



Interim Report 中期報告

# 2021



## 辽宁港口股份有限公司 LIAONING PORT CO., LTD.

(A sino-foreign joint stock limited company incorporated in the People's Republic of China)  
(於中華人民共和國註冊成立之外商投資股份有限公司)

(Stock Code 股份代號 : 2880)





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# Management Discussion and Analysis

## SUMMARY

In the first half of 2021, as the domestic epidemic was under good control and various industries resumed work and production gradually, China's national economy was the first to show resilience and rebound among the major economies in the world. The implementation of national strategies such as domestic circulation, domestic and international dual circulation boosted the steady growth of China's economy and guided the recovery of international economic trade, and thus the port industry in China maintains its stable upturn.

In the first half of the year, cargo throughput handled by China's large-scale ports amounted to 7.64 billion tonnes, representing a year-on-year increase of 13.2%. In particular, cargo throughput handled at coastal ports in China was 4.96 billion tonnes, representing a year-on-year increase of 10.3%. (Source from "Ministry of Transport")

During the reporting period, the Group principally engaged in the following businesses: oil/liquefied chemical terminal and related logistics services (Oil Segment); container terminal and related logistics services (Container Segment); automobile terminal and related logistics services (Automobile Terminal Segment); bulk and general cargo terminal and related logistics services (Bulk and General Cargo Segment); bulk grain terminal and related logistics services (Bulk Grain Segment); passenger and roll-on, roll-off terminal and related logistics services (Passenger and Ro-Ro Segment) and value-added and ancillary port operations (Value-added Services Segment).

In the first half of 2021, details of the general information on the macro-economy and industries relevant to the Group's principal business were set out as follows:

**Oil Segment:** In the first half of 2021, the demand of traders for warehousing was inhibited by the rising international oil prices in general and the reversed structure of crude oil market. Also, some oil producing countries were under sanction, and the imported crude oil was partially offset by other alternative raw materials purchased by private refineries for processing, which resulted in a decrease in the amount of imported crude oil. In the first half of the year, China imported 261 million tonnes of crude oil, representing a year-on-year decrease of 3%.

**Container Segment:** Containers throughput handled by overall ports in China amounted to 138.18 million TEUs for the six months ended 30 June 2021, representing a year-on-year increase of 15%.

**Automobile Terminal Segment:** In the first half of 2021, the automobile market witnessed a steady recovery. Despite adverse factors including shortage of chips and rising price of raw materials, the severe domestic epidemic in the first half of last year as well as the low base of production and sales amount of commercial vehicles, the automobile production and sales amount recorded a year-on-year increase in the first half of the year. For the six months ended 30 June 2021, automobile production and sales volume in China was 12,569,000 vehicles and 12,891,000 vehicles, representing a year-on-year increase of 24.2% and 25.6%, respectively.

# Management Discussion and Analysis

**Bulk and General Cargo Segment:** In the first half of 2021, against the macro background of global economic recovery and monetary easing, the bulk commodity market prices rose as a whole, and the prices of most varieties hit record highs. In terms of iron ore, the cumulative shipment of global iron ore in the first half of the year was 784 million tonnes, representing a year-on-year increase of 51.00 million tonnes with an increase of 6.98%. While the shipments of global iron ore have increased greatly, the volume of imported iron ore arriving at ports in China have also increased significantly. According to statistics from the Bureau of Statistics: in the first five months, the volume of declarations of imported iron ore in China amounted to 420 million tonnes, representing a year-on-year increase of 26.50 million tonnes with an increase of 5.9%.

**Bulk Grain Segment:** In the first half of 2021, the abnormal price difference between the north and south production and sales areas, the high basic price of the traders' grain receipt and storage and the high stockpiling cost led to the rising grain prices and sluggish trade market. Under the Chinese policy of strengthening grain import, the corn shortage in the south was effectively improved. Due to the rising corn prices, most companies improved the feed formulas and the substitution effect appeared, which causes a further decline in demand for corn. The above factors severely restricted the corn shipping volume in northeast China.

**Passenger and Ro-Ro Segment:** Since the beginning of the year, domestic epidemic has been generally in a stage of normal prevention and control and passenger and ro-ro transportation in Bohai Bay has basically resumed normal. In the first half of 2021, passengers of the inter-provincial routes of Bohai Rim region increased by 42.2% and Ro-Ro vehicles increased by 17.1%.

## OVERALL RESULTS REVIEW

In the first half of 2021, the Group's net profit attributable to shareholders of the parent company amounted to RMB905,547,578.82, representing a decrease of RMB111,795,076.93 or 11.0% as compared with RMB1,017,342,655.75 in the first half of 2020.

In the first half of 2021, the business volume of the Group's container, ore and grain and other efficient cargos decreased. The social security charges resumed an increase after the termination of reductions and exemptions policy during the epidemic. The decline in the profit was mainly due to the impact from the increase of depreciation expenses caused by adoption of a common policy of useful lives of fixed assets upon merger of the two ports, and the impact of epidemic prevention and control on production and operation. However, the increase in the business volume of general cargo and Passenger and Ro-Ro Segment, the increase in the performance of joint ventures and associates in automobile segment and the reduced financial costs due to the decrease in the amount of interest-bearing debts reduced the decline in profit. In light of the above, the Group's net profit attributable to the parent company reported a year-on-year decrease of 11.0%.

In the first half of 2021, the Group's basic earnings per share amounted to RMB4.00 cents, representing a decrease of RMB0.50 cents or 11.0% as compared with RMB4.50 cents in the first half of 2020.



# Management Discussion and Analysis

Changes in the principal components of the net profit are set out as follows:

Item	In the first half of 2021 (RMB)	In the first half of 2020 (RMB)	Changes (%)
Net profit attributable to shareholders of the parent company	<b>905,547,578.82</b>	1,017,342,655.75	(11.0)
Including:			
Revenue	<b>5,828,529,724.68</b>	5,595,338,056.19	4.2
Cost of sales	<b>3,928,731,514.49</b>	3,614,547,909.19	8.7
Gross profit	<b>1,899,798,210.19</b>	1,980,790,147.00	(4.1)
Gross profit margin	<b>32.6%</b>	35.4%	Down by 2.8 percentage points
Administrative expenses	<b>362,736,753.44</b>	336,256,432.48	7.9
Research and development expenses	<b>3,142,083.67</b>	5,890,491.17	(46.7)
Financial expenses	<b>295,533,687.29</b>	375,342,757.22	(21.3)
Asset impairment losses	<b>0.00</b>	39,478,982.44	(100.0)
Credit impairment losses	<b>41,062,966.61</b>	17,073,527.06	140.5
Other income	<b>44,937,825.07</b>	58,624,467.15	(23.3)
Investment income	<b>160,168,508.18</b>	154,900,058.64	3.4
Net non-operating income (Note 1)	<b>(21,600,261.02)</b>	5,997,086.53	(460.2)
Income tax expenses	<b>365,639,159.95</b>	311,592,960.50	17.3

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

In the first half of 2021, the Group's revenue increased by RMB233,191,668.49 year-on-year, or 4.2% driven by the growth of container cross-border train business and transportation agent business as well as growth of business volume of bulk and general cargo and Passenger and Ro-Ro Segment. However, the decrease of business volume of container, ore and grain has restrained the growth of revenue.

In the first half of 2021, the Group's cost of sales increased by RMB314,183,605.30 year-on-year, or 8.7%, mainly due to the combined impact of the increase in container agency fee accompanying revenue increase, the rising labour costs resulting from the termination of social security policy reductions as well as the increase of depreciation expenses.

In the first half of 2021, the Group's gross profit decreased by RMB80,991,936.81 year-on-year, or 4.1%. This is mainly due to the decrease in the revenue resulting from the decreased business volume of container throughput for foreign trade, ore and grain with a high gross profit margin, and the increase of expenses related to the restoration of social security, an increase in depreciation expenses, as well as the rising costs caused by efforts on prevention and control of the epidemic.

In the first half of 2021, the Group's administrative expenses increased by RMB26,480,320.96 year-on-year, or 7.9%, mainly due to the increase in restoration of social security.

# Management Discussion and Analysis

In the first half of 2021, the Group's research and development expenses decreased by RMB2,748,407.50 year-on-year, or 46.7%, mainly due to the impact of excluding from consolidating the information companies, the equity interests in which was used as consideration to take a stake in a new joint venture.

In the first half of 2021, the Group's financial expenses decreased by RMB79,809,069.93 year-on-year, or 21.3%, mainly due to reduced interest expenses as a result of the decline in the Group's debt scale.

In the first half of 2021, the Group's asset impairment losses decreased by RMB39,478,982.44 year-on-year, or 100% mainly because the Group made provision in the same period of last year for asset impairment losses for its subsidiaries to be liquidated.

In the first half of 2021, the Group's credit impairment losses increased by RMB23,989,439.55 year-on-year, or 140.5%, mainly due to the fact that impairment losses were provided based on credit impairment model as certain major customers of the Oil Segment had not settled storage fees.

In the first half of 2021, the Group's other income decreased by RMB13,686,642.08 year-on-year, or 23.3%, which was mainly due to the combined impact of decrease of subsidies on China-Europe train lines in inland ports companies and of subsidies for keeping a stable number of employees.

In the first half of 2021, the Group's investment income increased by RMB5,268,449.54 year-on-year, or 3.4%, mainly due to the increase of performance of associates and joint ventures that operate automobile and bulk and general cargo businesses. However, the performance of companies that operate LNG business declined.

In the first half of 2021, the Group's net non-operating income decreased by RMB27,597,347.55 year-on-year, or 460.2%, mainly due to the impact of demurrage charge provided for bulk and general cargo terminal operation.

In the first half of 2021, the Group's income tax expenses increased by RMB54,046,199.45 year-on-year, or 17.3%, mainly due to the change in deferred income tax generated by Yingkou Port Liability Co., Ltd. under common control.

## Assets and Liabilities

As at 30 June 2021, the Group's total assets and net assets amounted to RMB53,604,149,678.06 and RMB38,707,219,237.42 respectively. Net asset value per share was RMB1.57, slightly increased from RMB1.55 as at 31 December 2020.

As of 30 June 2021, the Group's total liabilities were RMB14,896,930,440.64, of which the total outstanding borrowings were RMB4,608,107,519.56 (this part of borrowings carries a fixed interest rate), and the gearing ratio was 27.8% (the total liabilities amounted to RMB14,896,930,440.64/the total assets amounted to RMB53,604,149,678.06), a decrease of 2.9 percentage points from 30.7% as of 31 December 2020, mainly due to the repayment of corporate bonds during the period which reduced its debt scale.



# Management Discussion and Analysis

## Financial Resources and Liquidity

As at 30 June 2021, the Group had a balance of cash and cash equivalents of RMB5,765,460,628.39, representing a decrease of RMB1,370,877,610.48 as compared to that of 31 December 2020.

In the first half of 2021, the Group's net cash inflows generated from operating activities amounted to RMB926,801,954.35, net cash inflows for investing activities amounted to RMB853,377,280.44, and net cash outflows for financing activities amounted to RMB3,151,482,847.84.

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

As at 30 June 2021, the Group's outstanding borrowings amounted to RMB4,608,107,519.56 (this part of borrowings carries a fixed interest rate), in which RMB1,081,016,335.94 were borrowings repayable within one year, and RMB3,527,091,183.62 were borrowings repayable after one year.

As of 30 June 2021, the Group's net debt-equity ratio was 14.9% (31 December 2020: 15.5%), mainly due to the reduction in the scale of the Company's debt due to bonds repayment in the first half of the year. The Group protected itself against solvency risk and maintained an overall healthy financial structure.

As of 30 June 2021, the Group's unutilised bank line of credit amounted to RMB10.35 billion.

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

The Group continued to closely monitor its interest rate risk and exchange rate risk. As of 30 June 2021, the Group had not entered into any foreign exchange hedging contracts.



# Management Discussion and Analysis

## CONTINGENCIES

### *Pending Litigations and Arbitrations*

Pending litigation and arbitration concerning Liaoning Port Holdings (Yingkou) Co., Ltd. (遼港控股(營口)有限公司), a subsidiary of the Group

On 19 August 2015, Kunlun International Trading Limited (昆侖國際貿易有限公司) (hereinafter referred to as “**Kunlun International**”) filed a lawsuit with Dalian Maritime Court against Yingkou Port Liability Co., Ltd. on the rejection of its application for delivery of goods, requesting Yingkou Port to compensate for a loss of RMB285.60 million and accrued interest. On 28 December 2018, Dalian Maritime Court issued the first instance judgment titled (2015) Da Hai Shang Chu Zi No. 517 ((2015)大海商初字第 517 號), ruling that Yingkou Port shall pay Kunlun International short delivery losses of RMB50.46 million, and the interest thereon at the loan interest rate set by the People’s Bank of China for the same period from 20 August 2015 to the date of actual payment. The court ruled that Yingkou Port shall pay Kunlun International a net compensation of RMB32.76 million after taking into full account of the storage fees and other fees of RMB25.88 million payable to Yingkou Port by Kunlun International. At the same time, the equity interests in Yingkou Xingang Ore Terminal Co., Ltd. and Sinograin Yingkou Storage and Transportation Co., Ltd. held by Yingkou Port were frozen for a period of 3 years. Yingkou Port made provisions for estimated liabilities of RMB32.76 million as at the end of 2018 based on the above ruling.

Both Yingkou Port and Kunlun International refused to accept the judgment and filed a second instance to the Higher People’s Court of Liaoning Province in January 2019. The Higher People’s Court of Liaoning Province issued a civil ruling ((2019) Liao Min Zhong No. 685 ((2019)遼民終 685 號)) on 6 November 2019, ruling that: 1) the civil judgment titled (2015) Da Hai Shang Chu Zi No. 517 ((2015)大海商初字第 517 號) issued by Dalian Maritime Court be revoked; 2) the case be remanded to Dalian Maritime Court.

On 31 August 2020, Yingkou Port offered Dalian Maritime Court with a bank guarantee of RMB216.11 million as equivalent guarantee asset for a guarantee period from 31 August 2020 to 30 August 2022. On 1 September 2020, Dalian Maritime Court made a ruling that the equity interests in Yingkou Xingang Ore Terminal Co., Ltd. and Sinograin Yingkou Storage and Transportation Co., Ltd. held by Yingkou Port shall be released. Kunlun International filed with Dalian Maritime Court for a review of the ruling. On 7 September 2020, Dalian Maritime Court issued a civil ruling (the first (2020) Liao 72 Min Chu No. 27 ((2020)遼 72 民初 27 號之一)), rejecting Kunlun International’s request for a review.

On 10 June 2021, Dalian Maritime Court issued a civil ruling ((2020) Liao 72 Min Chu No. 27 ((2020)遼 72 民初 27 號)), rejecting all of the claims of Kunlun International. Kunlun International refused to accept the ruling, and filed a second instance to the Higher People’s Court of Liaoning Province in June 2021.

As at the approval date of these interim financial statements, the hearing of this case has not been initiated by the Higher People’s Court of Liaoning Province.





# Management Discussion and Analysis

Pending litigation and arbitration concerning DCT Logistics Co., Ltd., a subsidiary of the Group

From January 2020 to February 2021, Shunde (Dalian) Supply Chain Management Co., Ltd. (舜德(大連)供應鏈管理股份有限公司) (hereinafter referred to as “**Shunde**”) carried out cooperation with Qingdao Kaitou International Trade Co., Ltd. (青島開投國際貿易有限公司) and, Fujian Rongjiang Import & Export Co., Ltd. and other companies (hereinafter referred to as “**Import Agents**” or “**Warehousing Clients**”) by entering into Import Agent Agreement or Agent Procurement Contract with such Import Agents by which the Import Agents agreed to license Shunde’s imported goods and open of letter of credit in the name of the Import Agents for the payment of imported goods, and the risks and liabilities of related imported goods shall be borne by Shunde. Meanwhile, the Import Agent signed a Customs Declaration Logistics Warehousing Agreement or Import Freight Forwarding Agreement with DCT Logistics Co., Ltd. (hereinafter referred to as “**DCT Logistics**”), a subsidiary of the Group, agreeing that DCT Logistics handles import goods customs declaration, goods warehousing and custody services for the Import Agents. In actual business, the costs incurred under the Customs Declaration Logistics Warehousing Agreement or Import Freight Forwarding Agreement shall be settled by Shunde in accordance with the Packing and Unpacking (Packing up) Agreement it signed with DCT Logistics. Given that both the ultimate owner of the imported goods in these businesses and the relevant warehousing cost settler are Shunde, DCT Logistics released the relevant goods under the instructions of Shunde, the ultimate cargo owner. As Shunde failed to repay part of the import letter of credit payment to the Import Agents as scheduled, from the end of March 2021 to May 2021, the Import Agents filed lawsuits against DCT Logistics in Dalian Maritime Court and other people’s courts, respectively, requesting DCT Logistics and Shunde return the relevant goods under the Customs Declaration Logistics Warehousing Agreement or the Import Freight Forwarding Agreement signed with DCT Logistics. In May 2021, DCT Logistics was approved by the Dalian Maritime Court to file a pre-litigation property preservation against Shunde. Up to now, the de facto controller of Shunde has been investigated by the public authorities for suspected fraud.

Based on the evidence that the Group has already obtained and the professional opinions of external legal advisor, the management of the Group believes that the Warehousing Clients are Shunde’s import business agents, and the goods involved in the case are actually owned by Shunde, the release by DCT Logistics of the goods to Shunde, the owner of the goods, did not infringe the rights of the Warehousing Clients; If the advance provided by the Warehousing Clients to Shunde was not repaid by Shunde as scheduled, and there was no causal relationship with the delivery of goods by DCT Logistics. As at the approval date of these interim financial statements, the above-mentioned cases have been accepted by the relevant courts, but so far none of the cases have been formally heard, and preliminary judgments have not been made. The outcomes of such litigation and compensation obligations (if any) cannot be estimated reliably for the time being. As relevant litigation involves many related parties, the case is very complicated, and the Warehousing Clients are currently actively negotiating settlement plans with Shunde and making certain progress. Therefore, the amount of litigation involved in these pending litigations of the Group cannot be determined for the time being.

# Management Discussion and Analysis

## USE OF PROCEEDS

### *Use of Proceeds for A Shares*

The Company convened the second meeting of the sixth session of the Board in 2021 and the first meeting of the sixth session of the supervisory committee in 2021 on 25 March 2021, at which the Announcement of Liaoning Port Co., Ltd. on Permanent Replenishment of Working Capital by Part of the Remaining Proceeds for A Shares was considered and passed, and the Company was approved to use the remaining funds of investment projects funded by the proceeds for A Shares for permanent replenishment of working capital. Such proposal has been passed by voting at the 2020 annual general meeting of the Company convened on 16 June 2021. For details, please refer to the announcement (Lin 2021-025) ([www.sse.com.cn](http://www.sse.com.cn)) and the announcement (2021-036) ([www.sse.com.cn](http://www.sse.com.cn)) published by the Company on 25 March 2021 and 16 June 2021, respectively. After the fulfillment of replenishment of working capital abovementioned, the Company has no unutilised A Share proceeds. For more details about proceeds for A Shares for permanent replenishment of working capital, including reasons, please refer to the announcement of the Company at the date of 25 March, 2021.

## CAPITAL EXPENDITURE

In the first half of 2021, the Group's capital expenditure amounted to RMB78,728,622.10, which was mainly funded by the surplus cash generated from operating activities, the proceeds from the public offering of A Shares and other external financing.

An analysis of the performance of each business segment of the Group in the first half of 2021 is as follows:

### *Oil Segment*

The following table sets out the oil/liquefied chemicals throughput handled by the Group in the first half of 2021 with comparative figures for the first half of 2020:

	<b>For the six months ended 30 June 2021 (<i>'0,000 tonnes</i>)</b>	For the six months ended 30 June 2020 ( <i>'0,000 tonnes</i> )	<b>Increase/ (decrease)</b>
Crude oil	<b>1,851.2</b>	2,103.8	(12.0%)
– Foreign trade imported crude oil	<b>1,194.6</b>	1,392.3	(14.2%)
Refined oil	<b>783.9</b>	920.2	(14.8%)
Liquefied chemicals	<b>95.3</b>	83.3	14.4%
LNG	<b>225.1</b>	334.9	(32.8%)
Others	<b>49.0</b>	1.7	2,782.4%
Total	<b>3,004.5</b>	3,443.9	(12.8%)

In the first half of 2021, the Group handled a total of 30.045 million tonnes of oil/liquefied chemicals throughput, representing a year-on-year decrease of 12.8%.

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In the first half of 2021, the Group's crude oil throughput decreased by 12.0% year-on-year to 18.512 million tonnes, of which imported crude oil throughput was 11.946 million tonnes, representing a year-on-year decrease of 14.2%. The decline in the Group's crude oil throughput in the first half of the year was mainly due to the low freight of international tankers and enhanced capacity of cargo terminals to dock, and the fact that major customers for transshipment chose to transship oversea for imported crude oil and the small-and-medium tankers docked directly in territorial wharf for unloading.

In the first half of 2021, the Group's refined oil throughput amounted to 7.839 million tonnes, representing a year-on-year decrease of 14.8%. At the beginning of the year, China reshaped its supply for refined oil resource, and the participation of large private refineries led to fiercer competition in the refined oil sales market in China, which resulted in the fact that large private refineries conducted sea business in their own terminals. This was the main reason for the decrease in the Group's refined oil throughput.

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

Item	In the first half of 2021 (RMB)	In the first half of 2020 (RMB)	Change (%)
Revenue	<b>914,171,712.67</b>	899,504,943.76	1.6
Share of the Group's revenue	<b>15.7%</b>	16.1%	Down by 0.4 percentage points
Gross profit	<b>378,672,015.41</b>	366,758,573.99	3.2
Share of the Group's gross profit	<b>19.9%</b>	18.5%	Up by 1.4 percentage points
Gross profit margin	<b>41.4%</b>	40.8%	Up by 0.6 percentage points

In the first half of 2021, the revenue from the Oil Segment increased by RMB14.67 million or 1.6% year-on-year, mainly due to the increase in crude oil storage revenue.

In the first half of 2021, the gross profit margin of the Oil Segment increased by 0.6 percentage points year-on-year, mainly due to the increase of revenue of crude oil storage with a high gross profit margin.

In the first half of 2021, major measures taken by the Group and the progress of key projects related to the Group are set out as follows:

- Flexibly allocating storage tank resources and meeting customers' needs to achieve the increase in revenue of warehouse usage.
- Giving full play to the advantages of the collection and distribution capacity and expanding the railway transshipment business of imported crude oil to achieve the increase in the business volume.
- Signing strategic cooperation agreement with customers to expand crude oil transshipment business to Hebei.

# Management Discussion and Analysis

## Container Segment

The following table sets out the Container Segment's throughput handled by the Group in the first half of 2021, with comparative figures for the first half of 2020:

		<b>For the six months ended 30 June 2021 (<i>'0,000 TEUs</i>)</b>	For the six months ended 30 June 2020 ( <i>'0,000 TEUs</i> )	<b>Increase/ (decrease)</b>
Foreign trade	self-owned terminals	<b>145.0</b>	217.5	(33.3%)
	terminals with shareholding ( <i>Note 1</i> )	<b>3.0</b>	3.4	(11.8%)
	Subtotal	<b>148.0</b>	220.9	(33.0%)
Domestic trade	self-owned terminals	<b>289.0</b>	339.5	(14.9%)
	terminals with shareholding ( <i>Note 1</i> )	<b>72.1</b>	63.3	13.9%
	Subtotal	<b>361.1</b>	402.8	(10.4%)
Total	self-owned terminals	<b>434.0</b>	557.0	(22.1%)
	terminals with shareholding ( <i>Note 1</i> )	<b>75.1</b>	66.7	12.6%
	Total	<b>509.1</b>	623.7	(18.4%)

*Note 1:* Throughput at other ports handled by the Group refers to the aggregate throughput of Jinzhou New Age Container Terminal Co., Ltd. (錦州新時代集裝箱碼頭有限公司), which is owned as to 15% by the Group, and Qinhuangdao Port New Harbour Container Terminal Co., Ltd. (秦皇島港新港灣集裝箱碼頭有限公司), which is owned as to 15% by the Group.

In the first half of 2021, in terms of container throughput, the Group handled a total of 5.091 million TEUs, representing a year-on-year decrease of 18.4%.





# Management Discussion and Analysis

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

Item	In the first half of 2021 (RMB)	In the first half of 2020 (RMB)	Change (%)
Revenue	<b>1,892,426,020.71</b>	1,752,749,897.09	8.0
Share of the Group's revenue	<b>32.5%</b>	31.3%	Up by 1.2 percentage points
Gross profit	<b>635,309,234.00</b>	670,039,355.55	(5.2)
Share of the Group's gross profit	<b>33.4%</b>	33.8%	Down by 0.4 percentage points
Gross profit margin	<b>33.6%</b>	38.2%	Down by 4.6 percentage points

In the first half of 2021, the revenue from the Container Segment increased by RMB139.68 million or 8.0% year-on-year, mainly due to the impact of the growth of the business of cross-border train lines and container shipping agency business. However, the decrease in the business volume of container terminal and branch line in Bohai Rim region resulted in the decline in the revenue.

In the first half of 2021, the gross profit margin of the Container Segment decreased by 4.6 percentage points year-on-year, mainly due to the revenue increase in the agency business and cross-border train lines business with a low gross profit margin, and the revenue decrease in foreign trade container business with a high gross profit margin.

In the first half of 2021, major measures taken by the Group and the progress of key projects related to the Group are set out as follows:

- Overcoming impacts from factors including the COVID-19 epidemic and the intense operation of global route market, to ensure the stable production and operation at terminals, and by virtue of efficient terminal service and perfect feeder network layout of the Group, to focus on the expansion into route markets including Southeast Asia, Japan and South Korea, etc., and to newly add 4 new foreign trade routes, further optimising network layout of shipping routes to meet the differentiated logistics needs of different customers.
- Implementing Bohai Rim region strategy, deepening the transshipment co-load cabin cooperation, stabilizing branch train line schedule, effectively reducing operational costs, improving customer service satisfaction, and focusing on the development of domestic and foreign trade project resources, which further manifested the pivotal role of Bohai Rim region.
- Enhancing business collaboration and cooperation with shipping companies, and railway bureaus in various links of sea-rail combined transportation, deepening the exploration into inland resource market, and newly opening various domestic and foreign trade train lines. Increasing efforts in the resource organization to newly add the exit channel at the Alataw Pass at the basis of stable operation of current Sino-Euro train lines and channels to continuously enhance the competition in Sino-Euro port train line market.

# Management Discussion and Analysis

## Automobile Terminal Segment

The following table sets out the throughput handled by the Group's automobile terminal in the first half of 2021, with comparative figures for the first half of 2020:

		<b>For the six months ended 30 June 2021</b>	For the six months ended 30 June 2020	<b>Increase/ (decrease)</b>
Vehicles (units)	Foreign trade	<b>24,207</b>	6,706	261.0%
	Domestic trade	<b>414,746</b>	318,616	30.2%
	Total	<b>438,953</b>	325,322	34.9%
Equipment (tonnes)		<b>5,739</b>	10,523	(45.5%)

In the first half of 2021, the Group handled a total of 438,953 vehicles in automobile terminal, representing a year-on-year increase of 34.9%.

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

<b>Item</b>	<b>In the first half of 2021 (RMB)</b>	In the first half of 2020 (RMB)	<b>Change (%)</b>
Revenue	<b>26,501,399.86</b>	24,888,329.96	6.5
Share of the Group's revenue	<b>0.5%</b>	0.4%	Up by 0.1 percentage point
Gross profit	<b>5,521,101.35</b>	(2,487,946.79)	321.9
Share of the Group's gross profit	<b>0.3%</b>	(0.1%)	Up by 0.4 percentage point
Gross profit margin	<b>20.8%</b>	(10.0%)	Up by 30.8 percentage points

In the first half of 2021, the revenue from the Automobile Segment increased by RMB1.61 million year-on-year, an increase of 6.5%, mainly due to the combined impact of the increase in revenue from vehicles for railway handling services of Harbour ECL and the decrease in revenue from RV trading.

In the first half of 2021, the gross profit margin of the Automobile Segment increased by 30.8 percentage points year-on-year, mainly due to the impact of the decrease in revenue from RV trading with a low gross profit margin.



# Management Discussion and Analysis

In the first half of 2021, major measures taken by the Group and the progress of key projects related to the Group are set out as follows:

- Leveraging on export routes of BMW, we have expanded export cargos such as Volvo and initially achieved exporting BMW as a breakthrough to drive other export cargos to aggregate. Automobile terminal set a new record in the foreign trade business in the first half of the year since the opening of the port.
- The development of the cross-border automobile transportation business in Japan marked the opening of China's first sea-to-rail intermodal corridor of commercial vehicles from East Asia to Central Asia.
- The domestic trade ro-ro transportation route of FAW-Volkswagen to Ningbo has been resumed, and the domestic trade ro-ro transportation route of FAW Toyota to Ningbo has been newly opened.

## Bulk and General Cargo Segment

The following table sets out the throughput handled by the Group's bulk and general cargo terminal in the first half of 2021, with comparative figures for the first half of 2020:

	<b>For the six months ended 30 June 2021 (<i>'0,000 tonnes</i>)</b>	For the six months ended 30 June 2020 ( <i>'0,000 tonnes</i> )	<b>Increase/ (decrease)</b>
Steel	<b>1,470.4</b>	1,369.0	7.4%
Coal	<b>573.7</b>	769.7	(25.5%)
Equipment	<b>38.0</b>	27.3	39.2%
Ore	<b>3,996.2</b>	4,173.4	(4.3%)
Others	<b>2,225.9</b>	1,573.1	41.5%
<b>Total</b>	<b>8,304.2</b>	7,912.5	5.0%

In the first half of 2021, the throughput of the Group's Bulk and General Cargo Segment amounted to 83.042 million tonnes, representing a year-on-year increase of 5.0%.

In the first half of 2021, the throughput of the Group's ore segment amounted to 39.962 million tonnes, representing a year-on-year decrease of 4.3%. Such decrease was mainly due to the fact that since the beginning of the year, the ore price was high, steel mills slowed down their import of foreign ore, while the 400,000-ton berth in Yantai Port was put into operation to divert part of the blended ore international transit cargo source.

In the first half of 2021, the Group's steel throughput was 14.704 million tonnes, representing a year-on-year increase of 7.4%. In light of rising price of bulk commodities, the price of steel remained high, steel enterprises were proactively producing and the sea business of steel increased.

# Management Discussion and Analysis

In the first half of 2021, the Group's coal throughput was 5.737 million tonnes, representing a year-on-year decrease of 25.5%, mainly due to the fact that domestic coal price rose sharply in the first half of the year with price remaining fluctuated at a high level, as well as the sticky high ocean freight and the relatively high integrated logistics cost of customers, which resulted in the end users' weak purchasing desire.

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

Item	In the first half of 2021 (RMB)	In the first half of 2020 (RMB)	Change (%)
Revenue	<b>2,083,446,934.26</b>	1,967,110,008.64	5.9
Share of the Group's revenue	<b>35.7%</b>	35.2%	Up by 0.5 percentage points
Gross profit	<b>849,866,350.60</b>	771,036,592.56	10.2
Share of the Group's gross profit	<b>44.7%</b>	38.9%	Up by 5.8 percentage points
Gross profit margin	<b>40.8%</b>	39.2%	Up by 1.6 percentage points

In the first half of 2021, the revenue from the Bulk and General Cargo Segment increased by RMB116.34 million or 5.9% year-on-year. This was mainly due to the increase in the business volume of mining construction materials, steel and other general cargo, which drove the growth of revenue.

In the first half of 2021, the gross profit margin of the Bulk and General Cargo Segment increased by 1.6 percentage points year-on-year, mainly due to the impact of the increase in the steel business with a higher gross profit margin and the recovering adjustment of handling fee rates for some types of cargos.

In the first half of 2021, major measures taken by the Group and the progress of key projects related to the Group are set out as follows:

- Actively visiting many customers in the hinterland and strengthening the cooperation with customers continuously.
- Deepening the cooperation with Vale to expand RMB spot trades and promote the construction of mixed ore transshipment and distribution center in Northeast Asia.





# Management Discussion and Analysis

## Bulk Grain Segment

The following table sets out the throughput handled by the Group's bulk grain terminal in the first half of 2021, with comparative figures for the first half of 2020:

	<b>For the six months ended 30 June 2021 (<i>'0,000 tonnes</i>)</b>	For the six months ended 30 June 2020 ( <i>'0,000 tonnes</i> )	<b>Increase/ (decrease)</b>
Corn	<b>186.3</b>	356.0	(47.7%)
Soybean	<b>212.9</b>	194.2	9.6%
Barley	<b>30.1</b>	32.8	(8.2%)
Others	<b>55.7</b>	91.5	(39.1%)
<b>Total</b>	<b>485.0</b>	674.5	(28.1%)

In the first half of 2021, the throughput of the Group's Bulk Grain Segment amounted to 4.850 million tonnes, representing a year-on-year decrease of 28.1%.

In the first half of 2021, the Group's soybean throughput was 2.129 million tonnes, representing a year-on-year increase of 9.6%. Such increase was due to the active procurement of imported goods by traders as a result of a lower price caused by an increase in output of soybean in North and South Americas, coupled with the weakening impacts of the Sino-U.S. trade friction.

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

<b>Item</b>	<b>In the first half of 2021 (<i>RMB</i>)</b>	In the first half of 2020 ( <i>RMB</i> )	<b>Change (%)</b>
Revenue	<b>216,998,801.76</b>	250,725,278.91	(13.5)
Share of the Group's revenue	<b>3.7%</b>	4.5%	Down by 0.8 percentage point
Gross profit	<b>29,325,268.01</b>	69,212,177.25	(57.6)
Share of the Group's gross profit	<b>1.5%</b>	3.5%	Down by 2.0 percentage points
Gross profit margin	<b>13.5%</b>	27.6%	Down by 14.1 percentage points

# Management Discussion and Analysis

In the first half of 2021, the revenue from the Bulk Grain Segment decreased by RMB33.73 million or 13.5% year-on-year, mainly due to the decrease in the scale of revenue in handling resulted from the decrease in the throughput of corn and barley.

In the first half of 2021, the gross profit margin of the Bulk Grain Segment decreased by 14.1 percentage points year-on-year mainly due to the decrease in the revenue caused by the decline of the throughput of corn and the increase in the labour costs and depreciation expenses.

In the first half of 2021, major measures taken by the Group and the progress of key projects related to the Group are set out as follows:

- Promoting transportation of Heilongjiang-Dalian bulk grain train and improving the efficiency of transporting grains from inland to the port.
- Cooperating with shipping companies to add routes for transporting grains from Dalian to Shandong, East China and South China, to improve the network layout of routes.

## *Passenger and Ro-Ro Segment*

The following table sets out the passenger and roll-on, roll-off throughput handled by the Group in the first half of 2021, with comparative figures in the first half of 2020:

	<b>For the six months ended 30 June 2021</b>	For the six months ended 30 June 2020	<b>Increase/ (decrease)</b>
Passengers ('0,000 persons)	<b>107.6</b>	68.4	57.3%
Vehicles ('0,000 units)	<b>39.8</b>	31.2	27.6%

Throughput of passengers and roll-on, roll-off terminal was 1.076 million persons, representing a year-on-year increase of 57.3%. Throughput of vehicles amounted to 398,000 units, representing a year-on-year increase of 27.6%, mainly due to the fact that China's epidemic in general entered into its normal prevention and control stage, the ro-ro passenger ships basically resumed to normal operation, and the throughput of passengers and ro-ro vehicles increased over the same period.



# Management Discussion and Analysis

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

Item	In the first half of 2021 (RMB)	In the first half of 2020 (RMB)	Change (%)
Revenue	<b>63,610,058.25</b>	54,650,841.81	16.4
Share of the Group's revenue	<b>1.1%</b>	1.0%	Up by 0.1 percentage point
Gross profit	<b>(12,431,860.33)</b>	(13,171,938.43)	5.6
Share of the Group's gross profit	<b>(0.7%)</b>	(0.7%)	Remain stable
Gross profit margin	<b>(19.5%)</b>	(24.1%)	Up by 4.6 percentage points

In the first half of 2021, the revenue from the Passenger and Ro-Ro Segment increased by RMB8.96 million or 16.4% year-on-year, mainly due to the fact that Passenger and Ro-Ro Segment business gradually resumed and the revenue of operation increased due to the reduced negative impact of COVID-19 epidemic.

In the first half of 2021, the gross profit margin of the Passenger and Ro-Ro Segment increased by 4.6 percentage points year-on-year, mainly due to the fact that the Passenger and Ro-Ro Segment business gradually resumed after the epidemic.

In the first half of 2021, major measures taken by the Group and the progress of key projects related to the Group are set out as follows:

- In the first half of the year, working on prevention and control of the epidemic with all efforts, strictly implementing prevention and control plans and measures and strengthening inspections of passengers arriving from areas with mid- or high-risk areas to ensure the prevention and control of cold chain goods transport vehicles and imported non-cold chain transport vehicles.
- To organize and carry out special inspections of the security inspection process of passenger and ro-ro vehicles, purchase advanced equipment to improve the efficiency and level of security inspections, and establish a professional vehicle security inspection center to implement professional management and control.

# Management Discussion and Analysis

## Value-added Services Segment

### Tugging

In the first half of 2021, the Group strengthened expansion of the market, and therefore recorded a rapid increase in tugging business by 4.71% year-on-year.

### Tallying

In the first half of 2021, the Group's tallying business was relatively stable through active market development. The total tallying throughput handled by the Group was 18.652 million tonnes, remaining stable over the same period.

### Railway

In the first half of 2021, benefiting from the rapid growth of import demands for bulk and general cargoes, the increment of railway collection and distribution was significant. In terms of the operation of railway transportation, the Group handled a total of 420,000 carriages.

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

Item	In the first half of 2021 (RMB)	In the first half of 2020 (RMB)	Change (%)
Revenue	<b>544,819,043.16</b>	562,510,455.41	(3.1)
Share of the Group's revenue	<b>9.3%</b>	10.1%	Down by 0.8 percentage points
Gross profit	<b>143,479,028.86</b>	198,886,120.12	(27.9)
Share of the Group's gross profit	<b>7.6%</b>	10.0%	Down by 2.4 percentage points
Gross profit margin	<b>26.3%</b>	35.4%	Down by 9.1 percentage points

In the first half of 2021, the revenue from the Value-added Services Segment decreased by RMB17.69 million or 3.1% year-on-year, mainly due to the impact of the decrease in consolidated income resulting from the cease of inclusion of the information companies in the consolidation scope.

In the first half of 2021, the gross profit margin of the Value-added Services Segment decreased by 9.1 percentage points year-on-year, mainly due to the impact of the cease of inclusion of the information companies with better profitability in the consolidation scope and the increase of depreciation expenses and social security fees.





# Management Discussion and Analysis

## PROSPECTS OF THE SECOND HALF OF 2021

### Competitive Landscape and Industry Trend

The economy of China is in the process of returning from rapid recovery to normalization. According to the “Global Economic Outlook” report released by The World Bank, the global economic growth forecast in 2021 has been revised up to 5.6% from the previous estimate of 4%, and China’s economic growth forecast has been revised up to 8.5% from the previous estimate of 7.9%. It is expected that China’s economy as a whole will return to its pre-epidemic level throughout the year. However, the epidemic situation abroad is still spreading. The unsynchronized development of the epidemic in major economies has affected the overall pace of recovery. The weakening of the release of aggregate demand and the slowing of the recovery of supply have weakened the momentum of recovery.

In the second half of the year, the Group’s major initiatives for market development of its business segments are as follows:

#### *Oil Segment*

- To deeply cultivate the market of crude oil transshipped in Hebei region; develop whole-process imported crude oil logistics system in Bohai Rim and consolidate crude oil transshipment sources.
- To advance handling of qualifications for loading and discharging and warehousing of fuel oil, improve port service functions and drive the improvement in throughput.
- To focus on the release of refining capacity in Northeast China and give full play to its own advantages; continue to deepen the railway transshipment cooperation with customers and expand the transfer and dispatch market of crude oil and refined oil in the hinterland of the Northeast China.

#### *Container Segment*

- To pay close attention to the impact of the epidemic on the market, stabilize domestic and foreign trade routes, and actively strive for new routes.
- To unify transshipment strategies, improve cooperation ability and reduce operational costs to promote transformation and development of feeders in Bohai Rim and consolidate position of a transshipment port.
- To strengthen business synergy, promote resource integration and constantly explore and optimise the inland collection and distribution system in the Three Northeastern Provinces, with an aim to further increase development of cargo supply in cross-border train lines and to continuously develop new channels and new routes.

# Management Discussion and Analysis

## *Automobile Terminal Segment*

- To increase the docking with the commercial vehicle logistics market in Japan and South Korea, vigorously promote the cross-border transportation mode of the Company's commercial vehicles, and explore new brands of cross-border transportation.
- To expand the export business of other brands of commercial vehicles based on the existing BMW and Volvo export routes.
- To promote the reconstruction and expansion of railway siding to enhance the Company's collection and distribution capabilities.

## *Bulk and General Cargo Segment*

- To actively promote the sale of blended ore "RMB spot" in Hebei, and expand the market scale of blended ore products.
- To strengthen the business coordination of internal ports, give full play to the advantages of integration; build a coordinated port for loading and discharging imported iron ore; improve the overall berth utilization efficiency of the ore terminal, and ensure the supply of raw materials for steel mills.

## *Bulk Grain Segment*

- To continue to deepen business cooperation with Jiusan Group, strengthen the efficiency of cargo loading and discharging at the port, and fully guarantee the smooth handling of soybeans.
- To give full play to the bonded processing function of Dayao Bay Comprehensive Bonded Zone, and develop the processing business of imported corn in the region.

## *Passenger and Ro-Ro Segment*

- To get fully prepared for the launch of two new passenger and ro-ro ships with a capacity of 30,000 tonnes, and work on marketing jointly with shipping companies.
- To actively conduct transport business for the passengers of inter-provincial routes "Lvshun – Tuojidao Island – Changdao Island (旅順 – 砣磯島 – 長島)".



# Management Discussion and Analysis

## *Value-added Services Segment*

- Tugging

The Company will expand revenue sources and reduce costs and expenditures by developing tugging business in surrounding markets, increasing throughput of tugging outside the port and expanding domestic coastal tugging services.

- Tallying

The Company will accelerate the development of intelligent tallying system to reduce labour costs. It will insist on diversified development model of tallying business, and actively expand inspection and verification business including draft survey, measurement, loading and discharging supervision.

## INTERIM DIVIDEND

The Board does not recommend the payment of any interim dividend for the six months ended 30 June 2021.

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

During the six months ended 30 June 2021, no further redemption of our Company's listed securities had been made by the Company. Neither the Company nor any of its subsidiaries had further purchased or sold the listed securities of the Company.

## DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVES' INTERESTS

As at 30 June 2021, none of the directors, supervisors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) (i) as recorded in the register required to be kept under Section 352 of the SFO; or (ii) as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited ("**Hong Kong Stock Exchange**") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix 10 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") (which shall be deemed to be also applicable to the Company's supervisors to the same extent as they apply to the Company's directors).

# Management Discussion and Analysis

## COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

During the six months ended 30 June 2021, the Company had complied with the Corporate Governance Code as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and so far as known to the directors of the Company, there had been no deviation from the code provisions.

## MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

During the six months ended 30 June 2021, the Company had adopted a code of conduct governing director's and supervisor's dealings in the Company's securities on terms no less exacting than the required standards set out in the Model Code for Securities Transactions by Directors of Listed Issuer ("**Model Code**"). Upon specific enquiries, all directors and supervisors have confirmed that they had complied with the provisions of the Model Code and the code of conduct governing their dealings in the Company's securities during the relevant period.

## AUDIT COMMITTEE

As at the date of this announcement, the audit committee of the Company consists of Mr. LI Zhiwei as an independent non-executive director, Mr. YUAN Yi as a non-executive director and Mr. LAW Man Tat as an independent non-executive director. Mr. LI Zhiwei, an independent non-executive director, acts as the chairman of the audit committee. The audit committee has reviewed the unaudited interim results for the six months ended 30 June 2021.

## ISSUANCE OF A SHARES

The Company published an announcement (the "**Announcement**") and a circular (the "**Circular**") on 7 July, 2020 and 10 September, 2020 respectively regarding the very substantial acquisition and connected transaction in relation to the merger of Yingkou Port Liability Co., Ltd. (the "**Target Company**") and the special mandate in relation to issue new shares. The Company entered into an merger agreement with the target company on 7 July, 2020, pursuant to which the Company shall issue A shares to the shareholders of the Target Company in exchange for all the existing issued shares of the Target Company. On 4 February, 2021, the Company issued 9,728,893,454 A Shares to the shareholders of the Target Company. Each share of the Target Company was transferred into 1.5030 A Share of the Company. For more details of the Issuance, please refer to the announcement of the Company at the date of 4 February, 2021.

Save as disclosed in this announcement, from 1 January 2021 to 30 June 2021, there were no other material changes in respect of the Company that needed to be disclosed under paragraph 46 of Appendix 16 to the Listing Rules.



# Other Information

## INFORMATION ON SHARE CAPITAL AND SHAREHOLDERS OF THE COMPANY

The share capital structure of the Company as at 30 June 2021 is set out in the table below:

Type of shares	Number of shares (shares)	Percentage (%)
A shares	17,464,713,454	77.20
H shares	5,158,715,999	22.80
Total	22,623,429,453	100.00

1 A Shares of RMB1 each, H Shares of RMB1 each

## SHAREHOLDINGS OF SHAREHOLDERS WITH NOTIFIABLE INTERESTS

As at 30 June 2021, so far as known to the Directors of the Company, the following persons had an interest or short position in the shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company under section 336 of the SFO:

Name of shareholder	Class of shares	Number of shares/underlying shares held (shares)	Capacity	Percentage of the relevant class of share capital <sup>1</sup>	Percentage of the total share capital <sup>2</sup>
Yingkou Port Group Corporation Limited	A shares	6,916,185,012	Beneficial owner	39.60%	30.57%
Dalian Port Corporation Limited	A shares	5,310,255,162	Beneficial owner	30.41%	23.47%
China Merchants Securities (HK) Co., Ltd.	H shares	3,576,921,295	Interest of controlled corporation	69.33%	15.81%
China Securities Depository and Clearing Corporation Limited	H shares	850,086,200	Beneficial owner	16.47%	3.76%
Dalian Port Corporation Limited	H shares	722,166,000	Beneficial owner	14.00%	3.19%
Pangang Group Company Limited	A shares	700,140,302	Beneficial owner	4.01%	3.09%

Notes:

1. Number of shares in the relevant class of share capital: A shares – 17,464,713,454, H shares – 5,158,715,999.
2. Total number of shares of share capital: 22,623,429,453.

## Other Information (Continued)

Save as disclosed above, as at 30 June 2021, so far as known to the directors of the Company, no other person had an interest or short position in the shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company under section 336 of the SFO.

### **CHANGES TO INFORMATION IN RESPECT OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE**

As at 30 June 2021, the members of the sixth session of the Company's Board included Mr. WEI Minghui, Mr. SUN Dequan and Mr. QI Yue as executive Directors; Mr. CAO Dong, Mr. YUAN Yi and Ms. NA Danhong as non-executive Directors, and Mr. Li Zhiwei, Dr. Liu Chunyan and Mr. LAW Man Tat as independent non-executive Directors, and the members of the sixth session of the Company's supervisory committee included Mr. JIA Wenjun, Mr. JIA Ming, Mr. Wang Zhifeng, Ms. Zhang Hong and Mr. Liu Xianfeng.

For the six months ended 30 June 2021, there was no change to information of the above directors, supervisors or chief executive which had been disclosed by the Company pursuant to paragraphs (a) to (e) and (g) of Rule 13.51(2) of the Listing Rules.

### **OTHERS**

The Company has been performing its social responsibility for environmental protection in an earnest manner, and considers building a port that is both "economical with resources and environmental friendly" as its responsibility. As such, it goes all out in supporting the construction and development of Dalian Port as a modern port with environmental awareness.

The Company persists in upholding its approach of "integrated management with safety as the priority and prevention as the theme". With the core values of "scientific development with due regard to humanities and safety" as a solid foundation, the Company strictly implements each of the national and local requirements for management of work place safety, and continuously improve the implementation of safety accountability system at all levels, so as to ensure safe production is maintained.

As at 30 June 2021, the Group had a total of 3,774 full-time employees, and the total number of employees of the Group and its investees was 10,327.





# Review Report

Ernst & Young Hua Ming (2021) Zhuan Zi No. 60777447\_E06  
Liaoning Port Co., Ltd.

## To all Shareholders of Liaoning Port Co., Ltd.,

We have reviewed the accompanying financial statements of Liaoning Port Co., Ltd. and its subsidiaries, which comprise the consolidated and company balance sheets as at 30 June 2021 and the consolidated and company income statements, statements of changes in shareholders' equity and cash flow statements for the six months ended 30 June 2021, and notes to the financial statements (hereinafter referred to the "Interim Financial Statements"). Management of Liaoning Port Co., Ltd. is responsible for the preparation of the Interim Financial Statements. Our responsibility is to issue a review report based on our review of the Interim Financial Statements.

We conducted our review in accordance with the Standard on Review Engagements for CPAs of China No. 2101 – Engagements to review financial statements, which requires that we plan and conduct the review to obtain limited assurance about whether the Interim Financial Statements are free from material misstatement. A review is limited primarily to enquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the abovementioned Interim Financial Statements are not prepared in accordance with Accounting Standard for Business Enterprises No. 32 – Interim Financial Reporting, and do not present fairly, in all material respects, the financial position, operating results and cash flows of Liaoning Port Co., Ltd..

Ernst & Young Hua Ming LLP

Certified Public Accountant:  
Wang Tianqing

Beijing, the PRC  
26 August 2021

Certified Public Accountant:  
Xue Wei

# Consolidated Balance Sheet

30 June 2021  
In RMB

Item	Note	30 June 2021 (Unaudited)	31 December 2020 (Restated)	1 January 2020 (Restated)
<b>Current assets</b>				
Cash at bank and on hand	IX.1	6,053,141,490.98	7,390,716,460.41	7,066,118,741.65
Financial assets held for trading	IX.2	–	903,950,958.91	304,951,193.83
Notes receivable	IX.3	367,267,740.59	409,666,882.28	579,608,899.92
Accounts receivable	IX.4	2,731,116,913.35	1,895,779,349.88	1,472,450,669.11
Financing receivable	IX.5	338,880,139.91	–	–
Advances to suppliers	IX.6	59,729,612.85	36,614,916.07	36,127,814.69
Other receivables	IX.7	507,162,379.58	365,501,550.32	757,148,704.17
Including: Dividends receivable		266,117,731.90	134,533,521.74	297,341,498.52
Inventories	IX.8	112,375,491.74	106,349,341.46	137,863,762.73
Other current assets	IX.9	50,835,954.64	72,650,448.97	76,529,747.36
<b>Total current assets</b>		<b>10,220,509,723.64</b>	11,181,229,908.30	10,430,799,533.46
<b>Non-current assets</b>				
Long-term receivables	IX.10	30,428,295.76	80,486,851.34	–
Long-term equity investments	IX.11	3,692,783,672.92	3,701,209,332.27	5,038,513,269.36
Investments in other equity instruments	IX.12	202,625,018.90	204,067,639.27	189,782,564.95
Investment properties	IX.13	182,517,029.35	202,727,314.03	193,819,795.94
Fixed assets	IX.14	26,332,777,817.38	27,145,048,124.26	29,015,900,064.91
Construction in progress	IX.15	2,708,854,197.31	2,648,649,114.25	1,987,233,578.39
Right-of-use assets	IX.16	6,752,336,795.50	6,526,116,478.72	5,434,314,171.71
Intangible assets	IX.17	3,014,980,462.68	3,068,398,048.16	2,897,585,650.02
Goodwill	IX.18	232,147,964.96	239,567,203.59	239,567,203.59
Long-term prepaid expenses	IX.19	54,308,198.38	62,263,734.24	66,308,928.28
Deferred income tax assets	IX.20	158,011,532.10	144,226,490.31	100,709,875.21
Other non-current assets	IX.21	21,868,969.18	33,782,189.01	42,426,036.58
<b>Total non-current assets</b>		<b>43,383,639,954.42</b>	44,056,542,519.45	45,206,161,138.94
<b>TOTAL ASSETS</b>		<b>53,604,149,678.06</b>	55,237,772,427.75	55,636,960,672.40

Notes form an integral part of the financial statements



# Consolidated Balance Sheet (continued)

30 June 2021  
In RMB

Item	Note	30 June 2021 (Unaudited)	31 December 2020 (Restated)	1 January 2020 (Restated)
<b>Current liabilities</b>				
Short-term borrowings	IX.24	–	150,142,083.34	898,192,262.51
Accounts payable	IX.25	<b>290,136,750.11</b>	330,614,406.05	354,571,321.12
Advances from customers	IX.26	<b>2,975,084.02</b>	3,154,967.98	7,070,884.59
Contract liabilities	IX.27	<b>187,183,617.07</b>	170,396,207.33	214,636,156.13
Employee compensation payable	IX.28	<b>166,766,161.92</b>	323,645,341.49	321,514,808.72
Taxes payable	IX.29	<b>147,013,294.39</b>	118,243,546.35	122,746,676.73
Other payables	IX.30	<b>1,358,955,622.56</b>	696,203,173.26	945,343,361.56
Including: Dividends payable		<b>833,656,026.74</b>	153,269,260.93	241,653,084.84
Non-current liabilities due within one year	IX.31	<b>1,413,128,753.20</b>	2,739,874,519.62	865,527,502.11
<b>Total current liabilities</b>		<b>3,566,159,283.27</b>	4,532,274,245.42	3,729,602,973.47
<b>Non-current liabilities</b>				
Long-term borrowings	IX.32	<b>1,026,605,376.01</b>	1,132,693,298.00	1,508,698,814.40
Bonds payable	IX.33	<b>2,482,915,807.61</b>	3,547,236,158.87	6,868,590,767.90
Lease liabilities	IX.34	<b>6,804,365,879.98</b>	6,557,286,700.42	5,402,844,712.20
Long-term payables	IX.35	<b>25,070,000.00</b>	44,070,000.00	32,500,000.00
Estimated liabilities	IX.36	<b>32,760,218.42</b>	32,760,218.42	32,760,218.42
Deferred income	IX.37	<b>525,796,276.21</b>	549,147,318.64	595,111,598.61
Deferred income tax liabilities	IX.20	<b>364,422,720.03</b>	509,789,726.40	489,238,720.99
Other non-current liabilities	IX.38	<b>68,834,879.11</b>	69,655,256.65	95,544,136.00
<b>Total non-current liabilities</b>		<b>11,330,771,157.37</b>	12,442,638,677.40	15,025,288,968.52
<b>Total liabilities</b>		<b>14,896,930,440.64</b>	16,974,912,922.82	18,754,891,941.99

Notes form an integral part of the financial statements

# Consolidated Balance Sheet (continued)

30 June 2021  
In RMB

Item	Note	30 June 2021 (Unaudited)	31 December 2020 (Restated)	1 January 2020 (Restated)
<b>Shareholders' equity:</b>				
Share capital	IX.39	22,623,429,453.00	12,894,535,999.00	12,894,535,999.00
Capital surplus	IX.40	8,154,526,954.93	17,703,030,172.23	17,701,227,906.42
Other comprehensive income	IX.41	80,174,591.45	84,557,142.33	70,943,358.93
Special reserve	IX.42	100,031,003.69	77,238,967.01	33,734,678.41
Surplus reserve	IX.43	1,170,622,731.39	1,170,622,731.39	987,449,399.14
Including: Statutory reserve		1,169,649,197.02	1,169,649,197.02	986,475,864.77
Undistributed profits	IX.44	3,292,801,045.12	3,066,070,687.57	1,974,377,390.99
<b>Total equity attributable to shareholders of the parent company</b>		<b>35,421,585,779.58</b>	34,996,055,699.53	33,662,268,732.89
<b>Minority interests</b>		<b>3,285,633,457.84</b>	3,266,803,805.40	3,219,799,997.52
<b>Total shareholders' equity</b>		<b>38,707,219,237.42</b>	38,262,859,504.93	36,882,068,730.41
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>53,604,149,678.06</b>	55,237,772,427.75	55,636,960,672.40

Notes form an integral part of the financial statements

These financial statements are signed by the following persons:

Legal representative:  
Wei Minghui

Principal in charge of accounting:  
Wang Ping

Head of accounting department:  
Wang Jinsong



# Balance Sheet of the Parent Company

30 June 2021  
In RMB

Item	Note	Balance at the end of the period (Unaudited)	Balance at the beginning of the period
<b>Current assets</b>			
Cash at bank and on hand		<b>1,367,969,077.95</b>	2,890,703,086.36
Financial assets held for trading		<b>–</b>	903,950,958.91
Notes receivable		<b>218,097,083.80</b>	279,291,639.83
Accounts receivable	XVI.1	<b>2,047,391,913.58</b>	1,478,660,782.21
Advances to suppliers		<b>17,067,906.83</b>	5,910,586.68
Other receivables	XVI.2	<b>1,479,233,602.00</b>	1,389,553,234.41
Including: Dividends receivable		<b>1,411,113,675.17</b>	1,320,010,477.44
Inventories		<b>48,602,553.12</b>	40,870,821.57
Other current assets		<b>2,960,194.39</b>	12,739,784.37
<b>Total current assets</b>		<b>5,181,322,331.67</b>	7,001,680,894.34
<b>Non-current assets</b>			
Long-term receivables		<b>630,784,970.83</b>	630,862,768.60
Right-of-use assets		<b>2,773,062,617.54</b>	2,755,085,606.12
Long-term equity investments	XVI.3	<b>23,035,387,513.89</b>	7,287,274,646.47
Investments in other equity instruments		<b>19,827,536.55</b>	21,508,765.89
Fixed assets		<b>9,506,597,786.00</b>	9,826,865,835.67
Construction in progress		<b>1,380,787,588.70</b>	1,381,009,570.89
Intangible assets		<b>523,409,884.50</b>	533,857,484.08
Long-term prepaid expenses		<b>27,459,543.66</b>	30,160,693.44
Deferred income tax assets		<b>105,841,126.64</b>	89,363,920.45
Other non-current assets		<b>1,860,000.00</b>	1,860,000.00
<b>Total non-current assets</b>		<b>38,005,018,568.31</b>	22,557,849,291.61
<b>TOTAL ASSETS</b>		<b>43,186,340,899.98</b>	29,559,530,185.95

Notes form an integral part of the financial statements



# Balance Sheet of the Parent Company (continued)

30 June 2021  
In RMB

Item	Note	Balance at the end of the period (Unaudited)	Balance at the beginning of the period
<b>Current liabilities</b>			
Accounts payable		39,402,886.01	44,073,761.37
Advances from customers		–	899,609.94
Contract liabilities		98,293,793.38	42,138,449.94
Employee compensation payable		81,041,823.71	137,791,993.27
Taxes payable		25,724,253.48	32,758,690.51
Other payables		956,193,483.56	317,735,672.14
Including: Dividends payable		678,702,883.59	–
Non-current liabilities due within one year		1,233,391,388.04	2,555,794,955.36
<b>Total current liabilities</b>		<b>2,434,047,628.18</b>	3,131,193,132.53
<b>Non-current liabilities</b>			
Bonds payable		2,482,915,807.61	3,547,236,158.87
Lease liabilities		2,867,572,950.11	2,818,182,718.18
Long-term payables		7,500,000.00	7,500,000.00
Deferred income		477,248,378.17	496,017,018.33
Deferred income tax liabilities		1,481,869.76	1,710,427.10
Other non-current liabilities		68,834,879.11	69,655,256.65
<b>Total non-current liabilities</b>		<b>5,905,553,884.76</b>	6,940,301,579.13
<b>Total liabilities</b>		<b>8,339,601,512.94</b>	10,071,494,711.66
<b>Shareholders' equity</b>			
Share capital		22,623,429,453.00	12,894,535,999.00
Capital surplus		9,151,188,583.19	3,062,007,748.98
Other comprehensive income		4,445,609.29	5,131,281.29
Special reserve		50,263,845.00	39,273,350.66
Surplus reserve		929,804,005.71	929,804,005.71
Undistributed profits		2,087,607,890.85	2,557,283,088.65
<b>Total shareholders' equity</b>		<b>34,846,739,387.04</b>	19,488,035,474.29
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>43,186,340,899.98</b>	29,559,530,185.95

Notes form an integral part of the financial statements





# Consolidated Income Statement

For the period from 1 January to 30 June 2021  
In RMB

Item	Note	Amount in the current period (Unaudited)	Amount in the same period of last year (Restated) (Unaudited)
<b>I. Revenue</b>	IX.45	<b>5,828,529,724.68</b>	5,595,338,056.19
Less: Cost of sales	IX.45	<b>3,928,731,514.49</b>	3,614,547,909.19
Taxes and surcharges	IX.46	<b>60,128,166.32</b>	53,634,973.95
General and administrative expenses	IX.47	<b>362,736,753.44</b>	336,256,432.48
Research and development expenses	IX.48	<b>3,142,083.67</b>	5,890,491.17
Financial expenses	IX.49	<b>295,533,687.29</b>	375,342,757.22
Including: Interest expenses		<b>346,530,184.37</b>	417,775,046.60
Interest income		<b>48,528,812.09</b>	40,290,929.58
Net exchange loss (net gain represented by “-”)		<b>-2,898,001.30</b>	-2,364,451.43
Add: Other income	IX.50	<b>44,937,825.07</b>	58,624,467.15
Investment income (loss represented by “-”)	IX.51	<b>160,168,508.18</b>	154,900,058.64
Including: Investment income from associates and joint ventures		<b>112,874,969.68</b>	142,607,767.72
Gain on changes in fair value (loss represented by “-”)	IX.52	-	-571,730.00
Credit impairment loss (loss represented by “-”)	IX.53	<b>-41,062,966.61</b>	-17,073,527.06
Assets impairment loss (loss represented by “-”)	IX.54	-	-39,478,982.44
Gains on disposals of assets (loss represented by “-”)	IX.55	<b>35,747,483.71</b>	25,146,819.44
<b>II. Operating profit (loss represented by “-”)</b>		<b>1,378,048,369.82</b>	1,391,212,597.91
Add: Non-operating income	IX.56	<b>3,420,260.47</b>	10,039,614.20
Less: Non-operating expenses	IX.57	<b>25,020,521.49</b>	4,042,527.67
<b>III. Total profit (total loss represented by “-”)</b>		<b>1,356,448,108.80</b>	1,397,209,684.44
Less: Income tax expenses	IX.58	<b>365,639,159.95</b>	311,592,960.50

Notes form an integral part of the financial statements

# Consolidated Income Statement (continued)

For the period from 1 January to 30 June 2021  
In RMB

Item	Note	Amount in the current period (Unaudited)	Amount in the same period of last year (Restated) (Unaudited)
<b>IV. Net profit (net loss represented by “-”)</b>		<b>990,808,948.85</b>	1,085,616,723.94
Including: Net profit of the acquiree prior to the combination under a business combination involving entities common control		<b>181,566,605.37</b>	617,686,250.17
(I) Classified by ownership of the equity			
1. Net profit attributable to shareholders of the parent company (net loss represented by “-”)		<b>905,547,578.82</b>	1,017,342,655.75
2. Gains or losses of minority interests (net loss represented by “-”)		<b>85,261,370.03</b>	68,274,068.19
(II) Classified by continuity of operations			
1. Net profit from continuing operations (net loss represented by “-”)		<b>990,808,948.85</b>	1,085,616,723.94
2. Net profit from discontinued operations (net loss represented by “-”)		-	-
<b>V. Other comprehensive income, net of tax</b>	IX.41	<b>-3,750,583.64</b>	-6,544,441.22
Attributable to shareholders of the parent company, net of tax		<b>-4,382,550.88</b>	-6,668,225.03
(I) Other comprehensive income that may not be reclassified to profit or loss		<b>-1,713,932.52</b>	-4,769,785.99
1. Changes in fair value of investments in other equity instruments		<b>-1,713,932.52</b>	-4,769,785.99
(II) Other comprehensive income that will be reclassified to profit or loss		<b>-2,668,618.36</b>	-1,898,439.04
1. Translation differences on translation of foreign currency financial statements		<b>-2,668,618.36</b>	-1,898,439.04
Attributable to minority interests, net of tax		<b>631,967.24</b>	123,783.81
<b>VI. Total comprehensive income</b>		<b>987,058,365.21</b>	1,079,072,282.72
Attributable to shareholders of the parent company		<b>901,165,027.94</b>	1,010,674,430.72
Attributable to minority interests		<b>85,893,337.27</b>	68,397,852.00
<b>VII. Earnings per share</b>			
Basic earnings per share	IX.61	<b>0.04</b>	0.04
Diluted earnings per share	IX.61	<b>0.04</b>	0.04

Notes form an integral part of the financial statements



# Income Statement of the Parent Company

For the period from 1 January to 30 June 2021  
In RMB

Item	Note	Amount in the current period (Unaudited)	Amount in the same period of last year (Unaudited)
<b>I. Revenue</b>	XVI.4	<b>1,847,663,011.25</b>	1,834,457,407.50
Less: Cost of sales	XVI.4	<b>1,265,607,934.68</b>	1,156,495,682.48
Taxes and surcharges		<b>16,741,096.04</b>	18,729,438.80
General and administrative expenses		<b>172,531,401.40</b>	160,226,652.36
Research and development expenses		<b>21,700.00</b>	32,694.06
Financial expenses		<b>202,436,661.47</b>	216,756,267.29
Including: Interest expenses		<b>212,901,811.48</b>	229,604,615.26
Interest income		<b>10,655,055.00</b>	12,884,213.09
Add: Other income		<b>23,100,030.64</b>	26,724,971.62
Investment income (loss represented by “-”)	XVI.5	<b>104,420,341.93</b>	112,031,435.33
Including: Investment income from associates and joint ventures		<b>66,804,178.05</b>	91,594,603.94
Gain on changes in fair value (loss represented by “-”)		<b>-</b>	-571,730.00
Credit impairment loss (loss represented by “-”)		<b>-37,760,024.67</b>	-12,436,365.99
Gains on disposals of assets (loss represented by “-”)		<b>1,415.93</b>	-6,226.44
<b>II. Operating profit (loss represented by “-”)</b>		<b>280,085,981.49</b>	407,958,757.03
Add: Non-operating income		<b>1,474,495.35</b>	407,496.92
Less: Non-operating expenses		<b>24,700,937.69</b>	150,301.48
<b>III. Total profit (total loss represented by “-”)</b>		<b>256,859,539.15</b>	408,215,952.47
Less: Income tax expenses		<b>47,831,853.36</b>	74,790,381.18
<b>IV. Net profit (net loss represented by “-”)</b>		<b>209,027,685.79</b>	333,425,571.29
Net profit from continuing operations (net loss represented by “-”)		<b>209,027,685.79</b>	333,425,571.29
Net profit from discontinued operations (net loss represented by “-”)		<b>-</b>	-

Notes form an integral part of the financial statements

# Income Statement of the Parent Company (continued)

For the period from 1 January to 30 June 2021  
In RMB

Item	Note	Amount in the current period (Unaudited)	Amount in the same period of last year (Unaudited)
<b>V. Other comprehensive income, net of tax</b>		<b>-685,672.00</b>	-3,480,715.92
(I) Other comprehensive income that may not be reclassified to profit or loss		<b>-685,672.00</b>	-3,480,715.92
1. Changes in fair value of investments in other equity instruments		<b>-685,672.00</b>	-3,480,715.92
(II) Other comprehensive income that will be reclassified to profit or loss		-	-
<b>VI. Total comprehensive income</b>		<b>208,342,013.79</b>	329,944,855.37

