co., Ltd. ("Yuanchang Refrigerated Container")	A company controlled by COSCO Shipping Group
Tianjin Yuanhai Goldwind New Energy Co., Ltd. ("Tianjin Goldwind New Energy")	A company controlled by COSCO Shipping Group
Qingdao COSCO Hongchi Logistics Co., Ltd. ("COSCO Hongchi Logistics")	A company controlled by COSCO Shipping Group

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(4) Other related parties (Continued)

Name of company	Relationship with the Group
COSCO (Lianyungang) Liquid Loading & Unloading Equipment Co., Ltd. ("Lianyungang COSCO Fluid")	A company controlled by COSCO Shipping Group
COSCO SHIPPING Bulk Lines Limited ("COSCO SHIPPING Bulk")	A company controlled by COSCO Shipping Group
Qingdao COSCO SHIPPING Air Freight Forwarding Co., Ltd. ("Qingdao COSCO SHIPPING Air Freight Forwarding")	A company controlled by COSCO Shipping Group
Shanghai Times Shipping Co., Ltd. ("Times Shipping")	A company controlled by COSCO Shipping Group
COSCO SHIPPING Special Lines Co., Ltd. ("COSCO SHIPPING Special Lines")	A company controlled by COSCO Shipping Group
Shanghai Beihai Shipping Co., Ltd. ("Shanghai Beihai Shipping")	A company controlled by COSCO Shipping Group
COSCO SHIPPING Passenger Transport Company Limited ("COSCO Passenger Transport")	A company controlled by COSCO Shipping Group
Shanghai Puhai Shipping Co., Ltd. ("Shanghai Puhai Shipping")	A company controlled by COSCO Shipping Group
Qingdao Ocean & Great Asia Bonded Logistics Co., Ltd. ("Ocean & Great Asia Bonded Logistics")	A company controlled by COSCO Shipping Group
Qingdao Ocean Shipping Supply Co., Ltd. ("Qingdao Ocean Shipping")	A company controlled by COSCO Shipping Group
Henan COSCO SHIPPING Logistics Co., Ltd. ("Henan COSCO SHIPPING")	A company controlled by COSCO Shipping Group

(i) China COSCO SHIPPING Corporation Limited ("COSCO SHIPPING Group") indirectly holds 21.78% equity interests in the Company through Shanghai China Shipping Terminal, China Shipping Terminal, Qingdao COSCO and COSCO SHIPPING Ports Development, and COSCO SHIPPING Group has a significant influence on the Company.

(5) Related party transactions

Pricing policy

The Group's purchases, sales, provision, or receipt of services with related parties are conducted in accordance with the pricing and settlement terms agreed with the other party in the ordinary course of business. The rents collected and paid to related parties shall be determined after negotiation between the two parties. The interest rates for deposits and loans with Shandong Port Finance Company are determined after negotiation between both parties based on the benchmark interest rate of the People's Bank of China for the same period or the quoted market rate loans released by the National Interbank Funding Center.

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(a) Purchase and sale of goods, provision and receipt of services

(i) Purchase of goods or services:

Related party	Contents of related transactions	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Shandong Harbor Construction	Procurement and construction services	335,015,429	11,926,990
Sealand Equipment Qingdao	Procurement of engineering materials, construction services	242,811,453	26,721,237
Shangang Luhai Logistics Development	Moving, logistics and other services	155,678,009	127,628,496
QQCTU	Loading and unloading, logistics and other services	149,263,384	76,227,465
Dongjiakou Railway	Loading and unloading, logistics and other services	146,788,418	155,121,406
Qingdao Port Engineering	Procurement and construction services	141,446,764	21,232,002
QDOT	Loading and unloading, logistics and other services	134,461,208	124,989,408
Shanhai Property Qingdao	Property, catering and other services	65,679,681	60,837,818
Technology Company	Software development, information operation and maintenance services	64,176,143	63,674,426
Qingdao Shihua	Loading and unloading, logistics and other services	62,153,927	148,300,425
West United	Loading and unloading, logistics and other services	52,359,841	60,329,420
Huaneng Qingdao	Loading and unloading, logistics and other services	47,399,867	47,822,856
QQCTUA	Loading and unloading, logistics and other services	47,295,902	880,311
Qianwan Xinhe Supply Chain	Logistics services	35,474,315	54,421,006
QQCT	Loading and unloading, logistics and other services	33,180,868	5,235,993
CSSC Fuel Qingdao	Procurement of fuel	23,786,687	70,367,675
QDP Investment Group	Procurement and construction labor, utility services, etc.	22,783,137	41,759,275
QQCTN	Loading and unloading, logistics and other services	20,216,333	1,386,332
Shanhai Property Weihai	Property, catering and other services	19,751,703	18,540,137
Shangang Luhai Zhengzhou	Loading and unloading, logistics and other services	19,184,561	11,286,388
Marine Equipment	Procurement of tugboats	18,435,398	–
Rizhao Port Container Development	Loading and unloading, logistics and other services	16,140,341	15,455,723
Hainan Port Huiyida Supply Chain	Procurement of materials	14,907,399	–
Shangang Transportation Service	Leases and other services	14,906,417	15,033,952
OOCL Containers	Shipping, logistics and other services	13,734,292	22,238,015
Qingdao COSCO SHIPPING Containers	Shipping, logistics and other services	12,039,103	45,782,133

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(a) Purchase and sale of goods, provision and receipt of services (Continued)

(i) Purchase of goods or services: (Continued)

Related party	Contents of related transactions	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Shangang Shanhai Security	Security, property services	9,755,463	9,124,704
Shangang Express	Shipping, transshipment and other services	9,716,149	4,280,994
Wood Wharf	Loading and unloading, logistics and other services	5,991,649	–
Weihai Gangtong Technology	Information operations and maintenance, technical services	5,408,036	3,774,824
Shangang Service Development	Procurement of materials, promotional services, etc.	3,868,533	5,637,876
China Ocean Shipping Agency	Shipping, logistics and other services	3,862,955	7,919,649
Shandong Luhaitong Digital	Information operations and maintenance, technical services	3,603,277	2,539,618
Shangang Culture Media	Procurement of materials, promotional services, etc.	3,508,830	2,465,930
Shangang Shipping Group	Shipping, logistics and other services	3,322,723	8,176,926
Port & Shipping Lianfa	Logistics services	3,005,668	5,798,382
Luhai Logistics Rizhao	Logistics services	2,787,249	894,935
Park Management (Weifang)	Property, catering and other services	2,513,274	2,474,782
Gangda Shipbuilding Heavy Industry	Engineering, design services	1,757,492	–
Lujian Asset Operation	Security, property services	1,737,744	–
Qinggang Travel Service	Convalescent care services	1,521,000	1,587,000
Shangang Production Guarantee	Procurement of materials, labor services	1,361,126	2,356,302
Land-sea Medlog Logistics	Freight forwarding, logistics and other services	1,238,523	–
Zenghe Supply Chain	Procurement of materials, promotional services, etc.	1,163,038	1,250,583
Shandong Dongying Port	Loading and unloading, logistics and other services	1,070,488	1,304,910
Shangang Luhai Liaocheng	Logistics services	893,052	7,759,276
Luhai Heavy Industry	Procurement and construction services	674,572	15,847,141
Shangang Luhai Xinjiang	Logistics services	326,344	1,000,626
Shandong Lujian	Logistics services	220,105	4,680,333
Shandong Port Finance Company	Loan services and others	4,063	776,300
Cardiovascular Hospital	Medical services	–	1,319,500
Port & Shipping Energy	Procurement of materials, labor services	–	744,897
Other related parties	Loading and unloading, logistics, training, tourism and other services	25,389,709	37,156,923
		2,003,771,642	1,356,071,300

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(a) Purchase and sale of goods, provision and receipt of services (Continued)

(ii) Selling goods and rendering services:

Related party	Contents of related transactions	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
QQCT	Transportation, loading and unloading, maintenance and other labor services	450,754,048	509,639,306
COSCO SHIPPING Containers	Transportation, loading and unloading, maintenance and other labor services	315,736,453	17,606,827
QQCTU	Transportation, loading and unloading, maintenance and other labor services	281,649,246	184,787,149
QQCTN	Transportation, loading and unloading, maintenance and other labor services	248,790,910	203,627,374
OOCL Containers	Transportation, loading and unloading, maintenance and other labor services	142,375,028	1,227,044
QQCTUA	Transportation, loading and unloading, maintenance and other labor services	110,338,047	74,197,332
China Ocean Shipping Agency	Transportation, loading and unloading, maintenance and other labor services	87,516,811	73,209,307
Xinxinhai Shipping	Transportation, loading and unloading, maintenance and other labor services	83,182,107	2,520,419
QDOT	Transportation, loading and unloading, maintenance and other labor services	53,912,710	90,868,392
Lianyun International Logistics	Transportation, loading and unloading, maintenance and other labor services	50,836,116	30,811,118
Land-sea Medlog Logistics	Transportation, loading and unloading, and other labor services	47,769,120	–
Shangang Luhai Logistics Development	Transportation, loading and unloading, maintenance and other labor services	36,700,211	146,942,674
Qingdao COSCO SHIPPING Containers	Transportation, loading and unloading, maintenance and other labor services	34,515,876	8,508,582
Sino-Ocean Daya	Transportation, loading and unloading, maintenance and other labor services	30,247,754	23,715,922
Yuanhai Zhirong	Transportation, loading and unloading, maintenance and other labor services	29,182,515	25,969,784
Shanghai Pan-Asia	Transportation, loading and unloading, maintenance and other labor services	27,916,758	12,550,377
Jiaodong International Container Shipping	Transportation, loading and unloading, maintenance and other labor services	18,398,077	17,099,710
Orient Container	Transportation, loading and unloading, maintenance and other labor services	16,448,824	16,719,782

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(a) Purchase and sale of goods, provision and receipt of services (Continued)

(ii) Selling goods and rendering services: (Continued)

Related party	Contents of related transactions	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
COSCO SHIPPING Logistics	Transportation, loading and unloading, maintenance and other labor services	**15,032,516**	9,907,748
Shangang Shipping Group	Transportation, loading and unloading, maintenance and other labor services	**12,960,961**	7,013,074
Shangang Luhai Zhengzhou	Transportation, loading and unloading, maintenance and other labor services	**11,140,321**	5,949,052
Dongjiakou Railway	Transportation, loading and unloading, maintenance and other labor services	**10,722,408**	40,856,880
Ganglianrong Logistics	Transportation, loading and unloading, maintenance and other labor services	**10,299,511**	8,345,163
Qingdao Shihua	Transportation, loading and unloading, maintenance and other labor services	**9,464,950**	24,360,079
United Shipping Agency	Transportation, loading and unloading, maintenance and other labor services	**8,873,998**	7,206,100
Coheung Marine Shipping	Transportation, loading and unloading, maintenance and other labor services	**8,553,534**	25,953
Bingang Oil	Loading and unloading, and other labor services	**8,449,691**	3,317,065
West United	Transportation, loading and unloading, maintenance and other labor services	**7,331,687**	4,769,234
Zibo Inland Port	Transportation, loading and unloading, maintenance and other labor services	**6,569,294**	1,901,461
Qianwan Xinhe Supply Chain	Transportation, loading and unloading, maintenance and other labor services	**6,165,873**	3,143,511
Shangang Shipping Weihai	Transportation, loading and unloading, maintenance and other labor services	**5,979,381**	7,076,334
Ocean Shipping Agency	Transportation, loading and unloading, maintenance and other labor services	**5,791,741**	5,761,744
Gangxin Capital Investment	Transportation, loading and unloading, and other labor services	**5,643,676**	2,598,293
Qingdao Port Group	Operations and maintenance, power supply and other labor services	**5,519,249**	3,689,206
COSCO Weizhi Tank Container Logistics	Transportation, loading and unloading, maintenance and other labor services	**4,896,977**	3,093,917
Shandong Lujian	Transportation, loading and unloading, maintenance and other labor services	**3,998,482**	42,200
Shangang Sunshine Huicai	Operations and maintenance, property, communications and other labor services	**3,865,536**	9,180,242

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(a) Purchase and sale of goods, provision and receipt of services (Continued)

(ii) Selling goods and rendering services: (Continued)

Related party	Contents of related transactions	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Shandong Port International Trade Qingdao Company	Transportation, loading and unloading, maintenance and other labor services	3,204,640	1,578,320
Yantai Container	Transportation and other labor services	3,093,690	2,544,856
Shangang Luhai Lanzhou	Transportation, loading and unloading, maintenance and other labor services	2,813,083	1,991,560
QDP Investment Group	Operations and maintenance, property, communications and other labor services	2,754,165	1,247,719
Shangang Service Development	Oil supply, communications and other labor services	2,508,081	210,934
Luhai International Logistics	Transportation, loading and unloading, maintenance and other labor services	2,305,409	8,905,390
Evertrans GLORY Minerals (Shandong)	Transportation, loading and unloading, maintenance and other labor services	2,067,192	2,481
Luhai Logistics Rizhao	Transportation, loading and unloading, maintenance and other labor services	1,821,792	9,439,930
Qinggang International Trade Logistics	Transportation, loading and unloading, maintenance and other labor services	1,612,735	5,628,173
Rizhao Shipping Agency	Transportation, loading and unloading, maintenance and other labor services	1,505,607	1,797,890
Shangang International Trade Rizhao Company	Transportation, loading and unloading, maintenance and other labor services	1,374,880	325,318
Yantai Port Container Terminal	Transportation, communications and other labor services	1,091,901	–
Shangang Express	Transportation, loading and unloading, maintenance and other labor services	1,020,929	6,321,702
Shangang International Investment	Transportation, loading and unloading, maintenance and other labor services	984,006	4,446,028
Shangang Luhai Xinjiang	Transportation, loading and unloading, maintenance and other labor services	915,765	1,077,183
Sealand Equipment Qingdao	Operations and maintenance, property, communications and other labor services	685,224	4,762,306
Xinggang International Freight	Transportation, loading and unloading, maintenance and other labor services	667,267	99,285
Luhai Logistics Bohai Bay	Transportation, loading and unloading, maintenance and other labor services	3,138	1,145,781
Shangang International Trade	Transportation, loading and unloading, maintenance and other labor services	1,651	3,146,097

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(a) Purchase and sale of goods, provision and receipt of services (Continued)

(ii) Selling goods and rendering services: (Continued)

