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# **天津港發展控股有限公司**

**Tianjin Port Development Holdings Limited**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 03382)**

## **INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2014**

### **FINANCIAL HIGHLIGHTS**

For the six months ended 30 June 2014

- Revenue was HK\$14,100.0 million
- Profit attributable to equity holders of the Company was HK\$401.7 million
- Basic earnings per share was HK6.5 cents

The board of directors (the “Board”) of Tianjin Port Development Holdings Limited (the “Company”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2014 as follows:

# CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2014

	Note	Unaudited	
		Six months ended 30 June 2014 HK\$'000	2013 HK\$'000
Revenue	3	14,100,032	9,927,039
Business tax and surcharge		(34,712)	(29,643)
Cost of sales		<u>(11,971,009)</u>	<u>(7,956,601)</u>
Gross profit		2,094,311	1,940,795
Other income and gains	4	115,983	168,077
Administrative expenses		(944,975)	(875,270)
Other operating expenses		<u>(31,768)</u>	<u>(5,368)</u>
Operating profit		1,233,551	1,228,234
Finance costs	5	(215,250)	(218,584)
Share of results of associates		188,244	154,985
Share of results of joint ventures		<u>57,310</u>	<u>44,134</u>
Profit before income tax	6	1,263,855	1,208,769
Income tax	7	<u>(267,873)</u>	<u>(231,656)</u>
Profit for the period		<u><u>995,982</u></u>	<u><u>977,113</u></u>
Attributable to:			
Equity holders of the Company		401,659	424,652
Non-controlling interests		<u>594,323</u>	<u>552,461</u>
		<u><u>995,982</u></u>	<u><u>977,113</u></u>
Earnings per share	9		
Basic (HK cents)		<u>6.5</u>	<u>6.9</u>
Diluted (HK cents)		<u>6.5</u>	<u>6.9</u>

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2014

	Unaudited	
	Six months ended 30 June	
	2014	2013
	HK\$'000	HK\$'000
Profit for the period	995,982	977,113
Other comprehensive (loss)/income		
Items that may be reclassified subsequently to profit or loss:		
Fair value losses on available-for-sale financial assets, net of tax	(11,373)	(49,855)
Currency translation differences	(231,944)	396,012
Other comprehensive (loss)/income for the period, net of tax	(243,317)	346,157
Total comprehensive income for the period	752,665	1,323,270
Total comprehensive income for the period attributable to:		
Equity holders of the Company	287,100	600,048
Non-controlling interests	465,565	723,222
	752,665	1,323,270

# CONDENSED CONSOLIDATED BALANCE SHEET

As at 30 June 2014

		Unaudited 30 June 2014 HK\$'000	Audited 31 December 2013 HK\$'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Land use rights		5,306,119	5,423,843
Property, plant and equipment		21,695,151	21,682,171
Intangible assets		43,188	47,121
Interests in associates		2,922,556	2,604,950
Interests in joint ventures		2,554,352	2,390,517
Available-for-sale financial assets		366,667	385,297
Deferred income tax assets		170,301	170,757
		<u>33,058,334</u>	<u>32,704,656</u>
<b>Current assets</b>			
Inventories		777,218	529,336
Trade and other receivables	10	5,583,027	4,538,709
Restricted bank deposits		1,217,700	585,093
Cash and cash equivalents		5,780,523	5,713,093
		<u>13,358,468</u>	<u>11,366,231</u>
<b>Total assets</b>		<u><u>46,416,802</u></u>	<u><u>44,070,887</u></u>
<b>EQUITY</b>			
<b>Capital and reserves attributable to equity holders of the Company</b>			
Share capital		615,800	615,800
Other reserves		5,222,834	5,659,497
Retained earnings		5,615,432	5,213,773
		<u>11,454,066</u>	<u>11,489,070</u>
<b>Non-controlling interests</b>		<u>12,791,031</u>	<u>12,510,022</u>
<b>Total equity</b>		<u><u>24,245,097</u></u>	<u><u>23,999,092</u></u>