Notes form an integral part of the financial statements

Notes form an integral part of the financial statements



# Consolidated Cash Flow Statement

For the period from 1 January to 30 June 2021  
In RMB

Item	Note	Amount in the current period (Unaudited)	Amount in the same period of last year (Restated) (Unaudited)
<b>I. Cash flows from operating activities</b>			
Cash received from the sale of goods or rendering of services		<b>4,854,801,221.91</b>	5,455,387,295.24
Refund of taxes and surcharges		<b>4,656,721.17</b>	16,741,718.59
Cash received from other operating activities	IX.62	<b>79,755,599.32</b>	79,329,113.48
Sub-total of cash inflows		<b>4,939,213,542.40</b>	5,551,458,127.31
Cash paid for goods and services		<b>1,869,383,596.11</b>	1,596,396,340.83
Cash paid to and on behalf of employees		<b>1,459,615,386.27</b>	1,356,035,564.90
Payments of taxes and surcharges		<b>518,661,365.00</b>	500,702,046.15
Cash paid relating to other operating activities	IX.62	<b>164,751,240.67</b>	120,636,489.38
Subtotal of cash outflows		<b>4,012,411,588.05</b>	3,573,770,441.26
<b>Net cash flows from operating activities</b>	IX.63	<b>926,801,954.35</b>	1,977,687,686.05
<b>II. Cash flows from investing activities</b>			
Cash received from disposal of investments		<b>3,901,289,174.31</b>	1,150,012,567.14
Cash received from return on investments		<b>122,075,993.02</b>	243,720,818.77
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		<b>616,927.50</b>	39,125.25
Cash received from other investing activities	IX.62	<b>50,490,000.00</b>	1,736,397.34
Sub-total of cash inflows		<b>4,074,472,094.83</b>	1,395,508,908.50
Cash paid to acquire fixed assets, intangible assets and other long-term assets		<b>121,632,151.08</b>	88,053,316.39
Cash paid to acquire investments		<b>3,000,000,000.00</b>	2,199,994,375.00
Cash paid relating to other investing activities	IX.62	<b>99,462,663.31</b>	55,338,000.00
Sub-total of cash outflows		<b>3,221,094,814.39</b>	2,343,385,691.39
<b>Net cash flows from investing activities</b>		<b>853,377,280.44</b>	-947,876,782.89

Notes form an integral part of the financial statements

# Consolidated Cash Flow Statement (continued)

For the period from 1 January to 30 June 2021  
In RMB

Item	Note	Amount in the current period (Unaudited)	Amount in the same period of last year (Restated) (Unaudited)
<b>III. Cash flows from financing activities</b>			
Cash received from borrowings		456,000,000.00	964,000,000.00
Sub-total of cash inflows		456,000,000.00	964,000,000.00
Cash repayments of borrowings		3,368,402,249.73	2,700,431,257.55
Cash paid for distribution of dividends or profits or for interest expenses		233,757,474.91	378,460,886.24
Cash paid relating to other financing activities	IX.62	5,323,123.20	-
Subtotal of cash outflows		3,607,482,847.84	3,078,892,143.79
<b>Net cash flows from financing activities</b>		<b>-3,151,482,847.84</b>	-2,114,892,143.79
<b>IV. Effect of foreign exchange rate changes on cash and cash equivalents</b>			
		426,002.57	1,901,306.16
<b>V. Net decrease in cash and cash equivalents</b>			
Add: Cash and cash equivalents at the beginning of the period		7,136,338,238.87	7,057,045,231.44
<b>VI. Cash and cash equivalents at the end of the period</b>	IX.64	<b>5,765,460,628.39</b>	5,973,865,296.97

Notes form an integral part of the financial statements





# Cash Flow Statement of the Parent Company

For the period from 1 January to 30 June 2021  
In RMB

Item	Note	Amount in the current period (Unaudited)	Amount in the same period of last year (Unaudited)
<b>I. Cash flows from operating activities</b>			
Cash received from the sale of goods or rendering of services		<b>1,480,701,470.86</b>	1,520,731,724.85
Cash received relating to other operating activities		<b>45,906,713.17</b>	72,491,856.11
Sub-total of cash inflows		<b>1,526,608,184.03</b>	1,593,223,580.96
Cash paid for goods and services		<b>553,600,955.38</b>	514,065,198.02
Cash paid to and on behalf of employees		<b>571,271,503.37</b>	525,331,641.47
Payments of taxes and surcharges		<b>141,574,699.43</b>	140,406,335.37
Cash paid relating to other operating activities		<b>88,785,487.46</b>	29,101,949.19
Sub-total of cash outflows		<b>1,355,232,645.64</b>	1,208,905,124.05
<b>Net cash flows from operating activities</b>	XVI.6	<b>171,375,538.39</b>	384,318,456.91
<b>II. Cash flows from investing activities</b>			
Cash received from disposal of investments		<b>3,901,289,174.31</b>	1,150,052,807.08
Cash received from return on investments		<b>94,279,937.67</b>	226,835,194.39
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		<b>4,600.00</b>	–
Sub-total of cash inflows		<b>3,995,573,711.98</b>	1,376,888,001.47
Cash paid to acquire fixed assets, intangible assets and other long-term assets		<b>63,522,307.37</b>	71,086,368.21
Cash paid to acquire investments		<b>3,000,000,000.00</b>	2,600,000,000.00
Sub-total of cash outflows		<b>3,063,522,307.37</b>	2,671,086,368.21
<b>Net cash flows from investing activities</b>		<b>932,051,404.61</b>	–1,294,198,366.74

Notes form an integral part of the financial statements

# Cash Flow Statement of the Parent Company (continued)

For the period from 1 January to 30 June 2021  
In RMB

Item	Note	Amount in the current period (Unaudited)	Amount in the same period of last year (Unaudited)
<b>III. Cash flows from financing activities</b>			
Sub-total of cash inflows		-	-
Cash repayments of borrowings		<b>2,444,673,944.86</b>	92,127,829.82
Cash paid for distribution of dividends or profits or for interest expenses		<b>175,918,795.50</b>	173,891,988.47
Cash paid relating to other financing activities		<b>5,323,123.20</b>	-
Sub-total of cash outflows		<b>2,625,915,863.56</b>	266,019,818.29
<b>Net cash flows from financing activities</b>		<b>-2,625,915,863.56</b>	-266,019,818.29
<b>IV. Effect of foreign exchange rate changes on cash and cash equivalents</b>			
		-	-31.77
<b>V. Net increase in cash and cash equivalents</b>			
Add: Cash and cash equivalents at the beginning of the period		<b>-1,522,488,920.56</b>	-1,175,899,759.89
		<b>2,890,267,651.51</b>	2,666,892,626.45
<b>VI. Cash and cash equivalents at the end of the period</b>			
	XVI.6	<b>1,367,778,730.95</b>	1,490,992,866.56

Notes form an integral part of the financial statements



# Consolidated Statement of Changes in Shareholders' Equity

For the period from 1 January to 30 June 2021  
In RMB

Item	Amount in the current period (Unaudited)										Total shareholders' equity
	Share capital	Capital surplus	Other comprehensive income	Including: Translation differences on translation of foreign currency financial statements	Special reserve	Surplus reserve	Undistributed profits	Subtotal	Minority interests		
I. Closing balance of last year	12,894,535,999.00	2,940,527,279.56	84,557,142.33	39,945,751.57	70,976,410.86	974,684,268.46	2,387,731,786.23	19,353,012,886.44	2,668,068,848.37	22,021,099,734.81	
Add: Changes of accounting policies	-	-	-	-	-	-	-	-	-	-	
Correction of errors in prior periods	-	-	-	-	-	-	-	-	-	-	
Business combination involving entities under common control	-	14,762,502,892.67	-	-	6,262,556.15	195,938,462.93	678,339,901.34	15,643,042,813.09	598,716,957.03	16,241,759,770.12	
Others	-	-	-	-	-	-	-	-	-	-	
II. Operating balance of the period	12,894,535,999.00	17,703,030,172.23	84,557,142.33	39,945,751.57	77,238,967.01	1,170,622,731.39	3,056,070,687.57	34,995,055,695.53	3,266,803,805.40	38,262,859,504.93	
III. Changes for the period (decrease represented by "-")	-	-	-4,382,550.88	-2,688,618.36	-	-	905,547,578.82	901,165,027.94	85,893,337.27	987,038,865.21	
(I) Total comprehensive income	-	-	-4,382,550.88	-2,688,618.36	-	-	905,547,578.82	901,165,027.94	85,893,337.27	987,038,865.21	
(II) Capital contribution and withdrawal by shareholders	9,728,893,454.00	-9,548,503,217.30	-	-	-	-	-	180,390,236.70	-35,382,805.08	145,007,431.62	
1. Ordinary shares contributed by shareholders	9,728,893,454.00	-9,550,047,035.42	-	-	-	-	-	178,846,416.58	-	178,846,416.58	
2. Capital contributed by other equity instrument holders	-	-	-	-	-	-	-	-	-	-	
3. Amount of share-based payment included in owners' equity	-	-	-	-	-	-	-	-	-	-	
4. Business combination not involving entities under common control	-	-	-	-	-	-	-	-	-	-	
5. Disposal of subsidiaries	-	-	-	-	-	-	-	-	-35,382,805.08	-35,382,805.08	
6. Others	-	1,543,818.12	-	-	-	-	-	1,543,818.12	-	1,543,818.12	

Notes form an integral part of the financial statements

# Consolidated Statement of Changes in Shareholders' Equity (continued)

For the period from 1 January to 30 June 2021  
In RMB

Item	Amount in the current period (Unaudited)										Total shareholders' equity
	Share capital	Capital surplus	Other comprehensive income	Including: Translation differences on translation of foreign currency financial statements	Special reserve	Surplus reserve	Undistributed profits	Subtotal	Minority interests		
(III) Accrual and usage of special reserve	-	-	-	-	22,792,036.68	-	-	22,792,036.68	2,506,371.54	-	25,298,408.22
1. Accrual of special reserve	-	-	-	-	49,060,195.34	-	-	49,060,195.34	4,689,614.24	-	53,749,809.58
2. Usage of special reserve	-	-	-	-	-26,268,158.66	-	-	-26,268,158.66	-2,183,242.70	-	-28,451,401.36
(IV) Profit distribution	-	-	-	-	-	-678,817,221.27	-678,817,221.27	-678,817,221.27	-34,187,251.29	-	-713,004,472.56
1. Appropriation to surplus reserve including: Statutory reserve	-	-	-	-	-	-	-	-	-	-	-
Discretionary reserve	-	-	-	-	-	-	-	-	-	-	-
2. Appropriation to general risk reserve	-	-	-	-	-	-	-	-	-	-	-
3. Profit distribution to shareholders	-	-	-	-	-	-678,702,883.59	-678,702,883.59	-678,702,883.59	-34,093,702.28	-	-712,796,585.87
4. Others	-	-	-	-	-	-114,337.68	-114,337.68	-114,337.68	-93,549.01	-	-207,886.69
(V) Internal carry-over of shareholders' equity	-	-	-	-	-	-	-	-	-	-	-
1. Transfer of capital reserve to capital	-	-	-	-	-	-	-	-	-	-	-
2. Transfer of surplus reserve to capital	-	-	-	-	-	-	-	-	-	-	-
3. Surplus reserve to cover losses	-	-	-	-	-	-	-	-	-	-	-
4. Other comprehensive income carried over to retained earnings	-	-	-	-	-	-	-	-	-	-	-
IV. Closing balance of the period	22,623,429,463.00	8,154,526,954.93	80,174,591.45	37,277,133.21	100,031,003.69	1,170,622,731.39	3,292,801,045.12	35,421,585,779.58	3,285,633,457.64	-	38,707,219,237.42

Notes form an integral part of the financial statements

# Consolidated Statement of Changes in Shareholders' Equity (continued)

For the period from 1 January to 30 June 2021  
In RMB

Item	Amount in last period (Restated) (Unaudited)									
	Attributable to shareholders of the parent company									
	Share capital	Capital surplus	Other comprehensive income	Including: Translation differences on translation of foreign currency financial statements	Special reserve	Surplus reserve	Undistributed profits	Subtotal	Minority interests	Total shareholders' equity
I. Closing balance of last year	12,894,535,999.00	2,938,747,542.52	70,943,358.93	37,876,693.23	38,503,545.54	896,529,171.28	1,930,530,105.98	18,769,789,723.25	2,634,625,867.48	21,404,415,590.73
Add: Changes of accounting policies	-	-	-	-	-	-	-	-	-	-
Correction of errors in prior periods	-	-	-	-	-	-	-	-	-	-
Business combination involving entities under common control	-	14,762,480,363.90	-	-	-4,768,867.13	90,920,227.86	43,847,285.01	14,892,479,009.64	585,174,130.04	15,477,653,139.88
Others	-	-	-	-	-	-	-	-	-	-
II. Opening balance of the period	12,894,535,999.00	17,701,227,906.42	70,943,358.93	37,876,693.23	33,734,678.41	987,449,399.14	1,974,377,390.99	33,662,268,732.89	3,219,799,997.52	36,882,068,730.41
III. Changes for the period (decrease represented by "-")										
(I) Total comprehensive income	-	-	-6,668,225.03	-1,898,439.04	-	-	1,017,342,655.75	1,010,674,430.72	68,397,852.00	1,079,072,282.72
(II) Capital contribution and withdrawal by shareholders	-	2,662,358.85	-	-	-	-	-	2,662,358.85	30,731,668.82	33,394,027.67
1. Ordinary shares contributed by shareholders	-	-	-	-	-	-	-	-	-	-
2. Capital contributed by other equity instrument holders	-	-	-	-	-	-	-	-	-	-
3. Amount of share-based payment included in owners' equity	-	-	-	-	-	-	-	-	-	-
4. Business combination not involving entities under common control	-	-	-	-	-	-	-	-	31,931,668.82	31,931,668.82
5. Disposal of subsidiaries	-	-	-	-	-	-	-	-	-1,200,000.00	-1,200,000.00
6. Others	-	2,662,358.85	-	-	-	-	-	2,662,358.85	-	2,662,358.85

Notes form an integral part of the financial statements

# Consolidated Statement of Changes in Shareholders' Equity (continued)

For the period from 1 January to 30 June 2021  
In RMB

Item	Amount in last period (Restated) (Unaudited)							Total shareholders' equity		
	Share capital	Capital surplus	Other comprehensive income	Including: Translation differences on translation of foreign currency financial statements	Special reserve	Surplus reserve	Undistributed profits		Subtotal	Minority interests
(III) Accrual and usage of special reserve	-	-	-	-	21,613,874.75	-	-	21,613,874.75	3,072,760.18	24,686,634.93
1. Accrual of special reserve	-	-	-	-	45,587,387.65	-	-	45,587,387.65	4,856,073.36	50,443,461.01
2. Usage of special reserve	-	-	-	-	(23,973,512.90)	-	-	(23,973,512.90)	(1,783,313.18)	(25,756,826.08)
(IV) Profit distribution	-	-	-	-	-	-	(581,488,440.12)	(581,488,440.12)	(26,606,506.28)	(608,094,946.40)
1. Appropriation to surplus reserve	-	-	-	-	-	-	-	-	-	-
Including: Statutory reserve	-	-	-	-	-	-	-	-	-	-
Discretionary reserve	-	-	-	-	-	-	-	-	-	-
2. Appropriation to general risk reserve	-	-	-	-	-	-	-	-	-	-
3. Profit distribution to shareholders	-	-	-	-	-	-	(581,488,440.12)	(581,488,440.12)	(26,606,506.28)	(608,094,946.40)
4. Others	-	-	-	-	-	-	-	-	-	-
(V) Internal carry-over of shareholders' equity	-	-	-	-	-	-	-	-	-	-
1. Transfer of capital reserve to capital	-	-	-	-	-	-	-	-	-	-
2. Transfer of surplus reserve to capital	-	-	-	-	-	-	-	-	-	-
3. Surplus reserve to cover losses	-	-	-	-	-	-	-	-	-	-
4. Other comprehensive income carried over to retained earnings	-	-	-	-	-	-	-	-	-	-
IV. Closing balance of the period	12,894,535,989.00	17,703,890,265.27	64,275,133.90	35,978,254.19	55,348,553.16	987,449,399.14	2,410,231,606.62	34,115,730,957.09	3,295,395,772.24	37,411,126,729.33

Notes form an integral part of the financial statements





# Statement of Changes in Shareholders' Equity of the Parent Company

For the period from 1 January to 30 June 2021  
In RMB

Item	Amount in the current period (Unaudited)						Total shareholders' equity
	Share capital	Capital surplus	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits	
I. Closing balance of last year	12,894,535,999.00	3,062,007,748.98	5,131,281.29	39,273,350.66	929,804,005.71	2,557,283,088.65	19,488,035,474.29
Add: Changes of accounting policies	-	-	-	-	-	-	-
Correction of errors in prior periods	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
II. Opening balance of the period	12,894,535,999.00	3,062,007,748.98	5,131,281.29	39,273,350.66	929,804,005.71	2,557,283,088.65	19,488,035,474.29
III. Changes for the period (decrease represented by "-")							
(I) Total comprehensive income	-	-	-685,672.00	-	-	209,027,685.79	208,342,013.79
(II) Capital contribution and withdrawal by shareholders	9,728,893,454.00	6,089,180,834.21	-	-	-	-	15,818,074,288.21
1. Ordinary shares contributed by shareholders	9,728,893,454.00	6,087,355,757.30	-	-	-	-	15,816,249,211.30
2. Capital contributed by other equity instrument holders	-	-	-	-	-	-	-
3. Amount of share-based payment included in shareholders' equity	-	-	-	-	-	-	-
4. Others	-	1,825,076.91	-	-	-	-	1,825,076.91
(III) Accrual and usage of special reserve	-	-	-	10,990,494.34	-	-	10,990,494.34
1. Accrual of special reserve	-	-	-	14,808,265.22	-	-	14,808,265.22
2. Usage of special reserve	-	-	-	-3,817,770.88	-	-	-3,817,770.88
(IV) Profit distribution	-	-	-	-	-	-678,702,883.59	-678,702,883.59
1. Appropriation to surplus reserve	-	-	-	-	-	-	-
Including: Statutory reserve	-	-	-	-	-	-	-
Discretionary reserve	-	-	-	-	-	-	-
2. Appropriation to general risk reserve	-	-	-	-	-	-	-
3. Profit distribution to shareholders	-	-	-	-	-	-678,702,883.59	-678,702,883.59
4. Others	-	-	-	-	-	-	-
(V) Internal carry-over of shareholders' equity	-	-	-	-	-	-	-
1. Transfer of capital reserve to capital	-	-	-	-	-	-	-
2. Transfer of surplus reserve to capital	-	-	-	-	-	-	-
3. Surplus reserve to cover losses	-	-	-	-	-	-	-
4. Others	-	-	-	-	-	-	-
IV. Closing balance of the period	22,623,429,453.00	9,151,188,583.19	4,445,609.29	50,263,845.00	929,804,005.71	2,087,607,890.85	34,846,739,387.04

Notes form an integral part of the financial statements

# Statement of Changes in Shareholders' Equity of the Parent Company (continued)

For the period from 1 January to 30 June 2021  
In RMB

Item	Amount in last period (Unaudited)						Total shareholders' equity
	Share capital	Capital surplus	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits	
I. Closing balance of last year	12,894,535,999.00	3,047,794,637.96	6,518,976.67	30,179,695.36	851,648,908.53	2,124,672,469.98	18,955,350,687.50
Add: Changes of accounting policies	-	-	-	-	-	-	-
Correction of errors in prior periods	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
II. Opening balance of the period	12,894,535,999.00	3,047,794,637.96	6,518,976.67	30,179,695.36	851,648,908.53	2,124,672,469.98	18,955,350,687.50
III. Changes for the period (decrease represented by "-")							
(I) Total comprehensive income	-	-	-3,480,715.92	-	-	333,425,571.29	329,944,855.37
(II) Capital contribution and withdrawal by shareholders	-	2,230,844.00	-	-	-	-	2,230,844.00
1. Ordinary shares contributed by shareholders	-	-	-	-	-	-	-
2. Capital contributed by other equity instrument holders	-	-	-	-	-	-	-
3. Amount of share-based payment included in shareholders' equity	-	-	-	-	-	-	-
4. Others	-	2,230,844.00	-	-	-	-	2,230,844.00
(III) Accrual and usage of special reserve	-	-	-	8,243,425.42	-	-	8,243,425.42
1. Accrual of special reserve	-	-	-	13,455,345.19	-	-	13,455,345.19
2. Usage of special reserve	-	-	-	-5,211,919.77	-	-	-5,211,919.77
(IV) Profit distribution	-	-	-	-	-	-270,785,255.98	-270,785,255.98
1. Appropriation to surplus reserve	-	-	-	-	-	-	-
Including: Statutory reserve	-	-	-	-	-	-	-
Discretionary reserve	-	-	-	-	-	-	-
2. Appropriation to general risk reserve	-	-	-	-	-	-	-
3. Profit distribution to shareholders	-	-	-	-	-	-270,785,255.98	-270,785,255.98
4. Others	-	-	-	-	-	-	-
(V) Internal carry-over of shareholders' equity	-	-	-	-	-	-	-
1. Transfer of capital reserve to capital	-	-	-	-	-	-	-
2. Transfer of surplus reserve to capital	-	-	-	-	-	-	-
3. Surplus reserve to cover losses	-	-	-	-	-	-	-
4. Others	-	-	-	-	-	-	-
IV. Closing balance of the period	12,894,535,999.00	3,050,025,481.96	3,038,260.75	38,423,120.78	851,648,908.53	2,187,312,785.29	19,024,984,556.31

Notes form an integral part of the financial statements



# Notes to the Financial Statements

For the period from 1 January to 30 June 2021  
In RMB

## I. General information

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

Upon the gratuitous transfer of the equity interests held by Dalian SASAC in PDA Group to Liaoning North East Asia Gang Hang Development Co., Ltd. (遼寧東北亞港航發展有限公司) (hereinafter referred to as “North East Asia Gang Hang”) on 12 February 2018, the actual controller of the Company was changed from Dalian SASAC to Liaoning SASAC. On 29 November 2018, North East Asia Gang Hang was renamed as Liaoning Port Group Limited (遼寧港口集團有限公司) (hereinafter referred to as “Liaoning Port Group”). On 30 September 2019, the actual controller of Liaoning Port Group was changed from Liaoning SASAC to China Merchants Group Limited (hereinafter referred to as “China Merchants Group”), therefore the ultimate actual controller of the Company was changed from Liaoning SASAC to China Merchants Group.

According to the resolutions of the 2020 second extraordinary meeting of the sixth session of the Board of the Company convened on 7 July 2020 and the resolutions of the fifth meeting of the seventh session of the Board of Yingkou Port Liability Co., Ltd. (hereinafter referred to as “Yingkou Port”) convened on the same date, the Company intends to merge Yingkou Port by absorption through share swap by way of issuing A shares. Upon completion of such merger by absorption through share swap, Yingkou Port will be delisted and deregistered, and the Company or its wholly-owned subsidiaries will inherit and take over all assets, liabilities, businesses, personnel, contracts and all other rights and obligations of Yingkou Port. The A shares issued by the Company in connection with such merger by absorption through share swap will apply for listing and circulation on the main board of the Shanghai Stock Exchange. On 6 January 2021, the Company’s merge with Yingkou Port by absorption through share swap (the “Merger”) has been approved by the Reply on Approval of Dalian Port (PDA) Company Limited’s Merger with Yingkou Port Liability Co., Ltd. by Absorption and Proceeds (Zheng Jian Xu Ke [2020] No.3690) issued by China Securities Regulatory Commission, and has obtained approvals or consent as required by all other competent authorities before the Merger is completed. The record date for share swap under the Merger is 28 January 2021. Yingkou Port’s shares held by all shareholders of Yingkou Port who are registered on the register of shareholders after market closes on the Record Date for Share Exchange will be converted into the Company’s shares at a conversion rate of 1:1.5030, namely each Yongou Port share may exchange for 1.5030 A shares of the Company. On 28 January 2021, the Company changed its name to Liaoning Port Co., Ltd. On 29 January 2021, Shanghai Stock Exchange terminated the listing of Yingkou Port shares. This share swap involved the newly issued 9,728,893,454 A shares to the original shareholders of Yingkou Port, which was completed on 4 February 2021, and was listed for trading on 9 February 2021. Upon completion of the Merger, the total share capital of the Company increased from 12,894,535,999 shares to 22,623,429,453 shares, among which Yingkou Port Group Corporation Limited (“YKP”) has the shareholding of 30.57%. According to the Agreement in relation to the Voting Right Entrustment of Liaoning Port Co., Ltd. between Dalian Port Corporation Limited and Yingkou Port Group Corporation Limited signed by PDA and YKP on 29 March 2021, PDA agreed to fully entrust the exercise of shareholders’ rights, other than right to earnings, right of disposition (including share pledge), share options, to Yingkou Port Group Corporation Limited, and Yingkou Port Group Corporation Limited agreed to accept this entrustment, which shall take effect from the date when authorized representatives of both parties signed the agreement affixed with a official seal, the termination date of which shall be the date when both parties entered into a termination agreement to such agreement. Pursuant to the Articles of Association, the parent company of the Group changed from Dalian Port Corporation Limited to Yingkou Port Group Corporation Limited.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## I. General information (continued)

The principal activities of the Company and its subsidiaries (hereinafter collectively referred to as the “Group”) include the provision of terminal business and logistics services such as international and domestic cargo loading and discharging, transportation, transshipment, storage and etc.; providing facilities and services for passenger waiting, embarking and disembarking; tallying and tugging services for vessels sailing on international and domestic lines; port logistics and port information technology consultation services; engaged in crude oil storage in port area (operating with the permit); refined oil products storage (restricted to those applying for bonded qualification and those at port storage facilities); import and export of goods and technology (excluding distribution of imported goods and articles prohibited by relevant laws and regulations; import and export of articles restricted by laws and regulations may only conduct with the grant of license) (with capital contribution from foreign parties of less than 25%).

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

The scope of consolidation of the consolidated financial statements is determined on the basis of control. For changes in the current year, see Note VIII.

## II. Basis for the preparation of financial statements

The financial statements have been prepared in accordance with the “Accounting Standards for Business Enterprises – Basic Standards” promulgated by the Ministry of Finance and the specific accounting standards, application guidelines, interpretations and other relevant regulations subsequently announced and revised (collectively “Accounting Standards for Business Enterprises” or “ASBEs”).

The financial statements are presented on a going concern basis.

Except for certain financial instruments, the financial statements have been prepared under the pricing principle of historical cost. If the assets are impaired, corresponding provisions for impairment shall be made according to relevant regulations.



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## III. Statement of compliance with the Accounting Standards for Business Enterprises

The financial statements are prepared by the Group in compliance with the Accounting Standards for Business Enterprises, and give a true and complete view of the consolidated and parent company's financial positions of the Group as at 30 June 2021 and the consolidated and parent company's operating results and cash flows of the Group during the period from 1 January to 30 June 2021.

## IV. Significant accounting policies and accounting estimates of the Company

### 1. Accounting year

The Group adopts the Gregorian calendar year as its accounting year, commencing from 1 January to 31 December each year. This interim financial statements cover the period from 1 January to 30 June.

### 2. Recording currency

Renminbi ("RMB") is the currency of the main economic environment where the Group and its domestic subsidiaries operate and is therefore their recording currency. The recording currency of the overseas subsidiaries of the Group is determined based on the main economic environment where they operate, and is converted into RMB when preparing the financial statements. The currency adopted by the Group for the preparation of these financial statements is RMB.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 3. Book-keeping basis and measurement principle

The Group adopts the accrual basis as the basis of book-keeping in accounting. Except for investments in other equity instruments and receivables financing measured at fair value, historical cost is used as the measurement principle in these financial statements. If the assets are impaired, corresponding provisions for impairment will be made according to relevant regulations.

Under historical cost method, assets were measured at the amount of the cash or cash equivalents paid or the fair value of consideration paid at the time of purchase. Liabilities were measured at the amount of money or assets actually received by assuming a present obligation, or the contract amount of the present obligation assumed, or the amount of cash or cash equivalents expected to be paid for repayment of debts in accordance with daily activities.

Fair value refers to the price that can be received when disposing of an asset or that should be paid when transferring a liability in an orderly transaction between the market participants at the measurement date. Whether fair value is observable or estimated on valuation techniques, the fair value measured and/or disclosed in these financial statements were all determined on such basis.

The Group considers the ability of market participants to put assets into best use for economic benefits or sell the assets to other market participants who are able to put the assets into best use for economic benefits when measuring non-financial assets at fair value.

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

On each balance sheet date, the Group will reassess the assets and liabilities constantly measured at fair value as recognised in the financial statements to check if the level in which fair value measurement is categorised is changed.



# Notes to the Financial Statements (continued)

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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 4. Business combinations

Business combinations are classified into business combinations involving entities under common control and business combinations not involving entities under common control.

#### 4.1 *Business combinations involving entities under common control*

A business combination involving entities under common control is a business combination in which all of the combining entities are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory.

Assets and liabilities that are obtained by the acquirer in a business combination involving entities under common control, including goodwill arising from the acquisition of the acquiree by the ultimate controller, shall be accounted for on the basis of the carrying amounts on the financial statements of the ultimate controller at the combination date. The difference between the carrying amount of the net assets obtained and the carrying amount of the consideration paid for the combination (or the aggregate face value of shares issued as consideration) by the acquirer shall be adjusted to share premium under capital reserve and the balance transferred from capital reserve under the former system. If they are not sufficient to absorb the difference, any excess shall be adjusted against retained earnings.

Costs that are directly attributable to the business combination are recognised in current profit or loss when incurred.

#### 4.2 *Business combinations not involving entities under common control*

A business combination not involving entities under common control is a business combination in which all of the combining entities are not ultimately controlled by the same party or parties both before and after the combination.

Combination cost refers to the fair value of the assets paid, the liabilities incurred or assumed, and the equity instruments issued by the acquirer to obtain control of the acquiree. The intermediary fees for auditing, legal services, appraisal and consultation, etc. and other related administrative expenses incurred by the acquirer for a business combination are recognised in current profit or loss when incurred.

Acquiree's identifiable assets, liabilities and contingent liabilities, which are qualified for recognition, as obtained by the acquirer in a combination are measured at fair value at the acquisition date.

For the excess of the combination cost over the portion of fair value of acquiree's net identifiable assets obtained in the combination, it is recognised as goodwill as an asset, and initially measured at cost. For those with combination cost lower than the portion of fair value of acquiree's net identifiable assets obtained in the combination, re-verification on the measurement of the fair value of acquiree's all identifiable assets, liabilities and contingent liabilities as well as the combination cost will be first conducted. For those with combination cost still lower than the portion of fair value of acquiree's net identifiable assets obtained in the combination after re-verification, they are recognised in current profit or loss.

# Notes to the Financial Statements (continued)

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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 5. Goodwill

Goodwill arising from a business combination is presented separately in the consolidated financial statements, and measured at the amount of cost less accumulated impairment provision. Goodwill is tested for impairment at least once at the end of every year.

When an impairment test is conducted for goodwill, the test is conducted combined with its related asset group or portfolio of asset group. That is, the carrying value of goodwill is reasonably allocated to the asset group or portfolio of asset group which could be benefited from the synergy of business combination since the purchase date. If the recoverable amount of asset group or portfolio of asset group containing the allocated goodwill is lower than its carrying value, relative impairment loss is recognised. The amount of impairment loss is first written down and allocated to the carrying amount of the goodwill of that asset group or portfolio of asset group, and is then written down to the carrying value of all other types of assets proportionally according to the weighting of the carrying value of all other types of assets other than goodwill within asset group or portfolio of asset group.

The recoverable amount of an asset is the higher of net value of its fair value less costs of disposal and the present value of the future cash flows expected to be derived from the asset.

An impairment loss on goodwill is recognised in current profit or loss when incurred and shall not be reversed in subsequent accounting periods.

### 6. Consolidated financial statements

The consolidation scope of consolidated financial statements is determined on the basis of control. 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. The Group reassesses whether or not it controls an investee if relevant facts and circumstances indicate that there are changes of the above elements of the definition of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

For a subsidiary disposed of by the Group, its operating results and cash flows before the date of disposal (the date when control is lost) are included in the consolidated income statement and consolidated cash flow statement, as appropriate.

For a subsidiary acquired through a business combination not involving entities under common control, its operating results and cash flows from the acquisition date (the date when control is obtained) are included in the consolidated income statement and consolidated cash flow statement, as appropriate.





# Notes to the Financial Statements (continued)

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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 6. Consolidated financial statements (continued)

No matter when the business combination occurs in the reporting period, subsidiaries acquired through a business combination involving entities under common control are included in the Group's scope of consolidation as if they had been included in the scope of consolidation from the date when they first came under the common control of the ultimate controlling party, and their operating results and cash flows from the beginning of the earliest reporting period are included in the consolidated income statement and consolidated cash flow statement, as appropriate.

The significant accounting policies and accounting periods adopted by the subsidiaries are determined based on the uniform accounting policies and accounting periods set out by the Company.

The effects of all intra-group transactions between the Company and its subsidiaries and among subsidiaries on the consolidated financial statements are eliminated on consolidation.

The portion of subsidiaries' equity that is not attributable to the parent company is treated as minority interests and presented as "minority interests" in the consolidated balance sheet within shareholders' equity. The portion of net profits or losses of subsidiaries for the period attributable to minority interests is presented as "gains or losses of minority interests" in the consolidated income statement below the "net profit" line item. The portion of comprehensive income of subsidiaries for the period attributable to minority interests is presented as "total comprehensive income attributable to minority interests" in the consolidated income statement below the total comprehensive income line item.

When the amount of loss for the period attributable to the minority shareholders of a subsidiary exceeds the minority shareholders' portion of the opening balance of owners' equity of the subsidiary, the excess amount is still allocated against minority shareholders' interests.

Acquisition of minority equity or disposal of certain equity investments in a subsidiary that does not result in the loss of control over the subsidiary is accounted for as equity transactions. The carrying amounts of the equity attributable to owners of the parent company and minority shareholders' interests are adjusted to reflect the changes in their relative interests in the subsidiary. The difference between the amount by which the minority shareholders' interests are adjusted and the fair value of the consideration paid/received is adjusted to capital reserve. If the capital reserve is not sufficient to absorb the difference, the excess is adjusted against retained earnings.

# Notes to the Financial Statements (continued)

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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 6. Consolidated financial statements (continued)

Where equity interests in an acquiree are acquired in stages through multiple transactions ultimately constituting a business combination not involving entities under common control, the acquirer determines if these transactions are considered to be “a bundled transaction”. If yes, each of these transactions is accounted for as a single transaction where control is obtained. If no, these transactions are accounted for as multiple transactions where control is obtained at the acquisition date. In this case, the acquirer remeasures its previously-held equity interests in the acquiree at their fair value on the acquisition date and recognises any differences between such fair value and carrying amounts in profit or loss for the period. Where equity interests in an acquiree held before the acquisition date involve changes in other comprehensive income or changes in other owners’ equity under equity method, they are transferred to income for the period that the acquisition date belongs to.

When the Group loses control over a subsidiary due to disposal of certain equity interest investment or other reasons, any retained equity interest is re-measured at its fair value at the date when control is lost. The difference between the sum of the consideration received on disposal of equity interest and the fair value of any retained interest and the share of the former subsidiary’s net assets cumulatively calculated from the acquisition date according to the original proportion of ownership interest is recognised as investment income in the period in which control is lost, and at the same time adjusted against goodwill. Other comprehensive income associated with investment in the former subsidiary is reclassified to investment income in the period in which control is lost.

Where multiple transactions involving disposal of equity investments in a subsidiary until loss of control are considered to be a bundled transaction, each of these multiple transactions is accounted for as a single transaction of disposing of the subsidiary and resulting in loss of control. The difference between the consideration received on each disposal and the corresponding proportion of the subsidiary’s net assets calculated on a continuous basis since the acquisition date prior to the loss of control is recognised as other comprehensive income and transferred to profit or loss for the period when the control is eventually lost.

### 7. Joint arrangement

Joint arrangement refers to an arrangement jointly controlled by two or more than two participants. The joint arrangement of the Group has the following characteristics: (1) all participants are subject to such arrangement; (2) two or more than two participants has joint control over such arrangement. Any each of the participants is unable to separately control such arrangement, and any participant which has joint control over such arrangement is able to prevent other participants or combination of participants from separately controlling such arrangement.

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.

Joint arrangement is classified as joint operation and joint venture. A joint operation is a joint arrangement whereby the parties concerned have rights to the assets, and obligations for the liabilities relating to the arrangement. A joint venture is a type of joint arrangement whereby the parties concerned have rights to the net assets of the arrangement only.



# Notes to the Financial Statements (continued)

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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 8. Cash and cash equivalents

Cash comprises the Group's cash on hand and deposits that can be readily withdrawn on demand. Cash equivalents are short-term (which generally refers to a maturity within three months from the date of purchase), highly liquid investments held by the Group, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### 9. Financial instruments

The Group recognises a financial asset or a financial liability when it becomes a party to the financial instrument contract.

Where financial assets are purchased or sold in a regular way, assets to be received and liabilities to be borne therefor are recognised on the date of transaction, or sold assets are derecognised on the date of transaction.

Financial assets and financial liabilities were initially recognised at fair value. For financial assets and financial liabilities measured at fair value through current profit or loss, related transaction expenses are directly recognised in current profit or loss; for other types of financial assets and financial liabilities, related transaction expenses are included in the initial recognition amount. For accounts receivable not containing significant financing components or regardless of financing components of contracts less than one year initially recognised based on the Accounting Standards for Business Enterprises No. 14 – Revenue (the “Standard on Revenue”), they are initially measured at transaction price defined based on the Standard on Revenue.

Effective interest method is the method that is used in the calculation of the amortised cost of a financial asset or a financial liability and in the allocation and recognition of the interest income or interest expense over the accounting periods.

Effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of a financial asset or a financial liability to the carrying amount of the financial asset or to the amortised cost of the financial liability. When calculating the effective interest rate, the Group shall estimate the expected cash flows by considering all contractual terms of the financial assets or financial liabilities (for example, early repayment, extension, call or other similar options) but shall not consider the expected credit losses.

The amortised cost of a financial asset or a financial liability is an accumulatively amortised amount arising from the initially recognised amount of the financial asset or the financial liability deducting repaid principals plus or less amortisation of balances between the initially recognised amount on initial recognition and the amount on maturity date using the effective interest method, and then deducting accumulated provisions for losses (only applicable to financial assets).

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 9. Financial instruments (continued)

#### 9.1 Classification, recognition and measurement of financial assets

After initial recognition, the Group shall measure different types of financial assets at amortised cost, fair value through other comprehensive income or fair value through current profit or loss for subsequent measurement, respectively.

If the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding and the financial asset is held within a business model whose objective is achieved by collecting contractual cash flows, the Group shall classify the financial asset into a financial asset measured at amortised cost. Such financial assets mainly include: cash at bank and on hand, notes receivable, accounts receivable, other receivables, etc.

If the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding and the financial asset is held within a business model whose objective is to collect contractual cash flows and sell such financial asset, the Group shall classify the financial asset into a financial asset at fair value through other comprehensive income. Accounts receivables and notes receivable at FVTOCI are presented as receivables financing, and other financial assets with a period within one year (inclusive) upon obtaining are presented as other current assets. Such type of financial assets with a period of over one year since obtaining are presented as other debt investments and financial assets due within one year (inclusive) since the balance sheet date are presented as non-current assets due within one year.

Financial assets at fair value through current profit or loss include financial assets classified as at fair value through current profit or loss and those designated as at fair value through current profit or loss:

- A financial asset which does not satisfy the criteria for a financial asset classified as being measured at amortised cost or a financial asset at fair value through other comprehensive income shall be classified as a financial asset at fair value through current profit or loss.
- At initial recognition, the Group may irrevocably designate a financial asset as measured at fair value through current profit or loss if doing so eliminates or significantly reduces accounting mismatch.

Financial assets at fair value through current profit or loss are presented in financial assets held for trading. Those due over one year (or without any fixed term) and expected to be held for over one year since the balance sheet date are presented in other non-current financial assets.

On initial recognition, the Group may, based on an individual financial asset, irrevocably designate a non-trading equity instrument investment which is contingent consideration recognised in business combination not involving entities under common control as financial asset measured at fair value through other comprehensive income. Such financial assets are presented as investments in other equity instruments.



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 9. Financial instruments (continued)

#### 9.1 Classification, recognition and measurement of financial assets (continued)

The Group's purpose of holding the financial assets is for trading if one of the following conditions is satisfied:

- The Group's purpose of acquiring the relevant financial assets is primary for recent sale.
- The relevant financial assets are, on initial recognition, a part of the centrally-managed identifiable financial instrument portfolio, and objective evidence indicates that short-term profit model exists in the near future.
- The relevant financial assets are derivative instruments. However, derivatives that meet the definition of financial guarantee contracts and those designated as effective hedging instruments are excluded.

##### 9.1.1 Financial assets at amortised cost

The financial asset at amortised cost is subsequently measured at amortised cost using the effective interest method. Gain or loss arising from impairment or derecognition is recognised in current profit or loss.

The Group recognises interest income on financial assets measured at amortised cost using the effective interest method. The Group calculates and recognises interest income based on the carrying amount of financial assets multiplied by the effective interest rate, except for the following conditions:

- For purchased or originated credit-impaired financial asset, the Group calculates and recognises its interest income based on amortised cost of the financial asset and the effective interest rate through credit adjustment since initial recognition.
- For purchased or originated financial asset without credit impairment incurred but with credit impairment incurred in subsequent periods, the Group calculates and recognises its interest income based on amortised cost of the financial asset and the effective interest rate in subsequent periods. If the financial asset no longer has credit impairment in subsequent periods as a result of an improvement in its credit risk, and this improvement may be linked to an event that occurred after the application of the above regulations, the Group calculates and recognises interest income based on the carrying amount of the financial asset multiplied by the effective interest rate.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 9. Financial instruments (continued)

#### 9.1 *Classification, recognition and measurement of financial assets (continued)*

##### 9.1.2 *Financial assets at fair value through other comprehensive income*

The impairment loss or gain on a financial asset at fair value through other comprehensive income and interest income from the financial asset calculated using effective interest rate, and exchange gain or loss are included in current profit or loss, for other financial assets, their changes in fair value are included in other comprehensive income. The amount recorded in profit or loss of each period is equal to the amount recorded in profit or loss of such period assuming the financial asset has been measured at amortised cost. Upon derecognition of the financial asset, all accumulated gains or losses previously recorded in other comprehensive income are transferred from other comprehensive income to profit or loss.

After designating a non-trading equity instrument investment as a financial asset at fair value through other comprehensive income, the changes in fair value of such financial asset are recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gains or losses previously recognised in other comprehensive income are transferred from other comprehensive income to retained earnings. During the period that the Group holds these non-trading equity instrument investments, the Group has established the right of collecting dividends, whose economic benefit will probably flow into the Group, and if the amount of the dividends can be reliably measured, then the Group will recognise dividend income in current profit or loss.

##### 9.1.3 *Financial assets at fair value through current profit or loss*

Financial assets at fair value through current profit or loss shall be subsequently measured at fair value. Gains or losses from change in fair current value and dividends and interest income related to such financial assets shall be recognised in current profit or loss.

#### 9.2 *Impairment of financial instruments*

The Group shall conduct an impaired accounting treatment and recognise a loss provision on financial assets at amortised cost and contract assets based on expected credit losses.

The Group makes a loss provision equivalent to the amount of expected credit losses throughout the duration period of the contract assets or the receivables arising from transactions adopting the Standard on Revenue and not containing significant financing components or regardless of financing components of contracts less than one year.



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 9. Financial instruments (continued)

#### 9.2 Impairment of financial instruments (continued)

For other financial instruments, except for purchased or originated credit-impaired financial assets, at each balance sheet date, the Group assesses changes in credit risk of relevant financial instruments since initial recognition. If the credit risk of such financial instrument has increased significantly since initial recognition, the Group measures its loss provision equivalent to the amount of expected credit losses throughout the duration period of the financial instrument; if the credit risk of such financial instrument has not increased significantly since initial recognition, the Group measures its loss provision equivalent to the amount of expected credit losses over the next 12 months of the financial instrument. Increase in or reversal of credit loss provision is included in current profit or loss as loss/gain on impairment.

The Group assesses the expected credit losses of financial instruments based on internal credit risk rating. The Group considered the credit risk characteristics of different customers and assessed the expected credit losses of receivables based on the credit risk rating. Basis for each rating and corresponding expected credit loss rate are as follows:

Credit rating	Basis for determination of portfolio	Provision percentage %
A	Based on the past experience, customers are able to make repayment within the credit term, and have a good repayment record with an extremely low risk of default upon maturity in foreseeable future.	0 – 0.1
B	Based on the past experience, customers are able to make repayment despite overdue payment.	0.1 – 0.3
C	There are evidences indicating a risk of default by the customers as the risk of their overdue payment has significantly increased.	0.3 – 50
D	There are evidences indicating that the amounts due from customers have been impaired, and evidences indicating that the amounts are unrecoverable in foreseeable future due to serious financial difficulties of the customers.	50 – 100

For the disclosure of the Group's criteria on the significant increase in credit risk, the definition of credit impaired assets, and the assumption of measurement on expected credit loss, please refer to Note XII.3(2).

Where the Group has made a loss provision equivalent to the amount of expected credit losses throughout the duration period of the financial instrument in the previous accounting period, but at the balance sheet date for the current period, the above financial instrument is no longer a financial instrument whose credit risk has significantly increased since initial recognition, the Group measures the loss provision for the financial instrument equivalent to the amount of expected credit losses over the next 12 months at the balance sheet date for the current period. Relevant reversal of loss provision is included in profit or loss for the current period as gain on impairment.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 9. Financial instruments (continued)

#### 9.2 Impairment of financial instruments (continued)

##### 9.2.1 Write-down of financial assets

When the Group no longer reasonably expects to be able to fully or partially recover the contractual cash flows of financial assets, the Group directly writes down the carrying amount of the financial assets. Such write-down constitutes derecognition of relevant financial assets.

#### 9.3 Transfer of financial assets

The Group shall derecognise a financial asset when one of the following conditions is satisfied: (1) the contractual rights to the cash flows from the financial asset expire; (2) the financial asset has been transferred and substantially all the risks and rewards of ownership of the financial asset are transferred to the transferee; (3) although the financial asset has been transferred, the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but has not retained control of the financial asset.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership of a financial asset, and it retains control of the financial asset, the Group will recognise the financial asset to the extent of its continuing involvement in the transferred financial asset and recognise a relevant liability accordingly. Relevant liabilities are measured by the Group using the following methods:

- If the transferred financial asset is measured at amortised cost, the carrying amount of relevant liabilities is the carrying amount of continuing involvement in the transferred financial asset less the amortised cost of the rights retained by the Group (if the Group retains rights for the transfer of the financial asset) plus the amortised cost of the obligations undertaken by the Group (if the Group undertakes relevant obligations for the transfer of the financial asset), and the relevant liabilities are not designated as financial liabilities at fair value through current profit or loss;
- If the transferred financial asset is measured at fair value, the carrying amount of relevant liabilities is the carrying amount of continuing involvement in the transferred financial asset less the fair value of the rights retained by the Group (if the Group retains rights for the transfer of the financial asset) plus the fair value of the obligations undertaken by the Group (if the Group undertakes relevant obligations for the transfer of the financial asset), and the fair value of the rights and liabilities is measured on a stand-alone basis.

For transfer of a financial asset in its entirety that satisfies the derecognition criteria, as to financial assets classified as at amortised cost, the difference between the carrying amount of the financial asset transferred and the consideration received from the transfer shall be included in profit or loss for the current period. As to non-trading equity instruments designated by the Group as at fair value through other comprehensive income, accumulated gains or losses previously included in other comprehensive income are transferred out from other comprehensive income and included in retained earnings.





# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 9. Financial instruments (continued)

#### 9.3 *Transfer of financial assets (continued)*

For transfer of a part of financial asset that satisfies the derecognition criteria, the carrying amount of the financial asset in its entirety before the transfer is allocated between the part that is derecognised and the part that is continuously recognised, based on the respective fair values of those parts on transfer date. The difference between the sum of the consideration received for the part of the derecognition and the accumulated amount of the fair value changes originally included in other comprehensive income corresponding to the derecognised part and the carrying amount on the date of derecognition for the derecognised part shall be recognised in current profit or loss or retained earnings.

For transfer of a financial asset in its entirety that does not satisfy the derecognition criteria, the Group will continuously recognise the transferred financial asset in its entirety. Consideration received from transfer of assets should be recognised as a liability upon receipt.

#### 9.4 *Classification of financial liabilities and equity instruments*

Financial instruments or their constituent parts issued by the Group are classified into financial liabilities or equity instruments on initial recognition on the basis of the substance of the contractual terms and the economic nature but not only its legal form, together with the definition of financial liabilities and equity instruments.

##### 9.4.1 *Classification and measurement of financial liabilities*

On initial recognition, financial liabilities are classified into other financial liabilities.

###### 9.4.1.1 Other financial liabilities

The Group shall classify all financial liabilities as subsequently measured at amortised cost, except for financial liabilities that arise when transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and gains or losses arising from derecognition or amortisation are recognised in profit or loss for the period.

When the contractual cash flows are changed due to the modification or renegotiation of the contract made between the Group and the counterparty and the renegotiation or modification does not result in the derecognition of the financial liability that is subsequently measured at amortised cost, the Group shall recalculate the carrying amount of the financial liability and shall recognise related gains or losses in current profit or loss. The carrying amount of the financial liability shall be recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial liability's original effective interest rate. Any costs or fees incurred from modification or renegotiation of the contract adjust the carrying amount of the modified financial liability and are amortised over the remaining term of the modified financial liability.

# Notes to the Financial Statements (continued)

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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 9. Financial instruments (continued)

#### 9.4 Classification of financial liabilities and equity instruments (continued)

##### 9.4.1 Classification and measurement of financial liabilities (continued)

###### 9.4.1.1 Other financial liabilities (continued)

###### Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder of the contract for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. Financial guarantee contracts that are not designated as financial liabilities at fair value through current profit or loss, or arise when transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, are measured at the higher of the amount of loss provision and the amount initially recognised less cumulative amortisation amount determined based on the relevant requirements under the Standard on Revenue upon initial recognition.

##### 9.4.2 Derecognition of financial liabilities

The Group derecognises a financial liability (or part of it) when the underlying present obligation (or part of it) is discharged. An agreement between the Group (the debtor) and the creditor to replace the original financial liability with a new financial liability with substantially different terms is accounted for as a derecognition of the original financial liability and the recognition of a new financial liability.

When the Group derecognises a financial liability or a part of it, it recognises the difference between the carrying amount of the financial liability (or part of the financial liability) derecognised and the consideration paid (including any non-cash assets transferred or new financial liabilities assumed) in current profit or loss.

#### 9.5 Offsetting financial assets and financial liabilities

Where the Group has a legal right that is currently enforceable to set off the recognised financial assets and financial liabilities, and intends either to settle on a net basis, or to realise the financial asset and settle the financial liability simultaneously, a financial asset and a financial liability shall be offset and the net amount is presented in the balance sheet. Except for the above circumstances, financial assets and financial liabilities shall be presented separately in the balance sheet and shall not be offset.

### 10. Receivables financing

Bills receivable classified as at FVTOCI with a period of one year (inclusive) since obtaining are presented as receivables financing; those with a period of over one year since obtaining are presented as other lending investments. For the relevant accounting policies, see Note IV.9.



# Notes to the Financial Statements (continued)

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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 11. Inventories

Inventories of the Group mainly include raw materials, turnover materials, finished goods, etc. Inventories are initially measured at cost. Cost of inventories comprises costs of purchase and other expenditures incurred in bringing the inventories to their present location and condition.

The actual cost of inventories transferred out is determined by using the weighted average method.

Turnover materials include low value consumables and packing materials, which are amortised by using the separate amortisation method/immediate write-off method.

At the balance sheet date, inventories are measured at the lower of cost and net realisable value. If the net realisable value is lower than the cost of inventories, a provision will be made for decline in value of inventories.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale and relevant taxes. The estimates of net realisable value are based on the most reliable evidence available, taking into consideration the purpose for holding inventories and the effects of events subsequent to the balance sheet date.

After provision for decline in value of inventories, if factors that previously resulted in the provision for decline in value of inventories no longer exist, the amount of the write-down is reversed. The reversal is limited to the amount originally provided for the provision for the decline in value of inventories, and is recognised in profit or loss for the current period.

The Group adopts a perpetual inventory system.

### 12. Long-term equity investments

#### 12.1 Basis for determining joint control and significant influence over the investee

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 with other parties over the formulation of those policies. When determining whether an investor is able to exercise control or significant influence over an investee, the effect of potential voting rights of the investee (for example, corporate bonds that are currently convertible and warrants that are currently exercisable) held by the investor and other parties shall be considered.

# Notes to the Financial Statements (continued)

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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 12. Long-term equity investments (continued)

#### 12.2 Determination of investment cost

For a long-term equity investment acquired through a business combination involving entities under common control, the initial investment cost of the long-term equity investment is the attributable share of the carrying amount of the owners' equity of the acquiree at the date of combination in the consolidated financial statements of the ultimate controlling party. The difference between the initial investment cost and the carrying amount of cash paid, non-cash assets transferred and liabilities assumed is adjusted to capital reserve. If the balance of capital reserve is not sufficient, any excess is adjusted to retained earnings. For issuing equity securities as consideration for combination, the initial investment cost of the long-term equity investment is the attributable share of the carrying amount of the owners' equity of the acquirer at the date of combination in the consolidated financial statements of the ultimate controlling party. The aggregate face values of the shares issued are accounted for share capital. The difference between the initial investment cost and the aggregate face values of the shares issued is adjusted to capital reserve. If the capital reserve is insufficient to be written down, any excess is adjusted to retained earnings.

For a long-term equity investment acquired through business combinations not involving entities under common control, the merger cost on the acquisition date shall be taken as the initial investment cost of the long-term equity investment.

The intermediary fees for auditing, legal services, appraisal and consultation, etc. and other related administrative expenses incurred by the combining party or the acquirer for business combination shall be recognised in current profit or loss when incurred.

The initial measurement of the long-term equity investment obtained by means other than the long-term equity investment formed by business combination shall be accounted for at cost. Where additional investment results in significant influence or joint control (but not control) over the investee, the cost of long-term equity investment is the sum of the fair value of the original equity investment determined in accordance with the Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments plus the additional investment cost.



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 12. Long-term equity investments (continued)

#### 12.3 Subsequent measurement and recognition method for profit or loss

##### 12.3.1 Long-term equity investments accounted for using the cost method

The Company's financial statements adopt the cost method to account for long-term equity investment in subsidiaries. Subsidiaries refer to investees which can be controlled by the Group.

The long-term equity investments accounted for using the cost method are measured at the initial investment cost. Adding or recovering investment adjusts the cost of long-term equity investments. The current investment income is recognised according to the cash dividend or profit declared to be distributed by the investee.

##### 12.3.2 Long-term equity investments accounted for using the equity method

The Group accounts for investments in associates and joint ventures, except for those wholly or partially classified as held-for-sale assets, by using the equity method. Associates refer to invested entities to which the Group can exert a significant influence, and joint ventures are joint arrangements in which the Group has only the right to the net assets of the arrangements.

When equity method is adopted in accounting, if the initial investment cost of long-term equity investment is greater than the share of fair value of the net identifiable assets of the investee at the time of investment, the initial investment cost of long-term equity investment shall not be adjusted; if the initial investment cost is less than the share of fair value of the net identifiable assets of the investee at the time of investment, the difference shall be recorded in current profit or loss, and the long-term equity investment cost shall be adjusted at the same time.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 12. Long-term equity investments (continued)

#### 12.3 Subsequent measurement and recognition method for profit or loss (continued)

##### 12.3.2 Long-term equity investments accounted for using the equity method (continued)

When equity method is adopted in accounting, the investment income and other comprehensive income shall be recognised respectively according to the share of net profit or loss and other comprehensive income realised by the investee, and the carrying amount of long-term equity investment shall be adjusted at the same time; the carrying amount of long-term equity investment shall be reduced accordingly by calculating the portion to be enjoyed according to the profit or cash dividend declared to be distributed by the investee; the carrying amount of long-term equity investment shall be adjusted and included in capital reserve for other changes in the owners' equity of the investee except net profit or loss, other comprehensive income and profit distribution. When recognising the share of the net profit or loss of the investee, the net profit of the investee shall be adjusted and recognised on the basis of the fair value of the identifiable assets of the investee at the time of acquisition. If the accounting policies and accounting periods adopted by the investee are inconsistent with those of the Group, the financial statements of the investee shall be adjusted in accordance with the accounting policies and accounting period of the Group. The investment income and other comprehensive income shall be recognised accordingly. For transactions between the Group associates or joint ventures, if the assets invested or sold do not constitute business, the gains and losses of internal transactions are offset by the shareholding attributable to the Group. On this basis, the investment gains or losses are recognised. However, the unrealised internal transaction losses between the Group and the investee shall not be offset if they belong to the impairment losses of the transferred assets.

The Group discontinues recognising its share of net losses of the investee after the carrying amount of the long-term equity investment together with any long-term interests that in substance form part of its net investment in the invested entity is reduced to zero. In addition, if the Group has incurred obligations to assume additional losses of the investee, estimated liability is recognised according to the expected obligation, and recorded as investment loss for the period. Where net profits are subsequently made by the investee, the Group resumes recognising its share of those profits only after its share of the profits exceeds its share of losses previously not recognised.



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 12. Long-term equity investments (continued)

#### 12.4 Disposal of long-term equity investments

On disposal of a long-term equity investment, the difference between the carrying amount and the proceeds actually received is recognised in profit or loss for the current period. For a long-term equity investment accounted for using the equity method, with the remaining equity after disposal accounted for still using the equity method, other comprehensive income recognised for those previously accounted for using the equity method is processed under the same accounting basis applied by the acquiree in direct disposal of relevant assets or liabilities, and is carried forward to current profit or loss on a pro-rata basis. Changes in owners' equity of the investee (other than net profits or losses, other comprehensive income, and profit distribution) should be carried forward to current profit or loss on a pro-rata basis. For a long-term equity investment accounted for using the cost method, with the remaining equity after disposal accounted for still using the cost method, other comprehensive income recognised for those accounted for using the equity method or according to the standard on recognition and measurement of financial instruments before obtaining control over the investee is processed under the same accounting basis applied by the acquiree in direct disposal of relevant assets or liabilities, and is carried forward to current profit or loss on a pro-rata basis. Changes in other owners' equity accounted for and recognised under the equity method in the net assets of the investee (other than net profits or losses, other comprehensive income, and profit distribution) should be carried forward to current profit or loss on a pro-rata basis.

In preparing separate financial statements, if control is lost over the investee upon partial disposal of equity investments by the Group, the remaining equity with joint control or significant influence over the investee after disposal shall be accounted for using the equity method, and shall be adjusted as if it has been accounted for using the equity method since it was acquired. The remaining equity without joint control or significant influence over the investee after disposal shall be accounted for according to the standard on recognition and measurement of financial instruments, and the difference between its fair value and carrying amount as at the date of loss of control shall be included in profit or loss for the current period. In respect of other comprehensive income recognised for those accounted for using the equity method or according to the standard on recognition and measurement of financial instruments prior to the acquisition of control over the investee by the Group, it shall be processed under the same accounting basis applied by the acquiree in direct disposal of relevant assets or liabilities when the control is lost over the investee. Changes in other owners' equity recognised for those accounted for using the equity method in the net assets of the investee (other than net profits or losses, other comprehensive income, and profit distribution) should be carried forward to current profit or loss when the control is lost over the investee. In particular, where the remaining equity after disposal is accounted for using the equity method, other comprehensive income and other owners' equity shall be carried forward on a pro-rata basis. Where the remaining equity after disposal is accounted for in accordance with the standard on recognition and measurement of financial instruments, other comprehensive income and other owners' equity shall be fully carried forward.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 12. Long-term equity investments (continued)

#### 12.4 Disposal of long-term equity investments (continued)

If the joint control or significant influence over the investee is lost upon partial disposal of equity investments by the Group, the remaining equity after disposal shall be accounted for in accordance with the standard on recognition and measurement of financial instruments. The difference between its fair value and carrying amount as at the date of loss of joint control or significant influence shall be included in profit or loss for the current period. For other comprehensive income recognised previously for the equity investment accounted for using the equity method, it shall be processed under the same accounting basis applied by the acquiree in direct disposal of relevant assets or liabilities at the time when the equity method was ceased to be used. Changes in owners' equity of the investee (other than net profits or losses, other comprehensive income, and profit distribution) shall be transferred to profit or loss for the current period at the time when the equity method was ceased to be used.

Where multiple transactions involving staged disposal by the Group of equity investments in a subsidiary until loss of control are considered to be a bundled transaction, these multiple transactions are accounted for as a single transaction of disposing of equity investments in the subsidiary and resulting in loss of control. The difference between the consideration received on each disposal and the carrying amount of the long-term equity investment corresponding to the equity disposed of prior to the loss of control is recognised as other comprehensive income and transferred to profit or loss for the period when the control is eventually lost.

### 13. Investment properties

Investment properties, defined as property held by the Group for earning rent or capital appreciation, or both of them, include land use rights that have already been leased out and held for transfer after appreciation, buildings that have already been leased out as well as terminal facilities that have already been leased out, etc.

Investment properties 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 its costs can be reliably measured; otherwise, the expenditures are recognised in profit or loss for the period in which they are incurred.

The Group and its other subsidiaries adopt the cost model for subsequent measurement of investment properties, and such assets are depreciated or amortised using the same policies as buildings, land use rights or terminal facilities.

The net amount of proceeds from sale, transfer, retirement or damage of an investment property after deduction of its carrying amount and related taxes and surcharges is recognised in profit or loss for the current period.





# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 14. Fixed assets and depreciation

Fixed assets are tangible assets that are held for the production of goods, rendering of services, for rental to others, or for administrative purposes, and have useful lives more than one accounting year. A fixed asset is recognised only when the economic benefits associated with the asset will probably flow into the Group and the cost of the asset can be measured reliably. Fixed assets are initially measured at cost while taking into account the effect of estimated costs of abandoning the asset.

Subsequent expenditures incurred for a fixed asset are included in the cost of the fixed asset if it is probable that the associated economic benefits will flow to the Group and its costs can be reliably measured, and the carrying amount of the component of the fixed asset that is replaced shall be derecognised. Otherwise, such expenditures shall be recognised in the profit or loss for the period in which they are incurred.

A fixed asset is depreciated over its useful life using the straight-line method since the month subsequent to the one in which it is ready for its intended use. The useful life, estimated net residual value and annual depreciation rate of each category of fixed assets are as follows:

<b>Category</b>	<b>Useful life</b>	<b>Estimated net residual value</b>	<b>Annual depreciation rate</b>
Buildings	5-30 years	5%	3.17%-19.00%
Port and terminal facilities	5-50 years	5%	1.90%-19.00%
Automobiles and ships	5-25years	5%	3.80%-19.00%
Machinery and equipment, furniture, appliances and other equipment	3-25 years	5%, 15%	3.80%-31.67%, 10.63%

Estimated net residual value of a fixed asset is the estimated amount that the Group would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset was already of the age and in the condition expected at the end of its useful life.

If a fixed asset is upon disposal or no future economic benefits are expected to be generated from its use or disposal, the fixed asset is derecognised. When a fixed asset is sold, transferred, retired or damaged, the amount of proceeds on disposal of the asset net of the carrying amount and related taxes is recognised in profit or loss for the current period.

The Group reviews the useful life and estimated net residual value of a fixed asset and the depreciation method applied at least at financial year-end, and accounts for any change as a change in an accounting estimate.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 15. Construction in progress

Construction in progress is measured at actual cost, which comprises all construction expenditures incurred during the construction period, borrowing costs that are capitalised before the construction gets ready for its intended use and other relevant expenses, etc. Construction in progress is not depreciated, and is transferred to fixed assets, investment properties, intangible assets and long-term prepaid expenses upon readiness for its intended use.

### 16. Intangible assets

#### 16.1 Intangible assets

Intangible assets include land use rights, software, port facility use rights and others.

Intangible assets are measured initially at cost. When an intangible asset with a limited useful life is available for use, its original cost less estimated net residual value and any accumulated impairment losses provided is amortised evenly over its estimated useful life using the straight-line method. The intangible assets with an unlimited useful life are not amortised. The useful lives of the intangible assets are as follows:

Category	Useful life
Land use rights	40 – 50 years
Software	2 – 10 years
Port facility use rights	50 years
Others	10 – 46 years

For an intangible asset with a limited useful life, the Group reviews its useful life and amortisation method at the end of the period and makes adjustment if necessary.



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 16. Intangible assets (continued)

#### 16.2 Research and development expenditure

Expenditure in research phase is included in profit or loss for the period when incurred.

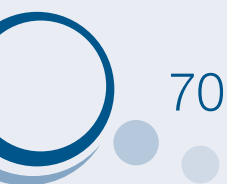
Expenditure in development phase that satisfies the following conditions is recognised as an intangible asset, while that does not satisfy the following conditions is included in the profit or loss for the current period:

- (1) it is technically feasible to complete the intangible asset so that it can be used or sold;
- (2) there is an intention to complete and use or sell the intangible asset;
- (3) there is a way for the intangible asset to generate economic benefits, including the evidence of a market for products produced by using the intangible asset or for the intangible asset itself (for intangible assets for internal use, their usefulness shall be proved);
- (4) there is sufficient support of technical, financial and other resources to complete the development of the intangible asset and the ability to use or sell the intangible asset;
- (5) the expenditure attributable to the development phase of the intangible asset can be measured reliably.

If the expenditures incurred in research stage and development stage cannot be distinguished separately, all development expenditures incurred are included in profit or loss for the current period.

### 17. Long-term prepaid expenses

Long-term prepaid expenses are expenses which have incurred but shall be amortised over the current period and subsequent periods of more than one year. Long-term prepaid expenses are amortised evenly over the estimated benefit period.



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 18. Impairment of non-financial assets other than goodwill

The Group assesses at each balance sheet date whether there is any indication that any long-term equity investments, investment properties, fixed assets, construction in progress, right-of-use assets and intangible assets with a limited useful life may be impaired. If there is any indication of the impairment of such asset, its recoverable amount shall be estimated. The intangible assets with an unlimited useful life and those not available for use are tested for impairment yearly, regardless of any indication of impairment.

The recoverable amount should be estimated of the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the Group shall determine the recoverable amount of the asset group to which the asset belongs. The recoverable amount of an asset or asset group is determined at the higher of its fair value after deducting the disposal expenses and the present value of its estimated future cash flows.

If the recoverable amount of an asset is less than its carrying amount, a provision for impairment loss of the asset will be made for the difference and is recognised in profit or loss for the current period.

Once the above impairment loss of the asset is recognised, it cannot be reversed in the subsequent accounting periods.

### 19. Provisions

The Group recognises an obligation related to a contingency as a provision when the obligation is a present obligation of the Group, and it is probable that an outflow of economic benefits from the Group will be required to settle the obligation, and the amount of the obligation can be measured reliably.

At the balance sheet date, a provision is measured at the best estimate of the expenditure required to settle the related present obligation by considering the factors surrounding a contingency, such as the risks, uncertainties and the time value of money. If the effect of time value of money is significant, the best estimate is determined as the amount after discounting the expected future cash outflow.

Where all or some of the expenditures required to settle a provision are expected to be reimbursed by a third party, the reimbursement is recognised as a separate asset only when it is virtually certain that the reimbursement will be received, and the amount of reimbursement recognised does not exceed the carrying amount of the provision.



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 20. Employee compensation

Employee compensation refers to all forms of considerations given by the Group in exchange for services rendered by its employees or for the termination of employment. Employee compensation includes short-term employee compensation, post-employment benefits, termination benefits and other long-term employee benefits.

Except compensation paid to employees for termination of employment, the Group recognises the employee compensation payable as liabilities in the accounting period in which services are rendered by the employees.

The Group participates in employee social security systems operated by the government according to the regulations, including basic endowment insurance, medical insurance, housing provident funds and other social security systems, and the relevant expenditure is included, when incurred, in the cost of the relevant assets or profit or loss for the current period.

Short-term employee compensation refers to the employee compensation other than post-employment benefits and termination benefits, which is required to be fully paid by the Group within 12 months after the end of the annual reporting period in which the employees render relevant services. In particular, short-term employee compensation includes staff salaries, bonuses, allowances and subsidies, staff welfare payments, social insurance premiums including medical insurance premiums, work-related injury insurance premiums and maternity insurance premiums, housing provident funds, labour union expenses and staff education expenses, short-term paid leaves, non-monetary welfare and other short-term compensation. During the accounting period in which the employees render services, the Group recognises the short-term employee compensation payable as liabilities and includes the same into relevant asset costs or expenses according to the object which benefits from the services rendered by employees.

