



天津港發展控股有限公司
Tianjin Port Development Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 03382



INTERIM REPORT
2024

CORPORATE PROFILE

Tianjin Port Development Holdings Limited was listed on The Stock Exchange of Hong Kong Limited on 24 May 2006 (Stock Code: 03382).

The Group first operated as a non-containerised cargo terminal at the port of Tianjin in 1968 and subsequently expanded into container handling business in 1980. In February 2010, the Group completed the acquisition of 56.81% equity interest in Tianjin Port Holdings Co., Ltd. Today, the Group is the leading port operator at the port of Tianjin and is principally engaged in container and non-containerised cargo handling businesses, sales business and port ancillary services business. The Group has advanced container terminals, specialised terminals in handling of coke, coal, ore, Ro-Ro, and a 300,000-tonne crude oil terminal.

The port of Tianjin, located at the juncture of the Beijing-Tianjin city belt and the economic circle of the Bohai Rim Region, is the largest comprehensive port and an important foreign trade port in North China, serving 14 provinces, cities and autonomous regions and a hub connecting Northeast Asia with Midwest Asia. It is one of the coastal ports with the most complete functions in China. In the first half of 2024, the port of Tianjin was the seventh largest port in terms of total cargo throughput and ranked the sixth in terms of total container throughput in China.



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FINANCIAL HIGHLIGHTS

	For the six months ended 30 June	
	2024	2023
Total throughput		
Non-containerised cargo (million tonnes)	125.22	117.78
Container (million TEUs)	10.43	10.27
Consolidated throughput		
Non-containerised cargo (million tonnes)	95.30	86.81
Container (million TEUs)	6.16	6.21

HK\$ million	For the six months ended 30 June	
	2024	2023
Revenue	6,746	6,244
Profit before income tax	1,269	1,337
Profit attributable to Shareholders	418	474
Basic earnings per share (HK cents)	6.8	7.7
Net cash inflow from operating activities	1,394	1,456

HK\$ million	As at 30 June 2024	As at 31 December 2023
Total assets	41,190	40,620
Total borrowings	5,275	5,707
Shareholders' equity	13,647	13,610
Total equity	30,340	30,284
Financial ratios		
Gearing ratio (Note 1)	17.4%	18.8%
Current ratio	1.5	1.6
Net assets per share - book value (Note 2) (HK\$)	2.2	2.2

Notes:

- Gearing ratio represents total borrowings divided by total equity.
- Net assets per share - book value represents Shareholders' equity divided by the number of issued Shares at the end of reporting period.

MANAGEMENT DISCUSSION AND ANALYSIS

OPERATION ENVIRONMENT

In the first half of 2024, as the global economic environment was still full of uncertainties, China faced new challenges in certain aspects including but not limited to the continuous deepening of domestic structural adjustments. However, with China's macroeconomic policies coming into effect and external demand showing signs of recovery, plus accelerative new productive forces, China's economy has attained new support and recorded a continuous recovery and improvement, and operated in an overall stable and steady manner during the first half of the year. According to the National Bureau of Statistics of China, China's GDP recorded a year-on-year growth of 5.0% in the first half of 2024. During the first half of 2024, China maintained a favorable growth momentum in its imports and exports. In particular, the total value of China's imports and exports, calculated in RMB, increased by 6.1% year-on-year, exceeding RMB21.17 trillion for the first time, and calculated in US\$, increased by 2.9% year-on-year to US\$2.98 trillion. According to the statistics from the Ministry of Transport of the PRC, cargo throughput handled by ports in China in the first half of 2024 was 8.563 billion tonnes, representing a year-on-year increase of 4.6%, whereas container throughput handled increased by 8.5% year-on-year to 161.84 million TEUs.

ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

During the reporting period, the Group continued to carry out pollution prevention and control, promote energy conservation and carbon reduction and digital transformation to enhance the operational efficiency. Tianjin Port Holdings Co., Ltd., a subsidiary of the Company, was the first in the national port industry to obtain a carbon management system certification, and has established a carbon management system that covers various management processes including carbon energy identification, carbon data collection, monitoring, accounting, carbon target management, etc., forming a closed-loop management mechanism for planning, implementation, monitoring and measurement and continuous improvement in carbon management. The Group vigorously promotes energy-saving and carbon reduction technologies such as energy-efficient lighting, wind and photovoltaic power generation, and optimisation and upgrading of smart tugboat navigation services in ports. The Group is also committed to advancing the construction of a world-class smart port, promoting the in-depth application of new technologies such as artificial intelligence, big data and the Internet of Things in port areas, continuing to expand the autonomous driving demonstration area within the port, and comprehensively promoting digital transformation.

INTERIM RESULTS

In the first half of 2024, total cargo throughput handled by the Group was 228 million tonnes (2023: 224 million tonnes), an increase of 1.8% over the same period last year, of which total container throughput was 10.43 million TEUs (2023: 10.27 million TEUs), an increase of 1.6% over the same period last year.

In the first half of 2024, profit attributable to Shareholders amounted to HK\$418 million (2023: HK\$474 million) and basic earnings per share was HK6.8 cents (2023: HK7.7 cents), a decrease of 11.9% over the same period last year.

INTERIM DIVIDEND

The Board has resolved not to declare an interim dividend for the six months ended 30 June 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

OUTLOOK

In the second half of 2024, the global economy is expected to continue its moderate recovery, and the global trade may continue to be affected by the complex global geopolitical environment, the intensified conflicts in the Middle East and continued trade protectionism. Ports serve as the hub for freight transportation and trade circulation, thereby the throughput of the ports is directly impacted by macroeconomic conditions and the development of foreign trade. In the *World Economic Outlook Update* released by the International Monetary Fund (IMF) in July 2024, the global economic growth rate is expected to be 3.2% in 2024 and 3.3% in 2025; in addition, China's economic growth rate is expected to be 5.0% in 2024. Looking forward, with the implementation of the macroeconomic policies, monetary policies and fiscal policies, China will expand overseas demand, support foreign trade, gradually boost domestic demand and further facilitating the throughput of the ports.

The Group will make continuous efforts to build a world-class green port, smart port and hub port, fully leverage our core competitiveness, seize opportunities arising from national policies regarding the coordinated development of Beijing-Tianjin-Hebei and the Belt and Road Initiative, promote cooperation in diversified fields, drive new business collaboration models, and explore new market opportunities. We will deeply cultivate technological innovation and application, promote green and low-carbon development, prioritise the construction of a robust safety system and accelerate digital transformation, focus on refined management and strive to be the first to achieve excellence to improve efficiency, expand capabilities and create benefits and strengthen compliance management and risk control, so as to continue to uphold the core values of people-oriented, quality-first and customer-centric, promote the high-quality development of the ports, generate better returns for our Shareholders, and create value for the society and stakeholders.

OPERATION AND FINANCIAL REVIEW

In the first half of 2024, total cargo throughput handled by the Group was 228 million tonnes.