Related party	Contents of related transactions	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Overseas Development Qingdao	Transportation, loading and unloading, maintenance and other labor services	1,272	18,589,039
Other related parties	Transportation, loading and unloading, maintenance and other labor services	33,918,063	39,654,853
		2,281,880,887	1,701,153,200
Qingdao Port Engineering	Provision of construction labor services	38,014,049	28,481,186
Shandong Harbor Construction	Provision of construction labor services	20,930,484	60,083,842
QDP Investment Group	Provision of construction labor services	4,837,982	121,222
QQCT	Provision of construction labor services	4,534,329	4,123,346
QQCTN	Provision of construction labor services	1,680,073	558,594
Port Municipal Construction	Provision of construction labor services	1,610,111	–
Other related parties	Provision of construction labor services	4,210,580	3,307,560
		75,817,608	96,675,750
QDOT	Sales of water, electricity, steam, oil, etc.	50,910,319	48,176,057
QQCT	Sales of water, electricity, steam, oil, etc.	28,732,252	23,664,080
Overseas Development Qingdao	Sales of water, electricity, steam, oil, etc.	17,731,826	–
QQCTN	Sales of water, electricity, steam, oil, etc.	15,783,030	15,166,529
QQCTU	Sales of water, electricity, steam, oil, etc.	8,566,775	6,886,125
QQCTUA	Sales of water, electricity, steam, oil, etc.	7,904,596	6,323,725
Shandong Zhenhua Energy	Sales of water, electricity, steam, oil, etc.	5,441,595	4,048,398
Qingdao Shihua	Sales of water, electricity, steam, oil, etc.	5,220,798	45,912
West United	Sales of water, electricity, steam, oil, etc.	4,399,681	4,688,671
Orient Container	Sales of water, electricity, steam, oil, etc.	2,346,947	1,696,006
Qingdao Port Engineering	Sales of water, electricity, steam, oil, etc.	2,104,028	4,071,596
Yuanhai Zhirong	Sales of water, electricity, steam, oil, etc.	2,013,762	1,726,511
Shangang Group Binzhou Port	Sales of water, electricity, steam, oil, etc.	1,941,472	1,997,831
Bohai Bay Barge	Sales of water, electricity, steam, oil, etc.	1,742,949	2,453,918
Shangang Express	Sales of water, electricity, steam, oil, etc.	1,451,876	114,904
Qingdao Port Group	Sales of water, electricity, steam, oil, etc.	1,251,876	994,875
Sealand Equipment Qingdao	Sales of water, electricity, steam, oil, etc.	1,031,613	1,660,125
Weifang Bulk Terminal	Sales of water, electricity, steam, oil, etc.	946,344	2,694,415

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(a) Purchase and sale of goods, provision and receipt of services (Continued)

(ii) Selling goods and rendering services: (Continued)

Related party	Contents of related transactions	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Shanhai Property Qingdao	Sales of water, electricity, steam, oil, etc.	807,971	847,019
Technology Company	Sales of water, electricity, steam, oil, etc.	540,460	558,326
QDP Investment Group	Sales of water, electricity, steam, oil, etc.	536,719	537,817
International Cruise	Sales of water, electricity, steam, oil, etc.	431,026	438,965
Shangang Service Development	Sales of water, electricity, steam, oil, etc.	20,732	2,202,660
Weihai Port International Passenger Transport	Sales of water, electricity, steam, oil, etc.	–	1,125,996
Yinda Gas Station	Sales of water, electricity, steam, oil, etc.	–	1,207,678
Other related parties	Sales of water, electricity, steam, oil, etc.	9,031,653	12,222,586
		170,890,300	145,550,725

(b) Related party guarantee information

Name of the guaranteed party	Guarantee amount	Starting date	Due date	Is the guarantee fully performed
QDP Logistics	72,343,160	2025-1-23	2027-4-30	No

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(c) Leases

(i) Lease income confirmed by the Group as a lessor:

Related party	Type of leased assets	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
QQCT	Buildings, storage facilities, port facilities, vehicles	110,800,573	111,058,766
QDOT	Storage facilities	22,220,887	20,256,086
QQCTN	Buildings, port facilities	6,788,485	7,024,204
Orient Container	Buildings, storage facilities	6,525,019	4,042,907
Yuanhai Zhirong	Buildings, storage facilities	5,471,353	789,430
QQCTU	Buildings, port facilities	4,653,108	4,454,131
QQCTUA	Buildings, storage facilities, machinery and equipment	3,148,385	2,798,290
Ganglianrong Logistics	Buildings, storage facilities, machinery and equipment	2,872,316	2,664,931
Land-sea Medlog Logistics	Buildings, machinery and equipment	2,701,154	–
Qingdao Port Engineering	Buildings, storage facilities, machinery and equipment	1,248,293	1,213,503
Shanhai Property Qingdao	Buildings	741,306	454,760
Sealand Equipment Qingdao	Buildings, storage facilities	566,485	579,387
Qingdao Shihua	Buildings, storage facilities, machinery and equipment	358,870	453,883
Technology Company	Buildings, machinery and equipment	65,618	857,913
Qingdao Port Group	Buildings	–	564,477
Other related parties	Buildings, storage facilities, machinery and equipment	4,971,381	10,055,502
		173,133,233	167,268,170

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(c) Leases (Continued)

(ii) Right-of-use assets leased by the Group as a lessee:

Related party	Type of leased assets	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Qingdao Port Group	Storage facilities, and buildings	260,032,655	1,249,306
Weihai Port Group	Buildings	24,078,044	–
West United	Storage facilities	5,157,503	5,128,643
QQCTU	Buildings	1,090,793	–
QQCT	Buildings	762,188	–
Shangang Transportation Service	Vehicles	702,165	318,057
QDP Investment Group	Buildings, machinery and equipment	–	31,453,568
		291,823,348	38,149,574

(iii) Interest expense on lease liabilities assumed by the Group as a lessee:

Related party	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Qingdao Port Group	6,874,466	3,134,411
Qinggang Leasing Company	2,552,482	2,700,000
QQCTN	1,458,326	–
QDP Investment Group	478,870	763,312
Shandong Port Finance Company	–	3,302,857
Other related parties	563,818	106,440
	11,927,962	10,007,020

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(c) Leases (Continued)

(iv) Other assets leased by the group as lessee for the current period:

Related party	Type of leased assets	Lease expenses recognized for the six months ended 30 June 2026 (Unaudited)	Lease expenses recognized for the six months ended 30 June 2025 (Unaudited)
Qingdao Port Group	Buildings, storage facilities, machinery and equipment, port facilities	50,972,717	28,303,545
QDP Investment Group	Buildings, port facilities, storage facilities, machinery and equipment	32,173,957	20,321,296
QQCTN	Storage facilities, machinery and equipment	16,849,764	13,484,918
QQCTU	Storage facilities	12,892,705	9,656,235
Shangang Land Sea Cold Chain Logistics (Qingdao)	Storage facilities	8,100,000	4,800,000
West United	Storage facilities	4,547,405	2,658,606
Shangang Transportation Service	Buildings, vehicles	2,389,790	1,276,796
Weihai Port Group	Buildings, storage facilities	1,575,818	4,198,214
Shangang Industry-City Integration Weihai	Buildings, storage facilities	1,291,125	4,244,324
Shanhai Property Qingdao	Buildings	1,077,127	–
Harbor Vocational College	Buildings	1,066,497	1,112,084
Shangang International Trade	Buildings	906,258	934,433
Weihai Port International Passenger Transport	Storage facilities	512,702	490,733
QDOT	Port facilities	–	1,972,984
Other related parties	Buildings, storage facilities, machinery and equipment	1,761,516	654,697
		136,117,381	94,108,865

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(c) Leases (Continued)

(v) Rent costs paid by the Group as a lessee:

Related party	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Qingdao Port Group	55,342,144	25,568,943
QQCTU	24,599,465	310,704
QQCTN	19,488,844	200,000
QDP Investment Group	12,116,088	10,676,109
Shangang Land Sea Cold Chain Logistics (Qingdao)	7,357,500	–
West United	4,817,086	2,750,000
Shangang Transportation Service	2,624,794	4,067,232
Qinggang Leasing Company	2,340,000	2,700,000
Shangang International Trade	2,037,063	–
Harbor Vocational College	1,381,910	1,483,439
QQCT	603,813	270,000
Weihai Port International Passenger Transport	575,405	684,478
Qingdao Shihua	375,000	45,074
Dongjiakou Sinotrans Logistics	313,372	1,253,486
Weihai Port Group	–	899,048
Shandong Port Finance Company	–	18,301,077
Other related parties	323,724	519,365
	134,296,208	69,728,955

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(d) Finance lease and capital loans

(i) Borrowings from Shandong Port Finance Company

	Amount	Starting date	Due Date
Shandong Port Finance Company	24,900,000	2026/1/9	2029/1/8
Shandong Port Finance Company	15,000,000	2026/1/14	2027/1/13
Shandong Port Finance Company	5,000,000	2026/1/15	2027/1/14
Shandong Port Finance Company	11,900,000	2026/1/16	2029/1/15
Shandong Port Finance Company	9,500,000	2026/1/22	2027/1/21
Shandong Port Finance Company	3,000,000	2026/1/23	2027/1/22
Shandong Port Finance Company	4,000,000	2026/1/26	2027/1/25
Shandong Port Finance Company	2,000,000	2026/1/27	2027/1/26
Shandong Port Finance Company	11,760,000	2026/1/27	2027/1/26
Shandong Port Finance Company	3,000,000	2026/2/9	2027/2/8
Shandong Port Finance Company	3,579,500	2026/2/11	2033/2/10
Shandong Port Finance Company	2,000,000	2026/2/24	2027/2/23
Shandong Port Finance Company	4,000,000	2026/2/24	2027/2/23
Shandong Port Finance Company	5,900,000	2026/3/16	2029/3/15
Shandong Port Finance Company	9,900,000	2026/3/18	2031/3/17
Shandong Port Finance Company	4,500,000	2026/4/2	2027/4/1
Shandong Port Finance Company	10,000,000	2026/4/9	2027/4/8
Shandong Port Finance Company	3,000,000	2026/4/9	2027/4/8
Shandong Port Finance Company	8,000,000	2026/4/15	2027/4/14
Shandong Port Finance Company	5,900,000	2026/4/16	2029/4/15
Shandong Port Finance Company	34,000,000	2026/4/17	2027/4/16
Shandong Port Finance Company	2,000,000	2026/4/22	2027/4/21
Shandong Port Finance Company	9,900,000	2026/5/6	2031/5/5
Shandong Port Finance Company	2,000,000	2026/5/8	2027/5/7
Shandong Port Finance Company	3,000,000	2026/5/11	2027/5/10
Shandong Port Finance Company	3,000,000	2026/5/12	2027/5/11
Shandong Port Finance Company	7,000,000	2026/5/14	2027/5/13
Shandong Port Finance Company	5,900,000	2026/5/14	2029/5/13
Shandong Port Finance Company	6,000,000	2026/6/16	2029/6/15
Shandong Port Finance Company	10,419,109	2026/6/18	2033/6/17
	230,058,609		

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(d) Finance lease and capital loans (Continued)

(ii) Interest income -

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Shandong Port Finance Company	48,819,401	60,441,392
Commercial Factoring	4,715	1,875
Shangang Sunshine Huicai	23	–
	48,824,139	60,443,267

(iii) Interest expenses on related party borrowings -

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Shandong Port Finance Company	44,652,120	41,567,250
Qingdao Port Group	–	829,612
	44,652,120	42,396,862

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(e) Investment income

Related parties	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
QQCT	312,741,189	574,639,901
Shandong Port Finance Company	65,180,489	64,836,843
UG	26,249,529	21,466,369
Qingdao Shihua	23,236,746	52,619,920
Qingyin Leasing	16,333,527	16,166,649
Shandong Zhenhua Energy	15,808,934	177,473
Yuanhai Zhirong	9,315,208	9,759,948
Orient Container	6,409,496	7,327,380
Qinggang International Trade Logistics	5,986,982	6,432,876
Huaneng Qingdao	3,847,566	3,716,037
Technology Company	3,717,479	3,606,220
PetroChina Storage	2,343,850	(93,092)
Gulf Liquid Chemical	2,162,006	1,149,237
Ganglianrong Logistics	1,979,335	3,632,008
Qianwan Xinhe Supply Chain	1,658,718	347,523
Hailian Container	1,418,645	888,175
Dongjiakou Wanbang Logistics	938,002	(99,899)
United Shipping Agency	732,333	2,402,869
Qingdao Port Engineering	498,385	4,753,644
Hailu International	388,239	438,158
GSBN	287,045	652,922
Ganglianhai Logistics	232,303	–
Ocean Shipping Agency	192,117	849,910
Dongjiakou Sinotrans Logistics	183,655	93,362
Xishuangbanna Rubber	119,573	(272,673)
Shandong Port Energy	32,869	1,049,215
Shangang Energy Development (Qingdao)	20,846	–
Linyi Expressway	1,037	67,040
Shandong Sinotrans Chemical	(9,889)	–
Overseas Development Qingdao	(384,667)	270,940
Shangang Luhai Jinan	(2,619,379)	686,256
Evergreen Container	(3,291,973)	16,496,316
QDOT	(10,262,871)	3,423,621
COSCO Abu Dhabi	(11,722,596)	(15,042,615)
Sealand Equipment Qingdao	(15,135,470)	12,150,391
West United	(24,935,381)	(25,428,118)
	433,653,877	769,164,806

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(f) Remuneration of key management

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Remuneration of key management	5,572,933	6,765,883

(g) Other related party transactions

(i) Port construction fees, harbour dues, and port facility security expenses received and paid on behalf of related parties from/to their clients

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Funds received under the entrustment of related parties –		
QQCT	2,147,191,246	2,617,954,815
QQCTN	1,104,911,660	1,115,483,220
QQCTU	862,562,892	627,961,468
QQCTUA	276,540,204	272,986,656
	4,391,206,002	4,634,386,159
Funds paid to related parties –		
QQCT	2,227,929,596	2,644,638,221
QQCTN	1,114,933,096	1,142,598,575
QQCTU	879,215,453	621,444,001
QQCTUA	281,833,798	253,774,122
	4,503,911,943	4,662,454,919

Port construction fees, harbour dues, and port facility security expenses received and paid on behalf of related parties are collected by the Company's subsidiary Container Development Co. and QDP Logistics on behalf of related parties, including QQCT, QQCTU, QQCTUA and QQCTN, from their clients and paid to above related parties.

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(g) Other related party transactions (Continued)

(ii) Port charges, berthing fees, and security fees collected by related parties on behalf of the Group

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
QQCT	29,020,609	32,537,162
QQCTU	22,904,055	16,092,452
QQCTN	15,762,773	14,380,691
Qingdao Shihua	14,040,775	18,952,849
QQCTUA	6,657,719	5,577,104
West United	2,504,725	3,719,733
	90,890,656	91,259,991

Related parties such as Qingdao Shihua and QQCT charge customers for cargo harbour dues, berthing fees, and security fees and submit 50% of them to the Company.

(iii) Accept the commission payment of related parties

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Qingdao Port Engineering	37,444,852	28,697,504
QQCT	36,664,505	22,601,756
QDOT	34,771,337	23,537,203
QQCTU	16,020,192	13,930,452
QQCTN	10,322,641	7,227,584
Qingdao Shihua	4,895,698	4,815,341
West United	4,331,830	4,640,195
Shanhai Property Qingdao	2,982,357	3,371,258
Sealand Equipment Qingdao	1,948,154	4,589,098
QQCTUA	783,636	484,660
Harbor Vocational College	711,284	700,274
Shangang Production Guarantee	624,210	354,051
Huaneng Qingdao	297,070	635,439
Yuanhai Zhirong	286,256	386,585
Qingdao Port Group	247,948	1,216,896
International Cruise	218,845	767,698
Other related parties	2,202,729	2,082,092
	154,753,544	120,038,086

The Company's subsidiary, Tongze Trading, provides procurement agency services to related parties, and accepts their entrustment to make payments to suppliers for procurement.