Post-employment benefits refer to all kinds of remunerations and benefits other than short-term employee compensation and termination benefits that are provided by the Group after the retirement of the employees or termination of employment relation with the enterprise in exchange for services rendered by employees. Post-employment benefits include endowment insurance, annuity, unemployment insurance, early retirement benefits and other post-employment benefits.

The Group categorises post-employment benefit plan as defined contribution plan. Post-employment benefit plan refers to the agreement reached between the Group and its employees on the post-employment benefits, or the rules or measures formulated by the Group for providing post-employment benefits to its employees. Defined contribution plan refers to the post-employment benefit plan under which the Group assumes no obligation of making further payment after depositing fixed amount to independent funds.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 20. Employee compensation (continued)

Termination benefits are the compensation to employees when the Group terminates the employment relationship with employees before the expiry of the employment contracts or as an offer to encourage employees to accept voluntary redundancy. If the Group provides termination benefits to the employees, the liabilities arise from termination benefits will be recognised and included in the profit or loss for the period at the earlier of the following dates: (1) when the Group cannot unilaterally withdraw termination benefits for the termination employment plan or the redundancy offer. (2) When the Group recognises the costs or expenses related to the reorganisation involving in payment of termination benefits.

Other long-term employee benefits refer to all employee compensation other than short-term employee compensation, post-employment benefits and termination benefits.

### 21. Revenue recognition

The Group recognises revenue based on the transaction price allocated to a performance obligation under the contract when such performance obligation is satisfied, that is, when the customer has obtained the control over the relevant goods or services. A performance obligation represents the commitment in the contract that a good and service that is distinct shall be transferred by the Group to the customer. Transaction price refers to the amount of consideration to which the Group expects to be entitled in exchange of transferring goods or services to a customer, excluding the amount received on behalf of third parties and the amount that the Group expects to return to a customer.

If one of the following conditions is met, a performance obligation which is performed over a certain period of time will be recognised as revenue by the Group based on the progress of the performance within a period of time: (I) the customer obtains and consumes economic benefits provided by the Group's performance as the Group performs; (II) the customer is able to control goods in progress during the Group's performance; (III) goods or services generated during the Group's performance have no alternative use, and the Group is entitled to charge for the accumulated part of the contract that has been performed so far during the whole contract period. Otherwise, the Group will recognise revenue at the point in time when the customer obtains control of the relevant goods or services.

The Group determines progress of performance using the investment method, namely, determines the progress of performance according to the Group's investment for fulfilling its performance obligations. When the progress of performance cannot be reasonably determined and the costs incurred are expected to be compensated, the Group recognises revenue based on the amount of costs incurred till the progress of performance can be reasonably determined.



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 21. Revenue recognition (continued)

#### *Contract on rendering of services*

The contract on rendering of services between the Group and the customer generally contains the obligations of port operation services and transportation services. Because the customer will obtain and consume the economic benefits generated by the performance of the Group when the Group performs its obligations, the Group will recognise revenue according to the performance progress by treating the rendering of services as the obligations within a certain period of time, except that the performance progress cannot be reliably determined. The Group determines the performance progress for rendering of services based on the investment method and in accordance with costs incurred and schedule. When the performance progress cannot be reliably determined, but the cost incurred by the Group is expected to be compensated, the revenue will be recognised according to the amount of the incurred cost, until the performance progress can be reliably determined.

#### *Significant financing component*

If the contract contains significant financing component, the Group will determine the transaction price based on the amount payable by the customer in cash when it obtains control over goods or services, and amortise the difference between the transaction price and the consideration amount under the contract determined by using the discount rate for converting the nominal amount of the contract consideration into the cash sale price of the goods or services within the contract period based on the effective interest rate method. The effects of a significant financing component shall not be considered if the Group expects that the period between when the customer obtains control over goods or services and when the customer pays consideration will be one year or less.

#### *Contract on sales of goods*

The contract on sales of goods between the Group and the customer generally contains the obligation of transferring the relevant goods only. The Group generally recognises the revenue when the relevant goods are delivered and confirmed as accepted by the customer, on the basis of taking full consideration of the following factors: the present right to collect the goods payment, the transfer of the key risk and return in the goods ownership, the transfer of the goods legal ownership, the transfer of the physical asset of the goods, and the acceptance of the goods by the customer.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 21. Revenue recognition (continued)

#### *Main responsible person/agent*

With respect to trading business, if the Group obtains the control over the trading goods from the third party and then transfers the goods to the customer, the Group has the right to determine at its discretion the price of the relevant goods, that is, the Group is able to control the goods before transferring them to the customer. With respect to freight forwarding business, if the Group can direct the transportation services provided by the third party on behalf of the Group to the customer and bears the primary responsibility for providing transportation services for the customer, the Group has the right to determine at its discretion the price of service provision. Therefore, the Group is the main responsible person and recognises the revenue based on the total considerations collected or payable. Otherwise, the Group should be the agent and recognise the revenue based on the amount of the commission or handling fee that it is expected to charge, which shall be the net amount of the total considerations collected or payable after deduction of payments due to other relevant parties, or determined based on the established commission amount or proportion.

Contract assets present the Group's right to collect consideration from the customer which arises from the transfer of goods or services to the customer, and such right depends on factors other than time lapse. For accounting policies on impairment of contract assets, see Note IV.9. The Company separately presents as receivables the right that it owns unconditionally (i.e., depending on the time lapse only) to collect consideration from the customer due to the implementation of the new standard on revenue. Contract liabilities present the Group's obligation to transfer goods or services to the customer for the consideration received or receivable from the customer.

The amounts of contract assets and contract liabilities under the same contract are presented on a net basis.

If the contract contains two or more performance obligations, the Group allocates, at the contract inception, the transaction price to each single performance obligation based on the relative proportion of stand-alone selling prices of goods or services promised in single performance obligation. However, if there is conclusive evidence indicating that the contract discount or variable consideration is only relative with one or more (not the whole) performance obligations in the contract, the Group will allocate the contract discount or variable consideration to relative one or more performance obligations. Stand-alone selling price is a price at which the Group would sell goods or services separately to a customer. If the stand-alone selling price cannot be observed directly, the Group estimates the stand-alone selling price through comprehensive consideration of all relevant reasonably acquired information and maximum use of observable inputs.

If the contract contains significant financing component, the Group will determine the transaction price based on the amount payable by the customer in cash when it obtains control over goods or services, and amortise the difference between the transaction price and the consideration amount under the contract within the contract period based on the effective interest rate method. The effects of a significant financing component shall not be considered if the Group expects, at the contract inception, that the period between when the customer obtains control over goods or services and when the customer pays consideration will be one year or less.





# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 21. Revenue recognition (continued)

#### *Main responsible person/agent (continued)*

If the Group receives advance sales of goods or services from its customer, it first recognises the amount as a liability and then converts it into revenue when it fulfills its relevant performance obligations. When the Group's advances from customers need not be returned and the customer may abandon all or part of its contractual rights, the Group expects to be entitled to the amount related to the contractual rights abandoned by the customer, the amount mentioned above shall be recognised as revenue proportionally in accordance with the mode of exercising the contractual rights by the customer; otherwise, the Group will convert the relevant balance of the above liabilities into revenue only when there is a very low possibility of the customer requesting the performance of the remaining obligations.

#### *Cost of contract acquisition*

If the incremental cost incurred by the Group in order to obtain a contract (i.e. costs that would not occur without a contract) is expected to be recoverable, such cost is recognised as an asset. If the amortisation period of the asset does not exceed one year, such asset is recognised in current profit or loss when incurred. Other expenditures incurred by the Group in order to obtain the contract shall be included in the profit or loss for the period when incurred, except those clearly to be borne by the customers.

#### *Cost of performance of contract*

If the cost incurred by the Group for the performance of the contract does not fall within the scope of other accounting standards for business enterprises other than the Standard on Revenue and meets the following conditions at the same time, it is recognised as an asset: (1) the cost is directly related to a current or expected contract; (2) the cost increases the resources that the Group will use to perform its obligations in the future; (3) the cost is expected to be recovered. The above asset is amortised on the same basis as that used for the recognition of revenue from the goods or services relating to such asset, and is recognised in current profit or loss.

If the carrying amount of the asset related to contractual cost is higher than the difference of the following two items, the Group will make impairment provision for the excess part and recognise it as asset impairment loss: (1) the remaining consideration that the enterprise expects to obtain from the transfer of the goods or services related to the asset; (2) the cost estimated to be incurred for transferring the relevant goods or services.

If there is any change to the factors causing the impairment in the previous periods, and as a result, the difference between (1) minus (2) is higher than the carrying amount of the asset, the asset impairment provision shall be reversed and charged into current profit and loss, provided that the reversed carrying amount of the asset shall not exceed the carrying amount of the asset on the date of reversal under the assumption that the asset impairment provision had not been made.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 22. Government grants

Government grants refer to the Group's free access to monetary and non-monetary assets from the government. Government grants are recognised when the grants can be received and the Group can comply with all attached conditions.

If a government grant is a monetary asset, it will be measured at the amount received or receivable. If a government grant is a non-monetary asset, it will be measured at its fair value. If it is unable to obtain its fair value reliably, it will be measured at its nominal amount. Government grant measured at its nominal amount is directly recognised in current profit and loss.

Government grants related to assets shall be recorded as deferred income and recognised in current profit or loss by stages on a reasonable and systematic basis over the useful life of the assets. Government grants measured at nominal amount are directly recognised in current profit and loss. If the relevant assets are sold, transferred, retired or destroyed before the end of the useful life, the relevant undistributed deferred income balance shall be recognised under current profit or loss as asset disposal.

Government grants related to income that compensate the Group's relevant costs, expenses or losses in future periods are recorded as deferred income and recognised in profit or loss in the period when the relevant costs, expenses or losses are recognised; government grants related to income that compensate the relevant costs, expenses or losses that have been incurred by the Group are recognised in profit or loss directly in current period.

For government grants that include both asset-related and income-related parts, different parts should be distinguished and separately accounted for; for those that are difficult to distinguish, they should be classified as income-related government grants as a whole.

Government grants related to the daily activities of the Group shall be included in other income or set off against relevant costs and expenses in accordance with the essence of economic operations. Government grants unrelated to the daily activities of the Group shall be included in the non-operating income and expenses.



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 23. Borrowing costs

For borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, its capitalisation commences when expenditures for the asset have been incurred, borrowing costs have been incurred, and activities relating to the acquisition, construction or production of the asset that are necessary to prepare the asset for its intended use or sale have commenced; and ceases when the qualifying asset being acquired, constructed or produced becomes ready for its intended use or sale. Capitalisation of borrowing costs is suspended during the period in which the acquisition, construction or production of a qualifying asset is interrupted abnormally for a continuous period of more than 3 months until the acquisition, construction or production of the asset is resumed.

The rest borrowing costs are recognised as expenses in the period when incurred.

The actual interest expenses incurred in the current period of specific-purpose borrowings shall be capitalised after deducting the interest income obtained by depositing unused borrowing funds into banks or the investment income obtained from temporary investments; the capitalised amount of general-purpose borrowings is determined based on the weighted average of the excess of the accumulated asset expenses over the asset expenses of specific-purpose borrowings multiplied by the capitalisation rate of the utilised general-purpose borrowings. The capitalisation rate is calculated and determined according to the weighted average interest rate of the general-purpose borrowings. During the capitalisation period, the exchange balance of the foreign currency specific-purpose borrowings shall be fully capitalised; the exchange difference of foreign currency general-purpose borrowings shall be recorded into the current profit or loss.

### 24. Income tax

Income tax expenses include current income tax and deferred income tax.

#### 24.1 Current income tax

At the balance sheet date, the Group measures the current income tax liability (or asset) generated in the current period and previous periods based on the income tax amount expected to be payable (or refundable) according to the tax law.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 24. Income tax (continued)

#### 24.2 Deferred income tax asset and deferred income tax liability

The Group recognises deferred income tax asset and deferred income tax liability with balance sheet liability approach for the difference between the carrying value of certain item of asset and liability and its tax base, and the temporary difference between the carrying value of the item which is not recognised as asset and liability but its tax base can be determined according to the tax law and its tax base.

Relevant deferred income tax is generally recognised for all temporary differences. However, for deductible temporary differences, the Group recognises the relevant deferred income tax asset to the extent that taxable income is likely to be obtained to offset against the deductible temporary differences. In addition, the relevant deferred income tax asset or liability is not recognised for temporary differences related to the initial recognition of goodwill and those related to the initial recognition of the asset or liability arising from transactions that are neither business merger nor affect accounting profits or taxable income (or deductible losses) at the time of occurrence.

For deductible loss and tax credit which can be carried forward to the subsequent years, the Group recognises the resulting deferred income tax asset to the extent that future taxable income is likely to be obtained to offset against the deductible losses and tax credit.

The Group recognises deferred income tax liability arising from taxable temporary differences relating to investments in subsidiaries, affiliates and joint ventures, unless the Group can control the time for the reversal of temporary differences and the temporary differences are likely not to be reversed in the foreseeable future. For deductible temporary differences related to investments in subsidiaries, affiliates and joint ventures, the Group recognises deferred income tax asset only when the temporary differences are likely to be reversed in the foreseeable future and the amount of taxable income used to deduct the temporary differences is likely to be obtained in the future.

The Group will measure on the balance sheet date the deferred income tax asset and deferred income tax liability based on the tax rate applicable to the period in which the asset is expected to be recovered or the liability is expected to be settled according to the tax law.

Except the current income tax and deferred income tax related to transactions and events directly included in other comprehensive income or owners' equity are included in other comprehensive income or owners' equity, and the carrying amount of goodwill is adjusted by deferred income tax resulting from business combination, the other current income tax and deferred income tax expenses or gains are included in current profits and losses.

At the balance sheet date, the carrying amount of deferred income tax asset is reviewed. If it is likely that sufficient taxable income will not be obtained in the future to offset the interests of deferred income tax asset, the carrying amount of deferred income tax asset is written down. When it is possible to obtain sufficient taxable income, the amount written down shall be reversed.



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 24. Income tax (continued)

#### 24.3 Offset of income tax

The Group's current income tax asset and current income tax liability will be presented in the net amount after offsetting with each other when the Group has the legal right to settle with net amount, and intends to settle with net amount or acquire assets and discharge liabilities simultaneously.

The Group's deferred income tax asset and deferred income tax liability will be presented in the net amount after offsetting with each other when the Group has the legal right to settle the current income tax asset and current income tax liability with net amount, and the deferred income tax asset and deferred income tax liability are related to the income tax imposed by the same tax authority on the same tax payer, or they are related to different tax payers, but in each subsequent period in which the significant reversal of deferred income tax asset or deferred income tax liability is made, the relevant tax payers intend to settle the current income tax asset and current income tax liability with net amount, or they acquire assets and discharge liabilities simultaneously.

### 25. Foreign currency business and translation of foreign currency financial statements

#### 25.1 Foreign currency business

The spot exchange rate on the date of transaction is used to convert foreign currency transactions when they are initially recognised.

At the balance sheet date, foreign currency monetary items are converted into the recording currency at the spot exchange rate on that day, and the exchange difference between the spot exchange rate on that day and the spot exchange rate at the time of initial recognition or at the previous balance sheet date shall be included in the current profit or loss, except for: (1) the exchange differences of foreign currency specific-purpose borrowings that meet the capitalisation conditions shall be capitalised into the cost of related assets during the capitalisation period; (2) in order to avoid foreign exchange risk, the exchange differences of hedging instruments shall be treated according to the hedging accounting method; (3) the exchange differences, arising from changes in carrying amounts of monetary items (other than amortised costs) classified as at fair value through other comprehensive income, shall be included in other comprehensive income.

Where the preparation of consolidated financial statements involves overseas operations, if there is a foreign currency monetary item substantially constituting net investment in overseas operations, the exchange difference resulting from the change of exchange rate shall be included in the "Exchange differences on translation of foreign currency financial statements" item of other comprehensive income; when dealing with overseas operations, it shall be included in the profit or loss for the current period of disposal.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 25. Foreign currency business and translation of foreign currency financial statements (continued)

#### 25.1 Foreign currency business (continued)

Foreign currency non-monetary items measured at historical cost are still measured at the amount in the recording currency converted at the spot exchange rate on the date of transaction. Foreign currency non-monetary items measured at fair value shall be converted at the spot exchange rate on the date of determination of fair value. The difference between the converted amount in the recording currency and the original amount in the recording currency shall be treated as changes in fair value (including changes in exchange rate), and shall be included in current profit and loss or recognised as other comprehensive income.

#### 25.2 Translation of foreign currency financial statements

In order to prepare the consolidated financial statements, foreign currency financial statements of overseas operations are converted into RMB statements by the following methods: all items of assets and liabilities in the balance sheet are converted at the spot exchange rate at the balance sheet date; owners' equity items are converted at the spot exchange rate on the date of occurrence; all items in the income statement and items reflecting the amount of profit distribution are converted at the spot exchange rate on the transaction occurrence date; after conversion, the difference between the assets items and the sum of liabilities items and owners' equity items is recognised as other comprehensive income and included in owners' equity.

Foreign currency cash flows and cash flows of overseas subsidiaries are converted at the spot exchange rate on the date of cash flow occurrence, and the effect of exchange rate changes on cash and cash equivalents is taken as a regulation item, which is separately shown in the cash flow statement under the "Effect of foreign exchange rate changes on cash and cash equivalents".

The balance at the beginning of the period and the actual number of the previous year are shown in accordance with the amount converted from the financial statements of the previous year.

### 26. Leases

A lease refers to a contract assigning a lessor's right to use an asset to a lessee for a certain period of time for consideration.

For a contract entered into or amended after the initial implementation date, the Group evaluates whether the contract is a lease or contains a lease on the contract commencement or amendment date. The Group shall not reassess whether a contract is a lease or contains a lease unless there are changes to the contract terms and conditions.



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 26. Leases (continued)

#### 26.1 As lessee

##### 26.1.1 Separation of lease

For a contract that contains one or more lease components and non-lease components at the same time, the Group separates non-lease components from each lease component, and allocates the consideration of the contract on the basis of the relative stand-alone price of each lease component and the aggregate stand-alone prices of the non-lease components.

As a practical expedient, the Group accounts for leases with similar characteristics as a portfolio, provided that the Group can reasonably expect that its effects on the financial statements would not differ materially from those resulting from accounting for each lease within the portfolio on a separate basis.

##### 26.1.2 Right-of-use assets

Except for short-term leases and low-value asset leases, the Group recognises right-of-use assets for leases on the commencement date of lease term. The commencement date of lease term refers to the date from which a leased asset is provided by the lessor for the Group's use.

Right-of-use assets are initially measured at costs. These costs include:

- The amount at which lease liabilities are initially measured;
- Lease payments made at or before the commencement date of lease term, net of the lease incentive amount already enjoyed when there is a lease incentive;
- The initial direct costs incurred by the Company as a result of implementation of the new standard on lease;
- The costs expected to be incurred by the Company for the purpose of demolition and removal of leased assets, recovery of the premises where the leased assets are located or restoration of the leased assets to the condition agreed upon in the lease terms as a result of implementation of the new standard on lease;

If lease liabilities are remeasured after the commencement date of lease term, the carrying amount of right-of-use assets shall be adjusted accordingly.

If the Group is reasonably certain to obtain ownership of leased assets upon expiry of the lease term, right-of-use assets are depreciated over the remaining useful life of the leased assets. Otherwise, right-of-use assets are depreciated over the shorter of the lease term and the remaining useful life of the leased assets.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 26. Leases (continued)

#### 26.1 As lessee (continued)

##### 26.1.2 Right-of-use assets (continued)

The Group determines whether the right-of-use assets are impaired or not and accounts for the impairment under the relevant regulations of the Accounting Standards for Business Enterprises No. 8 – Impairment of Assets.

##### 26.1.3 Lease liabilities

Except for short-term leases and low-value asset leases, the Group initially measures lease liabilities on the commencement date of lease term according to the present value of outstanding lease payments on that date. In calculating the present value of lease payments, the Group uses the interest rate implicit in the lease as the discount rate, or uses the incremental borrowing rate if the interest rate implicit in the lease is not readily determinable.

Lease payments refer to the amount paid by the Group to a lessor which is related to the right to use lease assets during the lease term, including:

- Fixed payments and substantially fixed payments (deduction of related lease incentive amount, if any);
- Variable lease payments which depend on an index or a rate;
- The exercise price of an option which the Company reasonably determines that the purchase option is to be exercised as a result of implementation of the new standard on lease;
- The amount payable upon exercising an option to terminate a lease, provided that the exercising of such option by the Company can be reflected over the lease term as a result of implementation of the new standard on lease;
- Estimated amount due based on the residual value of the guarantee provided by the Company as a result of implementation of the new standard on lease.

After the commencement date of lease term, the Group recognises interest expenses on lease liabilities in each period during the lease term by using the fixed periodic interest rate. If it is to be included in relevant asset cost in accordance with the Accounting Standards for Business Enterprises No. 17 – Borrowing Costs or other relevant standard, such other standard shall prevail.





# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 26. Leases (continued)

#### 26.1 As lessee (continued)

##### 26.1.3 Lease liabilities (continued)

Upon occurrence of the following cases after the commencement date of lease term, the Group shall remeasure lease liabilities and adjust the right-of-use assets correspondingly:

- In the event of any changes in the lease term or the assessment results of purchase option, the Group shall remeasure lease liabilities according to their present value calculated using the lease payments after the changes and the revised discount rate;
- In the event of any changes in the amounts payable estimated by residual value of the guarantee or the index or ratio used to determine lease payments, the Group shall remeasure lease liabilities according to their present value calculated using the lease payments after the changes and the original discount rate, or the revised discount rate if the change of lease payments is due to a movement in floating interest rate.

##### 26.1.4 Short-term leases and low-value asset leases

For short-term leases of buildings, transportation equipment and others, and low-value asset leases, the Group chooses not to recognise right-of-use assets and lease liabilities. A short-term lease refers to a lease that, at the commencement date, has a lease term of less than 12 months and does not contain a purchase option. A low-value asset lease refers to a lease where a single lease asset has a value of less than RMB50,000 when being a new asset. The Group recognises lease payments on short-term leases and low-value asset leases in current profit or loss or the cost of relevant assets on a straight-line basis or otherwise on a systematic and reasonable basis in each period over the lease term.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 26. Leases (continued)

#### 26.1 As lessee (continued)

##### 26.1.5 Modification of lease

If modification of lease happens and meets the following conditions at the same time, the Company will conduct accounting treatment for the modification of lease as a separate lease as a result of implementation of the new standard on lease:

- The modification of lease expands the scope of lease by increasing the rights of use of one or more leased assets;
- The increased consideration and the stand-alone price for the increase in scope of the lease are commensurate with the amount adjusted in accordance with the circumstance of the contract.

If accounting treatment for the modification of lease as a separate lease is not conducted, the Group shall, on the effective date of modification of lease, reallocate the modified consideration of the contract, and redetermine the lease term and remeasure lease liabilities according to their present value calculated using the lease payments after the modification and the revised discount rate.

#### 26.2 As lessor

During each period over the lease term, the Group uses the straight-line method to recognise the lease receipts from an operating lease as rental income, unless other systematic and reasonable methods can better reflect the consumption pattern of economic benefits arising from the use of leased assets. The initial direct costs related to an operating lease incurred by the lessor are capitalised, and are apportioned on the same basis as that used for the recognition of the rental income over the lease term. Such costs are charged to profit or loss for the current period by stages.

##### 26.2.1 Separation of lease

For a contract that contains both lease and non-lease components, the Group shall allocate the consideration of the contract according to the Accounting Standards for Business Enterprises No. 14 – Revenue in respect of allocation of transaction price, on the basis of their respective stand-alone prices.

##### 26.2.2 Classification of lease

A lease that transfers substantially all the risks and rewards incidental to the ownership of an asset is a finance lease. All the other leases are operating leases.



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IV. Significant accounting policies and accounting estimates of the Company (continued)

### 26. Leases (continued)

#### 26.2 As lessee (continued)

##### 26.2.3 Recording operating leasing business as a lessor

The Group recognises lease receipts from an operating lease as rental income on a straight-line basis or otherwise on a systematic and reasonable basis in each period over the lease term. The Group capitalises, when incurred, initial direct costs incurred in relation to an operating lease and apportions such costs on the same basis as that used for the recognition of rental income over the lease term. Such costs will be charged to profit or loss for the current period by stages.

The Group recognises any variable lease receipts relating to an operating lease not included in the lease receipts, in profit or loss for the current period as incurred.

##### 26.2.4 Modification of lease

When an operating lease is modified, the Group accounts for it as a new lease from the effective date of the modification, and accounts for the advanced lease receipts or lease receivables relating to the original lease as receipts of the new lease.

### 27. Production safety funds

Production safety fund is accrued by the Group in accordance with the Administrative Measures for Accrual and Usage of Production Safety Expenses of the Enterprises (Cai Qi [2012] No. 16) jointly issued by the Ministry of Finance and the State Administration of Work Safety on 14 February 2012, which is charged to the cost of related products or recognised in profit or loss for the current period, and transferred to the specific reserve. As production safety fund accrued is utilised, if it is of expenditure nature, the cost is directly charged against the specific reserve. For the production safety fund used that is formed into a fixed asset, the cost is collected under the “Construction in progress” line item and will be recognised as fixed asset when the safety projects are completed and get ready for their intended use. Meanwhile, the cost of fixed asset is offset against the specific reserve, and accumulated depreciation of the same amount is recognised. For such fixed asset, there will be no further depreciation in the subsequent periods.

### 28. Profit distribution

The cash dividend of the Company will be recognised as liability when approved by the general meeting.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## V. Critical judgments in applying accounting policies and key assumptions and uncertainties in accounting estimates

In the application of the accounting policies as described in Note IV, the Group is required to make judgments, estimates and assumptions about the carrying amounts of items in the statements that cannot be measured accurately, due to the internal uncertainty of the operating activities. These judgments, estimates and assumptions are based on historical experiences of the Group's management as well as other factors that are considered to be relevant. Actual results may differ from these estimates.

The aforementioned judgments, estimates and assumptions are reviewed by the Group regularly on a going concern basis. The effect of a change in accounting estimate is recognised in the period of the change, if the change affects that period only; or recognised in the period of the change and future periods, if the change affects both.

### 1. Key assumptions and uncertainties in accounting estimates

The followings are the key assumptions and uncertainties in accounting estimates at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in future periods:

#### 1.1 Business model

The classification of financial assets upon initial recognition depends on the business model of the Group for managing financial assets. When judging business model, the Group considers corporate evaluation and way of reporting performance of financial asset to key management personnel, the risks affecting performance of financial asset and their management and the way in which relevant business management personnel are paid. When evaluating whether to take contractual cash flow as the goal, the Group is required to analyse and judge the reasons, time, frequency and value of the sale of financial assets before the due date.

#### 1.2 Characteristics of contractual cash flow

The classification of financial assets upon initial recognition depends on the characteristics of the contractual cash flow. Judgment should be made on whether the contractual cash flow is only for the payment of the principal and the interest based on the outstanding principal, including the judgment on whether there is any significant difference when compared with the benchmark cash flow during the evaluation on the revision of the time value of money, and the judgment on whether the fair value of the prepayment characteristics is insignificant for the financial assets with prepayment characteristics.



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## V. Critical judgments in applying accounting policies and key assumptions and uncertainties in accounting estimates (continued)

### 1. Key assumptions and uncertainties in accounting estimates (continued)

#### 1.3 Recognition of expected credit loss

Significant increase in credit risks: In evaluating expected credit loss on financial assets, the Group is required to make a judgment about whether the credit risks of financial assets have increased significantly since acquisition thereof by considering qualitative and quantitative information and combining the forward-looking information.

Establishment of asset portfolio with similar credit risk characteristics: When expected credit losses are measured on a portfolio basis, financial instruments are grouped on the basis of shared risk characteristics. The Group monitors the appropriateness of the credit risk characteristics of these financial instruments on an ongoing basis to assess whether they continue to be similar. This is required in order to ensure that should credit risk characteristics change there is appropriate re-segmentation of the financial instruments. This may result in establishment of a new portfolio or assets moving to an existing portfolio of assets that better reflects the similar credit risk characteristics of that group of assets.

#### 1.4 Determination of performance progress of port operation contracts

The Group determines the performance progress of port operation contracts according to the investment method. In this regard, the Group determines the performance progress according to the proportion of the accumulative actual port operation costs in the total costs, and recognises the revenue accordingly. The accumulative actual costs include the direct cost and indirect cost incurred by the Group during the provision of port operation services to customers.

#### 1.5 Impairment of goodwill

As at 30 June 2021, the carrying amount of goodwill was RMB232,147,964.96. The Group conducts an impairment test on goodwill at least annually. When conducting an impairment test on goodwill, the present value of projected future cash flow of the underlying assets or portfolio of assets incorporating such goodwill will be calculated, and projection of the future cash flow of such assets or portfolio of assets will be made, and a pre-tax interest rate shall be determined which can properly reflect the prevailing time value of currency in the market as well as the specific risks concerning such assets, which all involve judgments made by the management.

#### 1.6 Recognition of deferred income tax

When it is probable that enough taxable income will be available against which the deductible temporary differences and deductible losses are applied in the future periods, deferred income tax assets shall be recognised by the Group for all the deductible temporary differences and deductible losses that have not been used. This requires the management of the Group to use a lot of judgments to estimate the time and amount of the taxable income in the future and determine the amount of the deferred income tax assets that should be recognised according to the tax planning strategy.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## V. Critical judgments in applying accounting policies and key assumptions and uncertainties in accounting estimates (continued)

### 1. Key assumptions and uncertainties in accounting estimates (continued)

#### 1.7 *Estimated useful life and estimated residual value of fixed assets and intangible assets*

The Group estimates the useful life and residue value of fixed assets and intangible assets. This estimate is made based on the historical experience of actual useful life and residue value of fixed assets and intangible assets with shared natures and functions, and is subject to material change as a result of technological innovation and severe industry competition. If the estimated useful life and residue value of fixed assets or intangible assets are lower than the estimates previously made, the Group will increase the depreciation/amortisation, or write-off or write-down of fixed assets or intangible assets with backward technologies.

#### 1.8 *Impairment of non-current assets other than financial assets (except for goodwill)*

The Group will judge if non-current assets other than financial assets have any sign of impairment on the balance sheet date, and conduct an impairment test when there is any sign of impairment. In addition, intangible assets with uncertain useful life shall be subject to an annual impairment test. The recoverable amount of an asset or asset group is determined at the higher of the value in use of the asset or asset group and the net amount of its fair value less the disposal expenses. In estimating its value in use, the future cash flow of the asset or asset group will be projected after discounting at a discount rate. The management makes accounting estimates in connection with the use of the asset and estimates future cash flows on a reasonable and well-founded basis, and determines the present value of future cash flows by using a discount rate which reflects the prevailing time value of currency in the market as well as the specific risks concerning such asset.

#### 1.9 *Lease term of lease contracts that are certain to have an option to renew the lease*

A lease term is the period during which the Group has the right to use the leased asset and is irrevocable. Where the Group has an option to renew the lease and reasonably determines to exercise the option, the lease term shall also include the period covered by the option to renew the lease. In assessing whether it is reasonably determined to exercise the option to renew the lease, the Group will consider all relevant facts and circumstances that bring economic benefits to the exercise of the renewal option of the Group, including the expected changes in facts and circumstances from the commencement date of the lease term to the date of exercise of the option. The Group believes that the Group can reasonably determine that it will exercise the option to renew the lease as the leased asset is crucial to its operation and it is hard to obtain appropriate alternative asset. Therefore, the lease term includes the period covered by the option to renew the lease.



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## V. Critical judgments in applying accounting policies and key assumptions and uncertainties in accounting estimates (continued)

### 1. Key assumptions and uncertainties in accounting estimates (continued)

#### 1.10 Consolidation scope – the Group holding 50% or less equity interests of the investees

The Group believes that even if the Group only holds 50% or less of the equity interests, it has control over Dalian Haijia Automobile Terminal Co., Ltd., Dalian Golden Bay Grain Logistics Co., Ltd., Dalian Harbour ECL Logistics Co., Ltd. and Dalian Container Terminal Co., Ltd. According to the joint venture contract entered into between the Company and the other shareholders of Dalian Haijia Automobile Terminal Co., Ltd. give consent to the decisions made by the Company on significant financial and operational policies. The Company has de-facto control over Dalian Haijia Automobile Terminal Co., Ltd.. Pursuant to the acting-in-concert agreement signed by and between the Group and another shareholder of each of Dalian Container Terminal Co., Ltd., Dalian Golden Bay Grain Logistics Co., Ltd. and Dalian Harbour ECL Logistics Co., Ltd., such shareholders give consent to the decisions made by the Company on significant financial and operational policies. The Company has de-facto control over the above three companies.

## VI. Changes in significant accounting policies and accounting estimates and explanations on correction of accounting errors

### 1. Changes in and impacts of significant accounting estimates

#### 1.1 Changes in accounting estimates and reasons for the changes

The Company completed the share swap and merger of Yingkou Port on 4 February 2021. There are certain differences in accounting estimates regarding the use life and net residual value of some fixed assets and investment properties of the Company and Yingkou Port. In order to regulate the asset management needs, the Company, based on the specific conditions of existing fixed assets and investment properties and with reference to the depreciation life and net residual value rate of China Merchants Group, the ultimate controller of the Company, has comprehensively sorted out various types of fixed assets and investment properties, and revalued the depreciation life and net residual value rate of fixed assets and investment properties. The specific adjustments are as follows:

Category	Use life before adjustment	Net residual value rate before adjustment	Use life after adjustment	Net residual value rate after adjustment
Buildings	20 – 45 years	5 – 10%	5 – 30 years	5%
Port and terminal facilities	18 – 50 years	4 – 10%	5 – 50 years	5%
Automobiles and ships	8 – 28 years	5%	5 – 25 years	5%
Machinery, furniture, appliances and other equipment	5 – 11 years	0 – 10%	3 – 25 years	5%, 15%

The changes in accounting estimates above have been considered and approved at the second meeting in 2021 of the sixth session of the board of directors convened on 25 March 2021 of the Company, and took effect from 1 April 2021.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## VI. Changes in significant accounting policies and accounting estimates and explanations on correction of accounting errors (continued)

### 1. Changes in and impacts of significant accounting estimates (continued)

#### 1.2 Financial impact of the changes in accounting estimates

The change in calculation of accounting estimates adopts the future applicable method, and its impact on the Group's consolidated financial statements for the six months ended 30 June 2021 is:

	<b>Impact of the changes in accounting estimates on the net profit of the period</b>	<b>Impact of the changes in accounting estimates on owners' equity at the end of the period</b>
<b>Before change in accounting estimates</b>		
Changes in the depreciation life and estimated residual value of fixed assets and investment properties	-75,528,907.12	-75,528,907.12

The affected amount of the change in accounting estimates on the consolidated financial statements in the future period cannot be determined.

## VII. Taxes

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

Value-added tax (VAT)	–	Output VAT of the Group's revenues from port handling, sales of goods, transport income, interest income from related party borrowings, project construction, leasing of real estate and labor dispatch services is calculated at a tax rate of 6%, 13%, 9%, 6%, 10%, 5% and 6%, respectively, which is levied after deducting deductible input VAT for the current period.
City maintenance and construction tax	–	It is levied at 7% on the turnover taxes paid.
Educational surcharge	–	It is levied at 5% on the turnover taxes paid.
Property tax	–	It is calculated at a tax rate of 1.2% based on 70% of costs of properties; or it is calculated at a tax rate of 12% based on rental income.
Corporate income tax	–	It is levied at 25% on the taxable profit, except for certain subsidiaries of the Group which enjoy tax preferences.
Environmental protection tax	–	It is levied on the pollutional equivalent or the emissions of taxable pollutants multiplied by applicable tax amount.





# Notes to the Financial Statements (continued)

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## VII. Taxes (continued)

### 2. Tax preference and approvals

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

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

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

According to the Tentative Regulations of the People's Republic of China of Urban Land Use Tax and the Notice of the Ministry of Finance and the State Administration of Taxation on Continuing the Implementation of the Preferential Policies for Urban Land Use Tax regarding the Land Used by Logistics Enterprises for Bulk Commodity Storage Facilities (Cai Shui [2020] No. 16), from 1 January 2020 to 31 December 2022, the urban land use tax on the lands for bulk commodity storage facilities owned by the logistics enterprises (including for self-use and lease purpose) shall be calculated based on 50% of the applicable tax for the relevant grade of the land. Accordingly, the land use tax on the lands for bulk commodity storage facilities held by the Group is calculated at half of the relevant tax rate.

#### **VAT**

According to the Notice on Policies Related to Deepening Value-Added Tax Reform issued by the Ministry of Finance, State Administration of Taxation and General Administration of Customs (No. 39 Notice of the Ministry of Finance, State Administration of Taxation and General Administration of Customs in 2019), the Group shall, from 1 April 2019 to 31 December 2021, deduct additional 10% of current deductible input tax from VAT payable.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## VII. Taxes (continued)

### 2. Tax preference and approvals (continued)

#### *Corporate income tax*

Dalian Port Logistics Network Co., Ltd. and Dalian Portsoft Technology Co., Ltd., subsidiaries of the Group, have obtained on 9 October 2020 and 3 December 2020, respectively, the Certificate of the High and New Technological Enterprise (No. GR202020200315 and No. GR202020200857 respectively) issued by Dalian Science and Technology Bureau, Dalian Municipal Bureau of Finance and Dalian Tax Service, State Taxation Administration, and the term of validity of both certificates is three years.

Dalian Port Logistics Technology Co., Ltd., a subsidiary of the Group, has obtained on 21 September 2015 the Certificate of the High and New Technological Enterprise (No. GR201521200005) issued by Dalian Science and Technology Bureau, Dalian Municipal Bureau of Finance and Dalian Tax Service, State Taxation Administration, and the term of validity is three years. In September 2018, with the approval of Dalian Science and Technology Bureau, Dalian Municipal Bureau of Finance and Dalian Tax Service of State Taxation Administration, the expiry time of the Certificate of the High and New Technological Enterprise granted to Dalian Port Logistics Technology Co., Ltd. was postponed to 15 November 2021.

Under Article 28 of the Corporate Income Tax Law of the People's Republic of China, for the current period, the income tax rate applicable to the above companies is 15%.



# Notes to the Financial Statements (continued)

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## VIII. Business combinations and consolidated financial statements

### 1. Basic information on the subsidiaries included in the scope of consolidated statements during the period

Investee	Place of registration	Major business location	Nature of business	Registered capital (RMB'0,000)	Shareholding percentage (%)		Voting right percentage (%)	Note
					Direct	Indirect		
<b>Subsidiaries invested by PDA Group by equity injection on the date of incorporation of the Company</b>								
Dalian Port Container Development Co., Ltd.	Dalian	Dalian	Container services	296,411	100	-	100	
Dalian Port Jifa Logistics Co., Ltd.	Dalian	Dalian	Logistics services	117,940	-	100	100	
Dalian Port Logistics Technology Co., Ltd.	Dalian	Dalian	Software development	1,000	-	100	100	Note 6
Dalian Jifa Shipping Agency Co., Ltd.	Dalian	Dalian	Vessel agency	550	-	100	100	
Dalian International Logistics Park Development Co., Ltd.	Dalian	Dalian	Property development	15,000	-	100	100	
Dalian Jifa Bohai Rim Container Lines Co., Ltd.	Dalian	Dalian	Transportation	4,923	-	97.36	97.36	
Dalian International Container Services Co., Ltd.	Dalian	Dalian	Logistics services	USD1,440,000	-	55	60	Note 2
Dalian Jifa International Freight Co., Ltd.	Dalian	Dalian	Logistics services	500	-	100	100	
Dalian Jifa Port Logistics Co., Ltd. (大连集发港口物流有限公司)	Dalian	Dalian	Technical services	1,200	-	100	100	
Dalian Jifa Shipping Management Co., Ltd.	Dalian	Dalian	Management services	41,500	100	-	100	
Dalian ETDZ Jin Xin Petro-chemistry Co., Ltd.	Dalian	Dalian	Wholesale & agency	1,000	60	-	60	
<b>Subsidiaries acquired through establishment or investment</b>								
Dalian Dilangsirui Caravan Co., Ltd.	Dalian	Dalian	Manufacturing sector	10,000	51	-	51	
Dalian Ganghong International Trade Co., Ltd.	Dalian	Dalian	Trading sector	2,000	-	51	60	Note 2
Asia Pacific Ports Company Limited	Hong Kong	Hong Kong	Logistics services	HKD75,000,000	100	-	100	
Harbour Full Group Limited	British Virgin Islands	British Virgin Islands	Logistics services	USD50,000	-	100	100	
Asia Pacific Ports Investment Co., Ltd.	Hong Kong	Hong Kong	Logistics services	HKD1	-	100	100	
Asia Pacific Ports (Dalian) Co., Ltd.	Dalian	Dalian	Logistics services	USD31,580,000	100	-	100	
Dalian Container Terminal Co., Ltd.	Dalian	Dalian	Terminal services	348,000	-	48.15	55.56	Note 4
Heilongjiang Suimu Logistics Co., Ltd.	Muling	Muling	Logistics services	4,500	-	91.67	91.67	
Qinhuangdao Jigang Shipping Agency Co., Ltd.	Qinhuangdao	Qinhuangdao	Logistics services	500	-	100	100	

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## VIII. Business combinations and consolidated financial statements (continued)

### 1. Basic information on the subsidiaries included in the scope of consolidated statements during the period (continued)

Investee	Place of registration	Major business location	Nature of business	Registered capital (RMB'0,000)	Shareholding percentage (%)		Voting right percentage (%)	Note
					Direct	Indirect		
Dalian Port Grain and Oil Trading Co., Ltd.	Dalian	Dalian	Trading sector	2,500	100	-	100	
Dalian Steel Logistics Park Co., Ltd.	Dalian	Dalian	Trading sector	800	100	-	100	
Dalian Haijia Automobile Terminal Co., Ltd.	Dalian	Dalian	Construction and operation	40,000	50	-	100	註 1
Caofeidian Port Container Logistics Co., Ltd.	Tangshan	Tangshan	Vessel agency	50	-	51	51	
Dalian Zhuanghe Gangxing Investment Co., Ltd.	Dalian	Dalian	Property development	8,000	100	-	100	
Inner Mongolia Lugang Bonded Logistics Park Co., Ltd.	Tongliao	Tongliao	Freight services	1,000	-	51	51	
Dalian Gangrun Gas Co., Ltd.	Dalian	Dalian	Sale of fuel gas	1,000	51	-	51	
Dalian Port Lianheng Supply Chain Management Co., Ltd.	Dalian	Dalian	Supply chain management services	2,000	-	51	51	
Dalian Jifa South Coast International Logistics Co., Ltd.	Dalian	Dalian	Terminal services	1,500	-	100	100	
Dalian Dilangsirui Tourism Development Co., Ltd.	Dalian	Dalian	Tourist project development	3,000	-	100	100	
<b>Subsidiaries acquired through business combinations involving enterprises under common control</b>								
Dalian Ocean Shipping Tally Co., Ltd.	Dalian	Dalian	Tallying	630.14	84	-	84	
Dalian Portsoft Technology Co., Ltd.	Dalian	Dalian	Computer system service	1,000	49	-	60	Notes 2, 3, 6
Dalian Portsoft Network Co., Ltd.	Dalian	Dalian	Computer system service	1,000	-	100	100	Note 6
Dalian Port Construction Supervision & Consultation Co., Ltd.	Dalian	Dalian	Supervision services	1,000	75	-	75	
Dalian Port Telecommunications Engineering Co., Ltd.	Dalian	Dalian	Telecommunication services	1,000	45	-	65	Note 5
Dalian Golden Bay Grain Logistics Co., Ltd.	Dalian	Dalian	Logistics services	9,733	37.5	-	75	Note 5
Dalian Port Group Zhuanghe Terminal Co., Ltd.	Dalian	Dalian	Terminal services	10,000	60	-	60	
Dalian Port Power Supply Co., Ltd.	Dalian	Dalian	Engineering services	11,000	100	-	100	
Dalian Changxing Island Economic Zone Wanpeng Port Construction Supervision & Consultation Co., Ltd.	Dalian	Dalian	Supervision services	10	-	100	100	



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## VIII. Business combinations and consolidated financial statements (continued)

### 1. Basic information on the subsidiaries included in the scope of consolidated statements during the period (continued)

Investee	Place of registration	Major business location	Nature of business	Registered capital (RMB'0,000)	Shareholding percentage (%)		Voting right percentage (%)	Note
					Direct	Indirect		
Dalian Port Haiheng Ship Management Co., Ltd.	Dalian	Dalian	Service industry	500	100	-	100	
Yingkou Port Liability Co., Ltd.	Yingkou	Yingkou	Terminal services	647,298.303	100	-	100	Note 7
Liaoning Port Holdings (Yingkou) Co., Ltd. (遼港控股(營口)有限公司)	Yingkou	Yingkou	Terminal services	1,000,000	100	-	100	Note 7
Yingkou Xingang Ore Terminal Co., Ltd. (營口新港礦石碼頭有限公司)	Yingkou	Yingkou	Terminal services	358,006.30	-	88	88	Note 7
Yingkou New Century Container Terminal Co., Ltd. (營口新世紀集裝箱碼頭有限公司)	Yingkou	Yingkou	Terminal services	4,000	-	60	60	Note 7
<b>Subsidiaries acquired through business combinations not involving entities under common control</b>								
DCT Logistics Co., Ltd.	Dalian	Dalian	Logistics services	15,538.70	-	100	100	
Dalian Harbour Logistics Network Co., Ltd.	Dalian	Dalian	Information services	3,200	-	79.03	79.03	Note 6
Dalian Jiyi Logistics Co., Ltd.	Dalian	Dalian	Freight services	10,000	-	100	100	
Dalian Port Lvshun Harbour Service Co., Ltd.	Dalian	Dalian	Terminal services	35,000	60	-	60	
Liaoning Con-Rail International Logistics Co., Ltd.	Shenyang	Shenyang	Logistics services	1,600	-	100	100	
Dalian Harbour ECL Logistics Co., Ltd.	Dalian	Dalian	Terminal services	USD9,000,000	50	-	75	Note 5

Note 1: Shareholding percentage in subsidiaries is different from voting right percentage. Based on the joint venture contract signed with other shareholders, other shareholders will align with the decision made by the Company in respect of significant operating matters of joint ventures. The Company, in fact, has effective control over the subsidiary.

Note 2: Shareholding percentage in subsidiaries is different from voting right percentage. Shareholding percentage is determined based on the share of contribution as stated in the investment agreement, while voting right percentage is determined based on the voting manner of the highest decision-making organization in accordance with the articles of associations of the investee. As a result, there is inconsistency.

Note 3: The Company has the effective control over the subsidiary, as it has the majority voting rights in the board of directors.

Note 4: Based on the concerted action agreement signed with another shareholder, the decision made by such shareholder aligns with that of the subsidiary of the Company, Dalian Port Container Development Co., Ltd. The Company, in fact, has the effective control over the subsidiary.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## VIII. Business combinations and consolidated financial statements (continued)

### 1. Basic information on the subsidiaries included in the scope of consolidated statements during the period (continued)

Note 5: Based on the concerted action agreement signed with some of the other shareholders, the decision made by such shareholders aligns with that of the Company. The Company, in fact, has the effective control over the subsidiary.

Note 6: Due to change in equity interest, the Group's subsidiaries, Dalian Portsoft Technology Co., Ltd., Dalian Portsoft Network Co., Ltd., Dalian Port Logistics Technology Co., Ltd. and Dalian Port Logistics Network Co., Ltd. was no longer included into the Group's scope of combination since 9 February 2021. Please refer to Note VIII. "2. Changes in the scope of consolidation and reasons therefor during the period" for details.

Note 7: On 4 February 2021, the Company completed the share swap with Yingkou Port and incorporated Yingkou Port Liability Co., Ltd., Liaoning Port Holdings (Yingkou) Co., Ltd., Yingkou Xingang Ore Terminal Co., Ltd. and Yingkou New Century Container Terminal Co., Ltd. into the Group's scope of combination.

### 2. Changes in the scope of consolidation and reasons therefor during the period

(1) For companies newly included in the scope of consolidation during the period, please see Note VIII.3.

(2) Companies excluded from the scope of consolidation during the period

Name of enterprise	Place of registration	Nature of business	Total shareholding held by the Group (%)	Total voting right percentage of the Group (%)	Reason for not being a subsidiary
Dalian Port Logistics Network Co., Ltd.	Dalian	Information services	79.03	79.03	Note
Dalian Port Logistics Technology Co., Ltd.	Dalian	Software development	100	100	Note
Dalian Portsoft Technology Co., Ltd.	Dalian	Computer system service	49	60	Note
Dalian Portsoft Network Co., Ltd.	Dalian	Computer system service	100	100	Note

Note: In accordance with the agreement on capital increase by subscription for equity interests of China Merchants Holdings (International) Information Technology Company Limited ("CMHIT") between China Merchants Port Group Co., Ltd., China Merchants Port Holdings Company Limited, Dalian Port Container Development Co., Ltd., Dalian Port Jifa Logistics Co., Ltd., Yingkou Port Group Co., Ltd. and CMHIT, Dalian Port Container Development Co., Ltd. (a subsidiary of the Company) and Dalian Port Jifa Logistics Co., Ltd. acquired shares of CMHIT at the consideration of the 49.63% and 29.4% equity interests they held in Dalian Port Logistics Network Co., Ltd.. Such capital increase has complete on 9 February 2021, and the Group's shareholding in CMHIT after the capital contribution was 35.64%. Based on the articles of association of CMHIT, the Group has no control over it. Therefore, since 9 February 2021, the Group no longer incorporates Dalian Port Logistics Network Co., Ltd. and its subsidiaries Dalian Portsoft Technology Co., Ltd., Dalian Portsoft Network Co., Ltd. and Dalian Port Logistics Technology Co., Ltd. into the scope of combination.



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## VIII. Business combinations and consolidated financial statements (continued)

### 2. Changes in the scope of consolidation and reasons therefor during the period (continued)

#### (2) Companies excluded from the scope of consolidation during the period (continued)

Relevant financial information of Dalian Port Logistics Network Co., Ltd. and its subsidiaries are presented below:

<b>Item</b>	<b>Carrying value as at 9 February 2021</b>	<b>Carrying value as at 31 December 2020</b>
Current assets	<b>131,545,011.75</b>	140,838,127.92
Non-current assets	<b>25,038,861.20</b>	25,521,725.73
Current liabilities	<b>85,858,408.46</b>	56,894,215.88
Non-current liabilities	<b>722,630.73</b>	720,376.12
Total	<b>70,002,833.76</b>	108,745,261.65
Less: Minority interests	<b>21,520,506.24</b>	41,364,442.15
Equity attributable to shareholders of the parent company	<b>48,482,327.52</b>	
Less: goodwill recognised when acquiring Dalian Port Logistic Network Co., Ltd.	<b>7,419,238.63</b>	
Disposal of profit or loss	<b>10,675,233.85</b>	
Disposal of consideration	<b>66,576,800.00</b>	

<b>Item</b>	<b>During the period from 1 January to 9 February 2021</b>
Revenue	<b>17,645,190.40</b>
Cost of sales	<b>11,129,241.28</b>
Net loss	<b>-92,738.60</b>

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## VIII. Business combinations and consolidated financial statements (continued)

### 3. Information on business combinations involving entities under common control during the period

#### (1) Business combinations involving entities under common control during the period

Company name	Combination date	Book value of net assets	De facto controller	Status from the beginning of the year to the combination date			
				Revenue	Net profit	Net increase in cash	Net cash flow from operating activities
Yingkou Port Liability Co., Ltd.	4 February 2021	16,426,254,312.01	China Merchants Group Limited	501,267,625.82	181,566,605.37	-10,722,250.58	37,340,359.23

Note: As described in note 1, on 4 February 2021, the Company completed the additional issuance of 9,728,893,454 shares to former shareholders of Yingkou Port on 4 February 2021 and the delivery and confirmation of all assets, liabilities, businesses, personnel, contracts and all other rights and obligation with Yingkou Port, therefore, the combination date of the share swap is determined to be 4 February 2021. Through the transaction, the Group has four new subsidiaries, namely Yingkou Port Liability Co., Ltd. and its subsidiary Liaoning Port Holdings (Yingkou) Co., Ltd. (遼港控股(營口)有限公司), Yingkou Xingang Ore Terminal Co., Ltd. and Yingkou New Century Container Terminal Co., Ltd.. The Company and Yingkou Port were both controlled by the ultimate controller, China Merchants Group, before and after the merger, and the control was not temporary. Therefore, the merger is a business combination under the common control. In accordance with the accounting treatment principles for business combinations under the common control, the Group included the assets and liabilities of Yingkou Port (including the goodwill arising from China Merchants Group's acquisition of Yingkou Port) into the consolidated financial statements based on their carrying amount in the financial statements of China Merchants Group, and retrospectively adjusted the comparative data, as if the combined reporting entity has existed since the point when the ultimate controller began to control.

#### (2) Combination costs

##### Combination costs

RMB: Yuan

Par value of equity securities issued	9,728,893,454.00
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# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## VIII. Business combinations and consolidated financial statements (continued)

### (3) Adjustments to the amounts regarding business combination under common control at the beginning of the year

The carrying amount of the assets and liabilities of Yingkou Port at the date of combination and the balance sheet date of previous accounting period are as follows:

Item	Combination date	31 December 2020
<b>Assets:</b>		
Cash on hand	2,871,764,060.58	2,878,969,644.50
Notes receivable	237,585,580.11	122,227,397.91
Accounts receivable	302,587,012.69	134,222,467.95
Prepayments	16,156,676.31	1,849,496.49
Other receivables	4,746,301.01	575,275.11
Inventories	26,539,518.65	30,020,380.08
Other current assets	9,835,362.96	15,057,027.55
Long-term equity investment	510,839,110.66	506,093,768.02
Fixed assets	11,056,829,548.75	11,115,094,556.53
Construction in progress	758,639,043.79	755,713,153.67
Right-of-use assets	4,230,624,464.10	3,532,541,767.64
Goodwill	219,133,513.00	219,133,513.00
Intangible assets	1,396,945,269.02	1,401,135,916.59
<b>Liabilities:</b>		
Accounts payable	151,025,532.33	142,649,134.18
Contract liabilities	151,695,987.25	98,224,546.84
Employee benefits payable	59,566,537.05	68,232,900.53
Taxes payable	41,440,509.51	18,401,393.52
Other payables	38,465,572.86	38,113,172.31
Current portion of non-current liabilities	156,424,292.91	127,423,433.83
Lease liabilities	4,153,348,208.50	3,510,234,045.40
Estimated liability	32,760,218.42	32,760,218.42
Deferred income	37,496,629.22	38,121,573.04
Deferred income tax liability	393,747,661.57	396,714,176.85
Net assets	16,426,254,312.01	16,241,759,770.12
Less: Minority interests	604,762,518.42	598,716,957.03
Net assets received	15,821,491,793.59	15,643,042,813.09

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## VIII. Business combinations and consolidated financial statements (continued)

### 4. Information on major non-wholly-owned subsidiaries

#### (1) Minority shareholders

30 June 2021 (unaudited)

No.	Enterprise name	Shareholding percentage of minority shareholders (%)	Profit or loss of the current year attributable to minority shareholders	Dividend paid to minority shareholders for the current period	Accumulated minority interests at the end of the period
1	Dalian Container Terminal Co., Ltd.	51.85	67,939,436.35	–	2,076,679,438.86
2	Dalian Haijia Automobile Terminal Co., Ltd.	50.00	-4,002,616.69	–	207,748,199.42
3	Dalian Port Lvshun Harbour Service Co., Ltd.	40.00	-1,928,888.62	–	137,501,815.60
4	Dalian Golden Bay Grain Logistics Co., Ltd.	62.50	-178,521.15	–	116,597,566.14
5	Yingkou Xingang Ore Terminal Co., Ltd. (營口新港礦石碼頭有限公司)	12.00	8,939,247.23	–	491,958,960.02

31 December 2020

No.	Enterprise name	Shareholding percentage of minority shareholders (%)	Profit or loss of the current year attributable to minority shareholders	Dividend paid to minority shareholders for the current year	Accumulated minority interests at the end of the period
1	Dalian Container Terminal Co., Ltd.	51.85	164,405,693.20	146,090,251.92	2,006,763,238.60
2	Dalian Haijia Automobile Terminal Co., Ltd.	50.00	-5,353,660.56	–	210,432,397.68
3	Dalian Port Lvshun Harbour Service Co., Ltd.	40.00	-197,921.10	–	139,574,981.64
4	Dalian Golden Bay Grain Logistics Co., Ltd.	62.50	-1,239,133.09	–	117,607,006.62
5	Yingkou Xingang Ore Terminal Co., Ltd.	12.00	-5,323,172.71	–	532,434,312.12



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## VIII. Business combinations and consolidated financial statements (continued)

### 4. Information on major non-wholly-owned subsidiaries (continued)

#### (2) Key financial information

Item	Dalian Golden				
	Dalian Container Terminal Co., Ltd.	Dalian Haijia Automobile Terminal Co., Ltd.	Dalian Port Lvshun Harbour Service Co., Ltd.	Bay Grain Logistics Co., Ltd.	Yingkou Xingang Ore Terminal Co., Ltd.
<b>30 June 2021 (unaudited)</b>					
Current assets	479,522,568.41	53,399,992.65	44,437,418.63	150,454,400.91	2,283,815,285.37
Non-current assets	7,270,779,351.42	375,692,833.17	313,045,065.56	38,015,398.44	1,998,979,864.26
Total assets	7,750,301,919.83	429,092,825.82	357,482,484.19	188,469,799.35	4,282,795,149.63
Current liabilities	495,963,304.67	13,596,426.98	8,179,345.85	1,090,515.72	37,401,608.70
Non-current liabilities	3,249,170,941.37	-	5,548,599.33	823,177.80	145,735,540.80
Total liabilities	3,745,134,246.04	13,596,426.98	13,727,945.18	1,913,693.52	183,137,149.50
<b>January to June 2021 (unaudited)</b>					
Revenue	641,323,136.53	8,976,010.19	23,032,001.47	1,537,311.37	287,929,607.76
Net profit/(loss)	131,030,735.48	-8,005,233.37	-4,822,221.54	-285,633.84	74,493,726.88
Total comprehensive income	131,030,735.48	-8,005,233.37	-4,822,221.54	-285,633.84	74,493,726.88
Net cash flows from operating activities	360,233,424.63	2,596,546.33	2,389,915.83	2,913,472.31	53,488,473.42
<b>30 June 2020 (unaudited)</b>					
Current assets	672,134,955.51	52,572,686.24	31,397,307.03	148,980,362.14	2,082,757,827.61
Non-current assets	7,617,195,532.65	392,572,846.66	323,189,135.25	42,323,875.19	2,447,269,006.42
Total assets	8,289,330,488.16	445,145,532.90	354,586,442.28	191,304,237.33	4,530,026,834.03
Current liabilities	628,988,260.69	13,381,213.47	7,751,432.47	1,686,013.41	36,868,323.83
Non-current liabilities	3,647,650,720.80	7,305,562.09	4,652,660.24	1,211,170.81	79,778,680.07
Total liabilities	4,276,638,981.49	20,686,775.56	12,404,092.71	2,897,184.22	116,647,003.90
<b>January to June 2020 (unaudited)</b>					
Revenue	668,600,702.55	8,574,257.93	22,791,877.00	481,634.93	280,787,933.14
Net profit/(loss)	162,161,593.25	-7,113,359.14	-7,342,163.69	-1,746,770.43	31,001,375.77
Total comprehensive income	162,161,593.25	-7,113,359.14	-7,342,163.69	-1,746,770.43	31,001,375.77
Net cash flows from operating activities	400,407,076.26	2,920,999.99	-3,763,213.15	2,331,094.92	154,091,170.42

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements

### 1. Cash at bank and on hand

Item	30 June 2021 (Unaudited)	31 December 2020 (Restated)
Cash on hand	30,655.38	199,008.22
RMB	30,655.38	199,008.22
Cash at bank	5,831,200,158.85	7,174,409,651.79
RMB	5,768,076,526.54	7,117,444,698.20
USD	62,690,208.10	56,538,448.11
Japanese Yen	294,004.76	261.14
HKD	139,419.45	426,244.34
Other cash balances	221,910,676.75	216,107,800.40
RMB	221,910,676.75	216,107,800.40
<b>Total</b>	<b>6,053,141,490.98</b>	7,390,716,460.41
Of which: Interest receivable from bank deposits	54,909,699.99	32,983,891.79
Total amount restricted usage due to reasons including pledges, charges or lock up (Note IX. 22)	232,771,162.60	221,394,329.75

As at 30 June 2021, the use rights of the Group's cash at bank and on hand of RMB232,771,162.60 (31 December 2020: RMB221,394,329.75) were restricted.

Interest income earned on current deposits is calculated by using the current deposit interest rate. The terms of short-term time deposits vary from seven days to six months depending on the cash requirements of the Group, and earn interests at the respective bank time deposit rates.

### 2. Financial assets held for trading

Item	30 June 2021 (Unaudited)	31 December 2020 (Restated)
Financial assets at fair value through current profit or loss		
Investments in debt instruments (Note)	-	903,950,958.91
<b>Total</b>	<b>-</b>	903,950,958.91

Note: Investments in equity instruments represented structured deposits. As at 30 June 2021, the Group has disposed all structured deposits.



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## IX. Notes to items of the consolidated financial statements (continued)

### 3. Notes receivable

- (1) Classification of notes receivable

Type	30 June 2021 (Unaudited)	31 December 2020 (Restated)
Bank acceptance notes	<b>367,267,740.59</b>	409,666,882.28
Less: Provision for bad debts on notes receivable (Note)	–	–
<b>Total</b>	<b>367,267,740.59</b>	409,666,882.28

Note: The Group believes that the credit rating of the acceptor of bank acceptance notes it held is relatively high and there is no significant credit risk, and hence no credit loss provision has been made.

- (2) As at 30 June 2021, the Group had no pledged notes receivable (31 December 2020: Nil).
- (3) The Group's notes receivable which have been endorsed or discounted but not mature yet as at the balance sheet date are as follows:

Type	30 June 2021 (Unaudited)		31 December 2020 (Restated)	
	Derecognised	Not derecognised	Derecognised	Not derecognised
Bank acceptance notes	<b>67,630,612.78</b>	<b>2,030,000.00</b>	369,619,352.08	3,779,998.22

- (4) As at 30 June 2021, there were no discounted notes or notes that were recognised as accounts receivable due to the drawer's liability to perform (31 December 2020: Nil).

### 4. Accounts receivable

- (1) Overall situation of accounts receivable

Item	30 June 2021 (Unaudited)	31 December 2020 (Restated)
Accounts receivable	<b>2,998,179,793.22</b>	2,129,567,576.95
Less: Credit loss provision	<b>267,062,879.87</b>	233,788,227.07
<b>Total</b>	<b>2,731,116,913.35</b>	1,895,779,349.88

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## IX. Notes to items of the consolidated financial statements (continued)

### 4. Accounts receivable (continued)

(2) The overall aging of accounts receivable

Item	30 June 2021 (unaudited)			31 December 2020 (restated)		
	Book balance	Proportion (%)	Credit loss provision	Book balance	Proportion (%)	Credit loss provision
Within 1 year (including 1 year)	1,773,555,280.13	59.16	62,879,596.21	1,206,390,515.51	56.64	55,068,262.58
1 to 2 years (including 2 years)	641,137,678.86	21.38	62,073,377.96	681,781,198.69	32.02	56,557,852.84
2 to 3 years (including 3 years)	492,430,659.20	16.42	52,104,287.95	136,080,906.59	6.39	17,990,321.88
Over 3 years	91,056,175.03	3.04	90,005,617.75	105,314,956.16	4.95	104,171,789.77
<b>Total</b>	<b>2,998,179,793.22</b>	<b>100.00</b>	<b>267,062,879.87</b>	2,129,567,576.95	100.00	233,788,227.07

(3) The movements of provision for bad debts of accounts receivable are as follows:

	Balance as at the beginning of the period/year	Provision for the period/year	Disposal of subsidiaries for the period/year	Recover/reversal during the period/year	Write-off during The period/year	Balance as at the end of the period/year
30 June 2021 (unaudited)	233,788,227.07	51,278,005.44	-547,602.64	-17,455,750.00	-	267,062,879.87
31 December 2020 (restated)	139,293,862.75	94,494,364.32	-	-	-	233,788,227.07



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## IX. Notes to items of the consolidated financial statements (continued)

### 4. Accounts receivable (continued)

(4) Accounts receivable with amounts of provision for the bad debts are as follow:

As at 30 June 2021, details of accounts receivable of which provision for bad debts is made according to its credit risk rating are as follows: (unaudited)

Rating	Book balance of estimated default	Expected credit loss rate	Expected credit loss for the entire duration
Portfolio A	1,100,100,048.68	0.00%-0.10%	118,187.43
Portfolio B	47,242,395.33	0.10%-0.30%	77,207.31
Portfolio C	1,754,049,154.97	0.30%-50.00%	170,892,232.29
Portfolio D	96,788,194.24	50.00%-100.00%	95,975,252.84
<b>Total</b>	<b>2,998,179,793.22</b>		<b>267,062,879.87</b>

As at 31 December 2020, details of accounts receivable of which provision for bad debts is made according to its credit risk rating portfolio are as follows: (restated)

Rating	Book balance of estimated default	Expected credit loss rate	Expected credit loss for the entire duration
Portfolio A	531,631,522.80	0.00%-0.10%	69,406.95
Portfolio B	42,148,867.03	0.10%-0.30%	50,907.67
Portfolio C	1,440,287,675.19	0.30%-50.00%	119,349,677.43
Portfolio D	115,499,511.93	50.00%-100.00%	114,318,235.02
<b>Total</b>	<b>2,129,567,576.95</b>		<b>233,788,227.07</b>

(5) As at 30 June 2021, no significant amounts due from shareholders who held more than 5% (inclusive) of the voting rights of the Group (31 December 2020: Nil).

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 4. Accounts receivable (continued)

- (6) The top five entities by the amounts of accounts receivable (unaudited) as at 30 June 2021 were summarised as below (unaudited)

Name of entity	Relationship with the Group	Amount	Ageing	Credit loss provision	Proportion to the total accounts receivable (%)
Dalian Enesky International Trade Co., Ltd. (大連恩埃斯凱國際貿易有限公司)	Client	1,726,148,256.00	Within 3 years	168,283,479.14	57.58
Dalian Power Plant of Huaneng Power International, Inc.	Client	49,423,993.12	Within 1 year	4,942.40	1.65
Angang Steel Company Limited	Client	48,412,517.82	Within 1 year	4,841.25	1.61
Vale International SA	Client	46,306,735.00	Within 1 year	4,630.67	1.54
Dalian Municipal Bureau of Finance	Government agency	42,856,680.45	Within 1 year	4,285.66	1.43
<b>Total</b>		<b>1,913,148,182.39</b>		<b>168,302,179.12</b>	<b>63.81</b>

### 5. Receivables financing

- (1) Classification of receivables financing

Type	30 June 2021 (Unaudited)	31 December 2020 (Restated)
Bank acceptance notes measured at fair value	<b>338,880,139.91</b>	—

- (2) As at 30 June 2021, the Group has no receivables financing pledged (31 December 2020: Nil).

- (3) As at 30 June 2021, the Group's receivables financing which have been endorsed or discounted but not mature yet as at the balance sheet date are as follows:

Type	30 June 2021 (Unaudited)		31 December 2020 (Restated)	
	Derecognised	Not derecognised	Derecognised	Not derecognised
Bank acceptance notes	<b>57,878,633.36</b>	—	—	—



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 6. Prepayments

(1) An ageing analysis of prepayments is as follows:

Item	30 June 2021 (unaudited)		31 December 2020 (restated)	
	Book balance	Percentage (%)	Book balance	Percentage (%)
Within 1 year (including 1 year)	57,625,155.86	96.48	32,435,546.34	88.59
1 to 2 years (including 2 years)	1,285,411.98	2.15	4,012,690.84	10.96
2 to 3 years (including 3 years)	747,499.69	1.25	34,054.51	0.09
Over 3 years	71,545.32	0.12	132,624.38	0.36
<b>Total</b>	<b>59,729,612.85</b>	<b>100.00</b>	36,614,916.07	100.00

As at 30 June 2021, the Group has no significant prepayments aged over 1 year (31 December 2020: Nil).

