



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

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

Stock Code: 06198.HK 601298.SH

2025

INTERIM REPORT



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

“A share(s)”	share(s) with a nominal value of RMB1.00 each issued by the Company, which are listed on the main board of the Shanghai Stock Exchange and traded in RMB (stock code: 601298)
“Asset Purchase Agreement I”	Agreement on the Acquisition of Equity Interests in Rizhao Port Oil Terminal Co., Ltd.* (日照港油品碼頭有限公司) by Qingdao Port International Co., Ltd.* (青島港國際股份有限公司) from Shandong Port Rizhao Port Group Co., Ltd.* (山東港口日照港集團有限公司) by way of Issuance of Shares and Cash Payment and Agreement on the Acquisition of Equity Interests in Rizhao Shihua Crude Oil Terminal Co., Ltd.* (日照實華原油碼頭有限公司) by Qingdao Port International Co., Ltd. from Shandong Port Rizhao Port Group Co., Ltd. by way of Issuance of Shares and Cash Payment, entered between the Company and Rizhao Port Group, both dated 12 July 2024
“Asset Purchase Agreement II”	Agreement on the Acquisition of Equity Interests in Shandong United Energy Pipeline Transportation Co., Ltd.* (山東聯合能源管道輸送有限公司) by Qingdao Port International Co., Ltd. from Shandong Port Yantai Port Group Co., Ltd.* (山東港口煙台港集團有限公司) by way of Issuance of Shares and Cash Payment and Agreement on the Acquisition of Equity Interests in Shandong Gangyuan Pipeline Logistics Co., Ltd.* (山東港源管道物流有限公司) by Qingdao Port International Co., Ltd. from Shandong Port Yantai Port Group Co., Ltd. by way of Issuance of Shares and Cash Payment, entered between the Company and Yantai Port Group, both dated 12 July 2024
“Board”	the board of Directors
“CFS”	container freight station, of which, container freight station at loading ports refers to the location designated by carriers for the receiving of cargo to be loaded into containers by the carrier, while container freight station at discharge or destination ports refers to the location designated by carriers for de-vanning of containerized cargo
“China Shipping Terminal Development”	China Shipping Terminal Development Co., Ltd.* (中海碼頭發展有限公司), a company established in March 2001 in the PRC with limited liability and a wholly-owned subsidiary of COSCO Shipping Ports Development Co., Ltd.* (中遠海運港口發展有限公司)
“Company” or “Qingdao Port”	Qingdao Port International Co., Ltd.* (青島港國際股份有限公司), a joint stock company established in November 2013 in the PRC with limited liability
“Consideration Shares”	new A shares to be issued by the Company to Yantai Port Group under the Asset Purchase Agreement II and the Measures for the Administration of the Material Asset Restructurings of Listed Companies of CSRC and other relevant laws and regulations as part of the total consideration of the Target Assets

DEFINITIONS

“Consolidated Group Companies”	the Company’s subsidiaries (including its branches) which are consolidated into the consolidated financial statements of the Company
“Corporate Governance Code”	the Corporate Governance Code as set out in Appendix C1 to the Hong Kong Listing Rules
“COSCO SHIPPING Group”	China COSCO Shipping Corporation Limited* (中國遠洋海運集團有限公司), a company established in February 2016 in the PRC with limited liability and the ultimate controlling shareholder of COSCO SHIPPING Ports and Shanghai China Shipping Terminal, indirectly holding approximately 22% equity interests in the Company as at 30 June 2025
“COSCO SHIPPING Ports”	COSCO SHIPPING Ports Limited* (中遠海運港口有限公司), a limited liability company established in Bermuda with its shares listed on the main board of the Hong Kong Stock Exchange (Stock Code: 01199), indirectly holding approximately 20% equity interests in the Company as at 30 June 2025
“CSRC”	China Securities Regulatory Commission* (中國證券監督管理委員會)
“Director(s)”	the director(s) of the Company
“Distributable Profit”	calculated by net profit attributable to shareholders of the Company in the scope of the consolidated financial statements prepared in the PRC Accounting Standards for Business Enterprise, deducting recovery of accumulated losses, appropriation to statutory surplus reserve and other necessary reserve by the parent company and subsidiaries as well as the impact of the appraisal value-added amount of the asset invested in the Company by Qingdao Port Group, the promoter at the establishment of the Company, on net profit for the year, etc.
“Group”	the Company and its branches and subsidiaries; when references are made to operational data such as throughput, including joint ventures and associated companies of the Company
“H share(s)”	the overseas listed foreign share(s) with a nominal value of RMB1.00 each in the share capital of the Company, which are listed on the main board of the Hong Kong Stock Exchange (stock code: 06198) and are traded in HKD
“HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“LPG”	liquefied petroleum gas
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Hong Kong Listing Rules
“PRC” or “China”	the People’s Republic of China, and for the purpose of this report, excluding Hong Kong, Macau and Taiwan
“Proposed Restructuring”	the purchase of the Target Assets by the Company by way of issuance of Consideration Shares and cash payments under the Asset Purchase Agreement I and the Asset Purchase Agreement II, pursuant the Measures for the Administration of the Material Asset Restructurings of Listed Companies of CSRC and other relevant laws and regulations
“Qingdao Port Group”	Shandong Port Qingdao Port Group Co., Ltd.* (山東港口青島港集團有限公司), a company established in August 1988 in the PRC with limited liability, the controlling shareholder of the Company, holding approximately 55.56% equity interests in the Company as at 30 June 2025
“QQCT”	Qingdao Qianwan Container Terminal Co., Ltd.* (青島前灣集裝箱碼頭有限責任公司), a company established in May 2000 in the PRC with limited liability and a joint venture in which the Company holds 51% equity interests, which is mainly engaged in the business of container handling and ancillary services
“RCEP”	Regional Comprehensive Economic Partnership Agreement
“Rizhao Port Group”	Shandong Port Rizhao Port Group Co., Ltd.* (山東港口日照港集團有限公司), a company established in February 2004 in the PRC with limited liability and a wholly-owned subsidiary of Shandong Port Group, which is mainly engaged in the business of port operation, port industry investment, port infrastructure construction, port and shipping ancillary services, logistics services and other businesses
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shandong Free Trade Zone”	China (Shandong) Pilot Free Trade Zone
“Shandong Port Group”	Shandong Port Group Co., Ltd.* (山東省港口集團有限公司), a company established in August 2019 in the PRC with limited liability, holding 100% equity interests in Qingdao Port Group, and an indirect controlling shareholder of the Company, with Shandong SASAC as the de facto controller

DEFINITIONS

“Shandong SASAC”	State-owned Assets Supervision and Administration Commission of the People’s Government of Shandong Province* (山東省人民政府國有資產監督管理委員會), which is the de facto controller of the Company
“Shanghai China Shipping Terminal”	Shanghai China Shipping Terminal Development Co., Ltd.* (上海中海碼頭發展有限公司), a company established in February 2008 in the PRC with limited liability and a wholly-owned subsidiary of China Shipping Terminal Development, holding approximately 15.64% equity interests in the Company as at 30 June 2025
“Shanghai Cooperation Demonstration Zone”	China-Shanghai Cooperation Organization Local Economic and Trade Cooperation Demonstration Zone
“Supervisor(s)”	the supervisor(s) of the Company
“Supervisory Committee”	the supervisory committee of the Company
“Target Assets”	100% equity interests in Rizhao Port Oil Terminal Co., Ltd.* (日照港油品碼頭有限公司) and 50.00% equity interests in Rizhao Shihua Crude Oil Terminal Co., Ltd.* (日照實華原油碼頭有限公司) held by Rizhao Port Group, and 53.88% equity interests in Shandong United Energy Pipeline Transportation Co., Ltd.* (山東聯合能源管道輸送有限公司) and 51.00% equity interests in Shandong Gangyuan Pipeline Logistics Co., Ltd.* (山東港源管道物流有限公司) held by Yantai Port Group
“TEU”	an abbreviation of Twenty-Foot Equivalent Unit, an international measuring unit with the standard a container with a length of 20 feet, a width of 8 feet and a height of 8 feet and 6 inches, also known as the international unit of standard container
“Yantai Port Group”	Shandong Port Yantai Port Group Co., Ltd.* (山東港口煙台港集團有限公司), a company established in the PRC with limited liability in November 1984 and a wholly-owned subsidiary of Shandong Port Group, which is mainly engaged in the business of handling of containers, liquid bulk, dry bulk, logistics services and other businesses

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

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

CORPORATE INFORMATION

CHINESE NAME OF THE COMPANY

青島港國際股份有限公司

ENGLISH NAME OF THE COMPANY

Qingdao Port International Co., Ltd.

LEGAL REPRESENTATIVE

Mr. SU Jianguang

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

- (1) Headquarters in the PRC:
No.12 Jingba Road
Huangdao District, Qingdao
Shandong Province, PRC
- (2) Principal Place of Business in Hong Kong:
31/F, Tower Two, Times Square
1 Matheson Street, Causeway Bay
Hong Kong

DATES OF LISTING

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

PLACES OF LISTING

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

ABBREVIATED CHINESE STOCK NAME

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

ABBREVIATED ENGLISH STOCK NAME

Qingdao Port (only applied to H shares)

STOCK CODES

06198 (H shares)
601298 (A shares)

TELEPHONE

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EMAIL

qggj@qdport.com

WEBSITE

<http://www.qingdao-port.com>

BOARD OF DIRECTORS

(1) Executive Directors

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

(2) Non-executive Directors

Mr. LI Wucheng (*Vice Chairman*)
Mr. ZHU Tao
Mr. CUI Liang
Ms. WANG Fuling

(3) Independent Non-executive Directors

Ms. LI Yan
Mr. JIANG Min
Mr. LAI Kwok Ho

CORPORATE INFORMATION

SUPERVISORY COMMITTEE

Mr. YUAN Qing (*Chairman*)
Mr. WANG Yaping
Mr. YANG Qiulin
Mr. LOU Gang
Ms. YAO Junjun
Mr. WANG Tao

COMPANY SECRETARY

Ms. SUN Hongmei

AUTHORISED REPRESENTATIVES

Mr. SU Jianguang
Ms. SUN Hongmei

SPECIAL COMMITTEES OF THE BOARD

(1) Strategy and Development Committee

Mr. SU Jianguang (*Chairman*)
Mr. LI Wucheng
Mr. ZHU Tao
Mr. ZHANG Baohua
Mr. CUI Liang
Ms. WANG Fuling
Mr. JIANG Min

(2) Nomination Committee

Mr. JIANG Min (*Chairman*)
Mr. SU Jianguang
Mr. LAI Kwok Ho

(3) Remuneration Committee

Mr. LAI Kwok Ho (*Chairman*)
Mr. LI Wucheng
Ms. LI Yan

(4) Audit Committee

Ms. LI Yan (*Chairman*)
Ms. WANG Fuling
Mr. LAI Kwok Ho

H SHARE REGISTRAR

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

LEGAL ADVISERS

(1) As to Hong Kong law

Zhong Lun Law Firm
4/F, Jardine House
1 Connaught Place
Central, Hong Kong

(2) As to PRC law

Jia Yuan Law Offices
F408 Ocean Plaza
158 Fuxing Men Nei Avenue
Xicheng District
Beijing, PRC

AUDITOR

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

PRINCIPAL BANKERS

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

COMPANY PROFILE

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

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

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

As of 30 June 2025, the Group operated 114 berths, which included 72 special berths dedicated to handling a single type of cargo and 42 general berths capable of handling metal ore, coal and other general cargo.

Leveraging on the natural deep-water capacity and industry-leading facilities and equipment, services and management, the Group can accommodate the world's largest container vessels, iron ore vessels and oil tankers. The Group possesses world-leading stevedoring efficiency, the fully automatic container terminal made the world record of 62.62 TEUs per hour as the single-machine average operating rate, for the thirteenth time to set a new world record for handling efficiency.

MANAGEMENT DISCUSSION AND ANALYSIS

I. INTERNATIONAL AND DOMESTIC SITUATION

1. General Situation

So far this year, with the growing adverse effects of external environmental changes and the challenge of insufficiency of effective domestic demand, the PRC has strengthened macroeconomic regulation and effectively responded to risks and challenges, and the operation of economy remained stable overall while at the same time securing progress. In the first half of 2025, the gross domestic product (GDP) of the PRC increased by 5.3% as compared to the same period in the prior year, the total value of imports and exports of cargo increased by 2.9% as compared to the same period in the prior year, of which exports increased by 7.2% as compared to the same period in the prior year, and imports decreased by 2.7% as compared to the same period in the prior year (source: National Bureau of Statistics).

2. Operation of the Port Industry

In the first half of 2025, the cargo throughput of the coastal ports in China increased by 2.5% as compared to the same period in the prior year, among which, the container throughput increased by 7.1% as compared to the same period in the prior year (source: Ministry of Transport of the PRC). In the first half of 2025, the cargo throughput and container throughput of the port of Qingdao both ranked fourth among the coastal ports in China, and continued to rank second among the coastal ports in China and first among the ports in northern China in terms of foreign trade throughput (source: Ministry of Transport of the PRC).

II. REVIEW OF BUSINESS AND FINANCIAL RESULTS OF THE GROUP

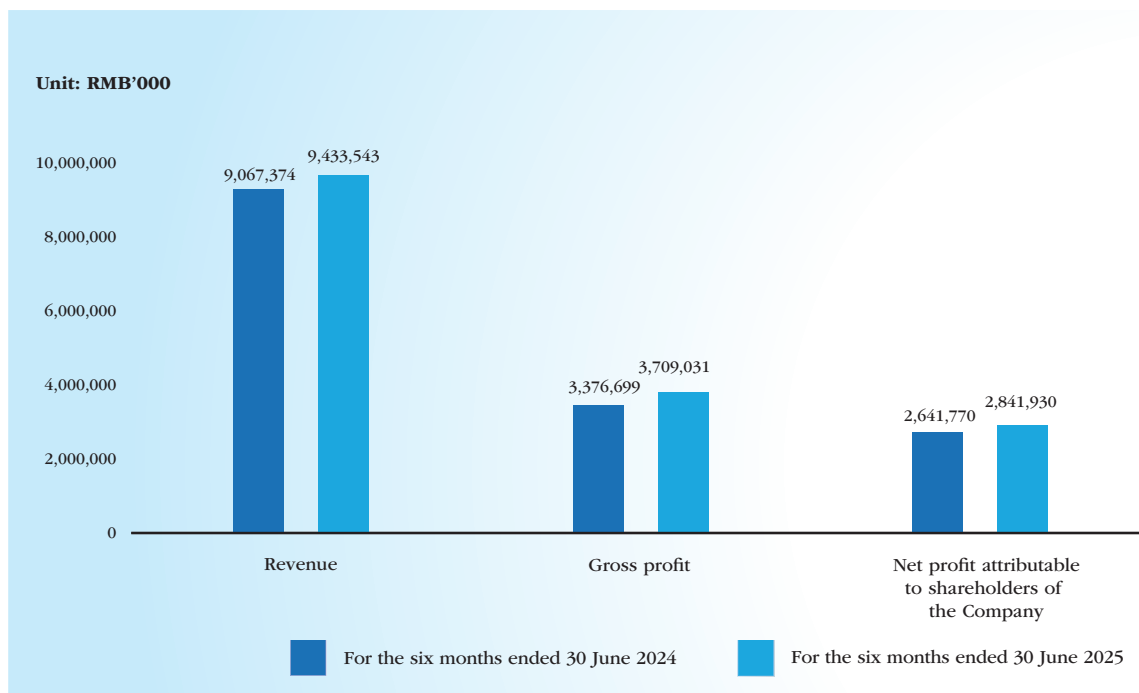
1. Overall Review

So far this year, facing the severe and complex external situation, the Group fully leveraged its advantages of the port, seized the opportunity of policies such as the Shandong Free Trade Zone, the Shanghai Cooperation Demonstration Zone and the RCEP pilot demonstration zone, continued to open shipping lines, expand the shipping space and promote transshipment services in seawards and add more freight trains, construct inland ports and expand cargo source in landwards, maintained steady growth in operating performance and further improved the port's radiation capacity, and the Group's position as the "estuary" of the Yellow River basin and a "bridgehead" in opening up has been further cemented and its hub status has been further enhanced.

For the six months ended 30 June 2025, the cargo throughput of the Group (without taking into account the respective shareholding percentages held by the Company in its joint ventures and associated companies) reached 361.49 million tons, representing an increase of 2.0% as compared to the same period in the prior year; among which, the throughput of the container reached 17.03 million TEUs, representing an increase of 7.6% as compared to the same period in the prior year; the throughput of the dry bulk cargo and break bulk cargo reached 127 million tons, representing a decrease of 1.7% as compared to the same period in the prior year; the throughput of the liquid bulk cargo reached 49 million tons, representing a decrease of 10.1% as compared to the same period in the prior year.

The details of major operating indicators were as follows:

Comparison of Major Operating Results Indicators



For the six months ended 30 June 2025, the Group recorded a revenue of RMB9,434 million, representing an increase of RMB366 million, or 4.0%, as compared to the same period in the prior year, mainly due to an increase in revenue of the container handling and ancillary services segment.

For the six months ended 30 June 2025, the Group recorded a gross profit of RMB3,709 million, representing an increase of RMB332 million, or 9.8%, as compared to the same period in the prior year, mainly due to an increase in the gross profit of the container handling and ancillary services segment.

For the six months ended 30 June 2025, the Group recorded a net profit attributable to shareholders of the Company of RMB2,842 million, representing an increase of RMB200 million, or 7.6%, as compared to the same period in the prior year, mainly due to an increase in the profit of the container handling and ancillary services segment.

MANAGEMENT DISCUSSION AND ANALYSIS

2. Segment Review

The business segment results (total profit) of the Group were listed as follows:

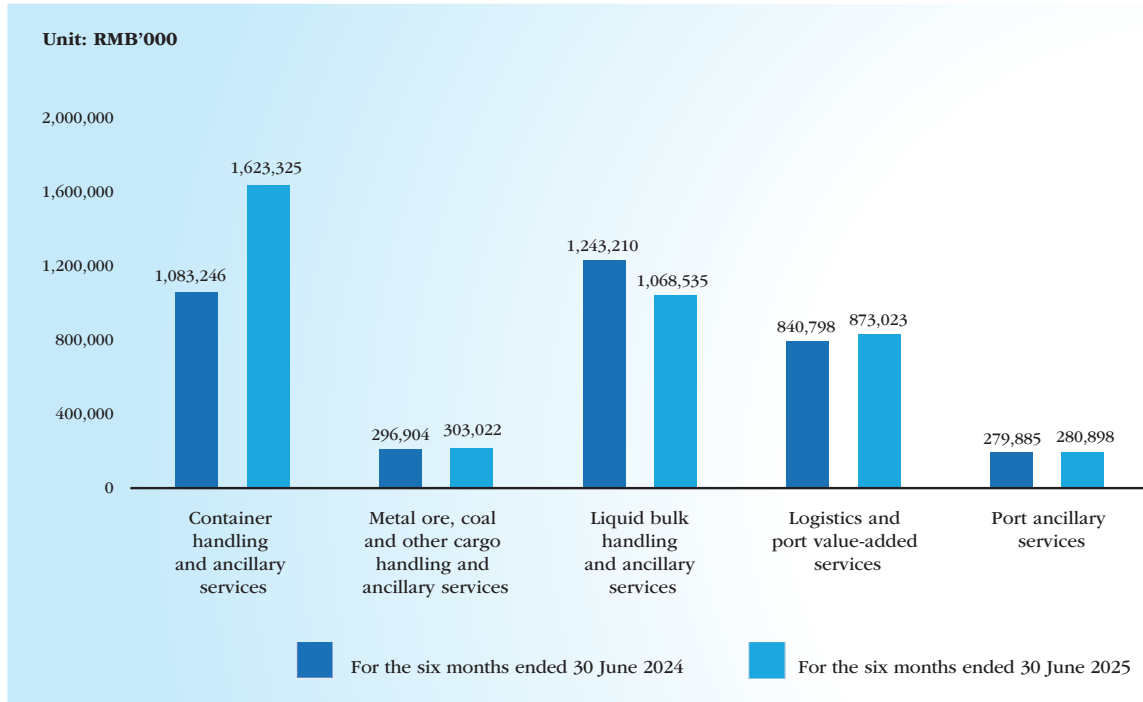
Proportion of Each Business Segment Results

Unit: RMB'000

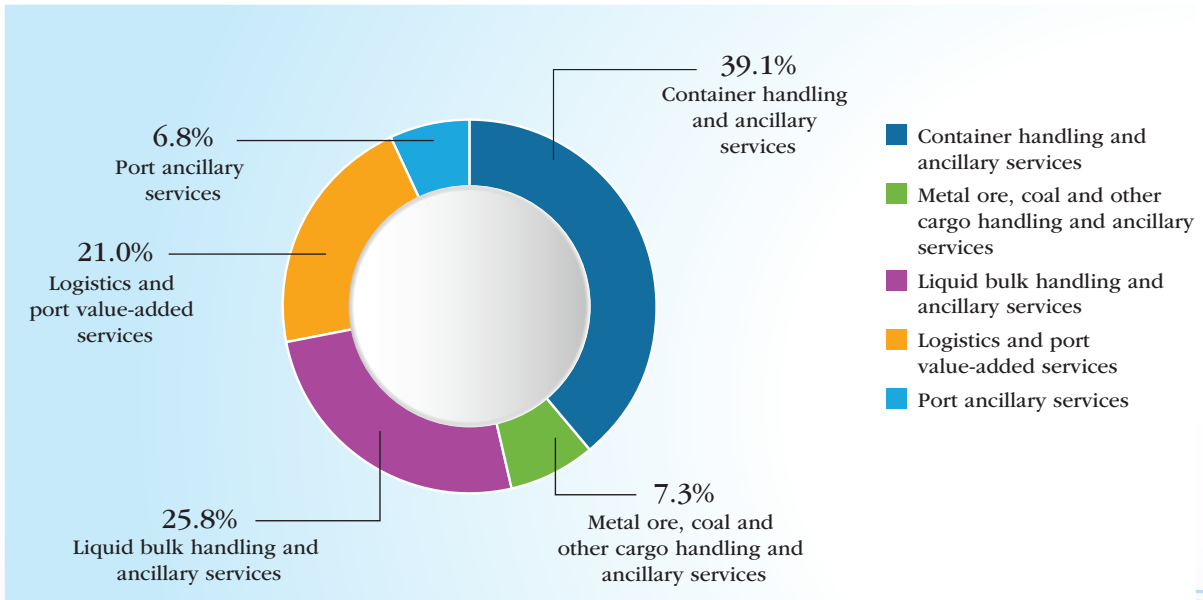
Business Segments	For the six months ended 30 June				Percentage Changed
	2025		2024		
	Amount	Proportion	Amount	Proportion	
Container handling and ancillary services	1,623,325	39.1%	1,083,246	28.9%	49.9%
Metal ore, coal and other cargo handling and ancillary services	303,022	7.3%	296,904	7.9%	2.1%
Liquid bulk handling and ancillary services	1,068,535	25.8%	1,243,210	33.2%	-14.1%
Logistics and port value-added services	873,023	21.0%	840,798	22.5%	3.8%
Port ancillary services	280,898	6.8%	279,885	7.5%	0.4%
Total results before inter-segment elimination	4,148,803	100.0%	3,744,043	100.0%	10.8%

MANAGEMENT DISCUSSION AND ANALYSIS

Comparison of Each Business Segment Results



Breakdown of each business segment for the six months ended 30 June 2025



MANAGEMENT DISCUSSION AND ANALYSIS

The business segment results were specifically as follows:

(1) Container handling and ancillary services

Unit: RMB'000

Item	For the six months		Amount Changed	Percentage Changed
	ended 30 June			
	2025	2024		
Consolidated Group Companies				
Revenue	1,413,847	755,807	658,040	87.1%
Cost of sales	288,263	157,736	130,527	82.8%
Gross profit	1,125,584	598,071	527,513	88.2%
Profit of Consolidated Group Companies	1,062,840	539,391	523,449	97.0%
Investment Income from A Joint Venture and An Associated Company				
	560,485	543,855	16,630	3.1%
Segment Result	1,623,325	1,083,246	540,079	49.9%

For the six months ended 30 June 2025, the Group adhered to the land-sea linkage, accelerating the construction of “International Shipping Hub in Northeast Asia” with full efforts. The main results were achieved as follows:

- a. the Group continued to promote the expansion of seaward market, cooperated with shipping companies to expand the route network, newly opened 11 container shipping lines, coordinated with shipping companies to increase additional voyages, achieving an increment in the volume of transshipment containers. In the first half of 2025, the volume of international transshipment containers increased by 10.5% as compared to the same period in the prior year, effectively ensuring the smooth cargo transportation; and
- b. the Group leveraged on the advantages of land-sea linkage, made more efforts to expand landward market, added up 3 inland ports, and opened 3 sea-rail intermodal trains. In the first half of 2025, the Group completed sea-rail intermodal containers of 1.50 million TEUs, with an increase of 15.1% as compared to the same period in the prior year, and the radiating influence to the inland keeps strengthening.

MANAGEMENT DISCUSSION AND ANALYSIS

For the six months ended 30 June 2025, the revenue of container handling and ancillary services was RMB1,414 million, representing an increase of RMB658 million, or 87.1%, as compared to the same period in the prior year; the segment results recorded RMB1,623 million, representing an increase of RMB540 million, or 49.9%, primarily benefiting from the increase of container business volume and the optimization of business policies.

The financial information of the major joint venture QQCT in this business segment was summarized as follows:

Unit: RMB'000

Item	QQCT		Amount Changed	Percentage Changed
	For the six months			
	ended 30 June 2025	2024		
Revenue	3,399,974	2,878,953	521,021	18.1%
Cost of sales	1,137,036	1,037,101	99,935	9.6%
Investment income	52,652	78,949	-26,297	-33.3%
Total profit	1,497,125	1,417,170	79,955	5.6%
Income tax expenses	352,767	303,718	49,049	16.1%
Net profit attributable to shareholders of the joint venture	1,127,209	1,096,129	31,080	2.8%
Shareholding percentage held by the Company	51%	51%	–	–
Investment income of the Group	574,640	558,836	15,804	2.8%

MANAGEMENT DISCUSSION AND ANALYSIS

(2) Metal ore, coal and other cargo handling and ancillary services

Unit: RMB'000

Item	For the six months		Amount Changed	Percentage Changed
	ended 30 June			
	2025	2024		
Consolidated Group Companies				
Revenue	2,322,752	2,092,589	230,163	11.0%
Cost of sales	1,842,900	1,648,525	194,375	11.8%
Gross profit	479,852	444,064	35,788	8.1%
Profit of Consolidated Group Companies	321,310	281,541	39,769	14.1%
Investment Income from Joint Ventures	-18,288	15,363	-33,651	-219.0%
Segment Result	303,022	296,904	6,118	2.1%

For the six months ended 30 June 2025, the Group actively responded to changes in the macro situation, innovated marketing, deepened strategic cooperation with key customers, proactively expanded new hinterland markets and conducted value-added services. The new breakthroughs were mainly achieved as follows:

- the Group made more efforts in precise marketing to expand the customer group of dry bulk cargo, and developed a total of 6 new customers in the first half of 2025, bringing an increase of cargo source of more than 1.10 million tons;
- aiming at the customized mining needs of terminal customers such as steel mills and aluminum plants, the Group made efforts to actively attract cargo source from the traders, bringing an increase of 6.30 million tons of cargo source; and
- the Group vigorously developed value-added services such as ore blending and screening operations, successfully attracted the cargo source from the international mines, with an increase of approximately 6 million tons as compared to the same period in the prior year.

For the six months ended 30 June 2025, the revenue of metal ore, coal and other cargo handling and ancillary services amounted to RMB2,323 million, representing an increase of RMB230 million, or 11.0%. The segment results recorded RMB303 million, representing an increase of RMB6 million, or 2.1%, as compared to the same period in the prior year. The investment income from the joint ventures amounted to RMB-18 million, representing a decrease of RMB34 million, or 219.0%, as compared to the same period in the prior year, mainly due to a decrease in business volume of its joint ventures.

(3) Liquid bulk handling and ancillary services

Unit: RMB'000

Item	For the six months		Amount Changed	Percentage Changed
	ended 30 June			
	2025	2024		
Consolidated Group Companies				
Revenue	1,614,177	1,953,257	-339,080	-17.4%
Cost of sales	655,063	726,051	-70,988	-9.8%
Gross profit	959,114	1,227,206	-268,092	-21.8%
Profit of Consolidated Group Companies	1,014,681	1,136,439	-121,758	-10.7%
Investment Income from Joint Ventures and Associated Companies				
	53,854	106,771	-52,917	-49.6%
Segment Result	1,068,535	1,243,210	-174,675	-14.1%

For the six months ended 30 June 2025, affected by multiple internal and external factors, the overall demand in the liquid bulk cargo market was under pressure, the Group actively responded to challenges and took multiple measures to continuously optimize the efficiency of resources such as terminals, storage tanks and oil pipelines, whilst expanding diversified business models. The main breakthroughs were achieved as follows:

- leveraging on the operation of two 120,000-ton berths in the Dongjiakou Port Area, the Group enhanced operational efficiency, shortened berthing time of vessels, reduced customers' demurrage costs, and attracted over 3 million tons of transshipment cargo source;
- the Group vigorously developed futures delivery warehouse business, deepened customer cooperation, optimized business processes, and completed the warehousing of 260,000 tons of crude oil futures. The Group has strengthened cooperation with railways, provided "door-to-door" services, and vigorously expanded the inland market; and
- in May 2025, the liquid chemical terminal warehousing phase II project in the Dongjiakou Port Area was put into operation, newly adding the LPG warehousing capacity of 132,000 cubic meters and achieving the full process of LPG operations.

For the six months ended 30 June 2025, the revenue of liquid bulk handling and ancillary services amounted to RMB1,614 million, representing a decrease of RMB339 million, or 17.4%, as compared to the same period in the prior year; the investment income from joint ventures and associated companies amounted to RMB54 million, representing a decrease of RMB53 million, or 49.6%, as compared to the same period in the prior year; the segment results recorded RMB1,069 million, representing a decrease of RMB175 million, or 14.1%, as compared to the same period in the prior year, which were all mainly due to the decrease of business volume influenced by the markets and policies.

MANAGEMENT DISCUSSION AND ANALYSIS

(4) Logistics and port value-added services

Unit: RMB'000

Item	For the six months ended 30 June		Amount Changed	Percentage Changed
	2025	2024		
Consolidated Group Companies				
Revenue	3,486,369	3,537,703	-51,334	-1.5%
Cost of sales	2,550,887	2,642,204	-91,317	-3.5%
Gross profit	935,482	895,499	39,983	4.5%
Profit of Consolidated Group Companies	803,181	773,935	29,246	3.8%
Investment Income from Joint Ventures and Associated Companies				
	69,842	66,863	2,979	4.5%
Segment Result	873,023	840,798	32,225	3.8%

For the six months ended 30 June 2025, the Group vigorously developed its modern logistics business and achieved significant progress in market expansion, project breakthrough, and business innovation:

- the Group expanded the business of CFS and enhanced the cooperation with shipping companies. In the first half of 2025, the volume of CFS business amounted to 2.46 million TEUs, with an increase of 16% as compared to the same period in the prior year;
- the Group expanded the business of agency services, successfully attracted 3 new shipping lines from the main shipping companies and 67 vessel calls; the Group completed 2,786 ships of shipping agency, representing an increase of 5% as compared to the same period in the prior year; and the Group handled 23.37 million tons of freight forwarding, representing an increase of 2% as compared to the same period in the prior year; and
- the Group expanded the business of warehousing service, vigorously developed the warehousing business for key cargoes such as pulp and rubber, and obtained the qualification of futures delivery warehouse for polyvinyl chloride by the Dalian Commodity Exchange. The Group advanced the layout of overseas warehousing business and officially operated the warehouse in Laos. In the first half of 2025, the warehousing business completed 1.32 million tons, representing an increase of 14% as compared to the same period in the prior year.

For the six months ended 30 June 2025, the revenue of logistics and port value-added services amounted to RMB3,486 million, representing a decrease of RMB51 million, or 1.5%, as compared to the same period in the prior year, mainly due to a decrease of revenue in the transportation agency business. The segment results recorded RMB873 million, representing an increase of RMB32 million, or 3.8%, as compared to the same period in the prior year, mainly due to the volume increase in tally business.

(5) Port ancillary services

Unit: RMB'000

Item	For the six months ended 30 June		Amount Changed	Percentage Changed
	2025	2024		
Consolidated Group Companies				
Revenue	596,399	728,018	-131,619	-18.1%
Cost of sales	387,399	516,160	-128,761	-24.9%
Gross profit	209,000	211,858	-2,858	-1.3%
Profit of Consolidated Group Companies	182,153	193,734	-11,581	-6.0%
Investment Income from Joint Ventures and Associated Companies	98,745	86,151	12,594	14.6%
Segment Result	280,898	279,885	1,013	0.4%

For the six months ended 30 June 2025, the revenue of port ancillary services amounted to RMB596 million, representing a decrease of RMB132 million, or 18.1%, as compared to the same period in the prior year, mainly due to a decrease in income of power supply business. The investment income from joint ventures and associated companies amounted to RMB99 million, representing an increase of RMB13 million, or 14.6%, as compared to the same period in the prior year, mainly due to an increase of profit in the associated company which is engaged in project construction service. The segment results recorded RMB281 million, representing an increase of RMB1 million, or 0.4%, as compared to the same period in the prior year, remaining basically unchanged as compared to the same period in the prior year.

MANAGEMENT DISCUSSION AND ANALYSIS

3. Financial Position Analysis

Unit: RMB'000

Item	As at 30 June 2025	As at 31 December 2024	Amount Changed	Percentage Changed
Advances to suppliers	186,539	139,294	47,245	33.9%
Other non-current financial assets	500,099	357,184	142,915	40.0%
Construction in process	674,833	1,247,843	-573,010	-45.9%
Short-term borrowings	965,146	95,333	869,813	912.4%
Notes payable	294,369	485,891	-191,522	-39.4%
Contract liabilities	363,934	278,862	85,072	30.5%
Non-current liabilities due within one year	787,284	564,440	222,844	39.5%
Long-term payables	147,923	284,423	-136,500	-48.0%

As at 30 June 2025, the Group's advances to suppliers increased by RMB47 million, or 33.9%, as compared to the beginning of this year, mainly due to an increase in prepaid transportation fees of freight forwarding business.

As at 30 June 2025, the Group's other non-current financial assets increased by RMB143 million, or 40.0%, as compared to the beginning of this year, mainly due to the increase in changes of fair value gains from other non-current financial assets.

As at 30 June 2025, the Group's construction in process decreased by RMB573 million, or 45.9%, as compared to the beginning of this year, mainly due to the transfer of the Dongjiakou liquid chemical terminal tank project into the fixed assets.

As at 30 June 2025, the Group's short-term borrowings increased by RMB870 million, or 912.4%, as compared to the beginning of this year, mainly due to the newly added external borrowings by the Company's subsidiaries.

As at 30 June 2025, the Group's notes payable decreased by RMB192 million, or 39.4%, as compared to the beginning of this year, mainly due to the payment of notes at maturity.

As at 30 June 2025, the Group's contract liabilities increased by RMB85 million, or 30.5%, as compared to the beginning of this year, mainly due to the increase in charge of port stevedoring and storage fees in advance.

As at 30 June 2025, the Group's non-current liabilities due within one year increased by RMB223 million, or 39.5%, as compared to the beginning of this year, mainly due to an increase in long-term borrowings due within one year.

As at 30 June 2025, the Group's long-term payables decreased by RMB137 million, or 48.0%, as compared to the beginning of this year, mainly due to the repayment of entrusted loans in advance.

4. Cash Flow Analysis

For the six months ended 30 June 2025, the Group's net cash inflow amounted to RMB3,233 million, among which:

- (1) the net cash inflow from operating activities amounted to RMB2,759 million, which was mainly derived from the net cash inflow from the operating activities of the Consolidated Group Companies;
- (2) the net cash outflow from investing activities amounted to RMB700 million, mainly was receiving dividend of RMB127 million, the payment of RMB939 million for purchase and construction of fixed assets and construction in progress, the net inflow of RMB128 million from the disposal of fixed assets and other long-term assets; and
- (3) the net cash inflow from financing activities amounted to RMB1,171 million, which mainly comprised of receiving borrowings of RMB1,713 million, the repayment of borrowings of RMB410 million, the repayment of debt interests of RMB54 million, and the payment of RMB71 million for distribution of dividends by subsidiaries.

5. Working Capital and Financial Resources

As at 30 June 2025, the Group's cash at bank and on hand amounted to RMB15,930 million. The Group's total interest-bearing liabilities amounted to RMB4,080 million, among which, liabilities bearing interest at floating rates amounted to RMB2,832 million.

6. Capital Structure

As at 30 June 2025, the total shareholders' equity of the Group amounted to RMB48,599 million, representing an increase of RMB1,807 million as compared to the beginning of this year, among which, the equity interests attributable to the shareholders of the Company increased by RMB1,536 million and the equity interests of minority shareholders increased by RMB271 million. The increase in the equity interests attributable to the shareholders of the Company was mainly due to the increase of RMB2,842 million in operating profit during the reporting period and the decrease of RMB1,303 million in the Company's declared dividends to distribute for the year 2024; and the increase in the equity interests of minority shareholders was mainly due to the increase of RMB292 million in operating profit during the reporting period and the decrease of RMB72 million in declared dividends of the subsidiaries of the Company to distribute for the year 2024.

As at 30 June 2025, the Company had issued 6,491,100,000 shares, comprising of 5,392,075,000 A shares and 1,099,025,000 H shares, representing 83.07% and 16.93% of the total issued shares of the Company, respectively. The A share market capitalization and H share market capitalization of the Company were RMB46,857 million and HKD7,232 million, respectively (which were calculated based on the closing price of RMB8.69 per share on the Shanghai Stock Exchange and the closing price of HKD6.58 per share on the Hong Kong Stock Exchange as at 30 June 2025).

MANAGEMENT DISCUSSION AND ANALYSIS

7. Gearing Ratio

As at 30 June 2025, the Group's cash at bank and on hand exceeded interest-bearing liabilities.

8. Interest Rate and Exchange Rate Risks

As at 30 June 2025, the Group did not have cash at bank and on hand and receivables with floating interest rate, the payable with floating interest rates was RMB2,832 million. The Group assessed the interest rate risk and anticipated that changes in interest rate would have no material impact on the Group.

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

The Group will continue to closely monitor interest rate and exchange rate risks. The Group did not enter into any hedging arrangements with respect to interest rate and exchange rate risks for the six months ended 30 June 2025.

9. Financial Indicators

Indicators	For the six months ended 30 June		
	2025	2024	Change (+/-)
Return on total assets	4.85%	4.79%	+0.06 percentage point
Weighted average return on net assets	6.47%	6.50%	- 0.03 percentage point
Interest coverage ratio	61.95 times	59.56 times	+2.39 times
Current ratio	1.99 times	1.66 times	+0.33 time
Accounts receivable turnover	4.15 times	4.06 times	+0.09 time

For the six months ended 30 June 2025, the return on total assets of the Group was 4.85%, representing an increase of 0.06 percentage point as compared to the same period in the prior year; the weighted average return on net assets was 6.47%, representing a decrease of 0.03 percentage point as compared to the same period in the prior year. The interest coverage ratio of the Group was 61.95 times, representing an increase of 2.39 times as compared to the same period in the prior year, mainly due to the increase in profit before interest and tax. The current ratio of the Group was 1.99 times, representing an increase of 0.33 time as compared to the same period in the prior year, mainly due to an increase in cash at bank and on hand and other current assets. The accounts receivable turnover of the Group was 4.15 times, representing an increase of 0.09 time as compared to the same period in the prior year, mainly due to shortening the collection cycle of accounts receivable by intensifying management efforts.

III. CAPITAL INVESTMENT

For the six months ended 30 June 2025, the significant capital investment of the Group was RMB209 million, which was mainly invested in the general terminal grain silo phase III project, liquid chemical terminal tank area project in the Dongjiakou port area and other projects.

IV. SIGNIFICANT ENTRUSTED WEALTH MANAGEMENT

For the six months ended 30 June 2025, the Group had no significant entrusted wealth management.

V. SIGNIFICANT ACQUISITION AND DISPOSAL OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

On 21 February 2025, the Company adjusted Proposed Restructuring, after the adjustment, the Company would not acquire 53.88% equity interests in Shandong United Energy Pipeline Transportation Co., Ltd.* (山東聯合能源管道輸送有限公司) and 51.00% equity interests in Shandong Gangyuan Pipeline Logistics Co., Ltd.* (山東港源管道物流有限公司), but would continue to acquire 100% equity interests in Rizhao Port Oil Terminal Co., Ltd.* (日照港油品碼頭有限公司) and 50.00% equity interests in Rizhao Shihua Crude Oil Terminal Co., Ltd.* (日照實華原油碼頭有限公司) by way of cash payments. The Company considered and approved above adjustment in the first extraordinary general meeting of 2025 held on 28 March 2025. As at the date of this report, the above-mentioned transactions have not been completed.

For further details, please refer to the announcements of the Company dated 27 June 2023, 30 June 2023, 27 December 2023, 9 July 2024, 12 July 2024, 13 September 2024, 31 December 2024, 21 February 2025 and 28 March 2025, and the circulars of the Company dated 15 August 2024 and 7 March 2025.

Save as disclosed above, for the six months ended 30 June 2025, the Group did not have any significant acquisition and disposal of subsidiaries, joint ventures and associates.

VI. MORTGAGE AND PLEDGE OF ASSETS

As at 30 June 2025, the Group had no asset mortgages or pledges.

VII. CONTINGENT LIABILITIES

As at 30 June 2025, the Group did not have any significant contingent liabilities.

MANAGEMENT DISCUSSION AND ANALYSIS

VIII. EMPLOYEES

As at 30 June 2025, the Company engaged 3,018 employees, and the Company's principal subsidiaries engaged 6,469 employees. The employees' remunerations of the Group include basic salaries and performance incentives. The growth of employees' remunerations is determined by their working performance, economic environment, and supply and demand conditions of human resource market, under the "two matches" principle to match the employees' income growth with the growth of the Company's results and the increase of production rate. Meanwhile, the Group's remuneration policy is reviewed on a regular basis as well. Adhering to its "people-centered" philosophy and safeguarding the legitimate rights and interests of employees, the Group contributes social insurances, enterprise annuity and supplementary medical insurance as required by the relevant regulations of the PRC to provide extra welfare scheme to its employees. The Company provides regular trainings for employees to keep them abreast of the latest news and developments in the industry, in the form of both internal trainings and external trainings.

IX. DESCRIPTION OF OTHER OPERATING MATTERS

As the Dagang Port Area of Company plans to be transformed and upgraded into an international cruise terminal, the business of the Dagang Port Area will be gradually relocated to the Dongjiakou Port Area and the Qianwan Port Area. In March 2020, the international cruise terminal started construction and the construction was gradually carried on as planned. As at 30 June 2025, the construction of the international cruise terminal had no influence on the main business of the Dagang Port Area.

The Administrative Committee of Qingdao Economic and Technological Development Zone is in the process of adopting a new urban planning scheme that may relocate the port operations in the Huangdao Oil Port Area and operations of certain clients around the Huangdao Oil Port Area to the Dongjiakou Port Area. As at 30 June 2025, the Group did not receive any relocation plan or relevant notice, and did not obtain any information in relation to such relocation of clients and businesses to the Dongjiakou Port Area, hence the operation of the Huangdao Oil Port Area was not affected.

X. SUBSEQUENT EVENTS

There is no material subsequent event of the Group after 30 June 2025.

XI. OUTLOOK FOR THE SECOND HALF OF 2025

In the second half of 2025, the global economy is facing new and substantial impediments, but the economy of China bears great tenacity, potential and vitality, and its long-term positive fundamentals have not changed. The Group is in a situation where business development opportunities and challenges coexist, and it will take advantage of the opportunity of integrated reform of Shandong Port to seize policy benefits, continue to deepen reform, focus on performance-first, and create greater value for the shareholders of the Company and the society.

Firstly, the Group will focus on strengthening the hub center. We will cement our leading edge of traditional cargo types, expand the scale of emerging cargo types, enhance the comprehensive service capability of all cargo types, and solidify the advantageous positions of the largest container hub port in Northeast Asia, the largest foreign trade port of oil in northern China, and the global stevedoring homeport of the pulp. We will upgrade the port hardware facilities, speed up the construction of key projects, accelerate the completion and operation of the second 400,000-ton ore terminal, and expand port development space.

Secondly, the Group will focus on intelligent and green development. Relying on the significant historical opportunity of the construction of the Qingdao International Shipping Center, we will aggregate elements of shipping and trade, build a full-chain digitalized service, and create a first-class comprehensive supply chain service system. We will leverage on the role of the national artificial intelligence application pilot base, the first in the transportation field and the only one in port industry of China, to seize the commanding heights of the industry. We will strengthen the promotion of full coverage of the “Qingdao-Port. Net” business, expand fueling businesses of ports in northern China for biofuels and skid-mounted methanol, create the country’s first “hydrogen energy zero-carbon inspection zone”, and strive to become one of the nation’s first batch of “Five-Star Green Port Zone” for containers.

Thirdly, the Group will focus on cementing the foundation of the development. We will deepen and promote reforms, strengthen the management of three basics (grassroots, fundamentals and basic skills), enhance intrinsic safety, quality standards, process optimization, cost reduction and efficiency improvement, and build a modern enterprise governance model featured by standardized governance, efficient operation, and controllable safety.

OTHER INFORMATION

I. CORPORATE GOVERNANCE PRACTICES

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

The Company has complied with all code provisions set out in the Corporate Governance Code contained in Appendix C1 to the Hong Kong Listing Rules for the six months ended 30 June 2025.

II. COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

The Company has adopted the Model Code of Appendix C3 to the Hong Kong Listing Rules as its own code of conduct for securities transactions by Directors and Supervisors. Specific enquiry has been made to all the Directors and Supervisors and each of the Directors and Supervisors has confirmed that he/she has complied with the Model Code for the six months ended 30 June 2025.

III. DIRECTORS' AND SUPERVISORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as otherwise disclosed in this report, no rights for any Directors or Supervisors or their respective spouse or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company were granted by the Company or a specified undertaking of the Company (as defined in Companies (Directors' Report) Regulation) to them, or were any such rights exercised by them; or was the Company or a specified undertaking of the Company (as defined in Companies (Directors' Report) Regulation) a party to any arrangement to enable the Directors and Supervisors, or their respective spouse or children under 18 years of age, to acquire such rights in any other body corporate for the six months ended 30 June 2025.