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(6) Related party receivable and payable balances

(a) Cash at bank and on hand

	30 June 2026 (Unaudited)	31 December 2025
Shandong Port Finance – Cash at bank	13,142,261,295	12,465,896,078
Shandong Port Finance – Other cash balances	2,759,864	2,711,455
Shandong Port Finance – Accrued interest	61,425,296	42,261,093
	13,206,446,455	12,510,868,626

(b) Notes receivable

	30 June 2026 (Unaudited)		31 December 2025	
	Book balance	Provision for bad debts	Book balance	Provision for bad debts
Qingdao Port Engineering	8,440,124	(216,911)	23,307,100	(694,552)
Sealand Equipment Qingdao	2,123,512	(54,574)	1,126,206	(33,561)
International Cruise	1,320,959	(33,949)	2,110,350	(62,888)
Qingdao COSCO SHIPPING Containers	262,669	(6,751)	–	–
	12,147,264	(312,185)	26,543,656	(791,001)

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(6) Related party receivable and payable balances (Continued)

(c) Accounts receivable

	30 June 2026 (Unaudited)		31 December 2025	
	Book balance	Provision for bad debts	Book balance	Provision for bad debts
COSCO SHIPPING Containers	270,728,830	(13,514,197)	3,940,024	(180,059)
Shandong Harbor Construction	143,597,189	(26,756,801)	155,278,835	(21,101,330)
Qingdao Shihua	97,280,781	(4,215,272)	85,629,357	(7,044,899)
QDOT	65,126,278	(8,264,703)	50,584,353	(6,917,131)
OOCL Containers	54,264,062	(2,710,090)	892,007	(40,765)
QQCTU	43,029,988	(2,382,450)	23,487,611	(1,073,384)
Shangang Express	42,398,317	(1,272,070)	14,421,949	(659,083)
Xinxinhai Shipping	40,351,470	(2,017,574)	–	–
Qingdao Port Engineering	35,851,111	(11,263,042)	35,685,286	(8,738,778)
QQCT	33,290,783	(1,779,903)	23,744,497	(1,185,722)
QQCTN	26,483,096	(1,845,571)	25,704,191	(2,017,243)
Land-sea Medlog Logistics	20,156,635	(604,699)	9,226,938	(421,671)
Shangang Luhai Zhengzhou	18,605,073	(558,152)	9,215,812	(421,163)
Sealand Equipment Group Rizhao	17,864,161	(4,265,639)	18,341,047	(4,070,322)
Shangang Luhai Logistics Development	17,270,179	(518,215)	12,635,184	(577,428)
QDP Investment Group	15,195,053	(1,730,376)	13,974,470	(1,233,277)
Shangang Luhai Lanzhou	13,712,684	(719,285)	10,572,501	(844,373)
Overseas Development Qingdao	12,150,230	(532,507)	12,079,132	(552,016)
QQCTUA	11,507,284	(386,735)	11,276,762	(515,348)
Jiaodong International Container Shipping	10,941,855	(328,256)	9,004,362	(411,499)
Shanghai Pan-Asia	10,279,499	(512,348)	3,516,294	(160,695)
Coheung Marine Shipping	8,878,946	(443,947)	–	–
COSCO SHIPPING Logistics	8,813,452	(440,673)	538,923	(24,629)
Yuanhai Zhirong	8,781,779	(439,034)	6,304,948	(288,136)
West United	8,446,431	(306,900)	4,096,495	(187,210)
Shandong Zhenhua Energy	8,038,833	(336,179)	5,736,068	(262,138)
Lianyun International Logistics	8,038,449	(241,189)	11,542,193	(527,478)
Ganglianrong Logistics	7,122,863	(352,261)	3,336,187	(152,464)
Zibo Inland Port	5,752,104	(172,563)	292,924	(13,387)
Shandong Port Engineering	5,220,974	(4,496,821)	5,620,974	(4,101,580)
Bingang Oil	4,979,118	(149,374)	–	–
China Ocean Shipping Agency	4,926,666	(229,796)	6,547,128	(299,194)
Qingdao Port Group	4,294,190	(2,771,973)	4,367,068	(2,303,842)
Luhai Logistics Rizhao	4,167,196	(862,191)	2,856,413	(130,538)
Weihai Port Group	4,131,498	(666,795)	5,272,450	(344,211)
Qingdao COSCO SHIPPING Containers	4,055,129	(202,747)	844,941	(38,614)
Sino-Ocean Daya	3,774,996	(192,371)	7,454,451	(340,668)
Orient Container	3,754,399	(187,720)	8,407,053	(384,202)

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(6) Related party receivable and payable balances (Continued)

(c) Accounts receivable (Continued)

	30 June 2026 (Unaudited)		31 December 2025	
	Book balance	**Provision for bad debts**	Book balance	Provision for bad debts
Shanhai Property Qingdao	**3,303,646**	**(141,802)**	5,331,808	(334,888)
Xinggang International Freight	**2,958,345**	**(88,750)**	225,149	(2,138)
Gangxin Capital Investment	**2,911,430**	**(87,343)**	506,799	(23,161)
Weifang Bulk Terminal	**2,776,225**	**(120,772)**	3,742,032	(171,011)
Shangang Service Development	**2,655,650**	**(79,670)**	–	–
Shangang Luhai Jinan	**2,604,048**	**(78,121)**	1,213,377	(55,451)
Shangang Shipping Weihai	**2,496,298**	**(74,889)**	3,262,856	(149,113)
Binzhou Gangtong Pipeline	**2,465,646**	**(332,269)**	2,496,666	(173,647)
Shangang Shipping Group	**2,270,746**	**(69,849)**	5,641,304	(257,808)
Qianwan Xinhe Supply Chain	**2,252,123**	**(76,645)**	2,158,953	(19,638)
Port Municipal Construction	**1,789,310**	**(53,679)**	1,789,310	(81,771)
Shangang Luhai Liaocheng	**1,729,998**	**(51,900)**	20,722	(947)
Shangang Sunshine Huicai	**1,675,473**	**(44,817)**	2,914,035	(133,171)
Huanhai Bay Development and Construction	**1,658,471**	**(497,541)**	1,658,471	(497,541)
Sealand Equipment Qingdao	**1,578,805**	**(94,387)**	1,103,728	(78,133)
Shandong Port Weifang Port	**1,530,000**	**(1,224,000)**	1,530,000	(1,224,000)
Hailian Container	**1,213,169**	**(45,321)**	1,425,804	(65,159)
Gangda Shipbuilding Heavy Industry	**1,000,000**	**(30,000)**	–	–
Bohai Bay Barge	**854,428**	**(25,633)**	1,549,432	(70,809)
COSCO Weizhi Tank Container Logistics	**826,571**	**(24,805)**	1,415,865	(49,225)
Sealand Equipment Haiyang	**636,312**	**(19,089)**	3,299,078	(150,768)
Shangang International Investment	**49,120**	**(1,474)**	1,856,828	(84,857)
Luhai International Logistics	**–**	**–**	583,228	(25,272)
COSCO Abu Dhabi	**–**	**–**	4,538,783	(207,422)
Other related parties	**13,019,073**	**(510,269)**	22,570,013	(1,062,265)
	1,157,516,468	**(102,443,444)**	673,263,069	(72,482,672)

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(6) Related party receivable and payable balances (Continued)

(d) Contract assets

	30 June 2026 (Unaudited)		31 December 2025	
	Book balance	Provision for bad debts	Book balance	Provision for bad debts
Qingdao Port Engineering	38,981,734	(1,504,695)	–	–
Shandong Harbor Construction	15,427,585	(595,505)	–	–
QDP Investment Group	6,013,946	(232,138)	–	–
QQCT	4,932,602	(190,398)	10,549,242	(509,528)
QQCTN	1,831,279	(70,687)	–	–
Port Municipal Construction	1,755,021	(67,744)	–	–
Sealand Equipment Group Rizhao	1,419,695	(54,800)	–	–
QQCTU	802,562	(30,979)	10,880,601	(525,533)
QQCTUA	758,414	(29,275)	–	–
Qingdao Shihua	302,215	(11,665)	2,131,200	(102,937)
QDP Investment Group	–	–	1,053,345	(50,877)
Other related parties	570,693	(22,030)	–	–
	72,795,746	(2,809,916)	24,614,388	(1,188,875)

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(6) Related party receivable and payable balances (Continued)

(e) Prepayments

	30 June 2026 (Unaudited)	31 December 2025
Shandong Harbor Construction	66,065,972	–
Sealand Equipment Qingdao	40,012,276	106,259,500
Qingdao Port Engineering	27,767,635	6,459,115
Shangang Luhai Zhengzhou	26,205,200	999,200
Shangang Culture Media	26,146,226	5,000,000
Dongjiakou Railway	20,739,888	8,179,672
Port Municipal Construction	18,896,427	–
QQCTU	10,433,786	–
Qianwan Xinhe Supply Chain	7,426,102	–
Shangang Service Development	4,910,125	1,612,000
Qingdao Port Group	2,778,788	13,558
OOCL Containers	2,738,173	–
QDOT	1,758,017	–
Shangang Transportation Service	1,379,216	24,557
Shangang International Trade	934,433	–
International Cruise	931,163	–
West United	752,292	–
Harbor Vocational College	705,997	–
Taiyi Data Technology	700,000	–
QQCT	659,264	–
QDP Investment Group	557,132	101,936
Technology Company	522,708	1,991,170
Shandong Luhaitong Digital	499,783	–
Shandong Lujian	480,000	–
International Cruise Port Development and Construction	252,294	120,039,040
Other related parties	2,968,003	1,170,335
	267,220,900	251,850,083

(f) Other receivables

Dividend receivable –

	30 June 2026 (Unaudited)	31 December 2025
QDOT	81,810,723	81,810,723
UG	22,826,631	–
Gulf Liquid Chemical	770,000	–
Overseas Development Qingdao	–	540,042
Yuanhai Zhirong	–	19,892,941
	105,407,354	102,243,706

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(6) Related party receivable and payable balances (Continued)

(f) Other receivables (Continued)

Others –

	30 June 2026 (Unaudited)		31 December 2025	
	Book balance	Provision for bad debts	Book balance	Provision for bad debts
QDOT	51,780,570	(1,553,417)	40,343,524	(1,286,958)
Qingdao Port Engineering	25,384,399	(761,532)	17,723,778	(566,831)
Shangang Luhai Logistics Development	17,288,603	(504,122)	23,177,938	(391,838)
Yuanhai Zhirong	15,557,036	(698,853)	9,396,158	(300,219)
Land-sea Medlog Logistics	14,645,203	(439,356)	6,298,309	(200,916)
Luhai Logistics Rizhao	11,815,217	(1,188,457)	10,786,524	(344,090)
Orient Container	11,144,432	(304,048)	9,266,716	(262,644)
QQCT	12,247,283	(349,878)	12,729,306	(411,692)
QDP Investment Group	9,620,610	(277,298)	1,611,777	(51,416)
West United	9,461,559	(197,375)	17,760,007	(621,189)
Weihai Port International Passenger Transport	9,127,950	(3,993,972)	10,185,096	(514,889)
QQCTU	8,339,749	(250,192)	6,667,276	(212,686)
Ganglianrong Logistics	6,422,237	(195,782)	2,160,079	(69,185)
Sino-Ocean Daya	5,893,396	(186,168)	10,159,758	(264,634)
QQCTN	5,643,391	(169,302)	3,490,448	(111,345)
Qingdao Shihua	4,072,780	(122,183)	2,227,824	(71,068)
Qingdao Port Group	3,908,478	(1,112,663)	3,292,402	(145,403)
China Ocean Shipping Agency	3,353,404	(46,891)	3,245,122	(5,096)
Shandong Harbor Construction	3,010,006	(87,708)	764,054	(24,373)
COSCO SHIPPING Containers	2,207,517	(110,376)	161,458	(5,151)
QQCTUA	2,076,688	(62,301)	2,181,109	(69,577)
Sealand Equipment Qingdao	1,449,236	(43,477)	2,430,252	(77,678)
Shanhai Property Qingdao	1,430,977	(42,776)	495,301	(15,800)
Shangang Shipping Group	1,209,607	(480)	936,167	(22,245)
Qianwan Xinhe Supply Chain	3,895,049	(37,140)	15,968	(509)
OOCL Containers	1,122,476	(32,474)	3,012,449	(95,778)
Shangang Luhai Lanzhou	137,970	(4,139)	1,265,735	(40,377)
COSCO SHIPPING Customs Brokerage	84	(3)	3,819,056	(121,828)
Sealand Equipment Group Rizhao	–	–	1,000,000	(31,900)
Other related parties	15,075,149	(333,121)	20,833,626	(532,814)
	257,321,056	(13,105,484)	227,437,217	(6,870,129)

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(6) Related party receivable and payable balances (Continued)

(g) Short-term borrowings

	30 June 2026 (Unaudited)	31 December 2025
Shandong Port Finance – Unsecured	203,260,000	99,760,000
Shandong Port Finance – Accrued interest	124,707	76,576
	203,384,707	99,836,576

(h) Notes payable

	30 June 2026 (Unaudited)	31 December 2025
Qingdao Port Engineering	2,015,892	4,203,603
QDP Investment Group	1,775,400	6,414,842
Shangangtong Engineering Management Consulting	1,132,826	–
Luhai Heavy Industry	741,000	–
Shanhai Property Qingdao	241,700	–
Technology Company	–	4,594,000
Sealand Equipment Qingdao	–	52,632,000
	5,906,818	67,844,445

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(6) Related party receivable and payable balances (Continued)

(i) Accounts payable

	30 June 2026 (Unaudited)	31 December 2025
Qingdao Shihua	358,368,944	342,497,652
Shangang Luhai Logistics Development	205,954,466	93,571,101
Qingdao Port Engineering	182,091,946	178,448,050
QQCTU	149,965,728	137,797,761
QDOT	93,588,507	99,217,814
QDP Investment Group	57,212,919	30,596,470
QQCTUA	44,345,277	6,789,834
West United	43,857,036	35,977,126
Shangang Express	41,399,198	882,930
QQCT	31,878,119	15,501,936
QQCTN	16,637,010	188,591
Rizhao Port Container Development	14,631,259	5,653,639
Huaneng Qingdao	9,995,640	7,928,184
Weihai Dingxin Construction	9,884,584	10,463,536
Shanhai Property Qingdao	8,122,402	1,346,565
Sealand Equipment Qingdao	7,344,216	20,743,479
Qingdao Port Group	6,447,418	4,576,744
China Ocean Shipping Agency	5,375,278	4,098
Shangang Luhai Zhengzhou	4,790,391	3,038,466
Dongjiakou Railway	3,418,655	5,266,713
Harbor Vocational College	2,776,613	2,638,625
CSSC Fuel Qingdao	2,608,955	3,623,260
Luhai Logistics Yantai	2,506,414	1,739,747
Luhai Heavy Industry	2,449,422	3,190,422
Weihai Port Group	2,311,694	–
Shangang Shanhai Security	1,949,071	329,406
Shangang Land Sea Cold Chain Logistics (Qingdao)	1,350,000	–
Shandong Port Engineering	1,335,164	1,244,689
Shangang Industry-City Integration Weihai	1,291,125	1,934,941
Luhai Logistics Rizhao	1,091,950	498,205
Dongjiakou Sinotrans Logistics	940,115	313,372
Shangang Sunshine Huicai	560,781	642,412
Other related parties	23,199,157	22,660,882
	1,339,679,454	1,039,306,650

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(6) Related party receivable and payable balances (Continued)