# CONDENSED CONSOLIDATED BALANCE SHEET

As at 30 June 2014

		Unaudited 30 June 2014 HK\$'000	Audited 31 December 2013 HK\$'000
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings		11,367,667	11,303,706
Deferred income tax liabilities		249,582	247,301
Other long-term liabilities		1,041	1,051
		<u>11,618,290</u>	<u>11,552,058</u>
<b>Current liabilities</b>			
Trade and other payables	11	7,752,982	6,169,059
Current income tax liabilities		169,292	119,660
Borrowings		2,631,141	2,231,018
		<u>10,553,415</u>	<u>8,519,737</u>
<b>Total liabilities</b>		<u><u>22,171,705</u></u>	<u><u>20,071,795</u></u>
<b>Total equity and liabilities</b>		<u><u>46,416,802</u></u>	<u><u>44,070,887</u></u>
<b>Net current assets</b>		<u><u>2,805,053</u></u>	<u><u>2,846,494</u></u>
<b>Total assets less current liabilities</b>		<u><u>35,863,387</u></u>	<u><u>35,551,150</u></u>

Notes:

## 1. BASIS OF PREPARATION

The condensed consolidated interim financial statements have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants and Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2013 which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”).

## 2. SIGNIFICANT ACCOUNTING POLICIES

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2013, as described in those annual financial statements.

The Group has adopted the following amendments and interpretation for the accounting period beginning 1 January 2014:

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

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

### 3. SEGMENT INFORMATION

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

Principal activities of the three reportable segments are as follows:

- Cargo handling – Provision of container handling and non-containerised cargo handling
- Sales – Supply of fuel and sales of materials
- Other port ancillary services – Tugboat services, agency services, tallying and other services

The segment information for the reportable segments is as follows:

	<b>Unaudited</b>			<b>Total HK\$'000</b>
	<b>Cargo handling HK\$'000</b>	<b>Sales HK\$'000</b>	<b>Other port ancillary services HK\$'000</b>	
<b>Six months ended 30 June 2014</b>				
Total segment revenue	3,605,182	9,626,135	1,767,601	14,998,918
Inter-segment revenue	–	(543,329)	(355,557)	(898,886)
Revenue from external customers	<u>3,605,182</u>	<u>9,082,806</u>	<u>1,412,044</u>	<u>14,100,032</u>
Segment results	<u>1,530,974</u>	<u>128,770</u>	<u>469,279</u>	2,129,023
Business tax and surcharge				(34,712)
Other income and gains				115,983
Administrative expenses				(944,975)
Other operating expenses				(31,768)
Finance costs				(215,250)
Share of results of associates				188,244
Share of results of joint ventures				57,310
Profit before income tax				<u>1,263,855</u>

	Unaudited			Total HK\$'000
	Cargo handling HK\$'000	Sales HK\$'000	Other port ancillary services HK\$'000	
Six months ended 30 June 2013				
Total segment revenue	3,307,038	5,810,724	1,612,093	10,729,855
Inter-segment revenue	–	(501,918)	(300,898)	(802,816)
Revenue from external customers	<u>3,307,038</u>	<u>5,308,806</u>	<u>1,311,195</u>	<u>9,927,039</u>
Segment results	<u>1,451,468</u>	<u>56,818</u>	<u>462,152</u>	1,970,438
Business tax and surcharge				(29,643)
Other income and gains				168,077
Administrative expenses				(875,270)
Other operating expenses				(5,368)
Finance costs				(218,584)
Share of results of associates				154,985
Share of results of joint ventures				44,134
Profit before income tax				<u>1,208,769</u>

#### 4. OTHER INCOME AND GAINS

	Unaudited	
	Six months ended 30 June 2014 HK\$'000	2013 HK\$'000
Exchange gain, net	–	71,467
Interest income from deposits	<b>50,319</b>	46,059
Dividend income from available-for-sale financial assets		
– listed investments	<b>3,960</b>	2,690
– unlisted investments	<b>846</b>	984
Gain on disposal of available-for-sale financial assets	–	14,500
Government subsidies	<b>60,720</b>	29,363
Others	<b>138</b>	3,014
	<u><b>115,983</b></u>	<u>168,077</u>