IV. CHANGES IN DIRECTORS', SUPERVISORS' AND CHIEF EXECUTIVE'S INFORMATION

On 29 March 2025, Mr. WANG Yaping resigned as a chief supervisor of Qingdao Lawyers Association (青島市律師協會), on the same day, Mr. WANG Yaping was appointed as an honorary president of Qingdao Lawyers Association.

On 30 April 2025, Mr. ZHU Tao resigned as the managing director, a member of remuneration committee, a member of nomination committee, and the chairman and a member of risk control committee of COSCO SHIPPING Ports (a company listed on the Hong Kong Stock Exchange, stock code: 01199).

On 20 May 2025, Ms. LI Yan resigned as an independent supervisor of Tsingtao Brewery Company Limited (青島啤酒股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 600600; a company listed on the Hong Kong Stock Exchange, stock code: 00168).

On 20 May 2025, Mr. WANG Yaping resigned as an independent supervisor of Tsingtao Brewery Company Limited (青島啤酒股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 600600; a company listed on the Hong Kong Stock Exchange, stock code: 00168).

On 28 May 2025, Mr. ZHU Tao was appointed as a member of risk control committee of COSCO SHIPPING Holdings Co., Ltd.* (中遠海運控股股份有限公司) (a company listed on the Shanghai Stock Exchange, stock code: 601919; a company listed on the Hong Kong Stock Exchange, stock code: 01919).

Save as disclosed above, there were no changes to the Directors', Supervisors' and chief executive's information as required to be disclosed in this report pursuant to Rule 13.51B(1) of the Hong Kong Listing Rules for the six months ended 30 June 2025.

V. REVIEW OF FINANCIAL STATEMENTS BY THE AUDIT COMMITTEE

The audit committee of the Board has reviewed the unaudited interim results and the interim report of the Company for the six months ended 30 June 2025.

VI. PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

No purchase, sale or redemption of any listed securities of the Company was made by the Company or any of its subsidiaries for the six months ended 30 June 2025 (including sale of the treasury shares).

As at 30 June 2025, there were no treasury shares held by the Company.

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

The Board has proposed the distribution of interim dividend of RMB1.466 (tax inclusive) per ten shares to all shareholders of the Company. As at 30 June 2025, the total share capital of the Company was 6,491,100,000 shares, calculated on which an aggregate cash dividend of RMB951.5953 million (tax inclusive) was proposed to be distributed. The amount of interim dividend to be distributed by the Company represents approximately 35% of the Company's Distributable Profit for the first half of 2025, and represents approximately 33% of the net profit attributable to the Company's shareholders for the first half of 2025. The above interim dividend will be paid on 24 December 2025 after the approval at the shareholders' general meeting of the Company.

For non-resident enterprise shareholders holding H shares of the Company (i.e. shareholders holding H shares of the Company under the names other than individuals, including, but not limited to, shareholders of H shares registered in the name of HKSCC Nominees Limited, or other nominees, trustees, or other organizations or groups), the Company shall withhold the corporate income tax for the interim dividend at the tax rate of 10% on their behalf in accordance with the Corporate Income Tax Law of the PRC and other relevant tax laws, regulations and tax treaties.

OTHER INFORMATION

For individual shareholders holding H shares of the Company, the Company shall withhold and pay the individual income tax for the interim dividends on their behalf in accordance with the Individual Income Tax Law of the PRC, the Notice of the State Administration of Taxation on the Collection and Administration of Individual Income Tax after the Abolition of Document No. 045 [1993] (Guo Shui Han [2011] No. 348) (《國家稅務總局關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》(國稅函[2011]348號)), the Notice of the Ministry of Finance, the State Administration of Taxation, and the China Securities Regulatory Commission on Taxation Policies concerning the Pilot Program of an Interconnection Mechanism for Transactions in the Shanghai and Hong Kong Stock Markets (Cai Shui [2014] No. 81) (《財政部、國家稅務總局、證監會關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)) and other relevant tax laws, regulations and tax treaties.

In order to determine the eligibility of being entitled to the proposed interim dividend of 2025 for H shares, the H share register of the Company will be closed from Tuesday, 4 November 2025 to Tuesday, 11 November 2025 (both days inclusive), during which no H share transfer will be registered. The H shareholders whose names appear on the register of members of the Company on Tuesday, 4 November 2025 are entitled to the proposed interim dividend. Holders of the Company's H shares who wish to receive the proposed interim dividend are required to deposit the transfer documents together with the relevant share certificates at the H share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. Monday, 3 November 2025 for registration.

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

So far as the Directors are aware, as at 30 June 2025, none of the Directors, Supervisors or chief executive of the Company has any interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), (i) which will be required, pursuant to Section 352 of the SFO, to be recorded in the register kept by the Company, or (ii) which will be required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

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

As at 30 June 2025, so far as the Directors are aware, the following persons (other than the Directors, Supervisors and chief executive of the Company) will be taken or deemed to have interests and short positions in the shares or underlying shares of the Company which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or pursuant to Section 336 of the SFO, to be recorded in the register kept by the Company:

Name	Class of Shares	Capacity/Nature of interest	Number of shares held ⁽¹⁾	Approximate percentage of shareholding in the registered capital of the Company	Approximate percentage of shareholding in the total number of issued A shares of the Company	Approximate percentage of shareholding in the total number of issued H shares of the Company
Qingdao Port Group	A share	Beneficial owner ⁽²⁾	3,522,179,000 (L)	54.26%	65.32%	–
	H share	Beneficial owner ⁽²⁾	84,185,000 (L)	1.30%	–	7.66%
Shandong Port Group	A share	Interest in a controlled corporation ⁽²⁾	3,522,179,000 (L)	54.26%	65.32%	–
	H share	Interest in a controlled corporation ⁽²⁾	84,185,000 (L)	1.30%	–	7.66%
COSCO SHIPPING Ports Development Co., Ltd.	H share	Beneficial owner ⁽⁵⁾	206,363,000 (L)	3.18%	–	18.78%
Shanghai China Shipping Terminal	A share	Beneficial owner ⁽³⁾	1,015,520,000 (L)	15.64%	18.83%	–
COSCO SHIPPING Ports	A share	Interest in a controlled corporation ⁽³⁾	1,111,520,000 (L)	17.12%	20.61%	–
	H share	Interest in a controlled corporation ⁽⁵⁾	206,363,000 (L)	3.18%	–	18.78%
China COSCO (Hong Kong) Limited	A share	Interest in a controlled corporation ⁽³⁾	1,111,520,000 (L)	17.12%	20.61%	–
	H share	Interest in a controlled corporation ⁽⁵⁾	206,363,000 (L)	3.18%	–	18.78%
COSCO SHIPPING Holdings Co., Ltd.	A share	Interest in a controlled corporation ⁽³⁾	1,111,520,000 (L)	17.12%	20.61%	–
	H share	Interest in a controlled corporation ⁽⁵⁾	206,363,000 (L)	3.18%	–	18.78%
China Ocean Shipping Co., Ltd.	A share	Interest in a controlled corporation ⁽⁴⁾	1,207,520,000 (L)	18.60%	22.39%	–
	H share	Interest in a controlled corporation ⁽⁵⁾	206,363,000 (L)	3.18%	–	18.78%

OTHER INFORMATION

Name	Class of Shares	Capacity/Nature of interest	Number of shares held ⁽¹⁾	Approximate percentage of shareholding in the registered capital of the Company	Approximate percentage of shareholding in the total number of issued A shares of the Company	Approximate percentage of shareholding in the total number of issued H shares of the Company
COSCO SHIPPING Group	A share	Interest in a controlled corporation ⁽⁴⁾	1,207,520,000 (L)	18.60%	22.39%	–
	H share	Interest in a controlled corporation ⁽⁵⁾	206,363,000 (L)	3.18%	–	18.78%
FMR LLC	H share	Interest in a controlled corporation	98,653,470 (L)	1.52%	–	8.98%
FIL Limited	H share	Interest in a controlled corporation ⁽⁶⁾	97,890,884 (L)	1.51%	–	8.91%
Pandanus Associates Inc.	H share	Interest in a controlled corporation ⁽⁶⁾	97,890,884 (L)	1.51%	–	8.91%
Pandanus Partners L.P.	H share	Interest in a controlled corporation ⁽⁶⁾	97,890,884 (L)	1.51%	–	8.91%

Notes:

- (1) The letter “L” denotes long position in such securities.
- (2) As at 30 June 2025, Qingdao Port Group was wholly-owned by Shandong Port Group. The Company was informed that as at 30 June 2025, Qingdao Port Group directly and indirectly held 84,185,000 H shares of the Company, representing approximately 7.66% of the total number of issued H shares of the Company. As at the date of holding the H shares of the Company by Qingdao Port Group and as at the date of this report, based on publicly available information and so far as the Directors are aware, the Company had sufficient public float and the issued shares of the Company held by the public is no less than 16.62%, and is therefore in compliance with the Hong Kong Listing Rules.
- (3) 96,000,000 A shares and 1,015,520,000 A shares of the Company are directly held by China Shipping Terminal Development and Shanghai China Shipping Terminal, respectively. Shanghai China Shipping Terminal is wholly-owned by China Shipping Terminal Development. China Shipping Terminal Development is wholly-owned by COSCO SHIPPING Ports Development Co., Ltd., which is wholly-owned by COSCO SHIPPING Ports. China COSCO (Hong Kong) Limited, which is wholly-owned by COSCO SHIPPING Holdings Co., Ltd., owned 71.93% interests (in which 7.13% interests was held by its wholly-owned subsidiary) in COSCO SHIPPING Ports. COSCO SHIPPING Holdings Co., Ltd. is 4.55% owned by COSCO SHIPPING Group and 40.70% owned by China Ocean Shipping Co., Ltd., and China Ocean Shipping Co., Ltd. is wholly-owned by COSCO SHIPPING Group. As such, each of COSCO SHIPPING Ports, China COSCO (Hong Kong) Limited, COSCO SHIPPING Holdings Co., Ltd., China Ocean Shipping Co., Ltd. and COSCO SHIPPING Group is deemed to be interested in 1,111,520,000 A shares of the Company.
- (4) In addition to the 96,000,000 A shares and 1,015,520,000 A shares of the Company directly held by China Shipping Terminal Development and Shanghai China Shipping Terminal, respectively, there are 96,000,000 A shares of the Company directly held by COSCO Shipping (Qingdao) Co., Ltd., which is wholly-owned by COSCO SHIPPING Group. As such, COSCO SHIPPING Group is deemed to be interested in 96,000,000 A shares of the Company and deemed to be interested in 1,207,520,000 A shares of the Company in total.
- (5) 206,363,000 H shares of the Company are directly held by COSCO SHIPPING Ports Development Co., Ltd., which is wholly-owned by COSCO SHIPPING Ports. Based on the shareholding relationships set out under note (3) above, each of COSCO SHIPPING Ports, China COSCO (Hong Kong) Limited, COSCO SHIPPING Holdings Co., Ltd., China Ocean Shipping Co., Ltd. and COSCO SHIPPING Group is deemed to be interested in 206,363,000 H shares of the Company.
- (6) FIL Limited is deemed to be interested in 97,890,884 H shares of the Company indirectly held by its controlled entities/corporations. Pandanus Partners L.P. indirectly held 47.90% of the equity interests in FIL Limited. Pandanus Partners L.P. is indirectly wholly-owned by Pandanus Associates Inc. Accordingly, Pandanus Partners L.P. and Pandanus Associates Inc. are also deemed to be interested in the aforesaid 97,890,884 H shares of the Company.

Save as disclosed above, as at 30 June 2025, none of the persons had interest or short positions in the shares and underlying shares of the Company which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which will be required, pursuant to Section 336 of the SFO, to be recorded in the register kept by the Company.

CONSOLIDATED BALANCE SHEET

As at 30 June 2025

(All amounts in RMB Yuan unless otherwise stated)

Assets	Note IV	30 June 2025 (Unaudited)	31 December 2024
Current assets			
Cash at bank and on hand	(1)	15,929,613,467	12,673,129,712
Financial assets held for trading	(2)	5,736,225	8,050,643
Notes receivable	(3)	20,957,813	40,439,871
Accounts receivable	(4)	2,152,548,286	2,084,840,524
Financing receivables	(5)	256,215,550	212,131,274
Advances to suppliers	(6)	186,538,801	139,293,759
Other receivables	(7)	1,083,698,696	835,529,050
Inventories	(8)	43,494,865	40,688,042
Contract assets	(9)	208,405,294	209,406,760
Held for sale assets		12,383,732	67,566,466
Non-current assets due within one year		1,832,757	1,835,461
Other current assets	(10)	230,864,630	320,558,682
Total current assets		20,132,290,116	16,633,470,244
Non-current assets			
Long-term receivables	(11)	30,651,120	30,651,120
Long-term equity investments	(12)	14,910,147,050	14,510,953,242
Other non-current financial assets	(13)	500,099,336	357,184,402
Investment properties	(14)	234,420,953	281,359,781
Fixed assets	(15)	24,840,420,528	24,584,191,817
Construction in progress	(16)	674,833,358	1,247,843,145
Right-of-use assets	(17)	537,431,983	569,786,431
Intangible assets	(18)	2,954,219,434	2,954,809,873
Including: Data resources		143,621	186,707
Development costs	(19)	71,189,095	56,311,304
Goodwill	(20)	28,014,688	28,014,688
Long-term prepaid expenses		43,122,690	51,439,310
Deferred tax assets	(21)	869,415,221	891,512,245
Other non-current assets	(22)	586,687,847	552,225,858
Total non-current assets		46,280,653,303	46,116,283,216
Total assets		66,412,943,419	62,749,753,460

CONSOLIDATED BALANCE SHEET (Continued)

As at 30 June 2025

(All amounts in RMB Yuan unless otherwise stated)

Liabilities and shareholders' equity	Note IV	30 June 2025 (Unaudited)	31 December 2024
Current liabilities			
Short-term borrowings	(23)	965,145,841	95,332,649
Notes payable	(24)	294,369,338	485,891,250
Accounts payable	(25)	1,376,286,801	1,612,906,291
Advances from customers		24,751,929	9,583,505
Contract liabilities	(26)	363,933,873	278,861,998
Employee benefits payable	(27)	682,158,487	743,671,659
Taxes payable	(28)	421,816,120	362,277,426
Other payables	(29)	5,171,165,257	4,224,759,266
Non-current liabilities due within one year	(30)	787,284,499	564,440,298
Other current liabilities		27,805,772	24,993,499
Total current liabilities		10,114,717,917	8,402,717,841
Non-current liabilities			
Long-term borrowings	(31)	2,334,248,954	1,997,892,490
Lease liabilities	(32)	335,351,816	318,917,796
Long-term payables	(33)	147,923,410	284,423,410
Deferred income	(34)	360,024,588	336,396,009
Long-term employee benefits payable	(35)	2,686,051,649	2,681,310,000
Deferred tax liabilities	(21)	57,313,286	56,769,693
Other non-current liabilities	(36)	1,778,664,484	1,879,239,822
Total non-current liabilities		7,699,578,187	7,554,949,220
Total liabilities		17,814,296,104	15,957,667,061
Shareholders' equity			
Share capital	(37)	6,491,100,000	6,491,100,000
Capital surplus	(38)	11,718,539,879	11,725,620,802
Other comprehensive income	(39)	(565,901,612)	(572,243,667)
Specific reserve		20,661,028	15,925,932
Surplus reserve	(40)	3,234,169,702	3,234,169,702
Undistributed profits	(41)	23,125,045,994	21,593,359,687
Total equity attributable to shareholders of the Parent Company		44,023,614,991	42,487,932,456
Minority interests		4,575,032,324	4,304,153,943
Total shareholders' equity		48,598,647,315	46,792,086,399
Total liabilities and shareholders' equity		66,412,943,419	62,749,753,460

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

Legal representative:

Principal in charge of accounting:

Head of accounting department:

COMPANY BALANCE SHEET

As at 30 June 2025

(All amounts in RMB Yuan unless otherwise stated)

Assets	Note XIII	30 June 2025 (Unaudited)	31 December 2024
Current assets			
Cash at bank and on hand	(1)	9,571,677,998	6,381,813,309
Notes receivable		–	4,890,126
Accounts receivable	(2)	595,282,592	443,332,781
Financing receivables	(3)	125,450,439	106,404,448
Advances to suppliers		96,841,221	82,845,301
Other receivables	(4)	689,085,003	638,540,107
Inventories		7,422,197	8,140,662
Non-current assets due within one year		220,347	468,618,563
Other current assets		95,114,734	119,404,620
Total current assets		11,181,094,531	8,253,989,917
Non-current assets			
Long-term receivables	(5)	167,000,000	630,000,000
Long-term equity investments	(6)	23,219,360,402	22,719,219,104
Other non-current financial assets		500,099,336	357,184,402
Investment properties	(7)	1,100,449,720	856,391,629
Fixed assets	(8)	10,978,966,940	11,445,809,729
Construction in progress	(9)	596,880,416	549,701,524
Right-of-use assets		130,270,686	150,788,884
Intangible assets	(10)	1,868,820,224	1,933,679,904
Including: Data resources		143,621	186,707
Development costs		58,963,453	47,029,101
Long-term prepaid expenses		389,003	428,563
Deferred tax assets		35,297,881	37,274,424
Other non-current assets		291,880,590	265,297,597
Total non-current assets		38,948,378,651	38,992,804,861
Total assets		50,129,473,182	47,246,794,778

COMPANY BALANCE SHEET (Continued)

As at 30 June 2025
(All amounts in RMB Yuan unless otherwise stated)

Liabilities and shareholders' equity	Note XIII	30 June 2025 (Unaudited)	31 December 2024
Current liabilities			
Notes payable		57,062,453	49,166,457
Accounts payable		401,469,320	335,122,787
Advances from customers		15,256,539	4,922,270
Contract liabilities		89,536,703	83,932,456
Employee benefits payable		430,460,974	456,323,478
Taxes payable		45,360,896	33,277,575
Other payables		2,876,116,307	1,830,508,615
Non-current liabilities due within one year		58,864,751	37,153,097
Other current liabilities		5,457,602	5,177,478
Total current liabilities		3,979,585,545	2,835,584,213
Non-current liabilities			
Long-term borrowings		7,829,941	–
Lease liabilities		96,471,157	114,990,190
Long-term payables		27,923,410	27,923,410
Deferred income		169,582,329	139,716,051
Long-term employee benefits payable		1,629,179,250	1,600,350,000
Other non-current liabilities		1,778,664,484	1,879,239,822
Total non-current liabilities		3,709,650,571	3,762,219,473
Total liabilities		7,689,236,116	6,597,803,686
Shareholders' equity			
Share capital		6,491,100,000	6,491,100,000
Capital surplus	(12)	16,002,653,159	16,004,144,473
Other comprehensive income	(13)	(270,749,344)	(269,611,399)
Surplus reserve		3,234,169,702	3,234,169,702
Undistributed profits	(14)	16,983,063,549	15,189,188,316
Total shareholders' equity		42,440,237,066	40,648,991,092
Total liabilities and shareholders' equity		50,129,473,182	47,246,794,778

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

Legal representative:

Principal in charge of accounting:

Head of accounting department:

CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2025

(All amounts in RMB Yuan unless otherwise stated)

Item	Note IV	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
I. Revenue	(42)	9,433,543,341	9,067,374,436
Less: Cost of sales	(42), (46)	(5,724,512,180)	(5,690,675,883)
Taxes and surcharges	(43)	(90,360,083)	(85,331,243)
Selling and distribution expenses	(46)	(29,042,936)	(35,360,697)
General and administrative expenses	(44), (46)	(544,928,490)	(478,754,706)
Research and development expenses	(19), (46)	(70,425,278)	(66,769,524)
Financial expenses	(45)	(22,166,385)	(23,600,716)
Including: Interest expenses		(63,449,255)	(59,239,223)
Interest income		66,466,960	68,971,646
Add: Other income	(47)	58,785,470	62,119,654
Investment income	(48)	769,758,649	839,607,507
Including: Investment income from associates and joint ventures		769,164,806	826,215,526
Gains on changes in fair value		140,600,516	482,738
Credit impairment reversals/(losses)	(49)	(20,380,080)	(22,379,662)
Asset impairment losses	(50)	983,029	(217,453)
Gains on disposal of assets	(51)	19,452,347	21,849,533
II. Operating profit		3,921,307,920	3,588,343,984
Add: Non-operating income		4,530,594	1,492,272
Less: Non-operating expenses		(6,991,112)	(114,318)
III. Total profit		3,918,847,402	3,589,721,938
Less: Income tax expenses	(52)	(784,580,913)	(662,469,599)
IV. Net profit		3,134,266,489	2,927,252,339
Including: Net profit of the acquiree in a business combination under common control before the combination date		—	—
Classified by continuity of operations			
Net profit from continuing operations		3,134,266,489	2,927,252,339
Net profit from discontinued operations		—	—
Classified by ownership of the equity			
Minority interests income/losses		292,336,412	285,481,918
Net profit attributable to shareholders of the Parent Company		2,841,930,077	2,641,770,421

CONSOLIDATED INCOME STATEMENT (Continued)

For the six months ended 30 June 2025
(All amounts in RMB Yuan unless otherwise stated)

Item	Note IV	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
V. Other comprehensive income, net of tax	(39)	<u>(1,137,945)</u>	<u>3,170,815</u>
Attributable to shareholders of the Parent Company, net of tax			
Other comprehensive income items which will not be subsequently reclassified to profit or loss			
Changes in remeasurement of defined benefit plan obligations		-	-
Other comprehensive income that will not be transferred subsequently to profit or loss under the equity method		-	-
Other comprehensive income items that will be subsequently reclassified to profit or loss			
Changes in fair value of other debt investments		-	-
Other comprehensive income that will be transferred subsequently to profit or loss under the equity method		(1,137,945)	3,170,815
Other comprehensive income, net of tax, attributable to minority shareholders		-	-
VI. Total comprehensive income		<u><u>3,133,128,544</u></u>	<u><u>2,930,423,154</u></u>
Attributable to shareholders of the Company		2,840,792,132	2,644,941,236
Attributable to minority interests		292,336,412	285,481,918
VII. Earnings per share			
Basic earnings per share (RMB)	(53)(a)	0.44	0.41
Diluted earnings per share (RMB)	(53)(b)	0.44	0.41

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

Legal representative:

Principal in charge of accounting:

Head of accounting department:

COMPANY INCOME STATEMENT

For the six months ended 30 June 2025

(All amounts in RMB Yuan unless otherwise stated)

Item	Note XIII	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
I. Revenue	(15)	2,959,029,014	2,725,677,139
Less: Cost of sales	(15), (17)	(2,224,251,043)	(2,097,450,920)
Taxes and surcharges		(41,524,056)	(40,774,466)
Selling and distribution expenses	(17)	(14,398,047)	(13,206,674)
General and administrative expenses	(17)	(265,565,084)	(243,023,131)
Research and development expenses	(17)	(23,218,527)	(27,597,949)
Financial expenses	(16)	22,559,766	14,017,801
Including: Interest expenses		(3,129,463)	(1,802,072)
Interest income		42,045,984	36,286,727
Add: Other income		8,311,437	3,263,718
Investment income	(18)	2,688,432,408	2,838,917,930
Including: Investment income from associates and joint ventures		717,269,558	773,537,347
Gains on changes in fair value		142,914,934	–
Credit impairment losses		(6,869,580)	(4,822,958)
Gains on disposal of assets		244,569	19,681,280
II. Operating profit		3,245,665,791	3,174,681,770
Add: Non-operating income		2,057,654	694,670
Less: Non-operating expenses		(155,764)	(107,936)
III. Total profit		3,247,567,681	3,175,268,504
Less: Income tax expenses	(19)	(150,928,678)	(101,333,347)
IV. Net profit		3,096,639,003	3,073,935,157
Classified by continuity of operations			
Net profit from continuing operations		3,096,639,003	3,073,935,157
Net profit from discontinued operations		–	–
V. Other comprehensive income, net of tax		(1,137,945)	3,170,815
Other comprehensive income items that will not be subsequently reclassified to profit or loss			
Changes in remeasurement of defined benefit plan obligations		–	–
Other comprehensive income items that will be subsequently reclassified to profit or loss			
Other comprehensive income that will be transferred subsequently to profit or loss under the equity method		(1,137,945)	3,170,815
VI. Total comprehensive income		3,095,501,058	3,077,105,972

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

Legal representative:

Principal in charge of accounting:

Head of accounting department:

CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 30 June 2025
(All amounts in RMB Yuan unless otherwise stated)

Item	Note IV	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
I. Cash flows from operating activities			
Cash received from sales of goods or rendering of services		9,845,191,973	8,780,778,850
Refund of taxes and surcharges		85,066,419	56,463,060
Cash received relating to other operating activities	(54)(a)	265,047,995	355,034,259
Subtotal of cash inflows		10,195,306,387	9,192,276,169
Cash paid for goods and services		(4,375,424,767)	(4,393,975,253)
Cash paid to and on behalf of employees		(1,841,670,398)	(1,676,409,043)
Payments of taxes and surcharges		(1,029,779,562)	(1,120,950,520)
Cash paid relating to other operating activities	(54)(b)	(189,411,334)	(284,246,889)
Subtotal of cash outflows		(7,436,286,061)	(7,475,581,705)
Net cash flows from operating activities		2,759,020,326	1,716,694,464
II. Cash flows from investing activities			
Cash received from disposal of investments		315,000,000	1,086,500,000
Cash received from returns on investments		127,121,465	87,450,984
Net cash received from disposal of fixed assets, intangible assets, and other long-term assets		128,170,387	119,589,121
Net cash received from disposal of subsidiaries and other business units		—	—
Cash received relating to other investing activities		—	—
Subtotal of cash inflows		570,291,852	1,293,540,105
Cash paid to acquire fixed assets, intangible assets, and other long-term assets		(938,634,829)	(1,207,804,939)
Cash paid to acquire investments		(331,180,941)	(621,661,977)
Cash paid relating to other investing activities		—	—
Subtotal of cash outflows		(1,269,815,770)	(1,829,466,916)
Net cash flows used in investing activities		(699,523,918)	(535,926,811)

CONSOLIDATED CASH FLOW STATEMENT (Continued)

For the six months ended 30 June 2025

(All amounts in RMB Yuan unless otherwise stated)

Item	Note IV	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
III. Cash flows from financing activities			
Cash received from capital contributions		40,692,799	–
Including: Cash received from capital contributions by minority shareholders of subsidiaries		40,692,799	–
Cash received from borrowings		1,712,673,630	426,736,046
Cash received relating to other financing activities	(54)(c)	–	120,000,000
Subtotal of cash inflows		1,753,366,429	546,736,046
Cash repayments of borrowings		(270,406,754)	(262,855,040)
Cash payments for distribution of dividends, profits, or interest expenses		(124,647,498)	(410,134,520)
Including: Cash payments for distribution of profits to minority shareholders of subsidiaries		(70,607,417)	(359,499,816)
Cash paid relating to other financing activities	(54)(d)	(187,708,089)	(211,219,330)
Subtotal of cash outflows		(582,762,341)	(884,208,890)
Net cash flows used in financing activities		1,170,604,088	(337,472,844)
IV. Effect of foreign exchange rate changes on cash		2,892,002	1,130,635
V. Net increase/(decrease) in cash	(55)(a)	3,232,992,498	844,425,444
Add: Cash at the beginning of the period		12,207,737,448	10,132,048,600
VI. Cash at the end of the period	(55)(a)	15,440,729,946	10,976,474,044

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

Legal representative:

Principal in charge of accounting:

Head of accounting department:

COMPANY CASH FLOW STATEMENT

For the six months ended 30 June 2025
(All amounts in RMB Yuan unless otherwise stated)

Item	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
I. Cash flows from operating activities		
Cash received from sales of goods or rendering of services	2,259,097,310	1,868,282,963
Refund of taxes and surcharges	–	281,907
Cash received relating to other operating activities	335,588,264	404,362,867
Subtotal of cash inflows	2,594,685,574	2,272,927,737
Cash paid for goods and services	(1,164,078,313)	(923,318,331)
Cash paid to and on behalf of employees	(773,383,272)	(700,587,628)
Payments of taxes and surcharges	(210,194,019)	(348,518,597)
Cash paid relating to other operating activities	(136,136,525)	(119,816,733)
Subtotal of cash outflows	(2,283,792,129)	(2,092,241,289)
Net cash flows from operating activities	310,893,445	180,686,448
II. Cash flows from investing activities		
Cash received from disposal of investments	–	199,000,000
Cash received from returns on investments	1,880,419,567	2,015,750,424
Net cash received from disposal of fixed assets, intangible assets, and other long-term assets	5,322,823	115,467,089
Net cash received from disposal of subsidiaries and other business units	4,057,882	4,471,633
Cash received relating to other investing activities	1,610,063,889	406,000,000
Subtotal of cash inflows	3,499,864,161	2,740,689,146
Cash paid to acquire fixed assets, intangible assets and other long-term assets	(259,637,455)	(433,743,592)
Cash paid to acquire investments	(134,000,000)	(160,000,000)
Cash paid relating to other investing activities	(270,027,000)	(406,000,000)
Subtotal of cash outflows	(663,664,455)	(999,743,592)
Net cash flows used in investing activities	2,836,199,706	1,740,945,554

COMPANY CASH FLOW STATEMENT (Continued)

For the six months ended 30 June 2025

(All amounts in RMB Yuan unless otherwise stated)

Item	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
III. Cash flows from financing activities		
Cash received from borrowings	<u>8,249,675</u>	<u>—</u>
Subtotal of cash inflows	<u>8,249,675</u>	<u>—</u>
Cash repayments of borrowings	—	—
Cash payments for distribution of dividends, profits, or interest expenses	(58,680)	—
Cash paid relating to other financing activities	<u>—</u>	<u>(26,506,953)</u>
Subtotal of cash outflows	<u>(58,680)</u>	<u>(26,506,953)</u>
Net cash flows used in financing activities	<u>8,190,995</u>	<u>(26,506,953)</u>
IV. Effect of foreign exchange rate changes on cash	<u>(1,976)</u>	<u>50,815</u>
V. Net increase/(decrease) in cash	<u>3,155,282,170</u>	<u>1,895,175,864</u>
Add: Cash at the beginning of the period	<u>6,371,485,536</u>	<u>4,721,853,744</u>
VI. Cash at the end of the period	<u><u>9,526,767,706</u></u>	<u><u>6,617,029,608</u></u>

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

Legal representative:

Principal in charge of accounting:

Head of accounting department:

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the six months ended 30 June 2025
(All amounts in RMB Yuan unless otherwise stated)

Item	Note IV	Equity attributable to shareholders of the Parent Company							Minority interests	Total shareholders' equity
		Share capital	Capital surplus	Other comprehensive income	Specific reserve	Surplus reserve	General risk reserve	Undistributed profits		
Closing balance at 31 December 2023		6,491,100,000	11,734,763,579	(185,948,952)	8,474,502	2,802,635,193	-	19,426,032,436	4,261,605,932	44,538,662,690
Changes in accounting policies		-	-	-	-	-	-	-	-	-
Opening balance at 1 January 2024		6,491,100,000	11,734,763,579	(185,948,952)	8,474,502	2,802,635,193	-	19,426,032,436	4,261,605,932	44,538,662,690
Movements for the six months ended										
30 June 2024 (Unaudited)										
Total comprehensive income										
Net profit		-	-	-	-	-	-	2,641,770,421	285,481,918	2,927,252,339
Other comprehensive income	(39)	-	-	3,170,815	-	-	-	-	-	3,170,815
Total comprehensive income for the period		-	-	3,170,815	-	-	-	2,641,770,421	285,481,918	2,930,423,154
Capital contribution and withdrawal by shareholders		-	-	-	-	-	-	-	-	-
Capital contribution by minority shareholders in subsidiaries		-	-	-	-	-	-	-	(2,940,000)	(2,940,000)
Business combinations under common control		-	-	-	-	-	-	-	-	-
Profit distribution										
Distribution to shareholders	(41)	-	-	-	-	-	-	(1,899,944,970)	(480,154,513)	(2,380,099,483)
Specific reserve										
Appropriation to safety fund		-	-	-	38,088,634	-	-	-	15,177,578	53,266,212
Utilization of safety fund		-	-	-	(25,542,678)	-	-	-	(10,359,094)	(35,901,772)
Recognition of other changes in equity of associates and joint ventures	(38)	-	1,788,042	-	-	-	-	-	-	1,788,042
Closing balance at 30 June 2024 (Unaudited)		<u>6,491,100,000</u>	<u>11,736,551,621</u>	<u>(182,778,137)</u>	<u>21,020,458</u>	<u>2,802,635,193</u>	<u>-</u>	<u>20,167,857,887</u>	<u>4,068,811,821</u>	<u>45,105,198,843</u>

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (Continued)

For the six months ended 30 June 2025

(All amounts in RMB Yuan unless otherwise stated)

Item	Note IV	Equity attributable to shareholders of the Parent Company							Minority interests	Total shareholders' equity
		Share capital	Capital surplus	Other comprehensive income	Specific reserve	Surplus reserve	General risk reserve	Undistributed profits		
Closing balance at 31 December 2024		6,491,100,000	11,725,620,802	(572,243,667)	15,925,932	3,234,169,702	-	21,593,359,687	4,304,153,943	46,792,086,399
Changes in accounting policies		-	-	-	-	-	-	-	-	-
Opening balance at 1 January 2025		6,491,100,000	11,725,620,802	(572,243,667)	15,925,932	3,234,169,702	-	21,593,359,687	4,304,153,943	46,792,086,399
Movements for the six months ended										
30 June 2025 (Unaudited)										
Total comprehensive income										
Net profit		-	-	-	-	-	-	2,841,930,077	292,336,412	3,134,266,489
Other comprehensive income	(39)	-	-	(1,137,945)	-	-	-	-	-	(1,137,945)
Total comprehensive income		-	-	(1,137,945)	-	-	-	2,841,930,077	292,336,412	3,133,128,544
Capital contribution and withdrawal by shareholders		-	-	-	-	-	-	-	-	-
Capital contribution by minority shareholders in subsidiaries		-	(5,589,428)	-	-	-	-	-	46,282,227	40,692,799
Business combinations under common control		-	-	-	-	-	-	-	-	-
Profit distribution										
Distribution to shareholders	(41)	-	-	-	-	-	-	(1,302,763,770)	(71,633,080)	(1,374,396,850)
Specific reserve										
Appropriation to safety fund		-	-	-	61,730,470	-	-	-	15,721,168	77,451,638
Utilization of safety fund		-	-	-	(56,995,374)	-	-	-	(11,828,346)	(68,823,720)
Changes in defined benefit plans carried forward to retained earnings		-	-	7,480,000	-	-	-	(7,480,000)	-	-
Recognition of other changes in equity of associates and joint ventures	(38)	-	(1,491,495)	-	-	-	-	-	-	(1,491,495)
Closing balance at 30 June 2025 (Unaudited)		6,491,100,000	11,718,539,879	(565,901,612)	20,661,028	3,234,169,702	-	23,125,045,994	4,575,032,324	48,598,647,315

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

Legal representative:

Principal in charge of accounting:

Head of accounting department:

COMPANY STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the six months ended 30 June 2025
(All amounts in RMB Yuan unless otherwise stated)

Item	Note XIII	Share capital	Capital surplus	Other comprehensive income	Specific reserve	Surplus reserve	Undistributed profits	Total shareholders' equity
Closing balance at 31 December 2023		6,491,100,000	16,013,523,000	(48,941,577)	-	2,802,635,193	13,941,413,447	39,199,730,063
Changes in accounting policies		-	-	-	-	-	-	-
Opening balance at 1 January 2024		6,491,100,000	16,013,523,000	(48,941,577)	-	2,802,635,193	13,941,413,447	39,199,730,063
Movements for the six months ended 30 June 2024 (Unaudited)								
Total comprehensive income								
Net profit		-	-	-	-	-	3,073,935,157	3,073,935,157
Other comprehensive income	(13)	-	-	3,170,815	-	-	-	3,170,815
Total comprehensive income		-	-	3,170,815	-	-	3,073,935,157	3,077,105,972
Consideration difference in business combinations under common control		-	-	-	-	-	-	-
Profit distribution								
Distribution to shareholders	(14)	-	-	-	-	-	(1,899,944,970)	(1,899,944,970)
Specific reserve								
Appropriation to safety fund		-	-	-	16,266,641	-	-	16,266,641
Utilization of safety fund		-	-	-	(16,266,641)	-	-	(16,266,641)
Recognition of other changes in equity of associates and joint ventures	(12)	-	1,788,042	-	-	-	-	1,788,042
Other changes		-	-	-	-	-	-	-
Closing balance at 30 June 2024 (Unaudited)		<u>6,491,100,000</u>	<u>16,015,311,042</u>	<u>(45,770,762)</u>	<u>-</u>	<u>2,802,635,193</u>	<u>15,115,403,634</u>	<u>40,378,679,107</u>

COMPANY STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (Continued)

For the six months ended 30 June 2025

(All amounts in RMB Yuan unless otherwise stated)

Item	Note XIII	Share capital	Capital surplus	Other comprehensive income	Specific reserve	Surplus reserve	Undistributed profits	Total shareholders' equity
Opening balance at 1 January 2025		<u>6,491,100,000</u>	<u>16,004,144,473</u>	<u>(269,611,399)</u>	<u>-</u>	<u>3,234,169,702</u>	<u>15,189,188,316</u>	<u>40,648,991,092</u>
Movements for the six months ended								
30 June 2025 (Unaudited)								
Total comprehensive income								
Net profit		-	-	-	-	-	3,096,639,003	3,096,639,003
Other comprehensive income	(13)	-	-	(1,137,945)	-	-	-	(1,137,945)
Total comprehensive income		-	-	(1,137,945)	-	-	3,096,639,003	3,095,501,058
Profit distribution								
Distribution to shareholders	(14)	-	-	-	-	-	(1,302,763,770)	(1,302,763,770)
Specific reserve								
Appropriation to safety fund		-	-	-	23,093,766	-	-	23,093,766
Utilization of safety fund		-	-	-	(23,093,766)	-	-	(23,093,766)
Recognition of other changes in equity of associates and joint ventures	(12)	-	(1,491,314)	-	-	-	-	(1,491,314)
Closing balance at 30 June 2025 (Unaudited)		<u>6,491,100,000</u>	<u>16,002,653,159</u>	<u>(270,749,344)</u>	<u>-</u>	<u>3,234,169,702</u>	<u>16,983,063,549</u>	<u>42,440,237,066</u>

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

Legal representative:

Principal in charge of accounting:

Head of accounting department:

NOTES TO THE FINANCIAL STATEMENTS

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

I. GENERAL INFORMATION

Qingdao Port International Co., Ltd. (“the Company”) is a joint stock limited company incorporated in Qingdao City of Shandong Province of the People’s Republic of China (“the PRC”) on 15 November 2013 (the Company’s “Date of Incorporation”) by Shandong Port Qingdao Port Group Co., Ltd. (formerly known as Qingdao Port (Group) Co., Ltd., hereinafter “Qingdao Port Group”) as the Leading Promoter together with “Other Promoters” including China Merchants Port Modern Logistics Technology (Shenzhen) Co., Ltd. (“Malai Storage”), Qingdao Ocean Shipping Co., Ltd. (“Qingdao Ocean”) (now renamed as COSCO Shipping (Qingdao) Co., Ltd.), China Shipping Terminal, Everbright Holdings (Qingdao) Financial Leasing Co., Ltd.(Everbright Holdings Qingdao) and Qingdao International Investment Co., Ltd. (“Qingdao International Investment”) (Collectively referred to as “other promoters”), with its registered address at No. 12 Jingba Road, Huangdao District, Qingdao, PRC.

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

I. GENERAL INFORMATION (Continued)

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

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

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

As at 30 June 2025, the total share capital of the Company is 6,491,100,000 shares with a par value of RMB1.00, including 5,392,075,000 A-shares and 1,099,025,000 H-shares, accounting for 83.07% and 16.93% respectively of the total share capital of the Company.

For the six-month period ending 30 June 2025, Shandong Port Investment Holding Co., Ltd. (“Shandong Port Investment”), a subsidiary of Qingdao Port Group, reduced its holdings of the Company’s H shares by 13,739,000 shares through the Huabao Overseas Market Investment Series No. 2 Phase 28-5 QDII Single Fund Trust, representing 0.21% of the Company’s total share capital. Following the completion of the reduction, Qingdao Port Group’s aggregate direct and indirect shareholding in the Company decreased from 55.77% to 55.56%.

Qingdao Port Group is the parent company of the Company. The ultimate parent company of the Company is Shandong Port Group.

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

These financial statements have been approved for issuance by the Company’s Board of Directors on 28 August 2025.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

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

(1) Basis of preparation for financial statements

(a) Basis for preparation

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

The new Hong Kong *Companies Ordinance* came into effect on 3 March 2014. Certain disclosures in the financial statements have been adjusted in accordance with requirements in the Hong Kong *Companies Ordinance*.

(b) Preparation basis of consolidated financial statements

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

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

(b) Preparation basis of consolidated financial statements (Continued)

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

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

(c) Going concern

The Group has assessed the ability to continue as a going concern for the twelve months from 30 June 2025 and has not identified any events or circumstances that raise significant doubt as to its ability to continue as a going concern. The financial statements are prepared on a going concern basis.

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

The financial statements comply with the requirements of the Accounting Standards for Business Enterprises and truly, accurately, and completely present the financial position of the Company and the Group as at 30 June 2025 and the results of their operations and cash flows for the six-month period ended 30 June 2025, and other related information.

(3) Accounting period

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

(4) Recording currency

The recording currency is Renminbi (RMB).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

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

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

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

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

(a) Business combinations under common control

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

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

(b) Business combinations not under common control

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

(c) Preparation of consolidated financial statements

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

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

(c) Preparation of consolidated financial statements (Continued)

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

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

Acquisition of minority interests in subsidiaries

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

(7) Cash and cash equivalents

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

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

(a) Foreign currency transactions

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

(b) Translation of foreign currency financial statements

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

(9) Financial instruments

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

(a) Classification and measurement of financial assets

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(9) Financial instruments (Continued)

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

Debt instruments

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

Measured at amortized cost:

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

Measured at fair value through other comprehensive income:

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

Measured at fair value through profit or loss:

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(9) Financial instruments (Continued)

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

Equity instruments

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

(b) Impairment of financial instruments

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
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II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(9) Financial instruments (Continued)

(b) Impairment of financial instruments (Continued)

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

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

Grouping of financing receivables and notes receivable:

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

Accounts receivable portfolio:

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(9) Financial instruments (Continued)

(b) Impairment of financial instruments (Continued)

Grouping of other receivables and long-term receivables:

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(9) Financial instruments (Continued)

(c) Derecognition

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

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

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

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

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

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

(e) Determination of fair value of financial instruments

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(10) Inventories

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

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

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

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

(11) Long-term equity investments

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(11) Long-term equity investments (Continued)

(a) Determination of investment cost

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

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(11) Long-term equity investments (Continued)

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

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

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

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

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

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

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

(d) Impairment of long-term equity investments

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(12) Investment properties

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

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

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(13) Fixed assets

(a) Recognition and initial measurement of fixed assets

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

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

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

(b) Depreciation methods of fixed assets

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(13) Fixed assets (Continued)

(b) Depreciation methods of fixed assets (Continued)

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

(c) Disposal of fixed assets

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

(14) Construction in progress

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

(15) Borrowing costs

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(15) Borrowing costs (Continued)

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

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

(16) Intangible assets

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

(a) Land use rights

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

(b) Sea area use right

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

(c) Software

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

(d) Periodical review of useful life and amortization method

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(16) Intangible assets (Continued)

(e) Research and development

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

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

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

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

(f) Impairment of intangible assets

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

(17) Impairment of long-term assets

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

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

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

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

(18) Long-term prepaid expenses

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

(19) Employee benefits

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

(a) Short-term employee benefits

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(19) Employee benefits (Continued)

(b) Post-employment benefits

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

As at 30 June 2025, the Group had no forfeited contributions (i.e., contributions processed by the Group on behalf of employees who withdrew from the scheme before the contributions became their own) for the set deposit and withdrawal plan to reduce the current and future contribution levels. For defined benefit plans, the Group has not yet established scheme assets and therefore there is no relevant information on the market value, contribution level, or material surplus or shortfall of scheme assets to disclose.

(c) Basic pensions

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

(d) Corporate annuity

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(19) Employee benefits (Continued)

(e) Supplemental retirement benefits

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(19) Employee benefits (Continued)

(f) Termination benefits

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

(g) Early retirement benefits

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

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

(20) Provisions

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(21) Dividend distribution

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

(22) Revenue recognition principles and measurement methods

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

(a) Rendering of services

The corresponding revenue recognition methods are summarised as follows:

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

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

(a) Rendering of services (Continued)

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

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

(b) Sale of goods

Revenue from sales of oil and electricity belongs to contract obligations to be satisfied at a point in time, and the corresponding revenue is recognized when the control of goods is transferred to the buyer.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(23) Government grants

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

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

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

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

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

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

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

(24) Deferred tax assets and deferred tax liabilities

Deferred tax assets and deferred tax liabilities are calculated and recognized based on the differences arising between the tax bases of assets and liabilities and their carrying amounts (temporary differences). Deferred tax asset is recognized for the deductible losses that can be carried forward to subsequent years for deduction of the taxable profit in accordance with the tax laws. No deferred tax liability is recognized for a temporary difference arising from the initial recognition of goodwill. No deferred tax asset or deferred tax liability is recognized for the temporary differences resulting from the initial recognition of assets or liabilities due to a transaction other than a business combination, which affects neither accounting profit nor taxable profit (or deductible loss). At the balance sheet date, deferred tax assets and deferred tax liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled.

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

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

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

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

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

(25) Leases

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

(a) The Group as the lessee:

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(25) Leases (Continued)

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

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

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

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

(b) The Group as the lessor:

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

(i) Operating lease

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

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

(ii) Financial lease

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(26) Held for sale and discontinued operations

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

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

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

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

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

(27) Specific reserve

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(28) Segment information

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

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

(29) Fair value measurement

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

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

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

The fair value of Level 3 is determined based on the Group's valuation models, such as discounted cash flow models. The Group also considers the initial transaction price, recent transactions in identical or similar financial instruments, or full third-party transactions in comparable financial instruments. On 30 June 2025, Level 3 financial assets measured at fair value are valued using significant unobservable inputs such as discount rates, but the fair value is not materially sensitive to reasonable changes in these significant unobservable inputs.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(29) Fair value measurement (Continued)

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

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

(30) Critical accounting estimates and judgements

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

(a) Critical accounting estimates and assumptions

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

(i) *Estimate on depreciation of fixed assets*

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

(ii) *Actuarial calculation of supplemental retirement benefits*

The liabilities recognized from supplemental retirement benefits by the Group are calculated on an actuarial basis using a number of assumptions. The assumptions include discount rates, salaries and welfare growth rate, and mortality rates, etc. Any differences between the actual results and assumptions are accounted for in the current period in accordance with relevant accounting policies.