(j) Advances from customers

	30 June 2026 (Unaudited)	31 December 2025
QQCT	12,335,981	–
QQCTN	5,813,300	–
QQCTU	3,986,300	–
QQCTUA	3,360,850	–
Orient Container	1,235,267	–
Dadao Resource Recycling	1,037,733	–
Qingdao Port Engineering	949,890	–
Yuanhai Zhirong	41,712	291,983
Other related parties	686,402	48,671
	29,447,435	340,654

(k) Contract liabilities

	30 June 2026 (Unaudited)	31 December 2025
COSCO SHIPPING Containers	61,868,317	7,602,593
Lianyun International Logistics	3,102,430	–
Shanghai Pan-Asia	2,865,917	347,573
Qinggang International Trade Logistics	2,805,776	–
Sino-Ocean Daya	1,627,863	2,257,096
Shangang Luhai Logistics Development	1,172,155	465,950
OOCL Containers	1,169,344	2,913,042
China Ocean Shipping Agency	1,151,833	1,060,176
Qingdao COSCO SHIPPING Containers	1,020,000	350,000
West United	729,300	–
QDP Investment Group	520,006	938,949
TRAFIGURA International Trade	241,385	1,559,540
Qingdao Shipping Agency	102,634	108,790
Luhai International Logistics	–	591,917
Other related parties	2,001,750	2,815,842
	80,378,710	21,011,468

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(6) Related party receivable and payable balances (Continued)

(l) Other payables

Others

	30 June 2026 (Unaudited)	31 December 2025
Qingdao Port Engineering	1,045,863,275	1,008,521,883
Shandong Harbor Construction	562,661,812	155,553,663
Sealand Equipment Qingdao	229,396,623	187,506,909
Shangang Service Development	106,490,407	114,457,879
Shangang Luhai Logistics Development	64,855,908	159,780,044
Shangang Technology Group	34,150,745	34,263,073
Technology Company	34,077,314	7,885,089
QQCT	22,333,677	103,246,069
Port Municipal Construction	17,750,992	–
QDP Investment Group	12,827,679	11,413,312
Shanhai Property Weihai	12,023,395	7,091,556
QQCTU	11,189,592	28,039,778
Qingdao Port Group	10,359,984	12,128,309
Shandong Port Engineering	6,559,546	6,670,771
Shanhai Property Qingdao	5,910,957	2,254,898
QQCTN	5,547,718	15,559,372
Shandong Port Engineering Management	5,400,105	5,160,007
Weihai Lujian	4,746,506	4,073,296
International Cruise Port Development and Construction	3,504,637	10,330
Orient Container	3,384,250	3,936,553
Weihai Gangtong Technology	3,222,989	2,016,747
Weihai Dingxin Construction	2,847,061	3,680,749
Shangang Transportation Service	2,557,870	103,133
Shangang Sunshine Huicai	2,410,531	1,301,868
China Ocean Shipping Agency	1,986,162	2,660,000
QQCTUA	1,925,083	6,861,692
Luhai International Logistics	1,426,328	1,039,500
Qingdao Shihua	342,986	1,168,280
Qianwan Xinhe Supply Chain	109,521	1,800,707
QDOT	96,213	1,976,246
Shandong Lujian	86,500	1,211,000
Sino-Ocean Daya	70,300	1,102,016
Qingdao COSCO SHIPPING Containers	64,063	1,083,232
Shandong Port Weifang Port	300,000	1,260,000
Other related parties	9,839,090	20,435,561
	2,226,319,819	1,915,253,522

VIII RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(6) Related party receivable and payable balances (Continued)

(m) Other non-current liabilities

	30 June 2026 (Unaudited)	31 December 2025
QQCT	1,532,533,245	1,631,243,933
QQCTN	34,005,690	35,265,160
QQCTU	7,060,434	7,665,613
Other related parties	–	4,544,784
	1,573,599,369	1,678,719,490

(n) Long-term borrowings

	30 June 2026 (Unaudited)	31 December 2025
Shandong Port Finance – Unsecured	3,259,671,766	3,402,713,156
Shandong Port Finance – Accrued interest	2,530,325	2,603,416
	3,262,202,091	3,405,316,572

(o) Lease liabilities

	30 June 2026 (Unaudited)	31 December 2025
Qingdao Port Group	354,013,774	120,482,644
QQCTN	88,480,935	106,177,123
Weihai Port Group	21,208,199	–
QDP Investment Group	12,730,096	28,616,980
Shangang Transportation Service	4,632,301	4,468,584
West United	2,619,048	–
QQCTU	554,829	–
QQCT	388,819	–
	484,628,001	259,745,331

(p) Long-term payables

	30 June 2026 (Unaudited)	31 December 2025
Qinggang Leasing Company	123,510,000	125,850,000
	123,510,000	125,850,000

IX COMMITMENTS AND CONTINGENCIES

(1) Capital commitments

Capital expenditures contracted for by the Group at the balance sheet date but are not yet necessary to be recognized on the balance sheet are as follows:

	30 June 2026 (Unaudited)	31 December 2025
Port facilities and others	2,404,219,568	1,177,233,614

(2) Contingencies

As of the balance sheet date, the Group had no material contingencies requiring disclosure.

X EVENTS AFTER THE BALANCE SHEET DATE

(1) Distributing cash dividends to all shareholders:

The Company intends to distribute 35% of the profits available for distribution in the first half of 2026 as an interim dividend, with a total dividend payout of RMB907,901,500 (including tax) (representing approximately 33% of the net profit attributable to shareholders of the listed company as reported in the Company's consolidated financial statements for the first half of 2026). As of 30 June 2026, based on the Company's total share capital of 6,491,100,000 shares, it is proposed to pay an interim dividend of RMB1.399 (including tax) per 10 shares to all shareholders. The aforementioned interim dividend will be paid within two months after it is reviewed and approved by the Company's Board of Directors (no later than 28 October 2026).

Except for the above disclosure of events after the balance sheet date, the Group has no other significant events after the balance sheet date.

XI OTHER MATTERS

(1) Contract dispute between the Company's subsidiary, Logistics Park Development, and Yinglu Pingxing Automotive regarding an import and export agency agreement:

Logistics Park Development, a subsidiary of the Company, filed a lawsuit with Weihai Intermediate People's Court in November 2019 for importing automobiles on behalf of Rongcheng Yinglu Pingxing Imported Automotive Co., Ltd. ("Yinglu Pingxing Automotive"). According to the civil judgement issued by Weihai Intermediate People's Court on 10 November 2020, it was ruled that Yinglu Pingxing Automotive shall pay Logistics Park Development advances, taxes, import agency expenses and other expenses for a total of RMB129,000,724. Shandong Hongtong Zhiyuan Investment Co., Ltd. and the individual Zhang Hong assume joint guarantee liabilities for the debt of Yinglu Pingxing Automotive at the amount of RMB48,938,763. After the judgement came into effect, Yinglu Pingxing Automotive settled part of the debt by pledging fixed assets, and Zhang Hong settled part of the debt by pledging houses. Logistics Park Development has made a full provision for bad debts of remaining receivables RMB63,379,156, and wrote off the amount in 2024.

In March 2025, Yinglu Pingxing Automotive initiated a new lawsuit against Logistics Park Development, demanding either delivery of the imported vehicles under the agency import agreement or compensation for the corresponding vehicle losses, plus interest for capital occupation until actual payment. In July 2025, the case underwent a second hearing, during which Yinglu Pingxing Automotive further amended its claims, requesting that Logistics Park Development return 129 vehicles. In the alternative, Yinglu Pingxing Automotive sought compensation for vehicle losses amounting to RMB143,293,300.

According to the civil judgment issued by the Huancui District People's Court of Weihai City on 12 November 2025, all claims brought by Yinglu Pingxing Automotive were dismissed, resulting in a favorable ruling for Logistics Park Development. In November 2025, Yinglu Pingxing Automotive filed an appeal, which has been formally accepted by the Weihai Intermediate People's Court. In March 2026, the Weihai Intermediate People's Court issued its second-instance judgment, dismissing the appeal filed by Yinglu Pingxing Automotive.

Regarding the aforementioned trial outcome, Yinglu Pingxing Automotive continued to maintain that the trial procedures were unlawful and that the law had been misapplied, and filed a petition for civil retrial with the Shandong Provincial High People's Court. In May 2026, Logistics Park Development received a notice to appear in court. On 14 August 2026, the Shandong Provincial High People's Court issued Civil Ruling No. (2026) Lu Min Shen 5490, finding that the facts in the original judgment were clear and the application of the law was correct, confirming that Yinglu Pingxing Automotive was aware of the whereabouts of the vehicle in question, and dismissing all of its applications for retrial in accordance with the law. At this point, all of the claims brought by Yinglu Pingxing Automotive in this case have been dismissed.

XI OTHER MATTERS (Continued)

(2) Litigation involving cargo control and supervision services provided by the Company's subsidiary, International Oil Port

In 2025, the Company's subsidiary, International Oil Port, was sued by LUX SDN.BHD ("Petrolux") in relation to its provision of cargo control and supervision services. Petrolux claimed that International Oil Port should deliver the crude oil stored under its supervision; alternatively, if delivery is not possible, International Oil Port should compensate for the loss based on the value of the cargo and also pay damages for capital occupation losses. On 30 December 2025, the Qingdao Maritime Court issued a first-instance judgment, finding that International Oil Port was not at fault in this matter and dismissed all claims brought by Petrolux. Petrolux has filed an appeal. As of the date of approval of these financial statements, the second-instance hearing has not yet commenced.

Based on the legal opinion issued by Zhong Lun (Qingdao) Law Firm regarding this case, and taking into account the facts established and the ruling rendered by the court in the first-instance judgment, the Company expects that this litigation will not have a material adverse impact on the Group's operations. The Company will continue to closely monitor the progress of the case.

(3) Significant non-equity investments:

From 8 December 2025, to 19 December 2025, the 2nd meeting of the 5th Board of Directors of the Company adopted the following two investment and construction proposals by voting:

Pursuant to the resolution on the *Proposal on Investing in the Construction of Phase I of the Eastern Container Terminal at Langyatai Bay Operation Area, Dongjiakou Port, Qingdao Port*, the Company has been authorized to proceed with the project, which will comprise three specialized container berths with a designed annual throughput capacity of 3.2 million TEUs and an estimated total investment of RMB9,097,067,100.

Pursuant to the resolution on the *Proposal on Investing in the Construction of the General Cargo Terminal at the Head of Langyatai Bay, Dongjiakou Port, Qingdao Port*, the Company has been authorized to proceed with the project. The terminal will comprise seven general-purpose berths (30,000-70,000 DWT), with a designed annual throughput capacity of 14.33 million tonnes and an estimated total investment of RMB6,614.58 million.

The Company has obtained the sea use approval for the above two projects on 19 March 2026. The construction period for both projects is approximately 4 years, with completion expected in 2029.

XI OTHER MATTERS (Continued)

(4) Acquisition of the controlling shareholder's underlying assets:

On 18 June 2026, the Company entered into an asset transfer agreement with its controlling shareholder, Qingdao Port Group, to purchase the underlying assets for RMB65,539,879.86 (including tax). The assets include one land use right, five buildings, two structures, 115 units of machinery and equipment, and 484 units of electronic equipment. The pricing of this transaction is based on the valuation results set forth in the *Asset Valuation Report on Fixed Assets and Intangible Assets Involved in the Proposed Asset Transfer of Shandong Port Qingdao Port Group Co., Ltd.* issued by Beijing Tianyuankai Assets Evaluation Co., Ltd. on 8 December 2025. The buyer and seller shall complete the registration procedures for the transfer of the underlying assets within one year after the asset transfer agreement takes effect. Upon completion of the transaction, the Company will acquire new fixed assets and intangible assets, resulting in an annual increase in depreciation of approximately RMB2.099 million; this will not have a material adverse effect on the Company's financial condition or operating results.

XII RISKS RELATED TO FINANCIAL INSTRUMENTS

The Group's activities expose it to a variety of financial risks: market risk (primarily including foreign exchange risk, interest rate risk, and other price risks), credit risk, and liquidity risk. The above financial risks and the risk management policies adopted by the Group to mitigate these risks are described below:

The Board of Directors is responsible for planning and establishing the Group's risk management framework, formulating the Group's risk management policies and related guidelines, and supervising the implementation of the risk management measures. The Group has developed risk management policies to identify and analyze the risks that the Group faces, which the risk management policy has specified the specific risks, covering the market risk, credit risk, liquidity risk management, and many other aspects. The Group regularly evaluates the market environment and changes in its operating activities to determine whether to update the risk management policies and systems. The Group's risk management is carried out by the Risk Control Committee in accordance with policies approved by the Board of Directors. The Risk Control Committee adopted the work closely with other business units to identify, evaluate, and evade related risks. The Group's internal audit department controls the risk management system and procedures for periodic review, and the audit results reported to the Group's audit committee.

(1) Market risk

(a) Foreign exchange risk

The Group's main operations are located in China, and its main business is settled in RMB. Foreign exchange risks identified by the Group in foreign currency assets and liabilities and future foreign currency transactions (foreign currency assets and liabilities and foreign currency transactions are denominated primarily in USD and EUR). The Group continuously monitors the size of its foreign currency transactions and foreign currency assets and liabilities in order to minimize its exposure to foreign exchange risk: as at 30 June 2026, the Group had no foreign currency borrowings, and it can achieve hedging of foreign exchange risk by entering into forward foreign exchange contracts or currency swap contracts.

During the six months ended 30 June 2026, the Group did not enter into any forward foreign exchange contracts or currency swap contracts.

XII RISKS RELATED TO FINANCIAL INSTRUMENTS (Continued)

(1) Market risk (Continued)

(a) Foreign exchange risk (Continued)

As at 30 June 2026 and 31 December 2025, the amounts of foreign-currency financial assets and foreign-currency financial liabilities held by companies within the Group whose recording currency is RMB are translated into RMB as follows:

	30 June 2026 (Unaudited)			
	USD	**EUR**	**Others**	**Total**
Foreign currency financial assets –				
Cash at bank and on hand	**361,135,161**	**32,925,933**	**1,665**	**394,062,759**
Accounts receivable	**325,969,824**	**–**	**83,699**	**326,053,523**
Other receivables	**419,397,963**	**–**	**–**	**419,397,963**
	1,106,502,948	**32,925,933**	**85,364**	**1,139,514,245**
Foreign currency financial liabilities –				
Accounts payable	**(184,865,262)**	**–**	**(12,655)**	**(184,877,917)**
Other payables	**(382,681,559)**	**–**	**–**	**(382,681,559)**
	(567,546,821)	**–**	**(12,655)**	**(567,559,476)**

	31 December 2025			
	USD	EUR	Others	Total
Foreign currency financial assets –				
Cash at bank and on hand	343,206,949	34,605,069	2,996	377,815,014
Accounts receivable	159,275,820	–	26,543	159,302,363
Other receivables	163,016,056	–	–	163,016,056
	665,498,825	34,605,069	29,539	700,133,433
Foreign currency financial liabilities –				
Accounts payable	(60,229,597)	–	(12,065)	(60,241,662)
Other payables	(168,766,190)	–	–	(168,766,190)
	(228,995,787)	–	(12,065)	(229,007,852)

XII RISKS RELATED TO FINANCIAL INSTRUMENTS (Continued)

(1) Market risk (Continued)

(a) Foreign exchange risk (Continued)

As at 30 June 2026, for all types of USD financial assets and USD financial liabilities of the Group with a carrying amount in RMB, if RMB had appreciated or depreciated by 4% against USD, with all other factors remaining unchanged, the Group would have decreased or increased its net profit by approximately RMB16,169,000 (31 December 2025: approximately RMB13,095,000), with no impact on other comprehensive income; as at 30 June 2026, for all types of EUR financial assets and EUR financial liabilities of the Group with a carrying amount in RMB, if RMB had appreciated or depreciated by 4% against EUR, with all other factors remaining unchanged, the Group would have decreased or increased its net profit by approximately RMB988,000 (31 December 2025: approximately RMB1,038,000), with no impact on other comprehensive income.