REVENUE AND COST OF SALES OF CORE BUSINESS

Revenue

The Group's revenue was HK\$6,746 million in the first half of 2024, representing an increase of 8.0% as compared with the same period last year. Revenue by segment is as follows:

Type of business	Revenue			
	First half of 2024 HK\$ million	First half of 2023 HK\$ million	Change in amount HK\$ million	Change in percentage
Non-containerised cargo handling business	2,781	2,554	227	8.9%
Container handling business	1,040	1,070	-30	-2.7%
Cargo handling business (total)	3,821	3,624	197	5.4%
Sales business	1,631	1,407	224	16.0%
Other port ancillary services business	1,294	1,213	81	6.6%
Total	6,746	6,244	502	8.0%

MANAGEMENT DISCUSSION AND ANALYSIS

Cost of Sales

In the first half of 2024, cost of sales of the Group was HK\$4,754 million, representing an increase of 12.9% as compared with the same period last year. Costs by segment is as follows:

Type of business	Costs			
	First half of 2024 HK\$ million	First half of 2023 HK\$ million	Change in amount HK\$ million	Change in percentage
Cargo handling business	2,467	2,284	183	8.0%
Sales business	1,624	1,396	228	16.3%
Other port ancillary services business	663	531	132	24.7%
Total	4,754	4,211	543	12.9%

Cargo Handling Business

The Group's cargo handling business includes non-containerised cargo handling business and container handling business.

Revenue from the cargo handling business was HK\$3,821 million in the first half of 2024, representing an increase of 5.4% over the same period last year. In RMB, revenue from the cargo handling business increased by 7.8%, primarily attributable to the increase in the throughput of non-containerised cargo handling business.

Cost of the cargo handling business was HK\$2,467 million in the first half of 2024, representing an increase of 8.0% over the same period last year. In RMB, cost of the cargo handling business increased by 10.5%, primarily attributable to increase in throughput of cargo handling business leading to the increase in the corresponding cost.

Cargo Handling Business – Non-containerised Cargo Handling Business

In the first half of 2024, the Group achieved a total non-containerised cargo throughput of 125.22 million tonnes, representing an increase of 6.3% over the same period last year, of which throughput of the subsidiary terminals increased by 9.8% and throughput of the jointly controlled and affiliated terminals decreased by 3.4%.

Nature of terminal	Non-containerised cargo throughput			
	First half of 2024 million tonnes	First half of 2023 million tonnes	Change in amount million tonnes	Change in percentage
Subsidiary terminals	95.30	86.81	8.49	9.8%
Jointly controlled and affiliated terminals	29.92	30.97	-1.05	-3.4%
Total	125.22	117.78	7.44	6.3%

On a consolidated basis, the blended average unit price of the non-containerised cargo handling business in the first half of 2024 was HK\$29.2 per tonne (2023: HK\$29.4 per tonne), representing a slight decrease of 0.8% over the same period last year. In RMB, the blended average unit price of which increased by 1.5% over the same period last year. The blended average unit price in RMB was increased but the depreciation of RMB resulted in a decrease of blended average unit price in Hong Kong dollars.

Revenue from the non-containerised cargo handling business in the first half of 2024 was HK\$2,781 million, representing an increase of 8.9% over the same period last year. In RMB, revenue from the non-containerised cargo handling business increased by 11.3%, primarily attributable to the increase in the throughput of non-containerised cargo handling business.

MANAGEMENT DISCUSSION AND ANALYSIS

Cargo Handling Business – Container Handling Business

In the first half of 2024, the Group achieved a total container throughput of 10.43 million TEUs, representing an increase of 1.6% over the same period last year, of which throughput of the subsidiary terminals decreased by 0.8% and throughput of the jointly controlled and affiliated terminals increased by 5.2%.

Nature of terminal	Container throughput			
	First half of 2024 million TEUs	First half of 2023 million TEUs	Change in amount million TEUs	Change in Percentage
Subsidiary terminals	6.16	6.21	-0.05	-0.8%
Jointly controlled and affiliated terminals	4.27	4.06	0.21	5.2%
Total	10.43	10.27	0.16	1.6%

On a consolidated basis, the blended average unit price of the container handling business in the first half of 2024 was HK\$168.8 per TEU (2023: HK\$172.2 per TEU), representing a decrease of 2.0% over the same period last year. In RMB, the blended average unit price of which increased slightly by 0.2% over the same period last year. The blended average unit price in RMB was increased but the depreciation of RMB resulted in a decrease of blended average unit price in Hong Kong dollars.

Revenue from the container handling business in the first half of 2024 decreased by 2.7% over the same period last year to HK\$1,040 million. In RMB, revenue from the container handling business slightly decreased by 0.5%, which was mainly attributable to the slight decrease of the throughput of container handling business.

Sales Business

The Group's sales business is mainly engaged in the supply of fuel and sales of materials.

Revenue from the sales business in the first half of 2024 was HK\$1,631 million, representing an increase of 16.0% over the same period last year. In RMB, revenue from the sales business increased by 18.6%, which was mainly due to the increase in the business volume of sales business.

Cost of the sales business in the first half of 2024 was HK\$1,624 million, representing an increase of 16.3% over the same period last year. In RMB, cost of the sales business increased by 19.0%, which was mainly due to the increase in the business volume of sale business leading to the corresponding increase in cost of sales.

Other Port Ancillary Services Business

Other port ancillary services of the Group mainly include tugboat services, agency services and other services.

Revenue from the other port ancillary services business in the first half of 2024 was HK\$1,294 million, representing an increase of 6.6% over the same period last year. In RMB, revenue from the other port ancillary services business increased by 9.0%, which was mainly due to the increase in the business volume of other port ancillary services business.

Cost of the other port ancillary services business in the first half of 2024 was HK\$663 million, representing an increase of 24.7% over the same period last year. In RMB, cost of the other port ancillary services business increased by 27.5%, which was mainly due to the increase in the business volume of other port ancillary services business leading to the increase in the corresponding cost.

MANAGEMENT DISCUSSION AND ANALYSIS

Gross Profit

Gross profit and gross profit margin in the first half of 2024 were HK\$1,989 million (2023: HK\$2,030 million) and 29.5% (2023: 32.5%) respectively. Gross profit decreased by 2.1% over the same period last year and gross profit margin decreased by 3.0 percentage points over the same period last year, which was mainly driven by the decrease in the gross profit margin of cargo handling business.

Administrative Expenses

Administrative expenses of the Group in the first half of 2024 increased by 3.4% as compared with the same period last year to HK\$929 million (2023: HK\$898 million). The Group will continue to take strict measures in control and management so as to maintain administrative expenses at a reasonable level.

Other Income, Gains and Losses

Other income in the first half of 2024 amounted to HK\$127 million (2023: HK\$89 million), representing an increase of HK\$38 million as compared with the same period last year, which was primarily due to increase of the interest income from deposits and government grants.

Other gains and losses in the first half of 2024 amounted to a loss of HK\$5 million (2023: a gain of HK\$52 million), representing a decrease of HK\$57 million as compared with the same period last year, mainly due to a foreign exchange gain of HK\$49 million was recorded in the same period last year while a foreign exchange loss of HK\$5 million was recorded in current reporting period.

Finance Costs

Finance costs (excluding capitalised interest) in the first half of 2024 were HK\$129 million (2023: HK\$150 million), a decrease of 14.3% as compared with the same period last year, which was mainly attributable to the decrease in the total borrowings compared with the same period last year.

Share of Net Profit of Associates and Joint Ventures Accounted for Using the Equity Method

The Group's share of net profit of associates and joint ventures accounted for using the equity method in the first half of 2024 was HK\$216 million (2023: HK\$219 million), which remained stable as compared with the same period last year.