## 5. FINANCE COSTS

	Unaudited	
	Six months ended 30 June	
	2014	2013
	HK\$'000	HK\$'000
Interest expenses on borrowings	305,230	334,267
Less: Amount capitalised in construction in progress	(89,980)	(115,683)
	<u>215,250</u>	<u>218,584</u>

## 6. EXPENSES BY NATURE

	Unaudited	
	Six months ended 30 June	
	2014	2013
	HK\$'000	HK\$'000
Cost of goods sold	8,915,520	5,222,053
Depreciation of property, plant and equipment	487,844	463,301
Amortisation of land use rights	65,945	62,221
Amortisation of intangible assets	5,931	5,927
Exchange loss, net	22,194	–
	<u>22,194</u>	<u>–</u>

## 7. INCOME TAX

	Unaudited	
	Six months ended 30 June	
	2014	2013
	HK\$'000	HK\$'000
PRC income tax		
– Current	260,447	231,084
– Deferred	7,426	572
	<u>267,873</u>	<u>231,656</u>

No Hong Kong profits tax has been provided for as the Group has no estimated assessable profits arising in or derived from Hong Kong for the period (2013: nil).

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

## 8. DIVIDENDS

<b>Unaudited</b>	
<b>Six months ended 30 June</b>	
<b>2014</b>	<b>2013</b>
<b>HK\$'000</b>	<b>HK\$'000</b>

2013 final dividend of HK5.26 cents (2013: 2012 final dividend of HK2.19 cents) per ordinary share	<b>323,911</b>	<b>134,860</b>
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At a meeting held on 26 March 2014, the Board recommended the payment of a final dividend of HK5.26 cents per ordinary share for the year ended 31 December 2013. The final dividend was approved at the annual general meeting of the Company held on 5 June 2014.

The Board resolved not to pay an interim dividend for the six months ended 30 June 2014 (2013: nil).

## 9. EARNINGS PER SHARE

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

<b>Unaudited</b>	
<b>Six months ended 30 June</b>	
<b>2014</b>	<b>2013</b>
<b>HK\$'000</b>	<b>HK\$'000</b>

### Earnings

Profit attributable to equity holders of the Company for calculating basic and diluted earnings per share	<b>401,659</b>	<b>424,652</b>
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<b>Unaudited</b>	
<b>Six months ended 30 June</b>	
<b>2014</b>	<b>2013</b>

### Number of shares (thousands)

Weighted average number of ordinary shares for calculating basic earnings per share	<b>6,158,000</b>	6,158,000
Effect of dilutive potential ordinary shares: – Share options	<b>2,003</b>	1,591
Weighted average number of ordinary shares for calculating diluted earnings per share	<b>6,160,003</b>	6,159,591

## 10. TRADE AND OTHER RECEIVABLES

In general, the Group grants a credit period of about 30 to 180 days to its customers. As at 30 June 2014, the ageing analysis of the Group's trade and notes receivables (net of provision for impairment) was as follows:

	<b>Unaudited</b> <b>30 June</b> <b>2014</b> <i>HK\$'000</i>	Audited 31 December 2013 <i>HK\$'000</i>
0 – 90 days	4,139,070	3,225,587
91 – 180 days	155,622	159,530
Over 180 days	74,596	74,893
	<u>4,369,288</u>	<u>3,460,010</u>

## 11. TRADE AND OTHER PAYABLES

As at 30 June 2014, the ageing analysis of the Group's trade and notes payables was as follows:

	<b>Unaudited</b> <b>30 June</b> <b>2014</b> <i>HK\$'000</i>	Audited 31 December 2013 <i>HK\$'000</i>
0 – 90 days	3,350,933	2,717,423
91 – 180 days	842,505	425,922
181 – 365 days	57,257	35,292
Over 365 days	12,975	14,102
	<u>4,263,670</u>	<u>3,192,739</u>

## REVIEW OF OPERATIONS AND RESULTS

### INTERIM RESULTS

In the first half of 2014, the Group achieved total cargo throughput of 217.90 million tonnes, an increase of 7.1% over the corresponding period of last year, of which total container throughput grew by 5.9% to 6.89 million TEUs. For the six months ended 30 June 2014, profit attributable to the shareholders of the Company amounted to HK\$401.7 million. Basic earnings per share was HK6.5 cents.