(b) Interest rate risk

The Group's interest rate risk arises from long-term interest-bearing debts, including long-term borrowings and long-term payables. Financial liabilities issued at floating rates expose the Group to cash flow interest rate risk. Financial liabilities issued at fixed rates expose the Group to fair value interest rate risk. The Group determines the relative proportions of its fixed-rate and floating-rate contracts depending on the prevailing market conditions.

As at 30 June 2026, the Group's long-term interest-bearing debts primarily consisted of the amount of borrowings of RMB3,297,393,839 (31 December 2025: RMB3,163,863,879), which was a variable rate contract referencing LPRs over the same period, and the remaining portion bore interest at a fixed interest rate.

As at 30 June 2026, the Group's long-term payables include RMB320,000,000 principal amount of sale-leaseback arrangements and entrusted borrowings treated as collateralized borrowings, all of which bear interest at fixed rates.

The Group continuously monitors the level of the Group's interest rates. Rising interest rates will increase the cost of new interest-bearing debts and interest expense on the Group's outstanding interest-bearing debts with floating interest rates and adversely affect the Group's financial results. The management will make timely adjustments based on the latest market conditions, and these adjustments may be made by entering into interest rate swap arrangements to reduce interest rate risk. For the six months ended 30 June 2026 and the six months ended 30 June 2025, the Group did not have interest rate swap arrangements.

As of 30 June 2026, if the interest rate on borrowings based on the floating rate LPR had increased or decreased by 50 basis points with all other factors held constant, the Group's net profit would have decreased or increased by approximately RMB12,365,227 (31 December 2025: RMB11,864,490).

XII RISKS RELATED TO FINANCIAL INSTRUMENTS (Continued)

(1) Market risk (Continued)

(c) Other price risks

The Group's other price risks mainly arise from all kinds of equity instrument investments, with the risk of changes in the price of equity instruments.

As at 30 June 2026, if the expected price of the Group's various equity instrument investments increased or decreased by 10% while all other variables had been held constant, the Group's net profit would have increased or decreased by approximately RMB25,804,000 (31 December 2025: approximately RMB25,804,000).

(2) Credit risk

The Group's credit risk mainly arises from cash at bank and on hand, notes receivable, accounts receivable, contract assets, receivables financing, other receivables, debt investments, other debt investments, and investments in debt instruments at fair value through profit or loss that are not included in the impairment assessment scope. As at the balance sheet date, the book value of the Group's financial assets represented the maximum exposure of the Group.

The Group's cash at bank and on hand is mainly cash at bank deposited at state-owned banks and other medium or large-sized listed banks with a good reputation and a higher credit rating, and Shandong Port Finance. Shandong Port Finance has developed a strict fund management system, and it deposits most of the assets at the People's Bank of China, state-owned banks, and domestic joint-stock commercial banks. The Group does not expect that there will be any significant credit risk, so there will be almost no significant losses from non-performance by these banks and Shandong Port Finance.

In addition, the Group has relevant policies to limit the credit risk exposure on notes receivable, accounts receivable, financing receivables, other receivables, and contract assets. The Group assesses the credit quality of and sets credit periods on its customers by taking into account their financial position, the availability of a guarantee from third parties, their credit history, and other factors such as current market conditions. The credit history of the customers is regularly monitored by the Group. In respect of customers with a poor credit history, the Group will use written payment reminders, or shorten or cancel credit periods, to ensure the overall credit risk of the Group is limited to a controllable extent.

As at 30 June 2026 and 31 December 2025, the Group did not make provisions for bad debts regarding the long-term receivables due from Hunan Kupu disclosed as the value of the collateral provided by the debtor exceeded its book balance; except for this, the Group had no significant collateral or other credit enhancements held as a result of the debtor's mortgage.

(3) Liquidity risk

Each subsidiary within the Group is responsible for its own cash flow projections. On the basis of summarizing the cash flow forecasts of each subsidiary, the Group continuously monitors short-term and long-term capital needs at the group level to ensure that sufficient cash reserves are readily available, and continuously monitors compliance with the loan agreement provisions and the commitments to obtain sufficient backup funds from major financial institutions to meet short-term and long-term funding needs.

XII RISKS RELATED TO FINANCIAL INSTRUMENTS (Continued)

(3) Liquidity risk (Continued)

The financial liabilities of the Group at the balance sheet date are analyzed by their maturity date below, at their undiscounted contractual cash flows:

	30 June 2026 (Unaudited)				
	Within 1 year	**1 to 2 years**	**2 to 5 years**	**Over 5 years**	**Total**
Short-term borrowings	**206,155,328**	**–**	**–**	**–**	**206,155,328**
Notes payable	**259,845,483**	**–**	**–**	**–**	**259,845,483**
Accounts payable	**1,881,363,453**	**–**	**–**	**–**	**1,881,363,453**
Other payables	**5,429,739,103**	**–**	**–**	**–**	**5,429,739,103**
Current portion of non-current liabilities	**862,577,727**	**–**	**–**	**–**	**862,577,727**
Long-term borrowings	**–**	**705,822,561**	**2,137,824,824**	**717,563,454**	**3,561,210,839**
Lease liabilities	**–**	**221,804,727**	**156,090,269**	**58,901,293**	**436,796,289**
Long-term payables	**–**	**–**	**–**	**204,240,000**	**204,240,000**
	8,639,681,094	**927,627,288**	**2,293,915,093**	**980,704,747**	**12,841,928,222**

	31 December 2025				
	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Short-term borrowings	100,298,232	–	–	–	100,298,232
Notes payable	258,794,437	–	–	–	258,794,437
Accounts payable	1,536,214,860	–	–	–	1,536,214,860
Other payables	3,931,882,854	–	–	–	3,931,882,854
Current portion of non-current liabilities	587,722,835	–	–	–	587,722,835
Long-term borrowings	–	510,935,213	2,209,915,724	688,957,734	3,409,808,671
Lease liabilities	–	102,243,402	81,906,487	1,063,213	185,213,102
Long-term payables	–	125,590,000	12,720,000	221,200,000	359,510,000
	6,414,913,218	738,768,615	2,304,542,211	911,220,947	10,369,444,991

XII RISKS RELATED TO FINANCIAL INSTRUMENTS (Continued)

(3) Liquidity risk (Continued)

The repayment period of bank borrowings and other borrowings is analysed as follows:

	30 June 2026 (Unaudited)			31 December 2025		
	Bank borrowings	Borrowings from Shandong Port Finance	Other borrowings	Bank borrowings	Borrowings from Shandong Port Finance	Other borrowings
Within 1 year	56,743,201	512,880,000	120,000,000	11,473,242	511,560,000	–
1 to 2 years	49,238,689	572,590,000	–	32,917,956	399,440,000	120,000,000
2 to 5 years	171,579,972	1,811,412,435	–	62,899,424	1,994,322,435	–
Over 5 years	110,302,347	566,049,330	200,000,000	53,442,102	597,150,721	200,000,000
	387,864,209	3,462,931,765	320,000,000	160,732,724	3,502,473,156	320,000,000

XIII FAIR VALUE ESTIMATES

The level of fair value measurement is determined by the lowest level of inputs which has a significant impact on fair value management:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;

Level 3: Unobservable inputs for the asset or liability.

(1) Assets and liabilities measured at fair value on a recurring basis

As at 30 June 2026, the assets measured at fair value on a continuing basis are listed below at the 3 levels above (Unaudited):

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets held for trading –				
Wealth management products	–	–	100,754,795	100,754,795
Equity investments	4,348,753	–	–	4,348,753
Financing receivables –				
Bank acceptance notes	–	–	195,264,436	195,264,436
Other non-current financial assets –				
Equity investments	–	–	344,054,651	344,054,651
Total	4,348,753	–	640,073,882	644,422,635

XIII FAIR VALUE ESTIMATES (Continued)

(1) Assets and liabilities measured at fair value on a recurring basis (Continued)

As at 31 December 2025, the assets measured at fair value on a continuing basis are listed below at the 3 levels above:

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets held for trading –				
Wealth management products	–	–	–	–
Equity investments	7,139,277	–	–	7,139,277
Financing receivables –				
Bank acceptance notes	–	–	119,318,404	119,318,404
Other non-current financial assets –				
Equity investments	–	–	344,054,651	344,054,651
Total	7,139,277	–	463,373,055	470,512,332

The Group has no continuing liabilities measured at fair value.

The Group takes the date on which events causing the transfers between the levels take place as the timing specific for recognising the transfers. There are no transfers between levels for the current period.

For financial instruments traded in active markets, the Group determines their fair value with their active market quotations; for financial instruments not traded in active markets, the Group uses valuation techniques to determine their fair value. The valuation models used mainly comprise the discounted cash flow model and the market comparable corporate model. The inputs of the valuation technique mainly include risk-free interest rate, benchmark interest rate, expected yield, PE multiplier, PB multiplier, and discounts for lack of marketability.

XIII. FAIR VALUE ESTIMATES (Continued)

(1) Assets and liabilities measured at fair value on a recurring basis (Continued)

Changes of the above Level 3 financial assets are analyzed below:

	31 December 2025	Purchase (Unaudited)	Sale (Unaudited)	Settle (Unaudited)	The current gains or losses recognised on assets held at the end of the period (Unaudited)	30 June 2026 (Unaudited)	The total profit of the current period included in profit or loss (Unaudited)
Financial assets							
Financial assets held for trading –							
Wealth management products	–	1,000,000,000	–	(900,000,000)	754,795	100,754,795	2,823,445
Financing receivables –							
Bank acceptance notes	119,318,404	382,880,407	(172,000,656)	(134,933,719)	–	195,264,436	(74,048)
Other non-current financial assets –							
Equity investments	344,054,651	–	–	–	–	344,054,651	–
Total	463,373,055	1,382,880,407	(172,000,656)	(1,034,933,719)	754,795	640,073,882	2,749,397

	31 December 2024	Purchase (Unaudited)	Sale (Unaudited)	Settle (Unaudited)	The current gains or losses recognised on assets held at the end of the period (Unaudited)	30 June 2025 (Unaudited)	The total profit of the current period included in profit or loss (Unaudited)
Financial assets							
Financial assets held for trading –							
Wealth management products	–	–	–	–	–	–	–
Financing receivables –							
Bank acceptance notes	212,131,274	508,020,973	(227,315,510)	(236,621,187)	–	256,215,550	(345)
Other non-current financial assets –							
Equity investments	357,184,402	–	–	–	142,914,934	500,099,336	142,914,934
Total	569,315,676	508,020,973	(227,315,510)	(236,621,187)	142,914,934	756,314,886	142,914,589

XIII FAIR VALUE ESTIMATES (Continued)

(1) Assets and liabilities measured at fair value on a recurring basis (Continued)

(a) Gains or losses included in the current profit or loss are included in the income statement, such as gains on changes in fair value, investment income.

The relevant information for Level 3 measurement at fair value is as follows:

			Inputs			
	Fair value on 30 June 2026 (Unaudited)	Valuation techniques	Parameter	Range/Weighted average	The relationship with fair value	Unobservable/ Observable
Financial assets held for trading – Wealth management products	100,754,795	Discounted cash flow	Expected yield	1.1%-2.05%	Positive correlation	Unobservable
Financing receivables – Bank acceptance notes receivable	195,264,436	Discounted cash flow	Expected discount rate	0.21%-0.62%	Negative correlation	Unobservable
Other non-current financial assets – Equity investments	344,054,651	Marketing method	Comparable listed company	PE multiplier: 22.01-75.26 PB multiplier: 0.6-2.1 Discounts for lack of marketability: 6.51%-18.18%	Positive correlation	Unobservable
	640,073,882					

			Inputs			
	Fair value on 31 December 2025	Valuation techniques	Parameter	Range/Weighted average	The relationship with fair value	Unobservable/ Observable
Financing receivables – Bank acceptance notes receivable	119,318,404	Discounted cash flow	Expected discount rate	0.23%-0.42%	Negative correlation	Unobservable
Other non-current financial assets – Equity investments	344,054,651	Marketing method	Comparable listed company	PE multiplier: 13.9-58.4 PB multiplier: 0.6-2.1 Discounts for lack of marketability: 8.2%-14.3%	Positive correlation	Unobservable
	463,373,055					

XIII FAIR VALUE ESTIMATES (Continued)

(2) Assets and liabilities not measured at fair value but for which the fair value is disclosed

The Group's financial assets and financial liabilities measured at amortized cost mainly include notes receivable, accounts receivable, other receivables, long-term receivables, short-term borrowings, notes payable, accounts payable, other payables, long-term borrowings, long-term payables, and lease liabilities etc.

The book value of the financial assets and liabilities mentioned above, not measured at fair value, has little difference from their fair value.

XIV CAPITAL MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, refund capital to shareholders, issue new shares, or sell assets to reduce debts.

The Group is not subject to external mandatory capital requirements and monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated by deducting cash and cash equivalents from interest-bearing liabilities. Total capital is calculated by owners' equity presented on the consolidated balance sheet plus net debt.

As at 30 June 2026 and 31 December 2025, the Group's gearing ratio was as follows:

	30 June 2026 (Unaudited)	31 December 2025
Principal on bank borrowings	**3,850,795,974**	3,663,205,880
Entrusted borrowings	**–**	–
Sale-leaseback arrangement deemed as mortgage loan	**120,000,000**	120,000,000
Government special-purpose bonds	**200,000,000**	200,000,000
Less: Cash (Note IV(65)(a))	**(14,038,610,348)**	(12,746,849,218)
Net assets	**(9,867,814,374)**	(8,763,643,338)
Shareholders' equity	**51,869,484,090**	50,116,493,452
Total capital	**42,001,669,716**	41,352,850,114
Gearing ratio	**Not applicable**	Not applicable

As at 30 June 2026, the Group's cash and cash equivalents exceeded interest-bearing liabilities.

XV NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS

(1) Cash at bank and on hand

	30 June 2026 (Unaudited)	31 December 2025
Cash at bank	1,741,961,611	1,701,311,561
Deposits of Shandong Port Finance Company	6,940,508,898	6,337,073,068
Other cash balances	–	–
Interest receivable	54,968,389	31,401,154
	8,737,438,898	8,069,785,783
Including: Amounts deposited abroad	34,388	36,894

30 June 2026: Other cash balances were nil. (31 December 2025: Other cash balances were nil).

(2) Accounts receivable

	30 June 2026 (Unaudited)	31 December 2025
Accounts receivable	826,094,483	397,224,491
Less: Provision for bad debts	(34,290,190)	(19,366,520)
	791,804,293	377,857,971

Certain businesses of the Company are dealt in the form of cash, advances from customers, bank acceptance notes, or trade acceptance notes. The remains are settled mainly by providing credit terms of 30-90 days.