Income Tax

The Group's income tax expenses in the first half of 2024 amounted to HK\$254 million (2023: HK\$253 million), which remained stable as compared with the same period last year.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL POSITION

Cash Flow

In the first half of 2024, net increase in cash and cash equivalents of the Group amounted to HK\$680 million.

The Group continued to generate steady cash flow from its operations. Net cash inflow from operating activities amounted to HK\$1,394 million.

Net cash inflow from investing activities amounted to HK\$12 million, which included cash outflow of capital expenditure of HK\$221 million and cash inflow from receiving dividends of HK\$175 million.

Net cash outflow from financing activities amounted to HK\$725 million, which included a net decrease of HK\$391 million in borrowings, and lease payment of HK\$71 million.

Capital Structure

The equity attributable to equity holders of the Company as at 30 June 2024 was HK\$13,647 million (31 December 2023: HK\$13,610 million), and the net asset value of each Share was HK\$2.2 per share (31 December 2023: HK\$2.2 per share).

As at 30 June 2024, the Company had an issued share capital of 6,158 million shares and the market capitalisation was approximately HK\$3,880 million (at the closing price of the shares of the Company of HK\$0.63 per share on 28 June 2024).

Assets and Liabilities

As at 30 June 2024, the Group's total assets were HK\$41,190 million (31 December 2023: HK\$40,620 million) and total liabilities were HK\$10,850 million (31 December 2023: HK\$10,336 million). Net current assets as at 30 June 2024 were HK\$3,335 million (31 December 2023: HK\$3,205 million).

Liquidity, Financial Resources and Borrowings

As at 30 June 2024, the Group's cash and deposits (including restricted bank deposits) were HK\$7,007 million (31 December 2023: HK\$6,428 million) and principally denominated in RMB.

The Group's total borrowings as at 30 June 2024 were HK\$5,275 million (31 December 2023: HK\$5,707 million), with HK\$1,764 million repayable within one year, HK\$1,131 million repayable after one year and within two years, HK\$1,816 million repayable after two years and within five years and HK\$564 million repayable after five years. All of the Group's borrowings were denominated in RMB.

Financial Ratios

As at 30 June 2024, the Group's gearing ratio (total borrowings divided by total equity) was 17.4% (31 December 2023: 18.8%), and current ratio (current assets divided by current liabilities) was 1.5 (31 December 2023: 1.6).

MANAGEMENT DISCUSSION AND ANALYSIS

Pledge of Assets

None of the Group's assets were pledged as at 30 June 2024.

Contingent Liabilities

The Group did not have any material contingent liabilities as at 30 June 2024.

Financial Management and Policy

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

The operations of the Group are located in the PRC and its functional currency is RMB. The Group is exposed to foreign exchange risk primarily from the assets and liabilities that are denominated in non-functional currencies. As at 30 June 2024, most of the Group's assets and liabilities were denominated in RMB. The fluctuations in RMB exchange rate will affect the Group's results reported in HK\$ as the Group operates its business in the PRC and its functional currency is RMB. No hedging arrangement was entered into in respect of foreign exchange risk exposure during the period under review.

The Group's interest rate risk arises primarily from the fluctuation in interest rates of borrowings. Borrowings at variable rates expose the Group to cash flow interest rate risk, while borrowings at fixed rates expose the Group to fair value interest rate risk. As at 30 June 2024, the Group's total borrowings were HK\$5,275 million, mainly at floating interest rate.

The Group will continue to monitor the risks of exchange rate and interest rate closely. In view of the fluctuations in RMB exchange rate, the Group will continuously review its treasury strategy, with the aim to be well-prepared and to respond quickly and effectively to the rapidly changing conditions in the financial market.

CAPITAL EXPENDITURE AND COMMITMENTS

In the first half of 2024, the Group acquired property, plant and equipment amounted to HK\$407 million (2023: HK\$172 million).

As at 30 June 2024, the Group's capital commitments for property, plant and equipment (including commitments that are authorised but not contracted for) amounted to HK\$964 million (31 December 2023: HK\$986 million).

EVENTS AFTER THE REPORTING PERIOD

Subsequent to the six months ended 30 June 2024 and up to the date of this report, no important events affecting the Group has taken place that is required to be disclosed.

MANAGEMENT DISCUSSION AND ANALYSIS

EMPLOYEES

As at 30 June 2024, the Group had approximately 5,528 employees. The Group determines and offers remuneration packages for employees based on their position, performance and the labour market conditions. In addition to basic salary, mandatory provident fund scheme (established under the Mandatory Provident Fund Schemes Ordinance for Hong Kong employees) or the state-managed pension scheme (established for PRC employees), discretionary bonus is also awarded to the employees with reference to the Group's annual results and the employees' performance. During the six months ended 30 June 2024, the Group did not forfeit any contributions under the retirement benefits scheme that might be used to reduce the existing level of contributions (for the six months ended 30 June 2023: Nil). The Group reviews the remuneration policies and packages on a regular basis.

The Group highly values life-long learning and personal development of the employees, and enhances their productivity through the provision of training, thereby promoting business development of the Group. The management proactively engages and communicates with employees to foster the employer-employee relationship.

APPRECIATION

On behalf of the Board, I would like to express my sincere gratitude to our team of dedicated staff for their unfailing service and to our Shareholders for their continuous support to the Group.

By order of the Board

CHU Bin

Chairman

Hong Kong, 28 August 2024

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Deloitte.

德勤

To the Board of Directors of Tianjin Port Development Holdings Limited

(incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Tianjin Port Development Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 12 to 30, which comprise the condensed consolidated statement of financial position as of 30 June 2024 and the related condensed consolidated income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and certain explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the HKICPA. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

28 August 2024

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2024

	Notes	Unaudited Six months ended 30 June	
		2024 HK\$'000	2023 HK\$'000
Revenue	4	6,746,266	6,243,968
Cost of sales		(4,753,903)	(4,211,343)
Taxes and surcharges		(3,820)	(2,413)
Gross profit		1,988,543	2,030,212
Other income	5	127,436	88,920
Other gains and losses	5	(4,502)	52,273
Administrative expenses		(928,598)	(897,726)
Reversal of/(allowance for) impairment on financial assets, net		160	(2,745)
Other expenses		(1,511)	(3,470)
Finance costs	6	(128,523)	(149,999)
Share of net profit of associates and joint ventures accounted for using the equity method		215,579	219,129
Profit before income tax		1,268,584	1,336,594
Income tax	7	(254,264)	(252,689)
Profit for the period	8	1,014,320	1,083,905
Profit attributable to:			
Equity holders of the Company		418,143	474,481
Non-controlling interests		596,177	609,424
		1,014,320	1,083,905
Earnings per share	10		
Basic (HK cents)		6.8	7.7
Diluted (HK cents)		6.8	7.7

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2024

	Unaudited	
	Six months ended 30 June	
	2024 HK\$'000	2023 HK\$'000
Profit for the period	1,014,320	1,083,905
Other comprehensive income/(expense)		
Items that will not be reclassified to profit or loss:		
Changes in the fair value of financial assets at fair value through other comprehensive income	15,739	13,951
Deferred taxation on fair value change of financial assets at fair value through other comprehensive income	(2,049)	751
Currency translation differences	(216,145)	(955,938)
Other comprehensive expense for the period, net of tax	(202,455)	(941,236)
Total comprehensive income for the period	811,865	142,669
Total comprehensive income attributable to:		
Equity holders of the Company	327,900	50,192
Non-controlling interests	483,965	92,477
	811,865	142,669