Although the Group considers its assumptions are reasonable, changes in experience data and assumptions will affect the amounts of early retirement benefit and supplemental retirement benefits liabilities and other comprehensive income associated with supplemental retirement benefits of the Group.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

II. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

(30) Critical accounting estimates and judgements (Continued)

(a) Critical accounting estimates and assumptions (Continued)

(iii) Measurement of ECL

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

(31) Significant changes in accounting policies and accounting estimates

(a) Significant changes in accounting policies

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

(b) Significant changes in accounting estimates

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

III. TAXATION

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

III. TAXATION (Continued)

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

Descriptions of taxpayers with different corporate income tax rates:

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

(a) VAT

During the six-month period ended 30 June 2025, in addition to sales and commodity trading of fuel oil, mechanical and electrical equipment, hydropower, etc., the Company and certain subsidiaries also provide services such as transportation, stevedoring, port management, tugboat and barging, ocean shipping tallying, and tangible movable property leasing. Value-added tax is applicable to the above-mentioned businesses. The value-added tax rate applicable to the sales of fuel oil, mechanical and electrical equipment and electricity, commodity trading, and tangible movable property leasing services is 13%; the value-added tax rate applicable to stevedoring services, port management services, tugboat and barging services, ocean shipping tallying, and other services is 6%; the value-added tax rate applicable to the provision of transportation services, the provision of construction and installation projects, etc., and the transfer of real estate such as docks, storage yards, land use rights, and the lease of real estate services is 9%; the transfer or lease of real estate acquired before 30 April 2016 is taxed pursuant to the simplified taxation method, and the applicable tax rate is 3% or 5%.

(b) Withholding and payment of enterprise income tax

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

III. TAXATION (Continued)

(2) Tax incentives

(a) Enterprise income tax

In accordance with Cai Shui [2008] No. 116 and Cai Shui [2008] No. 46, Qingdao Port Haiye Dongjiakou Oil Products Co., Ltd. ("Dongjiakou Oil Products"), Qingdao Port Dongjiakou Liquid Chemical Terminal Co., Ltd. ("Liquid Chemical Terminal"), and Qingdao Port Multi-purpose Terminal Co., Ltd. ("QMT"), the subsidiaries of the Company, engaged in public infrastructure projects specially supported by the state, so the corresponding loading and unloading business to Dongjiakou Oil Products and Liquid Chemical Terminal would be exempted from enterprise income tax for three years starting from 2021 and eligible for a 50% tax reduction for the next three years. 2025 is the second year of income tax reduced by half. The corresponding terminal loading and unloading business to QMT would be exempted from enterprise income tax for three years starting from 2022 and eligible for a 50% tax reduction for the next three years. 2025 is the first year of income tax reduced by half.

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

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

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

For the six-month period ending 30 June 2025, according to the State Taxation Administration Announcement No. 12 of 2023, Cultural & Media, GLS Shipping, Land Port Logistics, Eimskip Coldchain, Shengshi Logistics, Shipping Agency, Gangfeng Shipping Agency, China Ocean Shipping, and Tally Weihai, subsidiaries of the Company, were all small low-profit enterprises. The portion of the annual taxable income of the above enterprises not exceeding RMB3 million shall be included in the taxable income at the reduced percentage of 25%, and the enterprise income tax shall be prepaid at the rate of 20%.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

III. TAXATION (Continued)

(2) Tax incentives (Continued)

(b) VAT

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

(c) Land use tax for terminal land

For the six-month period ending 30 June 2025, according to the *Announcement on Continuing the Implementation of the Preferential Urban Land Use Tax Policies for the Land Used by Logistics Enterprises for Bulk Commodity Storage Facilities* (Cai Shui [2023] No. 5) issued by the Ministry of Finance and the State Taxation Administration, the Group’s warehousing area owned (for self-using and leasing) or leased for bulk commodities was subject to 50% tax reduction of land use tax. According to the *Regulation on Issue of Land Use Tax Exemption of Port Land of Transport Department* (Guo Shui Di Zi [1989] No. 123), the Group’s land exclusively for ports (Berths, including quayside, deep-water floating quay, embankment, dam, etc.) was exempted from land use tax.

(d) Additional tax

For the six-month period ending 30 June 2025, pursuant to the *Announcement of the Ministry of Finance and the State Taxation Administration on Tax Policies Related to Further Supporting the Development of Micro and Small Enterprises and Individual Businesses* (Cai Shui [2023] No. 12), from 1 January 2023 to 31 December 2027, VAT small-scale taxpayers, small low-profit enterprises, and individual businesses are subject to 50% tax reduction of the resource tax (excluding the water resource tax), city maintenance and construction tax, property tax, urban land use tax, stamp duty (excluding securities transaction stamp duty), farmland occupation tax, educational surcharge, and local education surcharge. Cultural & Media, GLS Shipping, Land Port Logistics, Eimskip Coldchain, Shengshi Logistics, Gangfeng Agency, Shipping Agency, and China Ocean Shipping Tally Weihai, subsidiaries of the Group, are small, low-profit enterprises and are entitled to 50% surtax reduction for the current period.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(1) Cash at bank and on hand

	30 June 2025 (Unaudited)	31 December 2024
Cash on hand	–	–
Cash at bank	1,914,911,422	326,502,875
Deposits of Shandong Port Finance Company	13,947,799,465	12,297,234,573
Other cash balances	11,612,795	30,929,676
Interest receivable	55,289,785	18,462,588
	<u>15,929,613,467</u>	<u>12,673,129,712</u>
Including: Amounts deposited abroad	<u>8,629,802</u>	<u>33,584,127</u>

As at 30 June 2025, other cash balances included deposits for the issuance of bank acceptance notes of RMB3,929,905 (31 December 2024: RMB6,108,047), and deposits for the issuance of letters of guarantee and other guarantees of RMB7,682,890 (31 December 2024: RMB11,821,629).

(2) Financial assets held for trading

	30 June 2025 (Unaudited)	31 December 2024
Structured deposit	–	–
Stock investments	<u>5,736,225</u>	<u>8,050,643</u>
	<u>5,736,225</u>	<u>8,050,643</u>

(3) Notes receivable

	30 June 2025 (Unaudited)	31 December 2024
Bank acceptance notes	9,849,375	22,322,306
Trade acceptance notes	11,908,024	19,009,840
Less: Provision for bad debts	<u>(799,586)</u>	<u>(892,275)</u>
	<u>20,957,813</u>	<u>40,439,871</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(3) Notes receivable (Continued)

- (a) As at 30 June 2025, the Group had no pledged notes receivable (31 December 2024: nil).
- (b) As at 30 June 2025, the Group's trade acceptance notes endorsed or discounted but not matured, and the notes accepted by banks with lower credit ratings amounted to RMB2,539,316 (31 December 2024: RMB8,641,798).
- (c) **Provision for bad debts**

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

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

Category	30 June 2025 (Unaudited)				31 December 2024			
	Book balance		Provision for bad debts		Book balance		Provision for bad debts	
	Amount	Ratio	Amount	Accrual ratio	Amount	Ratio	Amount	Accrual ratio
Provision for bad debts on an individual basis	-	-	-	-	-	-	-	-
Provision for bad debts on a portfolio basis	21,757,399	100.00%	(799,586)	3.68%	41,332,146	100.00%	(892,275)	2.16%
	<u>21,757,399</u>	<u>100.00%</u>	<u>(799,586)</u>	<u>3.68%</u>	<u>41,332,146</u>	<u>100.00%</u>	<u>(892,275)</u>	<u>2.16%</u>

As at 30 June 2025, the Group had no notes receivable with a provision for bad debts on an individual basis. There were no actual write-offs of notes receivable and provision for bad debts during the period.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(4) Accounts receivable

	30 June 2025 (Unaudited)	31 December 2024
Accounts receivable	2,317,329,434	2,228,642,440
Less: Provision for bad debts	(164,781,148)	(143,801,916)
	<u>2,152,548,286</u>	<u>2,084,840,524</u>

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

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

	30 June 2025 (Unaudited)	31 December 2024
Within 1 year	2,052,383,819	2,050,071,465
1 to 2 years	138,845,024	83,581,918
2 to 3 years	67,275,507	66,766,435
Over 3 years	58,825,084	28,222,622
	<u>2,317,329,434</u>	<u>2,228,642,440</u>

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

(b) As at 30 June 2025, accounts receivable and contract assets with the top five closing balances, grouped by the party in arrears:

	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	As a percentage of the total closing balance of accounts receivable and contract assets (%)	Closing balance of bad debt provision for accounts receivable and contract assets
Total amount of the top five accounts receivable and contract assets	<u>457,228,203</u>	<u>66,231,432</u>	<u>523,459,635</u>	<u>20.66</u>	<u>(42,052,980)</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(4) Accounts receivable (Continued)

(c) For the six months ended 30 June 2025, the Group had no accounts receivable that had been derecognized due to the transfer of financial assets (for the 6 months ended 30 June 2024: nil).

(d) Provision for bad debts

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

(i) As at 30 June 2025, accounts receivable for which the related provision for bad debts was provided on an individual basis were receivables of RMB50,000 from Ningxia Lingwu Baota Dagu Warehousing and Transportation Co., Ltd. The Group considers the above receivables to be difficult to recover due to corresponding companies' difficulties in the business operations or being included in the list of dishonest persons subject to enforcement for involvement in several litigations, thus a full provision for bad debts is made by the Group.

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

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

	30 June 2025 (Unaudited)		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL rate	Amount
Within 1 year	2,052,383,819	4.55%	(93,310,309)
1 to 2 years	138,845,024	10.00%	(13,884,502)
2 to 3 years	67,275,507	30.00%	(20,182,652)
Over 3 years	58,775,084	63.55%	(37,353,685)
	<u>2,317,279,434</u>		<u>(164,731,148)</u>
31 December 2024			
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL rate	Amount
Within 1 year	2,050,071,465	4.54%	(92,984,387)
1 to 2 years	83,581,918	10.00%	(8,358,060)
2 to 3 years	66,766,435	30.00%	(20,029,931)
Over 3 years	28,172,622	79.44%	(22,379,538)
	<u>2,228,592,440</u>		<u>(143,751,916)</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(4) Accounts receivable (Continued)

(d) Provision for bad debts (Continued)

(iii) There were no bad debt provisions reversed during the period, and the provision for bad debts on a portfolio basis amounted to RMB20,979,232. There were no actual write-offs of accounts receivable and provision for bad debts during the period.

(e) As at 30 June 2025, the Group had no pledged accounts receivable (31 December 2024: nil).

(5) Financing receivables

	30 June 2025 (Unaudited)	31 December 2024
Bank acceptance notes	<u>256,215,550</u>	<u>212,131,274</u>

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

For the six months ended 30 June 2025, the Group transferred substantially all the risks and rewards of ownership of the endorsed and discounted bank acceptance notes to other parties. The book values of derecognized bank acceptance notes were RMB227,263,214 and RMB52,296, respectively, and losses on discount of RMB345 were included in investment income (Note IV. (48)).

As at 30 June 2025, the Company measures the provision for bad debts based on the lifetime ECL. As the credit risk characteristics of the bank acceptance notes held by the Group were similar, no provision for impairment was made individually. In addition, there was no significant credit risk associated with its bank acceptance notes, and it was not expected that there would be any significant losses from non-performance by these banks.

(b) As at 30 June 2025, the Group had no pledged bank acceptance notes presented as financing receivables (31 December 2024: nil).

(c) As at 30 June 2025, the bank acceptance notes that the Group has endorsed or discounted but not matured amounted to RMB14,139,078 (31 December 2024: RMB27,990,500) and have been derecognized.

For the six months ended 30 June 2025, the Group did not have any write-offs of significant financing receivables (for the six months ended 30 June 2024: nil).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(6) Advances to suppliers

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

	30 June 2025 (Unaudited)		31 December 2024	
	Amount	% of total balance	Amount	% of total balance
Within 1 year	184,055,194	98.67	137,069,443	98.4
1 to 2 years	2,265,171	1.21	2,224,316	1.60
2 to 3 years	218,436	0.12	—	—
	<u>186,538,801</u>	<u>100.00</u>	<u>139,293,759</u>	<u>100</u>

As at 30 June 2025, advances to suppliers aged over one year amounted to RMB2,483,607 (31 December 2024: RMB2,224,316).

(b) As at 30 June 2025, advances to suppliers with the top five closing balances, grouped by the party in arrears, are summarized and analyzed as follows:

	Amount	% of the total balance of advances to suppliers
Total amount of the top five accounts advances to suppliers	<u>84,555,086</u>	<u>45.33</u>

(7) Other receivables

	30 June 2025 (Unaudited)	31 December 2024
Dividend receivable	288,076,215	28,841,483
Other receivables	<u>795,622,481</u>	<u>806,687,567</u>
	<u>1,083,698,696</u>	<u>835,529,050</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(7) Other receivables (Continued)

The classification of dividend receivable is as follows:

	30 June 2025 (Unaudited)	31 December 2024
Qingdao Shihua Crude Oil Terminal Co., Ltd. ("Qingdao Shihua")	280,196,789	–
Sinopec Qingdao Liquefied Natural Gas Co., Ltd. ("Sinopec Qingdao")	4,119,054	4,119,054
Shandong Yuanhai Zhirong Supply Chain Development Co., Ltd. ("Yuanhai Zhirong") (former name: Qingdao Shenzhou International Freight Forwarding Co., Ltd.)	2,129,805	17,621,365
Shandong Luhai Equipment Group Co., Ltd. ("Luhai Equipment Group")	1,611,067	1,611,067
Sanya Yalong Bay Development Co., Ltd. ("Sanya Yalong Bay")	19,500	19,500
Qingdao Port International Trade Logistics Co., Ltd. ("Qinggang International Trade Logistics")	–	4,745,177
Hailu International Port Operation Management Co., Ltd. ("Hailu International")	–	725,320
	<u>288,076,215</u>	<u>28,841,483</u>

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

	30 June 2025 (Unaudited)	31 December 2024
Receivables from agency business (i)	566,650,906	570,646,160
Deposit and guarantee	69,147,808	62,296,437
Supplementary medical insurance pooling funds (ii)	66,557,341	51,906,856
Land resumption compensation (iii)	55,923,850	83,435,139
Advances for land use rights receivable (iv)	14,622,074	14,622,074
Advances for targeted procurement operations (v)	1,346,276	1,346,276
Others	44,463,076	46,029,938
	<u>818,711,331</u>	<u>830,282,880</u>
Less: Provision for bad debts	<u>(23,088,850)</u>	<u>(23,595,313)</u>
	<u>795,622,481</u>	<u>806,687,567</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(7) Other receivables (Continued)

- (i) Receivables from agency business mainly represent payments made by the Group on behalf of shipowners for handling the necessary formalities for vessels' entry and exit from the ports.
- (ii) Supplementary medical welfare pooling funds represent the prepaid funds deposited into the account of the Shandong Branch of Ping An Endowment Insurance Co., Ltd. for the payment of employees' supplementary medical welfare. The Group expects that the recovery risk is low.
- (iii) Land resumption compensation represents compensation receivable for three state-owned construction land use rights of QMT, a subsidiary of the Group, which were resumed by the Huangdao District Natural Resources Bureau of Qingdao City in the prior year.
- (iv) Advances for land use rights receivable are the prepayments to the People's Government of Manshan Town, Weihai Lingang Economic and Technological Development Zone and Weihai Lingang State Owned Assets Management Co., Ltd., in prior years for the purchase of land, by Weihai International Logistics Park Development Co., Ltd. ("Logistics Park Development"), a subsidiary of the Company. Due to the change in government planning, Logistics Park Development will not purchase the piece of land and the payment is to be recovered, and the Group expects that the payment will be fully recovered.
- (v) Advances for targeted procurement operations represented the amounts to be recovered from the Group's targeted purchases of goods for customers.

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

	30 June 2025 (Unaudited)	31 December 2024
Within 1 year	703,739,843	741,024,496
1 to 2 years	46,528,206	43,103,151
2 to 3 years	29,938,016	18,265,516
Over 3 years	38,505,266	27,889,717
	<u>818,711,331</u>	<u>830,282,880</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(7) Other receivables (Continued)

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

	Stage 1					Stage 3		
	ECL over the next 12 months (on a portfolio basis)		ECL over the next 12 months (on an individual basis)		Subtotal	Lifetime ECL (credit impairment has occurred)		Total
						(on an individual basis)		
	Provision		Provision		Provision	Provision		Provision
	Book balance	for bad debts	Book balance	for bad debts	for bad debts	Book balance	for bad debts	for bad debts
31 December 2024	807,314,530	(22,249,037)	21,622,074	–	(22,249,037)	1,346,276	(1,346,276)	(23,595,313)
Increase in the current period (Unaudited)	–	–	–	–	–	–	–	–
Decrease in the current period (Unaudited)	(11,571,549)	506,463	–	–	506,463	–	–	506,463
30 June 2025 (Unaudited)	795,742,981	(21,742,574)	21,622,074	–	(21,742,574)	1,346,276	(1,346,276)	(23,088,850)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(7) Other receivables (Continued)

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

As at 30 June 2025, the Group did not have any other receivables in Stage 2 (31 December 2024: nil). The analyses of other receivables in the stage 1 and stage 3 are as follows:

- (i) As at 30 June 2025, other receivables for which the provision for bad debts was made on an individual basis are analyzed as follows:

	Book balance	ECL rate over the next 12 months	Provision for bad debts	Reason
Stage 1				
Land compensation receivable	7,000,000	–	–	i)
Advances for land use rights receivable	14,622,074	–	–	ii)
	<u>21,622,074</u>		<u>–</u>	

	Book balance	Lifetime ECL rate	Provision for bad debts	Reason
Stage 3				
Receivables from Qingdao Huamin Shichuang International Trade Co., Ltd.	<u>1,346,276</u>	100%	<u>(1,346,276)</u>	iii)
	<u>1,346,276</u>		<u>(1,346,276)</u>	

- i) As at 30 June 2025, an amount of RMB7,000,000 was receivable from the Weihai Lingang Economic and Technological Development Zone Finance and Capital Bureau, which represents the compensation payment granted by Weihai Lingang District for using part of Logistics Park Development's logistics land for the railroad planning, which the Group expects to be fully recovered.
- ii) As at 30 June 2025, receivables from the People's Government of Manshan Town, Weihai Lingang Economic and Technological Development Zone, and Weihai Lingang State Owned Assets Management Co., Ltd. totaled RMB14,622,074, which were the prepayments in prior years for the purchase of land, by Logistics Park Development, a subsidiary of the Group. Due to the change in government planning, Logistics Park Development will not purchase the piece of land and the payment is to be recovered, and the Group expects that the payment will be fully recovered.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(7) Other receivables (Continued)

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

- iii) As at 30 June 2025, receivables from Qingdao Huamin Shichuang International Trade Co., Ltd. amounted to RMB1,346,276. The company has ceased to operate and is involved in several litigations. The Group has made a full provision for bad debts in respect of the payment.
- (ii) As at 31 December 2024, other receivables for which the related provision for bad debts was made on an individual basis are analyzed as follows:

	Book balance	ECL rate over the next 12 months	Provision for bad debts	Reason
Stage 1				
Land compensation receivable	7,000,000	–	–	i)
Advances for land use rights receivable	14,622,074	–	–	ii)
	<u>21,622,074</u>		<u>–</u>	
	Book balance	Lifetime ECL rate	Provision for bad debts	Reason
Stage 3				
Receivables from Qingdao Huamin Shichuang International Trade Co., Ltd.	1,346,276	100%	(1,346,276)	iii)
	<u>1,346,276</u>		<u>(1,346,276)</u>	

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(7) Other receivables (Continued)

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

(iii) As at 30 June 2025 and 31 December 2024, other receivables for which the related provision for bad debts was made on a portfolio basis are all within Stage 1, which are analyzed as follows:

	30 June 2025 (Unaudited)			31 December 2024		
	Book balance	Loss provisions		Book balance	Loss provisions	
	Amount	Amount	Accrual ratio	Amount	Amount	Accrual ratio
Portfolio of receivables from						
agency business	566,650,906	(15,085,933)	2.66%	570,646,160	(15,539,485)	2.72%
Deposit and guarantee portfolios	69,147,808	-	-	62,296,437	-	-
Other portfolios	159,944,267	(6,656,641)	4.16%	174,371,933	(6,709,552)	3.85%
	<u>795,742,981</u>	<u>(21,742,574)</u>		<u>807,314,530</u>	<u>(22,249,037)</u>	

(c) No provision for bad debts was recognized during the period, and the amount of provision for bad debts reversed was RMB506,463, and there were no actual write-offs of other receivables and provision for bad debts during the period.

(d) As at 30 June 2025, other receivables with the top five closing balances, grouped by the party in arrears, are analyzed as follows:

	Nature	Balance	Aging	% of total balance of other receivables	Provision for bad debts
Shandong Branch of Ping An Annuity Insurance Company of China, Ltd.	Supplementary medical insurance pooling funds	61,626,915	Within 1 year, 1 to 2 years	7.53	-
Qingdao Dongjiakou Economic Zone Management Committee	Land resumption payments	55,923,850	Within 1 year	6.83	-
Qingdao Port (Group) Engineering Co., Ltd. ("Qingdao Port Engineering")	Receivables from agency business, others	36,716,845	Within 1 year	4.48	(1,102,461)
Wallem Shipping (China) Co., Ltd.	Receivables from agency business	35,158,965	Within 1 year	4.29	(1,094,769)
Beijing Foton International Trade Co., Ltd.	Receivables from agency business	18,633,242	Within 1 year	2.28	(558,997)
		<u>208,059,817</u>		<u>25.41</u>	<u>(2,756,227)</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(7) Other receivables (Continued)

- (e) As at 30 June 2025, the Group did not recognize government grants at amounts receivable (31 December 2024: nil).
- (f) As at 30 June 2025, the Group had no pledged other receivables (31 December 2024: nil).

(8) Inventories

- (a) Inventories are categorized as follows:

	30 June 2025 (Unaudited)			31 December 2024		
	Book balance	Provision for decline in the value of inventories	Book value	Book balance	Provision for decline in the value of inventories	Book value
Materials and finished goods	21,501,636	-	21,501,636	23,103,024	-	23,103,024
Fuel	3,043,929	-	3,043,929	5,268,804	-	5,268,804
Spare parts	1,462,789	-	1,462,789	1,220,974	-	1,220,974
Others	17,486,511	-	17,486,511	11,095,240	-	11,095,240
	<u>43,494,865</u>	<u>-</u>	<u>43,494,865</u>	<u>40,688,042</u>	<u>-</u>	<u>40,688,042</u>

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

	31 December 2024	Increase in the current period (Unaudited)	Decrease in the current period (Unaudited)	30 June 2025 (Unaudited)
Materials and finished goods	23,103,024	318,566,849	(320,168,237)	21,501,636
Fuel	5,268,804	239,217,210	(241,442,085)	3,043,929
Spare parts	1,220,974	8,440,940	(8,199,125)	1,462,789
Others	11,095,240	244,743,626	(238,352,355)	17,486,511
	<u>40,688,042</u>	<u>810,968,625</u>	<u>(808,161,802)</u>	<u>43,494,865</u>

- (c) As at 30 June 2025, the management of the Group considered that there was no impairment of the inventories, therefore, no provision for the decline in value of inventories was required (31 December 2024: nil).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(9) Contract assets

	30 June 2025 (Unaudited)	31 December 2024
Contract assets	215,979,916	217,964,411
Less: Provision for impairment of contract assets	(7,574,622)	(8,557,651)
	<u>208,405,294</u>	<u>209,406,760</u>

The Group measures the loss provision for contract assets based on lifetime expected credit losses, regardless of whether or not there is a significant financing component. As at 30 June 2025, none of the Group's contract assets were overdue, and there were no contract assets for which individual impairment provisions had been made (31 December 2024: nil).

(10) Other current assets

	30 June 2025 (Unaudited)	31 December 2024
VAT input to be deducted	<u>230,864,630</u>	<u>320,558,682</u>

(11) Long-term receivables

	30 June 2025 (Unaudited)	31 December 2024
Receivables from Hunan Ccoop Commercial Management Co., Ltd. ("Hunan Ccoop") i)	32,483,877	32,486,581
Less: Current portion	<u>(1,832,757)</u>	<u>(1,835,461)</u>
Provision for bad debts	<u>-</u>	<u>-</u>
	<u>30,651,120</u>	<u>30,651,120</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(11) Long-term receivables (Continued)

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

	Stage 3		
	Lifetime ECL (credit impairment has occurred)		Total
	Book balance	Provision for bad debts	Provision for bad debts
31 December 2024	32,486,581	–	–
Increase in the current period (Unaudited)	489,516	–	–
Decrease in the current period (Unaudited)	(492,220)	–	–
30 June 2025 (Unaudited)	<u>32,483,877</u>	<u>–</u>	<u>–</u>

- i) As at 30 June 2025, the Group did not have long-term receivables at Stage 1 and Stage 2 (31 December 2024: nil). The receivable at Stage 3 of RMB32,483,877 was from Hunan Ccoop (31 December 2024: RMB32,486,581). Due to its poor performance, Hunan Ccoop was unable to pay the amount and therefore provided the property of its parent company, Ccoop Group Co., Ltd., as collateral for the payment. According to the court's re-ruling, the amount was undertaken by Ccoop Group Co., Ltd. and would be repaid in installments within 10 years. RMB492,220 was repaid for the six months ended 30 June 2025. The Group believed that the recovery risk is relatively low and therefore no provision for bad debts was made.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(11) Long-term receivables (Continued)

(b) As at 30 June 2025 and 31 December 2024, the Group had no long-term receivables in stage 1 and stage 2. The analysis of long-term receivables in stage 3 is as follows:

(i) As at 30 June 2025, long-term receivables for which the provision for bad debts was made on an individual basis are analyzed as follows:

Stage 3	Book balance	Lifetime ECL rate	Provision for bad debts	Reason
Receivables from Hunan Ccoop	<u>30,651,120</u>	<u>-</u>	<u>-</u>	Note IV. (11) (a)

As at 31 December 2024, long-term receivables for which the related provision for bad debts was made on an individual basis are analyzed as follows:

Stage 3	Book balance	Lifetime ECL rate	Provision for bad debts	Reason
Receivables from Hunan Ccoop	<u>30,651,120</u>	<u>-</u>	<u>-</u>	Note IV. (11) (a)

(12) Long-term equity investments

	30 June 2025 (Unaudited)	31 December 2024
Joint ventures (a)	11,201,513,934	10,856,736,941
Associates (b)	<u>3,708,633,116</u>	<u>3,654,216,301</u>
	<u>14,910,147,050</u>	<u>14,510,953,242</u>

As at 30 June 2025, the Group's management considered that there was no indication that long-term equity investments might be impaired, therefore, no provision for impairment was made (31 December 2024: nil).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(12) Long-term equity investments (Continued)

(a) Joint ventures

Investments in joint ventures are set out below:

	31 December 2024	Movements in the current period (Unaudited)				30 June 2025
		Share of net profit/(loss) under equity method	Changes in other equities	Cash dividends or profits declared	Unrealized gains or losses on intra-group transactions	
Qingdao Qianwan Container Terminal Co., Ltd. ("QQCT") (i)	7,781,683,802	571,098,666	2,446,584	-	3,541,235	8,358,770,287
Qingdao Shihua	1,389,609,070	50,391,514	(1,941,417)	(280,196,789)	2,228,406	1,160,090,784
Qingdao Port Dongjiakou Ore Terminal Co., Ltd. ("QDOT")	666,766,734	2,863,653	163,300	-	559,968	670,353,655
Qingdao Qianwan West Port United Terminal Co., Ltd. ("West United") (ii)	408,287,610	(26,383,150)	190,087	-	955,032	383,049,579
Qingdao PetroChina Storage Co., Ltd. ("PetroChina Storage")	158,048,783	(93,092)	210,178	-	-	158,165,869
Huaneng Qingdao Port Co., Ltd. ("Huaneng Qingdao")	132,827,869	2,971,187	144,656	-	744,850	136,688,562
Qingdao Port Dongjiakou Wanbang Logistics Co., Ltd. ("Dongjiakou Wanbang Logistics") (iii)	67,421,825	(99,899)	-	-	-	67,321,926
Qingdao Evergreen Container Storage & Transportation Co., Ltd. ("Evergreen Container")	59,953,823	16,496,316	-	(25,790,967)	-	50,659,172
Qingdao Port Dongjiakou Sinotrans Logistics Co., Ltd. ("Dongjiakou Sinotrans Logistics")	52,410,693	93,362	-	(294,000)	-	52,210,055
Qingdao Orient International Container Storage & Transportation Co., Ltd. ("Orient Container")	49,324,596	7,327,380	-	-	-	56,651,976
Qingdao United International Shipping Agency Co., Ltd. ("United Shipping Agency")	31,059,939	2,402,869	-	-	-	33,462,808
Qingdao Ganglianhai International Logistics Co., Ltd. ("Ganglianhai Logistics")	21,259,771	-	-	-	-	21,259,771
Qingdao Ganglianrong International Logistics Co., Ltd. ("Ganglianrong Logistics")	13,454,941	3,632,008	-	-	-	17,086,949
Qingdao Port Yuanhai Shipping Agency Co., Ltd. ("Yuanhai Shipping Agency")	13,228,420	849,910	-	-	-	14,078,330
Hailu International	4,439,640	438,158	-	-	-	4,877,798
Yuanhai Zhirong	4,163,929	9,759,948	-	-	-	13,923,877
Qingdao Port (Linyi) High-speed Logistics Co., Ltd. ("Linyi Expressway")	2,795,496	67,040	-	-	-	2,862,536
	<u>10,856,736,941</u>	<u>641,815,870</u>	<u>1,213,388</u>	<u>(306,281,756)</u>	<u>8,029,491</u>	<u>11,201,513,934</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(12) Long-term equity investments (Continued)

(a) Joint ventures (Continued)

- (i) The Company's shareholding in QQCT is 51% and the other party's shareholding is 49%. After QQCT's Articles of Association were revised on 3 December 2024, the Meeting of Shareholders serves as the highest authority of QQCT, and significant financial and operational decisions need to be approved by all directors. The Company cannot unilaterally exercise control over QQCT and therefore continues to account for QQCT as a joint venture.
- (ii) The Company holds a 51% equity interest in West United. In accordance with the Articles of Association of West United, its highest authority is the Meeting of Shareholders, but its significant operational decisions should be voted on by the Board of Directors with the authorization of the Meeting of Shareholders. The Company can designate 3 out of 5 board members in West United. The significant financial and operational decisions of West United need to be approved by all directors. The Company cannot unilaterally exercise control over West United, and therefore, West United is accounted for as a joint venture.
- (iii) The Company holds a 51% equity interest in Dongjiakou Wanbang Logistics. In accordance with the Articles of Association of Dongjiakou Wanbang Logistics, its highest authority is the Board of Directors. The Company can designate 4 out of 7 board members in Dongjiakou Wanbang Logistics. The significant financial and operational decisions of Dongjiakou Wanbang Logistics need to be approved by all directors. The Company cannot unilaterally exercise control over Dongjiakou Wanbang Logistics, and therefore, it is accounted for as a joint venture.

Information relating to interests in joint ventures is set out in Note VI. (2).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(12) Long-term equity investments (Continued)

(b) Associates

Investments in associates are set out below:

	31 December 2024	Increase in investments	Movements in the current period (Unaudited)					30 June 2025
			Share of net profit/(loss) under equity method	Adjustments to other comprehensive income	Changes in other equities	Cash dividends or profits declared	Unrealized gains or losses on intra-group transactions	
Shandong Port Group Finance Co., Ltd. ("Shandong Port Finance Company")	1,710,180,311	-	64,836,843	(979,281)	-	(50,618,519)	-	1,723,419,354
Shandong Zhenhua Petroleum Energy Storage Co., Ltd. ("Zhenhua Petroleum Storage") (v)	481,566,895	-	177,473	-	-	-	-	481,744,368
Qingdao Port Engineering	299,704,568	-	15,717,383	-	(2,952,647)	-	(3,221,656)	309,247,648
COSCO Shipping Ports (Abu Dhabi) Co., Ltd. ("COSCO Abu Dhabi")	264,151,236	-	(15,042,615)	-	-	-	-	249,108,621
Unitrans Group Co., Ltd. ("UG")	177,955,293	-	21,466,369	-	-	(15,593,659)	-	183,828,003
Qingdao Qingyin Financial Leasing Co., Ltd. ("Qingyin Leasing")	177,693,524	-	16,166,649	-	-	(9,000,000)	-	184,860,173
Shandong Luhai Equipment Group Qingdao Co., Ltd. ("Luhai Equipment Qingdao")	143,323,510	-	12,879,344	-	260,086	-	(280,891)	156,182,049
Qingdao Gulf Liquid Chemical Port Co., Ltd. ("Gulf Liquid Chemical") (iv)	113,330,017	-	1,149,237	-	-	(420,000)	-	114,059,254
Qinggang International Trade Logistics	102,264,338	-	6,432,876	-	-	-	-	108,697,214
Shandong Port Science and Technology Group Qingdao Co., Ltd. ("Technology Company")	58,018,177	-	3,606,220	-	-	-	-	61,624,397
Shangang Luhai International Logistics (Jinan) Co., Ltd. ("Shangang Luhai Jinan")	40,629,365	-	686,256	-	17,984	-	-	41,333,605
Xishuangbanna Natural Rubber Storage and Transportation Center Co., Ltd. ("Xishuangbanna Storage and Transportation")	33,704,217	10,200,000	(272,673)	-	-	-	-	43,631,544
Shandong Port Energy Co., Ltd. ("Shandong Port Energy")	18,232,758	-	1,049,215	-	-	(3,848,075)	-	15,433,898
Qingdao Qianwan Xinh International Supply Chain Service Co., Ltd. ("Qianwan Xinh Supply Chain")	7,669,942	-	347,523	-	-	-	-	8,017,465
Weihai Hailian Container Co., Ltd. ("Hailian Container")	7,541,623	-	888,175	-	-	-	-	8,429,798
Shandong Port Overseas Development Group Qingdao Co., Ltd. ("Overseas Development")	7,122,904	-	270,940	-	-	-	-	7,393,844
Global Shipping Business Network Limited ("GSBN")	6,222,731	-	652,922	(158,664)	-	-	-	6,716,989
Shangang Energy Development (Qingdao) Co., Ltd. ("Shangang Energy Development") (vi)	4,904,892	-	-	-	-	-	-	4,904,892
	<u>3,654,216,301</u>	<u>10,200,000</u>	<u>131,012,137</u>	<u>(1,137,945)</u>	<u>(2,674,577)</u>	<u>(79,480,253)</u>	<u>(3,502,547)</u>	<u>3,708,633,116</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(12) Long-term equity investments (Continued)

(b) Associates (Continued)

- (iv) The Company's original shareholding ratio in Gulf Liquid Chemical was 50%. In August 2023, the Company sold 15% of equity interests in Gulf Liquid Chemical to Qingdao Haiwan Group Co., Ltd. Upon the completion of the transaction, the Company held 35% of equity interests in Gulf Liquid Chemical and accounted for it as an associate.
- (v) In March 2023, the Company jointly established Zhenhua Petroleum Storage with North Petroleum International Company Limited and China Zhenhua Oil Co., Ltd., with the registered capital of RMB980,000,000. The Company contributed RMB480,200,000 and held 49% of the equity interest. The Company has a significant influence over Zhenhua Petroleum Storage only, so the Company accounts for it as an associate.
- (vi) In March 2023, Qinggang Power Supply Co., Ltd. ("Qinggang Power Supply"), a subsidiary of the Company, jointly established Shangang Energy Development with Beijing Lugang Holding Development Group Co., Ltd. ("Lugang Holding Development") with the registered capital of RMB10,000,000. Qinggang Power Supply contributed RMB4,900,000 and held 49% of the equity interest. Qinggang Power Supply has a significant influence over Shangang Energy Development only, so Qinggang Power Supply accounts for it as an associate.

Information relating to interests in associates is set out in Note VI. (2).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(13) Other non-current financial assets

	30 June 2025 (Unaudited)	31 December 2024
Equity investments in financial assets measured at fair value through profit or loss	<u>500,099,336</u>	<u>357,184,402</u>

Other non-current financial assets represent the Group's investments in equity of unlisted companies, which are Shandong Harbor Construction Group, Shandong Binhai Hongrun Pipeline Stock Limited, Sinopec Qingdao, Sanya Yalong Bay, and Luhai Equipment Group with shareholding of 9.29%, 10%, 0.8%, 0.06%, and 16.56%, respectively, over which the Group has no control, joint control or significant influence.

(14) Investment properties

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(14) Investment properties (Continued)

	Buildings and storage facilities	Land use rights	Total
Original cost			
31 December 2023	106,753,453	166,748,735	273,502,188
Transfer from fixed assets (Unaudited)	15,799,359	–	15,799,359
Transfer from intangible assets (Unaudited)	–	81,617,344	81,617,344
30 June 2024 (Unaudited)	122,552,812	248,366,079	370,918,891
Accumulated depreciation and amortization			
31 December 2023	(36,059,076)	(29,131,742)	(65,190,818)
Accrual (Unaudited)	(1,801,559)	(994,333)	(2,795,892)
Transfer from fixed assets (Unaudited)	(4,700,251)	–	(4,700,251)
Transfer from intangible assets (Unaudited)	–	(18,175,611)	(18,175,611)
30 June 2024 (Unaudited)	(42,560,886)	(48,301,686)	(90,862,572)
Book value			
30 June 2024 (Unaudited)	79,991,926	200,064,393	280,056,319
31 December 2023	70,694,377	137,616,993	208,311,370

As at 30 June 2025, the Group leased out a portion of self-used buildings, storage facilities, and land use rights (Note IV. (15), Note IV. (18)) and had signed the lease contracts. The fixed assets and intangible assets involved in the above leases had been transferred to investment properties accordingly.

As at 30 June 2025, the Company's management considered that there was no indication that investment properties might be impaired, therefore, no provision for impairment was made (31 December 2024: nil).

As at 30 June 2025, no borrowing costs were capitalized in investment properties by the Group (for the six months ended 30 June 2024: nil).

As at 30 June 2025, the Group had no properties and land use rights without certificates (31 December 2024: nil).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(15) Fixed assets

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

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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(15) Fixed assets (Continued)

	Buildings	Port facilities	Storage facilities	Loading equipment	Machinery and equipment	Vessels	Transportation equipment	Communication facilities	Office equipment and other equipment	Total
Impairment provision										
31 December 2024	(24,887,847)	-	-	-	-	-	-	-	-	(24,887,847)
Accrual (Unaudited)	-	-	-	-	-	-	-	-	-	-
30 June 2025 (Unaudited)	(24,887,847)	-	-	-	-	-	-	-	-	(24,887,847)

Net book value

30 June 2025 (Unaudited)	830,771,641	10,822,791,033	9,922,302,365	1,562,034,844	678,501,251	777,947,008	79,969,527	127,519,065	33,151,906	24,834,988,640
31 December 2024	841,744,081	10,726,342,425	9,806,771,074	1,611,655,590	633,110,011	712,104,974	82,936,018	129,915,505	34,842,489	24,579,422,167

Original cost

31 December 2023	1,268,166,633	14,505,729,626	11,674,958,983	4,257,050,821	1,468,173,803	1,885,141,345	190,416,066	373,846,053	97,914,603	35,721,397,933
Increase in the current period (Unaudited)										
Purchase	127,403	38,881	2,007,313	14,315,482	24,730,227	-	7,199,730	14,439,054	729,120	63,587,210
Transfer from construction in progress	5,834,266	6,444,616	659,511	3,021,242	16,615,978	-	375,457	2,934,147	70,818	35,956,035
Reclassification and adjustments	633,390	4,257,764	-	-	7,962,221	-	-	-	17,875	12,871,250
Decrease in the current period (Unaudited)										
Disposal and scrapping	-	(264,109)	(87,985)	(53,931,532)	(6,500,409)	-	(9,157,311)	(1,333,577)	(945,600)	(72,220,523)
Transfer to investment properties	(15,799,359)	-	-	-	-	-	-	-	-	(15,799,359)
Reclassification and adjustments	(4,257,764)	-	(633,390)	-	-	-	-	(5,894,942)	(2,085,154)	(12,871,250)
Others	-	(22,167,485)	(41,975,779)	-	-	-	-	(2,924,528)	(7,584)	(67,075,376)
30 June 2024 (Unaudited)	1,254,704,569	14,494,039,293	11,634,928,653	4,220,456,013	1,510,981,820	1,885,141,345	188,833,942	381,066,207	95,694,078	35,665,845,920

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(15) Fixed assets (Continued)

	Buildings	Port facilities	Storage facilities	Loading equipment	Machinery and equipment	Vessels	Transportation equipment	Communication facilities	Office equipment and other equipment	Total
Accumulated depreciation										
31 December 2023	(393,133,864)	(3,943,744,446)	(2,173,308,003)	(3,014,530,067)	(1,010,755,931)	(1,029,471,699)	(112,477,851)	(232,132,327)	(60,981,078)	(11,970,535,266)
Increase in the current period (Unaudited)										
Accrual	(22,981,109)	(166,873,207)	(187,291,097)	(49,092,317)	(57,338,867)	(38,658,627)	(5,102,463)	(23,126,374)	(2,435,334)	(552,899,395)
Reclassification and adjustments	-	-	(11,920)	-	(1,453,080)	-	-	(282,957)	-	(1,747,957)
Decrease in the current period (Unaudited)										
Disposal and scrapping	-	133,996	23,932	52,410,504	6,004,747	-	8,453,117	1,316,020	901,054	69,243,370
Transfer to investment properties	4,700,251	-	-	-	-	-	-	-	-	4,700,251
Reclassification and adjustments	11,920	-	-	-	282,099	-	-	-	1,453,938	1,747,957
Others	-	-	-	-	3,280	-	-	748,679	-	751,959
30 June 2024 (Unaudited)	(411,402,802)	(4,110,483,657)	(2,360,587,088)	(3,011,211,880)	(1,063,257,752)	(1,068,130,326)	(109,127,197)	(253,476,959)	(61,061,420)	(12,448,739,081)
Impairment provision										
31 December 2023	(24,887,847)	-	-	-	-	-	-	-	-	(24,887,847)
Accrual (Unaudited)	-	-	-	-	-	-	-	-	-	-
30 June 2024 (Unaudited)	(24,887,847)	-	-	-	-	-	-	-	-	(24,887,847)
Net book value										
30 June 2024 (Unaudited)	818,413,920	10,383,555,636	9,274,341,565	1,209,244,133	447,724,068	817,011,019	79,706,745	127,589,248	34,632,658	23,192,218,992
31 December 2023	850,144,922	10,561,985,180	9,501,650,980	1,242,520,754	457,417,872	855,669,646	77,938,215	141,713,726	36,933,525	23,725,974,820

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(15) Fixed assets (Continued)

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

	Buildings	Port facilities	Storage facilities	Loading equipment	Total
Original cost					
31 December 2024	44,707,908	2,231,239,579	924,917,845	18,916,202	3,219,781,534
Increase in the current period (Unaudited)	549,067	–	–	–	549,067
Decrease in the current period (Unaudited)	–	–	–	(5,796,461)	(5,796,461)
30 June 2025 (Unaudited)	45,256,975	2,231,239,579	924,917,845	13,119,741	3,214,534,140
Accumulated depreciation					
31 December 2024	(17,854,098)	(625,350,585)	(238,956,636)	(8,478,048)	(890,639,367)
Accrual (Unaudited)	(722,197)	(18,293,988)	(8,043,439)	(427,690)	(27,487,314)
Transfer in (Unaudited)	(151,100)	–	–	–	(151,100)
Decrease in the current period (Unaudited)	–	–	–	1,894,811	1,894,811
30 June 2025 (Unaudited)	(18,727,395)	(643,644,573)	(247,000,075)	(7,010,927)	(916,382,970)
Net book value					
30 June 2025 (Unaudited)	26,529,580	1,587,595,006	677,917,770	6,108,814	2,298,151,170
31 December 2024	26,853,810	1,605,888,994	685,961,209	10,438,154	2,329,142,167

There are no residual value guarantee clauses in the leasing contracts for buildings, port facilities, depot facilities, loading and unloading handling equipment, machinery, and other equipment entered into by the Group as lessor.

Depreciation charged on fixed assets for the six months ended 30 June 2025 amounted to RMB613,471,091 (for the six months ended 30 June 2024: RMB552,899,395), of which depreciation charged to the cost of sales, general and administrative expenses, and research and development expenses amounted to RMB593,830,016, RMB18,176,698, and RMB1,420,302, respectively (for the six months ended 30 June 2024: RMB533,324,227, RMB18,910,429, and RMB169,317). For the six months ended 30 June 2025, the depreciation expense included in selling and distribution expenses was RMB44,075.

For the six months ended 30 June 2025, the original cost transferred from construction in progress to fixed assets was RMB763,332,877 (for the six months ended 30 June 2024: RMB35,956,035).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(15) Fixed assets (Continued)

As at 30 June 2025, the port facilities with a book value of RMB155,671,791 (original cost of RMB201,418,699) (31 December 2024: book value of RMB157,837,293 and original cost of RMB201,418,699) were used as collateral for the sale-leaseback arrangement of RMB120,000,000 (Note IV. (33)).

- (a) The amount of the provision for impairment of fixed assets of the subsidiary, Logistics Park Development, was RMB24,887,847 (31 December 2024: RMB24,887,847).
- (b) As at 30 June 2025 and December 31, 2024, the Group had no fixed assets temporarily idle.
- (c) Fixed assets without the certificate of ownership:

As at 30 June 2025, properties with the book value of RMB23,780,502 (original cost: RMB26,596,187) (31 December 2024: book value of RMB25,443,174 and original cost of RMB27,911,462) were located on non-ownership land. Properties with the book value of RMB251,800,358 (original cost: RMB284,464,819) (31 December 2024: book value of RMB254,051,790 and original cost of RMB291,554,282) had not yet completed the financial accounts for the completion of the projects, or had not yet completed the necessary procedures before obtaining the certificates of ownership. The certificates of ownership had not been processed.