(2) Five largest prepayments by debtor at the end of the period (unaudited)

Name of entity	Relationship with the Group	Amount	Ageing	Proportion to the total prepayments (%)	Reasons for unsettlement
Collection and Settlement Center of China Railway Harbin Bureau Group Co., Ltd.	Third party	5,752,557.13	Within 1 year	9.63	The condition for settlement is unsatisfied
State Grid Liaoning Electric Power Co., Ltd. Dalian Power Supply Company (國網遼寧省電力有限公司大連供電公司)	Third party	4,678,378.23	Within 1 year	7.83	The condition for settlement is unsatisfied
Dalian Gangtai Insurance Brokers Co., Ltd.	Third party	3,520,748.84	Within 1 year	5.89	The condition for settlement is unsatisfied
China United International Rail Containers(Dalian) Co., Ltd.	Related party	3,473,930.85	Within 1 year	5.82	The condition for settlement is unsatisfied
Corporate Annuity Plan Fiduciary Property Account of Bank of Communications-Dalian Port (PDA) Company Limited	Third party	3,222,670.00	Within 1 year	5.40	The condition for settlement is unsatisfied
<b>Total</b>		<b>20,648,285.05</b>		<b>34.57</b>	

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## IX. Notes to items of the consolidated financial statements (continued)

### 7. Other receivables

Item	30 June 2021 (Unaudited)	31 December 2020 (Restated)
Interest receivable	1,035,167.10	284,496.05
Dividends receivable	266,117,731.90	134,533,521.74
Other receivables	240,009,480.58	230,683,532.53
<b>Total</b>	<b>507,162,379.58</b>	365,501,550.32

#### (1) Interest receivable

Item	30 June 2021 (Unaudited)	31 December 2020 (Restated)
Borrowings from related parties	1,035,167.10	284,496.05
Less: Credit loss provision	–	–
Book value	1,035,167.10	284,496.05

As at 30 June 2021, the Group has no significant amount of overdue interest (31 December 2020: Nil).



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## IX. Notes to items of the consolidated financial statements (continued)

### 7. Other receivables (continued)

#### (2) Dividends receivable

##### 1) Presentation of dividends receivable

Investee	30 June 2021 (Unaudited)	31 December 2020 (Restated)
Dalian Port Yidu Cold Chain Co., Ltd.	<b>88,189,824.35</b>	88,189,824.35
National Pipe Network Group Dalian Liquefied Natural Gas Co., Ltd. (國家管網集團大連液化天然氣有限公司) (Note)	<b>87,246,058.73</b>	–
Dalian Jilong Logistics Co., Ltd.	<b>22,507,539.23</b>	22,507,539.23
Dalian Port Logistic Network Co., Ltd.	<b>16,272,096.84</b>	–
Dalian Port Logistics Technology Co., Ltd.	<b>13,156,130.35</b>	–
Jinzhou New Age Container Terminal Co., Ltd.	<b>10,212,840.09</b>	–
Dalian Singamas International Container Co., Ltd.	<b>9,645,058.97</b>	9,645,058.97
Dalian Automobile Terminal Co., Ltd.	<b>9,600,000.00</b>	9,600,000.00
Taicang Xinggang Tug Co., Ltd.	<b>5,999,994.00</b>	2,142,855.00
Dalian Dagang China Shipping Container Terminal Co., Ltd.	<b>1,380,738.26</b>	1,380,738.26
Weifang Senda Container Service Co., Ltd.	<b>839,945.15</b>	–
Dalian Port Design and Research Institute Co., Ltd.	<b>696,000.00</b>	696,000.00
China United Tally (Dalian) Co., Ltd.	<b>371,505.93</b>	371,505.93
<b>Total</b>	<b>266,117,731.90</b>	134,533,521.74
Less: Credit loss provision	–	–
Carrying amount	<b>266,117,731.90</b>	134,533,521.74

Note: The Market Supervision Administration of Dalian Free Trade Zone approved the change of the name of PetroChina Dalian LNG Co., Ltd., the Company's associate, on 27 April 2021, and PetroChina Dalian LNG Co., Ltd. changed its name to National Pipe Network Group Dalian Liquefied Natural Gas Co., Ltd. (國家管網集團大連液化天然氣有限公司).

The Company's management believed that provision for impairment of dividends receivable as at balance sheet date was not necessary.



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 7. Other receivables (continued)

#### (2) Dividends receivable (continued)

##### 2) Significant dividends receivable aged more than 1 year

Investee	30 June 2021 (unaudited)	Reason for failure of recovery
Dalian Port Logistics Network Co., Ltd.	2,976,864.35	Deferred payment
Dalian Port Logistics Technology Co., Ltd.	13,156,130.35	Deferred payment
Dalian Port Yidu Cold Chain Co., Ltd.	88,189,824.35	Deferred payment
Dalian Jilong Logistics Co., Ltd.	22,507,539.23	Deferred payment
Dalian Singamas International Container Co., Ltd.	6,546,064.55	Deferred payment
<b>Total</b>	<b>133,376,422.83</b>	

#### (3) Other receivables

##### 1) Other receivables by nature

Amount by nature	30 June 2021 (Unaudited)	30 June 2020 (Restated)
Receivables from income of entrusted management services	77,156,780.52	77,156,780.52
Receivables from project payment and guarantee deposit	34,526,329.86	39,197,600.74
Borrowings from related parties	23,000,000.00	23,000,000.00
Port construction and miscellaneous expenses	18,648,936.51	16,634,912.62
Receivables from freights, deposit and security deposit	52,451,181.25	36,736,725.35
Government subsidies receivable	32,971,186.61	41,021,809.25
Public infrastructure maintenance expenses	9,278,371.74	3,408,748.58
Receivables from agency purchase	24,770,666.69	24,548,099.95
Others	43,969,143.23	39,053,928.15
<b>Subtotal</b>	<b>316,772,596.41</b>	300,758,605.16
Less: Credit loss provision	76,763,115.83	70,075,072.63
<b>Total</b>	<b>240,009,480.58</b>	230,683,532.53



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 7. Other receivables (continued)

#### (3) Other receivables (continued)

##### 2) Ageing analysis

Item	30 June 2021 (unaudited)			31 December 2020 (restated)		
	Book balance	Proportion (%)	Credit loss provision	Book balance	Proportion (%)	Credit loss provision
Within 1 year (including 1 year)	122,881,293.17	38.79	1,373,496.55	102,457,081.65	34.06	1,112,559.71
1 to 2 years (including 2 years)	44,084,200.20	13.92	2,081,888.43	70,685,446.16	23.50	2,091,522.43
2 to 3 years (including 3 years)	52,496,567.56	16.57	13,468,277.10	92,620,580.50	30.80	36,773,788.01
Over 3 years	97,310,535.48	30.72	59,839,453.75	34,995,496.85	11.64	30,097,202.48
<b>Total</b>	<b>316,772,596.41</b>	<b>100.00</b>	<b>76,763,115.83</b>	<b>300,758,605.16</b>	<b>100.00</b>	<b>70,075,072.63</b>

3) Details of other receivable of which provision for bad debts is made according to the portfolio of credit risk rating are as follows:

30 June 2021 (unaudited)

Rating	Book balance of estimated default	Expected credit loss rate	Expected credit loss over the next 12 months	Expected credit loss for the entire duration
Portfolio A	159,769,520.07	0.00%-0.10%	23,405.60	-
Portfolio B	35,320,836.59	0.10%-0.30%	702,387.89	-
Portfolio C	82,635,148.63	0.30%-50.00%	-	39,301,411.22
Portfolio D	39,047,091.12	50.00%-100.00%	-	36,735,911.12
<b>Total</b>	<b>316,772,596.41</b>		<b>725,793.49</b>	<b>76,037,322.34</b>

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 7. Other receivables (continued)

#### (3) Other receivables (continued)

3) Details of other receivable of which provision for bad debts is made according to the portfolio of credit risk rating are as follows: (continued)

31 December 2020 (restated)

Rating	Book balance of estimated default	Expected credit loss rate	Expected credit loss over the next 12 months	Expected credit loss for the entire duration
Portfolio A	141,256,413.74	0.00%-0.10%	20,961.76	–
Portfolio B	37,322,257.45	0.10%-0.30%	56,433.67	–
Portfolio C	84,156,809.35	0.30%-50.00%	–	34,111,476.83
Portfolio D	38,023,124.62	50.00%-100.00%	–	35,886,200.37
<b>Total</b>	<b>300,758,605.16</b>		<b>77,395.43</b>	<b>69,997,677.20</b>

4) Movements in the provision for bad debts of expected credit losses over the next 12 months and the entire duration are as follows:

30 June 2021 (unaudited)

	Stage I Expected credit loss over the next 12 months	Stage II Expected credit loss for the entire duration (no credit impairment occurred)	Stage III Expected credit loss for the entire duration (credit impairment occurred)	Total
Opening balance	77,395.43	34,111,476.83	35,886,200.37	70,075,072.63
Opening balance for the period				
– transfer into stage II	-100.57	100.57	–	–
Disposal of subsidiaries for the period	-557,204.28	–	–	-557,204.28
Provision for the year	1,205,702.91	5,189,833.82	849,710.75	7,245,247.48
Closing balance	725,793.49	39,301,411.22	36,735,911.12	76,763,115.83



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 7. Other receivables (continued)

#### (3) Other receivables (continued)

- 4) *Movements in the provision for bad debts of expected credit losses over the next 12 months and the entire duration are as follows: (continued)*

31 December 2020 (restated)

	Stage I Expected credit loss over the next 12 months	Stage II Expected credit loss for the entire duration (no credit impairment occurred)	Stage III Expected credit loss for the entire duration (credit impairment occurred)	Total
Opening balance	143,151.87	32,686,515.09	25,471,402.70	58,301,069.66
Opening balance for the year				
– transfer into stage II	-1,507.97	1,507.97	–	–
– transfer into stage III	–	-7,756,273.65	7,756,273.65	–
Provision for the year	–	9,179,727.42	2,658,524.02	11,838,251.44
Reversal for the year	-64,248.47	–	–	-64,248.47
Closing balance	77,395.43	34,111,476.83	35,886,200.37	70,075,072.63

In January to June 2021, the provision for bad debts was RMB7,245,247.48 (2020: RMB11,838,251.44), and no provision for bad debts received or reversed (2020: RMB64,248.47).

- 5) *Debts of shareholders holding 5% or more shares of the Company with voting rights*

Name of entity	Closing balance (unaudited)		Opening balance (restated)	
	Outstanding amount	Provision for credit losses	Outstanding amount	Provision for credit losses
Dalian Port Corporation Limited	975,310.64	17,878.57	7,732,229.34	18,608.75

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 7. Other receivables (continued)

#### 3) Other receivables (continued)

##### 6) Other receivables of the top five debtors by closing balances

30 June 2021 (unaudited)

Name of entity	Relationship with the Group	Amount	Ageing	Proportion to total other receivables (%)	Credit loss provision	Nature or content
Dalian Changxing Island Port Investment and Development Co., Ltd.	Related party	78,954,640.63	Within 4 years	24.92	30,117,884.89	Receivables from income of entrusted management services
Dalian Vanguard International Logistics Co., Ltd.	Related party	23,000,000.00	Within 3 years	7.26	690,000.00	Borrowings from related parties
Shanghai Younet Trading Co., Ltd. (上海優內特貿易有限公司)	Third party	20,875,032.31	Within 2 years	6.59	4,083.94	Receivables from agency purchase
Langfang Meihua Biological Technology Co., Ltd. (廊坊梅花生物科技有限公司)	Third party	20,039,161.32	Within 1 year	6.33	2,003.92	Transportation, deposits and margin receivables
People's Government of Horqin District, Tongliao	Government agency	15,965,594.61	Within 2 years	5.04	2,219.10	Government grants
<b>Total</b>		<b>158,834,428.87</b>		<b>50.14</b>	<b>30,816,191.85</b>	





# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 7. Other receivables (continued)

#### 3) Other receivables (continued)

##### 6) Other receivables of the top five debtors by closing balances (continued)

31 December 2020 (restated)

Name of entity	Relationship with the Group	Amount	Ageing	Proportion to total other receivables (%)	Credit loss provision	Nature or content
Dalian Changxing Island Port Investment and Development Co., Ltd.	Related party	78,903,440.58	Within 4 years	26.22	24,046,302.93	Receivables from income of entrusted management services
People's Government of Horqin District, Tongliao	Government agency	23,116,217.25	Within 2 years	7.69	3,813.94	Government grants
Dalian Vanguard International Logistics Co., Ltd.	Related party	23,000,000.00	Within 2 years	7.65	46,000.00	Borrowings from related parties
Shanghai Younet Trading Co., Ltd. (上海優內特貿易有限公司)	Third party	20,652,465.57	Within 2 years	6.87	4,054.45	Receivables from agency purchase
Finance Bureau of Muling City, Heilongjiang Province	Government agency	12,859,192.00	Within 5 years	4.28	5,349,816.00	Government grants
<b>Total</b>		<b>158,531,315.40</b>		<b>52.71</b>	<b>29,449,987.32</b>	

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 7. Other receivables (continued)

#### (3) Other receivables (continued)

##### 7) The receivables from government grants

As at 30 June 2021, the receivables from government grants were as follows: (unaudited)

	Government grants	Amount	Ageing	Basis
Inner Mongolia Lulang Bonded Logistics Park Co., Ltd.	Subsidy for container freight	15,965,594.61	Within 1 year and 1-2 years	Reply of Horqin District People's Government on Subsidy to China-Europe Railway Lines
Heilongjiang Suimu Dalian Port Logistics Co., Ltd.	Subsidy for warehouse construction and operation	12,359,192.00	2-3 years and 4-5 years	Cooperation Agreement on Xiachengzi Logistics Centre of Muling Economic Development Zone and meeting minutes on Solving Major Difficulties of Suimu Dalian Port Logistics
Dalian Jifa Bohai Rim Container Lines Co., Ltd.	Subsidy for container freight	4,646,400.00	2-3 years	Request for Instructions Concerning Supporting the Development of Container Freight in Dongying Port Zone
<b>Total</b>		<b>32,971,186.61</b>		

As at 31 December 2020, the receivables from government grants were as follows:

	Government grants	Amount	Ageing	Basis
Inner Mongolia Lulang Bonded Logistics Park Co., Ltd.	Subsidy for container freight	23,116,217.25	Within 1 year and 1-2 years	Reply of Horqin District People's Government on Subsidy to China-Europe Railway Lines
Heilongjiang Suimu Dalian Port Logistics Co., Ltd.	Subsidy for warehouse construction and operation	12,859,192.00	2-3 years and 4-5 years	Cooperation Agreement on Xiachengzi Logistics Centre of Muling Economic Development Zone and meeting minutes on Solving Major Difficulties of Suimu Dalian Port Logistics
Dalian Jifa Bohai Rim Container Lines Co., Ltd.	Subsidy for container freight	5,046,400.00	Within 1 year and 2-3 years	Request for Instructions Concerning Supporting the Development of Container Freight in Dongying Port Zone
<b>Total</b>		<b>41,021,809.25</b>		

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 8. Inventories

#### (1) Classification of inventories

Item	30 June 2021 (unaudited)			31 December 2020 (restated)		
	Book balance	Provision for impairment of inventories	Carrying amount	Book balance	Provision for impairment of inventories	Carrying amount
Raw materials	94,034,560.62	9,246,496.78	84,788,063.84	88,812,166.25	9,247,116.06	79,565,050.19
Finished goods	4,048,533.69	-	4,048,533.69	3,759,268.33	-	3,759,268.33
Turnover materials	9,983,836.75	-	9,983,836.75	9,330,187.15	-	9,330,187.15
Others	13,555,057.46	-	13,555,057.46	13,694,835.79	-	13,694,835.79
<b>Total</b>	<b>121,621,988.52</b>	<b>9,246,496.78</b>	<b>112,375,491.74</b>	<b>115,596,457.52</b>	<b>9,247,116.06</b>	<b>106,349,341.46</b>

#### (2) Provision for decline in the value of inventories

Item	31 December 2020 (restated)	Increase in the period		Decrease in the period		30 June 2021 (unaudited)
		Provision	Others	Reversal or write-off	Others	
Raw materials	9,247,116.06	-	-	-619.28	-	9,246,496.78

### 9. Other current assets

Item	30 June 2021 (unaudited)	31 December 2020 (restated)
Input VAT to be deducted	33,307,732.97	68,846,694.31
Prepaid income tax	10,629,042.87	651,811.54
Prepaid expenses	6,899,178.80	3,151,943.12
<b>Sub-total</b>	<b>50,835,954.64</b>	<b>72,650,448.97</b>
Less: Provision for impairment	-	-
<b>Total</b>	<b>50,835,954.64</b>	<b>72,650,448.97</b>

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 10. Long-term receivables

Item	30 June 2021 (unaudited)			31 December 2020 (restated)		
	Book value	Credit loss provision	Carrying amount	Book value	Credit loss provision	Carrying amount
Loans due from joint ventures and associates	31,224,238.18	795,942.42	30,428,295.76	81,287,330.07	800,478.73	80,486,851.34

For information on loans due from joint ventures and associates, please refer note XI. 5(5).

In January to June 2021, no credit loss was provided (2020: RMB800,478.73), and bad debts received or reversed amounted to RMB4,536.31 (2020: Nil).

### 11. Long-term equity investments

#### (1) Breakdown of long-term equity investments

Item	Opening balance (restated)	Increase in the period	Decrease in the period	Other increase (decrease)	Impact of change in scope of combination	Closing balance (unaudited)
Investment in joint ventures	2,006,148,454.14	77,242,322.46	107,453,530.48	-	-	1,975,937,246.12
Investment in associates	1,695,060,878.13	126,325,099.16	104,539,550.49	-	-	1,716,846,426.80
<b>Total</b>	3,701,209,332.27	203,567,421.62	211,993,080.97	-	-	3,692,783,672.92



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 11. Long-term equity investments (continued)

#### (2) Breakdown of long-term equity investments

30 June 2021 (unaudited)

Investee	Investment costs	Opening Balance (restated)	Impact of change in scope of combination	Movements for the period						Balance of provision for impairment at the end of the period			
				Increase in investment	Decrease in investment	Share of profit/(loss) recognised under equity method	Adjustment of other comprehensive income	Other changes in equity	Declare cash dividends and profits		Other change	Provision for impairment	Closing balance
<b>Joint ventures</b>													
Dalian Port Tongji Shipping Agency Co., Ltd.	1,311,300.00	1,101,914.01	-	-	-	-97,961.97	-	-	-	-	-	-	1,003,932.04
VTTI Terminals Dalian Co., Ltd.	86,878,185.37	168,159,960.71	-	-	-	14,408,033.52	-	367,001.83	-	-	-	-	182,934,996.06
Dalian Port PetroChina International Terminal Co., Ltd.	125,000,000.00	236,830,040.06	-	-	-	15,290,368.01	-	-	-30,000,000.00	-	-	-	222,120,408.07
Dalian United International Shipping Agency Co., Ltd.	2,175,192.85	15,789,101.15	-	-	-	1,930,343.12	-	-	-	-	-	-	17,719,444.27
Dalian Vanguard International Logistics Co., Ltd.	37,000,000.00	31,306,730.37	-	-	-	420,669.32	-	72,169.15	-	-	-	-	31,799,566.84
Dalian Port Yidu Cold Chain Co., Ltd.	260,500,000.00	316,307,215.82	-	-	-	15,268,131.46	-	-227,663.71	-	-	-	-	331,347,863.57
China United Tally (Dalian) Co., Ltd.	5,103,200.33	3,906,906.83	-	-	-	-185,709.23	-	-8,786.48	-	-	-	-	3,712,411.12
China Oil Dock Management (Dalian) Co., Ltd.	16,301,668.34	30,477,066.78	-	-	-	-2,858,476.34	-	-	-17,804,039.90	-	-	-	9,814,570.54
Liaoning Electronic Port Co., Ltd.	5,400,000.00	5,928,170.11	-	-	-	-5,335,998.75	-	-	-344,670.36	-	-	-	-
Dalian Dagang China Shipping Container Terminal Co., Ltd.	5,798,464.21	7,289,659.66	-	-	-	41,614.37	-	-116,765.20	-	-	-	-	7,212,508.83
Dalian Jilong Logistics Co., Ltd.	21,000,000.00	16,390,677.72	-	-	-	-1,056,094.61	-	-	-	-	-	-	15,334,583.11
China United International Rail Containers (Dalian) Co., Ltd.	214,000,000.00	170,545,652.78	-	-	-	142,367.17	-	-	-	-	-	-	170,688,019.95
Dalian Changxing Island Port Co., Ltd.	246,000,000.00	134,440,061.48	-	-	-	-663,410.61	-	191,873.07	-	-	-	-	133,968,523.94
Dalian Port Bulk Cargo Logistics Center Co., Ltd.	4,000,000.00	16,138,619.57	-	-	-	4,647,503.56	-	54,195.34	-	-	-	-	20,840,318.47
Orfjell Dalian Port Consulting Co., Ltd.	3,000,000.00	1,326,593.72	-	-	-	-1,302,758.86	-	-	-	-	-	-	-
Dalian Changxing Island Port Investment and Development sCo., Ltd.	463,147,800.00	365,188,464.66	-	-	-	194,689.64	-	501,491.83	-	-	-	-	365,894,646.13
Dalian Shunde Jifa Supply Chain Management Co., Ltd.	10,000,000.00	8,752,317.01	-	-	-	-221,265.30	-	-	-	-	-	-	8,531,051.71
Ha ou International Logistics Co., Ltd.	23,000,000.00	22,233,627.75	-	-	-	2,327,116.98	-	-	-	-	-	-	24,560,744.73

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 11. Long-term equity investments (continued)

#### (2) Breakdown of long-term equity investments

30 June 2021 (unaudited)

Investee	Investment costs	Opening Balance (restated)	Impact of change in scope of combination	Movements for the period							Balance of provision for impairment at the end of the period	
				Increase in investment	Decrease in investment	Share of profit/(loss) recognised under equity method	Adjustment of other comprehensive income	Other changes in equity	Declare cash dividends and profits	Other change		Provision for impairment
Oufell Changxing Terminals (Dalian) Co., Ltd.	14,627,723.47	7,985,145.40	-	-	-	-41,432.23	-	-	-	-	-	7,943,713.17
Weifang Senda Container Service Co., Ltd.	1,500,000.00	2,515,396.08	-	-	-328,650.49	-	-	-	-839,945.15	-	-	1,346,800.44
Dalian Port Xiangyu Grain Logistics Co., Ltd.	49,980,000.00	35,815,332.61	-	-	-1,708,790.38	-	-	-	-	-	-	34,106,542.23
China Shipping Gang Lian Co., Ltd.	90,000,000.00	93,454,339.62	-	-	-3,104,922.44	-	-	-	-	-	-	90,349,417.18
Dalian New Silk Road International Logistics Co., Ltd.	2,000,000.00	2,125,922.95	-	-	-40,381.85	-	-	-	-	-	-	2,085,541.10
Yingkou Container Terminals Company Limited	16,458,690.85	81,331,494.44	-	-	19,530,034.09	-	-	-	-40,892,450.76	-	-	59,969,077.77
Srograin Yingkou Storage and Transportation Co., Ltd. (中儲糧營口儲運有限公司)	192,118,114.69	230,808,022.85	-	-	1,854,720.00	-	-	-	-	-	-	232,662,742.85
Subtotal	1,892,299,740.11	2,006,148,454.14	-	-	65,477,140.33	-	-	831,515.83	-89,536,435.81	-344,670.36	-	1,975,937,246.12



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 11. Long-term equity investments (continued)

#### (2) Breakdown of long-term equity investments (continued)

30 June 2021 (unaudited) (continued)

Investee	Investment costs	Opening Balance (restated)	Impact of change in scope of combination	Increase in investment	Decrease in investment	Share of profit/(loss) recognised under equity method	Movements for the period					Balance of provision for impairment at the end of the period	
							Adjustment of other comprehensive income	Other changes in equity	Declare cash dividends and profits	Other change	Provision for impairment		Closing balance
<b>Associates</b>													
Dalian PetroChina International Warehousing and Transportation Co., Ltd.	20,288,820.00	39,584,912.51	-	-	-	6,586,997.70	-	-	-	-	-	46,151,910.21	-
Dalian Wansheng Port Engineering Testing Co., Ltd.	2,000,000.00	3,979,643.96	-	-	-	-987,201.03	-	-	-	-	-	2,992,442.93	-
Dalian Pui Storage Facility Co., Ltd.	239,636,434.98	103,728,192.79	-	-	-	-3,004,661.43	-	-	-	-	-	100,723,531.36	-
Taicang Xinggang Tug Co., Ltd.	6,233,613.00	12,681,717.99	-	-	-	1,742,227.18	-	-	-	-	-	8,423,951.17	-
National Pipe Network Group Dalian Liquefied Natural Gas Co., Ltd. (國家燃氣集團大連液化天然氣有限公司)	520,000,000.00	672,600,617.82	-	-	-	29,319,463.82	-	431,425.77	-	-	-	615,105,448.68	-
Dalian North Oil Petroleum Logistics Co., Ltd.	60,000,000.00	71,461,298.24	-	-	-	3,392,766.09	-	131,208.93	-	-	-	80,985,274.26	-
Sino Rail Bohai Train Ferry Co., Ltd.	274,500,286.56	241,523,908.68	-	-	-	-4,874,714.80	-	-16,289.82	-	-	-	236,632,904.06	-
CDC International Logistics Co., Ltd.	90,000,000.00	122,342,691.02	-	-	-	-2,379,955.47	-	-	-	-	-	119,962,735.55	-
Dalian Shenyang Railway Bureau Yuangang Logistics Co., Ltd.	5,600,000.00	5,960,920.69	-	-	-	-23,676.18	-	-	-	-	-	5,937,244.51	-
Dalian Automobile Terminal Co., Ltd.	152,503,640.00	178,005,556.61	-	-	-	7,168,994.01	-	172,956.44	-	-	-	185,347,507.06	-
Dalian Singamas International Container Co., Ltd.	43,729,517.84	43,257,166.09	-	-	-	3,001.75	-	-6,990.03	-	-	-	43,253,168.81	-
Liaoning Electronic Port Co., Ltd.	600,000.00	-	-	-	-	113,077.12	-	-	344,670.36	-	-	457,747.48	-
China Merchants International Technology Company Limited (招商局國際科技有限公司) (Note)	66,576,800.00	-	-	66,576,800.00	-	6,341,509.99	-	-	-	-	-	72,918,309.99	-
Angang Yingkou Port Co., Ltd.	213,224,500.00	193,954,250.73	-	-	-	4,000,000.00	-	-	-	-	-	197,954,250.73	-
<b>Subtotal</b>	<b>1,894,893,912.38</b>	<b>1,695,060,876.13</b>	<b>-</b>	<b>66,576,800.00</b>	<b>-</b>	<b>47,397,828.75</b>	<b>-</b>	<b>712,302.29</b>	<b>-83,246,082.73</b>	<b>344,670.36</b>	<b>-</b>	<b>1,716,846,426.80</b>	<b>-</b>
<b>Total</b>	<b>3,593,193,052.49</b>	<b>3,701,209,332.27</b>	<b>-</b>	<b>66,576,800.00</b>	<b>-6,638,758.61</b>	<b>112,874,969.68</b>	<b>-</b>	<b>1,543,816.12</b>	<b>-182,782,488.54</b>	<b>-</b>	<b>-</b>	<b>3,692,783,672.92</b>	<b>-</b>

Note: In April 2021, China Merchants Holdings (International) Information Technology Co., Ltd., an associate of the Group, was renamed as China Merchants International Technology Company Limited (招商局國際科技有限公司)。

# Notes to the Financial Statements (continued)

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## IX. Notes to items of the consolidated financial statements (continued)

### 11. Long-term equity investments (continued)

#### (2) Breakdown of long-term equity investments (continued)

31 December 2020 (restated)

Investee	Movements for the period										Balance of provision for impairment at the end of the period	
	Investment costs	Opening Balance	Impact of change in scope of combination	Increase in investment	Decrease in investment	Share of profit/(loss) recognised under equity method	Adjustment of other comprehensive income	Other changes in equity	Declare cash dividends and profits	Provision for impairment		Closing balance
<b>Joint ventures</b>												
Dalian Port Tongji Shipping Agency Co., Ltd.	1,311,300.00	1,213,114.02	-	-	-	238,799.99	-	-	-350,000.00	-	1,101,914.01	-
Dalian Harbour ECL Logistics Co., Ltd.	30,111,142.43	31,943,743.61	-31,831,688.81	-	-	-	-	-12,074.80	-	-	-	-
VTTI Terminals Dalian Co., Ltd.	86,878,185.37	165,955,277.50	-	-	-	24,694,683.21	-	-	-22,500,000.00	-	168,159,960.71	-
Dalian Port PetroChina International Terminal Co., Ltd.	125,000,000.00	236,553,790.29	-	-	-	29,276,249.77	-	-	-29,000,000.00	-	236,830,040.06	-
Dalian United International Shipping Agency Co., Ltd.	2,175,192.85	10,712,923.02	-	-	-	5,076,178.13	-	-	-	-	15,789,101.15	-
Dalian Vanguard International Logistics Co., Ltd.	37,000,000.00	30,277,277.26	-	-	-	927,673.57	-	101,579.54	-	-	31,306,730.37	-
Dalian Port Yidu Cold Chain Co., Ltd.	280,500,000.00	284,445,508.17	-	-	-	31,515,000.00	-	346,707.65	-	-	316,307,215.82	-
China United Tally (Dalian) Co., Ltd.	5,103,200.33	3,150,876.54	-	-	-	1,109,029.28	-	18,506.94	-371,505.93	-	3,906,906.83	-
China Oil Dock Management (Dalian) Co., Ltd.	16,301,068.34	19,843,325.81	-	-	-	19,121,226.16	-	-	-8,487,465.19	-	30,477,086.78	-
Liaoning Electronic Port Co., Ltd.	6,000,000.00	3,922,630.20	-	-	-	2,005,539.91	-	-	-	-	5,928,170.11	-
Dalian Dagang China Shipping Container Terminal Co., Ltd.	5,798,464.21	7,306,041.68	-	-	-	1,381,035.27	-	-16,679.03	-1,380,738.26	-	7,289,659.66	-
Dalian Jilong Logistics Co., Ltd.	21,000,000.00	22,721,482.99	-	-	-	6,330,805.27	-	-	-	-	16,390,677.72	-
China United International Rail Containers (Dalian) Co., Ltd.	214,000,000.00	174,011,209.99	-	-	-	-3,465,557.21	-	-	-	-	170,545,652.78	-
Dalian Changying Island Port Co., Ltd.	248,000,000.00	138,942,816.08	-	-	-	-4,954,714.60	-	451,980.00	-	-	134,440,061.48	-
Dalian Port Bulk Cargo Logistics Center Co., Ltd.	4,000,000.00	14,828,483.72	-	-	-	10,033,254.93	-	-18,436.42	-8,724,682.66	-	16,138,619.57	-
Odifall Dalian Port Consulting Co., Ltd.	3,000,000.00	921,126.79	-	-	-	405,464.93	-	-	-	-	1,326,593.72	-
Dalian Changying Island Port Investment and Development Co., Ltd.	463,147,800.00	388,103,380.87	-	-	-	-24,209,665.20	-	1,294,748.99	-	-	365,188,464.66	-
Dalian Shunde Jifa Supply Chain Management Co., Ltd.	10,000,000.00	8,424,554.03	-	-	-	1,578,305.19	-	-	-1,250,542.21	-	8,752,317.01	-



# Notes to the Financial Statements (continued)

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## IX. Notes to items of the consolidated financial statements (continued)

### 11. Long-term equity investments (continued)

#### (2) Breakdown of long-term equity investments (continued)

31 December 2020 (restated) (continued)

Investee	Investment costs	Opening Balance	Impact of change in scope of combination	Movements for the period						Balance of provision for impairment at the end of the period
				Increase in investment	Decrease in investment	Share of profit/(loss) recognised under equity method	Adjustment of other comprehensive income	Other changes in equity	Declare cash dividends and profits	
Há'ou International Logistics Co., Ltd.	23,000,000.00	22,233,627.75	-	-	-	-	-	-	-	22,233,627.75
Odifall Changning Terminals (Dalian) Co., Ltd.	14,627,723.47	8,081,200.67	-	-	-96,055.27	-	-	-	-	7,985,145.40
Weifang Senda Container Service Co., Ltd.	1,500,000.00	2,385,862.98	-	-	129,533.10	-	-	-	-	2,515,396.08
Dalian Port Xiangyu Gran Logistics Co., Ltd.	49,990,000.00	37,317,843.08	-	-	-1,502,510.47	-	-	-	-	35,815,332.61
China Shipping Gang Lian Co., Ltd.	90,000,000.00	96,861,316.99	-	-	-3,406,979.37	-	-	-	-	93,454,338.62
Dalian New Silk Road International Logistics Co., Ltd.	2,000,000.00	2,103,276.32	-	-	22,644.63	-	-	-	-	2,125,922.95
Yingkou Container Terminals Company Limited	16,458,690.85	72,578,156.63	-	-	40,892,477.36	-	-	22,528.77	-32,161,668.32	81,331,494.44
Sinogram Yingkou Storage and Transportation Co., Ltd. (中儲糧營口 儲運有限責任公司)	192,116,114.69	228,153,335.18	-	-	2,654,687.67	-	-	-	-	230,808,022.85
<b>Subtotal</b>	<b>1,929,010,682.54</b>	<b>2,015,002,188.17</b>	<b>-31,931,688.81</b>	<b>-</b>	<b>127,115,965.71</b>	<b>-</b>	<b>-</b>	<b>2,188,841.64</b>	<b>-104,226,602.57</b>	<b>2,006,148,454.14</b>

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 11. Long-term equity investments (continued)

#### (2) Breakdown of long-term equity investments (continued)

31 December 2020 (restated) (continued)

Investee	Investment costs	Opening Balance	Impact of change in scope of combination	Increase in investment	Decrease in investment	Movements for the period					Balance of provision for impairment at the end of the year	
						Share of profit/(loss) recognised under equity method	Adjustment of other comprehensive income	Other changes in equity	Declare cash dividends and profits	Provision for impairment		Closing balance
<b>Associates</b>												
Dalian PetroChina International Warehousing and Transportation Co., Ltd.	20,288,620.00	44,505,541.15	-	-	-	15,059,371.36	-	-	-20,000,000.00	-	-	39,564,912.51
Dalian Wierong Port Engineering Testing Co., Ltd.	2,000,000.00	3,839,781.24	-	-	-	539,862.72	-	-	-400,000.00	-	-	3,979,643.96
Dalian Puj Storage Facility Co., Ltd.	239,636,434.98	104,593,030.77	-	-	-	-864,837.98	-	-	-	-	-	103,728,192.79
Taicang Yinggang Tug Co., Ltd.	6,233,613.00	10,144,666.43	-	-	-	4,679,906.56	-	-	-2,142,855.00	-	-	12,681,711.99
National Pipe Network Group Dalian Liquefied Natural Gas Co., Ltd. (國家管網集團大連液化天然氣有限公司) (Note)	620,000,000.00	702,722,063.30	-	-	-	97,333,249.17	-	-482,467.77	-126,997,246.88	-	-	672,600,617.82
Dalian North Oil Petroleum Logistics Co., Ltd.	60,000,000.00	73,291,607.84	-	-	-	8,029,909.41	-	139,781.99	-4,000,000.00	-	-	77,461,299.24
Sino Rail Bohai Train Ferry Co., Ltd.	274,500,286.56	242,861,827.81	-	-	-	-1,337,919.13	-	-	-	-	-	241,523,908.68
CDC International Logistics Co., Ltd.	90,000,000.00	138,072,766.88	-	-	-	-15,730,065.86	-	-	-	-	-	122,342,691.02
Dalian Port Group Financial Co., Ltd.	800,000,000.00	892,291,788.16	-	-	-	923,862,963.00	-	-	-	-	-	-
Dalian Shenyang Railway Bureau Yuangang Logistics Co., Ltd.	5,600,000.00	5,940,920.69	-	-	-	20,000.00	-	-	-	-	-	5,960,920.69
Dalian Automobile Terminal Co., Ltd.	152,503,640.00	172,700,578.83	-	-	-	14,973,668.80	-	-68,681.02	-9,600,000.00	-	-	178,005,556.61
Dalian Singamas International Container Co., Ltd.	43,729,517.84	43,219,407.10	-	-	-	3,131,962.44	-	4,730.97	-3,098,994.42	-	-	43,257,166.09
Angang Yingkou Port Co., Ltd.	213,224,500.00	190,511,263.92	-	-	-	11,709,173.80	-	-	-8,266,186.59	-	-	193,954,250.73
Yingkou Port Group Finance Co., Ltd. (營口港務集團財務有限公司)	245,000,000.00	400,815,827.07	-	-	-	25,820,037.66	-	-	-181,635,864.73	-	-	-
<b>Subtotal</b>	2,672,716,12.38	3,025,511,081.19	-	-	-	201,040,463.79	-	-386,575.83	-356,141,148.02	-	-	1,665,060,876.13
<b>Total</b>	4,601,727,394.92	5,038,513,269.36	-31,931,666.81	-	-	328,156,179.50	-	1,802,265.81	-460,367,150.59	-	-	3,701,209,332.27

Note: In April 2021, PetroChina Dalian LNG Co., Ltd., an associate of the Group, was renamed as National Pipe Network Group Dalian Liquefied Natural Gas Co., Ltd. (國家管網集團大連液化天然氣有限公司).

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## IX. Notes to items of the consolidated financial statements (continued)

### 11. Long-term equity investments (continued)

#### (3) Investments in joint ventures

Name of investee	Place of registration	Nature of business	Registered capital (RMB'0,000)	Shareholding percentage (%)		Voting right Percentage (%)	Accounting treatment
				Direct	Indirect		
Dalian Port Tongli Shipping Agency Co., Ltd.	Dalian	Domestic freight and shipping agency	60	50	-	50	Equity method
Dalian Harbour ECL Logistics Co., Ltd. (Note 1)	Dalian	Warehousing, port loading and discharging	USD9,000,000	50	-	50	Equity method
VTTI Terminals Dalian Co., Ltd.	Dalian	Construction and operation of storage tank harbor	USD28,000,000	50	-	50	Equity method
Dalian Port PetroChina International Terminal Co., Ltd.	Dalian	Oil product harbor, loading and discharging, advisory services	25,000	50	-	50	Equity method
Dalian United International Shipping Agency Co., Ltd.	Dalian	Shipping agency, shipment technical advisory services	500	-	50	50	Equity method
Dalian Vanguard International Logistics Co., Ltd.	Dalian	Storage of international containers	7,400	-	50	50	Equity method
Dalian Port Yidu Cold Chain Co., Ltd. (Note 2)	Dalian	Agency of trade warehousing and freight	52,100	-	46.60	50	Equity method
China United Tally (Dalian) Co., Ltd.	Dalian	Ship tally	280	50	-	50	Equity method
China Oil Dock Management (Dalian) Co., Ltd.	Dalian	Oil product dock services	1,000	49	-	49	Equity method
Dalian Dagang China Shipping Container Terminal Co., Ltd. (Note 3)	Dalian	Container dock services	1,000	-	57	57	Equity method
Dalian Jilong Logistics Co., Ltd.	Dalian	Logistics storage	7,000	-	30	30	Equity method
China United International Rail Containers (Dalian) Co., Ltd.	Dalian	International container services	53,500	-	40	40	Equity method
Odfjell Changxing Terminals (Dalian) Co., Ltd.	Dalian	Development and construction of dock and harbor warehousing facilities	5,000	40	-	40	Equity method
Dalian Changxing Island Port Co., Ltd.	Dalian	Port services	62,000	40	-	40	Equity method
Dalian Port Bulk Cargo Logistics Center Co., Ltd.	Dalian	Bulk cargo logistics	1,000	40	-	40	Equity method
Odfjell Dalian Port Consulting Co., Ltd. (Note 4)	Dalian	Technical training	600	50	-	50	Equity method

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 11. Long-term equity investments (continued)

#### (3) Investments in joint ventures

Name of investee	Place of registration	Nature of business	Registered capital (RMB'0,000)	Shareholding percentage (%)		Voting right Percentage (%)	Accounting treatment
				Direct	Indirect		
Dalian Changxing Island Port Investment and Development Co., Ltd.	Dalian	Development and construction of dock facilities	95,000	46.58	-	46.58	Equity method
China Shipping Gang Lian Co., Ltd.	Dalian	Shipping services for Hong Kong	30,000	30	-	30	Equity method
Dalian New Silk Road International Logistics Co., Ltd.	Dalian	Domestic and international freight forwarding service	1,000	-	40	40	Equity method
Dalian Shunde Jifa Supply Chain Management Co., Ltd.	Dalian	Import and export of goods & technology	5,000	-	20	20	Equity method
Ha'ou International Logistics Co., Ltd.	Harbin	International freight agency	10,000	-	23	23	Equity method
Dalian Port Xiangyu Grain Logistics Co., Ltd. (Note 3)	Dalian	Freight agency	9,800	51	-	51	Equity method
Weifang Senda Container Service Co., Ltd.	Weifang	Discharging and storage	500	-	50	50	Equity method
Yingkou Container Terminals Company Limited	Yingkou	Loading and discharging of containers	800	-	50	50	Equity method
Sinograin Yingkou Storage and Transportation Co., Ltd. (中儲糧營口儲運有限責任公司)	Yingkou	Grain and oil storage and processing	39,315.24	-	48.30	48.30	Equity method

Note 1: The Company entered into the concerted action agreement with other shareholders, the decision made by such shareholders aligns with that of the Company. The Company, in fact, has effective control over the subsidiary, and has included it in the scope of the Group's consolidated financial statements on 1 January 2020.

Note 2: Under the investment contract, the shareholder, China Development Fund Co., Ltd., obtains fixed income each year and does not participate in the Company's decision-making, and thus Dalian Port Jifa Logistics Co., Ltd. recognises the investment income at 50% of the net profit of Dalian Port Yidu Cold Chain Co., Ltd., net of the income of China Development Fund Co., Ltd.

Note 3: In accordance with the Company's Articles of Association, all significant events are jointly decided by investors, and thus it is a joint venture under common control of the Group and other investors.

Note 4: In March 2021, Odfjell Dalian Port Consulting Co., Ltd., a joint venture of the Group, has completed the de-registration procedures with the administration for industry and commerce.



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 11. Long-term equity investments (continued)

#### (4) Key financial information of important joint ventures

30 June 2021 (unaudited)

Item	Dalian Changxing Island Port Investment and Development Co., Ltd.	China United International Rail Containers (Dalian) Co., Ltd.	Dalian Port Yidu Cold Chain Co., Ltd.	Dalian Port PetroChina International Terminal Co., Ltd.	VTTI Terminals Dalian Co., Ltd.	Dalian Changxing Island Port Co., Ltd.	Sinograin Yingkou Storage and Transportation Co., Ltd. (中儲糧 營口儲運有限 責任公司)
	Current assets	583,839,879.98	87,498,397.81	380,789,389.91	20,461,424.08	64,026,659.23	64,844,651.84
Including: Cash and cash equivalents	202,603,359.18	50,571,568.35	19,148,453.89	20,381,175.07	63,332,042.12	1,282,401.07	313,261.23
Non-current assets	4,405,822,649.23	363,546,560.00	666,611,948.13	430,661,474.34	388,885,061.99	1,925,854,102.07	444,842,331.11
Total assets	4,989,662,529.21	451,044,957.81	1,047,401,338.04	451,122,898.42	452,911,721.22	1,990,698,753.91	2,338,528,623.58
Current liabilities	160,758,469.98	24,324,907.93	282,406,370.43	6,882,082.28	39,118,573.85	654,974,981.59	1,670,164,836.83
Non-current liabilities	4,032,026,932.70	-	102,299,600.47	-	47,923,155.25	1,000,802,462.47	186,660,385.40
Total liabilities	4,192,785,402.68	24,324,907.93	384,705,970.90	6,882,082.28	87,041,729.10	1,655,777,444.06	1,856,825,222.23
Net assets	796,877,126.53	426,720,049.88	662,695,367.14	444,240,816.14	365,869,992.12	334,921,309.85	481,703,401.35
Share of net assets based on shareholding percentage	371,185,365.54	170,688,019.95	331,347,683.57	222,120,408.07	182,934,996.06	133,968,523.94	232,662,742.85
Adjustments	-5,300,719.41	-	-	-	-	-	-
Carrying amount of investment in joint ventures	365,884,646.13	170,688,019.95	331,347,683.57	222,120,408.07	182,934,996.06	133,968,523.94	232,662,742.85

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 11. Long-term equity investments (continued)

#### (4) Key financial information of important joint ventures (continued)

January to June 2021 (unaudited)

Item	Dalian Changxing Island Port Investment and Development Co., Ltd.	China United International Rail Containers (Dalian) Co., Ltd.	Dalian Port Yidu Cold Chain Co., Ltd.	Dalian Port PetroChina International Terminal Co., Ltd.	VTTI Terminals Dalian Co., Ltd.	Dalian Changxing Island Port Co., Ltd.	Sinograin Yingkou Storage and Transportation Co., Ltd. (中儲糧 營口儲運有限 責任公司)
Revenue	240,989,863.73	35,061,629.30	184,996,066.11	104,571,428.59	68,065,045.07	112,752,913.97	138,751,970.98
Financial expenses	115,330,891.12	-377,974.86	6,453,096.44	-276,248.01	-192,634.54	49,088,949.30	4,814,163.92
Income tax expenses	-	-	5,388,752.27	19,643,439.61	9,287,759.09	-	-
Net profit/(loss)	417,968.31	355,917.93	30,536,262.92	30,580,736.02	28,816,067.04	-1,658,526.53	3,840,000.00
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	417,968.31	355,917.93	30,536,262.92	30,580,736.02	28,816,067.04	-1,658,526.53	3,840,000.00
Dividends received from joint ventures in the period	-	-	-	30,000,000.00	-	-	-



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## IX. Notes to items of the consolidated financial statements (continued)

### 11. Long-term equity investments (continued)

#### (4) Key financial information of important joint ventures (continued)

31 December 2020 (restated)

Item	Dalian Changxing Island Port Investment and Development Co., Ltd.	China United International Rail Containers (Dalian) Co., Ltd.	Dalian Port Yidu Cold Chain Co., Ltd.	Dalian Port Petro China International Terminal Co., Ltd.	VTTI Terminals Dalian Co., Ltd.	Dalian Changxing Island Port Co., Ltd.	Sinograin Yingkou Storage and Transportation Co., Ltd. (中儲糧 營口儲運有限 責任公司)
Current assets	367,032,717.96	73,156,760.49	500,237,666.11	43,654,628.41	82,613,409.62	65,945,721.96	2,049,990,056.62
Including: Cash and cash equivalents	103,003,310.89	36,140,519.36	7,636,452.97	43,755,296.41	60,779,648.20	4,214,479.05	384,171.13
Non-current assets	4,521,259,756.22	368,773,824.87	660,331,894.50	438,651,807.73	393,373,965.48	1,960,094,239.60	455,690,681.23
Total assets	4,888,292,474.18	441,930,585.36	1,160,569,560.61	482,306,436.14	475,987,375.10	2,026,039,961.56	2,505,680,737.85
Current liabilities	166,653,582.97	15,566,453.40	419,905,158.50	8,646,356.02	71,675,714.68	653,473,087.99	1,807,015,184.73
Non-current liabilities	3,925,974,213.51	-	108,049,970.47	-	67,991,739.00	1,036,466,719.86	220,802,151.76
Total liabilities	4,092,627,796.48	15,566,453.40	527,955,128.97	8,646,356.02	139,667,453.68	1,689,939,807.85	2,027,817,336.49
Net assets	795,664,677.70	426,364,131.96	632,614,431.64	473,660,080.12	336,319,921.42	336,100,153.71	477,863,401.36
Share of net assets based on shareholding percentage	370,620,606.87	170,545,652.78	316,307,215.82	236,830,040.06	168,159,960.71	134,440,061.48	230,808,022.85
Adjustments	-5,432,142.21	-	-	-	-	-	-
Carrying amount of investment in joint ventures	365,188,464.66	170,545,652.78	316,307,215.82	236,830,040.06	168,159,960.71	134,440,061.48	230,808,022.85

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 11. Long-term equity investments (continued)

#### (4) Key financial information of important joint ventures (continued)

January to June 2020 (restated) (unaudited)

Item	Dalian Changxing Island Port Investment and Development Co., Ltd.		China United International Rail Containers (Dalian) Co., Ltd.	Dalian Port Yidu Cold Chain Co., Ltd.	Dalian Port Petro China International VTTI Terminals Dalian Co., Ltd.	Dalian Changxing Island Port Co., Ltd.	Sinograin Yingkou Storage and Transportation Co., Ltd. (中儲糧營口儲運有限責任公司)
Revenue	196,255,782.79	38,498,482.04	164,070,186.57	52,000,000.01	61,087,785.35	98,457,315.77	38,294,080.87
Financial expenses	118,922,776.99	-213,163.34	6,863,594.39	-256,008.93	-119,785.88	50,966,185.31	5,074,729.27
Income tax expenses	-	-	9,793,708.49	10,208,755.86	8,403,831.67	-	-
Net profit/(loss)	-35,423,454.46	-8,736,675.28	29,381,125.53	30,444,027.57	26,602,638.53	582,055.78	-10,690,980.24
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	-35,423,454.46	-8,736,675.28	29,381,125.53	30,444,027.57	26,602,638.53	582,055.78	-10,690,980.24
Dividends received from joint ventures in the period	-	-	-	29,000,000.00	-	-	-





# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 11. Long-term equity investments (continued)

#### (5) Interests in associates

Name of investee	Place of registration	Nature of business	Registered capital (RMB'0,000)	Shareholding percentage (%)		Voting right percentage (%)	Accounting treatment
				Direct	Indirect		
Dalian Puji Storage Facility Co., Ltd.	Dalian	Other storage services	USD80,000,000	-	40	40	Equity method
Dalian PetroChina International Warehousing and Transportation Co., Ltd.	Dalian	Crude oil tank leasing services	10,000	20	-	20	Equity method
Taicang Xinggang Tug Co., Ltd.	Suzhou	Vessel tugging services	1,349.50	42.8571	-	42.8571	Equity method
National Pipe Network Group Dalian Liquefied Natural Gas Co., Ltd. (國家管網集團大連液化天然氣有限公司) (Note 1)	Dalian	LNG related services	260,000	20	-	20	Equity method
Dalian North Oil Petroleum Logistics Co., Ltd.	Dalian	Development and construction of storage tank of petroleum and petroleum products	30,000	20	-	20	Equity method
Dalian Wanpeng Port Engineering Testing Co., Ltd.	Dalian	Engineering testing	500	-	40	40	Equity method
Dalian Port Group Financial Co., Ltd. (Note 2)	Dalian	Financial services	200,000	40	-	40	Equity method
Sino Rail Bohai Train Ferry Co., Ltd.	Yantai	Ferry transportation	120,000	17.5	-	17.5	Equity method
CDC International Logistics Co., Ltd.	Wuhu	International freight agency	30,000	30	-	30	Equity method
Dalian Shenyang Railway Bureau Yuangang Logistics Co., Ltd.	Dalian	Domestic and international freight agency	2,800	-	20	20	Equity method
Dalian Automobile Terminal Co., Ltd.	Dalian	Domestic and international import and export, discharging and storage services	40,000	32	-	32	Equity method
Dalian Singamas International Container Co., Ltd.	Dalian	Container services	USD 13,250,000	-	43.63	43.63	Equity method
Liaoning Electronic Port Co., Ltd.	Dalian	Computer system services, data processing, etc.	1,200	-	5	5	Equity method
China Merchants International Technology Company Limited (招商局國際科技有限公司)	Dalian	Computer system services, data processing, etc.	8,784.80	-	35.64	35.64	Equity method
Angang Yingkou Port Co., Ltd.	Yingkou	Port engineering construction, loading, unloading and handling	80,154.58	-	20	20	Equity method
Yingkou Port Group Finance Co., Ltd. (營口港務集團財務有限公司) (Note 2)	Yingkou	Finance	50,000	-	49	49	Equity method

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## IX. Notes to items of the consolidated financial statements (continued)

### 11. Long-term equity investments (continued)

#### (5) Interests in associates (continued)

Note 1: In April 2021, PetroChina Dalian LNG Co., Ltd., an associate of the Group, was renamed as National Pipe Network Group Dalian Liquefied Natural Gas Co., Ltd. (國家管網集團大連液化天然氣有限公司)。

Note 2: In September 2020, Dalian Port Group Financial Co., Ltd. and Yingkou Port Group Finance Co., Ltd. (營口港務集團財務有限公司), associates of the Group, have completed the de-registration procedures with the administration for industry and commerce.

#### (6) Key financial information of important associates

30 June 2021 (unaudited)

Item	National Pipe Network Group Dalian Liquefied Natural Gas Co., Ltd. (國家管網 集團大連液化 天然氣有限公司)		Sino Rail Bohai Train Ferry Co., Ltd.	Dalian Puji Storage Facility Co., Ltd.	Dalian Automobile Terminal Co., Ltd.	Angang Yingkou Port Co., Ltd.
	CDC International Logistics Co., Ltd.					
Current assets	1,115,162,419.52	654,202,358.64	201,524,562.77	17,310,475.35	125,622,117.12	621,982,910.79
Non-current assets	2,216,592,132.29	594,228,708.13	1,573,958,049.48	432,380,443.26	517,582,450.90	455,282,283.98
Total assets	3,331,754,551.81	1,248,431,066.77	1,775,482,612.25	449,690,918.61	643,204,568.02	1,077,265,194.77
Current liabilities	253,632,744.33	564,881,974.07	196,397,122.39	22,838,881.77	71,661,165.49	87,493,941.12
Non-current liabilities	2,594,564.08	283,673,307.53	202,151,758.31	117,050,000.00	-	-
Total liabilities	256,227,308.41	848,555,281.60	398,548,880.70	139,888,881.77	71,661,165.49	87,493,941.12
Minority interests	-	-	24,745,708.35	-	-	-
Equity attributable to shareholders of the parent company	3,075,527,243.40	399,875,785.17	1,352,188,023.20	309,802,036.84	571,543,402.53	989,771,253.65
Share of net assets based on shareholding percentage	615,105,448.68	119,962,735.55	236,632,904.06	123,920,814.74	182,893,888.81	197,954,250.73
Adjustments	-	-	-	-23,197,283.38	2,453,618.25	-
Carrying amount of investment in associates	615,105,448.68	119,962,735.55	236,632,904.06	100,723,531.36	185,347,507.06	197,954,250.73

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 11. Long-term equity investments (continued)

#### (6) Key financial information of important associates (continued)

January to June 2021 (unaudited)

Item	National Pipe Network Group Dalian Liquefied Natural Gas Co., Ltd. (國家管網 集團大連液化 天然氣有限公司)		Sino Rail Bohai Train Ferry Co., Ltd.		Dalian Automobile Terminal Co., Ltd.		Angang Yingkou Port Co., Ltd.
	CDC International Logistics Co., Ltd.						
Revenue	409,728,930.51	511,211,989.05	202,175,163.76	19,541,447.32	82,020,400.69	158,205,486.54	
Income tax expenses	54,361,086.97	610,709.83	1,086,299.80	-	7,697,199.09	17,805,147.19	
Net profit/(loss)	146,597,319.10	-7,933,184.90	-27,855,513.14	-7,511,653.58	22,403,106.28	20,000,000.00	
Other comprehensive income	-	-	-	-	-	-	
Total comprehensive income	146,597,319.10	-7,933,184.90	-27,855,513.14	-7,511,653.58	22,403,106.28	20,000,000.00	
Dividends received from associates in the period	87,246,058.73	-	-	-	-	-	

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## IX. Notes to items of the consolidated financial statements (continued)

### 11. Long-term equity investments (continued)

#### (6) Key financial information of important associates (continued)

31 December 2020 (restated)

Item	National Pipe Network Group Dalian Liquefied Natural Gas Co., Ltd. (國家管網 集團大連液化 天然氣有限公司)	CDC International Logistics Co., Ltd.	Sino Rail Bohai Train Ferry Co., Ltd.	Dalian Puji Storage Facility Co., Ltd.	Dalian Automobile Terminal Co., Ltd.	Angang Yingkou Port Co., Ltd.
Current assets	8,326,688.93	584,851,893.38	203,386,637.28	82,518,513.71	89,305,083.97	573,418,440.98
Non-current assets	3,454,483,465.32	604,566,507.06	1,645,570,203.12	446,167,603.88	521,180,784.43	469,478,474.10
Total assets	3,462,810,154.25	1,189,418,400.44	1,848,956,840.40	528,686,117.59	610,485,868.40	1,042,896,915.08
Current liabilities	95,955,004.55	460,876,945.54	392,054,407.60	70,895,526.46	61,886,061.02	73,125,661.43
Non-current liabilities	3,852,060.60	327,110,060.69	52,151,758.31	139,550,000.00	-	-
Total liabilities	99,807,065.15	787,987,006.23	444,206,165.91	210,445,526.46	61,886,061.02	73,125,661.43
Minority interests	-	-6,377,575.86	24,614,053.46	-	-	-
Equity attributable to shareholders of the parent company	3,363,003,089.10	407,808,970.07	1,380,136,621.03	318,240,591.13	548,599,807.38	969,771,253.65
Share of net assets based on shareholding percentage	672,600,617.82	122,342,691.02	241,523,908.68	127,296,236.45	175,551,938.36	193,954,250.73
Adjustments	-	-	-	-23,568,043.66	2,453,618.25	-
Carrying amount of investment in associates	672,600,617.82	122,342,691.02	241,523,908.68	103,728,192.79	178,005,556.61	193,954,250.73



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 11. Long-term equity investments (continued)

#### (6) Key financial information of important associates (continued)

January to June 2020 (restated) (unaudited)

Item	National Pipe Network Group Dalian Liquefied Natural Gas Co., Ltd. (國家管網 集團大連液化 天然氣有限公司)		Sino Rail Bohai Train Ferry Co., Ltd.		Dalian Automobile Terminal Co., Ltd.		Angang Yingkou Port Co., Ltd.
	CDC International Logistics Co., Ltd.						
Revenue	563,336,297.24	359,757,101.49	173,323,089.82	18,966,567.85	51,764,641.24	154,542,616.96	
Income tax expenses	100,930,222.99	-	183,333.79	-	4,501,439.39	8,023,074.58	
Net profit/(loss)	293,373,079.03	-51,132,830.75	-35,348,538.18	-11,490,089.57	12,841,563.96	24,054,236.83	
Other comprehensive income	-	-	-	-	-	-	
Total comprehensive income	293,373,079.03	-51,132,830.75	-35,348,538.18	-11,490,089.57	12,841,563.96	24,054,236.83	
Dividends received from associates in the period	-	-	-	-	-	-	

#### (7) Summary information of other unimportant joint ventures and associates

Item	30 June 2021 (unaudited)	31 December 2020 (restated)
<b>Joint ventures:</b>		
Aggregate carrying amount of investments	<b>336,330,225.55</b>	302,537,541.34
Aggregate amount of the following items calculated in the Group's equity proportion		
Net profit	<b>18,982,241.74</b>	30,712,534.71
Other comprehensive income	-	-
Total comprehensive income	<b>18,982,241.74</b>	30,712,534.71
<b>Associates:</b>		
Aggregate carrying amount of investments	<b>261,120,049.36</b>	182,905,660.48
Aggregate amount of the following items calculated in the Group's equity proportion		
Net profit	<b>17,168,702.62</b>	69,132,187.33
Other comprehensive income	-	-
Total comprehensive income	<b>17,168,702.62</b>	69,132,187.33

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 12. Investments in other equity instruments

Item	Changes in fair value accumulated in other comprehensive income	30 June 2021 (unaudited)	2020年	Dividend income	Reason for being designated as investments in other equity instruments
			12月31日 (restated)		
Jinzhou New Age Container Terminal Co., Ltd.	64,841,699.19	<b>117,685,333.19</b>	122,664,867.55	10,212,840.09	
Qinhuangdao Port Xingangwan Container Terminal Co., Ltd.	-16,140,570.67	<b>43,859,429.33</b>	46,336,955.14	-	Non-trading equity instrument and will not be sold in foreseeable future
Dalian Port Design and Research Institute Co., Ltd.	5,660,887.95	<b>6,295,487.95</b>	2,924,996.00	-	
Da-In Ferry Co., Ltd.	6,873,510.61	<b>8,773,568.11</b>	9,329,608.03	-	
Fujian Ninglian Port Co., Ltd.	-946,031.56	<b>11,053,968.44</b>	11,412,157.86	-	
Dalian Xin Beiliang Co., Ltd.	-1,227,168.12	<b>14,957,231.88</b>	11,399,054.69	-	
<b>Total</b>	59,062,327.40	<b>202,625,018.90</b>	204,067,639.27	10,212,840.09	



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 13. Investment properties

Investment properties measured at cost

January to June 2021 (unaudited)

Item	Buildings	Land use rights	Terminal facilities	Total
<b>I. Original value</b>				
Opening and closing	182,714,220.80	33,546,415.49	100,893,640.92	317,154,277.21
<b>II. Accumulated depreciation and accumulated amortisation</b>				
Opening	57,183,306.60	8,572,494.11	48,671,162.47	114,426,963.18
Provision for the year	16,785,743.01	443,974.98	2,980,566.69	20,210,284.68
Closing	73,969,049.61	9,016,469.09	51,651,729.16	134,637,247.86
<b>III. Provision for impairment</b>				
Opening and closing	-	-	-	-
<b>IV. Net amount</b>				
Opening	125,530,914.20	24,973,921.38	52,222,478.45	202,727,314.03
Closing	108,745,171.19	24,529,946.40	49,241,911.76	182,517,029.35

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 13. Investment properties (continued)

2020 (restated)

Item	Buildings	Land use rights	Terminal facilities	Total
<b>I. Original value</b>				
Opening	151,239,241.57	32,680,161.25	100,514,624.92	284,434,027.74
Transfer from construction in progress	746,464.43	–	379,016.00	1,125,480.43
Transfer from fixed assets	30,728,514.80	–	–	30,728,514.80
Transfer from intangible assets	–	866,254.24	–	866,254.24
Closing	182,714,220.80	33,546,415.49	100,893,640.92	317,154,277.21
<b>II. Accumulated depreciation and accumulated amortisation</b>				
Opening	36,729,130.59	7,653,839.91	46,231,261.30	90,614,231.80
Provision for the year	4,580,599.59	714,121.92	2,439,901.17	7,734,622.68
Transfer from fixed assets	15,873,576.42	–	–	15,873,576.42
Transfer from intangible assets	–	204,532.28	–	204,532.28
Closing	57,183,306.60	8,572,494.11	48,671,162.47	114,426,963.18
<b>III. Provision for impairment</b>				
Opening and closing	–	–	–	–
<b>IV. Net amount</b>				
Opening	114,510,110.98	25,026,321.34	54,283,363.62	193,819,795.94
Closing	125,530,914.20	24,973,921.38	52,222,478.45	202,727,314.03

### 14. Fixed assets

Item	30 June 2021 (unaudited)	31 December 2020 (restated)
Fixed assets	26,309,817,050.72	27,123,333,489.58
Disposal of fixed assets	22,960,766.66	21,714,634.68
<b>Total</b>	<b>26,332,777,817.38</b>	27,145,048,124.26



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 14. Fixed assets (continued)

#### (1) Fixed assets

##### 1) Breakdown of fixed assets

January to June 2021 (unaudited)

Item	Buildings	Port and terminal facilities	Automobiles and ships	Machinery, furniture, appliances and other equipment	Total
<b>I. Original book value</b>					
Opening balance	3,431,713,279.42	28,272,767,581.82	2,936,910,368.61	10,583,145,325.37	45,224,536,555.22
Purchase	490,653.78	-	778,460.51	5,931,235.02	7,200,349.31
Transfer from construction in progress	2,907,003.03	153,181.17	2,928,180.61	4,014,488.59	10,002,853.40
Disposal or obsolescence	73,733.56	-	14,521,449.34	31,095,009.61	45,690,192.51
Decrease in scope of combination	694,564.30	458,919.75	1,983,174.36	28,607,623.71	31,744,282.12
Closing balance	3,434,342,638.37	28,272,461,843.24	2,924,112,386.03	10,533,388,415.66	45,164,305,283.30
<b>II. Accumulated depreciation</b>					
Opening balance	938,362,283.45	8,886,709,871.84	1,370,051,204.99	6,906,079,705.36	18,101,203,065.64
Provision	84,118,741.05	399,190,617.97	64,772,707.28	271,746,692.60	819,828,758.90
Disposal or obsolescence	45,089.81	-	13,732,456.65	29,123,944.35	42,901,490.81
Decrease in scope of combination	209,783.10	75,536.90	1,413,820.39	21,942,960.76	23,642,101.15
Closing balance	1,022,226,151.59	9,285,824,952.91	1,419,677,635.23	7,126,759,492.85	18,854,488,232.58
<b>III. Provision for impairment</b>					
Opening and closing balance	-	-	-	-	-
<b>IV. Carrying amount</b>					
Opening	2,493,350,995.97	19,386,057,709.98	1,566,859,163.62	3,677,065,620.01	27,123,333,489.58
Closing	2,412,116,486.78	18,986,636,890.33	1,504,434,750.80	3,406,628,922.81	26,309,817,050.72
Pledged net assets at the end of period (note)	33,107,071.04	35,625,212.84	659,618.70	13,680,782.68	83,072,685.26

Note: In April 2021, the major warehousing principal applied for taking security measures such as impound, freezing and distressing with respect to part of the property of DCT Logistics Co., Ltd., a subsidiary of the Company, resulting in all its fixed assets on account being frozen by the court (31 December 2020: nil). See Note IX. 22 and Note XIII.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 14. Fixed assets (continued)

#### (1) Fixed assets (continued)

##### 1) Breakdown of fixed assets (continued)

2020 (restated)

Item	Buildings	Port and terminal facilities	Automobiles and ships	Machinery, furniture, appliances and other equipment	Total
<b>I. Original book value</b>					
Opening balance	3,357,868,072.72	28,987,099,710.80	2,900,986,046.03	10,675,290,878.25	45,921,244,707.80
Increase in scope of combination	22,306,290.76	–	1,468,340.57	76,755.06	23,851,386.39
Purchase	2,001,043.95	1,965,734.42	5,865,592.10	44,507,829.38	54,340,199.85
Transfer from construction in progress	36,210,594.91	65,092,171.83	81,608,247.42	65,705,569.19	248,616,583.35
Internal reclassification	37,104,151.52	11,598,846.93	7,684,478.01	-56,387,476.46	–
Disposal or obsolescence	589,768.00	3,160,185.02	60,377,249.20	124,552,847.95	188,680,050.17
Transfer to investment properties	23,187,106.44	7,541,408.36	–	–	30,728,514.80
Transfer to construction in progress	–	782,201,818.69	–	–	782,201,818.69
Decrease in scope of combination	–	85,470.09	325,086.32	21,495,382.10	21,905,938.51
Closing balance	3,431,713,279.42	28,272,767,581.82	2,936,910,368.61	10,583,145,325.37	45,224,536,555.22
<b>II. Accumulated depreciation</b>					
Opening balance	834,537,501.06	8,317,732,119.11	1,303,137,501.27	6,471,319,879.48	16,926,727,000.92
Provision	104,681,803.42	766,877,782.29	115,472,714.39	581,677,108.23	1,568,709,408.33
Internal reclassification	13,738,552.67	163,648.32	7,095,408.25	-20,997,609.24	–
Disposal or obsolescence	535,678.70	2,670,214.55	55,477,483.92	118,223,588.99	176,906,966.16
Transfer to investment properties	14,059,895.00	1,813,681.42	–	–	15,873,576.42
Transfer to construction in progress	–	193,513,471.25	–	–	193,513,471.25
Decrease in scope of combination	–	66,310.66	176,935.00	7,696,084.12	7,939,329.78
Closing balance	938,362,283.45	8,886,709,871.84	1,370,051,204.99	6,906,079,705.36	18,101,203,065.64



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 14. Fixed assets (continued)

#### (1) Fixed assets (continued)

##### 1) Breakdown of fixed assets (continued)

2020 (restated) (continued)