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2024

	Notes	Unaudited 30 June 2024 HK\$'000	Audited 31 December 2023 HK\$'000
ASSETS			
Non-current assets			
Property, plant and equipment	11	19,145,709	19,414,378
Right-of-use assets	12	5,965,002	6,146,011
Investment properties		691,569	705,815
Goodwill		43,124	43,431
Intangible assets		137,776	151,099
Investments accounted for using the equity method		4,748,662	4,814,142
Financial assets at fair value through other comprehensive income		502,360	490,115
Deposits paid for acquisition of land-use-rights		27,173	–
Deferred income tax assets		80,891	61,989
		31,342,266	31,826,980
Current assets			
Inventories		72,699	60,301
Trade and other receivables and notes receivables	13	2,767,432	2,304,734
Restricted bank deposits		14,861	14,939
Time deposits with maturity over three months		–	44,493
Cash and cash equivalents		6,992,450	6,368,272
		9,847,442	8,792,739
Total assets		41,189,708	40,619,719
EQUITY			
Equity attributable to equity holders of the Company			
Share capital	14	615,800	615,800
Other reserves	15	3,570,791	3,661,034
Retained earnings		9,460,184	9,333,314
		13,646,775	13,610,148
Non-controlling interests		16,692,741	16,673,464
Total equity		30,339,516	30,283,612

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2024

	Notes	Unaudited 30 June 2024 HK\$'000	Audited 31 December 2023 HK\$'000
LIABILITIES			
Non-current liabilities			
Borrowings	16	3,510,697	3,807,368
Lease liabilities		358,061	425,019
Deferred income tax liabilities		206,229	205,963
Other long-term liabilities		262,390	310,256
		4,337,377	4,748,606
Current liabilities			
Trade and other payables	17	4,199,883	3,178,699
Borrowings	16	1,764,106	1,899,192
Lease liabilities		219,357	164,431
Contract liabilities		187,109	280,115
Current income tax liabilities		142,360	65,064
		6,512,815	5,587,501
Total liabilities		10,850,192	10,336,107
Total equity and liabilities		41,189,708	40,619,719
Net current assets		3,334,627	3,205,238
Total assets less current liabilities		34,676,893	35,032,218

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2024

	Unaudited					
	Equity attributable to equity holders of the Company				Non-controlling interests	Total equity
	Share capital HK\$'000	Other reserves HK\$'000 (Note 15)	Retained earnings HK\$'000	Total HK\$'000		
At 1 January 2023	615,800	3,780,489	8,848,169	13,244,458	16,409,123	29,653,581
Profit for the period	–	–	474,481	474,481	609,424	1,083,905
Other comprehensive expenses for the period	–	(424,289)	–	(424,289)	(516,947)	(941,236)
Total comprehensive (expense)/income for the period	–	(424,289)	474,481	50,192	92,477	142,669
Dividends	–	–	(137,939)	(137,939)	(374,639)	(512,578)
Deregistration of a subsidiary	–	–	–	–	(563)	(563)
At 30 June 2023	615,800	3,356,200	9,184,711	13,156,711	16,126,398	29,283,109
At 1 January 2024	615,800	3,661,034	9,333,314	13,610,148	16,673,464	30,283,612
Profit for the period	–	–	418,143	418,143	596,177	1,014,320
Other comprehensive expense for the period	–	(90,243)	–	(90,243)	(112,212)	(202,455)
Total comprehensive (expense)/income for the period	–	(90,243)	418,143	327,900	483,965	811,865
Dividends	–	–	(291,273)	(291,273)	(464,688)	(755,961)
At 30 June 2024	615,800	3,570,791	9,460,184	13,646,775	16,692,741	30,339,516

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2024

	Unaudited	
	Six months ended 30 June	
	2024 HK\$'000	2023 HK\$'000
Net cash generated from operating activities	1,393,901	1,456,468
Cash flows from investing activities		
Payments for property, plant and equipment and intangible assets	(193,420)	(190,172)
Payments for right-of-use assets	(27,495)	(140,926)
Dividends received from investments accounted for using the equity method	174,695	58,493
Decrease in time deposits with maturity over three months	44,178	–
Other investing activities	13,691	23,557
Net cash generated from/(used in) investing activities	11,649	(249,048)
Cash flows from financing activities		
Proceeds from borrowings	378,775	862,709
Repayments of borrowings	(770,141)	(3,006,378)
Principal portion of lease payments	(57,198)	(63,352)
Interest portion of lease payments	(13,507)	(7,792)
Other financing activities	(263,175)	(307,252)
Net cash used in financing activities	(725,246)	(2,522,065)
Net increase/(decrease) in cash and cash equivalents	680,304	(1,314,645)
Cash and cash equivalents at 1 January	6,368,272	7,954,823
Effects of exchange rate changes	(56,126)	(219,186)
Cash and cash equivalents at 30 June	6,992,450	6,420,992

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

1. GENERAL INFORMATION

Tianjin Port Development Holdings Limited (the “Company”) is incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section to the interim report.

The Company and its subsidiaries (collectively referred to as the “Group”) are principally engaged in the provision of containerised and non-containerised cargo handling services, sales and other port ancillary services at the port of Tianjin in the People’s Republic of China (the “PRC”).

The condensed consolidated financial statements were approved for issue by the board of directors of the Company (the “Board”) on 28 August 2024.

2. BASIS OF PREPARATION

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

The condensed consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2023 which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

3. MATERIAL ACCOUNTING POLICIES

Except as described below, the accounting policies applied and methods of computation used in the preparation of the condensed consolidated financial statements for the six months ended 30 June 2024 are consistent with those used in the annual consolidated financial statements for the year ended 31 December 2023.

In the current interim period, the Group has applied the following amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2024 for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKFRS 16

Amendments to HKAS 1

Amendments to HKAS 1

Amendments to HKAS 7 and HKFRS 7

Lease liability in a Sale and Leaseback

Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)

Non-current Liabilities with Covenants

Supplier Finance Arrangements

The application of the amendments to HKFRSs in the current interim period has had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

4. SEGMENT INFORMATION

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

Principal activities of the three reportable segments are as follows:

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

The Group's major operational activities are carried out in the PRC. The Group's revenue from external customers are mainly generated in the PRC.

Inter-segment transactions are carried out at arm's length.