- (d) In December 2024, Qingdao Port Dongjiakou Bulk Cargo Center Co., Ltd., a subsidiary of the Company, entered into an asset transfer agreement with New Unite Marine Co., Ltd. for the proposed sale of the vessel “Qingdao Port Dagang”, with a net book value of fixed assets of RMB67,566,466 and an agreed transfer price of RMB94,340,000, and the asset transfer transaction was completed in January 2025.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(16) Construction in progress

	30 June 2025 (Unaudited)	31 December 2024
Construction in progress (a)	671,490,299	1,244,424,571
Construction materials	3,343,059	3,418,574
	<u>674,833,358</u>	<u>1,247,843,145</u>

(a) Construction in progress

	30 June 2025 (Unaudited)			31 December 2024		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Dongjiakou Port Oil Products Phase I and Phase II Project	325,616,474	-	325,616,474	325,616,474	-	325,616,474
Dongjiakou General Wharf Grain Silo Phase III Project	19,191,612	-	19,191,612	5,425,152	-	5,425,152
Liquid Chemical Terminal Tank Farm Project	16,224,858	-	16,224,858	641,744,200	-	641,744,200
Other projects	310,457,355	-	310,457,355	271,638,745	-	271,638,745
	<u>671,490,299</u>	<u>-</u>	<u>671,490,299</u>	<u>1,244,424,571</u>	<u>-</u>	<u>1,244,424,571</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

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

(16) Construction in progress (Continued)

(a) Construction in progress (Continued)

(i) Changes in significant construction in progress

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

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

(16) Construction in progress (Continued)

(a) Construction in progress (Continued)

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

Project name	Budget	31 December 2023	Increase in the current period (Unaudited)	Transfer to fixed assets (Unaudited)	Other decreases in the current period (Unaudited)	30 June 2024 (Unaudited)	Percentage of project investment to the budget	Project progress	Accumulative amount of capitalized borrowing costs	Including: Borrowing costs capitalized in the current period	Sources of capital
Qilu Tuhai Crude Oil Depot Project	678,650,000	508,336,752	17,819,746	(16,179,384)	-	509,977,114	79%	79%	758,418	466,999	3.20% Internal capital, borrowings from banks
Dongjiakou Port Oil Products Phase I, Phase II, and Phase III Project	825,755,775	455,355,556	-	-	-	455,355,556	56%	56%	-	-	- Internal capital
Dongjiakou General Wharf Grain Silo Phase III Project	1,132,850,000	241,347,147	239,030,889	-	-	480,378,036	44%	44%	2,147,012	1,556,328	2.68% Internal capital, borrowings from banks, and borrowings from Shandong Port Finance Company
Liquid Chemical Terminal Tank Farm Project	1,886,900,000	160,775,158	143,026,982	-	(168,243)	303,633,897	43%	43%	-	-	- Internal capital
Other projects	-	389,124,278	48,033,349	(19,776,651)	(7,079,494)	410,301,482	-	-	-	-	- Internal capital
		<u>1,754,938,891</u>	<u>447,910,966</u>	<u>(35,956,035)</u>	<u>(7,247,757)</u>	<u>2,159,646,085</u>			<u>2,905,430</u>	<u>2,023,327</u>	

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(16) Construction in progress (Continued)

(a) Construction in progress (Continued)

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

As at 30 June 2025, the Company's management considered that there was no indication that construction in progress might be impaired, therefore, no provision for impairment was made (31 December 2024: nil).

For the six months ended 30 June 2025, the Group's self-built buildings, port facilities, and storage facilities will be transferred to fixed assets after completion and acceptance, and readiness for intended use, while machinery and equipment will be transferred to fixed assets after installation, commissioning, acceptance, and readiness for intended use during the six months ended 30 June 2025.

(17) Right-of-use assets

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

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

	Buildings	Port facilities	Storage facilities	Machinery and equipment	Transportation equipment	Total
Original cost						
31 December 2023	235,069,683	96,187,617	497,650,884	47,567,533	–	876,475,717
Increase in the current period (Unaudited)						
New lease contracts	–	–	27,157,895	–	1,074,937	28,232,832
Lease changes	855,957	–	871,388	32,997,298	–	34,724,643
Decrease in the current period (Unaudited)						
Lease changes	(23,495,568)	–	(19,058,093)	(497,516)	–	(43,051,177)
Expiration of lease	–	–	(29,027,968)	–	–	(29,027,968)
30 June 2024 (Unaudited)	212,430,072	96,187,617	477,594,106	80,067,315	1,074,937	867,354,047
Accumulated depreciation						
31 December 2023	(120,575,450)	(14,268,973)	(167,201,027)	(18,712,852)	–	(320,758,302)
Increase in the current period (Unaudited)						
Accrual	(24,479,934)	(1,734,055)	(44,319,405)	(8,125,091)	(68,997)	(78,727,482)
Lease changes	–	–	–	(6,859,157)	–	(6,859,157)
Decrease in the current period (Unaudited)						
Lease changes	8,831,035	–	5,242,569	915,504	–	14,989,108
Expiration of lease	–	–	29,027,968	–	–	29,027,968
30 June 2024 (Unaudited)	(136,224,349)	(16,003,028)	(177,249,895)	(32,781,596)	(68,997)	(362,327,865)
Book value						
30 June 2024 (Unaudited)	76,205,723	80,184,589	300,344,211	47,285,719	1,005,940	505,026,182
31 December 2023	114,494,233	81,918,644	330,449,857	28,854,681	–	555,717,415

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(18) Intangible assets

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(18) Intangible assets (Continued)

	Land use rights	Software	Sea area use rights	Others	Self-developed data resource intangibles	Total
Original cost						
31 December 2023	3,361,157,236	260,890,694	82,059,560	48,228,848	–	3,752,336,338
Increase in the current period (Unaudited)						
Purchase	16,518,611	15,054,416	–	–	–	31,573,027
Internal research and development	–	35,927,178	–	–	258,518	36,185,696
Transfer from construction in progress	5,606,413	–	–	–	–	5,606,413
Others	–	2,924,528	–	–	–	2,924,528
Decrease in the current period (Unaudited)						
Disposal	–	–	(12,994,800)	–	–	(12,994,800)
Transfer to investment properties	(81,617,344)	–	–	–	–	(81,617,344)
30 June 2024 (Unaudited)	3,301,664,916	314,796,816	69,064,760	48,228,848	258,518	3,734,013,858
Accumulated amortization						
31 December 2023	(476,166,481)	(150,441,374)	(8,290,600)	(47,124,805)	–	(682,023,260)
Increase in the current period (Unaudited)						
Accrual	(35,537,012)	(23,155,063)	(717,445)	(543,750)	(28,724)	(59,981,994)
Others	–	(748,679)	–	–	–	(748,679)
Decrease in the current period (Unaudited)						
Transfer to investment properties	18,175,611	–	–	–	–	18,175,611
30 June 2024 (Unaudited)	(493,527,882)	(174,345,116)	(9,008,045)	(47,668,555)	(28,724)	(724,578,322)
Book value						
30 June 2024 (Unaudited)	2,808,137,034	140,451,700	60,056,715	560,293	229,794	3,009,435,536
31 December 2023	2,884,990,755	110,449,320	73,768,960	1,104,043	–	3,070,313,078

Amortization charged on intangible assets for the six months ended 30 June 2025 amounted to RMB63,484,665 (for the six months ended 30 June 2024: RMB59,981,994), of which amortization charged to land use rights in construction in progress amounted to RMB670,714 (for the six months ended 30 June 2024: RMB2,308,286).

As at 30 June 2025, the Group had no pledged intangible assets (31 December 2024: nil).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(18) Intangible assets (Continued)

As at 30 June 2025, the Group had no land without certificates (31 December 2024: nil).

As at 30 June 2025, the Company's management considered that there was no indication that intangible assets might be impaired, therefore, no provision for impairment was made (31 December 2024: nil).

As at 30 June 2025, the proportion of intangible assets generated from internal research and development of the Group to the book value of intangible assets was 4.67% (31 December 2024: 4.27%).

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

In June 2025, Logistics Park Development, a subsidiary of the Group, entered into an *Asset Transaction Contract* with Weihai Bozheng Technology Industrial Park Co., Ltd., intending to sell the 106.24 mu (approximately 7.08 hectares) of land use rights held by it. The transaction consideration is RMB29,959,830. This asset transfer transaction was completed in July 2025, which meets the criteria for held for sale and is classified as an asset held for sale.

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

	31 December 2024	Increase in the current period (Unaudited)	Decrease in the current period		30 June 2025 (Unaudited)
			Recognized in profit or loss (Unaudited)	Recognized as intangible assets (Unaudited)	
Information system maintenance and software	56,311,304	115,022,289	(70,425,278)	(29,719,220)	71,189,095

For the 6 months ended 30 June 2025, the Company's total development costs amounted to RMB115,022,289 (for the six months ended 30 June 2024: RMB104,510,830). Of which, RMB70,425,278 (for the six months ended 30 June 2024: RMB66,769,524) was recognized as research and development expenses in the current period, and RMB29,719,220 (for the six months ended 30 June 2024: RMB35,927,178) was recognized as intangible assets in the current period. As at 30 June 2025, the proportion of intangible assets generated from internal research and development of the Company to the book value of intangible assets was 5.38% (30 June 2024: 3.27%).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(19) Development costs

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

	For the six months ended 30 June 2025		
	Research and development expenses (Unaudited)	Development costs (Unaudited)	Total (Unaudited)
Consumed materials	3,124,416	1,549,381	4,673,797
Employee benefits	62,445,070	51,191	62,496,261
Depreciation and amortization	1,638,781	–	1,638,781
Design expenses	–	–	–
Technical services	2,681,629	42,930,081	45,611,710
Others	535,382	66,356	601,738
	<u>70,425,278</u>	<u>44,597,009</u>	<u>115,022,287</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(19) Development costs (Continued)

For the six months ended 30 June 2024, the Group's total costs for research and development were presented by nature as follows:

	For the six months ended 30 June 2024		
	Research and development expenses (Unaudited)	Development costs (Unaudited)	Total (Unaudited)
Consumed materials	5,993,098	–	5,993,098
Employee benefits	54,914,601	1,296,254	56,210,855
Depreciation and amortization	2,089,607	–	2,089,607
Design expenses	–	–	–
Technical services	3,495,283	36,445,052	39,940,335
Others	276,935	–	276,935
	<u>66,769,524</u>	<u>37,741,306</u>	<u>104,510,830</u>

(a) In 2025, changes in development costs eligible for capitalization of the Group were analyzed as follows:

	31 December 2024	Increase in the current period (Unaudited)	Transfer to intangible assets in the current period (Unaudited)	Recognized as a data resource in the current period (Unaudited)	30 June 2025 (Unaudited)
Integration and Demonstration of Key Technologies in Hydrogen Port (i)	10,444,248	1,549,381	–	–	11,993,629
Research and Application of Intelligent Control Technologies for Large Dry Bulk Terminals (ii)	4,607,528	477,491	(547,358)	–	4,537,661
Others	41,259,528	42,570,139	(29,171,862)	–	54,657,805
	<u>56,311,304</u>	<u>44,597,011</u>	<u>(29,719,220)</u>	<u>–</u>	<u>71,189,095</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(19) Development costs (Continued)

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

- (i) The Integration and Demonstration of Key Technologies in Hydrogen Port Project has completed the first hydrogen refueling station in the port area, the construction of four hydrogen rail cranes, and other related facilities, and the starting point of project capitalization is the completion of the project through the review. After the completion of the project, it is expected to be used for the demonstration and application of key technologies such as the hydrogen energy supply system and the hydrogen energy power system, and the project acceptance is expected to be completed by the end of 2026.
- (ii) The Research and Application of Intelligent Control Technologies for Large Dry Bulk Terminals Project has completed the research and development of the project and is undergoing governmental and financial audit and acceptance, and the starting point of project capitalization is that the project is completed through the review, and the project is built based on the data-driven operation process of the whole process automation to create an unmanned dry bulk terminal demonstration area, and the project is expected to complete the overall construction and put into use by the end of 2025.

For the six months ended 30 June 2025, the Group had no impairment of development expenditure items (for the six months ended 30 June 2024: nil).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(20) Goodwill

	31 December 2024	Increase in the current period (Unaudited)	Decrease in the current period (Unaudited)	30 June 2025 (Unaudited)
Goodwill -				
Gangxin Oil Products	27,996,716	-	-	27,996,716
Mercuria Logistics	10,129,085	-	-	10,129,085
QMT	8,706,923	-	-	8,706,923
Yuntai Logistics	4,686,830	-	-	4,686,830
Liquid Chemical Terminal	1,850,485	-	-	1,850,485
	<u>53,370,039</u>	<u>-</u>	<u>-</u>	<u>53,370,039</u>
Less: Impairment provision -				
Yuntai Logistics	(4,686,830)	-	-	(4,686,830)
Gangxin Oil Products	(20,668,521)	-	-	(20,668,521)
	<u>(25,355,351)</u>	<u>-</u>	<u>-</u>	<u>(25,355,351)</u>
	<u>28,014,688</u>	<u>-</u>	<u>-</u>	<u>28,014,688</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(20) Goodwill (Continued)

The Group's goodwill was all allocated to related asset groups or portfolios of asset groups on the acquisition date, without any change of goodwill allocation for the six months ended 30 June 2025. The allocation was summarized by the minimum asset group as follows:

	30 June 2025 (Unaudited)	31 December 2024
Liquid bulk cargo ancillary services		
– Gangxin Oil Products	27,996,716	27,996,716
Metal ore, coal, and other cargo handling and ancillary services		
– Mercuria Logistics	10,129,085	10,129,085
Container loading and unloading		
– QMT	8,706,923	8,706,923
Logistics and transportation business		
– Yuntai Logistics	4,686,830	4,686,830
Loading and unloading of liquid bulk cargoes		
– Liquid Chemical Terminal	1,850,485	1,850,485
	<u>53,370,039</u>	<u>53,370,039</u>

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(21) Deferred tax assets and deferred tax liabilities

(a) Deferred tax assets before offsetting

	30 June 2025 (Unaudited)		31 December 2024	
	Deductible temporary differences and deductible losses	Deferred tax assets	Deductible temporary differences and deductible losses	Deferred tax assets
Assets revaluation surplus	2,411,409,153	602,852,288	2,448,958,519	612,239,630
Elimination of intra-group unrealized profit	713,485,252	178,371,313	722,416,358	180,604,090
Lease liabilities	488,880,293	108,987,045	453,060,059	113,265,015
Accrued expenses	284,597,370	71,126,430	187,558,751	46,870,972
Provision for asset impairment	191,443,717	47,824,807	172,306,977	43,068,195
Early retirement benefits	96,940,064	24,235,016	105,975,949	26,493,987
Government grants	90,185,216	22,546,304	63,751,325	15,937,831
Deductible losses	—	—	56,486,262	14,121,565
	<u>4,276,941,065</u>	<u>1,055,943,203</u>	<u>4,210,514,200</u>	<u>1,052,601,285</u>
Including:				
Expected to be recovered within one year (including one year)		119,538,147		110,496,696
Expected to be recovered after one year		<u>936,405,056</u>		<u>942,104,589</u>
		<u>1,055,943,203</u>		<u>1,052,601,285</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

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

(b) Deferred tax liabilities before offsetting

	30 June 2025 (Unaudited)		31 December 2024	
	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Right-of-use assets	436,560,734	109,140,184	469,786,431	117,446,608
Depreciation of fixed assets	206,685,618	51,671,404	208,572,469	52,143,117
Business combinations not under common control	189,203,785	47,300,946	193,076,033	48,269,008
Changes in fair value of other non-current financial assets	142,914,934	35,728,734	–	–
	<u>975,365,071</u>	<u>243,841,268</u>	<u>871,434,933</u>	<u>217,858,733</u>
Including:				
Expected to be recovered within one year (including one year)		65,593,694		46,951,133
Expected to be recovered after one year		<u>178,247,574</u>		<u>170,907,600</u>
		<u>243,841,268</u>		<u>217,858,733</u>

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

	30 June 2025 (Unaudited)	31 December 2024
Deductible temporary differences	29,762,676	30,458,361
Deductible losses	<u>91,834,830</u>	<u>126,417,465</u>
	<u>121,597,506</u>	<u>156,875,826</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

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

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

	30 June 2025 (Unaudited)	31 December 2024
2025	–	13,523,024
2026	3,109,843	5,269,613
2027	20,492,861	20,492,861
2028	–	–
2029	68,232,126	87,131,967
	<u>91,834,830</u>	<u>126,417,465</u>

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

	30 June 2025 (Unaudited)		31 December 2024	
	Offsetting amount	Amount after offsetting	Offsetting amount	Amount after offsetting
Deferred tax assets	(186,527,982)	869,415,221	(161,089,040)	891,512,245
Deferred tax liabilities	(186,527,982)	57,313,286	(161,089,040)	56,769,693

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(22) Other current assets

	30 June 2025 (Unaudited)	31 December 2024
Foundation oil (i)	308,912,071	290,316,583
Construction and equipment expenditures prepaid	171,031,333	149,422,326
Taxes for advance receipt of port facilities rental payments (ii)	101,702,553	107,445,059
Prepaid VAT	5,041,890	5,041,890
	<u>586,687,847</u>	<u>552,225,858</u>

- (i) The Company and its subsidiary, Weifang Port Lianhua Storage Co., Ltd. ("Weifang Port Lianhua"), Dongjiakou Oil Products, Dongying Port Lianhua Pipeline Oil Transportation Co., Ltd. ("Dongying Port Lianhua"), and Gangxin Oil Products purchased some crude oil for the purpose of production and filled in the crude oil pipeline and tanks, so as to ensure the precision of oil product metering and increase the tank pressure for production safety.
- (ii) Taxes for advance receipt of port facilities rental payments are mainly the related taxes paid in advance for the rental received in full for the lease of the Group's certain land use rights, port facilities, storage facilities, and other assets (collectively "Port Facilities") in Qianwan Port Area to QQCT, a joint venture of the Group, with a lease term of 30 years. By the end of 2010, the Group had received the rental payments in full. The Group recognized the taxes paid in relation to port facilities rental payments as other non-current assets and amortized the amount of taxes paid to the item of taxes and surcharges based on the rental income recognized in each period.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(23) Short-term borrowings

	Currency	30 June 2025 (Unaudited)	31 December 2024
Unsecured borrowings	RMB	964,500,000	95,250,000
Interest on borrowings	RMB	645,841	82,649
		<u>965,145,841</u>	<u>95,332,649</u>

As at 30 June 2025, the Group had no overdue short-term borrowings with interest rates ranging from 2.35% to 3.15% (31 December 2024: 2.05% to 3.85%).

(24) Notes payable

	30 June 2025 (Unaudited)	31 December 2024
Trade acceptance notes	294,369,338	469,976,452
Bank acceptance notes	–	15,914,798
	<u>294,369,338</u>	<u>485,891,250</u>

As at 30 June 2025, the Group did not have any notes payable due and unpaid (31 December 2024: nil).

(25) Accounts payable

	30 June 2025 (Unaudited)	31 December 2024
Subcontract handling expenses payable	414,746,238	576,592,030
Material expenditure payable	213,308,280	158,076,217
Repair expenses payable	161,274,502	201,184,179
Subcontract agency fee payable	156,082,095	160,632,964
Transportation expenses payable	136,241,540	177,485,359
Subcontract costs payable	93,649,659	143,504,088
Rental expenses payable	70,145,494	30,548,477
Warehousing expenses payable	909,924	59,295,512
Others	129,929,069	105,587,465
	<u>1,376,286,801</u>	<u>1,612,906,291</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(25) Accounts payable (Continued)

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

	30 June 2025 (Unaudited)	31 December 2024
Within 1 year	1,101,411,826	1,213,498,690
Over 1 year	<u>274,874,975</u>	<u>399,407,601</u>
	<u>1,376,286,801</u>	<u>1,612,906,291</u>

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

As at 30 June 2025, accounts payable aged over one year amounted to RMB274,874,975 (31 December 2024: RMB399,407,601), which mainly represented subcontracted handling expenses and subcontracted payments for works not yet reaching the agreed payment period or the works had not yet been settled, and the amount had not yet been finally settled.

(26) Contract liabilities

	30 June 2025 (Unaudited)	31 December 2024
Loading fee received in advance	340,466,382	249,001,382
Subcontract agency fee received in advance	5,375,029	4,747,241
Material and equipment fee received in advance	3,534,583	4,292,222
Construction fee received in advance	2,456,151	3,948,768
Others	<u>12,101,728</u>	<u>16,872,385</u>
	<u>363,933,873</u>	<u>278,861,998</u>

Contract liabilities, including the book value of RMB278,861,998 as at 31 December 2024, were transferred to revenue for the six months ended 30 June 2025 (for the six months ended 30 June 2024: RMB315,410,460).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(27) Employee benefits payable

	30 June 2025 (Unaudited)	31 December 2024
Short-term employee benefits (a)	527,730,426	582,776,871
Defined contribution plans (b)	8,063,061	11,124,788
Termination benefits payable (c)	22,410,000	25,550,000
Defined benefit plans payable (d)	123,955,000	124,220,000
	<u>682,158,487</u>	<u>743,671,659</u>

(a) Short-term employee benefits

	31 December 2024	Increase in the current period (Unaudited)	Decrease in the current period (Unaudited)	30 June 2025 (Unaudited)
Wages and salaries, bonuses, allowances, and subsidies	499,704,313	924,464,492	(975,877,373)	448,291,432
Employee welfare	29,110	70,907,421	(68,485,219)	2,451,312
Social security contributions	5,353,334	103,471,184	(103,252,697)	5,571,821
Including: Medical insurance	5,353,334	96,808,916	(96,590,429)	5,571,821
Work injury insurance	–	6,662,268	(6,662,268)	–
Housing provident fund	–	91,994,227	(91,992,847)	1,380
Labor union funds and employee education funds	11,707,784	27,031,463	(20,640,372)	18,098,875
Outsourcing costs	65,982,330	323,465,147	(336,131,871)	53,315,606
	<u>582,776,871</u>	<u>1,541,333,934</u>	<u>(1,596,380,379)</u>	<u>527,730,426</u>

(b) Defined contribution plans

	31 December 2024	Increase in the current period (Unaudited)	Decrease in the current period (Unaudited)	30 June 2025 (Unaudited)
Basic pensions	–	135,105,756	(135,105,756)	–
Unemployment insurance	–	5,958,731	(5,958,731)	–
Enterprise annuity	11,124,788	69,123,768	(72,185,495)	8,063,061
	<u>11,124,788</u>	<u>210,188,255</u>	<u>(213,249,982)</u>	<u>8,063,061</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(27) Employee benefits payable (Continued)

(b) Defined contribution plans (Continued)

The Group pays monthly contributions for pension insurance and unemployment insurance to the relevant authorities on the basis and at the rate stipulated by the local labor and social security authorities, and the contributions cannot be used to offset the Group's payables on behalf of its employees in future periods.

(c) Termination benefits payable

	30 June 2025 (Unaudited)	31 December 2024
Early retirement benefits payable (Current portion)	<u>22,410,000</u>	<u>25,550,000</u>

Early retirement benefits borne by the Group are recognized as long-term employee benefits payable (Note IV. (35)), the current portion of which is presented as employee benefits payable.

(d) Defined benefit plans

	30 June 2025 (Unaudited)	31 December 2024
Supplemental retirement benefits (Current portion)	<u>123,955,000</u>	<u>124,220,000</u>

Supplemental retirement benefits borne by the Group are recognized as long-term employee benefits payable (Note IV. (35)), the current portion of which is presented as employee benefits payable.

(28) Taxes payable

	30 June 2025 (Unaudited)	31 December 2024
Enterprise income tax payable	346,836,175	294,014,112
Unpaid VAT	42,270,873	31,122,434
Land use tax payable	17,691,933	17,789,205
Property tax payable	4,212,584	4,760,084
Stamp duty payable	3,206,333	2,100,675
Individual income tax payable	1,714,515	7,762,224
Others	<u>5,883,707</u>	<u>4,728,692</u>
	<u>421,816,120</u>	<u>362,277,426</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(29) Other payables

	30 June 2025 (Unaudited)	31 December 2024
Construction and equipment expenditures payable (i)	2,389,984,349	2,762,743,135
Dividend payable	1,312,088,166	8,298,733
Payables and collections from agency business (ii)	1,012,487,160	1,033,742,728
Supplemental retirement benefits payable to related parties (iii)	188,063,650	196,695,657
Guarantees and deposits payable	62,745,522	33,655,785
Others	205,796,410	189,623,228
	<u>5,171,165,257</u>	<u>4,224,759,266</u>

- (i) Construction and equipment expenditures payable are mainly payables for project construction, which remain outstanding as relevant projects have not been completed.
- (i) Payables and collections from agency business mainly represent funds collected on behalf of shipowners by the Group for handling the necessary formalities for vessels' entry and exit from the ports.
- (iii) Supplemental retirement benefits payable to related parties mainly represent supplemental retirement benefits paid by the related parties on behalf of the Group, which should be paid to related parties. Such amount has not been paid yet.

As at 30 June 2025, other payables aged over one year amounted to RMB1,835,281,908 (31 December 2024: RMB1,616,999,207), and were mainly construction and equipment expenditures payable, which have not yet reached the payment period or for which the related projects have not been finally settled and accepted, and thus these amounts remain outstanding.

(30) Non-current liabilities due within one year

	30 June 2025 (Unaudited)	31 December 2024
Long-term borrowings due within one year (Note IV. (31))	661,835,572	427,607,386
Long-term payables due within one year (Note IV. (33))	2,265,578	2,690,648
Lease liabilities due within one year (Note IV. (32))	123,183,349	134,142,264
	<u>787,284,499</u>	<u>564,440,298</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(31) Long-term borrowings

	Currency	30 June 2025 (Unaudited)	31 December 2024
Unsecured borrowings	RMB	2,995,910,060	2,422,893,183
Interest on borrowings	RMB	174,466	2,606,693
Less: Long-term borrowings due within one year (Note IV. (30))	RMB	(661,835,572)	(427,607,386)
		<u>2,334,248,954</u>	<u>1,997,892,490</u>

As at 30 June 2025, the Group had no overdue long-term borrowings with interest rates ranging from 2.43% to 4.9% (31 December 2024: 2.25% to 4.9%).

(32) Lease liabilities

	30 June 2025 (Unaudited)	31 December 2024
Lease liabilities	458,535,165	453,060,060
Less: Lease liabilities due within one year (Note IV. (30))	(123,183,349)	(134,142,264)
	<u>335,351,816</u>	<u>318,917,796</u>

As at 30 June 2025, there were no variable lease payments based on a certain percentage of sales and no lease payments related to signed but not yet started lease contracts.

As at 30 June 2025, the future minimum lease payments of short-term leases and low-value asset leases accounted for using the simplified treatment under the new lease standards amount to RMB2,245,810 (31 December 2024: RMB2,408,007), which should be paid within one year.

(33) Long-term payables

	30 June 2025 (Unaudited)	31 December 2024
Sale-leaseback arrangement deemed as mortgage loan	120,572,283	120,572,284
Less: Current portion (Note IV. (30))	(572,283)	(572,284)
Entrusted borrowings	–	136,925,069
Less: Current portion (Note IV. (30))	–	(425,069)
Payment of welfare expenses	29,616,705	29,616,705
Less: Current portion of welfare (Note IV. (30))	(1,693,295)	(1,693,295)
	<u>147,923,410</u>	<u>284,423,410</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(34) Deferred income

	31 December 2024	Increase in the current period (Unaudited)	Decrease in the current period (Unaudited)	30 June 2025 (Unaudited)	Reason for formation
Government grants (a)	336,396,009	36,024,918	(12,396,339)	360,024,588	Funds earmarked for external waterways, etc.

(a) Government grants

	31 December 2024	Increase in the current period (Unaudited)	Recognized in the current period Other income (Unaudited)	Other decreases (Unaudited)	30 June 2025 (Unaudited)	Asset-related/ Income-related
Funds earmarked for external waterways (i)	107,874,811	-	(1,957,222)	-	105,917,589	Asset-related
Special subsidy for food security (ii)	97,262,370	-	(1,327,333)	-	95,935,037	Asset-related
Infrastructure supporting subsidy for the Logistics Center Project in Weihai Port (iii)	39,045,861	-	(1,875,375)	-	37,170,486	Asset-related
Carrier construction of the Qingdao International Digital Port Center Project (tentative name) (iv)	-	30,000,000	-	-	30,000,000	Asset-related
Supporting fund for projects in the Jimo Port area	29,926,743	-	(5,389,610)	-	24,537,133	Asset-related
Other government grants	62,286,224	6,024,918	(1,846,799)	-	66,464,343	Asset-related/ Income-related
	336,396,009	36,024,918	(12,396,339)	-	360,024,588	

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(34) Deferred income (Continued)

(a) Government grants (Continued)

- (i) Funds earmarked for external waterways are funds received by the Group from the Ministry of Transport and the Ministry of Finance, which are used to subsidize the external waterways expansion project, and are amortized and recognized in the current profit or loss on an average basis over the service life of the asset.
- (ii) The Central Financial Fund Subsidy for Food Security refers to the project support fund received by Qingdao Port Dongjiakou General Terminal Co., Ltd. ("Dongjiakou General Terminal") from the National Food and Strategic Reserves Administration. This subsidy is used for the Phase II Project of grain silos, and after the construction of this asset is completed and transferred to fixed assets, it will be recognized in the current profit or loss on an average basis over the service life of the asset.
- (iii) Infrastructure supporting subsidy for the Logistics Center Project in Weihai Port is a government land compensation received for the development of the logistics park and shall be included in the current profit or loss.
- (iv) The carrier construction of the Qingdao International Digital Port Center Project (tentative name) is funded by the special support fund that the Company has received from the Administrative Committee of Qingdao Area of China (Shandong) Pilot Free Trade Zone. This fund is used for the construction of the Qingdao International Digital Port Center. After the construction of this asset is completed and it is transferred to fixed assets, it will be amortized and recognized in the current profit or loss on an average basis over the service life of the asset.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(35) Long-term employee benefits payable

	30 June 2025 (Unaudited)	31 December 2024
Early retirement benefits payable (a)	96,940,064	105,960,000
Supplemental retirement benefits (b)	2,735,476,585	2,725,120,000
Less: Portion payable within one year	(146,365,000)	(149,770,000)
	<u>2,686,051,649</u>	<u>2,681,310,000</u>

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

Early retirement benefits payable and supplemental retirement benefits payable that will be paid within one year are presented as employee benefits payable (Note IV. (27)).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

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

(a) Early retirement benefit liabilities of the Group:

	30 June 2025 (Unaudited)	31 December 2024
Early retirement benefit liabilities	96,940,064	105,960,000
Less: Portion payable within one year	<u>(22,410,000)</u>	<u>(25,550,000)</u>
	<u>74,530,064</u>	<u>80,410,000</u>

(b) Supplemental retirement benefit liabilities of the Group:

	30 June 2025 (Unaudited)	31 December 2024
Supplemental retirement benefit liabilities	2,735,476,585	2,725,120,000
Less: Portion payable within one year	<u>(123,955,000)</u>	<u>(124,220,000)</u>
	<u>2,611,521,585</u>	<u>2,600,900,000</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

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

(c) Changes in early retirement benefits of the Group:

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Opening balance	105,960,000	111,600,000
Amount recognized in the current profit or loss		
– Service cost	5,751,908	11,000,000
– Net interest on the net liabilities	570,000	1,200,687
– Remeasurement amount	–	–
Personnel transfer-out upon disposal of subsidiaries	–	–
Payment of benefits	(15,341,844)	(13,782,852)
Closing balance	96,940,064	110,017,835

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

	30 June 2025 (Unaudited)	31 December 2024
Discount rate – early retirement benefits	1.25%	1.25%

Early retirement benefits included in the current profit or loss:

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
General and administrative expenses	5,751,908	11,000,000
Financial expenses	570,000	1,200,687

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

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

(d) Changes in supplemental retirement benefits of the Group:

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Opening balance	2,725,120,000	2,434,080,000
Amount recognized in the current profit or loss		
– Service cost	23,780,000	18,720,000
– Net interest on the net liabilities	26,625,000	32,249,663
Remeasurement amount		
– Actuarial losses for the period	–	–
Personnel transfer-out upon disposal of subsidiaries	–	–
Payment of benefits	(40,048,415)	(58,594,868)
Closing balance	2,735,476,585	2,426,454,795

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

	30 June 2025 (Unaudited)	31 December 2024
Discount rate – supplemental retirement benefits	2.00%	2.00%
Medical benefit growth rate (elderly care, etc.)	0-5%	0-5%

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

For the six months ended 30 June 2025 and the year 2024, the assumption for the future mortality rate is based on the statistics of the China Life Annuitant Mortality Table (2010-2013) translated forward by three years. The related actuarial assumptions are as follows:

	30 June 2025 (Unaudited)	31 December 2024
Supplemental retirement benefits –		
Average age	52.48	51.98
Expected future average remaining life expectancy	31.02	31.52

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

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

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

	Change in assumption	Impact on the present value of defined benefit plan obligation	
		Increase in assumption	Decrease in assumption
Discount rate – supplemental retirement benefits	25 basis points	3.87% down	4.15% up
Medical benefit growth rate	100 basis points	6.14% up	4.53% down

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

- (g) As at 30 June 2025, the maturity analysis of undiscounted defined benefit obligations is as follows:

	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Supplemental retirement benefits	<u>123,955,000</u>	<u>123,190,000</u>	<u>364,285,000</u>	<u>5,662,840,000</u>	<u>6,274,270,000</u>

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

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
General and administrative expenses	23,780,000	18,720,000
Financial expenses	26,625,000	32,249,663

(36) Other non-current liabilities

	30 June 2025 (Unaudited)	31 December 2024
Lease payments collected in advance	<u>1,778,664,484</u>	<u>1,879,239,822</u>

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(37) Share capital

	31 December 2024	Movements in the current period (Unaudited)	30 June 2025 (Unaudited)
Foreign shares issued overseas	1,099,025,000	–	1,099,025,000
RMB denominated common stock	5,392,075,000	–	5,392,075,000
	<u>6,491,100,000</u>	<u>–</u>	<u>6,491,100,000</u>
	31 December 2023	Movements in the current period (Unaudited)	30 June 2024 (Unaudited)
Foreign shares issued overseas	1,099,025,000	–	1,099,025,000
RMB denominated common stock	5,392,075,000	–	5,392,075,000
	<u>6,491,100,000</u>	<u>–</u>	<u>6,491,100,000</u>

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(37) Share capital (Continued)

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

(38) Capital surplus

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(38) Capital surplus (Continued)

	31 December 2023	Increase in the current period (Unaudited)	Decrease in the current period (Unaudited)	30 June 2024 (Unaudited)
Share premium				
Capital premium contributed				
by Qingdao Port Group (a)	7,052,279,474	–	–	7,052,279,474
Capital premium contributed				
by other promoters (a)	783,586,608	–	–	783,586,608
Issue of new shares (b)	8,652,856,972	–	–	8,652,856,972
Shares issue expenses (b)	(242,175,098)	–	–	(242,175,098)
Reversal of revaluation appreciation effect				
from business combination under				
common control	(4,830,045,213)	–	–	(4,830,045,213)
Income tax effect recognized from				
revaluation appreciation	887,819,497	–	–	887,819,497
Business combinations under common control	(416,942,220)	–	–	(416,942,220)
Subsidiary minority shareholders				
paid a premium	15,245,576	–	–	15,245,576
Acquisition of minority interests (c)	(181,192,815)	–	–	(181,192,815)
Other capital surplus				
Share of changes in equity other than				
comprehensive income and				
profit distribution of investees				
under the equity method	13,330,798	1,788,042	–	15,118,840
	<u>11,734,763,579</u>	<u>1,788,042</u>	<u>–</u>	<u>11,736,551,621</u>

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(38) Capital surplus (Continued)

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

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

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(38) Capital surplus (Continued)

- (d) Changes in capital surplus during the period represent changes of RMB(1,461,189) in equity in investees accounted for under the equity method other than other comprehensive income and profit distribution.
- (e) In September 2024, QDP Logistics, a wholly-owned subsidiary of the Company, sold 49% of the equity interest in its subsidiary, Yuntai Logistics. Upon the completion of this transaction, QDP Logistics held 51% of the equity interest in Yuntai Logistics. This transaction has adjusted the capital reserve by RMB(1,181,134).
- (f) In the current period, Ark Intelligent Port and Navigation Port Services (Qingdao) Co., Ltd. ("Ark Intelligent"), a subsidiary of the Company, has conducted a capital increase and share expansion. The Company has made additional capital contributions to Ark Intelligent and introduced four new minority shareholders, with Ark Intelligent's registered capital increased from RMB20,000,000.00 to RMB80,000,000.00. All shareholders' subscribed capital contributions have been fully paid in by 31 January 2025. After this capital increase, the Company's shareholding ratio in Ark Intelligent has decreased from 100% to 55%.

The effect of this transaction on the minority interests and the owners' equity attributable to the parent company is as presented in the table below:

Item	Amount affected
Share of the book net assets of the subsidiary after the capital increase, calculated based on the Company's shareholding ratio after the capital increase	32,567,167
Less: Share of the book net assets of the subsidiary before the capital increase, calculated by the Company based on the shareholding ratio before the capital increase	(38,156,595)
Difference	(5,589,428)
Including: Adjustments to capital surplus	<u>(5,589,428)</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(39) Other comprehensive income

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

	Other comprehensive income in the balance sheet			Other comprehensive income in the income statement for the period ended 30 June 2024			
	31 December 2023	Attributable to the parent company after tax (Unaudited)	30 June 2024 (Unaudited)	Amount incurred before income tax for the current period (Unaudited)	Less: Income tax expenses (Unaudited)	Attributable to the parent company after tax (Unaudited)	Attributable to minority interests, net of tax (Unaudited)
Other comprehensive income items that will not be reclassified to profit or loss							
Amount changes arising from remeasurement of defined benefit plans	(181,184,718)	-	(181,184,718)	-	-	-	-
Other comprehensive income that will not be transferred subsequently to profit or loss under the equity method	(4,901,998)	-	(4,901,998)	-	-	-	-
Other comprehensive income that will be subsequently reclassified to profit or loss							
Other comprehensive income that will be transferred subsequently to profit or loss under the equity method	137,764	3,170,815	3,308,579	3,170,815	-	3,170,815	-
	<u>(185,948,952)</u>	<u>3,170,815</u>	<u>(182,778,137)</u>	<u>3,170,815</u>	<u>-</u>	<u>3,170,815</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(40) Surplus reserve

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

	31 December 2023	Appropriation in the current period (Unaudited)	Decrease in the current period (Unaudited)	30 June 2024 (Unaudited)
Statutory surplus reserve	<u>2,802,635,193</u>	<u>–</u>	<u>–</u>	<u>2,802,635,193</u>

In accordance with the Company Law and the Company's Articles of Association, the Company should appropriate 10% of net profit for the year to the statutory surplus reserve, and the Company can cease appropriation when the statutory surplus reserve accumulated to more than 50% of the registered capital. The statutory surplus reserve can be used to make up for the loss or increase the share capital after approval from the appropriate authorities.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(41) Undistributed profits

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Undistributed profits at beginning of year	21,593,359,687	19,426,032,436
Business combinations under common control	-	-
Changes in accounting policies	-	-
Undistributed profits at beginning of year	21,593,359,687	19,426,032,436
Add: Net profit attributable to shareholders of the Company	2,841,930,077	2,641,770,421
Dividend payable on ordinary shares (a)	(1,302,763,770)	(1,899,944,970)
Other comprehensive income carried forward to retained earnings	(7,480,000)	-
Undistributed profits at the end of the period	<u>23,125,045,994</u>	<u>20,167,857,887</u>

- (a) In accordance with the resolution at the Board of Directors' meeting dated 28 March 2025, the Board of Directors proposed a cash dividend for the year 2024 to all shareholders at RMB3.141 per 10 shares (including tax), which, based on the 6,491,100,000 shares in issue, amounted to a total of RMB2,038,854,510 cash dividend to be distributed for the whole year, of which the Company had already distributed an interim dividend for 2024 of RMB736,090,740 on 30 December 2024. The remaining dividend of RMB1,302,763,770 (cash dividend of RMB2.007 (including tax) per 10 shares) has been paid on 25 August 2025 after consideration and approval by the shareholders' meeting.

Pursuant to the resolution adopted at the 28th meeting of the Company's Fourth Board of Directors, it is proposed to distribute cash dividends to all shareholders in proportion to their shareholdings, representing approximately 35% of the distributable profits for the first half of 2025. Based on the Company's total share capital of 6,491,100,000 shares, the cash dividend will be RMB1.466 per 10 shares (including tax). The implementation of the aforementioned profit distribution plan will require a total dividend payment of RMB951.5953 million, representing approximately 33% of the Company's net profit attributable to shareholders of the listed company for the first half of 2025. This profit distribution plan is still subject to review by the Company's shareholders' meeting.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(42) Revenue and cost of sales

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Revenue from main operations	8,943,543,218	8,425,545,587
Revenue from other operations	490,000,123	641,828,849
	<u>9,433,543,341</u>	<u>9,067,374,436</u>
	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Cost of sales from main operations	(5,438,465,341)	(5,251,685,719)
Cost of sales from other operations	(286,046,839)	(438,990,164)
	<u>(5,724,512,180)</u>	<u>(5,690,675,883)</u>

(a) Revenue and cost of sales from main operations

	For the six months ended 30 June 2025 (Unaudited)		For the six months ended 30 June 2024 (Unaudited)	
	Revenue from main operations	Cost of sales from main operations	Revenue from main operations	Cost of sales from main operations
Container handling and ancillary services	1,413,847,329	(288,262,519)	755,806,915	(157,735,756)
Metal ore, coal and other cargo handling and ancillary services	2,322,751,665	(1,842,900,332)	2,092,589,030	(1,648,524,875)
Liquid bulk cargo handling and ancillary services	1,614,176,597	(655,063,497)	1,953,257,124	(726,050,994)
Logistics and port value-added services	3,486,368,707	(2,550,887,324)	3,537,703,358	(2,642,203,947)
Port ancillary services – engineering and other labor services	106,398,920	(101,351,669)	86,189,160	(77,170,147)
	<u>8,943,543,218</u>	<u>(5,438,465,341)</u>	<u>8,425,545,587</u>	<u>(5,251,685,719)</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(42) Revenue and cost of sales (Continued)

(b) Revenue and cost of sales from other operations

	For the six months ended 30 June 2025 (Unaudited)		For the six months ended 30 June 2024 (Unaudited)	
	Revenue from other operations	Cost of sales from other operations	Revenue from other operations	Cost of sales from other operations
Rental income (i)	183,758,364	(92,462,107)	197,749,764	(96,596,268)
Sales of fuel, electricity and others	306,241,759	(193,584,732)	444,079,085	(342,393,896)
	<u>490,000,123</u>	<u>(286,046,839)</u>	<u>641,828,849</u>	<u>(438,990,164)</u>

- (i) The Group's rental income is from leasing port facilities, storage facilities, buildings, and other equipment. For the six months ended 30 June 2025, there's no variable rental income recognized based on the certain percentage of the lessee's sales amount.

For the six months ended 30 June 2025, all of the above revenue types are performance obligations fulfilled within a certain period of time, with the exception of "Port ancillary service – sales of fuel, electricity and others", which is primarily performance obligations fulfilled at a point in time, and "Rental income".

As at 30 June 2025, the amounts of revenue corresponding to contract obligations that were signed but not fulfilled or not completely fulfilled were RMB363,933,873 (As at 31 December 2024: RMB278,861,998), all of which is expected to be recognized by the Group as revenue in 2025.