Item	Buildings	Port and terminal facilities	Automobiles and ships	Machinery, furniture, appliances and other equipment	Total
<b>III. Provision for impairment</b>					
Opening balance	-	-	-	-	-
Provision (Note)	-	-	-	13,765,697.89	13,765,697.89
Decrease in scope of combination	-	-	-	13,765,697.89	13,765,697.89
Closing balance	-	-	-	-	-
<b>IV. Carrying amount</b>					
Opening	2,523,330,571.66	20,669,367,591.69	1,597,848,544.76	4,203,970,998.77	28,994,517,706.88
Closing	2,493,350,995.97	19,386,057,709.98	1,566,859,163.62	3,677,065,620.01	27,123,333,489.58

Note: The main physical assets of the Company's subsidiary Senlida were seized by creditors, which led to the termination of its microwave log processing project and application for bankruptcy liquidation. As a result, an impairment provision of RMB13,765,697.89 was made for fixed assets based on the realizable value of the assets. Senlida was taken over by the bankruptcy liquidation administrator appointed by the court on 22 July 2020, and will no longer be included in the scope of combination since that day.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 14. Fixed assets (continued)

#### (1) Fixed assets (continued)

#### 2) Fixed assets leased out under operating leases

January to June 2021 (unaudited)

Item	Buildings	Port and terminal facilities	Automobiles and ships	Machinery, furniture, appliances and other equipment	Total
<b>I. Original book value</b>					
Opening balance	14,902,724.34	1,449,959,463.42	1,071,148,445.62	516,306,333.27	3,052,316,966.65
Increase in the period	1,316,481.49	26,647,339.78	17,944,698.32	16,415,889.38	62,324,408.97
Decrease in the period	4,345,536.06	54,398,573.47	17,301,785.02	8,036,188.13	84,082,082.68
Closing balance	11,873,669.77	1,422,208,229.73	1,071,791,358.92	524,686,034.52	3,030,559,292.94
<b>II. Accumulated depreciation</b>					
Opening balance	4,547,319.66	642,074,385.65	434,349,590.39	345,661,171.24	1,426,632,466.94
Increase in the period	718,698.85	25,318,346.61	33,922,319.52	18,754,333.95	78,713,698.93
Decrease in the period	1,387,585.25	11,979,085.34	11,427,353.55	6,648,910.96	31,442,935.10
Closing balance	3,878,433.26	655,413,646.92	456,844,556.36	357,766,594.23	1,473,903,230.77
<b>III. Carrying amount</b>					
Opening	10,355,404.68	807,885,077.77	636,798,855.23	170,645,162.03	1,625,684,499.71
Closing	7,995,236.51	766,794,582.81	614,946,802.56	166,919,440.29	1,556,656,062.17



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 14. Fixed assets (continued)

#### (1) Fixed assets (continued)

#### 2) Fixed assets leased out under operating leases (continued)

2020 (restated)

Item	Buildings	Port and terminal facilities	Automobiles and ships	Machinery, furniture, appliances and other equipment	Total
<b>I. Original book value</b>					
Opening balance	13,758,273.32	1,411,662,349.17	1,083,262,149.52	534,144,110.65	3,042,826,882.66
Increase in the period	2,176,964.71	51,860,241.36	–	10,743,035.33	64,780,241.40
Decrease in the period	1,032,513.69	13,563,127.11	12,113,703.90	28,580,812.71	55,290,157.41
Closing balance	14,902,724.34	1,449,959,463.42	1,071,148,445.62	516,306,333.27	3,052,316,966.65
<b>II. Accumulated depreciation</b>					
Opening balance	3,516,648.09	595,235,990.67	402,605,705.43	334,081,081.57	1,335,439,425.76
Increase in the period	1,299,041.08	47,193,511.81	42,888,127.13	37,714,171.70	129,094,851.72
Decrease in the period	268,369.51	355,116.83	11,144,242.17	26,134,082.03	37,901,810.54
Closing balance	4,547,319.66	642,074,385.65	434,349,590.39	345,661,171.24	1,426,632,466.94
<b>III. Carrying amount</b>					
Opening	10,241,625.23	816,426,358.50	680,656,444.09	200,063,029.08	1,707,387,456.90
Closing	10,355,404.68	807,885,077.77	636,798,855.23	170,645,162.03	1,625,684,499.71

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## IX. Notes to items of the consolidated financial statements (continued)

### 14. Fixed assets (continued)

#### (1) Fixed assets (continued)

##### 3) Fixed assets pending certificates of ownership

Item	Carrying amount as at 30 June 2021 (unaudited)	Carrying amount as at 31 December 2020 (restated)
Buildings	<b>1,012,447,978.29</b>	1,013,071,634.90

##### 4) Others

Item	Amount (unaudited)
1. Original value of fixed assets fully depreciated in the year but still in use	4,759,005,930.44
2. Disposal and retirement of fixed assets in the period	
(1) Original value of fixed assets disposed and retired in the period	45,690,192.51
(2) Net value of fixed assets disposed and retired in the period	2,788,701.70
(3) Gains and losses from disposal and retirement of fixed assets in the period	1,843,642.87

#### (2) Disposal of fixed assets

Item	30 June 2021 (unaudited)	31 December 2020 (restated)
Buildings	1,215,716.42	1,215,716.42
Port and terminal facilities	12,120,295.89	12,120,295.89
Automobiles and ships	613,361.84	229,516.32
Machinery, furniture, appliances and other equipment	9,011,392.51	8,149,106.05
<b>Total</b>	<b>22,960,766.66</b>	<b>21,714,634.68</b>



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 15. Construction in progress

#### (1) Construction in progress

Item	30 June 2021 (unaudited)			31 December 2020 (restated)		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Dayao Bay No. 13-16 Berths in Phase II	722,424,831.06	-	722,424,831.06	722,441,503.06	-	722,441,503.06
No.19-21 Berths Construction in Progress	520,158,654.93	-	520,158,654.93	520,158,654.93	-	520,158,654.93
Xingang No. 18-21 Berths	351,516,342.18	-	351,516,342.18	351,516,342.18	-	351,516,342.18
Dayao Bay North Shore Automotive Logistics Centre	148,898,592.13	-	148,898,592.13	148,898,592.13	-	148,898,592.13
Renovation of No. 59-60 berths	793,078,066.64	-	793,078,066.64	733,515,641.21	-	733,515,641.21
Others	172,777,710.37	-	172,777,710.37	172,118,380.74	-	172,118,380.74
<b>Total</b>	<b>2,708,854,197.31</b>	<b>-</b>	<b>2,708,854,197.31</b>	2,648,649,114.25	-	2,648,649,114.25

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 15. Construction in progress (continued)

#### (2) Book balance and changes of construction in progress at the end of the period

##### January to June 2021 (unaudited)

Item	Budget	Opening balance	Additions in the year	Transferred to fixed assets, intangible assets, investment properties and long-term properties prepaid in scope of combination	Impact of change in the period	Disposal of	Other decreases	Closing balance	% of budget	Progress of construction (%)	Accumulative capitalized of interests	Including: Interests capitalized in current period	Capitalisation rate (%)	Source of funds
Dayao Bay No. 13-16 Berths in Phase II	3,783,000,000.00	722,441,503.06	-	-	-	-	16,672.00	722,424,831.06	93	93	237,311,095.64	-	-	self-owned funds, loans from financial institutions and other sources
No.19-21 Berths Construction in Progress	2,515,823,200.00	520,158,654.93	-	-	-	-	-	520,158,654.93	21	21	70,396,661.32	-	-	Self-owned funds and loans from financial institutions
Xingang No. 18 - 21 Berths	413,770,000.00	351,516,342.18	-	-	-	-	-	351,516,342.18	86	86	83,522,029.54	-	-	Loans from financial institutions and other sources
Dayao Bay North Shore Automotive Logistics Centre	450,000,000.00	148,898,592.13	-	-	-	-	-	148,898,592.13	33	33	8,054,440.28	-	-	Loans from financial institutions and other sources
Renovation of No. 59-60 berths	1,149,100,000.00	733,515,641.21	59,562,425.43	-	-	-	-	793,078,066.64	69	69	-	-	-	Self-owned funds
Others	583,702,855.16	172,118,380.74	11,497,808.34	10,838,478.71	-	-	-	172,777,710.37			6,090,158.98	-	-	
<b>Total</b>	<b>8,895,396,055.16</b>	<b>2,648,649,114.25</b>	<b>71,060,233.77</b>	<b>10,838,478.71</b>	<b>-</b>	<b>-</b>	<b>16,672.00</b>	<b>2,708,854,197.31</b>			<b>405,374,385.76</b>			





# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 15. Construction in progress (continued)

#### (2) Book balance and changes of construction in progress at the end of the period (continued)

2020 (restated)

Item	Budget	Opening balance	Additions in the year	Transferred to fixed assets, intangible assets, investment properties and long-term prepaid expenses	Impact of in scope of combination change	Disposal of in the period	Other decreases	Closing balance	% of budget	Progress of construction (%)	Accumulative amount capitalized of interests	Including: Interests capitalized in current year	Capitalisation rate (%)	Source of funds
Dayao Bay No. 13-16 Berths in Phase II	3,783,000,000.00	721,798,253.63	643,249.43	-	-	-	-	722,441,503.06	93	93	237,311,096.64	-	-	Self-owned funds, loans from financial institutions and other sources
No.19-21 Berths Construction in Progress	2,515,823,200.00	520,158,654.93	-	-	-	-	-	520,158,654.93	21	21	70,396,661.32	-	-	Self-owned funds and loans from financial institutions
Xingang No. 18 - 21 Berths	413,770,000.00	351,587,042.76	-	-	-	-	70,700.58	351,516,342.18	86	86	83,522,029.54	-	-	Loans from financial institutions and other sources
Dayao Bay North Shore Automotive Logistics Centre	450,000,000.00	148,898,592.13	-	-	-	-	-	148,898,592.13	33	33	8,054,440.28	-	-	Loans from financial institutions and other sources
Renovation of No. 59-60 berths	1,148,100,000.00	-	733,515,641.21	-	-	-	-	733,515,641.21	64	64	-	-	-	Self-owned funds
Others	875,055,214.92	244,791,034.94	226,436,283.25	267,603,205.72	31,329,529.96	-	176,201.77	172,118,380.74			6,090,158.98	1,313,900.96	5.27	
<b>Total</b>	<b>9,168,748,414.92</b>	<b>1,987,233,578.39</b>	<b>960,595,173.89</b>	<b>267,603,205.72</b>	<b>31,329,529.96</b>	<b>-</b>	<b>246,902.35</b>	<b>2,648,649,114.25</b>			<b>405,374,365.76</b>	<b>1,313,900.96</b>		

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 16. Right-of-use assets

January to June 2021 (unaudited)

Item	Buildings	Port and terminal facilities	Automobiles and ships	Machinery, furniture, appliances and other equipment	Others	Total
<b>I. Original value</b>						
Opening balance	138,228,953.70	5,137,393,887.58	4,567,750.68	90,153.22	1,818,628,126.37	7,098,908,871.55
Increase in the year	4,853,041.65	914,685,302.44	22,337.48	-	71,892,889.95	991,453,571.52
Impact of change in scope of combination	-389,830.77	-	-	-	-	-389,830.77
Decrease in the year	4,475,295.65	209,261,187.51	2,722,671.58	90,153.22	462,525,258.83	679,074,566.79
Closing balance	138,216,868.93	5,842,818,002.51	1,867,416.58	-	1,427,995,757.49	7,410,898,045.51
<b>II. Accumulated depreciation</b>						
Opening balance	16,911,552.25	374,171,727.08	1,472,792.20	5,634.58	180,230,686.72	572,792,392.83
Provision for the year	10,821,797.68	128,152,142.02	322,392.44	4,695.50	30,555,661.21	169,856,688.85
Impact of change in scope of combination	-129,943.68	-	-	-	-	-129,943.68
Decrease in the year	2,126,477.47	14,023,201.45	793,076.69	10,330.08	67,004,802.30	83,957,887.99
Closing balance	25,476,928.78	488,300,667.65	1,002,107.95	-	143,781,545.63	658,561,250.01
<b>III. Provision for impairment</b>						
Opening balance	-	-	-	-	-	-
Closing balance	-	-	-	-	-	-
<b>IV. Net amount</b>						
Opening balance	121,317,401.45	4,763,222,160.50	3,094,958.48	84,518.64	1,638,397,439.65	6,526,116,478.72
Closing balance	112,739,940.15	5,354,517,334.86	865,308.63	-	1,284,214,211.86	6,752,336,795.50



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 16. Right-of-use assets (continued)

2020 (restated)

Item	Buildings	Port and terminal facilities	Automobiles and ships	Machinery, furniture, appliances and other equipment	Others	Total
<b>I. Original value</b>						
Opening balance	179,301,078.24	3,710,894,518.56	4,630,678.87	–	1,831,077,920.42	5,725,904,196.09
Increase in the year	739,518.84	1,986,505,557.44	526,060.97	90,153.22	2,688,089.13	1,990,549,379.60
Decrease in the year	41,811,643.38	560,006,188.42	588,989.16	–	15,137,883.18	617,544,704.14
Closing balance	138,228,953.70	5,137,393,887.58	4,567,750.68	90,153.22	1,818,628,126.37	7,098,908,871.55
<b>II. Accumulated depreciation</b>						
Opening balance	16,758,428.52	159,577,570.76	1,154,593.10	–	114,099,431.99	291,590,024.37
Provision for the year	22,306,386.89	214,594,156.32	880,987.00	5,634.58	74,013,814.63	311,800,979.42
Decrease in the year	22,153,263.16	–	562,787.90	–	7,882,559.90	30,598,610.96
Closing balance	16,911,552.25	374,171,727.08	1,472,792.20	5,634.58	180,230,686.72	572,792,392.83
<b>III. Provision for impairment</b>						
Opening balance	–	–	–	–	–	–
Closing balance	–	–	–	–	–	–
<b>IV. Net amount</b>						
Opening balance	162,542,649.72	3,551,316,947.80	3,476,085.77	–	1,716,978,488.43	5,434,314,171.72
Closing balance	121,317,401.45	4,763,222,160.50	3,094,958.48	84,518.64	1,638,397,439.65	6,526,116,478.72

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 17. Intangible assets

January to June 2021 (unaudited)

Item	Land use rights	Software	Port facility use rights	Others	Total
<b>I. Original book value</b>					
1. Opening balance	3,331,212,729.91	297,901,777.26	407,216,152.62	130,396,080.90	4,166,726,740.69
2. Increase in the period					
(1) Additions	-	80,660.38	-	-	80,660.38
(2) Increase in scope of combination	-	-	-	-	-
(3) Transfer from construction in progress	-	835,625.31	-	-	835,625.31
3. Decrease in the period					
(1) Disposal	-	-	-	-	-
(2) Decrease in scope of combination	-	14,257,520.62	-	-	14,257,520.62
(3) Transfer to investment properties	-	-	-	-	-
(4) Other decreases	-	-	-	-	-
4. Closing balance	3,331,212,729.91	284,560,542.33	407,216,152.62	130,396,080.90	4,153,385,505.76
<b>II. Accumulated amortisation</b>					
1. Opening balance	641,231,847.15	197,864,126.95	132,937,908.48	126,294,809.95	1,098,328,692.53
2. Increase in the period					
(1) Provision	38,286,451.22	9,046,738.31	4,660,184.42	1,508,247.35	53,501,621.30
3. Decrease in the period					
(1) Disposal	-	-	-	-	-
(2) Decrease in scope of combination	-	13,425,270.75	-	-	13,425,270.75
(3) Transfer to investment properties	-	-	-	-	-
4. Closing balance	679,518,298.37	193,485,594.51	137,598,092.90	127,803,057.30	1,138,405,043.08
<b>III. Provision for impairment</b>					
1. Opening balance	-	-	-	-	-
2. Increase in the period	-	-	-	-	-
3. Decrease in the period	-	-	-	-	-
4. Closing balance	-	-	-	-	-
<b>IV. Carrying amount</b>					
1. Closing balance	2,651,694,431.54	91,074,947.82	269,618,059.72	2,593,023.60	3,014,980,462.68
2. Opening balance	2,689,980,882.76	100,037,650.31	274,278,244.14	4,101,270.95	3,068,398,048.16
Net assets frozen at the end of the period (Note)	22,995,557.71	2,220,806.29	-	-	25,216,364.00

Note: In April 2021, the major warehousing principal applied for taking security measures such as impound, freezing and distressing with respect to part of the property of DCT Logistics Co., Ltd., a subsidiary of the Company, resulting in all its fixed assets on account being frozen by the court (31 December 2020: nil). See Note IX. 22 and Note XIII. 1.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 17. Intangible assets (continued)

2020 (restated)

Item	Land use rights	Software	Port facility use rights	Others	Total
<b>I. Original book value</b>					
1. Opening balance	3,060,681,801.67	290,601,003.80	407,216,152.62	130,396,080.90	3,888,895,038.99
2. Increase in the period					
(1) Additions	259,832,878.62	2,603,252.92	-	-	262,436,131.54
(2) Increase in scope of combination	11,564,303.86	-	-	-	11,564,303.86
(3) Transfer from construction in progress	-	6,458,704.95	-	-	6,458,704.95
3. Decrease in the period					
(1) Disposal	-	1,480,000.00	-	-	1,480,000.00
(2) Decrease in scope of combination	-	281,184.41	-	-	281,184.41
(3) Transfer to investment properties	866,254.24	-	-	-	866,254.24
(4) Other decreases	-	-	-	-	-
4. Closing balance	3,331,212,729.91	297,901,777.26	407,216,152.62	130,396,080.90	4,166,726,740.69
<b>II. Accumulated amortisation</b>					
1. Opening balance	566,673,733.98	177,639,561.80	123,617,539.33	123,378,553.86	991,309,388.97
2. Increase in the period					
(1) Provision	74,762,645.45	21,815,654.83	9,320,369.15	2,916,256.09	108,814,925.52
3. Decrease in the period					
(1) Disposal	-	1,480,000.00	-	-	1,480,000.00
(2) Decrease in scope of combination	-	111,089.68	-	-	111,089.68
(3) Transfer to investment properties	204,532.28	-	-	-	204,532.28
4. Closing balance	641,231,847.15	197,864,126.95	132,937,908.48	126,294,809.95	1,098,328,692.53
<b>III. Provision for impairment</b>					
1. Opening balance	-	-	-	-	-
2. Increase in the period	-	-	-	-	-
3. Decrease in the period	-	-	-	-	-
4. Closing balance	-	-	-	-	-
<b>IV. Carrying amount</b>					
1. Closing balance	2,689,980,882.76	100,037,650.31	274,278,244.14	4,101,270.95	3,068,398,048.16
2. Opening balance	2,494,008,067.69	112,961,442.00	283,598,613.29	7,017,527.04	2,897,585,650.02

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 17. Intangible assets (continued)

The Group's management believes that no provision for impairment of intangible assets is required at the balance sheet date.

As at 30 June 2021, the intangible assets for which the certificate of title had not been obtained are as follows: (unaudited)

Item	Carrying amount	Reason for not obtaining a certificate of title
Land use rights	3,580,730.90	Under process

### 18. Goodwill

The breakdown of goodwill is as follows:

#### January to June 2021 (unaudited)

Investee	Source	Opening balance	Increase in the period	Decrease in the period	Closing balance
Liaoning Con-Rail International logistics Co., Ltd.	Business combination	4,398,401.85	-	-	4,398,401.85
Dalian Jiye Logistics Co., Ltd.	Business combination	2,397,589.82	-	-	2,397,589.82
DCT Logistics Co., Ltd.	Business combination	6,218,460.29	-	-	6,218,460.29
Dalian Port Logistic Network Co., Ltd. (Note)	Business combination	7,419,238.63	-	7,419,238.63	-
Yingkou Port Liability Co., Ltd.	Business combination	219,133,513.00	-	-	219,133,513.00
<b>Total</b>		<b>239,567,203.59</b>	<b>-</b>	<b>7,419,238.63</b>	<b>232,147,964.96</b>
Provision for impairment of goodwill		-	-	-	-
<b>Total net goodwill</b>		<b>239,567,203.59</b>	<b>-</b>	<b>7,419,238.63</b>	<b>232,147,964.96</b>

Note: On 9 February 2021, Dalian Port Logistic Network Co., Ltd. Ceased to be included into the scope of combination of the Group, which led to a decrease in goodwill of RMB7,419,238.63. Please refer to Note VIII. 2 for details.



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 18. Goodwill (continued)

2020 (restated)

Investee	Source	Opening balance	Increase in the year	Decrease in the year	Closing balance
Liaoning Con-Rail International Logistics Co., Ltd.	Business combination	4,398,401.85	-	-	4,398,401.85
Dalian Jiyi Logistics Co., Ltd.	Business combination	2,397,589.82	-	-	2,397,589.82
DCT Logistics Co., Ltd.	Business combination	6,218,460.29	-	-	6,218,460.29
Dalian Port Logistic Network Co., Ltd.	Business combination	7,419,238.63	-	-	7,419,238.63
Yingkou Port Liability Co., Ltd.	Business combination	219,133,513.00	-	-	219,133,513.00
<b>Total</b>		<b>239,567,203.59</b>	<b>-</b>	<b>-</b>	<b>239,567,203.59</b>
Provision for impairment of goodwill		-	-	-	-
<b>Total net goodwill</b>		<b>239,567,203.59</b>	<b>-</b>	<b>-</b>	<b>239,567,203.59</b>

The measurement basis for the recoverable amount of the above asset group is as follows:

The recoverable amount of the asset group (Liaoning Con-Rail International Logistics Co., Ltd., Dalian Jiyi Logistics Co., Ltd. and Yingkou Port Liability Co., Ltd.) was determined according to the present value of expected future cash flows of the asset group. The expected future cash flows were based on financial budgets covering a five-year period approved by management. Cash flows beyond the five-year period are estimated on the basis of fixed growth rate (as described in the table below), and calculated using cash flows expectation method. The main assumptions for the recoverable amount for such asset groups are as follows:

	Liaoning Con-Rail International Logistics Co., Ltd.	Dalian Jiyi Logistics Co., Ltd.	Yingkou Port Liability Co., Ltd.
Discount rate	15%	15%	15%
Growth rate	3%	3%	3%

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 18. Goodwill (continued)

The discount rates adopted above are before-tax discount rates which reflect the specific risk related to the relevant asset group. The growth rates are determined with reference to the expected growth rate of the industry and do not exceed the average growth rate of the industry for a long term. The key assumptions made in determining cash flow projections also include budgetary gross margins, which are determined based on past experience and forecast on market developments by the management.

The recoverable amount of the asset group of DCT Logistics Co., Ltd. is determined based on the net amount of fair value minus disposal expenses. The net amount after fair value minus disposal expenses is determined based on the Group's appraisal value. The Group evaluate the fair value of the major assets of DCT Logistics Co., Ltd. adopting market method. In determining the fair value of the appraised asset, the Group collects data of comparable transactions, and then adjust the difference between the comparable asset and the appraised asset.

After testing, the management of the Group believes that any reasonable change in the above assumptions will not result in the book value of each asset group that generates goodwill to be higher than its recoverable amount, so there is no need to make provision for impairment of goodwill.





# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 19. Long-term prepaid expenses

The long-term prepaid expenses are listed as follows by item:

#### January to June 2021 (unaudited)

Item	Opening balance	Impact of change in the scope of combination	Increase in the period	Amortisation in the period	Closing balance
Public facilities in a bonded port	5,985,469.72	-	-	427,533.72	5,557,936.00
Decoration	1,782,610.83	-157,263.23	-	686,060.12	939,287.48
Site development expenses	7,966,500.11	-	-	810,152.52	7,156,347.59
Environmental reconstruction expenses	18,289,920.86	-	-	598,916.70	17,691,004.16
Reconstruction of No.6 bridge	9,308,563.30	-	-	2,936,704.26	6,371,859.04
Berth dredging costs	9,829,559.99	-	-	1,134,180.00	8,695,379.99
Others	9,101,109.43	-	387,378.64	1,592,103.95	7,896,384.12
<b>Total</b>	<b>62,263,734.24</b>	<b>-157,263.23</b>	<b>387,378.64</b>	<b>8,185,651.27</b>	<b>54,308,198.38</b>

2020 (restated)

Item	Opening balance	Impact of change in the scope of combination	Increase in the year	Amortisation in the year	Closing balance
Public facilities in a bonded port	6,840,537.16	-	-	855,067.44	5,985,469.72
Decoration	2,674,763.31	-	412,282.96	1,304,435.44	1,782,610.83
Site development expenses	9,586,805.15	-	-	1,620,305.04	7,966,500.11
Environmental reconstruction expenses	19,487,754.26	-	-	1,197,833.40	18,289,920.86
Reconstruction of No.6 bridge	15,172,971.82	-	-	5,864,408.52	9,308,563.30
Berth dredging costs	-	-	11,341,799.99	1,512,240.00	9,829,559.99
Others	12,546,096.58	-	813,627.19	4,258,614.34	9,101,109.43
<b>Total</b>	<b>66,308,928.28</b>	<b>-</b>	<b>12,567,710.14</b>	<b>16,612,904.18</b>	<b>62,263,734.24</b>

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 20. Deferred income tax

#### (1) Deferred income tax assets before offsetting

Item	30 June 2021 (unaudited)		31 December 2020 (restated)	
	Deferred income tax assets	Deductible temporary differences and deductible losses	Deferred income tax assets	Deductible temporary differences and deductible losses
Unrealised profit of intra-group transaction	185,718,769.20	742,875,076.80	191,493,157.87	765,972,631.48
Depreciation of fixed assets	375,269,090.56	1,501,076,362.24	173,469,583.30	693,878,333.20
Provision for asset impairments	81,727,479.12	326,909,916.48	73,136,486.25	292,545,945.00
Estimated liabilities	14,661,066.96	58,644,267.84	14,661,066.96	58,644,267.84
Accrued expenses	4,398,513.18	17,594,052.72	4,398,513.18	17,594,052.72
Changes in fair value of other equity instrument investments	306,792.03	1,227,168.12	1,196,336.33	4,785,345.32
Right-of-use assets/Lease liabilities	73,055,110.20	292,220,440.80	63,280,010.37	253,120,041.48
Others	10,192,351.69	40,769,406.76	11,146,598.01	44,586,392.04
<b>Total</b>	<b>745,329,172.94</b>	<b>2,981,316,691.76</b>	532,781,752.27	2,131,127,009.08

- 1) Deductible temporary differences and deductible losses that are not recognised as deferred income tax assets

Item	30 June 2021 (unaudited)	31 December 2020 (restated)
Deductible losses	625,872,100.79	579,320,965.14
Deductible temporary differences	41,031,142.17	35,484,305.46
<b>Total</b>	<b>666,903,242.96</b>	614,805,270.60



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 20. Deferred income tax (continued)

#### (1) Deferred income tax assets before offsetting (continued)

- 2) Deductible losses that are not recognised as deferred income tax assets will expire in the following years

Year	30 June 2021 (unaudited)	31 December 2020 (restated)
2021	<b>37,469,913.64</b>	45,583,069.03
2022	<b>121,336,931.06</b>	122,658,530.96
2023	<b>150,588,729.67</b>	150,588,729.67
2024	<b>116,878,729.56</b>	116,881,970.67
2025	<b>142,155,317.05</b>	143,608,664.81
2026	<b>57,442,479.81</b>	–
<b>Total</b>	<b>625,872,100.79</b>	579,320,965.14

#### (2) Deferred income tax liabilities before offsetting

Item	30 June 2021 (unaudited)		31 December 2020 (restated)	
	Deferred income tax liabilities	Taxable temporary differences	Deferred income tax liabilities	Taxable temporary differences
Adjustment to fair value of corporate combined assets	<b>809,110,362.18</b>	<b>3,236,441,448.72</b>	750,402,178.17	3,001,608,712.68
Depreciation of fixed assets	<b>81,237,474.57</b>	<b>324,949,898.28</b>	83,194,949.70	332,779,798.80
Changes in fair value of investments in other equity instruments	<b>15,072,373.88</b>	<b>60,289,495.52</b>	16,322,573.28	65,290,293.12
Realisation of business combination in stages	<b>37,891,003.77</b>	<b>151,564,015.08</b>	37,891,003.77	151,564,015.08
Others	<b>8,429,146.47</b>	<b>33,716,585.88</b>	10,534,283.44	42,137,133.76
<b>Total</b>	<b>951,740,360.87</b>	<b>3,806,961,443.48</b>	898,344,988.36	3,593,379,953.44

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 20. Deferred income tax (continued)

#### (3) Deferred income tax assets or liabilities presented at net amount after offsetting

Item	30 June 2021 (unaudited)		31 December 2020 (restated)	
	Offset amount of deferred income tax assets and liabilities at the end of the period	Remaining deferred income tax assets or liabilities after offset at the end of the period	Offset amount of deferred income tax assets and liabilities at the beginning of the period	Remaining deferred income tax assets or liabilities after offset at the beginning of the period
Deferred income tax assets	587,317,640.84	158,011,532.10	388,555,261.96	144,226,490.31
Deferred income tax liabilities	587,317,640.84	364,422,720.03	388,555,261.96	509,789,726.40

### 21. Other non-current assets

Item	30 June 2021 (unaudited)	31 December 2020 (restated)
Guarantee payment for land bidding	1,860,000.00	1,860,000.00
VAT input to be deducted	20,008,969.18	31,922,189.01
<b>Total</b>	<b>21,868,969.18</b>	33,782,189.01



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 22. Assets with restricted ownership or use right

Item	30 June 2021 (unaudited)	31 December 2020 (restated)
Cash at bank and on hand (Note 1)	<b>232,771,162.60</b>	221,394,329.75
Fixed assets (Note 2)	<b>83,072,685.26</b>	–
Intangible assets (Note 3)	<b>25,216,364.00</b>	–
<b>Total</b>	<b>341,060,211.86</b>	221,394,329.75

Note 1: At at 30 June 2021, a bank deposit of RMB3,802,876.35 (31 December 2020: RMB3,286,529.35) was pledged as the Group's project performance guarantee.

At at 30 June 2021, a bank deposit of RMB2,000,000.00 (31 December 2020: RMB2,000,000.00) were pledged as the guarantee for purchase of electricity.

At at 30 June 2021, a bank deposit of RMB216,107,800.40 (31 December 2020: RMB216,107,800.40) was pledged as collateral for the Group's guarantee. See note XIII. 1 for details.

At at 30 June 2021, bank deposits of DCT Logistics Co., Ltd., a subsidiary of the Company, with carrying amount of RMB10,860,485.85 (31 December 2020: Nil) were frozen by the court due to litigation. See note XIII.1 for details.

Note 2: As at 30 June 2021, fixed assets of DCT Logistics Co., Ltd., a subsidiary of the Company, with carrying amount of RMB83,072,685.26 (31 December 2020: Nil) were compulsorily preserved by the court due to litigation. See note XIII.1 for details.

Note 3: As at 30 June 2021, intangible assets of DCT Logistics Co., Ltd., a subsidiary of the Company, with carrying amount of RMB25,216,364.00 (31 December 2020: Nil) were compulsorily preserved by the court due to litigation. See note XIII.1 for details.

# Notes to the Financial Statements (continued)

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## IX. Notes to items of the consolidated financial statements (continued)

### 23. Provision for asset impairments and provision for credit loss

30 June 2021 (unaudited)

Item	Opening balance	Disposal of subsidiaries in the period	Provision in the period	Reversal in the period	Write-off in the period	Closing balance
Provision for bad debts	304,663,778.43	-1,104,806.92	58,523,252.92	-17,460,286.31	-	344,621,938.12
Provision for decline in value of inventories	9,247,116.06	-	-	-	-619.28	9,246,496.78
<b>Total</b>	<b>313,910,894.49</b>	<b>-1,104,806.92</b>	<b>58,523,252.92</b>	<b>-17,460,286.31</b>	<b>-619.28</b>	<b>353,868,434.90</b>

31 December 2020 (restated)

Item	Opening balance	Disposal of subsidiaries in the year	Provision in the year	Reversal in the year	Write-off in the year	Closing balance
Provision for bad debts	197,594,932.41	-	107,133,094.49	-64,248.47	-	304,663,778.43
Provision for decline in value of inventories	7,803,794.80	-	1,457,110.59	-	-13,789.33	9,247,116.06
Provision for impairment of fixed assets	-	-13,765,697.89	13,765,697.89	-	-	-
Provision for impairment of construction in progress	-	-24,256,173.96	24,256,173.96	-	-	-
<b>Total</b>	<b>205,398,727.21</b>	<b>-38,021,871.85</b>	<b>146,612,076.93</b>	<b>-64,248.47</b>	<b>-13,789.33</b>	<b>313,910,894.49</b>

### 24. Short-term borrowings

#### (1) Classification of short-term borrowings

Classification	30 June 2021 (unaudited)	31 December 2020 (restated)
Credit borrowings	-	150,000,000.00
Interest payable on short-term borrowings	-	142,083.34
<b>Total</b>	<b>-</b>	<b>150,142,083.34</b>

As at 30 June 2021, the Group had no short-term borrowings (31 December 2020: the annual interest rate for the borrowings above was 3.1%).



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 25. Accounts payable

#### (1) Breakdown of accounts payable

Ageing	30 June 2021 (unaudited)		31 December 2020 (restated)	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year (including 1 year)	251,594,461.40	86.72	280,575,212.51	84.86
1 to 2 years (including 2 years)	13,403,616.14	4.62	15,642,701.80	4.73
2 to 3 years (including 3 years)	10,362,203.82	3.57	12,615,005.83	3.82
Over 3 years	14,776,468.75	5.09	21,781,485.91	6.59
<b>Total</b>	<b>290,136,750.11</b>	<b>100.00</b>	330,614,406.05	100.00

#### (2) Significant accounts payable aged over 1 year

Name of entity	Amount owed	Ageing	Reason for unsettlement
Dalian Enesky International Trade Co., Ltd. (大連恩埃斯凱國際貿易有限公司)	8,000,000.00	2-3 years	Not yet settled

#### (3) Amount by nature

Nature	30 June 2021 (unaudited)	31 December 2020 (restated)
Vessel rental and shipping freight	163,793,189.44	152,782,907.46
Payment for purchase of goods	6,276,400.21	6,686,939.41
Payment for purchase of supplementary materials	120,067,160.46	171,144,559.18
<b>Total</b>	<b>290,136,750.11</b>	330,614,406.05

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 26. Advances from customers

#### (1) Breakdown of ageing of advances from customers

Ageing	30 June 2021 (unaudited)		31 December 2020 (restated)	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year (including 1 year)	2,970,322.10	99.84	3,154,967.98	100.00
1 to 2 years (including 2 years)	4,761.92	0.16	–	–
<b>Total</b>	<b>2,975,084.02</b>	<b>100.00</b>	<b>3,154,967.98</b>	<b>100.00</b>

As at 30 June 2021, the Group had no significant advances from customers aged over one year.

#### (2) Nature of advances from customers

Nature	30 June 2021 (unaudited)	31 December 2020 (restated)
Rental fees	<b>2,975,084.02</b>	3,154,967.98





# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 27. Contract liabilities

#### (1) Contract liabilities

Item	30 June 2021 (unaudited)	31 December 2020 (restated)
Miscellaneous expenses	<b>129,163,728.05</b>	110,706,998.03
All-in charges for cargo handling due within one year	<b>14,750,000.00</b>	17,700,000.00
Freight	<b>32,969,243.19</b>	19,299,028.44
Others	<b>10,300,645.83</b>	22,690,180.86
<b>Total</b>	<b>187,183,617.07</b>	170,396,207.33

#### (2) Revenue recognized in the current period and included in the opening carrying amount of contract liabilities

Revenue recognized in the current period and included in the opening carrying amount of contract liabilities amounted to RMB141,320,087.91, including RMB105,253,056.12 from miscellaneous expenses, RMB4,114,505.00 generated from all-in charges for cargo handling due within one year, RMB19,130,793.04 from freight and contract income of RMB12,821,733.75 generated from other contracts.

#### (3) Qualitative and quantitative analysis on relevant contract liabilities

Contract liabilities mainly represent payments received by the Group for providing port operations services to customers. The payment shall be collected in accordance with the payment time agreed in the contract. The Group recognizes contract revenue based on the progress of contract performance, and contract liabilities will be recognized as revenue after the Group has fulfilled its performance obligations. The increase in contract liabilities at the end of the period was mainly due to the increase in business volume of bulk and general cargo terminal and logistics services, container terminal and logistics and trade services, which resulted in the increase in advance receipts of miscellaneous ports fees and charges for cargo handling of RMB24,383,051.96; and in the port value-added and ancillary services segment, contract liabilities decreased by RMB7,595,642.22 as compared to that of the end of last year due to the Group's disposal of subsidiaries.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 28. Employee benefits payable

#### (1) Classification of employee benefits payable

Item	Opening balance (restated)	Increase in the period (unaudited)	Decrease in the period (unaudited)	Closing balance (unaudited)
I. Short-term benefits	322,001,837.32	1,177,828,607.16	1,334,749,189.92	165,081,254.56
II. Post-employment benefits – defined contribution plan	1,643,504.17	122,175,605.01	122,134,201.82	1,684,907.36
III. Termination benefits	–	386,635.56	386,635.56	–
<b>Total</b>	<b>323,645,341.49</b>	<b>1,300,390,847.73</b>	<b>1,457,270,027.30</b>	<b>166,766,161.92</b>

#### (2) Short-term employee benefits

Item	Opening balance (restated)	Increase in the period (unaudited)	Decrease in the period (unaudited)	Closing balance (unaudited)
I. Wages and salaries, bonus, allowances and subsidies	279,764,731.10	641,164,409.98	788,757,218.33	132,171,922.75
II. Staff welfare	–	35,323,788.41	35,323,788.41	–
III. Social insurance contributions	4,747,269.58	57,692,018.16	60,118,262.56	2,321,025.18
Including: Medical insurance	4,661,209.04	47,221,637.03	49,648,167.05	2,234,679.02
Work injury insurance	30,139.98	5,461,284.77	5,460,999.15	30,425.60
Maternity insurance	55,920.56	4,204,561.69	4,204,561.69	55,920.56
Others	–	804,534.67	804,534.67	–
IV. Housing funds	3,969,100.00	71,051,740.80	70,651,024.80	4,369,816.00
V. Labour union funds and employee education funds	3,137,689.01	14,544,464.86	15,339,197.86	2,342,956.01
VI. Labour costs	7,669,365.47	354,053,047.23	356,469,176.01	5,253,236.69
VII. Other short-term employee benefits	22,713,682.16	3,999,137.72	8,090,521.95	18,622,297.93
<b>Total</b>	<b>322,001,837.32</b>	<b>1,177,828,607.16</b>	<b>1,334,749,189.92</b>	<b>165,081,254.56</b>



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 28. Employee benefits payable (continued)

#### (3) Defined contribution plans

Item	Opening balance (restated)	Increase in the period (unaudited)	Decrease in the period (unaudited)	Closing balance (unaudited)
I. Basic pensions	601,034.00	92,447,146.89	92,443,632.17	604,548.72
II. Unemployment insurance	31,710.17	2,866,515.34	2,866,405.15	31,820.36
III. Payment of annuity	1,010,760.00	26,861,942.78	26,824,164.50	1,048,538.28
<b>Total</b>	<b>1,643,504.17</b>	<b>122,175,605.01</b>	<b>122,134,201.82</b>	<b>1,684,907.36</b>

### 29. Taxes payable

Item	Opening Balance (restated)	Provision in the period (unaudited)	Tax paid in The period (unaudited)	Closing balance (unaudited)
VAT	6,707,446.66	138,671,579.22	119,856,011.51	25,523,014.37
Corporate income tax	93,514,574.85	340,341,552.14	328,046,475.16	105,809,651.83
City maintenance and construction tax	366,566.65	8,342,839.69	8,090,978.09	618,428.25
Individual income tax	3,281,728.77	21,839,444.23	23,992,227.55	1,128,945.45
Educational surcharge	261,857.64	5,968,082.54	5,784,123.66	445,816.52
Environmental tax payable	2,031,664.21	2,748,722.05	3,399,586.51	1,380,799.75
Others	12,079,707.57	47,114,860.02	47,087,929.37	12,106,638.22
<b>Total</b>	<b>118,243,546.35</b>	<b>565,027,079.89</b>	<b>536,257,331.85</b>	<b>147,013,294.39</b>

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 30. Other payables

Item	30 June 2021 (unaudited)	31 December 2020 (restated)
Interest payable	–	–
Dividends payable	833,656,026.74	153,269,260.93
Other payables	525,299,595.82	542,933,912.33
<b>Total</b>	<b>1,358,955,622.56</b>	696,203,173.26

#### (1) Dividends payable

Item	Name of entity	30 June 2021 (unaudited)	31 December 2020 (restated)
Dividends of ordinary shares	Dalian Bonded Zhengtong Company Limited	5,779,554.22	5,779,554.22
	NYK Bulk & Projects Carriers Ltd.	1,370,372.01	621,979.91
	United States Sankyo Holdings Limited	1,712,965.01	777,474.89
	China Shipping Terminal Development Co., Ltd.	30,964,934.78	30,964,934.78
	COSCO SHIPPING Ports Development Co., Ltd.	10,312,253.08	10,312,253.08
	COSCO SHIPPING Ports (Dalian) Limited	12,256,366.36	12,256,366.36
	Singapore Dalian Port Investment Pte. Ltd.	73,256,442.62	73,256,442.62
	Nippon Yusen Kabushiki Kaisha	19,300,255.07	19,300,255.07
	Other holders of A shares	132,351,332.64	–
	Other holders of H shares	25,964,019.12	–
	Dalian Bonded Zhengtong Company Limited	591,123.00	–
	Dalian Detai Holdings Co., Ltd.	591,123.00	–
	Dalian Haitai Holdings Co., Ltd.	591,123.00	–
	Pangang Group Company Limited (攀鋼集團有限公司)	21,004,209.06	–
	Dalian Port Corporation Limited	180,972,634.86	–
Broadford Global Limited	25,690,400.85	–	



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 30. Other payables (continued)

#### (1) Dividends payable (continued)

Item	Name of entity	30 June 2021 (unaudited)	31 December 2020 (restated)
	Team Able International Limited	81,442,080.00	–
	Yingkou Port Group Corporation Limited	207,485,550.36	–
	Liaoning Bay Financial Holding Group Co., Ltd. (遼寧港灣金融控股集團有限公司)	2,019,287.70	–
<b>Total</b>		<b>833,656,026.74</b>	153,269,260.93

As at 30 June 2021, the balance of dividends payable aged over 1 year amounted to RMB5,779,554.22, which are dividends payable to be paid.

#### (2) Other payables

##### 1) Other payables presented by nature

Item	30 June 2021 (unaudited)	31 December 2020 (restated)
Port construction and security fee	23,931,208.42	29,604,205.19
Project payment and quality guarantee	247,086,387.77	259,250,008.80
Land compensation	35,070,000.00	35,070,000.00
Deposit and security deposit	78,355,354.35	48,769,480.74
Freight	34,887,700.46	47,431,412.20
Others	105,968,944.82	122,808,805.40
<b>Total</b>	<b>525,299,595.82</b>	542,933,912.33

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 30. Other payables (continued)

#### (2) Other payables (continued)

##### 2) Ageing analysis of other payables

Ageing	30 June 2021 (unaudited)		31 December 2020 (restated)	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year (including 1 year)	279,681,972.80	53.24	295,010,528.85	54.33
1 to 2 years (including 2 years)	48,204,050.57	9.18	98,917,890.49	18.22
2 to 3 years (including 3 years)	74,391,713.38	14.16	65,350,566.18	12.04
Over 3 years	123,021,859.07	23.42	83,654,926.81	15.41
<b>Total</b>	<b>525,299,595.82</b>	<b>100.00</b>	542,933,912.33	100.00

##### 3) Important other payables aged over one year

Name of entity	Amount owed	Ageing	Reasons for non-repayment
Port of Dalian Authority	17,594,052.70	Over 3 years	The condition for payment is unsatisfied
Muling Economic Development District Infrastructure Construction and Investment Co., Ltd.* (穆稜經濟開發區基礎設施建設投資有限公司)	14,006,954.00	Over 3 years	The condition for payment is unsatisfied
Dalian Beiliang Enterprise Group Co., Ltd.	7,500,000.00	Over 3 years	The condition for payment is unsatisfied
Ocean Harvest Container Co., Ltd.	45,247,639.53	2-3 years	The condition for payment is unsatisfied
<b>Total</b>	<b>84,348,646.23</b>		



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 31. Non-current liabilities due within one year

Item	30 June 2021 (unaudited)	31 December 2020 (restated)
Long-term borrowings due within one year	<b>13,398,284.68</b>	7,569,355.88
Including: Credit borrowings	<b>13,398,284.68</b>	7,569,355.88
Pledged borrowings	-	-
Long-term payables due within one year	<b>7,500,000.00</b>	32,557,811.11
Lease liabilities due within one year	<b>203,036,415.00</b>	188,762,319.58
Bonds payable due within one year	<b>1,189,194,053.52</b>	2,510,985,033.05
<b>Total</b>	<b>1,413,128,753.20</b>	2,739,874,519.62

### 32. Long-term borrowings

Type of borrowings	30 June 2021 (unaudited)	31 December 2020 (restated)
Credit borrowings	<b>1,040,003,660.69</b>	1,140,262,653.88
Pledged borrowings	-	-
<b>Total</b>	<b>1,040,003,660.69</b>	1,140,262,653.88
Less: Long-term borrowings due within one year (Note IX. 31)	<b>13,398,284.68</b>	7,569,355.88
Including: Credit borrowings	<b>13,398,284.68</b>	7,569,355.88
Pledged borrowings	-	-
<b>Long-term borrowings due after one year</b>	<b>1,026,605,376.01</b>	1,132,693,298.00

On 30 June 2021, the annual interest rate of the above borrowings was 3%-4.57% (31 December 2020: 3%-4.9%).

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 32. Long-term borrowings (continued)

The maturity date of long-term borrowings is analyzed as follows:

Item	30 June 2021 (unaudited)	31 December 2020 (restated)
Due within 1 year (including 1 year)	13,398,284.68	7,569,355.88
Due within 2 years (including 2 years)	177,467,122.01	154,155,844.00
Due within 3 to 5 years (including 3 years and 5 years)	497,142,254.00	620,463,532.00
Over 5 years	351,996,000.00	358,073,922.00
<b>Total</b>	<b>1,040,003,660.69</b>	1,140,262,653.88

### 33. Bonds payable

Item	30 June 2021 (unaudited)	31 December 2020 (restated)
Corporate bond	2,482,915,807.61	3,547,236,158.87





# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 33. Bonds payable (continued)

#### (1) Change in bonds payable

Name of bonds	Par value	Date of issuance	Duration	Issue size	Opening balance	Issuance in the period	Accrued interests at par value	Amortisation of premium/discount	Repayment in the period	Closing balance
Corporate bonds (Note 1)	100.00	23 May 2011	10 years	2,350,000,000.00	2,425,373,005.71	-	47,940,137.71	1,236,856.58	2,474,550,000.00	-
Corporate bonds (Note 2)	100.00	26 April 2017	5 years	1,070,000,000.00	1,103,122,200.80	-	25,468,931.50	765,660.94	51,360,000.00	1,077,996,793.24
Medium-term notes (Note 3)	100.00	3 August 2018	5 years	2,500,000,000.00	2,529,725,985.41	-	60,622,602.74	3,764,479.74	-	2,594,113,067.89
<b>Total</b>				5,920,000,000.00	6,058,221,191.92	-	134,031,671.95	5,766,997.26	2,525,910,000.00	3,672,109,861.13
Less: Bonds payable due within one year					2,510,985,033.05					1,189,194,053.52
<b>Bonds payable due after one year</b>					3,547,236,158.87					2,482,915,807.61

Note 1: Under Regulatory Permission [2011] No. 699 approved by China Securities Regulatory Commission, the Company issued corporate bonds on 23 May 2011. The interest of such bonds is calculated by adopting the simple interest method on an annual basis at a fixed annual interest rate of 5.30%, which is payable every year. The related issuance expense amounted to RMB25,156,495.00. Such bonds were secured with an unconditional and irrevocable guarantee provided by Dalian Port Corporation Limited, the parent company of the Company. The Company has repaid the above-mentioned bonds on 22 May 2021.

Note 2: Under Regulatory Permission [2016] No. 3075 approved by China Securities Regulatory Commission, the Company issued corporate bonds on 26 April 2017. The interest of such bonds is calculated by adopting the simple interest method on an annual basis at a fixed annual interest rate of 4.80%, which is payable every year. The related issuance expense amounts to RMB6,360,413.25.

Note 3: According to the Notice of Acceptance of Registration (ZhongShiXieZhu [2018] MTN360) issued by National Association of Financial Market Institutional Investors on 25 June 2018, the Company issued medium-term notes on 3 August 2018. The interest of such bonds is calculated by adopting the simple interest method on an annual basis at a fixed annual interest rate of 4.89%, which is payable every year. The relevant issuance expense amounted to RMB38,056,000.00.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 34. Lease liabilities

#### (1) Lease liabilities

Item	30 June 2021 (unaudited)	31 December 2020 (restated)
Lease liabilities	<b>13,265,450,707.53</b>	13,012,559,703.83
Unrecognised finance costs	<b>6,258,048,412.55</b>	6,266,510,683.83
Less: Lease liabilities due within one year (Note IX. 31)	<b>203,036,415.00</b>	188,762,319.58
Lease liabilities due after one year	<b>6,804,365,879.98</b>	6,557,286,700.42

#### (2) Term of lease liabilities

Item	Closing balance (unaudited)
The first anniversary after the balance sheet date	203,036,415.00
The second anniversary after the balance sheet date	210,430,226.51
The third anniversary after the balance sheet date	225,180,242.95
Years thereafter	6,368,755,410.52
<b>Total</b>	<b>7,007,402,294.98</b>



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 35. Long-term payables

Item	30 June 2021 (unaudited)	31 December 2020 (restated)
Bond underwriting fee	15,000,000.00	15,000,000.00
Equity repurchase (Note 1)	17,500,000.00	17,500,000.00
Borrowings from related parties (Note 2)	70,000.00	44,127,811.11
<b>Total</b>	<b>32,570,000.00</b>	76,627,811.11
Less: Long-term payables due within one year (Note IX. 31)	7,500,000.00	32,557,811.11
Long-term payables due after one year	25,070,000.00	44,070,000.00

Note 1: China Development Fund Co., Ltd. (hereinafter referred to as “China Development Fund”) increased the capital of RMB35,000,000.00 of Dalian Port Yidu Cold Chain Co., Ltd., a joint venture of Dalian Port Jifa Logistics Co., Ltd. (hereinafter referred to as “Jifa Logistics”), a subsidiary of the Group. After the capital increase, the shareholding ratio of Jifa Logistics decreased from 50% to 46.6%. According to the investment contract, Jifa Logistics has the obligation to unconditionally repurchase the shares held by the China Development Fund before the capital increase since 10 December 2030. The Group confirms the long-term payable according to the repurchase obligation.

Note 2: Dalian Gangrun Gas Co., Ltd., a subsidiary of the Group, obtained borrowings of RMB70,000.00 from its related party, Dalian FTZ Huarun Gas Co., Ltd. The borrowings was interest-free with a term of 24 months commencing from 23 August 2020.

The maturity date of long-term payable is analyzed as follows:

Item	30 June 2021 (unaudited)	31 December 2020 (restated)
Due within 1 year (including 1 year)	7,500,000.00	32,557,811.11
Due within 2 years (including 2 years)	7,570,000.00	26,570,000.00
Due within 3 to 5 years (including 3 years and 5 years)	–	–
Over 5 years	17,500,000.00	17,500,000.00
<b>Total</b>	<b>32,570,000.00</b>	76,627,811.11

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 36. Provisions

Item	31 December 2020 (restated)	Increase in the period	Decrease in the period	30 June 2021 (unaudited)
Pending litigation (Note)	32,760,218.42	–	–	32,760,218.42

Note: Provisions is the estimated possible compensation amount accrued by Yingkou Port based on the original first judgment of contract litigation of its Kunlun International Trading Company Limited. Please refer to Note XIII. 1 for details.

### 37. Deferred income

Item	Opening balance (restated)	Increase in the period	Decrease in the period	Closing balance (unaudited)
Government grants	549,147,318.64	–	23,351,042.43	525,796,276.21

Items involved in government grants are as follows: (unaudited)

Item	Opening balance (restated)	Increase in the period	Included in		Decrease in others	Closing balance	Related to assets/income
			Included in other income in the period	non-operating income in the year			
Relocation compensation	336,201,742.93	–	12,951,918.18	–	–	323,249,824.75	Related to assets
Production safety	25,812,139.35	–	635,989.28	–	–	25,176,150.07	Related to assets
Sea-rail combined transport subsidies	10,106,907.27	–	2,147,191.53	–	–	7,959,715.74	Related to assets
Transport junction passenger station project	102,605,414.88	–	2,046,699.08	–	–	100,558,715.80	Related to assets
Operation subsidies	8,250,000.00	–	–	–	–	8,250,000.00	Related to assets
Energy conservation and emission reduction special fund	7,986,627.47	–	470,057.36	148,654.12	–	7,367,915.99	Related to assets
Equipment reconstruction subsidies	53,011,136.00	–	4,338,336.64	–	–	48,672,799.36	Related to assets
Others	5,173,350.74	–	319,056.15	–	293,140.09	4,561,154.50	Related to assets
<b>Total</b>	<b>549,147,318.64</b>	<b>–</b>	<b>22,909,248.22</b>	<b>148,654.12</b>	<b>293,140.09</b>	<b>525,796,276.21</b>	



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 38. Other non-current liabilities

Item	30 June 2021 (unaudited)	31 December 2020 (restated)
All-in charges for cargo handling	<b>83,584,879.11</b>	87,355,256.65
Less: Other non-current liabilities due within one year	<b>14,750,000.00</b>	17,700,000.00
Other non-current liabilities due after one year	<b>68,834,879.11</b>	69,655,256.65

On 18 January 2013, the Company entered into a cooperation agreement with Chinatex Grains and Oils (Heilongjiang) Co., Ltd. Chinatex Grains and Oils (Heilongjiang) Co., Ltd. paid in advance the all-in charges for full-service logistics including distribution services and port operations to the Company with an amount of RMB112 million. The first year to the seventh year represents the interest-bearing deduction period for prepaid the all-in charges for full-service logistics of the contract, the interest rate was with reference to the People's Bank of China Loan Rate and the eighth to tenth year represents the preferential period. On 1 June 2016, the Company signed a supplementary agreement with Chinatex Grains and Oils (Heilongjiang) Co., Ltd., and the cooperation period was extended for three years, that is, the first year to the seventh year represents the interest-bearing deduction period for prepaid the all-in charges for full-service logistics. The eighth to tenth year represents non-interest-bearing deduction period, and the eleventh to thirteenth years represents the preferential period.

### 39. Share capital

Item	Opening balance (restated)		Increase in the period	Decrease in the period	Closing balance (unaudited)	
	Investment amount	Proportion (%)			Investment amount	Proportion (%)
RMB-denominated ordinary shares	7,735,820,000.00	59.99	9,728,893,454.00	-	17,464,713,454.00	77.20
Foreign shares listed overseas	5,158,715,999.00	40.01	-	-	5,158,715,999.00	22.80
<b>Total</b>	<b>12,894,535,999.00</b>	<b>100.00</b>	<b>9,728,893,454.00</b>	<b>-</b>	<b>22,623,429,453.00</b>	<b>100.00</b>

As at 30 June 2021, 722,166,000 shares of foreign shares listed overseas were held by Dalian Port Corporation Limited through HKSCC Nominees Limited (31 December 2020: 722,166,000 shares).

The Company newly issued ordinary shares of RM9,728,893,454.00 in the period for the merger with Yingkou Port by absorption through share swap. Please refer to Note VIII. 3 for details.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 40. Capital surplus

Item	Opening balance	Increase in the period	Decrease in the period	Closing balance
<b>For the six months ended</b>				
<b>30 June 2021 (unaudited)</b>				
Capital premium	17,660,066,511.43	184,089,000.87	9,734,136,036.29	8,110,019,476.01
Including: Ordinary shares invested by shareholders	17,660,066,511.43	184,089,000.87	9,734,136,036.29	8,110,019,476.01
Other capital surplus	42,963,660.80	1,543,818.12	-	44,507,478.92
Including: Other changes in owners' equity after deducting net profit or loss, profit distribution, change in other comprehensive income of investees under equity method	19,820,548.67	1,543,818.12	-	21,364,366.79
Others	23,143,112.13	-	-	23,143,112.13
<b>Total</b>	<b>17,703,030,172.23</b>	<b>185,632,818.99</b>	<b>9,734,136,036.29</b>	<b>8,154,526,954.93</b>
<b>2020 (restated)</b>				
Capital premium	17,660,066,511.43	-	-	17,660,066,511.43
Including: Ordinary shares invested by shareholders	17,660,066,511.43	-	-	17,660,066,511.43
Other capital surplus	41,161,394.99	1,802,265.81	-	42,963,660.80
Including: Other changes in owners' equity after deducting net profit or loss, profit distribution, change in other comprehensive income of investees under equity method	18,018,282.86	1,802,265.81	-	19,820,548.67
Others	23,143,112.13	-	-	23,143,112.13
<b>Total</b>	<b>17,701,227,906.42</b>	<b>1,802,265.81</b>	<b>-</b>	<b>17,703,030,172.23</b>

The Group merged with Yingkou Port by absorption to form a business combination under the common control in the period. The capital surplus was reduced by RMB9,734,136,036.29, of which the combination consideration was RMB9,728,893,454.00.



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 41. Other comprehensive income

Cumulative balance of other comprehensive income attributable to the parent company in the consolidated balance sheet is as follows:

#### 30 June 2021 (unaudited)

	Opening balance	Increase or decrease	Closing balance
Changes in fair value of other equity instrument investments	44,611,390.76	-1,713,932.52	42,897,458.24
Differences on translation of foreign currency financial statements	39,945,751.57	-2,668,618.36	37,277,133.21
<b>Total</b>	<b>84,557,142.33</b>	<b>-4,382,550.88</b>	<b>80,174,591.45</b>

#### 31 December 2020 (restated)

	Opening balance	Increase or decrease	Closing balance
Changes in fair value of other equity instrument investments	33,066,665.70	11,544,725.06	44,611,390.76
Differences on translation of foreign currency financial statements	37,876,693.23	2,069,058.34	39,945,751.57
<b>Total</b>	<b>70,943,358.93</b>	<b>13,613,783.40</b>	<b>84,557,142.33</b>

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 41. Other comprehensive income (continued)

The current amount of other comprehensive income in the consolidated income statement:

For the six months ended 30 June 2021 (unaudited)

	Amount incurred before tax	Less: Previously included in other comprehensive income, transferred to current profit and loss	Less: Previously included in other comprehensive income, transferred to current retained earnings	Less: Income tax	Attributable to shareholders of the parent company	Attributable to minority shareholders
Changes in fair value of other equity instrument investments	-1,442,620.37	-	-	-360,655.09	-1,713,932.52	631,967.24
Differences on translation of foreign currency financial statements	-2,668,618.36	-	-	-	-2,668,618.36	-
<b>Total</b>	<b>-4,111,238.73</b>	<b>-</b>	<b>-</b>	<b>-360,655.09</b>	<b>-4,382,550.88</b>	<b>631,967.24</b>

2020 (restated)

	Amount incurred before tax	Less: Previously included in other comprehensive income, transferred to current profit and loss	Less: Previously included in other comprehensive income, transferred to current retained earnings	Less: Income tax	Attributable to shareholders of the parent company	Attributable to minority shareholders
Changes in fair value of other equity instrument investments	14,285,074.32	-	-	3,571,268.58	11,544,725.06	-830,919.32
Differences on translation of foreign currency financial statements	2,069,058.34	-	-	-	2,069,058.34	-
<b>Total</b>	<b>16,354,132.66</b>	<b>-</b>	<b>-</b>	<b>3,571,268.58</b>	<b>13,613,783.40</b>	<b>-830,919.32</b>



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 42. Special reserves

Item	Opening balance	Increase in the period/ year	Decrease in the period/ year	Closing balance
<b>30 June 2021 (unaudited)</b>				
Safety production fee	77,238,967.01	49,060,195.34	26,268,158.66	100,031,003.69
<b>31 December 2020 (restated)</b>				
Safety production fee	33,734,678.41	109,924,816.08	66,420,527.48	77,238,967.01

### 43. Surplus reserve

Item	Opening balance	Increase in the period/ year	Decrease in the period/ year	Closing balance
<b>30 June 2021 (unaudited)</b>				
Statutory surplus reserve	1,169,649,197.02	-	-	1,169,649,197.02
Reserve fund	353,065.88	-	-	353,065.88
Discretionary surplus reserve	620,468.49	-	-	620,468.49
<b>Total</b>	<b>1,170,622,731.39</b>	<b>-</b>	<b>-</b>	<b>1,170,622,731.39</b>
<b>31 December 2020 (restated)</b>				
Statutory surplus reserve	986,475,864.77	183,173,332.25	-	1,169,649,197.02
Reserve fund	353,065.88	-	-	353,065.88
Discretionary surplus reserve	620,468.49	-	-	620,468.49
<b>Total</b>	<b>987,449,399.14</b>	<b>183,173,332.25</b>	<b>-</b>	<b>1,170,622,731.39</b>

In accordance with the Company Law and the Company's Articles of Association, the Company should appropriate 10% of net profit 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.

After the Company makes appropriation to the statutory surplus reserve, it can make appropriation to the discretionary surplus reserve. The discretionary surplus reserve can be used to make up for the loss in previous years or increase the paid-in capital after approval.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 44. Undistributed profits

Item	30 June 2021 (unaudited)	31 December 2020 (restated)
<b>Undistributed profit at the end of the previous period/year before adjustment</b>	<b>2,387,731,786.23</b>	1,930,530,105.98
Total undistributed profit at the beginning of the period/year during adjustment (Note 1)	<b>678,338,901.34</b>	43,847,285.01
Undistributed profit at the beginning of the period/year after adjustment	<b>3,066,070,687.57</b>	1,974,377,390.99
<b>Increase in the period/year</b>	<b>905,547,578.82</b>	1,862,853,256.02
Among which: Net profit attributable to the parent company in the period/year	<b>905,547,578.82</b>	1,862,853,256.02
<b>Decrease in the period/year</b>	<b>678,817,221.27</b>	771,159,959.44
Among which: Appropriation to statutory surplus reserve in the period/year	-	183,173,332.25
Distribution of profits (Note 2)	<b>678,702,883.59</b>	581,488,438.58
Appropriation to employees' bonus and welfare fund in subsidiaries	<b>114,337.68</b>	6,498,188.61
<b>Closing balance</b>	<b>3,292,801,045.12</b>	3,066,070,687.57

Note 1: As shown in Note VIII. 3, due to the impact of business combination under common control, the undistributed profit at the beginning of the current period was increased by RMB678,338,901.34, and the undistributed profit at the beginning of the previous year was increased by RMB43,847,285.01.

Note 2: According to the resolution of the Board of Directors held on 25 March 2021 by the Company, the profit distribution for 2020 is calculated based on the number of ordinary shares outstanding 22,623,429,453 shares, and a cash dividend of RMB0.3 (including tax) is distributed to all shareholders for every 10 shares. Cash dividends of RMB678,702,883.59 were distributed. The above dividend distribution plan has been approved by the Company's shareholders meeting held on 16 June 2021.



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 45. Revenue and cost

Item	For the six months ended 30 June 2021 (unaudited)		For the six months ended 30 June 2020 (restated) (unaudited)	
	Revenue	Cost	Revenue	Cost
Principal operations	5,658,650,763.16	3,760,411,868.01	5,418,321,164.48	3,451,363,742.71
Other operations	169,878,961.52	168,319,646.48	177,016,891.71	163,184,166.48
<b>Total</b>	<b>5,828,529,724.68</b>	<b>3,928,731,514.49</b>	5,595,338,056.19	3,614,547,909.19

Revenue is as follows:

Item	For the six months ended 30 June 2021 (unaudited)	For the six months ended 30 June 2020 (restated) (unaudited)
	Revenue arising from the transactions with the customers	5,723,970,262.15
Leasing income	104,559,462.53	111,828,559.42
<b>Total</b>	<b>5,828,529,724.68</b>	5,595,338,056.19

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 45. Revenue and cost (continued)

The composition of the revenue is as follows:

#### For the six months ended 30 June 2021 (unaudited)

Major operating region	Commodity	Labour services or services	Others	Total
Dalian	44,912,215.44	3,061,723,187.33	116,897,992.44	3,223,533,395.21
Yingkou	6,267,392.74	2,442,155,154.90	73,908,925.17	2,522,331,472.81
Others	–	82,635,266.36	29,590.30	82,664,856.66
<b>Total</b>	<b>51,179,608.18</b>	<b>5,586,513,608.59</b>	<b>190,836,507.91</b>	<b>5,828,529,724.68</b>

Principal business segment	Commodity	Labour services or services	Others	Total
Container terminal and related logistics and trading services	439,648.87	1,835,835,254.85	56,151,116.99	1,892,426,020.71
Oil/liquefied chemicals terminal and related logistics and trading services	17,159,265.84	889,339,834.33	7,672,612.50	914,171,712.67
Bulk and general cargo terminal and related logistics services	154,378.16	2,072,309,071.58	10,983,484.52	2,083,446,934.26
Bulk grain terminal and related logistics and trading services	–	212,947,788.74	4,051,013.02	216,998,801.76
Passenger and roll-on/roll-off terminal and related logistics services	188,551.09	59,888,607.83	3,532,899.33	63,610,058.25
Port value-added and ancillary services	33,237,764.22	469,181,359.13	42,399,919.81	544,819,043.16
Automobile terminal and related logistics services and trading services	–	25,199,022.02	1,302,377.84	26,501,399.86
Others	–	21,812,670.11	64,743,083.90	86,555,754.01
<b>Total</b>	<b>51,179,608.18</b>	<b>5,586,513,608.59</b>	<b>190,836,507.91</b>	<b>5,828,529,724.68</b>



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 45. Revenue and cost (continued)

The composition of the revenue is as follows: (continued)

For the six months ended 30 June 2021 (unaudited) (continued)

Reporting segment	Commodity	Labour services or services	Others	Total
Time of revenue recognition				
Recognised at a certain point of time				
Revenue from sales of goods	23,619,819.04	-	-	23,619,819.04
Revenue from electricity supply services	27,559,789.14	-	-	27,559,789.14
Recognised over a certain period				
Revenue from agency services	-	410,751,313.13	-	410,751,313.13
Revenue from project construction and inspection services	-	34,983,937.02	-	34,983,937.02
Revenue from logistics services	-	530,732,700.88	-	530,732,700.88
Revenue from port operation services	-	4,397,523,838.54	-	4,397,523,838.54
Revenue from port management services	-	182,520,408.81	-	182,520,408.81
Revenue from tallying services	-	26,113,522.74	-	26,113,522.74
Revenue from information services	-	3,887,887.47	-	3,887,887.47
Others	-	-	86,277,045.38	86,277,045.38
Others				
Revenue from leasing services	-	-	104,559,462.53	104,559,462.53
<b>Total</b>	<b>51,179,608.18</b>	<b>5,586,513,608.59</b>	<b>190,836,507.91</b>	<b>5,828,529,724.68</b>

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 45. Revenue and cost (continued)

The composition of the revenue is as follows: (continued)

For the six months ended 30 June 2020 (restated) (unaudited)

Major operating region	Commodity	Labour services or services	Others	Total
Dalian	54,844,020.54	2,934,444,900.87	137,939,892.23	3,127,228,813.64
Yingkou	–	2,339,921,338.20	67,399,700.72	2,407,321,038.92
Others	26,044.99	60,615,973.08	146,185.56	60,788,203.63
<b>Total</b>	<b>54,870,065.53</b>	<b>5,334,982,212.15</b>	<b>205,485,778.51</b>	<b>5,595,338,056.19</b>

Principal business segment	Commodity	Labour services or services	Others	Total
Container terminal and related logistics and trading services	7,087,805.40	1,685,538,029.62	60,124,062.07	1,752,749,897.09
Oil/liquefied chemicals terminal and related logistics and trading services	16,738,239.35	865,537,837.48	17,228,866.93	899,504,943.76
Bulk and general cargo terminal and related logistics services	313,746.95	1,960,143,576.41	6,652,685.28	1,967,110,008.64
Bulk grain terminal and related logistics and trading services	–	246,397,099.38	4,328,179.53	250,725,278.91
Passenger and roll-on/roll-off terminal and related logistics services	130,896.39	50,827,842.11	3,692,103.31	54,650,841.81
Port value-added and ancillary services	24,282,563.21	486,563,720.28	51,664,171.92	562,510,455.41
Automobile terminal and related logistics services and trading services	6,316,814.23	17,688,657.25	882,858.48	24,888,329.96
Others	–	22,285,449.62	60,912,850.99	83,198,300.61
<b>Total</b>	<b>54,870,065.53</b>	<b>5,334,982,212.15</b>	<b>205,485,778.51</b>	<b>5,595,338,056.19</b>



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 45. Revenue and cost (continued)

The composition of the revenue is as follows: (continued)

For the six months ended 30 June 2020 (restated) (unaudited) (continued)

Reporting segment	Commodity	Labour services or services	Others	Total
Time of revenue recognition				
Recognised at a certain point of time				
Revenue from sales of goods	17,021,666.60	–	–	17,021,666.60
Revenue from electricity supply services	24,919,867.51	–	–	24,919,867.51
Revenue from commodity trading	12,928,531.42	–	–	12,928,531.42
Recognised over a certain period				
Revenue from agency services	–	337,874,167.77	–	337,874,167.77
Revenue from project construction and inspection services	–	26,457,996.75	–	26,457,996.75
Revenue from logistics services	–	450,133,830.33	–	450,133,830.33
Revenue from port operation services	–	4,357,867,380.40	–	4,357,867,380.40
Revenue from port management services	–	116,841,794.15	–	116,841,794.15
Revenue from tallying services	–	29,172,355.28	–	29,172,355.28
Revenue from information services	–	16,634,687.47	–	16,634,687.47
Others	–	–	93,657,219.09	93,657,219.09
Others				
Revenue from leasing services	–	–	111,828,559.42	111,828,559.42
<b>Total</b>	<b>54,870,065.53</b>	<b>5,334,982,212.15</b>	<b>205,485,778.51</b>	<b>5,595,338,056.19</b>

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 45. Revenue and cost (continued)

The information on performance obligations of the Group is as follows:

#### *Sales of goods*

Performance obligations are satisfied when delivering goods to customers. For old customers, the contract price is usually due and payable within 30 to 90 days after the goods are delivered; for new customers, prepayment is usually required.