The segment information for the reportable segments is as follows:

	Unaudited Six months ended 30 June 2024			
	Cargo handling HK\$'000	Sales HK\$'000	Other port ancillary services HK\$'000	Total HK\$'000
Total segment revenue	3,821,026	1,660,938	1,518,762	7,000,726
Inter-segment revenue	–	(29,735)	(224,725)	(254,460)
Revenue from external customers	3,821,026	1,631,203	1,294,037	6,746,266
Timing of revenue recognition				
At a point in time	3,821,026	1,631,203	1,232,858	6,685,087
Over time	–	–	61,179	61,179
	3,821,026	1,631,203	1,294,037	6,746,266
Segment results	1,353,561	7,400	631,402	1,992,363
Taxes and surcharges				(3,820)
Other income				127,436
Other gains and losses				(4,502)
Administrative expenses				(928,598)
Reversal of impairment on financial assets, net				160
Other expenses				(1,511)
Finance costs				(128,523)
Share of net profit of associates and joint ventures accounted for using the equity method				215,579
Profit before income tax				1,268,584

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

4. SEGMENT INFORMATION (CONTINUED)

The segment information for the reportable segments is as follows: (continued)

	Unaudited Six months ended 30 June 2023			
	Cargo handling HK\$'000	Sales HK\$'000	Other port ancillary services HK\$'000	Total HK\$'000
Total segment revenue	3,623,545	1,421,389	1,459,112	6,504,046
Inter-segment revenue	–	(14,858)	(245,220)	(260,078)
Revenue from external customers	3,623,545	1,406,531	1,213,892	6,243,968
Timing of revenue recognition				
At a point in time	3,623,545	1,406,531	1,159,780	6,189,856
Over time	–	–	54,112	54,112
	3,623,545	1,406,531	1,213,892	6,243,968
Segment results	1,339,558	10,663	682,404	2,032,625
Taxes and surcharges				(2,413)
Other income				88,920
Other gains and losses				52,273
Administrative expenses				(897,726)
Allowance for impairment on financial assets, net				(2,745)
Other expenses				(3,470)
Finance costs				(149,999)
Share of net profit of associates and joint ventures accounted for using the equity method				219,129
Profit before income tax				1,336,594

Analysis of revenue by segment:

	Unaudited Six months ended 30 June	
	2024 HK\$'000	2023 HK\$'000
Non-containerised cargo handling business	2,780,673	2,554,013
Container handling business	1,040,353	1,069,532
Cargo handling business	3,821,026	3,623,545
Sales business	1,631,203	1,406,531
Other port ancillary services business	1,294,037	1,213,892
	6,746,266	6,243,968

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

5. OTHER INCOME, GAINS AND LOSSES

Other income comprises of the following items:

	Unaudited Six months ended 30 June	
	2024 HK\$'000	2023 HK\$'000
Interest income	60,678	49,454
Dividend income from financial assets at fair value through other comprehensive income	12,079	14,475
Government grants (Note)	26,475	3,595
Value-added tax extra deduction	–	13,114
Others	28,204	8,282
	127,436	88,920

Note: The majority of government grants received by the Group represented rewards from a local government authority for certain business development amounted to HK\$21,301,000 (2023: Nil).

Other (losses)/gains comprises of the following items:

	Unaudited Six months ended 30 June	
	2024 HK\$'000	2023 HK\$'000
Exchange (loss)/gain, net	(5,040)	48,559
Others	538	3,714
	(4,502)	52,273

6. FINANCE COSTS

	Unaudited Six months ended 30 June	
	2024 HK\$'000	2023 HK\$'000
Interest expenses on borrowings	115,016	145,595
Less: Amount capitalised in construction in progress	–	(3,388)
	115,016	142,207
Interest expenses on lease liabilities	13,507	7,792
	128,523	149,999

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

7. INCOME TAX

	Unaudited Six months ended 30 June	
	2024 HK\$'000	2023 HK\$'000
PRC income tax expense/(credit)		
Current	259,225	256,049
Deferred	(4,961)	(3,360)
	254,264	252,689

No provision for Hong Kong profits tax has been made as the Group has no estimated assessable profits arising in or derived from Hong Kong for both interim periods.

PRC income tax has been provided based on the estimated assessable profits for both interim periods at the prevailing income tax rates.

8. PROFIT FOR THE PERIOD

Profit for the period has been arrived at after charging the following items:

	Unaudited Six months ended 30 June	
	2024 HK\$'000	2023 HK\$'000
Costs of goods sold	1,616,736	1,393,528
Depreciation of property, plant and equipment	531,268	526,412
Depreciation of right-of-use assets	187,990	185,118
Depreciation of investment properties	9,290	9,500
Amortisation of intangible assets	20,193	16,202

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

9. DIVIDEND

	Unaudited Six months ended 30 June	
	2024 HK\$'000	2023 HK\$'000
2023 final dividend of HK4.73 cents per ordinary share (2023: 2022 final dividend of HK2.24 cents per ordinary share)	291,273	137,939

At the meeting held on 26 March 2024, the Board recommended the payment of a final dividend of HK4.73 cents per ordinary share for the year ended 31 December 2023. The 2023 final dividend was approved at the annual general meeting of the Company held on 12 June 2024 and included in other payables as at 30 June 2024.

The Board has resolved not to pay an interim dividend for the six months ended 30 June 2024 (2023: nil).

10. EARNINGS PER SHARE

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

	Unaudited Six months ended 30 June	
	2024 HK\$'000	2023 HK\$'000
Earnings		
Profit attributable to equity holders of the Company for calculating basic and diluted earnings per share	418,143	474,481

	Unaudited Six months ended 30 June	
	2024 '000	2023 '000
Number of shares		
Weighted average number of ordinary shares for calculating basic and diluted earnings per share	6,158,000	6,158,000

The computation of diluted earnings per share for the six months ended 30 June 2024 and 2023 was the same as the computation of basic earnings per share since there was no potential ordinary shares in issue.

11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2024, the Group acquired property, plant and equipment amounted to approximately HK\$407,066,000 (six months ended 30 June 2023: HK\$172,095,000).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

12. RIGHT-OF-USE ASSETS

During the six months ended 30 June 2024, additions to the Group's right-of-use assets were approximately HK\$49,689,000 (six months ended 30 June 2023: HK\$138,188,000).

13. TRADE AND OTHER RECEIVABLES AND NOTES RECEIVABLES

In general, the Group grants a credit period of about 30 to 180 days to its customers. The ageing analysis of trade receivables (net of provision for impairment) based on the invoice date is as follows:

	Unaudited 30 June 2024 HK\$'000	Audited 31 December 2023 HK\$'000
0 - 90 days	2,008,040	1,509,367
91 - 180 days	41,456	55,420
Over 180 days	84,733	70,876
	2,134,229	1,635,663

Notes receivables mainly included bank acceptance notes. The Group believes that measured bank acceptance notes do not expose to significant credit risk and will not cause significant losses due to the bank default. The changes in the fair values of the notes receivables are minimal due to its short-term nature.

As at 30 June 2024, the Group endorsed and discounted notes receivables to suppliers (the "Relevant Notes") to settle trade and other payables or to bank for early cash receipt, the total amount of the Relevant Notes amounted to approximately HK\$710,543,000 (31 December 2023: HK\$677,595,000), in aggregate. The majority of the Relevant Notes had a maturity of within six months at the end of the reporting period. In accordance with the relevant laws in the PRC, holders of the Relevant Notes have a right of recourse against the Group if the Relevant Notes receivables defaulted. In the opinion of the Board, the probability on default of the Relevant Notes is limited, and the Group derecognised the full carrying amounts of the Relevant Notes and the associated trade and other payables when the Relevant Notes are endorsed or discounted.