(43) Taxes and surcharges

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)	Calculation and payment standard
Land use tax	35,439,611	35,375,642	RMB3.2-11.2/ square meter/year
City maintenance and construction tax	16,508,245	14,776,375	7%
Educational surcharge	11,791,558	10,554,553	3%, 2%
Property tax	10,964,809	11,360,797	Levied on a rental or ad valorem basis
Stamp duty	9,428,940	3,489,864	Proportional tax rate, norm quota tax rate
Others	<u>6,226,920</u>	<u>9,774,012</u>	
	<u>90,360,083</u>	<u>85,331,243</u>	

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(44) General and administrative expenses

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Employee benefits	345,066,081	316,449,037
Property management fees	33,890,764	30,027,750
Office expenses and entertainment expenses	32,475,643	25,510,998
Depreciation of right-of-use assets	20,229,585	19,069,953
Amortisation of intangible assets	19,902,803	17,919,097
Depreciation of fixed assets	18,176,698	18,774,287
Vehicle expenses	12,578,030	7,323,689
Rental expenses	9,781,746	4,861,422
Intermediary service fees	9,501,871	8,050,126
Fuel and utility fees	8,577,564	2,530,317
Advertising expenses	8,218,795	6,577,273
Consumption of other raw materials	3,424,378	6,927,442
Repair expenses	676,166	1,089,156
Others	22,428,366	13,644,159
	<u>544,928,490</u>	<u>478,754,706</u>

(45) Financial expenses

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Borrowings and other interest expenses	54,645,977	50,571,407
Add: Interest expense on lease liabilities	9,633,053	10,691,143
Less: Capitalized interest	(829,775)	(2,023,327)
Interest expenses	63,449,255	59,239,223
Less: Interest income	(66,466,960)	(68,971,646)
Effect of actuarial calculation of employee benefits	27,195,000	33,450,350
Exchange gains or losses	(2,892,003)	(1,130,635)
Others	881,093	1,013,424
	<u>22,166,385</u>	<u>23,600,716</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(46) Expenses by nature

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

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Subcontract cost	2,102,480,324	1,909,789,125
Employee benefits	1,711,808,160	1,673,527,645
Cost for outsourcing transportation	831,558,230	911,288,035
Depreciation of fixed assets	613,471,091	552,403,972
Cost of sales for purchasing fuel and electricity	299,872,689	320,119,371
Fuel and utility fees	171,495,867	213,951,216
Consumption of other materials	152,037,214	169,842,345
Rental expenses (i)	116,025,679	88,735,892
Depreciation of right-of-use assets	74,993,944	78,727,482
Amortisation of intangible assets	62,813,951	57,673,708
Consumed materials for construction contracts	59,635,935	56,232,137
Repair expenses (ii)	42,153,961	72,529,703
Property service fees	37,603,594	33,791,469
Security service fees	9,385,298	14,699,052
Auditor's fee	4,657,032	5,177,435
– Audit services for listed companies	2,351,622	3,748,334
– Other audit services within the Group	1,310,180	1,429,101
– Non-audit services	995,230	–
Depreciation of investment properties	3,601,028	2,795,892
Consulting fee	4,949,351	1,306,632
Sales service fees	–	41,248
Others	70,365,536	108,928,451
	<u>6,368,908,884</u>	<u>6,271,560,810</u>

- (i) As stated in Note II(25), rental expenses for the Group's short-term leases and low-value leases that apply the simplified approach are directly recognised in profit or loss for the current period. For the six months ended 30 June 2025, the amount is RMB116,025,679 (For the six months ended 30 June 2024: RMB88,735,892).
- (ii) For the daily maintenance and repair expenses of fixed assets that do not meet the criteria of capitalisation, the Group included the costs related to the production and processing of inventories in the costs of inventories and recognised as cost of sale accordingly, and included the costs related to the research and development department, the administrative department and the sale department in research and development expenses, general and administrative expenses and selling and distribution expenses, respectively.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(47) Other income

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
VAT refunds	13,556,873	21,706,562
Additional deduction of input VAT	–	93,383
Government Grants		
– Income-related	29,042,669	27,268,388
– Asset-related	12,196,339	10,492,903
Including: Funds earmarked for external waterways	1,957,222	1,957,222
– Employment stabilization subsidies	2,975,436	2,031,496
– Other government grants	1,014,153	526,922
	<u>58,785,470</u>	<u>62,119,654</u>

(48) Investment income

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Investment income from long-term equity investments under equity method	769,164,806	826,215,526
Investment income from holding financial assets held for trading	–	13,492,319
Investment income from holding other non-current financial assets	594,188	–
Interest income from holding other debt investments	–	–
Losses on discount of financing receivables qualifying for derecognition	(345)	(100,338)
	<u>769,758,649</u>	<u>839,607,507</u>

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(49) Credit impairment losses

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
(Reversal of)/Provision for losses on bad debts of notes receivable	(92,689)	(380,909)
(Reversal of)/Provision for losses on bad debts of accounts receivable	20,979,232	13,848,354
(Reversal of)/Provision for losses on bad debts of other receivables	(506,463)	8,912,217
	<u>20,380,080</u>	<u>22,379,662</u>

(50) Asset impairment losses

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Losses on impairment of contract assets	(983,029)	217,453
Others	—	—
	<u>(983,029)</u>	<u>217,453</u>

(51) Gains on disposal of assets

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Gains on disposal of held-for-sale disposal groups	10,861,075	18,147,779
Gains on disposal of non-current assets		
Including: Gains on disposal of fixed assets	8,582,237	3,710,867
Gains on disposal of right-of-use assets	9,035	(9,113)
Gains on disposal of other non-current assets	—	—
	<u>19,452,347</u>	<u>21,849,533</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(52) Income tax expense

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Current income tax calculated based on tax law and related regulations	761,940,297	673,642,001
Deferred income tax	22,640,616	(11,172,402)
	<u>784,580,913</u>	<u>662,469,599</u>

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

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Total profit	<u>3,918,847,402</u>	<u>3,589,721,938</u>
Income tax expenses calculated at applicable tax rates	979,711,850	897,430,485
The effect of preferential tax rates	(10,994,753)	(13,113,180)
Effect of adjusting income taxes of prior periods	(17,282,621)	1,447,299
Non-taxable income	(193,589,072)	(216,531,192)
Non-deductible costs, expenses, and losses	25,512,130	2,208,610
Utilisation of deductible losses not recognized as deferred tax assets in prior periods	(3,133,813)	(9,096,464)
Deductible temporary differences not recognized as deferred tax assets in the current year	<u>4,357,192</u>	<u>124,041</u>
Income tax expense	<u>784,580,913</u>	<u>662,469,599</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(53) Earnings per share

(a) Basic earnings per share

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

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Consolidated net profit attributable to ordinary shareholders of the Company	2,841,930,077	2,641,770,421
Weighted average number of ordinary shares outstanding	6,491,100,000	6,491,100,000
Basic earnings per share	0.44	0.41
Including:		
– Basic earnings per share from continuing operations	0.44	0.41
– Basic earnings per share from discontinued operations	–	–

(b) Diluted earnings per share

Diluted earnings per share is calculated by dividing net profit attributable to ordinary shareholders of the Company adjusted based on the dilutive potential ordinary shares by the adjusted weighted average number of ordinary shares outstanding. As there were no dilutive potential ordinary shares for the six months ended 30 June 2025 (the year 2024: nil), diluted earnings per share equal to basic earnings per share.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(54) Cash flow statement items

(a) Cash received relating to other operating activities

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Lease payments received	100,926,350	122,123,436
Government Grants	67,843,022	11,543,072
Interest from cash at bank	29,639,762	61,439,360
Receipt of deposits and guarantees	22,238,367	–
Payments for logistics business collected on behalf	12,012,301	92,128,465
Payments received for targeted purchases	–	690,393
Others	32,388,193	67,109,533
	<u>265,047,995</u>	<u>355,034,259</u>

The Group's logistics business such as collection and payment of payments on behalf of customers to receive or pay cash, cash flows are shown in net amounts.

(b) Cash paid relating to other operating activities

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Payment for retirees	48,680,422	58,594,868
Payment of property management fees and heating cost	33,890,764	30,948,437
Office expenses and entertainment expenses	32,362,404	37,800,968
Vehicle expenses	12,578,030	7,323,689
Rental expenses	9,781,746	4,861,422
Advertising and promotion expenses	8,218,795	6,577,273
Railway freight paid on behalf	7,461,296	8,480,605
Intermediary service fees	4,462,919	7,761,747
Bank service charges	881,092	1,013,425
Payment of deposit and guarantee	–	101,261,442
Payment of sales service fees	–	41,248
Others	31,093,866	19,581,765
	<u>189,411,334</u>	<u>284,246,889</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(54) Cash flow statement items (Continued)

(c) Cash received relating to other financing activities

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Receipt of the principal of borrowings under finance leases	—	120,000,000
	—	120,000,000

(d) Cash paid relating to other financing activities

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Repayment of entrusted borrowings from Qingdao Port Group	136,700,000	10,100,000
Repayments of lease liabilities	48,307,744	78,078,992
Repayment of the principal of borrowings under finance leases	2,700,000	120,000,000
Interest from discounting notes receivable	345	100,338
Refund of capital contributions to minority interests due to the cancellation of Zhonghang Industry	—	2,940,000
	187,708,089	211,219,330

For the six months ended 30 June 2025, the total lease-related cash outflow paid by the Group was RMB104,835,515 (for the six months ended 30 June 2024: RMB197,155,798). Except for the amount paid for repayment of lease liabilities included in the financing activities, the remaining cash outflows were included in operating activities.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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(All amounts in RMB Yuan unless otherwise stated)

IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(55) Supplementary information to the cash flow statement

(a) Supplementary information to the cash flow statement

Reconciliation from net profit to cash flows from operating activities

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Net profit	3,134,266,489	2,927,252,339
Add/Less: Asset impairment losses	(983,029)	217,453
Credit impairment losses	20,380,080	22,379,662
Depreciation of right-of-use assets	74,993,944	78,727,482
Depreciation of fixed assets and investment properties	617,072,119	555,199,864
Amortisation of intangible assets	62,813,951	57,673,708
Amortization of long-term prepaid expenses	4,999,467	12,338,450
Gains on disposal of fixed assets, intangible assets and other long-term assets	(19,452,347)	(21,849,533)
Amortization of deferred income	(12,396,339)	(10,492,903)
Losses on scrapping of fixed assets	(1,396,754)	(13,310)
Gains on changes in fair value	(140,600,516)	(482,738)
Financial expenses	60,557,253	91,558,938
Investment income	(769,758,649)	(839,607,507)
Decrease/(increase) in deferred tax assets	22,640,617	(11,172,402)
Decrease/(increase) in inventories	(2,806,823)	328,714
Decrease/(increase) in operating receivables	(271,229,577)	(676,044,394)
Increase/(decrease) in operating payables	(48,024,358)	(528,421,274)
Others	27,944,798	59,101,915
Net cash flows from operating activities	<u>2,759,020,326</u>	<u>1,716,694,464</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(55) Supplementary information to the cash flow statement (Continued)

(a) Supplementary information to the cash flow statement (Continued)

Significant operating activities, investing activities and operating activities that do not involve cash receipts and payments

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Goods and services purchased by endorsement of notes receivable	164,865,614	360,868,091
Long-term assets acquired by endorsement of notes receivable	70,315,124	7,404,289
Increase of right-of-use assets in the current period	42,678,984	28,232,832
Net increase/(decrease) in cash		
	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Cash at the end of the period	15,440,729,946	10,976,474,044
Less: Cash at the beginning of the period	(12,207,737,448)	(10,132,048,600)
Net increase in cash	<u>3,232,992,498</u>	<u>844,425,444</u>

Cash and cash equivalents

	30 June 2025 (Unaudited)	31 December 2024
Cash at bank and on hand (Note IV (1))	15,929,613,467	12,673,129,712
Less: Term deposits with initial term of over 3 months	(421,980,941)	(416,000,000)
Other restricted cash balance	(11,612,795)	(30,929,676)
Interest receivable	(55,289,785)	(18,462,588)
Cash at the end of the period	<u>15,440,729,946</u>	<u>12,207,737,448</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
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IV. NOTES TO THE PRINCIPAL ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

(56) Monetary items denominated in foreign currencies

	30 June 2025 (Unaudited)		
	Foreign currency balance	Conversion rate	RMB balance
Cash at bank and on hand –			
USD	53,565,495	7.1586	383,453,953
EUR	2	8.4024	17
HKD	3,317	0.91195	3,025
			<u>383,456,995</u>
Accounts receivable –			
USD	27,257,299	7.1586	195,124,101
JPY	2,603,670	0.049594	129,126
			<u>195,253,227</u>
Other receivables –			
USD	18,361,055	7.1586	131,439,448
Accounts payable –			
USD	15,989,919	7.1586	114,465,434
JPY	489,568	0.049594	24,280
			<u>114,489,714</u>
Other payables –			
USD	24,842,035	7.1586	177,834,192
HKD	42,720	0.91195	38,959
			<u>177,873,151</u>

The above mentioned foreign currencies refer to all currencies except RMB.

V. CHANGES IN THE SCOPE OF CONSOLIDATION

On 2 January 2025, the Company's subsidiary, Qingdao Port Properties, was deregistered.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VI. EQUITY INTEREST IN OTHER ENTITIES

(1) Equity interest in subsidiaries

(a) Constitution of the enterprise group

Name of subsidiaries	Category of entity	Major business location	Place of registration	Business nature	Registered capital (Ten thousand yuan) (Unless otherwise noted)	Shareholding		Acquisition method
						Direct	Indirect	
Qingdao Port International Oil Port Co., Ltd. ("International Oil Port")	Limited Liability Company	Qingdao, China	Qingdao, China	Storage service	10,000	100	-	Set-up or investment
QDP Logistics	Limited Liability Company	Qingdao, China	Qingdao, China	Integrated logistics	101,000	100	-	Set-up or investment
Jieyuntong Logistics	Limited Liability Company	Qingdao, China	Qingdao, China	Freight forwarder	2,000	-	51	Set-up or investment
Qingdao Port Lianjie International Logistics Co., Ltd. ("Lianjie Logistics")	Limited Liability Company	Qingdao, China	Qingdao, China	Depot business	5,000	-	58	Set-up or investment
Qingdao Port E-Link	Limited Liability Company	Qingdao, China	Qingdao, China	Freight forwarder	1,000	-	65	Set-up or investment
Luhai Quantai	Limited Liability Company	Qingdao, China	Qingdao, China	Freight forwarder	4,000	-	54	Set-up or investment
GLS Shipping	Limited Liability Company	Qingdao, China	Qingdao, China	Shipping agency	2,250	-	100	Set-up or investment
Bonded Logistics Center	Limited Liability Company	Qingdao, China	Qingdao, China	Storage service	5,000	-	100	Business combinations not under common control
Qingdao Port Lianxin International Logistics Co., Ltd. ("Lianxin International Logistics")	Limited Liability Company	Qingdao, China	Qingdao, China	Depot business	2,000	-	58	Set-up or investment
Logistics Park Development	Limited Liability Company	Weihai, China	Weihai, China	Logistics and warehousing	10,000	-	100	Business combinations under common control
Qingdao Port Jiefeng International Logistics Co., Ltd. ("Jiefeng International Logistics")	Limited Liability Company	Qingdao, China	Qingdao, China	Depot business	1,500	-	51	Set-up or investment
Pulp Logistics	Limited Liability Company	Qingdao, China	Qingdao, China	Freight forwarder	1,000	-	55	Set-up or investment
Qinggang Supply Chain	Limited Liability Company	Qingdao, China	Qingdao, China	Freight forwarder	5,000	-	65	Set-up or investment

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VI. EQUITY INTEREST IN OTHER ENTITIES (Continued)

(1) Equity interest in subsidiaries (Continued)

(a) Constitution of the enterprise group (Continued)

Name of subsidiaries	Category of entity	Major business location	Place of registration	Business nature	Registered capital (Ten thousand yuan) (Unless otherwise noted)	Shareholding		Acquisition method
						Direct	Indirect	
Yantai Logistics	Limited Liability Company	Qingdao, China	Qingdao, China	Freight forwarder	8,000	-	51	Business combinations not under common control
Qingdao Port Lianhua International Logistics Co., Ltd. ("Lianhua International Logistics")	Limited Liability Company	Qingdao, China	Qingdao, China	Freight forwarder	2,000	-	60	Set-up or investment
Land Port Logistics	Limited Liability Company	Qingdao, China	Qingdao, China	Freight forwarder	500	-	100	Set-up or investment
Eimskip Coldchain	Limited Liability Company	Qingdao, China	Qingdao, China	Logistics and transportation	2,000	-	70	Set-up or investment
Jimo Logistics	Limited Liability Company	Qingdao, China	Qingdao, China	Freight forwarder	15,000	-	60	Set-up or investment
Dongjiakou Bulk Cargo	Limited Liability Company	Qingdao, China	Qingdao, China	Freight forwarder	10,000	-	51	Set-up or investment
Shengshi Logistics	Limited Liability Company	Qingdao, China	Qingdao, China	Freight forwarder	1,000	-	58	Set-up or investment
Gangfeng Shipping Agency	Limited Liability Company	Weihai, China	Weihai, China	Shipping agency	50	-	100	Business combinations under common control
Shipping Agency	Limited Liability Company	Weihai, China	Weihai, China	Shipping agency	500	-	55	Business combinations under common control
Shandong Port Lianhua	Limited Liability Company	Qingdao, China	Qingdao, China	Fuel storage	86,600	51	-	Set-up or investment
Dongying Port Lianhua	Limited Liability Company	Dongying, China	Dongying, China	Fuel storage	38,000	-	70	Set-up or investment
Weifang Port Connection	Limited Liability Company	Weifang, China	Weifang, China	Fuel storage	25,000	-	100	Set-up or investment
Qinggang Power Supply	Limited Liability Company	Qingdao, China	Qingdao, China	Electricity, heat production and supply	15,000	100	-	Set-up or investment
Dongjiakou Oil Products	Limited Liability Company	Qingdao, China	Qingdao, China	Storage service	41,479	70	-	Business combinations not under common control

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VI. EQUITY INTEREST IN OTHER ENTITIES (Continued)

(1) Equity interest in subsidiaries (Continued)

(a) Constitution of the enterprise group (Continued)

Name of subsidiaries	Category of entity	Major business location	Place of registration	Business nature	Registered capital (Ten thousand yuan) (Unless otherwise noted)	Shareholding		Acquisition method
						Direct	Indirect	
Weihai Port Development	Limited Liability Company	Weihai, China	Weihai, China	Loading and unloading, storage, logistics	10,035	51	-	Business combinations under common control
Qingdao Port Barge Co., Ltd. ("Barge Limited")	Limited Liability Company	Qingdao, China	Qingdao, China	Ship towing services	45,000	100	-	Set-up or investment
Qingdao Port International Container Development Co., Ltd. ("Container Development Co")	Limited Liability Company	Qingdao, China	Qingdao, China	Container cargo forwarder	3,000	100	-	Set-up or investment
Qingdao Qinggang Tongda Energy Co., Ltd. ("Tongda Energy")	Limited Liability Company	Qingdao, China	Qingdao, China	Liquefied natural gas operations	14,250	100	-	Set-up or investment
Qingdao Ocean Shipping Tally Co., Ltd. ("Ocean Shipping Tally")	Limited Liability Company	Qingdao, China	Qingdao, China	Qingdao OST	199	84	-	Set-up or investment
Dongjiakou General Terminal	Limited Liability Company	Qingdao, China	Qingdao, China	Cargo handling	140,000	80	-	Set-up or investment
Shandong Qingdong Pipeline Co., Ltd. ("Qingdong Pipeline")	Limited Liability Company	Qingdao, China	Qingdao, China	Pipeline oil transportation	50,000	51	-	Set-up or investment
Qingwei Container	Limited Liability Company	Weihai, China	Weihai, China	Stevedore, unloading, handling and warehousing	14,000	51	49	Business combinations under common control
QMT	Limited Liability Company	Qingdao, China	Qingdao, China	Cargo handling	131,020	100	-	Business combinations not under common control
Mercuria Logistics	Limited Liability Company	Qingdao, China	Qingdao, China	Cargo handling	USD49.30 million	62	-	Business combinations not under common control
Liquid Chemical Terminal	Limited Liability Company	Qingdao, China	Qingdao, China	Cargo handling	71,000	51	-	Business combinations not under common control
Qingdao Qianwan Nangang Oil & Gas Co., Ltd. ("Nangang Oil & Gas")	Limited Liability Company	Qingdao, China	Qingdao, China	Liquefied natural gas operations	7,900	55	-	Set-up or investment

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VI. EQUITY INTEREST IN OTHER ENTITIES (Continued)

(1) Equity interest in subsidiaries (Continued)

(a) Constitution of the enterprise group (Continued)

Name of subsidiaries	Category of entity	Major business location	Place of registration	Business nature	Registered capital (Ten thousand yuan) (Unless otherwise noted)	Shareholding		Acquisition method
						Direct	Indirect	
Qingdao Port Emergency Rescue Co., Ltd. ("Emergency Rescue")	Limited Liability Company	Qingdao, China	Qingdao, China	Emergency rescue services	5,000	100	-	Set-up or investment
Qingdao Port Svitzer Towage Co., Ltd. ("Svitzer Towage")	Limited Liability Company	Qingdao, China	Qingdao, China	Tug lighter	21,000	55	-	Set-up or investment
Qingdao Huagang Petroleum Storage Co., Ltd. ("Huagang Petroleum Storage")	Limited Liability Company	Qingdao, China	Qingdao, China	Fuel storage	29,200	51	-	Set-up or investment
Gangxin Oil Products	Limited Liability Company	Qingdao, China	Qingdao, China	Fuel handling	21,566	90	-	Business combinations not under common control
Qingdao Port Construction & Management Centre Co., Ltd. ("Construction & Management Centre")	Limited Liability Company	Qingdao, China	Qingdao, China	Engineering management	1,000	100	-	Set-up or investment
Shandong Qingzi Logistics Co., Ltd. ("Qingzi Logistics")	Limited Liability Company	Qingdao, China	Zibo, China	Logistics services and pipeline transportation	20,000	100	-	Set-up or investment
Ark Intelligent	Limited Liability Company	Qingdao, China	Qingdao, China	Storage service	8,000	55	-	Set-up or investment
Qingdao Port Tongze Trading Co., Ltd. ("Tongze Trading")	Limited Liability Company	Qingdao, China	Qingdao, China	Merchandising	1,000	100	-	Set-up or investment
Cultural & Media	Limited Liability Company	Qingdao, China	Qingdao, China	Promotional design	300	100	-	Set-up or investment
Gangjia Logistics	Limited Liability Company	Qingdao, China	Qingdao, China	Logistics and transportation	500	51	-	Set-up or investment
China Ocean Shipping Tally Weihai	Limited Liability Company	Weihai, China	Weihai, China	Tallying	130	51	33	Business combinations under common control
International Development	Limited Liability Company	Hong Kong, China	Hong Kong, China	Investment management	46,057	100	-	Business combinations under common control
Qingdao Port Dongjiakou Oil Storage Co., Ltd. ("Dongjiakou Oil Storage")	Limited Liability Company	Qingdao, China	Qingdao, China	Stevedore, unloading, handling and warehousing	25,000	60	-	Set-up or investment

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VI. EQUITY INTEREST IN OTHER ENTITIES (Continued)

(1) Equity interest in subsidiaries (Continued)

(a) Constitution of the enterprise group (Continued)

The shareholding ratio in the subsidiary is different from the ratio of voting rights as follows:

The Company's shareholding in Mercuria Logistics is 62%. Decisions on Mercuria logistics-related business activities are made by the board of directors, and decisions of the board of directors shall be approved by at least half of the directors present at the board meeting, Mercuria Logistics Board of directors a total of 5, the Company has the right to send 3 directors, the Company has the voting rights of 60%.

The Company owns 70% of Eimskip Coldchain. The decision on the Eimskip Coldchain related business activities shall be made by the board of directors, and the resolution of the Board of directors shall be approved by at least half of the directors present at the board meeting, Eimskip Coldchain Board of directors a total of 5, the Company has the right to send 3 directors, the Company has a voting rights ratio of 60%.

The actual holding ratio of the Company to Dongjiakou General Terminal is 80%. The decision-making on the relevant business activities of the Dongjiakou General Terminal shall be made by the board of directors, the resolution of the Board of directors shall be approved by at least half of the directors present at the meeting of the board of directors. There shall be a total of 6 directors on the board of directors of the Dongjiakou General Terminal, and the Company shall have the right to send 4 directors, therefore, the Company has 67% of the voting rights.

The Company's actual shareholding in Schweitzer Tug is 55%. Decisions on Schweitzer Tug related business activities are made by the board of directors, and decisions of the board of directors must be approved by at least a majority of the directors present at the board meeting, Schweitzer Tug has five board members and the Company has the right to send three of them. Therefore, the voting rights of the Company are 60%.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VI. EQUITY INTEREST IN OTHER ENTITIES (Continued)

(1) Equity interest in subsidiaries (Continued)

(a) Constitution of the enterprise group (Continued)

The actual holding ratio of the Company to the Liquid Chemical Terminal is 51%, and the decision-making on the related business activities of the Liquid Chemical Terminal shall be made by the board of directors, the resolution of the board of directors shall be adopted with the consent of at least half of the directors present at the meeting of the board of directors. There shall be a total of 5 directors on the board of directors of the Liquid Chemical Terminal, and the Company shall have the right to send 3 directors, therefore, the Company on the Liquid Chemical Terminal has a voting rights ratio of 60%.

As at 30 June 2025, the subsidiaries of the Company are non-listed enterprises, not issued shares or bonds.

(b) Subsidiary with significant minority interests

Name of subsidiaries	Shareholding ratio of minority shareholders	Gains and losses attributable to minority interests for the six months ended 30 June 2025 (Unaudited)	Dividends declared to minority interests for the six months ended 30 June 2025 (Unaudited)	Minority interests as at 30 June 2025 (Unaudited)
Weihai Port Development (i)	49%	15,985,065	–	792,486,332
Shandong Port Lianhua (ii)	49%	149,511,219	–	1,340,260,600
Liquid Chemical Terminal	49%	10,847,766	–	409,604,858

(i) The main financial information of Weihai Port Development consists of Weihai Port Development and its subsidiaries.

(ii) The main financial information of Shandong Port Lianhua consists of Shandong Port Lianhua and its subsidiaries, Weifang Port Connection and Dongying Port Lianhua.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VI. EQUITY INTEREST IN OTHER ENTITIES (Continued)

(1) Equity interest in subsidiaries (Continued)

(b) Subsidiary with significant minority interests (Continued)

The main financial information of the above important non-wholly owned subsidiaries is as follows:

	30 June 2025 (Unaudited)		
	Weiwei Port Development	Shandong Port Lianhua	Liquid Chemical Terminal
Current assets	163,016,488	810,043,985	84,768,955
Non-current assets	1,701,815,244	2,574,491,824	1,460,464,395
Total assets	1,864,831,732	3,384,535,809	1,545,233,350
Current liabilities	(159,415,341)	(408,732,078)	(457,494,289)
Non-current liabilities	(88,344,310)	(388,884,765)	(250,598,212)
Total liabilities	(247,759,651)	(797,616,843)	(708,092,501)
	31 December 2024		
	Weiwei Port Development	Shandong Port Lianhua	Liquid Chemical Terminal
Current assets	112,828,884	529,946,757	120,348,874
Non-current assets	1,712,456,207	2,629,328,332	1,378,865,249
Total assets	1,825,285,091	3,159,275,089	1,499,214,123
Current liabilities	(154,128,859)	(501,689,363)	(560,593,938)
Non-current liabilities	(87,129,310)	(375,701,828)	(124,221,452)
Total liabilities	(241,258,169)	(877,391,191)	(684,815,390)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VI. EQUITY INTEREST IN OTHER ENTITIES (Continued)

(1) Equity interest in subsidiaries (Continued)

(b) Subsidiary with significant minority interests (Continued)

	For the six months ended 30 June 2025 (Unaudited)		
	Weihai Port Development	Shandong Port Lianhua	Liquid Chemical Terminal
Revenue	166,804,678	629,132,686	67,869,266
Net profit	32,622,581	300,586,474	22,138,297
Total comprehensive income	32,622,581	300,586,474	22,138,297
Cash flows from operating activities	45,183,061	595,591,222	92,644,981
For the six months ended 30 June 2024 (Unaudited)			
	Weihai Port Development	Shandong Port Lianhua	Liquid Chemical Terminal
Revenue	184,709,070	660,560,090	43,259,927
Net profit	20,660,018	306,100,523	14,121,276
Total comprehensive income	20,660,018	306,100,523	14,121,276
Cash flows from operating activities	48,027,027	301,753,729	37,357,170

(2) Interests in joint ventures and associates

(a) General information of material joint ventures

	Major business location	Place of registration	Business nature	Whether strategic to the Group's activities	Shareholding	
					Direct	Indirect
QQCT	Qingdao, China	Qingdao, China	Container handling and storage	Yes	51%	–
Qingdao Shihua	Qingdao, China	Qingdao, China	Handling and storage of liquid bulk cargoes	Yes	50%	–

The group adopts the equity method of accounting for the above-mentioned equity investments.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VI. EQUITY INTEREST IN OTHER ENTITIES (Continued)

(2) Interests in joint ventures and associates (Continued)

(b) Summarized financial information for material joint ventures

	30 June 2025 (Unaudited)		31 December 2024	
	Qingdao Shihua	QQCT	Qingdao Shihua	QQCT
Current assets	1,188,786,401	5,216,084,129	1,097,549,125	3,852,066,359
Including: Cash	820,548,085	4,909,546,183	584,316,905	3,582,434,835
Non-current assets	2,081,935,769	11,964,177,712	2,148,653,703	12,067,734,675
Total assets	3,270,722,170	17,180,261,841	3,246,202,828	15,919,801,034
Current liabilities	(835,635,776)	(2,126,133,058)	(348,523,223)	(1,804,311,904)
Non-current liabilities	(24,789,773)	(1,514,194,881)	(23,889,600)	(1,724,911,475)
Total liabilities	(860,425,549)	(3,640,327,939)	(372,412,823)	(3,529,223,379)
Minority interests	–	341,510,225	–	324,160,497
Equity attributable to shareholders of the Parent Company	2,410,296,621	13,198,423,677	2,873,790,005	12,066,417,158

Considering the impact of the fair value of identifiable assets and liabilities at acquisition (i):

	30 June 2025 (Unaudited)		31 December 2024	
	Qingdao Shihua	QQCT	Qingdao Shihua	QQCT
Current assets	1,188,786,401	5,216,084,129	1,097,549,125	3,852,066,359
Including: Cash	820,548,085	4,909,546,183	584,316,905	3,582,434,835
Non-current assets	2,081,935,769	12,175,532,360	2,148,653,703	12,304,276,481
Total assets	3,270,722,170	17,391,616,489	3,246,202,828	16,156,342,840
Current liabilities	(835,635,776)	(2,126,133,058)	(348,523,223)	(1,804,311,904)
Non-current liabilities	(24,789,773)	(1,567,033,543)	(23,889,600)	(1,784,046,927)
Total liabilities	(860,425,549)	(3,693,166,601)	(372,412,823)	(3,588,358,831)
Minority interests	–	348,100,263	–	330,750,535
Equity attributable to shareholders of the Parent Company	2,410,296,621	13,350,349,625	2,873,790,005	12,237,233,474

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VI. EQUITY INTEREST IN OTHER ENTITIES (Continued)

(2) Interests in joint ventures and associates (Continued)

(b) Summarized financial information for material joint ventures (Continued)

	30 June 2025 (Unaudited)		31 December 2024	
	Qingdao Shihua	QQCT	Qingdao Shihua	QQCT
Share of net assets calculated based on the shareholding percentage (i)	1,205,148,310	6,761,581,265	1,436,895,002	6,188,036,015
Adjusting events				
– Goodwill	–	1,672,785,426	–	1,672,785,426
– Unrealized profits in internal transactions	(45,057,526)	(75,596,404)	(47,285,932)	(79,137,639)
Book value of investments in joint ventures	<u>1,160,090,784</u>	<u>8,358,770,287</u>	<u>1,389,609,070</u>	<u>7,781,683,802</u>
	For the six months ended 30 June 2025 (Unaudited)		For the six months ended 30 June 2024 (Unaudited)	
	Qingdao Shihua	QQCT	Qingdao Shihua	QQCT
Revenue	394,521,182	3,399,973,796	562,660,530	2,878,953,100
Financial expenses	(3,083,961)	(8,554,946)	2,455,341	(22,547,444)
Income tax expense	34,161,933	(352,766,764)	(68,011,793)	(303,718,035)
Net profit	100,783,027	1,144,358,010	214,040,916	1,113,451,901
Net profit attributable to the Company	100,783,027	1,127,209,297	214,040,916	1,096,129,307
Other comprehensive income	–	–	–	–
Total comprehensive income	<u>100,783,027</u>	<u>1,127,209,297</u>	<u>214,040,916</u>	<u>1,096,129,307</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VI. EQUITY INTEREST IN OTHER ENTITIES (Continued)

(2) Interests in joint ventures and associates (Continued)

(b) Summarized financial information for material joint ventures (Continued)

Considering the impact of the fair value of identifiable assets and liabilities at acquisition (i):

	For the six months ended 30 June 2025 (Unaudited)		For the six months ended 30 June 2024 (Unaudited)	
	Qingdao Shihua	QQCT	Qingdao Shihua	QQCT
Net profit	100,783,027	1,097,687,193	214,040,916	1,092,664,374
Net profit attributable to the Company	100,783,027	1,080,538,480	214,040,916	1,075,341,781
Other comprehensive income	-	-	-	-
Total comprehensive income	<u>100,783,027</u>	<u>1,080,538,480</u>	<u>214,040,916</u>	<u>1,075,341,781</u>
Dividends received by the Group from joint ventures	-	-	-	-

- (i) The Group calculates the corresponding share of net assets based on the amount attributable to the parent company in the consolidated financial statements of joint ventures. The amount in the consolidated financial statements of the joint venture takes into account the fair value of the identifiable assets and liabilities of the joint venture at the time of acquisition of the investment and the impact of the unified accounting policy. The assets involved in the transactions between the Group and the joint ventures do not constitute business.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VI. EQUITY INTEREST IN OTHER ENTITIES (Continued)

(2) Interests in joint ventures and associates (Continued)

(c) General information for material associates

	Major business location	Place of registration	Business nature	Whether strategic to the Group's activities	Shareholding	
					Direct	Indirect
Shandong Port Finance	Qingdao, China	Qingdao, China	Financial Business	Yes	34.63%	–

(d) Summarised financial information for material associates

	30 June 2025 (Unaudited)	31 December 2024
	Shandong Port Finance	Shandong Port Finance
Current assets	18,891,259,974	21,136,537,832
Including: Cash	9,394,102,335	11,964,774,683
Non-current assets	14,399,708,240	12,967,063,944
Total assets	33,290,968,214	34,103,601,776
Current liabilities	(28,537,807,065)	(29,205,752,738)
Non-current liabilities	(46,382,729)	(229,300,602)
Total liabilities	(28,584,189,794)	(29,435,053,340)
Minority interests	–	–
Equity attributable to shareholders of the Parent Company	4,706,778,420	4,668,548,436
	30 June 2025 (Unaudited)	31 December 2024
	Shandong Port Finance	Shandong Port Finance
Share of net assets calculated based on the shareholding percentage	1,629,957,367	1,616,718,324
Adjusting events		
– Goodwill	93,461,987	93,461,987
Book value of investments in associates	1,723,419,354	1,710,180,311

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VI. EQUITY INTEREST IN OTHER ENTITIES (Continued)

(2) Interests in joint ventures and associates (Continued)

(d) Summarised financial information for material associates (Continued)

	For the six months ended 30 June 2025 (Unaudited) Shandong Port Finance	For the six months ended 30 June 2024 (Unaudited) Shandong Port Finance
Revenue	333,483,668	337,813,257
Financial expenses	(87,721)	375,360
Income tax expense	(60,728,244)	(68,328,724)
Net profit	187,227,384	207,228,438
Net profit attributable to the Company	187,227,384	207,228,438
Other comprehensive income	(2,827,839)	9,155,137
Total comprehensive income	184,399,545	216,383,575

(e) Summarized financial information of insignificant joint ventures and associates

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Joint ventures:		
Aggregated carrying amount of investments	1,682,652,864	1,721,961,838
Aggregate of the following items by shareholding percentage		
Net profit (i)	20,325,691	48,971,959
Other comprehensive income (i)	-	-
Total comprehensive income	20,325,691	48,971,959
Associates:		
Aggregated carrying amount of investments	1,989,811,400	1,891,215,494
Aggregate of the following items by shareholding percentage		
Net profit (i)	66,141,837	56,712,325
Other comprehensive income (i)	-	-
Total comprehensive income	66,141,837	56,712,325

- (i) The net profit and other comprehensive income have taken into account the impacts of both the fair value of the identifiable assets and liabilities upon the acquisition of investment in joint ventures and associates and conformed to accounting policies of the Group.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VII. SEGMENT INFORMATION

The Group's management assesses the Group's performance and determines reportable segments by service category. Different service categories require different technologies and marketing strategies, the Group, therefore, separately manages the production and operation of each reportable segment and evaluates their operating results respectively, in order to make decisions on resource allocation to these segments and to assess their performance.

The Group identified 5 reportable segments as follows:

- Container handling and ancillary services: loading, discharging, and storage of containers, and port management.
- Metal ore, coal, and other cargo handling and ancillary services: loading, discharging, and storage of metal ore, coal, grains, general cargo and other cargo, and port management.
- Liquid bulk cargo handling and ancillary services: loading, discharging, storage, and transport of crude oil and other liquid bulk cargo, and port management.
- Logistics and port value-added services: depot, logistics, freight forwarding, barging, tallying.
- Port ancillary services: electricity and fuel supply to the harbor area.

The Group's major operational activities are carried out in Mainland China. The Group's management does not separately manage the production and operation by region. Therefore, segment performance is not separately presented by region.

Inter-segment transfer prices are mutually agreed with reference to the market price. The assets are allocated based on the operations of the segment and the physical location of the asset. The liabilities are allocated based on the operations of the segment.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VII. SEGMENT INFORMATION (Continued)

(a) The segment information for the six month ended 30 June 2025, and as at 30 June 2025, is presented as follows (unaudited):

	Container handling and ancillary services	Metal ore, coal and other cargo handling and ancillary services	Liquid bulk cargo handling and ancillary services	Logistics and port value-added services	Port ancillary services	Unallocated	Elimination among segments	Total
Revenue from external customers	1,413,847,329	2,322,751,665	1,614,176,597	3,486,368,707	596,399,043	-	-	9,433,543,341
Revenue from inter-segment transactions	121,051,552	105,381,856	25,740,620	26,060,119	466,784,909	-	(745,019,056)	-
External operating costs	(288,262,519)	(1,842,900,332)	(655,063,497)	(2,550,887,324)	(387,398,508)	-	-	(5,724,512,180)
Inter-segment transaction costs	(125,562,831)	(131,338,221)	(41,053,160)	(28,805,486)	(360,124,772)	-	686,884,470	-
Interest income	5,567,079	2,146,599	4,187,788	15,108,621	2,186,428	37,270,445	-	66,466,960
Interest expenses	(7,329,100)	(21,361,051)	(44,463,292)	(4,798,454)	(1,041,712)	(3,112,753)	18,657,107	(63,449,255)
Investment income from associates and joint ventures	560,485,461	(18,288,460)	53,853,538	69,842,207	98,745,117	-	4,526,943	769,164,806
Asset impairment losses	-	-	-	475,396	507,633	-	-	983,029
Credit impairment losses	(367,963)	(601,013)	5,220,999	(5,190,116)	(19,441,987)	-	-	(20,380,080)
Depreciation and amortization	(32,539,246)	(162,549,750)	(279,025,227)	(110,361,121)	(127,237,583)	(48,166,556)	-	(759,879,483)
Total profit	1,623,325,485	303,022,419	1,068,535,205	873,023,050	280,897,988	(176,175,364)	(53,781,381)	3,918,847,402
Income tax expense	(250,671,591)	21,473,651	(170,949,319)	(200,695,268)	(21,518,378)	(162,220,008)	-	(784,580,913)
Net profit	<u>1,372,653,894</u>	<u>324,496,070</u>	<u>897,585,886</u>	<u>672,327,782</u>	<u>259,379,610</u>	<u>(338,395,372)</u>	<u>(53,781,381)</u>	<u>3,134,266,489</u>
Total assets	<u>12,086,635,014</u>	<u>11,218,902,520</u>	<u>17,279,423,620</u>	<u>7,691,254,770</u>	<u>7,992,884,685</u>	<u>10,990,199,815</u>	<u>(846,357,005)</u>	<u>66,412,943,419</u>
Total liabilities	<u>879,375,315</u>	<u>2,844,377,661</u>	<u>5,615,806,845</u>	<u>2,340,247,916</u>	<u>4,865,552,235</u>	<u>3,212,523,389</u>	<u>(1,943,587,257)</u>	<u>17,814,296,104</u>
Non-cash expenses other than depreciation and amortization	<u>193,220</u>	<u>960,000</u>	<u>31,411,587</u>	<u>9,266,734</u>	<u>8,880,963</u>	<u>19,444,998</u>	<u>-</u>	<u>70,157,502</u>
Long-term equity investments in associates and joint ventures	<u>8,616,308,706</u>	<u>1,190,091,796</u>	<u>1,914,060,275</u>	<u>721,742,220</u>	<u>2,467,944,053</u>	<u>-</u>	<u>-</u>	<u>14,910,147,050</u>
Increase in non-current assets (i)	<u>1,944,758</u>	<u>45,097,452</u>	<u>134,634,544</u>	<u>92,088,444</u>	<u>184,413,283</u>	<u>5,048,953</u>	<u>(11,739,443)</u>	<u>451,487,991</u>

(i) Non-current assets do not include financial assets, long-term equity investments and deferred tax assets.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VII. SEGMENT INFORMATION (Continued)

(b) The segment information for the six month ended 30 June 2024, and as at 31 December 2024, is presented as follows:

	Container handling and ancillary services	Metal ore, coal and other cargo handling and ancillary services	Liquid bulk cargo handling and ancillary services	Logistics and port value-added services	Port ancillary services	Unallocated	Elimination among segments	Total
Revenue from external customers	755,806,915	2,092,589,030	1,953,257,124	3,537,703,358	728,018,009	-	-	9,067,374,436
Revenue from inter-segment transactions	121,524,942	131,987,701	1,312,155	26,684,757	532,206,074	-	(813,715,629)	-
External operating costs	(157,735,756)	(1,648,524,875)	(726,050,994)	(2,642,203,947)	(516,160,311)	-	-	(5,690,675,883)
Inter-segment transaction costs	(104,624,277)	(149,943,673)	(16,406,526)	(31,036,908)	(443,724,729)	-	745,736,113	-
Interest income	6,925,810	2,768,833	13,558,215	15,160,876	2,769,964	27,787,948	-	68,971,646
Interest expenses	(10,794,465)	(22,276,791)	(64,810,965)	(7,091,569)	(687,249)	(1,696,686)	48,118,502	(59,239,223)
Investment income from associates and joint ventures	543,854,661	15,362,627	106,770,648	66,862,889	86,151,068	-	7,213,633	826,215,526
Asset impairment losses	-	-	-	(217,453)	-	-	-	(217,453)
Credit impairment losses	(829,065)	(306,485)	1,566,543	(11,956,918)	(10,853,737)	-	-	(22,379,662)
Depreciation and amortization	(27,520,000)	(150,703,529)	(251,072,128)	(117,947,379)	(120,780,998)	(35,915,470)	-	(703,939,504)
Total profit	1,083,245,625	296,903,566	1,243,209,724	840,797,963	279,885,360	(118,567,079)	(35,753,221)	3,589,721,938
Income tax expense	(129,186,875)	(12,414,391)	(213,443,749)	(177,483,399)	(27,469,280)	(102,471,905)	-	(662,469,599)
Net profit	<u>954,058,750</u>	<u>284,489,175</u>	<u>1,029,765,975</u>	<u>663,314,564</u>	<u>252,416,080</u>	<u>(221,038,984)</u>	<u>(35,753,221)</u>	<u>2,927,252,339</u>
Total assets	<u>11,669,960,005</u>	<u>11,197,191,244</u>	<u>17,653,057,883</u>	<u>7,396,277,281</u>	<u>8,077,955,959</u>	<u>8,813,426,960</u>	<u>(2,058,115,872)</u>	<u>62,749,753,460</u>
Total liabilities	<u>940,910,986</u>	<u>2,856,338,772</u>	<u>5,224,135,510</u>	<u>2,238,349,610</u>	<u>4,888,318,021</u>	<u>2,140,341,726</u>	<u>(2,330,727,564)</u>	<u>15,957,667,061</u>
Non-cash expenses other than depreciation and amortization	<u>501,150</u>	<u>1,954,706</u>	<u>7,595,057</u>	<u>17,358,321</u>	<u>6,899,380</u>	<u>39,552,879</u>	<u>-</u>	<u>73,861,493</u>
Long-term equity investments in associates and joint ventures	<u>8,053,376,660</u>	<u>1,207,882,214</u>	<u>2,142,554,766</u>	<u>683,519,317</u>	<u>2,159,469,049</u>	<u>264,151,236</u>	<u>-</u>	<u>14,510,953,242</u>
Increase in non-current assets (i)	<u>19,419,540</u>	<u>629,061,378</u>	<u>573,868,961</u>	<u>169,233,632</u>	<u>417,435,703</u>	<u>8,064,942</u>	<u>(14,000,173)</u>	<u>1,803,083,983</u>

(i) Non-current assets do not include financial assets, long-term equity investments and deferred tax assets.

The Group's total revenue from major external transactions and the Group's non-current assets, other than financial assets and deferred tax assets, are predominantly acquired or located in China.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

(1) The parent company

(a) Information on the Company's parent company

	Category of entity	Place of registration	Legal representative	Business nature
Qingdao Port Group	Limited Liability Company	Qingdao, China	Su Jianguang	Port operations and management

The Company's ultimate controlling party is Shandong Provincial State-owned Assets Supervision and Administration Commission.