### REVIEW OF OPERATIONS

#### Revenue

During the period under review, the Group recorded consolidated revenue of HK\$14,100.0 million, representing an increase of 42.0% from the corresponding period of last year. An analysis of revenue by segment is as follows:

Type of business	Revenue			
	First half of 2014 <i>HK\$ million</i>	First half of 2013 <i>HK\$ million</i>	Growth amount <i>HK\$ million</i>	Growth percentage
Non-containerised cargo handling business	2,646.2	2,434.6	211.6	8.7%
Container handling business	959.0	872.4	86.6	9.9%
Sales business	9,082.8	5,308.8	3,774.0	71.1%
Other port ancillary services business	1,412.0	1,311.2	100.8	7.7%
Total	<u>14,100.0</u>	<u>9,927.0</u>	<u>4,173.0</u>	<u>42.0%</u>

#### Non-containerised Cargo Handling Business

In the first half of 2014, the Group achieved total non-containerised cargo throughput of 138.86 million tonnes, representing an increase of 9.0% from the corresponding period of last year, of which throughput of the subsidiary terminals grew by 7.3% whereas throughput of the jointly controlled and affiliated terminals increased by 18.0%.

Nature of terminal	Non-containerised cargo throughput			
	First half of 2014	First half of 2013	Growth amount	Growth percentage
	<i>million tonnes</i>	<i>million tonnes</i>	<i>million tonnes</i>	
Subsidiary terminals	114.04	106.31	7.73	7.3%
Jointly controlled and affiliated terminals	24.82	21.04	3.78	18.0%
Total	<u>138.86</u>	<u>127.35</u>	<u>11.51</u>	<u>9.0%</u>

The Group achieved growth in the handling of coal, crude oil and steel for the first half of 2014. In terms of total throughput, coal handling grew by 30.4% to 44.06 million tonnes, crude oil handling rose by 6.4% to 9.86 million tonnes, steel handling increased by 21.0% to 9.55 million tonnes while metal ore handling decreased by 2.4% to 51.66 million tonnes and automobiles handling decreased by 4.8% to 11.99 million tonnes.

On a consolidated basis, the blended average unit price of the non-containerised cargo handling business was HK\$23.2 per tonne, an increase of HK\$0.3 or 1.3% from the corresponding period of last year. Revenue from the non-containerised cargo handling business amounted to HK\$2,646.2 million, an increase of 8.7% over the same period of last year.

### Container Handling Business

Currently, the Group operates all the container handling businesses at the port of Tianjin. In the first half of 2014, the Group achieved total container throughput of 6.89 million TEUs, representing an increase of 5.9% from the corresponding period of last year, of which throughput of the subsidiary terminals grew by 4.2% and throughput of the jointly controlled and affiliated terminals rose by 7.6%.

Nature of terminal	Container throughput			
	First half of 2014	First half of 2013	Growth amount	Growth percentage
	<i>'000 TEUs</i>	<i>'000 TEUs</i>	<i>'000 TEUs</i>	
Subsidiary terminals	3,365	3,229	136	4.2%
Jointly controlled and affiliated terminals	3,529	3,279	250	7.6%
Total	<u>6,894</u>	<u>6,508</u>	<u>386</u>	<u>5.9%</u>

In the first half of 2014, the consolidated blended average unit price of the container handling business increased by 5.5% to HK\$285.0 per TEU as a result of the change in cargo mix. Revenue from the container handling business was HK\$959.0 million, an increase of 9.9% over the corresponding period of last year.

## **Sales Business**

The Group's sales business mainly engaged in the supply of fuel to the inbound vessels, the sales of supplies and other materials. In the first half of 2014, the Group recorded revenue of HK\$9,082.8 million from the sales business segment, representing an increase of 71.1% over the corresponding period of last year. The increase in sales volume of other materials, such as metal ore and coal, has brought the increase in the sales revenue.