14. SHARE CAPITAL

	Number of Shares '000	Share capital HK\$'000
Ordinary shares of HK\$0.10 each		
Authorised:		
At 1 January 2023, 31 December 2023 and 30 June 2024	12,000,000	1,200,000
Issued and fully paid:		
At 1 January 2023, 31 December 2023 and 30 June 2024	6,158,000	615,800

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

15. OTHER RESERVES

	Unaudited						
	Share premium HK\$'000 (Note i)	Merger reserve HK\$'000	Revaluation reserve HK\$'000	Exchange reserve HK\$'000	Statutory reserves HK\$'000 (Note ii)	Others HK\$'000	Total HK\$'000
At 1 January 2023	10,291,605	(9,111,447)	38,816	94,035	1,954,012	513,468	3,780,489
Other comprehensive income/(expense) for the period	–	–	9,515	(433,804)	–	–	(424,289)
At 30 June 2023	10,291,605	(9,111,447)	48,331	(339,769)	1,954,012	513,468	3,356,200
At 1 January 2024	10,291,605	(9,111,447)	15,833	(99,128)	2,050,703	513,468	3,661,034
Other comprehensive income/(expense) for the period	–	–	6,121	(96,364)	–	–	(90,243)
At 30 June 2024	10,291,605	(9,111,447)	21,954	(195,492)	2,050,703	513,468	3,570,791

Notes:

- i. Under the Companies Law of the Cayman Islands, the share premium account is distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business of the Company.
- ii. In accordance with the PRC laws and regulations, companies established in the PRC are required to transfer at least 10% of their net profit for the year, as determined under the PRC accounting standards, to relevant reserves until the reserve balance reaches 50% of their registered capital. Such reserves can be used to offset accumulated losses, capitalisation into capital and expansion of production.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

16. BORROWINGS

	Unaudited 30 June 2024 HK\$'000	Audited 31 December 2023 HK\$'000
Unsecured borrowings:		
Non-current		
Long-term borrowings	3,510,697	3,807,368
Current		
Short-term borrowings	1,028,838	993,136
Current portion of long-term borrowings	735,268	906,056
	1,764,106	1,899,192
	5,274,803	5,706,560
Repayable:		
Within 1 year	1,764,106	1,899,192
Between 1 and 2 years	1,131,001	1,066,598
Between 2 and 5 years	1,816,111	1,889,475
Over 5 years	563,585	851,295
	5,274,803	5,706,560

The carrying amounts of borrowings were denominated in RMB. As at 30 June 2024, the weighted average interest rates per annum of the borrowings was 4.0% (31 December 2023: 4.0%).

17. TRADE AND OTHER PAYABLES

The ageing analysis of trade and notes payables based on the invoice date is as follows:

	Unaudited 30 June 2024 HK\$'000	Audited 31 December 2023 HK\$'000
0 - 90 days	1,400,310	1,282,480
91 - 180 days	147,208	163,453
181 - 365 days	211,224	73,776
Over 365 days	128,498	174,340
	1,887,240	1,694,049

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

18. COMMITMENTS

	Unaudited 30 June 2024 HK\$'000	Audited 31 December 2023 HK\$'000
Contracted but not provided for		
Property, plant and equipment	297,277	352,795
Authorised but not contracted for		
Property, plant and equipment	666,556	632,764

19. SIGNIFICANT RELATED PARTY TRANSACTIONS

The followings are the significant related party transactions entered into between the Group and its related parties in the normal course of business and on normal commercial terms:

(a) Transactions with related parties of the Group

	Unaudited Six months ended 30 June	
	2024 HK\$'000	2023 HK\$'000
With Tianjin Port (Group) Co., Ltd ("Tianjin Port Group") and its subsidiaries, associates and joint ventures		
Sales of goods and services	32,498	19,899
Purchases of goods and services	519,359	389,522
Payments for rental of land, property, plant and equipment (Note)	144,057	101,912
Acquisition of property, plant and equipment	55,640	68,748
With associates		
Sales of goods and services	35,299	29,387
Purchases of goods and services	402,627	397,325
Interest income	27,774	20,082
Interest expenses on borrowings	64,715	73,319
With joint ventures		
Sales of goods and services	11,164	12,877
Purchases of goods and services	49,912	39,466

Note: Payments for rental represent rental paid or payable in respect of leases of land, property, plant and equipment.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

19. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Balances with related parties of the Group

	Unaudited 30 June 2024 HK\$'000	Audited 31 December 2023 HK\$'000
With Tianjin Port Group and its subsidiaries, associates and joint ventures		
Trade and other receivables and notes receivables (<i>Note i</i>)	53,653	101,274
Trade and other payables (<i>Note i</i>)	760,608	343,188
Lease payables	42,163	–
Contract liabilities	6,988	5,345
With associates		
Trade and other receivables and notes receivables (<i>Note i</i>)	79,428	4,613
Trade and other payables (<i>Note i</i>)	128,659	95,160
Deposits (<i>Note ii</i>)	3,056,644	3,294,411
Borrowings (<i>Note iii</i>)	3,082,074	3,314,793
With joint ventures		
Trade and other receivables and notes receivables (<i>Note i</i>)	4,392	8,800
Trade and other payables (<i>Note i</i>)	9,662	8,864

Notes:

- i. Trade and other receivables and notes receivables, and trade and other payables are unsecured, interest-free and due within 1 year.
- ii. Deposits placed with Tianjin Port Finance Co., Ltd. ("Tianjin Port Finance"), a 45.83% (2023: 45.83%) owned associate of the Group, carry interests at prevailing market rates. Tianjin Port Finance is a non-bank financial institution with limited liability established under the PRC law. The business activities of Tianjin Port Finance are regulated and supervised by the People's Bank of China and the China Banking and Insurance Regulatory Commission.
- iii. As at 30 June 2024, borrowings from Tianjin Port Finance amounted to HK\$3,082,074,000 (31 December 2023: HK\$3,314,793,000), in which HK\$2,880,502,000 (31 December 2023: HK\$3,023,744,000) are repayable within 5 years and the remaining HK\$201,572,000 (31 December 2023: HK\$291,049,000) are repayable over 5 years. Borrowings from Tianjin Port Finance are unsecured and bear interests at market rates ranging from 3.4% to 4.9% (31 December 2023: 3.4% to 4.9%) per annum.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

*For the six months ended 30 June 2024***19. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)****(c) Transactions and balances with other state-owned entities in the PRC**

The Group operates in an economic environment currently predominated by enterprises directly or indirectly owned or controlled by the PRC government (collectively referred to as “state-owned entities”). The directors of the Company consider those state-owned entities are independent third parties, so far as the Group’s business transactions with them are concerned.

The Company’s ultimate holding company, Tianjin Port Group, is a state-owned entity whilst most of the associates and joint ventures of the Group are also owned or controlled by the PRC government, the transactions and balances of which are disclosed in (a) and (b) above.

In addition to those disclosed above, as at 30 June 2024, the majority of the Group’s cash and deposits and borrowings held by subsidiaries in the PRC are with state-owned banks and financial institutions.

In accordance with HKAS 24 (Revised) “Related Party Disclosures”, certain transactions with other state-owned entities in the PRC, which are individually or collectively not significant, are exempted from disclosure. The Group is of the opinion that it has provided, in the best of its knowledge, adequate and appropriate disclosure of significant related party transactions in the condensed consolidated financial statements.

20. FINANCIAL RISK MANAGEMENT**Fair value estimation**

Financial instruments measured at fair value are analysed into the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

At 30 June 2024, financial instruments included in level 1 and level 3 comprise listed equity securities and unlisted equity securities respectively which were classified as financial assets at fair value through other comprehensive income. Listed equity securities of HK\$470,671,000 (31 December 2023: HK\$458,751,000) was measured at the quoted price in active market.