(b) Registered capital and changes in registered capital of the parent company

	31 December 2024	Increase in the current period	Decrease in the current period	30 June 2025
Qingdao Port Group	<u>1,860,000,000</u>	<u>—</u>	<u>—</u>	<u>1,860,000,000</u>

(c) The percentages of shareholding and voting rights in the Company held by the parent company

	30 June 2025		31 December 2024	
	Shareholding	Voting rights	Shareholding	Voting rights
Qingdao Port Group	<u>55.56%</u>	<u>55.56%</u>	<u>55.77%</u>	<u>55.77%</u>

(2) Subsidiaries

The general information and other related information of the subsidiaries is set out in Note VI.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(3) Information of joint ventures and associates

Except for the information of significant joint ventures and associates disclosed in Note VI., joint ventures and associates with which the Group having related party transactions are as follows:

Name of company	Relationship with the Group
Qingdao Shihua	Joint venture
West United	Joint venture
Huaneng Qingdao	Joint venture
Dongjiakou Wanbang Logistics	Joint venture
QDOT	Joint venture
Dongjiakou Sinotrans Logistics	Joint venture
PetroChina Storage	Joint venture
QQCT	Joint venture
Linyi Expressway	Joint venture
United Shipping Agency	Joint venture
Yuanhai Zhirong	Joint venture
Ocean Shipping Agency	Joint venture
Evergreen Container	Joint venture
Orient Container	Joint venture
Ganglianrong Logistics	Joint venture
Ganglianhai Logistics	Joint venture
Sea Route International	Joint venture
Gulf Liquid Chemical	Associates
Shangang Luhai Jinan	Associates
Qingyin Leasing	Associates
Overseas Development	Associates
Qingdao Port Engineering	Associates
Technology Company	Associates
GSBN	Associates
Sealand Equipment Qingdao	Associates
Shandong Port Finance	Associates
Zhenhua Petroleum Storage	Associates
Shangang Energy Development	Associates
UG	Associates
Qianwan Xinhe Supply Chain	Associates
Qinggang International Trade Logistics	Associates
Xishuangbanna Storage and Transportation	Associates
Hailian Container	Associates
Shandong Port Energy	Associates
COSCO Abu Dhabi	Associates

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(4) Other related parties

Name of company	Relationship with the Group
Qingdao Cardiovascular Hospital ("Cardiovascular Hospital") (former name: Qingdao Cardiovascular Hospital Co., Ltd.)	Controlled by the same parent company
Shandong Weihai Port International Passenger Transport Co., Ltd. (Weihai Port International Passenger Transport)	Controlled by the same parent company
Shandong Port Weihai Port Co., Ltd. ("Weihai Port Group")	Controlled by the same parent company
Qingdao Port Investment and Construction (Group) Co., Ltd. (QDP Investment Group)	Controlled by the same parent company
Qingdao Qinggang International Travel Service Co., Ltd. (Qinggang Travel Service)	Controlled by the same parent company
Qingdao International Cruise Line Co., Ltd. (International Cruises)	Controlled by the same parent company
Weihai Gangtong Information Technology Co., Ltd. (Weihai Gangtong Technology)	Controlled by the same parent company
Qingdao Hongyu Catering Co., Ltd. (Hongyu Catering)	Controlled by the same parent company
Weihai Port Union Logistics Co., Ltd. (Weihai Port Union Logistics)	Controlled by the same parent company
Weihai Jiaodong International Container Shipping Co., Ltd. (Jiaodong International Container Shipping)	Controlled by the same parent company
Shandong Ocean Shipping Group Bohai Bay Co., Ltd. (Shandong Ocean Shipping Group Bohai Bay) (former name: Shandong Weihai Port International Logistics Co., Ltd. "Weihai Port International Logistics")	Controlled by the same parent company
Weihai Dingxin Construction Engineering Co., Ltd. (Weihai Dingxin Construction)	Controlled by the same parent company
Weihai Gangsheng Shipping Co., Ltd. (Weihai Gangsheng Shipping)	Controlled by the same parent company
Qingdao Port Financing Guarantee Co., Ltd. (Financing Guarantee)	Controlled by the same parent company
Qingdao Harbour Vocational And Technical College (Harbour Vocational College)	Controlled by the same parent company
Shandong Port Qinggang Shihua Energy Development Co., Ltd. (Qinggang Shihua)	Controlled by the same parent company
Shandong Dadao Resource Recycling Co., Ltd. (Dadao Resource Recycling)	Controlled by the same parent company

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(4) Other related parties (Continued)

Name of company	Relationship with the Group
Shanghai Gangrongyida Commercial Factoring Co., Ltd. ("Gangrongyida Factoring")	Controlled by the same parent company
Qingdao International Cruise Port Development and Construction Co., Ltd. ("International Cruise Port Development and Construction")	Controlled by the same parent company
Shandong Port Investment	Controlled by the same parent company
Shandong Commodities Trading Center Co., Ltd. ("Shandong Commodities")	Controlled by the same parent company
Shandong Gangyun Digital Technology Co., Ltd. ("Shangangyun Digital Technology")	Controlled by the same parent company
Shandong Gangxin Futures Co., Ltd. ("Shandong Gangxin Futures")	Controlled by the same parent company
Shandong Gangxin Capital Investment Co., Ltd. ("Gangxin Capital Investment")	Controlled by the same parent company
Shandong Port Insurance Brokers Co., Ltd. ("Shangang Insurance Brokers")	Controlled by the same parent company
Shandong Port Commercial Factoring Co., Ltd. ("Commercial Factoring")	Controlled by the same parent company
Shandong Port International Supply Chain Management Co., Ltd. ("Shandong Port Supply Chain")	Controlled by the same parent company
Shandong Port Fund Management Co., Ltd. ("Shangang Fund Management")	Controlled by the same parent company
Shandong Port Microfinance Co., Ltd. ("Microfinance")	Controlled by the same parent company
Shandong Port Group Ship Service Co., Ltd. ("Shandong Port Ship Service")	Controlled by the same parent company
Qinggang Leasing Company	Controlled by the same parent company
Weihai Yufeng Energy Co., Ltd. ("Weihai Yufeng Energy")	Controlled by the same parent company
Qingdao Wynn Insurance Agency Co., Ltd. ("Wynn Insurance")	Controlled by the same parent company
Rizhao Port Group Shanghai Commercial Factoring Co., Ltd. ("Rizhao Port Commercial Factoring")	Controlled by the same parent company
Weihai Shichang Liquor Co., Ltd. ("Weihai Shichang Liquor")	Controlled by the same parent company
Beijing Zhonggang Jinyuan Financial Leasing Co., Ltd. ("Zhonggang Jinyuan")	Controlled by the same parent company

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(4) Other related parties (Continued)

Name of company	Relationship with the Group
QQCTU	A joint venture of QQCTN with the same key management personnel as the Company
QQCTN	A subsidiary of QQCT
Qingdao Qianwan United Advance Container Terminal Co., Ltd. ("QQCTUA")	A joint venture of QQCTU with the same key management personnel as the Company
Qingdao Dongjiakou Railway Co., Ltd. ("Dongjiakou Railway")	An associate of the parent company
Qingdao Cruise Home Port China Duty Free Goods Co., Ltd. ("Cruise Home Port Duty Free Goods")	An associate of the parent company
Shandong Port Group	Shareholder of Qingdao Port Group
Shenzhen Zoomlion International Shipping Agency Co., Ltd. ("Shenzhen Zoomlion International Shipping Agency")	A subsidiary of an associate of the Group
Shandong CCIC Testing Technology Co., Ltd. ("Shandong CCIC")	A joint venture of Shandong Port Group
Shandong Trading Market Clearing House Co., Ltd. ("Shandong Trading Market Clearing House")	An associate of Shandong Port Group
Shangang Transportation Service (Shandong) Co., Ltd. ("Shangang Transportation Service") (former name: Shangang Shanhai Car Rental (Shandong) Co., Ltd. "Shanghai Car Rental")	A subsidiary of Shandong Port Group
Shanghai Property Qingdao (former name: Shangang Shanhai Property (Qingdao) Co., Ltd.)	A subsidiary of Shandong Port Group
Technology Company	A subsidiary of Shandong Port Group
Shandong Port International Trade Group Co., Ltd. ("Shangang International Trade")	A subsidiary of Shandong Port Group
Shandong Port Group Culture Media Co., Ltd. ("Shangang Culture Media")	A subsidiary of Shandong Port Group
Shandong Land Sea Service Development Group Co., Ltd. ("Shandong Land Sea Service Development") (former name: Shandong Port Group Service Development Group Co., Ltd. "Shangang Service Development")	A subsidiary of Shandong Port Group
Shangang Shanhai Production Guarantee (Shandong) Co., Ltd. ("Shangang Production Guarantee")	A subsidiary of Shandong Port Group
Shangang Park Management (Weihai) Co., Ltd. ("Shangang Park Management Weihai") (former name: Shangang Shanhai Property (Weihai) Co., Ltd. "Shanghai Property Weihai")	A subsidiary of Shandong Port Group
Shandong Port Medical Care and Health Management Group Co., Ltd. ("Shangang Medical Care")	A subsidiary of Shandong Port Group

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(4) Other related parties (Continued)

Name of company	Relationship with the Group
Shandong Ocean Shipping Group Co., Ltd. ("Shandong Ocean Shipping Group") (former name: Shandong Port Shipping Group Co., Ltd. "Shangang Shipping Group")	A subsidiary of Shandong Port Group
Shandong Port Luhai International Logistics Rizhao Co., Ltd. ("Luhai Logistics Rizhao")	A subsidiary of Shandong Port Group
Shandong Port Luhai International Logistics Group Development Co., Ltd. ("Shangang Luhai Logistics Development")	A subsidiary of Shandong Port Group
Shandong Port Luhai International Logistics Group Co., Ltd. ("Luhai International Logistics")	A subsidiary of Shandong Port Group
Shandong Lujian Technology Co., Ltd. ("Shandong Lujian")	A subsidiary of Shandong Port Group
Shangang Express (Qingdao) Shipping Co., Ltd. ("Shangang Express")	A subsidiary of Shandong Port Group
Rizhao Port Information Technology Co., Ltd. ("Rizhao Information Technology")	A subsidiary of Shandong Port Group
Rizhao Port Container Development Co., Ltd. ("Rizhao Port Container Development")	A subsidiary of Shandong Port Group
Zibo Inland Port Management and Operation Co., Ltd. ("Zibo Inland Port")	A subsidiary of Shandong Port Group
Xinjiang Rizhao Port Logistics Park Co., Ltd. ("Xinjiang Rizhao Port Logistics Park")	A subsidiary of Shandong Port Group
Shandong Port Sunshine Huicai Service Co., Ltd. ("Shangang Sunshine Huicai")	A subsidiary of Shandong Port Group
Shangang Luhai International Logistics (Lanzhou) Co., Ltd. ("Shangang Luhai Lanzhou")	A subsidiary of Shandong Port Group
Shangang Luhai International Logistics (Hainan) Co., Ltd. ("Shangang Luhai Hainan")	A subsidiary of Shandong Port Group
Shandong Ocean Shipping Group Weihai Co., Ltd. ("Shandong Ocean Shipping Group Weihai") (former name: Shandong Port Shipping Group Weihai Co., Ltd. "Shangang Shipping Weihai")	A subsidiary of Shandong Port Group
Shandong Marine Corporation Yantai Co., Ltd. ("Shandong Marine Corporation Yantai") (former name: Shandong Port Shipping Group Yantai Container Shipping Co., Ltd. "Shandong Port Shipping Yantai")	A subsidiary of Shandong Port Group
Shandong Land Sea Equipment Group Yantai Co., Ltd. ("Shandong Land Sea Equipment Group Yantai") (former name: Shandong Luhai Heavy Industry Co., Ltd. "Luhai Heavy Industry")	A subsidiary of Shandong Port Group

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(4) Other related parties (Continued)

Name of company	Relationship with the Group
Shandong Port Group Weifang Port Co., Ltd. ("Shandong Port Weifang Port")	A subsidiary of Shandong Port Group
Weifang Port Bulk Cargo Terminal Co., Ltd. ("Weifang Bulk Terminal")	A subsidiary of Shandong Port Group
Shangang Luhai (Jinan) Hotel Management Co., Ltd. ("Shangang Luhai Hotel Management")	A subsidiary of Shandong Port Group
Shangang Shanhai Security (Shandong) Co., Ltd. ("Shandong Shanhai Security")	A subsidiary of Shandong Port Group
Shandong Port Technology Group Co., Ltd. ("Shangang Technology Group")	A subsidiary of Shandong Port Group
Shandong Port Overseas Development Group Co., Ltd. ("Shandong Port Overseas Development")	A subsidiary of Shandong Port Group
Luhai Equipment Group (former name: Shandong Port Equipment Group Co., Ltd.)	A subsidiary of Shandong Port Group
Shandong Port Luhai International Logistics Yantai Co., Ltd. ("Luhai Logistics Yantai")	A subsidiary of Shandong Port Group
Shangang Overseas Supply Chain (Qingdao) Co., Ltd. ("Shangang Overseas Supply Chain")	A subsidiary of Shandong Port Group
Yantai Port Ro-Ro Logistics Co., Ltd. ("Yantai Port Ro-Ro Logistics")	A subsidiary of Shandong Port Group
Yantai Port Holdings Co., Ltd. ("Yantai Port Holdings")	A subsidiary of Shandong Port Group
Longkou Port Shipping Agency Co., Ltd. ("Longkou Port Shipping Agency")	A subsidiary of Shandong Port Group
Rizhao Gangda Shipbuilding Heavy Industry Co., Ltd. ("Gangda Shipbuilding Heavy Industry")	A subsidiary of Shandong Port Group
Shandong Port Vocational Education Group Co., Ltd. ("Shangang Vocational Education")	A subsidiary of Shandong Port Group
Shandong Port Luhai International Logistics Bohai Bay Co., Ltd. ("Luhai Logistics Bohai Bay")	A subsidiary of Shandong Port Group
Shandong Port Group International Investment Development Co., Ltd. ("Shangang International Investment")	A subsidiary of Shandong Port Group
Shangang Luhai Jinan	A subsidiary of Shandong Port Group
Shangang Luhai International Logistics (Zhengzhou) Co., Ltd. ("Shangang Luhai Zhengzhou")	A subsidiary of Shandong Port Group
Shandong Port & Shipping Lianfa Shipping Co., Ltd. ("Port & Shipping Lianfa")	A subsidiary of Shandong Port Group
Shandong Port Group Binzhou Port Co., Ltd. ("Shangang Group Binzhou Port")	A subsidiary of Shandong Port Group

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(4) Other related parties (Continued)

Name of company	Relationship with the Group
Shandong Port Engineering Management Consulting Co., Ltd. ("Shandong Port Engineering Management")	A subsidiary of Shandong Port Group
Lugang Holding Development	A subsidiary of Shandong Port Group
Shandong Port Luhai International Logistics Liaocheng Co., Ltd. ("Shangang Luhai Liaocheng")	A subsidiary of Shandong Port Group
Shandong Port Overseas Development Group Yantai Co., Ltd. ("Shangang Overseas Development Yantai Company")	A subsidiary of Shandong Port Group
Shangang Luhai International Logistics (Xinjiang) Co., Ltd. ("Shangang Luhai Xinjiang")	A subsidiary of Shandong Port Group
Yantai Port International Shipping Agency Co., Ltd. ("Yantai Port International Shipping Agency")	A subsidiary of Shandong Port Group
Rizhao Jinqiao Energy Saving Technology Co., Ltd. ("Jinqiao Energy Saving")	A subsidiary of Shandong Port Group
Shandong Harbor Construction	A subsidiary of Shandong Port Group
Rizhao Port Machinery Engineering Co., Ltd. ("Rizhao Port Machinery Engineering")	A subsidiary of Shandong Port Group
Qingdao Shangang Creative Industry Co., Ltd. ("Shangang Creative")	A subsidiary of Shandong Port Group
Shandong Port Group Dongying Port Co., Ltd. ("Shandong Port Dongying Port")	A subsidiary of Shandong Port Group
China Digital Technology (Qingdao) Co., Ltd. ("China Digital Technology")	A subsidiary of Shandong Port Group
Binzhou Gangtong Pipeline Co., Ltd. ("Binzhou Gangtong Pipeline")	A subsidiary of Shandong Port Group
Shandong Port Industry-City Integration Development Group Weihai Co., Ltd. ("Shangang Industry-City Integration Weihai")	A subsidiary of Shandong Port Group
Shandong Port International Trade Group Rizhao Co., Ltd. ("Shangang International Trade Rizhao Company")	A subsidiary of Shandong Port Group
Shandong Port International Trade Group Yantai Co., Ltd. ("Shangang International Trade Yantai Company")	A subsidiary of Shandong Port Group
Shandong Gangwan Navigation Engineering Co., Ltd. ("Shandong Navigation Engineering")	A subsidiary of Shandong Port Group
Shandong Bohai Bay Haixin Port Co., Ltd. ("Bohai Bay Haixin Port")	A subsidiary of Shandong Port Group
Shandong Port & Shipping Oil Transportation Co., Ltd. ("Port & Shipping Oil Transportation")	A subsidiary of Shandong Port Group
Shangang Industry and Finance Industry Development (Rizhao) Co., Ltd. ("Shangang Industry and Finance Industry Development Rizhao")	A subsidiary of Shandong Port Group

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(4) Other related parties (Continued)

Name of company	Relationship with the Group
Rizhao Haitong Liner Co., Ltd. ("Haitong Liner")	A subsidiary of Shandong Port Group
Rizhao Harbor Engineering Testing Co., Ltd. ("Rizhao Harbor Engineering Testing")	A subsidiary of Shandong Port Group
Shandong Shanhai Longxiang Health Management Co., Ltd. ("Shanhai Longxiang Health")	A subsidiary of Shandong Port Group
Shandong Land Sea Equipment Group Rizhao Co., Ltd. ("Land Sea Equipment Group Rizhao")	A subsidiary of Shandong Port Group
Rizhao Port Jifa Yuanda International Logistics Co., Ltd. ("Rizhao Port Jifa Yuanda")	A subsidiary of Shandong Port Group
Yantai International Container Terminal Co., Ltd. ("Yantai Container")	A subsidiary of Shandong Port Group
Gangxin Capital Management (Hong Kong) Limited ("Gangxin Capital Hong Kong")	A subsidiary of Shandong Port Group
Yellow River Delta Construction Engineering Co., Ltd. ("Yellow River Delta Construction")	A subsidiary of Shandong Port Group
Longkou Port Group Co., Ltd. ("Longkou Port Group")	A subsidiary of Shandong Port Group
Shandong Port International Trade Group Qingdao Co., Ltd. ("Shandong Port International Trade Qingdao Company")	A subsidiary of Shandong Port Group
Shandong Port Cruise Development Group Co., Ltd. ("Shandong Port Cruise Development")	A subsidiary of Shandong Port Group
Rongcheng Jiutai Tourism Development Co., Ltd. ("Jiutai Tourism")	A subsidiary of Shandong Port Group
Shandong Land-Sea Linkage Fund Management Co., Ltd. ("Land-Sea Linkage Fund Management")	A subsidiary of Shandong Port Group
Rizhao Lingang International Logistics Co., Ltd. ("Rizhao Lingang International Logistics")	A subsidiary of Shandong Port Group
Shandong Bohai Bay Port Barge Co., Ltd. ("Bohai Bay Barge")	A subsidiary of Shandong Port Group
Bpspg Energy Trading Co., Ltd. ("Bpspg Energy")	A subsidiary of Shandong Port Group
Shandong Gangyi Commercial Development Co., Ltd. ("Shangangyi Commercial")	A subsidiary of Shandong Port Group
Henan Rizhao Port Logistics Co., Ltd. ("Henan Rizhao Port Logistics")	A subsidiary of Shandong Port Group
Shandong Port & Shipping Energy Trading Co., Ltd. ("Port & Shipping Energy")	A subsidiary of Shandong Port Group
Shandong Gangtong Engineering Management Consulting Co., Ltd. ("Shangangtong Engineering Management Consulting")	A subsidiary of Shandong Port Group
Weihai Lujian Technology Service Co., Ltd. ("Weihai Lujian")	A subsidiary of Shandong Port Group

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(4) Other related parties (Continued)

Name of company	Relationship with the Group
Shandong Luhaitong Digital Technology Co., Ltd. ("Shandong Luhaitong Digital")	Other companies of Shandong Port Group
Qingdao Port Lianyun International Logistics Co., Ltd. ("Lianyun International Logistics")	Other companies of Shandong Port Group
Shandong Shangang Zhoudao Wubo Information Technology Co., Ltd. ("Shangang Zhoudao Wubo Information")	Other companies of Shandong Port Group
Shangang Park Management (Weifang) Co., Ltd. ("Shangang Park Management (Weifang)") (former name: Shangang Shanhai Property (Weifang) Co., Ltd. "Shanghai Property (Weifang)")	Other companies of Shandong Port Group
Shangang Port and Shipping Material Supply (Shandong) Co., Ltd. ("Shangang Port and Shipping Material Supply") (former name: Shangang Living Materials Guarantee (Shandong) Co., Ltd. "Shangang Living Guarantee")	Other companies of Shandong Port Group
Shandong Zenghe Supply Chain Co., Ltd. ("Zenghe Supply Chain")	Other companies of Shandong Port Group
Weifang Port Container Terminal Co., Ltd. ("Weifang Container")	Other companies of Shandong Port Group
Shangang Land Sea Smart Cold Chain Logistics (Qingdao) Co., Ltd. ("Shangang Land Sea Cold Chain Logistics (Qingdao)")	Other companies of Shandong Port Group
Shandong Luhai Equipment Group Haiyang Co., Ltd. ("Luhai Equipment Haiyang")	Other companies of Shandong Port Group
Shangang TRAFIGURA International Trade (Shandong) Co., Ltd. ("TRAFIGURA International Trade")	Other companies of Shandong Port Group
Rizhao Xinlan Wood Inspection Co., Ltd. ("Rizhao Xinlan Wood")	Other companies of Shandong Port Group
Qingdao Lujian Asset Management Co., Ltd. ("Qingdao Lujian Asset")	Other companies of Shandong Port Group
Rizhao Lujian Technology Service Co., Ltd. ("Rizhao Lujian Technology")	Other companies of Shandong Port Group
Rizhao Port Huafeng Changsheng Storage Co., Ltd. ("Huafeng Changsheng Storage")	Other companies of Shandong Port Group
Shangang Luhai International Logistics (Chongqing) Co., Ltd. ("Shangang Luhai International Logistics (Chongqing)")	Other companies of Shandong Port Group
Shangang Land Sea (Jinan) Supply Chain Management Co., Ltd. ("Shangang Land Sea (Jinan) Supply Chain") (former name: Qingdao Lujiantong Catering Management Co., Ltd.)	Other companies of Shandong Port Group

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(4) Other related parties (Continued)

Name of company	Relationship with the Group
Shandong Lujian Testing Co., Ltd. ("Shandong Lujian Testing")	Other companies of Shandong Port Group
Penglai Ocean Shipping Agent Co., Ltd. ("Penglai Ocean Shipping Agent")	Other companies of Shandong Port Group
Shangang Luhai International Logistics (Jining) Co., Ltd. ("Luhai International (Jining)") (former name: Jining Quarantine Treatment Co., Ltd.)	Other companies of Shandong Port Group
Shandong Gangtai Industrial Investment Co., Ltd. ("Gangtai Industrial Investment") (former name: Qingdao Port Asset Management Co., Ltd.)	Other companies of Shandong Port Group
Yantai Bohai International Ferry Co., Ltd. ("Bohai International Ferry")	Other companies of Shandong Port Group
Shandong Quarantine Treatment Co., Ltd. ("Shandong Quarantine Treatment")	Other companies of Shandong Port Group
SPG Evertrans GLORY Minerals (Shandong) Co., Ltd. ("Evertrans GLORY Minerals (Shandong)")	Other companies of Shandong Port Group
Shandong Bingang Oil Terminal Co., Ltd. ("Bingang Oil")	Other companies of Shandong Port Group
Weifang Port Group Co., Ltd. ("Weifang Port Group")	Other companies of Shandong Port Group
Shandong Port Municipal Construction Co., Ltd. ("Port Municipal Construction")	Other companies of Shandong Port Group
Shandong International Commodity Exchange Co., Ltd. ("Shandong Commodity Exchange")	Other companies of Shandong Port Group
Weihai International Marine Commodity Trading Center Co., Ltd. ("Weihai Marine Commodity")	Other companies of Shandong Port Group
Dalian DMU International Logistics Co., Ltd. ("DMU International Logistics")	Other companies of Shandong Port Group
Rizhao Port Group Shanghai Financial Leasing Co., Ltd. ("Rizhao Shanghai Financial Leasing")	Other companies of Shandong Port Group
China COSCO Shipping Corporation Limited ("China SHIPPING Group") (i)	Minority shareholders with significant influence over the Group
Orient Overseas Container Line (China) Co., Ltd. ("OOCL Containers (China)")	A company controlled by COSCO Shipping Group
China Ocean Shipping Agency Co., Ltd. ("China Ocean Shipping Agency")	A company controlled by COSCO Shipping Group
Rizhao Zhongli Outer Shipping Tally Co., Ltd. ("Rizhao Zhongli Outer Shipping Tally")	A company controlled by COSCO Shipping Group

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(4) Other related parties (Continued)

Name of company	Relationship with the Group
Qingdao COSCO SHIPPING Logistics Supply Chain Co., Ltd. ("COSCO SHIPPING Logistics Supply Chain")	A company controlled by COSCO Shipping Group
Qingdao COSCO SHIPPING Container Lines Co., Ltd. ("Qingdao COSCO SHIPPING Containers")	A company controlled by COSCO Shipping Group
China Marine Bunker Qingdao Co., Ltd. ("China Marine Bunker Qingdao")	A company controlled by COSCO Shipping Group
China Rizhao Shipping Agency Co., Ltd. ("Rizhao Shipping Agency")	A company controlled by COSCO Shipping Group
China Qingdao Shipping Agency Co., Ltd. ("Qingdao Shipping Agency")	A company controlled by COSCO Shipping Group
Xin Sanli Container Service Co., Ltd. ("Xin Sanli Container")	A company controlled by COSCO Shipping Group
Qingdao COSCO SHIPPING Air Freight Forwarding Co., Ltd. ("Qingdao COSCO SHIPPING Air Freight Forwarding")	A company controlled by COSCO Shipping Group
Shanghai COSCO Weizhi Tank Logistics Co., Ltd. ("COSCO Weizhi Tank Container Logistics")	A company controlled by COSCO Shipping Group
Qingdao COSCO SHIPPING Engineering Logistics Co., Ltd. ("Qingdao COSCO SHIPPING Engineering Logistics")	A company controlled by COSCO Shipping Group
Orient Overseas Logistics (China) Co., Ltd. ("OOCL Logistics")	A company controlled by COSCO Shipping Group
Tianjin Waidai Freight Co., Ltd. ("Tianjin Waidai")	A company controlled by COSCO Shipping Group
China Lianyungang Shipping Agency Co., Ltd. ("Lianyungang Shipping Agency")	A company controlled by COSCO Shipping Group
COSCO SHIPPING Lines Co., Ltd. ("COSCO SHIPPING Containers")	A company controlled by COSCO Shipping Group
Guangzhou COSCO SHIPPING Container Lines Co., Ltd. ("Guangzhou Shipping Containers")	A company controlled by COSCO Shipping Group
Qingdao China Gas Industrial Co., Ltd. ("China Gas Industry")	A company controlled by COSCO Shipping Group
COSCO SHIPPING Logistics Supply Chain Co., Ltd. ("COSCO Logistics Supply Chain")	A company controlled by COSCO Shipping Group
COSCO SHIPPING Special Lines Co., Ltd. ("COSCO SHIPPING Special Lines")	A company controlled by COSCO Shipping Group
Hainan Haisheng Shipping Co., Ltd. ("Hainan Haisheng Shipping")	A company controlled by COSCO Shipping Group
Qingdao COSCO SHIPPING Logistics Co., Ltd. ("COSCO SHIPPING Logistics")	A company controlled by COSCO Shipping Group

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(4) Other related parties (Continued)

Name of company	Relationship with the Group
Tianjin Yuanchang Refrigerated Container Service Co., Ltd. ("Yuanchang Refrigerated Container")	A company controlled by COSCO Shipping Group
COSCO SHIPPING Passenger Transport Company Limited ("COSCO Passenger Transport")	A company controlled by COSCO Shipping Group
Shanghai Puhai Shipping Co., Ltd. ("Shanghai Puhai Shipping")	A company controlled by COSCO Shipping Group
Xinxinhai Shipping Co., Ltd. ("Xinxinhai Shipping")	A company controlled by COSCO Shipping Group
Qingdao Ocean & Great Asia Bonded Logistics Co., Ltd. ("Ocean & Great Asia Bonded Logistics")	A company controlled by COSCO Shipping Group
COSCO Logistics (Nanjing) Co., Ltd. ("COSCO Logistics (Nanjing)")	A company controlled by COSCO Shipping Group
Guangzhou Ocean Special Transportation Co., Ltd. ("Ocean Special Transportation")	A company controlled by COSCO Shipping Group
Xi'an COSCO SHIPPING Container Line Co., Ltd. ("Xi'an COSCO SHIPPING Containers")	A company controlled by COSCO Shipping Group
Qingdao COSCO SHIPPING Customs Brokerage Co., Ltd. ("COSCO SHIPPING Customs Brokerage")	A company controlled by COSCO Shipping Group
Qingdao Ocean Shipping Supply Co., Ltd. ("Qingdao Ocean Shipping")	A company controlled by COSCO Shipping Group
Qingdao Ocean & Great Asia Logistics Co., Ltd. ("Ocean & Great Asia")	A company controlled by COSCO Shipping Group
Shanghai Pan Asia Shipping Co., Ltd. ("Shanghai Pan Asia")	A company controlled by COSCO Shipping Group
Zhejiang Xinggang International Freight Forwarding Co., Ltd. ("Xinggang International Freight")	A company controlled by COSCO Shipping Group
Shenzhen Yihaitong Global Supply Chain Management Co., Ltd. ("Yihaitong Global Supply Chain")	A company controlled by COSCO Shipping Group
Zhanjiang COSCO SHIPPING Logistics Co., Ltd. ("Zhanjiang COSCO Logistics")	A company controlled by COSCO Shipping Group
Shanghai COSCO SHIPPING Port Investment Co., Ltd. ("Shanghai COSCO SHIPPING Port Investment")	A company controlled by COSCO Shipping Group
Orient Overseas Container Line Co., Ltd. ("OOCL Containers")	A company controlled by COSCO Shipping Group
COSCO Shipping International Freight Co., Ltd. ("COSCO International Freight")	A company controlled by COSCO Shipping Group
Xi'an Port Yuanhai National Railway Logistics Co., Ltd. ("Xi'an Port Yuanhai")	A company controlled by COSCO Shipping Group

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(4) Other related parties (Continued)

Name of company	Relationship with the Group
Shanghai Friendship Shipping Co., Ltd. ("Friendship Shipping")	A company controlled by COSCO Shipping Group
Jiangsu COSCO SHIPPING Container Lines Co., Ltd. ("Jiangsu COSCO Containers")	A company controlled by COSCO Shipping Group
China Shanghai Shipping Agency Co., Ltd. ("Shanghai Shipping Agency")	A company controlled by COSCO Shipping Group
Coheung Marine Shipping Company Limited ("Coheung Marine Shipping")	A company controlled by COSCO Shipping Group
COSCO SHIPPING Energy Transportation Co., Ltd. ("COSCO Energy Transportation")	A company controlled by COSCO Shipping Group
Guangzhou Development Shipping Co., Ltd. ("Guangzhou Development Shipping")	A company controlled by COSCO Shipping Group
COSCO SHIPPING Special Lines (Southeast Asia) Co., Ltd. ("COSCO Special Lines")	A company controlled by COSCO Shipping Group
Changshu Zhongyuan Logistics Co., Ltd. ("Changshu Zhongyuan")	A company controlled by COSCO Shipping Group
Qingdao Zhongran Yinda Gas Station Co., Ltd. ("Qingdao Zhongran")	A company controlled by COSCO Shipping Group
(i) China COSCO SHIPPING Corporation Limited ("COSCO SHIPPING Group") indirectly holds 21.78% equity interests in the Company through Shanghai China Shipping Terminal, China Shipping Terminal, Qingdao COSCO and COSCO SHIPPING Ports Development, and COSCO SHIPPING Group has a significant influence on the Company.	

(5) Related party transactions

Pricing policy

The Group's purchases, sales, provision or receipt of services with related parties are conducted in accordance with the pricing and settlement terms agreed with the other party in the ordinary course of business. The rents collected and paid to related parties shall be determined after negotiation between the two parties. The interest rates for deposits and loans with Shandong Port Finance Company are determined after negotiation between both parties based on the benchmark interest rate of the People's Bank of China for the same period or the quoted market rate loans released by the National Interbank Funding Center.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(a) Purchase and sale of goods, and rendering and receiving of services

(i) Purchase of goods or services:

Related party	Contents of related transactions	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Dongjiakou Railway	Loading and unloading, logistics and other services	155,121,406	8,752,729
Qingdao Shihua	Loading and unloading, logistics and other services	148,300,425	215,847,194
Shangang Luhai Logistics Development	Loading and unloading, logistics and other services	127,628,496	106,316,329
QDOT	Loading and unloading, logistics and other services	124,989,408	6,264,948
QQCTU	Loading and unloading, logistics and other services	76,227,465	10,946,050
CSSC Fuel Qingdao	Procurement of fuel	70,367,675	36,697,478
Technology Company	Software development, information operation and maintenance services	63,674,426	55,852,255
Shanghai Property Qingdao	Property, catering and other services	60,837,818	57,504,298
West United	Loading and unloading, logistics and other services	60,329,420	41,286,365
Qianwan Xinhe Supply Chain	Loading and unloading, logistics and other services	54,421,006	17,653,448
Huaneng Qingdao	Loading and unloading, logistics and other services	47,822,856	44,239,412
Qingdao COSCO SHIPPING Containers	Loading and unloading, logistics and other services	45,782,133	40,318,737
QDP Investment Group	Procurement of engineering materials, engineering labor, etc.	41,759,275	22,173,885
Sealand Equipment Qingdao	Procurement of engineering materials, engineering, design services	26,721,237	89,484,168
OOCL (China)	Loading and unloading, logistics and other services	22,238,015	11,929,441
Qingdao Port Engineering	Procurement of engineering materials, engineering, design services	21,232,002	7,318,819
Shanghai Property Weihai	Property, catering and other services	18,540,137	16,555,368
Luhai Heavy Industry	Procurement of engineering materials, engineering, design services	15,847,141	2,637,861
Rizhao Port Container Development	Loading and unloading, logistics and other services	15,455,723	1,253,129

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(a) Purchase and sale of goods, and rendering and receiving of services (Continued)

(i) Purchase of goods or services: (Continued)

Related party	Contents of related transactions	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Shanghai Car Rental	Leases and other services	15,033,952	10,618,659
Shandong Harbor Construction	Engineering, design services	11,926,990	87,556,266
Shangang Luhai Zhengzhou	Loading and unloading, logistics and other services	11,286,388	4,576,297
Shangang Shanghai Security	Property service	9,124,704	15,061,948
Shangang Shipping Group	Loading and unloading, logistics and other services	8,176,926	4,746,303
China Ocean Shipping Agency	Loading and unloading, logistics and other services	7,919,649	9,024,188
Shangang Luhai Liaocheng	Loading and unloading, logistics and other services	7,759,276	9,024,598
Port & Shipping Lianfa	Loading and unloading, logistics and other services	5,798,382	3,677,196
Shangang Sunshine Huicai	Procurement of materials, labor protection equipment, etc.	5,723,874	1,215,291
Shangang Service Development	Procurement of materials, promotional services, etc.	5,637,876	9,842,898
QQCT	Loading and unloading, logistics and other services	5,235,993	3,961,922
Shandong Lujian	Loading and unloading, logistics and other services	4,680,333	2,325,741
Shangang Express	Loading and unloading, logistics and other services	4,280,994	23,219,332
Evergreen Container	Loading and unloading, logistics and other services	4,098,023	2,471,892
Weihai Gangtong Technology	Information operations and maintenance, technical services	3,774,824	3,414,410
GGBN	Association membership fee	3,614,695	–
Shandong Luhaitong Digital	Information operations and maintenance, technical services	2,539,618	813,110
Shanghai Property (Weifang)	Property service	2,474,782	2,285,825
Shangang Culture Media	Procurement of materials, promotional services, etc.	2,465,930	1,173,118
Shandong Port Energy	Loading and unloading, logistics and other services	2,421,442	5,740,335

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(a) Purchase and sale of goods, and rendering and receiving of services (Continued)

(i) Purchase of goods or services: (Continued)

Related party	Contents of related transactions	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Shangang Production Guarantee	Procurement of materials, labor services	2,356,302	2,561,777
Qinggang Travel Service	Meetings and other services	1,587,000	1,201,048
QQCTN	Loading and unloading, logistics and other services	1,386,332	13,648,988
Cardiovascular Hospital	Medical services	1,319,500	1,334,687
Shandong Dongying Port	Labor services, etc.	1,304,910	–
Zenghe Supply Chain	Procurement of materials, design services, advertising services, etc.	1,250,583	–
Ganglianhai Logistics	Loading and unloading, logistics and other services	1,072,948	1,091,847
Shangang Luhai Xinjiang	Loading and unloading, logistics and other services	1,000,626	3,717,287
Luhai Logistics Rizhao	Loading and unloading, logistics and other services	894,935	856,036
Yuanhai Zhirong	Logistics and other services	772,966	1,534,342
Shandong Port Engineering Management	Procurement of engineering materials, engineering, design services	197,226	515,216
Shangang International Investment	Loading and unloading, logistics and other services	51,253	3,516,237
Shangang Zhoudao Wubo Information	Loading and unloading, logistics and other services	–	20,390,533
Overseas Development	Loading and unloading, logistics and other services	–	8,432,899
Longkou Port Group	Loading and unloading, logistics and other services	–	4,218,724
Xi'an COSCO SHIPPING Containers	Loading and unloading, logistics and other services	–	1,513,785
Shangang Overseas Supply Chain	Loading and unloading, logistics and other services	–	549,332
Other related parties	Loading and unloading, logistics, training, tourism and other services	21,606,004	18,067,936
		<u>1,356,071,300</u>	<u>1,076,931,917</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(a) Purchase and sale of goods, provision and receipt of services (Continued)

(ii) Selling goods and rendering services:

Related party	Contents of related transactions	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
QQCT	Transportation, loading and unloading, maintenance and other labor services	509,639,306	315,814,268
QQCTN	Transportation, loading and unloading, maintenance and other labor services	203,627,374	124,682,537
QQCTU	Transportation, loading and unloading, maintenance and other labor services	184,787,149	130,056,614
Shangang Luhai Logistics Development	Transportation, loading and unloading, maintenance and other labor services	146,942,674	154,894,187
QDOT	Transportation, loading and unloading, maintenance and other labor services	90,868,392	64,966,005
QQCTUA	Transportation, loading and unloading, maintenance and other labor services	74,197,332	41,288,042
China Ocean Shipping Agency	Transportation, loading and unloading, maintenance and other labor services	73,209,307	80,525,512
Dongjiakou Railway	Transportation, loading and unloading, maintenance and other labor services	40,856,880	5,696,984
Lianyun International Logistics	Transportation, loading and unloading, maintenance and other labor services	30,811,118	8,645,925
Yuanhai Zhirong	Transportation, loading and unloading, maintenance and other labor services	25,969,784	20,435,118
Qingdao Shihua	Transportation, loading and unloading, maintenance and other labor services	24,360,079	41,573,112
Sino-Ocean Daya	Transportation, loading and unloading, maintenance and other labor services	23,715,922	19,749,446
Overseas Development	Transportation, loading and unloading, maintenance and other labor services	18,589,039	17,232,914
COSCO SHIPPING Containers	Transportation, loading and unloading, maintenance and other labor services	17,606,827	31,263,049
Jiaodong International Container Shipping	Transportation, loading and unloading, maintenance and other labor services	17,099,710	11,920,724
Orient Container	Transportation, loading and unloading, maintenance and other labor services	16,719,782	5,299,823
Shanghai Pan-Asia	Transportation, loading and unloading, maintenance and other labor services	12,550,377	18,248,553

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(a) Purchase and sale of goods, provision and receipt of services (Continued)

(ii) Selling goods and rendering services: (Continued)

Related party	Contents of related transactions	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Evergreen Container	Transportation, loading and unloading, maintenance and other labor services	10,200,823	3,656,214
COSCO SHIPPING Logistics	Transportation, loading and unloading, maintenance and other labor services	9,907,748	7,266,758
Luhai Logistics Rizhao	Transportation, loading and unloading, maintenance and other labor services	9,439,930	418,353
Shangang Sunshine Huicai	Transportation, loading and unloading, maintenance and other labor services	9,180,242	21,480
Luhai International Logistics	Transportation, loading and unloading, maintenance and other labor services	8,905,390	4,376,796
Qingdao COSCO SHIPPING Containers	Transportation, loading and unloading, maintenance and other labor services	8,508,582	–
Ganglianrong Logistics	Transportation, loading and unloading, maintenance and other labor services	8,345,163	4,747,265
United Shipping Agency	Transportation, loading and unloading, maintenance and other labor services	7,206,100	6,411,354
Shangang Shipping Weihai	Transportation, loading and unloading, maintenance and other labor services	7,076,334	6,173,948
Shangang Shipping Group	Transportation, loading and unloading, maintenance and other labor services	7,013,074	5,020,211
Shangang Express	Transportation, loading and unloading, maintenance and other labor services	6,321,702	23,396,868
Shangang Luhai Zhengzhou	Transportation, loading and unloading, maintenance and other labor services	5,949,052	6,827,985
Ganglianhai Logistics	Transportation, loading and unloading, maintenance and other labor services	5,922,429	3,650,640
Ocean Shipping Agency	Transportation, loading and unloading, maintenance and other labor services	5,761,744	5,491,294
Qinggang International Trade Logistics	Transportation, loading and unloading, maintenance and other labor services	5,628,173	4,354,304
Sealand Equipment Qingdao	Transportation, loading and unloading, maintenance and other labor services	4,762,306	1,223,873
Shangang International Investment	Transportation, loading and unloading, maintenance and other labor services	4,446,028	448,703

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(a) Purchase and sale of goods, provision and receipt of services (Continued)

(ii) Selling goods and rendering services: (Continued)

Related party	Contents of related transactions	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Qingdao Port Group	Transportation, loading and unloading, maintenance and other labor services	3,689,206	4,720,259
Shangang International Trade	Transportation, loading and unloading, maintenance and other labor services	3,146,097	3,457,771
Qianwan Xinhe Supply Chain	Transportation, loading and unloading, maintenance and other labor services	3,143,511	44,318,784
COSCO Weizhi Tank Container Logistics	Transportation, loading and unloading, maintenance and other labor services	3,093,917	3,672,910
Xinxinhai Shipping	Transportation, loading and unloading, maintenance and other labor services	2,520,419	12,525,252
Ocean Special Transportation	Transportation, loading and unloading, maintenance and other labor services	2,029,017	129,719
Shangang Luhai Lanzhou	Transportation, loading and unloading, maintenance and other labor services	1,991,560	3,756,200
Rizhao Shipping Agency	Transportation, loading and unloading, maintenance and other labor services	1,797,890	847,927
Shandong Port International Trade Qingdao Company	Transportation, loading and unloading, maintenance and other labor services	1,578,320	3,348,827
QDP Investment Group	Transportation, loading and unloading, maintenance and other labor services	1,247,719	4,073,469
OOCL Containers	Transportation, loading and unloading, maintenance and other labor services	1,227,044	592,919
Luhai Logistics Bohai Bay	Transportation, loading and unloading, maintenance and other labor services	1,145,781	4,850,362
Shangang Luhai Liaocheng	Transportation, loading and unloading, maintenance and other labor services	750,645	433,924
Huaneng Qingdao	Transportation, loading and unloading, maintenance and other labor services	602,092	4,024,191
Shangang International Trade Rizhao Company	Transportation, loading and unloading, maintenance and other labor services	325,318	2,987,405
Shangang Group Binzhou Port	Transportation, loading and unloading, maintenance and other labor services	–	2,051,052
Sea Route International	Transportation, loading and unloading, maintenance and other labor services	–	2,800,800

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(a) Purchase and sale of goods, provision and receipt of services (Continued)

(ii) Selling goods and rendering services: (Continued)

Related party	Contents of related transactions	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Ganghai Logistics	Transportation, loading and unloading, maintenance and other labor services	-	424,996
Other related parties	Transportation, loading and unloading, maintenance and other labor services	<u>36,738,792</u>	<u>29,496,953</u>
		<u>1,701,153,200</u>	<u>1,304,292,579</u>
Shandong Harbor Construction	Provision of construction labor services	60,083,842	64,294,871
Qingdao Port Engineering	Provision of construction labor services	28,481,186	17,030,413
QQCT	Provision of construction labor services	4,123,346	134,837
Qingdao Port Group	Provision of construction labor services	3,074,834	179,688
QDP Investment Group	Provision of construction labor services	121,222	3,228,925
QQCTU	Provision of construction labor services	77,864	351,335
Qingdao Shihua	Provision of construction labor services	13,784	-
Technology Company	Provision of construction labor services	-	68,606
Yuanhai Zhirong	Provision of construction labor services	-	80,692
Other related parties	Provision of construction labor services	<u>699,672</u>	<u>261,172</u>
		<u>96,675,750</u>	<u>85,630,539</u>
QDOT	Sales of water, electricity, steam, oil, etc.	48,176,057	90,858,293
QQCT	Sales of water, electricity, steam, oil, etc.	23,664,080	48,657,180
QQCTN	Sales of water, electricity, steam, oil, etc.	15,166,529	38,509,953
QQCTU	Sales of water, electricity, steam, oil, etc.	6,886,125	5,199,659
QQCTUA	Sales of water, electricity, steam, oil, etc.	6,323,725	9,371,788
West United	Sales of water, electricity, steam, oil, etc.	4,688,671	4,860,258
Qingdao Port Engineering	Sales of water, electricity, steam, oil, etc.	4,071,596	3,420,911
Zhenhua Petroleum Storage	Sales of water, electricity, steam, oil, etc.	4,048,398	-
Weifang Bulk Terminal	Sales of water, electricity, steam, oil, etc.	2,694,415	2,657,572
Bohai Bay Barge	Sales of water, electricity, steam, oil, etc.	2,453,918	-
Evergreen Container	Sales of water, electricity, steam, oil, etc.	2,386,941	3,173,933
Shangang Service Development	Sales of water, electricity, steam, oil, etc.	2,202,660	3,854

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(a) Purchase and sale of goods, provision and receipt of services (Continued)

(ii) Selling goods and rendering services: (Continued)

Related party	Contents of related transactions	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Shangang Group Binzhou Port	Sales of water, electricity, steam, oil, etc.	1,997,831	–
Yuanhai Zhirong	Sales of water, electricity, steam, oil, etc.	1,726,511	1,460,324
Orient Container	Sales of water, electricity, steam, oil, etc.	1,696,006	1,748,593
Luhai Equipment Qingdao	Sales of water, electricity, steam, oil, etc.	1,660,125	2,740,308
Ganglianhai Logistics	Sales of water, electricity, steam, oil, etc.	1,450,918	1,417,431
Yinda Gas Station	Sales of water, electricity, steam, oil, etc.	1,207,678	–
Weihai Port International			
Passenger Transport	Sales of water, electricity, steam, oil, etc.	1,125,996	6,814
Hailian Container	Sales of water, electricity, steam, oil, etc.	1,065,318	–
Qingdao Port Group	Sales of water, electricity, steam, oil, etc.	994,875	1,892,072
Weifang Container	Sales of water, electricity, steam, oil, etc.	865,750	–
Shanghai Property Qingdao	Sales of water, electricity, steam, oil, etc.	847,019	1,173,284
Ganglianrong Logistics	Sales of water, electricity, steam, oil, etc.	788,131	952,944
Technology Company	Sales of water, electricity, steam, oil, etc.	558,326	1,093,087
QDP Investment Group	Sales of water, electricity, steam, oil, etc.	537,817	2,229,114
International Cruise	Sales of water, electricity, steam, oil, etc.	438,965	1,146,094
Shandong Port Group	Sales of water, electricity, steam, oil, etc.	202,851	588,098
Qingdao Shihua	Sales of water, electricity, steam, oil, etc.	45,912	5,207,060
Binzhou Gangtong Pipeline	Sales of water, electricity, steam, oil, etc.	–	4,141,003
Other related parties	Sales of water, electricity, steam, oil, etc.	5,577,581	3,838,984
		<u>145,550,725</u>	<u>236,348,611</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(b) Leases

(i) Lease income confirmed by the Group as a lessor:

Related party	Type of leased assets	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
QQCT	Buildings, storage facilities, port facilities	111,058,766	111,600,423
QDOT	Storage facilities	20,256,086	20,256,086
QQCTN	Buildings, port facilities	7,024,204	6,714,339
Evergreen Container	Buildings, storage facilities	5,343,039	5,263,021
QQCTU	Buildings, port facilities	4,454,131	5,387,500
Orient Container	Buildings, storage facilities	4,042,907	4,006,594
Ganglianhai Logistics	Storage facilities, machinery and equipment	3,692,574	3,739,224
Ganglianrong Logistics	Buildings, storage facilities	2,664,931	2,693,227
Qingdao Port Engineering Technology Company	Buildings, storage facilities	1,213,503	1,168,322
Yuanhai Zhirong	Buildings	857,913	849,797
	Storage facilities, machinery and equipment	789,430	1,255,036
Sealand Equipment Qingdao	Buildings, storage facilities	579,387	523,927
Qingdao Port Group	Buildings	564,477	564,477
Shanghai Property Qingdao	Buildings	454,760	3,445,607
Qingdao Shihua	Buildings, storage facilities, machinery and equipment	453,883	19,400,413
Other related parties	Buildings, storage facilities, machinery and equipment	3,818,179	5,836,522
		<u>167,268,170</u>	<u>192,704,515</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(b) Leases (Continued)

(ii) Right-of-use assets leased by the Group as a lessee:

Related party	Type of leased assets	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
QDP Investment Group	Buildings, machinery and equipment	31,453,568	–
West United	Storage facilities	5,128,643	5,128,157
Qingdao Port Group	Buildings	1,249,306	–
Shanghai Car Rental	Vehicles	318,057	1,074,937
		<u>38,149,574</u>	<u>6,203,094</u>