(a) The aging of accounts receivable based on their recording dates is analyzed as follows:

	30 June 2026 (Unaudited)	31 December 2025
Within 1 year	811,326,668	368,838,113
1 to 2 years	14,767,815	28,386,378
	826,094,483	397,224,491

Accounts receivable are mainly recorded based on the date of the transaction. The aging of accounts receivable presented based on their recording dates is basically the same as the aging represented based on the dates of the invoice.

(b) As at 30 June 2026, accounts receivable with top five closing balances, grouped by the party in arrears, are summarized and analyzed as follows:

	Balance	Bad debt provision amount	% of total balance of accounts receivable
Total amount of top five accounts receivable	334,251,266	(12,986,501)	40.46%

XV NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(2) Accounts receivable (Continued)

(c) For the six months ended 30 June 2026, the Company had no accounts receivable that had been derecognized due to the transfer of financial assets (For the 6 months ended 30 June 2025: nil).

(d) Provision for bad debts

The Company measures the loss provision for accounts receivable based on lifetime expected credit losses, regardless of whether or not there is a significant financing component.

Provisions for bad debts of accounts receivable are analyzed as follows:

	30 June 2026 (Unaudited)			
	Book balance		Provision for bad debts	
	Amount	% of total balance	Amount	Lifetime ECL rate
Provision for bad debts on a portfolio basis (ii)				
Related party portfolio	115,883,927	14.03%	–	–
Accounts receivable from related parties outside the scope of consolidation and third parties	710,210,556	85.97%	(34,290,190)	4.83%
	826,094,483	100.00%	(34,290,190)	4.15%

	31 December 2025			
	Book balance		Provision for bad debts	
	Amount	% of total balance	Amount	Lifetime ECL rate
Provision for bad debts on a portfolio basis (ii)				
Related party portfolio	28,490,144	7.17%	–	–
Accounts receivable from related parties outside the scope of consolidation and third parties	368,734,347	92.83%	(19,366,520)	5.25%
	397,224,491	100.00%	(19,366,520)	4.88%

(i) As at 30 June 2026, the Company had no accounts receivable for which the provision for bad debts was made on an individual basis (31 December 2025: nil).

XV NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(2) Accounts receivable (Continued)

(d) Provision for bad debts (Continued)

(ii) Provisions for bad debts of accounts receivable on a portfolio basis are analyzed as follows:

Portfolio accrual – Related party portfolio:

	30 June 2026 (Unaudited)		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL rate	Amount
Within 1 year	113,116,112	–	–
1 to 2 years	2,767,815	–	–
	115,883,927		–

	31 December 2025		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL rate	Amount
Within 1 year	28,490,144	–	–
	28,490,144		–

XV NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(2) Accounts receivable (Continued)

(d) Provision for bad debts (Continued)

(ii) Provisions for bad debts of accounts receivable on a portfolio basis are analyzed as follows: (Continued)

Portfolio accrual – Accounts receivable from related parties outside the scope of consolidation and third parties:

	30 June 2026 (Unaudited)		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL rate	Amount
Within 1 year	698,210,556	4.74%	(33,090,190)
1 to 2 years	12,000,000	10.00%	(1,200,000)
	710,210,556		(34,290,190)

	31 December 2025		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL rate	Amount
Within 1 year	340,347,969	4.86%	(16,527,882)
1 to 2 years	28,386,378	10.00%	(2,838,638)
	368,734,347		(19,366,520)

(iii) For the six months ended 30 June 2026, the provision for bad debts on a portfolio basis amounted to RMB14,923,670, and there were no bad debt provisions reversed. There were no significant provisions for bad debts of accounts receivable written off.

(e) As at 30 June 2026, the Company had no pledged accounts receivable (31 December 2025: nil).

XV NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(3) Financing receivables

	30 June 2026 (Unaudited)	31 December 2025
Bank acceptance notes	82,220,429	46,118,571

(a) Certain bank acceptance notes satisfied the derecognition criteria and were endorsed or discounted by the Company for the purpose of daily treasury management. These bank acceptance notes with good credit ratings were categorised by the Company as financial assets at fair value through other comprehensive income.

(b) For the six months ended 30 June 2026, the Company transferred substantially all the risks and rewards of ownership of the endorsed and discounted bank acceptance notes to other parties. The book values of derecognized bank acceptance notes were RMB100,970,314 and RMB0 respectively, and there were no related discount losses.

(c) As at 30 June 2026, the Group measures the provision for bad debts based on the lifetime ECL. As the credit risk characteristics of these bank acceptance notes held by the Company were similar, no provision for impairment was made individually. In addition, there was no significant credit risk associated with its bank acceptance notes, and it was not expected that there would be any significant losses from non-performance by these banks.

(d) As at 30 June 2026, the Company had no pledged bank acceptance notes presented as financing receivables (31 December 2025: nil).

(e) As at 30 June 2026, the bank acceptance notes that the Company has endorsed or discounted but not matured amounted to RMB8,036,802 (31 December 2025: RMB80,931,073) and have been derecognized.

(f) For the six months ended 30 June 2026, the Company did not have any write-offs of significant financing receivables (for the six months ended 30 June 2025: nil).

XV NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(4) Other receivables

	30 June 2026 (Unaudited)	31 December 2025
Dividend receivable	133,639,723	142,780,185
Other receivables	223,639,452	237,122,853
	357,279,175	379,903,038

Dividend receivable:

Item (or investee)	30 June 2026 (Unaudited)	31 December 2025
QDOT	81,810,723	81,810,723
Qinggang Power Supply	50,000,000	50,000,000
Gangjia Logistics	1,020,000	–
Gulf Liquid Chemical	770,000	–
Sanya Yalong Bay	39,000	39,000
Ark Intelligent	–	10,390,420
Overseas Development Qingdao	–	540,042
	133,639,723	142,780,185

XV NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(4) Other receivables (Continued)

The analysis of other receivables by nature of payment is as follows:

	30 June 2026 (Unaudited)	31 December 2025
Equity transfer consideration	182,803,324	182,803,324
Construction expenditures paid on behalf of subsidiaries	29,999,957	29,999,957
Agency business receivables	7,845,139	6,747,386
Supplementary medical insurance pooling funds	3,687,226	13,088,278
Deposit and guarantee receivable	852,100	1,052,150
Others	9,144,425	14,592,877
	234,332,171	248,283,972
Less: Provision for bad debts	(10,692,719)	(11,161,119)
	223,639,452	237,122,853

(a) The aging of other receivables is analyzed as follows:

	30 June 2026 (Unaudited)	31 December 2025
Within 1 year	201,512,057	213,828,713
1 to 2 years	702,100	20,704
2 to 3 years	–	4,434,598
Over 3 years	32,118,014	29,999,957
	234,332,171	248,283,972

XV NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(4) Other receivables (Continued)

(b) Loss provisions and the movement in the book balance

Provisions for bad debts of other receivables are analyzed by category as follows:

	30 June 2026				31 December 2025			
	Book balance		Provision for bad debts		Book balance		Provision for bad debts	
	Amount	% of total balance	Amount	Accrual ratio	Amount	% of total balance	Amount	Accrual ratio
Provision for bad debts on an individual basis (i)	–	–	–	–	–	–	–	–
Provision for bad debts on a portfolio basis (ii)	234,332,171	100%	(10,692,719)	4.56%	248,283,972	100%	(11,161,119)	4.50%
	234,332,171	100%	(10,692,719)	4.56%	248,283,972	100%	(11,161,119)	4.50%

	Stage 1				
	ECL over the next 12 months (on a portfolio basis)		ECL over the next 12 months (on an individual basis)		Total
	Book balance	Provision for bad debts	Book balance	Provision for bad debts	Provision for bad debts
31 December 2025	248,283,972	(11,161,119)	–	–	(11,161,119)
Increase in the current period	–	–	–	–	–
Decrease in the current period	(13,951,801)	468,400	–	–	468,400
30 June 2026 (Unaudited)	234,332,171	(10,692,719)	–	–	(10,692,719)

XV NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(4) Other receivables (Continued)

(b) Loss provisions and the movement in the book balance (Continued)

As at 30 June 2026, the Company did not have any other receivables at Stage 2 and Stage 3 (31 December 2025: nil). Other receivables at Stage 1 are analysed as follows:

(i) As at 30 June 2026, the Company had no other receivables with a provision for bad debts on an individual basis.

(ii) As at 30 June 2026, other receivables for which the related provision for bad debts is recorded on a portfolio basis are all at Stage 1, and the analysis is as follows:

	30 June 2026 (Unaudited)			31 December 2025		
	Book balance	Loss provisions		Book balance	Loss provisions	
	Amount	Amount	Accrual ratio	Amount	Amount	Accrual ratio
Internal company portfolios	34,418,138	–	–	30,550,580	–	–
Portfolio of receivables from agency business	7,586,979	(379,349)	5.00%	6,747,386	(231,102)	3.43%
Deposit and guarantee portfolios	752,100	–	–	1,052,150	–	–
Other portfolios	191,574,954	(10,313,370)	5.38%	209,933,856	(10,930,017)	5.21%
	234,332,171	(10,692,719)		248,283,972	(11,161,119)	

(c) The provisions for bad debts was RMB148,247 during the period; provision for bad debts reversed was RMB616,647 during the period, and there were no actual write-offs of other receivables and provision for bad debts.

XV NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(4) Other receivables (Continued)

(d) As at 30 June 2026, other receivables with the top five closing balances, grouped by the party in arrears, are analyzed as follows:

	Nature	Balance	Aging	% of total balance of other receivables (%)	Provision for bad debts
Qingdao Qingke Free Trade Industrial Park Operation Management Co., Ltd.	Receivables from equity transfers	182,803,324	Within 1 year	78.02	(9,140,166)
Mercuria Logistics	Construction expenditures paid on behalf	29,999,957	Over 5 years	12.80	–
China Railway Jinan Group Co., Ltd.	Receivables from agency business, deposit and guarantee	7,595,295	Within 1 year, 1 to 2 years	3.24	(377,265)
QDP Logistics	Receivables from agency business, deposit, guarantee and others	4,412,680	Within 1 year, 1 to 2 years	1.88	–
Shandong Branch of Ping An Annuity Insurance Company of China, Ltd.	Supplementary medical insurance pooling funds	3,687,226	Within 1 year	1.57	–
		228,498,482		97.51	(9,517,431)

(e) As at 30 June 2026, the Company did not have government grants recognized in accordance with the amount receivable (31 December 2025: nil).

(f) As at 30 June 2026, the Company had no pledged other receivables (31 December 2025: nil).

(5) Long-term equity investments

	30 June 2026 (Unaudited)	31 December 2025
Subsidiaries (a)	8,903,888,406	8,903,888,406
Joint ventures (b)	12,217,008,667	12,070,646,713
Associates (c)	2,895,054,301	2,875,287,827
	24,015,951,374	23,849,822,946

As at 30 June 2026, the Company's management considered that there was no indication that long-term equity investments might be impaired; therefore, no provision for impairment was made (31 December 2025: nil).

XV NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(5) Long-term equity investments (Continued)

(a) Subsidiaries

	31 December 2025	Movements in the current period		30 June 2026 (Unaudited)
		Increase in investments (Unaudited)	Decrease in investments (Unaudited)	
QMT	1,284,094,256	–	–	**1,284,094,256**
QDP Logistics	1,147,303,465	–	–	**1,147,303,465**
Dongjiakou General Terminal	1,120,000,000	–	–	**1,120,000,000**
Weihai Port Development	622,103,297	–	–	**622,103,297**
Barge Limited	588,095,404	–	–	**588,095,404**
International Development	460,574,092	–	–	**460,574,092**
Shandong Port Lianhua	441,660,000	–	–	**441,660,000**
Qingdao OST	389,296,880	–	–	**389,296,880**
Liquid Chemical Terminal	384,149,458	–	–	**384,149,458**
Dongjiakou Oil Products	300,368,260	–	–	**300,368,260**
Mercuria Logistics	273,278,376	–	–	**273,278,376**
Qingdong Pipeline	255,000,000	–	–	**255,000,000**
Qingwei Container	211,227,355	–	–	**211,227,355**
Qingzi Logistics	200,000,000	–	–	**200,000,000**
Gangxin Oil Products	179,531,785	–	–	**179,531,785**
Qingang Power Supply	164,195,060	–	–	**164,195,060**
Dongjiakou Oil Storage	150,000,000	–	–	**150,000,000**
Huagang Petroleum Storage	148,920,000	–	–	**148,920,000**
Tongda Energy	142,500,000	–	–	**142,500,000**
Svitzer Towage	115,500,000	–	–	**115,500,000**
International Oil Port	100,000,000	–	–	**100,000,000**
Port services	48,952,229	–	–	**48,952,229**
Nangang Oil & Gas	45,006,152	–	–	**45,006,152**
Emergency Rescue	40,000,000	–	–	**40,000,000**
Construction & Management Centre	40,000,000	–	–	**40,000,000**
Container Development Co.	30,000,000	–	–	**30,000,000**
Tongze Trading	10,000,000	–	–	**10,000,000**
Gangjia Logistics	7,299,874	–	–	**7,299,874**
Cultural & Media	3,000,000	–	–	**3,000,000**
China Ocean Shipping Tally Weihai	1,832,463	–	–	**1,832,463**
	8,903,888,406	–	–	**8,903,888,406**

XV NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(5) Long-term equity investments (Continued)

(b) Joint ventures

	31 December 2025	Movements in the current period				30 June 2026 (Unaudited)
		Share of net profit/(loss) under equity method (Unaudited)	Changes in other equities (Unaudited)	Cash dividends or profits declared (Unaudited)	Unrealized gains or losses on intra-group transactions (Unaudited)	
QQCT	9,225,225,476	312,507,530	9,489,912	–	(1,306,451)	**9,545,916,467**
Qingdao Shihua	1,397,687,210	21,008,340	–	(162,490,035)	(1,009,464)	**1,255,196,051**
QDOT	564,769,169	(10,822,838)	–	–	405,296	**554,351,627**
West United	464,859,991	(25,807,612)	393,428	–	(35,812)	**439,409,995**
PetroChina Storage	159,091,135	2,343,850	138,893	(528,612)	–	**161,045,266**
Huaneng Qingdao	139,395,844	3,102,716	232,658	–	744,850	**143,476,068**
Dongjiakou Wanbang Logistics	67,138,645	938,002	–	–	–	**68,076,647**
Dongjiakou Sinotrans Logistics	52,479,243	183,655	–	(3,126,352)	–	**49,536,546**
	12,070,646,713	303,453,643	10,254,891	(166,144,999)	(1,201,581)	**12,217,008,667**

XV NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(5) Long-term equity investments (Continued)

(c) Associates

	31 December 2025	Movements in the current year: Share of net profit/(loss) under equity method (Unaudited)	Adjustments to other comprehensive income (Unaudited)	Changes in other equities (Unaudited)	Cash dividends or profits declared (Unaudited)	Unrealized gains or losses on intra-group transactions (Unaudited)	30 June 2026 (Unaudited)
Shandong Port Finance Company	1,671,770,067	65,180,489	1,726,231	–	(77,547,426)	–	**1,661,129,361**
Shandong Zhenhua Energy	487,384,401	15,808,934	–	647,614	–	–	**503,840,949**
Qingyin Leasing	199,825,050	16,333,527	–	–	(9,000,000)	–	**207,158,577**
Qingdao Port Engineering	179,845,545	10,535,210	–	(2,777,638)	–	(5,597,758)	**182,005,359**
Gulf Liquid Chemical	115,680,088	2,162,006	–	–	(770,000)	–	**117,072,094**
Sealand Equipment Qingdao	112,435,649	8,035,813	–	381,994	–	(6,263,028)	**114,590,428**
Technology Company	55,588,812	3,717,479	–	–	–	–	**59,306,291**
Shangang Luhai Jinan	40,373,464	(2,619,379)	–	40,954	–	–	**37,795,039**
Overseas Development Qingdao	6,154,543	(384,667)	–	–	–	–	**5,769,876**
GSBN	6,230,208	287,044	(130,925)	–	–	–	**6,386,327**
	2,875,287,827	119,056,456	1,595,306	(1,707,076)	(87,317,426)	(11,860,786)	**2,895,054,301**

As stated in Note II(1), at the preparation of the Company's financial statements, the long-term equity investments of Qingdao Port Group that were contributed into the Company are recognized based on the appraisal values approved by the competent state-owned assets management authorities, stated on the Company's balance sheet.