#### *Port operation services*

Performance obligations are satisfied within the time frame of service provision. For old customers, the customer usually pays the contract price after the operation is completed and upon confirmed by the customer; for new customers, prepayment is usually required.

#### *Logistics and agency services*

Performance obligations are satisfied within the time frame of service provision. For old customers, the customer usually pays the contract price after the logistics service is completed and upon confirmed by the customer; for new customers, prepayment is usually required.

#### *Engineering construction and supervision services*

Performance obligations are satisfied within the time frame when the service is provided, and the contract price is usually paid within 30 days after the settlement of each project node. Under general circumstance, the customer retains a certain percentage of guarantee deposit, which is usually paid after the expiration of the warranty period.





# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 45. Revenue and cost (continued)

The estimated time for the recognition of the total transaction prices allocated to the closing amount of the unfulfilled performance obligations is as follows:

The transaction price allocated to the unfulfilled (or partially unfulfilled) performance obligations at the end of the period and the estimated time for recognition as revenue are:

Item	30 June 2021 (unaudited)	30 June 2020 (restated) (unaudited)
Within 1 year	<b>23,325,590.18</b>	31,126,868.74

### 46. Taxes and surcharges

Item	For the six months ended 30 June 2021 (unaudited)	For the six months ended 30 June 2020 (restated) (unaudited)
Land use tax	<b>19,399,317.15</b>	17,688,165.49
Property tax	<b>11,726,105.64</b>	10,551,976.92
City maintenance and construction tax	<b>8,342,839.69</b>	10,288,645.85
Educational surcharge	<b>5,968,082.54</b>	7,354,482.45
Stamp duty	<b>11,683,205.53</b>	1,469,369.14
Vehicle and vessel use tax	<b>259,893.72</b>	212,469.77
Others	<b>2,748,722.05</b>	6,069,864.33
<b>Total</b>	<b>60,128,166.32</b>	53,634,973.95

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 47. Administrative expenses

Item	For the six months ended 30 June 2021  (unaudited)	For the six months ended 30 June 2020 (restated) (unaudited)
Payroll	<b>254,336,868.10</b>	236,597,603.69
Labour cost	<b>10,743,090.30</b>	9,016,723.56
Depreciation and amortisation	<b>29,534,780.80</b>	22,026,673.37
Business entertainment expenses	<b>5,785,267.62</b>	4,819,768.96
Office charges	<b>2,949,306.16</b>	2,461,148.84
Agency engagement expenses	<b>11,778,321.16</b>	7,593,186.80
Including: Audit fee	<b>623,200.19</b>	5,063,815.93
Property insurance premium	<b>3,920,175.27</b>	4,031,902.96
Water, power and other energy consumption cost	<b>1,267,781.42</b>	3,287,690.02
Others	<b>42,421,162.61</b>	46,421,734.28
<b>Total</b>	<b>362,736,753.44</b>	336,256,432.48

### 48. Research and development expenses

Item	For the six months ended 30 June 2021  (unaudited)	For the six months ended 30 June 2020 (restated) (unaudited)
Payroll	<b>2,969,321.47</b>	5,359,213.21
Depreciation and amortisation	<b>151,062.20</b>	467,334.71
Others	<b>21,700.00</b>	63,943.25
<b>Total</b>	<b>3,142,083.67</b>	5,890,491.17



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 49. Financial expenses

Item	For the six months ended 30 June 2021  (unaudited)	For the six months ended 30 June 2020  (restated) (unaudited)
Interest expenses	<b>169,399,869.56</b>	238,186,795.08
Less: Capitalised interest expenses	-	1,313,900.96
Less: Interest income	<b>48,528,812.09</b>	40,290,929.58
Net foreign exchange losses ("-" for net gain)	<b>-2,898,001.30</b>	-2,364,451.43
Interest expenses of lease liabilities	<b>177,130,314.81</b>	180,902,152.48
Others	<b>430,316.31</b>	223,091.63
<b>Total</b>	<b>295,533,687.29</b>	375,342,757.22

The amount of capitalised borrowing costs has been included in construction in progress.

### 50. Other income

Item	For the six months ended 30 June 2021  (unaudited)	For the six months ended 30 June 2020  (restated) (unaudited)
Government subsidies related to daily activities	<b>26,252,832.50</b>	43,020,252.16
Refund of commission for paying individual income tax	<b>1,212,619.70</b>	1,624,039.32
Additional deduction of VAT	<b>17,472,372.87</b>	13,980,175.67
<b>Total</b>	<b>44,937,825.07</b>	58,624,467.15

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 50. Other income (continued)

Government subsidies related to daily activities are as follows:

Item	For the six months ended 30 June 2021  (unaudited)	For the six months ended 30 June 2020 (restated) (unaudited)	Related to assets/income
Relocation compensation	12,951,918.18	13,515,987.84	Related to assets
Production safety	635,989.28	635,989.28	Related to assets
Energy conservation and emission reduction special fund	470,057.36	431,004.85	Related to assets
Equipment reconstruction subsidies	4,338,336.64	4,002,307.36	Related to assets
Sea-rail combined transport subsidies	2,147,191.53	1,095,515.46	Related to assets
Transport junction passenger station project	2,046,699.08	1,706,442.72	Related to assets
Others related to assets	319,056.15	785,347.92	Related to assets
Operation subsidies	3,265,115.42	14,034,944.00	Related to income
Stable position subsidies	37,068.44	6,743,516.26	Related to income
Container subsidies	34,930.00	59,780.00	Related to income
Others related to income	6,470.42	9,416.47	Related to income
<b>Total</b>	<b>26,252,832.50</b>	43,020,252.16	



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 51. Investment income

Item	For the six months ended 30 June 2021  (unaudited)	For the six months ended 30 June 2020  (restated) (unaudited)
Investment income from long-term equity investments under the equity method	<b>112,874,969.68</b>	142,607,767.72
Investment income from disposal of subsidiaries	<b>10,675,233.85</b>	–
Investment income from disposal of long-term equity investments	<b>15,589.45</b>	–
Dividend income from other investments on hand in equity instruments	<b>10,212,840.09</b>	–
Investment income from disposal of held-for-trading financial assets	<b>24,737,238.45</b>	9,171,391.43
Others	<b>1,652,636.66</b>	3,120,899.49
<b>Total</b>	<b>160,168,508.18</b>	154,900,058.64

There were no major restrictions on the repatriation of investment income.

### 52. Gains on changes in fair value

Item	For the six months ended 30 June 2021  (unaudited)	For the six months ended 30 June 2020  (restated) (unaudited)
Financial assets at fair value through current profit or loss	–	-571,730.00
Including: Investments in equity instruments held for trading	–	-571,730.00

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 53. Credit impairment losses

Item	For the six months ended 30 June 2021  (unaudited)	For the six months ended 30 June 2020  (restated)  (unaudited)
Impairment losses on accounts receivable	-33,822,255.44	-7,620,795.20
Impairment losses on other receivables	-7,245,247.48	-9,397,952.47
Impairment losses on long-term receivables	4,536.31	-54,779.39
<b>Total</b>	<b>-41,062,966.61</b>	<b>-17,073,527.06</b>

### 54. Impairment losses on assets

Item	For the six months ended 30 June 2021  (unaudited)	For the six months ended 30 June 2020  (restated)  (unaudited)
Losses on impairment of inventory	-	-1,457,110.59
Impairment losses on fixed assets	-	-13,765,697.89
Impairment losses on construction in progress	-	-24,256,173.96
<b>Total</b>	<b>-</b>	<b>-39,478,982.44</b>



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 55. Gain on disposal of assets

Item	For the six months ended 30 June 2021  (unaudited)	For the six months ended 30 June 2020 (restated) (unaudited)	Amount recognised as non-recurring profit or loss
Gain on disposal of non-current assets	<b>35,747,483.71</b>	25,146,819.44	35,747,483.71
Including: Gain on disposal of fixed assets	<b>1,164,078.02</b>	-6,226.44	1,164,078.02
Gain on disposal of right-of-use assets	<b>34,583,405.69</b>	25,153,045.88	34,583,405.69
Gain on disposal of construction in progress	-	-	-
Gain on disposal of other assets	-	-	-
<b>Total</b>	<b>35,747,483.71</b>	25,146,819.44	35,747,483.71

### 56. Non-operating income

Item	For the six months ended 30 June 2021  (unaudited)	For the six months ended 30 June 2020 (restated) (unaudited)	Amount recognised as non-recurring profit or loss
Government grants	<b>148,654.12</b>	3,111,206.24	148,654.12
Late fee	<b>453,541.32</b>	2,314,586.96	453,541.32
Income from refund of port construction handling fees	<b>37,670.48</b>	1,427,854.65	37,670.48
Insurance claims	<b>79,661.00</b>	10,305.75	79,661.00
Others	<b>2,700,733.55</b>	3,175,660.60	2,700,733.55
<b>Total</b>	<b>3,420,260.47</b>	10,039,614.20	3,420,260.47

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 56. Non-operating income (continued)

Details of government grants not related to daily activities are as follows:

Item	For the six months ended 30 June 2021  (unaudited)	For the six months ended 30 June 2020 (restated) (unaudited)
Energy conservation and emission reduction special fund	148,654.12	111,206.24
Others	-	3,000,000.00
<b>Total</b>	<b>148,654.12</b>	3,111,206.24

### 57. Non-operating expenses

Item	For the six months ended 30 June 2021  (unaudited)	For the six months ended 30 June 2020 (restated) (unaudited)	Amount recognised as non-recurring profit or loss
Losses on obsolescence of fixed assets	159,657.49	2,790,873.77	159,657.49
Late fee	24,611,046.37	-	24,611,046.37
Others	249,817.63	1,251,653.90	249,817.63
<b>Total</b>	<b>25,020,521.49</b>	4,042,527.67	25,020,521.49





# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 58. Income tax expenses

#### (1) Income tax expenses

Item	For the six months ended 30 June 2021  (unaudited)	For the six months ended 30 June 2020 (restated) (unaudited)
Current income tax expenses	<b>340,341,552.14</b>	336,058,146.73
Deferred income tax expenses	<b>25,297,607.81</b>	-24,465,186.23
<b>Total</b>	<b>365,639,159.95</b>	311,592,960.50

#### (2) The reconciliation of the accounting profit to the income tax expenses

Item	For the six months ended 30 June 2021  (unaudited)	For the six months ended 30 June 2020 (restated) (unaudited)
Accounting profit	<b>1,356,448,108.80</b>	1,397,209,684.44
Income tax expenses at the rate of 25% (2020: 25%)	<b>339,112,027.20</b>	349,302,421.11
Tax impact of expenses not deductible for tax purposes	<b>2,961,607.90</b>	4,864,531.11
Tax impact of income not subject to tax	<b>-30,332,226.65</b>	-39,030,938.88
Tax impact of unrecognised deductible temporary differences and deductible losses in the period	<b>16,600,548.70</b>	26,655,841.46
Tax impact of utilisation of unrecognized deductible losses and deductible temporary differences in previous years	<b>-2,722,836.04</b>	-2,898,821.89
Effect of different tax rates applicable to subsidiaries	<b>1,745,510.52</b>	-214,301.51
Effect of adjusting income tax in previous years	<b>7,866,542.08</b>	-7,222,863.53
Others	<b>30,407,986.24</b>	-19,862,907.37
Income tax expenses	<b>365,639,159.95</b>	311,592,960.50

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 59. Classification of expenses by nature

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

Item	For the six months ended 30 June 2021  (unaudited)	For the six months ended 30 June 2020  (restated) (unaudited)
Cost of goods sold	<b>29,534,805.11</b>	52,254,746.85
Payroll	<b>1,300,390,847.73</b>	1,227,881,228.90
Depreciation and amortisation	<b>1,071,583,005.00</b>	1,028,192,529.25
Agency costs	<b>313,793,340.42</b>	221,799,926.52
Rentals	<b>59,201,435.07</b>	54,862,074.98
Fuel expenses	<b>98,519,785.26</b>	102,496,321.48
Electricity expenses	<b>89,823,114.95</b>	100,389,840.41
Materials expenses	<b>86,159,908.82</b>	88,244,798.55
Repair charges	<b>83,032,974.06</b>	67,789,218.54
Out-sourced operation expenses	<b>395,548,859.60</b>	356,322,828.39
Out-sourced machinery fee	<b>340,607,070.89</b>	328,114,433.02
Insurance expenses	<b>19,994,005.19</b>	15,631,188.38
Business entertainment expenses	<b>5,785,267.62</b>	4,819,768.96
Agency engagement expenses	<b>11,778,321.16</b>	7,593,186.80
Safety production fee	<b>52,403,298.39</b>	48,193,186.91
Water expenses	<b>6,175,544.13</b>	5,680,392.34
Office charges	<b>11,467,408.75</b>	9,978,232.40
Property management expenses	<b>7,924,071.71</b>	7,879,049.43
Travel expenses	<b>2,033,138.61</b>	1,472,743.08
Commuting cost	<b>15,447,559.76</b>	16,279,163.44
Other expenses	<b>293,406,589.37</b>	210,819,974.21
<b>Total</b>	<b>4,294,610,351.60</b>	3,956,694,832.84



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 60. Lease

#### (1) Lessor of operating leases

Item	For the six months ended 30 June 2021	For the six months ended 30 June 2020
	(unaudited)	(restated) (unaudited)
I. Income		
Leasing income	<b>104,559,462.53</b>	111,828,559.42
II. Undiscounted lease receipts that will be received each year five consecutive fiscal years after the balance sheet date		
The first year	<b>101,253,007.87</b>	79,729,698.10
The second year	<b>47,338,036.46</b>	51,095,486.50
The third year	<b>33,783,276.97</b>	34,835,239.09
The fourth year	<b>16,342,952.40</b>	22,616,561.23
The fifth year	<b>13,734,249.11</b>	14,333,425.15

- 1) The Group leases part of buildings for a lease term of 0.5-30 years, forming an operating lease. According to the lease contract, the rental is required to be adjusted every year according to the market rental situation. The Group also leases part of vessels, storage facilities, machinery and equipment, land use rights, etc., for a lease term of 1-30 years, forming an operating lease.
- 2) The Group is of the view that there was no improper use of lease assets, and the unguaranteed balance of such asset will not expose significant risks to the Group.
- 3) Income relating to operating leases amounted to RMB104,559,462.53 (previous period: RMB111,828,559.42); there was no income related to variable lease liabilities that were not included in the lease receipts.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 60. Lease (continued)

#### (2) Lessee of leases

Item	Amount
Interest expenses of lease liabilities	177,130,314.81
Short-term lease expenses included in current profit or loss	59,187,742.56
Low-value asset lease expenses	13,692.51
Total cash outflows related to lease	327,603,684.80

Fixed assets under operating lease include buildings and land use rights, warehouse, vehicles, port and terminal facilities and other equipment leased from related parties and third parties by the Group. The Group has the option to renew or terminate the lease. The lease term includes the period covered by an option to renew the lease.

Please refer to Note IX. 16 for details of right-of-use assets; refer to Note IV. 26 for details of short-term leases and low-value asset leases using simplified treatment; and refer to Note IX. 34 for details of lease liabilities.



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 61. Earnings per share (“EPS”)

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

The calculation of the basic EPS is as follows:

Item	For the six months ended 30 June 2021  (unaudited)	For the six months ended 30 June 2020  (restated)  (unaudited)
<b>Earnings</b>		
Net profit for the year attributable to ordinary shareholders of the Company		
Continuing operation	<b>905,547,578.82</b>	1,017,342,655.75
<b>Shares</b>		
Weighted average number of ordinary shares in issue of the Company	<b>22,623,429,453.00</b>	22,623,429,453.00
<b>Basic earnings per share</b>	<b>0.04</b>	0.04

As at 30 June 2021 and 31 December 2020, there were no dilutive potential ordinary shares in issue.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 62. Notes to items of the statement of cash flows

Item	For the six months ended 30 June 2021  (unaudited)	For the six months ended 30 June 2020 (restated) (unaudited)
<b>Other cash received relating to operating activities</b>		
Bank interest income received	26,603,003.89	45,044,824.54
Government grants received	30,064,504.07	20,007,651.08
Others	23,088,091.36	14,276,637.86
<b>Total</b>	<b>79,755,599.32</b>	79,329,113.48
<b>Other cash paid relating to operating activities</b>		
Payment of operating cost, administrative expenses and other daily expenses	124,948,589.24	94,784,585.96
Payment of deposits and margins	5,619,806.00	6,279,482.64
Payment of restricted cash with financial institutions	10,860,485.85	–
Others	23,322,359.58	19,572,420.78
<b>Total</b>	<b>164,751,240.67</b>	120,636,489.38
<b>Other cash received relating to investing activities</b>		
Cash received from restricted cash with financial institutions	490,000.00	–
Net cash from subsidiaries received	–	1,662,174.84
Borrowings from related parties	50,000,000.00	–
Others	–	74,222.50
<b>Total</b>	<b>50,490,000.00</b>	1,736,397.34
<b>Other cash paid relating to investing activities</b>		
Restricted cash with financial institutions	1,006,347.00	638,000.00
Borrowings from related parties	–	54,700,000.00
Cash and cash equivalents held from disposal of subsidiaries	98,456,316.31	–
<b>Total</b>	<b>99,462,663.31</b>	55,338,000.00
<b>Other cash paid relating to financing activities</b>		
Shares issuance expense paid	5,323,123.20	–
<b>Total</b>	<b>5,323,123.20</b>	–



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 63. Items of the consolidated statement of cash flows

#### Supplementary information to the statement of cash flows

Item	For the six months ended 30 June 2021  (unaudited)	For the six months ended 30 June 2020  (restated) (unaudited)
1. Reconciliation of net profit to cash flows from operating activities:		
Net profit	<b>990,808,948.85</b>	1,085,616,723.94
Add: Provision for credit impairments	<b>41,062,966.61</b>	17,073,527.06
Provision for assets impairments	-	39,478,982.44
Depreciation of fixed assets	<b>819,828,758.90</b>	808,445,169.65
Depreciation of investment properties	<b>20,210,284.68</b>	3,898,888.64
Amortisation of intangible assets	<b>53,501,621.30</b>	52,629,320.77
Provision for depreciation of right-of-use assets	<b>169,856,688.85</b>	155,800,818.50
Amortisation of long-term prepaid expenses	<b>8,185,651.27</b>	7,418,331.69
Amortisation of deferred income	<b>-23,057,902.34</b>	-18,534,138.75
Losses from disposal of fixed assets, intangible assets and other long-term assets ("-" for gain)	<b>-35,747,483.71</b>	-25,146,819.44
Losses on obsolescence of fixed assets ("-" for gain)	<b>-679,564.85</b>	2,777,321.34
Financial expenses ("-" for gain)	<b>343,435,563.44</b>	415,873,740.44
Losses on investment ("-" for gain)	<b>-160,168,508.18</b>	-154,900,058.64
Losses or gains on changes in fair value ("-" for gain)	-	571,730.00
Decrease in deferred income tax assets ("-" for increase)	<b>-14,674,586.10</b>	100,956.64
Increase in deferred income tax liabilities ("-" for decrease)	<b>39,972,193.91</b>	-24,566,142.87
Decrease in inventories ("-" for increase)	<b>-9,527,916.75</b>	14,072,088.50
Increase in special reserve ("-" for decrease)	<b>25,298,408.22</b>	24,686,634.93
Decrease in operating receivables ("-" for increase)	<b>-1,290,245,429.86</b>	-268,949,327.16
Increase in operating payables ("-" for decrease)	<b>-51,257,739.89</b>	-158,660,061.63
<b>Net cash flows from operating activities</b>	<b>926,801,954.35</b>	1,977,687,686.05
2. Endorsement amount of notes receivable with no cash receipts and payments		
Endorsed bank acceptance notes received from sale of goods or rendering of services	<b>79,147,443.28</b>	142,005,268.62
3. Net changes in cash and cash equivalents:		
Cash at the end of the period	<b>5,765,460,628.39</b>	5,973,865,296.97
Less: Cash at the beginning of the period	<b>7,136,338,238.87</b>	7,057,045,231.44
Net increase in cash and cash equivalents	<b>-1,370,877,610.48</b>	-1,083,179,934.47

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 64. Cash and cash equivalents

Item	30 June 2021 (unaudited)	30 June 2020 (restated) (unaudited)
<b>Cash and cash equivalents</b>	<b>5,765,460,628.39</b>	5,973,865,296.97
Including: Cash on hand	<b>30,655.38</b>	68,289.33
Bank deposits that can be readily drawn on demand	<b>5,765,429,973.01</b>	5,973,797,007.64
Other cash on hand and at bank that can be readily drawn on demand	-	-

### 65. Monetary items denominated in foreign currencies

Item	Balance of foreign currency at the end of the period (unaudited)	Exchange rate	Equivalent RMB balance at the end of the period (unaudited)
Cash on hand and at bank			
Including : USD	9,670,833.04	6.4824	62,690,208.10
JPY	5,034,328.00	0.0584	294,004.76
HKD	167,009.41	0.8348	139,419.46
Accounts receivable			
Including : USD	4,293,580.99	6.4824	27,832,709.41
JPY	121,671,844.06	0.0584	7,105,635.69
KRW	52,310,000.00	0.0057	298,167.00
Other receivables			
Including : USD	2,769,230.48	6.4824	17,951,259.66
JPY	1,843,481.71	0.0584	107,659.33
Accounts payable			
Including : USD	3,441,528.97	6.4824	22,309,367.40
Other payables			
Including : USD	7,791,482.65	6.4824	50,507,507.13
Contract liabilities			
Including : USD	2,286,748.85	6.4824	14,823,620.75
JPY	82,733.11	0.0584	4,831.61





# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 66. Segment information

#### *Operating segments*

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

- |   |  |
|---|--|
| (1) Oil/liquefied chemicals terminal and related logistics and trading services | loading and discharging, storage and transshipment of oil products and liquefied chemicals, port management services and oil trade business;                               |
| (2) Container terminal and related logistics and trading services               | loading and discharging, storage and transshipment of containers, leasing of terminals and various container logistics services, trading business and sales of properties; |
| (3) Bulk and general cargo terminal and related logistics services              | loading and discharging of ore, general cargo and provision of related logistics services and steel trading  |
| (4) Bulk grains terminal and related logistics and trade services               | loading and discharging of grains and provision of related logistics services and unprocessed grains trading operation   |
| (5) Passenger and roll-on/roll-off terminal and related logistics services      | passenger transportation, general cargo roll-on and roll-off and provision of related logistics services   |
| (6) Port value-added and ancillary services                                     | tallying, tugging, transportation, power supply, information technology and construction services  |
| (7) Automobile terminal and related logistics services and trading services     | loading and discharging of automobile and provision of related logistics and trade services  |

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

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

Inter-segment revenue is eliminated on consolidation. Inter-segment sales and purchases are conducted in accordance with the terms mutually agreed between the parties.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## IX. Notes to items of the consolidated financial statements (continued)

### 66. Segment information (continued)

#### Reportable segment information

For the six months ended 30 June 2021 (unaudited)

Item	Oil/liquefied	Container	Bulk and	Bulk grains	Passenger		Automobile			
	chemicals terminal and related logistics and trading services RMB'000	terminal and related logistics and trading services RMB'000	general cargo terminal and related logistics services RMB'000	terminal and related logistics and trade services RMB'000	and roll on, roll-off terminal and related logistics services RMB'000	Port value- added and ancillary services RMB'000	terminal and related logistics and trading services RMB'000	Others RMB'000	Elimination RMB'000	Total RMB'000
Revenue from external customers	914,172	1,892,426	2,083,447	216,999	63,610	544,819	26,501	86,556	-	5,828,530
Inter-segment revenue	670	-	633	1,785	-	88,321	-	44,498	-135,907	-
Cost of sales	535,500	1,257,115	1,233,581	187,674	76,042	401,340	20,980	216,500	-	3,928,732
Investment income from associates and joint ventures	66,172	41,329	3,984	146	-7,980	4,435	4,789	-	-	112,875
Credit impairment losses	-50,608	-3,246	17,913	-2	-19	3,123	-1	-8,223	-	-41,063
Depreciation and amortisation expenses	189,894	295,603	188,099	56,280	27,498	91,730	6,874	215,605	-	1,071,583
Total profit	333,970	590,398	810,747	8,729	-33,175	74,950	3,774	-432,945	-	1,356,448
Income tax expenses	65,853	137,091	212,349	6,626	-4,950	13,225	640	-65,195	-	365,639
Net profit	268,117	453,307	598,398	2,103	-28,225	61,725	3,134	-367,750	-	990,809
Total assets	10,117,297	12,143,176	9,511,837	2,809,353	1,539,772	2,381,186	887,897	27,417,837	-13,204,205	53,604,150
Total liabilities	7,246,052	3,934,371	4,101,694	1,148,987	879,145	1,682,827	20,191	9,087,868	-13,204,205	14,896,930
Long-term equity investments in associates and joint ventures	1,531,945	893,427	154,809	266,769	326,982	213,541	305,311	-	-	3,692,784
Increase in non-current assets (i)	47,389	10,403	50,811	5,039	1,491	6,286	257	948,477	-	1,070,153

- (i) Non-current assets exclude financial assets, long-term equity investment, deferred income tax assets, other equity instrument investment and other non-current assets.



# Notes to the Financial Statements (continued)

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## X. Interests in other entities

1. Interests in subsidiaries are discussed in Note VIII. 1.
2. Interests in joint ventures and associates are discussed in Note IX. 11.

## XI. Relationships and transactions with related parties

### 1. Related parties with controlling relationship

<b>Name of related parties</b>	<b>Relationships with related parties</b>
China Merchants Group Limited	Ultimate controlling party
Dalian Port Corporation Limited	Indirect controlling shareholder
Liaoning Port Group Limited	Indirect controlling shareholder
Yingkou Port Group Corporation Limited	Parent company

### 2. For related information of subsidiaries, please refer to Note VIII. 1.

### 3. For related information of joint ventures and associates, please refer to Note IX.11.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XI. Relationships and transactions with related parties (continued)

### 4. Main related parties that transacted with the Group but without controlling relationship:

Name of related parties	Relationships with related parties
Beijing Yinggang Yaou International Supply Chain Management Co., Ltd.	Subsidiary of the parent
Liaoning Harbour Engineering Technology Co., Ltd.	Subsidiary of the parent
Panjin Port Group Co., Ltd. (盤錦港集團有限公司)	Subsidiary of the parent
Yingkou Port Engineering Design and Research Institute Co., Ltd.	Subsidiary of the parent
Yingkou Gangfeng Hotel Co., Ltd.	Subsidiary of the parent
Yingkou Port Engineering Supervision Consulting Co., Ltd.	Subsidiary of the parent
Faku Yinggang Logistics Co., Ltd. (法庫營港物流有限公司)	Subsidiary of the parent
Yingkou Port Shipping Agency Co., Ltd. (營口港船貨代理有限公司)	Subsidiary of the parent
Yingkou Port Tank Cleaning Co., Ltd. (營口港清洗艙有限公司)	Subsidiary of the parent
Yingkou Gangtong E-Commerce Co., Ltd. (營口港通電子商務有限公司)	Subsidiary of the parent
Yingkou Hongyun Port Container Development Co., Ltd. (營口紅運港口集裝箱發展有限公司)	Subsidiary of the parent
Yingkou Ocean Shipping Tally Co., Ltd.	Subsidiary of the parent
Yingkou Port Group Bonded Goods Storage and Transportation Co., Ltd. (營口港務集團保稅貨物儲運有限公司)	Subsidiary of the parent
Liaoning New Silk Road International Logistics Co., Ltd. (遼寧新絲路國際物流有限公司)	Subsidiary of the parent
Liaoning Gangfeng Logistics Co., Ltd. (遼寧港豐物流有限公司)	Subsidiary of the parent
Yingkou Port Foreign Economic Cooperation Development Co., Ltd. (營口港對外經濟合作發展有限公司)	Subsidiary of the parent
Yingkou Port Fairy Island Pier Co., Ltd. (營口港仙人島碼頭有限公司)	Subsidiary of the parent
China Merchants Gangrong Big Data Co., Ltd. (招商港融大數據股份有限公司)	Subsidiary of the parent
Suizhong Port Group Co., Ltd. (綏中港集團有限公司)	Subsidiary of the parent
Yingkou Port Group Construction and Installation Engineering Co., Ltd. (營口港務集團建築安裝工程有限公司)	Subsidiary of the parent



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XI. Relationships and transactions with related parties (continued)

### 4. Main related parties that transacted with the Group but without controlling relationship: (continued)

Name of related parties	Relationships with related parties
Jilin Inland Port Logistics Co., Ltd.	Joint venture of the parent
Yingkou Port Gaizhou Logistics Co., Ltd.	Joint venture of the parent
Yingkou Ocean Shipping Agency Co., Ltd.	Joint venture of the parent
Beidahuang Logistics Co., Ltd. (北大荒物流股份有限公司)	Joint venture of the parent
Yingkou Port Jixing Logistics Co., Ltd. (營口港吉星物流有限公司)	Joint venture of the parent
Yingkou Port Yueshitang Reserve Co., Ltd. (營口港悅食糖儲備有限公司)	Joint venture of the parent
Sinograin Yingkou Storage and Transportation Co., Ltd. (中儲糧營口儲運有限責任公司)	Joint venture of the parent
Huaneng Yingkou Port Co., Ltd. (華能營口港務有限責任公司)	Joint venture of the parent
Yingkou COSCO Shipping Agency Co., Ltd. (營口中遠海運船務代理有限公司)	Joint venture of the parent
Yingkou Container Terminals Company Limited	Joint venture of the parent
Yingkou Economic and Technological Development Zone Yugang Logistics Co. Ltd. (營口經濟技術開發區裕港物流有限公司)	Joint venture of the parent
Yingkou Gangjun Logistics Co., Ltd. (營口港駿物流有限公司)	Joint venture of the parent
Yingkou Duty Free Foreign Supply Port Service Company Limited (營口中免對外供應港口服務有限責任公司)	Joint venture of the parent
Yingkou COSCO Shipping Container Service Co., Ltd. (營口中遠海運集裝箱服務有限公司)	Associate of the parent
Liaoning Shenha Hongyun Logistics Co., Ltd. (遼寧沈哈紅運物流有限公司)	Associate of the parent
Yingkou Port Vessel Fuel Supply Co., Ltd. (營口港船舶燃料供應有限責任公司)	Associate of the parent
Yingkou Huifeng Logistics Co., Ltd. (營口滙豐物流有限公司)	Associate of the parent
Yingkou Yinlong Port Co., Ltd. (營口銀龍港務股份有限公司)	Associate of the parent
Yingkou Haihui Shipping Agency Co., Ltd. (營口海德船務代理有限公司)	Associate of the parent
Angang International Trading Yingkou Port Co., Ltd. (鞍鋼國貿營口港務有限公司)	Associate of the parent
Yingkou Vessel Fuel Supply Co., Ltd. (營口船舶燃料供應有限公司)	Associate of the parent
Dalian Port Real Estate Co., Ltd.	Company controlled by the same ultimate controlling party
China Merchants Taiping Bay Development Investment Co., Ltd. (招商局太平灣開發投資有限公司)	Company controlled by the same ultimate controlling party

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XI. Relationships and transactions with related parties (continued)

### 4. Main related parties that transacted with the Group but without controlling relationship: (continued)

Name of related parties	Relationships with related parties
Dalian Harbour Building Co., Ltd.	Company controlled by the same ultimate controlling party
Dalian Hongyu Building Co., Ltd.	Company controlled by the same ultimate controlling party
Dalian United King Port Auto Trade Co., Ltd.	Company controlled by the same ultimate controlling party
Dalian Taiping Bay Investment & Development Co., Ltd.	Company controlled by the same ultimate controlling party
Dalian Taiping Bay Sunshine Real Estate Co., Ltd.	Company controlled by the same ultimate controlling party
Dalian Taiping Bay Port Company Limited	Company controlled by the same ultimate controlling party
Dalian Wanfeng Properties Co., Ltd.	Company controlled by the same ultimate controlling party
Dalian Wantong Ronghai Shipping Co., Ltd.	Company controlled by the same ultimate controlling party
Jinzhou Liaoxi PDA Properties Co., Ltd.	Company controlled by the same ultimate controlling party
Ocean Harvest Container Co., Ltd.	Company controlled by the same ultimate controlling party
Yingkou Gangxin Technology Co., Ltd.	Company controlled by the same ultimate controlling party
Dandong Port Group Co., Ltd.	Company controlled by the same ultimate controlling party
Dalian Sinotrans Logistics Co., Ltd.	Company controlled by the same ultimate controlling party
Hoi Tung (Shanghai) Company Limited	Company controlled by the same ultimate controlling party
China Marine Shipping Agency Liaoning Co., Ltd.	Company controlled by the same ultimate controlling party
Shandong Yantai Sinotrans Shipping Agency Co., Ltd. (山東煙台中外運船務代理有限公司)	Company controlled by the same ultimate controlling party



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XI. Relationships and transactions with related parties (continued)

### 4. Main related parties that transacted with the Group but without controlling relationship: (continued)

Name of related parties	Relationships with related parties
Shenzhen Haiqin Engineering Supervision & Management Company Limited	Company controlled by the same ultimate controlling party
Shenzhen China Merchants Daojiahui Technology Co., Ltd.	Company controlled by the same ultimate controlling party
Shenzhen Merchants Ro-Ro Transportation Co., Ltd.	Company controlled by the same ultimate controlling party
Shenzhen China Merchants Property Management Co., Ltd.	Company controlled by the same ultimate controlling party
Shenyang Sinotrans Logistics Co., Ltd.	Company controlled by the same ultimate controlling party
Shenyang Sinotrans & CSC Logistics Development Co., Ltd.	Company controlled by the same ultimate controlling party
Xia Men Bay China Merchants Terminals Co., Ltd.	Company controlled by the same ultimate controlling party
China Merchants Group Finance Co., Ltd.	Company controlled by the same ultimate controlling party
China Merchants Securities Co., Ltd.	Company controlled by the same ultimate controlling party
China Communications Import & Export Co., Ltd.	Company controlled by the same ultimate controlling party
Sinotrans Northeastern Co., Ltd.	Company controlled by the same ultimate controlling party
Sinotrans North China Co., Ltd.	Company controlled by the same ultimate controlling party
Sinotrans (Tangshan) Logistics Co., Ltd. (中外運(唐山)物流有限公司)	Company controlled by the same ultimate controlling party
Sinotrans Container Lines Co., Ltd.	Company controlled by the same ultimate controlling party
Sinotrans Sunny Express Co., Ltd.	Company controlled by the same ultimate controlling party
Sinotrans Integrated Logistics Co., Ltd.	Company controlled by the same ultimate controlling party
Sinotrans Liaoning Container Co., Ltd.	Company controlled by the same ultimate controlling party
Dalian FTZ Yongdexin Real Estate Development Co., Ltd.	Company controlled by the same ultimate controlling party
Dalian Northeast Asia International Shipping Center of Shipping Exchange Market Co., Ltd.	Company controlled by the same ultimate controlling party

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XI. Relationships and transactions with related parties (continued)

### 4. Main related parties that transacted with the Group but without controlling relationship: (continued)

Name of related parties	Relationships with related parties
Dalian Port Security Services Co., Ltd.	Company controlled by the same ultimate controlling party
Dalian Port North Shore Container Terminal Co., Ltd.	Company controlled by the same ultimate controlling party
Dalian Port North Shore Automobile Terminal Co., Ltd.	Company controlled by the same ultimate controlling party
Dalian Port North Shore Investment and Development Co., Ltd.	Company controlled by the same ultimate controlling party
Dalian Port Petty Loan Co., Ltd.	Company controlled by the same ultimate controlling party
PDA Group (Jinzhou) Liaoxi Port Investment and Development Co., Ltd.	Company controlled by the same ultimate controlling party
Dalian Port Petroleum & Chemical Co., Ltd.	Company controlled by the same ultimate controlling party
Dalian Gangtai Insurance Brokers Co., Ltd.	Company controlled by the same ultimate controlling party
Dalian Port Investment and Financing Holding Group Co., Ltd.	Company controlled by the same ultimate controlling party
Dalian Port Wantong Logistics Co., Ltd.	Company controlled by the same ultimate controlling party
Dalian Portsoft Technology Co., Ltd. (Note 1)	Company controlled by the same ultimate controlling party
Dalian Portsoft Network Co., Ltd. (Note 1)	Company controlled by the same ultimate controlling party
Dalian Port Logistics Technology Co., Ltd. (Note 1)	Company controlled by the same ultimate controlling party
Dalian Harbour Logistics Network Co., Ltd. (Note 1)	Company controlled by the same ultimate controlling party
China Merchants Food (China) Co., Limited	Company controlled by the same ultimate controlling party
Dalian International Shipping Center Building Co., Ltd. (大連國際航運中心大廈有限公司)	Company controlled by the same ultimate controlling party
Sinotrans Liaoning Company Limited	Company controlled by the same ultimate controlling party
Nanjing Tanker Corporation	Company controlled by the same ultimate controlling party
China Merchants Logistics Group (Tianjin) Co., Ltd. (招商局物流集團(天津)有限公司)	Company controlled by the same ultimate controlling party





# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XI. Relationships and transactions with related parties (continued)

### 4. Main related parties that transacted with the Group but without controlling relationship: (continued)

<b>Name of related parties</b>	<b>Relationships with related parties</b>
Dalian Port Hospital (Note 2)	Company controlled by the same ultimate controlling party
Sinopec Harbour Oil Sales (Dalian) Co., Ltd.	Joint venture of the company controlled by the same ultimate controlling party
Dalian Creative Industry Project Development Co., Ltd.	Joint venture of the company controlled by the same ultimate controlling party
Dalian Port Machinery Co., Ltd.	Joint venture of the company controlled by the same ultimate controlling party
Dalian Port Machinery and Electric Co., Ltd.	Associate of the company controlled by the same ultimate controlling party
Dalian Port Design and Research Institute Co., Ltd.	Associate of the company controlled by the same ultimate controlling party
Dalian Gangming Port Automobile Inspection Co., Ltd.	Associate of the company controlled by the same ultimate controlling party
Dalian Port Rixing Boiler Installation Co., Ltd.	Associate of the company controlled by the same ultimate controlling party
Dalian Port Landscape Engineering Co., Ltd.	Associate of the company controlled by the same ultimate controlling party
Dalian Port Industrial Co., Ltd.	Associate of the company controlled by the same ultimate controlling party
Dalian Port Industrial Co., Ltd. (Xingang Gas Station)	Associate of the company controlled by the same ultimate controlling party
Dalian Port Tongda Media Co., Ltd.	Associate of the company controlled by the same ultimate controlling party
Dalian Harbour Engineering Co., Ltd.	Associate of the company controlled by the same ultimate controlling party

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XI. Relationships and transactions with related parties (continued)

### 4. Main related parties that transacted with the Group but without controlling relationship: (continued)

Name of related parties	Relationships with related parties
Dalian Port Property Management Co., Ltd.	Associate of the company controlled by the same ultimate controlling party
Dalian Port Xingang Construction Engineering Co., Ltd.	Associate of the company controlled by the same ultimate controlling party
Dalian Gangxin Construction Engineering Co., Ltd.	Associate of the company controlled by the same ultimate controlling party
Dalian Life Raft Inspection Co., Ltd.	Associate of the company controlled by the same ultimate controlling party
Dalian Wanpeng Foundation Engineering Co., Ltd.	Associate of the company controlled by the same ultimate controlling party
Dalian CITIC Harbour Investment Co., Ltd.	Associate of the company controlled by the same ultimate controlling party
Dalian PetroChina Marine Fuel Transportation & Sales Co., Ltd.	Associate of the company controlled by the same ultimate controlling party
Dalian Equipment Finance Lease Co., Ltd.	Associate of the company controlled by the same ultimate controlling party
Datong Securities Co., Ltd.	Associate of the company controlled by the same ultimate controlling party
Ganghe (Shanghai) Economic and Trade Co., Ltd.	Associate of the company controlled by the same ultimate controlling party
China Merchants Bank Co., Ltd.	Associate of the company controlled by the same ultimate controlling party



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XI. Relationships and transactions with related parties (continued)

### 4. Main related parties that transacted with the Group but without controlling relationship: (continued)

Note 1: On 9 February 2021, Dalian Port Container Development Co., Ltd. and Dalian Port Jifa Logistics Co., Ltd., subsidiaries of the Group, increased the capital of China Merchants Holdings (International) Information Technology Company Limited by 49.63% and 29.4% shares they held in Dalian Harbour Logistics Network Co., Ltd., respectively. The above capital increase was completed on 9 February 2021. After the capital increase, the shareholding of the Group in China Merchants Holdings (International) Information Technology Company Limited was 35.64%. According to the articles of association of China Merchants Holdings (International) Information Technology Company Limited, the Group cannot have control over it. Therefore, Dalian Harbour Logistics Network Co., Ltd. and its subsidiary Dalian Portsoft Technology Co., Ltd., Dalian Portsoft Network Co., Ltd. and Dalian Port Logistics Technology Co., Ltd. have changed from companies within the scope of combination of the Group to companies controlled by the same ultimate controlling party. Please refer to Note VIII. 2 for details.

Note 2: Dalian Port Hospital was a branch of Dalian Port Corporation Limited, an indirect controlling shareholder of the Company previously, such company obtained a legal person certificate of public institution issued by Dalian Public Institution Registration Administration (大連市事業單位登記管理局) at the beginning of the period, with the unified social credit code of 12210200MB19426812. It is currently a subsidiary of Dalian Port Corporation Limited, an indirect controlling shareholder of the Company.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows:

#### (1) Revenue and Expenses

Name of related parties	Relation	Types of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Cumulative amount in the current period (unaudited)	Amount in same period of the previous year (restated) (unaudited)
Yingkou Port Group Corporation Limited	Parent company	Revenue	Comprehensive services (Note 1)	Agreement	92,413,684.85	103,870,878.75
Dalian Port Corporation Limited	Indirect controlling shareholder	Revenue	Comprehensive services	Agreement	4,279,882.77	3,074,499.92
Liaoning Port Group Limited	Indirect controlling shareholder	Revenue	Comprehensive services	Agreement	457,164.32	1,031,209.29
Suizhong Port Group Co., Ltd. (綏中港集團有限公司)	Subsidiary of the parent	Revenue	Comprehensive services	Agreement	742,397.58	2,090.26
Yingkou Port Shipping Agency Co., Ltd. (營口港船貨代理有限公司)	Subsidiary of the parent	Revenue	Comprehensive services	Agreement	662,448.05	1,115,515.56
Yingkou Port Group Bonded Goods Storage and Transportation Co., Ltd. (營口港務集團保稅貨物儲運有限公司)	Subsidiary of the parent	Revenue	Comprehensive services	Agreement	483,183.42	478,083.03
Yingkou Port Fairy Island Pier Co., Ltd. (營口港仙人島碼頭有限公司)	Subsidiary of the parent	Revenue	Comprehensive services	Agreement	406,314.12	283,439.69
Panjin Port Group Co., Ltd. (盤錦港集團有限公司)	Subsidiary of the parent	Revenue	Comprehensive services	Agreement	393,334.51	820,506.19
Yingkou Gangtong E-Commerce Co., Ltd. (營口港通電子商務有限公司)	Subsidiary of the parent	Revenue	Comprehensive services	Agreement	263,565.14	–
Liaoning New Silk Road International Logistics Co., Ltd. (遼寧新絲路國際物流有限公司)	Subsidiary of the parent	Revenue	Comprehensive services	Agreement	239,146.32	–



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (1) Revenue and Expenses (continued)

Name of related parties	Relation	Types of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Cumulative amount in the current period (unaudited)	Amount in same period of the previous year (restated) (unaudited)
Beijing Yinggang Yaou International Supply Chain Management Co., Ltd.	Subsidiary of the parent	Revenue	Comprehensive services	Agreement	209,468.73	177,625.35
Liaoning Harbour Engineering Technology Co., Ltd.	Subsidiary of the parent	Revenue	Comprehensive services	Agreement	32,183.02	8,396.23
Yingkou Ocean Shipping Tally Co., Ltd.	Subsidiary of the parent	Revenue	Comprehensive services	Agreement	17,707.96	304,802.26
Yingkou Port Engineering Supervision Consulting Co., Ltd.	Subsidiary of the parent	Revenue	Comprehensive services	Agreement	10,899.99	–
Yingkou Port Foreign Economic Cooperation Development Co., Ltd. (營口港對外經濟合作發展有限公司)	Subsidiary of the parent	Revenue	Comprehensive services	Agreement	6,792.45	6,792.45
Yingkou Hongyun Port Container Development Co., Ltd. (營口紅運港口集裝箱發展有限公司)	Subsidiary of the parent	Revenue	Comprehensive services	Agreement	3,396.23	3,396.23
Yingkou Gangfeng Hotel Co., Ltd.	Subsidiary of the parent	Revenue	Comprehensive services	Agreement	3,221.24	3,728.53
China Merchants Gangrong Big Data Co., Ltd. (招商港融大數據股份有限公司)	Subsidiary of the parent	Revenue	Comprehensive services	Agreement	–	76,603.77
Yingkou Port Tank Cleaning Co., Ltd. (營口港清洗艙有限公司)	Subsidiary of the parent	Revenue	Comprehensive services	Agreement	–	5,202.83
Yingkou Port Group Construction and Installation Engineering Co., Ltd. (營口港務集團建築安裝工程有限公司)	Subsidiary of the parent	Revenue	Comprehensive services	Agreement	–	16,762.05

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (1) Revenue and Expenses (continued)

Name of related parties	Relation	Types of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Cumulative amount in the current period (unaudited)	Amount in same period of the previous year (restated) (unaudited)
Yingkou Port Property Management Co., Ltd. (營口港物業管理有限公司) (Note 2)	Subsidiary of the parent	Revenue	Comprehensive services	Agreement	–	9,948.11
China Oil Dock Management (Dalian) Co., Ltd.	Joint venture	Revenue	Comprehensive services	Agreement	35,796,220.24	37,236,506.58
Dalian Port Yidu Cold Chain Co., Ltd.	Joint venture	Revenue	Comprehensive services	Agreement	9,023,814.03	18,907,675.10
Dalian United International Shipping Agency Co., Ltd.	Joint venture	Revenue	Comprehensive services	Agreement	6,082,256.06	6,529,032.08
Dalian Changxing Island Port Co., Ltd.	Joint venture	Revenue	Comprehensive services	Agreement	3,513,592.19	2,107,411.75
Dalian New Silk Road International Logistics Co., Ltd.	Joint venture	Revenue	Comprehensive services	Agreement	3,473,349.95	28,301.89
VTTI Terminals Dalian Co., Ltd.	Joint venture	Revenue	Comprehensive services	Agreement	3,461,301.52	2,710,883.97
Dalian Changxing Island Port Investment and Development Co., Ltd.	Joint venture	Revenue	Telecommunication services	Agreement	2,098,598.93	971,033.59
Weifang Senda Container Service Co., Ltd.	Joint venture	Revenue	Comprehensive services	Agreement	836,360.71	353,773.58
Dalian Vanguard International Logistics Co., Ltd.	Joint venture	Revenue	Comprehensive services	Agreement	778,731.89	855,691.25
China United International Rail Containers (Dalian) Co., Ltd.	Joint venture	Revenue	Telecommunication services	Agreement	650,758.51	768,180.96
China United Tally (Dalian) Co., Ltd.	Joint venture	Revenue	Comprehensive services	Agreement	399,286.50	480,825.71



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (1) Revenue and Expenses (continued)

Name of related parties	Relation	Types of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Cumulative amount in the current period (unaudited)	Amount in same period of the previous year (restated) (unaudited)
Dalian Dagang China Shipping Container Terminal Co., Ltd.	Joint venture	Revenue	Telecommunication services	Agreement	273,403.12	731,453.62
Dalian Shunde Jifa Supply Chain Management Co., Ltd.	Joint venture	Revenue	Transportation services	Agreement	248,990.82	5,671,376.15
Dalian Port Bulk Cargo Logistics Center Co., Ltd.	Joint venture	Revenue	Telecommunication services	Agreement	155,014.96	3,643.12
China Shipping Gang Lian Co., Ltd.	Joint venture	Revenue	Comprehensive services	Agreement	152,533.46	-
Dalian Jilong Logistics Co., Ltd.	Joint venture	Revenue	Comprehensive services	Agreement	133,592.74	693,433.04
Yingkou Container Terminals Company Limited	Joint venture	Revenue	Comprehensive services	Agreement	78,013.41	287,428.08
Dalian Port Tongji Shipping Agency Co., Ltd.	Joint venture	Revenue	Telecommunication services	Agreement	71,107.91	71,101.49
Dalian Port PetroChina International Terminal Co., Ltd.	Joint venture	Revenue	Telecommunication services	Agreement	52,380.01	52,390.10
Dalian Port Xiangyu Grain Logistics Co., Ltd.	Joint venture	Revenue	Telecommunication services	Agreement	3,943.99	44,786.46
Ha'ou International Logistics Co., Ltd.	Joint venture	Revenue	Comprehensive services	Agreement	-	33,027.52
Dalian Automobile Terminal Co., Ltd.	Associate	Revenue	Loading and discharging services	Agreement	18,343,320.98	8,544,617.33
Taicang Xinggang Tug Co., Ltd.	Associate	Revenue	Port management services	Agreement	6,598,094.36	6,774,339.60

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (1) Revenue and Expenses (continued)

Name of related parties	Relation	Types of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Cumulative amount in the current period (unaudited)	Amount in same period of the previous year (restated) (unaudited)
Dalian PetroChina International Warehousing and Transportation Co., Ltd.	Associate	Revenue	Comprehensive services	Agreement	4,363,071.59	7,128,790.57
Dalian Shenyang Railway Bureau Yuangang Logistics Co., Ltd.	Associate	Revenue	Comprehensive services	Agreement	1,263,840.93	2,480,566.77
Dalian Puji Storage Facility Co., Ltd.	Associate	Revenue	Electrical services	Agreement	736,004.13	967,987.35
Dalian Singamas International Container Co., Ltd.	Associate	Revenue	Comprehensive services	Agreement	588,368.19	611,397.54
Dalian North Oil Petroleum Logistics Co., Ltd.	Associate	Revenue	Telecommunication services	Agreement	508,110.38	774,080.10
National Pipe Network Group Dalian Liquefied Natural Gas Co., Ltd. (國家管網集團大連液化天然氣有限公司)	Associate	Revenue	Comprehensive services	Agreement	362,318.37	357,261.77
Dalian Wanpeng Port Engineering Testing Co., Ltd.	Associate	Revenue	Comprehensive services	Agreement	19,163.64	19,269.15
Sino Rail Bohai Train Ferry Co., Ltd.	Associate	Revenue	Transportation services	Agreement	–	5,433.96





# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (1) Revenue and Expenses (continued)

Name of related parties	Relation	Types of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Cumulative amount in the current period (unaudited)	Amount in same period of the previous year (restated) (unaudited)
Yingkou Ocean Shipping Agency Co., Ltd.	Joint venture of the parent	Revenue	Comprehensive services	Agreement	23,937,534.25	20,175,091.50
Huaneng Yingkou Port Co., Ltd. (華能營口港務有限責任公司)	Joint venture of the parent	Revenue	Comprehensive services	Agreement	7,378,509.73	–
Yingkou COSCO Shipping Agency Co., Ltd. (營口中遠海運船務代理有限公司)	Joint venture of the parent	Revenue	Comprehensive services	Agreement	4,838,999.10	–
Jilin Inland Port Logistics Co., Ltd.	Joint venture of the parent	Revenue	Comprehensive services	Agreement	1,585,006.86	–
Beidahuang Logistics Co., Ltd. (北大荒物流股份有限公司)	Joint venture of the parent	Revenue	Comprehensive services	Agreement	275,462.03	4,080,806.35
Sinograin Yingkou Storage and Transportation Co., Ltd. (中儲糧營口儲運有限責任公司)	Joint venture of the parent	Revenue	Comprehensive services	Agreement	112,737.39	186,494.56
Yingkou Port Gaizhou Logistics Co., Ltd.	Joint venture of the parent	Revenue	Comprehensive services	Agreement	20,000.00	–
Yingkou Economic and Technological Development Zone Yugang Logistics Co. Ltd. (營口經濟技術開發區裕港物流有限公司)	Joint venture of the parent	Revenue	Comprehensive services	Agreement	4,055.67	188.68

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (1) Revenue and Expenses (continued)

Name of related parties	Relation	Types of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Cumulative amount in the current period (unaudited)	Amount in same period of the previous year (restated) (unaudited)
Yingkou Port Jixing Logistics Co., Ltd. (營口港吉星物流有限公司)	Joint venture of the parent	Revenue	Comprehensive services	Agreement	1,509.44	–
Liaoning Shenha Hongyun Logistics Co., Ltd. (遼寧沈哈紅運物流有限公司)	Associate of the parent	Revenue	Comprehensive services	Agreement	31,486,180.43	41,973,886.95
Yingkou Hui Feng Logistics Co., Ltd. (營口滙豐物流有限公司)	Associate of the parent	Revenue	Comprehensive services	Agreement	28,940,938.92	21,914,146.60
Yingkou Haihui Shipping Agency Co., Ltd. (營口海德船務代理有限公司)	Associate of the parent	Revenue	Comprehensive services	Agreement	454,927.64	–
Yingkou COSCO Shipping Container Service Co., Ltd. (營口中遠海運集裝箱服務有限公司)	Associate of the parent	Revenue	Comprehensive services	Agreement	21,934.82	17,505.29
Yingkou Vessel Fuel Supply Co., Ltd. (營口船舶燃料供應有限公司)	Associate of the parent	Revenue	Comprehensive services	Agreement	13,688.68	–
Yingkou Port Vessel Fuel Supply Co., Ltd. (營口港船舶燃料供應有限責任公司)	Associate of the parent	Revenue	Comprehensive services	Agreement	159.29	19,174.71
Dalian Port Wantong Logistics Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Loading and discharging services	Agreement	37,119,700.78	35,698,897.24



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (1) Revenue and Expenses (continued)

Name of related parties	Relation	Types of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Cumulative amount in the current period (unaudited)	Amount in same period of the previous year (restated) (unaudited)
China Marine Shipping Agency Liaoning Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	19,588,509.35	24,805,187.40
Sinotrans Container Lines Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Loading and discharging services	Agreement	13,914,658.82	13,013,147.85
Dalian Port Petroleum & Chemical Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Telecommunication services	Agreement	2,410,887.24	249,651.66
Shenzhen Merchants Ro-Ro Transportation Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Loading and discharging services	Agreement	1,044,755.67	646,599.95
Dandong Port Group Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	550,583.57	–
Dalian Port Hospital	Company controlled by the same ultimate controlling party	Revenue	Telecommunication services	Agreement	521,837.51	–
Dalian Hongyu Building Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	434,956.85	970,022.48

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (1) Revenue and Expenses (continued)

Name of related parties	Relation	Types of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Cumulative amount in the current period (unaudited)	Amount in same period of the previous year (restated) (unaudited)
Dalian Wanfeng Properties Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	388,654.00	764,970.94
Dalian Sinotrans Logistics Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Telecommunication services	Agreement	387,925.88	49,840.99
Sinotrans (Tangshan) Logistics Co., Ltd. (中外運(唐山)物流有限公司)	Company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	301,964.42	-
Dalian Harbour Building Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	276,176.84	364,477.80
Dalian Port City Comprehensive Development Co., Ltd. (大連港城綜合開發有限公司)	Company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	265,749.00	362,244.79
Shenzhen China Merchants Daojiahui Technology Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	243,285.21	-
Dalian Port Logistics Technology Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	221,071.75	-



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (1) Revenue and Expenses (continued)

Name of related parties	Relation	Types of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Cumulative amount in the current period (unaudited)	Amount in same period of the previous year (restated) (unaudited)
Dalian Taiping Bay Investment & Development Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	107,451.88	111,690.13
Dalian Portsoft Technology Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	76,303.66	–
China Merchants Taiping Bay Development Investment Co., Ltd. (招商局太平洋開發投資有限公司)	Company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	68,490.56	–
China Communications Import & Export Co., Ltd	Company controlled by the same ultimate controlling party	Revenue	Telecommunication services	Agreement	65,643.31	89,174.33
Yingkou Gangxin Technology Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	64,684.40	–
Dalian Port Logistics Network Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Telecommunication services	Agreement	60,021.60	–

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (1) Revenue and Expenses (continued)

Name of related parties	Relation	Types of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Cumulative amount in the current period (unaudited)	Amount in same period of the previous year (restated) (unaudited)
Dalian Port North Shore Investment and Development Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Telecommunication services	Agreement	33,167.82	55,452.18
Dalian Port Security Services Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	32,592.09	–
Sinotrans Northeastern Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Telecommunication services	Agreement	27,140.19	13,641,126.79
Dalian United King Port Auto Trade Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	24,305.71	29,102.96
China Merchants Group Finance Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Telecommunication services	Agreement	23,230.90	–
Dalian Port Real Estate Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Telecommunication services	Agreement	19,502.45	20,009.79
Dalian Wantong Ronghai Shipping Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	15,405.53	6,264.68



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (1) Revenue and Expenses (continued)

Name of related parties	Relation	Types of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Cumulative amount in the current period (unaudited)	Amount in same period of the previous year (restated) (unaudited)
Dalian Port North Shore Automobile Terminal Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Telecommunication services	Agreement	14,986.75	241,594.11
Sinotrans Liaoning Company Limited	Company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	14,186.80	–
Dalian Port North Shore Container Terminal Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Telecommunication services	Agreement	10,415.11	11,377.38
Dalian Northeast Asia International Shipping Center of Shipping Exchange Market Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Telecommunication services	Agreement	10,326.30	10,320.80
Dalian Port Investment and Financing Holding Group Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Telecommunication services	Agreement	10,043.12	10,683.48
PDA Group (Jinzhou) Liaoxi Port Investment and Development Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Supervision services	Agreement	4,764.84	–
Dalian Portsoft Network Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	4,735.34	–
Sinotrans Sunny Express Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	3,475.47	785,707.55

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (1) Revenue and Expenses (continued)

Name of related parties	Relation	Types of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Cumulative amount in the current period (unaudited)	Amount in same period of the previous year (restated) (unaudited)
Dalian International Shipping Center Building Co., Ltd. (大連國際航運中心大廈有限公司)	Company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	2,519.27	–
Dalian Harbour City Construction Development Co., Ltd. (Note 3)	Company controlled by the same ultimate controlling party	Revenue	Telecommunication services	Agreement	1,144.95	6,657.80
Dalian FTZ Yongdexin Real Estate Development Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Telecommunication services	Agreement	287.16	297.25
Sinotrans North China Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	–	1,589,242.38
Nanjing Tanker Corporation	Company controlled by the same ultimate controlling party	Revenue	Port management services	Agreement	–	101,886.79
Dalian Taiping Bay Sunshine Real Estate Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	–	23,942.00
Sinotrans Liaoning Container Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Loading and discharging services	Agreement	–	6,868.87





# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (1) Revenue and Expenses (continued)

Name of related parties	Relation	Types of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Cumulative amount in the current period (unaudited)	Amount in same period of the previous year (restated) (unaudited)
Shenyang Sinotrans Logistics Co., Ltd.	Company controlled by the same ultimate controlling party	Revenue	Telecommunication services	Agreement	–	353.77
China Merchants Logistics Group (Tianjin) Co., Ltd. (招商局物流集團 (天津) 有限公司)	Company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	–	1,352,938.53
Dalian Port Machinery Co., Ltd.	Joint venture of the company controlled by the same ultimate controlling party	Revenue	Electrical services	Agreement	270,015.30	387,516.85
Sinopec Harbour Oil Sales (Dalian) Co., Ltd.	Joint venture of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	81,406.63	92,163.43
Dalian Creative Industry Project Development Co., Ltd.	Joint venture of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	19,045.48	25,262.10

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (1) Revenue and Expenses (continued)

Name of related parties	Relation	Types of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Cumulative amount in the current period (unaudited)	Amount in same period of the previous year (restated) (unaudited)
Ganghe (Shanghai) Economic and Trade Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	1,106,897.17	-
Dalian Port Industrial Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	856,716.51	1,115,142.85
Dalian PetroChina Marine Fuel Transportation & Sales Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	409,015.99	187,754.27
Dalian Harbour Engineering Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	374,841.27	372,065.83
Dalian Port Machinery and Electric Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	163,408.61	1,726.41
Dalian CITIC Harbour Investment Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	84,188.15	24,339.61
Dalian Port Property Management Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	62,780.93	88,134.74



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (1) Revenue and Expenses (continued)

Name of related parties	Relation	Types of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Cumulative amount in the current period (unaudited)	Amount in same period of the previous year (restated) (unaudited)
Dalian Port Design and Research Institute Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	51,052.30	4,564,591.01
Dalian Port Landscape Engineering Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	23,948.96	24,307.47
Dalian Port Rixing Boiler Installation Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	19,838.56	21,556.83
Dalian Port Xingang Construction Engineering Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	17,786.80	6,273.61
Dalian Gangxin Construction Engineering Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	9,543.33	–
Dalian Gangming Port Automobile Inspection Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	1,597.25	–
Dalian Port Industrial Co., Ltd. (Xingang Gas Station)	Associate of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	462.38	425.68

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (1) Revenue and Expenses (continued)

Name of related parties	Relation	Types of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Cumulative amount in the current period (unaudited)	Amount in same period of the previous year (restated) (unaudited)
Dalian Port Tongda Media Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	454.12	450.45
Datong Securities Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Revenue	Telecommunication services	Agreement	–	243,893.80
Dalian Wanpeng Foundation Engineering Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Revenue	Comprehensive services	Agreement	–	800.92
<b>Total</b>					381,680,520.31	408,034,613.85
China Merchants Group Limited	Ultimate controlling party	Expenses	Comprehensive services	Agreement	2,028.00	–
Yingkou Port Group Corporation Limited	Parent company	Expenses	Comprehensive services	Agreement	124,576,597.28	122,938,673.56
Dalian Port Corporation Limited	Indirect controlling shareholder	Expenses	Comprehensive services	Agreement	14,282,945.29	7,506,527.59
Yingkou Gangtong E-Commerce Co., Ltd. (營口港通電子商務有限公司)	Subsidiary of the parent	Expenses	Comprehensive services	Agreement	2,279,254.51	13,401,126.82
Yingkou Port Shipping Agency Co., Ltd. (營口港船貨代理有限公司)	Subsidiary of the parent	Expenses	Comprehensive services	Agreement	1,965,457.58	2,516,369.88
Yingkou Port Tank Cleaning Co., Ltd. (營口港清洗艙有限公司)	Subsidiary of the parent	Expenses	Comprehensive services	Agreement	323,320.93	634,403.65
Faku Yinggang Logistics Co., Ltd. (法庫營港物流有限公司)	Subsidiary of the parent	Expenses	Comprehensive services	Agreement	282,928.30	188,660.38



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (1) Revenue and Expenses (continued)

Name of related parties	Relation	Types of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Cumulative amount in the current period (unaudited)	Amount in same period of the previous year (restated) (unaudited)
Yingkou Gangfeng Hotel Co., Ltd.	Subsidiary of the parent	Expenses	Comprehensive services	Agreement	233,686.24	580,867.05
Yingkou Port Engineering Supervision Consulting Co., Ltd.	Subsidiary of the parent	Expenses	Comprehensive services	Agreement	148,679.24	694,528.30
Yingkou Hongyun Port Container Development Co., Ltd. (營口紅運港口集裝箱發展有限公司)	Subsidiary of the parent	Expenses	Comprehensive services	Agreement	30,734.66	17,639.43
Liaoning Harbour Engineering Technology Co., Ltd.	Subsidiary of the parent	Expenses	Maintenance services	Agreement	-	137,961.95
Yingkou Ocean Shipping Tally Co., Ltd.	Subsidiary of the parent	Expenses	Comprehensive services	Agreement	-	11,946.32
Yingkou Port Group Bonded Goods Storage and Transportation Co., Ltd. (營口港務集團保稅貨物儲運有限公司)	Subsidiary of the parent	Expenses	Comprehensive services	Agreement	-	421,362.27
Liaoning New Silk Road International Logistics Co., Ltd. (遼寧新絲路國際物流有限公司)	Subsidiary of the parent	Expenses	Comprehensive services	Agreement	-	3,174.37
Dalian Changxing Island Port Investment and Development Co., Ltd.	Joint venture	Expenses	Comprehensive services	Agreement	95,711,321.06	95,292,453.20
China United International Rail Containers (Dalian) Co., Ltd.	Joint venture	Expenses	Transportation services	Agreement	15,347,998.16	5,650,923.24
China Oil Dock Management (Dalian) Co., Ltd.	Joint venture	Expenses	Comprehensive services	Agreement	7,815,630.02	8,160,726.89
Dalian United International Shipping Agency Co., Ltd.	Joint venture	Expenses	Comprehensive services	Agreement	2,309,396.00	509,113.09
China United Tally (Dalian) Co., Ltd.	Joint venture	Expenses	Comprehensive services	Agreement	1,201,760.82	-

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (1) Revenue and Expenses (continued)

Name of related parties	Relation	Types of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Cumulative amount in the current period (unaudited)	Amount in same period of the previous year (restated) (unaudited)
Weifang Senda Container Service Co., Ltd.	Joint venture	Expenses	Comprehensive services	Agreement	587,743.58	-
Dalian Vanguard International Logistics Co., Ltd.	Joint venture	Expenses	Comprehensive services	Agreement	37,434.00	110,879.00
Dalian Port Yidu Cold Chain Co., Ltd.	Joint venture	Expenses	Comprehensive services	Agreement	1,656.00	118,367.06
Dalian Port Tongli Shipping Agency Co., Ltd.	Joint venture	Expenses	Telecommunication services	Agreement	-	432,728.93
Dalian Jilong Logistics Co., Ltd.	Joint venture	Expenses	Comprehensive services	Agreement	-	56,769.48
Dalian Singamas International Container Co., Ltd.	Associate	Expenses	Comprehensive services	Agreement	781,593.90	-
Dalian Automobile Terminal Co., Ltd.	Associate	Expenses	Outsourcing services	Agreement	596,947.15	-
Dalian Wanpeng Port Engineering Testing Co., Ltd.	Associate	Expenses	Supervision services	Agreement	-	341,299.41
Sinograin Yingkou Storage and Transportation Co., Ltd. (中儲糧營口儲運有限責任公司)	Joint venture of the parent	Expenses	Comprehensive services	Agreement	6,267,317.88	1,396,090.78
Yingkou Port Jixing Logistics Co., Ltd. (營口港吉星物流有限公司)	Joint venture of the parent	Expenses	Comprehensive services	Agreement	4,252,458.94	-
Yingkou Port Yueshitang Reserve Co., Ltd. (營口港悅食糖儲備有限公司)	Joint venture of the parent	Expenses	Comprehensive services	Agreement	2,662,889.02	-
Jilin Inland Port Logistics Co., Ltd.	Joint venture of the parent	Expenses	Transportation services	Agreement	1,485,830.43	795,074.00



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (1) Revenue and Expenses (continued)

Name of related parties	Relation	Types of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Cumulative amount in the current period (unaudited)	Amount in same period of the previous year (restated) (unaudited)
Beidahuang Logistics Co., Ltd. (北大荒物流股份有限公司)	Joint venture of the parent	Expenses	Comprehensive services	Agreement	1,414,819.62	-
Yingkou Port Gaizhou Logistics Co., Ltd.	Joint venture of the parent	Expenses	Comprehensive services	Agreement	-	654,407.44
Yingkou Ocean Shipping Agency Co., Ltd.	Joint venture of the parent	Expenses	Comprehensive services	Agreement	-	2,915.00
Yingkou Port Vessel Fuel Supply Co., Ltd. (營口港船舶燃料供應有限責任公司)	Associate of the parent	Expenses	Fuel services	Agreement	28,802,543.54	30,618,329.63
Yingkou Hui Feng Logistics Co., Ltd. (營口匯豐物流有限公司)	Associate of the parent	Expenses	Comprehensive services	Agreement	12,911,441.74	44,923,098.19
Liaoning Shenha Hongyun Logistics Co., Ltd. (遼寧沈哈紅運物流有限公司)	Associate of the parent	Expenses	Comprehensive services	Agreement	3,484,188.86	4,217,047.41
Dalian Port Logistics Technology Co., Ltd.	Company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	7,878,633.17	-
Shenzhen China Merchants Daojiahui Technology Co., Ltd.	Company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	7,162,926.98	1,148,190.85
Yingkou Gangxin Technology Co., Ltd.	Company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	7,133,033.84	-
Dalian Harbour Logistics Network Co., Ltd.	Company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	6,233,754.51	-

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (1) Revenue and Expenses (continued)

Name of related parties	Relation	Types of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Cumulative amount in the current period (unaudited)	Amount in same period of the previous year (restated) (unaudited)
Dandong Port Group Co., Ltd.	Company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	5,081,296.46	-
Dalian Port Security Services Co., Ltd.	Company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	4,039,936.55	3,729,702.76
Dalian Hongyu Building Co., Ltd.	Company controlled by the same ultimate controlling party	Expenses	Property services	Agreement	2,206,304.46	2,527,313.44
Dalian Portsoft Technology Co., Ltd.	Company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	1,766,226.39	-
China Merchants Securities Co., Ltd.	Company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	1,500,000.00	-
Sinotrans Container Lines Co., Ltd.	Company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	1,363,786.75	-
Shenzhen Haiqin Engineering Supervision & Management Company Limited	Company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	874,796.42	-
Dalian Portsoft Network Co., Ltd.	Company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	694,613.18	-
Dalian Port Hospital	Company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	543,325.45	-
Hoi Tung (Shanghai) Company Limited	Company controlled by the same ultimate controlling party	Expenses	Maintenance services	Agreement	399,681.41	485,159.28





# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (1) Revenue and Expenses (continued)

Name of related parties	Relation	Types of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Cumulative amount in the current period (unaudited)	Amount in same period of the previous year (restated) (unaudited)
Dalian Harbour Building Co., Ltd.	Company controlled by the same ultimate controlling party	Expenses	Property services	Agreement	155,848.68	999,065.25
China Communications Import & Export Co., Ltd	Company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	18,696.23	346.03
China Merchants Food (China) Co., Limited	Company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	14,840.71	-
Dalian Port North Shore Investment and Development Co., Ltd.	Company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	7,339.45	-
Dalian Port City Comprehensive Development Co., Ltd. (大连港城综合开发有限公司)	Company controlled by the same ultimate controlling party	Expenses	Supervision services	Agreement	412.84	-
Sinotrans North China Co., Ltd.	Company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	-	1,120,415.88

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (1) Revenue and Expenses (continued)

Name of related parties	Relation	Types of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Cumulative amount in the current period (unaudited)	Amount in same period of the previous year (restated) (unaudited)
Shenzhen China Merchants Property Management Co., Ltd.	Company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	-	1,278,593.94
Sinotrans Northeastern Co., Ltd.	Company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	-	110,324.97
Dalian Sinotrans Logistics Co., Ltd.	Company controlled by the same ultimate controlling party	Expenses	Transportation services	Agreement	-	162,231.89
China Marine Shipping Agency Liaoning Co., Ltd.	Company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	-	65,577.36
Sinopec Harbour Oil Sales (Dalian) Co., Ltd.	Joint venture of the company controlled by the same ultimate controlling party	Expenses	Fuel services	Agreement	29,749,354.31	25,416,699.29
Dalian Port Machinery Co., Ltd.	Joint venture of the company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	1,002,517.09	2,328,041.77
Dalian PetroChina Marine Fuel Transportation & Sales Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Expenses	Fuel services	Agreement	15,189,137.60	16,452,158.28



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (1) Revenue and Expenses (continued)

Name of related parties	Relation	Types of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Cumulative amount in the current period (unaudited)	Amount in same period of the previous year (restated) (unaudited)
Dalian Port Industrial Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	13,512,556.32	13,020,631.15
Dalian Port Design and Research Institute Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	1,434,582.83	-
Dalian Port Machinery and Electric Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	1,180,820.50	58,954.15
Dalian Port Landscape Engineering Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	918,677.56	837,144.84
Dalian Harbour Engineering Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	709,272.87	643,695.73
Dalian Port Xingang Construction Engineering Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	381,780.80	394,714.04
Dalian Port Property Management Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	265,127.26	69,805.45

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (1) Revenue and Expenses (continued)

Name of related parties	Relation	Types of related party transactions	Content of related transactions	Pricing method and decision-making procedure of related transactions	Cumulative amount in the current period (unaudited)	Amount in same period of the previous year (restated) (unaudited)
Dalian Life Raft Inspection Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	50,605.32	62,140.22
Dalian Port Rixing Boiler Installation Co., Ltd.	Associate of the company controlled by the same ultimate controlling party	Expenses	Comprehensive services	Agreement	-	57,544.04
<b>Total</b>					<b>441,268,488.69</b>	<b>413,301,914.93</b>

Note 1: Comprehensive services include loading and discharging, storage, agency, tallying, information, containers ancillary services, equipment and technology maintenance, water and electricity supply and other services.