(iii) Interest expense on lease liabilities assumed by the Group as a lessee:

Related party	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Shandong Port Finance	3,302,857	–
Qingdao Port Group	3,134,411	1,715,275
Qinggang Leasing Company	2,700,000	–
QDP Investment Group	763,312	613,363
Other related parties	106,440	282,817
	<u>10,007,020</u>	<u>2,611,455</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(b) Leases (Continued)

(iv) Other assets leased by the group as lessee for the current period:

Related party	Type of leased assets	Lease expenses recognized for the six months ended 30 June 2025 (Unaudited)	Lease expenses recognized for the six months ended 30 June 2024 (Unaudited)
Qingdao Port Group	Land use rights, buildings, port facilities, machinery and equipment	28,303,545	44,239,366
QDP Investment Group	Buildings, storage facilities, port facilities, machinery and equipment	20,321,296	26,822,026
QQCTN	Storage facilities	13,484,918	963,303
QQCTU	Storage facilities, land use rights	9,656,235	–
Shangang Land Sea Cold Chain Logistics (Qingdao)	Storage facilities	4,800,000	–
Shangang Industry-City Integration Weihai	Storage facilities	4,244,324	–
Weihai Port Group	Storage facilities	4,198,214	2,720,654
West United	Storage facilities	2,658,606	2,567,817
Harbor Vocational College	Buildings	1,112,084	–
QDOT	Port facilities	986,492	–
Shangang International Trade	Buildings	934,433	636,267
Weihai Port International Passenger Transport	Storage facilities	490,733	473,486
Dongjiakou Sinotrans Logistics	Storage facilities	298,449	–
Ganglianhai Logistics	Buildings	69,784	–
Ocean Shipping Agency	Buildings	–	21,239
Other related parties	Buildings, storage facilities, machinery and equipment	2,549,752	958,549
		<u>94,108,865</u>	<u>79,402,707</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(c) Finance lease and capital loans

(i) Borrowings from Shandong Port Finance Company

	Amount	Starting date	Due Date
Shandong Port Finance	26,000,000	2025/1/2	2028/1/1
Shandong Port Finance	3,000,000	2025/1/2	2026/1/1
Shandong Port Finance	9,900,000	2025/1/6	2028/1/5
Shandong Port Finance	46,900,000	2025/1/17	2030/1/16
Shandong Port Finance	51,935,642	2025/1/23	2033/1/22
Shandong Port Finance	13,000,000	2025/2/5	2026/2/4
Shandong Port Finance	5,000,000	2025/2/19	2026/2/18
Shandong Port Finance	12,000,000	2025/2/20	2028/2/19
Shandong Port Finance	149,000,000	2025/2/27	2028/2/26
Shandong Port Finance	40,325,001	2025/2/27	2033/2/26
Shandong Port Finance	28,000,000	2025/3/14	2028/3/13
Shandong Port Finance	15,500,000	2025/3/14	2028/3/13
Shandong Port Finance	3,000,000	2025/3/20	2026/3/19
Shandong Port Finance	6,500,000	2025/3/20	2028/3/19
Shandong Port Finance	8,982,194	2025/3/25	2030/3/24
Shandong Port Finance	29,500,000	2025/3/24	2028/3/25
Shandong Port Finance	2,000,000	2025/3/27	2026/3/26
Shandong Port Finance	35,001,118	2025/3/28	2033/3/27
Shandong Port Finance	13,500,000	2025/4/16	2028/4/15
Shandong Port Finance	29,500,000	2025/4/25	2028/4/24
Shandong Port Finance	14,500,000	2025/5/15	2028/5/14
Shandong Port Finance	10,000,000	2025/5/15	2026/5/14
Shandong Port Finance	4,000,000	2025/5/16	2026/5/15
Shandong Port Finance	31,500,000	2025/5/22	2030/5/21
Shandong Port Finance	40,000,000	2025/5/29	2028/5/28
Shandong Port Finance	10,000,000	2025/6/12	2026/6/11
Shandong Port Finance	15,000,000	2025/6/16	2028/6/15
Shandong Port Finance	29,200,000	2025/6/20	2030/6/19
Shandong Port Finance	80,000,000	2025/6/26	2028/6/25
	<u>762,743,955</u>		

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(c) Finance lease and capital loans (Continued)

(ii) Interest income -

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Shandong Port Finance	60,441,392	52,223,741
Commercial Factoring	1,875	10,815
	<u>60,443,267</u>	<u>52,234,556</u>

(iii) Interest expenses on related party borrowings -

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Shandong Port Finance	41,567,250	39,220,505
Qingdao Port Group	829,612	2,877,116
	<u>42,396,862</u>	<u>42,097,621</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(d) Investment income

Related parties	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
QQCT	574,639,901	558,836,129
Shandong Port Finance	64,836,843	71,763,208
Qingdao Shihua	52,619,920	109,248,864
UG	21,466,369	23,558,924
Evergreen Container	16,496,316	14,371,355
Qingyin Leasing	16,166,649	13,967,829
Sealand Equipment Qingdao	12,150,391	8,586,500
Yuanhai Zhirong	9,759,948	7,240,353
Orient Container	7,327,380	5,376,443
Qinggang International Trade Logistics	6,432,876	7,936,980
Qingdao Port Engineering	4,753,644	(15,049,563)
Ganglianrong Logistics	3,632,008	2,707,123
Technology Company	3,606,220	3,143,839
Huaneng Qingdao	3,716,037	1,935,554
QDOT	3,423,621	4,874,349
United Shipping Agency	2,402,869	1,828,615
Gulf Liquid Chemical	1,149,237	852,856
Shandong Port Energy	1,049,215	1,172,374
Hailian Container	888,175	571,013
Ocean Shipping Agency	849,910	651,191
Shangang Luhai Jinan	686,256	845,694
GSBN	652,922	287,369
Sea Route International	438,158	452,600
Qianwan Xinhe Supply Chain	347,523	(101,184)
Overseas Development	270,940	2,147,740
Zhenhua Petroleum Storage	177,473	75,708
Dongjiakou Sinotrans Logistics	93,362	101,091
Linyi Expressway	67,040	(25,643)
Ganglianhai Logistics	–	2,191,436
PetroChina Storage	(93,092)	(1,178,374)
Dongjiakou Wanbang Logistics	(99,899)	(106,858)
Xishuangbanna Storage and Transportation	(272,673)	–
COSCO Abu Dhabi	(15,042,615)	(12,011,247)
West United	(25,428,118)	9,963,258
	<u>769,164,806</u>	<u>826,215,526</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(e) Remuneration of key management

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Remuneration of key management	<u>6,765,883</u>	<u>5,169,650</u>

(f) Other related party transactions

(i) Port construction fees, harbour dues, and port facility security expenses received and paid on behalf of related parties from/to their clients

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Funds received under the entrustment of related parties –		
QQCT	2,617,954,815	2,370,545,576
QQCTN	1,115,483,220	967,217,847
QQCTU	627,961,468	781,010,405
QQCTUA	<u>272,986,656</u>	<u>248,121,735</u>
	<u>4,634,386,159</u>	<u>4,366,895,563</u>
Funds paid to related parties –		
QQCT	2,644,638,221	2,338,596,531
QQCTN	1,142,598,575	962,553,014
QQCTU	621,444,001	753,178,801
QQCTUA	<u>253,774,122</u>	<u>246,454,088</u>
	<u>4,662,454,919</u>	<u>4,300,782,434</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(5) Related party transactions (Continued)

(f) Other related party transactions (Continued)

(ii) Port charges, berthing fees, and security fees collected by related parties on behalf of the Group

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
QQCT	32,537,162	32,209,391
Qingdao Shihua	18,952,849	39,093,765
QQCTU	16,092,452	12,705,630
QQCTN	14,380,691	13,937,831
QQCTUA	5,577,104	5,180,283
West United	3,719,733	3,865,615
QDOT	–	11,717,601
	91,259,991	118,710,116

(iii) Accept the commission payment of related parties

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Qingdao Port Engineering	28,697,504	30,599,930
QDOT	23,537,203	33,120,796
QQCT	22,601,756	22,454,522
QQCTU	13,930,452	12,815,537
QQCTN	7,227,584	8,213,586
Qingdao Shihua	4,815,341	7,167,561
West United	4,640,195	6,844,815
Sealand Equipment Qingdao	4,589,098	57,753,591
Shanghai Property Qingdao	3,371,258	4,251,583
Qingdao Port Group	1,216,896	689,218
Harbor Vocational College	700,274	1,576,291
Huaneng Qingdao	635,439	1,172,142
Evergreen Container	548,457	879,854
Yuanhai Zhirong	386,585	453,846
Shangang Production Guarantee	354,051	300,980
Cardiovascular Hospital	–	706,389
Other related parties	2,785,993	3,909,308
	120,038,086	192,909,949

The Company's subsidiary, Tongze Trading, provides procurement agency services to related parties, and accepts their entrustment to make payments to suppliers for procurement.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(6) Related party receivable and payable balances

(a) Cash at bank and on hand

	30 June 2025 (Unaudited)	31 December 2024
Shandong Port Finance – Cash at bank	13,947,799,465	12,297,234,573
Shandong Port Finance – Other cash balances	–	6,124,092
Shandong Port Finance – Accrued interest	54,792,395	18,209,038
	<u>14,002,591,860</u>	<u>12,321,567,703</u>

(b) Notes receivable

	30 June 2025 (Unaudited)		31 December 2024	
	Book balance	Provision for bad debts	Book balance	Provision for bad debts
Shandong Harbor				
Construction	4,985,009	(183,448)	–	–
Sealand Equipment Qingdao	3,751,148	(138,042)	2,935,990	(114,504)
QDOT	3,637,854	(133,873)	–	–
International Cruise	1,589,085	(58,478)	1,759,294	(68,612)
Qingdao Port Engineering	1,331,982	(49,017)	–	–
Qinggang Travel Service	–	–	967,440	(37,730)
	<u>15,295,078</u>	<u>(562,858)</u>	<u>5,662,724</u>	<u>(220,846)</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(6) Related party receivable and payable balances (Continued)

(c) Accounts receivable

	30 June 2025 (Unaudited)		31 December 2024	
	Book balance	Provision for bad debts	Book balance	Provision for bad debts
QDOT	109,618,597	(14,627,167)	78,287,096	(12,670,751)
Qingdao Shihua	81,261,168	(3,718,129)	134,766,668	(6,122,858)
Shandong Harbor Construction	85,837,430	(13,078,298)	88,923,469	(9,454,363)
Shangang Luhai Logistics Development	49,423,488	(2,248,769)	42,504,322	(1,929,696)
Qingdao Port Engineering	43,121,510	(7,660,507)	37,316,085	(5,425,610)
QQCTN	28,573,331	(1,456,169)	30,240,732	(1,454,175)
QQCTU	25,146,580	(1,144,169)	18,986,962	(880,384)
Shangang Express	20,588,417	(936,773)	6,252,409	(283,859)
QDP Investment Group	16,557,042	(1,930,984)	15,475,396	(1,350,642)
QQCT	25,824,756	(1,184,473)	31,015,531	(1,409,308)
Sealand Equipment Group Rizhao	15,687,478	(2,609,003)	17,595,103	(1,386,174)
Shangang Luhai Zhengzhou	13,658,935	(621,482)	7,576,192	(343,959)
Overseas Development	12,316,528	(560,402)	11,896,693	(540,110)
Luhai Logistics Rizhao	10,786,887	(549,518)	3,091,995	(140,377)
Dongjiakou Railway	10,468,045	(476,296)	15,654,383	(710,709)
Yuanhai Zhirong	10,401,513	(478,062)	7,549,015	(342,725)
QQCTUA	10,184,257	(463,384)	1,739,154	(78,958)
Lianyung International Logistics	10,014,058	(455,640)	5,158,131	(234,179)
Orient Container	9,390,208	(427,254)	3,527,591	(160,153)
Shangang Luhai Lanzhou	8,776,987	(399,353)	7,464,873	(338,905)
Qingdao Port Group	8,123,689	(3,147,985)	12,032,120	(4,177,676)
Jiaodong International Container Shipping	6,838,332	(311,144)	6,229,033	(282,798)
Evergreen Container	5,920,853	(269,399)	2,632,258	(119,505)
Shandong Port Engineering	5,620,974	(3,290,550)	6,195,821	(3,423,014)
West United	5,296,620	(261,730)	2,433,966	(122,117)
China Ocean Shipping Agency	5,234,126	(238,153)	5,270,712	(239,290)
Shangang Shipping Weihai	5,132,854	(233,545)	3,860,448	(175,264)
Shanghai Pan-Asia	4,966,848	(225,992)	1,734,259	(78,735)
Shanghai Property Qingdao	4,166,816	(235,370)	2,953,151	(134,073)
Ganglianhai Logistics	3,973,880	(180,812)	1,588,772	(72,130)
COSCO SHIPPING Logistics	3,824,032	(173,993)	3,762,135	(170,801)
Sino-Ocean Daya	3,458,476	(157,361)	3,268,357	(148,383)
Sealand Equipment Qingdao	3,399,444	(155,516)	4,222,733	(1,934,165)
Weifang Bulk Terminal	3,250,456	(147,896)	2,158,667	(98,003)
Dongjiakou Wanbang Logistics	3,088,852	(2,655,531)	2,636,143	(2,634,933)
Shangang International Investment	3,029,953	(137,884)	373,313	(16,948)
COSCO SHIPPING Containers	2,974,551	(135,342)	1,487,344	(67,525)
Ganglianhong Logistics	2,709,989	(123,305)	1,202,483	(54,593)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(6) Related party receivable and payable balances (Continued)

(c) Accounts receivable (Continued)

	30 June 2025 (Unaudited)		31 December 2024	
	Book balance	Provision for bad debts	Book balance	Provision for bad debts
Binzhou Gangtong Pipeline	2,496,666	(249,667)	2,496,666	(113,349)
Hailian Container	2,472,751	(112,510)	1,280,037	(58,114)
Shangang Service Development	2,310,174	(105,113)	2,202,183	(99,979)
Qingdao COSCO SHIPPING Containers	2,286,956	(104,056)	350,688	(15,921)
Weihai Port Group	2,114,162	(96,194)	1,905,151	(86,494)
Luhai International Logistics	2,001,269	(91,058)	1,122,510	(50,962)
Shangang Shipping Group	1,810,805	(82,392)	419,051	(19,025)
Zhenhua Petroleum Storage	1,783,864	(81,166)	–	–
Ocean Special Transportation	1,766,845	(80,391)	842,276	(38,239)
Qianwan Xinhe Supply Chain	1,383,153	(62,933)	2,043,485	(92,774)
Bohai Bay Barge	1,263,807	(57,503)	2,423,706	(110,036)
Luhai Logistics Bohai Bay	556,946	(25,341)	–	–
Qinggang International Trade Logistics	348,619	(15,862)	274,181	(12,448)
Shangang Luhai Liaocheng	45,782	(2,083)	161,831	(7,347)
Shangang Sunshine Huicai	12,258	(558)	2,736,598	(124,242)
COSCO Abu Dhabi	–	–	4,640,159	(210,663)
Other related parties	17,780,237	(1,595,703)	15,146,144	(1,801,211)
	<u>719,082,254</u>	<u>(69,869,870)</u>	<u>667,108,181</u>	<u>(62,048,652)</u>

(d) Contract assets

	30 June 2025 (Unaudited)		31 December 2024	
	Book balance	Provision for bad debts	Book balance	Provision for bad debts
Shandong Harbor Construction	64,100,232	(2,249,918)	37,164,729	(1,460,574)
Qingdao Port Engineering	14,361,608	(504,092)	10,395,040	(408,525)
QQCT	11,405,431	(400,331)	18,629,681	(732,146)
QQCTU	10,880,601	(381,909)	10,880,601	(427,608)
Qingdao Shihua	2,131,200	(74,805)	2,131,200	(83,756)
Shangang Luhai Logistics Development	–	–	3,880,502	(152,504)
Other related parties	605,323	(21,247)	633,673	(24,904)
	<u>103,484,395</u>	<u>(3,632,302)</u>	<u>83,715,426</u>	<u>(3,290,017)</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(6) Related party receivable and payable balances (Continued)

(e) Prepayments

	30 June 2025 (Unaudited)	31 December 2024
Sealand Equipment Group	50,614,000	50,614,000
International Cruise Port Development and Construction	20,391,160	–
Dongjiakou Railway	12,034,931	6,811,586
Shangang Culture Media	5,028,302	5,000,000
Shangang Service Development	4,831,466	456,398
Sealand Equipment Qingdao	3,934,800	2,706,440
QDP Investment Group	1,631,982	7,869,747
Technology Company	1,287,722	444,000
West United	453,853	300,135
China Ocean Shipping Agency	220,608	535,128
Luhai Logistics Rizhao	183,286	–
Weihai Lujian	88,979	–
Qingdao COSCO SHIPPING Containers	78,902	1,652,065
Shangang Transportation Service	35,177	193,134
Shanghai Pan-Asia	–	24,975
Shangang Zhoudao Wubo Information	–	2,152,687
Qingdao Port Group	–	688,958
Other related parties	4,379,387	2,056,090
	<u>105,194,555</u>	<u>81,505,343</u>

(f) Other receivables

Dividend receivable -

	30 June 2025 (Unaudited)	31 December 2024
Yuanhai Zhirong	2,129,805	17,621,365
Qinggang International Trade Logistics	–	4,745,177
Sealand Equipment Group	1,611,067	1,611,067
Sea Route International	–	725,320
Shangang Luhai Jinan	–	44,938
	<u>3,740,872</u>	<u>24,747,867</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(6) Related party receivable and payable balances (Continued)

(f) Other receivables (Continued)

Other -

	30 June 2025 (Unaudited)		31 December 2024	
	Book balance	Provision for bad debts	Book balance	Provision for bad debts
Qingdao Port Engineering	36,716,845	(978,804)	16,474,167	(450,147)
QDOT	15,094,579	(401,516)	35,463,137	(965,710)
West United	12,705,161	(371,152)	14,296,049	(417,247)
Evergreen Container	11,278,701	(231,654)	12,400,718	(301,038)
Yuanhai Zhirong	9,983,288	(271,240)	10,147,560	(278,667)
Weihai Port International Passenger Transport	9,474,166	(660,000)	9,220,429	(502,699)
Orient Container	8,775,724	(190,825)	5,369,025	(125,782)
Sealand Equipment Qingdao	7,121,759	(189,727)	44,843,992	(1,241,144)
QQCT	6,902,847	(169,544)	8,095,097	(213,715)
Luhai Logistics Rizhao	6,217,042	(165,373)	5,159,344	(140,496)
China Ocean Shipping Agency	4,915,077	(15,590)	4,937,125	(19,855)
Shangang Luhai Logistics Development	4,830,816	(132,250)	5,040,078	(133,327)
Qingdao Port Group	4,355,385	(210,464)	4,598,916	(183,091)
Sino-Ocean Daya	3,907,951	(103,952)	9,435,551	(256,943)
QQCTU	3,664,542	(97,477)	4,204,162	(114,485)
Shanghai Property Qingdao	3,289,577	(87,575)	3,122,169	(85,172)
Lianyung International Logistics	2,511,702	(67,031)	1,799,986	(49,016)
Ganglianhai Logistics	2,386,841	(68,255)	2,877,731	(78,676)
Qingdao Shihua	2,293,729	(61,013)	5,449,360	(148,807)
OOCL (China)	2,019,255	(53,446)	2,186,336	(59,265)
Ganglianhong Logistics	1,709,837	(48,927)	2,085,069	(56,779)
QQCTN	1,634,955	(43,490)	6,113,459	(166,478)
Shangang Group Binzhou Port	860,600	(22,892)	851,994	(23,201)
QDP Investment Group	528,303	(12,723)	6,414,213	(169,222)
Huaneng Qingdao	127,928	(3,403)	1,781,493	(48,513)
UG	-	-	1,656,922	(90,434)
Other related parties	5,321,369	(165,358)	5,168,111	(154,294)
	<u>168,627,979</u>	<u>(4,823,681)</u>	<u>229,192,193</u>	<u>(6,474,203)</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(6) Related party receivable and payable balances (Continued)

(g) Short-term borrowings

	30 June 2025 (Unaudited)	31 December 2024
Shandong Port Finance – Unsecured	65,500,000	95,250,000
Shandong Port Finance – Accrued interest	81,138	82,649
	<u>65,581,138</u>	<u>95,332,649</u>

(h) Notes payable

	30 June 2025 (Unaudited)	31 December 2024
Qingdao Port Engineering	20,079,711	9,407,781
QDP Investment Group	13,472,933	–
Luhai Heavy Industry	2,232,000	–
Shangang Service Development	255,000	–
Qinggang International Trade Logistics	–	1,052,807
Sealand Equipment Qingdao	–	400,000
	<u>36,039,644</u>	<u>10,860,588</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(6) Related party receivable and payable balances (Continued)

(i) Accounts payable

	30 June 2025 (Unaudited)	31 December 2024
Qingdao Shihua	198,491,637	494,431,116
Qingdao Port Engineering	135,903,973	190,233,530
Shangang Luhai Logistics Development	119,187,352	110,001,556
QQCTU	85,163,175	210,403
QDOT	61,468,814	45,455,021
QDP Investment Group	39,968,232	26,927,400
West United	17,427,155	3,800,565
QQCTN	15,180,638	33,112
Rizhao Port Container Development	14,113,548	33,260,147
Weihai Dingxin Construction	13,896,634	15,223,464
Qingdao Port Group	10,469,431	5,171,819
CSSC Fuel Qingdao	7,018,090	4,207,500
Huaneng Qingdao	8,055,567	7,615,143
Sealand Equipment Qingdao	7,375,219	13,037,983
Qianwan Xinhe Supply Chain	7,264,547	15,256,328
Shangang Express	6,171,933	222,584
QQCT	5,484,113	1,772,050
Shangang Shipping Group	5,304,142	–
Luhai Heavy Industry	4,802,262	2,198,861
Shangang Industry-City Integration Weihai	4,244,324	–
Shangang International Investment	3,996,200	6,106,001
Shanghai Property Qingdao	3,920,433	4,498,813
Weihai Gangtong Technology	3,471,540	1,660,120
Technology Company	3,198,809	1,410,120
Shangang Sunshine Huicai	2,414,625	6,038,577
Dongjiakou Sinotrans Logistics	2,355,672	1,728,929
Weihai Port Group	2,177,267	–
Port & Shipping Lianfa	2,148,500	–
Shangang Luhai Liaocheng	2,073,429	2,154,348
Luhai Logistics Rizhao	579,980	13,846
Luhai International Logistics	37,755	37,635
Luhai Logistics Bohai Bay	8,270	2,069
Cardiovascular Hospital	–	205,337
Other related parties	19,218,135	17,766,399
	812,591,401	1,010,680,776

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(6) Related party receivable and payable balances (Continued)

(j) Advances from customers

	30 June 2025 (Unaudited)	31 December 2024
Evergreen Container	8,739,277	4,922,270
Ganglianrong Logistics	2,640,823	–
Ganglianhai Logistics	103,810	–
Shandong Luhaitong Digital	71,769	51,020
Yuanhai Zhirong	38,267	267,874
Qianwan Xinhe Supply Chain	–	44,820
	<u>11,593,946</u>	<u>5,285,984</u>

(k) Contract liabilities

	30 June 2025 (Unaudited)	31 December 2024
Qingdao Port Group	2,537,779	2,376,579
Shangang Luhai Logistics Development	2,000,000	2,041,825
TRAFIGURA International Trade	1,559,540	–
Shangang Industry-City Integration Weihai	1,398,002	–
OOCL (China)	1,154,448	1,758,918
Sealand Equipment Haiyang	1,141,272	–
Qingdao COSCO SHIPPING Containers	1,079,900	124,782
China Ocean Shipping Agency	1,000,000	14,686
Dongjiakou Railway	836,193	836,193
QDP Investment Group	812,818	850,940
West United	729,300	–
Dadao Resource Recycling	604,107	–
Shanghai Pan-Asia	601,736	–
Ocean Shipping Agency	500,000	–
COSCO SHIPPING Containers	431,409	–
Qingdao Shipping Agency	108,790	108,790
Sino-Ocean Daya	83,708	3,294,634
Port & Shipping Energy	–	1,396,343
Cardiovascular Hospital	–	1,426,415
Other related parties	<u>1,171,018</u>	<u>1,291,596</u>
	<u>17,750,020</u>	<u>15,521,701</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(6) Related party receivable and payable balances (Continued)

(I) Other payables

Dividend payable

	30 June 2025 (Unaudited)	31 December 2024
Qingdao Port Group	706,901,325	—
Shanghai China Shipping Terminal	203,814,864	—
China Shipping Terminal	19,267,200	—
COSCO SHIPPING Qingdao	19,267,200	—
	<u>949,250,589</u>	<u>—</u>

Others

	30 June 2025 (Unaudited)	31 December 2024
Qingdao Port Engineering	819,085,987	875,258,842
QQCT	172,436,430	203,547,570
Sealand Equipment Qingdao	156,891,070	232,642,939
Shandong Harbor Construction	140,188,883	253,735,635
Shangang Luhai Logistics Development	108,630,729	105,240,785
Shanghai Property Qingdao	89,749,417	82,907,066
QQCTU	65,460,959	54,934,639
QQCTN	55,751,981	65,421,036
Shangang Shanghai Security	44,251,621	44,974,988
Sealand Equipment Group	37,327,434	—
QQCTUA	35,992,461	17,043,997
Technology Company	33,947,370	10,284,019
QDP Investment Group	33,042,742	50,247,347
Qingdao Port Group	13,245,024	11,953,407
Shanghai Property Weihai	7,591,847	6,466,909
Shandong Port Engineering Management	6,506,602	8,250,139
Weihai Lujian	6,053,006	5,484,746
Weihai Dingxin Construction	5,209,444	6,156,314
Evergreen Container	4,053,050	4,053,450
Weihai Gangtong Technology	2,718,954	4,906,296
Shangangtong Engineering Management Consulting	1,004,503	1,004,503
COSCO SHIPPING Containers	—	1,451,409
Other related parties	22,156,620	27,205,733
	<u>1,861,296,134</u>	<u>2,073,171,769</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(6) Related party receivable and payable balances (Continued)

(m) Other non-current liabilities

	30 June 2025 (Unaudited)	31 December 2024
QQCT	1,729,954,621	1,828,665,308
QQCTN	36,524,630	37,784,100
QQCTU	8,270,793	8,875,973
	<u>1,774,750,044</u>	<u>1,875,325,381</u>

(n) Long-term borrowings

	30 June 2025 (Unaudited)	31 December 2024
Shandong Port Finance – Unsecured	2,831,740,714	2,289,726,759
Shandong Port Finance – Accrued interest	58,486	2,500,227
	<u>2,831,799,200</u>	<u>2,292,226,986</u>

(o) Lease liabilities

	30 June 2025 (Unaudited)	31 December 2024
Shandong Port Finance	184,672,378	177,873,612
Qingdao Port Group	154,075,167	149,766,689
QDP Investment Group	40,481,907	15,982,972
Shangang International Trade	1,066,960	1,044,587
Shangang Transportation Service	2,721,026	2,889,577
West United	2,593,577	–
Other related parties	384,863	680,687
	<u>385,995,878</u>	<u>348,238,124</u>

(p) Long-term payables

	30 June 2025 (Unaudited)	31 December 2024
Qinggang Leasing Company	129,450,001	120,572,284
Qingdao Port Group	–	136,925,067
	<u>129,450,001</u>	<u>257,497,351</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

VIII. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS (Continued)

(7) Others

On 12 July 2024, the Company's 19th meeting of the fourth session of the Board of Directors reviewed and approved the *Proposal on Major Adjustments to the Restructuring Plan* and other relevant proposals. According to the adjusted proposal, the Company intends to issue shares and pay cash to purchase 100% equity interests in Rizhao Port Oil Terminal Co., Ltd. and 50.00% equity interests in Rizhao Shihua Crude Oil Terminal Co., Ltd. held by Rizhao Port Group, and 53.88% equity interests in Shandong United Energy Pipeline Transportation Co., Ltd. and 51.00% equity interests in Shandong Gangyuan Pipeline Logistics Co., Ltd. held by Yantai Port Group, and to issue shares to raise matching funds by way of quotation.

On 21 February 2025, the Company held the 25th Meeting of the fourth session of the Board of Directors, which considered and passed the *Proposal on Adjusting the Original Restructuring Plan*. Due to slower-than-anticipated progress in resolving bankruptcy matters involving certain key clients of the target companies, Shandong United Energy Pipeline Transportation Co., Ltd. and Shandong Gangyuan Pipeline Logistics Co., Ltd., under the original restructuring plan, and to safeguard the interests of the listed company and minority shareholders, it was decided – after thorough discussions and prudent deliberations by all parties involved – to withdraw the original restructuring plan application documents. The original restructuring plan is proposed to be adjusted to exclude the acquisition of 53.88% equity interests in Shandong United Energy Pipeline Transportation Co., Ltd. and 51.00% equity interests in Shandong Gangyuan Pipeline Logistics Co., Ltd. Meanwhile, the Company will retain the portion of the plan involving the acquisition of 100% equity interests in Rizhao Port Oil Terminal Co., Ltd. and 50.00% equity interests in Rizhao Shihua Crude Oil Terminal Co., Ltd. through cash payment for asset acquisition.

On 28 March 2025, the Company convened its first Extraordinary General Meeting in 2025, which reviewed and approved the *Proposal on Adjusting the Original Restructuring Plan*. As of the date of this financial statements, the transaction had not been completed.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

IX. COMMITMENTS

(1) Capital commitments

Capital expenditures contracted for by the Group at the balance sheet date but are not yet necessary to be recognized on the balance sheet are as follows:

	30 June 2025 (Unaudited)	31 December 2024
Port facilities and others	<u>1,371,311,760</u>	<u>1,449,676,460</u>

X. RISKS RELATED TO FINANCIAL INSTRUMENTS

The Group's activities expose it to a variety of financial risks: market risk (primarily including foreign exchange risk, interest rate risk, and other price risks), credit risk, and liquidity risk. The above financial risks and the risk management policies adopted by the Group to mitigate these risks are described below:

The Board of Directors is responsible for planning and establishing the Group's risk management framework, formulating the Group's risk management policies and related guidelines, and supervising the implementation of the risk management measures. The Group has developed risk management policies to identify and analyze the risks that the Group faces, which the risk management policy has specified the specific risks, covering the market risk, credit risk, liquidity risk management, and many other aspects. The Group regularly evaluates the market environment and changes in its operating activities to determine whether to update the risk management policies and systems. The Group's risk management is carried out by the Risk Control Committee in accordance with policies approved by the Board of Directors. The Risk Control Committee adopted the work closely with other business units to identify, evaluate, and evade related risks. The Group's internal audit department controls the risk management system and procedures for periodic review, and the audit results reported to the Group's audit committee.

(1) Market risk

(a) Foreign exchange risk

The Group's main operations are located in China and its main business is settled in RMB. Foreign exchange risks identified by the Group in foreign currency assets and liabilities and future foreign currency transactions (foreign currency assets and liabilities and foreign currency transactions are denominated primarily in USD and EUR). The Group continuously monitors the size of its foreign currency transactions and foreign currency assets and liabilities in order to minimize its exposure to foreign exchange risk: as at 30 June 2025, the Group had no foreign currency borrowings, and it can achieve hedging of foreign exchange risk by entering into forward foreign exchange contracts or currency swap contracts. During the six months ended 30 June 2025, the Group did not enter into any forward foreign exchange contracts or currency swap contracts.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

X. RISKS RELATED TO FINANCIAL INSTRUMENTS (Continued)

(1) Market risk (Continued)

(a) Foreign exchange risk (Continued)

As at 30 June 2025 and 31 December 2024, the amounts of foreign-currency financial assets and foreign-currency financial liabilities held by companies within the Group whose recording currency is RMB are translated into RMB as follows:

	30 June 2025 (Unaudited)			
	USD	EUR	Others	Total
Foreign currency financial assets -				
Cash at bank and on hand	383,453,953	17	3,025	383,456,995
Accounts receivable	195,124,101	-	129,126	195,253,227
Other receivables	131,439,448	-	-	131,439,448
	<u>710,017,502</u>	<u>17</u>	<u>132,151</u>	<u>710,149,670</u>
Foreign currency financial liabilities -				
Accounts payable	(114,465,434)	-	(24,280)	(114,489,714)
Other payables	(177,834,192)	-	(38,959)	(177,873,151)
	<u>(292,299,626)</u>	<u>-</u>	<u>(63,239)</u>	<u>(292,362,865)</u>
31 December 2024				
	USD	EUR	Others	Total
Foreign currency financial assets -				
Cash at bank and on hand	369,805,714	31,330,979	4,183	401,140,876
Accounts receivable	216,859,989	97,526	4,211	216,961,726
Other receivables	117,045,425	-	-	117,045,425
	<u>703,711,128</u>	<u>31,428,505</u>	<u>8,394</u>	<u>735,148,027</u>
Foreign currency financial liabilities -				
Accounts payable	(114,564,528)	-	(11,118)	(114,575,646)
Other payables	(110,111,286)	-	(39,560)	(110,150,846)
	<u>(224,675,814)</u>	<u>-</u>	<u>(50,678)</u>	<u>(224,726,492)</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

X. RISKS RELATED TO FINANCIAL INSTRUMENTS (Continued)

(1) Market risk (Continued)

(a) Foreign exchange risk (Continued)

As at 30 June 2025, for all types of USD financial assets and USD financial liabilities of the Group with a carrying amount in RMB, if RMB had appreciated or depreciated by 4% against USD, with all other factors remaining unchanged, the Group would have decreased or increased its net profit by approximately RMB12,532,000 (31 December 2024: approximately RMB14,371,000), with no impact on other comprehensive income; as at 30 June 2025, for all types of EUR financial assets and EUR financial liabilities of the Group with a carrying amount in RMB, if RMB had appreciated or depreciated by 4% against EUR, with all other factors remaining unchanged, the Group would have decreased or increased its net profit by approximately RMB1 (31 December 2024: approximately RMB943,000), with no impact on other comprehensive income.

(b) Interest rate risk

The Group's interest rate risk arises from long-term interest-bearing debts, including long-term borrowings and long-term payables. Financial liabilities issued at floating rates expose the Group to cash flow interest rate risk. Financial liabilities issued at fixed rates expose the Group to fair value interest rate risk. The Group determines the relative proportions of its fixed-rate and floating-rate contracts depending on the prevailing market conditions.

As at 30 June 2025, the Group's long-term interest-bearing debts primarily consisted of the amount of borrowings of RMB2,832,020,385 (31 December 2024: RMB1,961,915,320), which was a variable rate contract referencing LPRs over the same period, and the remaining portion bore interest at a fixed interest rate.

On 30 June 2025, the Group's long-term payables included RMB120,000,000 principal amount of sale-leaseback arrangements treated as collateralized borrowings (Note IV(33)), all of which bore interest at fixed rates.

The Group continuously monitors the level of the Group's interest rates. Rising interest rates will increase the cost of new interest-bearing debts and interest expense on the Group's outstanding interest-bearing debts with floating interest rates and adversely affect the Group's financial results. The management will make timely adjustments based on the latest market conditions, and these adjustments may be made by entering into interest rate swap arrangements to reduce interest rate risk. During the six months ended 30 June 2025 and the six months ended 30 June 2024, the Group did not have interest rate swap arrangements.

As of 30 June 2025, if the interest rate on borrowings based on the floating rate LPR had increased or decreased by 50 basis points with all other factors held constant, the Group's net profit would have decreased or increased by approximately RMB10,620,000 (31 December 2024: RMB7,358,000).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

X. RISKS RELATED TO FINANCIAL INSTRUMENTS (Continued)

(1) Market risk (Continued)

(c) Other price risks

The Group's other price risks mainly arise from all kinds of equity instrument investments, with the risk of changes in the price of equity instruments.

As at 30 June 2025, if the expected price of the Group's various equity instrument investments increased or decreased by 10% while all other variables had been held constant, the Group's net profit would have increased or decreased by approximately RMB37,507,450 (31 December 2024: approximately RMB26,789,000).

(2) Credit risk

The Group's credit risk mainly arises from cash at bank and on hand, notes receivable, accounts receivable, contract assets, receivables financing, other receivables, debt investments, other debt investments, and investments in debt instruments at fair value through profit or loss that are not included in the impairment assessment scope. As at the balance sheet date, the book value of the Group's financial assets represented the maximum exposure of the Group.

The Group's cash at bank and on hand is mainly cash at bank deposited at state-owned banks and other medium or large-sized listed banks with a good reputation and a higher credit rating. Shandong Port Finance has developed a strict fund management system, and it deposits most of the assets at the People's Bank of China, state-owned banks, and domestic joint-stock commercial banks. The Group does not expect that there will be any significant credit risk, so there will be almost no significant losses from non-performance by these banks and Shandong Port Finance.

In addition, the Group has relevant policies to limit the credit risk exposure on notes receivable, accounts receivable, financing receivables, other receivables, and contract assets. The Group assesses the credit quality of and sets credit periods on its customers by taking into account their financial position, the availability of a guarantee from third parties, their credit history, and other factors such as current market conditions. The credit history of the customers is regularly monitored by the Group. In respect of customers with a poor credit history, the Group will use written payment reminders, or shorten or cancel credit periods, to ensure the overall credit risk of the Group is limited to a controllable extent.

As at 30 June 2025 and 31 December 2024, the Group did not make provisions for bad debts regarding the long-term receivables due from Hunan Kupu disclosed in Note IV(11) as the value of the collateral provided by the debtor exceeded its book balance; except for this, the Group had no significant collateral or other credit enhancements held as a result of the debtor's mortgage.

(3) Liquidity risk

Each subsidiary within the Group is responsible for its own cash flow projections. On the basis of summarizing the cash flow forecasts of each subsidiary, the Group continuously monitors short-term and long-term capital needs at the group level to ensure that sufficient cash reserves are readily available, and continuously monitors compliance with the loan agreement provisions and the commitments to obtain sufficient backup funds from major financial institutions to meet short-term and long-term funding needs.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

X. RISKS RELATED TO FINANCIAL INSTRUMENTS (Continued)

(3) Liquidity risk (Continued)

The financial liabilities of the Group at the balance sheet date are analyzed by their maturity date below, at their undiscounted contractual cash flows:

30 June 2025 (Unaudited)					
	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Short-term borrowings	971,238,783	–	–	–	971,238,783
Notes payable	294,369,338	–	–	–	294,369,338
Accounts payable	1,376,286,801	–	–	–	1,376,286,801
Other payables	5,171,165,257	–	–	–	5,171,165,257
Current portion of non-current liabilities	886,792,645	–	–	–	886,792,645
Long-term borrowings	–	375,148,425	1,486,993,286	776,926,352	2,639,068,063
Lease liabilities	–	177,051,591	160,838,508	52,714,698	390,604,797
Long-term payables	–	124,050,000	–	–	124,050,000
	<u>8,699,852,824</u>	<u>676,250,016</u>	<u>1,647,831,794</u>	<u>829,641,050</u>	<u>11,853,575,684</u>
31 December 2024					
	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Short-term borrowings	96,570,120	–	–	–	96,570,120
Notes payable	485,891,250	–	–	–	485,891,250
Accounts payable	1,612,906,291	–	–	–	1,612,906,291
Other payables	4,224,759,266	–	–	–	4,224,759,266
Current portion of non-current liabilities	587,933,425	–	–	–	587,933,425
Long-term borrowings	–	499,570,448	901,716,455	858,817,909	2,260,104,812
Lease liabilities	–	118,482,065	176,864,896	69,457,137	364,804,098
Long-term payables	–	145,653,750	121,350,000	–	267,003,750
	<u>7,008,060,351</u>	<u>763,706,263</u>	<u>1,199,931,351</u>	<u>928,275,046</u>	<u>9,899,973,011</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

X. RISKS RELATED TO FINANCIAL INSTRUMENTS (Continued)

(3) Liquidity risk (Continued)

The repayment period of bank borrowings and other borrowings is analysed as follows:

	30 June 2025 (Unaudited)			31 December 2024		
	Bank borrowings	Borrowings from Shandong Port Finance	Other borrowings	Bank borrowings	Borrowings from Shandong Port Finance	Other borrowings
Within 1 year	909,873,242	716,287,863	-	15,000,000	505,720,000	200,000
1 to 2 years	46,305,636	256,720,000	120,000,000	15,000,000	414,407,863	136,500,000
2 to 5 years	53,548,365	1,230,976,495	-	88,166,424	682,994,301	120,000,000
Over 5 years	53,442,102	693,256,357	-	15,000,000	781,854,595	-
	<u>1,063,169,345</u>	<u>2,897,240,715</u>	<u>120,000,000</u>	<u>133,166,424</u>	<u>2,384,976,759</u>	<u>256,700,000</u>

XI. FAIR VALUE ESTIMATES

The level of fair value measurement is determined by the lowest level of inputs which has a significant impact on fair value management:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

(1) Assets and liabilities measured at fair value on a recurring basis

As at 30 June 2025, the assets measured at fair value on a continuing basis are listed below at the 3 levels above (Unaudited):

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets held for trading –				
Wealth management products	-	-	-	-
Equity investments	5,736,225	-	-	5,736,225
Financing receivables –				
Bank acceptance notes	-	-	256,215,550	256,215,550
Other non-current financial assets –				
Equity investments	-	-	500,099,336	500,099,336
Total	<u>5,736,225</u>	<u>-</u>	<u>756,314,886</u>	<u>762,051,111</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XI. FAIR VALUE ESTIMATES (Continued)

(1) Assets and liabilities measured at fair value on a recurring basis (Continued)

As at 31 December 2024, the assets measured at fair value on a continuing basis are listed below at the 3 levels above:

	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets held for trading –				
Wealth management products	8,050,643	–	–	8,050,643
Equity investments	–	–	–	–
Financing receivables –				
Bank acceptance notes	–	–	212,131,274	212,131,274
Other non-current financial assets –				
Equity investments	–	–	357,184,402	357,184,402
Total	<u>8,050,643</u>	<u>–</u>	<u>569,315,676</u>	<u>577,366,319</u>

The Group has no continuing liabilities measured at fair value.

The Group takes the date on which events causing the transfers between the levels take place as the timing specific for recognising the transfers. There are no transfers between levels for the current period.

For financial instruments traded in active markets, the Group determines their fair value with their active market quotations; for financial instruments not traded in active markets, the Group uses valuation techniques to determine their fair value. The valuation models used mainly comprise the discounted cash flow model and the market comparable corporate model. The inputs of the valuation technique mainly include risk-free interest rate, benchmark interest rate, expected yield, PE multiplier, PB multiplier, and discounts for lack of marketability.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XI. FAIR VALUE ESTIMATES (Continued)

(1) Assets and liabilities measured at fair value on a recurring basis (Continued)

Changes of the above Level 3 financial assets are analyzed below:

	31 December 2024	Purchase (Unaudited)	Sale (Unaudited)	Settle (Unaudited)	Current gains or losses included in held assets at the end of the period (Unaudited)	30 June 2025 (Unaudited)	The total profit of the current period included in profit or loss (Unaudited)
Financial assets							
Financial assets held for trading – Wealth management products							
Financing receivables – Bank acceptance notes	212,131,274	508,020,973	(227,315,510)	(236,621,187)		256,215,550	(345)
Other non-current financial assets – Equity investments	357,184,402	-	-	-	142,914,934	500,099,336	142,914,934
Total	569,315,676	508,020,973	(227,315,510)	(236,621,187)	142,914,934	756,314,886	142,914,589
	31 December 2023	Purchase (Unaudited)	Sale (Unaudited)	Settle (Unaudited)	Current gains or losses included in held assets at the end of the period (Unaudited)	30 June 2024 (Unaudited)	The total profit of the current period included in profit or loss (Unaudited)
Financial assets							
Financial assets held for trading – Wealth management products	280,665,064	280,000,000	-	(480,221,228)	-	80,443,836	2,492,319
Financing receivables – Bank acceptance notes	314,538,178	712,293,062	(453,290,103)	(252,154,930)	-	321,386,207	(100,337)
Other non-current financial assets – Equity investments	393,840,402	-	-	-	-	393,840,402	11,000,000
Total	989,043,644	992,293,062	(453,290,103)	(732,376,158)	-	795,670,445	13,391,982

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XI. FAIR VALUE ESTIMATES (Continued)

(1) Assets and liabilities measured at fair value on a recurring basis (Continued)

- (a) Gains or losses included in the current profit or loss are included in the income statement, such as gains on changes in fair value, investment income

The relevant information for Level 3 measurement at fair value is as follows:

	Fair value on 30 June 2025 (Unaudited)	Valuation techniques	Parameter	Inputs		
				Range/ Weighted average	The relationship with fair value	Unobservable/ Observable
Financial assets held for trading – Wealth management products		Discounted cash flow	Expected yield	1.4%-3.24%	Positive correlation	Unobservable
Financing receivables – Bank acceptance notes receivable	256,215,550	Discounted cash flow	Expected discount rate	0.76%-2.61%	Negative correlation	Unobservable
Other non-current financial assets – Equity investments	500,099,336	Marketing method	Comparable listed company	Discounts for lack of marketability: 10%-20%	Positive correlation	Unobservable
	<u>756,314,886</u>					

	Fair value on 31 December 2024	Valuation techniques	Parameter	Inputs		
				Range/ Weighted average	The relationship with fair value	Unobservable/ Observable
Financial assets held for trading – Wealth management products	–	Discounted cash flow	Expected yield	1.4%-3.24%	Positive correlation	Unobservable
Financing receivables – Bank acceptance notes receivable	212,131,274	Discounted cash flow	Expected discount rate	0.76%-2.61%	Negative correlation	Unobservable
Other non-current financial assets – Equity investments	357,184,402	Marketing method	Comparable listed company	Discounts for lack of marketability: 10%-20%	Positive correlation	Unobservable
	<u>569,315,676</u>					

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XI. FAIR VALUE ESTIMATES (Continued)

(2) Assets and liabilities not measured at fair value but for which the fair value is disclosed

The Group's financial assets and financial liabilities measured at amortized cost mainly include notes receivable, accounts receivable, other receivables, long-term receivables, short-term borrowings, notes payable, accounts payable, other payables, long-term borrowings, long-term payables, and lease liabilities etc.

The book value of the financial assets and liabilities mentioned above, not measured at fair value, has little difference from their fair value.

XII. CAPITAL MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, refund capital to shareholders, issue new shares, or sell assets to reduce debts.

The Group is not subject to external mandatory capital requirements and monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated by deducting cash and cash equivalents from interest-bearing liabilities. Total capital is calculated by owners' equity presented on the consolidated balance sheet plus net debt.