XV NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(6) Investment properties

	Buildings	Land use rights	Total
Original cost			
31 December 2025	244,744,920	1,131,038,405	1,375,783,325
Transfer from fixed assets (Unaudited)	138,586,069	–	138,586,069
Transferred for self-use (Unaudited)	–	(873,418)	(873,418)
30 June 2026 (Unaudited)	**383,330,989**	**1,130,164,987**	**1,513,495,976**
Accumulated depreciation			
31 December 2025	(36,372,689)	(316,351,087)	(352,723,776)
Accrual (Unaudited)	(4,890,628)	(13,437,391)	(18,328,019)
Transferred for self-use (Unaudited)	–	161,768	161,768
30 June 2026 (Unaudited)	**(41,263,317)**	**(329,626,710)**	**(370,890,027)**
Book value			
30 June 2026 (Unaudited)	**342,067,672**	**800,538,277**	**1,142,605,949**
31 December 2025	208,372,231	814,687,318	1,023,059,549

	Buildings	Land use rights	Total
Original cost			
31 December 2024	58,627,286	1,112,716,171	1,171,343,457
Transfer from fixed assets (Unaudited)	224,581,837	–	224,581,837
Transfer from intangible assets (Unaudited)	–	49,391,000	49,391,000
30 June 2025 (Unaudited)	283,209,123	1,162,107,171	1,445,316,294
Accumulated depreciation			
31 December 2024	(20,433,431)	(294,518,397)	(314,951,828)
Accrual (Unaudited)	(3,447,083)	(13,859,621)	(17,306,704)
Transfer from fixed assets (Unaudited)	(9,068,354)	–	(9,068,354)
Transfer from intangible assets (Unaudited)	–	(3,539,688)	(3,539,688)
30 June 2025 (Unaudited)	(32,948,868)	(311,917,706)	(344,866,574)
Book value			
30 June 2025 (Unaudited)	250,260,255	850,189,465	1,100,449,720
31 December 2024	38,193,855	818,197,774	856,391,629

XV NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(6) Investment properties (Continued)

As at 30 June 2026, the Company's management considered that there was no indication that investment properties might be impaired, therefore, no provision for impairment was made (31 December 2025: nil).

As at 30 June 2026, there were no properties or land tenure in the Company without titles. (31 December 2025: nil).

(7) Fixed assets

	30 June 2026 (Unaudited)	31 December 2025
Fixed assets	**11,263,053,617**	11,283,931,447
Disposal of fixed assets	**8,513,686**	4,959,173
	11,271,567,303	11,288,890,620

XV NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(7) Fixed assets (Continued)

	Buildings	Port facilities	Storage facilities	Loading equipment	Machinery and equipment	Vessels	Transportation equipment	Communication facilities	Office equipment and other equipment	Total
Original cost										
31 December 2025	748,833,183	7,019,557,119	5,739,756,821	1,720,933,740	356,139,937	–	71,235,116	273,368,863	17,586,183	15,947,410,962
Increase (Unaudited)										
Purchase	–	49,052	–	25,993,805	10,605,581	–	3,500,000	20,477,804	210,055	60,836,297
Transfer from construction in progress	–	326,666,475	–	2,885,796	–	–	–	2,118,166	–	331,670,437
Others	8,900,324	267,489	–	105,192	293,735	–	–	421,778	–	9,988,518
Decrease (Unaudited)										
Disposal and scrapping	(4,170,225)	(2,069,702)	–	(24,943,584)	(10,853,533)	–	(957,061)	(192,600)	(173,740)	(43,360,445)
Transfer to investment properties	(138,586,069)	–	–	–	–	–	–	–	–	(138,586,069)
Others	–	(874,235)	(267,489)	–	–	–	–	–	–	(1,141,724)
30 June 2026 (Unaudited)	614,977,213	7,343,596,198	5,739,489,332	1,724,974,949	356,185,720	–	73,778,055	296,194,011	17,622,498	16,166,817,976
Accumulated depreciation										
31 December 2025	(156,814,885)	(1,952,070,607)	(1,183,144,437)	(947,711,527)	(221,523,987)	–	(39,963,830)	(148,900,267)	(13,349,975)	(4,663,479,515)
Increase (Unaudited)										
Accrual	(10,724,076)	(95,415,497)	(100,282,921)	(37,727,763)	(14,728,190)	–	(2,167,374)	(16,681,926)	(760,356)	(278,488,103)
Others	–	–	–	–	(42,626)	–	–	–	–	(42,626)
Decrease (Unaudited)										
Disposal and scrapping	1,853,538	962,951	–	23,739,538	10,419,393	–	918,778	184,896	166,791	38,245,885
30 June 2026 (Unaudited)	(165,685,423)	(2,046,523,153)	(1,283,427,358)	(961,699,752)	(225,875,410)	–	(41,212,426)	(165,397,297)	(13,943,540)	(4,903,764,359)
Net book value										
30 June 2026 (Unaudited)	449,291,790	5,297,073,045	4,456,061,974	763,275,197	130,310,310	–	32,565,629	130,796,714	3,678,958	11,263,053,617
31 December 2025	592,018,298	5,067,486,512	4,556,612,384	773,222,213	134,615,950	–	31,271,286	124,468,596	4,236,208	11,283,931,447

XV NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(7) Fixed assets (Continued)

	Buildings	Port facilities	Storage facilities	Loading equipment	Machinery and equipment	Vessels	Transportation equipment	Communication facilities	Office equipment and other equipment	Total
Original cost										
31 December 2024	456,342,717	6,882,893,415	5,997,016,953	1,701,221,588	341,617,825	–	66,327,564	182,137,573	17,326,164	15,644,883,799
Increase (Unaudited)										
Purchase	–	–	–	8,488,850	3,328,064	–	1,580,023	5,986,177	63,710	19,446,824
Transfer from construction in progress	3,211,009	4,328,724	–	4,851,207	6,472,761	–	–	–	–	18,863,701
Others	–	219,106	–	–	35,062	–	–	–	–	254,168
Decrease (Unaudited)										
Disposal and scrapping	–	(1,697,174)	(1,262,127)	(17,674,639)	(2,584,859)	–	(78,796)	(3,432,371)	(303,605)	(27,033,571)
Transfer to investment properties	–	–	(224,581,837)	–	–	–	–	–	–	(224,581,837)
Others	(1,648,010)	(402,974)	(20,811,252)	–	–	–	–	(32,177)	–	(22,894,413)
30 June 2025 (Unaudited)	457,905,716	6,885,341,097	5,750,361,737	1,696,887,006	348,868,853	–	67,828,791	184,659,202	17,086,269	15,408,938,671
Accumulated depreciation										
31 December 2024	(139,020,833)	(1,762,033,367)	(990,346,855)	(933,953,254)	(196,765,528)	–	(38,155,267)	(127,999,282)	(12,522,744)	(4,200,797,130)
Increase (Unaudited)										
Accrual	(8,865,613)	(91,863,456)	(100,938,115)	(36,073,531)	(15,802,616)	–	(1,841,817)	(8,319,823)	(740,033)	(264,445,004)
Reclassification and adjustments	–	(584)	–	–	–	–	–	–	–	(584)
Decrease (Unaudited)										
Disposal and scrapping	–	521,524	–	16,951,373	2,481,465	–	75,645	3,295,076	291,460	23,616,543
Transfer to investment properties	–	–	9,068,354	–	–	–	–	–	–	9,068,354
Others	584	–	–	–	–	–	–	–	–	584
30 June 2025 (Unaudited)	(147,885,862)	(1,853,375,883)	(1,082,216,616)	(953,075,412)	(210,086,679)	–	(39,921,439)	(133,024,029)	(12,971,317)	(4,432,557,237)
Net book value										
30 June 2025 (Unaudited)	310,019,854	5,031,965,214	4,668,145,121	743,811,594	138,782,174	–	27,907,352	51,635,173	4,114,952	10,976,381,434
31 December 2024	317,321,884	5,120,860,048	5,006,670,098	767,268,334	144,852,297	–	28,172,297	54,138,291	4,803,420	11,444,086,669

XV NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(7) Fixed assets (Continued)

The lease contracts signed by the Company as a lessor have no residual value guarantee clauses.

Depreciation charged on fixed assets for the six months ended 30 June 2026 amounted to RMB278,488,103 (for the six months ended 30 June 2025: RMB264,445,004), of which depreciation charged to the cost of sales, research and development expenses, and selling and distribution expenses amounted to RMB255,879,787, RMB1,632,750 and RMB5,332, respectively (for the six months ended 30 June 2025: RMB254,850,623, RMB447,973, and RMB5,888).

For the six months ended 30 June 2026, the original cost transferred from construction in progress to fixed assets was RMB331,670,437 (for the six months ended 30 June 2025: RMB18,863,701).

As at 30 June 2026, the Company had no fixed assets which were mortgaged (31 December 2025: nil).

As at 30 June 2026, the Company's management considered that there was no indication that fixed assets might be impaired, therefore, no provision for impairment was made (31 December 2025: nil).

As at 30 June 2026 and 31 December 2025, the Company had no significant fixed assets temporarily idle.

Fixed assets without the certificate of ownership:

As at 30 June 2026, properties with book values of RMB177,913,119 (Original cost: RMB213,393,494) (31 December 2025: RMB181,328,393 (Original cost: RMB213,393,494)), had not yet completed the financial accounts for the completion of the projects or not yet completed the necessary procedures before obtaining the certificates of ownership. The certificates of ownership had not been processed.

XV NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(8) Construction in progress

	30 June 2026 (Unaudited)			31 December 2025		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
General Cargo Terminal in the Inner Reaches of Langyatai Bay Operation Zone, Dongjiakou Port	564,797,436	–	564,797,436	29,615,531	–	29,615,531
Dongjiakou Port Area North Three Embankment 7 – 8 Causeway	351,135,690	–	351,135,690	256,530,955	–	256,530,955
Road Reconstruction and Supporting Pipe Network Project on the North Bank of Qianwan Port Area, Qingdao Port	282,787,596	–	282,787,596	237,012,374	–	237,012,374
Railway Capacity Expansion and Reconstruction Project on the North Bank of Qianwan Port Area, Qingdao Port	235,685,687	–	235,685,687	100,890,383	–	100,890,383
Eastern Container Terminal at Langyatai Bay Operation Area, Dongjiakou Port, Qingdao Port	91,267,368	–	91,267,368	30,795,704	–	30,795,704
Dongjiakou Port Oil Products Phase I and Phase II Project	–	–	–	325,616,474	–	325,616,474
Other projects	328,340,937	–	328,340,937	232,440,067	–	232,440,067
	1,854,014,714	–	1,854,014,714	1,212,901,488	–	1,212,901,488

XV NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(8) Construction in progress (Continued)

The book value of the Company's projects under construction or major projects under construction with an additional amount greater than RMB100 million are listed as follows:

(a) Changes in significant construction in progress

Project name	Budget	31 December 2025	Increase in the current period (Unaudited)	Transfer to fixed assets (Unaudited)	Other decreases in the current period (Unaudited)	30 June 2026 (Unaudited)	Percentage of progress investment to the budget (%)	Project progress (%)	Sources of capital
Eastern Container Terminal at Langyatai Bay Operation Area, Dongjiakou Port, Qingdao Port	9,097,067,100	30,795,704	375,402,664	–	(314,931,000)	91,267,368	1	1	Internal capital
General Cargo Terminal in the Inner Reaches of Langyatai Bay Operation Zone, Dongjiakou Port	6,614,580,000	29,615,531	763,378,605	–	(228,196,700)	564,797,436	8	8	Internal capital
Dongjiakou Port Area North Three Embankment 7 – 8 Causeway	3,713,860,000	256,530,955	94,604,735	–	–	351,135,690	8	8	Internal capital
Railway Capacity Expansion and Reconstruction Project on the North Bank of Qianwan Port Area, Qingdao Port	1,467,000,000	100,890,383	134,795,304	–	–	235,685,687	17	17	Internal capital
Dongjiakou Port Oil Products Phase I and Phase II Project	825,755,775	325,616,474	–	(325,616,474)	–	–	100	100	Internal capital
Road Reconstruction and Supporting Pipe Network Project on the North Bank of Qianwan Port Area, Qingdao Port	612,690,000	237,012,374	45,775,222	–	–	282,787,596	47	47	Internal capital
Other projects	–	232,440,067	101,954,833	(6,053,963)	–	328,340,937	–	–	Internal capital
		1,212,901,488	1,515,911,363	(331,670,437)	(543,127,700)	1,854,014,714	–	–	–

XV NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(8) Construction in progress (Continued)

(a) Changes in significant construction in progress (Continued)

Project name	Budget	31 December 2024	Increase in the current period (Unaudited)	Transfer to fixed assets (Unaudited)	Other decreases in the current period (Unaudited)	30 June 2025 (Unaudited)	Percentage of progress investment to the budget (%)	Project progress (%)	Sources of capital
Dongjiakou Port Oil Products Phase I and Phase II Project	825,755,775	325,616,474	–	–	–	325,616,474	71	71	Internal capital
Other projects	–	224,022,786	82,194,360	(18,863,701)	(16,151,767)	271,201,678	–	–	Internal capital and Borrowings from banks
		549,639,260	82,194,360	(18,863,701)	(16,151,767)	596,818,152	–	–	–

As at 30 June 2026, the Company's management considered that there was no indication that construction in progress might be impaired, therefore, no provision for impairment was made (31 December 2025: nil).

For the six months ended 30 June 2026, the Company's self-built buildings, port facilities, and storage facilities will be transferred to fixed assets after completion and acceptance, and readiness for intended use, while machinery and equipment will be transferred to fixed assets after installation, commissioning, acceptance, and readiness for intended use during the six months ended 30 June 2026.