The fair value of unlisted equity securities as at 30 June 2024 of HK\$31,689,000 (31 December 2023: HK\$31,364,000) has been arrived at based on valuation carried out by an independent valuer by adopting market approach with the use of enterprise multiples of comparable companies and a marketability discount.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

20. FINANCIAL RISK MANAGEMENT (CONTINUED)**Fair value estimation (continued)**

Reconciliation of assets measured at fair value based on level 3:

	Unlisted equity securities HK\$'000
At 1 January 2023	32,263
Fair value change recognised in other comprehensive income	113
Exchange differences	(1,007)
At 30 June 2023	31,369
At 1 January 2024	31,364
Fair value change recognised in other comprehensive income	550
Exchange differences	(225)
At 30 June 2024	31,689

There were no transfers of assets between different levels of the fair value hierarchy during the period.

OTHER INFORMATION

REVIEW OF INTERIM RESULTS

The unaudited condensed consolidated financial statements for the six months ended 30 June 2024 have been reviewed by the independent auditor of the Company in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the HKICPA. The Audit Committee has reviewed the interim report for the six months ended 30 June 2024.

COMPLIANCE WITH THE CG CODE

The Company has complied with all code provisions of the CG Code throughout the six months ended 30 June 2024.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its code of conduct regarding securities transactions by the Directors. Having made specific enquiry with the Directors, all Directors confirmed that they have complied with the Model Code at all applicable times throughout the six months ended 30 June 2024.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities during the six months ended 30 June 2024.

CONTINUING DISCLOSURE PURSUANT TO RULE 13.21 OF THE LISTING RULES

On 5 June 2018, Tianjin Port Development Finance Limited, a wholly-owned subsidiary of the Company, as borrower (the “Borrower”) and the Company as guarantor entered into a facility letter with a financial institution as the lender (the “Lender”) for an uncommitted revolving loan facility of up to HK\$100 million. The loan facility is unsecured, interest-bearing and subject to annual review by the Lender. Pursuant to the facility letter, the Borrower and the Company undertake that Tianjin Port Group Co, together with its subsidiaries, in aggregate, shall (1) have the single largest shareholding interest in the Company; and (2) hold no less than 35% (directly or indirectly) of the shareholding interest in the Company. Any breach of the undertaking may result in the relevant financial institution exercising its right to demand repayment. As at 30 June 2024, the aggregate balance of the loan facilities subject to the above obligations was nil.

UPDATES ON DIRECTORS’ INFORMATION PURSUANT TO RULE 13.51B(1) OF THE LISTING RULES

The changes in the Directors’ information since the date of the 2023 annual report of the Company pursuant to Rule 13.51B(1) of the Listing Rules are set out below:

TENG Fei, an executive Director, is currently an executive director and the chairman of the board of Tianjin Development, the director and the general manager of Tianjin TEDA Industrial Group Co., Ltd.* (天津泰達實業集團有限公司), Tsinlien Group Company Limited* (津聯集團有限公司) and Tianjin Bohai State-owned Assets Management Co., Ltd.* (天津渤海國有資產經營管理有限公司), all aforesaid companies are the controlling shareholders of Tianjin Development and substantial shareholder of the Company.

OTHER INFORMATION

Japhet Sebastian LAW, an independent non-executive Director, was appointed as an independent non-executive director of Gome Finance Technology Co. Ltd. (Stock Code: 00628) with effect from 10 April 2024, the shares of which are listed on the Main Board of the Stock Exchange. In addition, Prof. Law retired as an independent non-executive director of Global Digital Creations Holdings Limited (Stock Code: 08271) with effect from 24 May 2024, and an independent non-executive director of Shougang Fushan Resources Group Limited (Stock Code: 00639) with effect from 30 May 2024, the shares of which are listed on the GEM Board and the Main Board of the Stock Exchange respectively.

LUO Laura Ying, an independent non-executive Director, was appointed as the chairman of the Audit Committee and a member of the Nomination Committee, with effect from 12 June 2024.

THE SHARE SCHEMES

The Company currently does not have any share scheme.

DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

During the six months ended 30 June 2024 or at the end of the period, the Company or any of its subsidiaries, its fellow subsidiaries or its holding companies was not a party to any arrangements to enable the Directors or any of their spouses or children under the age of 18 to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

DIRECTORS' INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2024, the interests and short positions held by the Directors and chief executive of the Company in the Shares, underlying shares and debentures of the Company as recorded in the register are required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Name of Director	Capacity	Number of Shares	Percentage of issued share capital of the Company
Japhet Sebastian LAW	Beneficial owner	2,700,000 (L)	0.04%
(L) denotes a long position			

Save as disclosed above, as at 30 June 2024, none of the Directors or chief executive of the Company or their respective associates 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 SFO) as recorded in the register required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

OTHER INFORMATION

INTERESTS OF SHAREHOLDERS DISCLOSEABLE UNDER THE SFO

As at 30 June 2024, the following persons, other than the Directors or chief executive of the Company, held interests and short positions in the Shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO:

Name of Shareholder	Capacity	Number of Shares interested (Note 1)	Percentage of issued share capital of the Company
Tianjin Port Overseas Holding Limited (Note 2)	Beneficial owner	3,294,530,000 (L)	53.5%
Tianjin Port Group Co (Note 2)	Interest of a controlled corporation	3,294,530,000 (L)	53.5%
Leadport Holdings Limited (Note 3)	Beneficial owner	1,293,030,000 (L)	21.0%
Tianjin Development (Note 3)	Interest of controlled corporations	1,293,180,000 (L)	21.0%
天津投資控股有限公司 (Tianjin Investment Holdings Limited*) (Note 4)	Interest of controlled corporations	1,293,180,000 (L)	21.0%
	Beneficial owner	6,820,000 (L)	0.1%
Tsinlien Investment Limited (Note 4)	Beneficial owner	3,010,000 (L)	0.0%
Tsinlien Group Company Limited ("Tsinlien") (Note 4)	Interest of controlled corporations	1,303,010,000 (L)	21.2%
	Beneficial owner	35,976 (L)	0.0%
天津渤海國有資產經營管理有限公司 (Tianjin Bohai State-owned Assets Management Co., Ltd.*) ("Bohai") (Note 4)	Interest of controlled corporations	1,303,045,976 (L)	21.2%
天津泰達實業集團有限公司 (Tianjin TEDA Industrial Group Co., Ltd.*) ("TEDA Industrial") (Note 4)	Interest of controlled corporations	1,303,045,976 (L)	21.2%
Tianjin TEDA Investment Holding Co., Ltd. (“TEDA Holding”) (Note 4)	Interest of controlled corporations	1,303,045,976 (L)	21.2%

(L) denotes a long position

Notes:

- According to Section 336 of the SFO, when the shareholdings of the Shareholders in the Company change, it is not necessary for the Shareholders to notify the Company and the Stock Exchange unless certain criteria are fulfilled. Therefore, the latest shareholdings of the Shareholders may be different from the shareholdings filed with the Stock Exchange.
- By virtue of the SFO, Tianjin Port Group Co is deemed to be interested in all the Shares held by Tianjin Port Overseas Holding Limited, a wholly-owned subsidiary of Tianjin Port Group Co.
- By virtue of the SFO, Tianjin Development is deemed to be interested in all the Shares held by Leadport Holdings Limited, a wholly-owned subsidiary of Tianjin Development.
- Tianjin Development is a subsidiary of Tianjin Investment Holdings Limited which in turn is a wholly-owned subsidiary of Tsinlien. As at 30 June 2024, Tianjin Investment Holdings Limited and Tsinlien Investment Limited, the wholly-owned subsidiaries of Tsinlien, were beneficially interested in 6,820,000 Shares and 3,010,000 Shares respectively, representing an aggregate of approximately 0.2% of the issued share capital of the Company. Tsinlien is a wholly-owned subsidiary of Bohai, which in turn is a wholly-owned subsidiary of TEDA Industrial. TEDA Industrial is a subsidiary of TEDA Holding. By virtue of the SFO, Tsinlien, Bohai, TEDA Industrial and TEDA Holding are deemed to be interested in all the Shares held by each of Tianjin Development, Tianjin Investment Holdings Limited and Tsinlien Investment Limited.