As at 30 June 2025 and 31 December 2024, the Group's gearing ratio was as follows:

	30 June 2025 (Unaudited)	31 December 2024
Principal on bank borrowings (Note IV(23), (31))	3,960,410,060	2,518,143,183
Entrusted borrowings (Note IV(33))	–	136,700,000
Sale-leaseback arrangement deemed as mortgage loan (Note IV(33))	120,000,000	120,000,000
Less: Cash (Note IV(55)(a))	(15,440,729,946)	(12,207,737,449)
Net assets	(11,360,319,886)	(9,432,894,266)
Shareholders' equity	48,598,647,315	46,792,086,399
Total capital	37,238,327,429	37,359,192,133
Gearing ratio	Not applicable	Not applicable

As at 30 June 2025, the Group's cash and cash equivalents exceeded interest-bearing liabilities.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XIII. NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS

(1) Cash at bank and on hand

	30 June 2025 (Unaudited)	31 December 2024
Cash at bank	1,621,828,536	40,151,667
Deposits of Shandong Port Finance	7,909,939,170	6,336,333,869
Other cash balances	464,000	–
Interest receivable	39,446,292	5,327,773
	<u>9,571,677,998</u>	<u>6,381,813,309</u>
Including: Total amount deposited abroad	<u>37,549</u>	<u>38,876</u>

As at 30 June 2025, other cash balances included the Company's deposits for the issuance of bank acceptance notes amounting to RMB464,000 (31 December 2024: Other cash balances were nil).

(2) Accounts receivable

	30 June 2025 (Unaudited)	31 December 2024
Accounts receivable	621,467,534	462,812,450
Less: Provision for bad debts	<u>(26,184,942)</u>	<u>(19,479,669)</u>
	<u>595,282,592</u>	<u>443,332,781</u>

Certain businesses of the Company are dealt in the form of cash, advances from customers, bank acceptance notes, or trade acceptance notes. The remains are settled mainly by providing credit terms of 30-90 days.

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

	30 June 2025 (Unaudited)	31 December 2024
Within 1 year	618,016,402	460,206,329
1 to 2 years	845,011	–
Over 3 years	<u>2,606,121</u>	<u>2,606,121</u>
	<u>621,467,534</u>	<u>462,812,450</u>

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

(b) As at 30 June 2025, accounts receivable with top five closing balances, grouped by the party in arrears, are summarized and analyzed as follows:

	Balance	Bad debt provision amount	% of total balance of accounts receivable
Total amount of top five accounts receivable	<u>176,844,982</u>	<u>5,879,755</u>	<u>28.46</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XIII. NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(2) Accounts receivable (Continued)

- (c) For the six months ended 30 June 2025, the Company had no accounts receivable that had been derecognized due to the transfer of financial assets (For the 6 months ended 30 June 2024: nil).

(d) Provision for bad debts

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

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

	30 June 2025 (Unaudited)			
	Book balance		Provision for bad debts	
	Amount	% of total balance	Amount	Lifetime ECL rate
Provision for bad debts on a portfolio basis (ii)				
Related party portfolio	87,133,576	14.02	–	–
Accounts receivable from related parties outside the scope of consolidation and third parties	534,333,958	85.98	(26,184,942)	4.90%
	<u>621,467,534</u>	<u>100.00</u>	<u>(26,184,942)</u>	<u>4.21%</u>
	31 December 2024			
	Book balance		Provision for bad debts	
	Amount	% of total balance	Amount	Lifetime ECL rate
Provision for bad debts on a portfolio basis (ii)				
Related party portfolio	91,209,968	19.71	–	–
Accounts receivable from related parties outside the scope of consolidation and third parties	371,602,482	80.29	(19,479,669)	5.24%
	<u>462,812,450</u>	<u>100.00</u>	<u>(19,479,669)</u>	<u>4.21%</u>

- (i) As at 30 June 2025, the Company had no accounts receivable for which the provision for bad debts was made on an individual basis (31 December 2024: nil).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XIII. NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(2) Accounts receivable (Continued)

(d) Provision for bad debts (Continued)

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

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

	30 June 2025 (Unaudited)		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL rate	Amount
Within 1 year	530,882,826	4.52%	(24,015,544)
1 to 2 years	845,011	10.00%	(84,501)
Over 2 years	2,606,121	80.00%	(2,084,897)
	<u>534,333,958</u>		<u>(26,184,942)</u>

	31 December 2024		
	Book balance	Provision for bad debts	
	Amount	Lifetime ECL rate	Amount
Within 1 year	368,996,361	4.93%	(18,176,609)
1 to 2 years	–	–	–
Over 2 years	2,606,121	50.00%	(1,303,060)
	<u>371,602,482</u>		<u>(19,479,669)</u>

(iii) For the six months ended 30 June 2025, there were no bad debt provisions reversed, nor were significant accounts receivable written off.

(e) As at 30 June 2025, the Company had no pledged accounts receivable (31 December 2024: nil).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XIII. NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(3) Financing receivables

	30 June 2025 (Unaudited)	31 December 2024
Bank acceptance notes	<u>125,450,439</u>	<u>106,404,448</u>

- (a) Certain bank acceptance notes satisfied the derecognition criteria and were endorsed or discounted by the Group for the purpose of daily treasury management. These bank acceptance notes with good credit ratings were categorised by the Company as financial assets at fair value through other comprehensive income. As at 30 June 2025, the Company measures the provision for bad debts based on the lifetime ECL. As the credit risk characteristics of these bank acceptance notes held by the Company were similar, no provision for impairment was made individually. In addition, there was no significant credit risk associated with its bank acceptance notes, and it was not expected that there would be any significant losses from non-performance by these banks.

For the six months ended 30 June 2025, the Company transferred substantially all the risks and rewards of ownership of the endorsed and discounted bank acceptance notes to other parties. The book values of derecognised bank acceptance notes were RMB206,440,223 and RMB0 (2024: RMB625,010,892 and RMB0), respectively, and there were no related discount losses (For the six months ended 30 June 2024: nil).

- (b) As at 30 June 2025, the Company had no pledged bank acceptance notes presented as financing receivables (31 December 2024: nil).
- (c) As at 30 June 2025, the bank acceptance notes that the Company has endorsed or discounted but not matured amounted to RMB14,139,078 (31 December 2024: RMB27,990,500) and have been derecognised.

For the six months ended 30 June 2025, the Company did not have any write-offs of significant financing receivables (For the six months ended 30 June 2024: nil).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XIII. NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(4) Other receivables

	30 June 2025 (Unaudited)	31 December 2024
Interest receivable	–	–
Dividend receivable	631,516,162	143,852,122
Other receivables	57,568,841	494,687,985
	<u>689,085,003</u>	<u>638,540,107</u>

Dividend receivable:

Item (or investee)	30 June 2025 (Unaudited)	31 December 2024
QDP Logistics	293,779,394	138,102,501
Qingdao Shihua	280,196,789	–
Qinggang Power Supply	50,000,000	–
Sinopec Qingdao	4,119,054	4,119,054
Gangjia Logistics	1,790,358	–
Sealand Equipment Group	1,611,067	1,611,067
Sanya Yalong Bay	19,500	19,500
	<u>631,516,162</u>	<u>143,852,122</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XIII. NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(4) Other receivables (Continued)

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

	30 June 2025 (Unaudited)	31 December 2024
Construction expenditures paid on behalf of subsidiaries	29,999,957	29,999,957
Supplementary medical insurance pooling funds	14,967,321	5,618,554
Agency business receivables	4,549,777	42,626,018
Deposit and guarantee receivable	768,150	1,184,350
Entrusted loans to subsidiaries	–	406,539,642
Others	8,197,841	9,469,362
	<u>58,483,046</u>	<u>495,437,883</u>
Less: Provision for bad debts	<u>(914,205)</u>	<u>(749,898)</u>
	<u>57,568,841</u>	<u>494,687,985</u>

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

	30 June 2025 (Unaudited)	31 December 2024
Within 1 year	19,199,384	459,132,100
1 to 2 years	9,022,785	6,143,326
2 to 3 years	98,420	–
Over 3 years	30,162,457	30,162,457
	<u>58,483,046</u>	<u>495,437,883</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XIII. NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(4) Other receivables (Continued)

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

	Stage 1				
	ECL over the next 12 months (on a portfolio basis)		ECL over the next 12 months (on an individual basis)		Total
	Book balance	Provision for bad debts	Book balance	Provision for bad debts	Provision for bad debts
31 December 2024	495,437,883	(749,898)	–	–	(749,898)
Increase in the current period	–	(164,307)	–	–	(164,307)
Decrease in the current period	(436,954,837)	–	–	–	–
30 June 2025 (Unaudited)	58,483,046	(914,205)	–	–	(914,205)

As at 30 June 2025, the Company did not have any other receivables at Stage 2 and Stage 3 (31 December 2024: nil). Other receivables at Stage 1 are analysed as follows:

- As at 30 June 2025, the Company had no other receivables with a provision for bad debts on an individual basis.
- As at 30 June 2025, other receivables for which the related provision for bad debts is recorded on a portfolio basis are all at Stage 1, and the analysis is as follows:

	30 June 2025 (Unaudited)			31 December 2024		
	Book balance	Loss provisions		Book balance	Loss provisions	
	Amount	Amount	Accrual ratio	Amount	Amount	Accrual ratio
Internal company portfolios	29,999,957	–	–	437,749,267	–	–
Agency business receivables portfolios	4,549,777	(227,489)	5.00%	42,626,018	(70,758)	0.17%
Deposit and guarantee portfolios	768,150	–	–	1,084,350	–	–
Other portfolios	23,165,162	(686,716)	2.96%	13,978,248	(679,140)	4.86%
	<u>58,483,046</u>	<u>(914,205)</u>		<u>495,437,883</u>	<u>(749,898)</u>	

- The provision for bad debts was RMB164,307 during the period; no provision for bad debts was reversed, and there were no actual write-offs of other receivables and provision for bad debts during the period.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XIII. NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(4) Other receivables (Continued)

(d) As at 30 June 2025, other receivables with top five closing balances, grouped by the party in arrears, are analyzed as follows:

	Nature	Balance	Aging	% of total balance of other receivables	Provision for bad debts
Mercuria Logistics	Construction expenditures paid on behalf	29,999,957	Over 5 years	51.30	–
Shandong Branch of Ping An Annuity Insurance Company of China, Ltd.	Supplementary medical insurance pooling funds	14,967,321	Within 1 year, 1 to 2 years	25.59	–
Jiangsu Baodao International Logistics Co., Ltd.	Agency business receivables	2,549,811	Within 1 year	4.36	(127,491)
West United	Others	2,527,847	Within 1 year, 1 to 2 years	4.32	(251,865)
Qingdao Port Group	Deposit and guarantee, Others	2,120,558	1 to 2 years, Over 5 years	3.63	(211,806)
		<u>52,165,494</u>		<u>89.20</u>	<u>(591,162)</u>

(e) As at 30 June 2025, the Company did not have government grants recognized in accordance with the amount receivable (31 December 2024: nil).

(f) As at 30 June 2025, the Company had no pledged other receivables (31 December 2024: nil).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XIII. NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(5) Long-term receivables

	30 June 2025 (Unaudited)	31 December 2024
Loans provided to subsidiaries	167,220,347	1,098,618,563
Less: Current portion	<u>(220,347)</u>	<u>(468,618,563)</u>
	167,000,000	630,000,000
Provision for bad debts	<u>-</u>	<u>-</u>
	<u>167,000,000</u>	<u>630,000,000</u>

(6) Long-term equity investments

	30 June 2025 (Unaudited)	31 December 2024
Subsidiaries (a)	8,873,888,406	8,747,888,225
Joint ventures (b)	11,535,528,224	11,212,049,008
Associates (c)	<u>2,809,943,772</u>	<u>2,759,281,871</u>
	<u>23,219,360,402</u>	<u>22,719,219,104</u>

As at 30 June 2025, the Company's management considered that there was no indication that long-term equity investments might be impaired, therefore, no provision for impairment was made (31 December 2024: nil).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XIII. NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(6) Long-term equity investments (Continued)

(a) Subsidiaries

		Movements in the current period		
	31 December 2024	Increase in investments (Unaudited)	Decrease in investments (Unaudited)	30 June 2025 (Unaudited)
QMT	1,284,094,256	–	–	1,284,094,256
QDP Logistics	1,147,303,465	–	–	1,147,303,465
Dongjiakou General Terminal	1,120,000,000	–	–	1,120,000,000
Weihai Port Development	622,103,297	–	–	622,103,297
Barge Limited	588,095,404	–	–	588,095,404
International Development	460,574,092	–	–	460,574,092
Shandong Port Lianhua	441,660,000	–	–	441,660,000
Qingdao OST	389,296,880	–	–	389,296,880
Liquid Chemical Terminal	384,149,458	–	–	384,149,458
Dongjiakou Oil Products	300,368,260	–	–	300,368,260
Mercuria Logistics	273,278,376	–	–	273,278,376
Qingdong Pipeline	255,000,000	–	–	255,000,000
Qingwei Container	211,227,174	181	–	211,227,355
Qingzi Logistics	200,000,000	–	–	200,000,000
Gangxin Oil Products	179,531,785	–	–	179,531,785
Dongjiakou Oil Storage	150,000,000	–	–	150,000,000
Huagang Petroleum Storage	148,920,000	–	–	148,920,000
Tongda Energy	142,500,000	–	–	142,500,000
Qinggang Power Supply	134,195,060	30,000,000	–	164,195,060
Svitzer Towage	115,500,000	–	–	115,500,000
Nangang Oil & Gas	45,006,152	–	–	45,006,152
Emergency Rescue	40,000,000	–	–	40,000,000
Container Development Co.	30,000,000	–	–	30,000,000
Ark Intelligent	24,952,229	24,000,000	–	48,952,229
International Oil Port	20,000,000	80,000,000	–	100,000,000
Tongze Trading	10,000,000	–	–	10,000,000
Construction & Management Centre	10,000,000	–	–	10,000,000
Qingdao Port Properties	8,000,000	–	(8,000,000)	–
Gangjia Logistics	7,299,874	–	–	7,299,874
Cultural & Media	3,000,000	–	–	3,000,000
China Ocean Shipping Tally Weihai	1,832,463	–	–	1,832,463
	<u>8,747,888,225</u>	<u>134,000,181</u>	<u>(8,000,000)</u>	<u>8,873,888,406</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XIII. NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(6) Long-term equity investments (Continued)

(b) Joint ventures

	31 December 2024	Movements in the current period				30 June 2025 (Unaudited)
		Share of net profit/(loss) under equity method (Unaudited)	Cash dividends or profits declared (Unaudited)	Changes in other equities (Unaudited)	Others (Unaudited)	
QQCT	8,026,519,796	571,098,668	–	2,446,584	2,015,594	8,602,080,642
Qingdao Shihua	1,589,029,309	50,391,514	(280,196,789)	(1,941,417)	(1,298,354)	1,355,984,263
QDOT	675,667,629	2,863,653	–	163,300	405,296	679,099,878
West United	510,123,105	(26,383,150)	–	190,087	46,988	483,977,030
PetroChina Storage	158,048,783	(93,092)	–	210,178	–	158,165,869
Huaneng Qingdao	132,827,869	2,971,187	–	144,656	744,850	136,688,562
Dongjiakou Wanbang Logistics	67,421,824	(99,899)	–	–	–	67,321,925
Dongjiakou Sinotrans Logistics	52,410,693	93,362	(294,000)	–	–	52,210,055
	<u>11,212,049,008</u>	<u>600,842,243</u>	<u>(280,490,789)</u>	<u>1,213,388</u>	<u>1,914,374</u>	<u>11,535,528,224</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XIII. NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(6) Long-term equity investments (Continued)

(c) Associates

	31 December 2024	Cash dividends declared (Unaudited)	Movements in the current period				30 June 2025 (Unaudited)
			Share of net profit/(loss) under equity method (Unaudited)	Movements of other comprehensive income (Unaudited)	Changes in other equities (Unaudited)	Others (Unaudited)	
Shandong Port Finance	1,616,814,367	(50,618,519)	64,836,843	(979,281)	-	-	1,630,053,410
Zhenhua Petroleum							
Storage	481,566,895	-	177,473	-	-	-	481,744,368
Qingyin Leasing	177,693,524	(9,000,000)	16,166,649	-	-	-	184,860,173
Qingdao Port Engineering	168,170,615	-	15,683,926	-	(2,952,646)	(1,258,651)	179,643,244
Gulf Liquid Chemical	113,330,017	(420,000)	1,149,237	-	-	-	114,059,254
Sealand Equipment							
Qingdao	99,677,236	-	12,879,344	-	260,086	(338,218)	112,478,448
Technology Company	48,054,220	-	3,606,220	-	-	-	51,660,440
Shangang Luhai Jinan	40,629,365	-	686,256	-	17,984	-	41,333,605
Overseas Development	7,122,904	-	270,940	-	-	-	7,393,844
GSBN	6,222,728	-	652,922	(158,664)	-	-	6,716,986
	<u>2,759,281,871</u>	<u>(60,038,519)</u>	<u>116,109,810</u>	<u>(1,137,945)</u>	<u>(2,674,576)</u>	<u>(1,596,869)</u>	<u>2,809,943,772</u>

As stated in Note II(1), at the preparation of the Company's financial statements, the long-term equity investments of Qingdao Port Group that were contributed to the Company are recognized based on the appraisal values approved by the competent state-owned assets management authorities, and stated on the Company's balance sheet.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XIII. NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(7) Investment properties

	Buildings	Land use rights	Total
Original cost			
31 December 2024	58,627,286	1,112,716,171	1,171,343,457
Transfer from fixed assets (Unaudited)	224,581,837	–	224,581,837
Transfer from intangible assets (Unaudited)	–	49,391,000	49,391,000
	<u>283,209,123</u>	<u>1,162,107,171</u>	<u>1,445,316,294</u>
30 June 2025 (Unaudited)	<u>283,209,123</u>	<u>1,162,107,171</u>	<u>1,445,316,294</u>
Accumulated depreciation			
31 December 2024	(20,433,431)	(294,518,397)	(314,951,828)
Accrual (Unaudited)	(3,447,083)	(13,859,621)	(17,306,704)
Transfer from fixed assets (Unaudited)	(9,068,354)	–	(9,068,354)
Transfer from intangible assets (Unaudited)	–	(3,539,688)	(3,539,688)
	<u>(32,948,868)</u>	<u>(311,917,706)</u>	<u>(344,866,574)</u>
30 June 2025 (Unaudited)	<u>(32,948,868)</u>	<u>(311,917,706)</u>	<u>(344,866,574)</u>
Book value			
30 June 2025 (Unaudited)	<u>250,260,255</u>	<u>850,189,465</u>	<u>1,100,449,720</u>
31 December 2024	<u>38,193,855</u>	<u>818,197,774</u>	<u>856,391,629</u>
	Buildings	Land use rights	Total
Original cost			
31 December 2023	42,827,926	1,054,423,288	1,097,251,214
Transfer from fixed assets (Unaudited)	15,799,360	–	15,799,360
Transfer from intangible assets (Unaudited)	–	58,292,883	58,292,883
	<u>58,627,286</u>	<u>1,112,716,171</u>	<u>1,171,343,457</u>
30 June 2024 (Unaudited)	<u>58,627,286</u>	<u>1,112,716,171</u>	<u>1,171,343,457</u>
Accumulated depreciation			
31 December 2023	(13,889,186)	(253,880,365)	(267,769,551)
Accrual (Unaudited)	(798,426)	(12,541,469)	(13,339,895)
Transfer from fixed assets (Unaudited)	(4,700,251)	–	(4,700,251)
Transfer from intangible assets (Unaudited)	–	(14,711,112)	(14,711,112)
	<u>(19,387,863)</u>	<u>(281,132,946)</u>	<u>(300,520,809)</u>
30 June 2024 (Unaudited)	<u>(19,387,863)</u>	<u>(281,132,946)</u>	<u>(300,520,809)</u>
Book value			
30 June 2024 (Unaudited)	<u>39,239,423</u>	<u>831,583,225</u>	<u>870,822,648</u>
31 December 2023	<u>28,938,740</u>	<u>800,542,923</u>	<u>829,481,663</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XIII. NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(7) Investment properties (Continued)

As at 30 June 2025, the Company's management considered that there was no indication that investment properties might be impaired, therefore, no provision for impairment was made (31 December 2024: nil).

As at 30 June 2025, there were no properties or land tenure in the Company without titles. (31 December 2024: nil).

(8) Fixed assets

	30 June 2025 (Unaudited)	31 December 2024
Fixed assets	10,976,381,434	11,444,086,669
Disposal of fixed assets	<u>2,585,506</u>	<u>1,723,060</u>
	<u>10,978,966,940</u>	<u>11,445,809,729</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XIII. NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(8) Fixed assets (Continued)

	Buildings	Port facilities	Storage facilities	Loading equipment	Machinery and equipment	Vessels	Transportation equipment	Communication facilities	Office equipment and other equipment	Total
Original cost										
31 December 2024	456,342,717	6,882,893,415	5,997,016,953	1,701,221,588	341,617,825	-	66,327,564	182,137,573	17,326,164	15,644,883,799
Increase (Unaudited)										
Purchase	-	-	-	8,488,850	3,328,064	-	1,580,023	5,986,177	63,710	19,446,824
Transfer from construction in progress	3,211,009	4,328,724	-	4,851,207	6,472,761	-	-	-	-	18,863,701
Others	-	219,106	-	-	35,062	-	-	-	-	254,168
Decrease (Unaudited)										
Disposal and scrapping	-	(1,697,174)	(1,262,127)	(17,674,639)	(2,584,859)	-	(78,796)	(3,432,371)	(303,605)	(27,033,571)
Transfer to investment properties	-	-	(224,581,837)	-	-	-	-	-	-	(224,581,837)
Others	(1,648,010)	(402,974)	(20,811,252)	-	-	-	-	(32,177)	-	(22,894,413)
30 June 2025 (Unaudited)	457,905,716	6,885,341,097	5,750,361,737	1,696,887,006	348,868,853	-	67,828,791	184,659,202	17,086,269	15,408,938,671
Accumulated depreciation										
31 December 2024	(139,020,833)	(1,762,033,367)	(990,346,855)	(933,953,254)	(196,765,528)	-	(38,155,267)	(127,999,282)	(12,522,744)	(4,200,797,130)
Increase (Unaudited)										
Accrual	(8,865,613)	(91,863,456)	(100,938,115)	(36,073,531)	(15,802,616)	-	(1,841,817)	(8,319,823)	(740,033)	(264,445,004)
Others	-	(584)	-	-	-	-	-	-	-	(584)
Decrease (Unaudited)										
Disposal and scrapping	-	521,524	-	16,951,373	2,481,465	-	75,645	3,295,076	291,460	23,616,543
Transfer to investment properties	-	-	9,068,354	-	-	-	-	-	-	9,068,354
Others	584	-	-	-	-	-	-	-	-	584
30 June 2025 (Unaudited)	(147,885,862)	(1,853,375,883)	(1,082,216,616)	(953,075,412)	(210,086,679)	-	(39,921,439)	(133,024,029)	(12,971,317)	(4,432,557,237)
Net book value										
30 June 2025 (Unaudited)	310,019,854	5,031,965,214	4,668,145,121	743,811,594	138,782,174	-	27,907,352	51,635,173	4,114,952	10,976,381,434
31 December 2024	317,321,884	5,120,860,048	5,006,670,098	767,268,334	144,852,297	-	28,172,297	54,138,291	4,803,420	11,444,086,669

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XIII. NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(8) Fixed assets (Continued)

	Buildings	Port facilities	Storage facilities	Loading equipment	Machinery and equipment	Vessels	Transportation equipment	Communication facilities	Office equipment and other equipment	Total
Original cost										
31 December 2023	390,381,972	6,699,449,934	6,010,564,974	1,559,897,158	275,812,528	-	63,806,019	175,514,586	25,926,372	15,201,353,543
Increase (Unaudited)										
Purchase	-	-	1,793,942	373,540	524,219	-	1,210,522	9,043,349	79,664	13,025,236
Transfer from construction in progress	654,883	-	-	3,878,631	1,929,041	-	375,457	13,496	70,817	6,922,325
Reclassification and adjustments	62,483,528	(44,355,748)	(43,384,751)	2,863,296	27,092,673	-	106,488	(3,801,677)	(8,949,577)	(7,945,768)
Decrease (Unaudited)										
Disposal and scrapping	-	-	(87,985)	(22,005,366)	(890,886)	-	(3,302,540)	(558,452)	(197,332)	(27,042,561)
Transfer to investment properties	(15,799,360)	-	-	-	-	-	-	-	-	(15,799,360)
Others	-	-	(5,103,579)	-	-	-	-	(2,924,528)	-	(8,028,107)
30 June 2024 (Unaudited)	437,721,023	6,655,094,186	5,963,782,601	1,545,007,259	304,467,575	-	62,195,946	177,286,774	16,929,944	15,162,485,308
Accumulated depreciation										
31 December 2023	(126,286,895)	(1,586,982,481)	(788,317,863)	(912,147,609)	(166,321,674)	-	(39,884,660)	(105,014,343)	(17,966,170)	(3,742,921,695)
Increase (Unaudited)										
Accrual	(8,572,792)	(87,635,963)	(102,443,260)	(34,660,251)	(12,878,018)	-	(1,836,608)	(8,298,866)	(815,831)	(257,141,589)
Reclassification and adjustments	(561,971)	1,515,835	2,745,036	9,556,211	(4,002,323)	-	(2,070)	(8,019,849)	6,714,899	7,945,768
Decrease (Unaudited)										
Disposal and scrapping	-	-	23,932	21,125,151	724,813	-	3,170,439	615,406	189,440	25,849,180
Transfer to investment properties	4,700,251	-	-	-	-	-	-	-	-	4,700,251
Others	-	-	-	-	-	-	-	748,679	-	748,679
30 June 2024 (Unaudited)	(130,721,407)	(1,673,102,609)	(887,992,155)	(916,126,499)	(182,477,202)	-	(38,552,899)	(119,968,973)	(11,877,662)	(3,960,819,406)
Net book value										
30 June 2024 (Unaudited)	306,999,616	4,981,991,577	5,075,790,446	628,880,760	121,990,373	-	23,643,047	57,317,801	5,052,282	11,201,665,902
31 December 2023	264,095,077	5,112,467,453	5,222,247,111	647,749,549	109,490,854	-	23,921,359	70,500,243	7,960,202	11,458,431,848

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XIII. NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(8) Fixed assets (Continued)

As at 30 June 2025, the Company had no fixed assets which were mortgaged, and no temporarily idle fixed assets (31 December 2024: nil).

Depreciation charged on fixed assets for the six months ended 30 June 2025 amounted to RMB264,445,004 (for the six months ended 30 June 2024: RMB257,141,589), of which depreciation charged to the cost of sales, general and administrative expenses, selling and distribution expenses, and research and development expenses amounted to RMB254,850,623, RMB9,140,519, RMB5,888, and RMB447,973, respectively (for the six months ended 30 June 2024: RMB247,963,122, RMB9,003,499, RMB5,651, and RMB169,317).

The original value transferred from construction in progress to fixed assets was RMB18,863,701 (for the six months ended 30 June 2024: RMB6,922,325).

As at 30 June 2025, the Company's management considered that there was no indication that fixed assets might be impaired, therefore, no provision for impairment was made (31 December 2024: nil).

As at 30 June 2025, properties with book values of RMB184,787,003 (Original cost: RMB213,436,061) (31 December 2024: RMB188,203,046 (Original cost: RMB21,343,606)), were located on non-ownership land and had not yet completed the financial accounts for the completion of the project. The property right certificate had not been obtained.

Fixed assets leased by the Company through operating leases are set out in Note V(15).

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XIII. NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(9) Construction in progress

	30 June 2025 (Unaudited)			31 December 2024		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Dongjiakou Port Oil Products						
Phase I and Phase II Project	325,616,474	-	325,616,474	325,616,474	-	325,616,474
Other projects	271,201,678	-	271,201,678	224,022,786	-	224,022,786
	<u>596,818,152</u>	<u>-</u>	<u>596,818,152</u>	<u>549,639,260</u>	<u>-</u>	<u>549,639,260</u>

The book value of the Company's projects under construction or major projects under construction with an additional amount greater than RMB100 million are listed as follows:

(a) Changes in significant construction in progress

Project name	Budget	31 December 2024	Increase in the current period (Unaudited)	Transfer to fixed assets (Unaudited)	Other decreases in the current period (Unaudited)	30 June 2025 (Unaudited)	Percentage of progress investment to the budget (%)	Progress of the project (%)	Sources of capital
Dongjiakou Port Oil Products									Internal capital
Phase I and Phase II Project	825,755,775	325,616,474	-	-	-	325,616,474	71	71	Internal capital, borrowings from banks
Other projects	-	224,022,786	82,194,360	(18,863,701)	(16,151,767)	271,201,678	-	-	
		<u>549,639,260</u>	<u>82,194,360</u>	<u>(18,863,701)</u>	<u>(16,151,767)</u>	<u>596,818,152</u>	-	-	

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XIII. NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(9) Construction in progress (Continued)

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

Project name	Budget	31 December 2023	Increase in the current period (Unaudited)	Transfer to fixed assets (Unaudited)	Other decreases in the current period (Unaudited)	30 June 2024 (Unaudited)	Percentage of progress investment to the budget (%)	Progress of the project (%)	Sources of capital
Dongjiakou Port Oil Products Phase I, Phase II, and Phase III Project	825,755,775	455,355,556	-	-	-	455,355,556	56	56	Internal capital
Other projects	-	308,089,323	35,106,687	(6,922,325)	-	336,273,685	-	-	Internal capital
		<u>763,444,879</u>	<u>35,106,687</u>	<u>(6,922,325)</u>	<u>-</u>	<u>791,629,241</u>	-	-	-

As at 30 June 2025, the Company's management considered that there was no indication that construction in progress might be impaired, therefore, no provision for impairment was made (31 December 2024: nil).

For the 6 months ended 30 June 2025, no borrowing costs were capitalized by the Company (For the 6 months ended 30 June 2024: nil).

For the six months ended 30 June 2025, the Company's self-built buildings, port facilities, and storage facilities will be transferred to fixed assets after completion and acceptance, and readiness for intended use, while machinery and equipment will be transferred to fixed assets after installation, commissioning, acceptance, and readiness for intended use during the six months ended 30 June 2025.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XIII. NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(10) Intangible assets

	Land use rights	Software	Sea area use rights	Others	Self-developed data resource intangibles	Total
Original cost						
31 December 2024	2,202,551,853	234,187,152	49,391,000	30,190,624	258,518	2,516,579,147
Increase (Unaudited)						
Purchase	-	924,336	-	-	-	924,336
Internal research and development	-	22,111,643	-	-	-	22,111,643
Decrease (Unaudited)						
Transfer to investment properties	-	-	(49,391,000)	-	-	(49,391,000)
30 June 2025 (Unaudited)	2,202,551,853	257,223,131	-	30,190,624	258,518	2,490,224,126
Accumulated amortization						
31 December 2024	(419,031,369)	(130,065,751)	(3,539,688)	(30,190,624)	(71,811)	(582,899,243)
Increase (Unaudited)						
Accrual	(22,711,592)	(19,289,669)	-	-	(43,086)	(42,044,347)
Decrease (Unaudited)						
Transfer to investment properties	-	-	3,539,688	-	-	3,539,688
30 June 2025 (Unaudited)	(441,742,961)	(149,355,420)	-	(30,190,624)	(114,897)	(621,403,902)
Book value						
30 June 2025 (Unaudited)	1,760,808,892	107,867,711	-	-	143,621	1,868,820,224
31 December 2024	1,783,520,484	104,121,401	45,851,312	-	186,707	1,933,679,904

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XIII. NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(10) Intangible assets (Continued)

	Land use rights	Software	Sea area use right	Others	Self-developed data resource intangibles	Total
Original cost						
31 December 2023	2,244,512,407	173,902,955	49,391,000	30,190,624	-	2,497,996,986
Increase (Unaudited)						
Purchase	16,332,329	9,896,301	-	-	-	26,228,630
Internal research and development	-	29,818,216	-	-	258,518	30,076,734
Others	-	2,924,528	-	-	-	2,924,528
Decrease (Unaudited)						
Transfer to investment properties	(58,292,883)	-	-	-	-	(58,292,883)
30 June 2024 (Unaudited)	2,202,551,853	216,542,000	49,391,000	30,190,624	258,518	2,498,933,995

Accumulated amortization

31 December 2023	(387,530,221)	(97,138,137)	(2,551,873)	(29,193,749)	-	(516,413,980)
Increase (Unaudited)						
Accrual	(23,520,408)	(13,767,409)	(493,905)	(543,751)	(28,724)	(38,354,197)
Others	-	(748,679)	-	-	-	(748,679)
Decrease (Unaudited)						
Transfer to investment properties	14,711,112	-	-	-	-	14,711,112
30 June 2024 (Unaudited)	(396,339,517)	(111,654,225)	(3,045,778)	(29,737,500)	(28,724)	(540,805,744)

Book value

30 June 2024 (Unaudited)	1,806,212,336	104,887,775	46,345,222	453,124	229,794	1,958,128,251
31 December 2023	1,856,982,186	76,764,818	46,839,127	996,875	-	1,981,583,006

Amortization charged on intangible assets for the six months ended 30 June 2025 amounted to RMB42,044,347 (For the six months ended 30 June 2024: RMB42,326,317).

As at 30 June 2025, the Company had no pledged intangible assets (31 December 2024: nil).

As at 30 June 2025, the Company's management considered that there was no indication that intangible assets might be impaired; therefore, no provision for impairment was made (31 December 2024: nil).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XIII. NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(11) Provision for impairment of assets and losses

	31 December 2024	Increase Accrual (Unaudited)	30 June 2025 (Unaudited)
Provisions for bad debts of accounts receivable	19,479,669	6,705,273	26,184,942
Including: Provision for bad debts on an individual basis	—	—	—
Provision for bad debts on a portfolio basis	19,479,669	6,705,273	26,184,942
Provisions for bad debts of other receivables	749,898	164,307	914,205
Including: Provision for bad debts on an individual basis	—	—	—
Provision for bad debts on a portfolio basis	749,898	164,307	914,205
	<u>20,229,567</u>	<u>6,869,580</u>	<u>27,099,147</u>
	31 December 2023	Decrease Reversal	31 December 2024
Provisions for bad debts of accounts receivable	19,504,682	(25,013)	19,479,669
Including: Provision for bad debts on an individual basis	—	—	—
Provision for bad debts on a portfolio basis	19,504,682	(25,013)	19,479,669
Provisions for bad debts of other receivables	3,262,098	(2,512,200)	749,898
Including: Provision for bad debts on an individual basis	—	—	—
Provision for bad debts on a portfolio basis	3,262,098	(2,512,200)	749,898
	<u>22,766,780</u>	<u>(2,537,213)</u>	<u>20,229,567</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XIII. NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(12) Capital surplus

	31 December 2024	Increase (Unaudited)	Decrease (Unaudited)	30 June 2025 (Unaudited)
Share premium (Note IV(38))				
Capital premium contributed by Qingdao Port Group	7,052,279,474	–	–	7,052,279,474
Capital premium contributed by Other Promoters	783,586,608	–	–	783,586,608
Issue of new shares	8,652,856,972	–	–	8,652,856,972
Shares issue expenses	(242,175,098)	–	–	(242,175,098)
Business combinations under common control	(393,875,022)	–	–	(393,875,022)
Subsidiary minority shareholders paid a premium	15,245,576	–	–	15,245,576
Acquisition of minority interests	(12,151,207)	–	(30,125)	(12,181,332)
Other capital surplus –				
Share of changes in equity other than comprehensive income and profit distribution of investees under the equity method	3,952,271	–	(1,461,189)	2,491,082
Impact of the disposal of subsidiaries	144,424,899	–	–	144,424,899
	<u>16,004,144,473</u>	<u>–</u>	<u>(1,491,314)</u>	<u>16,002,653,159</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XIII. NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(12) Capital surplus (Continued)

	31 December 2023	Increase (Unaudited)	Decrease (Unaudited)	30 June 2024 (Unaudited)
Share premium (Note IV(38))				
Capital premium contributed by Qingdao Port Group	7,052,279,474	–	–	7,052,279,474
Capital premium contributed by Other Promoters	783,586,608	–	–	783,586,608
Issue of new shares	8,652,856,972	–	–	8,652,856,972
Shares issue expenses	(242,175,098)	–	–	(242,175,098)
Business combinations under common control	(393,875,022)	–	–	(393,875,022)
Subsidiary minority shareholders paid a premium	15,245,576	–	–	15,245,576
Acquisition of minority interests	(12,151,207)	–	–	(12,151,207)
Other capital surplus -				
Share of changes in equity other than comprehensive income and profit distribution of investees under the equity method	13,330,798	1,788,042	–	15,118,840
Impact of the disposal of subsidiaries	144,424,899	–	–	144,424,899
	<u>16,013,523,000</u>	<u>1,788,042</u>	<u>–</u>	<u>16,015,311,042</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XIII. NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(13) Other comprehensive income

Other comprehensive income in the balance sheet			
	31 December 2024	Amount in the current year (Unaudited)	30 June 2025 (Unaudited)
Other comprehensive income items that will not be subsequently reclassified to profit or loss			
Amount changes arising from remeasurement of defined benefit plans	(249,900,000)	–	(249,900,000)
Other comprehensive income that will not be transferred subsequently to profit or loss under the equity method	(20,647,365)	–	(20,647,365)
Other comprehensive income that will be subsequently reclassified to profit or loss	935,966	(1,137,945)	(201,979)
	<u>(269,611,399)</u>	<u>(1,137,945)</u>	<u>(270,749,344)</u>
Other comprehensive income in the balance sheet			
	31 December 2023	Amount in the current year (Unaudited)	30 June 2024 (Unaudited)
Other comprehensive income items that will not be subsequently reclassified to profit or loss			
Amount changes arising from remeasurement of defined benefit plans	(50,440,000)	–	(50,440,000)
Other comprehensive income that will not be transferred subsequently to profit or loss under the equity method	(4,955,899)	–	(4,955,899)
Other comprehensive income that will be subsequently reclassified to profit or loss	6,454,322	3,170,815	9,625,137
	<u>(48,941,577)</u>	<u>3,170,815</u>	<u>(45,770,762)</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XIII. NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(14) Undistributed profits

	For the six months ended 30 June 2025	For the six months ended 30 June 2024
Undistributed profits at the beginning of the period	15,189,188,316	13,941,413,447
Changes in accounting policies (Note II(30))	-	-
Undistributed profits at the beginning of the period	15,189,188,316	13,941,413,447
Add: Net profit for the current year	3,096,639,003	3,073,935,157
The impact of transferring subsidiaries to associates	-	-
Less: Withdrawal of statutory surplus reserve	-	-
Distribution to shareholders (Note IV(41))	(1,302,763,770)	(1,899,944,970)
Undistributed profits at the end of the period	16,983,063,549	15,115,403,634

(15) Revenue and cost of sales

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Revenue from main operations	2,426,969,926	2,201,295,846
Revenue from other operations	532,059,088	524,381,293
	2,959,029,014	2,725,677,139
	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Cost of sales from main operations	(2,003,429,386)	(1,881,308,829)
Cost of sales from other operations	(220,821,657)	(216,142,091)
	(2,224,251,043)	(2,097,450,920)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XIII. NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(15) Revenue and cost of sales (Continued)

(a) Revenue and cost of sales from main operations

	For the six months ended 30 June 2025 (Unaudited)		For the six months ended 30 June 2024 (Unaudited)	
	Revenue from main operations	Cost of sales from main operations	Revenue from main operations	Cost of sales from main operations
Container handling and ancillary services	225,678,193	(76,278,596)	152,629,077	(44,817,251)
Metal ore, coal, and other cargo handling and ancillary services	2,170,983,406	(1,917,542,193)	1,967,406,214	(1,825,166,651)
Liquid bulk cargo handling and ancillary services	24,599,638	(8,328,285)	75,664,858	(10,044,615)
Logistics and port value-added services	5,708,689	(1,280,312)	5,595,697	(1,280,312)
	<u>2,426,969,926</u>	<u>(2,003,429,386)</u>	<u>2,201,295,846</u>	<u>(1,881,308,829)</u>

(b) Revenue and cost of sales from other operations

	For the six months ended 30 June 2025 (Unaudited)		For the six months ended 30 June 2024 (Unaudited)	
	Revenue from other operations	Cost of sales from other operations	Revenue from other operations	Cost of sales from other operations
Rental income	407,093,856	(138,473,946)	409,208,351	(132,473,385)
Sales of fuel, electricity, and others	124,965,232	(82,347,711)	115,172,942	(83,668,706)
	<u>532,059,088</u>	<u>(220,821,657)</u>	<u>524,381,293</u>	<u>(216,142,091)</u>

The Company's rental income is from leasing port facilities, storage facilities, buildings, machinery and equipment, and transportation equipment. For the six months ended 30 June 2025, there's no variable rental income recognized based on a certain percentage of the lessee's sales amount.

For the six months ended 30 June 2025, the revenue from sales of fuel, electricity, and others is recognized when corresponding performance obligations are satisfied at a point in time, and the revenue from other services is recognized when corresponding performance obligations are satisfied over time.

As at 30 June 2025, the amounts of revenue corresponding to contract obligations that were signed but not fulfilled or not completely fulfilled were RMB89,536,703 (As at 31 December 2024: RMB83,932,456), all of which is expected to be recognized by the Company as revenue in 2025.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XIII. NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(16) Financial expenses

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Interest expenses	58,680	—
Add: Interest expense on lease liabilities	3,124,997	1,802,072
Less: Capitalized interest	<u>(54,214)</u>	<u>—</u>
Interest expenses	3,129,463	1,802,072
Less: Interest income	(42,045,984)	(36,286,727)
Effect of actuarial calculation of employee benefits	16,320,000	20,450,806
Exchange gains or losses	1,976	(50,815)
Others	<u>34,779</u>	<u>66,863</u>
	<u>(22,559,766)</u>	<u>(14,017,801)</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XIII. NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(17) Expenses by nature

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

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Subcontract cost	971,105,806	910,500,142
Employee benefits	779,111,812	749,949,474
Depreciation of fixed assets	264,445,004	257,141,589
Cost for outsourcing transportation	100,477,066	83,561,810
Fuel and utility fees	94,803,845	100,598,820
Consumption of other raw materials	60,305,660	58,863,833
Amortisation of intangible assets	42,044,347	42,326,317
Rental expenses (i)	37,915,012	29,641,353
Repair expenses	33,494,659	41,807,370
Depreciation of right-of-use assets	20,518,198	20,522,979
Depreciation of investment properties	17,306,704	13,339,895
Property management fees	15,606,074	13,374,705
Consulting fee	7,656,507	2,631,001
Auditor's fee	3,522,072	4,443,566
Others	79,119,935	52,575,820
	<u>2,527,432,701</u>	<u>2,381,278,674</u>

- (i) As stated in Note II(25), the Company's lease expense incurred by short-term leases and low-value leases is recorded in profit or loss. For the six months ended 30 June 2025, the amount is RMB37,915,012 (For the six months ended on 30 June 2024: RMB29,641,353).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XIII. NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(18) Investment income

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Investment income from long-term equity investments under the equity method	717,269,558	773,537,347
Investment income from long-term equity investments under the cost method	1,959,498,962	2,010,556,798
Interest income from holding debt investments	15,011,818	41,407,660
Investment income from holding other non-current financial assets	594,188	–
Investment income from holding financial assets held for trading	–	12,004,492
Investment income from the disposal of long-term equity investments	(3,942,118)	1,411,633
	<u>2,688,432,408</u>	<u>2,838,917,930</u>

(19) Income tax expense

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Current income tax calculated based on the tax law and related regulations	148,952,135	110,658,417
Deferred income tax	1,976,543	(9,325,070)
	<u>150,928,678</u>	<u>101,333,347</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts in RMB Yuan unless otherwise stated)

XIII. NOTES TO THE PRINCIPAL ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS (Continued)

(19) Income tax expense (Continued)

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

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Total profit	<u>3,247,567,681</u>	<u>3,175,268,504</u>
Income tax expenses calculated at applicable tax rates	811,891,920	793,817,126
Effect of adjusting income taxes of prior periods	689,625	2,749,208
Investment income not subject to tax	(669,340,677)	(699,126,445)
Non-deductible costs, expenses, and losses	<u>7,687,810</u>	<u>3,893,458</u>
Income tax expense	<u>150,928,678</u>	<u>101,333,347</u>

SUPPLEMENTAL INFORMATION TO THE FINANCIAL STATEMENTS

For the six months ended 30 June 2025 (Unaudited)
(All amounts are expressed in RMB Yuan unless stated otherwise)

I. STATEMENT OF NON-RECURRING PROFIT OR LOSS

	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Government grants included in profit or loss for the current period	44,253,125	39,825,415
Profits or losses on changes in the fair values of financial assets held for trading and investment income from the disposal of financial assets held for trading, except for effective hedging operations related to the Company's normal business operations	140,600,516	2,975,057
Profits or losses on disposal of non-current assets	19,452,347	21,849,533
Gains or losses on disposal of long-term equity investments, net	–	–
Other non-operating income and expenses other than those mentioned above	(2,460,518)	1,377,954
Other profit or loss items which meet the definition of non-recurring profit or loss	6,736,676	5,002,713
Subtotal	208,582,146	71,030,672
Less: Income tax effect	(50,301,089)	(15,427,372)
Less: Non-recurring gains or losses attributable to minority shareholders	(6,113,814)	(4,277,009)
Non-recurring gains or losses attributable to shareholders of the parent company	152,167,243	51,326,291

Preparation basis of non-recurring profit or loss statement

In 2023, the China Securities Regulatory Commission issued the *Explanatory Announcement for Information Disclosure of Companies Offering Securities to the Public No.1 – Non-recurring Profit or Loss* (Revised in 2023), (“2023 No.1 Explanatory Announcement”), which became effective on the issuance date. The Group has prepared the statement of non-recurring profit or loss for the six months ended 30 June 2025 according to the 2023 No.1 Explanatory Announcement.

SUPPLEMENTAL INFORMATION TO THE FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2025 (Unaudited)
(All amounts are expressed in RMB Yuan unless stated otherwise)

II. RETURN ON EQUITY AND EARNINGS PER SHARE

	Weighted average return on equity (%)		Earnings per share			
			Basic earnings per share		Diluted earnings per share	
	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)	For the six months ended 30 June 2025 (Unaudited)	For the six months ended 30 June 2024 (Unaudited)
Net profit attributable to ordinary shareholders of the parent company	6.47	6.50	0.44	0.41	0.44	0.41
Net profit attributable to ordinary shareholders of the parent company after deducting non-recurring profit or loss	6.13	6.37	0.41	0.40	0.41	0.40