XV NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(9) Intangible assets

	Land use rights	Software	Sea area use rights	Others	Self-developed data resource intangibles	Total
Original cost						
31 December 2025	2,236,812,469	328,174,534	–	30,190,624	258,518	2,595,436,145
Increase (Unaudited)						
Purchase	18,491,490	4,857,296	377,909,000	–	–	401,257,786
Transfer from investment properties	873,418	–	–	–	–	873,418
Internal research and development	–	37,464,127	–	–	–	37,464,127
Transfer from construction in progress	–	–	543,127,700	–	–	543,127,700
Decrease (Unaudited)						
Disposal	–	(8,449,746)	–	(30,190,624)	–	(38,640,370)
30 June 2026 (Unaudited)	2,256,177,377	362,046,211	921,036,700	–	258,518	3,539,518,806
Accumulated amortization						
31 December 2025	(473,989,034)	(173,741,919)	–	(30,190,624)	(157,984)	(678,079,561)
Increase (Unaudited)						
Accrual	(22,802,118)	(24,613,302)	(6,204,057)	–	(43,086)	(53,662,563)
Transfer from investment properties	(161,768)	–	–	–	–	(161,768)
Decrease (Unaudited)						
Disposal	–	8,449,746	–	30,190,624	–	38,640,370
30 June 2026 (Unaudited)	(496,952,920)	(189,905,475)	(6,204,057)	–	(201,070)	(693,263,522)
Book value						
30 June 2026 (Unaudited)	1,759,224,457	172,140,736	914,832,643	–	57,448	2,846,255,284
31 December 2025	1,762,823,435	154,432,615	–	–	100,534	1,917,356,584

XV NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(9) Intangible assets (Continued)

	Land use rights	Software	Sea area use rights	Others	Self-developed data resource intangibles	Total
Original cost						
31 December 2024	2,202,551,853	234,187,152	49,391,000	30,190,624	258,518	2,516,579,147
Increase (Unaudited)						
Purchase	–	924,336	–	–	–	924,336
Internal research and development	–	22,111,643	–	–	–	22,111,643
Decrease (Unaudited)						
Transfer to investment properties	–	–	(49,391,000)	–	–	(49,391,000)
30 June 2025 (Unaudited)	2,202,551,853	257,223,131	–	30,190,624	258,518	2,490,224,126
Accumulated amortization						
31 December 2024	(419,031,369)	(130,065,751)	(3,539,688)	(30,190,624)	(71,811)	(582,899,243)
Increase (Unaudited)						
Accrual	(22,711,592)	(19,289,669)	–	–	(43,086)	(42,044,347)
Decrease (Unaudited)						
Transfer to investment properties	–	–	3,539,688	–	–	3,539,688
30 June 2025 (Unaudited)	(441,742,961)	(149,355,420)	–	(30,190,624)	(114,897)	(621,403,902)
Book value						
30 June 2025 (Unaudited)	1,760,808,892	107,867,711	–	–	143,621	1,868,820,224
31 December 2024	1,783,520,484	104,121,401	45,851,312	–	186,707	1,933,679,904

Amortization charged on intangible assets for the six months ended 30 June 2026 amounted to RMB53,662,563 (For the six months ended 30 June 2025: RMB42,044,347).

As at 30 June 2026, the Company had no pledged intangible assets (31 December 2025: nil).

As at 30 June 2026, the Company had no land without certificates (31 December 2025: nil).

As at 30 June 2026, the Company's management considered that there was no indication that intangible assets might be impaired, therefore, no provision for impairment was made (31 December 2025: nil).

XV NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(10) Provision for impairment of assets and losses

	31 December 2025	Increase in the current year Accrual (Unaudited)	Decrease in the current year Reversal (Unaudited)	**30 June 2026 (Unaudited)**
Provisions for bad debts of accounts receivable	19,366,520	14,923,671	–	**34,290,191**
Including: Provision for bad debts on an individual basis	–	–	–	**–**
Provision for bad debts on a portfolio basis	19,366,520	14,923,671	–	**34,290,191**
Provisions for bad debts of other receivables	11,161,119	148,247	(616,647)	**10,692,719**
Including: Provision for bad debts on an individual basis	–	–	–	**–**
Provision for bad debts on a portfolio basis	11,161,119	148,247	(616,647)	**10,692,719**
	30,527,639	15,071,918	(616,647)	**44,982,910**

	31 December 2024	Increase in the current year Accrual	Decrease in the current year Reversal	31 December 2025
Provisions for bad debts of accounts receivable	19,479,669	–	(113,149)	19,366,520
Including: Provision for bad debts on an individual basis	–	–	–	–
Provision for bad debts on a portfolio basis	19,479,669	–	(113,149)	19,366,520
Provisions for bad debts of other receivables	749,898	10,411,221	–	11,161,119
Including: Provision for bad debts on an individual basis	–	–	–	–
Provision for bad debts on a portfolio basis	749,898	10,411,221	–	11,161,119
	20,229,567	10,411,221	(113,149)	30,527,639

XV NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(11) Capital surplus

	31 December 2025	Increase in the current year (Unaudited)	Decrease in the current year (Unaudited)	30 June 2026 (Unaudited)
Share premium (Note IV(42))				
Capital premium contributed by Qingdao Port Group	7,052,279,474	–	–	7,052,279,474
Capital premium contributed by Other Promoters	783,586,608	–	–	783,586,608
Issue of new shares	8,652,856,972	–	–	8,652,856,972
Shares issue expenses	(242,175,098)	–	–	(242,175,098)
Business combinations under common control	(393,875,022)	–	–	(393,875,022)
Subsidiary minority shareholders paid a premium	15,245,576	–	–	15,245,576
Acquisition of minority interests	(12,181,332)	–	–	(12,181,332)
Other capital surplus –				
Share of changes in equity other than comprehensive income and profit distribution of investees under the equity method	(2,244,992)	–	8,547,815	6,302,823
Impact of the disposal of subsidiaries	144,424,899	–	–	144,424,899
	15,997,917,085	–	8,547,815	16,006,464,900

XV NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(11) Capital surplus (Continued)

	31 December 2024	Increase in the current year (Unaudited)	Decrease in the current year (Unaudited)	30 June 2025 (Unaudited)
Share premium (Note IV(42))				
Capital premium contributed by Qingdao Port Group	7,052,279,474	–	–	7,052,279,474
Capital premium contributed by Other Promoters	783,586,608	–	–	783,586,608
Issue of new shares	8,652,856,972	–	–	8,652,856,972
Shares issue expenses	(242,175,098)	–	–	(242,175,098)
Business combinations under common control	(393,875,022)	–	–	(393,875,022)
Subsidiary minority shareholders paid a premium	15,245,576	–	–	15,245,576
Acquisition of minority interests	(12,151,207)	–	(30,125)	(12,181,332)
Other capital surplus –				
Share of changes in equity other than comprehensive income and profit distribution of investees under the equity method	3,952,271	–	(1,461,189)	2,491,082
Impact of the disposal of subsidiaries	144,424,899	–	–	144,424,899
	16,004,144,473	–	(1,491,314)	16,002,653,159

XV NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(12) Other comprehensive income

	Other comprehensive income in the balance sheet		
	31 December 2025	Amount in the current year (Unaudited)	**30 June 2026 (Unaudited)**
Other comprehensive income items that will not be subsequently reclassified to profit or loss			
Amount changes arising from remeasurement of defined benefit plans	(130,540,000)	–	**(130,540,000)**
Other comprehensive income that will not be transferred subsequently to profit or loss under the equity method	(11,018,358)	–	**(11,018,358)**
Other comprehensive income that will be subsequently reclassified to profit or loss	(1,566,877)	1,595,306	**28,429**
	(143,125,235)	1,595,306	**(141,529,929)**

	Other comprehensive income in the balance sheet		
	31 December 2024	Amount in the current year (Unaudited)	30 June 2025 (Unaudited)
Other comprehensive income items that will not be subsequently reclassified to profit or loss			
Amount changes arising from remeasurement of defined benefit plans	(249,900,000)	–	(249,900,000)
Other comprehensive income that will not be transferred subsequently to profit or loss under the equity method	(20,647,365)	–	(20,647,365)
Other comprehensive income that will be subsequently reclassified to profit or loss	935,966	(1,137,945)	(201,979)
	(269,611,399)	(1,137,945)	(270,749,344)

XV NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(13) Undistributed profits

	For the six months ended 30 June 2026	For the six months ended 30 June 2025
Undistributed profits at the beginning of the period	17,244,827,054	15,189,188,316
Changes in accounting policies (Note II(31))	–	–
Undistributed profits at the beginning of the period	17,244,827,054	15,189,188,316
Add: Net profit for the current year	2,337,946,301	3,096,639,003
The impact of transferring subsidiaries to associates	–	–
Less: Withdrawal of statutory surplus reserve	–	–
Distribution to shareholders (Note IV(46))	(1,290,430,680)	(1,302,763,770)
Undistributed profits at the end of the period	18,292,342,675	16,983,063,549

(14) Revenue and cost of sales

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Revenue from main operations	2,519,959,197	2,426,969,926
Revenue from other operations	571,166,674	532,059,088
	3,091,125,871	2,959,029,014

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Cost of sales from main operations	(1,975,415,245)	(2,003,429,386)
Cost of sales from other operations	(284,871,724)	(220,821,657)
	(2,260,286,969)	(2,224,251,043)

XV NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(14) Revenue and cost of sales (Continued)

Disaggregation of revenue

	For the six months ended 30 June 2026 (Unaudited)		For the six months ended 30 June 2025 (Unaudited)	
	Revenue from main operations	Cost of sales from main operations	Revenue from main operations	Cost of sales from main operations
Loading and unloading business	2,519,959,197	(1,975,415,245)	2,426,969,926	(2,003,429,386)
Rental income	407,038,794	(138,473,795)	407,093,856	(138,473,946)
Rendering of services and others	164,127,880	(146,397,929)	124,965,232	(82,347,711)
	3,091,125,871	(2,260,286,969)	2,959,029,014	(2,224,251,043)

The Company's rental income is from leasing port facilities, storage facilities, buildings, machinery and equipment, and transportation equipment. For the six months ended 30 June 2026, there's no variable rental income recognized based on a certain percentage of the lessee's sales amount.

For the six months ended 30 June 2026, the revenue from sales of fuel, electricity, and others is recognized when corresponding performance obligations are satisfied at a point in time, and the revenue from other services is recognized when corresponding performance obligations are satisfied over time.

As at 30 June 2026, the amounts of revenue corresponding to contract obligations that were signed but not fulfilled or not completely fulfilled were RMB197,957,736 (As at 31 December 2025: RMB97,429,021), all of which is expected to be recognized by the Company as revenue in 2026.

(15) Financial expenses

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Interest expenses	2,185,045	58,680
Add: Interest expense on lease liabilities	6,860,365	3,124,997
Less: Capitalized interest	–	(54,214)
Interest expenses	9,045,410	3,129,463
Less: Interest income	(37,362,409)	(42,045,984)
Effect of actuarial calculation of employee benefits	16,470,000	16,320,000
Exchange gains or losses	144,704	1,976
Others	19,791	34,779
	(11,682,504)	(22,559,766)

XV NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(16) Expenses by nature

The cost of sales, selling and distribution expenses, general and administrative expenses, and research and development expenses in the income statement are categorized by nature as follows:

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Employee benefits	755,289,414	724,775,259
Cost for outsourcing transportation	596,851,522	667,848,848
Subcontract costs	489,365,133	403,734,024
Depreciation of fixed assets	275,743,780	264,445,003
Fuel and utility fees	78,123,085	94,803,845
Labor outsourcing	63,012,877	55,203,471
Sales service fees	62,112,743	8,173,272
Depreciation of right-of-use assets	61,932,611	20,518,198
Consumption of other raw materials	58,725,830	60,305,660
Amortisation of intangible assets	53,662,563	42,044,347
Depreciation of investment properties	18,328,019	17,306,704
Repair expenses	16,759,945	33,494,659
Property management fees	13,728,566	15,606,074
Rental expenses (i)	8,883,873	37,915,012
Auditor's fee	1,056,604	3,522,072
Others	76,435,882	77,736,253
	2,630,012,447	2,527,432,701

(i) As stated in Note II(25), the Company's lease expense incurred by short-term leases and low-value leases is recorded in profit or loss. For the six months ended 30 June 2026, the amount is RMB8,883,873 (For the six months ended on 30 June 2025: RMB37,915,012).

XV NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(17) Investment income

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Investment income from long-term equity investments under the equity method	409,447,732	717,269,558
Investment income from long-term equity investments under the cost method	1,629,082,065	1,959,498,962
Interest income from holding debt investments	184,847	15,011,818
Investment income from holding other non-current financial assets	–	594,188
Investment income from holding financial assets held for trading	2,068,650	–
Investment income from the disposal of long-term equity investments	–	(3,942,118)
	2,040,783,294	2,688,432,408

(18) Income tax expense

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Current income tax calculated based on the tax law and related regulations	124,334,528	148,952,135
Deferred income tax	(9,527,329)	1,976,543
	114,807,199	150,928,678

The reconciliation from income tax calculated based on the applicable tax rates and total profit presented in the Company's financial statements to the income tax expenses:

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Total profit	2,452,753,500	3,247,567,681
Income tax expenses calculated at applicable tax rates	613,188,375	811,891,920
Effect of adjusting income taxes of prior periods	607,293	689,625
Investment income not subject to tax	(509,632,449)	(669,340,677)
Non-deductible costs, expenses, and losses	10,643,980	7,687,810
Income tax expense	114,807,199	150,928,678

SUPPLEMENTAL INFORMATION TO THE FINANCIAL STATEMENTS

For the six months ended 30 June 2026 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

I STATEMENT OF NON-RECURRING PROFIT OR LOSS

	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)
Government grants included in profit or loss for the current period	21,904,403	44,253,125
Profits or losses on changes in the fair values of financial assets held for trading and investment income from the disposal of financial assets held for trading, except for effective hedging operations related to the Company's normal business operations	32,921	140,600,516
Profits or losses on disposal of non-current assets	16,176,268	19,452,347
Gains or losses on disposal of long-term equity investments, net	(3,059,212)	–
Other non-operating income and expenses other than those mentioned above	(15,061,315)	(2,460,518)
Other profit or loss items which meet the definition of non-recurring profit or loss	3,286,245	6,736,676
Subtotal	23,279,310	208,582,146
Less: Income tax effect	(4,483,082)	(50,301,089)
Less: Non-recurring gains or losses attributable to minority shareholders	(1,870,015)	(6,113,814)
Non-recurring gains or losses attributable to shareholders of the parent company	16,926,213	152,167,243

Preparation basis of non-recurring profit or loss statement

In 2023, the China Securities Regulatory Commission issued the *Explanatory Announcement for Information Disclosure of Companies Offering Securities to the Public No.1 – Non-recurring Profit or Loss* (Revised in 2023), ("2023 No.1 Explanatory Announcement"), which became effective on the issuance date. The Group has prepared the statement of non-recurring profit or loss for the six months ended 30 June 2026 according to the 2023 No.1 Explanatory Announcement.

II RETURN ON EQUITY AND EARNINGS PER SHARE

	Weighted average return on equity (%)		Earnings per share			
			Basic earnings per share		Diluted earnings per share	
	For the six months ended 30 June 2026 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)	**For the six months ended 30 June 2026 (Unaudited)**	For the six months ended 30 June 2025 (Unaudited)	**For the six months ended 30 June 2026 (Unaudited)**	For the six months ended 30 June 2025 (Unaudited)
Net profit attributable to ordinary shareholders of the parent company	**5.86**	6.47	**0.43**	0.44	**0.43**	0.44
Net profit attributable to ordinary shareholders of the parent company after deducting non-recurring profit or loss	**5.83**	6.13	**0.42**	0.41	**0.42**	0.41