Note 2: On 16 April 2021, Yingkou Bayuquan Market Supervision and Administration Bureau (營口市鮫魚圈區市場監督管理局) approved the deregistration of Yingkou Port Property Management Co., Ltd. (營口港物業管理有限公司), a subsidiary of the Company's parent company.

Note 3: On 28 January 2021, Dalian Ganjingzi Market Supervision and Administration Bureau (大連市甘井子區市場監督管理局) approved the deregistration of Dalian Harbour City Construction Development Co., Ltd., a subsidiary of the Company's indirect controlling shareholder.



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (2) Balances of major claims and debts

Items	Name of related parties	30 June 2021 (unaudited)	31 December 2020 (restated)
Interest receivable	Dalian Changxing Island Port Co., Ltd.	1,007,375.42	253,925.21
Interest receivable	Dalian Vanguard International Logistics Co., Ltd.	27,791.68	30,570.84
<b>Total</b>		<b>1,035,167.10</b>	284,496.05
Contract liabilities	Liaoning Shenha Hongyun Logistics Co., Ltd. (遼寧沈哈紅運物流有限公司)	2,445,919.52	2,620,415.86
Contract liabilities	Sinotrans Northeastern Co., Ltd.	550,702.16	426,683.80
Contract liabilities	Yingkou Huifeng Logistics Co., Ltd. (營口滙豐物流有限公司)	162,746.20	1,591,721.80
Contract liabilities	Yingkou Port Shipping Agency Co., Ltd. (營口港船貨代理有限公司)	80,969.00	1,916,454.00
Contract liabilities	China United International Rail Containers (Dalian) Co., Ltd.	54,640.00	54,640.00
Contract liabilities	China Marine Shipping Agency Liaoning Co., Ltd.	50,000.00	50,000.00
Contract liabilities	Ganghe (Shanghai) Economic and Trade Co., Ltd.	26,689.00	–
Contract liabilities	Dalian Shenyang Railway Bureau Yuangang Logistics Co., Ltd.	23,309.00	13,189.28
Contract liabilities	Yingkou Ocean Shipping Agency Co., Ltd.	2,740.20	715,540.15
Contract liabilities	Sinotrans Liaoning Company Limited	2,492.00	–
Contract liabilities	Jilin Inland Port Logistics Co., Ltd.	2,200.00	–
Contract liabilities	Dalian Singamas International Container Co., Ltd.	250.00	50,882.38
Contract liabilities	Beidahuang Logistics Co., Ltd. (北大荒物流股份有限公司)	2.70	–
Contract liabilities	Dandong Port Group Co., Ltd.	–	3,466,038.51
Contract liabilities	Yingkou Gangxin Technology Co., Ltd.	–	854,883.16
Contract liabilities	Liaoning Port Group Limited	–	397,718.50

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (2) Balances of major claims and debts (continued)

Items	Name of related parties	30 June 2021 (unaudited)	31 December 2020 (restated)
Contract liabilities	Dalian Port Corporation Limited	–	368,943.61
Contract liabilities	National Pipe Network Group Dalian Liquefied Natural Gas Co., Ltd. (國家管網集團大連液化天然氣有限公司)	–	331,978.77
Contract liabilities	Dalian Port Industrial Co., Ltd.	–	181,312.82
Contract liabilities	Yingkou Haihui Shipping Agency Co., Ltd. (營口海德船務代理有限公司)	–	159,975.00
Contract liabilities	Dalian Sinotrans Logistics Co., Ltd.	–	131,939.60
Contract liabilities	Dalian Port Yidu Cold Chain Co., Ltd.	–	100,292.40
Contract liabilities	Dalian Harbour Engineering Co., Ltd.	–	32,115.81
Contract liabilities	Dalian Port Property Management Co., Ltd.	–	21,020.28
Contract liabilities	Dalian Port Landscape Engineering Co., Ltd.	–	19,453.21
Contract liabilities	Dalian Wanpeng Port Engineering Testing Co., Ltd.	–	18,530.62
Contract liabilities	Dalian Port Rixing Boiler Installation Co., Ltd.	–	16,553.24
Contract liabilities	Dalian United International Shipping Agency Co., Ltd.	–	16,231.21
Contract liabilities	Dalian Puji Storage Facility Co., Ltd.	–	4,611.49
Contract liabilities	Dalian Port Xingang Construction Engineering Co., Ltd.	–	4,322.94
Contract liabilities	Dalian PetroChina Marine Fuel Transportation & Sales Co., Ltd.	–	4,061.76
Contract liabilities	VTTI Terminals Dalian Co., Ltd.	–	2,809.91
Contract liabilities	Sinopec Harbour Oil Sales (Dalian) Co., Ltd.	–	2,161.47
Contract liabilities	Shenyang Sinotrans Logistics Co., Ltd.	–	754.00
<b>Total</b>		<b>3,402,659.78</b>	13,575,235.58



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (2) Balances of major claims and debts (continued)

Items	Name of related parties	30 June 2021 (unaudited)	31 December 2020 (restated)
Prepayments	Dalian Gangtai Insurance Brokers Co., Ltd.	3,520,748.84	–
Prepayments	China United International Rail Containers (Dalian) Co., Ltd.	3,473,930.85	1,715,222.15
Prepayments	Dalian Port Machinery and Electric Co., Ltd.	2,157,443.94	126,300.00
Prepayments	Sinopec Harbour Oil Sales (Dalian) Co., Ltd.	1,899,081.56	1,615,250.00
Prepayments	Beidahuang Logistics Co., Ltd. (北大荒物流股份有限公司)	326,720.00	–
Prepayments	Dalian Port Industrial Co., Ltd.	185,314.00	–
Prepayments	Dalian United International Shipping Agency Co., Ltd.	167,182.20	–
Prepayments	Dandong Port Group Co., Ltd.	149,789.89	331,682.19
Prepayments	Dalian Port Logistics Technology Co., Ltd.	126,548.67	–
Prepayments	Dalian Port Landscape Engineering Co., Ltd.	70,754.73	–
Prepayments	Dalian Port Machinery Co., Ltd.	36,669.00	36,669.00
Prepayments	Yingkou Gangxin Technology Co., Ltd.	30,643.00	502,243.00
Prepayments	Dalian Portsoft Network Co., Ltd.	28,422.00	–
Prepayments	Dalian Taiping Bay Sunshine Real Estate Co., Ltd.	13,500.00	8,100.00
Prepayments	Yingkou Container Terminals Company Limited	7,728.00	7,728.00
Prepayments	Dalian Harbour Logistics Network Co., Ltd.	7,582.00	–
Prepayments	Liaoning Electronic Port Co., Ltd.	–	21,619.50
Prepayments	Dalian Singamas International Container Co., Ltd.	–	21,852.91
<b>Total</b>		<b>12,202,058.68</b>	<b>4,386,666.75</b>

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (2) Balances of major claims and debts (continued)

Items	Name of related parties	30 June 2021 (unaudited)	31 December 2020 (restated)
Accounts receivable	Dalian Port Bulk Cargo Logistics Center Co., Ltd.	42,488,633.08	21,102,212.00
Accounts receivable	Yingkou Port Group Corporation Limited	28,797,145.06	3,183,629.00
Accounts receivable	Dalian Port Yidu Cold Chain Co., Ltd.	23,874,666.02	18,741,698.35
Accounts receivable	Dalian Automobile Terminal Co., Ltd.	22,844,637.90	10,199,440.43
Accounts receivable	China Oil Dock Management (Dalian) Co., Ltd.	9,816,650.00	2,760,000.00
Accounts receivable	Yingkou Ocean Shipping Agency Co., Ltd.	8,821,909.51	1,248,207.93
Accounts receivable	China Merchants Gangrong Big Data Co., Ltd. (招商港融大數據股份有限公司)	7,392,336.00	–
Accounts receivable	Yingkou COSCO Shipping Agency Co., Ltd. (營口中遠海運船務代理有限公司)	7,332,800.00	3,537,952.92
Accounts receivable	Huaneng Yingkou Port Co., Ltd. (華能營口港務有限責任公司)	6,935,561.96	6,699,156.04
Accounts receivable	Dalian Changxing Island Port Co., Ltd.	6,481,534.40	5,827,570.40
Accounts receivable	Dalian Creative Industry Project Development Co., Ltd.	5,336,904.90	5,336,904.90
Accounts receivable	Yingkou Port Shipping Agency Co., Ltd. (營口港船貨代理有限責任公司)	5,108,409.66	77,216.63
Accounts receivable	Dalian Port Design and Research Institute Co., Ltd.	4,937,731.91	2,287,996.24
Accounts receivable	Yingkou Huifeng Logistics Co., Ltd. (營口滙豐物流有限公司)	3,020,827.84	–
Accounts receivable	Yingkou Gangjun Logistics Co., Ltd. (營口港駿物流有限公司)	2,800,000.00	2,800,000.00
Accounts receivable	Sinotrans Northeastern Co., Ltd.	2,453,800.15	–
Accounts receivable	Dalian Shunde Jifa Supply Chain Management Co., Ltd.	2,318,836.21	–





# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (2) Balances of major claims and debts (continued)

Items	Name of related parties	30 June 2021 (unaudited)	31 December 2020 (restated)
Accounts receivable	China Marine Shipping Agency Liaoning Co., Ltd.	2,192,002.00	2,686,290.00
Accounts receivable	Sinotrans Container Lines Co., Ltd.	1,615,949.00	1,880,524.00
Accounts receivable	Dalian United International Shipping Agency Co., Ltd.	1,094,428.09	739,514.81
Accounts receivable	Dalian Vanguard International Logistics Co., Ltd.	841,649.00	315,000.00
Accounts receivable	Liaoning Shenha Hongyun Logistics Co., Ltd. (遼寧沈哈紅運物流有限公司)	787,868.18	–
Accounts receivable	Dalian Port Corporation Limited	757,712.00	272,113.00
Accounts receivable	China Merchants Logistics Group (Tianjin) Co., Ltd. (招商局物流集團(天津)有限公司)	458,470.00	–
Accounts receivable	Liaoning Harbour Engineering Technology Co., Ltd.	458,400.00	–
Accounts receivable	Dalian Port Wantong Logistics Co., Ltd.	452,671.00	46,182.00
Accounts receivable	Dalian Hongyu Building Co., Ltd.	437,837.19	–
Accounts receivable	Dalian Changxing Island Port Investment and Development Co., Ltd.	376,649.00	–
Accounts receivable	Weifang Senda Container Service Co., Ltd.	375,000.00	–
Accounts receivable	Dalian Harbour Building Co., Ltd.	306,350.65	–
Accounts receivable	Dalian Port City Comprehensive Development Co., Ltd. (大連港城綜合開發有限公司)	265,169.61	–
Accounts receivable	Beidahuang Logistics Co., Ltd. (北大荒物流股份有限公司)	240,000.00	–
Accounts receivable	China United International Rail Containers (Dalian) Co., Ltd.	97,962.00	42,017.00
Accounts receivable	Dalian Harbour Engineering Co., Ltd.	88,731.31	18,161.87
Accounts receivable	Dalian North Oil Petroleum Logistics Co., Ltd.	77,000.00	1,001,260.00
Accounts receivable	Dalian Port Industrial Co., Ltd.	75,508.88	–

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (2) Balances of major claims and debts (continued)

Items	Name of related parties	30 June 2021 (unaudited)	31 December 2020 (restated)
Accounts receivable	Dalian Shenyang Railway Bureau Yuanguang Logistics Co., Ltd.	67,816.00	26,373.00
Accounts receivable	Dalian Taiping Bay Investment & Development Co., Ltd.	65,600.00	65,600.00
Accounts receivable	Dalian Port Property Management Co., Ltd.	61,478.42	16,816.36
Accounts receivable	Dalian Dagang China Shipping Container Terminal Co., Ltd.	59,746.75	46,119.00
Accounts receivable	Dalian Gangxin Construction Engineering Co., Ltd.	53,143.50	53,143.50
Accounts receivable	Dalian Jilong Logistics Co., Ltd.	51,078.45	17,032.74
Accounts receivable	Shenzhen Merchants Ro-Ro Transportation Co., Ltd.	51,000.00	–
Accounts receivable	Yingkou Haihui Shipping Agency Co., Ltd. (營口海德船務代理有限公司)	40,127.41	–
Accounts receivable	Dalian Port Security Services Co., Ltd.	36,829.07	4,420.80
Accounts receivable	Panjin Port Group Co., Ltd. (盤錦港集團有限公司)	28,000.00	–
Accounts receivable	Dalian CITIC Harbour Investment Co., Ltd.	27,630.53	–
Accounts receivable	Sinotrans Integrated Logistics Co., Ltd.	21,485.40	–
Accounts receivable	China United Tally (Dalian) Co., Ltd.	18,509.12	215,000.00
Accounts receivable	Dalian Port North Shore Automobile Terminal Co., Ltd.	9,088.99	–
Accounts receivable	Dalian Port Machinery and Electric Co., Ltd.	8,532.57	33,532.57
Accounts receivable	Dalian Port Xingang Construction Engineering Co., Ltd.	5,046.34	–
Accounts receivable	Dalian Singamas International Container Co., Ltd.	3,512.00	–
Accounts receivable	Sinotrans Liaoning Company Limited	3,325.00	–
Accounts receivable	Dalian PetroChina International Warehousing and Transportation Co., Ltd.	2,420.00	–



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (2) Balances of major claims and debts (continued)

Items	Name of related parties	30 June 2021 (unaudited)	31 December 2020 (restated)
Accounts receivable	Jilin Inland Port Logistics Co., Ltd.	2,200.00	–
Accounts receivable	Liaoning Electronic Port Co., Ltd.	–	1,994,801.00
Accounts receivable	Yingkou Port Group Bonded Goods Storage and Transportation Co., Ltd. (營口港務集團保稅貨物儲運有限公司)	–	1,393,446.04
Accounts receivable	Yingkou Gangxin Technology Co., Ltd.	–	469,128.85
Accounts receivable	Liaoning Port Group Limited	–	188,200.00
Accounts receivable	Yingkou Gangtong E-Commerce Co., Ltd. (營口港通電子商務有限公司)	–	172,626.21
Accounts receivable	Xia Men Bay China Merchants Terminals Co., Ltd.	–	117,036.00
Accounts receivable	Yingkou Container Terminals Company Limited	–	6,500.00
Accounts receivable	Dalian PetroChina Marine Fuel Transportation & Sales Co., Ltd.	–	5,163.00
<b>Total</b>		<b>202,378,312.06</b>	95,627,986.59
Other receivables	Dalian Changxing Island Port Investment and Development Co., Ltd.	78,954,640.63	78,903,440.58
Other receivables	Dalian Vanguard International Logistics Co., Ltd.	23,000,000.00	23,000,000.00
Other receivables	Dalian Changxing Island Port Co., Ltd.	12,942,792.05	11,673,488.77
Other receivables	Dalian Port Yidu Cold Chain Co., Ltd.	7,350,431.02	8,670,816.52
Other receivables	Dalian Port Design and Research Institute Co., Ltd.	3,691,476.08	3,246,260.10
Other receivables	China Marine Shipping Agency Liaoning Co., Ltd.	2,962,827.00	3,960,722.60
Other receivables	China United International Rail Containers (Dalian) Co., Ltd.	2,500,000.00	–

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (2) Balances of major claims and debts (continued)

Items	Name of related parties	30 June 2021 (unaudited)	31 December 2020 (restated)
Other receivables	Dalian Port Machinery Co., Ltd.	1,388,547.00	1,835,684.80
Other receivables	Dalian Port Corporation Limited	1,122,715.42	7,879,634.12
Other receivables	Dalian Port Machinery and Electric Co., Ltd.	1,114,079.53	2,533,094.35
Other receivables	Dalian Automobile Terminal Co., Ltd.	761,030.35	261,030.35
Other receivables	Sinopec Harbour Oil Sales (Dalian) Co., Ltd.	520,000.00	130,000.00
Other receivables	Dalian Taiping Bay Sunshine Real Estate Co., Ltd.	470,656.00	470,656.00
Other receivables	Dalian North Oil Petroleum Logistics Co., Ltd.	408,800.00	548,800.00
Other receivables	China United Tally (Dalian) Co., Ltd.	375,000.00	–
Other receivables	Dalian United International Shipping Agency Co., Ltd.	364,997.00	296,475.20
Other receivables	Dalian Port Industrial Co., Ltd.	333,350.01	–
Other receivables	Dalian Sinotrans Logistics Co., Ltd.	260,448.00	130,000.00
Other receivables	Dalian Port North Shore Automobile Terminal Co., Ltd.	203,616.00	203,616.00
Other receivables	Jinzhou Liaoxi PDA Properties Co., Ltd.	200,000.00	360,500.00
Other receivables	Dandong Port Group Co., Ltd.	183,925.00	–
Other receivables	Dalian Harbour Engineering Co., Ltd.	176,626.06	375,736.16
Other receivables	Dalian Port Petroleum & Chemical Co., Ltd.	154,615.51	55,615.51
Other receivables	China Communications Import & Export Co., Ltd	100,000.00	45,000.00
Other receivables	VTTI Terminals Dalian Co., Ltd.	96,054.00	101,054.00
Other receivables	Dalian Port Tongli Shipping Agency Co., Ltd.	75,000.00	–
Other receivables	Dalian Wanfeng Properties Co., Ltd.	68,647.95	522,855.97
Other receivables	Dalian Port Logistics Technology Co., Ltd.	65,320.31	–
Other receivables	Dalian Hongyu Building Co., Ltd.	56,224.00	323,634.00
Other receivables	Dalian Taiping Bay Investment & Development Co., Ltd.	52,280.00	249,325.35



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (2) Balances of major claims and debts (continued)

Items	Name of related parties	30 June	31 December
		2021 (unaudited)	2020 (restated)
Other receivables	Dalian Port PetroChina International Terminal Co., Ltd.	40,832.65	176,769.85
Other receivables	Dalian Port North Shore Investment and Development Co., Ltd.	30,000.00	41,846.00
Other receivables	Liaoning Port Group Limited	29,587.00	279,187.00
Other receivables	Sinotrans Container Lines Co., Ltd.	24,819.00	32,914.40
Other receivables	Dalian Dagang China Shipping Container Terminal Co., Ltd.	20,000.00	45,555.00
Other receivables	Dalian Jilong Logistics Co., Ltd.	20,000.00	21,572.00
Other receivables	Dalian Port Xingang Construction Engineering Co., Ltd.	12,000.00	12,000.00
Other receivables	Dalian Gangxin Construction Engineering Co., Ltd.	11,162.75	10,821.80
Other receivables	Dalian Taiping Bay Port Company Limited	8,783.65	8,783.65
Other receivables	China Merchants Taiping Bay Development Investment Co., Ltd. (招商局太平灣開發投資有限公司)	7,100.00	–
Other receivables	Yingkou Container Terminals Company Limited	6,500.00	–
Other receivables	Dalian CITIC Harbour Investment Co., Ltd.	4,424.40	–
Other receivables	Yingkou Port Group Corporation Limited	1,260.00	–
Other receivables	Dalian Port Wantong Logistics Co., Ltd.	–	100,000.00
Other receivables	Yingkou COSCO Shipping Container Service Co., Ltd. (營口中遠海運集裝箱服務有限公司)	–	50,000.00
Other receivables	Dalian Port Petty Loan Co., Ltd.	–	21,600.00
<b>Total</b>		<b>140,170,568.37</b>	146,578,490.08

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (2) Balances of major claims and debts (continued)

Items	Name of related parties	30 June 2021 (unaudited)	31 December 2020 (restated)
Long-term receivables	Dalian Changxing Island Port Co., Ltd.	26,500,000.00	26,500,000.00
Long-term receivables	Dalian Puji Storage Facility Co., Ltd.	4,724,238.18	54,787,330.07
<b>Total</b>		<b>31,224,238.18</b>	81,287,330.07
Advances from customers	Dalian Sinotrans Logistics Co., Ltd.	150,793.63	–
<b>Total</b>		<b>150,793.63</b>	–
Accounts payable	Dalian Changxing Island Port Investment and Development Co., Ltd.	16,650,000.00	17,205,000.00
Accounts payable	Sinograin Yingkou Storage and Transportation Co., Ltd. (中儲糧營口儲運有限責任公司)	6,643,356.96	–
Accounts payable	Angang International Trading Yingkou Port Co., Ltd. (鞍鋼國貿營口港務有限公司)	5,417,391.95	5,417,391.95
Accounts payable	China United International Rail Containers (Dalian) Co., Ltd.	3,459,444.25	1,272,998.35
Accounts payable	Yingkou Port Group Corporation Limited	3,396,226.42	–
Accounts payable	Yingkou Ocean Shipping Agency Co., Ltd.	3,294,335.29	–
Accounts payable	Huaneng Yingkou Port Co., Ltd. (華能營口港務有限責任公司)	2,809,734.48	–
Accounts payable	Shenyang Sinotrans & CSC Logistics Development Co., Ltd.	2,767,457.03	153,690.00
Accounts payable	Yingkou Huifeng Logistics Co., Ltd. (營口滙豐物流有限公司)	2,621,337.22	8,559,228.82



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (2) Balances of major claims and debts (continued)

Items	Name of related parties	30 June 2021 (unaudited)	31 December 2020 (restated)
Accounts payable	Weifang Senda Container Service Co., Ltd.	<b>1,313,353.42</b>	1,890,156.96
Accounts payable	Yingkou Port Gaizhou Logistics Co., Ltd.	<b>986,972.19</b>	1,488,895.46
Accounts payable	Dalian Port Wantong Logistics Co., Ltd.	<b>960,000.00</b>	930,900.00
Accounts payable	China United Tally (Dalian) Co., Ltd.	<b>916,510.67</b>	885,712.84
Accounts payable	Dalian Automobile Terminal Co., Ltd.	<b>614,097.00</b>	301,183.11
Accounts payable	Dalian Port Corporation Limited	<b>383,667.79</b>	240,433.79
Accounts payable	Yingkou Port Group Construction and Installation Engineering Co., Ltd. (營口港務集團建築安裝工程有限公司)	<b>372,972.97</b>	–
Accounts payable	Dalian Harbour Engineering Co., Ltd.	<b>359,805.91</b>	332,807.91
Accounts payable	Beidahuang Logistics Co., Ltd. (北大荒物流股份有限公司)	<b>352,480.00</b>	–
Accounts payable	Yingkou Gangxin Technology Co., Ltd.	<b>344,232.43</b>	1,180,000.00
Accounts payable	Sinopec Harbour Oil Sales (Dalian) Co., Ltd.	<b>327,420.51</b>	14,124.42
Accounts payable	Dandong Port Group Co., Ltd.	<b>304,918.08</b>	155,470.00
Accounts payable	Dalian Singamas International Container Co., Ltd.	<b>288,412.08</b>	350,686.20
Accounts payable	Sinotrans Container Lines Co., Ltd.	<b>286,180.63</b>	–
Accounts payable	Dalian Port Machinery Co., Ltd.	<b>235,600.00</b>	224,079.73
Accounts payable	Dalian Port Logistics Technology Co., Ltd.	<b>225,296.66</b>	–
Accounts payable	Dalian United International Shipping Agency Co., Ltd.	<b>208,296.69</b>	343,302.71
Accounts payable	Dalian Port Industrial Co., Ltd.	<b>162,000.00</b>	–
Accounts payable	Yingkou Port Engineering Supervision Consulting Co., Ltd.	<b>140,000.00</b>	–

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (2) Balances of major claims and debts (continued)

Items	Name of related parties	30 June 2021 (unaudited)	31 December 2020 (restated)
Accounts payable	Dalian Harbour Logistics Network Co., Ltd.	110,000.00	–
Accounts payable	China Oil Dock Management (Dalian) Co., Ltd.	108,962.26	–
Accounts payable	Faku Yinggang Logistics Co., Ltd. (法庫營港物流有限公司)	86,000.00	–
Accounts payable	Dalian Portsoft Technology Co., Ltd.	56,400.00	–
Accounts payable	Dalian Jilong Logistics Co., Ltd.	7,375.47	7,375.47
Accounts payable	Dalian Portsoft Network Co., Ltd.	5,870.00	–
Accounts payable	Shenzhen China Merchants Daojiahui Technology Co., Ltd.	5,490.90	–
Accounts payable	Jilin Inland Port Logistics Co., Ltd.	2,450.00	347,832.00
Accounts payable	Dalian Shenyang Railway Bureau Yuangan Logistics Co., Ltd.	23.20	23.20
Accounts payable	Yingkou Yinlong Port Co., Ltd. (營口銀龍港務股份有限公司)	–	600,150.06
Accounts payable	Dalian Life Raft Inspection Co., Ltd.	–	131,549.50
Accounts payable	Shandong Yantai Sinotrans Shipping Agency Co., Ltd. (山東煙台中外運船務代理有限公司)	–	71,130.17
Accounts payable	Dalian Vanguard International Logistics Co., Ltd.	–	26,450.00
Accounts payable	Dalian Port Yidu Cold Chain Co., Ltd.	–	3,769.00
<b>Total</b>		<b>56,224,072.46</b>	42,134,341.65





# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (2) Balances of major claims and debts (continued)

Items	Name of related parties	30 June 2021 (unaudited)	31 December 2020 (restated)
Other payables	Ocean Harvest Container Co., Ltd.	<b>45,247,639.53</b>	45,927,589.44
Other payables	Dalian Port Corporation Limited	<b>14,709,822.00</b>	2,644,875.66
Other payables	Dalian Port Machinery and Electric Co., Ltd.	<b>12,940,817.90</b>	33,323,602.02
Other payables	Dalian Harbour Engineering Co., Ltd.	<b>9,387,632.46</b>	8,672,322.00
Other payables	Dalian Port Rixing Boiler Installation Co., Ltd.	<b>3,591,660.95</b>	13,241,678.47
Other payables	Dalian Portsoft Technology Co., Ltd.	<b>2,988,672.89</b>	–
Other payables	Dalian Port Machinery Co., Ltd.	<b>2,418,353.10</b>	6,716,728.62
Other payables	Dalian Harbour Logistics Network Co., Ltd.	<b>2,360,594.00</b>	–
Other payables	Dalian Port Industrial Co., Ltd.	<b>2,286,977.55</b>	159,208.00
Other payables	Yingkou Huifeng Logistics Co., Ltd. (營口滙豐物流有限公司)	<b>1,484,122.00</b>	45,900.00
Other payables	Dalian Hongyu Building Co., Ltd.	<b>1,445,149.55</b>	75,453.05
Other payables	Dalian Port Xingang Construction Engineering Co., Ltd.	<b>1,375,057.16</b>	3,027,913.25
Other payables	Dalian Portsoft Network Co., Ltd.	<b>1,051,034.00</b>	–
Other payables	Dalian Port Design and Research Institute Co., Ltd.	<b>983,018.98</b>	973,018.98
Other payables	Dalian Harbour Building Co., Ltd.	<b>838,868.04</b>	–
Other payables	Dalian Port Logistics Technology Co., Ltd.	<b>616,905.00</b>	–
Other payables	Shenzhen Haiqin Engineering Supervision & Management Company Limited	<b>462,848.64</b>	334,219.90
Other payables	Dalian Port Yidu Cold Chain Co., Ltd.	<b>213,200.00</b>	942,100.00
Other payables	Dalian Port Landscape Engineering Co., Ltd.	<b>133,339.02</b>	455,912.00

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (2) Balances of major claims and debts (continued)

Items	Name of related parties	30 June 2021 (unaudited)	31 December 2020 (restated)
Other payables	Dalian CITIC Harbour Investment Co., Ltd.	100,000.00	150,000.00
Other payables	Yingkou Gangxin Technology Co., Ltd.	67,308.20	212,536.57
Other payables	Dalian Wanpeng Foundation Engineering Co., Ltd.	50,000.43	50,000.43
Other payables	Dalian Port Property Management Co., Ltd.	49,955.00	–
Other payables	Dalian Wanpeng Port Engineering Testing Co., Ltd.	40,000.00	40,000.00
Other payables	Dalian Sinotrans Logistics Co., Ltd.	30,500.00	188,500.00
Other payables	Dalian Dagang China Shipping Container Terminal Co., Ltd.	20,000.00	–
Other payables	Dalian Singamas International Container Co., Ltd.	20,000.00	700.00
Other payables	Yingkou Port Tank Cleaning Co., Ltd. (營口港清洗艙有限公司)	20,000.00	30,000.00
Other payables	Sinotrans Northeastern Co., Ltd.	20,000.00	20,000.00
Other payables	Sinopec Harbour Oil Sales (Dalian) Co., Ltd.	10,000.00	717,120.74
Other payables	Jilin Inland Port Logistics Co., Ltd.	10,000.00	10,000.00
Other payables	Yingkou Ocean Shipping Tally Co., Ltd.	6,000.00	–
Other payables	Dalian Creative Industry Project Development Co., Ltd.	5,000.00	–
Other payables	Yingkou Port Group Construction and Installation Engineering Co., Ltd. (營口港務集團建築安裝工程有限公司)	5,000.00	8,793.71
Other payables	China Merchants Food (China) Co., Limited	2,015.00	–
Other payables	VTTI Terminals Dalian Co., Ltd.	2,000.00	–
Other payables	China Marine Shipping Agency Liaoning Co., Ltd.	1,062.00	746,000.00



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (2) Balances of major claims and debts (continued)

Items	Name of related parties	30 June 2021 (unaudited)	31 December 2020 (restated)
Other payables	Dalian PetroChina Marine Fuel Transportation & Sales Co., Ltd.	1,000.00	5,000.00
Other payables	Dalian North Oil Petroleum Logistics Co., Ltd.	1,000.00	–
Other payables	Liaoning Shenha Hongyun Logistics Co., Ltd. (遼寧沈哈紅運物流有限公司)	977.00	12,977.00
Other payables	Dalian United International Shipping Agency Co., Ltd.	–	1,975,566.07
Other payables	Dalian Changxing Island Port Investment and Development Co., Ltd.	–	63,600.00
Other payables	China United Tally (Dalian) Co., Ltd.	–	139,609.00
Other payables	China United International Rail Containers (Dalian) Co., Ltd.	–	20,000.00
Other payables	Dalian Automobile Terminal Co., Ltd.	–	540.00
Other payables	Yingkou Port Engineering Design and Research Institute Co., Ltd.	–	70,602.00
Other payables	Yingkou Port Vessel Fuel Supply Co., Ltd. (營口港船舶燃料供應有限責任公司)	–	10,000.00
Other payables	Yingkou Port Gaizhou Logistics Co., Ltd.	–	20,000.00
Other payables	Yingkou Duty Free Foreign Supply Port Service Company Limited (營口中免對外供應港口服務有限責任公司)	–	2,000.00
Other payables	Yingkou COSCO Shipping Agency Co., Ltd. (營口中遠海運船務代理有限公司)	–	10,000.00
Other payables	Yingkou Haihui Shipping Agency Co., Ltd. (營口海德船務代理有限公司)	–	10,000.00

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (2) Balances of major claims and debts (continued)

Items	Name of related parties	30 June 2021 (unaudited)	31 December 2020 (restated)
Other payables	Yingkou Yinlong Port Co., Ltd. (營口銀龍港務股份有限公司)	–	17,400.01
Other payables	Hoi Tung (Shanghai) Company Limited	–	3,524,000.00
Other payables	Sinotrans Container Lines Co., Ltd.	–	250,000.00
Other payables	Shenzhen China Merchants Daojiahui Technology Co., Ltd.	–	189,172.30
Other payables	China Merchants Securities Co., Ltd.	–	1,500,000.00
<b>Total</b>		<b>104,997,530.40</b>	126,534,639.22
Long-term payables	China Merchants Bank Co., Ltd.	<b>4,500,000.00</b>	4,500,000.00
Long-term payables	Dalian Port Corporation Limited	–	19,000,000.00
<b>Total</b>		<b>4,500,000.00</b>	23,500,000.00
Lease liabilities	Yingkou Port Group Corporation Limited	<b>3,717,270,612.76</b>	3,510,234,045.40
Lease liabilities	Dalian Port PetroChina International Terminal Co., Ltd.	<b>1,705,193,592.28</b>	1,669,178,465.49
Lease liabilities	Dalian Port Corporation Limited	<b>1,225,686,201.39</b>	1,212,351,812.99
Lease liabilities	Dalian FTZ Yongdixin Real Estate Development Co., Ltd.	<b>38,047,276.32</b>	37,439,609.56
Lease liabilities	Dalian Harbour Building Co., Ltd.	<b>20,207,285.39</b>	19,220,163.90
Lease liabilities	Dalian Automobile Terminal Co., Ltd.	<b>713,422.26</b>	712,551.31
Lease liabilities	Dalian Equipment Finance Lease Co., Ltd.	<b>346,551.05</b>	773,621.70
Lease liabilities	Dalian Changxing Island Port Co., Ltd.	<b>45,826.97</b>	69,442.22
<b>Total</b>		<b>6,707,510,768.42</b>	6,449,979,712.57



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (2) Balances of major claims and debts (continued)

Items	Name of related parties	30 June 2021 (unaudited)	31 December 2020 (restated)
Long-term payables due within one year	China Merchants Bank Co., Ltd.	4,500,000.00	4,500,000.00
Long-term payables due within one year	Dalian Port Corporation Limited	–	25,057,811.11
<b>Total</b>		<b>4,500,000.00</b>	29,557,811.11
Lease liabilities due within one year	Yingkou Port Group Corporation Limited	140,276,452.02	127,423,433.83
Lease liabilities due within one year	Dalian Port Corporation Limited	19,618,432.95	19,165,802.41
Lease liabilities due within one year	Dalian Port PetroChina International Terminal Co., Ltd.	16,449,808.57	15,648,772.97
Lease liabilities due within one year	Dalian Equipment Finance Lease Co., Ltd.	1,346,581.60	1,522,661.86
Lease liabilities due within one year	Dalian FTZ Yongdixin Real Estate Development Co., Ltd.	1,306,864.39	1,255,403.34
Lease liabilities due within one year	Dalian Harbour Building Co., Ltd.	878,321.91	861,422.53
Lease liabilities due within one year	Dalian Changxing Island Port Co., Ltd.	21,367.00	40,000.00
Lease liabilities due within one year	Dalian Automobile Terminal Co., Ltd.	14,296.79	13,796.57
<b>Total</b>		<b>179,912,125.23</b>	165,931,293.51

Except for short-term borrowings, long-term borrowings, lease liabilities, non-current liabilities due within one year, borrowings from related parties in long-term payables and long-term receivables, other amounts due to related parties were interest free, unsecured and with no fixed maturity date.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (3) Leasing with related parties

The Group as the lessor

Name of lessee	Type of the leased assets	Pricing method and decision-making procedure of related transactions	Leasing income recognised in the current period (unaudited)	Leasing income recognised in the same period of the previous year (restated) (unaudited)
Yingkou Container Terminals Company Limited	Berth and stock yard/ Buildings/Equipment	Agreement	47,501,174.65	50,786,625.54
China United International Rail Containers (Dalian) Co., Ltd.	Warehousing/Machinery	Agreement	2,393,240.05	2,393,239.96
Dalian Port Yidu Cold Chain Co., Ltd.	Field bridge/Stock yard	Agreement	1,902,518.08	1,902,518.08
Yingkou Port Vessel Fuel Supply Co., Ltd. (營口港船舶燃料供應 有限責任公司)	Berth/Storage	Agreement	951,636.19	–
Yingkou Port Group Corporation Limited	Equipment/Buildings	Agreement	723,207.84	714,285.72
Liaoning Shenha Hongyun Logistics Co., Ltd. (遼寧沈哈紅運物流有限公司)	Machinery and equipment/Color plate	Agreement	483,184.11	345,787.59
Liaoning Harbour Engineering Technology Co., Ltd.	Shipping	Agreement	420,550.46	–
Dalian Port Industrial Co., Ltd.	Buildings/Automobile	Agreement	355,012.23	717,688.55
Dalian North Oil Petroleum Logistics Co., Ltd.	Piperack	Agreement	211,904.76	211,904.76
Dalian Dagang China Shipping Container Terminal Co., Ltd.	Machinery	Agreement	116,504.86	–
Dalian Wantong Ronghai Shipping Co., Ltd.	Buildings	Agreement	65,714.29	65,714.29



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (3) Leasing with related parties (continued)

The Group as the lessor (continued)

Name of lessee	Type of the leased assets	Pricing method and decision-making procedure of related transactions	Leasing income recognised in the current period (unaudited)	Leasing income recognised in the same period of the previous year (restated) (unaudited)
Dalian Port Wantong Logistics Co., Ltd.	Stock yard	Agreement	56,168.71	–
China United Tally (Dalian) Co., Ltd.	Buildings/Shuttle bus	Agreement	51,096.54	51,999.39
Dalian CITIC Harbour Investment Co., Ltd.	Equipment	Agreement	21,551.72	25,862.10
Liaoning New Silk Road International Logistics Co., Ltd. (遼寧新絲路國際物流有限公司)	Storage	Agreement	13,895.87	–
Dalian Port Corporation Limited	Buildings	Agreement	3,174.60	–
China Oil Dock Management (Dalian) Co., Ltd.	Berth and stock yard	Agreement	–	7,080,000.00
Dalian Jilong Logistics Co., Ltd.	Stock yard	Agreement	–	1,217,626.47
Dalian Sinotrans Logistics Co., Ltd.	Stock yard/Buildings	Agreement	–	301,587.32
Dalian Harbour City Construction Development Co., Ltd.	Buildings	Agreement	–	262,762.50
Jilin Inland Port Logistics Co., Ltd.	Buildings	Agreement	–	314,285.71
<b>Total</b>			<b>55,270,534.96</b>	<b>66,391,887.98</b>

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (3) Leasing with related parties (continued)

The Group as the lessee

Name of lessor	Type of the leased assets	Pricing method and decision-making procedure of related transactions	Leasing expenses paid in the current period (unaudited)	Leasing expenses paid in the same period of the previous year (restated) (unaudited)
Yingkou Port Group Corporation Limited	Stock yard/Automobile/Land/Terminal facilities	Agreement	190,269,053.19	164,937,328.47
Dalian Port PetroChina International Terminal Co., Ltd.	Terminal facilities	Agreement	51,714,285.72	52,000,000.01
Dalian Port Corporation Limited	Buildings/Land/Berth	Agreement	41,897,278.65	46,926,645.36
Dalian Port Wantong Logistics Co., Ltd.	Vessels	Agreement	5,100,442.46	5,080,183.49
Huaneng Yingkou Port Co., Ltd. (華能營口港務有限責任公司)	Equipment	Agreement	2,876,106.19	2,809,734.50
Dalian Port Industrial Co., Ltd.	Automobile	Agreement	1,782,583.00	2,334,418.02
Dalian FTZ Yongdixin Real Estate Development Co., Ltd.	Buildings/Parking lot	Agreement	1,617,083.22	1,982,402.34
Liaoning Gangfeng Logistics Co., Ltd. Site (遼寧港豐物流有限公司)		Agreement	1,073,394.51	2,146,789.02
Dalian Equipment Finance Lease Co., Ltd.	Storage rack	Agreement	694,601.76	694,601.76
Dalian Hongyu Building Co., Ltd.	Buildings	Agreement	347,802.90	351,294.36
Dalian Harbour Building Co., Ltd.	Buildings	Agreement	159,628.13	1,018,613.44





# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (3) Leasing with related parties (continued)

The Group as the lessee (continued)

Name of lessor	Type of the leased assets	Pricing method and decision-making procedure of related transactions	Leasing expenses paid in the current period (unaudited)	Leasing expenses paid in the same period of the previous year (restated) (unaudited)
Dalian Automobile Terminal Co., Ltd.	Buildings	Agreement	39,717.61	45,852.84
Dalian Taiping Bay Sunshine Real Estate Co., Ltd.	Buildings	Agreement	21,457.15	–
Dalian Changxing Island Port Co., Ltd.	Buildings	Agreement	12,000.00	19,999.98
Liaoning New Silk Road International Logistics Co., Ltd. (遼寧新絲路國際物流有限公司)	Container	Agreement	6,296.69	3,174.37
Shenyang Sinotrans & CSC Logistics Development Co., Ltd.	Buildings	Agreement	–	1,410,000.00
Yingkou Yinlong Port Co., Ltd. (營口銀龍港務股份有限公司)	Oil tanks	Agreement	–	2,155,593.41
Yingkou Port Group Bonded Goods Storage and Transportation Co., Ltd. (營口港務集團保稅貨物儲運有限公司)	Stock yard	Agreement	–	421,362.27
Yingkou Gangtong E-Commerce Co., Ltd. (營口港通電子商務有限公司)	Stock yard	Agreement	–	133,771.49
<b>Total</b>			<b>297,611,731.18</b>	<b>284,471,765.13</b>

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (4) Guarantees from related parties

*Guarantees from related parties*

Guarantor	Guaranteed amount	Commencement date	Termination date	Fully performed or not
For the six months ended 30 June 2021 (unaudited)				
Dalian Port Corporation Limited	2,350,000,000.00	23 May 2011	22 November 2021	No
2020 (restated)				
Dalian Port Corporation Limited	2,350,000,000.00	23 May 2011	22 November 2021	No

#### (5) Borrowings with lending from/to related parties

*Borrowings from related parties*

For the six months ended 30 June 2021 (unaudited)

There was no borrowings from related parties by the Group during the period.

For the six months ended 30 June 2020 (unaudited)

Related party	Borrowing amount	Commencement date	Maturity date
Dalian Port Corporation Limited	44,000,000.00	17 March 2020	8 September 2022

*Repayment of borrowings from related parties*

Related party	For the six months ended 30 June 2021 (unaudited)	For the six months ended 30 June 2020 (restated) (unaudited)
Dalian Port Yidu Cold Chain Co., Ltd.	–	163,350,000.00
Dalian United International Shipping Agency Co., Ltd.	–	15,000,000.00
Dalian Port Corporation Limited	44,000,000.00	–
<b>Total</b>	<b>44,000,000.00</b>	178,350,000.00



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (5) Borrowings with lending from/to related parties (continued)

*Interest expenses of borrowings from related parties*

Related party	For the six months ended 30 June 2021	For the six months ended 30 June 2020
	(unaudited)	(restated) (unaudited)
Dalian Port Yidu Cold Chain Co., Ltd.	–	2,288,350.51
Dalian United International Shipping Agency Co., Ltd.	–	320,625.00
Dalian Port Corporation Limited	<b>656,824.99</b>	1,661,416.75
<b>Total</b>	<b>656,824.99</b>	4,270,392.26

The borrowings from above related parties bear interest rates mutually agreed between the parties by reference to the interest rates of the same type of bank loans as stipulated by the People's Bank of China.

#### *Borrowings to related parties*

For the six months ended 30 June 2021 (unaudited)

There was no borrowings to related parties by the Group during the period.

For the six months ended 30 June 2020 (unaudited)

Related party	Borrowing amount	Commencement date	Maturity date
Dalian Puji Storage Facility Co., Ltd.	54,700,000.00	6 January 2020	6 January 2023
Dalian Changxing Island Port Co., Ltd. (Note 1)	26,500,000.00	17 August 2019	17 August 2022
Dalian Vanguard International Logistics Co., Ltd. (Note 2)	23,000,000.00	28 June 2020	28 June 2021

Note 1: As at 13 March 2020, Asia Pacific Ports (Dalian) Co., Ltd., a subsidiary of the Company, signed a borrowing extension agreement with Dalian Changxing Island Port Co., Ltd. for extending the term of borrowing of RMB26,500,000.00 to 17 August 2022, with interest rate of 5.655% per annum.

Note 2: Dalian Port Jifa Logistics Co., Ltd., a subsidiary of the Group, signed a borrowing extension agreement with Dalian Vanguard International Logistics Co., Ltd. on 13 March 2020 for extending the term of borrowing of RMB23,000,000.00 to 28 June 2021, with interest rate of 4.35% per annum.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XI. Relationships and transactions with related parties (continued)

### 5. Significant related transactions between the Group and the above related parties during the period are as follows: (continued)

#### (5) Borrowings with lending from/to related parties (continued)

##### Repayment of borrowings to related parties

Related party	For the six months ended 30 June 2021 (unaudited)	For the six months ended 30 June 2020 (restated) (unaudited)
Dalian Puji Storage Facility Co., Ltd.	50,000,000.00	–
<b>Total</b>	<b>50,000,000.00</b>	–

##### Interest income on borrowings to related parties

Related party	For the six months ended 30 June 2021 (unaudited)	For the six months ended 30 June 2020 (restated) (unaudited)
Dalian Changxing Island Port Co., Ltd.	710,802.07	1,160,123.34
Dalian Vanguard International Logistics Co., Ltd.	474,555.83	477,177.68
Dalian Puji Storage Facility Co., Ltd.	467,278.76	1,325,679.45
Dalian Automobile Terminal Co., Ltd.	–	466,804.23
<b>Total</b>	<b>1,652,636.66</b>	3,429,784.70

The borrowings to related parties bear interest rates mutually agreed between the parties by reference to the interest rates of the same type of bank loans as stipulated by the People's Bank of China.



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XI. Relationships and transactions with related parties (continued)

### (6) Transfer of assets of related parties

#### Acquisition of assets

Related party	Content of transactions	For the six months	For the six months
		ended 30 June 2021	ended 30 June 2020
		(unaudited)	(restated) (unaudited)
Dalian Port Logistics Technology Co., Ltd.	Purchase of equipment	942,009.95	–
Yingkou Port Group Construction and Installation Engineering Co., Ltd. (營口港務集團建築安裝工程有限公司)	Engineering construction	488,439.45	–
Dalian Port Rixing Boiler Installation Co., Ltd.	Engineering construction	412,028.40	–
Yingkou Port Engineering Supervision Consulting Co., Ltd.	Engineering construction	290,773.57	–
Dalian Port Design and Research Institute Co., Ltd.	Engineering construction	246,509.44	329,625.47
Yingkou Gangxin Technology Co., Ltd.	Purchase of equipment	187,298.17	–
Dalian Portsoft Network Co., Ltd.	Engineering construction	148,466.84	–
Shenzhen China Merchants Daojiahui Technology Co., Ltd.	Purchase of equipment	12,212.39	–
Dalian Port Machinery and Electric Co., Ltd.	Engineering construction	–	726,400.00
Dalian Harbour Engineering Co., Ltd.	Engineering construction	–	2,417,645.80
Dalian Port Machinery Co., Ltd.	Engineering construction	–	2,628,318.59
<b>Total</b>		<b>2,727,738.21</b>	<b>6,101,989.86</b>

### (7) Remuneration of key management

Item	For the	For the
	six months ended	six months ended
	30 June 2021	30 June 2020
	(unaudited)	(restated) (unaudited)
Remuneration of key management	3,711,555.60	3,155,180.92

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XI. Relationships and transactions with related parties (continued)

### (8) Commitment between the Group and related parties

The commitments in relation to related parties contracted for by the Group but not yet necessary to be recognised on the balance sheet as at the balance sheet date are as follows:

#### Leases

Related party	30 June 2021 (unaudited)	31 December 2020 (restated)
As lessee		
Yingkou Port Group Corporation Limited	225,986.10	461,562.96
Dalian Port Corporation Limited	91,428.58	10,277,047.63
<b>Total</b>	<b>317,414.68</b>	10,738,610.59

Related party	30 June 2021 (unaudited)	31 December 2020 (restated)
As lessor		
Dalian Port Petroleum & Chemical Co., Ltd.	18,704,033.60	–
Dalian Port Yidu Cold Chain Co., Ltd.	9,162,772.94	114,563.10
Dalian Sinotrans Logistics Co., Ltd.	475,000.00	–
Dalian Dagang China Shipping Container Terminal Co., Ltd.	80,000.00	1,422,018.35
Dalian Port Industrial Co., Ltd.	–	339,414.54
Dalian Port Corporation Limited	–	66,666.67
<b>Total</b>	<b>28,421,806.54</b>	1,942,662.66

#### Capital commitments

Related party	30 June 2021 (unaudited)	31 December 2020 (restated)
Acquisition of assets		
Dalian Harbour Engineering Co., Ltd.	6,876,844.30	6,876,844.30
Dalian Port Logistics Technology Co., Ltd.	1,350,409.08	–
Dalian Port Logistics Technology Co., Ltd.	514,159.29	–
<b>Total</b>	<b>8,741,412.67</b>	6,876,844.30



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XI. Relationships and transactions with related parties (continued)

### (9) Cash on hand and at bank deposited with the related parties

Related party	30 June 2021 (unaudited)	31 December 2020 (restated)
China Merchants Group Finance Co., Ltd.	2,829,031,198.21	2,964,383,887.90
China Merchants Bank Co., Ltd.	370,281,835.52	49,208,153.00
<b>Total</b>	<b>3,199,313,033.73</b>	3,013,592,040.90

The annual interest rate for the above deposits for the six months ended 30 June 2021 was 0.30%-2.85% (for the six months ended 30 June 2020: 0.30%-4.125%). The Group obtained deposit interest income of RMB34,321,783.11 (for the six months ended 30 June 2020: RMB23,196,518.72) from the related parties.

As at 30 June 2021, the cash on hand and at bank deposited with the related parties included accrued interest of RMB54,508,749.99 (31 December 2020: RMB32,147,506.94).

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XII. Financial instruments and risk management

The major financial instruments of the Group primarily include cash on hand and at bank, financial assets held for trading, notes receivable, accounts receivable, receivables financing, other receivables, long-term receivables, investments in other equity instruments, short-term borrowings, accounts payable, other payables, non-current liabilities due within one year, bond payable, long-term borrowings, long-term payables, etc. For detailed descriptions of various financial instruments, please refer to the notes to the abovementioned items. The risks associated with these financial instruments and the risk management policies adopted by the Group to mitigate these risks are summarized as follows. The management of the Group manages and monitors these risk exposures to ensure that the above risks are controlled within a limited scope.

### 1. Classification of financial instruments

#### Financial assets

	Financial assets at fair value through current profit or loss	Financial assets at amortised cost	Financial assets at fair value through other comprehensive income	Total
30 June 2021 (unaudited)				
Cash on hand and at bank	-	6,053,141,490.98	-	6,053,141,490.98
Accounts receivable	-	2,731,116,913.35	-	2,731,116,913.35
Receivables financing	-	-	338,880,139.91	338,880,139.91
Other receivables	-	507,162,379.58	-	507,162,379.58
Long-term receivables	-	30,428,295.76	-	30,428,295.76
Investments in other equity instruments	-	-	202,625,018.90	202,625,018.90
<b>Total</b>	<b>-</b>	<b>9,321,849,079.67</b>	<b>541,505,158.81</b>	<b>9,863,354,238.48</b>
31 December 2020 (restated)				
Cash on hand and at bank	-	7,390,716,460.41	-	7,390,716,460.41
Financial assets held for trading	903,950,958.91	-	-	903,950,958.91
Notes receivable	-	409,666,882.28	-	409,666,882.28
Accounts receivable	-	1,895,779,349.88	-	1,895,779,349.88
Other receivables	-	365,501,550.32	-	365,501,550.32
Long-term receivables	-	80,486,851.34	-	80,486,851.34
Investments in other equity instruments	-	-	204,067,639.27	204,067,639.27
<b>Total</b>	<b>903,950,958.91</b>	<b>10,142,151,094.23</b>	<b>204,067,639.27</b>	<b>11,250,169,692.41</b>





# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XII. Financial instruments and risk management (continued)

### 1. Classification of financial instruments (continued)

#### *Financial liabilities*

	<b>30 June 2021 (unaudited) Financial liabilities at amortised cost</b>	31 December 2020 (restated) Financial liabilities at amortised cost
Short-term borrowings	–	150,142,083.34
Accounts payable	<b>290,136,750.11</b>	330,614,406.05
Other payables	<b>1,358,955,622.56</b>	696,203,173.26
Non-current liabilities due within one year	<b>1,210,092,338.20</b>	2,551,112,200.04
Long-term borrowings	<b>1,026,605,376.01</b>	1,132,693,298.00
Bonds payable	<b>2,482,915,807.61</b>	3,547,236,158.87
Long-term payables	<b>25,070,000.00</b>	44,070,000.00
<b>Total</b>	<b>6,393,775,894.49</b>	8,452,071,319.56

### 2. Transfer of financial assets

#### *Financial assets transferred but not fully derecognized*

As at 30 June 2021, the Group endorsed suppliers a bank acceptance for settlement of other payables with carrying amount of RMB2,030,000.00 (31 December 2020: RMB3,779,998.22). The Group is of the opinion that the Group retains nearly all the risks and rewards, including default risk related to it. Therefore, such other payables and other related payables settled will continuously be recognized in full. Subsequent to the endorsement, the Group will no longer retain use right, including the rights for selling, transferring or pledging such assets to other third parties. As at 30 June 2021, carrying amount of other payables settled by the Group totaled at RMB2,030,000.00 (31 December 2020: RMB3,779,998.22).

#### *Financial assets transferred and derecognized fully but with continuous involvement*

As at 30 June 2021, carrying value of the bank acceptance endorsed to suppliers for settlement of accounts payable amounted to RMB67,630,612.78 (31 December 2020: RMB369,619,352.08). As at 30 June 2021, the bank acceptance is due within 1 to 12 months. If acceptance banks dishonored the notes, endorses shall have the right to turn to the Group for recourse (“Continuous Involvement”) according to the Law of Bill. The Group considered that substantially all the risks and rewards of the notes have been transferred. Therefore, the Group has derecognised carrying amounts of the notes and the related accounts payable that have been settled. The maximum loss and the undiscounted cash flow of Continuous Involvement and repurchase are equal to the carrying amounts of the notes. The Group believes that the fair value of Continuous Involvement is insignificant.

For the six months ended 30 June 2021, the Group did not recognise gains or losses on the date of its transfer. The Group had no current or accumulated income or expense related to Continuous Involvement of financial assets which had been derecognised. Endorsement is recorded evenly during the period.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XII. Financial instruments and risk management (continued)

### 3. Objectives and policies of risk management

The Group is exposed to risks from various financial instruments in day-to-day operation, mainly including market risk (including foreign exchange risk, risk of change in exchange rate and price risk of investment in equity instruments), credit risk and liquidity risk. The major financial instruments of the Group primarily include cash on hand and at bank, equity investments, debt investments, borrowings, notes receivable, accounts receivable and accounts payable. Risks in connection with such financial instruments, and the risk management strategies adopted by the Group to mitigate such risks are summarized as follows.

The Board of Directors is responsible for planning and establishing the risk management structure for the Group, and developing risk management policies and the related guidelines across the Group, and supervising the performance of risk management measures. The Group has developed risk management policies to identify and analyze risks affecting the Group. These risk management policies have clear regulations over specific risks, covering various aspects of market risk, credit risk and liquidity risk. The Group will evaluate the market environment and changes of the Group's operating activities on a regular basis to decide whether it is needed to update the risk management policies and systems. Risk management of the Group is carried out by the Risk Management Committee based on the policies as approved by the Board of Directors. Risk Management Committee identifies, evaluates and mitigates related risks by working closely with other business divisions of the Group. Internal Audit Department of the Group will review the risk management control and process regularly, and submit the review results to Audit Committee of the Group.

The Group diversifies risks of financial instruments through appropriate diversified investment and business portfolio, and mitigates concentration risk in any single sector, specific region or certain counterparties by formulating corresponding risk management policies.



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XII. Financial instruments and risk management (continued)

### 3. Objectives and policies of risk management (continued)

#### (1) Market risk

##### 1) Foreign exchange risk

The Group is exposed to trading exchange risk. Such risk arises from operating units carrying outsales or purchases with currency other than their functional currency. Approximately 3% of sales of the Group (2020: 2%) are denominated in currency other than the functional currency of operating units, while around 3% (2020: 2%) of cost is denominated in currency other than the functional currency of operating units.

The table below is a sensitivity analysis of exchange rate risk. It reflects the impact on net profit or loss and other comprehensive income net of tax when a reasonably possible change in exchange rate of foreign currency occurs, with all other variables held constant.

Item	Change in exchange rate	30 June 2021 (unaudited)		31 December 2020 (restated)	
		Impact on profit	Impact on shareholders' equity	Impact on profit	Impact on shareholders' equity
RMB	Strengthens by 1% against USD	-156,252.61	-156,252.61	-111,050.52	-111,050.52
RMB	Weakens by 1% against USD	156,252.61	156,252.61	111,050.52	111,050.52
RMB	Strengthens by 1% against JPY	-56,268.51	-56,268.51	-31,716.02	-31,716.02
RMB	Weakens by 1% against JPY	56,268.51	56,268.51	31,716.02	31,716.02
RMB	Strengthens by 1% against KRW	-2,236.25	-2,236.25	-1,523.25	-1,523.25
RMB	Weakens by 1% against KRW	2,236.25	2,236.25	1,523.25	1,523.25

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XII. Financial instruments and risk management (continued)

### 3. Objectives and policies of risk management (continued)

#### (1) Market risk (continued)

##### 2) Risk of change in exchange rate

Risk of changes in market interest rate exposed to the Group is primarily related to liabilities at variable interest rate.

In terms of management of interest rate risks, the Group's policy is to manage its interest cost using a mix of fixed and variable rate debts to avoid interest rate risks.

The table below is a sensitivity analysis of interest rate risk. It reflects the impact on net profit or loss (through the impact on floating rate borrowings) and shareholders' equity when a reasonably possible change in interest rates occurs, with all other variables held constant.

Item	Increase of basis points	30 June 2021 (unaudited)		31 December 2020 (restated)	
		Increase of net profit or loss	Increase of shareholders' equity	Increase of net profit or loss	Increase of shareholders' equity
RMB	50	-3,900,013.73	-3,900,013.73	-4,832,892.08	-4,832,892.08
RMB	-50	3,900,013.73	3,900,013.73	4,832,892.08	4,832,892.08

##### 3) Capital management

The Group's capital management mainly aims to ensure the Group's ability of operating as a going concern, and maintain healthy capital ratio to support business development and maximise shareholders' value.

The Group changes and adjusts the capital management structure based on changes of economic situation and risk characteristics of related assets. To maintain or adjust the capital structure, the Group may adjust the profit distributed to shareholders, refund capital to shareholders or issue new shares. The Group is not subject to external mandatory capital requirements. For the six months ended 30 June 2021 and the year of 2020, the objective, policies or process of capital management are not changed.



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XII. Financial instruments and risk management (continued)

### 3. Objectives and policies of risk management (continued)

#### (1) Market risk (continued)

##### 3) Capital management (continued)

The Group manages its capital using the leverage ratio, which is calculated by dividing net liabilities by the sum of adjusted capital and net liabilities. The net liabilities represent short-term borrowings, non-current liabilities due within one year, long-term borrowings, bonds payable, long-term payables, lease liabilities and other non-current liabilities less cash on hand and at bank and financial assets held for trading. The Group's leverage ratio on the balance sheet date is as follows:

Item	30 June 2021 (unaudited)	31 December 2020 (restated)
Short-term borrowings	–	150,142,083.34
Non-current liabilities due within one year	1,413,128,753.20	2,739,874,519.62
Long-term borrowings	1,026,605,376.01	1,132,693,298.00
Bonds payable	2,482,915,807.61	3,547,236,158.87
Long-term payables	25,070,000.00	44,070,000.00
Lease liabilities	6,804,365,879.98	6,557,286,700.42
Other non-current liabilities	68,834,879.11	69,655,256.65
Less: Cash on hand and at bank	6,053,141,490.98	7,390,716,460.41
Financial assets held for trading	–	903,950,958.91
Net liabilities	5,767,779,204.93	5,946,290,597.58
Shareholders' equity	38,707,219,237.42	38,262,859,504.93
Capital and net liabilities	44,474,998,442.35	44,209,150,102.51
Leverage ratio	12.97%	13.45%

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XII. Financial instruments and risk management (continued)

### 3. Objectives and policies of risk management (continued)

#### (2) Credit risk

The Group only has trade with recognized third party with good credit standing. Based on the Group's policies, customers who conduct credit transaction will be subject to credit review. In addition, the Group will continuously monitor balance of accounts receivable to ensure that the Group will not be exposed to significant risk of bad debts. In respect of the transactions not settled in the functional currency of related business division, the Group will not offer credit transaction conditions unless otherwise approved by the credit control department of the Group.

Since counterparties of cash on hand and at bank and bank acceptance notes receivables are banks and related parties with good reputation and high credit ratings, credit risk arising from these financial instruments is insignificant.

Other financial assets of the Group comprise of accounts receivable, receivables financing, other receivables and long-term receivables. Credit risk from such financial assets is from default of counterparties, and its maximum risk exposure is equivalent to the carrying amount of such instruments.

The Group's maximum credit risk exposure at each balance sheet date is the total amount charged to customers less the amount of impairment allowances.

Since the Group only trades with recognized third parties with good credit standing, no guarantee is required. Credit risk concentration is managed based on customers. As of 30 June 2021, the Group is exposed to certain credit risk concentration, as 58% (31 December 2020: 52%) and 64% (31 December 2020: 74%) of accounts receivables are respectively from the customer with the largest balance of account receivable and top five customers. Save as the amount of RMB1,726,148,256.00 due from Dalian Enaisikai International Trading Co., Ltd., the Group does not hold any security or other credit increment over balance of other receivables.



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XII. Financial instruments and risk management (continued)

### 3. Objectives and policies of risk management (continued)

#### (2) Credit risk (continued)

##### *Criteria for determining significant increase in credit risk*

The Group will evaluate whether credit risk in connection with financial instruments is increased significantly from initial recognition on each balance sheet date. When determining whether credit risk is increased significantly after initial recognition, the Group will consider obtaining reasonable information with supporting basis without paying extra cost or efforts, including qualitative and quantitative analysis over the historical data of the Group, external credit risk ratings and forward-looking information. Based on a single financial instrument or group of financial instruments with similar credit risk characteristics, the Group will determine estimated changes in default risks of financial instruments during the period of existence, by comparing the default risk of financial instruments on the balance sheet date and that upon initial recognition.