## **Other Port Ancillary Services Business**

Other port ancillary services of the Group mainly include tugboat services, agency services and other services. The Group's persistent growth in throughput brought overall growth in the other port ancillary services segment. In the first half of 2014, shipping agency grew by 4.1% to 9,191 vessel calls; tugboat services increased by 2.3% to 25,893 vessel calls and cargo agency rose by 11.3% to 40.81 million tonnes of cargoes; tallying services, on the other hand, decreased slightly by 0.6% to 58.42 million tonnes of cargoes. Revenue from other port ancillary services business was HK\$1,412.0 million, an increase of 7.7% over the same period of last year.

## **Costs**

During the period under review, cost of sales of the Group amounted to HK\$11,971.0 million, representing an increase of 50.5% from the corresponding period of last year. Cost of cargo handling business was HK\$2,074.2 million, representing an increase of 11.8% over the same period of last year, primarily due to the increase in direct costs of cargo handling business such as labour costs and cargo reconfiguration costs as a result of the growth in cargo throughput. Cost of sales business amounted to HK\$8,954.0 million, representing an increase of 70.5% over the corresponding period of last year, mainly due to an increase in the sales volume which led to the increase in the costs of goods sold.

Administrative expenses for the period under review increased by 8.0% to HK\$945.0 million. Staff cost is the key component of the administrative expenses. The Group will continue to take effective measures in cost control and management. In addition to the maintaining of prudent human resources policies which include the outsourcing of its non-core functions so as to maintain an optimal labour force, the Group will carry out technology innovation and operational optimisation measures with an aim of reducing energy consumption and operating costs of the Group as a whole.

## **OUTLOOK AND PROSPECTS**

In the first half of 2014, the US and European economies continued their slow but steady recovery, while the Chinese economy stabilised gradually with improving imports and exports. The Group achieved a steady growth in the cargo handling throughput in the first half of 2014.

Looking ahead to the second half of the year, the US economy is expected to improve at a steady pace while the European economy remains fragile. Backed by the directional regulation and “micro-stimulus” policies of the Chinese government, the Chinese economy is expected to remain stable. Overall, the global economy would sustain upward momentum with moderate growth and world trade would pick up gradually. The Group will continue to carry out the principle of stable growth operation, while actively develop port functions, strengthen service capabilities, upgrade and enhance the capacity of its port infrastructures, and aim to promote sustainable development of the Group.

## **FINANCIAL REVIEW**

### **Capital Structure**

The capital and reserves attributable to equity holders of the Company as at 30 June 2014 were HK\$11,454.1 million.

As at 30 June 2014, the Company had an issued share capital of 6,158 million shares and the market capitalisation was HK\$7,512.8 million (at the closing market price of the shares of the Company of HK\$1.22 per share on 30 June 2014).

### **Cash Flow**

For the six months ended 30 June 2014, the net cash inflow of the Group amounted to HK\$107.0 million.

The net cash inflow from operating activities amounted to HK\$1,335.5 million, representing an increase of HK\$374.0 million over the same period of last year.

The net cash outflow in investing activities amounted to HK\$1,320.5 million, mainly attributable to HK\$994.7 million used for capital expenditure, the capital contribution of HK\$280.3 million and HK\$177.1 million to an associate and a joint venture respectively.

The net cash inflow from financing activities amounted to HK\$92.0 million, which included the payment of dividends and interest expenses of HK\$819.9 million, the net increase in borrowings of HK\$550.6 million and the capital contribution of HK\$361.3 million from the non-controlling shareholders of subsidiaries.

## **Liquidity and Financial Resources**

As at 30 June 2014, the Group's cash and deposits (including restricted bank deposits) were HK\$6,998.2 million (31 December 2013: HK\$6,298.2 million) and principally denominated in Renminbi ("RMB"). The Group's total borrowings as at 30 June 2014 were HK\$13,998.8 million (31 December 2013: HK\$13,534.7 million), with HK\$2,631.1 million repayable within one year, HK\$9,407.0 million repayable after one year and within five years and HK\$1,960.7 million repayable over five years. About 27.5% and 7.8% of the Group's borrowings were denominated in Hong Kong dollars ("HK\$") and US dollars ("US\$") respectively, and 64.7% were denominated in RMB.