Save as disclosed above, as at 30 June 2024, there are no other persons, other than the Directors or chief executive of the Company, who had interests or short positions in the Shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO.

FINANCIAL SUMMARY

	For the year ended 31 December					For the six months ended 30 June	
	2019 HK\$'000	2020 HK\$'000	2021 HK\$'000	2022 HK\$'000	2023 HK\$'000	2023 HK\$'000	2024 HK\$'000
Consolidated Income Statement							
Revenue	15,077,403	15,490,177	17,370,544	13,017,326	13,484,271	6,243,968	6,746,266
Cost of sales	(11,843,819)	(12,123,230)	(13,528,544)	(9,672,328)	(9,782,113)	(4,211,343)	(4,753,903)
Taxes and surcharges	(10,452)	(9,073)	(10,534)	(7,572)	(4,500)	(2,413)	(3,820)
Gross profit	3,223,132	3,357,874	3,831,466	3,337,426	3,697,658	2,030,212	1,988,543
Other income and expenses, other gains and losses	196,728	324,221	909,597	272,152	230,063	134,978	121,583
Administrative expenses	(1,674,496)	(1,770,862)	(2,191,709)	(2,010,610)	(1,997,431)	(897,726)	(928,598)
Finance costs	(657,187)	(550,117)	(484,159)	(390,092)	(280,546)	(149,999)	(128,523)
Share of net profit of associates and joint ventures accounted for using the equity method	427,960	435,843	411,101	397,552	435,332	219,129	215,579
Profit before income tax	1,516,137	1,796,959	2,476,296	1,606,428	2,085,076	1,336,594	1,268,584
Income tax	(410,633)	(389,433)	(533,987)	(431,519)	(399,884)	(252,689)	(254,264)
Profit for the year/period	1,105,504	1,407,526	1,942,309	1,174,909	1,685,192	1,083,905	1,014,320
Profit attributable to:							
Equity holders of the Company	388,491	636,161	923,116	345,266	728,594	474,481	418,143
Non-controlling interests	717,013	771,365	1,019,193	829,643	956,598	609,424	596,177
	1,105,504	1,407,526	1,942,309	1,174,909	1,685,192	1,083,905	1,014,320
	As at 31 December					As at 30 June	
	2019 HK\$'000	2020 HK\$'000	2021 HK\$'000	2022 HK\$'000	2023 HK\$'000	2024 HK\$'000	
Consolidated Statement of Financial Position							
Property, plant and equipment	20,351,560	21,467,926	19,953,732	19,558,260	19,414,378		19,145,709
Right-of-use assets	6,737,343	7,068,583	6,550,516	6,001,860	6,146,011		5,965,002
Investment properties	–	820,200	823,624	734,950	705,815		691,569
Goodwill	–	–	–	44,061	43,431		43,124
Intangible assets	68,143	84,867	88,063	123,075	151,099		137,776
Investments accounted for using the equity method	4,773,800	4,806,587	5,897,365	4,773,780	4,814,142		4,748,662
Financial assets at fair value through other comprehensive income	723,781	785,600	705,558	574,362	490,115		502,360
Deposits paid for acquisition of land-use-rights	–	–	–	127,844	–		27,173
Deferred income tax assets	54,914	120,290	26,216	44,384	61,989		80,891
Non-current assets	32,709,541	35,154,053	34,045,074	31,982,576	31,826,980		31,342,266
Current assets	12,103,737	12,490,082	12,256,848	10,228,329	8,792,739		9,847,442
Total assets	44,813,278	47,644,135	46,301,922	42,210,905	40,619,719		41,189,708
Total liabilities	(18,309,693)	(18,579,908)	(15,773,059)	(12,557,324)	(10,336,107)		(10,850,192)
Net assets	26,503,585	29,064,227	30,528,863	29,653,581	30,283,612		30,339,516
Non-controlling interests	(14,315,361)	(15,581,769)	(16,092,474)	(16,409,123)	(16,673,464)		(16,692,741)
Equity attributable to equity holders of the Company	12,188,224	13,482,458	14,436,389	13,244,458	13,610,148		13,646,775

DEFINITIONS

In this report, unless the context requires otherwise, the following expressions shall have the following meanings:

"Audit Committee"	the audit committee of the Company
"Board"	the board of Directors
"CG Code"	the Corporate Governance Code, Appendix C1 to the Listing Rules
"Company"	Tianjin Port Development Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 03382)
"Director(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries
"HK\$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers, Appendix C3 to the Listing Rules
"Nomination Committee"	the nomination committee of the Company
"PRC" or "China"	the People's Republic of China
"RMB"	Renminbi, the lawful currency of the PRC
"Remuneration Committee"	the remuneration committee of the Company
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	ordinary share(s) of HK\$0.10 each in the share capital of the Company
"Shareholder(s)"	the holder(s) of the Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"TEU"	Twenty-foot Equivalent Unit
"Tianjin Development"	Tianjin Development Holdings Limited, a company incorporated in the Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 00882) and the substantial shareholder of the Company
"Tianjin Port Group Co"	天津港(集團)有限公司 (Tianjin Port (Group) Co., Ltd.*), a limited liability company incorporated in the PRC and the Company's ultimate holding company
"U.S."	the United States of America
"US\$"	United States dollars, the lawful currency of the U.S.
"%"	per cent

* for identification purposes only

CORPORATE INFORMATION

EXECUTIVE DIRECTORS

CHU Bin (*Chairman*)
 LUO Xunjie (*Managing Director*)[△]
 TENG Fei
 SUN Bin
 LOU Zhanshan ⁺

INDEPENDENT NON-EXECUTIVE DIRECTORS

Japhet Sebastian LAW^{*+}
 ZHANG Weidong ^{*+△}
 LUO Laura Ying ^{*△}

CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY

CHEUNG Wah Lung, Warren

AUDITOR

Deloitte Touche Tohmatsu
 Registered Public Interest Entity Auditor

PRINCIPAL LEGAL ADVISORS

Woo Kwan Lee & Lo, as to Hong Kong law
 Appleby, as to Cayman Islands law

PRINCIPAL BANKERS

Agricultural Bank of China Limited
 Bank of China (Hong Kong) Limited
 Bank of Communications (Hong Kong) Ltd.

PRINCIPAL SHARE REGISTRAR

Ocorian Trust (Cayman) Limited
 Windward 3, Regatta Office Park
 PO Box 1350
 Grand Cayman KY1-1108
 Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

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 17/F, Far East Finance Centre
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REGISTERED OFFICE

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 Cayman Islands

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STOCK CODE

Hong Kong Stock Exchange: 03382

[△] Members of Nomination Committee, ZHANG Weidong is the chairman of the committee

⁺ Members of Remuneration Committee, Japhet Sebastian LAW is the chairman of the committee

^{*} Members of Audit Committee, LUO Laura Ying is the chairman of the committee



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