When one or more of the following quantitative and qualitative standards is triggered, credit risk in connection with financial instrument is increased significantly:

- (1) For quantitative standards, the probability of default in the remaining existence period after the reporting date is increased to a certain proportion as compared with that upon initial recognition;
- (2) For qualitative standards, there are significant adverse changes in operation or financial position of debtors and early-warning customer list.

##### *Definition of assets with credit impairment*

To determine whether there is credit impairment, the defining standards adopted by the Group are consistent with the objective of internal credit risk management for related financial instruments, by reference to the quantitative and qualitative indicators. When debtors are evaluated for credit impairment, the following factors will be taken into account:

- (1) significant financial difficulty of issuers or debtors;
- (2) breach of contract by debtors, such as default or overdue payment in interest or principal repayment;
- (3) a concession granted by the creditor to the debtor due to economic or contractual considerations related to the debtor's financial difficulty, which will not be granted under any other circumstances;

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XII. Financial instruments and risk management (continued)

### 3. Objectives and policies of risk management (continued)

#### (2) Credit risk (continued)

##### *Definition of assets with credit impairment (continued)*

- (4) possible bankruptcy or other financial reorganization of the debtors;
- (5) disappearance of an active market for the financial asset due to financial difficulty of the issuer or the debtor;
- (6) purchase or creation of a financial asset at significant discount reflecting the fact of credit loss.

Credit impairment of financial assets may be a joint result of multiple events, rather than a single identifiable event.

##### *Parameters for measurement of expected credit losses*

Impairment loss provision for different assets is measured based on 12 months or the whole existence period depending on whether there is a significant increase in credit risk and whether credit impairment is provisioned. Key parameters for measurement of expected credit losses include loss rate and risk exposure. The Group will take into account quantitative analysis on historical statistical data, such as counterparty rating, way of guarantee and types of collaterals and way of repayment, etc. and forward-looking information to build loss rate and risk exposure model.

Related definitions are as follows:

- Counterparty rating is to regularly study the counterparty's expected credit risk and assess its credit rating by giving consideration to relevant information of the counterparty's industry influence, the nature of company, operating indicators and deduction points indicators, which are divided into Grade A (high-quality enterprise), Grade B (common enterprise), Grade C (enterprise with bad credit) and Grade D (enterprise with significant risk) in order from good to bad;
- Loss rate is the expectation made for the degree of estimated loss suffered by the Group. Loss rate of the Group is adjusted based on the migration rate of historical aging model with reference to forward-looking information. The loss rate varies depending on the counterparty rating, method and priority for recourse and way of guarantee. Loss rate is the percentage of estimated loss of risk exposure, and calculated based on a period of next 12 months or the whole period of existence;
- Risk exposure is the amount that the Group should be compensated in the next 12 months or the remaining existence period upon default.





# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XII. Financial instruments and risk management (continued)

### 3. Objectives and policies of risk management (continued)

#### (2) Credit risk (continued)

*Parameters for measurement of expected credit losses (continued)*

Forward-looking information will be involved in both the evaluation of significantly increased credit risk and the calculation of expected credit losses. By analysis of historical data, the Group identified the key economic indicators affecting the credit risk and the expected credit loss of each business type.

#### *Credit risk exposure*

Risk exposure of accounts receivable classified based on internal rating of credit risk:

30 June 2021 (unaudited)

	Unsecured			Secured		
	Book balance	Provision for credit losses	Carrying amount	Book balance	Provision for credit losses	Carrying amount
Accounts receivable	1,272,031,537.22	98,779,400.73	1,173,252,136.49	1,726,148,256.00	168,283,479.14	1,557,864,776.86
Including: Portfolio A	1,100,100,048.68	118,187.43	1,099,981,861.25	-	-	-
Portfolio B	47,242,395.33	77,207.31	47,165,188.02	-	-	-
Portfolio C	27,900,898.97	2,608,753.15	25,292,145.82	1,726,148,256.00	168,283,479.14	1,557,864,776.86
Portfolio D	96,788,194.24	95,975,252.84	812,941.40	-	-	-
Other receivables	583,925,495.41	76,763,115.83	507,162,379.58	-	-	-
Including: Portfolio A	426,922,419.07	23,405.60	426,899,013.47	-	-	-
Portfolio B	35,320,836.59	702,387.89	34,618,448.70	-	-	-
Portfolio C	82,635,148.63	39,301,411.22	43,333,737.41	-	-	-
Portfolio D	39,047,091.12	36,735,911.12	2,311,180.00	-	-	-

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XII. Financial instruments and risk management (continued)

### 3. Objectives and policies of risk management (continued)

#### (2) Credit risk (continued)

Credit risk exposure (continued)

31 December 2020 (restated)

	Unsecured			Secured		
	Book balance	Provision for credit losses	Carrying amount	Book balance	Provision for credit losses	Carrying amount
Accounts receivable	699,516,025.95	116,106,592.21	583,409,433.74	1,430,051,551.00	117,681,634.86	1,312,369,916.14
Including: Portfolio A	531,631,522.80	69,406.95	531,562,115.85	-	-	-
Portfolio B	42,148,867.03	50,907.67	42,097,959.36	-	-	-
Portfolio C	10,236,124.19	1,668,042.57	8,568,081.62	1,430,051,551.00	117,681,634.86	1,312,369,916.14
Portfolio D	115,499,511.93	114,318,235.02	1,181,276.91	-	-	-
Other receivables	435,576,622.95	70,075,072.63	365,501,550.32	-	-	-
Including: Portfolio A	276,074,431.53	20,961.76	276,053,469.77	-	-	-
Portfolio B	37,322,257.45	56,433.67	37,265,823.78	-	-	-
Portfolio C	84,156,809.35	34,111,476.83	50,045,332.52	-	-	-
Portfolio D	38,023,124.62	35,886,200.37	2,136,924.25	-	-	-



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XII. Financial instruments and risk management (continued)

### 3. Objectives and policies of risk management (continued)

#### (3) Liquidity risk

When managing the liquidity risks, the management of the Group believes that sufficient cash and cash equivalents should be maintained and monitored to meet the operating needs of the Group and reduce the impact of cash flow fluctuations. The management of the Group monitors the use of bank loans and ensures compliance with loan agreements.

The following table summarises the maturity analysis of financial liabilities at undiscounted contractual cash flows:

Item	Carrying amount	Within 1 year	1-5 years	Over 5 years	Total
Non-derivative financial assets and liabilities					
Accounts payable	290,136,750.11	290,136,750.11	-	-	290,136,750.11
Other payables	1,358,955,622.56	1,358,955,622.56	-	-	1,358,955,622.56
Non-current liabilities due within one year	1,413,128,753.20	1,762,782,373.80	-	-	1,762,782,373.80
Long-term borrowings	1,026,605,376.01	47,829,952.28	884,469,282.90	284,755,365.68	1,217,054,600.86
Lease liabilities	6,804,365,879.98	-	1,949,177,109.34	10,819,144,837.80	12,768,321,947.14
Bonds payable	2,482,915,807.61	42,495,123.29	2,756,557,534.25	-	2,799,052,657.54
Long-term payables	25,070,000.00	-	7,570,000.00	17,500,000.00	25,070,000.00
<b>Total</b>	<b>13,401,178,189.47</b>	<b>3,502,199,822.04</b>	<b>5,597,773,926.49</b>	<b>11,121,400,203.48</b>	<b>20,221,373,952.01</b>

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XII. Financial instruments and risk management (continued)

### 4. Fair value

#### (1) Assets and liabilities measured at fair value

30 June 2021 (unaudited)

Item	Input used in fair value measurement			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
<b>Continuous fair value measurement</b>				
Receivables financing	-	-	338,880,139.91	338,880,139.91
Investments in other equity instruments	-	-	202,625,018.90	202,625,018.90
<b>Total</b>	-	-	<b>541,505,158.81</b>	<b>541,505,158.81</b>

31 December 2020 (restated)

Item	Input used in fair value measurement			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
<b>Continuous fair value measurement</b>				
Financial assets held for trading				
Debt instrument investments	-	-	903,950,958.91	903,950,958.91
Investments in other equity instruments	-	-	204,067,639.27	204,067,639.27
<b>Total</b>	-	-	<b>1,108,018,598.18</b>	<b>1,108,018,598.18</b>



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XII. Financial instruments and risk management (continued)

### 4. Fair value (continued)

#### (2) Assets and liabilities disclosed at fair value

30 June 2021 (unaudited)

Item	Input used in fair value measurement			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
<b>Financial liabilities</b>				
Long-term borrowings	-	-	1,096,386,461.10	1,096,386,461.10
Bonds payable	-	-	2,540,858,463.03	2,540,858,463.03
<b>Total</b>	-	-	3,637,244,924.13	3,637,244,924.13

31 December 2020 (restated)

Item	Input used in fair value measurement			Total
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
Financial liabilities				
Long-term borrowings	-	-	1,119,326,470.72	1,119,326,470.72
Bonds payable	-	-	3,570,482,468.51	3,570,482,468.51
<b>Total</b>	-	-	4,689,808,939.23	4,689,808,939.23

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XII. Financial instruments and risk management (continued)

### 4. Fair value (continued)

#### (3) Fair value of financial instruments

The followings are the carrying amount and fair value of financial instruments except for the financial instruments that the difference between the carrying amount and fair value is immaterial:

Item	Carrying amount		Fair value	
	30 June 2021 (unaudited)	31 December 2020 (restated)	30 June 2021 (unaudited)	31 December 2020 (restated)
<b>Financial liabilities</b>				
Long-term borrowings	<b>1,026,605,376.01</b>	1,132,693,298.00	<b>1,096,386,461.10</b>	1,119,326,470.72
Bonds payable	<b>2,482,915,807.61</b>	3,547,236,158.87	<b>2,540,858,463.03</b>	3,570,482,468.51

Management has assessed the cash on hand and at bank, notes receivable, accounts receivable, other receivables, short-term borrowings, accounts payable, together with non-current liabilities due within one year, etc. Their fair values approximate to their carrying amounts as the residual maturities of these instruments are not long.

The financial department of the Group is led by the financial manager and is responsible for formulating policies and procedures for the fair value measurement of financial instruments. The finance team reports directly to the chief financial director and the Audit Committee. At each balance sheet date, the financial department analyses the movements in the fair value of the financial instrument and determines the major input applicable to the valuation. The valuation must be reviewed and approved by the financial manager. For the purposes of preparing interim and annual financial statements, the financial department discusses the valuation process and results with the Audit Committee twice a year.

The fair value of financial assets and financial liabilities is determined based on the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties in an arm's length transaction, other than in a forced or liquidation sale. The following methods and assumptions were used in the estimate of fair value.

The fair value of long-term and short-term borrowings, is calculated by discounting the future cash flows using the market yield currently available for other financial instruments with similar contract terms, credit risk and residual term as the discount rate. As at 30 June 2021 and 31 December 2020, the Group's exposure to non-performance risk associated with the long-term and short-term borrowings is assessed as insignificant.



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XII. Financial instruments and risk management (continued)

### 4. Fair value (continued)

#### (3) Fair value of financial instruments (continued)

The fair value of unlisted equity instrument investments is estimated using the valuation model. The assumptions used are not supported by the observable market price. The Group needs to make estimate for related assumptions and parameters. The Group believes that the fair value estimated using valuation techniques and its change are reasonable, and is the most applicable value on the balance sheet date.

For the fair value of the unlisted equity instrument investments, the Group estimated and quantified the potential impact of adopting other reasonable and possible assumptions as input in the valuation model: with the use of less favorable assumptions, the fair value decreased by approximately RMB20,262,501.90; with the use of more favorable assumptions, the fair value increased by approximately RMB20,262,501.90.

The following table summarises significant unobservable inputs for level 3 fair value measurement:

Item	Fair value at the end of the period	Valuation techniques	Unobservable inputs	Range (weighted average mean)
Debt instrument investments	30 June 2021: (unaudited) -	Cash flows discount method	Prepayment rate	30 June 2021: 0%
		Cash flows discount method	Default probability	30 June 2021: 0%
		Cash flows discount method	Default loss rate	30 June 2021: 0%
	31 December 2020: (restated) 903,950,958.91	Cash flows discount method	Prepayment rate	31 December 2020: 0%
		Cash flows discount method	Default probability	31 December 2020: 0%
		Cash flows discount method	Default loss rate	31 December 2020: 0%
Receivables financing	30 June 2021: (unaudited) 338,880,139.91	Cash flows discount method	Prepayment rate	30 June 2021: 0%
		Cash flows discount method	Default probability	30 June 2021: 0%
		Cash flows discount method	Default loss rate	30 June 2021: 0%

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XII. Financial instruments and risk management (Continued)

### 4. Fair value (Continued)

#### (3) Fair value of financial instruments (Continued)

Item	Fair value at the end of the period	Valuation techniques	Unobservable inputs	Range (weighted average mean)
Receivables financing	31 December 2020: (restated)	Cash flows discount method	Prepayment rate	31 December 2020: 0%
	–	Cash flows discount method	Default probability	31 December 2020: 0%
		Cash flows discount method	Default loss rate	31 December 2020: 0%
Equity instrument investments	<b>30 June 2021: (unaudited) 202,625,018.90</b>	<b>Listed company comparison method</b>	<b>Liquidity discount</b>	<b>30 June 2021: 20-32%</b>
	31 December 2020: (restated) 204,067,639.27	Listed company comparison method	Liquidity discount	31 December 2020: 20-32%

The reconciliation of continuous fair value measurements categorized within Level 3 of the fair value hierarchy is as follows:

	Balance at the beginning of the period/year	Transfer into Level 3	Transfer out of Level 3	Included in profit or loss	Included in other comprehensive income	Purchase	Issue	Sale	Settlement	Balance at the end of the period/year	Total gain or loss for the period/year	Assets held at the end of period/year
												Change in unrealised gain or loss at the end of the period/year included in profit or loss
30 June 2021 (unaudited)												
Receivables financing	-	5,216,174.06	-	-	-	393,017,791.61	-	59,353,825.76	-	338,880,139.91	-	-
Equity instrument investments	204,067,639.27	-	-	-	-1,442,620.37	-	-	-	-	202,625,018.90	-	-
Debt instrument investments	903,950,958.91	-	-	26,221,472.75	-	3,000,000,000.00	-	3,930,172,431.66	-	-	-	-
31 December 2020 (restated)												
Equity instrument investments	189,782,564.95	-	-	-	14,285,074.32	-	-	-	-	204,067,639.27	-	-
Debt instrument investments	303,229,643.83	-	-	31,821,683.06	-	5,500,000,000.00	-	4,931,100,367.98	-	903,950,958.91	3,950,958.91	-





# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XIII. Contingencies

### 1. As of 30 June 2021, the status of the Group's pending lawsuits and arbitrations

#### *The status of pending lawsuits and arbitrations of Liaogang Holdings (Yingkou) Co., Ltd. (遼港控股(營口)有限公司), a subsidiary of the Group*

On 19 August 2015, Kunlun International Trading Limited (昆侖國際貿易有限公司) (hereinafter referred to as "Kunlun International") filed a lawsuit with Dalian Maritime Court against Yingkou Port Liability Co., Ltd. on the rejection of its application for delivery of goods, requesting Yingkou Port to compensate for a loss of RMB285.60 million and accrued interest. On 28 December 2018, Dalian Maritime Court issued the first instance judgment titled (2015) Da Hai Shang Chu Zi No. 517 ((2015)大海商初字第 517 號), ruling that Yingkou Port shall pay Kunlun International short delivery losses of RMB50.46 million, and the interest thereon at the loan interest rate set by the People's Bank of China for the same period from 20 August 2015 to the date of actual payment. The court ruled that Yingkou Port shall pay Kunlun International a net compensation of RMB32.76 million after taking into full account of the storage fees and other fees of RMB25.88 million payable to Yingkou Port by Kunlun International. At the same time, the equity interests in Yingkou Xingang Ore Terminal Co., Ltd. and Sinograin Yingkou Storage and Transportation Co., Ltd. held by Yingkou Port were frozen for a period of 3 years. Yingkou Port made provisions for estimated liabilities of RMB32.76 million as at the end of 2018 based on the above ruling.

Both Yingkou Port and Kunlun International refused to accept the judgment and filed a second instance to the Higher People's Court of Liaoning Province in January 2019. The Higher People's Court of Liaoning Province issued a civil ruling ((2019) Liao Min Zhong No. 685 ((2019)遼民終 685 號)) on 6 November 2019, ruling that: 1) the civil judgment titled (2015) Da Hai Shang Chu Zi No. 517 ((2015)大海商初字第 517 號) issued by Dalian Maritime Court be revoked; 2) the case be remanded to Dalian Maritime Court.

On 31 August 2020, Yingkou Port offered Dalian Maritime Court with a bank guarantee of RMB216.11 million as equivalent guarantee asset for a guarantee period from 31 August 2020 to 30 August 2022. On 1 September 2020, Dalian Maritime Court made a ruling that the equity interests in Yingkou Xingang Ore Terminal Co., Ltd. and Sinograin Yingkou Storage and Transportation Co., Ltd. held by Yingkou Port shall be released. Kunlun International filed with Dalian Maritime Court for a review of the ruling. On 7 September 2020, Dalian Maritime Court issued a civil ruling (the first (2020) Liao 72 Min Chu No. 27 ((2020)遼 72 民初 27 號之一)), rejecting Kunlun International's request for a review.

On 10 June 2021, Dalian Maritime Court issued a civil ruling ((2020) Liao 72 Min Chu No. 27 ((2020)遼 72 民初 27 號)), rejecting all of the claims of Kunlun International. Kunlun International refused to accept the ruling, and filed a second instance to the Higher People's Court of Liaoning Province in June 2021.

As at the approval date of these interim financial statements, the hearing of this case has not been initiated by the Higher People's Court of Liaoning Province.

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XIII. Contingencies (continued)

### 1. As of 30 June 2021, the status of the Group's pending lawsuits and arbitrations (continued)

#### *The status of pending lawsuits and arbitrations of DCT Logistics Co., Ltd., a subsidiary of the Group*

From January 2020 to February 2021, Shunde (Dalian) Supply Chain Management Co., Ltd. (舜德(大連)供應鏈管理股份有限公司) (hereinafter referred to as "Shunde") carried out cooperation with Qingdao Kaitou International Trade Co., Ltd. (青島開投國際貿易有限公司) and, Fujian Rongjiang Import & Export Co., Ltd. and other companies (hereinafter referred to as "Import Agents" or "Warehousing Clients") by entering into Import Agent Agreement or Agent Procurement Contract with such Import Agents by which the Import Agents agreed to license Shunde's imported goods and open of letter of credit in the name of the Import Agents for the payment of imported goods, and the risks and liabilities of related imported goods shall be borne by Shunde. Meanwhile, the Import Agent signed a Customs Declaration Logistics Warehousing Agreement or Import Freight Forwarding Agreement with DCT Logistics Co., Ltd. (hereinafter referred to as "DCT Logistics"), a subsidiary of the Group, agreeing that DCT Logistics handles import goods customs declaration, goods warehousing and custody services for the Import Agents. In actual business, the costs incurred under the Customs Declaration Logistics Warehousing Agreement or Import Freight Forwarding Agreement shall be settled by Shunde in accordance with the Packing and Unpacking (Packing up) Agreement it signed with DCT Logistics. Given that both the ultimate owner of the imported goods in these businesses and the relevant warehousing cost settler are Shunde, DCT Logistics released the relevant goods under the instructions of Shunde, the ultimate cargo owner. As Shunde failed to repay part of the import letter of credit payment to the Import Agents as scheduled, from the end of March 2021 to May 2021, the Import Agents filed lawsuits against DCT Logistics in Dalian Maritime Court and other people's courts, respectively, requesting DCT Logistics and Shunde return the relevant goods under the Customs Declaration Logistics Warehousing Agreement or the Import Freight Forwarding Agreement signed with DCT Logistics. In May 2021, DCT Logistics was approved by the Dalian Maritime Court to file a pre-litigation property preservation against Shunde. Up to now, the de facto controller of Shunde has been investigated by the public authorities for suspected fraud.

Based on the evidence that the Group has already obtained and the professional opinions of external legal advisor, the management of the Group believes that the Warehousing Clients are Shunde's import business agents, and the goods involved in the case are actually owned by Shunde, the release by DCT Logistics of the goods to Shunde, the owner of the goods, did not infringe the rights of the Warehousing Clients; If the advance provided by the Warehousing Clients to Shunde was not repaid by Shunde as scheduled, and there was no causal relationship with the delivery of goods by DCT Logistics. As at the approval date of these interim financial statements, the above-mentioned cases have been accepted by the relevant courts, but so far none of the cases have been formally heard, and preliminary judgments have not been made. The outcomes of such litigation and compensation obligations (if any) cannot be estimated reliably for the time being. As relevant litigation involves many related parties, the case is very complicated, and the Warehousing Clients are currently actively negotiating settlement plans with Shunde and making certain progress. Therefore, the amount of litigation involved in these pending litigations of the Group cannot be determined for the time being.

Except for the above contingencies, as of 30 June 2021, the Group has no other major guarantees and other contingencies required to be specified.



# Notes to the Financial Statements (continued)

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## XIV. Capital commitments

Item	30 June 2021 (unaudited)	31 December 2020 (restated)
Capital expenditure contracted but not yet recognized in the financial statements		
– Acquisition of assets	<b>18,200,762.86</b>	17,796,603.57
– Intangible assets	<b>1,350,409.08</b>	1,350,409.08
Approved by the Board but uncontracted		
– Acquisition of assets	–	21,006,600.00
– Intangible assets	–	3,700,000.00
<b>Total</b>	<b>19,551,171.94</b>	43,853,612.65

## XV. Emoluments of directors, supervisors and senior management

Item	For the six months ended 30 June 2021 (unaudited)	For the six months ended 30 June 2020 (restated) (unaudited)
Director's fee	<b>325,000.00</b>	325,000.00
Other emoluments:		
Salaries and allowances	<b>4,888,430.80</b>	4,158,778.20
Pension plan contribution	<b>150,854.40</b>	96,788.16
<b>Total</b>	<b>5,364,285.20</b>	4,580,566.36

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XV. Emoluments of directors, supervisors and senior management (continued)

### 1. Independent non-executive directors

The fees paid to independent non-executive directors are as follows:

	<b>For the six months ended 30 June 2021  (unaudited)</b>	For the six months ended 30 June 2020  (restated) (unaudited)
Wang Zhifeng*	–	100,000.00
Sun Xiyun*	–	100,000.00
Law Man Tat	<b>125,000.00</b>	125,000.00
Li Zhiwei**	<b>100,000.00</b>	–
Liu Chunyan**	<b>100,000.00</b>	–
<b>Total</b>	<b>325,000.00</b>	325,000.00

\* Sun Xiyun retired as an independent non-executive director of the Company at the expiration of his term in June 2020, Wang Zhifeng retired as an independent non-executive director of the Company at the expiration of his term in June 2020, and has been serving as an independent supervisor of the Company since the same month.

\*\* Li Zhiwei and Liu Chunyan have been serving as independent non-executive directors of the Company since June 2020.

There are no other arrangements of remunerations payable to independent non-executive directors for the current period (for the six months ended 30 June 2020: Nil).



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XV. Emoluments of directors, supervisors and senior management (continued)

### 2. Executive directors, non-executive directors and supervisors

	For the six months ended 30 June 2021  (unaudited)	For the six months ended 30 June 2020  (restated) (unaudited)
<b>Salaries and allowances:</b>		
Executive directors:		
Wei Minghui	538,157.76	522,682.22
Sun Dequan**	508,157.76	495,682.22
Zhang Yiming	-	-
Qi Yue**	-	-
Non-executive directors:		
Cao Dong	-	-
Yuan Yi	-	-
Li Jianhui*	-	-
Qi Yue**	-	-
Na Danhong**	-	-
Xu Song	-	-
Yim Kong	-	-
Bai Jingtao	-	-
Zheng Shaoping	-	-
Yin Shihui	-	-
Supervisors:		
Jia Wenjun	-	-
Qi Yue**	-	-
Jia Ming**	-	-
Kong Xianjing*	-	50,000.00
Wang Zhifeng	50,000.00	100,000.00
Jiao Yingguang*	-	-
Zhang Hong**	368,157.76	250,497.09
Lu Yongkui	-	-
Liu Xianfeng**	326,157.76	253,009.09
<b>Total</b>	<b>1,790,631.04</b>	1,671,870.62

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XV. Emoluments of directors, supervisors and senior management (continued)

### 2. Executive directors, non-executive directors and supervisors (continued)

	For the six months ended 30 June 2021  (unaudited)	For the six months ended 30 June 2020 (restated) (unaudited)
<b>Pension plan contribution:</b>		
Executive directors:		
Wei Minghui	15,085.44	10,370.16
Sun Dequan**	15,085.44	10,370.16
Zhang Yiming	-	-
Qi Yue**	-	-
Non-executive directors:		
Cao Dong	-	-
Yuan Yi	-	-
Li Jianhui*	-	-
Qi Yue**	-	-
Na Danhong**	-	-
Xu Song	-	-
Yim Kong	-	-
Bai Jingtao	-	-
Zheng Shaoping	-	-
Yin Shihui	-	-
Supervisors:		
Jia Wenjun	-	-
Qi Yue**	-	-
Jia Ming**	-	-
Kong Xianjing*	-	-
Wang Zhifeng	-	-
Jiao Yingguang*	-	-
Zhang Hong**	15,085.44	6,913.44
Lu Yongkui*	-	-
Liu Xianfeng**	15,085.44	6,913.44
<b>Total</b>	<b>60,341.76</b>	34,567.20



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XV. Emoluments of directors, supervisors and senior management (continued)

### 2. Executive directors, non-executive directors and supervisors (continued)

\* Jiao Yingguang and Lu Yongkui resigned as employee representative supervisors of the Company in March 2020, Li Jianhui retired as a non-executive director of the Company at the expiration of his term in June 2020, and Kong Xianjing retired as an independent supervisor of the Company at the expiration of his term in June 2020.

\*\* Zhang Hong and Liu Xianfeng have been the employee representative supervisors of the Company since March 2020, Sun Dequan has been an executive director of the Company since April 2020, Jia Ming has been a supervisor of the Company since June 2020, and Na Danhong has been a non-executive director of the Company since June 2020; Qi Yue retired as a supervisor of the Company at the expiration of his term in June 2020, and has been serving as the vice chairman and a non-executive director of the Company since the same month to November 2020, and as the vice chairman, an executive director and deputy general manager of the Company since November 2020.

### 3. Senior management

	For the six months ended 30 June 2021  (unaudited)	For the six months ended 30 June 2020  (restated) (unaudited)
<b>Salaries and allowances:</b>		
Sun Dequan	<b>508,157.76</b>	495,682.22
Tai Jingang	<b>376,507.76</b>	371,222.05
Yin Kaiyang	<b>427,407.76</b>	327,182.22
Luo Dongxi	<b>446,407.76</b>	344,682.22
Wang Ping	<b>410,757.76</b>	262,682.22
Zhang Tie	<b>415,207.76</b>	342,203.22
Wang Huiying	<b>377,157.76</b>	271,222.05
Lee, Kin Yu Arthur	<b>644,353.20</b>	667,713.60
<b>Total</b>	<b>3,605,957.52</b>	3,082,589.80

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XV. Emoluments of directors, supervisors and senior management (continued)

### 3. Senior management (continued)

	For the six months ended 30 June 2021  (unaudited)	For the six months ended 30 June 2020 (restated) (unaudited)
<b>Pension plan contribution:</b>		
Sun Dequan	15,085.44	10,370.16
Tai Jingang	15,085.44	10,370.16
Yin Kaiyang	15,085.44	10,370.16
Luo Dongxi	15,085.44	10,370.16
Wang Ping	15,085.44	10,370.16
Zhang Tie	15,085.44	10,370.16
Wang Huiying	15,085.44	10,370.16
Lee, Kin Yu Arthur	-	-
<b>Total</b>	<b>105,598.08</b>	72,591.12

During the period, there was no agreement for a director, supervisor or senior management to waive or agree to waive the emoluments for the period (for the six months ended 30 June 2020: Nil).





# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XV. Emoluments of directors, supervisors and senior management (continued)

### 4. The top five highest paid individuals

The top five highest paid individuals of the Group for the six months ended 30 June 2021 include two directors (the top five highest paid individuals of the Group for the six months ended 30 June 2020 include 1 director). The aggregate emoluments are as follows:

	<b>For the six months ended 30 June 2021  (unaudited)</b>	For the six months ended 30 June 2020  (restated)  (unaudited)
Salaries and allowances	<b>2,451,853.20</b>	2,763,667.60
Social security	<b>172,972.80</b>	132,209.52
<b>Total</b>	<b>2,624,826.00</b>	2,895,877.12

### Emolument bands

	<b>For the six months ended 30 June 2021  (unaudited)</b>	For the six months ended 30 June 2020  (restated)  (unaudited)
RMB0 – RMB1,000,000	<b>5 persons</b>	5 persons
RMB1,000,000 – RMB1,500,000	<b>–</b>	–

# Notes to the Financial Statements (continued)

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## XVI. Notes to key items in the parent company's financial statements

### 1. Accounts receivable

#### (1) General information on accounts receivable

Item	30 June 2021 (unaudited)	31 December 2020
Accounts receivable	<b>2,261,341,097.65</b>	1,661,836,746.98
Less: Provision for credit losses	<b>213,949,184.07</b>	183,175,964.77
<b>Total</b>	<b>2,047,391,913.58</b>	1,478,660,782.21

#### (2) Overall ageing of accounts receivable

Item	Closing balance (unaudited)			Opening balance		
	Book balance	Proportion (%)	Provision for credit losses	Book balance	Proportion (%)	Provision for credit losses
Within 1 year (including 1 year)	<b>1,100,049,959.38</b>	<b>48.65</b>	<b>60,000,976.58</b>	801,400,805.26	48.23	54,790,479.75
1 to 2 years (including 2 years)	<b>630,988,128.59</b>	<b>27.90</b>	<b>61,952,055.59</b>	674,076,848.36	40.56	58,958,903.86
2 to 3 years (including 3 years)	<b>489,413,341.20</b>	<b>21.64</b>	<b>51,611,827.92</b>	132,669,740.20	7.98	16,259,235.00
Over 3 years	<b>40,889,668.48</b>	<b>1.81</b>	<b>40,384,323.98</b>	53,689,353.16	3.23	53,167,346.16
<b>Total</b>	<b>2,261,341,097.65</b>	<b>100.00</b>	<b>213,949,184.07</b>	1,661,836,746.98	100.00	183,175,964.77

#### (3) The movements in provision for bad debts of accounts receivable are as follows:

	Balance as at the beginning of the period/year	Provision for the period/year	Recovery/ reversal during the period/year	Write-off during the period/year	Balance as at the end of the period/year
30 June 2021 (unaudited)	<b>183,175,964.77</b>	<b>48,228,969.30</b>	<b>-17,455,750.00</b>	-	<b>213,949,184.07</b>
31 December 2020	57,883,280.43	125,292,684.34	-	-	183,175,964.77



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XVI. Notes to key items in the parent company's financial statements (continued)

### 1. Accounts receivable (continued)

#### (4) Details of accounts receivable of which provision for bad debts is made are as follows:

As at 30 June 2021, details of the Company's accounts receivable of which provision for bad debts is made according to its credit risk rating portfolio are as follows (unaudited):

Rating	Book balance of estimated default	Expected credit loss rate	Expected credit loss for the entire duration
Portfolio A	476,342,518.53	0.00%-0.10%	50,192.20
Portfolio B	5,116,618.00	0.10%-0.30%	5,116.62
Portfolio C	1,735,008,279.40	0.30%-50.00%	169,199,223.80
Portfolio D	44,873,681.72	50.00%-100.00%	44,694,651.45
<b>Total</b>	<b>2,261,341,097.65</b>		<b>213,949,184.07</b>

As at 31 December 2020, details of the Company's accounts receivable of which provision for bad debts is made according to its credit risk rating portfolio are as follows:

Rating	Book balance of estimated default	Expected credit loss rate	Expected credit loss for the entire duration
Portfolio A	160,611,169.86	0.00%-0.10%	18,203.97
Portfolio B	1,165,414.00	0.10%-0.30%	1,165.41
Portfolio C	1,434,041,574.40	0.30%-50.00%	118,319,283.58
Portfolio D	66,018,588.72	50.00%-100.00%	64,837,311.81
<b>Total</b>	<b>1,661,836,746.98</b>		<b>183,175,964.77</b>

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XVI. Notes to key items in the parent company's financial statements (continued)

### 1. Accounts receivable (continued)

#### (5) Information on the top five entities by the amounts of accounts receivable (unaudited)

Name of entity	Relationship with the Group	Amount	Ageing	Provision for credit losses	Percentage of total accounts receivable (%)
Dalian Enaisikai International Trading Co., Ltd.	Customer	1,726,148,256.00	Within 3 years	168,283,479.14	76.33
Dalian Power Plant under Huaneng Power International, Inc.	Customer	49,423,993.12	Within 1 year	4,942.40	2.19
Vale International SA	Customer	46,306,735.00	Within 1 year	4,630.67	2.05
Dalian Port Bulk Cargo Logistics Center Co., Ltd.	Related party	42,488,633.08	Within 1 year	4,248.86	1.88
Angang Steel Company Limited	Customer	38,917,838.42	Within 1 year	3,891.78	1.72
<b>Total</b>		<b>1,903,285,455.62</b>		<b>168,301,192.85</b>	<b>84.17</b>

### 2. Other receivables

Item	30 June 2021 (unaudited)	31 December 2020
Dividends receivable	<b>1,411,113,675.17</b>	1,320,010,477.44
Other receivables	<b>68,119,926.83</b>	69,542,756.97
<b>Total</b>	<b>1,479,233,602.00</b>	1,389,553,234.41



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XVI. Notes to key items in the parent company's financial statements (continued)

### 2. Other receivables (continued)

#### (1) Dividends receivable

##### 1) Presentation of dividends receivable

Investee	30 June 2021 (unaudited)	31 December 2020
China United Tally (Dalian) Co., Ltd.	371,505.94	371,505.94
Dalian Automobile Terminal Co., Ltd.	9,600,000.00	9,600,000.00
Taicang Xinggang Tug Co., Ltd.	5,999,994.00	2,142,855.00
National Pipe Network Group Dalian Liquefied Natural Gas Co., Ltd. (國家管網集團大連液化天然氣有限公司)	87,246,058.73	–
Dalian Port Container Development Co., Ltd.	1,307,896,116.50	1,307,896,116.50
<b>Total</b>	<b>1,411,113,675.17</b>	1,320,010,477.44
Less: Provision for credit losses	–	–
<b>Carrying amount</b>	<b>1,411,113,675.17</b>	1,320,010,477.44

The Company's management believed that provision for impairment of dividends receivable as at balance sheet date was not necessary.

##### 2) Significant dividends receivable aged more than 1 year

Investee	Opening balance	Closing balance	Reason for failure of recovery
Dalian Port Container Development Co., Ltd.	1,110,120,390.16	1,110,120,390.16	Deferred payment

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XVI. Notes to key items in the parent company's financial statements (continued)

### 2. Other receivables (continued)

#### (2) Other receivables

##### 1) Analysis by nature

Nature of amount	30 June 2021 (unaudited)	31 December 2020
Receivables from income of entrusted management services	89,276,780.52	88,076,780.52
Others	27,542,706.10	23,178,723.08
<b>Sub-total</b>	<b>116,819,486.62</b>	111,255,503.60
Less: Provision for credit losses	48,699,559.79	41,712,746.63
<b>Total</b>	<b>68,119,926.83</b>	69,542,756.97

##### 2) Analysis by aging

Item	30 June 2021 (unaudited)			31 December 2020		
	Book balance	Percentage (%)	Provision for credit losses	Book balance	Percentage (%)	Provision for credit losses
Within 1 year (including 1 year)	35,518,716.36	30.40	1,285,638.42	32,749,196.31	29.45	980,887.11
1 to 2 years (including 2 years)	4,404,923.45	3.77	1,274,910.40	4,255,029.09	3.82	3,408,690.31
2 to 3 years (including 3 years)	4,179,998.61	3.58	3,693,517.77	64,444,683.42	57.92	27,824,279.43
Over 3 years	72,715,848.20	62.25	42,445,493.20	9,806,594.78	8.81	9,498,889.78
<b>Total</b>	<b>116,819,486.62</b>	<b>100.00</b>	<b>48,699,559.79</b>	111,255,503.60	100.00	41,712,746.63



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XVI. Notes to key items in the parent company's financial statements (continued)

### 2. Other receivables (continued)

#### (2) Other receivables (continued)

3) Details of the Company's other receivables of which provision for bad debts is made according to its credit risk rating portfolio are as follows:

30 June 2021 (unaudited)

Rating	Book balance of estimated default	Expected credit loss rate	Expected credit loss over the next 12 months	Expected credit loss for the entire duration
Portfolio A	35,149,867.81	0.00%-0.10%	3,834.81	-
Portfolio B	-	0.10%-0.30%	-	-
Portfolio C	62,240,547.00	0.30%-50.00%	-	30,604,653.17
Portfolio D	19,429,071.81	50.00%-100.00%	-	18,091,071.81
<b>Total</b>	<b>116,819,486.62</b>		<b>3,834.81</b>	<b>48,695,724.98</b>

31 December 2020

Rating	Book balance of estimated default	Expected credit loss rate	Expected credit loss over the next 12 months	Expected credit loss for the entire duration
Portfolio A	31,113,746.99	0.00%-0.10%	3,199.59	-
Portfolio B	-	0.10%-0.30%	-	-
Portfolio C	61,912,684.80	0.30%-50.00%	-	24,650,475.23
Portfolio D	18,229,071.81	50.00%-100.00%	-	17,059,071.81
<b>Total</b>	<b>111,255,503.60</b>		<b>3,199.59</b>	<b>41,709,547.04</b>

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XVI. Notes to key items in the parent company's financial statements (continued)

### 2. Other receivables (continued)

#### (2) Other receivables (continued)

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

30 June 2021 (unaudited)

	Stage I Expected credit loss over the next 12 months	Stage II Expected credit loss for the entire duration (no credit impairment occurred)	Stage III Expected credit loss for the entire duration (credit impairment occurred)	Total
Opening balance	3,199.59	24,650,475.23	17,059,071.81	41,712,746.63
Opening balance in the current period				
- Transfer to stage II	-	-	-	-
- Transfer to stage III	-	-	-	-
Provision in the period	635.22	5,954,177.94	1,032,000.00	6,986,813.16
Closing balance	3,834.81	30,604,653.17	18,091,071.81	48,699,559.79

31 December 2020

	Stage I Expected credit loss over the next 12 months	Stage II Expected credit loss for the entire duration (no credit impairment occurred)	Stage III Expected credit loss for the entire duration (credit impairment occurred)	Total
Opening balance	3,294.48	18,438,204.40	12,028,887.47	30,470,386.35
Opening balance in the current year				
- Transfer to stage II	-	-	-	-
- Transfer to stage III	-24.02	-2,101,306.27	2,101,330.29	-
Provision in the year	-	8,313,577.10	2,928,854.05	11,242,431.15
Reversal in the year	-70.87	-	-	-70.87
Closing balance	3,199.59	24,650,475.23	17,059,071.81	41,712,746.63





# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XVI. Notes to key items in the parent company's financial statements (continued)

### 2. Other receivables (continued)

#### (2) Other receivables (continued)

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

For the six months ended 30 June 2021, the provision for bad debts amounted to RMB6,986,813.16 (2020: RMB11,242,431.15), and there was no recovery or reversal of bad debt provision (2020: RMB70.87).

- 5) *Other receivables of the top five debtors by closing balances*

30 June 2021 (unaudited)

Name of entity	Relationship with the Company	Amount	Ageing	Percentage of total other receivables (%)	Provision for credit losses	Nature or description
Dalian Changxing Island Port Investment and Development Co., Ltd.	Related party	77,156,780.52	Within 4 years	66.05	30,040,207.98	Income receivable for entrusted management service
Dalian Changxing Island Port Co., Ltd.	Related party	12,120,000.00	Over 5 years	10.37	10,782,000.00	Income from appointment of executives
Dalian Port Pilotage Station	Third party	9,278,371.74	Within 1 year	7.94	927.84	Maintenance fee for public facilities
Dalian Steel Logistics Park Co., Ltd.	Subsidiary	7,034,717.34	Over 5 years	6.02	7,034,717.34	Rental fees
Dalian Commodity Exchange	Third party	1,900,000.00	Within 2 years	1.63	380.00	Deposit
<b>Total</b>		<b>107,489,869.60</b>		<b>92.01</b>	<b>47,858,233.16</b>	

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XVI. Notes to key items in the parent company's financial statements (continued)

### 2. Other receivables (continued)

#### (2) Other receivables (continued)

##### 5) Other receivables of the top five debtors by closing balances (continued)

31 December 2020

Name of entity	Relationship with the Company	Amount	Ageing	Percentage of total other receivables (%)	Provision for credit losses	Nature or description
Dalian Changxing Island Port Investment and Development Co., Ltd.	Related party	77,156,780.52	Within 3 years	69.36	24,032,507.98	Income receivable for entrusted management service
Dalian Changxing Island Port Co., Ltd.	Related party	10,920,000.00	Over 5 years	9.82	9,750,000.00	Income from appointment of executives
Dalian Steel Logistics Park Co., Ltd.	Subsidiary	7,034,717.34	Within 5 years	6.32	7,034,717.34	Rental fees
Dalian Port Corporation Limited	Related party	6,000,000.00	Within 1 year	5.39	600.00	Subsidy
Dalian Port Pilotage Station	Third party	3,408,748.58	Within 1 year	3.06	340.87	Maintenance fee for public facilities
Total		104,520,246.44		93.95	40,818,166.19	

### 3. Long-term equity investments

#### (1) Classification of long-term equity investments (unaudited)

Item	Opening balance	Increase in the period	Decrease in the period	Other increase (decrease)	Impact of change	Closing balance
					in scope of combination	
Investment in subsidiaries	4,842,837,334.94	15,821,491,793.59	-	-	-	20,664,329,128.53
Investment in joint ventures	1,100,256,607.66	35,534,442.53	57,800,143.30	-	-	1,077,990,906.89
Investment in associates	1,344,180,703.87	49,403,787.42	100,517,012.82	-	-	1,293,067,478.47
Total	7,287,274,646.47	15,906,430,023.54	158,317,156.12	-	-	23,035,387,513.89



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XVI. Notes to key items in the parent company's financial statements (continued)

### 3. Long-term equity investments (continued)

#### (2) Breakdown of long-term equity investments

For the six months ended 30 June 2021 (unaudited)

Investee	Opening balance	Impact of change in consolidation scope	Increase in investment	Decrease in investment	Investment gains or losses recognized under the equity method	Adjustment to other comprehensive income	Change in other equity	Declaration of distribution of cash dividend and profit	Other changes	Provision for impairment	Closing balance	Closing balance of impairment provision
<b>Subsidiaries</b>												
Liengang Holdings (Yingkou) Co., Ltd. (凌港控股(营口)有限公司)	-	-	15,821,491,793.59	-	-	-	-	-	-	-	15,821,491,793.59	-
Dalian Port Container Development Co., Ltd.	3,201,946,622.38	-	-	-	-	-	-	-	-	-	3,201,946,622.38	-
Asia Pacific Ports (Dalian) Co., Ltd.	260,619,525.88	-	-	-	-	-	-	-	-	-	260,619,525.88	-
Asia Pacific Ports Company Limited	76,155,000.00	-	-	-	-	-	-	-	-	-	76,155,000.00	-
Dalian ETDZ Jin Xin Petro-chemistry Co., Ltd.	6,629,301.65	-	-	-	-	-	-	-	-	-	6,629,301.65	-
Dalian Jifa Shipping Management Co., Ltd.	419,011,554.73	-	-	-	-	-	-	-	-	-	419,011,554.73	-
Dalian Ocean Shipping Tally Co., Ltd.	14,259,172.03	-	-	-	-	-	-	-	-	-	14,259,172.03	-
Dalian Port Construction Supervision & Consultation Co., Ltd.	18,276,125.97	-	-	-	-	-	-	-	-	-	18,276,125.97	-
Dalian Port Telecommunications Engineering Co., Ltd.	6,137,212.61	-	-	-	-	-	-	-	-	-	6,137,212.61	-
Dalian Golden Bay Grain Logistics Co., Ltd.	53,156,426.75	-	-	-	-	-	-	-	-	-	53,156,426.75	-
Dalian Port Lushun Harbour Service Co., Ltd.	217,860,000.00	-	-	-	-	-	-	-	-	-	217,860,000.00	-
Dalian Harbour ECL Logistics Co., Ltd.	31,891,668.81	-	-	-	-	-	-	-	-	-	31,891,668.81	-
Dalian Port Gran and Oil Trading Co., Ltd.	25,000,000.00	-	-	-	-	-	-	-	-	-	25,000,000.00	-
Dalian Steel Logistics Park Co., Ltd.	8,000,000.00	-	-	-	-	-	-	-	-	-	8,000,000.00	-
Dalian Gangrun Gas Co., Ltd.	5,100,000.00	-	-	-	-	-	-	-	-	-	5,100,000.00	-
Dalian Haijia Automobile Terminal Co., Ltd.	200,000,000.00	-	-	-	-	-	-	-	-	-	200,000,000.00	-

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XVI. Notes to key items in the parent company's financial statements (continued)

### 3. Long-term equity investments (continued)

#### (2) Breakdown of long-term equity investments (continued)

For the six months ended 30 June 2021 (unaudited) (continued)

Investee	Opening balance	Impact of change in consolidation scope	Increase in investment	Decrease in investment	Investment gains or losses recognized under the equity method	Adjustment to other comprehensive income	Declaration of distribution of cash dividend and profit	Other changes	Provision for impairment	Closing balance	Closing balance of impairment provision	Change in the period	
												Increase in investment	Decrease in investment
Dalian Dilangstui Caravan Co., Ltd.	51,000,000.00	-	-	-	-	-	-	-	-	51,000,000.00	-	-	-
Dalian Port Group Zhuanghe Terminal Co., Ltd.	42,000,000.00	-	-	-	-	-	-	-	-	42,000,000.00	-	-	-
Dalian Zhuanghe Gangxing Investment Co., Ltd.	80,000,000.00	-	-	-	-	-	-	-	-	80,000,000.00	-	-	-
Dalian Port Haiheng Ship Management Co., Ltd.	4,825,626.54	-	-	-	-	-	-	-	-	4,825,626.54	-	-	-
Dalian Port Power Supply Co., Ltd.	121,205,097.79	-	-	-	-	-	-	-	-	121,205,097.79	-	-	-
<b>Sub-total</b>	<b>4,842,837,334.94</b>	<b>-</b>	<b>15,821,491,793.59</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,664,329,128.53</b>	<b>-</b>	<b>-</b>	<b>-</b>



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XVI. Notes to key items in the parent company's financial statements (continued)

### 3. Long-term equity investments (continued)

#### (2) Breakdown of long-term equity investments (continued)

For the six months ended 30 June 2021 (unaudited) (continued)

Investee	Opening balance	Impact of change in consolidation scope	Change in the period							Closing balance	Closing balance of impairment provision		
			Increase in investment	Decrease in investment	Investment gains or losses recognized under the equity method	Adjustment to other comprehensive income	Change in other equity	Declaration of distribution of cash dividend and profit	Other changes			Provision for impairment	
<b>Joint ventures</b>													
Dalian Port Tongli Shipping Agency Co., Ltd.	1,101,914.01	-	-	-	-97,981.97	-	-	-	-	-	-	1,003,932.04	-
VTTI Terminals Dalian Co., Ltd.	168,169,960.71	-	-	-	-14,408,033.52	-	-	367,001.83	-	-	-	182,834,966.06	-
Dalian Port PetroChina International Terminal Co., Ltd.	236,830,040.06	-	-	-	-15,290,368.01	-	-	-30,000,000.00	-	-	-	222,120,408.07	-
China United Tally (Dalian) Co., Ltd.	3,906,906.83	-	-	-	-185,709.23	-	-	-8,786.48	-	-	-	3,712,411.12	-
China Oil Dock Management (Dalian) Co., Ltd.	30,477,086.78	-	-	-	-2,858,476.34	-	-	-17,804,039.90	-	-	-	9,814,570.54	-
Dalian Changyong Island Port Co., Ltd.	134,440,061.48	-	-	-	-663,410.61	-	-	191,873.07	-	-	-	133,966,523.94	-
Dalian Port Bulk Cargo Logistics Center Co., Ltd.	16,168,619.57	-	-	-	-4,647,303.56	-	-	54,195.34	-	-	-	20,840,318.47	-
Oifjial Dalian Port Consulting Co., Ltd.	1,326,593.72	-	-	-	-1,302,759.86	-	-	-	-	-	-	-	-
Dalian Changyong Island Port Investment and Development Co., Ltd.	370,620,606.87	-	-	-	-73,975.37	-	-	501,491.83	-	-	-	371,196,074.07	-
Oifjial Changyong Terminals (Dalian) Co., Ltd.	7,965,145.40	-	-	-	-41,432.23	-	-	-	-	-	-	7,943,713.17	-
Dalian Port Xiangyu Grain Logistics Co., Ltd.	35,815,332.61	-	-	-	-1,708,790.38	-	-	-	-	-	-	34,106,542.23	-
China Shipping Gang Lan Co., Ltd.	93,454,339.62	-	-	-	-3,104,922.44	-	-	-	-	-	-	90,349,417.18	-
<b>Sub-total</b>	<b>1,100,256,607.66</b>	<b>-</b>	<b>-</b>	<b>-1,302,759.86</b>	<b>25,735,322.40</b>	<b>-</b>	<b>-</b>	<b>1,105,775.59</b>	<b>-47,804,039.90</b>	<b>-</b>	<b>-</b>	<b>1,077,990,906.89</b>	<b>-</b>

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
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## XVI. Notes to key items in the parent company's financial statements (continued)

### 3. Long-term equity investments (continued)

#### (2) Breakdown of long-term equity investments (continued)

For the six months ended 30 June 2021 (unaudited) (continued)

Investee	Opening balance	Impact of change in consolidation scope	Increase in investment	Decrease in investment	Investment gains or losses recognized under the equity method	Adjustment to other comprehensive income	Change in other equity	Declaration of distribution of cash dividend and profit	Other changes	Provision for impairment	Closing balance	Closing balance of impairment provision	Change in the period	
													Investment gains or losses recognized under the equity method	Adjustment to other comprehensive income
<b>Associates</b>														
Dalian PetroChina International Warehousing and Transportation Co., Ltd.	39,564,912.51	-	-	-	6,586,397.70	-	-	-	-	-	46,151,910.21	-		
Taizang Xinggang Tug Co., Ltd.	12,881,717.99	-	-	-	1,742,227.18	-	-	-5,998,994.00	-	-	8,423,951.17	-		
National Pipe Network Group Dalian Liquefied Natural Gas Co., Ltd. (國家管網集團大連液化天然氣有限公司)	672,800,617.82	-	-	-	29,319,463.82	-	431,425.77	-87,246,038.73	-	-	615,105,448.88	-		
Dalian North Oil Petroleum Logistics Co., Ltd.	77,461,299.24	-	-	-	3,392,766.09	-	131,208.93	-	-	-	80,985,274.26	-		
Sino Pail Bohai Train Ferry Co., Ltd.	241,523,908.68	-	-	-	-4,874,714.80	-	-16,289.82	-	-	-	236,632,904.06	-		
CDC International Logistics Co., Ltd.	122,342,691.02	-	-	-	-2,379,955.47	-	-	-	-	-	119,962,735.55	-		
Dalian Automobile Terminal Co., Ltd.	178,005,556.61	-	-	-	7,188,994.01	-	172,956.44	-	-	-	185,347,507.06	-		
Liaoning Electronic Port Co., Ltd.	-	-	-	-	113,077.12	-	-	-	344,670.36	-	457,747.48	-		
<b>Sub-total</b>	<b>1,344,180,703.87</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>41,068,855.65</b>	<b>-</b>	<b>719,301.32</b>	<b>-93,246,052.73</b>	<b>344,670.36</b>	<b>-</b>	<b>1,293,067,478.47</b>	<b>-</b>		
<b>Total</b>	<b>7,287,274,646.47</b>	<b>-</b>	<b>15,821,491,793.59</b>	<b>-1,302,758.86</b>	<b>66,804,178.05</b>	<b>-</b>	<b>1,825,076.91</b>	<b>-141,050,092.63</b>	<b>344,670.36</b>	<b>-</b>	<b>23,085,387,513.89</b>	<b>-</b>		



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XVI. Notes to key items in the parent company's financial statements (continued)

### 3. Long-term equity investments (continued) (2) Breakdown of long-term equity investments (continued)

2020

Investee	Opening balance	Impact of change in consolidation scope	Increase in investment	Decrease in investment	Investment gains or losses recognized under the equity method	Adjustment to other comprehensive income	Change in other equity	Declaration of cash dividend and profit	Provision for impairment	Closing balance	Closing balance of impairment provision	Changes in the year	
<b>Subsidiaries</b>													
Dalian Port Container Development Co., Ltd.	3,201,946,622.38	-	-	-	-	-	-	-197,775,726.34	-	3,201,946,622.38	-		
Asa Pacific Ports (Dalian) Co., Ltd.	-	-	280,619,525.88	-	-	-	-	-	-	280,619,525.88	-		
Asa Pacific Ports Company Limited	76,165,000.00	-	-	-	-	-	-	-	-	76,165,000.00	-		
Dalian ETDZ Jin Xin Petro-chemistry Co., Ltd.	6,629,301.65	-	-	-	-	-	-	-2,328,063.11	-	6,629,301.65	-		
Dalian Jifa Shipping Management Co., Ltd.	419,011,554.73	-	-	-	-	-	-	-	-	419,011,554.73	-		
Dalian Ocean Shipping Tally Co., Ltd.	14,269,172.03	-	-	-	-	-	-	-6,919,126.13	-	14,269,172.03	-		
Dalian Port Construction Supervision & Consultation Co., Ltd.	18,276,125.97	-	-	-	-	-	-	-	-	18,276,125.97	-		
Dalian Port Telecommunications Engineering Co., Ltd.	6,137,212.61	-	-	-	-	-	-	-3,312,406.00	-	6,137,212.61	-		
Dalian Golden Bay Grain Logistics Co., Ltd.	53,156,426.75	-	-	-	-	-	-	-	-	53,156,426.75	-		
Dalian Port Lishun Harbour Service Co., Ltd.	217,860,000.00	-	-	-	-	-	-	-	-	217,860,000.00	-		
Dalian Harbour ECL Logistics Co., Ltd.	-	31,931,668.81	-	-	-	-	-	-1,022,236.24	-	31,931,668.81	-		
Dalian Port Grain and Oil Trading Co., Ltd.	25,000,000.00	-	-	-	-	-	-	-	-	25,000,000.00	-		
Dalian Steel Logistics Park Co., Ltd.	8,000,000.00	-	-	-	-	-	-	-	-	8,000,000.00	-		
Dalian Gangrun Gas Co., Ltd.	5,100,000.00	-	-	-	-	-	-	-	-	5,100,000.00	-		
Dalian Haijia Automobile Terminal Co., Ltd.	200,000,000.00	-	-	-	-	-	-	-	-	200,000,000.00	-		
Dalian Dilangshui Caravan Co., Ltd.	51,000,000.00	-	-	-	-	-	-	-	-	51,000,000.00	-		
Dalian Port Group Zhuanghe Terminal Co., Ltd.	42,000,000.00	-	-	-	-	-	-	-	-	42,000,000.00	-		
Dalian Zhuanghe Gangxing Investment Co., Ltd.	80,000,000.00	-	-	-	-	-	-	-	-	80,000,000.00	-		
Dalian Port Haiheng Ship Management Co., Ltd.	4,825,626.54	-	-	-	-	-	-	-741,900.64	-	4,825,626.54	-		
Dalian Hongyang International Logistics Co., Ltd.	10,000,000.00	-	-	-10,000,000.00	-	-	-	-	-	-	-		
Dalian Port Power Supply Co., Ltd.	121,205,097.79	-	-	-	-	-	-	-6,594,103.86	-	121,205,097.79	-		
<b>Sub-total</b>	<b>4,560,266,140.45</b>	<b>31,931,668.81</b>	<b>280,619,525.88</b>	<b>-10,000,000.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-218,693,561.32</b>	<b>-</b>	<b>4,842,837,334.94</b>	<b>-</b>		

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XVI. Notes to key items in the parent company's financial statements (continued)

### 3. Long-term equity investments (continued)

#### (2) Breakdown of long-term equity investments (continued)

2020 (continued)

Investee	Opening balance	Impact of change in consolidation scope	Changes in the year						Closing balance	Closing balance of impairment provision	
			Increase in investment	Decrease in investment	Investment gains or losses recognized under the equity method	Adjustment to other comprehensive income	Change in other equity	Declaration of distribution of cash dividend and profit			Provision for impairment
<b>Joint ventures</b>											
Dalian Port Tongli Shipping Agency Co., Ltd.	1,213,114.02	-	-	-	238,739.99	-	-	-	-350,000.00	-	1,101,914.01
Dalian Harbour ECL Logistics Co., Ltd.	31,943,743.61	-31,931,668.81	-	-	-	-	-	-12,074.80	-	-	-
VTTI Terminals Dalian Co., Ltd.	165,965,277.50	-	-	-	24,694,683.21	-	-	-	-22,500,000.00	-	168,159,960.71
Dalian Port PetroChina International Terminal Co., Ltd.	236,553,790.29	-	-	-	29,276,249.77	-	-	-	-29,000,000.00	-	236,830,040.06
China United Tally (Dalian) Co., Ltd.	3,150,876.54	-	-	-	1,109,029.28	-	-	18,506.94	-371,505.93	-	3,906,906.83
China Oil Dock Management (Dalian) Co., Ltd.	19,843,325.81	-	-	-	19,121,226.16	-	-	-	-8,487,465.19	-	30,477,086.78
Dalian Changxing Island Port Co., Ltd.	138,942,816.08	-	-	-	-4,954,714.60	-	-	451,980.00	-	-	134,440,061.48
Dalian Port Bulk Cargo Logistics Center Co., Ltd.	14,828,463.72	-	-	-	10,053,254.93	-	-	-18,438.42	-8,724,682.66	-	16,138,619.57
Odfjell Dalian Port Consulting Co., Ltd.	921,128.78	-	-	-	405,464.94	-	-	-	-	-	1,326,593.72
Dalian Changxing Island Port Investment and Development Co., Ltd.	394,017,406.66	-	-	-	-24,691,548.78	-	-	1,294,748.99	-	-	370,620,606.87
Odfjell Changxing Terminals (Dalian) Co., Ltd.	8,081,200.67	-	-	-	-96,055.27	-	-	-	-	-	7,985,145.40
Dalian Port Xiangyu Grain Logistics Co., Ltd.	37,317,843.08	-	-	-	-1,502,510.47	-	-	-	-	-	35,815,332.61
China Shipping Gang Lian Co., Ltd.	96,861,319.00	-	-	-	-3,406,979.38	-	-	-	-	-	93,454,339.62
<b>Sub-total</b>	1,149,640,325.76	-31,931,668.81	-	-	50,246,899.78	-	-	1,794,704.71	-69,433,653.78	-	1,100,256,607.66



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XVI. Notes to key items in the parent company's financial statements (continued)

### 3. Long-term equity investments (continued)

#### (2) Breakdown of long-term equity investments (continued)

2020 (continued)

Investee	Opening balance	Impact of change in consolidation scope	Changes in the year					Closing balance	Closing balance of impairment provision				
			Increase in investment	Decrease in investment	Investment gains or losses recognized under the equity method	Adjustment to other comprehensive income	Change in other equity			Declaration of cash dividend and profit	Provision for impairment		
<b>Associates</b>													
Dalian PetroChina International Warehousing and Transportation Co., Ltd.	44,535,541.15	-	-	-	15,059,371.36	-	-	-	20,000,000.00	-	39,564,912.51	-	
Taicang Xinggang Tug Co., Ltd.	10,144,666.43	-	-	-	4,679,906.66	-	-	-	-2,142,855.00	-	12,681,717.99	-	
National Pipe Network Group													
Dalian Liquefied Natural Gas Co., Ltd. (國家管網集團大連液化天然氣有限公司)	702,722,083.30	-	-	-	97,338,249.17	-	-	-	-126,997,246.88	-	672,600,617.82	-	
Dalian North Oil Petroleum Logistics Co., Ltd.	73,291,607.84	-	-	-	8,029,909.41	-	-	-	-4,000,000.00	-	77,461,299.24	-	
Sino Rail Bohai Train Ferry Co., Ltd.	242,861,827.81	-	-	-	-1,337,919.13	-	-	-	-	-	241,523,908.68	-	
CDC International Logistics Co., Ltd.	138,072,756.88	-	-	-	-15,730,065.86	-	-	-	-	-	122,342,691.02	-	
Dalian Port Group Financial Co., Ltd.	892,291,768.16	-	-	-	929,982,963.00	-	-	-	-	-	-	-	
Dalian Automobile Terminal Co., Ltd.	172,700,578.83	-	-	-	14,973,658.80	-	-	-	-68,681.02	-	178,005,556.61	-	
<b>Sub-total</b>	2,276,590,850.40	-	-	-	929,982,963.00	160,684,285.15	-	-	-391,366.80	-162,740,101.88	-	1,344,180,703.87	-
<b>Total</b>	7,986,517,316.61	-	280,619,525.68	-	939,982,963.00	210,831,184.83	-	-	1,343,337.91	-450,867,316.98	-	7,287,274,646.47	-

# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XVI. Notes to key items in the parent company's financial statements (continued)

### 4. Revenue

Item	For the six months ended 30 June 2021 (unaudited)		For the six months ended 30 June 2020 (unaudited)	
	Revenue	Cost	Revenue	Cost
Principal operations	<b>1,726,196,656.76</b>	<b>1,179,899,050.83</b>	1,692,488,350.74	1,070,998,733.59
Other operations	<b>121,466,354.49</b>	<b>85,708,883.85</b>	141,969,056.76	85,496,948.89
<b>Total</b>	<b>1,847,663,011.25</b>	<b>1,265,607,934.68</b>	1,834,457,407.50	1,156,495,682.48

### 5. Investment income

Item	For the six months ended 30 June 2021 (unaudited)	For the six months ended 30 June 2020 (unaudited)
Investment income from long-term equity investments under the cost method	–	1,022,236.24
Investment income from long-term equity investments under the equity method	<b>66,804,178.05</b>	91,594,603.94
Investment income from disposal of long-term equity investments	<b>15,589.45</b>	–
Dividend income from other investments on hand in equity instruments	<b>10,212,840.09</b>	–
Investment income from disposal of held-for-trading financial assets	<b>24,737,238.45</b>	9,171,391.43
Others	<b>2,650,495.89</b>	10,243,203.72
<b>Total</b>	<b>104,420,341.93</b>	112,031,435.33

There are no material restrictions on the repatriation of investment income of the Company.



# Notes to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## XVI. Notes to key items in the parent company's financial statements (continued)

### 6. Supplementary information to the statement of cash flows of parent company

Item	For the six months ended 30 June 2021 (unaudited)	For the six months ended 30 June 2020 (unaudited)
1. Reconciliation of net profit to cash flows from operating activities:		
Net profit	<b>209,027,685.79</b>	333,425,571.29
Add: Provision for credit impairment	<b>37,760,024.67</b>	12,436,365.99
Depreciation of fixed assets	<b>326,316,858.08</b>	269,417,168.61
Depreciation of right-of-use assets	<b>48,879,889.41</b>	43,023,901.72
Amortisation of intangible assets	<b>10,485,335.43</b>	11,125,364.30
Amortisation of long-term prepaid expenses	<b>2,701,149.78</b>	1,641,312.58
Losses on damage and obsolescence of non-current assets ("-" for gain)	<b>88,475.39</b>	83,709.44
Financial expenses ("-" for gain)	<b>213,091,716.47</b>	229,640,480.38
Losses on investment ("-" for gain)	<b>-104,420,341.93</b>	-112,031,435.33
Losses on changes in fair value ("-" for gain)	-	571,730.00
Decrease in deferred income tax assets ("-" for increase)	<b>-16,477,206.19</b>	-8,362,807.73
Amortisation of deferred income	<b>-18,768,640.16</b>	-17,596,277.59
Decrease in inventories ("-" for increase)	<b>-7,731,731.55</b>	3,303,795.27
Increase in special reserve ("-" for decrease)	<b>10,990,494.34</b>	8,243,425.42
Decrease in operating receivables ("-" for increase)	<b>-546,048,664.70</b>	-428,122,399.30
Increase in operating payables ("-" for decrease)	<b>5,480,493.56</b>	37,518,551.86
<b>Net cash flows from operating activities</b>	<b>171,375,538.39</b>	384,318,456.91
2. Net changes in cash and cash equivalents:		
Cash at the end of the period	<b>1,367,778,730.95</b>	1,490,992,866.56
Less: Cash at the beginning of the period	<b>2,890,267,651.51</b>	2,666,892,626.45
Net increase in cash and cash equivalents	<b>-1,522,488,920.56</b>	-1,175,899,759.89

## XVII. Approval of financial statements

These financial statements were approved by the Board of Directors of the Company on 26 August 2021.

# Supplementary Information to the Financial Statements

For the period from 1 January to 30 June 2021  
In RMB

## I. Statement of non-recurring profit or loss

In accordance with “Explanatory Announcement No.1 on Information Disclosure for Companies Offering Securities to the Public – Non-recurring Profit/Loss (2008)” issued by China Securities Regulatory Commission, the non-recurring profit or loss for the six months ended 30 June 2021 of the Group are set out as follows:

Item	30 June 2021 (unaudited)	30 June 2020 (unaudited)	Remarks
Profit or loss on disposal of non-current assets	1,226,237.39	-69,009.73	
Government grants charged to profit or loss for the current period (other than government grants which are closely related to corporate business and granted based on a fixed amount or a fixed quantity unified by the state on an ongoing basis)	13,916,114.47	27,690,357.41	
Except for the effective hedging activities related to the Company’s ordinary operation, profit or loss arising from changes in fair value of financial assets at fair value through current profit or loss and financial liabilities at fair value through current profit or loss, and investment income from disposal of financial assets at fair value through current profit or loss and financial liabilities at fair value through current profit or loss	24,737,238.45	8,657,081.43	
Current net profit and loss of subsidiaries from the beginning of the period to the combination date arising from business combinations involving entities under common control	181,566,605.37	617,686,250.17	
Profit or loss from outward entrusted loans	-	3,429,784.68	
Capital occupation fee charged to non financial enterprises included in current profits and losses	1,652,636.66	-	
Non-operating income and expenses other than aforesaid items	-21,598,071.70	4,909,150.62	
Other profit or loss item under the definition of non-recurring profit or loss	10,690,823.30	-38,021,871.85	
<b>Sub-total</b>	<b>212,191,583.94</b>	624,281,742.73	
Effect of income tax	6,738,482.33	10,135,857.76	
Effect of minority interests (after tax)	6,369,133.29	4,218,109.19	
<b>Total</b>	<b>199,083,968.32</b>	609,927,775.78	



# Supplementary Information to the Financial Statements (continued)

For the period from 1 January to 30 June 2021  
In RMB

## II. Return on net assets and earnings per share

The calculation form of the return on net assets and earnings per share is prepared in accordance with the relevant provisions of the Compilation Rules No. 9 for Information Disclosures by Companies Offering Securities to the Public – Calculation and Disclosure of Return on Net Assets and Earnings Per Share (Revised in 2010) issued by the China Securities Regulatory Commission.

For the six months ended 30 June 2021 (unaudited)

	<b>Weighted average return on net assets</b>	<b>Basic earnings per share</b>
Net profit attributable to ordinary shareholders of the Company	<b>2.55%</b>	<b>0.04</b>
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring profit or loss	<b>2.34%</b>	<b>0.04</b>

For the six months ended 30 June 2020 (unaudited)

	Weighted average return on net assets	Basic earnings per share
Net profit attributable to ordinary shareholders of the Company	2.98%	0.04
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring profit or loss	2.15%	0.03

No dilutive potential ordinary shares have been issued by the Company.



**辽宁港口股份有限公司**  
**LIAONING PORT CO., LTD.**

(A sino-foreign joint stock limited company incorporated in the People's Republic of China)

(於中華人民共和國註冊成立之外商投資股份有限公司)

(Stock Code 股份代號 : 2880)

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