During the period under review, the Group's interest expenses (including capitalised interest) amounted to HK\$305.2 million.

As at 30 June 2014, the gearing ratio (ratio of total borrowings to total equity) and current ratio (ratio of current assets to current liabilities) of the Group were 57.7% (31 December 2013: 56.4%) and 1.3 (31 December 2013: 1.3) respectively. As at 30 June 2014, none of the Group's assets were pledged.

## **Financial Management and Policy**

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

The operations of the Group are located in the PRC and its functional currency is RMB. The Group is exposed to foreign exchange risk primary from the assets and liabilities that are denominated in currencies other than the functional currency. As at 30 June 2014, most of the Group's assets and liabilities were denominated in RMB except for certain HK\$ and US\$ bank borrowings. Due to the depreciation of RMB during the period under review, the Group recorded an exchange loss of HK\$22.2 million as compared to the exchange gain of HK\$71.5 million for the corresponding period of last year.

The Group's interest rate risk arises primarily from the fluctuation on the interest rates of borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk while borrowings issued at fixed rates expose the Group to fair value interest rate risk. As at 30 June 2014, the Group's total borrowings were HK\$13,998.8 million, of which approximately 59.5% were at floating interest rate and the remaining 40.5% were at fixed interest rate.

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



## **SIGNIFICANT INVESTMENTS**

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

1. Tianjin Port Yuanhang Bulk Cargo Terminal Co., Ltd., a subsidiary of the Group, invests in the depot expansion project of Tianjin Port Yuanhang Bulk Cargo Terminal. Total investment of the project amounts to RMB1,500.0 million (equivalent to approximately HK\$1,889.6 million). The amount paid during the period under review was RMB65.0 million (equivalent to approximately HK\$81.9 million). As at 30 June 2014, the total amount paid was RMB1,124.0 million (equivalent to approximately HK\$1,416.0 million).
2. Tianjin Port Yuanhang International Ore Terminal Co., Ltd., a subsidiary of the Group, invests in the construction project of specialised ore terminals at Tianjin Port Nanjiang berth no. 26. Total investment of the construction project amounts to RMB2,990.0 million (equivalent to approximately HK\$3,766.7 million). The amount paid during the period under review was RMB227.0 million (equivalent to approximately HK\$286.0 million). As at 30 June 2014, the total amount paid was RMB2,547.0 million (equivalent to approximately HK\$3,208.6 million).

## **CONTINGENT LIABILITIES**

The Group did not have any material contingent liabilities as at 30 June 2014.

## **GOING CONCERN**

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

## **EMPLOYEES**

As at 30 June 2014, the Group had approximately 10,700 employees. Remuneration packages are assessed in accordance with the nature of job duties, individual performance and market trends. The remuneration policies are also regularly reviewed by the Group. Incentives of the management's remuneration package are paid in form of cash bonuses as well as share options.

## **REVIEW OF INTERIM RESULTS**

The condensed consolidated interim financial statements for the six months ended 30 June 2014 have not been audited but have been reviewed by the independent auditor of the Company in accordance with Hong Kong Standard on Review Engagement 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. The audit committee of the Company has reviewed the interim results for the six months ended 30 June 2014.

## **INTERIM DIVIDEND**

The Board has resolved not to declare an interim dividend for the six months ended 30 June 2014.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2014.

## **COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE**

The Company has complied with all code provisions of the Corporate Governance Code as set out in Appendix 14 to the Listing Rules during the six months ended 30 June 2014.

## **COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its code of conduct regarding securities transactions by the directors of the Company (the "Directors"). Having made specific enquiry with the Directors, all the Directors confirmed that they have complied with the required standards as set out in the Model Code throughout the six months ended 30 June 2014.

## **PUBLICATION OF INTERIM RESULTS**

This interim results announcement is published on the website of the Company at [www.tianjinportdev.com](http://www.tianjinportdev.com) and the HKExnews website at [www.hkexnews.hk](http://www.hkexnews.hk).

By Order of the Board  
**Tianjin Port Development Holdings Limited**  
**Zhang Lili**  
*Chairman*

Hong Kong, 27 August 2014

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